GERMAN PRESIDENCY AND THE ENGAGEMENT WITH THE BALKANS

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Introduction

On the first of July 2020 the Croatian Presidency of Council of the European Union passed on to Germany, who assumed the rotating six-monthly presidency. The German Presidency finds Europe in the midst of a pandemic that has significant socio-economic impact. Notwithstanding, the presidency program is largely a reflection of that. The guiding principles of the program include overcoming the Covid-19 pandemic and economic recovery, more innovative and fairer Europe, sustainability, security and common values, and a stronger Europe in the world. The Balkans are not found in the priorities of the program; they are seen more as a foreign policy goal along with among others a positive transatlantic agenda, the China policy, the European African Agenda.

In the speech on the German Presidency of the Council, Chancellor Angela Merkel laid out the plan for the six-month Presidency. The speech referred to the Balkan in relation to an accession conference with at least North Macedonia, and “perhaps, Albania too”, and to the drafting of a negotiation framework for both countries. Serbia and Montenegro are planned to continue their accession process. Kosovo and Bosnia and Herzegovina are not mentioned once in the program. The Kosovo-Serbia dialogue, albeit important for the EU, does not find a place in the program of the German Presidency.

To understand the prospects of the Balkans during this six-month Presidency, we need to review where the Croatian Presidency left the region. Before doing so, it is however worth noting that since the Lisbon Treaty the role of rotating presidencies in the Council Presidency has significantly weakened. The acting Presidency usually inherits major issues and have little agenda setting power. Looking at the current program of the Presidency, the challenges posed by the novel coronavirus and the economic recovery are likely to overshadow the Western Balkan Agenda.

The EU and the Balkans: recent developments during the Croatian Presidency

In October 2019, the EU aspirations of North Macedonia and Albania suffered greatly. Despite previous promises, the French, Dutch and Danish vetoed accession negotiations for both countries. The October decision was particularly disappointing for North Macedonia, which signed an agreement on good-neighbourly relations with Bulgaria3 and resolved the 20-year name dispute with Greece in the Prespa Agreement. The October veto was reversed in March when the Commission gave the green light to accession talks with North Macedonia and Albania, regaining the lost momentum of last year.

Following French veto in October 2019, the EU reassessed how the accession negotiations are conducted and in February 2020 it introduced a revised enlargement methodology. The methodology includes a

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1 Angela Merkel, speech on the German Presidency of the Council of the EU 2020 to the European Parliament in Brussels, 8 July 2020, retrieved from: https://bit.ly/2CDqWTz
2 Beata Huszka, “What to Expect from the Hungarian EU Presidency in the Western Balkans?”, International Issues & Slovak Foreign Policy Affairs, Vol 19, No. 4., p.18-33
sharpened focus on fundamental reforms and the reorganization of the 35 chapters into six thematic clusters: fundamentals; internal market; competitiveness and inclusive growth; green agenda and sustainable connectivity; resources, agriculture and cohesion; and external relations.\(^5\)

Due to the ongoing Covid-19 pandemic, the Zagreb Summit was held online on the 6th of May 2020.\(^6\) The summit reiterated former commitments to the integration of the Western Balkans in the EU but did not offer strong signals for the accessions. The EU has however shown support to the Balkans in facing the challenges of the Covid-19 pandemic by mobilizing 3.3 billion euros.\(^7\) The EU financial support package included immediate support for the health sector (€38 million), social and economic recovery needs (€389 million), reactivation package (€455 million), macro financial assistance (€750 million) and assistance from the European Investment Bank (€1.7 billion). With the financial support and access in EU initiatives and instruments reserved for the member states, the Western Balkans countries were treated as privileged partners given their EU perspective.

**Engagement with the Balkans under the German Presidency**

The German Foreign policy sees the Balkans as an integral part of Europe; in 2014 Germany launched the Berlin Process to renew engagement with the Balkans. During Croatia’s Presidency Germany campaigned hard for the opening accession talks for North Macedonia and Albania in October 2019, when France, Netherlands and Denmark vetoed it. Germany stands for a Kosovo-Serbia dialogue without border changes and with an agreement that moves both parties closer to the EU.\(^8\) Given the pro-EU integration position of Germany, many in the Balkans hope that Germany’s six-month presidency will revive the enthusiasm for EU integration in the region. The main priorities of the presidency however lie in 1. Managing the Covid-19 pandemic; 2. Digital sovereignty, enhancing competitiveness and a stable financial architecture; 3. Social cohesion and solidarity; 4. Climate protection; 5. Security and migration; and 6. EUs role in the world. Enlargement is neither in the priorities of the Presidencies program\(^9\) nor in the Trio 18-month program\(^10\). The German priorities lie with the Union and not with the Balkans: the engagement with the region in the program is limited to ongoing negotiations with Serbia and Montenegro, and the development of a new negotiation framework for Albania and North Macedonia. As mentioned above Kosovo and Bosnia & Herzegovina are not referred to once in both programs.

In regard to North Macedonia and Albania, negotiations frameworks are expected to be finished after which an intergovernmental conference is planned to be held. If all the conditions are met, Albania will be included in this. The conditions for Albania are the adoption of electoral reforms, Office, 13 November 2019, Retrieved from: [https://bit.ly/3iTprQB](https://bit.ly/3iTprQB)

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\(^5\) SEE “Renewing hope? An analysis of the new EU enlargement methodology and its implications for Kosovo”, GLPS, April 2020
\(^6\) For more on the Zagreb Summit, see “The Zagreb Summit: one step forward, two steps back”, GLPS, July 2020
\(^7\) “Western Balkans’ leaders meeting: EU reinforces support to address COVID-19 crisis and outlines proposal for post-pandemic recovery”, press release, European Commission, 29 April 2020
\(^8\) “The Western Balkan countries are an integral part of Europe”, Heiko Maas, German Federal Foreign
the continuing of the implementation of judicial reforms and the finalization of the establishment of the anti-corruption and organized crime specialized structures. If these conditions are not met the intergovernmental conference would have to be postponed for the upcoming Presidency. Serbia has opened 18 out of 35 chapters and Montenegro has opened the final accession chapter on 30.6.2020. Both countries are expected to continue their accession process with continuous commitment from Germany for the enlargement policy.

Despite the fact that borders are becoming thicker due to increased travel restrictions to curb the spread of Covid-19, Kosovo will be seeking visa liberalization during Germany’s term. A letter urging Chancellor Merkel to put visa liberalization in the agenda has been signed by 33 members of the European Parliament. There is willingness from the German Presidency to do so and the Commission is expected to recommend visa liberalization again in their annual reports, which will come out in the autumn. Nevertheless, EU members like France and The Netherlands remain skeptical on liberalizing visas for Kosovars because of their concerns regarding the Kosovo’s track record in fighting crime and corruption and the high number of visa rejections which could be a possible indicator of asylum seekers. Despite the European Commission’s positive recommendation in 2016 and the support of the European Parliament in 2019, there is no consensus in the Council yet on visa liberalization for Kosovo. The visa liberalization dialogue was launched in 2012, but after more than 8 years, the freedom of movement for Kosovar citizens still seems not to be a priority for the EU.

The Presidency and the Kosovo Serbia Dialogue

The cancelled White House meeting in the end of June brought the Dialogue back to EU’s table after a twenty-month hiatus. The EU seemed to have lost control of the dialogue after it stalled in November 2018 when then PM Haradinaj put a 100% tax on Serbian goods as a response to the derecognition campaign of Serbia. In the meantime, the United States, led by special envoy Richard Grenell, took the lead in the dialogue. While it seemed that in the end of June 2020 some form of economic agreement would be signed between Kosovo and Serbia, the meeting was cancelled because President Thaçi was indicted by the Specialist Prosecutor’s Office in The Hague. The meeting is planned to be held in the beginning of September 2020, this time with the Kosovo delegation not represented by President Thaçi, but by Prime Minister Hoti.

The EU in the other side has regained momentum in the dialogue in July 2020, when the dialogue resumed. In this dialogue Germany supports a comprehensive agreement that allows for the realization of the EU perspective for both countries. Unlike the United States, it never was open to the idea of border swaps. Germany’s priorities lie not in the Balkans, but it is willing to be more involved in the regional affairs whenever it is necessary. Germany does that with or without holding the EU Presidency.

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12 Kosovo has been on the warning list based on the numbers of infections since July 2020
13 “Von Cramon sends a letter to German Presidency, calls for Kosovo visa liberalization”, European Western Balkans, 29.06.2020
14 Specifically installed for the peace talks between Kosovo and Serbia
15 The negotiator on behalf of Kosovo
16 See “US open to Kosovo border changes, Trump adviser says”, Politico, 24 August 2018 and “Angela Merkel: No Balkan border changes” Politico, 13.8.2018
17 “Forget Expectations: German EU Presidency no Magic Wand for the Balkans” Balkan Insight, 15 July 2020
Even though Brussels is leading the dialogue, the US has announced another meeting in the beginning of September for new negotiations. In contrary, the EU’s envoy for the Pristina-Belgrade Dialogue Miroslav Lajcak, stated to be skeptical about meetings in Washington during his visit to Kosovo in the beginning of July. Both the EU and US have different envoys dealing with the talks between Pristina and Belgrade; they both not only are not coordinated, but sometimes in a rivalry with each other. Grenell as a US Ambassador to Germany, previously had many disagreements with the German government and is interested in signing a quick economic deal between both countries. For now Kosovo and Serbia are caught up in two negotiation processes; one table with the U.S., who is pushing for a quick economic agreement, and the ongoing open ended process led by the EU, pushing for a comprehensive agreement between the two countries. President Vucic calls this uncoordinated dialogue process between EU and US a “fight between elephants” and states that Serbia will talk to both sides. On the other hand Hoti welcomes the involvement of the US. The idea for a comprehensive agreement to be signed during the German Presidency is however an unrealistic expectation of a breakthrough.

Concluding Remarks

Germany’s priorities during this Presidency will be in managing the Covid-19 pandemic and the economic recovery program for the Union. In the Balkans the engagement will be the ongoing accession negotiations with Serbia and Montenegro; organizing an intergovernmental conference with North Macedonia and perhaps Albania; and for supporting the EU led dialogue between Kosovo and Serbia.

The EU and Germany should build on the success created by opening accession talks with Albania and North Macedonia. They should not ignore the developments in the Balkans and should not only engage with the region on an ad-hoc basis when needed. Besides that, it is in the EU’s interest to regain credibility, democratic and economic influence in order to secure stability in the region. The economic funds, as the 3.3 billion recovery funds, are a positive step to help the hard-hit Western Balkans recover from the COVID-19 pandemic. Economic troubles, especially due to the ongoing pandemic could aggravate the economic conditions of citizens in the Balkans, further leading to discontent, unrest and migration. These citizens could also become a victim of fake news, disinformation campaigns and influence of third parties from outside. The issue of visa liberalization for Kosovo is long overdue, and the German Presidency should act on the positive recommendation of the EU and push the issue forward during this Presidency. Also, more commitment and involvement in creating an EU perspective for Bosnia and Herzegovina remains necessary. Enlargement and accession process should not only include technical arrangements. EU should also ensure better access to the EU’s labour and internal market, and higher education institutions. There should moreover generally be more inclusion in debates about the future of Europe, and seats for the Balkan countries in the Conference on the Future of Europe.

The skeptical member states on enlargement should not continuously block membership of WB states and other initiatives such as visa liberalization for Kosovo. They should acknowledge that

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18 “Sandwiched between two competing narratives – a lot of uncertainties in the process of the dialogue”, GLPS, 30 June 2020
19 “US Envoy Grenell Wants Special Economic Zone between Kosovo and Serbia”, Exit.al, 23 June 2020
20 “Vucic on negotiations: We must make it through the elephant fight unharmed”, Kossev.info, 16 June 2020
blocking the EU perspective in the Western Balkans would lead to diminishing democracies, increased corruption, governments that are unwilling to reform and instability in the long run.

The Kosovo government should have a clear commitment in fighting corruption, organized crime and the strengthening of the rule of law. It should lobby, especially in sceptic states like France and Netherlands to not block the visa liberalization.

For the Western Balkan countries, it is vital to follow and stay committed to the reform agenda. The accession process is not just about opening negotiations, conferences, and closing chapters or clusters. It is about the democratic transformation of the region.
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