Volume 14	Number 4	2014

Hrvoje BUTKOVIĆ\*, Višnja SAMARDŽIJA\*

## Challenges of continued EU enlargement to the Western Balkans – Croatia's experience

Abstract: Croatia's EU membership is a success of the EU's enlargement policy and the long term preparations of the country. It confirms credibility of the EU's Stabilisation and Association Process (SAP) and proves once again that EU membership can be achieved by following the enlargement template. However due to the EU's current preoccupation with impacts of the economic crisis and the internal issues, as well as slow reforms, weak state capacities and soft security challenges in the Western Balkans, the process of enlargement has slowed down. This paper provides an assessment of the EU's current enlargement strategy towards the region considering Croatia's experience. This is important because Croatia is the first country in the region that experienced the new EU negotiation instruments and also the first country that negotiated accession with the enlarged EU under the new external circumstances. The paper argues that the success of further enlargement in the Western Balkans largely depends upon the reinvigoration of the current enlargement policy and the strengthening of implementation of reforms in the Western Balkan region. Keywords: European Union, enlargement, accession process, accession conditionality, Croatia, Western Balkans.

**JEL codes:** F55, F59.

<sup>\*</sup> Institute for Development and International Relations (IRMO), Lj. F. Vukotinovica 2, 10000 Zagreb, Croatia, corresponding author: hrvoje.butkovic@irmo.hr.

#### Introduction

The enlargement is considered to be the most effective transformation mechanism that the EU has. However more than a decade since the Western Balkan countries were presented with the clear European perspective it is only Croatia which managed to join the EU on the 1 July 2013. The other countries seem to be struggling in the initial phases of their accession processes. This poses a question of how effective the EU's enlargement policy is and whether it should be readjusted and adapted in order to address the challenges that the region is facing. Enlargement to the Western Balkans is often referred to as the EU's *"unfinished business"* and therefore it should be induced with fresh energy. In failing to do so the laboured accomplishments in terms of security, democratization and economic convergence could be jeopardized.

The aim of this paper is to provide an assessment of the EU's enlargement policy towards the Western Balkans based on the experience of Croatia (primarily focusing on the conditionality and the new negotiation methodology), to draw some lessons learned from the first EU accession in the region and discuss perspectives for continued EU enlargement amongst the countries in the region.

Regarding methodology the paper primarily relies on a qualitative analysis of the secondary resource data, including the most important EU documents as well as academic sources that deal with the impacts, challenges and perspectives of the EU's enlargement to Croatia and the rest of the Western Balkans. The method of comparative analysis was also applied focusing on the previous and the current enlargement as well as the accession of Croatia and the other Western Balkan countries. The sources are analysed by paying particular attention on the chronology of the events in order to identify detailed connections between the causes and effects of specific developments.

This paper comprises of three sections. Following the introduction the first section discusses evolution of the EU's accession conditionality in the last two decades. This review is important because it establishes the overall framework for the elaboration of the sections that follow. The second section highlights the main characteristics of Croatia's accession process which represents the first example of completed enlargement in the Western Balkans. It points towards the general strengths and weaknesses of the EU's enlargement policy in the region and towards the specific features of Croatia's path to the EU which might be instructive for other countries in the region. Finally the third section focuses on the perspective for enlargement in the Western

Balkans. It identifies core problems and reviews several approaches as to how to speed-up the accession process.

### 1. Increased conditionality in the EU's enlargement policy – towards a stabilised region and better prepared states

Enlargement represents one of the most successful aspects of the European Union's foreign policy. It encompasses evolving accession conditions and principles through which the EU actively prepares the candidates with the view to transform them into member states [Hillion 2010, p. 14]. The main objective of the EU's enlargement policy is to reduce variations between states through policy transfer and norm diffusion which expose the aspiring states to adapt under considerable pressure [Taylor 2013, p. 187]. The relationship between the EU and the candidates is highly asymmetrical because economic and political gains from enlargement are much more important for the aspiring states than for the EU [Schimmelfennig & Sedelmeier 2005].

For the purpose of integrating Central and Eastern European (CEE) countries in the EU the well-known Copenhagen Criteria were defined in 1993, consisting of democratic, economic and legal criteria which must be met by the aspiring countries. The EU's capacity to integrate new members has also been defined as the criteria for enlargement which has to be achieved by the Union. Additionally the Madrid European Council added the implementation of public administration reforms by the aspiring countries as further criteria for enlargement. Through its soft power the EU's enlargement policy contributed to consolidation of the peaceful democratic change in the CEE countries which joined the EU in 2004 and 2007. However whilst the 2004 enlargement is generally considered as successful and as an example of the consistent application of the EU's conditionality the same cannot be stated for the 2007 enlargement with Bulgaria and Romania which was often criticized as premature [Taylor 2013, p. 191; Despot, Reljić & Seufert 2012, p. 2; Kral & Bartovic 2012, p. 4].

The enlargement policy towards the Western Balkan follows the pattern which is similar to the CEE enlargement framework but it is specific bearing in mind the development context of the region and the high relevance of stability and security. The specific EU's conditionality towards the Western Balkans was defined by the Stabilisation and Association Process (1999) aimed at upgrading relations between the EU and the Western Balkan countries.<sup>1</sup> The Stabilisation and Association Process (SAP) added to the Copenhagen Criteria the necessity of engagement in regional cooperation, return of the refugees, cooperation with the International Criminal Tribunal for the Former Yugoslavia (ICTY) and the settlement of disputes before entering the EU. Furthermore, it stressed that in fulfilment of the Copenhagen and specific SAP conditions each country will be judged on its own merits and no country will be held responsible for the lack of reciprocal readiness of its potential regional partners [Council of the European Union 1997; European Commission 1999]. The SAP was designed in such a way that compliance with its conditions was required at a certain level before the signing of the Stabilisation and Association Agreements (SAAs) between the EU and the aspiring regional countries [European Commission 1999, pp. 4–5].

The Thessaloniki European Council held in June 2003 represents an important milestone in the implementation of the EU's enlargement conditionality in the Western Balkans. The Council for the first time concluded that the Western Balkan countries will become an integral part of the EU once they meet the Copenhagen criteria and the conditions set for the SAP which added to the credibility of the accession process. Related to the process itself the Thessaloniki Council introduced special, accession related instruments similar to those used in the CEE. The European Partnerships were amongst the key instruments introducing additional requirements regarding the sequencing of the reforms [Council of the European Union 2003].

The worries about unprepared CEE candidates resulted in the tightening of the EU's conditionality even before the 2007 enlargement with Bulgaria and Romania [Anastasakis 2008, p. 373; Hillion 2010]. In its 2005 Enlargement Strategy the Commission underlined three basic principles *"three C's"* of its approach to further enlargement; consolidation of political commitments, strict but fair conditionality and better communication. The 2005 Strategy also clearly stated that Commission doesn't have in view any further enlargement with a large group of countries at the same time and that the EU's capacity to absorb new members represents an important consideration [European Commission 2005]. This approach became known as the *"New Consensus on Enlargement"* representing a basic framework for the further development of the EU's enlargement strategies.

<sup>&</sup>lt;sup>1</sup> The specific regional conditions were initially adopted by the EU's General Affairs Council in 1997 in the context of the EU's Regional Approach but they were further developed two years later within framework of the SAP.

The Commission's 2006 Enlargement Strategy strengthened the EU's conditionality during accession negotiations through the introduction of an extensive use of benchmarks. These are measurable targets which have to be fulfilled by the candidate states and which are linked to key elements of the negotiation chapters. In general the newly introduced opening benchmarks concern key preparatory steps for future alignment with the *acquis*, while the previously existing closing benchmarks primarily concern legislative measures, administrative or judicial bodies and a track record related to implementation of the *acquis* [European Commission 2006, p. 6].

The use of benchmarks strengthened the role of member states in the enlargement process because the approval and evaluation of benchmarks was accredited to the national capitals [Hillion 2010, p. 21]. Furthermore compared to the CEE enlargement the number of instances when in the Council member states block decisions on enlargement has increased and this refers not only to the use of benchmarks but also to progress during the pre-negotiation phase [BiEPAG 2014, p. 8]. From membership application to accession member states have to unanimously agree on at least 75 points [Grabbe, Knaus & Korski 2010, p. 2]. Assessing this situation Corina Stratulat concluded that the Council has replaced the Commission as the driver of the enlargement policy which made the enlargement process much more unpredictable [2013, p. 2].

Pressures produced by the economic crisis which struck in 2008 placed enlargement in the background of the EU's priority list which at that time pursued a "*wait-and-see policy*" as to when the Western Balkan states may begin accession talks [Grabbe, Knaus & Korski 2010, p. 2]. Furthermore the Greek crisis in particular made many EU member states even more hesitant about the idea of enlargement of more unreliable states [Panagiotou 2013, p. 97]. Indeed the crisis seemed to have produced a "*silent pact*" between enlargement hesitant EU member states and rent-seeking elites in the Western Balkans who were indifferent about slowing the pace of enlargement [Bechev 2012, p. 6].

Since 2011 the Commission's Enlargement Strategies became more focused on the issues of primary relevance. The 2011 Enlargement Strategy identified the rule of law as one of the major challenges at all stages of the accession process. To that end the Commission stressed that issues related to the judiciary and fundamental rights and to justice and home affairs (anticorruption, the fight against organised crime, public administration reform etc.) should be tackled early in the accession process and that corresponding chapters should be opened on the basis of action plans as they require establishment of convincing track records [European Commission 2011, pp. 4–6]. The following year the Enlargement Strategy particularly focused on economic governance, competitiveness and growth. The Commission stated that it will gradually adapt the economic surveillance of enlargement countries to the enhanced economic governance in the EU [European Commission 2012, pp. 6–7]. Finally in 2013 the special focus was targeted towards the functioning of institutions guaranteeing democracy [European Commission 2013a, pp. 8–9].

In the past enlargement was often portrayed as a choice between *a "go-fast"* approach which poses a risk of enlargement to weak states and a "*go-slow*" approach which might undermine the progress achieved in the stabilization and implementation of reforms. However since the CEE enlargement the EU's accession conditionality was increased to such level that a "*fast-track*" to EU accession no longer exists in practice [Grabbe, Knaus & Korski 2010, p. 2]. In the Western Balkans this increased conditionality is confronted with the lower level of economic development, lower level of state capacity, greater security risks and more distant membership prospects compared to the CEE countries [Sedelmeier 2011, p. 31; Börzel 2011, p. 14; Aspridis & Petrelli 2012, p. 21]. The principle question therefore arises as to how to bridge this gap between increased requirements and lower capacities [Börzel 2011].

# 2. What can be learned from the experience of Croatia's accession to the EU?

Croatia was the first country which experienced the stricter EU's conditionality as compared with the CEE enlargement in all phases of the accession process. The Croatian accession process started in 2000 when the Zagreb Summit brought together leaders of the EU member states and five Western Balkan countries who endorsed the objectives of the EU's Stabilisation and Association Process (SAP). The Summit marked the start of negotiations on the Stabilisation and Association Agreement (SAA) between Croatia and the EU which was signed in 2001. Right at the beginning of Croatia's integration process major political parties reached a consensus on the desirability of EU membership [Pusić 2010, p. 118]. Consequently, instead of taking a cautious step-by-step approach, the country decided to be ambitious and applied for EU membership in 2003 even before its SAA had been ratified [Samardžija & Staničić 2004, p. 98]. This worked to Croatia's advantage because in April 2004 the country received a favourable *Avis* from the Commission and two months later candidate status. Soon afterwards in October 2005 Croatia opened accession negotiations with the EU.

Regional cooperation and good neighbourly relations were essential elements of the SAP bearing much more importance compared to the CEE enlargement [see the first section, European Commission 1999]. They were seen as a key for political stability, security and economic prosperity in the region. Croatia contributed to the stability and cooperation in the region through numerous bilateral and multilateral mechanisms and by assuming the role of a political and economic frontrunner in the region. As part of these efforts in 2002 Croatia joined the Central European Free Trade Agreement (CEFTA) which brought it a duty free access to the CEFTA market [Samardžija 2014b].<sup>2</sup>

Opening of the accession negotiations was delayed six months due to unsatisfactory cooperation with the ICTY regarding the arrest and extradition of the former Croatian army general Ante Gotovina. In fact negotiations started only after the ICTY confirmed Croatia's full cooperation which clearly showed the power of the EU's SAP conditionality. Besides the issue of cooperation with the ICTY didn't lose its relevance once full cooperation was established because the Council concluded that at any stage of negotiations less than full cooperation with the ICTY would affect the progress of negotiations and could be the grounds for suspension [Jović 2012, p. 205].

After the opening of negotiations the screening took more than one year and upon its finalization a substantive phase of chapter by chapter negotiations began focusing on the conditions under which Croatia was obliged to adopt and implement the *acquis*. The Negotiating Framework with Croatia established 35 negotiation chapters or four chapters more than for the CEE enlargement. It contained a suspension clause which allowed the EU to suspend negotiations in case of a serious breach of the principles of liberty, democracy, respect for human rights and the rule of law. The EU also introduced the safeguard clause which allowed a more stringent monitoring of implementation particularly after the temporary closure of the negotiation chapter [Council of the European Union 2005]. Still the most important innovation was introduction of a Chapter 23 "Judiciary and Fundamental Rights" which didn't exist as a separate chapter in the previous enlargement rounds although some of its content was part of the chapter dealing with justice, freedom and security [Neuman Stanivuković 2012, p. 2]. Unfortunately Chapter 23 "Judiciary

<sup>&</sup>lt;sup>2</sup> After the initial CEFTA members left this Agreement due to joining the EU in 2004 and 2007 the countries of the Western Balkans successively joined CEFTA (also called CEFTA 2006). Upon becoming an EU member state Croatia had to leave CEFTA.

and Fundamental Rights" and 24 "Justice, Freedom and Security" were both opened late in the negotiation process despite fact that they were related to implementation of numerous reforms and generally difficult to negotiate [Goldner Lang 2012, p. 486; Lakota-Micker 2013, p. 159].

There were other difficult chapters that were opened in the advanced stage and closed at the very end of negotiations such as: Chapter 8 "Competition Policy", Chapter 11 "Agriculture" and Chapter 22 "Regional Policy".<sup>3</sup> Late opening of Chapter 8 "Competition Policy" was particularly sensitive and restructuring in the important fields of shipbuilding and steel production was left almost to the end of negotiations although the timetable for their restructuring was set for the earlier period already in the SAA [Samardžija 2014b].

Croatia's negotiations were more demanding than previously because the EU applied a new negotiation methodology based on extensive use of legal, institutional and track-record benchmarks which the country had to meet before the opening and closing of individual chapters [see the first section, European Commission 2006, p. 6]. Based on an empirical analysis the Commission created guidelines explaining how Croatia should meet some 400 benchmarks and sub-benchmarks. However the benchmarks were not always measurable, balanced and clearly elaborated which sometimes made it difficult to estimate at which point the benchmark was fulfilled [Samardžija 2014b, p. 4]. Although the use of benchmarks was often helpful in the implementation of reforms it also caused the front-loading of conditionality because numerous chapters could not be opened and comprehensively worked upon before compliance with the opening benchmarks [BiEPAG 2014, p. 9] which had to be accredited by the member states [see the first section, Hillion 2010, p. 21].

Croatia had to negotiate on a greater volume of legislation but also with an increased number of member states. This made negotiations more complex and slower because before reaching a common EU negotiating position on any chapter a long bargaining process amongst member states and the EU institutions needed to be finalized [Drobnjak 2011, p. 4]. Moreover during deliberations in the European Council individual countries sometimes formulated additional requests that needed to be fulfilled which weakened the position of Commission in the accession process [Despot, Reljić & Seufert 2012, p. 2]. Throughout the accession negotiations the Commission, as compared to the CEE enlargement, has put much more focus on the monitoring

<sup>&</sup>lt;sup>3</sup> Chapter 8 "Competition Policy" (opened in October 2010, closed in June 2011); Chapter 11 "Agriculture" (opened in October 2009, closed in April 2011); Chapter 22 "Regional Policy" (opened in October 2009, closed in April 2011) [GRC 2011].

of implementation and enforcement of reforms often by using peers from the member states [Mirel 2012, p. 6].

Bilateral problems negatively affected the length of Croatia's negotiations. From December 2008 to September 2009 Slovenia blocked Croatia's EU accession due to a dispute over the maritime border in the Gulf of Piran and the land border in some micro locations. As a consequence a substantial number of chapters could not be opened or closed due to the Slovenian veto. In that period the Commission worked intensively with both sides on finding a way for a political agreement. The solution was found in September 2009 when both parties agreed to accept the future ruling of international mediation over final border demarcation [European Commission 2009, p. 5].

After almost six years in June 2011 accession negotiations were successfully completed. The Accession Treaty was signed on 9 December 2011 and it was followed by the ratification process. In the period before accession the Commission has received a strong mandate to closely monitor Croatia's fulfilment of the undertaken commitments focusing in particular on competition policy, judiciary and fundamental rights and justice freedom and security [European Commission 2013b, p. 2]. However strict requirements for the closure of the newly introduced Chapter 23 "Judiciary and Fundamental Rights" allowed Croatia to avoid the establishment of a post-accession controlling mechanism for the monitoring of anticorruption, the fight against organised crime and judiciary reforms, which were established for Bulgaria and Romania [Taylor 2013, p. 191; Szpala 2010, p. 6].

From the economic point of view the accession of Croatia was different from the CEE case because the country joined the EU in the period of economic crisis which was not favourable for the newcomers. Croatia could not expect to obtain the same economic synergy effects as the CEE countries upon joining the Union due to the Eurozone crisis and due to its own prolonged recession. It seems that Croatia continued with the reforms after accession more successfully in the areas where the EU continued monitoring after signing the Accession Treaty until entering the EU (one such area was the fight against corruption) than in economy.

In general Croatia was successful in harmonization with the *acquis* and in institution building but the economic and structural reforms remained unfinished. Economic recession of the country continued after entering the EU and the first year of membership was marked by efforts to achieve fiscal consolidation, stimulate economic growth, develop a flexible labour market, improve the investment climate and competitiveness, stimulate trade and restructure industry. As a consequence the country was placed in the Excessive Budget Deficit Procedure of the European Commission soon after becoming an EU member [Samardžija 2014a, p. 5].

This stresses the relevance of improving economic governance during the accession process of the Western Balkan countries and points towards the usefulness of introducing negotiating countries into the European Semester which could prepare them for facing the future economic challenges. Another relevant feature is the need for a timely preparation of the countries of the region for withdrawing from the CEFTA 2006 after becoming the EU members [see in this section, Samardžija 2014b]. This is another difference between the current and the 2004/07 enlargement due to the fact that countries of the Western Balkans will have to leave CEFTA 2006 one after another (not as a group, which was the case for the CEE) and will face the problem of adopting the EU trade regime towards the remaining regional market which is their traditional trade orientation. In Croatia's case the private sector needed to be better prepared for the loss of the preferential position in the CEFTA 2006 market and besides competitiveness on the regional market needs to be increased [Samardžija 2014a, p. 6].

## 3. Perspectives of the EU's enlargement to the Western Balkans – strengthening capacities without losing momentum

In his political guidelines for the next European Commission Jean-Claude Juncker stressed that there will be no further enlargements before the end of the decade [Juncker 2014]. This reflects the EU's current preoccupation with its internal issues as well as the mood of the EU's public opinion which in the post crisis period expresses enhanced scepticism towards continuation of enlargement.

The EU' "enlargement fatigue" coupled with a certain level of "reforms fatigue" in the Western Balkan countries has negative repercussions on the speed of enlargement which (with the exception of Croatia) eleven years since the Thessaloniki commitment could be described as slow with moderate results. Albania, FYR Macedonia (in progress Macedonia), Montenegro and Serbia have a status of candidate countries. However only Montenegro and Serbia are involved in the early phases of accession negotiations. Albania obtained candidate status in June 2014 but the Commission hasn't yet recommended the start of its negotiations. Since 2009 the Commission has recommended the start of negotiations with Macedonia but ever since its negotiations are blocked due to a bilateral name dispute with Greece. Bosnia and Herzegovina and Kosovo still have the status of potential candidates. Bosnia and Herzegovina is not progressing on its integration path due to unresolved constitutional issues which prevented the entry into force of its SAA and the question of applying the Sejdić-Finci judgement of the European Court for Human Rights. Finally Kosovo took a step forward with the agreement on the normalization of relations with Serbia (April 2013) which allowed the opening of its SAA negotiations [European Commission 2013a].<sup>4</sup>

As a result of the lessons learned from Croatia's accession the EU further increased the conditionality during accession negotiations [see the first section, European Commission 2011, pp. 4–6]. Both the Negotiating Framework with Montenegro as well as the Framework with Serbia underline that Chapters 23 "Judiciary and Fundamental Rights" and 24 "Justice, Freedom and Security" will be opened early but also that in the event of delayed progress in these chapters the Commission may withhold its recommendation to open or close other chapters. The same mechanism applies to Chapter 35 "Other Issues" in Serbian negotiations which is devoted to normalization of relations with Kosovo [Council of the European Union 2012; Council of the European Union 2013].

Still this kind of conditionality which is linked to better performance during negotiations is not amongst the principle reasons for the slow-down in the accession process which the region is experiencing. Besides *"enlargement fatigue"* and the *"reforms fatigue"* an important obstacle to the continuation of enlargement in the Western Balkans are bilateral or internal problems which block or delay the progress of many countries in the pre-negotiation phase of accession [EMA 2011, pp. 14–15; BiEPAG 2014, p. 3]. This situation is further complicated by the fact that the pre-negotiation procedures that used to be technical such as granting the candidate status after a positive assessment by the Commission have now become politicised by the member states [Szpala 2010, p. 3].

In order to accelerate the accession process and contribute to the solving of contested issues the EU launched a number of initiatives such as the high level accession dialogue with Macedonia, political dialogue between Serbia and Kosovo or the high level dialogue on the accession process in Bosnia and

<sup>&</sup>lt;sup>4</sup> A particular obstacle in forming a coherent EU policy towards Kosovo is the fact that five EU member states still don't recognize Kosovo as an independent state.

Herzegovina. Although the progress made within some of these initiatives has often been substantial they were less successful in addressing open bilateral and internal issues [European Commission 2013a].

The experience of Croatia with bilateral issues [see the second section, European Commission 2009, p. 5] points towards the need to address these topics as early as possible so that they will not block negotiations during later stages. The idea of introducing a separate chapter in accession negotiations to deal with bilateral or internal issues [Grabbe, Knaus & Korski 2010, p. 5] was implemented in practice by the Commission in case of negotiations with Serbia. However Bosnia and Herzegovina and Macedonia still seem far from making initial progress on their contested issues which would allow them to move into negotiations. An additional instrument suggested by the scholars for helping countries move faster towards negotiations is early screening [Fouéré 2013, p. 3; Szpala 2010, p. 4; Grabbe, Knaus & Korski 2010, p. 4]. The Commission suggested this in case of Macedonia as, amongst other things, an additional incentive to finding solution for the name issue before the start of negotiations [European Commission 2013a, p. 18].

The group of scholars participating in the Balkans in Europe Policy Advisory Group believe that the slow-down of the Western Balkan enlargement is partly caused by the design of the SAP [see the first section, European Commission 1999, pp. 4–5] which doesn't envisage group accession as in case of the CEE enlargement. They suggested that all countries of the region should be offered accession negotiations which should run simultaneously. Such a dynamic environment would offer the right setting for the solution of all contested issues, particularly since a credible promise of EU membership would foster greater ownership of the accession process [BiEPAG 2014, pp. 18–19]. However as the authors of this proposal note themselves, implementation of this new approach is hardly possible without prior change in the EU's public opinion towards enlargement.

Another perspective on enlargement in the Western Balkans was offered by the group of authors who advocated sectoral integration as an interim solution to the current slow-down.<sup>5</sup> They claim that the EU could develop a strategy whereby it would treat the candidates as member states in selected policy areas where these countries would be committing to the adoption of the *acquis*. The Energy Community was underlined as an example of sectoral integration whilst similar integration mechanisms have been proposed in the

<sup>&</sup>lt;sup>5</sup> The authors developed this concept having in mind the enlargement to Western Balkans but also to Turkey.

service sector, anticorruption, or the use of structural funds [Despot, Reljić & Seufert 2012, pp. 6–7].

A more realistic approach is provided by authors, who taking their inspiration from the Visa liberalization process with the Western Balkan countries, advocate changes in the content of the EU's conditionality which in their view is too general and therefore prone to the application of separate conditions and a different interpretation of these conditions from country to country [Sela & Shabani 2011, p. 36; Anastasakis 2008, p. 365]. In this context some have argued that the EU needs to link its accession conditionality to clear and measurable tasks whose impact could be followed by civil society [Stratulat 2013].

The common denominator in all the proposals described on how to speedup the enlargement is that weakening the EU's conditionality cannot represent the answer to the challenges posed. The increase of the EU's conditionality since the CEE enlargement and the enlargement to Croatia comes as result of the lessons learned. However it is also caused by the growing complexity of the post crisis EU [Hinrichs 2013; Musiałkowska et al. 2012]. The aspirant countries cannot be allowed to join the EU unprepared because then their chances of catching up with the rest of the EU will not look promising. In this context it seems that the "European Semester Minus" for the Western Balkan countries came at the right time [European Commission 2013a, pp. 3–4]. It holds the potential for: fostering economic growth; enhancing knowledgetransfer, the easier application of the "*more for more*" principle meaning that more reforms result in more assistance and faster progression in the accession process; and for making the accession process better linked to public concerns.

Another idea common to all the proposals mentioned is that "one size doesn't fit all". Uncontested sovereignty and sufficient state capacity are indispensable for successful integration [Börzel 2011, p. 14]. Yet these characteristics are often problematic in the Western Balkan states. Therefore, the EU has to invest more effort and ingenuity into finding "tailor-made" solutions for the de-blocking and acceleration of the accession processes in the laggard countries in particular.

#### Conclusions

The enlargement towards the Western Balkans was significantly slowed down after the EU economic and financial crisis when the Union focused primarily on its internal matters and reforms. After a long accession process Croatia is the first Stabilisation and Association Process country which became an EU member. Still more than a decade after the Thessaloniki Summit progress of the remaining Western Balkan countries towards EU membership did not reach expectations. Completing the enlargement with the Western Balkans remains the EU's obligation and in this drawing both positive and negative lessons from the previous enlargements, particularly from Croatia's accession experience, has a lot of relevance.

Croatia's membership in the EU was an important achievement for the region as it became the first regional representative and the first post-conflict country which entered the Union based on the strengthened conditionality and on the use of the new enlargement methodology. Croatia's membership is expected to have a strong stabilising effect on the region. Further in times of recession marked by rising Euroscepticism or even pessimism, the EU membership of the first regional representative was understood as an encouragement for the others. However the period after accession showed that the country was successful in the harmonisation of legislation and policies and institution building in some areas, but much weaker in respect of economic and structural reforms which remained unfinished.

Learning from Croatia's experiences the accession conditionality was further strengthened by requiring the candidate countries the early opening of the most difficult negotiation chapters. This could have a positive impact because it provides negotiating countries with more time to implement reforms in the areas such as judiciary or the justice sector starting from the very beginning. Secondly, good practice is to put more focus on economic governance, competitiveness and growth during the accession process. This could help the candidates to catch up more successfully in their economic transformation. Based on this experience the countries of the Western Balkans have to strengthen their efforts and show a clear political will to implement reforms not only by fulfilling the accession criteria but also by continuing this agenda after the accession.

New enlargements are not planned in the foreseeable future. Therefore in conceptualizing its future enlargement policy the Union has to focus on the ways of making this process better connected with clear, intermediate gains and incentives which in the aspiring countries could foster greater ownership of what are often difficult reform processes. The enlargement to include the Western Balkans needs to continue, complemented with new innovative tools and instruments. Inability to speed up the enlargement would bring more frustration, new populism and nationalism together with a slowdown of reforms. A fresh geostrategic vision for the region from the EU's side is needed with more emphasis put on the enlargement process. Finally it would be important to make the way free to start negotiations with the remaining countries as soon as possible and to avoid the front-loading of conditions prior to the accession talks.

#### References

- Anastasakis, O., 2008, *EU's Political Conditionality in the Western Balkans: Towards a More Pragmatic Approach*, Southeast European and Black Sea Studies, vol. 4. no. 8, pp. 365–377.
- Aspridis, G., Petrelli, M., 2012, *When the EU Met the Western Balkans: Ready for the Wedding?*, Journal for Labour and Social Affairs in Eastern Europe, no. 1, pp. 5–26.
- Bechev, D., 2012, The Periphery of the Periphery: The Western Balkans and the Euro Crisis, ECFR Policy Brief, May, European Council on Foreign Relations, http:// www.ecfr.eu/page/-/ECFR60\_WESTERN\_BALKANS\_BRIEF\_AW.pdf [access: 13.08.2014.]
- BiEPAG Balkans in Europe Policy Advisory Group, The Unfinished Promise: Completing the Balkan Enlargement, May, Centre for Southeast European Studies, European Fund for the Balkans, http://balkanfund.org/wp-content/uploads/2014/05/Policy-Paper-Completing-Enlargement-2.pdf [access: 05.07.2014].
- Börzel, T., 2011, When Europeanization Hits Limited Statehood: The Western Balkans as a Test Case for the Transformative Power of Europe, KFG Working Paper, no. 30, September, Freie Universität Berlin, http://userpage.fu-berlin.de/kfgeu/kfgwp/ wpseries/WorkingPaperKFG\_30.pdf [access: 30.07.2014].
- Despot, A., Reljić, D., Seufert, G., 2012, *Ten Years of Solitude: Turkey and the Western Balkans Require Practical Integration Measures to Bridge the Hiatus in the European Union Enlargement Process*, SWP Comments 16, German Institute for International and Security Affairs, May, http://www.swp-berlin.org/fileadmin/contents/prod-ucts/comments/2012C16\_despot\_rlc\_srt.pdf [access: 05.07.2014].
- Drobnjak, V., 2011, Specificity of Croatia's Accession Negotiations and Implications for the EU Membership, Etudes Européens, December, http://www.etudes-europeennes.eu/images/stories/A\_look\_at\_Croatia/ENA-vladimir\_drobnjak-final\_ draft\_011211js-FINAL.pdf [access: 06.07.2014].
- EMA European Movement Albania, 2011, *Thessaloniki 2014: In Quest of a Renewed Credibility of the EU Enlargement Process*, January, http://www.soros.al/2010/foto/

uploads/File/EMA%20Policy%20Paper%20-%20Thessaloniki%20II%20EN%20 [2].pdf [access: 13.08.2014].

- Fouéré, E., 2013, Thessaloniki Ten Years on: Injecting Momentum into the Enlargement Process for the Western Balkans, CEPS Commentary, 16 May, Centre for European Policy Studies, Brussels, http://ceps.be/book/thessaloniki-ten-years-injecting-momentum-enlargement-process-western-balkans [access: 05.07.2014].
- Goldner Lang, I., 2012, *The Impact of Enlargement(s) on the EU Institutions and Decision-Making Special Focus: Croatia*, Yearbook of European Law, vol. 31, no. 1, pp. 473–502.
- Grabbe, H., Knaus, G., Korski, D., 2010, Beyond wait-and-see: The Way Forward for EUBalkan Policy, ECFR Policy Brief, May, European Council on Foreign Relations, http://www.ecfr.eu/page/-/ECFR21\_BALKAN\_BRIEF.pdf [access: 05.07.2014].
- Hillion, C., 2010, The Creeping Nationalisation of the EU Enlargement Policy, no. 6, Swedish Institute for European Policy Studies (SIEPS), http://www.wider-europe.org/sites/default/files/attachments/events/SIEPS%20report.pdf [access: 15.06.2014].
- Hinrichs, K., 2013, Sovereign Debt Crisis and Pension Reforms in Selected European Countries, Poznań University of Economics Review, vol. 13, no. 3, pp. 5–22.
- Jović, D., 2012, Chapter Nineteen: Croatian EU Membership and the Future of the Balkans, in: Dzihic, V., Hamilton, S. (eds.), Unfinished Business: The Western Balkans and International Community, Center for Transatlantic Relations, John Hopkins University, pp. 201–209.
- Juncker, J.-C., 2014, A New Start for Europe: My Agenda for Jobs, Growth, Fairness and Democratic Change, Political Guidelines for the Next European Commission, 15 July, http://ec.europa.eu/about/juncker-commission/docs/pg\_en.pdf [access: 15.08.2014].
- Kral, D., Bartovic, V., 2012, EU Enlargement in 2012: Where do We Stand?, Europeum Working Paper, October, Institute for European Policy, Prag, http:// www.europeum.org/images/paper/prague\_enlargement\_dialogue.pdf [access: 15.08.2014].
- Lakota-Micker, M., 2013, *The Republic of Croatia's Accession Process to the European Union*, Wroclaw, ATUT.
- Mirel, P., 2012, Lessons Learned from Enlargement: So Far, in: Lagendijk, J., Wiersma, J.M. (eds.) Beyond the Deadlock? Perspectives on Future EU Enlargement, The Hague, Clingendal Institute, pp. 5–9.
- Musiałkowska, I., Sapała, M., Wróblewski, Ł., 2012, The Strengthening of the Single European Market vs. the Crisis, Poznań University of Economics Review, vol. 12. no. 2, pp. 74–107.
- Neuman Stanivuković, S., 2012, *Croatia as the 28th EU Member State: How did We Get Here and Where Should We Go from Now?*, Papiers d'actualité / Current Affairs in Perspective, no. 1 / January, Fondation Pierre du Bois, http://www.fondation-pierredubois.ch/en/Papiers-d-actualite/croatia.html [access: 15.08.2014].

- Panagiotou, R., 2013, The Greek Crisis as a Crisis of EU Enlargement: How Will the Western Balkans Be Affected?, Southeast European and Black Sea Studies, vol. 13, no. 1, pp. 89–104.
- Pusić, V., 2010, The Legacy of the National Committee's Experience in the Context of the European Union Membership, in: Vlašić Feketija, M., Goran, P. (eds.), The Final Step for Croatia – How to Function Successfully in the EU, Zagreb, The British Council, pp. 120–123.
- Samardžija, V., 2014a, Croatia's First Year of EU Membership: Have the Expectations Been Fulfilled?, TEPSA Policy Brief, July, Trans European Policy Study Association, Brussels, http://www.tepsa.eu/wp-content/uploads/2014/07/Visnja-Samardzija-TEPSA-Policy-Paper-July-2014-Final.pdf [access: 15.08.2014].
- Samardžija, V., 2014b, What does the EU Membership of Croatia Mean for the Countries of Western Balkans?, in: Čehulić Vukadinović, L. (ed.), Yearbook Šipan 2013, Zagreb, The Atlantic Council of Croatia, Center for International Studies, pp. 73–84.
- Samardžija, V., Staničić, M., 2004, Croatia on the Path towards the EU: Conditionality and Challenge of Negotiations, Croatian International Relations Review, vol. 10, no. 36/37, pp. 97–104.
- Schimmelfennig, F., Sedelmeier, U., 2005, Introduction: Conceptualizing the Europeanization of Central and Eastern Europe, in: Schimmelfennig, F., Sedelmeier, U. (eds.) The Europeanization of Central and Eastern Europe, Cornel University Press, Ithaca, NY., pp. 1–28.
- Sedelmeier, U., 2011, *Europeanisation in New Member and Candidate States*, Living Reviews in European Governance, vol. 6. no. 1, pp. 5–32.
- Sela, Y., Shabani, L., 2011, *The European Union Politics in the Western Balkans*, The Western Balkans Policy Review, vol. 1. no. 2, pp. 23–38.
- Stratulat, C., 2013, EU Enlargement to the Balkans: Shaken, not Stirred, EPC Policy Brief, 4 November 2013, European Policy Centre, http://www.epc.eu/documents/ uploads/pub\_3892\_eu\_enlargement\_to\_the\_balkans\_-\_shaken,\_not\_stirred.pdf [access: 15.08.2014].
- Szpala, M., 2010, The Western Balkans: Deadlock in the EU Enlargement Process, OSW Commentary Issue 43, November, Centre for Eastern Studies, http://www.osw. waw.pl/en/publikacje/osw-commentary/2010–11–24/western-balkans-deadlockeu-enlargement-process [access: 15.08.2014].
- Taylor, J., 2013, *The European Union and State Building in the Western Balkans*, Politics and Governance, vol. 1. no. 2, pp. 183–195.

#### Legal sources

- Council of the European Union, 1997, *Conclusions*, General Affairs Council, 7738/97 (Presse 129) 29 April, http://europa.eu/rapid/press-release\_PRES-97–129\_en.htm [access: 14.08.2014].
- Council of the European Union, 2003, *The Thessaloniki Agenda for the Western Balkans: Moving towards European Integration*, General Affairs and External Relations

Council, 10369/03 [Presse 166] 16 June, http://www.consilium.europa.eu/ueDocs/ cms\_Data/docs/pressdata/en/gena/76201.pdf [access: 16.08.2014].

- Council of the European Union, 2005, *Negotiating Framework: Principles Governing the Negotiations with the Republic of Croatia*, Luxembourg, 29 March 2012, http://ec.europa.eu/enlargement/pdf/croatia/st20004\_05\_hr\_framedoc\_en.pdf [access: 16.08.2014].
- Council of the European Union, 2011, *Treaty of Accession of the Republic of Croatia to the European Union*, Brussels 14409/11, 7 November.
- Council of the European Union, 2012, *Negotiating Framework: Principles Governing the Negotiations with the Republic of Montenegro*, Brussels, 8339/12, 29 March.
- Council of the European Union, 2013, *Negotiating Framework: Principles Governing the Negotiations with the Republic of Serbia*, Brussels, 17976/13, 20 December.
- European Commission, 1999, Stabilisation and Association Process for Countries of South-Eastern Europe – Bosnia and Herzegovina, Croatia, Federal Republic of Yugoslavia, former Yugoslav Republic of Macedonia and Albania, COM (1999) 235 final, Brussels, 26 May.
- European Commission, 2005, *Enlargement Strategy Paper*, COM (2005) 561 final, Brussels, 9 November.
- European Commission, 2006, *Enlargement Strategy and Main Challenges 2006–2007*, COM (2006) 649, Brussels, 8 November.
- European Commission, 2009, Croatia Progress Report, SEC (2005) 1333, Brussels, 15 October.
- European Commission, 2011, *Enlargement Strategy and Main Challenges 2011–2012*, COM (2011) 666 final, Brussels 12 October.
- European Commission, 2012, *Enlargement Strategy and Main Challenges 2012–2013*, COM (2012) 600 final, Brussels 10 October.
- European Commission, 2013a, *Enlargement Strategy and Main Challenges 2013–2014*, COM (2013) 700 final, Brussels 16 October.
- European Commission, 2013b, *Monitoring Report on Croatia's Accession Preparations*, COM (2013) 171 final, Brussels 26 March.
- European Council, 1999, *Presidency Conclusions Helsinki 10–11 December 1999*, http://www.europarl.europa.eu/summits/hel1\_en.htm [access: 05.07.2014].
- GRC Government of the Republic of Croatia, 2011, *Report on Croatia's Accession Negotiations with the EU (Croatian only)*, October, Zagreb.