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FOREWORD

Message from the Editor

Dear readers and partners,

As of November 2025, Europe stands at several crossroads where strategic choices will shape its future for decades to come. The alobal landscape is shifting, with traditional alliances being tested, the rules of trade rewritten, and democratic values once taken for granted challenged both from within and beyond the Union. In the coming years, the EU will have to decide how to rebuild its transatlantic partnership, sustain the promise of enlargement, strengthen its democratic fabric, and assert its place in an increasingly fragmented world.

This issue of the EuroLens Journal explores these choices at a time when Europe must turn uncertainty into direction. As we close the year advancing these debates through three conferences (co-)organised by EUROPEUM (the Transatlantic Policy Forum and the Enlargement Forum in Prague, and a conference on the MFF in Brussels), this edition seeks to connect the discussions across themes and regions.

In particular, the issue focuses on the future of EU trade and transatlantic relations, the enlargement process, and the protection of democracy through the resilience of civil society:

- Filip Křenek and Zuzana Krulichová author a position paper addressing the EU's trade policy at a time of geopolitical flux, assessing how Europe, and Czechia in particular, can secure its economic interests through diversification, the promotion of open trade, new partnerships and, when necessary, effective tradedefence instruments.
- In an honest and revealing conversation with Tomáš Kopečný, Czech Government Envoy for Ukraine's Reconstruction, Veronika Rajmanová explores the prospects for Ukraine's accession and its endurance under the banner of European values.
- In an op-ed imbued with a sense of urgency, Danielle Piatkiewicz reflects on transatlantic cooperation amid US unpredictability and argues that Europe must act on its strategic awakening by rebuilding its relationship with Washington before competing actors capitalise on the vacuum.

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- In the following op-ed, Kaklik Karimli raises the alarm about the spread of restrictive anti-NGO laws within and beyond the EU, highlighting what is at stake when the Union hesitates to defend its founding principles.
- Continuing the conversation on candidate countries, Oszkár Roginer-Hofmeister's interview with Stevo Muk (Institute Alternative) examines Montenegro's accession path and the region's fragile balance between optimism and limited capacity.
- Finally, we revisit a timely policy paper from the EUROPEUM-led REWEU project. Jelena Džankić, Matteo Bonomi, Jana Faktor Juzová and Boiana Zorić assess the costs of nonenlargement for Europe's economy, democracy and security, arguing that consistency clarity and accession process remain essential the transformative for preserving power of EU enlargement.

Taken together, these contributions underline that Europe's future will depend not on avoiding risk but on assuming responsibility. The task ahead is to act decisively, navigating strategic dilemmas while remaining true to the Union's principles of openness, democracy and fairness.

In this spirit, EUROPEUM will continue to bring Czech visions for Europe and European visions for the Czechs, contributing informed debate and Central European perspectives to the decisions that will shape Europe's next chapter.



Carlos Gómez del Tronco Editor, Head of Just Europe Programme



Unpredictable Times

ANALYSIS

EU Trade Policy in Unpredictable Times:

New Economic Partnerships and Opportunities for Czechia



Filip Křenek, Zuzana Krulichová

In an era of unpredictable trade politics, the article examines how the EU and Czechia can stay competitive by upholding open trade, diversifying partnerships strategically, and responding effectively to emerging threats through robust trade defence instruments.

Introduction: Trade Policy in an Era of Geopolitical Shifts ability

The EU's trade policy has evolved significantly in recent years, reflecting changes in the global economic and geopolitical environment. After decades in which international trade was governed primarily by multilateralism and the rules of the World Trade Organisation (WTO), the EU is facing growing pressure from countries that favour economic nationalism, bilateral negotiations and protectionism. This development brings several challenges, ranging from the threat of supply chain disruptions and rising trade tensions between major powers to the growing need to ensure strategic autonomy in key sectors.

At the same time, however, this evolving context presents the EU with a strategic opportunity to redefine its approach to trade policy, pursue new partnerships and reinforce its position as a global player. In an era of geopolitical shifts, it is necessary not only to safeguard European economic

interests, but also to proactively seek opportunities to advance them in new regions. This is particularly relevant for Czechia, whose open economy is heavily reliant on exports and stands to benefit from new market diversification strategies. Today's questions about EU trade policy concern not only how to respond to the weakening of global rules, but also the future form of trade agreements and partnerships. This position paper addresses these questions through three key areas, structured around the following guiding questions: 1) How should EU trade policy respond to the shift from multilateralism towards economic nationalism?; 2) Which regions offer the greatest opportunities for opening new markets for the EU and Czechia, and what new forms of partnerships can the EU use to promote its trade interests?; and 3) Are the EU's existing trade defence instruments strong enough, and how effectively does the EU use them?

1. From Multilateralism to Economic Nationalism: How Should the EU Respond?

The EU, like the WTO, has the principle of multilateralism deeply embedded into its institutional DNA. Similarly, the Bretton Woods institutions, the International Monetary Fund (IMF) and the World Bank (WB), were created in the post-war period with the aim of preventing future conflicts through closer economic cooperation. Until the early years of the 21st century, the parallel trends of European integration

and globalisation appeared to validate this thesis, despite periods of political and economic turbulence.

Shortly after Czechia joined the EU, the world was hit by a financial and economic crisis that brought new challenges for the process of globalisation and affected the dynamics of European integration, subsequent particularly due to the Eurozone debt crisis. Since then, the international trading system has faced a series of crises, and its current structure appears increasingly unable to respond adequately.

At the same time, there has been a global shift in the very understanding of trade policy. Previously considered primarily a means of economic cooperation, trade now increasingly serves as a geopolitical This shift is evident in unprecedented scale of trade-restrictive measures introduced in recent years. According to Global Trade Alert data, more than 3,000 such measures - which include tariffs, export controls and other forms of trade discrimination - were adopted globally each year in 2022 and 2023, compared to a few hundred annually between 2009 and 2017 [1].

The culmination of this trend has been most pronounced in the US, where Donald Trump announced several tariff measures after returning to office in January 2025. Initially, these targeted specific sectors (25% on steel, aluminium and automotive) or countries (China, Canada, Mexico). In early April, a universal 10% baseline tariff on imports from nearly all countries was implemented, followed days later by a 'reciprocal tariff' regime covering around 90 trading partners, including a 20% rate on the EU.[2]

^[1] Gita Gopinath, "Geopolitics and its Impact on Global Trade and the Dollar", International Monetary Fund, 7 May 2024, https://www.imf.org/en/News/Articles/2024/05/07/sp-geopolitics-impact-global-trade-and-dollar-gita-gopinath.

^[2] C.H. Robinson, "U.S. Tariff Timeline", last updated 1 October 2025, https://www.chrobinson.com/en-us/resources/insights-and-advisories/trade-tariff-insights/tariff-timeline/.

Amid a rapid escalation of trade tensions, with the threat of tariffs of up to 30% on imports from the EU and the prospect of retaliatory measures from the EU,[3] intensive negotiations in July resulted in a framework agreement that caps most US tariffs on EU imports at 15%. The ceiling applies to a broad range of goods including automobiles automotive components (previously subject to a 25% rate) as well as pharmaceuticals and semiconductors, which were threatened with 250% and 100% tariffs respectively.[4] The same 15% rate also applies to wine and spirits, despite repeated initiatives by European Commission to reduce tariffs on these products.[5]

While the 15% tariff rate on most EU goods is being applied retroactively from 1 August 2025,[6] a 50% tariff remains for aluminium and steel.[7] The agreement also includes commitments by the EU to increase its investment in the US and to ramp up purchase of American liquified natural gas (LNG) through 2028.[8] In addition, the agreement states that: "With respect to automobiles, the US and the EU intend to accept and provide mutual recognition to each other's standards."

However, due to the significant differences in safety and environmental standards between the EU and the US. mutual recognition of cars could both pose a threat to the competitiveness of the European automotive sector and introduce risks.[9] new safety Furthermore, an increase in LNG imports and European investment in the US go counter to the EU's efforts to reduce its fossil fuel dependencies and make more efficient use of domestic savings to invigorate European capital markets.

Although the agreement temporarily eased transatlantic tensions, it also illustrates that US trade policy has unpredictable, become increasingly pressure on the EU to heightening diversify its exports and reduce dependence on the US market. The EU will need to adapt its trade policy to respond more flexibly and strategically to changing global conditions. This includes intensifying negotiations on new trade agreements with trusted partners, accelerating access to promising non-European markets, and providing targeted support for European exporters to help them respond more quickly to disruptions or losses in key markets.

^[3] Reuters, "EU's 'nuclear option' of moves against Trump tariff threat", 21 July 2025, https://www.reuters.com/markets/europe/eus-nuclear-option-moves-against-trump-tariff-threat-2025-07-21/.

^[4] BBC, "Trump backs down from 250% EU pharma tariff in deal", 22 August 2025,

 $[\]underline{https://www.bbc.com/news/articles/ckgjwk8gze7o}.$

^[5] Reuters, "EU Still Seeking Lower US Tariff for Wine and Spirits, Says Trade Commissioner", 21 August 2025, https://www.reuters.com/business/retail-consumer/eu-still-seeking-lower-us-tariff-wine-spirits-says-trade-commissioner-2025-08-21/.

^[6] Reuters, "US implements EU trade deal, 15% autos tariffs retroactive to Aug 1", 25 September 2025, https://www.reuters.com/sustainability/society-equity/us-confirms-eu-autos-auto-parts-15-tariffs-started-aug-1-2025-09-24/.

^[7] Koen Verhelst and Myah Ward, "US and EU Strike Trade Deal Setting 15 Percent Tariff", Politico, 27 July 2025, https://www.politico.eu/article/us-and-eu-strike-trade-deal.

^[8] European Commission, "Joint Statement on a United States-European Union framework on an agreement on reciprocal, fair and balanced trade", 21 August 2025, https://policy.trade.ec.europa.eu/news/joint-statement-united-states-european-union-framework-agreement-reciprocal-fair-and-balanced-trade-2025-08-21_en.

^[9] Transport Environment, "EU Cave in on Vehicle Trade Rules will cost European Lives as US Pick-Up Trucks Flood into Europe", 21 August 2025, https://www.transportenvironment.org/articles/eu-cave-in-on-vehicle-trade-rules-will-cost-european-lives-as-us-pick-up-trucks-flood-into-europe.

The EU should also move quickly to use openings in third markets where the US 'reciprocal tariffs' threat has not led to new bilateral deals and where trade flows are likely to be reoriented as a result. Part of this adaptability will also involve a more effective use of existing instruments to protect European interests in areas such as product and environmental standards, the modernisation of customs regimes (including by finalising the Union Customs Code),[10] and the promotion of fair access to public procurement in third countries while preventing unfair trading practices.

Manifestations of economic nationalism are also evident in the trade policies of other countries, often catalysed by the actions of the Trump administration. For example, China, aware of its dominant position in multiple sectors, has restricted exports of certain critical materials [11] and advanced technologies, such as advanced lithium batteries.[12]

At the same time, the high volume of China's exports in clean technologies and its growing share of global markets (for instance, in 2023, 80% of global solar panel production,[13] 60% of wind energy, [14] 75% of batteries and 57% of electric cars) [15] shows that trade competition is now also a question of strategic resilience.[16]

Challenges and Prospects for the Rules-Based Trade System

In addition to growing protectionism, the structure of world trade is also changing. Observers refer to this trend as the 'reglobalisation of trade', whereby the global trade order is fragmenting into blocs of so-called like-minded countries with shared strategic interests and political values, within which intra-bloc trade is increasing, and inter-bloc trade is declining.[17]

[10] European Commission, "Milestone in EU Customs Reform: Member States adopt common position on new Union Customs Code (UCC)", 27 June 2025, https://taxation-customs.ec.europa.eu/news/milestone-eu-customs-reform-member-states-adopt-common-position-new-union-customs-code-ucc-2025-06-27 en.

[11] Yuki Kobayashi, "China's Rare Earth Export Restrictions and Other Countries' Responses: Strategies for the Main Battleground of Economic Security", SPF China Observer, 9 July 2025, https://www.spf.org/spf-china-observer/en/document-detail062.html.

[12] Michael C. Anderson, "China Tightens Grip on EV Battery Tech with New Export Controls", Battery Technology, 15 July 2025, https://www.batterytechonline.com/battery-manufacturing/china-tightens-grip-on-ev-battery-tech-with-new-export-controls.

[13] International Energy Agency, Special Report on Solar PV Global Supply Chains (August 2022) https://www.iea.org/reports/solar-pv-global-supply-chains/.

[14] Yasuki Okamoto, "Chinese Manufacturers Dominate Wind Power, Taking 60% of Global Market", Nikkei Asia, 19 August 2023, https://asia.nikkei.com/Business/Energy/Chinese-manufacturers-dominate-wind-power-taking-60-of-global-market.

[15] Frik Els, "CHART: China's global electric car dominance", Adamas Inside, 19 April 2024,

https://www.adamasintel.com/charts-china-global-electric-car-dominance/. [16] Cat Clifford, "China Makes Most of the World's Batteries", Cipher, 22 May 2024,

https://www.ciphernews.com/articles/china-makes-most-of-the-worlds-batteries.

[17] Marianne Schneider-Petsinger, "Global Trade in 2023: What's Driving Reglobalisation?" Chatham House, 30 January 2023, https://www.chathamhouse.org/2023/01/global-trade-2023.

[18] Directorate-General for International Trade, DG Trade Statistical Guide (Brussels, Belgium: Publications Office of the European Union, August 2023) https://op.europa.eu/en/publication-detail/-/publication/fc3c3fc0-5c50-11ee-9220-01aa75ed71a1.

[19] The World Bank, "Exports of Goods and Services (% of GDP)", The World Bank Group, last updated 2024, https://data.worldbank.org/indicator/NE.EXP.GNFS.ZS.

In this context, the EU and Czechia remain long-standing advocates of a multilateral international trade system and benefit from their economic openness. The EU is the world's largest trading bloc in terms of the total value of goods and services traded; it is also the largest provider of, and second largest destination for foreign direct investment.[18] Czechia has long been one of the most open economies in the EU - exports of goods and services in 2024 accounted for 69% of GDP, compared to the European average of 51%.[19] The rapid introduction of tariffs and other trade barriers could therefore have a strong negative impact on the Czech economy.

The key challenge for the multilateral system remains the reform of the WTO. [20] However, in the current geopolitical context, particularly due to the paralysis of its Appellate Body, a fully-fledged revision of the rules seems unrealistic in the short term. The US has long refused to appoint a new member to the WTO Appellate Body, leaving it unable to reach a quorum and thus unable to hear appeals or issue opinions.[21] While there have been initiatives to modernise and reform the WTO, including the EU-US-Japan trilateral cooperation format, [22] attempts to improve the effectiveness of WTO decision-making processes have largely failed to deliver results.[23]

What's more, the tariffs imposed by the US administration pose a direct challenge to the WTO principles.

The EU should therefore seek ways to support the reform process through closer cooperation with like-minded partners. One opportunity could be to establish deeper relations with the member countries of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which brings together 11 Pacific economies.[24]

These countries share the EU's interest in rules-based trade and similar approaches in areas like digital trade, climate sustainability and transparency in supply chains. Aligning European trade policy more closely with the CPTPP could create a strong group of economies that could not only respond to growing protectionism, but also actively shape the future of the global trading system.

To revive the multilateral order, the EU needs reliable partners on the international stage, while simultaneously ensuring that it speaks with one voice on behalf of its Member States. It must therefore avoid the internal fragmentation witnessed, for example, during the debate over countervailing duties on Chinese electric cars.[25] Member States should avoid politicising such measures, which could be used to undermine European unity. Only through cohesion can the EU

^[20] Bernard Hoekman and Petros C. Mavroidis, "WTO Reform: Back to the Past to Build for the Future", Global Policy 12, no. S3 (28 April 2021) https://onlinelibrary.wiley.com/doi/full/10.1111/1758-5899.12924.

^[21] Thomas R. Graham, "Farewell Speech of Appellate Body member Thomas R. Graham", World Trade Organisation, 5 March 2020, https://www.wto.org/english/tratop-e/dispu-e/farwellspeechtgaham-e.htm.

^[22] Directorate-General for Trade and Economic Security, "Joint Statement of the Ministers of the US, Japan and EU on Trilateral Cooperation", European Commission, 30 November 2021, https://policy.trade.ec.europa.eu/news/joint-statement-ministers-us-japan-and-eu-trilateral-cooperation-2021-11-30 en.

^[23] Michal Parizek and Clara Weinhardt, Revitalising and Reforming the World Trade Organization in an Age of Geopolitics (ENSURED Research Report, No. 6, May 2025) https://www.ensuredeurope.eu/publications/wto-reform. [24] Australian Government Department of Foreign Affairs and Trade, "Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)", accessed 27 October 2025, https://www.dfat.gov.au/trade/agreements/inforce/cptpp/comprehensive-and-progressive-agreement-for-trans-pacific-partnership.

^[25] Anchal Vohra, "EU Divided over Higher Tariffs for Chinese EV Imports", Deutsche Welle, 24 September 2024. https://www.dw.com/en/eu-divided-over-higher-tariffs-for-chinese-ev-imports/a-70250391.

withstand economic and political pressure from strategic competitors such as China, and currently, the US. Although politically appealing, solutions that lack a long-term perspective and provide only temporary relief to selected Member States, sectors or companies will ultimately foster greater mistrust between Member States.

European strategic autonomy cannot be separated from trade policy. Strengthening European self-sufficiency in critical materials and clean technologies will require diversifying the EU's trade relations and seeking alternative sources of these materials around the world. Czechia has the potential to emerge as a major player in critical raw material supply chains due to planned lithium and manganese mining projects. However, it will be crucial to develop domestic processing capacities for critical raw materials and clean technologies in parallel, so that the added value of this sector remains within Czechia.

As an advocate of open trade, Czechia should remain a strong supporter of multilateralism within the EU, while adopting a pragmatic approach to the use of trade defence measures and pursuing closer, more effective trade and investment partnerships.

2. Diversifying Markets and Building New Partnerships

As an open economy, the EU benefits significantly from the reduction of trade barriers and the opening of new markets for European exporters.

The Union is home to 730,000 companies exporting outside the EU, which is 2.6 times more than in the US. Furthermore, compared to the US, the importance of foreign trade has grown significantly over the past twenty years:

in 2000, trade accounted for 25% of GDP in both the EU and the US, but by 2022, this figure had risen to 51% in the EU compared to 28% in the US.[26] Thus, the EU is increasingly integrated into the world in terms of trade, bringing both opportunities and risks.

This difference reflects the European growth model, which has long relied on cheap inputs from outside: energy from Russia, goods from China, and defence, security and digital services from the US. In effect, the EU has partially outsourced the foundations of its economic growth and competitiveness, which has proved risky, for example during the energy crisis sparked by the 2022 Russian full-scale invasion of Ukraine. Diversification of trade relations is therefore essential.

At the bilateral and regional level, it is crucial for the EU to pursue trade and investment agreements that open up new opportunities for EU companies and help to diversify supply chains. While the EU has made progress in concluding key free trade agreements with Chile, New Zealand and Kenya, negotiations with other major trading partners have stalled.

^[26] Lucien Cernat, "On the Importance of Trade Openness", ECIPE, March 2024, https://ecipe.org/blog/on-the-importance-of-trade-openness/.

Regional Opportunities for the EU and Czechia

The trade agreement with Mercosur has been in preparation for two decades and continues to cause controversy among Member States.[27]

However, as of September 2025, some countries have begun re-evaluating their previous positions and signalling support for this agreement, [28] as it moves into its final phase of ratification. Negotiations were concluded in December 2024 and represented a geostrategic success for the EU, as Europe seeks to assert itself not only in this region but also in the wider Global South, where China in particular has been investing heavily in recent decades. These negotiations with the four Mercosur founding countries (Argentina, Brazil, Paraguay and Uruguay) resulted in the EU-Mercosur Partnership Agreement (EMPA). Similarly, the European Commission also concluded has negotiations on the EU-Mexico Modernised Global Agreement (MGA), and both of these agreements are now pending ratification by all 27 Member States.[29]

Given the current favourable circumstances, the Commission is seeking to have the agreement approved as quickly as possible, ideally by the end of 2025.[30]

Until the ratification process is complete, Interim Trade Agreements will remain in place in the areas of exclusive EU competence, following their adoption by the European Parliament and the Council of the EU.

However, various factors complicate the desired rapid ratification of the EU-Mercosur agreement.

some Member States,[31] dissatisfaction is especially strong among representatives of the agricultural sector, who have openly expressed concerns regarding the potential increase in competitive products on the domestic market.[32] Although the agreement has also faced resistance from farmers in Czechia, the Czech government has taken a favourable stance towards the deal.[33] Given the potential economic benefits, Czechia should ratify the agreement, as the removal of tariffs of up to 35% (for example, in the automotive sector) could save Czech exporters almost CZK 2.2 billion a year and provide access to a

Amerikou, zemědělci se bouři", Hospodářské noviny, 4 September 2025, <u>https://archiv.hn.cz/c1-67782360-padne-nejvetsi-dohoda-v-dejinach-kvuli-jednomu-steaku-eu-je-krok-od-volneho-obchodu-s-jizni-amerikou-zemedelci-se-bouri.</u>

^[27] Anthony Boadle, "EU-Mercosur Trade Talks have made Progress on Contentious Issues, Sources say", Reuters, 7 September 2024, https://www.reuters.com/world/eu-mercosur-trade-talks-progress-divisive-issues-sources-say-2024-09-06/.

^[28] Nicholas Oakes, "EU-Mercosur Trade Deal Near, As French Dissent Softens", Modern Diplomacy, 4 September 2025, https://moderndiplomacy.eu/2025/09/04/eu-mercosur-trade-deal-near-as-french-dissent-softens/.

^[29] European Commission, "Commission Proposes Mercosur and Mexico Agreements for Adoption", 3 September 2025, https://ec.europa.eu/commission/presscorner/detail/en/ip 25 1644.

^[30] Radio France International, "EU Commission Endorses Mercosur Deal Despite French Reservations", Radio France Internationale, 3 September 2025, https://www.rfi.fr/en/international/20250903-eu-commission-endorses-mercosur-deal-despite-french-reservations.

^[31] YouGov, "European Public Opposes Trade Agreement with Mercosur", Rainforest Foundation Norway, 2021, https://www.regnskog.no/en/news/european-public-opinion-opposes-mercosur-trade-deal.

^[32] Jan Štefl, "S dohodou mezi EU a Mercosur to není tak jednoduché", Asociace soukromého zemědělstvi ČR, 24 February 2025, https://www.asz.cz/clanek/14040/s-dohodou-mezi-eu-a-mercosur-to-neni-tak-jednoduche/. [33] Ondřej Houska, "Padne největsí dohoda v dějinách kvůli jednomu steaku? EU je krok do volného obchodu s Jižni

market of almost 300 million people in Latin America.[34] Ratification would also strengthen the strategic position of Czechia and the EU in the world, diversify supply chains and provide a new stable export market.

The EU-Mercosur agreement will therefore not only open new trade and investment opportunities, significantly reducing customs duties and facilitating access to critical raw materials (including lithium, copper, graphite, niobium and manganese), but will also support the sectors (such growth of key as automotive, machinery, chemical, textile and pharmaceutical) and strengthen the sustainability and competitiveness of Czech companies in the global market. [35]

The completion of negotiations on a free trade agreement with India, which is not only a key market but also a technological and geopolitical partner, will also be crucial. India is the world's fourth-largest economy[36] and the EU's ninth-largest trading partner, while the EU is India's second-largest trading partner.

Trade between the EU and India has grown by 90% over the last decade[37] and has further potential for the diversification of supply chains, especially in the areas of agriculture and clean technologies.[38]

Cooperation with India should also be based on joint investments in renewable energy sources, digitalisation and industrial modernisation. Both India and the EU have expressed their ambition to conclude the trade agreement by the end of 2025.[39]

Central Asia also warrants special attention, as it is of diplomatic importance for Czechia. The region offers opportunities in the areas of energy, critical raw materials and transport connections.

EU investment partnerships can support Central Asia's interconnection with European value chains and improve access to critical raw materials, helping reduce dependence on risky partners. Commissioner for International Partnerships, Jozef Síkela, has already prioritised the region, making it one of his first visits.[40]

^[34] Czech Ministry of Industry and Trade, "Budoucí dohoda o volném obchodu s Mercosur jako obrovská příležitost pro české firmy", 6 December 2024, https://mpo.gov.cz/cz/rozcestnik/pro-media/tiskove-zpravy/budouci-dohoda-o-volnem-obchodu-s-mercosur-jako-obrovska-prilezitost-pro-ceske-firmy--284965.

^[35] BusinessEurope, EU-MERCOSUR Trade Agreement. Now is the Time (3 September 2025), https://www.businesseurope.eu/wp-content/uploads/2025/09/2025-09-03-EU-Mercosur-Trade-Agreement_for-website.pdf.

^[36] Newsonair, "India Becomes World's 4th Largest Economy, Surpasses Japan: NITI Aayog", 25 May 2025, https://www.newsonair.gov.in/india-becomes-worlds-4th-largest-economy-surpasses-japan-niti-aayog/. [37] Directorate-General of Trade and Economic Security, "EU Trade Relations with India", European Commission, accessed 27 October 2025, https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions/india-en?prefLang=cs.

^[38] Directorate-General for Communications Networks, Contents, and Technology, "EU and India Deepen Strategic Engagement in Second Trade and Technology Council", European Commission, 28 February 2025, https://digital-strategy.ec.europa.eu/en/news/eu-and-india-deepen-strategic-engagement-second-trade-and-technology-council. [39] The Hindu, "India, EU Working on Series of Transformative Initiatives Besides Eyeing to Seal FTA by December", 8 September 2025, https://www.thehindu.com/news/national/india-eu-working-on-series-of-transformative-initiatives-besides-eyeing-to-seal-fta-by-december/article70024581.ece.

^[40] Directorate-General for International Partnerships, "Global Gateway: Commissioner Síkela Reinforces EU-Central Asia Partnership to Boost Prosperity", European Commission, 20 March 2025, https://international-partnerships.ec.europa.eu/news-and-events/news/global-gateway-commissioner-sikela-reinforces-eu-central-asia-partnership-boost-prosperity-2025-03-20 en.

Africa is yet another key priority. As part of his portfolio and the Global Gateway strategy, Commissioner Síkela and the EU should focus not only on development aid but also on fostering equal partnerships. In this context, the creation of investment agreements would help to support local value creation and connect African economies with European green and technological value chains.[41]

In the important Indo-Pacific region, the EU has the potential to develop new partnerships in line with its regional strategy,[42] which is also implemented at the national level by Czechia.[43]

strategy builds on existing partnerships with countries that share political values, such as the IP4 countries (South Korea, Japan, New Zealand and Australia), and on new partnerships such which with Indonesia. with Comprehensive Economic Partnership Agreement (CEPA) was concluded on 23 September 2025.[44]

This agreement between the EU and Indonesia had been under negotiation since 2016, although talks had been stalled for some time. Under the newly concluded agreement, tariffs on over 98 % of tariff lines (and nearly 100 % by trade value) will be eliminated upon entry into force,[45] while significant economic sectors of both parties will strengthened. For the EU, these include the agro-industry, chemical industry, and machinery and automotive sectors, while Indonesia is expected to expand its exports of palm oil, textiles and footwear.

In June 2025, negotiations were also revived – after coming to a halt in 2023 – on the free trade agreement with Australia, a key partner in the Pacific region with major critical raw material reserves, providing an alternative to Chinese-dominated supply chains.[46] Meetings between the EU and Australia have taken place at various levels, but are yet to produce an agreement.[47]

^[41] Directorate-General for International Partnerships, "Global Gateway", European Commission, accessed 27 October 2025, https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/stronger-europe-world/global-gateway en.

^[42] High Representative of the Union for Foreign Affairs and Security Policy, Joint Communication to the European Parliament and the Council: The EU Strategy for Cooperation in the Indo-Pacific (Brussels, Belgium: European Commission, 16 September 2021) JOIN(2021) 24 final,

https://www.eeas.europa.eu/sites/default/files/jointcommunication 2021 24 1 en.pdf.

^[43] Czech Ministry of Foreign Affairs, Strategie České Republiky pro spolupráci s Indo-Pacifikem, 2021, https://mzv.gov.cz/file/4852335/Strategie CR k Indo Pacifiku.pdf.

^[44] Directorate-General for Trade and Economic Security, "Key Elements of the EU-Indonesia Trade Agreement and Investment Protection Agreement", European Commission, 23 September 2025, https://policy.trade.ec.europa.eu/eutrade-relationships-country-and-region/countries-and-regions/indonesia/eu-indonesia-agreements/key-elements-eu-indonesia-trade-agreement-and-investment-protection-agreement en.

^[45] Svaz průmyslu a dopravy České republiky, "EU a Indonésie uzavřely Komplexní dohodu o hospodářském partnerství (CEPA)", 23 September 2025, https://www.spcr.cz/eu-indonesie-uzavrely-komplexni-dohodu-o-hospodarskem-partnerstvi-cepa.

^[46] Kirsty Needham, "Australia and EU determined to seal trade deal, Australian minister says as talks revive", 4 June 2025, https://www.reuters.com/markets/commodities/australia-eu-determined-seal-trade-deal-talks-revived-farrell-says-2025-06-04/

^[47] Agerpres, "Australia makes considerable efforts to conclude a trade agreement with the EU", European Newsroom, 16 October 2025, https://europeannewsroom.com/australia-makes-considerable-efforts-to-conclude-a-trade-agreement-with-the-eu/.

3. Trade Defence Instruments: Are Current Tools Fit for Purpose?

Over the past few years, the EU has built up a strong arsenal of trade defence instruments. In addition to traditional antidumping and anti-subsidy instruments, the EU has introduced the Anti-Coercion International Instrument. the Public Procurement Instrument and the Foreign Subsidies Regulation. Following the entry into force of an EU Foreign Direct Investment Screening Mechanism in 2020, the Commission proposed in January 2024 a revision to strengthen and harmonise investment screening rules across Member States, which is now in the final stages of the legislative process. [51] In addition, in January 2025, the Commission issued a Recommendation to Member States to extend their national investment screening systems to cover outbound investments in critical technologies, such as semiconductors, Al and quantum.[52]

Meanwhile, in October 2025, the US managed to secure a framework agreement with Australia, raising the stakes on the global hunt for rare earths after China restricted their exports.[48] However, beyond comprehensive free trade agreements, the EU should not underestimate the potential of so-called mini-deals, such as agreements on mutual recognition of technical standards, which can have significant economic impact.

For instance, each one of the two agreements on mutual recognition of standards on machinery and cleantech products between the EU and the US, which were under consideration during the previous Biden administration, could, under some estimates, have had twice the impact on trade flows compared to the total volume of trade with the four countries.[49] Mercosur While substantial part of trade may already be duty-free, these mini-deals help eliminate non-tariff barriers and reduce trade frictions. In an increasingly complex trade environment, they may provide a helpful supporting tool to enhance trade exchange in certain niche. but economically significant areas.

However, as previously noted, such agreements should be accompanied by sufficient safeguards to ensure that the EU manufacturing sector is not being unduly disadvantaged, and that the mutual recognition of standards does not come at the expense of safety and environmental protection.

The importance of mini-deals is likely to grow in the future, as is the case with the Clean Trade and Investment Partnerships (CTIPs) introduced in connection with the EU's Clean Industrial Deal. CTIPs can serve as powerful stimuli for the clean technology sector in the EU, as they improve access to critical raw materials and technologies. The creation industrial partnerships and joint investment agreements with third-country

^[48] Natalie Sherman, "US and Australia sign rare earths deal to counter China's dominance", BBC News, 20 October 2025, https://www.bbc.com/news/articles/cly9kvrdk2xo.

^[49] Lucian Cernat, "The Art of the Mini-Deals: 2,000 Missing Variables and Counting", Vox EU (CEPR), 20 October 2023, https://cepr.org/voxeu/columns/art-mini-deals-2000-missing-variables-and-counting.

partners within the Global Gateway may also represent an opportunity to secure offtake for products manufactured in the EU.[50]

Czechia should actively promote the diversification of trade relations beyond traditional markets, particularly in the Indo-Pacific, Central Asia, Latin America and Africa, where it can offer technological solutions, a strong track-record in the manufacturing sector and expertise in the fields of energy and healthcare. The country's priorities should be to promote its own export interests in the negotiation of EU free trade agreements, to actively foster participation in initiatives such as the Global Gateway, and to increase the involvement of Czech companies in EUfunded public-private partnerships. It is also key to strengthen Czechia's role in formulation of European trade strategy, particularly in the areas of digitalisation, supply chain resilience and green transformation.

The Council of the EU has also recently approved the strengthening of the framework for the export control of dualuse goods (civilian and military),[53] while the Commission updated the EU dual-use control list in September 2025.[54] These instruments are designed to protect Europe from economic coercion, unfair competition and market disruption, while also protecting critical sectors where necessary.

The EU uses traditional trade defence measures fairly regularly but has been applying them more frequently in the deteriorating current. trade policy landscape. For example, in 2023, it issued a total of 156 anti-dumping measures and 25 anti-subsidy measures, which is a combined increase of approximately 40% compared to 2018.[55] Around 45% of these measures were directed against various products from China,[56] on which, in October 2024, the EU imposed additional countervailing duties of 17-35% on imports of electric cars, precisely

[50] Julienne Raboca, "Draghi Presents EU report: What does this mean for CRMA?", Fastmarkets, 13 September 2024, https://www.fastmarkets.com/insights/draghi-unveils-eu-report-what-does-it-mean-for-crma/.

^[51] European Commission. "Interinstitutional talks begin on EU's revised FDI screening mechanism", 17 June 2025, https://policy.trade.ec.europa.eu/news/interinstitutional-talks-begin-eus-revised-fdi-screening-mechanism-2025-06-17 en.

^[52] European Commission, "Commission Calls on Member States to Review Outbound Investments and Assess Risks to Economic Security", 15 January 2025, https://ec.europa.eu/commission/presscorner/detail/en/ip_25_261.

^[53] General Secretariat of the Council Delegations, "Conclusions on Arms Export Control" (Brussels, Belgium: Council of the European Union, 14 April 2025) https://www.consilium.europa.eu/media/rqofnaqt/conclusions-on-arms-export-control-14-april-2025.pdf.

^[54] European Commission, "2025 Update of the EU Control List of Dual-Use Items", September 8 2025, https://policy.trade.ec.europa.eu/news/2025-update-eu-control-list-dual-use-items-2025-09-08 en

^[55] European Commission, "Half a Million EU Jobs Protected by EU Trade Defence in 2023", 24 September 2024, https://ec.europa.eu/commission/presscorner/detail/en/ip 24 4829.

^[56]European Commission, "42nd Annual Report from the Commission to the European Parliament and the Council on the EU's Anti-Dumping, Anti-Subsidy and Safeguard activities and the Use of Trade Defence Instruments by Third Countries targeting the EU in 2023", (Brussels, Belgium: European Commission, 24 September 2024) SWD(2024) 221 final, https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:52024SC0221.

because of findings of unfair subsidisation. [57]

New trade defence instruments are also actively utilised by both the EU and its Member States. In the first four years of the EU Investment Screening Mechanism, over 1,700 transactions were screened under the EU cooperation mechanism, with many more reviewed at the Member State level, and 24 out of 27 Member States having introduced national screening systems.[58] In Czechia, an investment was blocked for the first time in 2025, when the government banned a Chinese company from operating a satellite control station due to a potential security threat.[59] In June 2025, Member States also agreed on the first-ever application of restrictive measures under the International Procurement Instrument against Chinese manufacturers of medical

devices.[60]

Regarding the Foreign Subsidies Regulation, the participation of the Korean company KHNP in the Czech tender for the completion of the Dukovany nuclear power plant has been subject to scrutiny. [61] In addition, investigations were launched under this Regulation in the context of Chinese companies bidding for public contracts in various EU countries, supplying electric trains, wind turbines, photovoltaics and security equipment.[62] In the summer of 2025, the Anti-Coercion Instrument was also considered as a possible retaliatory tool against the US tariffs, but was not ultimately triggered. [63]

Draghi's report on competitiveness[64] proposes that the EU actively use these instruments to protect industries of strategic importance, innovative industries with high growth potential, sectors where

[57] Directorate-General for Trade and Economic Security, "EU Commission Imposes Countervailing Duties on Imports of Battery Electric Vehicles (BEVs) from China", European Commission, 12 December 2024, https://trade.ec.europa.eu/access-to-markets/en/news/eu-commission-imposes-countervailing-duties-imports-battery-electric-vehicles-bevs-china.

[58] European Commission, Fifth Annual Report on the screening of foreign direct investments into the Union, (Brussels, Belgium: European Commission, 14 October 2025) COM(2025) 632 final,

https://ec.europa.eu/transparency/documents-register/detail?ref=COM(2025)632.

[59] Lukáš Valášek and Adéla Jelínková, "Střet špionů u Vlkoše: Vláda prvně tasí paragraf "Ohrožení bezpečnosti Česka", Seznam Zprávy, 25 March 2025, <u>https://www.seznamzpravy.cz/clanek/domaci-kauzy-ohrozeni-bezpecnosticeska-vlada-zakazala-cinskou-satelitni-stanici-272414</u>.

[60] European Commission, "Commission Implementing Regulation (EU) 2025/1197" (Brussels, Belgium: Official Journal of the European Union, 20 June 2025), https://eur-lex.europa.eu/legal-content/CS/TXT/? uri=OJ/%3AL 202501197.

[61] iDnes.cz, "Korejci se ohrazují vůči tvrzením právního zástupce EDF. Onzačují je za nepravdivá", 14 May 2025, https://www.idnes.cz/ekonomika/domaci/khnp-edf-dukovany-ii.A250514 152544 ekonomika hyk.

[62] Axel Gutermuth et al., "The Foreign Subsidies Regulation: Where Do We Stand 18 Months Into Implementation of the Notification Obligations", Arnold & Porter, 30 May 2025,

 $\underline{\text{https://www.arnoldporter.com/en/perspectives/advisories/2025/05/the-foreign-subsidies-regulation-where-do-we-stand.}$

[63] Magdalena Maňáková, "Paříž nechce ustoupit Trumpovu Tlaku. Volá po nejsilnějším obchoním nástroji", Seznam Zprávy, 16 July 2025, https://www.seznamzpravy.cz/clanek/ekonomika-finance-pariz-nechce-ustoupit-trumpovu-tlaku-vola-po-nejsilnejsim-obchodnim-nastroji-282014.

[64] European Commission, The Future of European Competitiveness: Part A | A Competitiveness Strategy for Europe, (Brussels, Belgium: European Commission, September 2024), https://commission.europa.eu/topics/eucompetitiveness/draghi-report_en.

the EU has a comparative advantage (such as wind turbines) and sectors important for maintaining employment (for example, the automotive industry).[65] However, these tools should also be used in with industrial coniunction and competition policy to attract inward investment and stop Europe from losing ground in these sectors. In the automotive industry, for example, some Chinese companies have decided to relocate their production to the EU to avoid tariffs.[66] However, it is questionable whether this also helps reduce to strategic dependencies. Imports of incomplete technologies that are only assembled in Europe reduce the sector's added value and limit the potential positive spillover effects on research and development and the workforce.[67] The Carbon Border Adjustment Mechanism will also gradually introduce a carbon tax on imported goods, but it will only apply to basic materials such as steel or aluminium, not to finished products such as cars.[68] For the EU, which is a traditional advocate

of open trade, this change in thinking does not come naturally. When dealing with trade measures and measures that distort competition, there is a risk that Europe could fall into a protectionist trap and hamper its own growth.[69]

The EU must advocate more strongly for a global trading system with transparency subsidies. sanctions violations of WTO rules, and an effective dispute resolution mechanism.[70] If the WTO and bilateral dispute settlement procedures do not provide an adequate timely response to aggressive industrial policies of third countries, the EU should continue to pursue an assertive trade policy and make full use of its trade defence instruments. It should use new forms of cooperation to diversify its trade relations and align its trade policy with other policy objectives.

Czechia traditionally advocates for free trade and investment policies in line with EU objectives,[71] and remains cautious when it comes to using unilateral instruments such as countervailing duties

^[65] Simone Tagliapietra, "Decarbonisation is at the Heart of Draghi's Industrial Plan", Bruegel, 9 September 2024, https://www.bruegel.org/first-glance/draghis-industrial-masterplan-has-decarbonisation-its-core.

^[66] Gregor Sebastian and Camille Boullenois, "Terms and Conditions Apply: Regulating Chinese Investment in Electric Vehicle Manufacturing in Europe", Rhodium Group, 1 October 2024, https://rhg.com/research/terms-and-conditions-apply-regulating-chinese-ev-manufacturing-investment-in-europe/.

^[67] Michal Hrubý, "Rethinking Industrial Policy for Central and Eastern Europe", The German Marshall Fund of the United States, June 2024, https://www.gmfus.org/sites/default/files/2024-06/CEE%20Industrial%20Policy.pdf. [68] Directorate-General for Trade and Economic Security, "Carbon Border Adjustment Mechanism (CBAM): Questions and Answers", European Commission, 17 October 2024, https://trade.ec.europa.eu/access-to-markets/en/news/carbon-border-adjustment-mechanism-cbam.

^[69] Mathias Bauer and Dyuti Pandya, "EU Autonomy, the Brussels Effect and the Rise of Global Economic Protectionism", ECIPE, February 2024, https://ecipe.org/wp-content/uploads/2024/02/PR-OP-12024.pdf.

^[70] Directorate-General for Trade and Economic Security, "EU calls on WTO to Address Current Policy Challenges through Focused Negotiations", European Commission, 22 February 2023, https://policy.trade.ec.europa.eu/news/eu-calls-wto-address-current-policy-challenges-through-focused-deliberation-2023-02-22 en.

^[71] Czech Ministry of Industry and Trade, "Ministři EU jednali o nové obchodní politice, Česká delegate vyzdivhla důležitost otevřenosti vnitřního trhu", 2 March 2021, https://mpo.gov.cz/cz/zahranicni-obchod/spolecna-obchodni-politice--ceska-delegace-vyzdvihla-dulezitost-otevrenosti-vnitrniho-trhu--259859/.

against imports of Chinese electric cars. [72] However, European companies, including Czech representatives, are calling for a strong yet balanced response to the aggressive industrial policies of third countries.[73] It is therefore in Czechia's interest to pursue a long-term vision and prioritise solutions that will contribute to achieving it.

Conclusion: Balancing Openness and Resilience in EU Trade Policy

The EU's trade policy remains one of the key instruments for promoting the Union's competitiveness and strategic interests in the global arena. As previous steps and current discussions show, the emphasis is increasingly shifting from multilateral formats to bilateral, regional and thematic partnerships. In the context of growing protectionism and geopolitical pressures, the EU faces many challenges that threaten the principle of multilateral trade. Therefore, the key objective is not only to secure access to new markets, but also to strengthen the resilience of supply chains, reduce dependencies and promote value-based cooperation.

The EU benefits significantly from the reduction of trade barriers and the opening of new markets. However, effective economic growth requires greater diversification of sources and trading partners. The EU's main priorities should include the completion of trade agreements with important partners, such

as India, Mercosur, Australia and selected ASEAN countries. At the same time, it seems necessary to develop partnerships through so-called mini-deals, that is, smaller, thematically focused agreements (for example, concerning the mutual recognition of technical standards), which may have significant economic potential. Given the EU's shared priorities with likeminded partners in trade policy areas such as digitalisation, climate, and transparency in subsidy rules, it should seek to form coalitions to modernise the global trade framework.

From the perspective of Czechia and the EU as a whole, it is also important to develop cooperation with countries in the Global South, particularly in Africa, Central Asia and Latin America. In addition to access to critical raw materials, this also supporting involves investment. technology transfer and the integration of these regions into sustainable value chains. Further developments in the US. whose current trade policy is characterised bν increasing unpredictability and protectionism, will also play an important role in this regard, showing that even long-standing partners can no longer be assumed to provide a stable and predictable environment. Although maintaining constructive relations with the US remains a strategic goal, EU trade policy faces the challenge of responding flexibly to global shifts, strengthening key partnerships and, at the same time, creating a framework for longterm stability and predictability international trade.

^[72] Česká televize, "EK schválila dodatečná cal na Čínshká elektroauta", ČT24, 29 October 2024, https://ct24.ceskatelevize.cz/clanek/ekonomika/ek-schvalila-dodatecna-cla-na-cinska-elektroauta-354835.
[73] Svaz průmyslu a dopravy České republiky, "Podnikatelé vyzývají k proaktivní a perspektivní obchodní agendě EU", 11 September 2024. https://www.spcr.cz/podnikatele-vyzyvají-k-proaktivní-perspektivní-obchodní-agende-eu.

The EU has a strong and diverse arsenal of trade defence instruments at its disposal to protect its market from unfair competition, economic pressure and security risks. The toolbox effectively combines traditional measures with new mechanisms, such as foreign investment screening and mechanisms addressing foreign subsidies, while emphasising the protection of strategic and innovative sectors to promote competitiveness and jobs. It is crucial for the EU to strike a balance between protecting its own market and maintaining its openness, as falling into a protectionist trap or a tit-fortat tariff war would hamper the Union's economic growth. Therefore, it essential to diversify trade relations and align trade policy with broader political objectives, including environmental goals and technological priorities. Czechia, which has traditionally promoted open trade, should support a balanced and strategic use of these instruments in order protect business interests while contributing to the long-term competitiveness of the EU in the global trading system.

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Strategic Trade Partnerships: Key Priorities for the EU

Common top EU export sectors (SITC) with the mentioned countries:

- Machinery and transport equipment (SITC 7)
- Chemicals (SITC 5)
- Manufactured goods classified chiefly by material (SITC 6)
- Miscellaneous manufactured articles (SITC 8)
- Food and live animals (SITC 0)

Mexico



Economic Partnership, Political Coordination and Co-operation Agreement entered into force in Oct 2000. Modernised Global Agreement: negotiations concluded Jan 2025; Commission proposed signature and conclusion (incl. Interim Trade Agreement) on Sept 2025; ratification pending.



Total EU Trade Volume: EUR 82.4 billion (2024)



GDP: EUR 1.35 trillion (2024)



Population: 130 million (2024)

Mercosur



EU-Mercosur Partnership Agreement 6 Dec 2024; Commission proposed signature of EMPA and Interim Trade Agreement on 3 Sept 2025; ratification pending.



Total EU Trade Volume: EUR 111.2 billion (2024)



GDP: EUR 2.7 trillion (2024)



Population: 270 million (2024, for four full members)

Chile



EU-Chile Association Agreement in force since 2003; Advanced Framework Agreement signed Dec 2023 and awaiting ratification; Interim Trade Agreement entered into force Feb 2025.



Total trade volume: EUR 20.1 billion (2024)



GDP: EUR 279 billion (2024)



Population: 20 million (2024)



Kenya



EU-Kenya Economic Partnership Agreement signed Dec 2023; entered into force 1 July 2024.



Total EU Trade Volume: EUR 3.4 billion (2024)



GDP: EUR 105 billion (2024)

Population: 51 million (2024)

United Arab Emirates



EU-United Arab Emirates Free Trade Agreement negotiations formally launched May 2025; no agreement yet.



Total trade volume: EUR 55.6 billion (2024)



GDP: EUR 468 billion (2024)



Population: 10 million (2024)

Thailand



Free Trade Agreement negotiations relaunched March 2023; no deal yet.



Total trade volume: EUR 42.1 billion (2024)



GDP: EUR 458 billion (2024)



Population: 70 million (2024)

Indonesia



Negotiations for the *Comprehensive Economic Partnership Agreement* finalised 23.9.2025; signature & ratification pending.



Total trade volume: EUR 27.3 billion (2024)



GDP: EUR 1.22 trillion (2024)

Population: 275 million (2024)





Negotiations for Free Trade Agreement, Investment Protection Agreement and Agreement on Geographical Indications relaunched June 2022; talks ongoing across all three tracks.



Total trade volume: EUR 120 billion (2024)



GDP: EUR 3.1 trillion (2024)

Population: 1.417 million (2024)

Australia



Framework Agreement between the EU and Australia entered into force 21.10.2022; Free Trade Agreement negotiations ongoing since May 2018.



Total trade volume: EUR 49.4 billion (2024)



GDP: EUR 1.6 trillion (2024)

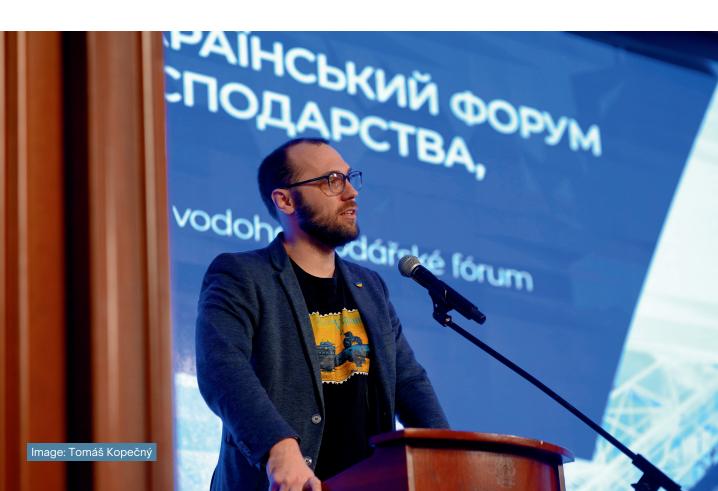


Population: 26 million (2024)

Sources: European Commission Trade Policy pages for Mexico, Chile, Mercosur, Kenya, Thailand, UAE, India, Indonesia, and Australia; European Commission Eurostat trade statistics; European Commission International Situation Database (ISDB) country factsheets; Government of the Netherlands EU-Mexico Trade Profile (2025); UAE Ministry of Foreign Affairs trade relations announcement (2025); Indian Embassy Brussels bilateral trade statistics; Trading Economics EU import/export data; Brazil Ministry of Foreign Relations Mercosur-EU Partnership Agreement factsheet (2024); Indonesian Chamber of Commerce EU trade agreement documentation (2025); Australian Department of Foreign Affairs and Trade EU-FTA fact sheet

INTERVIEW

'Ukraine is Bleeding for EU Values, but Accession will Take Years', says Tomáš Kopečný



INTERVIEW

'Ukraine is Bleeding for EU Values, but Accession will Take Years', says Tomáš Kopečný



Veronika Rajmanová

"

'Ukraine is not just fighting for itself; it is fighting for the survival of the European way of life, for freedom, for the ability of every citizen to make personal decisions, to vote freely, and to enjoy the prosperity that comes from democracy'.

Ukraine's Road to the EU

As Russia's war continues to redefine Europe's security landscape, Ukraine's EU bid has become both a moral imperative and a geopolitical challenge. Tomáš Kopečný, the Czech Government's Envoy for the Reconstruction of Ukraine, reflects on the country's progress and obstacles on its path to membership, the political resistance within the EU, and the need to turn reconstruction into a driver of Europe's security and technological resilience. His insights reveal how Ukraine's struggle for survival is also shaping the future direction of European integration.

[When you said Ukraine was unlikely to join the Union 'anytime soon'] what exactly did you mean? Could you please specify the time frame more precisely?

What I meant was that it will not be a matter of just a few short years, but neither will it take decades. Let's say between five and fifteen years.

In your opinion, what are the biggest obstacles? Political, economic, or institutional?

The main obstacles are political, coming from Member States. There is a constant search for reasons why the integration process, accession talks, and negotiation chapters should not move forward. One country that persistently blocks and finds reasons to delay deadlines or to withhold approval of successful evaluations is Hungary, occasionally supported by Slovakia. That's the political dimension.

As for the accession talks, the major limitations lie in Ukraine's own reform process. In the key chapter called 'Rule of Law', reforms are linked to the judiciary and the enforceability of the law; essentially, ensuring that justice is truly 'blind'. Ukrainian courts operate as they do elsewhere, but what makes the political class, civil society, and investors uneasy is that justice sometimes lifts its blindfold, and in some cases, it is not as impartial as we would like it to be. Until that changes, the Rule of Law chapter cannot be considered complete.

From your perspective, do you regard the arguments against Ukraine's admission, or against it even initiating the process of accession, as valid?

The accession process is already underway and ongoing. But it is impossible to say exactly how far along Ukraine is in the overall journey. It has already reached many significant milestones, and

particularly during the first two years, it progressed further than most of the Western Balkan countries have managed in fifteen years.

Some of the arguments against Ukraine's accession are indeed valid in certain respects, and I think they can and should addressed the be by Ukrainian administration and parliament. At the same time, many of these arguments are purely instrumental, especially in the Council on Foreign Affairs or during technical assessments, where Hungary's objections are entirely tactical and therefore not genuinely relevant.

You mentioned the Western Balkan candidate countries. Do you really believe that Ukraine has surpassed them in terms of preparedness? Isn't that unfair to the countries that have been waiting for years? Might they feel deceived?

Of course, they did feel that way. But in the past year, this has not been a prominent topic, because Ukraine's own accession process has significantly slowed down, despite the Danish presidency, which has been doing a great deal to accelerate it. In fact, Denmark is Ukraine's largest supporter in both civil and military terms relative to GDP.

A year and a half or two and a half years ago, I often heard arguments on the international stage suggesting that we should either treat Ukraine's application with greater priority or, conversely, show more empathy and understanding toward the Balkan accession processes.

But Ukraine, through its remarkably well-marketed and PR-managed accession campaign, has also helped pull along the other waiting countries, breaking through the 'air resistance', so to speak, and making it easier for them to follow. I don't think that's unfair. Ukraine has achieved a great deal.

Ukraine's situation is different: this is not about ticking off technical merely chapters. The war for national survival has created a powerful impetus, allowing Ukraine to push through numerous reforms simultaneously and much faster than would be possible under normal circumstances. It has also awakened a 'sleepy' part of Europe that, since the major 2004 and 2008 enlargements, had seventeen years without significant accession. So, no, I don't consider it unfair. On the contrary, it's positive that the enlargement process is alive again, even if it's not progressing as dynamically as before.

Reform, Enlargement and Europe's Readiness

Do you believe that if there were a largescale enlargement like in 2004, including both Ukraine and the Western Balkan states, the EU could handle it?

If the EU can handle Ukraine, it can handle the rest, whether in terms of territory, population, economic scale, or domestic challenges.

I meant it in terms of institutional capacity. Wouldn't structural reform be needed if such diverse countries joined at the same time say – for example,

Montenegro (about 600,000 inhabitants) at one end of the spectrum and Ukraine (between 29 and 38 million, depending on estimates and wartime displacement) at the other? Issues like the veto would probably have to be reconsidered. How do you see it?

If we look at how public opinion in most EU countries currently views enlargement, it's actually fortunate that neither Ukraine nor the others have yet technically met all the requirements. Otherwise, it would be politically far more painful. There are still several tasks to complete, and many procedures are being blocked Hungary. But when it comes to a vote, 'it will be politically difficult everywhere. Still, this could change within a few years once people see that Ukraine is an attractive, genuinely European country that would enrich the Union.

Institutional reform is inevitable whenever new members join; it always accompanies enlargement. Limiting or abolishing the veto in areas where Hungary now blocks foreign and security crucial decisions is the preference of most Member States, to prevent similar obstruction in budgetary matters as well. However, no one is proposing such deep changes to the EU's functioning right now, especially when European leaders are focused on preparing for what they increasingly see as a struggle for survival - not only of lifestyles, economic models, or investment, but of the physical survival of states themselves.

Returning to your earlier statement, you mentioned a 15-year horizon. Do you see that as a realistic estimate, or did you say it mainly to prevent unrealistic expectations?

Most of what I say, I say because I believe it to be realistic.

How do your Ukrainian partners react to your openness?

They react very well. When I was approached three years ago to consider taking up my current position, I set two conditions: first, that I would be allowed to be 'off the leash', and second, that no one would reproach me for what I said publicly.

By 'off the leash', I meant having the freedom shape and implement to processes. I set myself a major goal: to gather support for our defense and reconstruction agenda around the world. After a while, respected institutions such as yours began inviting me to discussions and sometimes to the media. I would always first get briefed by the Office of the Government or participate in shaping policy toward Ukraine or work with the Ministry of Foreign Affairs. Later, when I offered my own assessments, even if they didn't exactly align with what elected officials or ministers were saying, it always turned out fine.

It's the same with my Ukrainian partners. For instance, during the Oval Office meeting between Donald Trump and Volodymyr Zelensky, I took notes on several points that were not in line with the European mainstream narrative portraying Trump as pure evil. I didn't say that – rather, I pointed out certain structural issues in the negotiations, which the Ukrainian side also didn't handle entirely well. The feedback from Ukraine

was very positive. I don't know what happens on social media, but politicians and partners wrote to me directly, saying my points were interesting and had sparked debate. My openness is well received among my Ukrainian partners and collaborators.

Ukraine's Sacrifice and Europe's Responsibility

Ukraine has been at war for more than two years, bleeding for the values of the European Union. You've said it will not join the EU anytime soon. Isn't that discouraging for them?

Yes, and that's why I often remind my European colleagues that Ukraine is not just fighting for itself; it is fighting for the survival of the European way of life, for freedom, for the ability of every citizen to make personal decisions, to vote freely, and to enjoy the prosperity that comes from democracy.

Ukraine's courage and endurance are things we must repay, not only with weapons and humanitarian aid, but also with a credible political perspective. However, political reality is cruel. EU accession is not a reward or a gesture of gratitude; it is a process of adaptation – painful, slow, and bound by rules.

So yes, it's discouraging, but Ukraine understands this. Their leadership knows that no one will 'gift' them EU membership. They will have to earn it, and they are determined to do so.

Rebuilding Ukraine and Europe's Defence Future

You've mentioned that you coordinate Czech assistance in the reconstruction of Ukraine. What does that involve in practice?

It's a combination of political, economic, and humanitarian work. On the political level, we are trying to ensure that Ukraine remains a top priority within the EU and NATO agendas. On the economic level, we are working to open opportunities for companies in reconstruction Czech projects particularly in energy, infrastructure, healthcare, and defence. And on the humanitarian level, coordinate projects aimed at restoring normal life: schools, hospitals, housing, and water systems. For example, Czechia has taken responsibility for the Dnipropetrovsk region. We focus on rebuilding what makes everyday life possible - not only the economy and industry, but also human dignity.

How do Czech businesses respond to these opportunities? Are they active enough?

They are very active, but the risk environment is high, and that limits private investment. That's why we're working with European and international partners to create insurance mechanisms and guarantee funds. We want to make sure that Czech companies can take part in reconstruction now, not only after the war, because those who help Ukraine during the difficult times will have the best position afterwards.

Czech companies are respected in Ukraine for being pragmatic, reliable, and fast. They're not afraid of challenges, and many already operate in dangerous regions. Some are involved in the energy sector, others in railways or agriculture. What we're doing is making sure they have the political and financial backing they need to succeed.

When you talk to Ukrainians – both politicians and ordinary people – what is their biggest fear, and what gives them hope?

Their biggest fear is fatigue. They are afraid that the West will get tired: that support will fade, that aid will slow down, and that public attention will move elsewhere. That is their nightmare.

Their greatest source of hope is their own resilience. Ukrainians have discovered a strength they didn't know they had. Their society is more united than ever before, and despite everything, people are getting married, having children and starting businesses. That's extraordinary.

They are also encouraged by the moral and political support from Central Europe – from countries that know what it is like to live under occupation or dictatorship. They often tell me: 'You understand us better than anyone else', and that's true.

Coming back to the economic side, you've said that Ukraine could become the 'Israel or South Korea of Europe'. What do you mean by that?

I mean that both Israel and South Korea built advanced economies and strong defence industries under constant threat. They turned necessity into strength. Ukraine has the same potential. It already has world-class engineers, a robust industrial base, and immense human capital. Once the war ends – and I believe it will – Ukraine could become Europe's main driver in defence technology, cybersecurity, and innovation.

But it won't happen automatically. It requires long-term investment, smart partnerships, and political stability. That's why we, as Czechs, are pushing for Ukraine to gain access to European investment funds, reconstruction banks, and industrial partnerships, so that this transformation can start now, not in ten years.

You speak about transformation, but the war has devastated large parts of the country. Is it really realistic to talk about a 'technological leap' while the conflict is still ongoing?

It is not only realistic, but also necessary. Waiting for the perfect conditions would mean losing momentum. Many of the most innovative countries in the world – Israel, South Korea, even Germany after World War II – started rebuilding in the middle of crisis, not after it.

Ukraine is already doing it. They are building fortifications, but also factories. They are producing drones, but also opening new IT hubs. The war has forced them to innovate quickly, to use resources efficiently, and to rely on digital solutions. These are the exact conditions that often give birth to breakthrough technologies.

That's why we need to support them now: with know-how, capital, and open markets. The reconstruction of Ukraine will not just be about repairing what was destroyed. It will be about building something new and stronger.

Do you believe this 'new' Ukraine could serve as an example for others?

Yes. Ukraine could become a symbol of resilience and self-reliance. A country that survived a brutal invasion, modernised itself, and became a pillar of regional security. In a way, it's already happening. Ukraine has changed Europe's perception of what is possible. It has revived our sense of purpose and reminded us that freedom is not free.

Tomáš Kopečný is an expert on the defence and security industry. From 2020 to 2022, he served as Deputy Minister for Industrial Cooperation at the Czech Ministry of Defence, and since January 2023 has acted as Government Envoy for the Reconstruction of Ukraine. Earlier in his career, he served in several senior roles at the Czech Ministry of Defence, among them Director of the Department Industrial Cooperation. Head of International Defence-Industrial Cooperation, and Adviser to the Deputy Minister.

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OPINION

ADVANCE TOGETHER OR DRIFT APART:

Can the Transatlantic Partnership Survive Trump 2.0?



Danielle Piatkiewicz

Europe learning, through hard tough that lessons and love. Washington's support can no longer be taken for granted - from wavering aid to Kyiv and divisions over Gaza to renewed trade tensions and NATO fatique. The transatlantic alliance must now be redefined around resilience rather than dependence, or risk drifting apart in a world that will not wait for either side to catch up.

For decades, the transatlantic relationship has been the backbone of the democratic world – built on shared values, open markets, and collective security. Yet in 2025, that foundation feels one crisis away from collapse. Russia's war in Ukraine drags on, China grows bolder, and the Middle East teeters on the edge. Above all, Washington's commitment to its European allies has once again been thrown into question.

President Trump's return to the White House has revived familiar anxieties among democratic allies. His early months in office suggest not a replay of his first term but a heightened version of it: transactional tit-for-tat diplomacy. selective and engagement, emboldened America First posture driven political polarisation and further hardened bv the assassination conservative activist Charlie Kirk.

Europe is discovering – through hard lessons and tough love – that it can no longer assume Washington will always have its back in navigating global crises. From tariff and trade disputes, wavering US military aid to Kyiv, and growing fatigue over NATO burden-sharing, to an inconsistent stance on the war in Gaza that continues to strain transatlantic unity, Washington's commitment to its European allies appears increasingly uncertain.

If Europe and America can redefine their alliance for an age of multipolar rivalry, grounded in resilience rather than dependence, they can still advance together. If not, they may soon find themselves drifting apart in a world that will not wait for them to catch up.

Europe's Strategic Awakening

To its credit, Europe has awoken to this new reality. The war in Ukraine jolted EU and NATO members into action, from record defence-spending commitments to efforts at energy independence and industrial resilience. The 2025 NATO Summit in The Hague marked a turning point, with allies pledging to invest up to 5% of GDP annually by 2035 in defence and security-related spending - a clear recognition that Europe's security environment has fundamentally changed. [1]

But declarations are not deterrence. defence market Europe's remains fragmented; procurement slow: and industrial readiness lagging. Central and Eastern European countries - including the Baltics, Czechia and Poland - are leading the way, with many surpassing the 2% of GDP defence-spending cooperation.[2] Yet the broader continent still faces the task of turning ambition into capability.

Transatlantic Trust: Something to be Desired...

Even as the transatlantic economy remains the largest in the world generating an estimated US \$9.5 trillion in output and sustaining 16 million jobs [3] public trust is fraying. A November 2024 European Council on Foreign Relations poll, taken before Trump's inauguration, found that only 22% of respondents across eleven EU Member States and three partner countries viewed the United States as a close ally, while half saw it merely as a 'necessary partner'.[4] These trends raise questions about whether the United States can still be counted on to defend Europe should Russia escalate its aggression - doubts the transatlantic alliance has not had to confront in decades.

^[1] North Atlantic Treaty Organization, "The Hague Summit Declaration", Press Release 2025 001, 25 June 2025, https://www.nato.int/cps/en/natohq/official_texts_236705.htm.

^[2] Dominika Hajdu et al., GLOBSEC Trends 2025: Ready for a New Era? (GLOBSEC, 2025), https://www.globsec.org/sites/default/files/2025-05/GLOBSEC%20Trends%202025_1.pdf.

^[3] Daniel S. Hamilton and Joseph P. Quinlan, The Transatlantic Economy 2025: Annual Survey of Jobs, Trade and Investment between the United States and Europe (Washington, DC: Foreign Policy Institute, Johns Hopkins University SAIS / Transatlantic Leadership Network, 2025), https://transatlantic.amchameu.eu/wp-content/uploads/2025/03/Transatlantic Economy 2025.pdf.

^[4] Jana Puglierin, Arturo Varvelli and Pawel Zerka, Transatlantic twilight: European public opinion and the long shadow of Trump (EU Council on Foreign Relations, 2025), https://ecfr.eu/publication/transatlantic-twilight-european-public-opinion-and-the-long-shadow-of-trump/.

In America, support for NATO endures but is deeply polarised. A May 2025 Chicago Council on Global Affairs survey found that 73% of Americans favour maintaining or increasing US support for the alliance – yet that figure breaks down to 91% among Democrats versus 59% among Republicans.[5] This erosion of bipartisan consensus, coupled with waning faith in the US within Europe, represents a dangerous drift, one that adversaries from Moscow to Beijing are eager to exploit.

Climate, Trade, and Tech: Cooperation or Collision?

The fractures extend beyond security. The new Trump administration's rollback of climate commitments and clean-energy provisions has placed transatlantic energy and decarbonisation efforts on divergent paths. The European Commission, by contrast, has proposed a 90% emissionsreduction target by 2040,[6] amendment still under negotiation and subject to Member-State debate. Meanwhile, US coal consumption rose 17.9% year-on-year in Q1 2025 .[7]

Green-subsidy between races Washington's Inflation Reduction Act [8] and Brussels' Net-Zero Industry Act [9] have sparked industrial rivalry rather than strategic coordination. Trade tensions have also resurfaced, with tariff threats on a range of European technologies under the banner of national economic security. As reported by the Atlantic Council, the EU agreed to refrain from retaliatory tariffs and eliminate industrial tariffs to stave off Washington's proposed 30% 'reciprocal' tariffs. Yet Europe's declared intention to significantly increase LNG imports from the US risks creating new dependencies just as Brussels preaches strategic. [10] Technology may be the next major fault line. Washington's 'innovate first, regulate later' mindset clashes with Brussels' riskaverse digital-sovereignty agenda. The EU's AI Act and Digital Markets Act [11] contrast sharply with Trump's 2025 Artificial Intelligence Action Plan, which doubled federal AI research investment and framed tech dominance as a matter of economic and national security.[12]

^[5] Dina Smeltz and Lama El Baz, US Public Support for Alliances at All-Time High (The Chicago Council on Global Affairs, 14 October 2025), https://globalaffairs.org/research/public-opinion-survey/us-public-support-alliances-all-time-high.

^[6] Directorate General for Communication, "EU Climate Law: new way to reach 2040 targets", European Commission, 2 July 2025, https://commission.europa.eu/news-and-media/news/eu-climate-law-new-way-reach-2040-targets-2025-07-02 en.

^[7] U.S. Energy Information Administration, Quarterly Coal Report (EIA, 1 July 2025), https://www.eia.gov/coal/production/quarterly/

^[8] Nadya Britton and Natalie Runyon, "IRA's uncertain future: How the Trump administration's approach could impact corporate tax functions", Thomson Reuters, 27 February 2025, https://www.thomsonreuters.com/en-us/posts/corporates/ira-uncertain-future/.

^[9] European Commission, "The Net-Zero Industry Act", accessed 27 October 2025, https://single-market-economy.ec.europa.eu/industry/sustainability/net-zero-industry-act_en.

^[10] Charles Litchfield, "The US-EU trade agreement is not set in stone. This presents pitfalls and opportunities", New Atlanticist (Atlantic Council blog), 11 August 2025, https://www.atlanticcouncil.org/blogs/new-atlanticist/the-us-eu-trade-agreement-is-not-set-in-stone-this-presents-pitfalls-and-opportunities/.

^[11] European Commission, "The Digital Markets Act: ensuring fair and open digital markets", accessed 27 October 2025, https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/europe-fit-digital-age/digital-markets-act-ensuring-fair-and-open-digital-markets en.

^{[12] 15} Office of Science and Technology Policy, Winning the Race: America's Al Action Plan, (Executive Office of the President of the United States, July 2025), https://www.whitehouse.gov/wp-content/uploads/2025/07/Americas-Al-Action-Plan.pdf.

Unless both sides revive the EU-US Trade and Technology Council (TTC) [13] and align on data, Al, and supply-chain standards, they risk ceding global rule-setting to more authoritarian models.

A Partnership Worth Fighting for?

The world's democracies face a strategic stress test unprecedented since the Cold War. Whether confronted by Russia's aggression, China's assertiveness, or authoritarian influence in the digital sphere, neither the United States nor Europe can navigate the decade ahead alone.

The transatlantic partnership does not need nostalgia, it needs renewal. That means practical cooperation on energy and climate security, cleantech supply chains, and AI standards; institutional revitalisation through NATO and the EU-US Trade and Technology Council; and, above all, a shared political will to act and align before the next crises.

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^[13] European Commission, "US-EU Trade and Technology Council", accessed 27 October 2025, https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/stronger-europe-world/eu-us-trade-and-technology-council_en.



OPINION

Eroding Democracy, Law by Law: How the EU Is Letting Civic Space Disappear



Kaklik Karimli

Democratic values are not eroded overnight. They are chipped away law by law, country by country, through restrictions on NGOs and civic space. Activists are being intimidated, organisations are closing, and public trust in democratic institutions is crumbling.

In June 2024, thousands of Georgians poured into the streets to protest a 'foreign influence' law, a near-replica of legal playbooks first perfected, among EU states, in Hungary. European leaders, as expected, rushed to condemn the move. But in Budapest, officials likely watched with quiet satisfaction. They have seen this play out before: Brussels says all the right things yet does far too little. And they are not wrong.

Restrictive laws targeting civil society are spreading like wildfire, and so far, the European Union has failed to stop them. Illiberal and authoritarian-leaning leaders in Europe increasingly borrow not only each other's rhetoric but also their legal tools. Despite repeated warnings from Brussels and landmark court rulings (notably the ECI's 2020 decision against Hungary),[1] several EU governments have already passed or are about to introduce legislation that burdens NGOs, restricts foreign funding, and stigmatises civil society organisations.

The EU's approach is stuck on repeat: expressions of 'concern', delayed legal proceedings, and last-minute negotiations that water down the worst provisions without addressing their intent. This inconsistent, reactive strategy is no match for determined illiberal leaders who have learned how to bend the rules without breaking them. Worse, the lack of real consequences only emboldens others. Once one government gets away with it, the next knows it can do the same.

Hungary has long been a pioneer in anti-NGO legislation within the EU, and has now become a serial offender. The 2017 'Lex NGO' forced civil society organisations to label themselves as 'foreign-supported'. Although the European Court of Justice struck it down in 2020, Hungary simply tweaked and rebranded it.[2] The new 2021 'Lex NGO' removed the stigmatising label but retained many of the restrictions. Now, in 2025, a new draft law, Transparency in Public Life, is back the table, on to threatening expand government oversight once again via the Sovereignty Protection Office, а state authority established in December 2023.[3]

Slovakia soon followed Hungary's lead. In 2025, it passed a law requiring NGOs to disclose donor details and leadership names, and to comply with burdensome reporting requirements.[4] The original draft, proposed in 2024, included 'foreign agent' language – echoing Russian and

Hungarian precedents – but this was dropped after EU warnings of possible infringement proceedings. Still, the law passed. And despite the Commission's 2024 threats of legal action, no formal infringement has yet been launched.

Bulgaria offers another telling example. Since 2020, far-right politicians have repeatedly pushed for a law restricting foreign-funded NGOs. Although the draft introduced in 2020 ultimately was rejected by parliament in February 2025. the Commission responded only with vague expressions of 'concern' and has not launched any formal action.[5] If the bill resurfaces, no one should surprised.

The lesson? Cosmetic changes are enough to escape real consequences.

The trend does not stop at the EU's borders. Georgia's 2024 'foreign influence' law sparked mass protests and international outcry, especially from EU institutions - but it still passed. Serbia has proposed а similar bill. Republika Srpska adopted nearly identical legislation in 2025. What is at stake here is not just civic space; it is the credibility of the EU's democracy agenda. If the EU cannot deter its own Member States, how it credibly pressure candidate can countries?

^[2] Netherlands Helsinki Committee, "ECJ Finds Hungary NGO Law in Breach of EU Law", 25 June 2020, https://www.nhc.nl/ecj-finds-hungary-ngo-law-in-breach-of-eu-law/.

^[3] Szuverenitásvédelmi Hivatal (Sovereignty Protection Office), official website, accessed 22 October 2025, https://szuverenitasvedelmihivatal.hu/.

^[4] Chiara Bachels, "Slovakia Passes Law on NGOs amid Criticism", Deutsche Welle, 17 April 2025,

https://www.dw.com/en/slovakia-passes-law-on-ngos-amid-criticism/a-72268853.

^[5] European Commission, 2023 Rule of Law Report. Country Chapter on the Rule of Law Situation in Bulgaria, Commission Staff Working Document (European Commission, 5 July 2023)

https://commission.europa.eu/system/files/2023-07/10_1_52568_coun_chap_bulgaria_en.pdf.

The EU must recognise that timid diplomacy is not a strategy anymore. If it wants to defend democracy and civic space, it needs to act early, decisively, and politically.

Harassing NGOs and shrinking civic space must be made politically costly and legally risky.

Going well beyond the 'ordinary' procedures, the EU family must shoulder greater responsibility and deploy the most powerful tools at its disposal. In addition to triggering infringement proceedings more swiftly and supporting civil society directly through political visibility and legal backing, the suspension of voting rights under Article 7 must be seriously considered. The Commission should also fully apply the Rule of Law Conditionality Mechanism, which allows the suspension of EU funds when governments undermine the rule of law, while ensuring that financial support continues to flow directly to NGOs and civic actors. Crucially, infringement actions should be paired with requests for interim measures before the Court of Justice (CJEU). When measures constrain NGOs. are used to Commission must not wait for cases to wind their way through lengthy judicial timelines; it should seek urgent CJEU relief to halt the most damaging provisions immediately. For candidate countries, these principles should guide stricter use of accession and aid conditionality.

If Brussels is committed to defending democracy, it must stop playing catch-up. Condemnation is not enough; consequences must follow. Clear political costs for governments that copy autocratic blueprints must be on the table. And yes, they must be applied swiftly and without hesitation.

About the author:

Kaklik Karimli has been Research Fellow at EUROPEUM as part of the 2025 Think Visegrad Fellowship. She is an adjunct in the lecturer Department of Political Science Philosophy and at Khazar University in Baku and works as a researcher and consultant on for projects international organisations. She holds an MA Political Science Syracuse University, US, and an MA from Hacettepe University in Turkey.

INTERVIEW



Capacity
Constraints

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INTERVIEW

Between Optimism and Capacity Constraints: A Conversation with Stevo Muk on Montenegro's EU Accession



Oszkár Roginer-Hofmeister

'Montenegro's accession would send a very strong message: first, that the enlargement process is still alive, and second, that membership is achievable in the context of a democratic shift of power, a strong fight against corruption and organised crime, and internal political stability'.

Two decades after opening accession talks, Montenegro continues to symbolise both the promise and the fatigue of the EU Stevo enlargement process. Muk, President of the Institute Alternative in Podgorica, discusses country's the reform path, the limits of administrative capacity, and the risks of geopolitical complacency. His perspective sheds light on what Montenegro's experience tells us about the credibility and future of EU enlargement in the Western Balkans.

Let's start with the process itself. Where does Montenegro's EU accession currently stand, particularly in terms of public administration reform, institutional convergence, and resilience?

Montenegro has opened all negotiation chapters, seven of which have been provisionally closed, and remains the leader in the EU accession process. It has been five years since the first democratic change of government and over three years since the fight against corruption and organised crime intensified.

Montenegro has been negotiating for a long time, and for a while, the conclusion of this process seemed distant and uncertain. I believe that now, with a clearer roadmap and firm commitments from the EU a new phase of optimism has begun; one that, if parliament and government truly commit to it, can lead to the closure of the remaining chapters and successful completion of negotiations. Importantly, tangible results of EU approximation are finally visible, largely thanks to the renewed momentum in the enlargement process. We are witnessing significant financial the first disbursements from the Growth Plan for Montenegro, the announcement reduced roaming costs with EU countries, and the integration into digital payment systems with EU member states (SEPA). overall positive impression The strengthened by the political stability provided by the new parliamentary majority (54 out of 81 MPs), and by the government's focus European on integration, economic issues, investment, and the rule of law.

Plans have been announced to close another six negotiation chapters by the end of this year, and there is already talk of preparing Montenegro's Accession Treaty with the EU. However, our public administration has very limited capacity, and the domestic economy offers little room for independent investment beyond EU and other international grants and concerned loans. am that the administration was insufficiently prepared even for the earlier pace of integration, and that its capacity for this new, highly dynamic and demanding phase is even questionable. ln many more areas, progress remains slow and insufficient,

while the deadlines are extremely tight and demanding.

What does Montenegro's prolonged stay in the EU accession 'waiting room' mean for the Union itself, particularly in terms of investment, security, and geopolitics?

Although Montenegro has long been labelled frontrunner in European integration among Western Balkans countries, its membership perspective has Considering remained vague. Montenegro has a population of just over 600,000, it poses no considerable risk of damage to the EU. On the contrary. Montenegro's accession would send a very strong message: first, that the enlargement process is still alive, and second, that membership is achievable in the context of a democratic shift of power, a strong fight against corruption and organised crime in cooperation with European and international partners, and internal political stability.

To what extent does the idea of pairing Montenegro and Albania in a joint accession process and shared accession year make sense from a Montenegrin perspective?

I am not sure that this perception exists in Montenegro, nor that much importance is attached to it. However, such a scenario, which would also involve Albania's simultaneous accession, would be welcomed and could ease Montenegro's future obligations related to protecting parts of the EU's external borders.

During her recent visit to the Western Balkans, European Commission President Ursula von der Leyen clearly focused on Albania and Montenegro as the countries most advanced on the path of European integration. By participating in investment conferences in both countries, she openly called for greater investment in their economies.

What would a prolonged accession process mean for the EU's image in Montenegro? Would it also affect perceptions of the Union across the Western Balkans, both within the EU (for instance in Croatia) and among candidate countries?

Support for Montenegro's EU membership has been high and stable for years, with more than two-thirds of citizens in favour of joining. Unlike some other countries in the region, Montenegro does not face major divisions on this issue. It can even be said that the goal of EU membership is a major unifying goal for a society which, like other societies, is otherwise deeply divided across other lines.

However, if the EU were to neglect Montenegro now, it would likely lead to declining trust in the Union. Such a development would be eagerly exploited by anti-EU actors in Montenegro and the wider region to fuel further anti-European sentiments.

Regarding Croatia, some outstanding issues remain, including a border dispute dating back to the former Yugoslavia. The Croatian government, which is distinctly right wing, also harbours concerns about Serbia's influence in Montenegro's internal politics. It is likely that any Croatian government would use the final phase of Montenegro's EU integration to advance certain conditions from the position of a veto player.

That said, dialogue between the two governments has been ongoing for some time, and efforts to resolve these issues have recently intensified. I believe there is no support elsewhere in the EU for applying bilateral conditionality to Montenegro's accession process.

In your view, what should Montenegro be expecting from the EU at this point?

In the short term, full and swift support should be given to the implementation of measures agreed within the Reform Agenda and the closing benchmarks for the remaining chapters in the negotiation process. This implies supporting the strengthening of administrative capacities through all available EU mechanisms, as it is becoming increasingly evident that the administration's capacities are weak and fall significantly short of the commitments made.

There is also an area where the European Commission sometimes shows a low level of efficiency: the speed of providing opinions on draft laws that Montenegro prepares as part of the legislative alignment process. A quicker response from the European Commission would help accelerate the procedures within the government and the parliament.

Recently, we witnessed that Montenegro withdrew EUR 32 million less than the EU funds available, because the government failed to implement five measures from the Reform Agenda. Specifically, the EU transferred only EUR 19.7 million to Montenegro, as it did not accept the government's claim that all 17 measures due by June this year had been implemented, acknowledging only 12 as indisputably fulfilled.

If we look at the Western Balkans as a whole, how credible does the EU appear today in the eyes of regional elites, both in government and in opposition? For decades, it was the 'only game in town'. How strong is that attraction now in Montenegro, given the growing presence of Russia and China in the region?

In Montenegro, the EU still represents by desirable far the most strategic orientation, both politically and socially. Yet the prolonged accession process, combined with the lack of tangible progress and inconsistent communication from Brussels, has created space for other influences. Russia and China are increasingly present - Russia primarily through disinformation, political narratives and networks of influence, and China through investment financial and engagement.

These influences do not necessarily challenge the EU's dominance directly, but they exploit the fatigue and frustration caused by the stagnation of the accession process. The EU's attractiveness now depends less on declarations of support and more on visible engagement – through investment, quicker political responses, and stronger partnerships with reform-minded actors in the region.

There is an ongoing debate between enlargement driven by realpolitik – for security reasons – and enlargement based on merit. How is this discussion viewed in Podgorica, and could Montenegro's experience influence future EU enlargement policy?

I believe there is a shared impression that, without the geopolitical and security challenges faced by the EU and NATO since Russia's attack on Ukraine, there would not have been renewed enthusiasm or a decision to accelerate the enlargement process – at least in Montenegro's case.

On one hand, this has boosted enthusiasm in Montenegro, while on the other, it may have created the impression that membership is almost a done deal and could be achieved without meeting strict conditionality. Former Slovenian President Borut Pahor recently said in an interview for a Montenegrin daily newspaper: 'You should be admitted to the EU even if you do not meet the conditions'.1

Given such expectations in Montenegro – and possibly even promises from the EU – it seems that the EU's transformative power has been called into question, suggesting that, in Montenegro's case, the policy of conditionality may have been abandoned.

Where do you see Montenegro in 2030, and what paths – optimistic or pessimistic – could lead it there?

The conclusion of negotiations needs to be finalised, followed by the phase of ratification within the candidate countries, either in their parliaments or through national referenda, the outcomes of which are always uncertain. In the end, the enthusiasm of Montenegro and the European Commission, together with the overall positive results of the negotiation process, could clash with the will of one or more EU Member States, even if their governments support Montenegro's accession.

Even if Montenegro is eventually admitted to the EU, the question remains whether it will enjoy full membership or, as is now openly discussed, some more limited form without decision-making rights at all levels of the EU's institutional structure. Today, no one can predict with certainty what the EU will look like in 2030, nor under what circumstances peace, stability and progress in Europe will be maintained.

Stevo Muk is a civil society leader and expert on governance and public administration reform in Montenegro. He is President of the Managing Board of the Institute Alternative (IA), which he cofounded in 2007. A graduate of the University of Montenegro's Faculty of Law, he has held senior roles in the NGO and donor sectors, including at the Centre for the Development of Non-Governmental Organisations and the Open Society Foundation Montenegro. He has authored multiple articles and reports on civil society, rule of law and EU accession.

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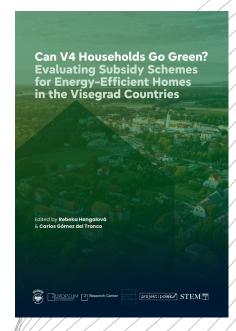
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EU Enlargement progress in 2025

Candidates negotiating Applicant Candidates with frozen negotiations



Key dates: EU candidate (Jun 2014),

accession talks (Jul 2022) Chapter progress: 28/33

chapters opened

Rule of Law (WJP 2025): 87/143 Population (2024): 2.7 million

2024 GDP per capita in PPS (EU27 = 100):

37

Trade with EU (2024): 51.5% of imports from

EU, 71.7% of exports to EU

North Macedonia

Key dates: EU candidate (Dec 2005) accession talks (Mar 2020), intergovernmental conference (Jul 2022)

Chapter progress: N/A

Rule of Law (WJP 2025): 64/143 Population (2024): 1.8 million

2024 GDP per capita in PPS (EU27 = 100): 42 Trade with EU (2024): 49.1% of imports from

EU, 75.3% of exports to EU



Key dates: EU candidate (Dec 2010),

accession talks (Jun 2012) Chapter progress: 33/33

chapters opened, 7 provisionally closed

Rule of Law (WJP 2025): 55/143 Population (2024): 0.62 million

2024 GDP per capita in PPS (EU27 = 100):

Trade with EU (2024): 45.1% of imports from

EU, 28.4% of exports to EU

Moldova

Key dates: EU candidate (Jun 2022), accession talks (Jun 2024), screening process completed (Sep 2025)

Chapter progress: 0/33 chapters opened

Rule of Law (WJP 2025): 68/143 Population (2024): 2.4 million

2024 GDP per capita in PPS (EU27 = 100):

N/A

Trade with EU (2024): 49.4% of imports from EU, 65.6% of exports to EU

Key dates: EU candidate (Mar 2012),

accession talks (Jan 2014)

Chapter progress: 22/33 chapters opened

Rule of Law (WJP 2025): 96/143 Population (2024): 6.7 million

2024 GDP per capita in PPS (EU27 = 100):

51

Trade with EU (2024): 56.3% of imports from EU, 61.1% of exports to EU

Ukraine

Key dates: EU candidate (Jun 2022), accession talks (Dec 2023), screening process completed (Sep 2025) Chapter progress: 0/33 chapters opened Rule of Law (WJP 2025): 90/143 Population (2025): between 29 and 38 million, depending on wartime displacement 2024 GDP per capita in PPS (EU27 = 100): N/A Trade with EU (2024): 50% of imports from EU, 59% of exports to EU

EU Enlargement progress in 2025

Bosnia and Herzegovina

Key dates: EU candidate (Dec 2022),

accession talks (Mar 2024) Chapter progress: N/A

Rule of Law (WJP 2025): 70/143 Population (2024): 3.1 million

2024 GDP per capita in PPS (EU27 = 100):

N/A

Trade with EU (2024): 57.8% of imports from EU, 71.6% of exports to EU

Kosovo

<u>Key dates:</u> applied for EU membership (Dec 2022), candidate status pending

Chapter progress: N/A

Rule of Law (WJP 2025): 59/143 Population (2024): 1.6 million

2024 GDP per capita in PPS (EU27 = 100):

N/A

<u>Trade with EU (2024)</u>: 44.8% of imports from EU, 33.4% of exports to EU

Georgia

Key dates: EU candidate (Dec 2023),

accession process frozen by

government (Nov 2024) Chapter progress: N/A

Rule of Law (WJP 2025): 52/143 Population (2024): 3.7 million

2024 GDP per capita in PPS (EU27 = 100):

N/A

<u>Trade with EU (2024):</u> 27.2% of imports

from EU, 8.7% of exports to EU

Türkiye

Key dates: EU candidate (Dec 1999),

accession talks (Oct 2005), negotiations standstill since 2018

Chapter progress: N/A

Rule of Law (WJP 2025): 118/143

Population (2024): 85.5 million

2024 GDP per capita in PPS (EU27 = 100):

<u>Trade with EU (2024)</u>: 45.2% of imports from EU, 67.2% of exports to EU

ANALYSIS

Enlargement on Hold: The Price Europe Pays

ANALYSIS

Enlargement on Hold: The Price Europe Pays [1]

Jelena Džankić, Matteo Bonomi, Jana Faktor Juzová, Bojana Zorić





Russia's full-scale invasion of Ukraine on 24 February 2022 has inextricably linked the question of EU enlargement to the European security architecture. It has also opened up a series of questions about the future of Europe and its neighbourhood. The swift deployment of the promise of membership and a renewed focus on enlargement have created expectations among a line of (potential) candidates, but have come with no guarantees of accession.[2] Unmet expectations will have devastating consequences, not only for the EU's neighbourhood, but also for Europe, and for its role in the world.

[1] This policy paper was originally published as Jelena Džankić, Matteo Bonomi, Jana Juzová and Bojana Zorić, Enlargement on Hold: The Price Europe Pays (REWEU Project, June 2024), Publication No.01/2024, https://www.eliamep.gr/wp-content/uploads/2024/07/Enlargement-on-Hold-The-Price-Europe-Pays.pdf. Reproduced with permission. Minor stylistic and formatting edits have been made. Prepared within the CERV project (Re)uniting the East and West: Reflections on the 2004 EU enlargement (REWEU). Funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or the European Education and Culture Executive Agency (EACEA). Neither the European Union nor the granting authority can be held responsible for them.

[2] Veronica Anghel and Jelena Džankić, 'Wartime EU: Consequences of the Russia–Ukraine War on the Enlargement Process', Journal of European Integration 45, no. 3 (2023): 487-501, https://doi.org/10.1080/07036337.2023.2190106.

Each previous enlargement round has come with its effects on the institutional set-up of the EU, but has also had implications for democracy, stability, and prosperity in these countries. With the renewed 'enlargement momentum', it is essential to reflect not only on the implications of enlargement policy on the EU's budget, but also on the potential impact and trade-offs that the way in which this policy unfolds will have on the current line of (potential) candidate countries.

After the introduction of the Copenhagen criteria in 1993, enlargement progressed through the so-called 'meritbased' model. In the subsequent two decades, this model brought in thirteen new countries - eleven of them from Central and Eastern Europe (CEE) - as EU Member States. Even so, 'merit-based' enlargement has proved to be far less effective in the post-war context of the Western Balkan countries, where the momentum for political and economic change started a decade later than in CEE. The credibility of this model has been impaired by the 'enlargement fatigue' following the 'Big Bang' accession, as well as by the lack of political consensus on the use of veto rights in the context of enlargement. Applying this model in the same way in the long run would be ineffective, as it would dilute the positive momentum for reform in the aspiring countries.

While every enlargement has a geopolitical dimension, the Russian invasion of Ukraine has sparked renewed calls for a fast-track (geopolitical) enlargement. [3] Even though admitting

countries into the EU merely as a result of the security imperative is improbable, the current geopolitical circumstances have had an important effect on the developments in enlargement policy since February 2022. By June 2024, the pool of (potential) candidates had increased from six to ten, most of whom have also opened accession negotiations. Further geopolitical decisions concerning enlargement will inevitably impact the democratic and economic transformation of the Western Balkans and the Eastern Partnership countries, while also moulding their security, and the security of the whole European continent.

Political debates also point to the need for the process to unfold through various 'differentiated' forms of (external differentiated integration - associated membership), 'staged' (staged accession model - accession through different stages), or 'gradual' accession (external differentiated integration membership), which may or may not have EU membership as their end point. That is, they can be either complementary or alternative to the two main enlargement modalities. Each of these approaches comes with benefits, costs, and trade-offs both for the EU and for the (potential) candidates. The common goal of the 'differentiated' integration models is to use the current EU toolkit to enable the participation of aspiring members in selected policies, with the objective of building the sectoral and institutional capacity of the countries in the course of the accession process. Their eventual outcome in terms of full membership is unclear.

^[3] Reuters, 'Polish PM Says Fast-Track Route for Moldovan EU Membership Is Possible', 6 April 2023, https://www.reuters.com/world/polish-pm-says-fast-track-route-moldovan-eu-membership-is-possible-2023-04-06; Andrea Gawrich and Doris Wydra, 'Conditions and Contestation: Ukraine on Its Way to EU-Membership', in The War Against Ukraine and the EU: Facing New Realities, ed. Claudia Wiesner and Michèle Knodt (2024), 161-188, https://doi.org/10.1007/978-3-031-35040-5.

To assess the implications of these different enlargement narratives and to understand the potential costs of nonenlargement, we take as a point of departure the lessons learned from the The disillusionment with membership in the Western Balkans is perhaps the best indicator of the costs of non-enlargement, or of an extremely protracted merit-based model, which is how enlargement has unfolded since the 'Big Bang' accession. Low levels of economic development, state capture, democratic erosion. and arowina dependencies on authoritarian third countries have all flourished in the space opened up by non-membership. A similar scenario would have far more detrimental consequences in the Eastern Partnership countries.

This policy paper addresses the enlargement trade-offs involved across the domains of economy, democracy, and security. Each section starts by discussing the implications of the protracted merit-based enlargement as applied to the Western Balkan states, comparing the experiences of countries in CEE to those

in the Balkans. It then assesses the impact of past geopolitically motivated enlargement decisions and considers the costs and benefits of the differentiated integration toolbox.

Economy

When does the 'Merit-Based' Enlargement Foster Economic Development?

The economic model applied in the context of the EU's Eastern enlargement has been based on fast economic liberalisation and market integration. In the former socialist countries of CEE, this model has been more successful than in candidate the current countries. manifesting in a number of economic indicators, including the GDP per capita (Figure 1 below). The absence of a clear accession perspective for the Western Balkans and the Eastern Partnership countries, coupled with limited access to the EU's financial and technical resources. is the leading cause of these diverging outcomes.

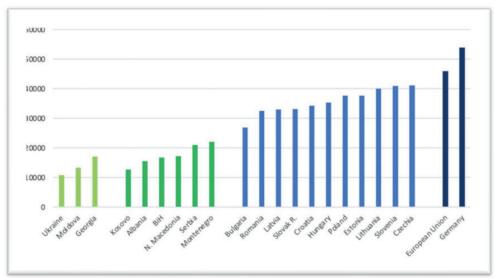


Figure 1 GDP per capita, PPP (constant 2017 international \$), 2022. Source: Author's elaboration based on World Bank's data.

CEE countries have shown notable rates of economic convergence towards EU living standards. The absence of armed conflict, the speed of economic reforms. the prompt political and financial support from the EU, and the proximity of these countries to the EU's industrial core all feature as factors that have contributed to bringing their economies more in line with the EU averages even before accession. Such favourable background conditions facilitated foreign direct investment, rapid technological transfers, modernisation and the restructuring of economies, and the full integration of CEE countries into the EU Single Market and international value chains. EU membership also brought a number of concrete benefits, such as access to the Cohesion and the Common Agricultural Policy funds, which sustained economic development after accession.

The EU's economic model has proved less successful in the post-conflict context of the Western Balkans, where the EU accession agenda has proceeded more slowly. Ιt has continuously challenged by structural problems in (actual and potential) candidate countries. such as contestations of nationand statebuilding, state capture, and democratic decline. Since the early 2000s, the economies of the Western Balkan states have been privatised and liberalised step by step. They are partially aligned with the EU acquis and are gradually integrating into the EU Single Market, as envisaged in the Stabilisation and Association Agreements (SAAs). Such an economic 'phasing-in' has taken place through continuous increases in trade, foreign direct investment inflows, and financial and banking sector integration. The EU is also the largest economic partner of the

Western Balkan which states. has stimulated economic recovery. However, has rendered the region highly vulnerable shocks. For to external instance. the global financial and economic crisis and the Eurozone crisis have had marked spill-over effects on all the Western Balkan economies, leading to multiple recessions and a remarkable slowdown in economic growth. The combination of structural problems and vulnerability to external shocks, in turn, has led to insufficient competitiveness in foreign markets, an unfavourable sectoral structure of foreign direct investment, high unemployment, continued brain drain, and growing income inequality.

Economic Development and Geopolitically Motivated Enlargement Decisions

The accession of Bulgaria and Romania to the EU in 2007 stands in stark contrast to the experience of the Western Balkans. The granting of full membership to these two countries was accelerated by a series of geopolitically motivated enlargement decisions, amid concerns among several Member States about their preparedness to join the Union. One such decision was the establishment of the Cooperation and Verification Mechanism (CVM) to ensure that the two countries completed the outstanding reforms after membership. Even so, the quality of institutions and governance economic indicators Bulgaria and Romania still appear far from the best EU practices (Figure 2 below). While their economic transitions have yet to become an entirely successful story, Bulgaria and Romania have still benefitted from economic convergence towards EU average income and standards. They have reached approximately 60% (Bulgaria) and

70% (Romania) of the EU-27 average GDP per capita in Purchasing Power Parity (PPP) terms in 2022. These better outcomes in convergence, compared to the current candidates from the Western Balkans and Eastern Partnership countries. reflect multiple factors. including guicker access to the EU market as well as political and financial support, such as access to the EU's structural funds. Such support has provided greater stability, favouring the transfer of public private capital, know-how, modern technology, which facilitated reindustrialisation and economic convergence.

Differentiated Integration: A Good Remedy but an Unlikely Panacea?

The current debates on differentiated integration modalities seek to learn from distinct enlargement and non-enlargement experiences to minimise the costs and maximise the benefits of a gradual economic and political integration into the

EU for the Western Balkans and the Eastern Partnership countries. Yet external differentiated integration, as a permanent status, is unlikely to be the panacea for all the current EU dilemmas. This is well illustrated by the example of Georgia, Moldova, and Ukraine, which have only recently received an explicit membership perspective. Under the 'everything but institutions' logic, these countries were required to implement the EU acquis in exchange for market access and political cooperation. The signing of Association Agreements with the EU in 2014 and the subsequent entry into force of the Deep and Comprehensive Free Trade Areas (DCFTAs) have substantially advanced economic integration between the three Eastern Partnership countries and the EU. The DCFTAs provide a regulatory environment nearly equivalent to that of the EU Single Market in the exercise of the four freedoms (free movement of goods, services, capital, and people). As such, they have brought substantive economic benefits, not only

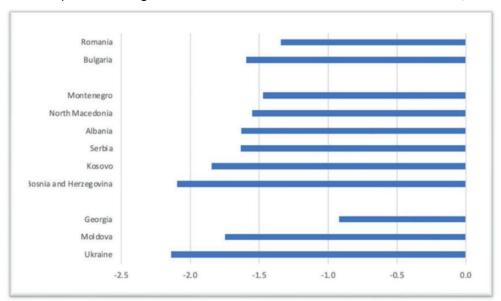


Figure 2 Economic Governance Quality: Distance from Germany in 2022. Source: Author's elaboration based on World Bank Worldwide Governance Indicators data. Average of Government Effectiveness, Regulatory Quality, Rule of Law, and Control of Corruption scores. Germany=0.

for the Eastern Partnership countries but also for the EU. Russia's significance as a trade partner for these countries has declined, while that of the EU has notably grown: by 2022, the EU accounted for 60% of overall exports in Moldova, 55% of Ukraine's total trade, and 20% of Georgia's trade. [4]

Notwithstanding, external integration into EU markets has contributed only modestly to economic development, resulting in limited alignment of these countries with the wealthier parts of Europe. Rapid market opening, economic integration and EU-based foreign capital have mainly boosted domestic consumption but had more modest effects on the real economy. Restructuring and modernisation efforts have remained limited, as in the Western Balkans, while the EU's protectionist measures in the agricultural sector and hidden non-tariff trade barriers have curbed the Eastern Partnership countries' ability to place their products on the EU market. This shows the limits of the differentiation contained in the DCFTAs for sustaining rapid political and economic convergence of candidate countries in the pre-accession phase.[5]

Democracy

The Cost of Time: Democratic Transformation Through Merit-Based Enlargement

The push for the 'return to Europe' was one of the main drivers of the democratic

transformation of CEE countries throughout the 1990s. It reinforced the power of the EU's democratic conditions precisely because there was alignment in the motivations and expectations between the candidates and the EU.[6] The accession process unfolded over a five-year period - between the 1997 Luxembourg Summit, when negotiations with the first group of countries were announced, and the 2002 Copenhagen Summit. negotiations when were concluded with all countries except Bulgaria and Romania. Such realistic timelines and the continuity of the process increased the credibility of enlargement based on 'merit' (that is, compliance with the EU's conditions).

These two dimensions – realistic timelines and continuity - have both been disrupted in the context of the accession process in the Western Balkans, whose 'democratic moment' came a decade later than in CEE. In this region. EU accession has not been associated with the 'return to Europe', and the wars of the 1990s embedded and state malluqoq capture governance practices.[7] Furthermore, since 2001, when Croatia and the then Former Yugoslav Republic of Macedonia signed their SAAs. the accession timeframes have shifted.

With the exception of Croatia, which became a Member State in 2013, there has been no explicit time horizon for the conclusion of the accession negotiations with any of the other states.

^[4] European Commission, 'EU Trade by Country/Region', accessed 31 May 2024, https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/countries-and-regions_en. [5] Amat Adarov and Peter Havlik, Challenges of DCFTAs: How Can Georgia, Moldova and Ukraine Succeed?, Policy brief, (The Vienna Institute for International Economic Studies and Bertelsmann Stiftung, June 2017), no. 18, https://wiiw.ac.at/challenges-of-dcftas-how-can-georgia-moldova-and-ukraine-succeed--p-4233.html. [6] Frank Schimmelfennig and Ulrich Sedelmeier, 'Governance by conditionality: EU rule transfer to the candidate countries of Central and Eastern Europe', Journal of European Public Policy 11, no. 4 (2004): 661-679, https://doi.org/10.1080/1350176042000248089.

^[7] Florian Bieber, The Rise of Authoritarianism in the Western Balkans (Germany: Palgrave Macmillan, 2020), . https://doi.org/10.1007/978-3-030-22149-2.

The prolonged enlargement timelines have been caused by a number of factors at the EU level, including the deprioritisation of widening within the Union due to multiple crises, and the substantive increase in and use of veto rights. The enlargement process has thus become less merit-based and is hindered by Member States' political considerations and bilateral disputes with candidates. The 'slowing down' of the pace of enlargement[8] has also reduced the frequency of compliance rewards, eroding trust between the Western Balkan candidates and the EU.

These EU-level developments went hand in hand with, and perhaps even reinforced, democratic decline in the Western Balkans. The unpredictability of progress in the accession process as a reward for reforms has minimised the incentive to meet the EU's conditions. This is most evident in the area of democracy and the rule of law, where reforms are politically and financially costly for political elites.[9] This traditional model poses the same risks for the Eastern Partnership countries. The expectations of Ukraine, Moldova, and Georgia are very high at the moment due to the geopolitical pressure on the EU and the fast pace of enlargement decisions. These expectations that the EU

will deliver, together with the existential necessity of Euro-Atlantic integration for these countries, are currently driving reforms.[10] important lf these expectations remain unmet as a result of protracted accession timelines politically motivated blockages, they may endanger the prospects for democratic reform by harming the already fragile support for EU membership reinforcing the authoritarian and anti-EU forces in some countries.[11]

The Fast-Ticking Clock of Geopolitics: Any Time for Democratic Reform?

The geopolitical imperative calls for fast decision-making and has motivated an unprecedented sequence of decisions since February 2022. It has unblocked the enlargement process and substantially expanded the scope of enlargement policy. At the same time, the fast 'enlargement sequencing of events' represents а risk for advancing democracy and the rule of law in candidate countries. For actors at the EU level, the fast-tracking of enlargement procedures raises the dilemma of whether security and geopolitical concerns should outweigh the merit-based process built on a near-full alignment with the EU's values

^[8] Jan-Hinrik Meyer-Sahling and Klaus H. Goetz, 'The EU timescape: from notion to research agenda', Journal of European Public Policy 16, no. 2 (2009): 325-336, https://doi.org/10.1080/13501760802589404.

^[9] Solveig Richter and Natascha Wunsch, 'Money, power, glory: the linkages between EU conditionality and state capture in the Western Balkans', Journal of European Public Policy 27, no. 1 (2020): 41-62, https://doi.org/10.1080/13501763.2019.1578815.

^[10] Kataryna Wolczuk, 'Overcoming EU Accession Challenges in Eastern Europe: Avoiding Purgatory', Carnegie Europe, 28 June 2023, https://carnegieendowment.org/research/2023/06/overcoming-eu-accession-challenges-in-eastern-europe-avoiding-purgatory?lang=en¢er=europe.

^[11] Ionela Ciolan, 'Moldova's European Future: A Call to Open Accession Talks', European Policy Centre, 4 October 2023, https://www.epc.eu/publication/Moldovas-European-future-A-call-to-open-accession-talks-544e08/; Mats Braun et al., The Future of Enlargement in a Geopolitical Perspective (Institute of International Relations Prague, 22 January 2024), https://www.iir.cz/en/the-future-of-eu-enlargement-in-a-geopolitical-perspective-1.

and norms prior to accession.[12] While the immediate security-driven membership is unlikely, overlooking aspects of democratic reform to create the appearance of progress may create false expectations that accession can happen without reform.[13]

Balancing pre-accession conditionality with security concerns is particularly important for upholding democracy and the rule of law in cases of geopolitically motivated enlargement decisions. Existing research shows that, as soon as the accession negotiations are concluded. the compliance of the acceding country with EU requirements significantly drops. [14] Despite the application of the Cooperation and Verification Mechanism, the democratic standards in Bulgaria and Romania reached their highest level at the point of EU accession and gradually declined afterwards. Similar scenarios unfolded across a number of other CEE states, such as Poland and Hungary.

These examples indicate that, if and when accession happens - especially through fast- paced enlargement - enhanced post-accession conditionality is essential. Financial consequences, including both positive and negative financial incentives, have proved at least partly successful in continued ensuring democratic compliance (for example, in the cases of Hungary and Poland). Maintaining and reinforcing а system of financial consequences - both before and after

accession – will be important for ensuring that democratic reforms take place in candidate countries.

Differentiated Integration, Differentiated Democracy

The effects of external differentiated integration on democracy depend on the timelines and credibility of the process, as well as on clarity about its endpoint. This endpoint may entail either full membership (by means of sectoral integration ahead of accession) or associated membership (integration into different sectors without institutional representation).

Access to some of the benefits typically available only to EU members - including funding, know-how transfer, and EU-wide networks - could motivate leaders to undertake difficult reforms. A detailed assessment of the existing instruments for such 'phasing in' is yet to be performed, but initiatives following up on the recent Growth Plan for the Western Balkans or the restructuring of the Instrument for Pre-Accession Assistance have the potential to bring new energy into the reform process.[15] These can contribute to democratic progress. particularly when accompanied effective negative conditionality, where benefits are withdrawn or withheld in cases of democratic backsliding. However, an inefficient or protracted

^[12] Piotr Buras and Edona Morina, Catch-27: The Contradictory Thinking about Enlargement in the EU (European Council on Foreign Relations, 23 November 2023), https://ecfr.eu/publication/catch-27-the-contradictory-thinking-about-enlargement-in-the-eu/.

^[13] Mose Apelblat, 'Bosnia and Herzegovina: Starting Accession Negotiations without Respecting European Court Ruling?', The Brussels Times, 29 March 2024, https://www.brusselstimes.com/986085/bosnia-and-herzegovina-starting-accession-negotiations-without-respecting-european-court-ruling.

^[14] Tobias Böhmelt and Tina Freyburg, 'The temporal dimension of the credibility of EU conditionality and candidate states' compliance with the acquis communautaire, 1998–2009', European Union Politics 14, no. 2 (2013): 250-272, https://doi.org/10.1177/1465116512458164.

^[15] Milena Mihajlović and Lukáš Macek, New Growth Plan for the Western Balkans (Jacques Delors Institute, 26 March 2024), https://institutdelors.eu/en/publications/new-growth-plan-for-the-western-balkans/.

gradual integration carries the risk of further democratic stalling or backsliding among candidates. In a similar vein, a process ending in associated membership might yield substantive benefits, primarily through Single Market integration.[16] However, it might curb the potential of EU enlargement to bring about democratic reform. It poses a risk of cherry-picking by the leaders of the candidate countries, searching for ways to obtain as many benefits of EU membership as possible without advancing democratic reforms that would threaten their grip on political power and economic influence. Associated membership can serve as an argument for semi-autocratic leaders to justify the lack of reform by highlighting the 'broken promise' of membership. For both the Eastern Partnership and the Western Balkan states, such associated membership would create frustrations

among pro-democratic actors and citizens who view EU accession as the path towards a democratic regime.

Security

A House of Cards: Security Vulnerabilities of Prolonged Enlargement

Russia's full-scale invasion of Ukraine has prompted discussions about European common defence and its relationship with the transatlantic community. The Yugoslav wars of the 1990s, including the Kosovo conflict, exposed the EU's limitations in acting outside the NATO framework.[17] As a result, reinforcing European defence capabilities to support Ukraine and prevent security escalation in the Western Balkans depends on close coordination between the EU and NATO. The EU's

	SAA/DCFTA-AA	MEMBERSHIP APPLICATION	CANDIDATE STATUS	AGREEMENT TO START NEGOTIATIONS	START OF NEGOTIATIONS
C*	1963	1987	1999	2004	2005
米	2001	2004	2005	2020	2022
	2006	2009	2014	2020	2022
*	2007	2008	2010	2012	2012
	2008	2009	2012	2013	2014
	2008	2016	2022	2023	2024
	2014	2022	2022	2023	2024
U	2014	2022	2022	2023	2024
+	2014	2022	2023	•	
•	2015	2022	>		

Figure 3 Overview of the EU integration process of the ten countries aspiring to EU membership. Source: Author's June 2024 elaboration based on European Commission data.

^[16] Bertelsmann Stiftung (ed.), Keeping Friends Closer: Why the EU Should Address New Geoeconomic Realities and Get Its Neighbours Back in the Fold (May 2023), https://wiiw.ac.at/keeping-friends-closer-why-the-eu-should-address-new-geoeconomic-realities-and-get-its-neighbours-back-in-the-fold-dlp-6487.pdf. [16] Branislav Radeljić, Europe and the Collapse of Yugoslavia: The Role of Non-State Actors and European Diplomacy (London: Bloomsbury Publishing, 2016).

enlargement policy thus aligns with NATO's efforts to enhance security in the Southern and Eastern borderlands. The 'merit-based' approach to accession has so far, in the Western Balkans, had conflicting results in the context of security. While, on the one hand, the required changes may strengthen the institutional capacities of accession countries. process blockages can entangle candidate countries in a lengthy spiral of accession requirements and have the opposite effect to that intended. This challenge may be particularly evident in the case of post-conflict countries, where profound institutional reforms necessary, especially concerning the core principles of peace, reconciliation and post-war reconstruction.

The deployment of enlargement as an instrument integral to European security has been successful in the short term: it has given security assurances to the Eastern Partnership countries, and has been reinforced by citizens' support for Ukraine.[18] Nonetheless. as enlargement process prolongs, scepticism among Member States may escalate, rendering decisions on new admissions increasingly elusive in the long term. In June 2023, just over half of EU citizens viewed enlargement favourably, with 53% expressing support at the EU level. However, nearly four in ten (37%) were against enlargement. Notably, in four

EU Member States (Austria, France, Germany, and Slovakia), a new enlargement was supported by less than 50% of the population.[19]

Furthermore, a prolonged enlargement could place candidate countries in precarious positions, rendering them vulnerable to Russian influence and subjecting them to additional pressure from disinformation and cyber/FIMI attack. In 2022, Ukraine was the country most frequently targeted by FIMI attacks, with 160 out of 480 cases registered there. Serbia ranked sixth, with a total of 23 cases, following the US (58), Poland (33), Germany (31), and France (25 cases).[20] These attacks aim to destabilise the countries by disseminating fabricated content to manipulate voting patterns and spread disinformation about the Euro-Atlantic structure. Well-entrenched networks of Russian cyber-activist groups, such as Anonymous Russia, Killnet, and NoName pose a significant challenge to candidate countries and Member States. [21] In 2022, Albania, Kosovo, and Montenegro experienced cyber-attacks, exposing their structural weaknesses to hybrid threats.

Fast-Tracking Vulnerable Candidates: A Tricky Solution

The intensifying pressure for EU enlargement, accentuated by the war in

⁵⁵⁸a70/https://www.epc.eu/en/Publications/Enlargement-Package-marks-a-turn-in-policy-to-the-East~558a70.

^[19] European Commission, Directorate-General for Communication, Europeans' opinions about the European Union's priorities, Report, Standard Eurobarometer 99, Spring 2023,

https://europa.eu/eurobarometer/surveys/detail/3052.

^[20] European External Action Service, 2nd EEAS Report on Foreign Information Manipulation and Interference Threats, Report on FIMI threats (January 2024),

https://www.eeas.europa.eu/sites/default/files/documents/2024/EEAS-2nd-

Report%20on%20FIMI%20Threats-January-2024_0.pdf.

^[21] Ibid.

Ukraine, underscores а pressing geopolitical necessity. The 2004 and 2007 rounds of enlargement were, to a (geo)politically significant extent. motivated. They were influenced by a range of factors, including high politics, geopolitical considerations, and pressure from individual Member States.[22] The EU's proximity to a cluster of post-Soviet states grappling with socio-economic and ethnic challenges, as well as unstable democratic structures, presented potential threat.[23] The decision to grant candidate status to Ukraine and Moldova echoes the 2007 enlargement and is driven by (geo)political considerations, particularly as a means to counter potential Russian influence and imperial ambitions. The initiation of accession negotiations with Bosnia and Herzegovina in March 2024 was a symbolic gesture affirming the EU's commitment to the Western Balkans. These geopolitically motivated enlargement decisions also reflect the EU's objective of enhancing stability at its external borders but they come with security risks as candidate countries are vulnerable to military and hybrid attacks from abroad and tainted with state capture and organised crime at home.[24]

The geopolitical push for enlargement and the vulnerability of candidate countries to foreign attack inevitably raise questions about the complementarity between the EU and NATO. This has also been the case in the previous enlargement rounds. Poland, Hungary and Czechia first joined NATO in 1999 and the EU in 2004. Croatia became a NATO member in 2009 and the EU in 2013. Albania, Montenegro, and North Macedonia joined NATO in 2009, 2017 and 2020, respectively, but other candidate countries seem far away from membership (particularly Ukraine, which is at war, and Serbia, which maintains neutrality). NATO keeps presence through peacekeeping missions in Bosnia and Herzegovina (EUFOR Althea, under the 'Berlin Plus' arrangements) and Kosovo (KFOR). Yet peacekeeping missions alone cannot ensure the desired level of security and stability that NATO membership would provide.

At the same time, the challenges stemming from within these countries create conditions conducive to the export of criminal elements. Existing state capture across candidate countries and institutional weaknesses in addressing organised crime perpetuate illicit activities such as human trafficking, drug

^[22] Geoffrey Pridham, 'Romania and EU Membership in Comparative Perspective: A Post-Accession Compliance Problem? – The Case of Political Conditionality', Perspectives on European Politics and Society 8, no. 2 (2007): 168–88, https://doi.org/10.1080/15705850701322491.

^[23] Tamie Shea, 'An EU to Cover the Whole of Europe: The Union Embarks on Its Greatest Enlargement Challenge Ever', Friends of Europe, 17 November 2023, https://www.friendsofeurope.org/insights/critical-thinking-an-eu-to-cover-the-whole-of-europe-the-union-embarks-on-its-greatest-enlargement-challenge-ever/; Irina A. Batorshina, 'The Fifth Wave of the European Union Enlargement: Pro et Contra', Baltic Region 3 (2011): 42–50, https://doi.org/10.5922/2079-8555-2011-3-7; Frontex. 'Migratory Routes: Western Balkans', last updated 2023, https://www.frontex.europa.eu/assets/Migratory-routes/2025/ANNEX-Western-Balkans-up-to-2023.pdf.

^[24] Chris J. Dolan, 'Hybrid Warfare in the Western Balkans: How Structural Vulnerability Attracts Maligned Powers and Hostile Influence', SEEU Review 17, no. 1 (2022), https://doi.org/10.2478/seeur-2022-0018.

smuggling, and arms dealing.[25] The proliferation of the so-called Balkan route, with Albania serving as the primary transit country, exacerbates these challenges and places additional pressure on the European Border and Coast Guard Agency (Frontex) and Interpol to safeguard the Union's external borders.[26] Therefore, geopolitically motivated enlargement decisions which overlook substantive domestic reform might reinforce this challenge.

Differentiated Integration Pathways: An Opportunity for European Security and Defence

The idea of differentiated integration might provide pathways to gradually integrate selected candidate countries into the Common Foreign and Security Policy (CFSP) and the Common Security and Defence Policy (CSDP). NATO membership might further stimulate such integration pathways. Montenegro and North Macedonia serve as examples of how offering a Euro-Atlantic perspective can significantly diminish Russian influence. Along with Albania, these three countries demonstrated 100% alignment with the CFSP.[27] The gradual integration in the sphere of the CFSP and CSDP could, for instance, involve granting the selected candidates that already have a

track record in CFSP alignment an observer status in the Foreign Affairs Council (FAC) and the Gymnich format (informal meetinas of EU foreign ministers). Through differentiated integration pathways, it would be possible to open up additional lines of strategic dialogue at the FAC, sensitising Member the official States to candidates' presence, while allowing candidate countries to further act in alignment with the CFSP.

The synergy between NATO and the EU in ensuring stability and prosperity remains crucial, including in the context of differentiated integration. Following the Russian annexation of Crimea, all three NATO members in the Western Balkans have notably bolstered their defence expenditure. Their investments outstripped those of ten EU and NATO member states in 2023, namely Belgium, Czechia, Denmark, Germany, Luxembourg, the Netherlands, Portugal, Slovenia, and Spain.[28] This trend towards heightened military spending is evident throughout the region, with Serbia registering the most substantial increase of all Western Balkan countries. While NATO cannot offer security guarantees to the Eastern trio before they become fullyfledged members of the Alliance, being progressively involved in the accession framework through a clear, consistent, and transparent accession

^[25] Ognian Shentov et al., Geopolitics, State Capture and Peak Corruption: What Is Next for Anticorruption in the Western Balkans? (Southeast European Leadership for Development and Integrity (SELDI), 2022), https://csd.eu/fileadmin/user_upload/events_library/images/2022_10/SELDI_Geopolitics-State-Capture-and-Peak-Corruption.pdf; Frontex. 'Migratory Routes: Western Balkans', last updated 2023, https://www.frontex.europa.eu/assets/Migratory_routes/2025/ANNEX_Western-Balkans_up-to-2023.pdf [26] European Parliament, Report on Cooperation on the Fight Against Organised Crime in the Western Balkans, Report A9-0298/2021 (2021), https://www.europarl.europa.eu/doceo/document/A-9-2021-0298_EN.html. [27] European Commission, 'Strategy and Reports', accessed 31 May 2024, https://neighbourhood-enlargement.ec.europa.eu/enlargement-policy/strategy-and-reports_en. [28] NATO, Defence Expenditure of NATO Countries (2014–2023) (Public Diplomacy Division, 2023), https://www.nato.int/nato_static_fl2014/assets/pdf/2023/7/pdf/230707-def-exp-2023-en.pdf.

path would deliver a strong message to Russia by providing the countries with a European perspective, which goes hand in hand with the Euro-Atlantic partnership.

So What, and What Next?

Enlargement is back on the EU's agenda, and it is likely to stay there for some time. In the coming years, it will likely become one of the central issues debated at the EU level, not least because it is deeply embedded in the question of Europe's security architecture, but also because it is crucial for understanding what the EU is and what role it aspires to have on the broader European continent and in the world. Enlargement is, in this sense, Janusfaced: one aspect relates to internal institutional reform, and the other to external relations with countries seeking membership. Nonetheless, so far, much of the public and policy debate has been inward-looking: debating internal institutional financial reform, implications of enlargement, and the security of the EU's borders. Far less attention has been paid to processes in the candidate countries. which substantively shape the politics and policy of enlargement, drive its pace, and influence European public opinion on a further widening. The vision of enlargement as the key tool for shaping the European continent needs to be outward- and forward-looking.

The analysis of the implications of the different enlargement modalities for the economy, democracy, and security reveal that in every case there are trade-offs for the candidate countries (and for the EU).

Protracted timeframes, unfulfilled

promises, and uncertainty that membership will happen - as evidenced by the experience of the Western Balkans - bear the highest costs. They do not stimulate economic growth sufficiently for these countries to reach European averages, create political strongholds that capture the state and destabilise democracy, and open up space for other, often undemocratic, actors to exploit structural vulnerabilities in transitional countries. Geopolitically accelerated enlargement decisions are often more economically beneficial for aspiring countries, but they come with the risk of stalled reforms if progress is not conditioned bv them. Differentiated integration might solve some of the economic issues and potentially reinforce the security dimension, but it runs the risk of cherry-picking reforms by local political leaders.

Whichever the preferred route, we propose that the process be based on four Cs: Clarity, Credibility, Consistency, and Coordination.

Clarity over whether full membership or associated status will be the endpoint of the process is central. This clarity drove major reforms in the case of the Central and Eastern European countries, but it no longer exists for the current (potential) candidates. Clarity about the endpoint is, in this sense, more meaningful for enlargement discussions than debates on 'accession dates', which, even in the previous enlargements, were not known until very late in the process.

Credibility of enlargement as a 'meritdriven' process, in which reforms are rewarded with progress or funds and backsliding is sanctioned by appropriate mechanisms, is crucial. For this reason, it is essential to develop and enforce a powerful conditionality mechanism and to use as a blueprint those examples (for example, visa liberalisation) where it has had the strongest effects. Negative conditionality needs to be defined, as well as mechanisms for invoking it.

Consistency of pace would greatly enhance the quality of enlargement as a process. After the 'Big Bang' enlargement, the sequencing of enlargement decisions timeframes and the within which accession has taken place have expanded significantly. Following Russia's 2022 full-scale invasion of Ukraine, the grave tempo of enlargement has turned into a presto, perhaps even prestissimo. Yet, as the experience of Central and Eastern Europe shows, a moderate but steady pace, with periods of accelerated enlargement decision-making, has the greatest impact on reform in candidate countries.

Coordination among the different actors involved in enlargement decision-making including the European Council, the Commission, the Member States, and the European Parliament - is vital. A common vision and strategy for how the process should unfold under the current circumstances should prevent abuses of power asymmetries and veto rights, which might otherwise lead to frustration and lower support for accession in candidate countries, as well as the mushrooming of political spaces contrary to European values. A common vision of Europe is key.

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LOOKING AHEAD



EUROPEUM in 2026

In 2026, EUROPEUM will continue to play an active role in Czech, Central European and EU civil society, contributing to European policy debates through research, advocacy, and citizen engagement.

Research and Policy Focus

Our research will remain firmly evidence-based and policy-oriented, informing EU decision-making on governance, enlargement, the green transition, and democracy resilience. Key themes for 2026 will include the decarbonisation of strategic sectors such as steel and critical raw materials, the just green transition, and citizens' inclusion in issues of housing renovation, mobility, and labour market shifts.

We will also address EU governance, democracy, and fair implementation of EU strategies in migration and digitalisation. Further research will follow developments in EU budget negotiations and social resilience, alongside continued work on European integration, enlargement, democratisation, rule of law, and EU foreign policy - including transatlantic relations, trade, and engagement with the Indo-Pacific and China.

Advocacy and Dialogue

Our flagship *Europe as a Task* conference returns for its second edition in May 2026, co-organised with the Office of the President of the Czech Republic. This year's focus will span European security, competitiveness, and resilience.

We will also host the annual Transatlantic Policy Forum, a closed high-level meeting dedicated to foresight and exchange on the future of transatlantic cooperation.

From our Brussels office, we will continue to organise public events and expert roundtables on the EU's most pressing policy debates, while representing the Central European perspective through our coordination of the Think Visegrad Brussels network. Our goal remains to connect the EU conversation in Brussels with national debates across the region.

Citizens' Engagement

Citizen engagement remains at the heart of EUROPEUM's mission. We believe that an active, informed public is essential for Europe's democratic future. In 2026, we will continue projects that involve citizens in discussions on the just and green transition, commemorate the 2004 EU

enlargement, and look ahead to the next one.

A new initiative will engage citizens in shaping the fair implementation of EU migration and digital strategies. Young people remain a key audience: through partnerships with schools and universities, we bring European issues to classrooms in accessible, engaging ways.

To reach diverse audiences, we are expanding our use of podcasts, media commentary, and local events beyond major cities - ensuring the European conversation remains truly inclusive.

This is just a glimpse of our plans for 2026. We thank all our partners and supporters for their continued trust and cooperation, and look forward to another year of advancing constructive debate on Europe's shared future.





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