

## Berlin Process Driving Regional Cooperation and European Integration

The Council for Inclusive Governance (CIG) brought together in Sarajevo, Bosnia and Herzegovina, on November 14, 2022 a number of senior party officials from the Western Balkans to discuss regional cooperation in the framework of the Berlin Process (BP). Representatives of German Federal Foreign Office (AA) and the U.S. Department of State also took part in the meeting where they explained their governments' efforts in supporting regional cooperation. BP is improving regional cooperation in the Western Balkans and also serving as a bridge between the region and the EU. The participants welcomed the three agreements reached in Berlin earlier in November and called on stakeholders to continue with the implementation of other Common Regional Market (CRM) measures. The roundtable was part of an initiative on regional cooperation generously supported by AA. This session was hosted by the Regional Cooperation Council (RCC) in its headquarters. The report does not necessarily represent the views of individual participants or those of CIG or AA, but it rather reflects the discussion as a whole.

### Recommendations

The participants suggested a number of steps on regional cooperation for the Western Balkan governments, the BP, and the EU.

- Three agreements—identity cards travel in the region, recognition of academic diplomas, and recognition of certain professional qualifications—should be followed by agreements on other aspects of the Common Regional Market (CRM), with a focus on the Green Agenda, energy transition, education, and cybersecurity. The three agreements will improve freedom of movement, cooperation on education, and labor mobility but also have the potential to unlock progress in other CRM aspects, now that terminology on Kosovo, a key impediment so far, has been resolved. In 2023 three new agreements are in plans to be reached: on other professional qualifications, access to study in higher education across the region, and regional travel for third-country nations.
- All countries should ratify the three agreements quickly. The ratification may be problematic in Bosnia and Herzegovina, but the country's law allows implementation of agreements even before they are ratified. The enforcement of the three agreements is supposed to begin by March 2023. The agreements have substantial political support, a good indication for future cooperation, in all Western Balkan countries.
- The energy declaration developed together with the Energy Community and specialists in Berlin in November 2022 should be soon converted into policy. The Western Balkan countries are too small to effectively utilize energy resources separately. Since the countries in the region inherited a good transmission system, they could trade energy easily with each other. The

region also has a potential for solar and wind energy which would help to phase out coal powered plants. In the near future, the region may become an energy exporter.

- The EU enlargement process should become more predictable and easier to navigate. The participants acknowledged that the enlargement is a two-way street and called on the region to show more commitment and effort, especially in rule of law reforms. Many suggested that BP can help build commitment for integration both in the EU and in the Western Balkans.
- The Western Balkan countries should consider establishing a *common labor market* and make it one of the about 100 measures of CRM, which is a living document that could be modified. Many said CRM should be fully implemented by 2030.
- BP stakeholders should engage in a more dynamic and comprehensive public communication, explaining and promoting the initiative's deliverables and objectives more actively. There are a lot of misunderstandings and ambiguity about the initiative and a more active communication strategy would clarify some of it.
- Kosovo and Serbia should make faster progress in their dialogue. Their disputes and security challenges are affecting the entire region. Though it is a bilateral dispute, it has regional implications. Both sides should engage in the discussions based on the EU proposal, supported by the US, and commit to implement all past agreements. If the Kosovo-Serbia dialogue fails, regional cooperation will also suffer. The EU and the US should continue to support the dialogue and steer it towards a successful conclusion.

## **Three agreements reached, more to come**

The three agreements are a major step towards full implementation of CRM. Germany helped the Western Balkan countries overcome some final obstacles. Many expect quick ratifications of the three agreements by all six parliaments. There was also a Western Balkans six energy declaration as part of the Green Agenda where parties made significant commitments. Though Bosnia and Herzegovina could not sign it because of some procedural issues, it promised to do it soon. Germany has proposed to introduce a cyber regional cooperation initiative in light of attacks in Albania and Montenegro, so that the countries share information and help each other address such attacks. Albania will host the BP next year, so the process is moving to the region. The main challenge to the BP are the tensions between Kosovo and Serbia, political instability in Montenegro, and ethnic frictions in Bosnia and Herzegovina.

The Sarajevo-based Regional Cooperation Council (RCC) has been an important facilitator in reaching the three agreements. RCC has 26 countries as members with a mandate to develop regional cooperation and bring substance and content in relations between countries. RCC is a *de facto* secretariat of the BP, while the latter, many said, is a catalyst for EU integration. There are a lot of difficulties in implementing the CRM measures. Parties negotiated the ID cards agreement for two years. Germany was key in getting the parties to overcome the final obstacles, reconfirming that a serious international determination and leadership are crucial in resolving regional disputes. Quick implementation is just as important as the agreements. North Macedonia is the depository of the three agreements and the process of their ratification should begin soon. The implementation will “make the region more European, help it operate a bit like the EU.” Swift and timely implementation will give more credibility to both the Western Balkans and BP. A speaker suggested that stakeholders have a look into the eight years of the BP to see what went well, what went wrong, and what can be done better. BP is a key driver in “helping to put the region in order

and devise a coherent regional cooperation strategy.” BP could also help cooperation between the EU and the Western Balkans, such as pushing for signing a memorandum of understanding between the Western Balkans’ and EU telecom operators on lowering and eventually abolishing roaming fees. The agreement was signed at the December 2022 EU-Western Balkans summit in Tirana.

The three agreements gave some momentum and credibility to BP by clarifying some ambiguity, and this is important “especially with the Open Balkans (OB) around.” A speaker said when OB began, BP’s dynamics slowed down or “at least that is the public impression.” She also suggested BP focus on helping the region more with the overall democratization and align the initiative’s objectives with the objectives of the countries. Many expect the future challenges to CRM and BP to be political in nature.

Most of the participants said the EU integration process is too slow. It took a lot of “petty negotiations” for Albania and North Macedonia to obtain candidate status. And now North Macedonia is asked by Bulgaria and the EU to change its constitution, just after the country changed its name. “The full-fledged membership looks like a never-ending process.” A speaker said that the three agreements are “good but not enough.” The stakeholders need to figure out why the process is so slow; is it because of lack of vision or lack of effort? “We have had lots of processes, but not so many results.” A speaker explained that even professionals are confused with the enlargement process because changes of rules occur during the process and without proper consultations. “It is like writing a new methodology without consulting with those for whom the methodology is written.” An endless process with different platforms may delay the final objective even further. “We need a single, coordinated vision and effort.” Some polls show the EU is losing credibility and support in many Western Balkan countries, mostly because the process is becoming unpredictable. The EU’s willingness to enlargement is not clear, taking many unexpected and unnecessary detours. Support for the EU is particularly decreasing in Serbia.

The region needs more ownership and leadership in the process, as well as clear steps and timeframes. Many acknowledged that fragile domestic politics is also affecting regional cooperation and EU integration. All countries are demonstrating they are weak democracies. There was consensus that the three agreements are a positive step toward CRM. Many said there is enough political will and public support. Though some critics insist that BP is there to substitute enlargement, the stakeholders need to have better communication to address this argument. Many EU enthusiasts are becoming disappointed with the EU and EU needs to address them too. “Best would be to begin talking about tentative membership dates.” An important issue to be addressed as part of regional cooperation is a common labor market and energy cooperation. BP can help the region to make better use of the largely underutilized energy potential, especially its hydro power. In this context, the energy declaration developed together with the Energy Community and specialists is a good step. The experts assessed that the countries are too small to plan energy resources separately, and they could increase energy production and trade especially that the region inherited a good transmission system. The region has plenty of potential for solar and wind as well. The Western Balkans can even become an energy exporter.

The ID cards agreement is essentially an agreement between Kosovo and Bosnia and Herzegovina reached in the context of regional cooperation. Others could already travel with ID cards. A

previous Kosovo-Serbia ID agreement made the regional agreement easier to reach. Politics remains the major impediment. All countries are too polarized, with unresolved ethnic problems and ineffective policies. A speaker suggested to put aside things the parties cannot agree on now and focus on those they can agree on: energy is one such issue, so work on it and to see how to synergize EU and US projects, technology, and innovation in clean energy. The supply chain security is another issue where the region could work on and align more with EU and US, and less with China and Russia, especially in “decoupling from Russia.” These could be some of the issues the next BP meeting in Tirana could address.

## **A date for EU membership**

The Western Balkan countries are seeking a tentative date for membership, arguing that the EU should become more flexible. The region is being depopulated fast, economic prospects are declining, and labor force decreasing. The region also has a trade deficit with the EU. Some said the region should speak more with one voice and do its homework more effectively. While some EU members support a faster membership path, the EU unanimity in decision making remains an impediment. The EU needs to be frank with region, telling the countries whether they have real prospects for membership or not. The EU should engage in a transformative enlargement process. BP helps the region to keep moving forward but “but it can’t transform the enlargement process.”

A speaker suggested the Western Balkan countries set internal dates for a number of objectives, such as EU membership and CRM, with clear timeliness for reforms. The region needs to show more commitment. Also, stakeholders need to do more strategic communication to explain to people what is at stake, what is conditionality, then improve communication between EU member states and their citizens “who may think the EU is doing philanthropy in the Western Balkans.” They need to understand that “it’s in EU’s interest to have the region inside, that the EU will get in return just as much as it would give.” Another speaker suggested the EU integration mechanism should become simpler, information more specific, and good news promoted more. Sometimes EU itself seems to slow down reforms, “like the vetting of the judiciary in Kosovo.”

Participants were confident that the region would be able to join the EU by 2030 if it had enough political will to carry out the necessary reforms. This is the year when the CRM is expected to be completed too. The nature of reforms is both practical and political but capacity and political will are key to successful completion. A speaker explained that the new EU methodology sets a frame about how fast the region can move with reforms. It is a new methodology with new political and institutional standards; it is political because decisions are in the hands of members states, not of the commission. The new methodology has the potential to accelerate the process because once you open one cluster, you open 9 chapters at the same time. The rule of law is the most important pillar in the accession process. There are over 300 commissions behind the EU commission that deals with preparing EU legislation. The Western Balkan countries’ institutions should have access to these committees so that they would know better how to adopt their legislation. “Now we have access to only about 40 commissions.”

The three agreements will make it easier to reach new agreements in 2023 as now the parties have agreed on the Kosovo terminology, a key obstacle. A lot of other political impediments have been removed. Regional agreements automatically address some bilateral issues, such as the diplomas

issue between Kosovo and Serbia, and the agreement could also resolve the University in Mitrovica diploma issue. CRM is transformative for the region, removing barriers, bringing the region closer to EU, and delivering for citizens directly. BP and Germany's commitment is an important driver. The EU has a lot to offer, both in promoting values and rule of law. The Western Balkans wants to join the EU and EU wants it in.

## Participants

*English alphabetical order*

**Gresa Baftiu**, Associate in Kosovo, Council for Inclusive Governance

**Ilijar Deda**, Expert on Human Capital Development, Regional Cooperation Council

**Kalinka Gaber**, Former State Secretary, Secretariat for European Affairs of Government of North Macedonia

**Nataša Gaćeša**, International Secretary, Socialist Party of Serbia

**Shpetim Gashi**, Vice President, Council for Inclusive Governance

**Christiane Hullmann**, Head of Division, Western Balkans, German Federal Department of Foreign Affairs

**Božena Jelušić**, Member of Presidency, Civic Movement United Reform Action; Member of Parliament of Montenegro

**Amer Kapetanović**, Head of Political Department, Regional Cooperation Council

**Simonida Kordić**, Chair, Constitutional Committee, Parliament of Montenegro; Member, Presidency, New Serbian Democracy

**Mimoza Kusari Lila**, Head of Parliamentary Group of the Self-Determination Movement, Parliament of Kosovo

**Srdan Mazalica**, Member of Main Board of League of Independent Social Democrats; Member of Parliament of Republika Srpska, Bosnia and Herzegovina

**Haris Plakalo**, Member of Main Board of Party of Democratic Action; Chair, European Movement of Bosnia and Herzegovina

**Alex Roinishvili Grigorev**, President, Council for Inclusive Governance

**Nemanja Starović**, Member, Main Board, Serbian Progressive Party; State Secretary, Ministry of Foreign Affairs of Serbia (via teleconference)

**Jeta Statovci**, Member, Parliament of Kosovo (Guxo List, Parliamentary Group of the Self-Determination Movement)

**Dragan Tilev**, State Counselor for EU Affairs and Coordinator, Government of North Macedonia

**Marko Vujačić**, International Secretary, Do Not Let Belgrade D(r)own Movement (Serbia)

**Tina Wong**, Regional Economic Issues Officer, Bureau of European and Eurasian Affairs, U.S. Department of State