



#BTW2021

DGAP MEMO

German Council on Foreign Relations



No. 11 | October 2021

(RE)POSITIONING GERMANY IN EUROPE



Geopolitics in Europe's Neighborhood

New Strategies for the Western Balkans and the Eastern Partnership

By Serafine Dinkel and Laura Gelhaus

Although there are exceptions, a number of countries in the Western Balkans and the Eastern Partnership (EaP) are turning away from the EU. At the same time, geopolitical players such as Russia and China are exerting greater influence in these regions. Their activities risk setting back reform processes; at worst, they could jeopardize stability and peace in countries that neighbor the EU. So far, the EU and Germany have failed to find strategic approaches to address this and, instead, are getting bogged down in the EU's internal disagreements. However, Germany must make the Western Balkans and the EaP a higher priority, press for this at EU level, and find ways out of the impasses that exist in enlargement policy. Germany should also invest in strategic communication and credible cooperation to counter the activities of illiberal players in these regions.

There are significant differences between the countries of the Western Balkans (Albania, Bosnia and Herzegovina, North Macedonia, Kosovo, Montenegro, and Serbia) and those of the Eastern Partnership (Armenia, Azerbaijan, Belarus, Georgia, Moldova, and Ukraine) – not least in terms of their institutional relationship with the EU. Even so, German and EU foreign policy face similar challenges in both neighboring regions.

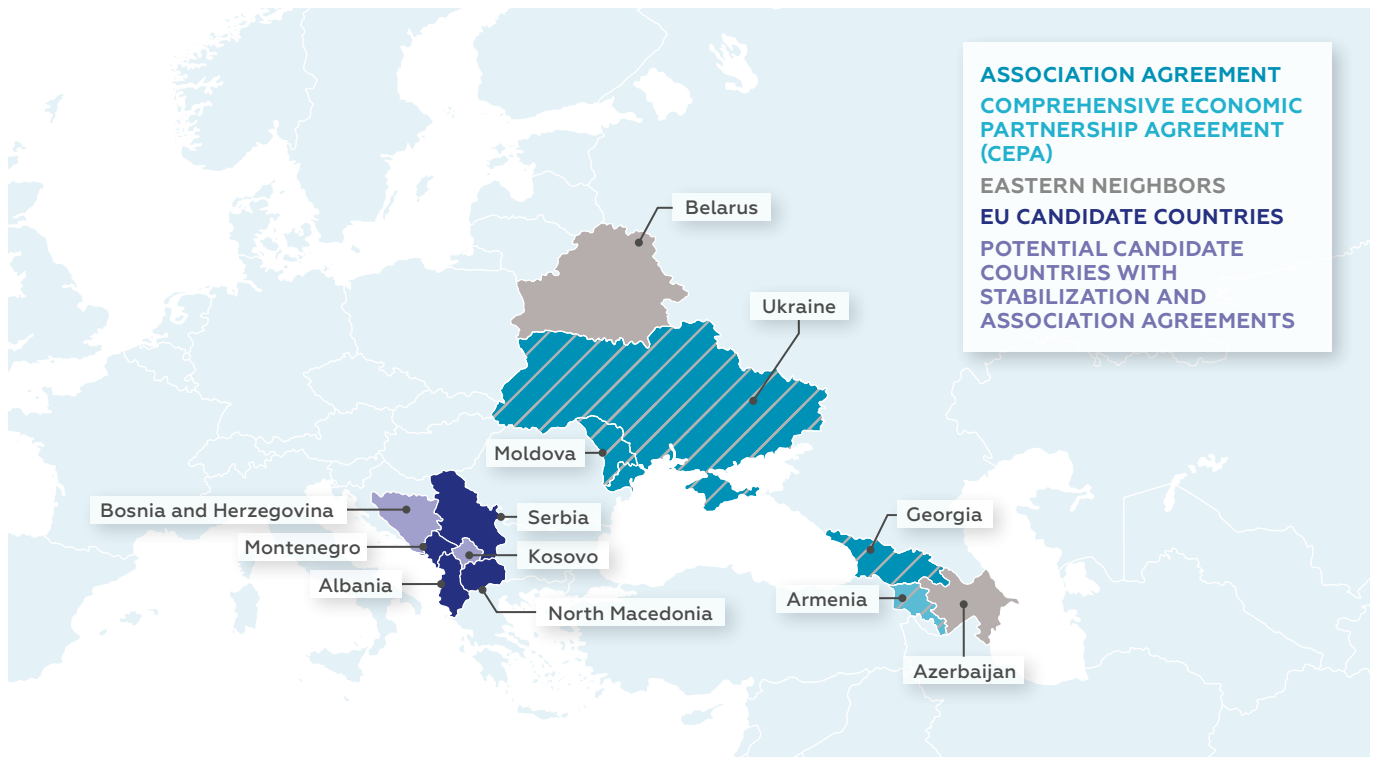
Worryingly, a growing shift away from European values is unmistakable. In 2020, the candidate countries of Serbia and Montenegro were downgraded from semi-consolidated democracies to hybrid regimes by the NGO Freedom House for reasons that included corruption, abuses of power, and attacks on the independence of the media and judiciary. Disregard for human rights has not only continued in Azerbaijan

and Belarus, but there have also been examples of it in supposedly exemplary countries of the Eastern Partnership (EaP). In Georgia, for example, media representatives were subjected to severe violence in July 2021 in connection with the Tbilisi Pride parade, which was ultimately called off.

The geopolitical situation is another reason why current policy cannot continue unchanged. Russia and China have both become more active in the region. The EU's drawn-out approach to enlargement in the Western Balkans, as well as the limited number and scope of new offers for the EaP, are proving to be obstacles to further key reforms. The EU enlargement process, which has currently ground to a halt due to vetoes, highlights the dividing line between skeptical and pro-integration member states and also reveals the lack of any sense of urgency. But disagree-

ment should not mean the process comes to a standstill because illiberal players are exploiting this vacuum. The Western Balkans and the EaP are regarded as success stories for European foreign policy, but they could also become a touchstone: Should the EU prove to be incapable of taking action in regions in its neighborhood with which it has close economic and societal links – via large diaspora communities and often pro-European populations – then its identity as a credible player in foreign policy will be in jeopardy. Consequently, it is also in Germany's interest to become more active and innovative. In 2021, various opportunities exist to accomplish that, for example the next EU-Western Balkans summit that will be held in October. In addition, the EaP summit will be held in December and will determine the policy objectives for the next five years. These opportunities should be seized.

Western Balkans and Eastern Partnership (EaP)



Source: Author's own compilation

DETERMINING FACTORS Western Balkans

Germany's policy toward the Western Balkans is firmly embedded in the EU enlargement process – which is stagnating. The longer the process takes, the more the conditionality that is intended to spread EU norms loses its effectiveness. This has dramatic implications for the EU's capacity to act and its external credibility. The region is, after all, considered a textbook example of the EU's transformative power.

Out of the six Western Balkan countries, Montenegro and Serbia are engaged in accession negotiations. For North Macedonia and Albania, the opening of negotiations had seemed within reach but, since 2019, has been on ice due to vetoes. The failure to reward countries for reforms and

concessions sends a negative signal to the region. At the same time, the willingness to undertake reforms continues to decline there – including in Serbia and Montenegro. In the case of Bosnia and Herzegovina and Kosovo, candidate status remains a distant prospect due to unresolved status and security issues.

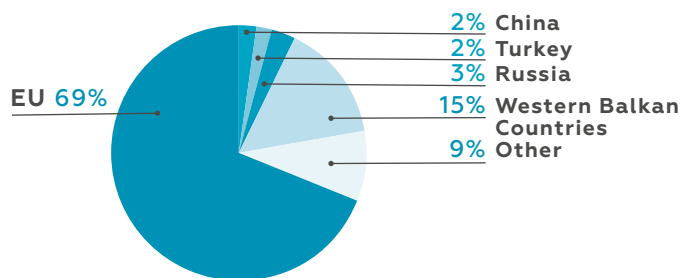
In recent years, Germany has sought to strengthen economic and civil-society cooperation within the region with the “Berlin Process” initiated by Chancellor Angela Merkel and, in this way, make an indirect contribution to the enlargement process. Despite some partial successes, progress has been mixed. Intraregional cooperation is no substitute for the incentive of EU integration: the willingness of countries to undertake reforms remains tied to a credible prospect of EU accession.

Eastern Partnership

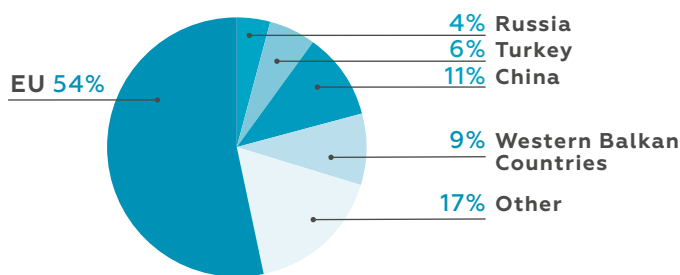
Although the EaP policy likewise aims to export the *acquis communautaire* (the common body of EU rights and obligations), the EaP partner countries have no prospect of EU accession. Ukraine, Georgia, and the Republic of Moldova have concluded association agreements with the EU and are seeking closer ties. The relationship with Armenia suffered a setback in 2013 with Russia's de-facto vetoing of the signing of the association agreement. In the case of Azerbaijan, negotiations on a new framework agreement have been ongoing since 2017. In Belarus, relations with the regime of Alexander Lukashenko have broken down since his [illegitimate](#) re-election in 2020, which is not recognized by the EU, and the human rights violations committed in this context.

Trade in Goods of the Western Balkan Countries with the EU and Other Important Partner Countries

EXPORTS



IMPORTS



Source: [Eurostat](#) Western Balkans-EU international trade in goods statistics, 2020

The EaP is not a priority in German policy. Rather than taking a strategic approach to the region, two ways of thinking dominate. First, the region is viewed primarily through the lens of policy toward Russia. This is, in view of Russian aggression in Ukraine and Georgia, understandable and even desirable, especially in light of the undermining of Ukrainian security policy by Nord Stream 2. Yet this approach falls short when it comes to understanding local contexts. Second, the attention given to the region is often limited to crises and fleeting in nature. Although the crises in Belarus and Nagorno-Karabakh penetrated media reporting and the political discourse to a limited degree, this still did not lead to new strategic approaches.

CHALLENGES

Deadlocks Within the EU

Deadlocks within the EU are a fundamental challenge when it comes to policy toward the Western Balkans and the EaP. Policy toward these regions is caught up in a vicious circle. If the EU does not offer something in return for implementing its norms, their willingness to undertake reforms declines. This, in turn, leads to a decline in the EU's engagement.

The question of which approach to take to the countries of the Eastern Partnership has always been contentious. Initially, there were disagreements about whether the European Neighborhood Policy should pertain only to the EU's eastern or also to its southern neighbors. Today, there is disagreement on additional offers to

the countries at the forefront of the EaP. While the Baltic countries and Poland are open to the idea of offering the prospect of accession, this remains out of the question for other member states, including Germany.

The stagnation of EU enlargement policy reflects how unanimity voting allows member states to undermine common goals in EU (foreign) policy. For example, successive vetoes in the European Council blocked the planned opening of accession negotiations with North Macedonia and Albania. First, France demanded a revision of the enlargement methodology; now, Bulgaria is calling for bilateral concessions from North Macedonia and thereby blocking the opening of negotiations for both countries. Yet, although the vetoes have been criticized by Germany and others, they do suit some member states. The Netherlands and Denmark, for example, are skeptical about admitting some countries from this region to the EU, due to concerns relating to the rule of law, corruption, and organized crime. It is questionable whether this problem would be solved by a reform of the unanimity vote, which hardly seems achievable.

Geopolitical Challenges: Russia and China

Geopolitical players such as Russia and China are pursuing their interests in both regions. During the coronavirus pandemic, they have run targeted disinformation campaigns, made high-profile aid deliveries, and engaged in vaccine diplomacy.

Russia remains one of the most important players in the region; in particular, it regards the EaP partner countries as its natural sphere of influence. In addition to military aggression, it exerts pressure through policies on issues including energy, migration, or trade. It influences election campaigns, for example by funding illiberal parties; cooperates with secessionists; and

spreads disinformation. Anti-EU propaganda promoted by Russia, such as on LGBTQ+ rights, is proving to be very persistent, for example in Georgia or Ukraine. In spite of this, Russia's destructive policies are not succeeding in binding the region's countries to it willingly on a long-term basis. This offers an opportunity for the EU and Germany to recognize the civilian population's preferences and help to shape the future of these countries.

In recent years, China has been investing more heavily in infrastructure projects. Major projects in the Western Balkans are intended, among other things, to strengthen the transportation link from the Greek port of Piraeus, which is managed by China, to the EU. With the exception of Kosovo, all of the Western Balkan countries are part of the Belt and Road Initiative and the "17+1" format. These projects often leave countries with a high debt burden. Montenegro, for example, borrowed around €900 million from the Chinese investment bank for the Bar-Boljare highway project and now owes around a quarter of its public debt to China. Furthermore, Chinese companies invest in projects that do not comply with the environmental standards desired by the EU – such as coal-fired power plants in Bosnia and Serbia. The investment flows are often opaque and can further exacerbate the problem of corruption. In addition, technology cooperation with China could be used to strengthen authoritarian tendencies. For example, although Serbia has excluded the Chinese technology company Huawei from its 5G network in response to pressure from the United States, thousands of cameras in Belgrade have been fitted with Huawei facial recognition software since 2019.

Despite these usually loan-based investments, the EU remains the most important economic partner of the Western Balkans – in terms of both trade and investment.

RECOMMENDATIONS

Cooperation and Communication

Germany should make these regions a higher priority. This requires including the Western Balkans in the coalition agreement beyond EU enlargement policy and discussing the Eastern Partnership in its own right as well.

Internal EU disagreements should be bypassed by also pursuing cooperation outside of enlargement structures. This can include additional political dialogues, in particular on hybrid threats and external influence. To restore the EU's credibility in these regions, deadlocks in enlargement and EaP policy should be acknowledged – without engaging in blame-shifting. Additional instruments and formats should, however, make a clear contribution to the overarching goal of accelerating the EU accession of the Western Balkans.

Germany should invest in strategic communication. This includes communicating more proactively via a wide range of media that Germany and the EU are reliable, long-term partners in comparison to other geopolitical players. Germany should also press for an expansion of the [EU East StratCom Task Force](#) set up by the European External Action Service to tackle disinformation in the EU's neighborhood. This means investing in financial and human resources to at least double the Task Force's current capacities.

While other geopolitical players only pursue their own interests, **Germany and the EU can gain credibility by engaging in genuine cooperation in these regions.** The practical implementation of EU policy concepts such as "local ownership" requires more than a foreign policy based on EU blueprints; a more cooperative approach is necessary.

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The German Council on Foreign Relations (DGAP) conducts research and advises on current topics of German and European foreign policy. This text reflects the opinions of the author(s), not those of DGAP. DGAP receives funding from the German Federal Foreign Office based on a resolution of the German Bundestag.

Publisher

Deutsche Gesellschaft für
Auswärtige Politik e.V.
ISSN 749-5450

Translation Emma Hardie

Editing Helga Beck

Layout Lara Bühner

Design Concept WeDo

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