

WINTER 2021

EU-Western Balkans Summit

Shifting the narrative – a revitalised
approach to the Western Balkans

EVENT REPORT



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Friends of Europe's annual EU-Western Balkans Summit on 7 December 2021 called for a revitalised approach to relations, looking beyond the region's somnolent EU membership process to focus on positive developments, including opportunities for increased youth, civil society and private sector engagement; funding for the green digital transition; and the region's growing ability to attract trade and investment.

“Europe won't be complete without the Western Balkan countries,” insisted **Dubravka Šuica**, European Commission Vice-President and Commissioner for Democracy and Demography, as the summit got underway.

Nevertheless, progress on the enlargement process for the ‘Balkan six’ – Serbia, Montenegro, Albania, North Macedonia, Bosnia & Herzegovina and Kosovo* – has long been stalled, hamstrung by the failure of local politicians to advance their countries towards the necessary conditions or reluctance among EU member states. The post-membership trajectory of countries such as Poland and Hungary – widely criticised for democratic backsliding and undermining EU values in recent years – has also led some member states to take a more wary stance towards any new enlargement.

The frozen process was regarded with ‘tremendous disappointment’, ‘frustration’ and ‘profound sadness’, by speakers both within the EU and in Balkan countries, but there was a determination to push forward with closer practical engagement on both sides while seeking a revival of the membership process.

Young Balkan voices: listening to the next generation

With the fate of the enlargement process in the hands of EU member states, Šuica gave no new assurances on membership but she insisted the region – and in particular its young people – will have a say in shaping the Union they hope to join, through contributions to the Conference on the Future of Europe, launched in 2019, to examine reforms of the EU's policies and institutions.

“We are preparing this Europe for the next generation, together with you, with young citizens,” Šuica said at [a roundtable with young people ahead of the summit](#). “We cannot talk about the future of Europe, without having the Western Balkans in mind.”

“There is a gap between us politicians and policymakers and citizens, and we wanted to narrow this gap.

Dubravka Šuica, European Commission Vice-President and Commissioner for Democracy and Demography

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She urged young people to put forward their ideas on a multilingual digital platform feeding into the conference. “There is a gap between us politicians and policymakers and citizens, and we wanted to narrow this gap, we wanted to come closer to the citizens ... You can post your ideas, the more you are on the platform, the better the results will be.”

Friends of Europe should also post the conclusions of the youth roundtable on the platform, Šuica suggested. “This event today can be taken into consideration while drafting the conclusions of the Conference on the Future of Europe,” she said. “Whatever we are talking about here can then be taken into consideration.”

Young people in the Balkans are certainly keen to have their say and they want their countries to join the EU. [A survey by the United Nations Children’s Fund \(UNICEF\)](#), released to coincide with the summit, showed over 57% of young people think their country’s membership would ‘make things better’.

However, they have little hope that is going to happen soon. Just 35.1% believe their countries will join the EU in the next 10 years and 24% think EU membership will never happen.

The survey also shows little faith in local politicians: 63.8% of young people polled in Serbia, North Macedonia, Bosnia & Herzegovina, Albania and Montenegro ‘strongly disagree’ that their politicians ‘care what ordinary people think’; and just 12.3% strongly or somewhat agree that young people ‘have opportunities to be heard’ by politicians.

“These ... statistics show the immediate need for Western Balkan countries and their governments to recognise the youth perspective and reconsider how the youth is involved in decision-making processes,” wrote **Alesia Aldervishi**, an International and European Law Student at the Europa Institute of Germany’s Saarland University, in [an article for *Friends of Europe*](#).

Other youth representatives had plenty of ideas on what local politicians and the EU should be doing to improve the situation.

Luka Pavikjevikj, President of the Union of High-School Students of North Macedonia, called for support to set up democratically elected student councils in schools; **Ognjen Markovic**, the Regional Cooperation Council’s (RCC) Western Balkan Youth Lab Team Leader, urged a “more structured and multi-sectorial process” for the inclusion of youth in policymaking; and **Nikolina Garača**, youth delegate and activist focused on mental health and community development across Bosnia & Herzegovina, said it was time that governments copied the innovative solutions found by young people who have overcome heavy odds to run companies or play leading roles in civil society.

“We have younger people who were born into broken education systems, into non-functional labour markets, broken health systems ... and yet [they] come up with solutions,” Garača told the roundtable. “We are experts on the realities that we’re living today.”

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Nikolina Garača, youth delegate and activist focused on mental health and community development across Bosnia & Herzegovina

Several speakers pointed to one, very concrete area where the EU should take action: liberalising visas so that young people can travel, study, do business and seek training or work in the EU.

“The importance of free movement for people, especially the younger generations, is directly related to better access to education and skills, training and business, doing exchanges, human relations and general development,” said **Besnik Avdiaj** of the OBOTI Institute at the University of Pristina. “The whole integration process is nonsense without having this [visa] process finished urgently.”

Šuica pointed out that the visa issue is also currently blocked by EU member states. She turned her attention to the question of the Balkan ‘brain drain’ as so many young people seek opportunities outside the region.

Initiatives such as the Economic and Investment Plan, which aims to leverage up to €30bn to support post-pandemic recovery in the Western Balkans, will help create conditions for young people to meet their aspirations at home and reduce the pressure for emigration. “It is our aim to create an environment where young people see their future as being in the region itself,” Šuica said.

Trade and investment – a question of geopolitics?

The summit’s opening session looked at the Western Balkans’ recent success as a magnet for foreign investment, rivalling India on the global business process and technology outsourcing (BPTO) market and outstripping other parts of Europe in attracting foreign direct investment (FDI). Moderator **Jamie Shea**, Senior Fellow at *Friends of Europe* and former Deputy Assistant Secretary General for Emerging Security Challenges at NATO, said that economic success had contributed to dispelling stereotypes of a backward region still suffering from the legacy of 1990s conflicts.

“There are plenty of good things going on, with regional cooperation, with investments, with economic reform, greater financial and budgetary stability, successful start-ups and a whole generation of new Balkan entrepreneurs emerging,” Shea noted.

As a sign of that economic dynamism, regional gross domestic product (GDP) is set to grow 6% in 2021 and 4% in 2022, recalled **Maja Handjiska-Trendafilova**, Head of Programme Department at the RCC. “In terms of economic performance ... the overall outlook for the region has improved significantly,” she said.

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There was more impressive data from **Igor Lukšić**, former prime minister, former minister of finance and former foreign minister of Montenegro. He pointed out that FDI in 2019 accounted for 6.3% of the region’s GDP, the highest rate in Europe. Expansion was derailed by COVID-19 in 2020 but is back on track, growing by around 20% in 2021.

How that investment is used will be key, Lukšić contended. “It matters a lot what sort of FDI we’re going to attract,” he said.

“The more we manage to attract investments which are bringing innovation, which are ESG [environmental, social and corporate governance]-related, which help economies decarbonise and put them on a solid path towards a green transition,” Lukšić insisted, “the added value of such investments will be even greater and ... focus the future development of the region.”

Behind the impressive numbers, the economic interest of players such as China, Russia and Turkey in the Balkans has raised concerns that the region could be slipping away from the EU, especially due to the lack of progress on membership.

Speakers from the region offered some reassurance, at least for the moment.

Not only is the EU, by far, the biggest economic player in the region, but its role as leading partner is widely supported by the local population.

However, that could change if the EU continues to thwart Balkan membership aspirations, speakers warned. “This has a bearing on the EU’s position, narrative, capability and leverage,” cautioned Handjiska-Trendafilova. Keeping the goal of accession alive is also important to spur economic confidence in the region and move towards closer integration among Balkan countries, she insisted.

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Maja Handjiska-Trendafilova, Head of Programme Department at the RCC

“It’s also very clear that regional cooperation and economic growth are deeply intertwined with the EU accession process, and actually the European perspective is deep for us: an engine that can make the process of cooperation beneficial for all,” she told the summit.

Lack of progress on enlargement is the “elephant in the room” said **Mimoza Ahmetaj**, Ambassador at the Kosovar* Consulate General in France. It is allowing old issues to fester and enables outside powers to “use the Western Balkans as their playground in the middle of Europe”.

There was a broad welcome for the EU’s Economic and Investment Plan together with talk of a gradual integration of the region into the EU’s single market and initiatives to promote a regional common market.

However, regional integration needs to move faster and politicians need to involve the private sector more in developing such plans, said **Ardita Seknajt**, Secretary General of the International Chamber of Commerce (ICC) of Albania.

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“There are a lot of gaps in understanding from the private sector of how this needs to be implemented,” she said. “The private sector needs to have a more active role.”

Economic progress in the region needs to focus on the green and digital transitions, participants said. “We see the green transformation, decarbonisation as the main opportunity for this region,” said **Francoise Jacob**, UN Resident Coordinator Serbia, who complained that the political vision needed to underpin that transformation had “not yet been expressed clearly and loudly”.

Other priorities to improve the business environment must include tackling corruption and bringing the informal economy under control, discussants said. “The whole region is suffering, which then leads to the lack of competition or unfair competition,” said Seknaj. “Every day, we are facing this position of dealing with situations where the informal economy is becoming a burden to the formal business system.”

Greater regional cooperation in conjunction with a phased integration to the EU single market can bring concrete benefits, speakers agreed, but they insisted such moves cannot be a substitute for EU membership.

“The broad process of regional integration is not sufficient ... the early phasing in of EU single market policy, this should be brought to life,” said Handjiska-Trendafilova. “We as a region, especially [with] alignment on EU standards, should integrate in an EU single market policy, but it should be clear the final destination is only EU full membership and no alternatives.”

There was an undivided appeal from the region for European leaders to unblock the accession process to avoid frustration among Balkan populations and keep the region on the path of economic prosperity and democratic reform.

“Many people start to think ‘ah ha, is this increased economic package about spending more and at the same time slowing down the process itself?’,” Lukšić cautioned. “If this is true, that is unacceptable because the only way to make sure that these countries have a good performance is through a strong and effective accession process.”

Despite the recent positive economic signs, progress on accession is also essential to stem the brain drain of Balkan youth, said Maja Handjiska. “Clear and decisive action on the accession agenda ... will help us keep the precious human capital that we have in our region,” she said.

“ Without an effective accession process towards the EU, there is no stable and quality solution.

Igor Lukšić, former prime minister, former minister of finance and former foreign minister of Montenegro

Lukšić said the region is not asking for special favours, just the normal application of the enlargement process laid out by the EU. “Without an effective accession process towards the EU, there is no stable and quality solution,” he concluded. “I’m not advocating for short cuts; I’m asking for the process to move.”

A sustainable recovery – looking towards the future

As the Western Balkans continues to bounce back from the social and economic impact of COVID-19, the summit's second session focused on how recovery funding can boost sustainable initiatives and economic cooperation. It highlighted the necessity of the green and digital transformation to modernise the regional economy, create employment and stem brain drain.

The EU has worked on the priorities of the €30bn Economic and Investment Plan with Balkan leaders to maximise job creation and economic modernisation, while ensuring the region mirrors the EU's own post-pandemic recovery drive based on green and digital transitions, explained **Maciej Popowski**, Acting Director-General of the European Commission's Directorate-General for European Neighbourhood Policy and Enlargement Negotiations (DG NEAR).

"It's not based on magic nor wishful thinking; it's based on very specific input coming from the countries in the region," he said. "On the one hand, we would like the region to join the EU climate ambitions, and on the other, they should also become thriving modern economies."

He added, "we don't want to impose things; we want to help ... this is the gist of the economic planning, the recovery plan for the region and the people of the region, and not something we invented in our Brussels bubble."

As the region's main markets in the EU demand greener and cleaner products, it is essential that Balkan economies make a climate-friendly switch, said **Mirjana Spoljaric Egger**, Assistant Secretary-General of the United Nations and Assistant Administrator of United Nations Development Programme (UNDP).

"One cluster that will define whether this region is going to grow in the future is greening and digital," she said. "Greening the environmental footprint of these economics will define the future economic capacity of all the countries individually in the Western Balkans."

“ We have a unique opportunity today to align the growth strategy for the Western Balkans with the European Green Deal.

Mirjana Spoljaric Egger, Assistant Secretary-General of the United Nations and Assistant Administrator of United Nations Development Programme (UNDP)

That will require mindset changes, but the timing is right to seize the opportunities of the green transition, Spoljaric Egger said. "Scaling up the investment in green, digital and social infrastructure demands, in essence, a reorientation of public and private sector financing," she explained. "Coming out of COVID and facing the climate crisis, we have a unique opportunity today to align the growth strategy for the Western Balkans with the European Green Deal."

That goes beyond simply making economic growth more environmentally friendly. “It is and should be about putting the core of the economies in this region on a green and more sustainable track, and that includes removing long-standing barriers to private sector job creation, such as human capital weaknesses and regulatory barriers,” Spoljaric Egger said. “If ever there was a time to prioritise transparent governance structures and institutional reforms, it is now.”

Lilyana Pavlova, Vice President of the European Investment Bank (EIB), concurred on the significance of greening the energy and transport sectors for the region’s economic outlook.

“You need green and digital transformation because climate action really brings unparalleled opportunities for the social and economic development of the region and then really to help the region in the transition to move away from coal, to have more energy efficient sources and to ... diversify the energy mix,” she said.

Greener transport is also key, Pavlova added, referring to the EIB’s support for a much-needed upgrade of the region’s rail potential.

The EU investment plan will represent about one third of the region’s total GDP, Popowski noted, but beyond the massive amount of money, speakers from the region underscored the importance of ensuring that it is well spent, supporting grassroots initiatives, promoting inclusive growth for women and young people, and spurring entrepreneurship.

“We need to have the large Marshall Plans now ... we need the big finance institutions,” Spoljaric Egger said. “But it’s not only about footprint, it is also about smart solutions, about creating an enabling environment and about building trust amongst partners and in public institutions.”

Support on the ground should also underpin transparency, build strong institutions and public services, reduce gender inequalities and support young people, speakers said.

“If you don’t address [gender inequalities], we will never be able to build more inclusive societies across this region,” Spoljaric Egger insisted. “We do this by promoting economic empowerment and the full inclusion of women into the labour market, notably in the areas of STEM [science, technology, engineering and mathematics].”

Popowski pointed to the reduction of roaming charges as one concrete example of where EU action is helping people on the ground. The aim is to bring charges down to the level of domestic prices by 2027, he said. “This is something everybody can benefit from and the younger – the more digital – generation even more so.”

Another area that deserves support is the media, said **Gregor Küpper**, Head of External Partnerships at Press Club Brussels. “One thing where, probably with one of the lowest investments, we can have a bigger impact is support for free and independent and reliable media,” he said.

Speakers also emphasised the need to provide backing for small- and medium-sized enterprises. That requires nurturing a change in mindset across the region said **Uranik Begu**, Executive Director of the Innovation Center Kosovo* (ICK).

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“We are in the region where the businessman is still a very negative concept or it has a negative connotation,” he acknowledged. “We’re trying to raise entrepreneurs, we’re trying to raise people that really don’t just care about themselves, they care about the environment, they care about society, they create jobs, they’re all about inclusiveness.”

“This entrepreneurial mindset needs to be nurtured with impactful funding on the ground.

Uranik Begu, Executive Director of the Innovation Center Kosovo* (ICK)

That needs action and money, Begu said. “This entrepreneurial mindset needs to be nurtured and it needs to be nurtured not with empty promises, not with good PowerPoints and slides, but it needs to be supported with impactful funding on the ground,” he contended. “Grassroots initiatives ... today are very innovative, but often are not on the radar of the big players.”

With 40 years of experience in the region, including spending over €8.6bn in strategic investments since 2009, the EIB is providing the right support to help the Western Balkans prepare for eventual EU membership, Pavlova said. “Enlargement ... is not only about specific reforms which are really important, but it is also about improving the necessary infrastructure and providing opportunities for growth [and] for youth employment,” she said.

Despite that type of engagement, **Štefan Füle**, Consultant at the International Advisory Council in the Czech Republic and former European commissioner for enlargement and neighbourhood policy, expressed his “profound sadness” at the lack of progress in drawing the Balkan six closer to becoming full members of the EU.

He said the membership goal is a key incentive for change, recalling how the ‘conditionality’ of enlargement was crucial for driving reform in the Czech Republic when it prepared to join. “Whatever we do ... it’s important that we get to the goal and that we become [an] EU member state. That’s being taken away from Western Balkans now.”

Even as the formal membership process remains stalled, Füle appealed to EU member states to find imaginative solutions that would keep the Balkans on an EU path. “Don’t tell me that we are not ready to invent the concept which will allow us to go ahead and not to lose the Western Balkans,” he said. Without progress, he warned, countries in the region would head in “different directions”.

Talking from the inside out – new routes to bridging the gap

The final session underscored the importance of social advances and resilient economies as a driving force for improving democracy and the quality of life in the region, not just as tools to move closer to EU membership.

“Social, economic progress and resilient economies aren’t simply about accession and being part of the EU club,” said moderator **Dharmendra Kanani**, Chief Spokesperson and Director for Asia, Peace, Security & Defence, and Digital at *Friends of Europe*.

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“ Social, economic progress and resilient economies aren't simply about accession and being part of the EU club.

Dharmendra Kanani, Chief Spokesperson and Director for Asia, Peace, Security & Defence, and Digital at *Friends of Europe*

“That's good for the sake of a healthy democracy, healthy society and a well-functioning economy. They can't simply be about joining a club; they have to be good in and of themselves.”

Civil society in the region is well aware of that, insisted **Biljana Spasovska**, Executive Director at the Balkans Civil Society Development Network (BCSDN). She stressed the importance of civil society in protecting democracy and human rights. “For civil society, the accession has never been a means to an end, but very much a tool to bring democracy and sustainable development in the region,” she said.

Like other parts of the world, the Western Balkans have also seen a recent squeeze on independent civil society organisations (CSOs), with attacks on freedom of expression, smear campaigns and the creation of fake civil society operations to support political or criminal activity. Despite that, civil society is resilient and playing an important role in the region.

“Civil society also demonstrated an incredible power to engage and mobilise citizens and to bring their voices into decision-making and development processes,” Spasovska told the summit. “This has been displayed with increased civic engagement all across the region, but specifically, we see the rise in environmental citizens movements.”

She also recalled that civil society has been a major force behind support for Balkan integration into the EU. “Civil society has been one of the strongest drivers for the integration of the Western Balkans, despite the continuous setbacks and declined political will from numerous sites.”

In return, the EU needs to revive its flagging support for CSOs in the region. “It feels like the EU is leaving civil society behind,” she complained.

“Civil society needs political support from the EU and the broader international community,” Spasovska said. “They should reinstate their commitment [and] support civil society, financially and politically, by establishing long-term partnerships and systems developed in close consultation to support locally-led development.”

“ Civil society needs political support from the EU and the broader international community.

Biljana Spasovska, Executive Director at the Balkans Civil Society Development Network (BCSDN)

Education is another key area in need of EU support. **Mila Carovska**, Minister of Education and Science of North Macedonia and 2020-2021 European Young Leader (EYL40), explained how she's working to advance education as key both for economic progress and for buttressing democracy, the rule of law and – as the COVID-19 crisis has shown – public health.

“Societies that show a better quality of education also present more flexibility and resilience in shocking moments, such as pandemics or if someone wants to challenge democratic values in those countries,” she explained.

“If we talk about the economic benefits of investment in education, [there] are a lot ... better skills, employability, higher earnings,” Carovska said, “but the non-economic benefits of investment in education are of the same order. This is the quality of the health system and quality of health ... low crime, high levels of trust in science. [This] is really important in these types of moments when we have a fake news.”

Better education will also boost the political and civil engagement and participation that the region needs, she said.

Philippe Cori, Deputy Regional Director for Europe and Central Asia at UNICEF's Regional Office for Europe, also underscored the importance of education to give young people the skills they need in today's job market. He also made the link between development, cohesion and inclusion.

“Sustainable development comes with social cohesion, and social cohesion comes through social inclusion,” Cori said. “Your [education, health, social protection] systems are only resilient ... when they are inclusive, and they work for the most vulnerable: the child with disability, the migrant child, the child from the poorest household.”

With the enlargement process stuck, what the Western Balkans really need is less talk and more action, said **Erion Veliaj**, Mayor of Tirana. “We need to change the to-do list, rather than talking box,” he said. “We are brainstorming each other to death.”

He expressed ‘enormous’ disappointment at the lack of progress towards enlargement and accused political leaders in EU countries of turning membership into “a moving target”, changing the rules to keep out their Balkan neighbours in exchange for short-term electoral gain at home.

“We really need to have a maturity check and reality check in how we are behaving [towards] to the Western Balkans,” Veliaj said. “It feels like a ghetto surrounded by the European Union.”

Rather than sit around and wait for change, Veliaj explained how he's taking action to modernise Albania's capital with support from European financial institutions and in partnership with cities in the EU and beyond for initiatives, ranging from planting trees and laying out bike lanes, to overhauling waste collection.

“The European Union is playing on two gears, there is this very slow political gear ... and yet we have this agile Europe, which is the European Investment Bank, the EBRD [European Bank for Reconstruction and Development], the Council of Europe bank,” he said. “Most of my trips now are in Luxembourg and London rather than in Brussels because financial Europe is moving much faster.”

EU enlargement is at the core of the European integration project and the Union's leaders need to find the nerve to push ahead with it for the sake of the whole continent, insisted **Gordana Čomić**, Serbian Minister for Human and Minority Rights and Social Dialogue.

She accused EU leaders of forgetting the Union's core role as a 'peace project' and defender of democracy, freedom and human rights. What the EU needs is leaders with the courage of German Chancellor Willy Brandt when he fell to his knees in front of the memorial to the Warsaw Ghetto in 1970.

"That is something the European Union should do," she said. "The message to the people living in this region [should be]: 'you are our success as a foreign policy of the European Union, and you are part of this continent and we take you on board because it is the right thing to do'."

Instead, enlargement has become "like feminism, ... it's not popular," Čomić said. "Women are patronised all their lives, that's why I'm very familiar with European Union patronising the Balkan six."

“ Enlargement has become “like feminism, ... it’s not popular.

Gordana Čomić, Serbian Minister for Human and Minority Rights and Social Dialogue

