

Áron James Miszlivetz

The EU at a Crossroads: Enlargement in Turbulent Times

Since the 2011 Hungarian EU Presidency, enlargement of the European Union has stagnated and even reversed, placed on the back burner of the EU's foreign policy due to Russia's war against Ukraine. The stagnation experienced by the current 27-member European Union, after Croatia's last accession in 2013 and Brexit in 2020, have fundamentally called into question the foundations of the enlargement policy. Nevertheless, a targeted, strategic enlargement can strengthen the European Union and broaden its opportunities. But how and what has contributed to enlargement fatigue and what impact do conflicts on the EU's eastern border, such as the Russia-Ukraine war, have on further enlargements towards the Western Balkans? The policy paper addresses the interplay between enlargement policy and conflicts in the neighbourhood, as well as the current internal (institutional) and external (geopolitical) changes in enlargement policy. It contextualises both the opportunities and the scope for the past and present Hungarian EU presidencies in 2011 and 2024. As conflicts in the neighbourhood intensified and deepened, EU leaders found a new impetus for providing a European perspective for candidate countries. The European Council meeting held in December 2023 showed that there is strong political will for enlarging the EU. Hungary will need to find a balance between reform requirements offering the societies of candidate countries tangible solutions such as regarding the four freedoms. Nevertheless, prior to admitting new countries, the EU itself will need to undergo institutional reforms to become politically, economically and socially sustainable.

Introduction

From July 2024 Hungary will take over the Presidency of the Council of the European Union. In this policy paper, we look at the opportunities that the country has to shape and provide a medium-term perspective for the EU's enlargement from a strategic point of view.

The 2023 European Council was groundbreaking in the sense that leaders decided to open accession negotiations with Bosnia and Herzegovina, Ukraine and Moldova, and give Georgia candidate status. Due to the migration crisis and the war in Ukraine, the conflicts seemed to push European leaders to accelerate European integration for the neighbourhood.

Nevertheless, the two regions (Eastern Partnership and Western Balkans) will need to take different integration tracks due to historical and geopolitical realities, including the increased harmonisation and compliance of the Western Balkan countries regarding the revised accession process.¹

One cannot ignore the change of the EU's institutional cycle as well as other geopolitical shifts in world politics which will have an impact on the EU's foreign and security policy relevant for the European Neighbourhood Policy (ENP) countries. The 2024 Hungarian Presidency will find itself in a unique position of political and institutional change where strategic political decisions and negotiations will take over the tabling of legislative proposals. This also means that the Presidency can shape the enlargement policy for the incoming Commission and candidates such as Albania or North Macedonia have a greater chance to join by 2030 based on the recent enlargement package.²

The topic is important and relevant due to the EU's challenges in the Neighbourhood where integration and membership can serve as a remedy to ease geopolitical tensions, increase economic benefits and improve country relations and people-to-people relations in the Single Market.

Results of the 2011 Hungarian Presidency

When Hungary took over the EU Presidency in 2011,³ the global economy was in crisis mode. The 2008 global banking and financial meltdown, followed by the 2012 European sovereign debt crisis, limited the scope for enlargement. The Hungarian Presidency's motto at the time, "A Stronger Europe", was based on strengthening cohesion and solidarity.

One of the main achievements was the conclusion of the accession negotiations⁴ and chapters with Croatia in the first half of 2011, with a focus on

¹ European Commission 2020.

² European Commission 2023a.

³ European Parliament 2011.

⁴ KACZYŃSKI 2013.

bringing the Western Balkans closer to the EU. The external challenges such as the Arab Spring, the migration crisis and the global sovereign debt crisis showed that internal consensus-building and cohesion are fundamental for EU enlargement. It is exactly these challenges that can slow down or accelerate the process, making it dynamic.

Croatia joining the bloc also provided the region with the hope that political and territorial disputes can be overcome (e.g. through mechanisms such as the Prespa Agreement⁵ and hopefully the Belgrade–Pristina Dialogue⁶).

Challenges in the EU's Neighbourhood make the enlargement process more complex and uncertain.

The Danube Region Strategy⁷ also helped the deeper integration of the Western Balkan region due to geographical proximity through energy and transportation projects, which need to be developed further during the 2024 Presidency.

The current state of play of the enlargement policy in the EU and main challenges

Due to the economic crisis and “enlargement fatigue” during the 2011 Hungarian Presidency, the majority of Western Balkan countries faced continuous domestic obstacles, internal disagreements and institutional reforms which were only gradually overcome by democratic consolidation by political leaders through better governance. While Bosnia and Herzegovina, as a state is still being challenged by ethnic and political tensions that slow its EU integration, the status of Kosovo remains fully unsettled as well as the reoccurrence of hate speech against ethnic and religious minorities that continue to be an issue.⁸

Sentiments towards the EU have been mixed (Standard Eurobarometer 99⁹): Montenegro, Bosnia and Herzegovina, North Macedonia are more favourable towards the EU (Albania and Kosovo have high/very high trust); Serbia is divided on the question of EU membership.

Hungary has one of the largest contingent forces for Kosovo Force (KFOR) in Kosovo and continues to face constant riots and tensions in the region.

⁵ European External Action Service 2021.

⁶ European External Action Service 2022.

⁷ Danube Region Strategy 2024.

⁸ France 24 2023.

⁹ Eurobarometer 2023.

Resuming talks between Belgrade and Pristina will need to be a priority for the Presidency.

Russia's war in Ukraine provides an acute challenge to the political stability of the Eastern Partnership countries and puts the EU and NATO on high alert on its Eastern flank. This includes Hungary which puts current eastward enlargement on hold and can only be resolved after peace negotiations between the conflicting parties and post-conflict stabilisation.

Enlargement policy faces three sets of challenges: internal, intermediate and external. The internal challenge is the lack of EU coordination and the often divergent foreign and security policy interests of the Member States. The second, intermediate challenge considers the difficulties of the candidate countries, as often a lack of institutional reforms and little integration experience slows down the process of moving closer to the EU. The third, external challenge is the gradual increase of the geopolitical influence of the great powers (Russia, USA and China) in the region through economic, political and military means.

Different member state interests (political, economic, social) can hinder the enlargement process which needs to be taken into account during negotiations.

Hungary's national interests for EU enlargement

Acceleration of the EU integration of the Western Balkans by 2030, which could result in curbing migration flows, include the region in the Schengen system and better support the security and defence needs of the European Union. This is in line with the EU's 2027 goal¹⁰ of deploying 10,000 personnel to Frontex and the creation of a Defence Union.¹¹

Curbing organised crime (human trafficking, illegal arms trade and drugs trade) throughout the Western Balkan route is crucial for the security of the CEE region. Integration of the Western Balkan region can greatly help curb criminal activities in line with the EU's Roadmap¹² to boost the fight against drug trafficking and organised crime. Hungary's geographic position and proximity to the Western Balkan region can serve as a regional hub for cooperation between different EU agencies.

¹⁰ Frontex 2024.

¹¹ European Council 2023a.

¹² European Commission 2023c.

Russia's military aggression in Ukraine has revealed the exposure and increased unilateral reliance on fossil fuels and energy supplies from the country. One of Hungary's main goals is to expand diversification of energy supplies from the Caucasus and the Western Balkan regions.

Hungary supports regional integration and is committed to achieving results as quickly as possible. Looking from a strategic point of view, this is necessary due to the volatile geopolitical climate, positive economic prospects and shared historical legacy. The question and protection of national minorities¹³ remains a sensitive topic for Hungary with progress with some countries and regression of rights with other candidates. This will remain an important topic during the upcoming Presidency.

European integration can have positive effects for national minorities including better economic opportunities, securing rights and increasing cultural/mutual tolerance and understanding.

Increased connectivity through infrastructure, railway and highway developments, includes greening and high value-added investment in the Western Balkan region (similar to Via Carpathia). High-speed railways and highways connect economies, boost investment, tourism and strengthen people-to-people relations in a historically volatile region.

Strengthening regional security will be reinforced with a mission in Bosnia and Herzegovina starting in 2024 under the Hungarian Command¹⁴ of the European Union Force (EUFOR, Operation Althea).

Recommendations

Recommendation for the EU

- Accelerate Schengen accession for the entire region which can further increase the impact of direct EU funds and investments from SMEs.
- Creation of a bilateral Serbian–Kosovar agreement on mutual recognition of official documents, driving licenses, identification, etc. as part of the Belgrade–Pristina dialogue.
- Ensure the “revival” and continuation of the Belgrade–Pristina dialogue by offering parallel and mutual benefits to both countries (visa

¹³ Hungarian Government 2023.

¹⁴ Hungarian Defence 2023.

facilitation, economic investments, setting up a new fund for joint economic/infrastructure projects).

- Deepen collaboration between EU agencies (CEPOL, Europol, Eurojust) and Member States in stepping up operational cooperation to address both organised crime and irregular migration with the Western Balkan countries.
- Follow up on the 2022 EU Action Plan for the Western Balkans:¹⁵ namely, strengthening border management, including WB–Frontex cooperation through extending the mandate of Frontex Status Agreements.
- Boost the Western Balkans Growth Plan¹⁶ worth 6 billion EUR, without preconditions for tangible results for societies.
- Ensure effective IPA III¹⁷ implementation to increase commitment to reforms (rule of law, judiciary, good governance, twin transitions, competitiveness and cross-border cooperation), including improving neighbourly relations.
- Based on the outcome of the new institutional cycle, Hungary can play an important role in reestablishing institutional trust between the Commission and candidate countries’ governments as an “honest broker”.
- Promote EU – Southern Neighbourhood relations in the field of migration/security (counterterrorism) and energy cooperation. There needs to be an EU-coordinated approach with clear goals and a well-founded strategy.
- Make the EU “ready” for a 30+ membership: Defining new institutional setups, equal and fair voting systems by agreement of the European Council.
- Looking at the Franco–German policy paper¹⁸ for EU reforms: Include the Western Balkans and Central Europe in shaping the EU of tomorrow due to a geopolitical and economic shift towards the East and South.
- Closer cooperation between the Council and the Commission to make sure that all EU Member States’ concerns and interests are mapped and realistically taken into account when admitting new members to the EU.

¹⁵ European Commission 2022a.

¹⁶ European Commission 2023b.

¹⁷ European Commission 2022a.

¹⁸ COSTA et al. 2023

The EU at a Crossroads: Enlargement in Turbulent Times

- Adjust EU admission requirements to current realities (e.g. more flexibility and support towards the implementation of institutional reforms from a less euro-centric perspective).
- Strategic decision needed to take in the Western Balkans as a bloc or through predefined accession stages and groups.

Recommendations for the Hungarian Presidency

- Formalise a high-level political agreement regarding the accession deadline for North Macedonia and Albania, including other candidate countries from the region during the high-level Western Balkans Summit.¹⁹
- Lay down a clear timeline for EU membership for the countries most advanced in their reforms for 2030 onwards.
- Find solutions to mitigate the impact of the war²⁰ in Ukraine on the membership prospects for the Western Balkan candidate countries (security cooperation, Western Balkan market integration, “mini-Schengen”, effective border management with EU funding and personnel).
- Involve higher-education institutions, businesses and government actors to increase financial investment opportunities towards the Western Balkans and facilitate easier market access to and from the EU which can increase credibility²¹ and social trust.
- Make use of the European Political Community²² as an extended integration tool for strengthening Europe’s global role vis-à-vis China, Russia and the United States.
- Provide expertise for the Western Balkan candidate countries with other CEE countries (possibly V4) from the 2004 accession period (lessons learned), taking into account the new geopolitical context.

Recommendations for the Western Balkan candidate countries

- Create a social forum to overcome the historical traumas in order to enhance good neighbourly relations. This could be a special reconciliation committee to revive the Belgrade–Pristina dialogue and to enhance solving the ongoing internal conflict in Bosnia and Herzegovina.

¹⁹ European Council 2023b.

²⁰ European Council 2024.

²¹ RANT et al. 2020.

²² European Political Community 2023.

- Further integrating markets of candidate countries to make joining the Common Market easier through already harmonised rules.
- Cooperate on security issues, e.g. preventing organised crime, illegal migration, drugs trafficking and illegal arms trade through enhanced economic and social investments.
- Promote the digital and green transition²³ of the WB6 countries for increasing competitiveness, transparency in FDI and initiating new, sustainable infrastructure projects.
- Initiate permanent political dialogue on the state of reforms and perspectives for EU integration (information campaigns for the public, common programs and activities including for SMEs).
- Make use of direct EU funds²⁴ (Horizon, Erasmus+, IPA III, etc.) to connect SMEs, higher education institutions and local/regional governments to increase research, development and innovation capabilities.
- Knowledge exchange between Hungary's unique institution of seconded integration experts in all Western Balkans countries.

References

- COSTA, Olivier – SCHWARZER, Daniela – BERÈS, Pervenche – MARTI, Gaëlle – MAYER, Franz – NGUYEN, Thu – VON ONDARZA, Nicolai – RUSSACK, Sophia – TEKIN, Funda – VALLÉE, Shahin – VERGER, Christine (2023): *Report of the Franco-German Working Group on EU Institutional Reform. Sailing on High Seas: Reforming and Enlarging the EU for the 21st Century*. Online: www.politico.eu/wp-content/uploads/2023/09/19/Paper-EU-reform.pdf
- Danube Region Strategy (2024). Online: <https://danube-region.eu/>
- Eurobarometer (2023): *Standard Eurobarometer 99 – Spring 2023*. Online: <https://europa.eu/eurobarometer/surveys/detail/3052>
- European Commission (2020): *A More Credible, Dynamic, Predictable and Political EU Accession Process – Commission Lays Out Its Proposals*. Online: https://ec.europa.eu/commission/presscorner/detail/en/IP_20_181
- European Commission (2022a): *EU Action Plan on the Western Balkans*. Online: https://home-affairs.ec.europa.eu/system/files/2022-12/Western%20Balkans_en.pdf
- European Commission (2022b): *The Twin Green & Digital Transition: How Sustainable Digital Technologies Could Enable a Carbon-neutral EU by 2050*. Online: https://joint-research-centre.ec.europa.eu/jrc-news-and-updates/twin-green-digital-transition-how-sustainable-digital-technologies-could-enable-carbon-neutral-eu-2022-06-29_en
- European Commission (2023a): *Commission Adopts 2023 Enlargement Package, Recommends to Open Negotiations with Ukraine and Moldova, to Grant Candidate Status to Georgia and to*

²³ European Commission 2022b.

²⁴ European Commission 2024.

The EU at a Crossroads: Enlargement in Turbulent Times

- Open Accession Negotiations with BiH, once the Necessary Degree of Compliance Is Achieved.* Online: https://ec.europa.eu/commission/presscorner/detail/%20en/ip_23_5633
- European Commission (2023b): *Commission Presents a New Growth Plan for the Western Balkans Including €6 Billion in Grants and Loans to Accelerate Economic Convergence with the EU.* Online: https://neighbourhood-enlargement.ec.europa.eu/news/commission-presents-new-growth-plan-western-balkans-including-eu6-billion-grants-and-loans-2023-11-08_en
- European Commission (2023c): *New EU Roadmap Steps Up the Fight against Drug Trafficking and Organised Crime.* Online: https://home-affairs.ec.europa.eu/news/new-eu-roadmap-steps-fight-against-drug-trafficking-and-organised-crime-2023-10-18_en
- European Commission (2024): *EU Funding Programmes.* Online: https://commission.europa.eu/funding-tenders/find-funding/eu-funding-programmes_en
- European Council (2023a): *“A European Defence for our Geopolitical Union”: Speech by President Charles Michel at the EDA Annual Conference.* Online: www.consilium.europa.eu/en/press/press-releases/2023/11/30/a-european-defence-for-our-geopolitical-union-speech-by-president-charles-michel-at-the-eda-annual-conference/
- European Council (2023b): *EU – Western Balkans Summit, 13 December 2023.* Online: www.consilium.europa.eu/en/meetings/international-summit/2023/12/13/
- European Council (2024): *EU Response to Russia’s War of Aggression against Ukraine.* Online: www.consilium.europa.eu/en/policies/eu-response-ukraine-invasion/
- European External Action Service (2021): *Signing Ceremony of Prespa Agreement between Greece and the Republic of North Macedonia.* Online: www.eeas.europa.eu/eeas/signing-ceremony-prespa-agreement-between-greece-and-republic-north-macedonia_und_en
- European External Action Service (2022): *Belgrade–Pristina Dialogue.* Online: www.eeas.europa.eu/eeas/belgrade-pristina-dialogue_en
- European Parliament (2011): *Priorities and Programme of the Hungarian Presidency.* Online: www.europarl.europa.eu/meetdocs/2009_2014/documents/afet/dv/201/201101/20110125hupresidencypriorities_en.pdf
- European Political Community (2023). Online: <http://epcsummit2023.md/>
- France 24 (2023): *War Crimes Denial Threatens Peace in Former Yugoslavia, Europe’s Top Rights Body Says.* *France 24*, 23 November 2023. Online: www.france24.com/en/europe/20231123-war-crimes-denial-threatens-peace-in-former-yugoslavia-says-europe-s-top-rights-body
- Frontex (2024): *Standing Corps.* Online: www.frontex.europa.eu/about-frontex/standing-corps/standing-corps/
- Hungarian Defence (2023): *International Information Exchange on EUFOR.* *Hungarian Defence*, 24 December 2023. Online: <https://defence.hu/news/international-information-exchange-on-eufor.html>
- Hungarian Government (2023): *Government Calls on Ukraine to Stop Curbing Rights of Hungarian Minority.* Online: <https://abouthungary.hu/news-in-brief/government-calls-on-ukraine-to-stop-curbing-rights-of-hungarian-minority>
- KACZYŃSKI, Piotr Maciej (2013): *The Hungarian Council Presidency: How Well Did It Do? – European Integration.* Online: <https://eu.boell.org/en/2013/12/03/hungarian-council-presidency-how-well-did-it-do-european-integration>
- RANT, Vasja – MRAK, Mojmir – MARINČ, Matej (2020): *The Western Balkans and the EU Budget: The Effects of Enlargement.* *Southeast European and Black Sea Studies*, 20(3), 431–453. Online: <https://doi.org/10.1080/14683857.2020.1793061>

Reviewers

László Dux, Head of Department for Common Foreign and Security Policy, Ministry of Foreign Affairs and Trade, Hungary.

Anna Orosz, PhD, Research Fellow on Western Balkans, Hungarian Institute of International Affairs.

Csaba Rada, Head of Department for Western Balkans, Ministry of Foreign Affairs and Trade, Hungary.

Tímea Zsivity, Research Fellow on Western Balkans, Europe Strategy Research Institute, Ludovika University of Public Service, Hungary.

Policy paper presented on 17 January 2024.

The manuscript was closed on 30 June 2024.