

## **IKV BRIEF**

### **WESTERN BALKANS ON THEIR PATH TO THE EUROPEAN UNION: WHERE DO WE STAND NOW?**

**Yeliz Şahin, *Assist. Expert***



## **WESTERN BALKANS ON THEIR PATH TO THE EU: WHERE DO WE STAND NOW?**

Western Balkans, an area characterized by violent inter-ethnic conflicts, economic underdevelopment and unconsolidated democracy has been moving in the direction of the EU. The past year has seen some positive signals in terms of the Western Balkan countries' integration with the EU: Croatia has finalized its EU accession talks and is expected to formally join the 27-member block in July 2013, Montenegro has received green light to start accession talks in June, Serbia –formerly regarded a Balkan pariah- has been granted candidate status. Serious challenges however, remain. Serbia's willingness to treat Kosovo as a normal country- a precondition to start accession talks will prove tricky and determine to what extent Serbia has adopted European ideals to elevate itself from a "Balkan state" to join the European family of states. For Macedonians whose Euro-Atlantic integration prospects has grounded to a virtual halt due to the name dispute with its northern neighbor, EU risks losing its power of attraction fueling nationalism among ethnic Macedonians. 2011 has been a lost year for Albania whose squabbling politicians let their rivalry undermine state institutions, and Bosnia which has experienced the deepest political crisis after the Dayton Agreement due to a 15 month-long stalemate over forming state-level government. Furthermore, member states' disunity over Kosovo has complicated the country's relations with the EU. This article building on the latest developments with regards to the Western Balkan states' EU perspective, aims to examine where these states stand on their path towards the European Union.

### **Croatia**

Croatia which has began accession talks with the EU on the same date as Turkey- on 3 March 2005- has completed negotiations on 35 chapters of the EU *acquis* on 30 June 2011, while Turkey's accession talks have been moving at a snail's pace and grounded to a halt. This is not to suggest that Croatia's EU path has been problem-free. Although, Croatia has been a frontrunner among the Yugoslav successor states, moving closer to

the EU, Zagreb required reconstructing its national identity and abandoning the legacy of Tudjman- Croatia's founding father and an ally of Milosevic, the butcher of the Balkans<sup>1</sup>.

EU membership required ensuring full cooperation with the International Criminal Court for former Yugoslavia (ICTY) and mending fences with its wartime neighbors. Zagreb has come under EU criticism due to failure to cooperate with the ICTY; a major obstacle was removed from Zagreb's path to the EU when war crime suspects General Ante Gotovina and Mladen Markac- regarded national heroes by a vast majority of Croatians- were transferred to The Hague. Furthermore, Croatia's membership prospects were endangered by its bilateral territorial dispute over the demarcation of maritime borders with its western neighbor Slovenia. Having exhausted this challenge, Zagreb had to improve its record in the fight against corruption and organized crime.

With most of the stumbling blocks cleared out, Croatia has satisfied the criteria to qualify for membership. Croatia signed the Accession Treaty on 9 December 2011, and 66 per cent of the Croatian voters confirmed their European future in the referendum held on 22 January 2012<sup>2</sup>. The Accession Treaty has been ratified in the Croatian *Sabor* on 9 March 2012. Croatia's Accession Treaty needs to be ratified by the 27 member-states before 1 July 2013, the date on which Croatia is set to formally become the 28<sup>th</sup> member of the EU. Croatia will remain under European Commission's monitoring until the date of accession. Unlike the 2007 entrants Bulgaria and Romania, Croatia will not be subject to post-accession monitoring.

## **Macedonia**

Macedonia – a candidate state since 2005- has been in EU's waiting room since 2009 without a start date for the accession talks to begin, due to the Greek veto in the EU Council of Ministers. The fact that a third year has passed without Skopje receiving a start date for accession negotiations despite the Commission's and European Parliament's favorable opinions, has led to frustration and loss of impetus in the reform process on part of Macedonia. The country's Euro-Atlantic integration process has been hostage to the name dispute with Greece. Despite the fact that the International Court of

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<sup>1</sup> Croatia, European Stability Initiative, 18 January 2012.

<sup>2</sup> "[Croats Approve EU Membership Bid](#)". Balkan Insight. 22 January 2012.

Justice (ICJ) in its December 2011 ruling stated that Greece has been in breach of its international obligations by blocking the NATO and EU accession of the Western Balkan state, failed to urge Greece to lift its veto. The current impasse has strengthened the Gruevski government's autocratic tendencies and fed into nationalism in Macedonia. Such tendencies could shatter the fragile inter-ethnic relations in Macedonia, which hang by a thread. The recent inter-ethnic clashes which led to mass protests by ethnic Albanians were reminiscent of the 2001 armed conflict between the two ethnicities which came on the verge of a civil war.

In March 2012 the Commission has initiated a high-level strategic dialogue with Macedonia in order to revitalize the reform process and maintain EU's role as a driver for transformation. This novel approach, rests on the same logic as the "positive agenda" proposed by the Commission in October 2011 to provide a new impetus for Turkey's accession process which has reached an impasse due to the unilateral vetoes of some member states. The high-level accession dialogue focuses on five policy areas, namely, freedom of expression, rule of law, public administration reform, electoral reform, and the economic criteria. It remains to be seen, how much effect this new approach will actually have, with the Greek veto on Macedonia's accession still in place. The Western Balkan country saw yet another NATO Summit pass without receiving an invitation to join the Transatlantic Alliance; the bitter remarks by PM Gruevski were a manifestation of the frustration and disappointment shared by the Macedonian public. With Greece deeply involved with its economic woes and drifting into deeper political instability, reaching a deal on the name dispute seems unlikely in the near future.

## **Montenegro**

Montenegro, which received a favorable opinion from the European Commission praising its efforts in fight against corruption and organized crime, is expected to start accession negotiations by end of June. According to the Commission's new approach the negotiation chapters dealing with judiciary and fundamental rights as well as justice, freedom and security (respectively Chapter 23 and 24) will be prioritized, with those areas being the first to be dealt with and monitored closely throughout the process. Although Brussels in its May 2011 report gave green light to the launch of accession talks with Podgorica, it emphasized that the rule of law remains a priority in which

Podgorica's track record will be closely monitored. By that token, Montenegro will have to step up its efforts in the fight against corruption and organized crime to move forward on the path towards the EU.

## **Serbia**

Serbia, which has been held responsible for most of the conflicts following the disintegration of Yugoslavia and was bombed by NATO, has been granted candidate status in March. This clearly is the result of a dramatic transformation which required Serbia to rewrite its recent history and reconcile with its neighbors, shedding off layers of its past identity. After handing in the top fugitives sought by the ICTY General Ratko Mladic responsible for the siege of Sarajevo and the Srebrenica massacre in May 2011 and Goran Hadzic in July 2011 to the ICTY in the Hague, Belgrade has overcome the largest stumbling block on its way to the EU, namely failure to fully cooperate with the ICTY. The capture of Mladic, despite its controversial timing on the same day as High Representative Ashton's planned visit to Belgrade and just after ICTY Chief Prosecutor Brammertz' report critical of Serbia which would be influential on the October progress report was leaked to the press, suggesting that Belgrade was aware of the whereabouts of General Mladic was nonetheless a turning point for Serbia in terms of reconciling with its past, and a huge leap forward in ensuring justice in the Western Balkans.

Furthermore, the fact that rising unemployment, economic difficulties and high-level corruption rather than, ultranationalist rhetoric was a determining factor in May 2012 presidential elections suggests that Serbia is becoming a "normal" country<sup>3</sup>. Tomislav Nikolic, a former ultra-nationalist campaigning on corruption and economic troubles ousted the pro-EU incumbent Boris Tadic whose defeat was interpreted as a punishment by the electorate against the backdrop of record high unemployment around 24 percent and high level of corruption cases.

Serbia's path towards the European Union will be rocky. Despite the fact that the EU is not pushing for a formal recognition of its breakaway province Kosovo, due to persisting differences of view among its members, normalizing relations with Kosovo and progress in the EU-facilitated Belgrade-Pristina dialogue remain key to starting accession talks

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<sup>3</sup> Dimitar Bechev, "Serbia: deja vu no more" EUobserver. 25 May 2012.

with the EU<sup>4</sup>. The Kosovo issue is likely to be a test case for the president-elect of Serbia, Tomislav Nikolic, the once ultranationalist politician, who used to be the right arm of Hague tribunal indictee Vojislav Seselj. Although, Nikolic has pledged not to divert from the EU path, he has reiterated his support for “Serbia’s Kosovar brethren”<sup>5</sup>. However, Nikolic’ recent comments that Vokovar- located in Croatia- is a Serbian town<sup>6</sup>, followed by his refusal to recognize the tragic events of Srebrenica as genocide in a recent interview -which were confirmed as an act of genocide by both the ICTY and the International Court of Justice, was strongly criticized by the Serbia’s neighbors as well as the EU as “an attempt to rewrite history”<sup>7</sup>. Belgrade is likely to face a stark choice between its European prospects and nationalistic rhetoric, and how much Nikolic is willing to compromise on his nationalist-rhetoric to get the process going will prove to be the ultimate test.

## **Albania**

The laggards, Bosnia and Herzegovina and Albania have a long way to go. The power struggle between the governing party led by Prime Minister Sali Berisha and the opposition under the leadership of Edi Rama has been threatening stability in the country. The rivalry between the two political forces escalated paving the way for the opposition boycotting the parliament. The situation deteriorated further after the May 2011 local elections, when the Central Election Committee, made a controversial decision to recount the ballots with the claim that the ballots were misplaced. The controversial decision has led to a victory for the ruling party, but meant frustration for the opposition. The opposition’s boycott of the parliament has delayed the much needed reforms. The parties have finally agreed to strike a deal under intense pressure from the European Union, which resulted in the opposition returning to their seats in the parliament. After a lost year, Albania should intensify its efforts in fulfilling the twelve priorities put forward by the European Commission if it wants to be awarded with EU

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<sup>4</sup>“ Štefan Füle European Commissioner for Enlargement and European Neighbourhood Policy Enlargement Package 2011: Address to the Committee on Foreign Affairs (AFET) of the European Parliament Brussels, 12 October 2011” European Commission.

<sup>5</sup> Toby Vogel. “Nationalist wins Serbian election” European Voice. 21 May 2012.

<sup>6</sup> Boris Pavelic, “[Croatia and Nikolic: Shock Mixed with Irony](#)” Balkan Insight. 28 May 2012.

<sup>7</sup> “Bosnia leader slams Serbia’s Nikolic on Srebrenica” Reuters. 1 June 2012.

candidacy. This year's presidential elections will be of critical importance in testing the democratic credentials of the country.

## **Bosnia Herzegovina**

The complicated government structure created by the Dayton Agreement, the lack of a common vision among the political leadership has bedeviled Bosnia-Herzegovina's EU integration process. The failure to form a state-level government for 15 months following the October 2010 elections, not only led the country into political instability, but also delayed the much needed reforms for the entry into force of the Stabilisation and Association Agreement (SAA) -an initial step towards EU membership. Bosnia drifted into "the worst political crisis since the signing of the Dayton Agreement"<sup>8</sup> as the international community's high representative Austrian diplomat Valentin Inzko rightfully stated, when the populist leader of the Serb entity (Republika Srpska), Milorad Dodik, decided to call for a referendum questioning the legitimacy of the Bosnian courts on the grounds of discriminative treatment against ethnic Serbs. EU's foreign policy chief Ashton managed to avert a major political crisis by reaching a deal with Dodik in return for launching a structured dialogue on judiciary with Bosnia. The referendum had it been held and resulted in Bosnian Serbs' rejection of Bosnian courts' legitimacy, would have had huge repercussions leading to a referendum on independence.

The leaders of the three ethnic communities finally managed to overcome the political stalemate in December 2011 after striking a deal on state-level government. Bosnia has to focus on satisfying conditions laid down for the entry into force of the SAA; namely to adopt a state aid and census law and amend its constitution to comply with the ECHR ruling on the Sejdic-Finci case making top level government posts normally reserved for the Bosniaks, Croats and Serbs available to ethnic minorities. The new state-level government under Vjekoslav Bevanda managed to pass legislation on holding a census and the distribution of state aid, satisfying two of the preconditions required for the entry into force of the SAA. Bosnian officials have announced their plans to fulfill the remaining preconditions and submit a formal application for membership by end of June. The implementation of these new laws remains key to Bosnia's European integration.

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<sup>8</sup> Neil MacDonald. "EU's Bosnia envoy warns of Dayton violations" Financial Times. 9 May 2011.

## **Kosovo**

Kosovo's EU integration process is plagued by the persisting disagreement between the member states over the status of the country. Kosovo is currently recognized by 22 member states, while the remaining five namely, Spain, Romania, Slovakia, Greece, and the Greek Cypriot Administration refuse to recognize Kosovo's independence to rule out the possibility that Kosovo's independence could provide a precedent for their unresolved territorial disputes. The disunity among the EU member-states over the status prevents Kosovo from concluding contractual agreements with the EU and risks its being left behind the rest of the region. Furthermore, as the July 2011 incidents culminating to clashes between ethnic Serbs and NATO peacekeepers demonstrated; the situation in the north of the Ibar river remains tense.

The EU-facilitated Belgrade-Pristina dialogue aimed at improving the daily lives of the both communities has produced some positive results; agreements were reached on cadastre records, mutual recognition of diplomas, civil registries and border stamps<sup>9</sup>. Serbia's hesitation to implement the agreements reached, casts a shadow on the dialogue. However, the EU has made it crystal clear that despite the absence of a formal criterion calling for the recognition of Kosovo, it is imperative for Serbia to adhere to the agreements reached in the technical dialogue and normalize its relations with its breakaway region which Belgrade claims is an integral part of its territory. This was made clear once again, when the declaration of Serbia's candidacy was postponed to the March 2012 EU Summit in December 2011. Under intense pressure by Berlin, Belgrade and Pristina reached a historical agreement on the regional representation of Kosovo and integrated border management in the eleventh hour before a decision was to be made on Serbia's candidacy. This gesture has earned Serbia the status of a candidate state, and rewarded Kosovo with the launch of a feasibility study- confirming its European perspective. Despite its promising results, the technical dialogue is bound to have limits. A more comprehensive approach touching on sensitive issues such as the situation in the north will be required to resolve the substantial issues between the parties.

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<sup>9</sup> "EU facilitated dialogue: three agreements" EU Press Statement. 2 July 2011



Apart from the differences on status, the country has a long way to go. Weak state structures, deficiencies in the realm of rule of law and independence of the judiciary, high level of corruption and organized crime coupled with its weak economic performance point to the multitude of problems Kosovo has to address to qualify for EU membership. Kosovo remains at the very back of the queue and is the only Western Balkan state whose citizens require a visa to travel to the EU's borderless Schengen area. In the course of 2012, the EU has provided some positive signals to the country, to remain a driving force for transformation. In January, the Commission launched a visa dialogue with the goal of granting Kosovars visa-free travel in the EU's borderless Schengen zone; however the EU has made it clear that the outcome of the dialogue will be conditional upon Pristina's progress in the fight against corruption and organized crime. In addition a feasibility study for a SAA was launched in March 2012- an initial step that would allow the country to develop contractual relations with the EU. In May, the Commission initiated a structured dialogue with Kosovo on the rule of law with Kosovo. The structural dialogue is designed to tackle the challenges in the judiciary as well as the fight against corruption and organized crime in which Kosovo has a weak track-record.

### **Concluding Remarks**

The challenges ahead of the Western Balkan states are manifold diverging from weak state structures to anomalies in the area of rule of law on the one hand, to minority rights and consolidating democracy on the other hand. However, their membership process will also depend on the EU's availability and willingness to absorb new members. The sovereign debt crisis has drastically changed the EU's list of priorities, pushing further enlargement to the very bottom of the list. With policy-makers preoccupied with Europe's economic woes and the costs of an eventual "Grexit", enlargement does not seem to be on the agenda for now. The EU's inability in coping with the crisis, has also led to the EU to be viewed as a crisis-ridden project in the Western Balkans, while at the same time, making it obvious that the small and dysfunctional Balkan economies would have difficulty surviving in the current global economic context. Furthermore, coupled with the Eurozone crisis and the EU's existential identity crisis a new generation of populist parties that feed on anti-immigration and xenophobia has emerged, increasing their voter base. Despite this

rather unfavorable climate, recent developments suggest that there is still light at the end of the tunnel.

Lessons learnt from the unilateral Greek Cypriot membership which perpetuated the division of Cyprus and the case of Romania and Bulgaria, which were let in without fully satisfying the EU requirements in the realm of rule of law and are still subject to post-accession monitoring, demonstrate that there will be no short cuts on the road to the EU. Therefore, Western Balkan states should follow the example of Croatia and step up their efforts in addressing the major hurdles on their path towards the EU. After Croatia's formal accession in 2013, the next in line among the Western Balkan states will be Montenegro, which has received green light to start accession talks. Macedonia, whose EU prospects have been hijacked due to the Greek veto in the Council of Ministers over the name dispute, is likely to remain a "perpetual candidate state" unless the EU devises a new strategy to create the breakthrough that Macedonia needs badly. Serbia, which received candidate status in March, will first need to strengthen its efforts to satisfy the one and only condition to begin accession negotiations: to normalize relations with Kosovo and to achieve progress in the EU-facilitated dialogue. Albania should focus on undertaking reforms which are long overdue in the twelve priority areas, in order to obtain candidate state status from the EU. Bosnia and Herzegovina should concentrate its efforts in fulfilling the criteria required for the entry into force of the Stabilisation and Association Agreement, to be ready to submit its membership application. Kosovo's road to the EU -despite the recent positive signals provided- will be long, and its accession will ultimately require unanimous recognition by the remaining five member-states.