



BiEPAG

Policy Brief

**Western Balkans  
and the EU: Beyond the  
Autopilot Mode**

Balkans in Europe Policy Advisory Group

# Policy Brief

## Western Balkans and the EU: Beyond the Autopilot Mode<sup>1</sup>

---

<sup>1</sup> Authors: Marko Kmezić, Florian Bieber with contributions from Dane Taleski, Jovana Marović, and Nikolaos Tzifakis

# Introduction

As hundreds of thousands of refugees make their way through Macedonia, Serbia, Hungary and Croatia to other EU countries, the Western Balkans have remerged in international news headlines - once again with pictures of refugees with their few belongings walking on foot along routes, stuck on borders and making their way westwards. This renewed attention on the Western Balkans primarily highlights the larger weakness of the EU to address this challenge. The countries of the region have been places of transit, and the refugee trek has left its traces and is likely to have lasting, even if hard-to-predict repercussions on the region.

Sixteen years after the launch of the Stabilisation and Association Process with the EU, Western Balkan countries (apart from Croatia, which managed to join in 2013) are still far away from EU accession. While Montenegro continues its accession negotiations, Serbia still awaits the opening of its first negotiating chapters. After receiving candidate status in 2014, Albania is waiting for the Commission's recommendation to open accession negotiations. Pending the outcome of upcoming extraordinary Parliamentary elections, the Commission has conditionally extended its recommendation to open accession negotiations with Macedonia. In June 2015, a Stabilisation and Association Agreement (SAA) with Bosnia and Herzegovina entered into force, while an SAA with Kosovo was signed in October 2015.

Despite these and other recent positive signals, most notably the continuation of the 'Berlin Process' in August 2015, Western Balkans 6 meetings, the Western Balkans Connectivity Agenda, the Declaration on the Solution of Bilateral Disputes signed by the Ministers of Foreign Affairs of the accession countries at the August 2015 Vienna Summit, and the new design of the Enlargement Progress Reports, the political messages coming from Brussels point to the conclusion that European integration of the region will not be accelerated.

Particularly worrisome is the trend whereby the EU overlooks important structural reforms and core EU conditions on account of its pursuit of the resolution of outstanding political issues, such as the normalisation of

relations between Serbia and Kosovo. The involvement of Member States in the EU accession talks by their imposing of bilateral conditions additionally threatens the already fragile credibility of EU conditionality. At times it seems that the Western Balkans enlargement strategy is driven by EU external crisis management, i.e. the Union's response to the economic crisis, the crisis in Ukraine, the refugee crisis, etc., rather than by a coherent enlargement strategy prepared by the Directorate-General for Neighbourhood and Enlargement Negotiations.

This is why the main message of this policy brief is that further efforts are needed to speed up the accession process. This policy brief will address the EU's drained transformative leverage towards Western Balkan accession countries, on-going political tensions in Montenegro, the agonising economic situation in the region, the main outputs of the Vienna EU-Western Balkans Summit, the Declaration on the Solution of Bilateral Disputes in the region, redesigned accession countries' Progress Reports, and the impact of the refugee crisis on the Western Balkans region.

# Losing the Transformative Leverage

**S**o far, the prospect of European integration has played an important role in driving the Western Balkan countries to reconstruct post-war institutions and societies, to begin the process of reconciliation between states and peoples, and to start the process of democratic consolidation.

In the meantime, the distant and uncertain prospects of eventual EU membership are increasingly influencing the lack of EU transformative leverage in the region. Although a regional trend, this is mostly visible in the current laggards of the accession process - Bosnia and Herzegovina, Macedonia, and Kosovo. Unable to move forward in its EU integration, mostly due to Greek veto over the name dispute, Macedonia has in the recent years seen a rise in nationalism, a breakdown of democratic consolidation, and an EU-led mediation of its internal political crisis. Not neglecting uncertainty regarding the outcome of on-going Belgrade-Pristina talks on normalisation of relations, for as long as Cyprus, Greece, Slovakia, Spain and Romania *de facto* block Kosovo's membership prospects by denying recognition of the country, the potential for destabilisation and regression should not be underestimated. Finally, after being unable to move the country forward for nine years, even the EU itself acknowledged the failure of its conditionality toolbox in Bosnia and Herzegovina. The British-German initiative of late 2014 aimed at unblocking the stalemate by delaying Sejdić-Finci conditionality in order to move the accession process forward deserves praise.

However, the point here is that the transformative effect of the 'current EU approach' for the Balkans appears to be insufficient. In a nutshell, conditionality works well if membership criteria are clear, if the same criteria are applied to all applicants, if they are strictly but fairly monitored, if the findings are transparently communicated, and if there is no doubt that the reward will come once conditions are met. Currently, all this is not the case.

## Montenegro

The lack of transformative leverage is reflected even in Montenegro, the regional frontrunner in European integration and the only Western Balkan country participating in the accession negotiations process with the EU at the moment, as the country still suffers from weak governance and widely perceived corruption.<sup>1</sup> Moreover, the country has never witnessed an alternation of power, as the current Prime Minister, Milo Djukanović, has been in a position of power since 1991, surviving numerous political affairs, including a criminal investigation in Italy.

Following months of tension over the country's new elections legislation, the opposition coalition in Montenegro's parliament gathered around the Democratic Front, organised protests demanding the resignation of Prime Minister Milo Djukanović and the formation of an interim government. The government's response to the protests went from ignorance to the excessive use of force, massive arrests including of the two MPs from the opposition alliance, and the hampering of freedom of expression in the media. While the security situation in the country has settled, international relations tensions are growing amidst allegations of Serbian and Russian influence on the protests.<sup>2</sup> In an effort to calm the tension in Montenegro, Commissionaire Johannes Hahn expressed his expectation for the creation of constructive and inclusive Parliamentary dialogue between the government and the opposition.<sup>3</sup>

## Macedonia: EU holds the key

The EU was caught on the wrong foot when a major political crisis unfolded in Macedonia in early 2015. However, the EU was able to turn around and

- 
- 1 Transparency International. 2014. Montenegro: Overview of Political Corruption. Available at [http://www.transparency.org/files/content/corruptionqas/Montenegro\\_Overview\\_of\\_Political\\_Corruption\\_2014.pdf](http://www.transparency.org/files/content/corruptionqas/Montenegro_Overview_of_Political_Corruption_2014.pdf).
  - 2 D. Tomović. 2015. Russia, Montenegro Trade Barbs Over Protests. BIRN. Available at <http://www.balkaninsight.com/en/article/russia-montenegro-bicker-over-podgorica-protests-10-28-2015>.
  - 3 European Commission. 2015. Presentation of the 2015 Enlargement Package by Johannes Hahn, Commissioner for European Neighbourhood Policy and Enlargement Negotiations to the European Parliament. Available at [http://europa.eu/rapid/press-release\\_SPEECH-15-6041\\_en.htm](http://europa.eu/rapid/press-release_SPEECH-15-6041_en.htm)

to play a key role in pushing for resolution. For example, the European Commission (DG NEAR) recruited an independent Senior Expert Group to investigate the wire-tapping scandal and prepare a report. What came to be known as the “Priebe Report”<sup>4</sup> points out the existing weaknesses in the functioning of the institutions, acknowledges abuse of power and provides a set of recommendations to remedy the situation. Some of the recommendations were included in the political agreement that was made between the main political parties and brokered by Commissioner Johannes Hahn on 2 June, and then amended on 15 July. The agreement envisaged: the opposition returning to parliament; the election of a special prosecutor who will investigate the alleged crimes revealed in the wire-tapped conversations; the formation of a parliamentary committee for investigation chaired by the opposition; the opposition to joining the government and having Ministers of Interior and of Labour and Social Policy, and Deputy Ministers of Finance, of Agriculture and of Public Administration; the clearing of the voter registry; the introduction of changes in the electoral legislation and in the State Electoral Commission; and the securing of greater media freedoms. According to the agreement, these were necessary preconditions to having free and fair elections in April 2016.

In September, the opposition returned to parliament and a special prosecutor was elected. But then the implementation of the agreement got stuck. There was a lack of will to provide capacities and resources for the work of the public prosecutor, and the parties were not able to agree on details for other reforms (i.e. reshuffling of government, changes to the electoral regime and media freedoms). Commissioner Hahn was forced to return to Skopje and hold all-night negotiations with the parties, but still they failed to move forward. The U.S. and EU Ambassadors made concerted efforts to push for the implementation of the agreement, including meeting with the prime minister and after the meeting holding a press conference in front of the government, calling on the governing party to take responsibility for implementation of the agreement.

---

4 For more details see “The former Yugoslav Republic of Macedonia: Recommendations of the Senior Experts’ Group on systematic Rule of Law issues relating to the communications interceptions revealed in Spring 2015” (available at [http://ec.europa.eu/enlargement/news\\_corner/news/news-files/20150619\\_recommendations\\_of\\_the\\_senior\\_experts\\_group.pdf](http://ec.europa.eu/enlargement/news_corner/news/news-files/20150619_recommendations_of_the_senior_experts_group.pdf))

The EU also used its “stick”. There were announcements that Macedonia’s recommendation to open accession negotiations would be revoked and other measures would be taken, including sanctions against government individuals, the imposing of travel bans and the freezing assets. The government played “chicken” until the last moment. A compromise between the parties was reached a few days before the progress report was released, and legal changes were passed minutes before midnight. In the end, the implementation of the 2 June/15 July agreement moved on, but the recommendation to open accession negotiations was slapped with conditions. These are the full implementation of the 2 June/15 July agreement, the implementation of the Senior Expert Group’s recommendations, and having free and fair elections in April 2016. A decision on whether to keep the recommendation or not (and revoking the recommendation would be a precedent in the history of EU enlargement) will be made after the elections.

The developments show that the political crisis in Macedonia cannot be resolved without the EU’s involvement. EU leverage is weak. It depends on the EC’s recommendation, which means that negotiations will not be opened due to Greece’s objections over the “name-dispute”. However, Macedonia shows that if the EU is deeply involved, if it has a hands-on approach and makes a strong push, then it can make a difference. In the future, Macedonia will need strong involvement from the EU. Commissioner Hahn will be in high demand in Skopje, as the personification of the EU. The concerted efforts of the U.S. and EU Ambassadors also proved to be a good instrument. The EU should remain strongly involved in Macedonia, in order to maintain the momentum of reforms and efforts to restore democracy. The precarious stability of Macedonia depends on the implementation of the 2 June/15 July agreement. And, the stability of Macedonia is paramount in the wider regional context at the moment. Macedonia is in the middle of the Balkan refugee route. If the stability of the country is jeopardised, then this would exponentially increase security concerns amid the refugee crisis.

# Bleak Economic Outlook

**D**espite the apparent development in the approximation to the EU, the economic prospects of the Western Balkan countries do not look good. Effective economic reform has often been delayed due to the fact that the Western Balkan economies are incapable of withstanding the competitive pressures of the EU common market. Throughout much of the region, economies have remained undeveloped, dependent on aid, loans and remittances, and prone to high levels of state intervention.

Unemployment in the region is very high: 18 % in Albania, 27.5 % in Bosnia and Herzegovina, 30 % in Kosovo, 28 % in Macedonia, 19 % in Montenegro, and 17.6 % in Serbia<sup>5</sup>. Statistics are even more worrisome when it comes to unemployment rates among young people, aged between 15 and 24, as they show that in Bosnia and Herzegovina (57.5 %), Kosovo (60 %), Macedonia (55.3 %), and Serbia (50.9 %), more than half of the youth population is unemployed.<sup>6</sup>

In most Western Balkan countries, the private sector remains underdeveloped, while the majority of the active population continues to be employed by state-owned enterprises or the state administration. The structural changes that have taken place have primarily favoured the expansion of the service industry over production.

Particularly problematic is the lack of adequate road infrastructure within the region, with an obvious emphasis on the lack of a functional railway network. Hence, co-financing of energy- and transport-related investment projects in the Western Balkans within the 2015 Connectivity Agenda<sup>7</sup> is important for growth and job creation in the region.

---

5 Regional Cooperation Council. *Balkan Barometer 2015 Public Opinion Survey*, Sarajevo, 2015.

6 Ibid.

7 European Commission. 2015. Connectivity Agenda: Co-financing of Investment Projects in the Western Balkans in 2015. Available at [http://ec.europa.eu/enlargement/pdf/policy-highlights/regional-cooperation/20150901\\_vienna\\_info\\_pack.pdf](http://ec.europa.eu/enlargement/pdf/policy-highlights/regional-cooperation/20150901_vienna_info_pack.pdf).

The 2008 global and European financial and economic crisis has only worsened the existing economic problems in the region by adding two additional external shocks: a reduced influx of capital from abroad and the collapse of export demand. Furthermore, the crisis has also had a negative social impact, resulting in increased poverty and lower living standards. According to the Western Balkans Barometer, approximately half of the population is completely dissatisfied with the economic situation, while more than 80% of respondents are dissatisfied. Consequently, the Western Balkans still remains a migrant region, regularly experiencing a problematic massive brain drain. For example, 58% of citizens of Bosnia and Herzegovina would consider working abroad. The current socio-economic situation has led to growing social discontent, as reflected in the 2014 protests in Bosnia and Herzegovina.

# The Berlin Process

In addition to the above-described democratic and economic setbacks in the Western Balkans, there are also renewed tensions, which threaten to undermine fragile regional stability. Moreover, the EU's unfinished business in the Balkans, coupled with diminished economic membership incentives, opens the door to various political, economic and security alternatives. This is why one of the bigger challenges for the six remaining Western Balkan accession countries in the years to come will be to keep elites and citizens motivated to continue the reform process.

The EU tried to answer to these challenges by organising the 'Berlin Process,' initiated by Germany, Austria, France and other EU Member States that support the continuation of enlargement. This process is marked by yearly summits in order to underline the commitment to EU enlargement towards the Western Balkans region. In 2015, the Western Balkans Summit took place on 27 August in Vienna. The main topics of the Summit included infrastructure and connectivity, regional cooperation, youth and the refugee challenge. However, one additional novelty of the 2015 Summit has been the increased inclusion of civil society. Namely, on the margins of the Summit, a Civil Society Forum took place on 26 August in Vienna, aiming to provide an opportunity to civil society representatives from the Western Balkans to provide input into the high-level Summit meetings along the lines of the need to build a culture of regional cooperation, freedom of expression and the creation of jobs and prosperity. Altogether, more than 120 civil society activists, members of think tanks, and media from the Western Balkans participated in the preparation of the three topics discussed at the Vienna Civil Society Forum.

# The Declaration on Bilateral Relations

One of the most important outputs of the Vienna Western Balkans Summit was the adoption of the Declaration on the ‘Solution of Bilateral Disputes’<sup>8</sup> in the Western Balkans, prepared by the Balkans in Europe Policy Advisory Group, in collaboration with Austrian Ministry of Foreign Affairs. As many unresolved issues continue to burden bilateral relations in the region, especially those stemming from the break-up of the former Yugoslavia, there are still latent risks of open bilateral issues being politically utilised in the region. This is why all six Ministers of Foreign Relations of the Western Balkan accession countries committed to the resolution of all open bilateral questions in the spirit of good neighbourliness, whereas they will not block, or encourage others to block, the progress of neighbours on their respective EU paths. It is important to remember that with this declaration, the governments of the Western Balkans are obliged to report annually at the Western Balkans Summit on the progress made in regard to bilateral relations and outstanding bilateral questions.

At the same time, further efforts are needed to overcome bilateral disputes between enlargement countries and Member States. While the European Commission in its 2015 EU Enlargement Strategy document stressed all the sovereign rights of EU Member States, including that of the right to enter into bilateral agreements, it has called the need for a “negotiated and mutually acceptable solution to the name issue, under the auspices of the UN,”<sup>9</sup> essential when it comes to Macedonian political criteria. Unfortunately, none of the Western Balkan accession countries’ neighbours joined in the adoption of the Declaration on the ‘Solution of Bilateral Disputes.’

- 
- 8 Final Declaration by the Chair of the Vienna Western Balkans Summit. 27 August 2015. Annex 3: Regional Cooperation and the Solution of Bilateral Disputes. Available at [http://www.bmeia.gv.at/fileadmin/user\\_upload/Zentrale/Aussenpolitik/Addendum\\_Western\\_Balkans\\_Summit.pdf](http://www.bmeia.gv.at/fileadmin/user_upload/Zentrale/Aussenpolitik/Addendum_Western_Balkans_Summit.pdf).
  - 9 European Commission. 2015. Key Findings of the 2015 Report on the Former Yugoslav Republic of Macedonia. Press release. Available at [http://europa.eu/rapid/press-release\\_MEMO-15-6038\\_en.htm](http://europa.eu/rapid/press-release_MEMO-15-6038_en.htm).

# Recalibrated Progress Reports

On 10 November, after a month of delay allegedly caused by the anticipation of the outcome of elections in Turkey that gained even more prominence in light of the refugee crisis, the European Commission has published its redesigned annual Progress Reports. The Commission has made a number of changes to this year's enlargement package.

First of all, instead of adopting annual enlargement strategy papers, the Commission has accepted an overarching strategy on enlargement policy covering the period of its entire mandate.

Second, this year's Progress Reports have seen increased strategic focus on the 'fundamentals first' approach, as strengthened reporting is visible in areas that are closely related to the fundamentals - rule of law, public administration reform, economic development and competitiveness, as well as the three Acquis chapters (public procurement, statistics, financial control). In addition to reporting on progress in these areas, the Commission has increased the scrutiny of the accession countries' actual state-of-play preparedness for taking on the obligations of EU membership.

Finally, the reports provide much clearer guidance for what the countries are expected to do in the year to come to fully meet EU conditions. However, more precise mid- and long-term guidance is still missing.

In a nutshell, the reports are now more concise, precise and concrete, while reform successes, as well as things to be done, are not drowned in too many technocratic descriptions. While increasing the transparency of the overall monitoring process, recalibration of the Progress Reports also allows for greater comparability between countries in key areas.

It is important to note that over the past couple of years, a number of think tanks and experts called for a new generation of Progress Reports, precisely along these.<sup>10</sup>

---

10 BiEPAG. 2014. Keep Up with Keeping Up. Available at <http://balkanfund.org/wp-content/uploads/2015/06/Keep-Up-With-Keeping-Up-s.pdf>. Enlargement Reloaded – G. Knus. 2014. ESI Proposal for new generation of progress reports. ESI. Available at <http://www.esiweb.org/rumeliobserver/2014/01/31/enlargement-reloaded-esi-proposal-for-a-new-generation-of-progress-reports/>

## Refugee “Crisis”

The large number of refugees transiting through the Balkans has had a very mixed impact on the Western Balkans. On one side, the issue of reinforcing border controls has had negative repercussions on bilateral relations in the region and beyond, from German/Austrian to Hungarian/Croatian and Croatian/Serbian relations. The lack of communication among governments and unilateral moves have rapidly worsened relations. Some relations between governments have improved since, and the summit on the refugee route in late October included an agreement to jointly address the migration flows.<sup>11</sup> However, some damage has been done and, for example, Serb-Croatian relations have worsened as the bilateral spat was accompanied by an aggressive media campaign, in particular in Serbia, that drew on the nationalist and warmongering rhetoric of the 1990s.

There is no evidence to date that the refugee flow has strengthened right-wing or populist groups in the region. In the only elections in the region, Croatian parliamentary elections failed to hand the conservative HDZ a clear victory, and the relation of strength with ruling Social Democrats did not shift significantly vis-à-vis opinion polls prior to the influx of refugees. Thus, favouring a repressive policy and praising Viktor Orbán’s policies did not win the opposition any favours, and instead it appears to have benefited a less dogmatic centrist party that come in strong third place in elections. Similarly in Macedonia and Serbia, the refugee issue has not provided parties with a means to capitalize on.

However, the real challenge arises from the increasingly restrictive border regimes in EU countries that threaten to leave refugees stranded in some countries of the Balkans. It is this fear of being “stuck” with refugees who are unable to move on that is the reason that governments have been reluctant to build up permanent and strong structures to accommodate refugees. In the case of such a backlog, the fairly benevolent social environment could easily turn, not just against refugees, but also against the EU.

11 European Commission. 2015. Meeting on the Western Balkans Migration Route: Leaders Agree on 17-point plan of action. Press release. Available at [http://europa.eu/rapid/press-release\\_IP-15-5904\\_en.htm](http://europa.eu/rapid/press-release_IP-15-5904_en.htm).

Last, the main topic on the EU's agenda in regard to refugees early in 2015 was the large number of asylum seekers from the Western Balkans. Between mid-2014 and mid-2015, some 164,650 citizens of the Western Balkans sought asylum in the EU, or 22.05 % of all asylum seekers in the EU.<sup>12</sup> These cases have been overshadowed by the larger influx of asylum seekers since the summer, but remain a considerable number. While the arrival of refugees from Syria and elsewhere has side-lined the asylum seekers from the Western Balkans, the pressure on EU Member States is likely to result in increased pressure to secure a quick repatriation of them to the region.

Finally, the refugee influx revealed the absurdity of the countries of the Western Balkans not being in the EU. Hundreds of thousands of refugees left one EU/Schengen country to cross through two non-EU countries to re-enter the EU. The October refugee summit also portrayed the weakness of the EU; it included some EU and non-EU countries and suggested that a resolution of the issue is not in the hands of the EU. The statement by German Chancellor Angela Merkel in early November warning that the closure of borders could lead to a conflict in the Balkans is strangely standing the issue on its head. The lack of policy and coordination has been primarily a weakness of the EU, in terms of how to secure EU external borders, how to deal with refugees once in the EU and their distribution, and the general approach. Thus, for one, it is the EU that has been exporting instability to the Western Balkans, not vice versa. Also, the warning of armed conflict is not only exaggerated and probably aimed at domestic opposition, but it also reinforces the idea of a Balkan powder keg mentioned in several media headlines since the summer.

The main risk is that with the refugee crisis, the weakness of the EU has become more striking, reducing further the attractiveness of the EU in the Western Balkans and its credibility as an effective conflict-resolution mechanism. In the midst of the intra-EU pressure to resolve the refugee "crisis", there is also a considerable risk that the Western Balkans are primarily viewed through the security lens wherein crucial aspects of the

---

12 Eurostat. 2015. First time asylum applicants in the EU-28 by citizenship, Q2 2014 – Q2 2015. Available at [http://ec.europa.eu/eurostat/statistics-explained/index.php/File:First\\_time\\_asylum\\_applicants\\_in\\_the\\_EU-28\\_by\\_citizenship,\\_Q2\\_2014\\_%E2%80%93\\_Q2\\_2015.png](http://ec.europa.eu/eurostat/statistics-explained/index.php/File:First_time_asylum_applicants_in_the_EU-28_by_citizenship,_Q2_2014_%E2%80%93_Q2_2015.png)

domestic reforms agenda might be overlooked for the sake of stability and cooperation in stemming the number of refugees arriving in the EU.

# Policy Recommendations

**REENERGEISE THE ENLARGEMENT PROCESS.** The 2004 enlargement process was successful, inter alia, because it included a large number of countries all competing to join the EU. The current gradualist process lacks this dynamic, and countries are not in direct competition. Simultaneously opening Chapter 23 on Judiciary and Fundamental Rights and Chapter 24 on Justice, Freedom and Security with all Western Balkan countries could create such healthy competition. This scenario would replicate the success of the visa liberalisation process (except for Kosovo), as it would encourage faster reforms, especially the establishment of an effective rule of law system.

**MONITOR THE STATE OF DEMOCRACY.** Serious backsliding in terms of democracy and the freedom of media can be observed throughout the region over the past few years. Yet, the EU has remained rather silent on such developments, even when confronted with concrete evidence, as in the case of the recent wiretapping scandal in Macedonia. This leaves the impression that the EU is willing to short-change the state of democracy for the sake of other reasons, most notably the stability of the region. The EU needs to focus on monitoring the aspiring members on their paths to stable and prosperous democracies governed by the rule of law.

**WORK TO CONVINCING EU CITIZENS TO SUPPORT FURTHER ENLARGEMENT.** EU and Member State politicians should intensify lobbying and communication with their citizens in an effort to put enlargement higher on the EU agenda.

**REMOVE BILATERAL DISPUTES FROM THE ACCESSION AGENDA.** The European Commission should keep bilateral disputes between Member States and a (potential) candidate country out of the accession negotiations. Such disputes should be resolved either through international arbitration (i.e., the ICJ) or *ad hoc* mediation mechanisms. Moreover, increased EU involvement is necessary in addressing the disputes involving a candidate country and a Member State. To begin with, neighbours of the Western Balkan 6 countries should be invited to join the declaration on the ‘Solution of Bilateral Disputes’ signed in August in Vienna, particularly regarding

the obligation not to block, or encourage others to block, the progress of neighbours on their respective EU paths.

**BOOST ECONOMIC INVESTMENTS IN THE REGION.** The EU should make better use of the pre-accession funds to boost the quality of regional infrastructure. In comparison to other parts of the continent, infrastructure in the Western Balkans is highly underdeveloped. In the long run, these investments will lower costs for international companies and encourage other FDI. Regional investments in transport and energy were discussed at both the Berlin and Vienna Summits on the Western Balkans between the heads of states of the EU and the region. However, no tangible results can yet be observed. Consistently weak investments in education, innovation, research and development, and culture remain common characteristics for most of the Western Balkan countries. Hence, investment in education, skills, innovation and applied research also needs to be a priority for investors. Otherwise, there is a risk that the region may never become truly able to withstand the competitive pressure of the EU. Finally, the EU should reconsider whether IPA II funds could possibly be better used to boost investment across the region. The EU should invest in tailor-made training of public officials, particularly those at the local and regional levels, for effective management of pre-accession assistance. Unused funds could be used to boost investment across the region and assist in the development of road infrastructure. Criteria for EU funds should be lowered; for instance, criteria that require an annual turnover of several million euros, which rarely any NGO or consultancy company from the region can meet, should be removed.

**INVEST MORE EFFORTS TO INCREASE TRANSPARENCY.** Recalibrated Progress Reports increased the overall reviewability of the EU accession process. However, additional efforts should be made in particular with regard to providing public access to the European Commission's opinion on key legislation in accession countries, as well as on the reports of the EU's peer review missions used in preparation of Progress Reports.

**REGIONAL EMERGENCY RESPONSE STRUCTURES.** The lack of cross-border cooperation in light of the refugee flow highlights the need for a clear regional cooperation mechanism in the case of transnational crises such as the refugees' trek. Rather than just establishing a mechanism for the refugee

crisis, the WB6 should establish a clear structure to ensure cooperation and coordination in future crises from natural disasters to other challenges.

**BERLIN PROCESS.** The next Summit of the EU and the Western Balkan 6 countries is scheduled to take place in Paris in June 2016. For the Summit to be successful, it would be important for the organisers to follow up on the commitment the Western Balkans agreed to in August 2015 in Vienna in regard to youth exchanges and the resolution of bilateral disputes. This includes a workable and supported structure for meaningful youth exchanges and comprehensive reports on progress made in addressing bilateral issues. The Vienna Summit included the participation of civil society. This experiment in civil society participation has been successful, and it is important to build on it to have not just a voice of civic groups, but also to broaden the agenda of reform and EU integration beyond governments.

Also, most issues discussed at the Summit concern not only accession countries, but also the wider South East Europe region. Therefore, it would be pragmatic, but it would also increase the credibility of the overall process, to invite EU members neighbouring the WB6 to join the Summit in full capacity. Furthermore, broader participation based on other EU members would be desirable to re-invigorate support for enlargement beyond the initial participants of the Berlin Process. Finally, it is crucial to secure the long-term continuation of the Berlin Process, including future summits and defined interim benchmarks and activities, to secure a continued momentum between summits.

# About the Balkans in Europe Policy Advisory Group

The Balkans in Europe Policy Advisory Group (BiEPAG) is a co-operation initiative of the European Fund for the Balkans (EFB) and Centre for the Southeast European Studies of the University of Graz (CSEES) with the aim to promote the European integration of the Western Balkans and the consolidation of democratic, open countries in the region. BiEPAG is composed by prominent policy researchers from the Western Balkans and wider Europe that have established themselves for their knowledge and understanding of the Western Balkans and the processes that shape the region. Current members of the BiEPAG are: Florian Bieber, Dimitar Bechev, Milica Delević, Dane Taleski, Dejan Jović, Marko Kmezić, Leon Malazogu, Corina Stratulat, Marika Djolai, Jovana Marović, Nikolaos Tzifakis, Natasha Wunsch, Theresia Töglhofer, Mirna Vlašić Feketija, Milan Nič and Vedran Džihic.

[www.biepag.eu](http://www.biepag.eu)

# About the European Fund for the Balkans

The European Fund for the Balkans is a joint initiative of European foundations that envisions, runs and supports initiatives aimed at strengthening democracy, fostering European integration and affirming the role of the Western Balkans in addressing Europe's emerging challenges.

The up-to-date programme strategy is based on three overarching areas – Capacity Development, Policy Development and Regional Cooperation - and channelled via flagship programmes and selected projects, complemented with a set of actions arising from EFB's regional identity as a relevant player in its fields of focus.

Their synergetic effects are focussed on continuous “Europeanisation” of the policies and practices of the Western Balkans countries on their way to EU accession, through merging of the region's social capacity building with policy platform development, and a culture of regional cooperation.

**Contact:**

**IGOR BANDOVIĆ**

Senior Programme Manager,  
European Fund for the Balkans  
igor.bandovic@balkanfund.org

+381 (0) 69 62 64 65

European Fund for the Balkans  
Resavska 35, 11 000 Belgrade, Serbia

Phone/Fax: +381 (0)11 3033662

[www.balkanfund.org](http://www.balkanfund.org)

# About the Centre for Southeast European Studies, University of Graz

The Centre for Southeast European Studies was set up in November 2008 following the establishment of Southeast Europe as a strategic priority at the University of Graz in 2000. The Centre is an interdisciplinary and cross-faculty institution for research and education, established with the goal to provide space for the rich teaching and research activities at the university on and with Southeast Europe and to promote interdisciplinary collaboration. Since its establishment, the centre also aimed to provide information and documentation and to be a point of contact for media and the public interested in Southeast Europe, in terms of political, legal, economic and cultural developments. An interdisciplinary team of lawyers, historians, and political scientists working at the Centre has contributed to research on Southeast Europe, through numerous articles, monographs and other publications. In addition, the centre regularly organizes international conferences and workshops to promote cutting edge research on Southeast Europe.

**Contact:**

**UNIV.-PROF. DR. FLORIAN BIEBER**

Professor of Southeast European Studies

florian.bieber@uni-graz.at

+43/316/380 6822

Centre for Southeast European Studies,

University of Graz,

Schubertstrasse 21 A-8010 Graz

[www.suedosteuropa.uni-graz.at](http://www.suedosteuropa.uni-graz.at)

## ***Notes***

An abstract geometric design featuring four triangles that meet at a central point. The top-left triangle is light blue, the bottom-left is dark blue, and the right side is a large orange triangle. The background is white.

[www.biepag.eu](http://www.biepag.eu)