

SERBIA'S PURSUIT OF INTERESTS IN THE EUROPEAN UNION



Ready to Grasp Growing Opportunities?

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Why Lobbying¹ in Brussels Matters

Serbia has been progressively increasing its engagement with the EU for more than a decade. This has enabled it to get itself well acquainted with the work of the EU institutions, the EU laws and the particularities of the EU association/accession process. The question is whether Serbia could use this to its advantage. Moreover, how the existing “capital” can be used in order to further develop the present network of contacts and reap benefits from being seen as a trustworthy partner. These questions become more pertinent knowing that the interaction between the EU and Serbia is expected to increase in the following phases of the EU accession process. However, the research on *how* Serbia is pursuing its interests in Brussels is rather scarce and at the same time there is very little policy debate on that issue. That is why this research aimed to explore Serbia’s current administrative, financial and lobbying capacities at the EU level in the context of Serbian EU accession negotiation process, in order to acquire a comprehensive understanding of how Serbia is standing in Brussels today.

In the context of Serbia’s growing interaction with the EU counterparts, lobbying activities range from formal accession negotiations, to monitoring of implementation of the Stabilisation and Association Agreement (SAA), alongside Belgrade-Priština Dialogue, to cooperating on *ad hoc* issues, such as the migrant crisis or flood relief. The potential benefits of adequate pursuit of interest range from creating a possibility of improving Serbia’s negotiation position regarding opening and closing of 35 chapters, obtaining further financial assistance and improving its country-image in the eyes of the EU officials. Such complex set of issues that needs to be tackled during the accession process incited this research to comprehensively and systematically assess capacities of the Serbian administration to respond to these challenging tasks. At the same time, the recent establishment of the Ministry for European Integration showcases that the whole process is dynamic and that it invites a re-evaluation of the capacities.

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Such announcement ought to serve as a ‘wake-up call’ and a good incentive for Serbia to start getting ready for the upcoming phases which are likely to necessitate even greater Serbia’s involvement in the process.

Having in mind that the interaction between the EU and Serbia is expected to increase in the upcoming phases, this research by the European Policy Centre aimed to explore Serbia’s current administrative, financial and lobbying capacities at the EU level in the context of Serbian EU accession negotiation process, in order to acquire a comprehensive understanding of how Serbia is pursuing its interests in Brussels today.

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1. This research focuses on lobbying capacity of a state, defined as the ability of the relevant governmental institutions, bodies and officials (i.e. diplomats, experts and politicians), to adequately represent and pursue interests of the country in question, based on the Government’s instructions and within the responsibilities and duties set by the normative framework. The terms ‘lobbying’ and ‘interest representation’ are used interchangeably, not only because this represents a regular practice in the EU, but also in order to positively affirm both of these concepts which share the same meaning.

Negotiating Structure: Between the Norm and Reality

Serbia's lobbying activities in Brussels depend on the interconnectedness and functionality of the Serbian institutional structure. According to the normative framework, the Coordination Body, as the primary body responsible for coordination of the accession process, is supposed to consider the most important issues and guide the operations of the negotiating structure. Furthermore, it provides guidance to the Coordination Body Council, which is to perform the operations regarding current issues, rendering it responsible for the operationalization of the whole negotiating structure. However, it is found that these bodies almost never meet in practice, thus creating a notable void in the decision-making and coordination process. Such discrepancy between the normative framework and practice leaves space for speculation about how the key decisions are made, whether the interaction between the rest of the bodies is functional in practice and how this discrepancy between the normative framework and practice is influencing Serbia's ability to pursue its interests in the EU.

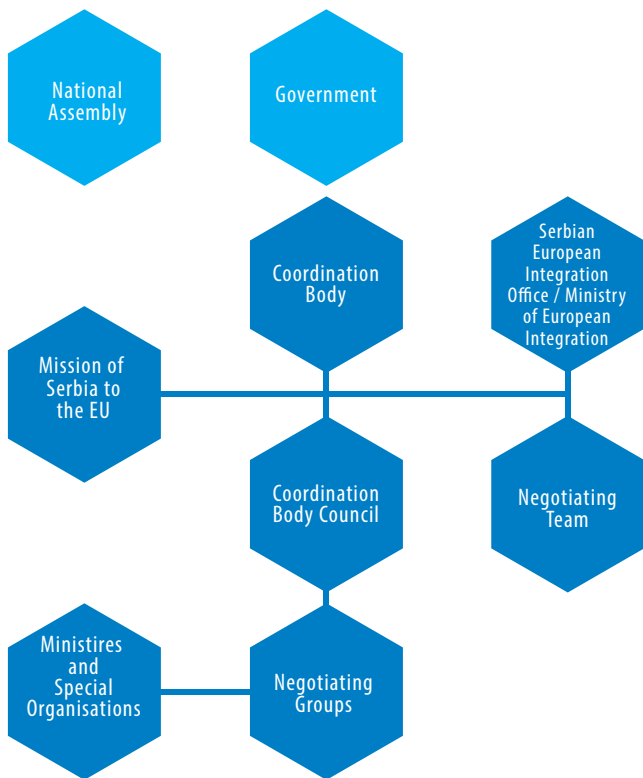


Figure 1. Normative Framework of Serbia's Negotiating Structure

It seems that the institutions and their employees share the same vision and idea of Serbia's path to the EU and how lobbying activities in Brussels ought to be conducted. Consequently, they approach the EU with 'one voice', which gives them a unified position at the EU level.

Nevertheless, the findings register an excellent level of institutional cooperation and interconnection between the rest of the bodies² included in the accession process and interest representation in the EU. It seems that the institutions, and their employees, share the same vision and idea of Serbia's path to the EU and how lobbying activities in Brussels ought to be conducted. Consequently, they approach the EU with 'one voice', which gives them a unified position at the EU level. Furthermore, since Serbia has had significant level of institutional continuity, Serbian representatives have gained trust and respect of the EU representatives, which represents a precondition for a successful formal, and even more informal communication in Brussels. That is why the EU officials have not raised any complaints about the operation of Serbia's institutional structure. The fact that the rest of the bodies comply with their responsibilities set by the normative framework and function so well together, largely restores the balance and functionality of the system, which was caused by the previously described discrepancy.

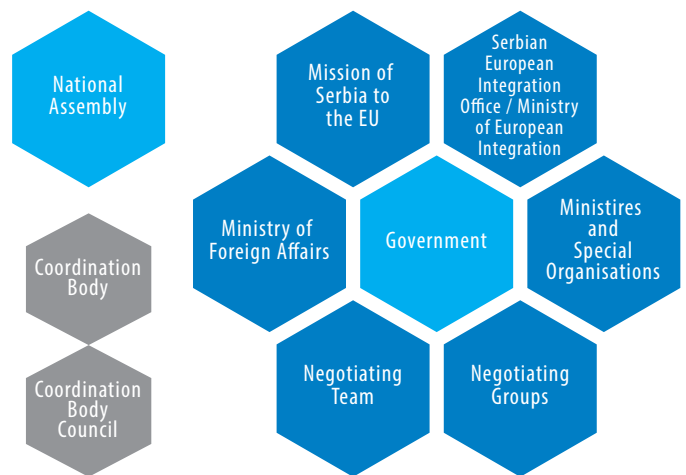


Figure 2. Serbia's Institutional Interaction in Practice

Since Serbia has had significant level of institutional continuity, Serbian representatives have gained trust and respect of the EU representatives, which represents a precondition for a successful formal, and even more informal communication in Brussels.

2. Among the analysed bodies are the Ministry of Foreign Affairs, the Mission of Republic Serbia to the EU, the Serbian European Integration Office (SEIO)/Ministry of European Integration and Negotiating Team.

Serbia in Brussels - Final Score: Positive, but...

Although Serbia's institutional structure operates with well and with praiseworthy success, its administrative, financial and lobbying capacities are not yet appropriate to the sufficient extent for the current and next phases of the accession process.

1. Serbia's **lobbying activities** in Brussels are frequent and intensive. As such, they are conducted in a highly professional manner, both by diplomats and experts. This fact is also confirmed by the EU officials. The most relevant EU institutions to which Serbia directs its lobbying activities are the Commission's Directorate-General for Neighbourhood and Enlargement (DG NEAR) and the Council's Working Party on Enlargement (COELA). Furthermore, the European Parliament and European political parties represent lobbying targets of Serbian parliamentarians and party members. However, this well-rated performance is characterized by the fact that it can be even better and more effective. For this reason, there are some indications emphasizing that Serbia is yet to develop a kind of comprehensive strategy that would be used to promote better interest representation in Brussels, which would enable Serbia to re-evaluate the existing approach, address the capacity needs and ensure long-term orientation of Serbian activities.

2. As the process of accession negotiation further evolves and becomes more complex, the current **administrative capacity** is likely to fail in keeping up with the increasing workload. Even though the competence of personnel is mostly evaluated as very high, the number of personnel remains one of the main limitations. Such inadequate staffing is one of the main constraints that Serbia is facing during the accession process, which in part also affects the quality of interest representation in Brussels. For example, the urgent need was noted for increasing the number of experts in the Serbian Mission to the EU. In addition to the lack of staff, the Serbian administration is also to some extent faced with the departure of highly specialized experts from its administration. Due to the lack of a systematic and continuous approach for professional development policy, staff outflow often produces major gaps in knowledge and skills in administration, originally acquired through long-term work in the affairs related to the accession process.

3. **Financial capacity** is limited and insufficient for the current institutional needs. In the narrow sense, budgetary restrictions create a demotivating situation in which salaries of the civil servants are insufficiently large, while daily allowances for foreign missions remain very low. In the broader sense, this fact largely explains why there is a lack of personnel, but also why the scope of lobbying activities is limited to some extent.

For example, given the undoubtedly large, perhaps, crucial significance of the experts for the current process, some indicate that it would not be too costly for Serbia to somehow increase their number, despite limited financial resources; that is why some point to the lack of 'political will' to fully address the existing issues. This shows that a higher degree of prioritization of the accession process by the Serbian Government is necessary, which, in the eyes of its employees, can provide additional motivation to overcome the existing limited capacities.

Keeping up with the Increasing Challenges and Expectations

In September 2017, the President of the European Commission Jean-Claude Juncker acknowledged Serbia (alongside Montenegro) as a front-running country with a perspective of joining the Union in 2025. Such announcement ought to serve as a 'wake-up call' and a good incentive for Serbia to start getting ready for the upcoming phases which are likely to necessitate even greater Serbia's involvement in the process. With this in mind, with aforementioned findings, this research developed recommendations which could serve as guidelines for Serbia's gradual improvement of its administrative, financial and lobbying capacities.

I. Develop a comprehensive strategy for interest representation, that would aim to further optimize Serbia's activities at the EU level. For this strategy to be effective, its development should be evidence-based and inclusive. The production of this document should be preceded by the development of a discussion paper, which would contain sound analysis on the existing situation and needs, propose possible avenues of action and invite the interested stakeholders – business associations, civil society sector, the pro-European opposition parties, etc. – to provide their qualitative inputs. The National Convention on the EU should be an integral party in strategy design in order to maximise the benefits of cooperation with the civil society in the framework of accession process. Such consultative and evidence-based process would increase the legitimacy, transparency and implementability of this document and the Government's action. When it comes to the potential content of the document, it should contain Serbia's position on at least the following topics:

- The actors and institutions to which Serbia must direct its lobbying activities – from the EU institutions, though the civil society organizations, business sector associations, to organisations from the fields of culture and sports;
- Building a stronger party- and national- consensus when it comes to joining the Union, which would give further unification of Serbia's position in Brussels, by reaching out to the opposition parties, with whom lobbying consultations or joint activities could be organised;
- A plan for the improvement of administrative-financial capacities (see point II);
- The new Ministry of European Integration should be responsible for the development and monitoring of implementation of this strategy.

II. Gradual improvement of Serbia's administrative-financial capacities could be introduced through the following steps:

- Increase the number of civil servants involved in the interest representation, with the priority given to the Mission in Brussels. The Mission needs an increase in the number of experts coming from the line ministries, given the growing workload in the context of accession negotiations;
- Increase of skilled civil servants involved in EU affairs in general, to provide support to the 'front-liners' in communication with Brussels representatives and boost Serbia's appeal as professional and knowledgeable interlocutors;
- Identification of sectors and the extent to which the salaries of the Serbian civil servants dealing with the EU-related topics ought to be increased, in order to prevent future departure of the highly-competent civil servants to higher paying jobs;
- Increase the daily allowances for foreign missions to a satisfactory level, in order to prevent the negative trend of avoidance of official trips (caused by the low allowances). This would further motivate the civil servants to increase their efforts during their pursuit of interests abroad;
- Establishment of a smart retention policy, to ensure greater satisfaction on the working conditions and prevent the outflow of knowledgeable civil servants with long experience in dealing with the EU affairs.³ The developed measures should rely and build on the established practices for retention of civil servants dealing with EU funds (which represents the requirement for opening of Chapter 22 – Regional policy and coordination of structural instruments);
- Continuing training and education programmes in some of the renowned European universities, such as College of Europe. This would allow not only the improvement of the knowledge and expertise in the EU affairs, but also enable the expansion of network of relevant contacts. Such opportunities might be provided to the existing civil servants, based on competitive, merit-based process, as well as to the newcomers;
- Establishment of a database consisted of pool of experts, which would represent a network of alumni of prestigious universities specialized in EU studies, EU professionals working abroad and EU experts/professionals in the Serbian public administration. Such measure would help keep track of the existing experts and help ensure constant mobilization of experts in light of growing needs in the accession process. The office in charge of relations with diaspora should be one of the key institutions involved;
- Minimisation of *ad hoc* replacements of the long-serving civil servants and especially heads of certain bodies which were involved in interest representation activities in Brussels throughout the years.

3. European Policy Centre developed three sets of recommendations according to the scope and length of the required reforms. See: M. Lazarevic et al., *Towards a Smart Staff Retention Policy for the Sustainable EU Integration of Serbia*, European Policy Centre, 2017, pp.61-69.

III. Improve Serbia's visibility and promotion in Brussels through enhanced communication tools or a comprehensive communication strategy designed for extending Serbia's outreach.

- Increase the online visibility by giving a further focus on the so called 'digital diplomacy' and encourage better use of websites. The information ought to be regularly updated and available in English on the official websites of the relevant institutions and bodies involved in the process of interest representation on behalf Serbia;
- Educate the civil servants on best-practice use of e-diplomacy and develop e-diplomacy guidelines that encourage innovation and day-to-day communication with the interested public and EU officials via the available social networking tools;
- Hire a special PR manager, who would coordinate Serbia's media campaign in Brussels and work on the country image. The most probable institution where the PR manager could operate is the Mission, since it would allow him/her to develop a creative approach towards the goal of reaching out to the EU officials which are not as familiar with Serbia.

IV. Ensure greater political impetus for Serbia's EU membership aspirations:

- The Cooperation Body and its Council ought to be revitalized. According to the normative framework they remain the central bodies responsible for coordination and decision-making, though in practice they are barely operational. These bodies need to assemble regularly at least once a month and gather the most relevant Ministers, alongside the Prime-Minister. Provide a place for the President of the Republic of Serbia in the Coordination Body, bearing in mind the lobbying potential and political significance of this position;
- The highest political leadership should put the EU accession on its agenda more extensively, in order to showcase that the accession process represents a priority number one for Serbia;
- Adopt tools which would facilitate the implementation of 'one voice' principle to a further extent. The Commission's document in form of a memo – 'lines to be taken' - can serve as a role model. By examining the relevant issues and summarising Serbia's stance on each of the issues this document would be distributed to every employee in the administration and consequently, the deviation from the main course would likely be minimised.

European 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.

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