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REFORMING THE POLITICS AND INSTITUTIONS OF THE EU FOR AN ENLARGED UNION

Gradual EU integration: limits to an à la carte approach

While new plans for the gradual integration of candidate countries may help to speed up their accession process in certain policy sectors and serve EU interests, **Steven Blockmans** argues that such advances should be firmly anchored in the formal framework of membership negotiations and checked against comprehensive reforms of the rule of law and public administration.

ver the past years there has been much—mostly loose—talk about frontloading the integration of candidate countries into the EU, with the aim of injecting much-needed dynamism into the lethargic enlargement process. The basic mechanism behind the idea is that domestic reforms by the candidates would be rewarded with concrete benefits, thereby stimulating further pre-accession reforms. In return for dynamic alignment with the *acquis* and, in terms of governance, a uniform and effective implementation and enforcement of all relevant EU rules, selective and later generalised participation in the work of the EU institutions would be foreseen, as well as substantially larger and progressively increasing funds to support socio-economic convergence with the EU average. Furthermore, early access to the Single Market would allow candidate countries' economic operators to integrate in European value chains and establish strategic partnerships in industrial sectors of mutual interest (e.g. raw materials, batteries, machinery). All this would create tangible benefits, translate positively at the ballot box, and thus raise political capital to keep up with otherwise difficult reforms, both in candidate countries *and* inside the EU.

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The European Commission's revised enlargement methodology of February 2020 flagged the need to identify opportunities for 'phasing-in' the countries of the Western Balkans to individual EU policies, but there was little to no follow-up. It took Russia's full-scale invasion of Ukraine, and the subsequent decisions by member states welcoming the European aspirations of the Eastern trio – Ukraine, Moldova and Georgia – for the European Council in June 2022 to reiterate the need to advance ways of 'gradual integration', already during the enlargement process itself, 'in a reversible and merit-based manner'. Since then, there has been a flurry of activity, with the publication of a series of non-papers by member states and communications by the Commission. Think tanks have also weighed in.

Speeding up enlargement without reform: the advance integration of Ukraine

In his contribution to the 'Fit for 35?' report by SIEPS, Frank Schimmelfennig points to the second argument in favour of phasing in candidates before full membership: it is a means for the EU to "maximize the speed of enlargement while minimizing the need for ex ante reform". Indeed, forms of pre-membership integration allow the EU to meet geopolitical needs while buying time to prepare itself for enlargement. This is vividly illustrated by the new European Defence Industrial Strategy (EDIS). Prior to any discussions about institutional rebalancing in EU defence policy, let alone agreement about introducing more qualified majority voting (QMV) in Council decision-making, Ukraine's participation in the reinforcement of the European defence technological and

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industrial base is already being secured – for mutual benefit. During the development of the EDIS, consultations were held with the relevant Ukrainian agencies on the country's experience in defending against Russia's armed aggression, as well as its vision of the development of the European and Ukrainian defence industries. The EDIS is accompanied by a draft Regulation which provides for Ukraine's participation in joint procurement and a EUR 1.5bn envelope from the EU budget to support Ukrainian defence companies in building capacity and cooperation with the European industry in the next two years. What's more, the EU will open an Innovation Office in Kyiv to facilitate interaction between EU start-ups and Ukraine's innovators and Armed Forces.

This welcome form of advance integration falls outside of the EU's support under the Ukraine Facility, which is primarily geared at reconstruction and excludes defence. It also does not follow the rule of law and reform-based payment conditionality that underpins the methodology of the concept of 'gradual integration' which was pioneered by the Commission in the New Growth Plan for the Western Balkans of last November and then proposed for all candidate countries in a Communication of 20 March 2024.

The Commission's Communication of March 2024: still stuck in silo-thinking

The latter Communication provides an insight into the European Commission's thinking about the governance and policy areas that would be impacted by future enlargement. It is not the final word. In anticipation of the in-depth policy reviews that President Ursula von der Leyen promised in her State of the European Union speech last September, the Commission chose to publish a placeholder which skirts around deep-seated problems in order to exude a 'can-do' attitude about future EU enlargement to voters headed for the EP elections. See, for instance, the encouraging language that enlargement can happen by using the full potential offered by the Treaties, which denies the fact that unanimity is required before member states can resort to more efficient governance arrangements; unanimity which has been elusive on these matters for many years.

The Communication is nevertheless of interest because it goes beyond the seven initial priority areas of the Single Market earmarked for 'gradual integration' in the Growth Plan for the Balkans and reviews, for instance, the area of defence. Whereas the Commission is right in saying that Single Market rights and obligations "cannot be à la carte", the EU executive is still wrong-footed into structuring gradual integration of candidates only along vertical, i.e. policy sectoral lines. Arguably, policy coherence would demand that the accession process be organised in a horizontal manner, joining reforms in policy areas up to the much heavier transversal reforms concerning the rule of law and public administration. The latter reforms cannot be properly assessed in the fragmented manner that the Commission currently suggests.

Hence the proposal by think tanks CEPS and CEP for horizontally 'staged accession', which would be grafted onto the formal accession negotiation process,² rather than

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¹ Free movement of goods; free movement of some e-commerce related services and mutual recognition of professional skills and qualifications of workers; access to the Single Euro Payments Area; facilitation of road transport; integration and decarbonisation of energy markets; parts of the Digital Single Market; and industrial supply chains, notably concerning critical medicines and raw materials.

² Introducing quantifiable monitoring would help justify the release of greater financial, market and institutional access when increasingly higher benchmarks are met – assessed through alignment scores across all negotiation chapters, which would therefore have to be opened all at once – in a process which, except for its conclusion, would be governed by QMV.



separated from it, as seems to be the case in the Commission's proposals so far. Similarly, the reconstruction of Ukraine should be linked to the formal negotiation process. Treating reconstruction separately and organising advance integration of candidate countries in policy siloes risk diverting attention away from conducting actual accession talks and thus decelerating the enlargement momentum needed to meet geopolitical ends.



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Fit for 35 Forum aims at contributing to the discussion on enlargement and reform of the EU. The Forum is set up by SIEPS, initiated and managed by Göran von Sydow (Director) and Valentin Kreilinger (Senior Researcher in Political Science) and edited by Patricia Wadensjö (Editor).

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