

## **Re: Call for evidence on the government's review of the balance of competences between the United Kingdom and the European Union - EU Enlargement**

### **1. What has been the impact of EU enlargement on UK interests? How has the UK influenced the enlargement process?**

The impact of EU Enlargement on the UK interest has been overall positive. The entry into the EU has been conditioned on a series of domestic reforms which overall have contributed to social and political stability and economic improvement in the new member states. This has been especially the case for those states that joined the EU in the post-Cold War era. In turn, this has fostered regional stability, good neighbour relations and security in the wider European periphery. All these have been a very positive development for the EU and the member state UK in both security and political terms.

The UK has also been able to influence the process of Enlargement and it has often been an important promoter of EU expansion (e.g. Turkey). The comparatively less UK support for EU expansion in more recent years does not seem to diminish the influence of the UK substantially, because the policy of Enlargement has anyway lost some of its importance, also due to the increasing internal challenges for the EU (e.g. the crisis).

### **2. What effect has EU enlargement had on UK interests in specific policy areas? What advantages and disadvantages has the UK experienced as a result? Please give examples.**

The impact of EU Enlargement on UK interest has been very important in political and security terms. For example, the accession of Cyprus into the EU has been very positive for the UK, which continues to be directly involved in this country, in diplomatic, political and security terms (e.g. large British expat community, sovereign base area). While a resolution of the dispute between the Greek Cypriots, Turkish Cypriots and Turkey is still pending, the EU accession of Cyprus has provided renewed stability in the island, which by being an EU territory is less prone to aggression. The main advantage of this is more security in an area of vested economic, political, security and social interest for the UK.

**3. How do you consider the balance between the roles of member states and of the EU institutions in the process? Might UK interests be served by any changes to the balance of competences in this area?**

In deciding the policy of Enlargement, EU member states, including the UK, enjoy a comparatively stronger role vis a vis other institutions like the Commission or the European Parliament. Any change in this balance of power in the foreseeable future is unlikely.

**4. How effectively have the member states and the EU institutions run the enlargement process? Have lessons drawn from previous enlargement rounds been applied?**

EU Enlargement has overall seen a medium degree of effectiveness from the side of EU institutions. The political importance of completing EU enlargement rounds has meant that many countries joined the EU while necessary reforms were still pending. This was, for example, the case with the Mediterranean enlargements of the eighties (Greece 1981, Spain and Portugal 1986), which were 'fast-tracked' in an effort to boost the democratic transition of the countries despite significant problems in terms of corruption or economic performance. Similarly, some states that joined in the 2004-7 rounds still display incompliance with a series of accession conditions, like dealing with corruption (e.g. Bulgaria, Romania).

However, the EU Enlargement policy has often successfully drawn on previous lessons. An interesting example here is how the accession of Cyprus has provided lessons for the policy of EU enlargement in states that are engaged in territorial/political disputes, such as Kosovo and Serbia. The accession of Cyprus into the EU without a resolution of the 'Cyprus dispute' between the Greek Cypriot government of Cyprus on the one side and Turkey and the Turkish Cypriots on the other has created a series of challenges for the EU. For example, the Greek Cypriot government has often quite assertively used its EU membership to try block the process of Turkey's EU accession and this has led to friction between the Cypriot government and other EU member states but also to a worsening of EU-Turkey relations. In addition, the Greek Cypriot government has vetoed a series of EU efforts to promote development in the Turkish Cypriot community in north Cyprus (most notably the European Commission proposal for a trade regime between the EU and the Turkish Cypriots). All these have been an important lesson for the EU that accession of one part of a conflict (here, Greek Cypriots) as a member could constrain the ability of the EU to constructively engage with the other parts of the conflict (here, Turkey, Turkish Cypriots). As a result and unlike what happened in Cyprus, the EU has been very careful to condition the EU integration of both Serbia and Kosovo to the resolution of their dispute.

**5. How do you assess the EU's use of conditionality (eg, the Copenhagen Criteria, the 'New Approach' on rule-of-law issues)? Has conditionality been effective in ensuring candidate countries implement reforms necessary for EU membership? Please give examples.**

The success of conditionality in triggering domestic reforms necessary for EU membership has been mixed and an important parameter here is the credibility of the reward of accession as well as the image of the EU in candidate countries. In this context, Turkey is an interesting example: when Turkey became a candidate in 1999, its EU accession was conditioned on the normalisation of its relations with the Greek Cypriot government of Cyprus (i.e. resolution of the 'Cyprus dispute'). This became a major reason for the Turkish government to support the plan for the resolution of the Cyprus dispute (The Annan Plan for the reunification of Cyprus in 2004). However, in more recent times, Turkey has been less cooperative in the context of the Cyprus dispute and this can also be seen as a result of a) generally less clear prospects of Turkey joining the EU, which mean less motives to comply with conditionality on the Cyprus dispute b) the fact that the EU did not apply the same conditionality to the Greek Cypriot government of Cyprus (which joined the EU despite voting against the resolution of the dispute) has allowed the Turkish government to paint an image of the EU as a 'biased' actor, which is illegitimate to play a role in the Cyprus dispute. This shows that the success of conditionality also depends on a) how clear and eminent EU accession is and b) the image of the EU for governments and the public in candidate states.

#### **6. How effective has EU financial and technical assistance been in helping candidate countries prepare for EU membership? Please give examples.**

Financial and technical assistance has helped candidates prepare for their accession into the EU. For example, funds like PHARE or the structural funds have helped the economic, social and institutional development of candidates for the 2004-7 rounds. Importantly, this financial assistance (which was conditioned on progress in domestic reforms) has also been a strong incentive for the candidate countries to correspond to the conditionality of accession in general.

At the same time, the absorption capacity of assistance has often been a challenge for the candidates- for example, in Greece or Spain, this has led to a significant loss of funds and ineffectiveness of EU-funded projects.

#### **7. What challenges / opportunities might EU enlargement face in future?**

The Eurozone crisis is a major challenge for the EU, which in more recent times has been preoccupied more with internal issues rather than expansion. This has already led to a decrease of EU Enlargement importance and is expected to do so in the foreseeable future.

Rising euroscepticism and related anti-immigration feelings across Europe, as also evident in 2014 European Parliament elections, is expected to make EU Enlargement a politically costly policy.

In addition, the more recent tension between the EU and Russia in the wider European periphery (especially after the Ukraine 2013-14 crisis) also means that EU Enlargement becomes a more controversial policy for countries such as Russia. Oppositely however, recent

competition with Russia might serve to underline the importance of EU enlargement as an effective tool for the promotion of stability and security in the wider European periphery.

Lastly, the underdevelopment of civil society in current candidates/ potential candidates for EU membership also offers an important opportunity for the EU to assist the technical and financial capacity of civil society through the process of enlargement and in the context of good governance and democracy promotion. Similarly, engagement with civil society has been very beneficial for the policy of enlargement. In the countries that joined in the 2004-7 enlargement rounds, the EU's financial and technical assistance to civil society has led to an often very strong campaign of civil society in favour of EU integration. In this context, the EU has found a new ally in its efforts to push candidates towards reform and accession and this is something which has helped the success of EU enlargement policy and is expected to do so in the future.

### **8. How might the EU's approach to enlargement be improved in future?**

More effort needs to be put into improving the candidate's absorption capacity of the EU financial and technical assistance. Also, Enlargement policy would be benefited by an increase of the sustainability of projects, which has often been characterised as limited.

More effort needs to be put into ensuring effective transposition and implementation of EU law, before actual entry into the EU.

More effort needs to be put into consistency in EU policies towards different candidates, which are often undermined by varied political aims of the EU.

Besides, where engagement with the government becomes problematic, more attention needs to be placed in civil society as an alternative interlocutor- Ukraine, though not a candidate, is a very interesting example of how reform can be pursued through engaging with civil society rather than governments, which might lack legitimacy.

In more general, engagement with civil society is an aspect of EU enlargement policy that has been successful in the past and which could be expanded in the future. While the EU's financial and technical assistance is important, past enlargement experience has shown that there is also a need for institutional reforms which will allow civil society to lobby more effectively national governments, rather than just increase its capacity.

### **9. What future impact might EU enlargement have on UK interests? How might any positive impacts be enhanced or disadvantageous impacts be addressed?**

Further expansion of the EU is expected to bring further economic benefits for the UK, such as more investment opportunities, access to a greater market, wider availability and lower prices of products and services.

In political and security terms, successive EU enlargements have proven to be the EU's most effective tool in promoting regional stability and security and this means that further expansion will have similar effects, which are very beneficial to all EU member states, including the UK.

At the same time, challenges still remain. Increase in EU immigration numbers could trigger further euroscepticism and anti-establishment feelings within the UK. To address this, the UK (also together with the EU) should make an extra effort to effectively communicate the benefits of EU migration (e.g. economic benefits in terms of the contribution that immigrants make to the UK economy through taxation or through opening businesses) in the public debate and investigate the room that exists to improve aspects of immigration policy.