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by Matteo Bonomi and Raffaele Mastrorocco



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Introduction and context

In the wake of the Russian invasion of Ukraine in 2022, the European Council extended European Union accession prospects to Ukraine, Moldova and Georgia, while providing new impetus to EU enlargement towards the Western Balkan countries, namely Albania, Bosnia and Herzegovina, Kosovo, Montenegro, Nord Macedonia and Serbia. The decisions to open accession negotiations with Ukraine, Moldova and Bosnia and Herzegovina; hold the first intergovernmental conferences with Albania and North Macedonia; and extend candidate status to Georgia were taken to signal European unity in response to Russian aggression.¹ These actions drew renewed attention to the EU's enlargement policy, which may once again prove to be a powerful tool for achieving peace, stability and prosperity across Europe.

At the same time, fundamental uncertainties remain about the approach to enlargement – and to EU integration – that might stem from the ongoing war. Whether the EU's enlargement policy will effectively succeed in bringing new members into the Union, who these members will ultimately be, and the timing and modes of the new accession(s) remain open questions. Additionally, doubts linger about the EU's readiness to welcome new members as well as the security implications of new expansions of the Union for its surroundings. These questions persist despite the fact that EU enlargement has, at least temporarily, regained traction in a new context characterised by war and

¹ European Council, *Conclusions*, 23-24 June 2022, <https://data.consilium.europa.eu/doc/document/ST-24-2022-INIT/en/pdf>; *Conclusions*, 14-15 December 2023, <https://data.consilium.europa.eu/doc/document/ST-20-2023-INIT/en/pdf>; *Conclusions*, 21-22 March 2024, <https://data.consilium.europa.eu/doc/document/ST-7-2024-INIT/en/pdf>.

increasingly complex regional and global environments. What is clear is that the EU is experiencing similar, if not stronger, pressures to adapt its functioning to those that it encountered in the course of previous enlargements.²

The pace and outcome that this process could display will depend on three parallel sets of negotiations currently taking place among EU member states, as well as between them and key EU partner countries and allies. The first concerns discussions within the EU about the internal reforms necessary for the Union to be ready to enlarge to potentially 9 additional members and admit over 60 million new citizens. These include important adjustments not only to the functioning of the EU's institutional system but also to its core policies and budget, which ought to prepare for potential new members and must also be able to grant continuation of benefits to current ones.

The second process of negotiation concerns revision of the EU's enlargement policy. The Union is unlikely to satisfy the Ukrainian quest for a fast-track accession.³ EU leaders have repeatedly stressed that enlargement will remain a merit-based process (i.e. that candidate countries will have to fulfil the Copenhagen accession criteria to become members).⁴ Yet some concessions to adapt the EU enlargement-policy framework to present conditions will also be necessary. Amidst the ongoing war – and geopolitical turmoil, in particular – adjustments of the EU enlargement policy framework are needed to provide enhanced support to, and enable enhanced participation in EU policies by, candidate countries even before their potential accession.

The third set of negotiations among EU member states involves a restructuring of the European security architecture. A Union that enlarges to countries that are incapable – individually or collectively – of defending themselves from military aggression is clearly not a political option. In the past, this risk was avoided through parallel accessions to the EU and the North Atlantic Treaty Organisation

² Veronica Anghel and Jelena Džankić, "Wartime EU: Consequences of the Russia – Ukraine War on the Enlargement Process", in *Journal of European Integration*, Vol. 45, No. 3 (2023), p. 487-501, DOI 10.1080/07036337.2023.2190106.

³ Jennifer Rankin, "EU Leaders to Dampen Ukraine's Hopes of Fast-Track EU Membership", in *The Guardian*, 3 February 2023, <https://www.theguardian.com/p/n96b5>.

⁴ European Council, *Conclusions*, 14-15 December 2023, <https://data.consilium.europa.eu/doc/document/ST-20-2023-INIT/en/pdf>.

(NATO – the ‘North Atlantic Alliance’). Offering the same scheme and division of labour today appears much more complex, not least given the current unwillingness of the United States to provide the same level of engagement in European security as it has in the past.⁵ Thus, the level of success attainable by the EU’s enlargement policy also crucially depends on Europeans’ capacity to find agreements for sharing the burdens and responsibilities of their own security and defence. This ought to be done both within NATO and through strengthened European, EU and national defence structures, contributing to shaping the complexity that characterises the European security architecture.

These discussions involve high stakes for the future of the EU and relations with its partners. The three sets of negotiations view Ukraine’s admission in the EU as conditional on its resistance to Russian aggressiveness, but remain important generally in order to ensure that the Union is prepared to accept new states and deliver on its promises to revive the enlargement policy. Additionally, they are significant from the point of view of the EU’s future direction and goals, which Union leaders are already discussing. They have just adopted a new Strategic Agenda for 2024–2029 alongside a roadmap for future work on internal EU reforms.⁶ These two documents have been both presented to the June European Council and will, de facto, kick-start the next EU institutional cycle, influencing the mandated agenda and ambitions of the next European Commission. At the same time, the current Commission has launched in-depth pre-enlargement reforms and policy reviews that should be carried out over the year, to yield results in early 2025. All this will pave the way for the Commission’s first proposal on the next Multiannual Financial Framework (MFF), which could initiate a second step in this process of EU adjustment to enlargements over the following year.⁷

It is true that each of these issues has already proven to be highly divisive among EU member states in the past, and these negotiations will remain

⁵ G. John Ikenberry, “The End of Liberal International Order?”, in *International Affairs*, Vol. 94, No. 1 (January 2018), p. 7-23, <https://doi.org/10.1093/ia/iix241>.

⁶ European Council website: *EU Strategic Agenda 2024–2029*, last reviewed on 25 June 2024, <https://europa.eu/!nWTNmK>.

⁷ European Commission, *Communication on Pre-Enlargement Reforms and Policy Reviews* (COM/2024/146), 20 March 2024, <https://eur-lex.europa.eu/legal-content/en/TXT/?uri=celex:52024DC0146>.

extremely difficult. Furthermore, elections in both Europe and the US will provide additional challenges with their potential upsurge of nationalistic political parties and leaders. However, the EU is not a monolithic entity and does not require black-or-white answers to all these issues. The negotiation processes are likely to proceed through small, incremental steps rather than in a revolutionary manner.

Moreover, the negotiations could be facilitated by high degrees of differentiated integration, to contribute to EU leaders' efforts to accommodate member states' heterogeneous preferences. This could take place by providing opt-outs or opt-ins while advancing new arrangements for EU policies and institutions, and by opening up EU cooperation schemes to third countries, including enlargement states, making the boundaries between members and non-members less clear-cut. These processes could also facilitate flexible cooperation in various formal and informal institutional settings beyond the Union, enabling the pursuit of shared strategic objectives through varying degrees of institutional overlap between the EU, NATO and other international organisations.

Finally, while negotiations between member states are set to proceed in parallel, as envisioned by EU leaders at the recent informal Council in Granada,⁸ this does not mean that these processes should be compartmentalised along diverse institutional and policy lines. On the contrary, these negotiations could and should create synergies and favour 'package deals' across areas in order to facilitate compromises between the member states and, eventually, help address any unforeseen circumstances that may arise.

Against this backdrop, the following three sections will provide a brief overview of these three areas of negotiations, before drawing some conclusions on how they might affect the pace and outcome of the EU's enlargement process.

⁸ European Council, *Informal Meeting of Heads of State or Government, Granada*, 6 October 2023, <https://europa.eu/!h6hy7V>.

1. Overcoming adaptational pressures: Enlargement and implications for internal reforms

Every approaching EU enlargement has sparked negotiations on the need for internal reforms and adaptation of the Union's functioning. Past waves of EU accession increased heterogeneous preferences, competition for resources, and enforcement mechanisms – leading to the development of the Union as we now know it.⁹ Such challenges also lie ahead today. In December 2023, the European Council agreed on the necessity to reconsider the EU's functioning in order to be fit for the future.¹⁰ With 9 new members potentially joining, the EU institutions face increased pressure to transform their set-up, core policies and budgets while preserving consensus among current members.

One possibility for institutional reform involves revising existing treaties. The European Parliament (EP) recently voted in favour of such a solution, although the Council has not yet expressed an opinion on the matter.¹¹ Treaty reforms take place by convening an intergovernmental conference (ordinary procedure), by an unanimous decision in the European Council to amend the EU's policies and its internal measures (simplified procedure), or through accession agreements with new member states.¹² At the present time, at least 17 current member states, mostly from northern and central/eastern Europe, oppose treaty changes, fearing further loss of sovereignty without concrete reassurances.¹³ Treaty revisions are considered a risky endeavour since their outcome is uncertain. On the one hand, they are lengthy processes subject to domestic political changes within EU states; national political dynamics might

⁹ Veronica Anghel and Erik Jones, "The Enlargement of International Organisations", in *West European Politics*, 16 February 2024, DOI 10.1080/01402382.2024.2311044.

¹⁰ European Council, *Conclusions*, 14-15 December 2023, cit.

¹¹ European Parliament, *Parliament Activates Process to Change EU Treaties*, 9 June 2022, <https://www.europarl.europa.eu/news/en/press-room/20220603IPR32122>.

¹² Laura Tilindyte and Samy Chahri, "How EU Treaties Are Changed", in *EPRS At a Glance*, September 2019, [https://www.europarl.europa.eu/thinktank/en/document/EPRS_ATA\(2019\)640167](https://www.europarl.europa.eu/thinktank/en/document/EPRS_ATA(2019)640167).

¹³ Nicole Koenig, "Towards QMV in EU Foreign Policy: Different Paths at Multiple Speeds", in *Jacques Delors Centre Policy Briefs*, 14 October 2022, <https://www.delorscentre.eu/en/publications/towards-qmv-in-eu-foreign-policy>.

easily evolve in a way that could bring an institutional set-up that, instead of being strengthened, actually restricts functional decision-making processes in the EU. On the other hand, depending on national law a referendum may be required in some member states, making the outcome of the treaty-change process highly uncertain.

Another question concerning the institutional structure of the EU involves the number of seats 'at the table'. A future enlargement could nudge the number of members of the European Parliament (MEPs) over the 750-seat limit permitted by the treaties – an outcome that would itself be allowed only through treaty revision.¹⁴ If treaties are not revised, current EU member states will see their numbers of MEPs reduced proportionally. The issue could be addressed by abandoning the degressively proportional system in favour of a strict mathematical formula ensuring equal representation.¹⁵ Notwithstanding the seat-allocation issue, accession will also affect power relations within the EP. Ukraine would become the fifth most represented country with the largest number of MEPs, just above Spain (59) and below Poland (52), with important gains in favour of ALDE (the Alliance of Liberals and Democrats for Europe), to which Ukrainian President Volodymyr Zelensky's party is affiliated.¹⁶

The problem of seats concerns the Commission too. Its principle of one commissioner per country would see its size enormously expanded, from 27 to 36 commissioners. Reforming the College of Commissioners is therefore key to ensure balanced representation. The current treaties suggest that this could involve a rotation of commissioners' posts, allowed by Article 17(5),¹⁷ or the establishment of senior and junior commissioners.¹⁸ The latter suggestion would increase the college's hierarchical character since senior commissioners

¹⁴ Raphael Bossong et al., "Ukraine's Possible EU Accession and Its Consequences", in *SWP 360 Degrees*, 22 July 2022, <https://www.swp-berlin.org/en/publication/ukraines-possible-eu-accession-and-its-consequences>.

¹⁵ European Parliament, *Resolution on Deepening EU Integration in View of Future Enlargement*, 29 February 2024, https://www.europarl.europa.eu/doceo/document/TA-9-2024-0120_EN.html.

¹⁶ Steven Blockmans, "The Impact of Ukrainian Membership on the EU's Institutions and Internal Balance of Power", in *ICDS Policy Papers*, November 2023, <https://icds.ee/en/?p=47071118>.

¹⁷ Treaty on the European Union, Article 17(5). Consolidated version of the Treaty on European Union - Title III: Provisions on the institutions - Article 17, http://data.europa.eu/eli/treaty/teu_2016/oj.

¹⁸ Franco-German Working Group, *Sailing on High Seas: Reforming and Enlarging the EU for the 21st Century*, 18 September 2023, <https://institutdelors.eu/en/publications/sailing-on-high-seas-reforming-and-enlarging-the-eu-for-the-21st-century>.

would be afforded voting powers while junior ones would not.¹⁹

Reflections about reforms also involve the Council, which needs to avoid deadlock as heterogeneity of preferences increases. Some have suggested replacing unanimity with qualified majority voting (QMV) in areas such as the rule of law, enlargement, and fiscal and tax policy.²⁰ Such suggestions also support the recalculation of QMV from the current 55 per cent majority of member states, representing 65 per cent of the EU population, to a 60 per cent majority of member states, representing 60 per cent of the population. Member states could opt out of policy areas requiring QMV, thereby increasing differentiated integration. However, these suggestions also require treaty changes.

Current treaties allow the introduction of QMV in policy areas considered less controversial, such as those in the sphere of Common Foreign and Security Policy (CFSP) concerning human rights and sanctions. This has been recently suggested by a group of 12 member states, among which is Italy.²¹ The proposal suggests that the Council introduce QMV by relying on the *passerelle* clause, which provides the possibility of switching from unanimity to QMV in most policy areas (except defence and military affairs). Qualified majority voting in CFSP is the most popular reform proposal, although the most divisive too.²² Hungary and Croatia are hostile to the idea, while other countries in northern, central and south-eastern Europe are more cautious or still developing their position.²³ These member states are wary about delegating further sovereignty in areas touching upon their strategic interests. The Commission has suggested the use of the *passerelle* clause with European Council conclusions to safeguard

¹⁹ German Federal Foreign Office, *Deepening, Enlarging and Focusing the EU*, 23 March 2013, <https://www.auswaertiges-amt.de/en/newsroom/news/-/254152>; Charles W. Smitherman, "Growing Pains: European Union Enlargement and the Restructuring of the European Commission Under the Treaty of Nice", in *Florida Journal of International Law*, Vol. 15, No. 2 (2002), p. 243-260, <https://scholarship.law.ufl.edu/fjil/vol15/iss2/3>.

²⁰ Franco-German Working Group, *Sailing on High Seas*, cit.

²¹ Group of Friends on QMV, *Joint Statement of the Foreign Ministries on the Launch of the Group of Friends on Qualified Majority Voting in EU Common Foreign and Security Policy*, 4 May 2023, <https://www.auswaertiges-amt.de/en/newsroom/news/-/2595304>.

²² Nicole Koenig, "Towards QMV in EU Foreign Policy", cit.

²³ OSW Team, "The EU Debate on Qualified Majority Voting in the Common Foreign and Security Policy. Reform and Enlargement", in *OSW Commentaries*, No. 545 (12 October 2023), <https://www.osw.waw.pl/en/node/31931>.

member states' national interests.²⁴ The problem with the *passerelle* clause is that to produce wider consensus, it needs to readjust the relative weighting of votes in the Council. This change requires treaty reforms or, if more appealing to EU leaders, its inclusion in the accession treaties. Other suggestions about QMV in CFSP include *flexible implementation*, whereby the European Council entrusts the Council of the EU to implement a decision by QMV, and *constructive abstention*, which encourages differentiations as a state accepts that certain decisions bind the EU but do not apply it.²⁵ However, these proposals also require unanimity in the first place and might face problems in their implementation.

Negotiations also revolve around reforms of EU policies to increase capacity to absorb the costs associated with enlargement. The Union needs to ensure that its existing policies manage the complexity brought about by the addition of 9 new states with a GDP per capita (in PPP – i.e. gross domestic product using purchasing power parity) at 30–50 per cent of EU27 average in the case of the Western Balkans, Georgia and Moldova, but substantially lower for Ukraine.²⁶ Ukraine poses particular concerns due to its large agricultural area, corresponding to those of Germany and Poland combined.²⁷ A study by Bruegel asserts that Ukraine would be entitled to 136 billion euros under the current MFF, with 85 billion received through the Common Agricultural Policy (CAP), 32 billion through the Cohesion Policy (a member state may only be allocated 2.3 per cent of GDP in cohesion funding; Ukraine would be entitled to almost 190 billion – six times more – in the absence of this restriction), and 7 billion through other programmes. A study by the Delors Centre of the Hertie School is more optimistic, showing that the new member states together would be entitled to 133 billion euros from the EU's seven-year budget, which would not require member states to increase their contributions above the ceiling of 1.40 per cent of EU gross national income (GNI).²⁸ Despite these lowered

²⁴ European Commission, *Communication on Pre-Enlargement Reforms and Policy Reviews*, cit.

²⁵ Nicole Koenig, "Towards QMV in EU Foreign Policy", cit.

²⁶ European Council, *Speech by President Charles Michel at the Bled Strategic Forum*, 28 August 2023, <https://europa.eu/16GKvvp>.

²⁷ Antonio Albaladejo Román, "Ukrainian Agriculture. From Russian Invasion to EU Integration", in *EPRS Briefings*, April 2024, [https://www.europarl.europa.eu/thinktank/en/document/EPRS_BRI\(2024\)760432](https://www.europarl.europa.eu/thinktank/en/document/EPRS_BRI(2024)760432).

²⁸ Johannes Lindner, Thu Nguyen and Romy Hansum, "What Does It Cost? Financial Implications of the Next Enlargement", in *Jacques Delors Centre Policy Papers*, 14 December 2023, <https://www.delorscentre.eu/en/publications/financial-implications-of-the-next-enlargement>.

figures, new accessions in any case leave open important questions about the problems and opportunities associated with existing policies.

The core EU policies require reforms to maintain the benefits they bring to current member states. The CAP and the Cohesion Policy will come under particular pressure to renovate their instruments as new and less-developed states join the 'club'. While the Western Balkan countries are relatively easy to integrate due to their smaller sizes,²⁹ Ukraine presents a bigger task for the redistribution of funding under the CAP.³⁰ The efficiency of the Cohesion Policy is also called into question, as it already struggles with narrowing the differences across regional development levels.³¹ Especially in a context of renewed security alert, the CAP and Cohesion Policy should improve their integrated approach and renovate their instruments to avoid creating intra-EU animosities over scarce resources.³² Moving away from a hectare-based system towards sustainability criteria would allow the CAP to reduce the imbalances across states and foster the EU's green agenda.³³ The objectives of the Cohesion Policy might change too, focusing less on bringing development in least-favoured regions and more on tailoring its programmes to the specific needs of regions.³⁴ Moreover, the requirements of acceding states might also differ from those of current ones. For instance, Ukrainian agricultural products are already highly competitive in the EU market without the need for subsidies. Conversely, cohesion funds could be essential for Ukraine's reconstruction, which could encourage an overstepping of the current limit of 2.3 per cent of GDP allocated per member state.

²⁹ Milica Uvalić, "Economic Integration of the Western Balkans into the European Union: The Role of EU Policies", in Jelena Džankić, Soeren Keil and Marko Kmezić (eds), *The Europeanisation of the Western Balkans. A Failure of EU Conditionality?*, Cham, Springer, 2019, p. 207-235.

³⁰ Johannes Lindner, Thu Nguyen and Romy Hansum, "What Does It Cost?", cit.

³¹ High-level Group on the Future of Cohesion Policy, *Forging a Sustainable Future Together: Cohesion for a Competitive and Inclusive Europe*, Luxembourg, Publications Office of the European Union, February 2024, <https://doi.org/10.2776/974536>.

³² Alison Hunter, "An EU Era of Heightened Security: What Role for the Future Cohesion Policy?", in *EPC Discussion Papers*, 14 May 2024, <https://www.epc.eu/en/publications/~5a4d30>.

³³ Vera Milicevic, "The Common Agricultural Policy – Instruments and Reforms", in *EP Fact Sheets on the European Union*, March 2024, [https://www.europarl.europa.eu/thinktank/en/document/04A_FT\(2017\)N51711](https://www.europarl.europa.eu/thinktank/en/document/04A_FT(2017)N51711).

³⁴ High-level Group on the Future of Cohesion Policy, *Forging a Sustainable Future Together*, cit.

Discussions about such reforms also stress the opt-out and opt-in options of policies. A recent EP resolution rejected differentiated integration in policies constituting the EU's 'common ground', such as the CAP or Cohesion Policy.³⁵ However, this type of integration could involve initial limitations that would allow a transition period for current EU member states and give new members the time to improve their capabilities for managing such resources. In the past, this proved successful concerning the CAP, Cohesion Policy and Schengen.³⁶ Sectoral limitations, such as Schengen's land-border limits vis-à-vis Bulgaria and Romania, might also increase differentiation in core policies. Additionally, EU 'vanguards', whereby states join initiatives based on their capacity and political will, could also deepen integration in social, financial, industrial and defence sectors among the few willing, which could encourage others to follow in order not to be excluded.³⁷ In this way, new member states could join when they are politically ready to integrate.

Rethinking policies is, in any case, essential to increase the competitiveness of the EU in an era of growing geopolitical competition. Mario Draghi recently stressed this point, arguing for radical reforms in the industrial sector.³⁸ Enrico Letta makes a similar claim in his report on the Single Market.³⁹ He identifies defence, telecommunications and energy infrastructure as sectors requiring transformation in order to become more integrated within the Single Market. In the energy sector especially, acceding countries could strengthen the competitiveness of the EU as they constitute important 'doors' connecting the EU to gas-producing countries through the Black or Ionian Seas. In addition, Letta suggests a European code of business law to streamline market regulations across the EU and strengthen the competitiveness of small-to-medium-sized enterprises (SMEs), which are widespread in the acceding states. Investments in research, innovation and education should strengthen the Single Market

³⁵ European Parliament, *Resolution on Deepening EU Integration in View of Future Enlargement*, cit.

³⁶ Tanja A. Börzel, Antoaneta Dimitrova and Frank Schimmelfennig, "European Union Enlargement and Integration Capacity. Concepts, Findings, and Policy Implications", in *Journal of European Public Policy*, Vol. 24, No. 2 (2017), p. 157-176, DOI 10.1080/13501763.2016.1265576.

³⁷ OSW Team, "The EU Debate on Qualified Majority Voting in the Common Foreign and Security Policy", cit.

³⁸ Beda Romano, "Draghi: l'Europa deve reinventarsi per rispondere alle sfide di Usa e Cina", in *Il Sole 24 Ore*, 16 April 2024, <https://www.ilsole24ore.com/art/draghi-proporro-cambiamento-radicale-l-ue-AFzPOcYD>.

³⁹ Enrico Letta, *Much More Than a Market*, April 2024, <https://www.consilium.europa.eu/media/ny3j24sm/much-more-than-a-market-report-by-enrico-letta.pdf>.

and improve the integration prospects of candidates such as Ukraine that have developed a flourishing information and communications technology (ICT) sector.⁴⁰ The external dimension of the Single Market is also important for EU competitiveness, which could be strengthened through enlargement. For instance, Ukrainian agricultural products could contribute to making the EU the world's premier exporter of agricultural goods.⁴¹

Budget reforms are also the subject of current negotiations, and will play a pivotal role in an enlarged EU. To ensure that its budgetary resources are not adversely affected by enlargement, the Union needs to increase its budget.⁴² Previous efforts on the part of the EU to devise mechanisms to earn its own resources autonomously have proved to be of little interest to countries, as demonstrated by the failure of the greenhouse-gas-emission compensation tax. Often-discussed and increasingly used EU bonds have also been advanced as alternative funding tools, which bring considerations about the costs associated with debt repayments.⁴³ The Nordic countries have traditionally rejected this latter option and backed down only on critical occasions, such as over the Covid-19 recovery package Next Generation EU (NGEU). In his report, Letta stresses the necessity of making the budget more ambitious, and suggests finding ways to mobilise private and public capital.⁴⁴ Most importantly, the former Italian prime minister calls for increased attention on financing the EU's new priorities, like defence and the digital and green transitions, shifting resources away from traditionally dominant policies such as the CAP and Cohesion. Following these proposals, the future budget should also keep enlargement in mind.

⁴⁰ Tinatin Akhvediani and Veronika Movchan, "The Impact of Ukraine's Accession on the EU's Economy. The Value Added of Ukraine", in *ICDS Policy Papers*, February 2024, <https://icds.ee/en/?p=47071772>.

⁴¹ Raphael Bossong et al., "Ukraine's Possible EU Accession and Its Consequences", cit.

⁴² European Parliament, *Resolution on Deepening EU Integration in View of Future Enlargement*, cit.

⁴³ Iain Begg, "Dilemmas and Challenges around the EU Budget", in *CER Insights*, 8 April 2024, <https://www.cer.eu/node/10855>; Franco-German Working Group, *Sailing on High Seas*, cit.

⁴⁴ Enrico Letta, *Much More than a Market*, cit.

2. Reforming the EU's enlargement policy

The second ongoing process of negotiations concerns the revision of EU enlargement policy, set to be potentially finalised in early 2025. To this end, the Union has recently initiated a reflection on 'pre-enlargement policy reviews' to support the 'gradual integration' of candidate countries into selected EU policies before their accession.⁴⁵ The main issue driving the ongoing revisions is how to adapt the EU enlargement framework to the current conflict-dominated conditions, addressing the Russian war against Ukraine and the increasingly complex regional and global environments.

On the one hand, there is a geopolitical necessity to act swiftly. The EU should advance enlargements in order to foster European unity and send a strong political message to Russia, as well as to address a number of negative externalities triggered by the war – ranging from various dependencies (e.g. on energy) to instability and insecurity in the EU's surroundings. On the other hand, it is essential to preserve the merit-based nature of the EU enlargement process and to apply strict conditionality on candidate states to avoid having dysfunctional new member states within the Union. Thus, it is necessary to pressure candidate countries to implement domestic reforms, and to meet the Copenhagen criteria and other EU demands.

These concerns are shared among most EU member states, albeit to varying degrees. Some countries – such as the those in the informal group known as the 'Friends of the Western Balkans' and composed of Austria, Croatia, Czechia, Greece, Italy, Slovakia and Slovenia⁴⁶ – emphasise the need for the EU to act rapidly. Conversely, countries like the Netherlands or Germany have traditionally stressed the importance of preserving the 'transformative' nature of the enlargement process, including only well-functioning new member states in order to avoid importing further instability into the EU.⁴⁷

⁴⁵ European Commission, *Communication on Pre-Enlargement Reforms and Policy Reviews*, cit.

⁴⁶ Foreign Ministers of Austria, Croatia, Czechia, Greece, Italy, Slovakia, Slovenia, *Göttweig Declaration by the Friends of the Western Balkans*, 23 June 2023, https://mzv.gov.cz/file/5114454/Friends_of_the_Western_Balkans_Gottweig_declaration_signed.pdf.

⁴⁷ Barbara Lippert, "The EU after Brexit: Renewed Debate about Enlargement and Deepening", in *SWP Comments*, No. 12 (February 2021), <https://doi.org/10.18449/2021C12>.

This is also reiterated in Letta's report on the Single Market, which foresees a more manageable enlargement process through the integration of specific elements of the Market before accession, in order to expand what association agreements currently offer.⁴⁸ According to Letta, this could compensate for the candidate countries' urgent requests to enter the EU while ensuring that they comply with the Copenhagen criteria. Thus, the discussion on 'staged' or 'gradual' integration has gained prominence as it promises to reconcile these two opposing priorities.

In line with this gradual approach, the European Commission proposed several new instruments in 2023, which were adopted by the EP and Council of the EU in early 2024 after a complex (and unprecedented) mid-term revision of the Union's 2021–2027 multiannual budget.⁴⁹ This revision includes the adoption of a 50 billion euros 'Ukraine Facility'⁵⁰ and a 6 billion euros 'New Growth Plan for the Western Balkans'.⁵¹ These instruments aim to provide additional support for the integration of candidate countries, facilitating their selective participation in the EU Single Market and acting as an intermediate step towards full Union membership. Additionally, the Commission and the Council are discussing further measures for the gradual integration of candidate countries. These involve their systematic inclusion in various EU programmes, networks and agencies, as well as their participation in EU institutional settings short of full membership – as also demanded by the group of Friends of the Western Balkans in their joint declaration.⁵² This process could include providing candidate countries with observer status in certain EU Council formations and committees, or could work through other ad hoc and less-formal mechanisms.

The current review goes beyond simply introducing further, gradual steps in the process and increasing the benefits during the pre-accession phase. It also focuses on ensuring a more coherent and effective use of EU conditionality.

⁴⁸ Enrico Letta, *Much More than a Market*, cit., p. 139.

⁴⁹ Council of the European Union website: *Mid-term Revision of the EU Long-term Budget 2021-2027*, last reviewed on 13 May 2024, <https://europa.eu/IPjMxPH>.

⁵⁰ European Commission, *Commission Welcomes Political Agreement on the up to €50 Billion Ukraine Facility*, 6 February 2024, https://ec.europa.eu/commission/presscorner/detail/en/ip_24_658.

⁵¹ Council of the European Union, *Reform and Growth Facility for the Western Balkans Adopted*, 7 May 2024, <https://europa.eu/IHK3Pff>.

⁵² Foreign Ministers of Austria, Croatia, Czechia, Greece, Italy, Slovakia, Slovenia, *Göttweig Declaration*, cit.

This involves two main aspects. Firstly, the revision aims to limit member states' abuse of EU conditionality on bilateral issues, as seen in the Western Balkans and the Associated Trio (Georgia, Moldova and Ukraine) – e.g. controversial issues between North Macedonia and Bulgaria, Albania and Greece, and Ukraine and Hungary. One proposed measure is the long-debated⁵³ introduction of QMV for intermediate steps in the enlargement process, recently advocated by the German and Slovenian foreign ministries in a joint 'non-paper'.⁵⁴ Transitioning from unanimity to QMV for these intermediate steps could be achieved as an administrative decision without new legislation through the *passerelle* clause. This shift is feasible without changes in legislation because the current practice of unanimity voting for every formal step of EU enlargement policy (even for second-level technical decisions) is customary and not explicitly prescribed by Article 49 of the Treaty on the European Union (TEU), which regulates EU enlargement, or by secondary EU laws. Although the adoption of QMV for intermediate steps would not completely solve the issue of potential abuse of EU conditionality by individual member states, it would significantly reduce the opportunity for imposing vetoes. This could change the political dynamics within the EU Councils, easing the burden of bilateral disputes while increasing consistency of Union-wide behaviour. Reaching consensus among member states seems less difficult on this move than on other more controversial, QMV-related issues, although opposition from countries with sensitive bilateral issues – such as Bulgaria, Cyprus, Hungary, or Greece – remains likely.

The second aspect concerning any revision of EU conditionality involves the strengthening of its implementation. The discussion surrounding this issue has focused on finding ways to facilitate suspensions or even reversibility mechanisms within the EU enlargement process, to deal with serious infringements of commitments by candidate countries. In this regard, the New Growth Plan requires Western Balkan governments to meet specific rule-of-law and socio-economic reforms, to be detailed in individual reform agendas that they are obliged to submit to the European Commission.⁵⁵ The

⁵³ Zoran Nechev and Matteo Bonomi, "Enlarging to the Western Balkans. The EU Must Correct Its (Political) Math", in *DGAP Online Commentaries*, 23 June 2022, <https://dgap.org/en/node/37340>.

⁵⁴ Slovenia Ministry of Foreign Affairs, *Minister Fajon: "We Will Strengthen the Slovenian-German Strategic Partnership"*, 5 December 2023, <https://www.gov.si/en/news/2023-12-05-minister-fajon-we-will-strengthen-the-slovenian-german-strategic-partnership>.

⁵⁵ Key requirements include democracy, rule-of-law and human-rights standards, alongside Kosovo

Commission may withhold or redistribute funds if the conditions are not met. This conditionality surpasses the Instrument for Pre-accession Assistance (IPA III), emphasising substantial reform implementation over administrative capacity. At the same time, it forges a more solid and automatic link between budgetary conditionality and reversibility, which might uphold the credibility of enlargement conditionality – especially if associated with greater scrutiny and transparency in the EU Commission’s assessments of the enlargement countries.⁵⁶ In addition, the EP has further emphasised the need for the new facility to be strongly connected not only to EU democratic conditionality but also to candidate countries’ alignment with the EU’s common foreign and security policy (including adopting restrictive measures against Russia) as a fundamental precondition of eligibility for EU funding.⁵⁷

While rich and flourishing, discussions about the gradual integration of candidate countries and the strengthened use of conditionality are not entirely new, and have, to some extent, been tried in the past – albeit with mixed results. EU conditionality towards the Western Balkans, in particular, has been strengthened multiple times over the years. Regional cooperation and the upholding of all international obligations (including peace agreements) were among the EU’s demands of the Western Balkan countries as early as 1996, within the ‘Regional Approach for Southeast Europe’ – conditions that were then incorporated into EU enlargement conditionality in addition to the ‘standard’ Copenhagen accession criteria in 1999.⁵⁸ EU conditionality was further reinforced by the renewed consensus on enlargement in 2006,⁵⁹ and again with the ‘fundamentals first’ approach between 2012 and 2015⁶⁰

and Serbia’s constructive engagement in normalising relations. The financial conditionality of the New Growth Plan can and will take place through biannual payments, which are contingent on fulfilling these preconditions and agreed reforms.

⁵⁶ Milena Mihajlović and Lukáš Macek, “New Growth Plan for the Western Balkans”, in *Jacques Delors Institute Policy Briefs*, March 2024, <https://institutdelors.eu/en/publications/new-growth-plan-for-the-western-balkans>.

⁵⁷ European Western Balkans, *Resolution on the €6 Billion Growth Plan for the Western Balkans Adopted by the European Parliament*, 24 April 2024, <https://europeanwesternbalkans.com/?p=49882>.

⁵⁸ Matteo Bonomi and Zoran Nechev, “Regional and EU Integration of the Western Balkans: Beyond a Two-Track Approach”, in *IAI Commentaries*, No. 22|42 (September 2022), <https://www.iai.it/en/node/15945>.

⁵⁹ European Commission, *Commission Proposes Renewed Consensus on Enlargement*, 8 November 2006, https://ec.europa.eu/commission/presscorner/detail/en/IP_06_1523.

⁶⁰ European Commission, *EU Enlargement in 2014 and Beyond: Progress and Challenges*, 8 October 2014, https://ec.europa.eu/commission/presscorner/detail/en/IP_14_1100.

– adding numerous additional clauses and interim benchmarks to tighten the process. This has resulted in significant (although not always consistent) EU involvement in the domestic policies of the enlargement countries, even in areas associated with core state powers (e.g. the judiciary, fiscal policy and public administration) typically not directly linked to EU integration.

Overall, an ‘inflation’ of EU demands can hardly be considered effective or sustainable for the Union’s enlargement policy. Beyond all reforms of the EU approach to enlargement, ensuring proper political steering of the process (e.g. revising the functioning of the General Affairs Council and providing political weight to the Enlargement Commissioner) together with a more nuanced yet straightforward use of EU conditionality seem to be necessary for the process to deliver on new accessions.

Additionally, the use of the gradual integration of enlargement countries is also far from new, and it has been essential to the EU’s approach to the Western Balkans since the very beginning of its process there. Indeed, the Union has extensively employed gradual sectoral integration in the Balkans since launching the EU Stabilisation and Association Process for the region in 1999, which contributed to the establishment of free-trade areas between the Western Balkans and the EU on the basis of the latter’s *acquis* alignment. Moreover, *ad hoc* treaties (e.g. on energy and transport) and the Western Balkans’ integration into numerous EU agencies, programmes and networks have further reinforced this gradual approach. In these cases, however, the results have also been quite mixed.

Arguably, an initial phase of EU–Western Balkans gradual integration, during the 2000s yielded better results than later stages in bringing the region closer to the Union. At that time, sectoral integration (and EU support for parallel regional structures) in the Western Balkans effectively compensated for the region’s weak domestic capacities with respect to full EU accession. Over that period, in fact, the Western Balkans’ capacity to immediately integrate into the EU was weakened due to the economic and political instability of the post-Yugoslav-war period and the still-ongoing processes of state disintegration.⁶¹

⁶¹ See Matteo Bonomi and Milica Uvalić, “Antithetic Perceptions of Regional Cooperation in the Western Balkans”, in Milica Uvalić (ed.), *Integrating the Western Balkans into the EU. Overcoming Mutual*

Nevertheless, a process of ‘creeping Europeanisation’ in the enlargement countries,⁶² driven by incentives short of full EU membership, has managed to establish an effective process of economic and political convergence toward EU standards despite the region’s extremely challenging political situation.

Conversely, over the following decade, sectoral integration and the establishment of parallel regional structures were much less effective in steering EU–Western Balkan relations, as they provided limited incentives to the enlargement countries to fully align with EU demands.⁶³ At that time, a sectoral approach toward the region was employed by the Union mainly due to the lack of credible prospects for accession, largely caused by growing EU internal resistance to new accessions in the context of multiple Union crises.⁶⁴ Yet despite ‘enlargement fatigue’ stalling formal EU integration, de facto integration between the Western Balkans and the EU has progressed, bringing them closer together in terms of trade and strengthening the intergovernmental coordination of a number of policies.⁶⁵ However, this integration through intergovernmental policy coordination has not enhanced democratic consolidation, economic–social convergence, or the EU’s geopolitical influence in the region.

Against this backdrop, a thorough yet realistic reflection on what has worked and what has not in the EU’s gradual approach and strengthened conditionality towards the Western Balkans will be crucial for the success of the current enlargement-policy revision. A strategic convergence between member states on a limited set of realistic offers to and demands of the enlargement countries could be the most important outcome of the ongoing negotiations. Moreover, such a targeted use of conditionality and of gradual integration is highly relevant not only for the Western Balkans but also for the Associated

Misperceptions, Cham, Palgrave Macmillan, 2023, p. 239–260.

⁶² Stephan Renner and Florian Trauner, “Creeping EU Membership in South-east Europe: The Dynamics of EU Rule Transfer to the Western Balkans”, in *Journal of European Integration*, Vol. 31, No. 4 (July 2009), p. 449–465, DOI 10.1080/07036330902919988.

⁶³ Matteo Bonomi, “Off Track. The EU’s Re-engagement with the Western Balkans”, in *IAI Papers*, No. 19|08 (April 2019), <https://www.iai.it/en/node/10181>.

⁶⁴ Spyros Economides, “From Fatigue to Resistance: EU Enlargement and the Western Balkans”, in *Dahrendorf Forum IV Working Papers*, No. 17 (20 March 2020), <http://eprints.lse.ac.uk/104393>.

⁶⁵ Matteo Bonomi, “Back on Track? The Impact of War in Ukraine on EU Integration of the Western Balkans”, in Jelena Džankić, Simonida Kacarska and Soeren Keil (eds), *A Year Later: War in Ukraine and Western Balkan (Geo)Politics*, San Domenico di Fiesole, European University Institute, 2023, p. 39–45, <https://doi.org/doi/10.2870/275946>.

Trio – particularly Ukraine. Eastward, the EU enlargement-policy framework will need to concurrently address even more complex post-war scenarios, institution building and reconstruction. This is especially important for Ukraine, whose governance scores lower than that of any current EU member state and candidate country (except for Bosnia and Herzegovina) and which faces challenges with its constitutional balance of power, anti-corruption efforts, rule of law and decentralisation.⁶⁶

Finally, the stated objective of moving towards gradual integration and strengthened conditionality highlights the significant point that in the event of new enlargements, the EU will extensively use transitional arrangements and safeguard clauses for acceding states. These mechanisms of temporary (internal) differentiated integration would be included in the relevant accession treaties and could last longer than those in any previous enlargements. Conversely, the idea of formalising a ‘membership minus’ status, as suggested by some think tanks⁶⁷ before the 2022 Russian invasion of Ukraine, seems to have lost momentum. The rationale behind that proposal appeared to be linked to reviving enlargement in the light of member states’ resistance. While the war may not have necessarily changed the intensity of member states’ preferences regarding new accessions, it has certainly altered their perception of mutual interdependence and raised awareness about the need to address policy externalities through common responses (and the risks of not doing so). In other words, despite most EU member states probably still disliking enlargement, they now see it as a geopolitical imperative.⁶⁸ Emmanuel Macron’s 2023 speech in Bratislava, calling for a swift enlargement process, illustrates this change of mind – if not of heart.⁶⁹

⁶⁶ Zsolt Darvas et al., “Ukraine’s Path to European Union Membership and Its Long-term Implications”, in *Bruegel Policy Briefs*, No. 05/24 (March 2024), <https://www.bruegel.org/node/9789>.

⁶⁷ Michael Emerson et al., *A Template for Staged Accession to the EU*, Bgrade, European Policy Centre & Brussels, Centre for European Policy Studies, October 2021, <https://www.ceps.eu/?p=34206>.

⁶⁸ Nathalie Tocci, “How the EU Can Enlarge”, in *Politico*, 24 July 2023, <https://www.politico.eu/?p=3378024>.

⁶⁹ France, *Globsec Summit in Bratislava. Closing Speech by the President of the French Republic*, 31 May 2023, <https://www.elysee.fr/en/emmanuel-macron/2023/06/01/globsec-summit-in-bratislava>.

3. European security for an enlarged EU

The new wave of enlargement will inevitably reorganise the way in which European security is structured, and will therefore constitute the third ongoing process of negotiation. The Russian war against Ukraine prompted geopolitical shifts in Europe, leading the EU to think about the process in security terms but not necessarily about its end goal.⁷⁰ Whatever the outcome of the conflict, the EU needs to confront the reality of a Russia that stands outside the European security architecture and which now pits two opposite poles against each other in a Cold War-like scenario.⁷¹ In such a situation, the EU needs to keep its boundaries open and flexible to various forms of cooperation with candidate states and allies in order to pursue collective defence. In doing so, it should prepare for the possibility of having extremely long and unprecedentedly hard borders with Russia, especially if enlargement proceeds successfully. However, questions remain open concerning the complexity characterising European security, the EU's arrangements in foreign and security policy, and its security and defence components.

The Russian aggression against Ukraine affected the European security regime in complex ways, which involve formal, informal, ad hoc arrangements with porous organisational boundaries that allow states to contribute differently to security cooperation despite formal-membership restrictions.⁷² After February 2022, NATO and EU membership overlap increased, with Finland and Sweden joining the Alliance and Denmark participating in the EU's Common Security and Defence Policy (CSDP). This overlap allowed Hungary to hold hostage Sweden's NATO accession in exchange for EU concessions.⁷³ Despite this, EU-

⁷⁰ Veronica Anghel and Jelena Džankić, "Wartime EU", cit.

⁷¹ Nicole Scicluna and Stefan Auer, "Pushing the EU's Boundaries: Enlargement and Foreign Policy Actorness after the Russian Invasion of Ukraine", in *Journal of Common Market Studies*, Vol. 61, Suppl. 1 (September 2023), p. 45-56, <https://doi.org/10.1111/jcms.13540>.

⁷² Stephanie C. Hofmann et al., "Porous Organizational Boundaries and Associated States: Introducing Membership in International Organizations", in *European Journal of International Relations*, Vol. 29, No. 4 (December 2023), p. 929-959, <https://doi.org/10.1177/13540661231163988>; Yf Reykers et al., "Ad hoc Coalitions in Global Governance: Short-Notice, Task- and Time-Specific Cooperation", in *International Affairs*, Vol. 99, No. 2 (March 2023), p. 727-745, <https://doi.org/10.1093/ia/iia319>; Felicity Vabulas and Duncan Snidal, "Organization without Delegation: Informal Intergovernmental Organizations (IIGOs) and the Spectrum of Intergovernmental Arrangements", in *The Review of International Organizations*, Vol. 8, No. 2 (June 2013), p. 193-220, DOI 10.1007/s11558-012-9161-x.

⁷³ Suzanne Lynch, "Hungary's Viktor Orbán Plays Spoilsport on NATO Accession for Finland, Sweden",

NATO cooperation remained pivotal in increasing the security of their states and partners.⁷⁴ Moreover, the war also pressured both NATO and the EU into developing new assistance measures for Ukraine outside their existing toolkit. Unlike these two bodies, the Organisation for Security and Co-operation in Europe (OSCE) lost much of its vitality and the United Nations Security Council currently faces deadlocks.⁷⁵ Informal frameworks remained important, both by including candidate countries within the newly launched European Political Community (EPC) and by providing support to them as in the case of the G7 with Ukraine. NATO Western Balkan states are also involved in the Ramstein Group, which formed as an ad hoc coordination mechanism to assist Ukraine with weapons deliveries.⁷⁶ Although appealing in their ability to bypass deadlocks, informal and ad hoc arrangements limit policymaking oversight from a broader community of states, damaging the legitimacy and accountability of decision-making.⁷⁷ To avoid deinstitutionalisation and to improve collective defence, EU states will need to maintain the cohesiveness and reciprocity of the Union's mode of governance over security and defence.⁷⁸ This will be pivotal to avoid circumventing established rules through informal mechanisms and decentralised decision-making processes.

Within this complex architecture, candidate states require strong security guarantees. While NATO accession is seen as the best security assurance,⁷⁹ this seems unlikely for states like Ukraine, Moldova and Georgia due to the

in *Politico*, 28 February 2023, <https://www.politico.eu/?p=2702448>.

⁷⁴ European Union and NATO, *Joint Declaration on EU-NATO Cooperation*, 10 January 2023, https://www.nato.int/cps/en/natohq/official_texts_210549.htm.

⁷⁵ Julia Gray, "Life, Death, or Zombie? The Vitality of International Organizations", in *International Studies Quarterly*, Vol. 62, No. 1 (March 2018), p. 1-13, DOI 10.1093/isq/sqx086.

⁷⁶ US Department of Defense, *Secretary of Defense Lloyd J. Austin III and Chairman of the Joint Chiefs of Staff Air Force Gen. Charles Q. Brown Jr. Hold an On-Camera Press Conference*, 20 May 2024, <https://www.defense.gov/News/Advisories/Advisory/Article/3781216>.

⁷⁷ John Karlsrud, Stephanie Hofmann and Yf Reykers, "Is Liberal Internationalism Worth Saving? Ad hoc Coalitions and Their Consequences for International Security", in *NUPI Policy Briefs*, No. 1/2024, <https://www.nupi.no/en/publications/cristin-pub/is-liberal-internationalism-worth-saving-ad-hoc-coalitions-and-their-consequences-for-international-security>.

⁷⁸ Maria Giulia Amadio Viceré, "Informal Groupings in EU Foreign Policy: A Sustainable Arrangement?", in *European Policy Analysis*, February 2021, <https://www.sieps.se/en/publications/2021/informal-groupings-in-eu-foreign-policy-a-sustainable-arrangement>.

⁷⁹ Riccardo Alcaro, "Ukraine's NATO Membership Will Strengthen Europe's Security", in *IAI Commentaries*, No. 23|34 (July 2023), <https://www.iai.it/en/node/17313>; Margarete Klein and Claudia Major, "Ensuring Ukraine's Security. From ad hoc Support to Long-term Security Guarantees as NATO Member", in *SWP Comments*, No. 46 (August 2023), <https://doi.org/10.18449/2023C46>.

Alliance's renewed focus on deterrence and defence, the presence of Russian militaries in those countries, and US reluctance to remain perpetually central to European security. Suggestions about an Israeli security model with regular military support short of NATO membership are also impractical as these states lack nuclear deterrence.⁸⁰ Consequently, NATO accession will not parallel the EU enlargement process as before. Allies rejected this option at the Vilnius summit, refraining from offering these states membership or Article 5 protection.⁸¹ Instead, EU and/or NATO states like France, the UK and Italy committed to signing bilateral security agreements with Ukraine, ensuring continued Western support.⁸² However, fragmented bilateral support of land, sea, air, and cyber capabilities risks weakening EU support for Ukraine if not coordinated. Security guarantees should instead rely on multilateral efforts. Hopes that the EPC could provide such an outcome proved too ambitious due to the varying degrees of commitment by participating states and its focus on non-military security aspects such as energy or infrastructure.⁸³ Nonetheless, the complexity of the European security architecture offers alternatives to assure security short of formal guarantees.

Strong of its porous boundaries, the EU could include candidate states and allies in its CFSP/CSDP framework, which could offer an inclusive form of differentiated security integration. Unlike a European-led NATO, which could play an important role in providing collective defence but which has an exclusive membership that limits third states' participation,⁸⁴ the flexible nature of the CFSP/CSDP allows for varied contributions based on interests and resources. Tools like voluntary participation in the EU's Permanent Structured Cooperation (PESCO) or military operations enable members to engage in

⁸⁰ François Heisbourg, "How to End a War: Some Historical Lessons for Ukraine", in *Survival*, Vol. 65, No. 4 (2023), p. 7-24, <https://doi.org/10.1080/00396338.2023.2233347>.

⁸¹ The idea that after a potential ceasefire it would be possible to integrate the 'free' Ukrainian territory into NATO by providing it with tailored security guarantees, as mentioned by Heisbourg, seems to remain highly unlikely as this would risk increasing the possibility of direct confrontation between NATO and the Russian Federation. In this case, the historical parallelism with the 'two-Germanies' model does not hold, due to the substantial difference between the hard borders between East and West Germany and the potential 'demarcation lines' within Ukraine after a possible ceasefire.

⁸² Lotje Boswinkel, *Arming Ukraine: Can Europe's Bilateral Defence Agreements Make the Difference?*, in *CSDS Policy Briefs*, No. 4/2024, <https://csds.vub.be/?p=5981>.

⁸³ Vessela Tcherneva, "The Future of the European Political Community", in *ECFR Commentaries*, 1 June 2023, <https://ecfr.eu/?p=106580>.

⁸⁴ Alessandro Marrone, "A Europe-led NATO to Guarantee European Security: The Time Has Come", in *Aspenia Online*, 31 May 2024, <https://aspensiaonline.it/?p=54692>.

common security and defence efforts according to their available capabilities and geopolitical challenges.⁸⁵ This provides the EU with a cooperation framework on military issues with NATO allies such as the UK, US, Canada and Norway who are interested in strengthening collective defence through joint initiatives.⁸⁶ CSDP missions already involve non-EU states like Georgia, and the European Peace Facility supports the role of non-EU states in collective security. Ukraine stands as a case in point, although the instrument has been employed to support candidate states such as Bosnia and Herzegovina and Moldova as well as African states such as Ghana. The EU's porous organisational boundaries in security and defence policy increase potential 'external differentiation' to become the core aspect of a 'European' security architecture, allowing flexibility and participation following common interests.

Nevertheless, enlargement requires that the CFSP/CSDP adapt to the growing preference for heterogeneity. Pre-accession foreign-policy alignment does not ensure long-term preference congruence due to shifts in domestic political situations, as has happened most notably in Hungary. Older member states also maintain their national priorities, thus increasing EU divisions as shown by polarising discussions around China or the Middle East. Regardless of the result of the ongoing and frozen conflicts in candidate states, their accession suggests that the EU will shift focus even further eastwards, impacting on the global ambitions indicated in its Strategic Compass.⁸⁷ Collaboration between new members and non-EU countries with interests in 'the East' will exacerbate this shift.⁸⁸ However, security challenges are increasingly complex, and the EU's CFSP can encourage these countries to engage in other regions too.⁸⁹ For instance, central/eastern European states are currently recognising the challenges in the Sahel due to Russia's destabilising presence in that African region.

⁸⁵ Maria Giulia Amadio Viceré and Monika Sus, "Differentiated Cooperation As the Mode of Governance in EU Foreign Policy", in *Contemporary Security Policy*, Vol. 44, No. 1 (2023), p. 4-34, DOI 10.1080/13523260.2023.2168854.

⁸⁶ Isabella Antinozzi, "UK-EU Defence Cooperation and PESCO's Military Mobility Project", in *RUSI Commentaries*, 17 November 2022, <https://rusi.org/explore-our-research/publications/commentary/uk-eu-defence-cooperation-and-pescos-military-mobility-project>.

⁸⁷ European External Action Service, *A Strategic Compass for Security and Defence*, March 2022, https://www.eeas.europa.eu/node/410976_en.

⁸⁸ Maria Giulia Amadio Viceré, "Informal Groupings in EU Foreign Policy", cit.

⁸⁹ Agnieszka K. Cianciara, *The Politics of the European Neighbourhood Policy*, London/New York, Routledge, 2020.

While the EU's Article 42(7) of the TEU provides member states with security guarantees similar to NATO's Article 5, the Union lacks sufficient capabilities to make such pledges credible.⁹⁰ To increase capabilities, especially due to the focus on the security dimension of enlargement, negotiations revolve around the EU's defence–industrial policy. Following initiatives to improve the Union's defence posture, such as the Act in Support of Ammunition Production (ASAP) and the European Defence Industry Reinforcement through common Procurement Act (EDIRPA), the Commission's new European Defence Industrial Strategy (EDIS) lays out ambitious goals aimed at bolstering trade, investments and joint procurement in defence.⁹¹ In the future, member states will be asked to commit resources to the European Defence Industrial Programme, although negotiations on this are postponed until the new Commission settles disagreements on how to finance the programme.⁹² States like France and Estonia push for the issuing of Eurobonds, while others such as Germany, the Netherlands and Austria are concerned about repayments. Alternative ideas involve the European Investment Bank (EIB) lending for defence purposes.⁹³ Despite general support – including from the EIB head, Nadia Calviño – Germany remains hesitant. However, the Bank has already started approving loans for defence projects by deleting a rule prohibiting lending to companies that procure 50 per cent of their revenues from sales of military equipment.⁹⁴ As such, the role of the EIB in defence seems destined to increase.

The nature of contributions by new member states to such a strategy remains unclear but could encourage mechanisms for integrating candidate countries at different paces. Although the EU included Ukraine in its defence–industrial strategy with the first EU–Ukraine Defence Industry Forum held this year and

⁹⁰ Sophia Besch and Eric Ciaramella, "Ukraine's Accession Poses a Unique Conundrum for the EU", in *Carnegie Articles*, 2023, <https://carnegieendowment.org/publications/90838>.

⁹¹ European Commission, *A New European Defence Industrial Strategy: Achieving EU Readiness through a Responsive and Resilient European Defence Industry* (JOIN/2024/10), 5 March 2024, <https://eur-lex.europa.eu/legal-content/en/TXT/?uri=celex:52024JC0010>.

⁹² Aurélie Pugnet, "EU Leaders to Discuss More Joint Borrowing to Fund Bloc's Military-Industrial Complex", in *Euractiv*, 21 March 2024, <https://www.euractiv.com/?p=2065315>.

⁹³ Aurélie Pugnet, "EIB Ready to Work More with Defence but Remains Cautious, Vice-President Says", in *Euractiv*, 26 January 2024, <https://www.euractiv.com/?p=2038032>.

⁹⁴ Gregorio Sorgi, "EIB Wants More Lending Firepower as It Eyes Bigger Defense Role", in *Politico*, 30 April 2024, <https://www.politico.eu/?p=4678728>.

the opening of the EU Defence Innovation Office in Kyiv,⁹⁵ all other candidates remain outside this framework. These kind of initiatives are important for integrating future members into the EU's defence–industrial policy and leveraging from their experiences too. If future steps involve the establishment of a defence 'Single Market', as suggested by Letta,⁹⁶ dismantling integration barriers that would threaten to fragment that market will be pivotal. Enlargement fits this picture as the defence industries of the Western Balkans are specialised and relatively small, with Serbia producing the largest share of weapons in the region with profits of 1.3 billion euros⁹⁷ – not too far behind neighbouring Bulgaria's 1.7 billion euros.⁹⁸ This makes them easy to integrate into a defence Single Market. However, in terms of size they are overshadowed by the French and Italian defence industries – among the biggest in the world.⁹⁹ Integrating smaller defence industries could enhance the security of supply envisaged by EDIS by delegating production to states with specialised but smaller defence industries, allowing joint procurement and bolstering EU trade. At a moment when the EU is starting to develop its defence-industry toolkit, the inclusion of all acceding countries at the beginning of this new integration process could smooth their accession and strengthen the Union's defence capabilities.

Conclusions

Since the Russian aggression against Ukraine, it has become clear that EU enlargement is here to stay. The stakes are high because this process has become a security prerogative, and interdependencies require the Union and acceding countries to remain committed. Therefore, the integration process between the EU and candidate countries will continue while the enlargement policy will remain a priority for the foreseeable future, with the key questions concerning the most effective ways of providing synergies between the two

⁹⁵ Josep Borrell, "Time to Strengthen European Defence Industry", in *HR/VP Blog*, 11 March 2024, https://www.eeas.europa.eu/node/439238_en.

⁹⁶ Enrico Letta, *Much More than a Market*, cit.

⁹⁷ Elona Elezi, "Arms for Ukraine: Can the Western Balkans Help?", in *Deutsche Welle*, 28 March 2024, <https://www.dw.com/en/a-68690827>.

⁹⁸ Antonia Kotseva and Krassen Nikolov, "Bulgarian Weapons Exports up 200% since Ukraine War", in *Euractiv*, 18 July 2023, <https://www.euractiv.com/?p=1957268>.

⁹⁹ SIPRI website: *SIPRI Arms Industry Database*, <https://www.sipri.org/node/3322>.

processes of de facto integration and formal accession of candidate countries into the EU, as well as how to deliver this expansion within a functioning Union.

Assuming that Ukrainian resistance to Russian aggression continues to hold and no extreme developments within the EU drastically alter its current political landscape and dynamics, the pace and outcome of the enlargement could largely depend on the results of the three ongoing negotiations presented in this paper. Their success in placing the EU enlargement process on an effective and sustainable path will be crucial.

The next institutional cycle presents a window of opportunity to reform the enlargement policy. Even if achieved through small, gradual steps and highly differentiated arrangements, the outcome of these negotiations will be crucial in shaping the path and type of future enlargement(s) as well as of future integration. Indeed, the changes that could emerge from these three sets of negotiations have the potential to alter the current use of both internal and external differentiation, possibly affecting what it means to be a member of the EU as well as what sharing borders with it entails.

Thus, the key issue is not whether we are heading towards a more or less differentiated Union. The integration process is already highly differentiated in most of its policy areas, while EU membership works through porous organisational boundaries and multiple institutional overlaps. Yet future enlargements will need to make sure that such differentiation strengthens its overall functionality. Therefore, the key question today is what kind of gradual, differentiated approach to integration could emerge from the war, and whether this new approach could – or could not – become instrumental in an effective and sustainable process of political and economic convergence with the EU and between the EU and its partner countries and allies in its surroundings.

To this end, it is vital that a process of strategic convergence takes place between the member states through this threefold process of negotiations. Agreeing on a tangible set of concrete objectives for the EU to pursue could help overcome deadlock, facilitate compromises in negotiations, and enable compensations and side payments across various areas. This, in turn, would help build trust and credibility in the overall reform process, potentially attracting greater political investment from EU leaders.

A crucial step could be to arrive at the beginning of 2025 with an ambitious agenda for preparing the EU for enlargement, similar to the 'Agenda 2000', involving a credible timeline for enlargement paralleled by internal reforms.¹⁰⁰ This approach could also help change the dynamics in what is likely to be the most challenging negotiation: that concerning the EU's budget. A productive path forward involves moving away from zero-sum-game logic and a 'fair reward' approach to focus on European public goods and how to finance and govern them. What will be pivotal for the future agenda will be the active participation of candidate states in the EU, taking advantage of its porous boundaries. Engaging these states in EU policies, with the contribution of the EU budget too, will be more important than granting them mere observer status, which risks providing a partnership 'smokescreen' if not complemented by active participation.

All this points to two scenarios under the assumption of the continued current domestic and international context. The first scenario envisions current adjustments succeeding in creating a more cohesive Europe. Leaders will employ differentiated integration, offering opt-ins and opt-outs to accommodate diverse member-state preferences, while reshaping core EU policies to address today's fundamental challenges. This approach will provide more flexibility to adapt to the needs of different members and potential candidate countries. It may also reinforce the role of third countries in EU cooperation, blurring membership lines and enabling flexible cooperation with NATO and other international organisations.

This could go hand in hand with proper political steering of the EU enlargement process, using EU conditionality in a nuanced yet straightforward and effective manner. The success of gradual integration and strengthened conditionality might depend on EU leaders' ability to combine rapid progress toward full membership for countries that seem ready with a more realistic and transactional mid-term agenda for others. For nearly-ready countries like Montenegro, the Union could demonstrate its openness to new members in the coming years. For countries currently unable or unwilling to fully integrate

100 Piotr Buras and Engjellushe Morina, "Catch-27: The Contradictory Thinking about Enlargement in the EU", in *ECFR Policy Briefs*, 23 November 2024, <https://ecfr.eu/?p=114992>.

into the EU, a clearer set of demands, accompanied by generous external support, could anchor them to the EU mainstream and foster long-term socio-economic and political convergence.

The other 'continuity' scenario is one of fragmentation. Here, member-state negotiations would produce a more compounded Union internally while the boundaries between EU members and non-members remained significant. This would not be because integration would cease or external cooperation schemes between the EU and third countries disappear, but because EU external differentiation would become deeply dysfunctional – as we have seen over the last decade with the Western Balkans. Integration would continue, but it would be ineffective in its governance, inefficient in resource allocation, and politically unsustainable, rewarding antagonistic countries rather than those aligning with EU values and demands. Simultaneously, a lack of authoritative structure within the EU would limit its capacity to decide on fundamental foreign-policy issues, further reducing its influence in global politics and making the Union more susceptible to the ambitions of other regional and global powers.

While the three sets of negotiations will be pivotal in ensuring that enlargement contributes to a more efficient and functional EU, they are taking place in a context that poses challenges for their realisation. The international context increasingly presents geopolitical rivalries, with the possibility of a Ukrainian loss of the war looming over Europe. In addition, the outcome of the recent EP elections could push for a redefinition of the European project in nationalist terms. Donald Trump's election in the US could also exacerbate a protectionist EU approach to global politics. Such challenges might be compatible with a geopolitical enlargement. However, they risk delivering an enlargement without internal and external reforms, favouring a shallow integration. External pressures and domestic political changes might even take place concurrently, profoundly shaking the European political system. In this context, the EU's ability to ensure an enlargement process that is capable of strengthening peace, stability and prosperity across Europe remains an open question.

Negotiating EU Enlargement: Scenarios for Future Integration

In the wake of the Russian invasion of Ukraine in 2022, the European Council extended EU accession prospects to Ukraine, Moldova and Georgia, while reinvigorating enlargement towards the Western Balkans (Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia and Serbia). These actions signal European unity in response to Russian aggression and highlight the importance of the EU's enlargement policy for peace and stability in Europe. Despite renewed focus, uncertainties remain regarding the approach to enlargement and EU integration. Key issues include the EU's readiness to welcome new members, security implications and the success of ongoing negotiations. These negotiations cover internal EU reforms, revisions to enlargement policy, and restructuring European security architecture. The outcomes will shape the EU's ability to accept new states and maintain functionality. As the EU prepares for its next institutional cycle, strategic convergence and gradual, differentiated integration are essential. Effective negotiations and reforms could create a cohesive, flexible EU, while failure risks fragmentation and reduced global influence. The future of EU enlargement depends on navigating these complex challenges.



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