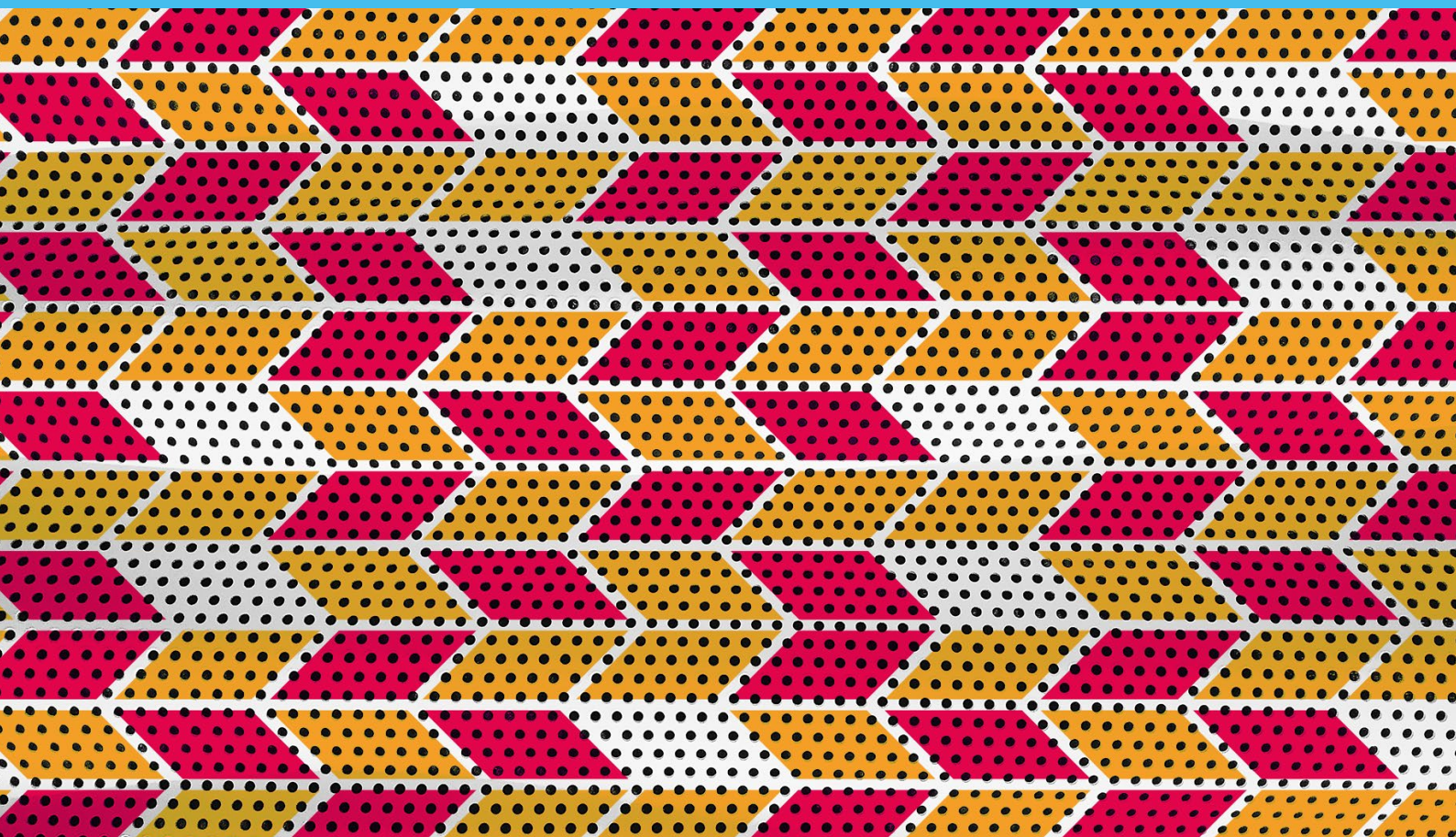


DECEMBER 2022

# EU-Western Balkans Summit

Transforming global uncertainty  
into regional opportunity

EVENT REPORT



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## EU accession hopes spark optimism in the Western Balkans but deep-rooted problems remain

Imagine a peaceful future in the Western Balkans, where motorways link the countries and all you see as you pass from one country to another is a sign by the road saying 'Welcome to Montenegro' or 'Welcome to Albania'.

That tantalizing image, shared by Montenegrin Prime Minister **Dritan Abazović** at the EU-Western Balkans Summit hosted by Friends of Europe in December 2022, reflected the mood of a debate about the future of the region involving two other leaders, Albanian Prime Minister **Edi Rama** and President of North Macedonia **Stevo Pendarovski**.

Taking place just 24 hours after the first ever EU-Western Balkans Summit to be held in the region, in Tirana, the debate reflected a new optimism among the countries' leaders.

"I am not normally an optimist, but at this moment, it is right to be optimistic. There are good things happening," said Rama. "The summit yesterday was an amazing historical event."

“ The Russian influence is present in the Western Balkans and the Russian danger is real. So, it is very important to keep the EU and the region together

**Edi Rama**, Albanian Prime Minister

Albania and North Macedonia have, after a long wait, recently been granted EU candidate status, while Montenegro is already a candidate. In an example of regional solidarity and trust, Western Balkan countries agreed earlier in November to recognise each other's ID cards, university diplomas and professional qualifications.

Also, the EU has opened the door to students from the Western Balkans to participate virtually in the EU's Erasmus student exchange programme, and it agreed to cut mobile phone roaming charges between the EU and the region.

But all three leaders were acutely aware that the broader geopolitical situation, with the war in Ukraine and an aggressive Russia trying to sow division in the EU's neighbourhood, is the biggest factor pushing the EU to dust down an enlargement process that has been dormant since the 2013 arrival of Croatia in the EU.

The war in Ukraine has changed things in the Western Balkans. Abazović said Montenegro will support Ukraine “to the end”, but the EU “should recognise this by opening the door to the countries of the Western Balkans, not just talk.”

“If we don’t use this opportunity, we will stay like a black hole and that will also be problematic for the EU,” he said.

“Decision-making from the EU side must be more effective. Otherwise, others will come [and] jump into the region

**Dritan Abazović**, Montenegrin Prime Minister

“The Russian influence is present in the Western Balkans and the Russian danger is real. So, it is very important to keep the EU and the region together,” Rama added. “If you have layers of Russian influence, which are very active, combined with an approach from the EU that is not very active, things can really mess up.”

Pendarovski also pointed to Europe’s self-interest in engaging with its south-eastern neighbours. “After Ukraine, I hope it won’t be back to business as usual. I don’t want to see EU attention on the Balkans only when there’s a migration crisis or a war,” he said.

Support for the EU is strong throughout all three Western Balkan countries represented at the scene-setting session of the Friends of Europe event. “Albania is the most pro-EU country on the continent,” said Rama, “because we came from hell, totally isolated.”

However, support for EU accession in North Macedonia has fallen sharply in the past 18 months. It has dropped from over 80% to just over 60%, Pendarovski said.

The EU needs to understand that it must remain attractive to the people of the region, especially after Brexit and the Russia-Ukraine War. “If the EU doesn’t understand this, everyone will lose, not just Western Balkan countries,” said Abazović. Montenegro remains steadfastly pro-European, but Montenegrins are “very practical people”, he said. If the EU drags its feet with the enlargement process, it could push the country into the arms of Russia.

“Decision-making from the EU side must be more effective. Otherwise, others will come [and] jump into the region because they will be more concrete. In Montenegro, the will of the people is realistic and honest in that a huge majority of the population see Montenegro’s future with EU,” Abazović said.

Pendarovski was more explicit: “In short, less Europe in the region, more Russia.”

Europe is well aware of the threat posed by Russia. The sudden flurry of EU announcements relating to the Western Balkans in 2022 was no coincidence. The day after the Friends of Europe event, the EU announced that Croatia was to join the Schengen area.



## But are they ready?

The problem for the EU is that the region isn't ready for a high level of engagement, both financially and politically, from Europe. A 2018 report by the European Commission stated that state capture is rife throughout the region.

"The Western Balkans are far from ready [to join the EU]. There is state capture across the region. No one is breaking it down. Nobody's taking action," said **Aleksandra Tomanić**, Executive Director of the European Fund for the Balkans.

And looking across at the three leaders present, she added: "People in power have to take action to stop state capture. That's you."

In addition to state capture and corruption, there is the near constant threat of violence in the Balkans. **Paul Taylor**, Senior Fellow for Peace, Security and Defense at Friends of Europe, presented a new study on European defense, entitled '[Seize the geopolitical moment: the Western Balkans and European security](#)'.

Montenegro, the country furthest along the EU accession path, "has seen political unrest this year" and political division in North Macedonia is a "timebomb" as the country embarks on the accession process, Taylor said. North Macedonia has to amend its constitution and it needs the support of opposition parties to do so, he contended.

However, opposition parties appear to be in no mood to support the accession process, while the popularity of the EU in North Macedonia wanes. And EU member states, including Bulgaria and Greece, have been bullying the small would-be EU state by vetoing EU decisions, Tomanić said.

This has created deep frustration – not only in North Macedonia, but across the region. "While the EU has stipulated that good neighbourly relations are a precondition for EU membership, EU members themselves are not respecting this", argued Tomanić.

The treatment of North Macedonia by some EU member states is having a knock-on effect on other Balkan countries and may be used as an excuse to drag their feet in enacting the required reforms in their countries, suggested Tomanić.

"The treatment of North Macedonia has undermined the credibility of the EU," she said.

Serbia-Kosovo\* relations remain, potentially, the greatest threat of conflict in the region. Meanwhile, there's a mounting threat by Bosnian Serbs to break away from Bosnia and Herzegovina. "If they do, it could trigger renewed conflict between Bosnia and Herzegovina, and Serbia," Taylor said.

He noted that the risk of political violence in the region is high especially between Kosovo\* and Serbia, but the risk of armed conflict remains low.

If Europe is to prevent the Western Balkan region from backsliding into ethnic nationalism, worse corruption and potential armed conflict, it has to reinvigorate

\* For the United Nations, references to Kosovo shall be understood to be in the context of Security Council resolution 1244 (1999).

the European integration process in a way that creates tangible benefits to citizens, businesses and authorities across the region.

One concrete step the EU could take to restore its credibility in the region and get the accession processes moving faster would be to take away the veto that each EU member state has over every step of the accession process, Taylor said. Granting a veto to a neighbour with an axe to grind “is one reason why accession negotiations haven’t advanced very quickly,” he said.

“While the EU has stipulated that good neighbourly relations are a precondition for EU membership, EU members themselves are not respecting this

**Aleksandra Tomanić**, Executive Director of the European Fund for the Balkans

With an aggressive Russia ever present in the Western Balkans, it’s easy to forget that other powers are also active in the region. China, Turkey and Saudi Arabia all have economic interests in the region and are vying for influence.

“The EU has left too much space in the Balkans, so China is back. It’s a big issue that’s not really talked about,” cautioned Taylor.

## Can the Western Balkans stop young people from voting with their feet?

As in recent years, Friends of Europe’s annual EU-Western Balkans Summit sought to place young people at the heart of the debate – an approach supported by all three leaders.

The risk of a brain drain from this relatively poor neighbourhood on the European continent “is the biggest danger for the national security of each state and society,” Pendarovski said.

Abazović, the youngest leader in the region at 36 years of age, and Rama echoed these concerns. Both called for more young people to participate in politics.

In a pre-summit roundtable discussion featuring a group of youth delegates from the Western Balkans, many young voices expressed their concerns about the future of their region. Unlike the leaders who took the stage shortly afterwards, the young attendees were more circumspect about their region’s future.

A graphic design student and youth delegate from Montenegro, **Klara Dragović**

pointed to old-fashioned teaching methods in the region as a reason why students are looking to study abroad. “Often there is too much theory and not enough practice. Teaching in the Balkans should be adapted to retain young talent,” she said.

The problem of youth unemployment is also driving young people away. “The challenge is not just in education. Western Balkan countries must also create opportunities for young people in the region,” said **Michela Matuella**, Acting Director for the Western Balkans at the European Commission Directorate-General for Neighbourhood and Enlargement Negotiations (DG NEAR). “Job fairs and internships are rare in the Western Balkans. That needs to change,” she said.

But it goes beyond economics, too. Many of the youth delegates referred to the problem of mental health among young people. Uncertain job prospects, the pandemic and now the war in Ukraine are causing depression and anxiety among many people, but especially youth.

**Debora Kolgegaj**, a youth delegate from Albania, suggested creating better support systems for mental health and acting sooner – at schools – to tackle problems as they arise.

Young people who study abroad are deterred from returning home because of broader problems like the lack of rule of law and respect for human rights – in particular, the rights of non-binary gender types and minorities, such as the Roma community.

Another factor driving away young people from the Western Balkans is pollution, Tomanić said. “It’s one of the worst polluted regions on the continent,” she said.

“ The challenge is not just in education. Western Balkan countries must also create opportunities for young people in the region

**Michela Matuella**, Acting Director for the Western Balkans at the European Commission Directorate-General for Neighbourhood and Enlargement Negotiations (DG NEAR)

## Lessons from 2004

“It is becoming clear for everyone that accession in the EU is a merit-based process and that progress is achieved by reaching important benchmarks in democracy, rule of law, human rights, market preparedness, [and] fighting corruption and organised crime. It is equally clear that these standards will not be reached in the near future,” noted moderator **Sotirag Hroni**, Executive Director of the Institute for Democracy and Mediation (IDM).

“While group enlargement is less likely to happen in the future, if we would look back at the largest enlargement process of 2004, two European sub-regions – the Visegrad

Group and the Baltic countries – made great strides to consolidate their regional cooperation in parallel to their EU accession,” he added.

**Vaira Vīķe-Freiberga**, former president of Latvia, shared her experience of the EU accession process that she helped kick-start in her country at the end of the 1990s. “For the accession process to succeed, the populations of each country in the region need to reach a critical mass of those who see themselves as European citizens as well as patriots of the country where they come from. Unless there’s this feeling of shared values and a shared vision of the future for our continent, then the process is doomed from the start,” said Vīķe-Freiberga.

“ You have everything to gain and nothing to lose from this process towards EU membership

**Vaira Vīķe-Freiberga**, former president of Latvia

Latvia, Lithuania and Estonia’s paths to membership ran in parallel. All three joined the EU in 2004. The three countries were all in the same situation, having been occupied by the Soviet Union for 50 years. They all suffered from weak economic growth and felt an urgent need to catch up with the West after half a century of inefficient economic management. “There was healthy competition between the three Baltic states to make progress,” she said.

Turning to the Western Balkans, Vīķe-Freiberga noted: “Your fate is linked with that of your neighbours forever after. Learning how to live in harmony with your neighbours and learning to accept goals and adopt values that allow you to live in peace and mutual tolerance is a much better project than keeping old hatreds and resentments alive.”

In terms of economic prosperity and national security, “you have everything to gain and nothing to lose from this process towards EU membership. I would urge every country that wants to take this route to work on two fronts: first work hard to meet the required criteria but most of all getting your population behind you and accepting this as a serious and important goal. I wish Godspeed to you all,” she said.

“It’s an uphill struggle, though, because of the lack of basic democratic elements,” said **Manuel Sarrazin**, Special Representative for the countries of the Western Balkans at the German Federal Foreign Office.

“There’s a serious lack of media pluralism in the Western Balkans,” he said. He acknowledged that media pluralism is a problem that extends way beyond the region. However, it is particularly worrying in the Balkans, where critical journalists and activists are put under pressure by the state and private-owned media. “This is not good,” he said.

To empower the youth living in post-accession countries, **Jana Soukopová**, Founder of the Youth, Speak Up! platform in the Czech Republic, described her successful venture, which aimed to bring more young people into politics. In 2019, the project approached young and successful Czechs in business, NGOs and education, and asked them what they would change if they were politicians for a day. They came up with a 21-point agenda and then approached the youth wings of all the political parties. All of them gave their support.



The result was the setting up of four platforms for discussion within the parliament on: early career support to young scientists, the environment, digitalisation and, finally, mental health – a common theme highlighted by many young people.

“Practically everyone who went through this programme is currently working in some governmental structures or running their own NGOs and are actively able to lobby for some good proposals,” she said, adding that she too found a position in government, as the chief of staff for the minister of research and innovation.

## New industries to stem the brain drain

In a session dedicated to prospects of empowering alternative industries in the Western Balkans, **Ivana Živković**, United Nations Assistant Secretary-General, Assistant Administrator and Director of the Regional Bureau for Europe and the Commonwealth of Independent States at the UN Development Programme (UNDP), affirmed that “creative industries can help stem brain drain”.

The film industry, music production and culinary entrepreneurship are among the creative areas where young people in the Western Balkans are very active. Creative industries are the single biggest employers of people aged 15-29 in the region. But in order to curb brain drain, the Western Balkans should do more to encourage these areas of economic and cultural activity. “Capturing this potential can spur growth,” Živković said.

Opportunities also exist in areas such as sustainable tourism, among other green initiatives.

The chronic pollution problem in the region offers opportunities to develop green technologies.

### “ Creative industries can help stem brain drain

**Ivana Živković**, United Nations Assistant Secretary-General, Assistant Administrator and Director of the Regional Bureau for Europe and the Commonwealth of Independent States at the UN Development Programme (UNDP)

“Digitalisation is key, but the challenge is not just about boosting connectivity and digital skills. It goes much further than that,” said **Isabelle Durant**, former deputy secretary-general of the UN Conference on Trade and Development (UNCTAD) and Trustee of Friends of Europe. Connectivity is important, and the recent decision to reduce mobile roaming costs between the Western Balkan countries and between that region and the EU “is a very welcomed decision”, she said. Using digital technologies and digital platforms can impact everything including finance. Crowdfunding via digital platforms, for example, is a powerful way for start-ups to get finance. “Digitalisation can also spur innovation, especially in the creative industries”, Durant said.

“Access to finance for entrepreneurs is limited in the region. This needs to change”, Živković said. “The European Investment Fund is already active in this area but much more needs to be done if the region’s entrepreneurs are to thrive”, she added.

This view was echoed by **Armin Čerkez**, Founder of Youth Power, an online resource to help positive youth development, who noted: “Entrepreneurs face huge challenges in Bosnia and Herzegovina, in addition to getting access to finance.”

“Many young people aren’t motivated to start something of their own because half the country is run by different government institutions. That’s not functioning, that’s not normal,” he said.

The tax situation is “extremely complicated and more expensive” than paying taxes in Germany, where Čerkez now lives, he said. “Here, I pay less and get full health insurance. In Bosnia, I paid much more in taxes and got no health insurance.”

## “ Digitalisation can also spur innovation, especially in the creative industries

**Isabelle Durant**, deputy secretary-general of the UN Conference on Trade and Development (UNCTAD) and Trustee of Friends of Europe

**Albana Tole**, Albanian Deputy Minister of Education, Youth and Sports, explained how her government is trying to develop a culture conducive to start-ups. “We are trying to create a favourable climate for entrepreneurs, and in particular securing access to resources,” she said. The Albanian government has created a fund of €10mn for grants to start-ups. Tech-related firms account for roughly a third of this four-year budget. Next is fintech and education, each attracting around 10% of the entire budget. “By EU standards, it may not sound like much, but €10mn goes much further in Albania,” she said.

### Recommendations

While the flagship event of Friends of Europe’s Balkan Journey initiative placed the spotlight on key challenges troubling the Western Balkans, from brain drain and youth employment, to slow EU accession progress, the summit also highlighted the region’s untapped potential. While it is in the EU’s best interest to bring the region closer to the Union, development prospects in the Western Balkans extend beyond the end goal of EU membership. The benefits of a robust democracy, stable economy and social evolution can foster a thriving region with its roots in durable peace, reconciliation and resilience. A number of recommendations emerged from the day’s discussions on how to ensure opportunities for the region, despite global uncertainties.

- The EU needs to promote itself harder and better to Western Balkan citizens to prevent other powers like Russia and China stepping in.
- The EU should scrap the effective veto each member state has over every step in the accession processes.

- Western Balkan governments need to listen more to youth. Following successful examples in the 2004 enlargement countries, youth labs should be established throughout the region.
- Western Balkan governments must retain youth in the region by helping them get jobs through job fairs and supporting more internships, including in the EU.
- Western Balkan governments and higher education institutions in the region should develop new learning methods and techniques, with more focus on practical skills and less focus on theory.
- Western Balkan governments, the EU and international institutions need to strengthen the notion of regional cooperation in the Western Balkans and address lingering mistrust following old conflicts through reconciliation.
- Western Balkan governments, the EU, international institutions and the private sector should enhance their investment in regional connectivity and internet reach in order to boost digital skills.
- Western Balkan governments, the EU, international institutions and the private sector should implement better mechanisms for improving start-ups' access to finance throughout the region.
- Western Balkan governments should work towards the de-stigmatisation of mental health issues, particularly salient among the youth.

