CEP Insight



Strahinja Subotić, Junior Researcher

From the Bulgarian to the Austrian Presidency of the Council of the EU

Keeping the Enlargement Policy a Priority

On 1 July 2018, Bulgaria handed over the presidency of the Council of the European Union (EU) to Austria. Both enlargement-friendly presidencies came at a time of uneasiness and external and internal unpredictability for the Union. As the ongoing trade war and the disagreement on military spending show, EU-US relations have become tense in areas which constitute the backbone of the transatlantic alliance, such as trade and defence. Meanwhile, populist governments, like the one recently established in Italy, as well as those of Poland and Hungary, have been causing concerns with their divisive rhetoric and Euroscepticism. Finally, as the EU's 'key leader' Angela Merkel continues to face instability at home, and the 2019 EP elections are approaching, the EU has found itself in a limbo of 'soul searching' due to its inability to find common solutions on the most pressing issues such as migration.

Nevertheless, some indicators show that the tides are, in fact, starting to turn for the better in the EU: the number of terrorist attacks on the European soil has been substantially reduced, member states have registered economic growth, the number of incoming migrants has been decreasing and Brexit has proven to have a unifying effect among the member states. Perhaps the fact that these crises have begun to let up has created an opening, albeit not too wide, for the enlargement policy to return to the spotlight as part of the EU's search of new positive integration narratives.

Looking at the priorities of the current 'trio' (Estonia, Bulgaria and Austria), it is notable that they share a focus on security and migration policies, economic growth and social cohesion, and strengthening the competitiveness of the European economy with a special focus on the digital economy. However, when it comes to the prioritisation of enlargement, it becomes clear that the trio has not reached a consensus. While Bulgaria has recognised providing a clear European perspective for the WB countries as its first priority, Estonia has rather kept its centre of interest and activities on the Digital Single Market, while omitting enlargement from its top priorities; as for Austria, it is expected that it will direct its attention mostly on the issues of immigration and security, while simultaneously aiding the EU perspective of the region.

While Bulgaria has recognised providing a clear European perspective for the Western Balkan countries as its first priority, Estonia has rather kept its centre of interest and activities on the Digital Single Market, while omitting enlargement from its top priorities; as for Austria, it is expected that it will direct its attention mostly on the issues of immigration and security, while simultaneously aiding the EU perspective of the region.

The aim of this *CEP Insight* is to analyse Bulgaria and Austria's priorities,[†] with a special focus on their prioritisation of enlargement in the context of changing dynamics in the Western Balkan region (WB). This *Insight* also provides an overview of what being on the EU's agenda means for the WB and outlines what lies ahead on the region's path towards the EU.





Changing Dynamics in the Western Balkans during the Bulgarian Presidency

fter the President of the European Commission Jean-Claude Juncker had made a significant endorsement of enlargement in his 2017 <u>State of the Union Address</u>, expectations spiked for the year 2018. It was supposed to be a year of significant progress and concrete rewards in terms of an accelerated EU accession process for the Western Balkans. Under these circumstances, Bulgaria took it upon itself to remind EU leaders, who were clearly under the influence of the 'enlargement fatigue', that **the enlargement policy represents one of the EU's most successful policies to date** and that this would also be the case when applied in the Western Balkans.

The enlargement policy represents one of the EU's most successful policies to date and this would also be the case when applied in the Western Balkans.

Bulgaria, as a country deeply invested in the region (being situated in Southeast Europe), has naturally recognised the necessity of providing a credible EU perspective in order to turn the Western Balkans into a prosperous, connected, stable and safe region without which the EU would remain incomplete. The difficult part was how to convey this message on the EU level and convince all leaders that an accelerated accession process of the WB was in their strategic interest.² Hence, as part of Bulgaria's efforts to bring enlargement back on the EU's agenda, a joint EU-WB Summit took place in Sofia for the first time since 2003, which resulted in the EU's reaffirmation of its unequivocal support for the region's European perspective, as well as the production of a concrete "Sofia Priority Agenda," outlining new measures for enhanced cooperation with the region.

Yet, for Bulgaria to successfully fulfil this priority, the countries of the region had to do their share of hard work as well. During its presidency, the WB was quite dynamic and, as such, it accomplished certain milestones that had been notably missing in 2017. To name a few, Macedonia and Greece reached a historic agreement to resolve their name dispute by opting for the name of North Macedonia for the former; after the numerous failed attempts, Kosovo* finally succeeded to ratify a demarcation deal with Montenegro; Belgrade and Pristina re-opened their negotiations after months of standstill; Bosnia and Herzegovina finally submitted its responses to the European Commission questionnaire, and Albania showed good overall progress in implementing comprehensive reform of the judiciary. Such achievements illustrate how powerful an incentive EU accession can be for the aspirant countries, as these achievements would not have been possible had there been no perspective of their EU membership in the first place.

However, despite the promising first half of the year, the end results have fallen short of expectations. At the highly anticipated Sofia Summit, EU leaders shifted focus from enlargement to connectivity of the region, whilst stopping short of endorsing Commission's 2025 proposed indicative date for Serbia and Montenegro's membership. Meanwhile, halfway into 2018, Serbia and Montenegro have opened only three negotiation chapters in total, without closing any, while Bosnia and Herzegovina is still in the same spot it was half a year ago, and Kosovo* has not acquired long-awaited visa liberalisation. Most notably, the EU28 have not reached the necessary unanimity to initiate expected accession talks with Albania and Macedonia in 2018; instead, they have conditionally promised to do so one year later, in 2019.

Many describe the hesitation of some member states (most notably France and the Netherlands) to accelerate the process as counterproductive and see it as part of their inability to look beyond the frames of domestic policy and public opinion on enlargement, hence suggesting that such states should have found a better way to <u>strike a right balance</u> between conditions and incentives. As some argue, such an uncompromising stance has the potential to further alienate Western Balkan citizens and reduce the will of political elites to comply with an increasingly rigorous <u>conditionality</u> process.

Namely, the leaders of the region should draw one key lesson from the past six months: **being on the agenda does not guarantee an easy pass**. Thus, even when an EU member state prioritises enlargement, as Bulgaria did during its presidency, it will not necessarily mean that the rest of the EU will be nudged to vote in favour of enlargement, as long as the region has not shown the will to implement credible and comprehensive reforms in all areas. Therefore, **some progress, as the one seen recently, needs to turn into substantial progress in the following period**, if the goal is to speed up and sustain the <u>legitimacy</u> of the accession.





Interrelating Security and Enlargement during the Austrian Presidency

espite the fact Austria will be put into a position to handle difficult and important negotiations during its mandate, from the Brexit negotiations conclusion to the negotiations on the Multiannual Financial Framework 2021-27, the country has decided to prioritise enlargement as well, thus effectively giving another opportunity to the region leaders to show their dedication to becoming members of the EU family.

Austria is one of the EU member states which does not only have high economic and political stakes in the Western Balkans region but also has notable historical and cultural ties with it, as the region has historically represented a 'gate to Vienna'. Seen from the today's migration perspective, the Balkan route represents one of the most significant paths towards Austria, and, subsequently, to Germany, the above metaphor may still apply.

Austria is one of the EU member states which does not only have high economic and political stakes in the Western Balkans region but also has notable historical and cultural ties with it, as the region has historically represented a 'gate to Vienna'.

In this regard, it is important to note that Austria witnessed a major power-shift in 2017. Namely, the leader of the Austrian centre-right People's Party (OVP) Sebastian Kurtz won the majority vote in parliamentary elections and formed a coalition with the far-right Freedom Party (FPO), after having heavily prioritised the issue of countering illegal immigration during his campaign. Therefore, there is no doubt that Austria will consider the issue of immigration as the first priority during its presidency. Such prioritisation goes handin-hand with concerns of many Europeans, since, according to the results of the 2018 Eurobarometer survey, they have identified immigration as the leading concern at the EU level.

As a prelude to its presidency and an example of what to expect of it, Austria actively and vocally participated in the migration-focused European Council Summit in late June. At that point, they strongly called for actions against further illegal immigration in Europe, and supported measures which range from stronger external border protection, to increasing the number of staff at Frontex, and providing concrete measures for the creation of disembarkation centres outside the EU, while opposing the system of quotas originally proposed by the European Commission.

What matters for the Western Balkan region is that the EU27, alongside Austria, have recognised in their Summit Conclusions that the partners' cooperation and support for the Western Balkans remains key in solving the complex and overwhelming issue of immigration. Hence, this is where the question of the EU perspective, as well as the region's connectivity, comes into play, as Austria's prioritisation of enlargement should be interpreted as a part of its efforts to draw the region not only towards further economic cooperation through connectivity projects but also towards joint collaboration on common issues such as migration, security and border protection.

Overall, as there are no planned EU-WB Summits until the one to be held in 2020 in Zagreb, Croatia, Austria's role is likely to be that of a supporter and innovator when it comes to deepening the connectivity of the region, as well as establishing border and security cooperation between the EU and Balkan aspirant countries. However, an exclusive and extensive focus on issues of migration and security would to some extent risk 'securitising' enlargement, which could potentially draw the attention away from the key and much-needed reforms in the rule of law area in countries of the region.



An open but thorny path lies ahead for the Western Balkans

overshadow the topic of enlargement in the following period, such as the EP elections and the MFF negotiations, enlargement will rely to a large extent on the proactiveness and good results coming from the Western Balkans. Therefore, WB leaders ought to take the opportunity to increase their efforts and prove their seriousness and dedication to the process.

The clock is ticking, and a lot of work lies ahead for the Western Balkans. After the EU has conditionally promised to start accession negotiations with Macedonia and Albania in 2019, the European Commission will initiate the highly important screening process, which is why the two countries will have no time to relax. In fact, they are expected to continue delivering tangible results in their fight against corruption, while maintaining and deepening the current reform momentum, as clearly stated in the Conclusions of the June Council of the EU on Enlargement and the Stabilisation and Association Process. As frontrunners of the accession process, Montenegro and Serbia will need to focus on showing a higher level of implementation of adopted legislation, especially with regards to chapters 23 and 24. The 2025 enlargement perspective is not too far away and, and if it is to be realised, all 35 negotiation chapters need to be closed by 2023 to allow for the ratification of the accession agreements to take place by 2025. Moreover, Belgrade and Pristina will need to provide concrete results in their negotiations as the EU, represented by the High Representative and EU negotiator Federica Mogherini, expects a comprehensive normalisation deal to be reached by 2019. In addition, Kosovo* will need to speed up establishing the Association of the Serb Municipalities, as well as to accelerate the implementation of commitments undertaken under the Stabilisation and Association Agreement. Finally, Bosnia and Herzegovina will need to work further on reaching consensus and on building reconciliation between ethnic groups, as well as on making reform commitments reality, as its key reforms are still largely lacking.

Therefore, it seems that the countries of **the region will be at a critical juncture in the 2018-2020 period**, as reforms implemented during this time are likely to impact their eventual prospects and timeliness for achieving EU membership. As most of the EU member states given the presidency role during this period will be enlargement-friendly, the WB countries ought not to miss this unique opportunity.

As the EU leaders will be occupied with issues which might overshadow the topic of enlargement in the following period, such as the EP elections and the MFF negotiations, enlargement will rely to a large extenton the proactiveness and good results coming from the Western Balkans.

3. It is uncertain to what extent Finland will focus on enlargement, as it typically does not stand out when it comes to the EU enlargement policy. It is likely that it will take a favourable stance on enlargement, albeit not proactive. For that reason, the WB countries should fully commit to the reform process, as Finland might need some persuasion to become more invested in the region.

About European Policy Centre

www.cep.org.rs



EuropeanPolicyCentre



@CEPBelgrade



Centar za evropske politike



EuropeanPolicyCentre

uropean Policy Centre - CEP - is a non-governmental, non-profit, independent think-tank, based in Belgrade. It was founded by a group of professionals in the areas of EU law, EU affairs, economics and public administration reform, with a shared vision of changing the policy making environment in Serbia for the better – by rendering it more evidence based, more open and inclusive and more substantially EU accession driven.

Profound understanding of EU policies and the accession process, the workings of the Serbian administration, as well as strong social capital combine to create a think-tank capable of not only producing high quality research products but also penetrating the decision making arena to create tangible impact. Today, CEP organises its work into four programme areas:

1) Good Governance, with a strong focus on horizontal policymaking and coordination;

2) Internal Market and Competitiveness;

3) Regional Policy, Networks and Energy;

4) Europe&us.

For more information, visit us on: www.europeanpolicy.org