Parliamentary Assembly
Assemblée parlementaire
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COUNCIL OF EUROPE
CONSEIL DE L'EUROPE

**Doc. 15609**
23 September 2022

# Supporting a European perspective for the Western Balkans

**Report**[1]
Committee on Political Affairs and Democracy
Rapporteur: Mr George PAPANDREOU, Greece, Socialists, Democrats and Greens Group

*Summary*

Strengthening democratic resilience and respect for the rule of law and human rights; promoting reconciliation and good neighbourly relations; and creating the conditions for stronger economic and social progress in the Western Balkans are a geostrategic investment in peace, stability, and democratic security for the whole of Europe. Thus, helping Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, Serbia and Kosovo*[2] meet their aspirations for closer European integration is important not only for the countries concerned but for the European continent and will benefit all European citizens.

The Parliamentary Assembly should call for a new impetus to be given to the European Union enlargement process while urging the Western Balkans to address with resolve and without delay outstanding challenges.

The Council of Europe should play a greater role in promoting dialogue, inclusive regional co-operation, the normalisation of relations and the solution of bilateral differences and disputes in the region, working hand in hand with the European Union and in the framework of the strategic partnership between the two organisations.

1. Reference to committee: Doc. 15374, Reference 4609 of 27 September 2021.
2. *Throughout this text, all reference to Kosovo, whether to the territory, institutions or population shall be understood in full compliance with United Nations Security Council Resolution 1244 and without prejudice to the status of Kosovo.

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## A. Draft resolution[3]

1. Strengthening democratic resilience and respect for the rule of law and human rights; promoting reconciliation and good neighbourly relations; and creating the conditions for stronger economic and social progress in the Western Balkans are a geostrategic investment in peace, stability, and democratic security for the whole of Europe. The Parliamentary Assembly, therefore, firmly believes that helping Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, Serbia and Kosovo*[4] meet their aspirations for closer European integration is important not only for the countries concerned but for the European continent and will benefit all European citizens.

2. In Thessaloniki in 2003, concluding a historic Summit between the Western Balkans and the European Union, the European Union reiterated its unequivocal support for the European perspective of the Western Balkans. The prospect of EU membership acted as a catalyst for addressing challenges and introducing reforms.

3. Since Thessaloniki, the commitment to enlargement has been repeatedly confirmed at the highest political level, by both the European Union and the leaders of the region. The length of time that has elapsed, however, and failure to adequately reward progress have sapped political momentum and public enthusiasm. Surveys show that an increasing number of people in the Western Balkans, especially amongst the youth, are pessimistic about the prospects of EU accession. The European vision is losing its shine. In its place, ethno-nationalism has resurfaced, a very worrying development in a region in which the spectrum of violence still looms large.

4. The past few years have witnessed a geo-politicisation of the region, with the Russian Federation extending its political influence through an array of soft power tools, including economic investments, media presence, energy policy and vaccine diplomacy. Against the background of the Russian Federation's aggression against Ukraine – an open affront to international law and European values – there is a risk that this influence will be used as a wedge to deepen fractures and lead to further destabilisation. It is thus imperative not to lose focus on the Western Balkans, even if the need to support the European aspirations of other countries, such as Ukraine, Georgia, and the Republic of Moldova, has emerged in the meantime.

5. The Assembly calls for a new impetus to be given to the European Union enlargement process. In this context, it welcomes the opening of accession negotiations with Albania and North Macedonia on 19 July 2022. It also commends the diplomatic efforts which have yielded positive results in addressing bilateral disputes including the Prespa agreement between Greece and North Macedonia in 2018, the agreement which led to Bulgaria waiving its opposition to the opening of accession negotiations with North Macedonia in July 2022, and the agreement on freedom of movement reached on 27 August 2022 by Pristina and Belgrade in the context of the EU-facilitated dialogue.

6. The Assembly also urges the Western Balkans to address with resolve and without delay outstanding challenges, such as a polarised political climate which often affects the collaboration between political forces and sometimes leads to interinstitutional deadlocks and conflicts; serious rule of law and good governance issues which affect the independence and impartiality of the judiciary and the functioning of the public administration; issues relating to the rights of national minorities and minority communities and the persistence of cleavages along ethnic lines which affect many aspects of life; and problems relating to freedom of the media and media ownership. Greater efforts are also necessary to strengthen reconciliation and enhance civil society engagement.

7. Noting that the revised EU enlargement methodology, introduced in 2020, puts an emphasis on democracy, rule of law and human rights, areas in which the Council of Europe has an unparalleled expertise, the Assembly believes that the Council of Europe should redouble its efforts to help the Western Balkan countries make tangible and measurable progress towards meeting the EU enlargement criteria.

8. Furthermore, the Assembly considers that the Council of Europe, as a political organisation, should play a greater role in promoting effective and inclusive regional co-operation, the normalisation of relations and the solution of bilateral differences and disputes. This should be done hand in hand with the European Union and other like-minded actors.

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3. Draft resolution adopted unanimously by the committee on 13 September 2022.

4. *Throughout this text, all reference to Kosovo, whether to the territory, institutions or population shall be understood in full compliance with United Nations Security Council Resolution 1244 and without prejudice to the status of Kosovo.

9. In the light of the above, the Assembly calls on the European Union to:

9.1. give fresh impetus to the enlargement process for the Western Balkans, rewarding progress in compliance with criteria and sparing no effort to promote a climate of trust and positive momentum;

9.2. in the context of their strategic partnership and taking into account their common values and convergence of interests, intensify political dialogue with the Council of Europe on how to accelerate the European perspective of the Western Balkans, paying attention to the ownership and sustainability of the reforms, and the need to involve civil society;

9.3. make full use of Council of Europe tools and expertise in the field of rule of law, democracy and human rights, especially in the context of benchmarking and the implementation of co-operation activities, including in the context of the Horizontal Facility for the Western Balkans and Turkey;

9.4. continue to provide financial support to the Council of Europe for joint interventions in the region.

10. The Assembly calls on the authorities in Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, Serbia and Kosovo to:

10.1. work towards improving the political culture with a view to ensuring collaboration between political forces and institutions;

10.2. further strengthen the efficiency, independence, impartiality and accountability of the judiciary;

10.3. further improve the functioning of the public administration at all levels of governance and strengthen the professionalism, integrity and neutrality of the civil service;

10.4. step up the fight against corruption;

10.5. enhance the participation of civil society in political decision making;

10.6. refrain from inflammatory discourse, including on ethnic grounds;

10.7. protect and promote the rights of national minorities and minority communities;

10.8. ensure freedom of the media and address outstanding issues relating to media ownership, while being vigilant against disinformation and other forms of interference with democratic processes, including via the media;

10.9. be exemplary in promoting reconciliation;

10.10. further align with the Common Foreign and Security Policy of the European Union, including in relation to the sanctions and other measures taken in response to the Russian Federation’s aggression against Ukraine;

10.11. support regional co-operation and rules-based multilateralism.

11. The Assembly calls on Council of Europe member States to:

11.1. support the efforts of the Western Balkans to fully pursue their European vocation;

11.2. support the implementation of co-operation activities, including at parliamentary level, aimed at ensuring that the Western Balkans make further progress towards meeting the criteria for EU membership;

11.3. contribute financially to Council of Europe co-operation activities in the region;

11.4. contribute financially to the projects of the Council of Europe Development Bank targeting the Western Balkans;

11.5. promote, through their diplomacy, reconciliation efforts and good neighbourly relations in the region.

12. As regards its own activities, the Assembly resolves to play a greater role in supporting a European perspective for the Western Balkans by:

12.1. holding debates on promoting a European perspective for the Western Balkans, with the participation of EU officials and leaders from the region;

12.2. stepping up inter-parliamentary co-operation activities addressed to the countries concerned, aimed at enhancing democratic resilience, institutional capacity, the ownership and sustainability of reforms and civil society consultation and participation in the political decision-making process;

12.3. developing initiatives offering the countries concerned an additional platform for parliamentary diplomacy aimed at promoting dialogue, reconciliation, confidence building and good neighbourly relations;

12.4. strengthening consultation, co-ordination and co-operation with the European Parliament, including through enhanced political dialogue and the organisation of joint events and meetings.

## B. Draft recommendation[5]

1. Strengthening democratic resilience and respect for the rule of law and human rights; promoting reconciliation and good neighbourly relations; and creating the conditions for stronger economic and social progress in the Western Balkans are a geostrategic investment in peace, stability and democratic security for the whole of Europe. The Parliamentary Assembly, therefore, firmly believes that helping Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, Serbia and Kosovo*[6] meet their aspirations for closer European integration is important not only for the countries concerned but for the European continent, and will benefit all European citizens.

2. Noting that the revised EU enlargement methodology, introduced in 2020, puts an emphasis on democracy, rule of law and human rights, areas in which the Council of Europe has an unparalleled expertise, the Assembly believes that the Council of Europe should redouble its efforts to help the Western Balkan countries make tangible and measurable progress towards meeting the EU enlargement criteria.

3. In addition, the Assembly considers that the Council of Europe, as a political organisation bringing together five countries of the region as members and having developed strong co-operation with Kosovo, should play a greater role in promoting dialogue, inclusive regional co-operation, the normalisation of relations and the solution of bilateral differences and disputes, hand in hand with the European Union and other like-minded actors.

4. In the light of these considerations, the Assembly invites the Committee of Ministers to:

4.1. strengthen the political dimension of the strategic partnership between the Council of Europe and the European Union in relation to the Western Balkans;

4.2. further develop co-operation activities addressed to the Western Balkan countries in priority areas such as the rule of law and good governance, including efficiency, independence and accountability of the judiciary, anti-corruption, public administration reform, and civil participation in public decision making;

4.3. support civil society initiatives in the region, especially those relating to reconciliation;

4.4. consider strengthening and expanding the Council of Europe activities relating to confidence building measures and conflict prevention in the region;

4.5. step up the political dimension of its engagement in the Western Balkans, for instance by creating *ad hoc* working groups, taking the lead in promoting regional or bilateral dialogue, and supporting the implementation of agreements which are achieved thanks to the European Union's mediation or facilitation.

5. Draft recommendation adopted unanimously by the committee on 13 September 2022.

6. *Throughout this text, all reference to Kosovo, whether to the territory, institutions or population shall be understood in full compliance with United Nations Security Council Resolution 1244 and without prejudice to the status of Kosovo.

## C. Explanatory memorandum by Mr George Papandreou, rapporteur

### 1. Introduction

1. In June 2003, the first EU-Western Balkans Summit, held in Thessaloniki under the Greek Presidency of the European Union, catalysed hopes and political will. Its Conclusions[7] sealed the EU unequivocal support for the European perspective of the Western Balkans based on the shared values of democracy, the rule of law, respect of human and minority rights, solidarity and a market economy. The European Union and the governments of the countries concerned reiterated their commitment to respecting international law, ensuring the inviolability of international borders, peaceful resolution of conflicts and regional co-operation. The Western Balkans committed to undertaking reforms to meet the EU accession criteria.

2. In 2004, the enlargement of the European Union to Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovak Republic and Slovenia, and subsequently to Bulgaria and Romania in 2007 rekindled the Western Balkans' expectations to follow the same path.

3. And yet, with the exception of Croatia, nearly two decades after the Thessaloniki Summit the Western Balkans remain on the EU waiting list. The initial years of enthusiasm were followed by a lack of momentum and a tough reality check, which gave way to disappointment, frustration and pessimism. Failure to reward progress along the path of EU accession contributed to fuelling ethnocentric impulses and nationalistic nostalgia, tarnished the credibility of the EU amongst the public opinion and led to the rise of anti-European sentiments in the region.

4. These concerns were expressed in the motion for a recommendation tabled by Mr Piero Fassino (Italy, SOC) and other colleagues in September 2021, which is at the origin of the present report.[8] The motion called on the EU to give a fresh impetus to the enlargement to the Western Balkans and called on the Council of Europe to play a greater role in helping the region move forward and successfully pursue its European vocation.

5. Since the tabling of the motion, the context in Europe has changed, making its recommendations even more pertinent and urgent. The Russian Federation has been waging a large-scale war of aggression against Ukraine, as a result of which it has been expelled from the Council of Europe. In the Western Balkans, it has been fomenting divisions and pushing a wide range of levers to expand its influence and stir destabilisation.

6. On 23 June 2022, the President of the European Council, Charles Michel, announced that both Ukraine and the Republic of Moldova had been granted candidate status. Despite the relevance of the decision given the geopolitical circumstances, this development has increased frustration among Western Balkan countries, which had to face a long and complicated process before reaching this stage.

7. In this new page of European history, it is even more clear that supporting democratic reforms and respect for the rule of law and human rights, reconciliation and good neighbourly relations is a geostrategic investment in peace, stability and security for the European continent. This is why responding to the Western Balkans' aspirations for EU membership, which is the ultimate step in a process of European integration which started in the early 1990s, is so important not only for the countries concerned but for the whole of Europe.

8. In its Resolution 2430 (2022) "Beyond the Lisbon Treaty: strengthening the strategic partnership between the Council of Europe and the European Union", the Parliamentary Assembly underlined that the prospect of EU membership for the Western Balkans represents a factor of stability in Europe, especially in light of the new security context following the Russian Federation's aggression against Ukraine. Furthermore, the Assembly called on the Council of Europe to redouble its efforts to help its member States wishing to join the European Union to make tangible and measurable progress towards meeting the necessary criteria.

9. Speed and compliance with criteria are equally crucial. The Council of Europe should not fail its historic responsibility to accompany the Western Balkans' European integration process to the finishing line and to prevent the region from becoming a battlefield for geopolitical wrangling, to the detriment of its inhabitants.

10. For the preparation of this report, I benefited from the input from key Council of Europe and EU officials, politicians from the countries concerned and experts, whom I wholeheartedly thank for their insight. A list of hearings and bilateral meetings can be found in AS/Pol/Inf(2022)13.

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7. Conclusions.
8. Doc. 15374 "Supporting a European perspective for the Western Balkans".

## 2. Significance of the region

### *2.1. Geographical scope*

11. For the purposes of the present report, the term "Western Balkans" refers to Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, Serbia and Kosovo*[9]. With Croatia, these countries took part in the Thessaloniki EU-Western Balkans Summit of June 2003.

### *2.2. Aspiration to European integration*

12. Following the fall of the Berlin wall and the upheavals of the 1990s, the Western Balkans made a clear choice to embrace democracy, human rights and the rule of law and to embark on a process of European integration, seeking membership in the Organization for Security and Co-operation in Europe (OSCE), the Council of Europe and the European Union.

13. Integration in the OSCE was the first step. Albania joined in 1991, Bosnia and Herzegovina and Croatia in 1992, North Macedonia in 1995. The Socialist Federal Republic of Yugoslavia had been an OSCE Participating State since 1973. It was suspended in 1992, a unique decision in the history of the OSCE. The Federal Republic of Yugoslavia, comprising Serbia and Montenegro, was admitted in 2000. Following the dissolution of the State Union with Serbia, Montenegro joined in 2006.

14. Likewise, Albania was the first country of the region to join the Council of Europe in 1995, followed by North Macedonia the same year, Bosnia and Herzegovina in 2002, the Federal Republic of Yugoslavia in 2003 and, following the dissolution of the State Union with Serbia, Montenegro in 2007. Kosovo applied for membership in the Council of Europe in May 2022.

15. Since the end of the 1990s, relations with the European Union have become increasingly close. In 1999, the European Union launched the Stabilisation and Association Process (SAP), a framework for relations between the EU and countries in the region, and the Stability Pact for South-Eastern Europe, a broader initiative involving all key international players, including the Council of Europe and the OSCE. The Stability Pact was replaced by the Regional Cooperation Council in 2008.[10] As already mentioned, the 2003 European Council in Thessaloniki reaffirmed that all these countries were potential candidates for EU membership, a perspective which was reiterated by successive EU-Western Balkans Summits.

16. Despite these reassurances, the length of time that has elapsed, failure to reward progress, the real or perceived impression that the European Union would prioritise other issues over enlargement and the manifest hesitations of some EU member States have taken a toll on the credibility of the process. Over the years, confidence in the EU integration process has been declining amongst public opinion in the region, together with pro-European sentiments.[11]

### *2.3. Common challenges*

17. The Western Balkans are geographically, culturally and historically an integral part of Europe. They are also a region of political instability in which the spectrum of violence still looms large and a number of bilateral disputes of various intensity affect good neighbourly relations.

18. At the moment and since joining the Organisation, Albania, Bosnia and Herzegovina and Serbia are under the monitoring procedure while Montenegro and North Macedonia are currently in post-monitoring dialogue.[12] In addition, the Committee on Political Affairs and Democracy has been preparing reports on the situation in Kosovo for a number of years.

19. Despite the specificities of each country, it is possible to identify some common concerns which, at varying degrees, affect compliance with Council of Europe standards and hold back further progress towards European integration. Amongst them are:

– a polarised political climate which often affects the collaboration between political forces and sometimes leads to interinstitutional conflicts, including the boycott of parliamentary activities;

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9. *All reference to Kosovo, whether to the territory, institutions or population shall be understood in full compliance with United Nations Security Council Resolution 1244 and without prejudice to the status of Kosovo.
10. Regional Cooperation Council (rcc.int).
11. Balkan Barometer (rcc.int).
12. https://assembly.coe.int/LifeRay/MON/Pdf/DocsAndDecs/OverviewMON-EN.pdf.

– serious rule of law and good governance issues which affect the independence and impartiality of the judiciary and the functioning of the public administration;

– issues relating to the rights of national minorities and minority communities and the persistence of cleavages along ethnic lines which affect many aspects of life;

– issues relating to freedom of the media and media ownership.

20. The region has not been sheltered from democratic backsliding, a problem affecting all European countries and which grew in importance during the Covid-19 pandemic. Cases of poor transparency in public procurement of medical supplies emerged and limits were placed on freedom of expression and media freedoms.[13] On the other hand, all the countries of the region managed to hold elections during the pandemic and parliaments continued to function.

21. Against this background and in light of the past conflicts which ravaged the region, the rise of nationalistic and ethnic rhetoric in political discourse is a matter of serious concern. This posturing sometimes interacts with the specificities of the institutional set-up which was agreed in Dayton. The situation in Bosnia and Herzegovina, in which Republika Srpska threatens secession, is the most visible sign of the risks deriving from this dual challenge.

### *2.4. Between regional co-operation and bilateral disputes*

22. Inclusive regional co-operation is one of the key benchmarks for assessing progress in view of EU integration. A wide range of regional co-operation agreements are in place: some of them are limited to the region in the narrow sense while others include also other European countries.

23. Amongst the regional co-operation agreements in the economic field are:

– the Central European Free Trade Agreement (CEFTA)[14] which includes Albania, Bosnia and Herzegovina, the Republic of Moldova, Montenegro, North Macedonia, Serbia, and UNMIK on behalf of Kosovo;

– the Regional Economic Area (REA) which, since 2017, under the Berlin Process,[15] brings together six EU member States (Austria, Croatia, France, Germany, Italy, and Slovenia) and the six Western Balkan countries with a view to encouraging the inflow of foreign direct investments, diversifying their sources and enabling deeper economic integration amongst its members and with the EU single market;

– the Common Regional Market (CRM),[16] agreed by the leaders of the six Western Balkan countries during the EU Sofia Summit to increase the attractiveness and competitiveness of the region and to bring it closer to the EU markets.

24. Other regional initiatives include the South-East European Cooperation Process (SEECP); the Centre for Security Cooperation (RACVIAC); the Migration, Asylum and Refugee Regional Initiative; the Western Balkans Investment Framework (WBIF); the Regional School of Public Administration; and the Regional Youth Cooperation Office (RYCO).[17] While initiatives are numerous, they are not equally successful or effectively implemented, sometimes due to poor implementation capacity.

25. Bilateral issues often stand in the way of inclusive regional co-operation. One of the most important tools in this area is the EU-facilitated Dialogue between Pristina and Belgrade, which aims to achieve a comprehensive normalisation agreement in order for both sides to progress on their respective European path, create new opportunities and improve the lives of ordinary people. One of the achievements in this process was, in 2012, the agreement on Kosovo's regional representation and, the following year, the First Agreement on principles governing the normalisation of relations between Belgrade and Pristina.[18] These texts unlocked, in a pragmatic way, the possibility for Kosovo to formally join regional co-operation initiatives. This has been the case for all the regional co-operation initiatives which are mentioned above. Similarly, a dangerous flare-up of tensions in the summer of 2022 was partly addressed through the agreement on freedom of movement reached on 27 August 2022.

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13. "Democracy in the Western Balkans: A Long and Winding 'European Path'", International IDEA, 26 July 2022.
14. CEFTA – Central European Free Trade Agreement.
15. Berlin Process "What is the Berlin Process?"
16. Regional Cooperation Council | Common Regional Market (rcc.int).
17. A list can be found at Balkans Policy Research Group (balkansgroup.org).
18. www.peaceagreements.org/viewmasterdocument/2022.

26. In 2018 the Prespa agreement between Greece and North Macedonia settled the long-standing difference on the issue of the latter's name and set forth good neighbourly relations between the two countries. This paved the way for North Macedonia's membership in the North Atlantic Treaty Organisation (NATO) and lifted the objection by Greece to open EU accession negotiations.[19]

27. In 2022, another major deadlock was overcome following an EU-brokered agreement between Bulgaria and North Macedonia: the former would lift its veto against the opening of enlargement negotiations while the latter would introduce new measures recognising the rights of the Bulgarian minority. The agreement, despite being supported by parliament, gave rise to public protests in North Macedonia, which highlights the need to continue to work to create trust and mutual understanding, also by strengthening engagement with civil society.[20] At the same time, it is very important that the parliament which will result from the parliamentary elections of 2 October 2022 in Bulgaria will honour this agreement.

### *2.5. Inter-parliamentary dialogue*

28. Parliamentary diplomacy and interparliamentary co-operation can be instrumental to enhancing regional integration and democratic security in the region. This can be achieved not only through bilateral parliamentary groups, but also through active participation in regional inter-parliamentary bodies such as the Parliamentary Assembly of the South-East Cooperation Process (SEECP PA) and the Cetinje Parliamentary Forum (CPF)[21]. The parliaments of Bosnia and Herzegovina, Croatia, Montenegro and Serbia have established a conference of their foreign affairs committees.

29. With the exception of the Assembly of Kosovo, the parliaments of the countries concerned are also members of other international assemblies, such as the Parliamentary Assembly of the Council of Europe, the OSCE Parliamentary Assembly, the Parliamentary Assembly of the Mediterranean (PAM), the Adriatic-Ionian Initiative (AII) and the parliamentary dimension of the Central European Initiative (CEI), amongst others.

30. The European Union has played a major role in fostering dialogue between the parliaments of the region and enhancing the role of parliaments in the enlargement process, through the Conference of the parliamentary committees on European integration/affairs of the States participating in the Stabilisation and Association Process in South-East Europe (COSAP) and the organisation of two Summits between the European Parliament and Western Balkans' speakers of parliament, in 2020 and 2021. A very important tool for political dialogue for all the countries of the region is the Stabilisation and Association Parliamentary Committees (SAPC), which are composed of members of parliament of each country and the European Parliament and aim to ensure proper implementation of the Stabilisation and Association Agreement (SAA) at parliamentary level.

### *2.6. Reconciliation*

31. Reconciliation is a prerequisite for maintaining peace and security, establishing sustainable co-operation and setting the region firmly on its European path. And yet, conflicting narratives about the past continue to charge relations between communities and countries of the region with animosity. In addition, as indicated by the European Commission in its annual evaluation reports, there continue to be setbacks and standstills in the domestic prosecution of war crimes and delays in access to justice for victims of the conflicts in the former Yugoslavia. The issue of missing persons who disappeared at that time remains a major humanitarian concern. Attacks against the work of the International Criminal Tribunal for the former Yugoslavia undermine its credibility amongst public opinion.

32. As the Secretary General of the Council of Europe, Marija Pejčinović Burić, said when addressing the 27th Commemoration Ceremony for the Victims of Srebrenica Genocide, "Remembrance and reconciliation are hard. But they are essential. They are needed so that people can understand, heal, and move forward, together, in the interests of every community".[22] It is high time for the authorities of all the countries concerned to lead by example and come to terms with the legacy of the past. The role of civil society is also of crucial importance to overcome prejudice and restore trust.

19. www.mfa.gr/images/docs/eidikathemata/agreement.pdf.
20. "Thousands protest as North Macedonia readies to vote on EU deal with Bulgaria", Reuters, 14 July 2022.
21. Cetinje Parliamentary Forum (CPF) – Skupština Crne Gore (skupstina.me).
22. 27th Commemoration Ceremony for the Victims of Srebrenica Genocide – Speeches 2022 (coe.int).

### *2.7. Economic outlook*

33. The economic outlook is uncertain. Since 2021, just as the economy started to recover from the strain provoked by the Covid-19 pandemic, a new set of challenges has been confronting the region. Public debt is very high, also as a consequence of the response to the Covid-19 pandemic. Potential growth remains constrained by the need for structural reforms to boost productivity, increase competition, invest in human capital, and strengthen governance and public sector efficiency. The existing social infrastructure is not adequately supportive of the human capital potential, which leads people, especially the youth, to emigrate. The war of aggression against Ukraine is also having an economic impact, particularly through higher energy and food prices as well as the disruption of trade and investment flows, putting the region's recovery at risk.[23]

34. The European Union is the biggest investor in the region. In 2020, the European Commission launched the Economic and Investment Plan for the Western Balkans (EIP), which aims to support the long-term recovery of the region, accelerate a green and digital transition, and foster inclusive regional co-operation and convergence with the European Union. The plan allocates a substantial financial package of up to €9 billion in EU funds, identifying 10 investment flagships in the sectors of sustainable transport, clean energy, environment and climate, digital future, human capital and the private sector.

35. The European Union can also provide guarantees to help reduce the cost of financing for both public and private investments and to reduce the risk for investors. Support through the new Western Balkans Guarantee facility, under the EU External Action Guarantee and the European Fund for Sustainable Development Plus, is expected to mobilise potential investments of up to €20 billion in the next decade.

36. The Economic and Investment Plan will represent a massive injection of funds, amounting to about one-third of the region's total GDP. It is of crucial importance to ensure that this funding is well spent, supporting grassroots initiatives, promoting inclusive growth for women and young people, and spurring entrepreneurship.

### *2.8. The Western Balkans on a geopolitical fault line*

37. The Western Balkans attract the interest of a number of players from outside the region who use a mixture of economic investment and soft power as a vector to accrue political influence.

38. As there is limited investment from EU countries in the region, Western Balkan countries in many cases try to attract investment from third countries like China. In the last decade, China has committed $2.4 billion in net foreign direct investment to the Western Balkans, along with $6.8 billion in infrastructure loans. China finances projects such as highways, railways, and power plants in the framework of its Belt and Road Initiative (BRI). It also purchases key stakes in several key transport and energy companies. In addition to investments and loans, China uses soft power tools such as academic co-operation and vaccination diplomacy to strengthen its position.[24]

39. Although its economic footprint in the region has diminished since the illegal annexation of Crimea, the Russian Federation retains influence in strategic sectors such as energy, banking, metallurgy and real estate, especially in Serbia, Bosnia and Herzegovina and North Macedonia.[25]

40. Although Serbia conducts more than two-thirds of its foreign trade with the European Union, it has long standing ties with the Russian Federation. The Russian Federation condemned NATO's intervention in 1999 and has consistently stood by Serbia on the Kosovo issue, including in the UN Security Council. It exerts a considerable soft power in the country through culture and religion, and more recently, vaccine diplomacy. It also has an impact on media mainly through the Sputnik news agency that has had an office in Belgrade since 2014.

41. A recent report by the European Parliament's special committee on foreign interference in democratic processes describes the Russian Federation's attempts to destabilise the countries of the region by exploiting ethnic tensions and bilateral differences while discrediting the European Union and boosting its own profile.[26]

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23. "Western Balkans Regular Economic Report Spring 2022" (worldbank.org), 2021.
24. "China's Influence in the Western Balkans – Strategic analysis".
25. "Assessing Russia's Economic Footprint in the Western Balkans" – European Western Balkans, 8 March 2018.
26. "Report on foreign interference in all democratic processes in the European Union, including disinformation", Rapporteur: Sandra Kalniete, 2020/2268(INI), European Parliament, 8 February 2022.

42. Differences between the countries of the region can be seen in relation to their alignment with the European Union on sanctions against the Russian Federation. Albania, Kosovo, Montenegro and North Macedonia have joined the EU sanctions against the Russian Federation, while Bosnia and Herzegovina and Serbia have not. On 29 May 2022, President Aleksandar Vučić announced that Serbia had signed an agreement on a new three-year gas contract with the Russian Federation.[27]

43. Similarly, in the area of security and defence, Albania, Montenegro and North Macedonia joined NATO respectively in 2009, 2017 and 2020. KFOR – a NATO-led peacekeeping force – has been stationed in Kosovo since 1999 under United Nations Security Council Resolution 1244. Bosnia and Herzegovina is a NATO partner; any further integration into the Alliance, however, is opposed by Republika Srpska, the parliament of which has taken a clear position in support of neutrality.[28] Serbia has been a member of the NATO Partnership for Peace since 2009 while, at the same time, its National Assembly has been an observer with the Parliamentary Assembly of the Common Security Treaty Organisation (CSTO) since 2013. Its military concept is one of neutrality. The Russian Federation is Serbia's biggest arms supplier, despite increasing competition with China.[29]

44. The Strategic Concept adopted at the NATO Summit in Madrid in July 2022 explicitly reaffirms the strategic importance of the Western Balkans for the Alliance and its commitment to develop its partnerships with Bosnia and Herzegovina.[30]

45. Türkiye is a Council of Europe member State with considerable influence in the Western Balkans. In the past few years, it has provided cultural and educational programmes through institutions like the Maarif Foundation in countries with a large Muslim community, especially in Albania, Bosnia and Herzegovina, North Macedonia, and Kosovo; it has invested in projects such as motorways, bridges, hospitals, schools, mosques, and the restoration of buildings from Ottoman heritage. Türkiye's soft power in the region is also reinforced by the popularity of Turkish culture, especially TV shows and entertainment industries, among certain sectors of the population. Politically, Türkiye has been promoting trilateral meetings with Bosnia and Herzegovina and Serbia focusing on improving economic co-operation.

46. Awareness of the geopolitical importance of enlargement has increased amongst EU officials, namely in light of the Russian Federation's war of aggression against Ukraine. As formulated by the President of the European Commission, Ursula von der Leyen, the recommendation for opening accession negotiations is in the EU's geostrategic interest. EU Commissioner for Neighbourhood and Enlargement Olivér Várhelyi added that the decision about starting accession negotiations confirms the geostrategic importance of the Western Balkans and demonstrates that Europe is willing and able to take geopolitical decisions even in these trying times of the Covid-19 pandemic.[31]

## 3. The process of EU enlargement

### *3.1. Political support from EU Institutions*

47. The Thessaloniki Summit in 2003 was the beginning of a process which continued, 15 years later, with the Summit in Sofia and the resulting Sofia Declaration. This text stressed the importance of the Western Balkans' continued commitment to the rule of law, the fight against corruption and organised crime, good governance, as well as respect for human rights and rights of persons belonging to minorities. The effective implementation of reforms in these areas was and continues to be key for the region's further progress along the European path. In Sofia, EU and Western Balkan leaders agreed to take a number of actions to improve energy and transport infrastructure, as well as digital connectivity in the region. EU and Western Balkans partners also laid the ground for an ever-closer co-operation in the areas of security, migration and in tackling geopolitical challenges.[32]

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27. "Serbia's Vucic says he agreed a three-year gas supply contract with Putin", Reuters, 29 May 2022.
28. "Republika Srpska Resolution on military neutrality to undermine NATO integration of BiH?", European Western Balkans, 26 October 2017.
29. "Serbia's FK-3 Purchase From China Marks a Shift in Vucic's Diplomatic and Defense Policy" (foreignpolicy.com).
30. "NATO 2022 – Strategic concept", paragraphs 41 and 45.
31. https://ec.europa.eu/neighbourhood-enlargement/news/2021-enlargement-package-european-commission-assesses-and-sets-out-reform-priorities-western-balkans-2021-10-19_en, European Commission, 19 October 2021.
32. "EU-Western Balkans summit: improving connectivity and security in the region", European Commission, 17 May 2018.

48. The Council Conclusions adopted in June 2019 reaffirmed the European Union's "commitment to enlargement which remains a key policy of the EU" and the European Commission adopted its communication reinvigorating the accession process to be based on solid trust, mutual confidence and clear commitments on both sides.[33]

49. The following Summit in Zagreb in 2020 revolved around the challenges in tackling the pandemic and its socio-economic consequences,[34] while during an EU-Western Balkans summit in Brdo pri Kranju, Slovenia, on 6 October 2021, EU leaders reiterated their support for the countries and set out a range of initiatives to boost the region.[35] Amongst other issues, agreement was reached to enhance co-operation between EU and Western Balkan partners on core security issues, in areas such as hybrid threats and disinformation, cyber and space issues, military mobility and counterterrorism, together with continued support for countering illicit firearms trafficking.

50. Prominent members of the European Commission have repeatedly affirmed that enlargement is one of the Commission's five priorities[36] and that the European project would not be complete without the Western Balkans.[37] In March 2021, EU Commissioner Várhelyi stated that the "opening of EU accession talks sends a loud and clear message […] to the Western Balkans as a whole. It reaffirms and delivers on the EU's commitment to the European perspective of the region: its present is with the EU and its future is in the EU."

51. The European Parliament has consistently been a strong supporter of the accession of the Western Balkans to the EU. In a resolution adopted in October 2019, the European Parliament expressed disappointment that Albania and North Macedonia were not able to start accession talks, stressing that the enlargement process has played a decisive role in stabilising the Western Balkans.[38] In a resolution adopted in June 2020, MEPs call on the EU to do more to make the enlargement process for these countries a success.[39]

52. On 26 April 2022, Roberta Metsola, President of the European Parliament, said that the EU must "think of ways to accelerate the enlargement process in the Western Balkans", because "stability in the immediate neighbourhood is vital for the EU's own stability".[40]

53. On 14-16 June 2022, President Michel visited Montenegro,[41] Kosovo[42] and North Macedonia[43]. The main topics for discussion during high level meetings were EU integration, the impact of the Russian Federation's aggression against Ukraine on the region and the preparation of the EU-Western Balkans leaders' meeting on 23 June. The visits followed an earlier trip to the Western Balkans region from 19-21 May, when President Michel visited Serbia, Albania and Bosnia and Herzegovina.

54. Even if the Summit of 23 June 2022 did not yield concrete results and was met with strong expressions of frustration by Western Balkans leaders, the diplomatic efforts of the EU French presidency paid off. Once lifted the veto from Bulgaria, as explained earlier in this report, on 19 July 2022 Albania and North Macedonia officially started accession negotiations.

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33. General Affairs Council, European Council, 18 June 2019.
34. Zagreb Declaration, European Council, 6 May 2020.
35. EU-Western Balkans summit, Brdo pri Kranju, Slovenia, European Council, 6 October 2021.
36. Statement by Commissioner Várhelyi at the European Liberal Forum, The European Union meets the Balkans Forum, 26 April 2022.
37. "Shifting the narrative – a revitalised approach to the Western Balkans", Friends of Europe, 7 December 2021.
38. Texts adopted – Opening accession negotiations with North Macedonia and Albania – Thursday, 24 October 2019 (europa.eu).
39. Texts adopted – Western Balkans, following the 2020 summit – Friday, 19 June 2020 (europa.eu).
40. "EU must speed up Western Balkans' accession: EU Parliament head" (aa.com.tr), 26 April 2022.
41. Remarks by President Charles Michel after his meeting in Podgorica with President of Montenegro, Milo Đukanović, European Council, 14 June 2022.
42. Remarks by President Charles Michel after his meeting in Pristina with President Vjosa Osmani-Sadriu, European Council, 15 June 2022.
43. Remarks by President Charles Michel after his meeting in Ohrid with President Stevo Pendarovski, European Council, 16 June 2022.

### *3.2. The revised enlargement methodology*

55. In 2019, with a view to enhancing the credibility of the process, a revised enlargement methodology was introduced, putting a stronger emphasis on key reforms, such as rule of law, fundamental freedoms, economy and functioning of democratic institutions. The partner countries need to address them, in the interest of their own citizens and to advance on the path of EU integration. On the other side, the European Union needs to deliver on its commitments.

56. The revised enlargement methodology:

– puts greater emphasis on political steer,

– sets out the possibility to halt or even reverse negotiations,

– gives more attention to democracy and rule of law,

– promotes greater engagement from EU member States.

57. Credibility, predictability, and dynamism are the key words of the process as revised by the new methodology, which continues to be based on established criteria, fair and rigorous conditionality, and the principle of merits.

58. For the process to move forward, candidates are required, as a matter of priority, to deliver genuine and sustainable results on the following key issues:

– the rule of law,

– justice reform,

– fight against corruption and organised crime,

– security,

– fundamental rights,

– functioning of democratic institutions and public administration reform,

– economic development and competitiveness.

59. Further progress on reconciliation, good neighbourly relations and inclusive regional co-operation are also crucial. Inclusive regional co-operation is of paramount importance in infrastructure, transport, trade, renewable energy, environmental protection, health, food security, waste management, research technology and security. It is also a fact that the countries of the Western Balkans follow closely each other's progress. Therefore, progress of one member becomes a *de facto* example to be followed by others and creates positive momentum for all. The opposite is also valid.

60. The strategic goal of the new methodology is to regain credibility of both sides and, to this end, the process needs to rest on solid trust, mutual confidence and clear commitments on both sides. Credibility should be reinforced through an even stronger focus on the fundamental reforms which become even more central in the accession negotiations. Negotiations on these fundamentals will be opened first and closed last and their progress will determine the overall pace of the process.

61. Furthermore, for the accession process to be more effective, strategic communication will be of great importance. It is instrumental to raise awareness amongst the general public of the opportunities which will arise from reforms and closer integration. The public political commitment of the respective authorities to the strategic goal of EU accession will also be assessed more clearly.

62. The negotiating chapters are grouped in six thematic clusters, which allows for a broader thematic engagement with partners. Stronger contributions to the package were solicited from member States, who were consulted during the process and provided input and expertise, including through their embassies on the ground.

63. To address the concern of some candidate countries about the very long accession process that can lead to a zero-sum game, a number of proposals to modify or complement the new accession methodology were launched. A common key element of these proposals is the gradual integration of the candidate countries into different sectors of the European Union.

64. In this spirit recently, Charles Michel, the President of the European Council, stated: “I think we must make the process faster, gradual and reversible. We must offer tangible socio-economic benefits to our partners during the accession negotiations, instead of waiting until the very end. The solution would lie in gradual, phased integration, even while the accession process is ongoing”.

65. A big discussion is also taking place around French President Emmanuel Macron’s idea of a European political community that could support pre-accession countries by giving them extra ties with the EU.

66. Additionally, for some time now, the former Italian Prime Minister Enrico Letta has promoted the idea of a European Confederation, a kind of wider circle that would hold together the Union’s 27 member States and its candidate countries. He underlines that this proposal does not replace the formal accession process without watering down the requirements of full membership in the Union; the Confederation should envisage time and places for sharing Europe’s major strategic choices, starting with foreign policy, defence of peace, and promoting the fight against climate change.

### *3.3. Where different applicants stand in relation to the accession procedure*

**Albania – Candidate**

67. Albania applied for EU membership in April 2009. In March 2020, the European Commission welcomed the Council's decision to open accession negotiations with Albania, subject to final endorsement by the European Council members. In July 2020, the draft negotiating framework was presented to member States. Prior to its first intergovernmental conference, Albania was called on to make further progress on electoral and judicial reforms and in the fight against organised crime and corruption. The European Commission confirmed in its 2021 enlargement package that Albania continues to fulfil the conditions to officially open accession negotiations and it advanced steadily on the EU reform path. Accession negotiations were opened on 18 July 2022.

**Bosnia and Herzegovina – Potential Candidate**

68. Bosnia and Herzegovina applied for EU membership in February 2016. The Commission opinion on EU membership application was delivered in May 2019. EU Council conclusions endorsing the 14 key priorities were adopted in December 2019.

69. According to the Commission’s assessment, the political environment remains polarised, as political leaders continued to engage in divisive rhetoric and unconstructive political disputes, which have hindered overall progress on the 14 key priorities. The blockage of the State institutions and the calls to roll back reforms are of deep concern and can only be overcome through political dialogue. A marked decrease in Bosnia and Herzegovina's rate of alignment with EU foreign and security policy is a negative signal. Bosnia and Herzegovina needs to address the 14 key priorities, including electoral and constitutional reforms, and will have to deliver on a critical mass of reforms to obtain candidate status.

**Montenegro – Candidate**

70. Montenegro applied for EU membership in December 2008. The accession negotiations are ongoing with 33 chapters open, of which 3 have already been provisionally closed. According to the Commission’s latest assessment, the priority for further progress in negotiations remains the fulfilment of the rule of law interim benchmarks set under chapters 23 (justice and fundamental rights) and 24 (justice, freedom, and security). To reach this milestone, the authorities should demonstrate in practice their commitment to Montenegro’s EU reform agenda. Montenegro needs to further intensify its efforts to address the outstanding issues, including in the critical areas of freedom of expression and media freedom and fight against corruption and organised crime, without reversing earlier achievements in the judicial reform.

**North Macedonia – Candidate**

71. In March 2020, the European Commission welcomed the Council's decision to open accession negotiations with North Macedonia, subject to final endorsement by European Council members. In July 2020, the draft negotiating framework was presented to member States. The European Commission confirmed in its 2021 enlargement package that North Macedonia continues to fulfil the conditions to officially open accession negotiations and it advanced steadily on the EU reform path. Once the bilateral difference with Bulgaria was solved, accession negotiations with North Macedonia were opened on 18 July 2022.

**Serbia – Candidate**

72. Serbia applied for EU membership in December 2009. The accession negotiations are ongoing with 22 chapters open, of which 2 have already been provisionally closed. In 2020, the European Council refused Serbia the opportunity to open new negotiation chapters because of lack of progress with some reforms. According to the Commission's latest assessment, progress under the rule of law chapters, normalisation of relations with Kosovo is on track. Serbia should continue to accelerate and deepen reforms on the independence of the judiciary, the fight against corruption, media freedom, the domestic handling of war crimes and the fight against organised crime.

73. According to the Commission, Serbia's progress on the rule of law and the normalisation of relations with Kosovo is essential and will determine the overall pace of the accession negotiations. Serbia should also improve its alignment with EU foreign and security policy. The Commission welcomes that Serbia has fulfilled the benchmarks to open new clusters, namely cluster 3 (competitiveness and inclusive growth) and 4 (green agenda and sustainable connectivity). It supports Serbia's ambition to open as soon as possible new accession clusters, on the basis of continuing reform progress.

**Kosovo – Potential Candidate**

74. In July 2018, six years after a visa liberalisation roadmap was issued, the Commission confirmed that Kosovo had fulfilled all the criteria. The European Parliament immediately followed suit and entered into interinstitutional negotiations, which are ongoing. In the region, only Kosovo remains excluded from visa liberalisation, as some EU member States continue to have reservations.

75. Following the already mentioned agreement on normalising relations reached in April 2013 between Belgrade and Pristina, the European Council decided in June 2013 to open negotiations on a Stabilisation and Association Agreement (SAA) with Kosovo, which entered into force on 1 April 2016. Kosovo's future EU integration – like Serbia's – remains closely linked to the EU-facilitated dialogue between Pristina and Belgrade, which should lead to a legally binding comprehensive agreement on the normalisation of their relations. The Kosovo Government has indicated its intention to formally apply for European Union membership before the end of 2022.

### *3.4. Focus on the rule of law*

76. The rule of law is one of the fundamental principles at the heart of the Council of Europe mandate and is also enshrined in Article 2 of the Lisbon Treaty as one of the common values of its member States. It is important in itself and as an enabler of a healthy democracy and a thriving economy. Without rule of law, democratic institutions do not function properly, citizens' trust in the authorities falters, reforms are stalled, economic investments are wasted and plummet. No wonder, therefore, that this area is central to the EU enlargement process.

77. In a recent report,[44] the European Court of Auditors audited whether EU support for the rule of law in the Western Balkans during 2014-2020 had been effective, with a special emphasis on justice and the judiciary, access to justice, anti-corruption and freedom of expression.

78. The report found that while the EU has contributed to reforms in areas such as improving the efficiency of the judiciary and the development of relevant legislation, it has had little overall impact on fundamental rule of law reforms, for instance those aimed at strengthening the independence of the judiciary.

79. According to the European Court of Auditors, the reasons for this include:

– insufficient domestic political will to drive the necessary reforms;

– insufficient ownership of the reforms;

– limited administrative capacity/institutional resistance to change.

80. The report also underlines the need for greater consultation and engagement of civil society in any reform process.

81. In its reply to the report,[45] the European Commission accepted the recommendation that the mechanism for promoting rule of law reforms in the enlargement process should be strengthened, recalling that the revised enlargement methodology introduced in 2020 should help remedy these problems by putting

44. "EU support for the rule of law in the Western Balkans has contributed to reforms but important fundamental challenges persist" (europa.eu), European Commission, 10 January 2022.
45. Replies: European Commission.

an even stronger focus on fundamental reforms in the areas of the rule of law, the functioning of democratic institutions, freedom of expression, media freedom and pluralism as well as the functioning of public administration. The Commission only partially accepted the recommendation concerning remarks about civil society, stressing its substantial financial contribution in this area.

## 4. The Western Balkans and the Council of Europe

### *4.1. Benchmarking*

82. Albania, Bosnia and Herzegovina, Montenegro, North Macedonia and Serbia are Council of Europe member States and parties to all key Council of Europe instruments and agreements in the area of human rights and the rule of law. They are subjected to the independent monitoring mechanisms established by them, including under:

– the Advisory Committee on the Framework Convention for the Protection of National Minorities (FCNM),

– the European Committee for the Prevention of Torture and Inhuman or Degrading Treatment or Punishment (CPT),

– the Group of States against Corruption (GRECO),

– the Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL),

– the European Commission for the Efficiency of Justice (CEPEJ),

– the Group of Experts on Action against Trafficking in Human Beings (GRETA),

– the Group of Experts on Action against Violence against Women and Domestic Violence (GREVIO).

83. On the basis of specific arrangements, assessments of Kosovo's adherence to Council of Europe standards under the instruments mentioned above have also been carried out.[46]

84. The relevance of the Council of Europe is particularly important in relation to the benchmarking of progress towards reform for Western Balkan countries who aspire to EU membership. The Commission publishes, on an annual basis, reports detailing progress for each of the country concerned. These reports rely to a large extent on the findings of Council of Europe monitoring mechanisms and the reporting by other Council of Europe bodies and organs, such as the Venice Commission, the Assembly and the Congress of Local and Regional Authorities.

### *4.2. Co-operation activities: the Horizontal Facility*

85. The Council of Europe and the European Union work hand in hand in the Western Balkans in the area of co-operation. The most important tool is the Horizontal Facility for the Western Balkans and Turkey, a joint Council of Europe – European Union Programme, funded by the European Union with a total financial envelope of €41 million. The Horizontal Facility is complemented by bilateral and regional EU/Council of Europe Joint Programmes on specific topics.

86. The programme is entirely based on the Council of Europe's "triangle" of standard-setting, monitoring and technical co-operation. Its specificity is its multi-stakeholder approach, which includes civil society. This feature is particularly important in the light of the remarks made by the European Court of Auditors, according to which one of the main weaknesses of the activities carried out so far is the lack of engagement with civil society.

87. The programme resulted from the Statement of Intent signed on 1st April 2014 by the Secretary General of the Council of Europe and the European Union Commissioner for Enlargement and European Neighbourhood Policy, in which both parties agreed to further strengthen co-operation in key areas of joint interest. The first phase of the programme included various beneficiary-specific and regional initiatives and ran from 2016 to 2019. The second phase of the programme is currently coming to an end while the third phase – which is at an advanced stage of preparation, should start in January and run for four years.

46. FCNM, CPT, GRECO, MONEYVAL, CEPEJ, GRETA and GREVIO.

88. The second phase of the Programme[47] broadens the thematic areas which now include:

– strengthening the efficiency, independence and accountability of justice;

– the fight against corruption and organised and economic crime;

– anti-discrimination and the protection of the rights of vulnerable groups;

– freedom of expression and the media.

89. This joint programme makes a particularly strong contribution to EU accession negotiations under chapter 23 (judiciary and fundamental rights) and chapter 24 (justice, freedom, and security). The technical co-operation offered to the beneficiary countries is, at the same time, advancing the implementation of Council of Europe standards as well as the attainment of the European Union's objectives. It is improving the lives of millions of people in the Western Balkans region, ensuring that human rights, democracy the rule of law are firmly rooted in rapidly evolving societies.

90. In addition, the programme includes an Expertise Co-ordination Mechanism, which provides legislative expertise and policy advice and is an important tool available to all beneficiaries.[48] The Expertise Co-ordination Mechanism can be seized by national authorities, including speakers of parliament, in order to obtain an opinion by the Venice Commission or other Council of Europe bodies. The legal expertise provided by the Council of Europe as part of the Horizontal Facility reaches an extraordinary number – over 200 a year.

91. As was recently confirmed by Albania's Deputy Minister for Europe and Foreign Affairs, Ms Megi Fino "Through the co-operation between our countries in the region as beneficiaries of the Horizontal Facility programme, as well as through the co-operation of the region with the Council of Europe and the European Union, we are better prepared to translate the assistance provided by international donors into the accomplishment of our shared dream of a region part of the European Union. The Horizontal Facility programme for the Western Balkans and Turkey is precisely the embodiment of this co-operation that aims to facilitate the path of our region towards European integration."[49]

### *4.3. The Council of Europe Development Bank*

92. The Council of Europe Development Bank (CEB) is a multilateral development bank with an exclusively social mandate. Through the provision of financing and technical expertise for projects with a high social impact in its member States, it promotes social integration and strengthen solidarity in Europe. All six Western Balkan countries are target countries, and received increased support from the Bank.

93. The CEB is a founding member of the Western Balkans Investment Framework (WBIF), a common financing platform which supports economic, social and environmental infrastructure investments in the region.[50] Through this instrument, the CEB focuses on human capital development and social infrastructure, such as in the sectors of education, housing and health. Improving the region's social infrastructure can boost the human capital and societal foundations necessary to achieve long-term economic growth, resilience and competitiveness. Moreover, this may limit the brain drain and improve gender equality, allowing a greater proportion of women to work and achieve financial independence.

### *4.4. Political work*

94. Outside the areas of co-operation and financial support, from a political point of view, the Council of Europe does not have an institutional, strategic regional approach to the Western Balkans: for instance, there has never been a specific Rapporteur Group of the Ministers' Deputies for this region; similarly, there has never been a regional Action Plan on the Western Balkans.

95. The Assembly is the only Council of Europe body which has looked at the region and its challenges as a whole, even if not on a regular basis, amongst others through the following texts:

– Resolution 2108 (2016) "Human rights of refugees and migrants – the situation in the Western Balkans";

– Resolution 1839 (2011) "The political situation in the Balkans";

47. Horizontal Facility II – Themes (coe.int).
48. https://rm.coe.int/leaflet-hf-balkans-turkey-expertise-co-ordination-mechanism-web-eng-/16807438d2.
49. "European Union and Council of Europe support strengthening democracy, rule of law and human rights protection in Albania", 28 April 2022.
50. Homepage – European Union and the Western Balkans (wbif.eu).

– Resolution 1784 (2011) and Recommendation 1952 (2011) "The protection of witnesses as a cornerstone for justice and reconciliation in the Balkans";

– Recommendation 1802 (2007) "Situation of longstanding refugees and displaced persons in South-East Europe";

– Resolution 1517 (2006) and Recommendation 1765 (2006) "General policy debate on the situation in the Balkans";

– Resolution 1414 (2004) and Recommendation 1685 (2004) "Persons unaccounted for as a result of armed conflicts or internal violence in the Balkans".

96. In the area of inter-parliamentary co-operation, since 2017 the Assembly has organised three country-specific parliamentary seminars and only on two occasions has it brought together parliamentarians from more than one country of the region.

97. In my opinion, the need to boost the capacity of the Western Balkans to make fast and significant progress towards meeting the criteria for EU accession requires a change of paradigm in the way in which the Council of Europe works on the region.

98. Firstly, the Council of Europe should not shy away from further strengthening the regional perspective in its work, because the challenges for the region and the stakes for Europe's democratic security go well beyond a country-by-country approach. The Assembly, for instance, should be able to constantly follow developments from a regional perspective, including common challenges, geopolitical threats, the solution of bilateral disputes, promoting regional dialogue and supporting relations with the European Union. More regular reports taking stock of developments in relation to EU enlargement would be welcome.

99. Secondly, the Council of Europe should strengthen the strategic partnership with the European Union in relation to the Western Balkans, as already recommended by the Assembly in its recent texts on strengthening the strategic partnership between the two organisations,[51] and as mentioned in the Council Conclusions on EU priorities for co-operation with the Council of Europe 2020-2022.[52] Work in the area of the rule of law and good governance – including efficiency, independence and accountability of the judiciary; anti-corruption; public administration reform – should be prioritised. This is because the rule of law and good governance are not only important chapters in the enlargement procedure but they also enhance the institutional capacity to carry out any reforms effectively. Furthermore, the Assembly should seek to establish common initiatives with the European Parliament, with which the convergence of interests in relation to the region has become particularly strong following the large-scale war of aggression launched by the Russian Federation against Ukraine.

100. Thirdly, the Council of Europe should step up the political dimension of its engagement in the Western Balkans. To do so, it could take the lead in promoting regional or bilateral dialogue; supporting the implementation of agreements which are achieved thanks to the EU's mediation or facilitation efforts; encouraging regional civil society initiatives, especially those relating to reconciliation. On its side, the Assembly should be more proactive and innovative in proposing interparliamentary initiatives addressed to the region. It could play a greater role in enhancing the political ownership of reforms, strengthening parliamentary capacity and civil society engagement in political decision-making.

## 5. Conclusions

101. The future of the Western Balkans, a region with a population of only 17,6 million people, is in the European Union. This is the wish of the countries of the region, and it is the same path which has been followed by many other European States who joined the OSCE and the Council of Europe following the fall of the Berlin wall. The success of the enlargement process is in the interest of the Western Balkan countries and Europe alike. The risks of its failure are much greater than the difficulties to be overcome.

102. In 2003, in Thessaloniki, at the Summit between the Western Balkans and the European Union, a historic document was agreed, in which the European Union reiterated its unequivocal support for the European perspective of the Western Balkans.

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51. Recommendation 2226 (2022) "Beyond the Lisbon Treaty: strengthening the strategic partnership between the Council of Europe and the European Union".
52. The European Union adopts new priorities 2020-2022 for its co-operation with the Council of Europe, EEAS (europa.eu), 13 July 2020.

103. The prospect of membership in a common family of European values provided enthusiasm and the impetus for change in the region. The EU perspective acted as a catalyst for addressing challenges and important progress was made. The Prespa Agreement between Greece and North Macedonia is an example. It was a complex process for both sides, yet the prospect of co-operation within an enlarged European family gave both countries the political leverage to make this difficult leap.

104. Since Thessaloniki, the commitment to enlargement has been confirmed many times at the highest level, both by the European Union and the political leaders of the region. The length of time elapsed since Thessaloniki, however, has affected political momentum and public enthusiasm. Surveys show that an increasing number of people, especially amongst the youth, think that the EU perspective will never materialise. The European vision is losing its shine. In its place, nationalism has resurfaced.

105. A trend not exclusive to the Balkans, nationalistic and xenophobic sentiment is found in many corners of Europe, if not the world, possibly due to similar reasons: the failure of global co-operation to effectively deal with issues of inequality and social protection, population movements, health and environmental crises.

106. In the Western Balkans, however, there is an important difference. The wounds of bloody conflicts are fresh and can easily be revived if extreme nationalistic rhetoric prevails in the public sphere. Furthermore, the history of the Balkans has often been one of proxy wars fuelling ethnic division, dependency on protector powers and weak institutions feeding clientelism and corruption. While European prospects seemed to wane, we increasingly notice a new geo-politicisation of the region with third parties vying for influence and deepening existing fractures. This trend may become stronger as the Western Balkans, in particular following the consequences of the war in Ukraine, risk becoming a space of geopolitical antagonisms that could import instability in the European Union.

107. It is time for the EU to accelerate the enlargement process by relaunching the negotiations with Serbia and Montenegro, establishing them with Albania and North Macedonia, granting candidate status to Bosnia and Herzegovina, and liberalising entry visas for Kosovo. Focus on this region cannot be set aside, even if the need to support European aspirations of other countries, such as Ukraine, Georgia and the Republic of Moldova, has emerged in the meantime.

108. The Council of Europe can play an important role in this process, as the revised enlargement methodology puts an emphasis on the areas in which it has a clear expertise and consolidated tools: democracy, rule of law and human rights. To this end it should redouble its efforts to help its member States wishing to join the European Union and Kosovo to make tangible and measurable progress towards meeting the necessary criteria.

109. The Assembly can make a major contribution by rekindling the hope for a European perspective for the Western Balkans and pressing for reform and good neighbourly relations in the region, including by offering an additional platform for parliamentary dialogue.