

FINNISH EU PRESIDENCY AND THE ENLARGEMENT IN THE WESTERN BALKANS

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Enlargement is one of the flagship policies of the European Union. The EU has been awarded the Nobel Peace Prize for its transformative power to create peace and stability, and these are still in great demand in the Western Balkans.

The six Western Balkan countries have aspired to become EU members for about 25 years, but the work has not been completed. A realistic accession path must be laid out for each of the WB countries.

The WB countries face individual challenges in their development and with the EU. Windows of opportunity, like the recent developments in Macedonia, must be recognized and made use of. The EU Commission strategy for the Western Balkans from 2018 is a good start.

Finland will be the EU Chair on the second half of 2019. Finland should be prepared to pay attention to EU enlargement in the Western Balkans, and this should be reflected in the national program for presidency.

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1. INTRODUCTION

THE WESTERN BALKANS is a political term, which refers to six countries: Albania, Bosnia-Herzegovina, Kosovo, Macedonia,¹ Montenegro, and Serbia. They are the last six non-EU countries on the beautiful mountainous Balkan Peninsula, which is rich in history and culture. The whole 20th century was eventful in the region, to say the least, and opportunities to foster peace and prosperity deserve close scrutiny.

Finland will be the rotating president of the EU Council on the second half of 2019. As president, Finland should be ready to actively preside over the Western Balkan EU accession process which has taken big steps forward in the past couple of years, but this development has gone largely unnoticed. To fill this gap is one of the main motivations for this policy paper.

In 2014 the Commission president Juncker declared that the EU would not expand under his rule.² This perspective has changed recently, as in the autumn of 2018 Juncker underlined the importance of a credible EU perspective for the countries, for the Balkan wars not to be repeated. Already in February 2018, the Commission published a strategy paper “A credible enlargement perspective for and enhanced EU engagement with the Western Balkans”³, which resets the EU attitudes and strategies towards WB accession.

Similar development and an update of attitude has not happened in Finland yet – or at least it has not manifested in policy documents. The Finnish national EU-influencing strategy from 2017, which is the last of its kind before the presidency, all but omits the Western Balkan region as it merely states that stability in the region must be supported.⁴ Similarly, the final report of the interparliamentary working group on Finnish EU-presidency frames the Western-Balkan integration process an external factor, which might influence the Finnish presidency.⁵ Both documents fail to recognize the different conditions and individual development trajectories of the six WB countries, as well as the recent developments in the region. Also, the change of attitude present in the EU Commission Western Balkan Strategy from 2018 is not reflected in the conclusions of the interparliamentary working group.

Finland will form the presidency trio together with Romania and Croatia, which will have a high interest in the region due to its proximity. Already the 2018 presidents, Bulgaria and Austria, have paid special attention to the Western Balkans during their presidencies, which was demonstrated by the EU-WB high-level summit in Sofia in May 2018 and active engagement of the Austrian Chancellor Sebastian Kurz in the Macedonian name-referendum, who represented the EU as the rotating president in 2018.

Fortunately, the new 18-month Programme of the Council⁶ pays more attention to the Western Balkans than the Finnish national policy documents. The Trio Programme sees enlargement policy as a “strategic investment in peace, democracy, prosperity, security and stability in Europe.”⁷ It is good to see that the Trio Programme pays special attention to the WB region, as Croatia has also announced it will host an EU-WB summit during its presidency, which follows Finland’s. Unfortunately, enlargement and the WB region are barely mentioned in the memorandum on the Trio Programme prepared by the Prime Minister’s Office of Finland.⁸

1 The constitutional name is the Republic of Macedonia, but in the UN and in other international organizations the country is referred to as “The former Yugoslav Republic of Macedonia” or FYROM. At the time of writing, the country is in the process of changing its constitutional name to the Republic of North Macedonia. As the process is ongoing, for brevity and clarity, we refer to the country as Macedonia in this paper.

2 European Commission 2014

3 EU Commission 2018b

4 Prime Minister’s Office 2017

5 Parliamentary Working Group 2018

6 Council of the European Union 2018

7 Council of the European Union 2018

8 Prime Minister’s Office 2018

FINLAND SHOULD ENSURE THAT ITS NATIONAL AGENDA FOR PRESIDENCY, WHICH IS ACCEPTED AFTER THE PARLIAMENTARY ELECTIONS IN APRIL 2019, WILL ALSO PAY CLOSE ATTENTION TO THE WESTERN BALKANS AND THE ENLARGEMENT PROCESS.

Finland should ensure that its national agenda for presidency, which is accepted after the Parliamentary elections in April 2019, will also pay close attention to the Western Balkans and its enlargement process.

Overall, the Finnish Presidency takes place at a special junction – right after the elections to the EU Parliament and at a time when the EU Council's strategic agenda for the next five-year period (2019–2024) is prepared and approved. Also, the new EU Commission will start its term during the Finnish presidency and approve its programme for the upcoming five-year period.

In the 2018 WB strategy⁹ the EU Commission pictured a best-case scenario, in which two of the WB countries, Serbia and Montenegro, could be full-fledged EU members by 2025 – if everything goes as planned. This must be reflected in the EU Council agenda and in each presidents' national program for presidency, as well as in the Commission's work programme.

9 EU Commission 2018b

The role of the rotating presidency of the EU has decreased as the Lisbon Treaty created the High Representative for Common Foreign and Security Policy and the role of permanent President of the European Council. But it still has a unique and significant role in agenda setting and policy influencing on the EU-level, especially for smaller member states.

In this paper we first look at the general history of the Western Balkan region and its integration process with the EU. Then we proceed to look at the situation of each country individually, covering basic facts of the countries and their specific situation in the EU-integration process. Special focus will be on Macedonia (in an annex), as it is currently the prime example of delivering political reforms domestically, which demands reciprocity from the EU-side. Finally, we look at some policy possibilities and recommendations that Finland could and should do as the rotating president.

WB AND THE PROMISE OF EU INTEGRATION

The Western Balkan countries form one of the last non-EU enclaves on the European map. They are surrounded by the Union on all sides (Figure 1) but are yet to be included in the Union themselves. For the last decades, the EU and the WB countries have been flirting with each other but the commitment has been flaky on both sides. The European Union is a project of peace and integration at its base, and Western Balkans as a region would still benefit from this original function. In the 2003 Thessaloniki summit, the EU voiced a promise that the future of the Western Balkans lies within the European Union. Unfortunately, 15 years later, this promise is still to be fulfilled.

The EU has enjoyed several decades of success in enlargement. But after the ‘big bang’ expansion in 2004, which brought ex-Yugoslavian Slovenia to the Union, as well as the inclusion of three Balkan countries (Bulgaria and Romania in 2007, Croatia in 2013) the prospects for membership look bleak to the remaining non-members. The Union has been challenged by first a financial and then the sovereign debt crisis, and most recently Brexit, which have all contributed to the so-called enlargement fatigue. Despite the EU’s internal challenges, in the Western Balkans there is still a great need for the core values of the Union: peace and stability.

In 2018 the Commission rekindled its efforts and interest in the region. In its communication ‘A credible enlargement perspective for and enhanced EU engagement with the Western Balkans’ the Commission sets an indicative deadline of 2025 for the admission for Serbia and Montenegro. The commission also reinforces the Thessaloniki promise to the other WB countries but emphasizes that for the EU process to move forward, the governments must also deliver reforms and progress. As president, Finland needs to be aware of this shift and recognize the developments in the region.

Making good on the more-than-decade-long commitment towards the Balkan countries is a sensible course of action at a time when the credibility and ability of the Union to deliver reforms look frayed.¹⁰ Pursuing integration of the Balkans as a means of building reliable partnerships on the basis of shared values and interests makes strategic sense for an EU whose enduring power of attraction has been battered by multiple crises.¹¹ The EU, acting as a unified body, has pursued expansion as part of its fundamental reason for being.¹² Perhaps focusing on this reason of being could be handy for the Union itself also, as the WB countries could become the success stories that restore belief in the EU as a credible and capable actor even in a period of tumultuous global politics.

10 Stratulat 2016

11 Stratulat 2016

12 Ker-Lindsay, Armakolas, Balfour and Stratulat 2017

THE WESTERN BALKAN COUNTRIES COULD BECOME
THE SUCCESS STORIES THAT RESTORE BELIEF
IN THE EU AS A CREDIBLE AND CAPABLE ACTOR
IN GLOBAL POLITICS.

In addition to the moral weight of living up to the Thessaloniki promise, there are several additional reasons for the renewed interest in the expansion to the Western Balkans. First, the migration crisis in 2015 demonstrated the fragility of the European neighbourhood. The rapid inflow of people through the Balkan route gave a notion that the national governments in the core of Europe are not in control of their own borders.

Second, there is some concern that intra-regional conflicts are heating up. Kosovo-Serbia relations are an example of this with several high-profile shooting incidents in 2018, Macedonia went through a very tense period between 2015–2017, and the

threat of instability is on the rise in Bosnia-Herzegovina also, as the autumn 2018 elections indicate. The region has seen slight democratic backsliding and an increase in nationalistic tensions. As the regional power and as a demonstration of its soft power, the EU should be active in resolving these issues.

Third, there are concerns about growing outside influence of outside powers in the region, including especially Russia, Turkey, and China.¹³ Although their activity and economic connections in the region pale in comparison with the influence of the EU, the trend is increasing. Up until now, the US foreign policy in the WB region has remained active and engaged even under the Trump administration, but the message repeated from Washington is that the EU should take care of its own security. This means that the EU has to play a bigger role in the WB region.

Fourth, successful accession and integration of some or several of the WB countries is a way for the EU to regain momentum on tightening of the Union in times of Brexit and while some of the Central European member states are backsliding in terms of integration and even human rights. The biggest leverage with which the European values of peace, democracy, and stability can be promoted is through the enlargement policy, and therefore it should be actively used in the Western Balkans.

¹³ Three reasons from Grieve-son, Grubler, and Holzner 2018

THE WESTERN BALKANS IN A NUTSHELL

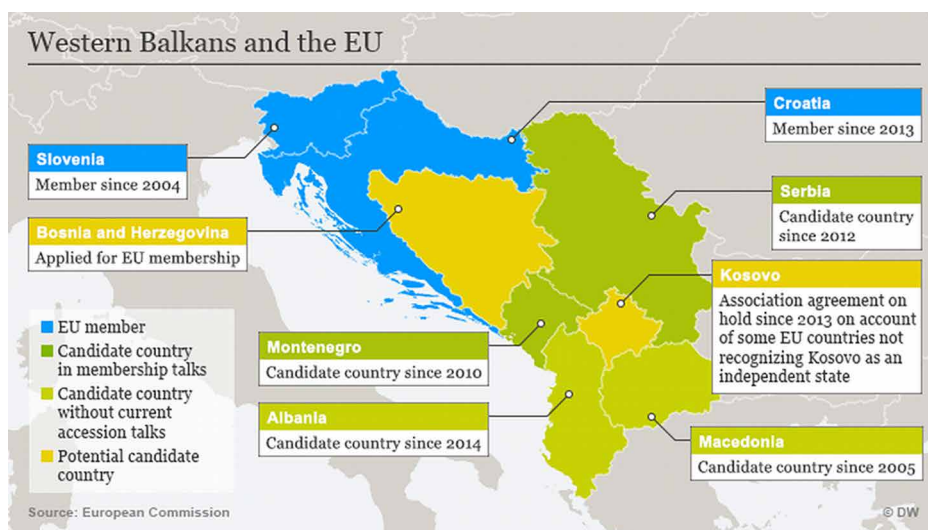
The Western Balkans consists of six countries¹⁴, which all aspire to join the EU. The countries are surrounded by EU member states and form a land bridge, and the shortest transit route, with the EU's south-eastern members (Romania, Bulgaria, and Greece), and the rest of the Union. The WB countries are already closely linked to the EU, with EU being their largest trade partner, their largest source of incoming foreign investment and other financial flows, and the main destination for outward migration.¹⁵

¹⁴ Albania, Bosnia-Herzegovina, Kosovo, Macedonia, Montenegro, and Serbia.

¹⁵ Dabrowski and Myachenkova 2018a

Figure 1 / Western Balkans and the EU¹⁶

¹⁶ Grieve-son, Grubler, and Holzner 2018



There are a few basic things to keep in mind in terms of the WB and EU integration. First, the region as a whole, and each country individually, are very small. Together, the six countries have approximately 18 million inhabitants, which is a few million short of Romania, which alone has 20 million inhabitants. Serbia, the most populous individual country of the WB6 is smaller than Austria with its 7 million inhabitants. As the table below shows, the rest are significantly smaller.

The WB countries are comparatively small and there is no vision of a “big bang” regional expansion. Instead, the enlargement envisioned by the Commission is more like a train of countries joining individually or in pairs, according to the pace in which they can complete the reforms necessary. Therefore, population-wise the WB poses only minor challenges to the EU’s absorptive capacity.

The EU enlargement is viewed very positively in the Western Balkans. According to the autumn 2018 Eurobarometer survey,¹⁷ up to 83% of Albanians and 77% of Macedonians view EU enlargement as a positive thing. Two other WB countries included in the survey show comparatively high support for enlargement, Montenegro 62% and Serbia 56%.

17 Eurobarometer 2018

In the EU countries themselves, the support for enlargement is somewhat lower, with an average of 43% of population for it. But it’s worth to note that several countries show high support for enlargement; Spain leads the way with 71% of the population supporting enlargement. Finland is at the other extreme of the spectrum, with only 28% of the population supporting enlargement and 64% opposing it – which is also the highest opposition in all the surveyed countries. As the incoming president, Finland should take note that the attitudes towards enlargement in Finland are far from the European thinking – on average, EU enlargement is viewed much more positively.

Table 1 / Population of Balkan countries in 2017 or year of accession to EU

Year	Country	Population
2017	Albania	2 870 000
	BiH	3 510 000
	Macedonia	2 080 000
	Kosovo	1 830 000
	Montenegro	620 000
	Serbia	7 020 000
	WB6 total	17 940 000
2007	Bulgaria	7 550 000
2007	Romania	20 880 000
2013	Croatia	4 260 000

Data from World Bank
World Development
Indicators database
Last Updated: 07/25/2018

FINLAND SHOULD TAKE NOTE THAT THE ATTITUDES TOWARDS ENLARGEMENT IN FINLAND ARE FAR FROM THE EUROPEAN THINKING – ON AVERAGE, EU ENLARGEMENT IS VIEWED MUCH MORE POSITIVELY.

The populations are small to begin with, and the Western Balkan countries have faced massive outward migration in the last decades. According to UN statistics, most of this migration is intra-regional, as citizens move from one (Western) Balkan country to another. But also, EU countries, such as Germany and Austria, or Italy and Greece for Albanians, feature as top destinations for migration from the Western Balkans.¹⁸ Other top destinations include Switzerland, the USA, and Turkey. As a considerable portion of the working age population have already integrated into the EU labour market, full EU membership for the WB countries would not create a “Polish plumber” effect of worker influx within the EU – it has already happened to a great extent. The table below shows the migrant stock from five WB countries (data for Kosovo not available).

18 United Nations 2014

Table 2 / WB5 Total migrant stock, number of people and % of population, 2015¹⁹

Country of origin	Albania	Bosnia and Herzegovina	Montenegro	Serbia	Macedonia
Migrants stock worldwide 2015	1 122 910	1 650 772	138 356	964 585	516 024
Percent of population	38,4	46,7	22,0	10,9	24,8

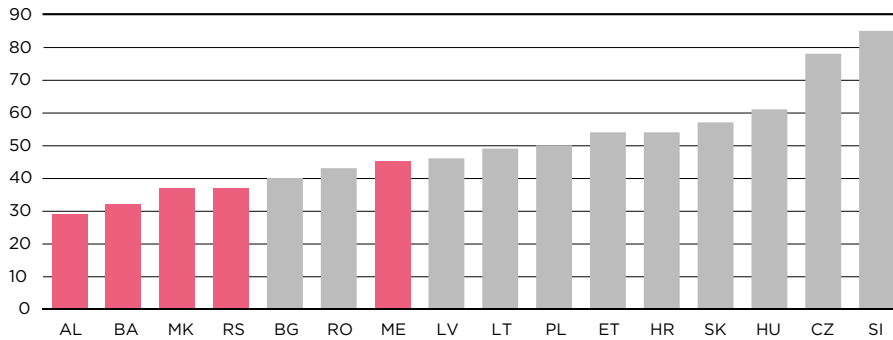
19 Dabrowski and Myachenkova 2018a

There is no denying that high emigration is a symptom of a lack of opportunities in the countries themselves – a lot of work remains to be done for the WB countries to reach the standards of the EU and the single market. The table below demonstrates where the WB countries stand in comparison in terms of GDP per capita with the eastern EU countries at their time of accession. We can see that the most developed of the WB6, Montenegro, Serbia and Macedonia, are already in line with Romania and Bulgaria at the time of their accession. In fact, Montenegro is not far behind two of the Baltic states or Poland at the time of their accession. The other WB6 countries have a longer road to travel, but they would also have more time to do so, as the negotiating process is lengthy, once it is started.

Figure 2 / Per capita GDP at PPP²⁰

²⁰ Grieveson, Grubler, and Holzner 2018

EU average = 100. Year of accession, 2016 for Western Balkan countries.

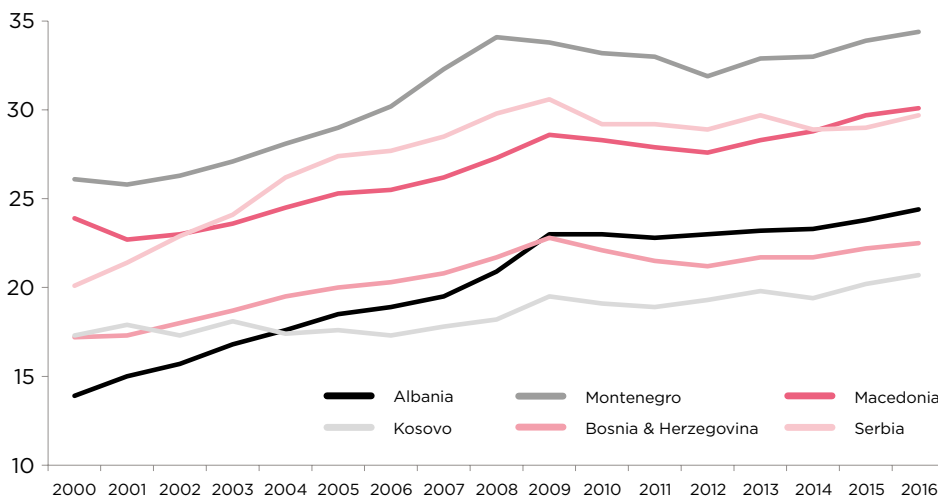


At the moment the WB countries are classified as upper middle-income countries by the World Bank, although on the lower end of the scale – apart from Kosovo, which is a lower middle-income country.²¹ The good news on the economic front is that for the most part of the last two decades, the WB countries have caught up with Germany in terms of GDP per capita. As Figure 3 below demonstrates, the WB countries have enjoyed higher growth rates and have narrowed the GDP per capita gap between themselves and Germany. The figure demonstrates that Serbia, which has made the biggest comparative gains, has narrowed the gap to Germany by approximately 10 percentage points. The EU accession process and negotiations take years, and during that time the WB countries catch up with the EU core year by year.

²¹ Dabrowski and Myachenkova 2018a

Figure 3 / GDP per capita in current international \$, PPP adjusted, Germany = 100%, 2000–2016²²

²² Dabrowski and Myachenkova 2018a



In addition to an integrated labour force and faster growing economies, the WB goods markets are already integrated closely to the European single market. The WB countries are members of the Central and Eastern European Free Trade Area (CEFTA), which has a very tight connection with the EU single market. The EU has also promoted a network of horizontal free trade agreements between candidate countries using the umbrella of the CEFTA.²³ The EU is the largest target of export and source of imports for all Western Balkan countries, with the slight exception of Montenegro which naturally still has very strong economic ties to Serbia.

²³ Dabrowski and Myachenkova 2018a

Figure 4 / Geographical structure of imports to Western Balkans, % of total, 2016²⁴

²⁴ Dabrowski and Myachenkova 2018a

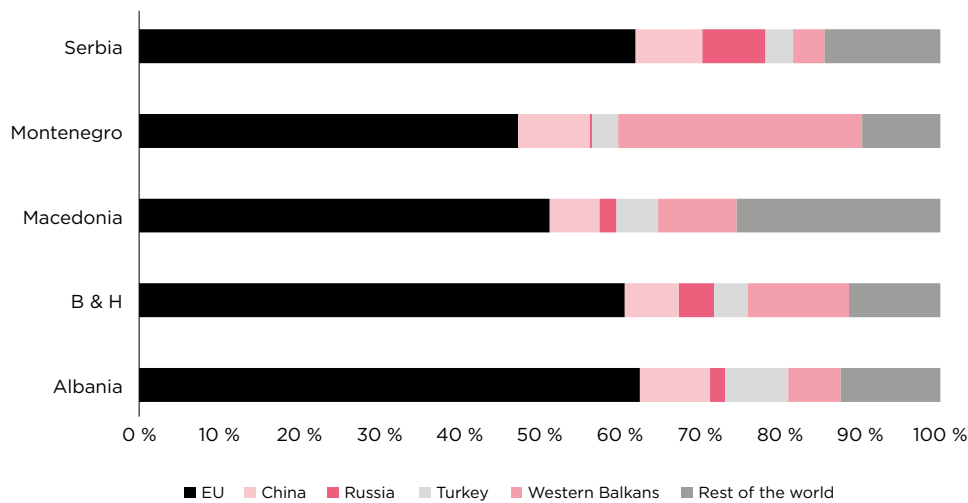
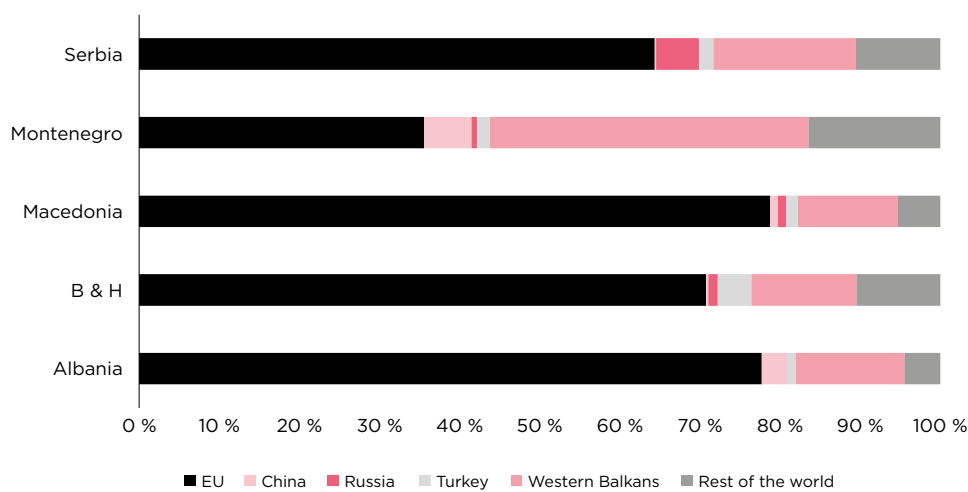


Figure 5 / Geographical structure of exports from Western Balkans, % of total, 2016²⁵

²⁵ Dabrowski and Myachenkova 2018a



Financial flows follow a similar pattern, with the EU being the largest source of foreign direct investment in the region. Other sources of finance inflows include the usual suspects the USA, Russia, and China, as well as the regional powerhouse Turkey. But the EU is by far the biggest financier in the WB region.²⁶

Finally, also in terms of monetary policy, there are strong ties between the WB6 and the EU. Kosovo and Montenegro have unilaterally taken the euro as their currency, Bosnia and Herzegovina has a euro-denominated currency board, and Macedonia pegs their currency to the euro in a narrow horizontal band. Exchange-rate regimes in Albania and Serbia can be characterised as managed floats, and both countries have declared inflation-targeting frameworks.²⁷

26 Grieveson, Grubler, and Holzner 2018

27 Dabrowski and Myachenkova 2018b

WHERE THE WB COUNTRIES STAND IN THE EU INTEGRATION PROCESS?

The countries are at different stages in their development and in the EU integration process. There are general themes that apply to all of them, common challenges and common tools to tackle these challenges. The EU Commission follows the progress of each candidate and aspiring candidate and publishes country reports on their performance. The reports from the spring of 2018 name lack of competitiveness in the economy, big external deficits, high public debt, rigid labour markets, weak governance, large informal economies, and weak infrastructure as common themes for all WB countries.²⁸ These challenges must be resolved, and the EU integration process is a place to solve them. The past decade has shown that without external pressure and a clear accession path, the countries in the region might not deliver the necessary reforms to move closer to the EU. Without them, there is a risk of democratic backsliding and the rise of nationalistic, autocratic, and antagonistic policies, which can destabilize the whole region.

In terms of EU integration, the WB countries can be divided into three baskets: Serbia and Montenegro have already opened the accession negotiations. Albania and Macedonia are candidate countries, and both wait for the date to start accession negotiations. It is likely to be decided in the July 2019 EU Council meeting – just before the Finnish presidency. Kosovo and Bosnia-Herzegovina are potential candidates: Bosnia and Herzegovina submitted the application to join the EU in February 2016. Kosovo signed the Stabilisation and Association Agreement in April 2016.

28 Grieveson, Grubler, and Holzner 2018

THE PRE-ACCESSION INSTRUMENTS

The main instrument in drawing the WB countries closer to the EU has been the Stabilisation and Association Process (SAP). The SAP process was launched in June 1999 and strengthened at the Thessaloniki Summit in June 2003. There are four major pillars, which are a bilateral Stabilisation and Association agreement between the countries and the EU, trade relations, financial assistance (the Instrument for Pre-accession Assistance or IPA), and regional cooperation including good neighbourly relations. The progress in the process is based on countries' own merit.²⁹

29 European Commission 2018i

The Stabilisation and Association Agreements (SAA) signed between the EU and each WB country individually promote peace, security, democracy, and human rights. The SAA with Macedonia entered into force in 2004, with Albania in 2009, with Montenegro in 2010, Serbia in 2013, Bosnia and Herzegovina in 2015, and with Kosovo in 2016. These agreements have guided the countries towards implementing the common body of European law, the *acquis communautaire*.

The Instrument for Pre-Accession Assistance (IPA) is the financial instrument through which the candidate and potential candidate countries receive financial assistance. The IPA was launched in 2007 and replaced all previous assistance programmes for candidate countries or potential candidate countries like PHARE, PHARE CBC, ISPA, SAPARD, CARDS and the financial instrument for Turkey.³⁰ The current IPA instrument is called IPA 2, a framework for providing pre-accession assistance for the period 2014–2020. The Pre-Accession Instrument consists of programmes for investments in public administration reforms, rule of law, sustainable economy, people and agriculture and rural development.

According to the European Commission “the most important novelty of IPA II is its strategic focus. Country Strategy Papers are the specific strategic planning documents made for each beneficiary for the 7-year period. These will provide for a stronger ownership by the beneficiaries through integrating their own reform and development agendas. A Multi-Country Strategy Paper will address priorities for regional cooperation or territorial cooperation.”³¹

30 European Commission 2018i

31 European Commission 2018g

THE BERLIN PROCESS

The Berlin Process is one of the most important initiatives for the WB countries in order to maintain the momentum of the European integration. The Berlin Process was launched in 2014 following the Juncker declaration that there will be no enlargement of the EU in the years 2014–2019. The main political support for the Berlin Process came from the German Chancellor Angela Merkel. The initial idea was to mark the centenary of WWI with a conference in Berlin for reconciliation and future cooperation of the six WB countries that are not members of the EU and some of the EU member states that have historical and present ties to the WB region, like Germany, Austria, France, Italy, Croatia, Slovenia, and later the UK. The annual conferences continued in Vienna in 2015, Paris in 2016, Trieste in 2017 and London in 2018.³²

The agenda of the Berlin Process is based on “three pillars with diplomatic, economic, and soft dimensions”³³ that address a wide range of issues starting from political cooperation and reconciliation, and continuing with economic cooperation, social policy, dealing with unemployment with a focus on youth unemployment, youth exchange and cooperation with the civil society. For example, the process has resulted also in the creation of regional institutions like the Regional Youth Cooperation Office of the Western Balkans (RYCO), following the tradition of the Franco-German reconciliation through youth initiatives and exchanges after the WWII. The RYCO was established in the Paris summit in 2016 and it aims to “promote the spirit of reconciliation and cooperation between the youth in the region through exchange.”³⁴

It is important to highlight that the Berlin Process is not intended as a substitute for the EU enlargement or to create new criteria for accession or new institutions for aspiring countries, but to serve as a mechanism for additional coordination and

32 Marciacq 2017

33 European Parliamentary Research Service 2016

34 RYCO 2016

mutual assistance in the process. The initial patronage by Germany and later by several other EU countries gives the process the necessary political weight and reassurance for the WB countries in times of political, economic and social turbulences.³⁵

35 Marciacq 2018

Serbia and Montenegro and the EU

Serbia and Montenegro are furthest along in the accession process. Montenegro opened accession negotiations with the EU in 2012, and as of July 2018, 31 out of the 35 negotiation chapters are opened, with three of them provisionally closed.³⁶ Serbia opened accession negotiations in 2014, and as of June 2018, 14 out of the 35 chapters are under negotiation, with two chapters provisionally closed. Montenegro joined NATO in 2017, but Serbia is the only WB country that is not and does not aspire to become a NATO member.

36 European Commission 2018f

In the spring of 2018, the Commission signalled that in the best-case scenario, Serbia and Montenegro could become EU members in 2025. This was not a guarantee from the side of the EU, but a credible path to accession to encourage the domestic politicians to keep doing the necessary reforms. For the EU, this timeline means that the negotiations would have to be concluded during the incoming Commission's term – which is the Commission that begins work during the Finnish presidency. If this best-case scenario unfolds, the Commission after the next would start its term with two new members from the Western Balkans.

In the case of Serbia, the Kosovo question remains as one of the main obstacles to be solved before the accession. Kosovo unilaterally declared independence from Serbia in 2008, and Serbia has still not recognized it as a sovereign state – also five EU states are yet to recognize Kosovo.³⁷

37 Cyprus, Greece, Romania, Slovakia, and Spain

In addition, according to the Commission analysis, Serbia is facing rising authoritarian tendencies in the government led by the SNS (Serbian Progressive Party) and the President Aleksandar Vucic, also party leader of SNS. This means increased pressure on the media and independent journalists, pressure and public defamation of critical civil society actors, limited space for oppositional political activities and rising corruption, which are also significant obstacles on Serbia's path to full membership in the EU.³⁸

38 European Commission 2018g

Albania and Macedonia

Next in line in the accession process are Albania and Macedonia. Both are candidate countries, and Macedonia is a long standing one. It has been in the EU's waiting room since 2005, whereas Albania entered in 2014. In the spring of 2018, the EU Commission gave a positive recommendation for both countries to open the accession negotiations.³⁹ The EU Council did not approve this recommendation in June 2018 but deferred it by one year on the initiative of France and The Netherlands.⁴⁰ If the progress and positive reforms in Macedonia and Albania continue, the EU

39 European Commission 2018c

40 Bieber 2018

IN THE SPRING OF 2018, THE EU COMMISSION GAVE A POSITIVE RECOMMENDATION TO OPEN THE ACCESSION NEGOTIATIONS WITH ALBANIA AND MACEDONIA.

Council in June 2019 will make the decision on opening the accession negotiations. This tentative date for starting the negotiations coincides with start of the Finnish EU Council presidency.

Macedonia⁴¹ was the first of the current six WB countries to sign the Stabilisation and Association Agreement already in 2001 – in fact Macedonia signed it even before Croatia. Unfortunately, the country has throughout its independence been held back by the “name dispute” over the use of the name Macedonia with its neighbour Greece. Macedonia submitted its application for membership in the EU in 2004 and was awarded a candidate status in 2005, although without recommendation and date for the start of the accession talks. The recommendation was given for the first time in 2009,⁴² but as a result of the Greek veto in the EU Council, the accession talks were blocked for the following years, as well as Macedonia’s bid for NATO membership. Albania has already joined NATO in 2009.

In 2018 the name issue has taken huge steps forward and, at the time of writing, Macedonia is very close to changing its constitutional name into Republic of North Macedonia, which would result in Greece giving up their objection to the Macedonian membership in the EU and other international organizations, such as NATO and the UN. A rare window of opportunity is about to open for advancing the Macedonian EU accession.

Bosnia-Herzegovina and Kosovo

Bosnia-Herzegovina and Kosovo have the longest road to travel to become EU members. Both countries are engaged in the Stabilisation and Association Process but have not yet received the candidate status, let alone opened accession negotiations. The main obstacle in the case of Kosovo is the fact that five EU countries have not recognized it as an independent state. This, for example, creates a legal obstacle for the ratification of EU-Kosovo treaties by the national parliaments of those EU states that have not recognized Kosovo.

In the case of Kosovo, the process of the independence recognition is also linked to Kosovo’s membership in international organizations. Russia and China are using their veto right as permanent members of the UN Security Council to block Kosovo’s membership in the UN. Serbia is using diplomatic means to block Kosovo’s membership in international organizations like UNESCO and Interpol.⁴³

In the case of Bosnia-Herzegovina, the constitutional structure, which is based on the Dayton Peace Agreement from 1995, is not compatible with European standards. Bosnia-Herzegovina consists of the Confederation Bosnia and Herzegovina, which together cover 51% of the land area, and Republika Srpska, which covers 49% of the land area. Herzegovina is “earmarked” to ethnic Croats, Bosnia for ethnic Bosniaks, and Republika Srpska for ethnic Serbs. Each ethnicity has their own president, which together form the tri-presidency that governs the country, but under the auspices of the UN high representative.

The European Court of Human Rights has issued several verdicts that this tri-presidency system which is based on ethnicity is discriminatory, as no other ethnic groups (Roma, Jewish, Albanian, etc.) are not allowed to run for president. Also members of the mentioned ethnicities are only able to run for president if they live within the designated entities (for example Croats and Bosniaks living in Republika Srpska are not allowed to run for presidency of Republika Srpska – and similarly Croats and Serbs in Bosnia and Serbians and Bosniaks in Herzegovina are not allowed to run).

41 More detailed information on Macedonia is available in the Annex of this policy paper.

42 European Commission 2018e

43 Balkan Insight 2017 and Associated Press 2018

THE EU CANNOT ALLOW BACKSLIDING IN DEMOCRACY AND DEVELOPMENT, OR BACKTRACKING IN THE ENLARGEMENT PROCESS.

The constitutional structure based on the Dayton Peace Agreement managed to end the violence but failed to create a sustainable and functioning state. There are constant tensions between political leaders, who tend to resort to nationalism. Because of the decentralization, policies are either blocked or cannot be properly implemented countrywide. As a result of this situation, internal harmonization of legislation and policies is very fragile and heavily limited.⁴⁴

44 European Commission 2018a

For BiH and Kosovo, there remains a lot of work within the Stabilisation and Association framework and they, too, need strong efforts and incentives to move forward. The EU cannot allow backsliding in democracy and development, or backtracking in the enlargement process. And a credible enlargement process is the best incentive to promote positive reforms.

ACCESSION CRITERIA FOR WB COUNTRIES

In the early 1990's, the EU defined the Copenhagen Criteria for new member states. These criteria cover the political, judicial and economic spheres and they describe the conditions the candidate countries must meet before they can become members of the EU. The goal of the political criteria is to guarantee the respect for democracy, human rights, rule of law and respect and protection of minorities. The economic criteria ensure the existence of a functioning market economy, with the capacity to cope with the competitive pressures from the single market. The administrative criteria measure that the applicant country can take on the obligations of the membership, to apply the *acquis communautaire*.⁴⁵

45 Staab 2011

These criteria were designed in Copenhagen in 1993 and they were used in the expansion round of 1995. For the big bang expansion of 2004, the Copenhagen criteria were developed further. In 2007, when Romania and Bulgaria joined the EU, they faced yet stricter accession criteria. Now the WB countries are faced with yet stricter Copenhagen-plus-plus criteria, which are more rigorous than the criteria applied in the previous rounds of enlargement.

The Commission Strategy for the Western Balkans sets out an Action Plan with six concrete flagship initiatives targeting specific areas of common interest: rule of law, security and migration, socio-economic development, transport and energy connectivity, digital agenda, reconciliation and good neighbourly relations.⁴⁶ According to the Commission, the door to the EU is open to further accessions when – and only when – the individual countries have met the rigorous criteria. Also, the Commission proposes to gradually increase funding under the Instrument for Pre-Accession Assistance until 2020 as far as reallocations within the existing envelope allow. This increase in effort is very welcome, because one study found that only Macedonia is likely to meet the 2004 accession criteria by the mid-2020's with the current trajectory.⁴⁷

46 European Commission 2018b

47 Böhmelt and Freyburg 2017

RISKS IF EU IS NOT ACTIVE IN THE WB

The perspective of EU membership is a major incentive for the citizens of the WB countries where the support for EU enlargement is considerably high, ranging from 83% in Albania to 56% in Serbia.⁴⁸ Although the optimism has declined in the last decade, the WB countries still have no other credible alternative outside the EU integration process. Even though some of the political forces in these countries (mostly populist political parties and other formal or informal groups) advocate alliance with Russia as part of the so called “Euro-Asian Union”⁴⁹, the public support to leave the EU integration process remains very low. Even in Serbia, where Russia has a comparatively high political support, EU membership is a strategic goal (the foreign policy strategy promotes alliances resting on “four pillars”, which are the EU, the USA, Russia and China, accompanied by “military neutrality”).

For the Macedonian multi-ethnic society, which faces frequent crises caused by nationalistic extremists, membership in the EU is a major cohesive factor. For Albania and Kosovo, the EU membership creates a feeling of “belonging to Europe and the West.” In Bosnia-Herzegovina, the EU perspective has majority support in both entities and among the major and smaller ethnic and religious groups, despite the nationalistic tensions and divisions. Finally, Montenegro sees the EU membership as a decisive step in the development of the statehood of this youngest (except Kosovo) WB country.⁵⁰

Irrespective of the aspirations of the WB countries, the EU itself and its member states have a decisive role in the process. Although the public support for the EU enlargement in the member states is not extremely high,⁵¹ the political leadership should not calculate with short-sighted political gains by opposing the enlargement process. Such an approach could lead to negative political development in the WB countries and could have disastrous consequences for the WB region and could also have a negative impact on the stability and prosperity of EU member states in the region and, in the worst case, on the EU as a whole. If the EU remains passive, or rejects enlargement, it may have negative consequences in the following areas:

1. Political instability and renewal of inter-ethnic and inter-religious conflicts in the Western Balkans

Negative development may be expected in the very multicultural societies of Bosnia-Herzegovina and Macedonia. In Bosnia-Herzegovina, the support for the EU is stronger among Muslim Bosniaks and Catholic Croats compared to Orthodox Serbs, where the “alternative” alliance with Orthodox “sister” Russia has significant public support.⁵²

In Macedonia the possible break of the process may result in an increased aspiration of the Muslim Albanian population to join “larger” Albania, already a NATO member and a candidate for EU membership. The mostly Orthodox ethnic Macedonian population may opt either for an alliance with Bulgaria, which is an EU and NATO member and which can award a citizenship to ethnic Macedonians claiming Bulgarian roots, at times motivated by the possibility to work in EU countries. Serbia could try to build an alliance with Russia, though this idea seems unrealistic.⁵³

Also, the conflict between Serbia and Kosovo may escalate.⁵⁴ The last conflict is neither purely inter-state, nor intra-state having in mind that Serbia does not recog-

48 Eurobarometer 2018

49 More on Russia and WB countries relations in: Bechev 2017

50 European External Action Service 2017

51 According to Eurobarometer survey from autumn 2018, 43% of EU citizens support “further enlargement of the EU to include other countries in future years”

52 Committee on Foreign Relations United States Senate 2018

53 Tcherneva and Wesslau 2017

54 Kljajic 2018

THE POLITICAL LEADERS IN THE EU AND WESTERN BALKANS SHOULD THINK OF THE LONG TERM BENEFITS OF MEMBERSHIP – AND ACT ACCORDINGLY.

nize Kosovo's independence and that Kosovo shows an aspiration for "expansion" of its territory towards the Serbian south in the Presevo Valley, while Serbia de facto controls Kosovo's north (four municipalities with ethnic Serbian majority north of the river Ibar).⁵⁵

55 Zbytnewska 2018

If these conflicts escalate, it would almost certainly result in increased migration, either as refugees or as economic migrants, that will put additional pressure on the EU member states already facing a migration crisis with migrants flowing from Africa, conflict zones in the Middle East, and Afghanistan. The possible collapse of the institutions in these countries may also jeopardize the stability of the EU's external borders in South Eastern Europe (SEE). The WB countries showed significant cooperativeness with EU institutions by closing the "Balkan route" following the refugee crisis in 2015.

2. Economic decline and social unrests in the WB

The fragile economies of the WB6 countries and unfinished transition towards a functioning market economy could face a crisis that undermines their development if the EU membership perspective is removed. The fragile rule of law, legal uncertainty and corruption are already obstacles for Foreign Direct Investment and investments in general that focus on production with greater added value as a basis for intensive economic development. Additionally, the already high unemployment (especially among the youth) and high poverty rates could generate social unrest, which could fuel the inter-ethnic or inter-religious conflicts.⁵⁶

56 Reuters 2018

In such a situation, the economies of the countries will turn even more to the speculative finances or China's investments that are already constantly growing. Namely, China puts a strategic role to SEE countries in general in its "Belt and Road Initiative" and tactically invests funds in large infrastructural projects (highways, railways and ports). Increased Chinese presence is already jeopardizing the competitiveness of many companies in the EU and furthermore opens new markets for cheaper Chinese products.⁵⁷

57 Šimalčik 2018

3. Security challenges and terrorism

Knowing the ethnic, cultural and religious diversity of the WB6 countries, one may easily conclude that instead of ground for prosperity, the diversity may be transformed into fertile ground for ethnic and religious extremism and racially motivated terrorism. Crucial challengers for the EU in this area are Russia, Turkey and non-state players, like radical Islamist groups.

Russia is already using its influence in some countries (Bosnia and Herzegovina,⁵⁸ Serbia⁵⁹) to undermine the reconciliation process and political stability. In others, like Montenegro, it supports groups that want to abolish Montenegrin statehood by opposing the sovereignty and the independence of the country,⁶⁰ and finally, in Macedonia it uses a hybrid tactic to fuel the inter-ethnic tensions, undermine

58 Committee on Foreign Relations United States Senate 2018

59 Committee on Foreign Relations United States Senate 2018

60 Committee on Foreign Relations United States Senate 2018

the democratization of the society and halt the reconciliation processes between Macedonia and its neighbours Greece and Bulgaria.⁶¹

The Erdogan Government in Turkey, on a smaller scale than Russia, also uses its influence in WB countries,⁶² especially among the Muslim population in the WB,⁶³ but also on some politicians and voters of the ethnic Macedonian populist right,⁶⁴ to create space for Erdogan-like political movements that will provide unconditional support and loyalty to Turkey's regime in exchange for political and economic support.

Finally, non-state actors like radical Islamist groups manage to recruit many volunteer "fighters" but also some mercenaries to fight for their radical causes in Syria and Iraq. A showcase for this phenomena is Kosovo, but also Bosnia and Herzegovina and Presevo Valley and Sandjak region in Serbia. Upon their return, these people can pose security and political concerns for WB countries and the EU. Having in mind the weak and often corrupted institutions in WB countries, security concerns may easily evolve into clear security threats.⁶⁵

61 US Department of State 2018

62 Weise 2018

63 Vuksanović 2018

64 Pargan 2018

65 Tadić 2017

WHAT FINLAND CAN DO AS THE ROTATING PRESIDENT?

The rotating presidency of the EU Council is an important position. Admittedly, the role of the presidency has shifted somewhat when the Lisbon Treaty introduced the permanent positions of President of the European Council and High Representative of the Union for Foreign Affairs and Security Policy. But still, especially for the smaller member states, the rotating presidency offers the possibility to be in the very core of EU decision making that they would not otherwise have. This extends to the field of the EU's external relations⁶⁶ and also to enlargement policy.

Batora studied the Slovak presidency of 2016 and identified three ways in which the rotating president can exert influence: the rotating president can act as gatekeeper, agenda shaper, and policy entrepreneur to promote or hinder certain policy goals. Small member states regularly take on such roles when running the Presidency.⁶⁷

One example of the gatekeeper role is the Slovakian government who drafted a letter opposing the Nordstream 2 gas pipeline, which was sent to the permanent Council president Donald Tusk, the Commission president Juncker, and several European capitals and their EU representatives. The rotating president is not supposed to promote national self-interest during the presidency, but the Slovak government circulated this letter months before the presidency. It was also signed by the Baltic states and several Central and Eastern European countries, and it made Slovakia's opposition to the pipeline project very clear and left no doubt that they would veto any initiatives during their presidency to put the project on the EU agenda.

Second, the rotating president can act as an agenda shaper on various levels of the EU institutions in ways which especially the smaller member states normally can not. Themes for this vary depending on the political situation at the time of the presidency. In the mentioned case of Slovakia, the main events during their presidency were the ratification of the Paris Agreement on climate and EU heads of government meeting in Bratislava, which followed the unexpected result of the Brexit referendum.

Third, during their Presidency, Slovakia created the Bratislava Declaration and Roadmap, which outlines steps in reforming the EU. This is an example of Slovakia acting as a policy entrepreneur. The declaration also reiterates the importance of

66 Batora 2017

67 Batora 2017

“continued support to the countries of the Western Balkans” for managing the migrant crisis of 2015–2016.⁶⁸

68 Council of the European Union 2016

RECOMMENDATIONS

This final chapter of the paper is dedicated to views that the authors would like to recommend for Finland to do as the incoming rotating president from July 2019 onwards. Finland should create a new momentum for the partly frozen and forgotten EU enlargement process and complement many other initiatives aimed at the consolidation of the EU and deeper European integration after the Brexit shock.⁶⁹

69 Dabrowski and Myachenkova 2018a

First, it is important for the EU and the WB to reach a decision to open the accession negotiations with Macedonia and Albania in the Council meeting in June 2019. It is clear that all the candidate and potential candidate countries must be ready to intensify their reform homework, including the most difficult issues of conflict legacies, human rights, guarantees for ethnic, religious and other minorities, respect for the rule of law, full normalisation of relations with neighbours, fight against corruption, state capture and organised crime, and the modernisation of the public administration and judiciary. These are all issues that can and must be brought up in the accession negotiations themselves.

IT IS IMPORTANT FOR THE EU TO REACH A DECISION TO OPEN THE ACCESSION NEGOTIATIONS WITH MACEDONIA AND ALBANIA IN THE COUNCIL MEETING IN JUNE 2019.

For this reason, Finland should ensure that the national programme for the rotating presidency pays considerable attention to the EU enlargement in the Western Balkans. Finland is the country in Europe, which is the least enthusiastic about EU enlargement, and this is reflected in the Finnish preparatory documents for the presidency. But on average in the EU, and in the Western Balkans specifically, enlargement is viewed in a much more positive light. Enlargement is present in the Trio Programme and in the Commission WB strategy from 2018, and Finland as the incoming president should follow suit and include it in the national programme for the EU presidency.

In the ongoing negotiations with Serbia and Montenegro, as in the negotiations that could soon be opened with Albania and Macedonia, the challenges with rule of law must be tackled early on. For this, the negotiation chapters 23 on Judiciary & Fundamental Rights and 24 on Justice, Freedom & Security, should be opened with all the negotiating WB countries as early as possible and close them as late as possible. Having several countries negotiating on the same topic can create a positive cycle, where no country wants to be left behind. This method worked very well with the visa liberalization process some years ago, and it could work again with a positive cycle on reforms to ensure rule of law.⁷⁰

70 The Balkans in Europe Policy Advisory Group 2017

Experience of the previous EU enlargement rounds suggests that it makes sense to address the most difficult political, institutional and governance issues up front to avoid disappointment on both sides.⁷¹ This is what the European Commission has suggested in its Western Balkans strategy and what Finland should actively promote as the rotating president of the EU Council. The bilateral disputes must be dealt with, and Macedonia and Greece are in the process of setting a positive example of this with solving the name issue. Kosovo, Serbia, and Bosnia-Herzegovina should be encouraged to follow suit.

Therefore, the work within the Stabilization and Association framework with Bosnia and Herzegovina should be intensified, and if there is a clear progress in the domestic reforms, this should be recognized by awarding the candidate status for BiH as early as possible. And the dialogue with Kosovo should continue, whereby the EU should further encourage the talks between Belgrade and Pristina by insisting on the proper implementation of the reached deal. The EU should continue the process of visa liberalization for the citizens of Kosovo.

In the accession process, and all cooperation with the WB, focus on democracy and transparency, and accountability should be highlighted. The EU has a long history of supporting the WB region, but no democracy can be maintained from outside. Therefore, it is important to support the proponents of democracy in all the WB countries, and this means supporting civil society and independent media in the societies. The accession negotiations themselves should be made more transparent by increasing the role of civil society and national parliaments in the negotiations. This would increase accountability and possibly also the legitimacy of the accession process and the Union itself.⁷²

71 Dabrowski and Myachenkova 2018a

72 The Balkans in Europe Policy Advisory Group 2017

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Annex

BRIEF OVERVIEW OF THE IMPORTANT ASPECTS AND EVENTS DURING THE PROCESS OF THE EU INTEGRATION OF MACEDONIA

MACEDONIA IS A specific case both for the international community and the European Union. The country was able to establish official relations only after an Interim Accord was reached with Greece in 1995 on the so called “name issue.”⁷³ The first Cooperation Agreement between the EU and Macedonia was signed in 1997 and entered into force in 1998, and the country was the first one, even before Croatia, to sign the Stabilisation and Association Agreement (SAA) in 2001.

73 United Nations 1995

The conflict in 2001 between the legal security forces and ethnic Albanian insurgents (paramilitary forces calling themselves “National Liberation Army (NLA)”) slowed the integration process. After difficult negotiations, the Ohrid Framework Agreement (OFA) was signed in August 2001. This peace agreement, which was signed by the political leaders of the four major political parties (VMRO-DPMNE and SDSM representing ethnic Macedonians and DPA and PDP representing ethnic Albanians) under the patronage of the USA and the EU’s special envoys, ended the conflict. But it also resulted in significant constitutional changes and new pieces of legislation that aimed to redefine the position of ethnic Albanians in Macedonia, including the introduction of quotas on representation in state and public administration, “double majority” in Parliament for issues related to the political representation of Albanians, local self-government and de-centralization, and cultural and educational rights.⁷⁴

74 United Nations 2001

Macedonia submitted its application for membership in the EU in 2004 and was awarded a candidate status in 2005, although without recommendation and date for the start of the accession talks. The recommendation was given for the first time in 2009,⁷⁵ but the accession talks were blocked by a Greek veto in the Council because of the unresolved “name issue.”

75 European Commission 2018e

The dispute was finally resolved in June 2018, after long and hard negotiations, by signing the “Final Agreement for the Settlement of the Differences as Described in the United Nations Security Council Resolutions 817 (1993) and 845 (1993), the Termination of the Interim Accord of 1995, and the Establishment of the Strategic Partnership Between the Parties”, known as “Prespa Agreement.”⁷⁶ The agreement is named after the geographic area of Lake Prespa, which borders Macedonia and Greece.

76 Government of Macedonia 2018

According to the Prespa Agreement, the official name of Macedonia in future will be the Republic of North Macedonia or North Macedonia in short. Macedonian language will refer to the official language of North Macedonia, which belongs to the South Slavic family of languages. For the Greeks, Macedonian history will refer to the Hellenic civilization of Ancient Macedonian Kingdom, and for North Macedonia, Macedonian history will refer to the Slavic history and heritage. According to the agreement, Greece is obliged to refrain from vetoing the membership of North Macedonia in international organizations, including NATO and the EU.

However, the implementation of the Agreement is yet to be completed at the time of writing. Macedonia has ratified the Agreement in the Parliament and has held a consultative referendum, but it still has to make the necessary constitutional amend-

ments, which are expected to be complete in January 2019. And Greece, after receiving a notification that Macedonia has implemented the amendments, will have to ratify the Agreement in their Parliament. The ratification will clear the path for future North Macedonia to sign the Protocol for membership in NATO and begin the accession negotiations with the EU.

In the period after the Greek blockade in 2009 in the Council, the Commission introduced a new mechanism to by-pass this blockade by introducing the “High Level Accession Dialogue or HLAD” in 2012.⁷⁷ The introduction of this mechanism was partly due to the deterioration of democracy in Macedonia, which at least partially resulted from the blocked accession process. Since the end of 2012, the political situation in Macedonia started to deteriorate. In December 2012 the, then, oppositional MPs (mostly from the Social Democratic Union of Macedonia or SDSM) were forcibly expelled by Parliament security and the Secret Police from the plenary session of the Parliament on the annual budget for 2013 because of “filibustering” as an act of rebellion against the government’s and PM Gruevski’s increasingly authoritarian style of governance. The opposition reacted by boycotting the Parliament and wanted to boycott the upcoming local elections in the spring of 2013. Under the pressure from the international community, the opposition did take part in the elections, suffering a “heavy defeat” because of rigged elections, a claim by the opposition which was confirmed by materials exposed by the wiretapping scandal in 2015.

77 European Commission 2018e

In the early Parliamentary elections in 2014, PM Gruevski and his national conservative VMRO-DPMNE “won” another rigged election. After which the oppositional SDSM decided to boycott the Parliament until an agreement on a transitional government and guarantees for early free and fair elections would be reached. In February 2015, the SDSM’s leader Zoran Zaev revealed a scandal of massive wiretapping of oppositional political leaders, civil activists, businessmen, but also ministers in the Government, conducted by the Intelligence Service of the Ministry of Interior (“the secret police”) and ordered by the secret police director Sašo Mijalkov (a relative of PM Gruevski) and by PM Gruevski personally. The wiretapped conversations between ministers and other government officials revealed massive corruption in government, money laundering, abuse of public funds and politically motivated prosecutions. The revealed massive abuse of office and political power sparked daily protests of thousands of citizens. Later in the year the protests were named as the “colourful revolution,” following the daily practice of the protesters to paint the buildings of various state institutions in different colours as a form of non-violent resistance.⁷⁸

78 Tcherneva and Wesslau 2017

This time, the international community, with the EU and the US, undertook decisive steps in order to help political actors in Macedonia to find a solution to the political crisis. The negotiations, also called “The Pržino talks” (a suburb in Skopje where the Residence of the EU Ambassador was at that time), resulted in the “Pržino Agreement,” which channelled the crisis “by the decision of the opposition to return to the Parliament and chair the Committee of Inquiry, created to establish the political accountability of the wiretaps as well as the existing Parliamentary Committees on intelligence oversight and interception of communications. The Special Prosecutors’ Office was also created to establish the legal accountability for the wiretaps. An agreement was also reached on early Parliamentary elections in December 2016, with a new composition of the State Election Commission”.⁷⁹

79 European Commission 2018d

Also, “in light of the revelations in the wiretaps, in summer 2015, the Commission tasked a group of independent senior rule of law experts to prepare a report and con-

crete recommendations, which fed into the Commission's "Urgent Reform Priorities". The same senior rule of law experts prepared a second report, in September 2017, assessing the implementation of their previous recommendations and providing guidance to the new government."⁸⁰

80 European Commission 2018d

Finally, in the aftermath of the elections in December 2016, after a failed attempt by VMRO-DPMNE and its leader Nikola Gruevski to form a majority in the Parliament and elect a government, SDSM together with the Democratic Union for Integration or DUI, a party representing ethnic Albanians, and with other smaller political parties managed to form a majority in the Parliament. When the new parliamentary majority attempted to elect MP from DUI Talat Xhaferi to be the new President of the Parliament, mobs organized by VMRO-DPMNE forcibly entered the Parliament, with assistance from several VMRO MPs, Parliament's security and police structures, and physically attacked SDSM leader Zaev and many other MPs and also journalists and security officers that defended the Parliament and the attacked MPs. Despite this unprecedented incident, the new parliamentary majority, finally, succeeded in the beginning of June 2017 to elect a government and Zoran Zaev as PM.

According to the Progress Report for 2018, "the new reform-oriented government has taken steps to address state capture by gradually restoring checks and balances, strengthening democracy and rule of law. The country is undergoing fundamental changes in a more inclusive and open political atmosphere. The municipal elections in October 2017 confirmed the support of citizens for the EU-oriented policies of the government coalition. The Parliament has continued functioning with opposition parties chairing key committees".⁸¹ The Progress Report states that the country is modestly prepared for the reform of the public administration, that the judiciary system needs decisive steps to restore the independence of the judiciary, that corruption "remains prevalent in many areas and continues to be a serious problem", the situation of organized crime is same, although some progress in the preparation to fight organized crime is noted. The implementation of the fundamental rights "requires sustained efforts", especially in the field of freedom of expression, combating violence against women and family violence, non-discrimination and Roma inclusion. Finally, regarding the economic criteria the country is "at a good level of preparation in developing a functioning market economy."⁸²

81 European Commission 2018d

82 European Commission 2018d

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