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The Berlin Process for the Western Balkans: Four Recommendations to Achieve Progress

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The Berlin Process is intended to promote cooperation between the Western Balkan states and to advance the entire region politically and economically. Despite some results, however, we must say that the process that has been going on since 2014 has achieved little overall. What is the reason? How could the process be improved? And what has been achieved on the recent summit in Berlin? An analysis shows that concrete improvements would be possible, especially in four areas, and that it is in the EU member states' own interest to step up their commitment in this regard.

The Berlin process was initiated by Germany in 2014 as a platform for high-level cooperation between Albania, Bosnia-Herzegovina, Kosovo, North Macedonia, Montenegro and Serbia as well as some EU member states. The first summit took place in Berlin in August 2014. Although this has never been officially declared, the summit was clearly connected to the five-year halt to EU enlargement announced by Jean-Claude Juncker, President of the European Commission, in July of the same year. In a way, the Berlin Process was a gesture to the Western Balkan countries that they had not been forgotten, and also an attempt to maintain their momentum of integration with regards to Europe.

The process was initially projected to last for four years, but was continued beyond that. Every year, summits are organised by different EU countries. So far, there have been summits in Berlin (2014), Vienna (2015), Paris (2016), Trieste (2017), London (2018), Poznań (2019) and virtual summits organised by Bulgaria and North Macedonia in 2020 and by Germany in 2021. The 2022 summit was held in Berlin again.

The Berlin Process has four declared objectives: the solution of open bilateral and internal problems of the Western Balkans states, reconciliation within and between societies in the region, the improvement of regional economic cooperation, and the creation of a basis for sustainable growth. EU membership is not the explicit objective of the process. According to the website of the Berlin Process, there have been results in four areas: economic cooperation, political and security cooperation, social cooperation and cooperation in the field of ecological change.² In the field of economic cooperation, we can note a large number of transport projects as well as various energy projects and sustainability programmes. Other achievements include the creation of a regional economic zone, the investment forum of the chambers of industry and commerce as well as the Transport Community, an international organisation including the 27 EU states and six Western

¹ Nechev/Velinovska (2022): <u>The Berlin Process! Why it must continue?</u> (Balkans in Europe Policy Advisory Group) (online), accessed on 21 November 2022.

² See the official website of the Berlin Process: https://www.berlinprocess.de/.

Balkan countries, which is to promote the integration of the latter into the EU transport market. There are significantly fewer examples for the other three areas. The establishment of the Regional Youth Cooperation Office is a remarkable instance in the field of social cooperation. One example pertaining to ecological change are the guidelines for the implementation of the Green Agenda in the Western Balkan states.

Despite these achievements, we must say that, overall, only little has been achieved with regards to the original four objectives of the Berlin Process. No great progress has been made in resolving openbilateral and internal issues, which is most evident in the tense relations between Kosovo and Serbia. Reconciliation within and between the societies in the region has hardly progressed either. Many experts consider the societies of the Western Balkans to be more polarised than ever.³ Regional economic cooperation is still limited.⁴ After all, the basis for sustainable growth has hardly been established since the social inequalities in the Western Balkans are still great and emigration is often considered the only way for young people to lead a dignified life. Virtually no progress has been made in decarbonisation either;⁵ the situation in this area is expected to deteriorate even further in the near future due to the rising cost of living and the energy crisis.

Why has the Berlin Process not achieved more progress?

There are four obvious reasons why the Berlin Process has failed to achieve more progress. **Firstly**, the Western Balkan states have always regarded the process as a bad substitute for EU enlargement. While the participating EU member states have never announced such a secondary priority, it has also never been credibly stated that the Berlin Process is aimed at promoting the states with a view to possible EU membership. Statements about the ultimate objective have remained vague. Since the process was initiated after the announcement of the suspension of EU enlargement, there was inevitably the impression that it was, in a way, a consolation prize for the region.

Secondly, the Western Balkan states have always perceived the Berlin Process as something that was imposed on the region from outside and was, at the same time, half-hearted in its ambitions. The idea has never been popular among the people on the ground, and the politicians in the region have never really advanced the process. The general public in the Western Balkans has gained the impression that the Process is a paternalistic project dominated from abroad, in which local actors simply follow the instructions. The name "Berlin Process" also symbolically indicates that the process is being pushed forward by or for Berlin and not by or for the Balkans. Similarly, the summits were almost always held in an EU state, which led to pretty images that, however, do not reflect the realities of the poor Western Balkan countries. In some places, the foreign commitment was even considered to be dishonest and at best lukewarm.

Thirdly, the Berlin Process has ignored some of the most important economic and social problems in the region. A large part of the economic misery is due to poor infrastructure and a lack of public investment, be it in roads, railways, sewage systems, waste disposal or energy production. The only way to solve these problems is a rise in public investment, but the Berlin Process is not doing enough to mobilise a big push for infrastructure. High poverty and social inequality in the region are also due to insufficient public spending on social protection, education and health care. The Berlin Process does not address these problems either and does not offer the young population a long-term perspective for a decent life in the Western Balkan states.

³ See Brändle et al. (2020): <u>Democracy and the State of Emergency: New Upsurge of the Corona Crisis in the Western Balkans, Croatia and Slovenia</u> (Berlin/Belgrad: Friedrich-Ebert-Stiftung) (online), accessed on 21 November 2022.

⁴ See Bertelsmann Stiftung/The Vienna Institute for International Economic Studies (2020): <u>Pushing on a string? An evaluation of regional economic cooperation in the Western Balkans</u> (online), as well as Bertelsmann Stiftung/The Vienna Institute for International Economic Studies (2022): <u>The long way round: Lessons from EU-CEE for improving integration and development in the Western Balkans</u> (online), both accessed on 21 November 2022.

⁵ Esch/Palm (eds) (2021): <u>Implementing the Green Agenda for the Western Balkans</u> (Berlin: Aspen Institute Germany) (online), accessed on 21 November 2022.

Fourthly, local politicians had only few political incentives to advance the project. The Berlin Process as a project focusing primarily on improving regional cooperation is neglecting the special political economy of small, poor countries and their limited state capacities. From an economic point of view, the potential benefit of improved regional cooperation in the Western Balkan states is rather limited: even if the gross domestic product (GDP) of the entire region is taken together, it does not even amount to half of the GDP of Czechia – which is about three percent of the German GDP. From a political point of view, we see the same picture: the settlement of open disputes with the neighbouring countries will hardly bring any additional votes in the Western Balkan states. On the contrary: the most recent case of the name dispute between North Macedonia and Greece shows that settling open issues is very costly for politicians in the Balkans – Syriza lost the Greek parliamentary elections after the agreement, and support for the Social Democrats in North Macedonia fell considerably.

What should be done? Four recommendations to improve the process

All this, however, does not mean that the Berlin Process is useless and should be rejected. Too much time and effort have been invested and the process has indeed achieved some results. To move forward into the future, the above-mentioned weaknesses of the overall project should therefore be eliminated and a revised version of the project should be developed. **The first** important change should be to officially designate the support and acceleration of the Western Balkan countries' accession to the EU as the first and most important objective of the Berlin Process. Otherwise, the process will continue to be perceived as a cheap substitute for EU membership, which will also undermine its attractiveness for local politicians, decision-makers and interest groups as well as the general public.

The second, related change should be that the process is to focus not only on actors from the Western Balkan states but also on actors from the EU. In a symbolic sense, it is "Berlin" that should do more in the process. The reasons for the slow and unsatisfactory progress made by the Western Balkan states with regard to an accession to the EU lie not only in the Balkans. The enlargement fatigue of many in the EU and the internal problems of the Union have little to do with the Western Balkan states. In this case, the countries of the Western Balkans suffer collateral damage and pay the price for the mistakes of the others as well. Therefore, the Berlin Process must also focus on increasing the consent to EU enlargement among the existing EU member states and on removing further obstacles coming from their side. On the one hand, Germany and France, as leading countries of the Union, should use their political weight in a coordinated procedure to set concrete milestones for the accession of the Western Balkan states to the EU. On the other hand, they should also provide the appropriate financial means for a big push of infrastructure investments in the region.

Furthermore, it is important that the established EU member states understand that it is also in their own interest to dissolve an economic and political 'black hole' in the middle of the European continent. In particular, the neighbouring EU states around the Western Balkans should seize the opportunity to improve their own economic and political situation by supporting the Western Balkan states in their development towards the common market, which, judging from past waves of accession, is expected to provide a strong regional economic boost. The role of the more developed EU member states would also be to increase the support given to the administrations in the Western Balkan states to manage technical aspects of the accession process, as they did in the cases of Bulgaria and Romania, for example – in particular to safeguard their own political interests. Also, since the question of governance is closely related to the level of economic development, the Western Balkan countries need particularly strong administrative support.

The third change refers to the idea that the Berlin Process should provide greater financial support for the region in order to increase economic development and decrease social inequalities. The best way to achieve this objective would be a full integration of the Western Balkan states into the EU budget process before full accession. In this way, the funds the Western Balkan states receive from the EU would increase by two to three times, which would have a huge impact on the income in the region, while it would be a quantite négligable for the established EU members. If this is not possible, the Berlin Process and its main actors from the EU (and possibly other interested parties such as Norway, Switzerland or Japan) should provide some support of their own for infrastructure investments in the region and for higher social spending, thus complementing existing investment instruments such as the Western Balkans Investment Framework (WBIF).

The fourth area with room for improvement is winning over local actors for the Berlin Process. This could be difficult, since the process has been in place for some time, without any noticeable increase in regional ownership. However, a recent local initiative could prove useful for this purpose. As a kind of revolt against the EU, which keeps giving the Western Balkans the cold shoulder, Albania, North Macedonia and Serbia have launched an initiative for regional cooperation called Open Balkan. Although the initiative is not without problems (in particular because it does not include all the economies of the Western Balkans but only three of them), it has a clear advantage over the Berlin Process: it is supported and driven by local actors, and the politicians and political decision-makers of the Balkans are much more committed to this project than to any other initiative. The Berlin Process should try to merge with or at least support Open Balkan and cooperate with the initiative. Combining local ownership and the impetus given by the Open Balkan initiative with the broader focus of the Berlin Process and its support by Germany could achieve great results. At the same time, we must realise that all efforts must ultimately be aimed at adopting the acquis communautaire of the EU and ensure commitment to the rule of law – the basis for a peaceful and rule-based coexistence as well as for beneficial cooperation.

In addition, new methods should also be applied in communication in order to eliminate the paternalistic perception of the Berlin Process in public. One possibility could be a relaunch of the process under a new name, as well as annual meetings in the region, deliberately held at places that do not just present a beautiful appearance, but where the problems on the ground are clearly visible and can be addressed precisely.

Finally, the ongoing war in Ukraine should remind us that the world could fall back into a new Cold War – a global conflict between the systems over global dominance with a series of proxy wars at the fault lines of two competing blocs of democratic and autocratic systems. It is in Europe's primary interest not to become the main theatre of these conflicts. The activities of Russia and China in the Western Balkans should be a wake-up call for European politicians. In view of its geoeconomic interests, China is investing heavily in infrastructure construction projects throughout the region. In 2019, China and Serbia even conducted joint police exercises. Russia has a grip on important energy suppliers in the region. Turkey and the Gulf states are also involved, albeit to a lesser extent. Europeans should quickly find a political solution to the political problem of this warprone region in order to prevent foreign powers from establishing their bases in the centre of Europe. Since previous EU enlargement measures also had a strong political dimension, EU membership is indispensable for all Western Balkan countries to bring about peaceful development, even if it is conducted as a gradual process and, in the first phase, mostly includes accession to the single market and the EU transfer system.

The recent 9th Western Balkans Summit of the Berlin Process held in Berlin has fortunately taken steps in the right direction with regards to some of these suggestions. It is to be welcomed, for example, that Chancellor Scholz has declared his commitment to the enlargement of the European Union to include the states of the Western Balkans and has linked the success of this EU enlargement to the Berlin Process. Although the process still concentrates excessively on regional cooperation instead of concrete measures to accelerate the adoption of the *acquis communautaire*, the mobility agreements concluded at the summit for the freedom of movement of the citizens in the Western Balkans are, of course, a very welcome step. These agreements allow for travel with identity certificates within the region and facilitate the recognition of qualifications. Another step in the right direction is the decision to hold the next Berlin Process summit in Albania.

Furthermore, it should be emphasised that the EU Commission is prepared to pay half a billion euros in budget support to households and enterprises in the short term in order to alleviate the energy crisis in the region. In the short to medium term, another half a billion euros will be made available through the WBIF to diversify the energy supply. Nevertheless, we should also note here that this is not a valid substitute for a sustained increase in EU aid to the Western Balkans in order to lead the region out of economic and political misery in the long term.

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