



Foreign & Commonwealth Office

Record of roundtable discussion on EU Enlargement, Birmingham University, 8 May 2014

On 8 May 2014 the following participants took part in a roundtable discussion on the EU Balance of Competences Report on EU Enlargement at Birmingham University:

- Mr Graham Avery CMG (European Commission/European Policy Centre/University of Oxford)
- Dr David Bailey (University of Birmingham)
- Dr Firat Cengiz (University of Liverpool)
- Professor Nathaniel Copsey (Aston University)
- Dr Rilka Dragneva-Lewers (University of Birmingham)
- Dr Tim Haughton (University of Birmingham)
- Dr Ana Junos Garcia (Bristol University)
- Ms Valentina Kostandinova (Buckingham University)
- Tereza Novotna (Université libre de Bruxelles)
- Professor David Phinnemore (Queen's University Belfast)
- Mr Michael Roberts (former HMA Bratislava)
- Professor Stefan Wolff (University of Birmingham).

UK interest in Enlargement

1. A participant gave a short presentation on how Enlargement policy has developed in the UK. Other participants added their thoughts, which have been included below:
 - 1990-2000: The UK equated greater enlargement with slower EU integration and so positioned itself as an advocate of enlargement. It highlighted the benefits to security and stability, the locking in of democracy and the rule of law in Central and Eastern Europe, and the economic benefits to be had from expanding the size of the market. It was committed to bringing in pro free-market states willing to support reform of the EU and act as a breakwater to the integrationist views of existing members.

- 2000-2009: In the early 2000s the UK maintained strong support for EU Enlargement. In 2004 the UK's credibility as a champion of enlargement was negatively impacted as newly joined members in Eastern Europe faced the prospect of contributing to the UK rebate. This made it more difficult for the UK to build alliances with these countries. Post-2007 there was a shift as the UK took a more discerning approach, which focused more closely on the principle of conditionality. This was partly a result of perceived mistakes made prior to the 2004 enlargement round, particularly in relation to the rule of law, the capacity of their public administrations, and corruption in the new Member States.
- 2010-to date: Where once the UK had strongly pushed for enlargement, it now focuses primarily on conditionality, which is more in line with the approach of most other EU Member States (i.e. less committed and slower on enlargement). The UK is now noticeably quieter on Turkey and more generally the bar has been raised, with aspirant countries facing greater scrutiny on chapters 23 (Judiciary and fundamental rights) and 24 (Justice, Freedom and Security) of the acquis. Generally, over the period, the UK has moved away from its fervent support of enlargement in the 1990s.

2. There were different opinions on whether UK interests had been promoted by enlargement. Some argued that the EU had changed, but not as the UK had anticipated. The EU is stable and secure, but questions remain with regards to whether some new Member States (Bulgaria and Romania) were let in too early. Living standards have improved but are still too varied. Contrary to the UK's expectations, integration did not slow and the anticipated negotiating blocs did not materialise. Some participants believed that enlargement has benefited Member States but the UK's interest in seeing candidates as potential partners within the EU was too singular and dangerous to be a long term 'policy' success. This view overlooks much of the enlargement process and what enlargement means to individual Member States.
3. There was general agreement that Member States have retained their power and that the European Parliament's role remains marginal in relation to enlargement. One participant suggested that enlargement is the last bastion of inter-governmentalism in the EU. The treaty is between existing Member States and the new Member State and neither the European Parliament nor the Commission have decision making roles in the process, although the European Parliament needs to give its assent to any accession treaty and the Commission plays an important advisory and monitoring role. The Lisbon treaty has not changed that and in many ways the enlargement process is more conditional on candidate

countries' actions. Some also believed that the EU has changed and moved further down the path advocated by the UK, i.e. an open and outward non protectionist entity rather than a deeper protectionist system, as favoured by France. One participant suggested that the UK benefited from English coming to be the default language as opposed to French and that this led to a change in the EU's "institutional thinking process". In terms of policy outcomes, enlargement has worked as a soft power tool by providing incentives for domestic reform within aspirant countries. It was argued by some that overall, the UK would not benefit from a change to the EU's enlargement approach.

4. Some participants argued that the UK had expected Central and Eastern European partners to be more Euro-Atlantic in their outlook than they have turned out to be and that expected support for the UK from these countries failed to materialise. It was argued that the UK has itself to blame for this, as the withdrawal of the Conservative MEPs from the European People's Party (EPP) sent a signal of stepping back from the EU. As important, however, were more specific institutional reforms which were not implemented. As a result there are still too many Commissioners, smaller Member States have too much sway in the European Parliament (EP), and the UK has too little influence in the EP (in the 1990s it had 62 seats (10%) of total membership).
5. Some argued that the accession of poorer states with different labour and welfare models has brought unexpected issues. Existing Member States' migration predictions for the 2004 enlargement round, for example, were far off what actually transpired, negatively impacting upon the UK's ability to effectively cater for its citizens. Other participants disagreed with this analysis, positing that migration as a result of enlargement has in fact been a good thing for the UK. Another negative side effect has been the reduction in the number of UK nationals working in EU institutions, which has arguably weakened the UK's voice. This was not helped by unfortunate timing, which saw a significant number of UK nationals retiring at the same time as nationals from new EU Member States were joining the EU institutions. The UK's expertise (and to an extent its ability to influence) was lost and has yet to be replaced.

Exercise of competence

6. There was little discussion as to the division of competence between the EU institutions and Member States, as it was generally agreed to be in the right place. This led onto a

discussion as to what constitutes good, or successful, enlargement and whether the exercise of competence enabled it. Prior to accession, security, prosperity and reform form the main parts of the answer. After accession, integration without disruption that allows the Member State and the EU to function and develop. Against such criteria, thus far, enlargement has been a success. Enlargement has redrawn central and Eastern Europe's past and the process has allowed effective Western Balkans handling. However, most participants believed that the process can be improved, citing the 2007 enlargements, which some thought had occurred prematurely.

Conditionality

7. Participants believed that enlargement is driven and determined by conditionality and that calibrating the level of conditionality is essential. Raise the bar too high and the process's credibility and fairness is undermined, set it too low and there is the risk of states acceding before they are ready. It can also be the case that a non-EU state can be asked to comply with stricter criteria than a Member State. Bosnia, for example, has been asked to centralise its police force, whilst Belgium has a decentralised one. The process, as it stands, includes numerous milestones, the result being that the accession process now takes a considerable amount of time. This negatively impacts upon the political motivation of politicians to undertake tough reforms as the political payback, in the form of accession or a satisfied electorate, is far in the future. Compounding this problem is the absence (beyond a small number related to the relaxation of visa controls and trade barriers) of significant interim milestones that capture the public's imagination. Others argued that there are enough interim milestones as it is. There was general agreement that conditionality has to be sold as more than just sticks, but amongst participants there was less certainty as to what this means in practice.
8. Some held that under current conditionality, thresholds have been raised to the point where aspirants are required to demonstrate effective EU membership prior to actual EU membership. Conditionality is powerful but not the Holy Grail (the Balkans will not be resolved by EU conditionality alone, reconciliation requires the willingness of parties to actually reconcile). It was also said that if areas of concern are not addressed before accession they are rarely addressed afterwards. Reforms need to be meaningful and not superficial measures that can be quickly reversed. The risk of abuse of conditionality was also raised. This occurs when countries undertake reforms selectively to strengthen the executive over the legislature, in the name of meeting EU standards. A participant mentioned this as having happened in Turkey.

9. There was debate as to how conditionality could be used in the future. Consideration could be given to a 'principle of differentiation', that is individual performance against key criteria, and not requiring countries to join together. Grouping occurred in 2004, but this was not originally planned. Grouping countries around a date means that the motivation for reform is not as strong as the countries know they will join at that date. An approach that allows countries to join individually when ready may make conditionality more effective.
10. Conditionality evaluations are currently flawed as countries remain hard to judge until after accession. On the one hand the accession of Romania and Bulgaria highlighted problems with pre-accession evaluation assumptions, on the other, Poland had been resistant to reform pre-accession but has thrived as a Member State. Over its 10 years of membership it has seen 3% growth, has reconciled politically with Germany and reset its relationship with Russia; indeed it now feels confident offering EU advice to the UK.
11. Some argued that conditionality has not been a success and pointed to a number of failures. Since the year 2000 less rigour and too little attention has been given to the rule of law. A question raised was whether Iceland's decision to suspend its application was related to conditionality.

Future options and challenges

12. Throughout the discussion participants suggested a number of problems to address and possible ways forward:
 - Enlargement has inhibited redistribution and migration 'equality' remains an issue that needs to be solved. Some participants suggested that to do so all Member States need to be convinced of the benefits of open labour markets but that we are not there yet as the ECJ rulings on Laval and Viking (The Laval quartet) demonstrated. Enlargement has been a pro trade, light touch economic function with no great social legislation. Eastern enlargement now needs to lead to some form of market consolidation. Laval and Viking would not have happened if costs of living were not so diverse and labour costs so unequal. Other participants disagreed with this interpretation of Laval and Viking. Enlargement has led to a convergence of income levels at a quicker rate than expected. The Czech Republic has a higher income level than Portugal and might soon overtake Spain. Conditionality for new member remains solid but southern Member States have seen problems due to lack of conditionality prior to accession.

- Budget reform will be important in the enlargement context too. If the EU allocates more funds to the knowledge and R&D based sector (instead of agriculture) more money would return to old Member States.
- Finally the 'unanimity lock'. This mechanism has not worked to the UK's advantage on enlargement. Unanimity has not always been used for good, and so would unanimity minus one be better?

13. There was an emphasis on Turkey in the discussion. Given its stalled negotiations, some participants felt that if the UK does not want Turkey to ever join it should say so publicly rather than letting others slow the process down. It was also said that Turkey has faced a consistently moving target. This has negatively impacted upon the EU's credibility and has ensured a lengthy accession process which has seen Turkey's people become more eurosceptic. With few incentives to offer under the current process the EU now lacks leverage. Participants raised the point that Turkey's candidacy relates to what sort of EU is desired. They argued that Turkey would potentially help the EU extend its influence into the region and some participants believe it would be, economically, very beneficial.
14. Participants also discussed the difference between the enthusiasm of candidate countries wanting to join and that of Member States wanting to enlarge. Views were mixed on whether a refined definition of what the EU is or should be is required prior to any further enlargement. With referendums pledged by France and the Netherlands, it was argued by some that in advance of future enlargement a common narrative needs to be found. This narrative should consider enlargement from the point of view of the aspirant and not just Member States.
15. There was a discussion on whether the same process of accession should be used for all states. Some argued that it shouldn't, as different countries have different needs. Others argued that different systems would not be possible in practice, as they would be seen as unfair. The possibility of alternative levels of membership being offered was raised, based on what is required by aspirants now and in the medium term. There are obvious associated risks; any enlargement process that offered layered, associate, progressive, or graduated membership would be inherently weakened if it did not carry a final promise of full membership. That is what states want.
16. One participant stated that from a UK perspective the view of the EU should be one of fantastic potential. They argued that there is no need for a rationale on enlargement other than its impact on the UK's geopolitical influence. The EU remains the world's largest trading

block. On migration and 'migration conditionality' more can be done by the UK to enforce the minimum wage domestically and create conditions for measured migration. However, transition controls based on GDP per head would be unworkable as it would undermine the principle of free movement.

17. On the question of future enlargement, some participants said that it is in Member States' political and economic interests. In the case of the UK, it was said that Turkey joining would help the UK pay its pensions and is fundamentally important economically. It was also noted that given that EU neighbours continue to knock on the door, enlargement should continue as it is an influential foreign policy tool.