

EU Enlargement Policy

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Summary

European integration has historically advanced through parallel steps towards deepening and widening cooperation. In our times, marked by the outbreak of a persistent poly-crisis, the EU again needs to move forward decisively with both dimensions of European integration. The containment of aggressive Russian revisionism has made it a strategic priority to accelerate the accession to the EU of all countries on the continent that share European norms and values. This paper argues that the successful completion of the current EU enlargement process requires reforms on three fronts: (1) EU governance needs to become more effective, (2) the Union's enlargement policy must be reinvented and (3) accession conditionality must be made credible again.

Keywords EU internal reforms – Candidate countries – Accession conditionality

Introduction

European integration has historically advanced as a binary process, consisting of parallel steps towards deepening and widening cooperation. More frequently than not, these two dimensions of European integration have reinforced each other. On the one hand, the successful advancement of supranational cooperation has prompted third countries to express interest in joining the European project. On the other hand, the accession of new members has propelled the EU to reform its institutions and extend its integration into new policy areas (e.g. the cohesion policy).

In our times, marked by the outbreak of a persistent poly-crisis, the EU needs to move forward decisively with both dimensions of European integration once again. The containment of aggressive Russian revisionism has made it a strategic priority to accelerate the accession to the EU of all countries on the continent that share European norms and values. This paper presents the state of play in EU enlargement policy and advances some policy recommendations to reform EU governance and accelerate the integration of all (potential) candidate countries.

State of play

The prospect of integrating several new member states is compelling the EU to reflect seriously on the efficiency of its institutions, procedures and policy instruments. The process of improving EU governance will involve long overdue reforms. The size of EU institutions (especially the European Commission and the European Parliament) cannot be increased indefinitely. Moreover, the range of issue areas where decisions are still taken with unanimity should be shrunk to avoid decision-making paralysis. Lastly, the EU budget should substantially increase to address the multiple challenges of our times (e.g. the green energy transition) facing an enlarged Union.

The European Parliament and European Commission have registered their desire for a treaty revision that would permit the undertaking of wide-ranging reforms. With such a move, not only will the EU increase the efficiency and democratic accountability of EU governance, but it will also make a decisive step forward towards European integration.¹ Nevertheless, there is no consensus among EU member states on the scope of, or even the need for, such an ambitious reform process.² In the meantime, an indefinite postponement of

¹ European Parliament, *Proposals of the European Parliament for the Amendment of the Treaties*, P9_TA(2023)0427 (22 November 2023).

² P. Buras and E. Morina, *Catch-27: The Contradictory Thinking About Enlargement in the EU*, ECFR Policy Brief (November 2023), 20.

much-needed EU internal reforms would put the enlargement policy on hold, shaking the interested countries' confidence in their prospect of joining the EU.

The EU has decided to give Ukraine, Moldova and Georgia this prospect at a time when the enlargement policy has failed to inspire applicant countries to implement the reforms essential for their EU accession. The EU enlargement policy has not worked efficiently during at least the last decade. All Western Balkan countries have experienced democratic backsliding while claiming to work towards preparing for EU accession. The EU has used conditionality inconsistently on several occasions. In some cases, the EU has failed to reward progress because of the tendency of member states to use the enlargement policy as a vehicle for projecting their national preferences. On other occasions, the accession path of (potential) candidate countries has advanced (e.g. through the opening of negotiations in chapters of the *acquis*) despite their poor track record in implementing reforms. While the EU has established tools to sanction stagnation in the reform effort (e.g. the 'balance clause' in fundamentals and process reversibility), it has never employed them. The EU should draw lessons from its policy failures in the Western Balkans as it embarks on the additional and more challenging task of helping Ukraine, Moldova and Georgia prepare for EU accession.

Finally, pre-accession financial assistance has not brought economic convergence between the EU27 and the Western Balkans. The assistance has been insufficient in size and does not follow the methodology and logic of the EU Structural and Investment Funds. The Western Balkan countries would need around 70 years to fully converge with the EU27 at the current pace of growth.³ In addition, the accession prospects of Ukraine, a large country that will need vast amounts of post-war reconstruction assistance, make it imperative to increase and thoroughly review the Union's financial instruments to support (potential) candidate countries.

Prospects

The successful completion of the EU enlargement process requires reforms on three fronts: (1) the Union's internal reforms need to be advanced to make the EU 'enlargement ready', (2) the EU's enlargement policy must be reinvigorated to increase its efficiency and (3) accession conditionality must be made credible again.

EU internal reforms

Although a treaty modification does not figure among the immediate priorities of the EU member states, the Union's contemporary institutional setting allows ample room to take essential steps that would substantially improve the efficiency of EU governance.

According to Article 17(5) of the Treaty on European Union, the European Council has the leeway to decide unanimously on the size of the European Commission. Indeed, the same article also provides that, starting in November 2014, the number of Commission members should correspond to two-thirds of the number of EU member states. However, the size of the Commission has not been reduced accordingly due to the reluctance of several member states to periodically forego the right of proposing one of their citizens as a member of the Commission. Although the European Council does not appear ready to set a smaller size, certain ideas are worth exploring to prevent an even greater fragmentation of portfolios in the Commission following the accession of new member states. For instance, the 'Group of Twelve' (i.e. the Franco-German Working Group) proposed dividing the Commission's members equally between lead commissioners and commissioners on a strictly rotating basis and distributing portfolios to pairs of lead commissioners and commissioners.⁴ The bottom line is that a treaty revision is not required to reduce the size of the Commission and the number of portfolios distributed among Commission members.

³ European Bank for Reconstruction and Development, *Can the Western Balkans Converge Towards EU Living Standards?* (February 2024), 8.

⁴ O. Costa, *Sailing on High Seas: Reforming and Enlarging the EU for the 21st Century*, Report of the Franco-German Working Group on EU Institutional Reform (Paris and Berlin, 18 September 2023), 20.

For the European Parliament, Article 14(2) of the Treaty on European Union indicates that its composition is decided by the European Council by unanimity, on the initiative (and with the consent) of the European Parliament. The same article also sets the rules for the size of the European Parliament—a maximum of 751 Members of the European Parliament (MEPs)—and the EU citizens’ representation (i.e. degressive proportionality and maximum and minimum thresholds for member state representation). Therefore, the existing institutional framework ensures that allocating MEP seats to new member states will not cause a proportionate increase in the Parliament’s size.

Moreover, the Parliament’s Constitutional Committee has received several proposals concerning the distribution of MEP seats among member states (e.g. the ‘FPS method’, the ‘Power Compromise’ and the ‘Cambridge Compromise’).⁵ Selecting one of these models (each building on a different mathematical formula) would set the basis for a fair, democratic and transparent redistribution of MEP seats in an enlarged Union.

A major concern about the impact of EU enlargement on European integration is the possibility of decision-making failure in issue areas where unanimity is the rule. Still, the Council of the European Union and the European Council could use the general and specific ‘passerelle’ clauses previewed in various articles of the Treaty of Lisbon to decide (unanimously) on modifying decision-making procedures and replacing unanimity by qualified majority voting in most policy areas.⁶ As the European Commission suggested, the recourse to passerelle clauses may be accompanied by ‘appropriate and proportionate safeguards’ to reassure member states that their strategic national interests would not be overlooked.⁷

Finally, an increase in the EU’s own resources and the EU budget to finance policy priorities and socio-economic convergence in an enlarged Union requires the consent of the European Parliament and member states. It is not dependent on a treaty modification.

In sum, although a treaty modification would give a new impetus to European integration, it is not a prerequisite to making the Union ‘enlargement ready’. What is needed is a commitment from member states to work towards improving EU governance. The internal reforms discussed here are much-needed irrespective of whether the EU accepts new members.

EU enlargement policy reform

The EU should reinvigorate its enlargement policy to improve its efficiency. At present, three reforms are urgently needed: (1) unblocking decision-making at the Council level, (2) ameliorating the quality of problem diagnosis concerning the deficiencies in the rule-of-law sector of applicant countries and (3) increasing and revamping pre-accession assistance.

For the Council, making dozens of decisions on the basis of unanimity during a candidate country’s accession path has been counterproductive. Member states have numerous opportunities to veto the accession progress of third countries, frequently for reasons unrelated to EU enlargement policy. The Council has repeatedly been consumed in discussions about bilateral issues between member states and candidate countries instead of assessing the latter’s fulfilment of EU accession requirements. That said, the EU accession of an interested third country is a fundamental constitutive decision for the Union to which all members should consent. In this

⁵ See, for instance, V. Ramírez González, *A Mathematical Formula for Determining the EP Composition*, Directorate-General for Internal Policies, Policy Department for Citizens’ Rights and Constitutional Affairs, Briefing, PE 759.358 (February 2024); F. Pukelsheim and G. Grimmett, ‘Power Compromise: An Objective, Fair, Durable and Transparent Fix for the EP Composition’, Directorate-General for Internal Policies, Policy Department for Citizens’ Rights and Constitutional Affairs, Briefing, PE 759.357 (February 2024).

⁶ S. Kotanidis, *Passerelle Clauses in the EU Treaties: Opportunities for More Flexible Supranational Decision-Making*, European Parliamentary Research Service, Briefing PE 659.420 (December 2020).

⁷ European Commission, *Communication on Pre-Enlargement Reforms and Policy Reviews*, Communication, COM (2024) 146 final (20 March 2024), 19–20.

respect, while the EU could continue taking all critical enlargement-related decisions unanimously (i.e. decisions related to accepting an application, granting candidate status and concluding negotiations), it could introduce qualified majority voting at all intermediate stages of the process where technical progress is assessed (e.g. the opening and closing of negotiations in different clusters). As Zweers et al. remarked, the current legal practice of requiring unanimous decisions at every step in the enlargement policy is not derived from EU primary or secondary law. We find it formally inscribed in the negotiation frameworks that the EU has concluded with each candidate country. Hence, if member states acknowledge the imperative of accelerating the EU enlargement policy, they could revise the legal practice applied in Council decision-making without treaty modification.⁸

Administering the enlargement process based on merit not only requires reducing its politicisation (and improving decision-making) at the Council level. It also presupposes upgrading the Commission’s monitoring and reporting work. The progress of applicant countries is assessed annually in voluminous reports (120 to 160 pages long) that present a wealth of technical information across accession clusters and chapters. Nevertheless, the cautious diplomatic language that is used dilutes the findings and obscures the diagnosis of problems.

In 2024 the Commission, for the first time, also included four Western Balkan countries (Montenegro, Serbia, Albania and North Macedonia) in its annual *Rule of Law Report*. This decision allowed for an assessment of where these countries stood compared to EU member states regarding their rule-of-law sectors. Adding all applicant countries to the Commission’s next *Rule of Law Report* would be useful. Nevertheless, the Commission’s rule-of-law dialogue is far from optimal. For instance, insufficient attention has been paid so far to whether the recommendations articulated in these reports are genuinely implemented.⁹ Also, concerns have been expressed about their overtly optimistic and diplomatic language and the lack of transparency in the consultations leading to their drafting.¹⁰

Helping applicant countries confront structural deficiencies in their rule-of-law sectors requires a more drastic solution. The Commission’s reports should be complemented with periodic expert-level reviews by independent analysts (on the model of the Priebe Reports about Bosnia and Herzegovina and North Macedonia), whose task would be to account for the systemic causes of weaknesses in the rule-of-law sector. The policy prescriptions of these independent groups of experts should inform accession negotiations.

Finally, EU pre-accession assistance has not sufficed to stimulate the economic convergence of candidate countries with the EU27. In per capita terms, Western Balkan countries are still expected to receive 12 times less money than Croatia (i.e. an EU member state) despite their eligibility for additional assistance from the recently launched New Growth Plan.¹¹ The EU should not only substantially increase pre-accession aid; candidate countries should also be helped to grow their capacity to administer and absorb EU funds.¹² To that end, it would be beneficial if the EU introduced the methodology of support offered to member states through the EU Structural and Investment Funds to pre-accession assistance.¹³

⁸ W. Zweers et al., *Unlocking Decision-Making in EU Enlargement: Qualified Majority Voting as a Way Forward?*, Clingendael, Policy Brief (June 2024), 8.

⁹ C. Brasseur, V. Pachta and C. Grigolo, *Towards an Enlarged Union: Upholding the Rule of Law*, International IDEA, Policy Paper 30 (April 2024), 19.

¹⁰ European Court of Auditors, *The Commission’s Rule of Law Reporting*, Review 02 (February 2024); J. Grogan, ‘The EU’s Rule of Law Crisis: Has Progress Been Made?’, *UK in a Changing Europe*, 5 August 2024; Balkan Civil Society Development Network, *2024 EC Rule of Law Report: EU Accession Countries and Member States on Equal Footing, Civic Space Threats Overlooked* (Skopje, July 2024), 10.

¹¹ B. Jovanović, *New Growth Plan for the Western Balkans: Solid Foundations, Shaky Extensions*, European Policy Institute (Skopje, February 2024), 7.

¹² European Commission, *Communication on Pre-Enlargement Reforms and Policy Reviews*, 14.

¹³ M. Mihajlovic and R. Tabossi, *Reforming the EU’s Pre-Accession Funding Instrument: Effective Membership Preparation Through the Staged Accession Model*, Centre for European Policy Studies and European Policy Centre, Issue Paper (September 2023).

Credibility of EU accession conditionality

To restore the credibility of its enlargement policy, the EU needs to convince applicant countries that they have real prospects of becoming members once they fulfil all accession requirements. Moreover, the EU should consistently apply accession conditionality by encouraging and rewarding compliance with EU policy prescriptions and sanctioning stagnation in the reform process.

Reforming EU institutions (deepening) and preparing applicant countries for EU accession (widening) are two processes that should run in parallel, not one at the expense of the other. The EU should unequivocally state that the accession of new member states is not conditional on the completion of its internal reforms. If candidate countries are ready to accede before EU governance is improved, they may still be offered EU accession, subject to a few transitional time-specific (e.g. five to seven years long) derogations of certain member rights. As the Centre for European Policy Studies and the European Policy Centre jointly proposed in their staged accession model, such derogations could be introduced in those countries' accession treaties, and they could concern areas such as the right to veto decisions taken in the Council with unanimity and the right to nominate a commissioner.¹⁴

In the meantime, applicant countries should be consistently encouraged to undertake difficult reforms entailing non-negligible political costs. The prospect of full membership no longer induces compliance with EU requirements for countries that have been struggling to advance along their accession path for the last two decades. The Commission and the policy community have proposed several interim rewards for applicant countries registering progress in implementing reforms (e.g. sectoral, gradual or staged accession). Interim rewards could include gradual integration into the single market and other policy areas, eligibility for assistance from EU Structural and Investment Funds, and periodic participation in observer status at Council meetings (discussing issues in which these countries have substantially advanced or concluded accession negotiations).¹⁵

Lastly, beyond introducing tangible interim rewards in the enlargement policy to induce compliance with accession conditionality, the EU should also operationalise the reversibility of the process. Democratic regression, prolonged stagnation in introducing reforms, and poor alignment with EU foreign policy decisions and actions should no longer be inconsequential. As it previewed in its revised enlargement methodology (adopted in February 2020), the EU might confront such instances of non-compliance with a range of measures such as pausing or suspending accession negotiations, reopening closed clusters or chapters, and reviewing the financial assistance and benefits offered to applicant countries. Reacting to non-compliance would restore the credibility of the enlargement policy as a merit-based policy. It would also show candidate countries that the EU is not indifferent to their accession process.

Conclusion

The European project has been repeatedly challenged in times of crisis since the establishment of the European Communities. Nevertheless, member states have historically overcome hurdles by progressing towards deepening and widening cooperation. The current poly-crisis represents another instance in which European leaders are called to take decisive steps forward. Notwithstanding the lack of consensus about the scope and necessity of a treaty modification, EU members may still implement much-needed reforms to improve EU governance, reinvigorate the enlargement policy and restore the credibility of accession conditionality. That said, member states' divergent views and national preferences should not be underestimated. The EU leaders are called to strike a new balance between empowering the Union to confront the multiple challenges of our times and protecting their vital national interests, where necessary.

¹⁴ M. Mihajlović et al., *Template 2.0 for Staged Accession to the EU*, Centre for European Policy Studies and European Policy Centre, Revised Proposal (August 2023), 6.

¹⁵ M. Delevic and T. Prelec, 'Flatter, Faster, Fairer – How to Revive the Political Will Necessary to Make Enlargement a Success for the WB and the EU', *European Fund for the Balkans*, 17 January 2020; European Commission, *Communication on Pre-Enlargement Reforms and Policy Reviews*, 12–17; *Ibid.*, 7–10.

	Programme 1	Programme 2	Programme 3
	Reform EU institutions, procedures and instruments in preparation for the accession of new member states.	Increase the efficiency of the EU enlargement policy to accelerate the process.	Restore the credibility of EU accession conditionality.
Project 1	Reform EU institutions. Review the rules that determine the composition of the European Parliament and the European Commission to avoid an open-ended increase in their size.	Introduce qualified majority voting in all intermediate steps of the accession process, such as opening and closing negotiations in different chapters and clusters. Unanimity should be maintained at all decisive moments, i.e. the stages of accepting an application, granting candidate status and concluding negotiations.	Adopt a European Council declaration, stating unequivocally that the accession of new member states is not conditional on the completion of EU internal reforms. If candidate countries are ready to accede before the reform of EU institutions is completed, a series of transitional time-specific (e.g. five to seven years long) derogations will be introduced in those countries' accession treaties. These could concern areas such as the right to veto decisions taken with unanimity and the right to nominate a commissioner.
Project 2	Extend the application of the ordinary legislative procedure and qualified majority voting in most policy areas. Decision-making by unanimity should remain in a few domains, such as the Common Security and Defence Policy and, extraordinarily, whenever a member state raises a vital interest issue.	Complement the Commission's annual progress reports with biennial thorough reviews of the interested countries' rule-of-law sectors. These reviews, conducted by groups of independent analysts, should account for the causes of deficiencies in the rule of law (on the model of the Priebe Reports about Bosnia and Herzegovina and North Macedonia). The policy prescriptions in these reports should inform accession negotiations.	Introduce tangible interim rewards for interested countries registering progress in the accession process. These may include access to EU Structural and Investment Funds, and periodic participation in observer status at Council meetings (discussing issues in chapters or clusters in which these countries have substantially advanced or concluded accession negotiations).
Project 3	Increase the size of the EU budget to empower the Union to face the multiple challenges of our times, including supporting the accession of (potential) candidate countries.	Increase pre-accession financial assistance and introduce the methodology and logic of support offered to member states through the EU Structural and Investment Funds.	Operationalise the reversibility of the enlargement methodology. Democratic backsliding, prolonged stagnation in introducing reforms, and poor alignment with EU foreign policy decisions and actions should no longer be inconsequential.

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