

**Interparliamentary Conference for
the Common Foreign and Security Policy (CFSP)
and the Common Security and Defence Policy (CSDP)**

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BREAKOUT SESSION - The European Union and the Western Balkans

The aim of the EU's action in the Western Balkans is to promote peace, stability and economic development in the region and to pave the way to EU integration.

Begun in 1999, EU action has consisted both of a process of stabilisation and association (PSA), setting a framework for relations between the EU and the countries of the region, and of a Stability Pact, a broader initiative involving major international players, replaced in 2008 by the Regional Cooperation Council (RCC).

The ultimate goal of the PSA was to bring about Stabilisation and Association Agreements (SAA), and this has been achieved in respect of the former Yugoslav Republic of Macedonia, Albania, Montenegro and Serbia. As for Croatia, the SAA is no longer pertinent since that country has become a full member the EU. The SAA signed with Bosnia-Herzegovina has been temporarily frozen, and that with Kosovo is currently under negotiation. SAAs contain a series of measures for political and economic cooperation, the creation of free trade areas and the establishment of permanent cooperation structures, most notably the Stabilisation and Association Council.

The initiatives regarding regional cooperation are strongly linked to the process of European stabilisation and integration, and are aimed at strengthening cooperation among the countries of the region in areas such as economic and social development, energy and infrastructure, justice and home affairs, and security. Regional cooperation also encompasses the Central European Free Trade Agreement (CEFTA) that was signed by the countries of the Western Balkans and Moldova.

The Thessaloniki European Council of 2003, at which it was made clear that all the PSA countries were potential candidates for EU membership, marked the starting point of the process of accession of the Western Balkan countries. With the decision of the European Council in June 2014, Albania achieved the status of candidate country, joining the former Yugoslav Republic of Macedonia (a candidate since 2005), Montenegro (since 2010) and Serbia (since 2013), while Bosnia and Kosovo remain potential candidates.

The candidate and potential candidate countries benefit from targeted financial assistance for the implementation of necessary reforms. Since 2007, assistance has been provided through a single channel, namely the Instrument for Pre-Accession Assistance (IPA). In 2014-2020, the appropriations for the IPA will amount to just under €12 billion.

After a strong initial impulse, the accession process slowed down, in all probability due to the impact of the economic crisis on EU Member States, but due also to the persistence of certain specific obstacles relating to the difficult relations between Serbia and Kosovo, the political crisis that broke out in the former Yugoslav Republic of Macedonia at the end of 2012 (as well

as the dispute over the name of the new republic), and the stalling of the process of European integration in Bosnia-Herzegovina. The important agreement in April 2013 between Serbia and Kosovo and the relative normalisation of internal relations in Macedonia, which proved to be a challenging task, have enabled a revival of the accession process, which made a significant first breakthrough with the aforementioned decision of the European Council in June to grant Albania the status of candidate country, as repeatedly requested by the European Commission. The Greek Presidency of the EU contributed significantly to this success by making the acceleration of the pre-accession and accession negotiations a centrepiece of its political programme. The programme of the Italian Presidency, meanwhile, is completely aligned with that of the outgoing Presidency; it seeks to "promote further accession negotiations with Montenegro and Serbia", "to encourage the process of Albania's accession on the basis of the positive results achieved to date", to "promote the continuation of the process of integration of the former Yugoslav Republic of Macedonia", to encourage the compliance of Bosnia-Herzegovina with the conditions laid down for the submission of a credible membership application, and "to encourage the conclusion and signing of a SAA with Kosovo".

It should also be noted that, in its Communication of October 2013, "Enlargement Strategy and Main Challenges 2013-2014" (COM (2013) 700), the European Commission proposed a substantial revision of the priorities to be followed during the accession negotiations to take into account past experience in the area of European integration and the changed economic context. More specifically, top priority has now been accorded to strengthening the rule of law and to the chapters on legal systems and respect for fundamental rights, as well as on justice, freedom and security. It is felt that these need to be concluded first so that the applicant countries may have more time to consolidate reforms of their judicial systems and enhance their tools for combating organised crime and corruption. Considerable emphasis has also been placed on the need to review and strengthen economic governance, given that the region lacks fully functioning market economies and suffers from high unemployment, especially among young people. One of the proposals on the table is for the candidate countries to introduce national strategies of economic reform and action plans for the management of public finances based on the changed model of economic governance that was developed as part of the European Semester. The new communication on the enlargement strategy COM (2014) 700 of 8 October 2014 added a third pillar – reform of public administration and strengthening democratic institutions – to governance and the reform of the legal system. Finally, the central importance of regional cooperation was reiterated, as it is regarded as pivotal to the process of stabilisation and association, and as a precondition for the accession process. The EC has underscored the necessity of strengthening cooperation through a network of bilateral agreements between SAA signatory countries, as well as through an increasingly broad-based and high-quality participation in macro-regional strategies and initiatives (with particular reference to the strategies for the Danube and the Adriatic-Ionian).

On the basis of this outline, the debate might therefore focus on:



- the timetable of the accession process, taking into account the various countries' specific internal and bilateral issues, and their different states of readiness for EU membership;
- the new instruments and priorities set by the Commission, with particular reference to whether the procedures of the European Semester should be applied to the countries of the Western Balkans and how, if agreement is reached on this point, the new instruments can be reconciled with the traditional negotiation process;
- whether and how to strengthen the European prospects of Kosovo and Bosnia-Herzegovina, the two countries that are not yet candidates, taking into account their geopolitical importance for the European continent;
- how to strengthen regional cooperation and coordinate the related initiatives (including macro-regional strategies) with the process of European integration.