

WAR IN UKRAINE:

IS THE EU READY AND ABLE TO PROJECT POWER IN THE WESTERN BALKANS AND THE EASTERN NEIGHBOURHOOD?

Policy Brief



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War in Ukraine: Is the EU Ready and Able to Project Power in the Western Balkans and Eastern Neighbourhood?

The European Union (EU) finds itself in a 'before' and 'after' dynamic with respect to its neighbourhood strategy. Russia's invasion of Ukraine marks a pivotal moment that could shift EU policy towards its immediate neighbourhood. The Union's long-standing strategy, particularly in the Eastern Partnership countries (EaP) and Western Balkans (WB), has been aimed at enhancing stability, resilience, and prosperity. The bloc has projected influence through its financial clout including the promise of large-scale investment packages and closer economic ties and the promotion of resilient democracies, human rights, and respect for the rule of law. The EU membership trajectory for WB countries is not at all straightforward though. And the Eastern neighbourhood, for its part, faces even greater obstacles. Indeed while the EU has expressed its political commitment to WB accession (though these processes may prove thorny and lengthy), this commitment is lacking for Georgia, Moldova, and Ukraine (the Trio countries) despite their recently submitted accession applications.

The current backdrop - conflict at the EU's doorsteps - raises pertinent questions:

- ▶ Has EU influence in its immediate neighbourhood been powerful enough?
- ▶ What type of power can and should the EU project in the Western Balkans and the Eastern Neighbourhood in this evolving environment?

The 'Before' EU neighbourhood strategy

The EU prides itself on its ability to use soft power tools such as economic enticements and the magnifying appeal of European values to influence countries in its neighbourhood. The liberal democratic model has generally been perceived as a prudent tool for enhancing security, prosperity, and resilience in the immediate neighbourhood.

As an economic powerhouse, the EU boasts a broad mandate for exerting influence in the two regions through different investment and other financial schemes. The EU can further contribute to aligning the economies of the two regions to the single market – this can additionally encompass convergence for accession countries. The latest Western Balkans Economic and Investment Plan represents a substantial package, amounting to 9 billion euros (with the option of an additional 20 billion euros backed by the Western Balkans Guarantee Facility). This scheme importantly can be used to enhance the EU's already robust economic influence¹ - the Union is the region's largest trade partner² and investor.³ The latest package will be directed to the areas of transportation, energy, and the green and digital transitions to foster sustainable growth and employment. As EU Commissioner for Neighbourhood and Enlargement Olivér Várhelyi remarked, "(t)he Plan also offers a path for a successful regional economic integration to help accelerate convergence with the EU and close the development gap between our regions, ultimately speeding up the process of EU integration."⁴ The economic incentives of the package, notably, were crafted to support fulfilment of EU priorities including the development of links between the ecological and digital transformations and necessary convergence mechanisms.

Following its 'EaP policy beyond 2020,'⁵ the EU has also prepared an economic and investment package for the Eastern neighbourhood. The proposal consists of 2.3 billion euros (17 billion euros of additional funding may be mobilised through guarantees). The plan similarly is targeted towards the post-pandemic recovery and accelera-

1 https://ec.europa.eu/commission/presscorner/detail/en/IP_20_1811

2 <https://ec.europa.eu/trade/policy/countries-and-regions/regions/western-balkans/#:~:text=Since%202000%2C%20the%20EU%20has,duties%20or%20limits%20on%20quantities>

3 Olivér Várhelyi at "Does Enlargement still matter? Assessing the EU's transformative power in the Western Balkans and the Eastern Partnership countries" conference, 1 February 2022.

4 Ibid.

5 https://ec.europa.eu/info/publications/joint-communication-eastern-partnership-policy-beyond-2020-reinforcing-resilience-eastern-partnership-delivers-all_en

tion of green and digital transformations.⁶ The Trio countries, moreover, have signed Association Agreements⁷ and recently submitted their accession applications. These steps could pave the way forward towards bringing them into closer alignment with the EU single market and providing them a clear path to membership.⁸

A second component of EU soft power pertains to building resilient democracies in the WB and EaP by working at two levels - governance and civil society. Both regions face complex governance challenges – the rule of law must be strengthened and efficient, transparent and accountable public administrations need to be established at all levels of government. Furthermore, fraud, corruption, financial crimes, and organised crime must be combated. The WB countries can draw on the convergence framework, with the new accession methodology enabling accelerated (or stalled) progress dependent on fulfilment of these different indicators. Incentives are structured differently for EaP countries; the Trio countries, however, have placed themselves under stricter scrutiny.

The enhancement of European values will also require vibrant and resilient civil societies. The EU, to this purpose, has opened its education, scientific, cultural, media, and other socially oriented activities to citizens and organizations from the WB and EaP and directly provided support to work taking place on the ground. Funding programmes, such as Horizon 2020/Horizon Europe and Erasmus+, that foster the exchange of best practices, deliver youth training, and provide an outlet for individuals to gain personal experience with European values have all been deemed instrumental for building the next generation of democratic societies. While these initiatives are often not advertised and promoted extensively, the Union has been recalibrating its strategic communication narratives and campaigns.

The EU's 'After' must-do neighbourhood policies

Russia's military aggression, persistent economic gaps, and democratic backsliding (apparent in the Western Balkans and the Eastern neighbourhood) all put to question the prevailing (or 'before' EU strategy) for the two regions. The EU's concerted multi-year investments in the region should not be discounted. But the bloc, nevertheless, ultimately proved to be naïve as now made readily apparent by Russia's geopolitical and strategic moves and invasion of Ukraine. The EU, in fact, failed to foresee and avert multiple episodes of regional aggression and territorial fragmentation. EU and national leaders — presumed believers in international norms and democratic values — have ignored key warning signs and failed to coherently project power as part of responses in the past.⁹

The present aim to extend EU influence beyond its borders and create a 'buffer' zone beyond the Member States is not tenable. Such an 'expansion without enlargement'¹⁰, comprised of an area of friendly countries around European borders with whom one can share 'everything but institutions'^{11,12}, is crumbling. Those countries in the region that are not provided NATO and EU membership guarantees/protection will always be vulnerable to third actors.

The EU, however, can seize this pivotal moment in history to transform itself into a true geopolitical actor. Unprecedented unity can be leveraged to spearhead concrete policy actions and institutional changes that will advance security and sustainable development regionally and globally in accordance with EU values. Specific actions should include strengthening common European security and defence to new levels that have been unimaginable until recently. As well as, delivering a clear EU path to those who wish to be part of the EU family with commitments from the EU and the aspiring countries from the region.

6 https://ec.europa.eu/commission/presscorner/detail/en/IP_21_3367

7 https://ec.europa.eu/commission/presscorner/detail/de/MEMO_14_430

8 <https://www.politico.eu/article/georgia-and-moldova-apply-for-eu-membership/>

9 <https://visegradinsight.eu/moving-on-from-the-eastern-partnership/>

10 <https://ideas.repec.org/a/jes/journal/y2016v7p11-29.html>

11 Prodi, R. (2002), *A wider Europe – a proximity policy as a key to stability*, retrieved from http://europa.eu/rapid/press-release_SPEECH-02-619_en.htm

12 Haukkala, H. (2008), The European Union as a regional normative hegemon: the case of European Neighbourhood Policy, *Europe-Asia Studies*, Vol. 60, No. 9, pp. 1601-1622.

Recommendations

For EU leadership and Member States

- ▶ Build a common European foreign and security policy with three dimensions of power — economic, common values, and enhanced defence, with clear strategic coherence and with promoting EU interests effectively.
- ▶ Use the Strategic Compass as a steppingstone to securing a common European strategic culture and developing necessary capabilities complementary to those of NATO.
- ▶ Devise a clear EU path and strategy for EaP countries that aspire to be part of the EU family, while continuing to support countries that are not yet ready for accession status by signalling the promise the EU represents.
- ▶ Intensify accession negotiations in the WB to address concerns that the EU is refocusing away from the region and avoid indefinite “let’s wait six more months”¹³ situations.
- ▶ Use this pivotal moment to support comprehensive reforms by providing tangible rewards and/or milestones to reforming countries in the two regions and to foster accountability aimed at ensuring that local institutions are working towards certain standards (and not merely developing façades).
- ▶ Enhance strategic communication through outreach to governments, businesses, and citizens and actively combat disinformation and distortion of the EU’s image in the WB and EaP.
- ▶ Intensify support for civil society to ensure that European values are not disregarded.
- ▶ Use available mechanisms and devise new tools to fund short and long-term needs in the WB and especially EaP including through the re-allocation of funds from economic and investment plans, development and humanitarian aid packages, financial guarantee facilities, and other arrangements.
- ▶ Plan for post-war Ukraine and EaP region reconstruction and recovery and build on best practices on reconciliation in the WB as well.

For WB and EaP national governments

- ▶ Pursue politically prudent course by introducing difficult reforms now to spur speedier convergence/alignment. Then, create a mechanism for monitoring and implementing reforms to ensure that the rule of law and democratic processes are adequately institutionalized.
- ▶ Communicate to citizens that the lengthy and arduous accession process can contribute to the development of vibrant, secure, and prosperous democracies.
- ▶ Identify how your countries, too, can contribute to the Union (while recognizing that EU membership or close alignment brings clear benefits in the reverse direction).
- ▶ Strengthen capacity building of civil society NGOs to promote cooperation and common values between local authorities, citizens, and civil society organizations.
- ▶ Encourage positive relationships with neighbouring and regional countries, implement reconciliation processes.
- ▶ Develop economic integration within the WB and EaP regions with an emphasis on re-assessing economic dependencies on Russia and China.

13 <https://visegradinsight.eu/time-for-the-eu-to-deal-fairly-with-the-western-balkans/>

