

A European Western Balkans by 2030

Introduction

The EU remains committed to its enlargement strategy for the six Western Balkan countries that could tentatively join the Union by 2030. EU's \$6 billion New Growth Plan for the Western Balkans grants the six countries access to specific segments of EU's single market, boosts regional economic cooperation, accelerates fundamental reforms, and increases EU's financial assistance to the region. Reforms in rule of law, particularly in judiciary, are key requirements for EU accession. The geopolitical dynamics revived the EU's interest for expansion and raised hopes of aspiring members for accelerated integration. The EC's recommendation for the opening of accession talks with Ukraine and Moldova and granting the candidate status to Georgia are building momentum also for the Western Balkan integration.

To discuss the region's European future, the Council for Inclusive Governance (CIG) in cooperation with the German Federal Foreign Office (AA) organized a roundtable on November 10, 2023, in Pristina, Kosovo, for a number of political party representatives, current and former members of parliaments and political pundits from the Western Balkan. The participants discussed the current state of affairs in the region and how various policies and regional economic initiatives could pave the way for EU integration. Senior EU officials and diplomats also participated in the discussion where they offered a regional overview from an external viewpoint and how to contribute to developing a more effective strategy in fostering the Western Balkans' regional cooperation. The discussion was held under the Chatham House Rule. Gresa Baftiu, CIG's associate in Kosovo, prepared the report. This report offers a summary of the overall discussion and does not necessarily represent the opinions of individual participants, CIG, or AA.

Recommendations

The Berlin Process is a significant tool in solving bilateral and internal disputes in the region, fostering regional economic cooperation, and promoting sustainable growth. All six Western Balkan countries committed themselves to implement the Common Regional Market (CRM), a key reform that could add ten percent to the region's economies. CRM aims to foster and promote exchange among workers and professionals in the region and bring countries closer economically and politically. The situation on the ground, however, reflects a less ambitious reality, with Bosnia and Herzegovina's delay in ratifying the agreement that would allow visa-free travel Bosnia and Kosovo, slowing down the progress. Some participants attributed the stagnation in regional cooperation to local leaders' failure to deliver in technical and political aspects. Some participants called on the EU for a more active role in the region.

Participants proposed a number of recommendations on regional cooperation, conflict resolution, and EU accession. These recommendations are not necessarily based on consensus but reflect the discussion in broader terms.

1. **The EU should introduce ‘conditionality’ for reforms to aspiring countries.** The EU’s current strategy provides minimal funding throughout the process but promises significant financial support upon full membership. Introducing conditional financing would allow the countries which progressively undertake reforms in alignment with the EU’s acquis to receive increment financial assistance. Similarly, the failure of the aspiring countries to do so would result in ‘suspended’ funds.
2. **The Western Balkans should set internal timelines for EU accession.** The idea that the EU should incentivize the region’s leaders for reforms by setting an accession date is slowly being replaced by an introspective assessment. Providing a timeline could assist the leaders of the region in determining their internal priorities. A participant recommended that politicians set internal dates for a number of goals, including EU accession and CRM, with clear benchmarks and reforms.
3. **The Western Balkans needs more capacity building to implement EU-related reforms.** Undertaking reforms is economically costly in the short term. The EU’s funds would incentivize politicians for decision-making and would help citizens better understand the benefits of EU membership. However, in most cases, the lack of capacities by beneficiary countries, not lack of funding, is the reason why reforms lack or are poorly implemented. A participant suggested that EU engages more actively in capacity building in the region by providing “know-how and technical assistance” to the Western Balkan countries.
4. **The region should intensify its ‘conflict resolution’ efforts and the EU should upgrade its role.** While the region faces many internal and bilateral political disputes, it should step up its conflict resolution efforts in order to avoid that crises become a routine. The EU should engage in the process by imposing its own ‘sanctions’ to those who hinder regional cooperation and stability. If done and communicated correctly, these sanctions could boost regional cooperation.
5. **The EU should establish educational hubs in the region.** The region’s lack of good education systems and lack of a harmonized approach to education are the main reason why many young students study abroad, mainly in the EU. A participant suggested that the EU establishes regional hubs with focus on education, which would serve as a strategic platform for the Western Balkans to actively engage with EU’s member states, discuss joint priorities in education and identify concrete opportunities to advance cooperation. Within such hubs the Western Balkans could establish an educational fund for minority groups, particularly the Romani community, and offer professional and educational training. Not only this would have a direct impact in improving the rights of minority communities and their employment opportunities, but it would also decrease the need to import labor from abroad.
6. **The EU should launch a regional fund for Small and Medium Enterprises (SMEs) in the Western Balkans.** While the CRM is built around four freedoms (free movement of goods, services, capital and people), a participant highlighted the need for a regional fund for Small and Medium Enterprises. He suggested that the Balkans European Enterprise Fund be managed by the European Bank for Reconstruction and Development and offer conditional financial support to SMEs in the Western Balkans.
7. **The region should engage in accession talks collectively but be assessed individually.** While EU integration remains the region’s ultimate goal, there is growing skepticism that

the region will meet the membership criteria soon. The participants agreed that the accession process should be merit-based but suggested EU takes into account also the geopolitical factors. Some participants suggested that the EU launches accession talks with all the six Western Balkan countries and preferably accepts them at the same time, though their progress is assessed individually, so that no one country can block the entire region.

Regional cooperation as a precondition for EU integration

The Common Regional Market is perceived as a transformative initiative for the region aimed at removing barriers and bringing the region closer to the EU. However, many participants raised concerns over the functionality of CRM. “CRM is ineffective, and might soon transition to CRM-2 with the current initiative failing to deliver.” A participant said that most economic barriers were removed on paper, though many persisted as unimplemented commitments. Another added that the reality for entrepreneurs and citizens differed from the political discourse, thus indicating a collective failure by politicians in fulfilling their responsibilities. Most agreed to the need for a comprehensive re-evaluation and reprogramming of the agenda for CRM and EU integration, starting from the technical aspects and extending to political considerations.

The EU’s New Growth Plan unveiled for the Western Balkan Six, granting them entry to specific segments of the EU single market in exchange for substantial reforms in rule of law, judicial system and economic governance, reiterates EU’s pledge for enlargement in the region. While the EU’s New Growth Plan, initially established to support the region’s economic development and convergence of the countries in the region, is a stepping stone to the region’s full integration to the EU, the conditioning of funds with the “cross-country cooperation” criteria raises concerns about its implementation by countries that face internal and bilateral disputes. Consequently, the discrepancy of economic development among beneficiary countries and those “ineligible” for such funds would consequently have a counter-effect, leading to higher economic divergence within the region.

Many argued that the Western Balkans’ lack of accountability was impeding regional cooperation and the region’s EU integration process. “We have had lots of signed agreements, but very few of them have been implemented.” Bosnia and Herzegovina pledged to ratify the three mobility agreements, but the obstruction in the parliament to ratify the agreement on visa-free movement with Kosovo citizens has hindered the CRM’s progress as a whole. The visa regime between Bosnia and Herzegovina and Kosovo is “absurd and ridiculous. “

Bilateral disputes hinder regional cooperation. While the Action Plan for CRM was initially expected to be fully implemented by 2024, unresolved hurdles between Pristina and Belgrade continue to block its progress. “Both Kosovo and Serbia endorsed the Ohrid Agreement, but their reluctance to fully implement what they already committed to has repercussions to both regional cooperation and to their European perspectives.” Furthermore, Kosovo’s blocking of the decision-making mechanisms within CEFTA stems from its representation by UNMIK. Since it cannot change its representation, Kosovo refuses to participate in the regional initiative. A participant argued that while regional cooperation was an economic initiative, it embodied political consequences. “We want to do business but not by paying with our independence as a price.” The Berlin Process has the potential to help the region in settling

bilateral conflicts and fostering political and geographical cooperation between neighbour countries.

Domestic political consensus was considered imperative for the region's EU perspective and in resolving regional challenges. Many argued that Western Balkan leaders lacked the political will to undertake reforms because they "are politically costly" and "with benefits exceeding their political mandate." Others said that some leaders didn't want to implement the reforms because they feared of losing power over the EU. "We should convince the EU we are ready to do the necessary reforms." This doesn't mean the region's decision-making solely be driven by the EU's 'directives,' but rather it should reflect the genuine desire to integrate into the EU and to foster its own socio-economic development. While some participants pointed out the negative implications of their countries' previous lack of consensus for EU accession, others argued that the region's European prospects depended also on EU's will.

But many agreed that internal reforms will ultimately determine the region's development and integration into the EU. Regional cooperation requires intensified effort from both the Western Balkan and the EU stakeholders, and if done properly it can bring political and socio-economic benefits for the entire region.

Participants

English Language Alphabetical Order

- Gresa Baftiu**, Associate in Kosovo, Council for Inclusive Governance
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- Matthias Conrad**, Deputy Head of Mission, Embassy of Germany in Kosovo
- Iir Deda**, Expert on Human Capital Development, Regional Cooperation Council
- Natasa Gaćeša**, International Secretary, Socialist Party of Serbia
- Shpetim Gashi**, Vice President, Council for Inclusive Governance
- Ardian Gjini**, Deputy Chairman, Alliance for the Future of Kosovo; Mayor of Gjakova
- Bojan Glavašević**, Member of Parliament of Croatia
- Frederic Jörgens**, Deputy Head of Western Balkans Division, German Federal Foreign Office
- 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
- Damir Mašić**, Member, Presidency, Social Democratic Party; Member, Parliament of the Federation of Bosnia and Herzegovina
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