Old Wine in New Bottles?
Good Governance,
Misgovernance and Three
Scenarios for the Future of
Open Balkan-Berlin
Process Relationship



# **MIND Publications**

#### **Publisher**

University of Belgrade – Faculty of Political Science

#### Date

November 2023.

#### **Authors**

Marko Kovačević Aleksandar Milošević Tijana Rečević Milan Varda

#### Design

Kristina Pavlak

This publication is part of WP3 of the MIND project, led by the University of Belgrade – Faculty of Political Science.

This project was supported by the Science Fund of the Republic of Serbia, grant no. 7744512, Monitoring and Indexing Peace and Security in the Western Balkans – MIND.

The authors are solely responsible for its content, it does not represent the opinion of the Science Fund of the Republic of Serbia and the Fund is not responsible for any use that might be made of data appearing therein.

#### Cite

Marko Kovačević, Aleksandar Milošević, Tijana Rečević and Milan Varda. 2023. *Old Wine in New Bottles? Good Governance, Misgovernance and Three Scenarios for the Future of Open Balkan-Berlin Process Relationship.* MIND Project Publications. University of Belgrade – Faculty of Political Science.

# **TABLE OF CONTENTS**

Executive Summary	4
Overview of Berlin Process and Open Balkan Dyna	mics5
Analytical Framework: From Good Governance to N	Misgovernance
and Back	7
The Three Scenarios	10
Scenario 1: Open Balkan Initiative Fizzling Ou	ut10
Scenario 2: Parallelism	13
Scenario 3: Guided Integration	17
Conclusions and Recommendations	19
References	22

# **EXECUTIVE SUMMARY**

After the Albanian premier Edi Rama told in an interview in July 2023 that the Open Balkan initiative (OBI) has served its purpose (European Western Balkans, 2023b), many questions emerged regarding the character, goals and future scenarios for the cooperation process that has sparked both regional enthusiasm and suspicion between 2019 and 2023. The OBI started making its baby steps in the shoes of the dormant Berlin Process (BP) in trying to work out mostly concrete and technical cooperation seen as compatible with the wider goal of reaching the regional market in the period of the disillusionment with the EU's enlargement policy in the region. Despite the mix of critiques, contestation and praise, some technical achievements among Serbia, North Macedonia and Albania have been recorded. However, the signs of the re-awakened EU commitment to the enlargement policy in the Western Balkans have been spurred by the "geopolitical" turn following Russia's invasion of Ukraine in February 2022. These developments seem to have put the OBI on the back burner, restoring the plans for the regional market and wider cooperation under the banner of the BP.

What does this changing context mean for the future of regional cooperation and integration in the Western Balkans? How can one envisage the scenarios for the reorganization of the regional governance framework in the context of global polycrises and momentous security and geopolitical turbulences in Europe and its neighbouring regions? To address these questions, we propose the criteria for assessing the relationship between the EU-initiated and locally-owned regional cooperation initiatives. By combining insights from the literature on good (enough) governance, we propose the three scenarios for conceptualizing the OBI-BP relationship based on the criteria of transparency, scope, ownership, sustainability and openness. Our recommendations seek ways to advance OBI/BP governance structures and practices in those five good governance criteria.



Wine Vision by Open Balkan, Belgrade, October 2022, Photo Credits: Novosti - N. Skenderija

# OVERVIEW OF BERLIN PROCESS AND OPEN BALKAN DYNAMICS

The Berlin Process was created in 2014 as a decentralized platform aimed at deepening cooperation between representatives of six Western Balkan actors with their counterparts from the European Union (Union institutions and interested member states). In addition to key political agents, participants in this process are also representatives of international financial institutions, regional initiatives, the business community and civil society. The main goals of the process (Berlin Process 2014), according to the declaration of the German Chair from 2014 are:

- resolution of outstanding bilateral and internal issues;
- achieving reconciliation within and between the societies in the region;
- enhancing regional economic cooperation;
- laying the foundations for sustainable growth.

The Berlin process is an expression of the European Union's efforts to further strengthen its influence in the Western Balkans region by establishing a new multilateral intra-regional initiative under its auspices (Bonomi and Nechev 2022). At times when the European Union and the region are facing various challenges,

this initiative should contribute to preserving stability in the region and improving regional cooperation by promoting a double-track strategy (negotiations of EU enlargement are conducted in parallel with the deepening of regional cooperation) (Lavenex 2011).

The platform itself has a flexible structure (with no central coordinating mechanism) and includes several domains: regional economic cooperation (the connectivity agenda, support to cooperation and development of businesses and support to scientific cooperation), regional political and security cooperation and regional social cooperation. The most significant economic project within the Berlin Process is the intention to establish a Common Regional Market in the Western Balkans. The action plan for its establishment, which involves joint action in four areas (regional trade area, regional investment area, regional digital area and regional industrial and investment area) was adopted by the leaders of the six Western Balkan actors at the summit of the Berlin Process in Sofia in 2020.

The Open Balkan was created in 2019 (under the name Mini Schengen) as a regional initiative of three Western Balkan countries (Albania, North Macedonia and Serbia) aimed at improving regional cooperation among the countries of the Western Balkans. The main goals of this initiative, according to the Declaration from Novi Sad (Novi Sad Declaration 2019), are:

- strengthening of regional cooperation with the aim of economic growth, reduction of unemployment, fight against illegal migration and transnational organized crime;
- increase in trade, investment and employment in the Western Balkans;
- achievement of the Regional Economic Space within the Western Balkans on the principles of the 'four freedoms' of the EU: freedom of movement of goods, services, people and capital.

According to the ideas of the founders, the Open Balkan initiative should further contribute to the general development of the entire Western Balkans, with the regional leaders being more and more involved in the use of its still underutilized development potential. The willingness of the founders to take the initiative (perhaps even a leading role) in the further course of regional cooperation is a significant feature of the Open Balkan. Trying to remove possible tensions between

this project and the Berlin process, the leaders of Albania, North Macedonia and Serbia especially emphasize that all future steps aimed at accelerating and deepening cooperation take place in the context of the European integration of the region, and not outside of it. However, such a belief is not universally valid in the region itself, so the Open Balkan is still made up only of the actors who founded it. In addition to the lack of institutionalization, frequent objections directed at this initiative refer to its non-transparency, questionable overall capacity to assume a leading role in promoting regional cooperation, lack of inclusiveness, duplication of already existing forms of regional cooperation, but also unclear support from external actors, which is becoming especially important in the changed geopolitical context. The most important agreement concluded within this initiative is the Agreement on conditions for free access to the labour market in the Western Balkans.

# ANALYTICAL FRAMEWORK: FROM GOOD GOVERNANCE TO MISGOVERNANCE AND BACK

Established for various reasons, all regional governance arrangements and mechanisms should ultimately aim for good governance that benefits its citizens. The concept of good governance gained traction among researchers and practitioners interested in the work of international and regional organizations and arrangements, who wanted to understand what standards should be applied to these extremely complex, multi-centred and multi-layered governance regimes in accordance with the ideals of democratic representation, accountability or transparency we expect from any 'regular' public policy.

While the existing body of knowledge on good governance provides valuable analytical tools, the ever-changing global and regional contexts necessitate a vigilant approach to monitoring these principles to ensure they effectively achieve their intended goals. However, over the past decade, the context conducive to democratic and good governance in the Western Balkans has deteriorated and given way to illiberal and hybrid forms of governance at the national level. Such developments not only make the full implementation of the good governance principles unlikely but create an opportunity for regional political elite to reverse

their original purpose. To develop an analytical framework that helps us understand whether and how the established and emerging trends in regional cooperation can lead to 'good' or at least 'good enough' governance (Börzel and Grim 2018), we leverage the over two-decade-llong experience of cooperation and integration in the Western Balkans.

Once regional cooperation was set as one of the major conditions for the region's advancement toward the EU, states were incentivized to establish various forms of cooperation at different levels and of varying scales in almost all relevant areas of political, security, economic, and cultural life. However, while the density of the regional architecture could suggest an 'over-supply' of regionalism, the overall evaluation of the effects of cooperation in the region has most often been viewed as moderate by researchers, practitioners, and, most importantly, citizens (cf. Džananovic et al. 2022). Over the years, many problems in their functioning have become evident, ranging from the lack of political will and commitment to the absence of ownership in many cases, from the scarcity of resources in some to the duplication of mandates and resources in others, from the lack of institutionalization in some to the lack of flexibility in others (cf. Prezelj 2013; Bechev, Ejdus, and Taleski 2015; Kulkova 2023). The prevailing sentiment in the literature is that most regional initiatives have displayed vulnerability to manipulation and exploitation by regional elites across all countries.

Trying to capture this susceptibility to misuse of both top-down and bottom-up regional governance regimes in the Western Balkans, we believe that the best way to evaluate, and eventually accomplish *good* or *good* enough *governance* in the Western Balkans is through criteria that aid in discerning whether a given regional arrangement is prone to corruption and abuse or, more precisely, *misgovernance* (Banerjee, 1997). We define the risk of misgovernance as the likelihood that a regional governance mechanism will not serve its original purpose, but rather be used for some other means or become effectively defunct. To assess the risk of misgovernance in a certain scenario of the evolution of regional governance, we rely on the following principles of good governance that have proved critical for the current track record of regional governance practices in the Western Balkans (Prelec 2020; Đorđević, Klemenc and Kolarova 2018; Blumkin and Gradstein 2002; Best 2008; Orsini et al., 2013; Hale et al., 2013).

Transparency	Are the purposes of the governance understandable to			
	the interested public?			
	Are sources of funding known?			
	<ul><li>Is it known what the funds are spent on?</li></ul>			
Scope	The number of issue areas governed by the regional			
	governance dynamics			
	• The risks of the duplication of duties by different			
	regimes			
	The risks of the gridlock			
Ownership	Addressing local needs			
	<ul> <li>Empowering relevant regional stakeholders</li> </ul>			
	<ul> <li>Ensuring a balance between top-down and bottom-up</li> </ul>			
	perspectives to enhance effective and legitimate			
	regional governance			
Sustainability	Responsible resource mobilization			
	Effective conflict resolution mechanisms			
	<ul> <li>Decision-making that balances immediate needs with</li> </ul>			
	long-term sustainability in the Western Balkans			
Openness	Ensuring the participation of all relevant stakeholders			
	<ul> <li>Adapting criteria for participation to the specific aims of</li> </ul>			
	the initiative			

**Table 1:** Five criteria for assessing the scenarios of Western Balkan regional governance

In the following section, we apply the proposed framework to assess three distinct scenarios for the future dynamics between the Open Balkans and the Berlin Process. These scenarios will be scrutinized through the lens of five proposed criteria, each shedding light on crucial aspects of potential regional governance. Given the nature and current phase of the observed processes, we use a qualitative marking system comprising three tiers: low, moderate, and high. It is worth emphasizing that in this context, 'low' represents a positive outcome, indicating a low risk of misgovernance, whereas 'high' carries a less favourable connotation, indicating an elevated risk of governance challenges. This approach enables a

nuanced analysis, helping us prioritize a scenario that promises more effective and responsible regional governance in the Western Balkans and develop policy recommendations to further this goal.

# THE THREE SCENARIOS

Given the analytical framework on the risk of misgovernance we proposed above, it is possible to envisage three key scenarios for the future relationship between the Open Balkan and the Berlin Process. Those scenarios are the *fizzling out* of the Open Balkan, the *parallelism* between the OBI and BP, and the *guided integration* of the OBI into the BP.



Berlin Process Summit, Tirana, October 2023, Photo Credits: <u>Euronews</u>

# **Scenario 1: Open Balkan Initiative Fizzling Out**

The first scenario, which we call the *fizzling out of the Open Balkan initiative*, is illustrated by the words of President Rama, according to which the Open Balkan would cease to exist as an initiative (Euronews Albania, 2023). According to this scenario, the region would be left with the Berlin Process, whereas some minor

projects of the Open Balkan initiative are likely to linger on for some time (such as the Wine Vision (Politika, 2023)). Because the fizzling out of the Open Balkan will likely leave some remnant projects, assessing the regional governance in some of these scenarios is somewhat different from assessing the Berlin Process on its own.

Transparency. The Berlin Process on its own is EU-led and quite a transparent governance mechanism. Information about meetings, goals, projects and initiatives created under the initiative are accessible and known to the wider public (for more info see Vulovic, 2022). Likewise, funding information is also available (Semini, 2023). However, agreements under the Berlin Process are not yet fully available which makes it not an entirely transparent mechanism. This scenario would also include some remnant projects of Open Balkan present in the dynamics, potentially functioning as shadow projects and thus non-transparent. As such, our risk assessment of misgovernance with regard to transparency is moderate.

Scope. The scope of this scenario is very wide due to the Berlin Process' encompassing agendas that range from economic cooperation to transport, security, environment etc. (Berlin Process, 2023a), with even wider goals (Berlin Process, 2023b). The duplication of duties is unlikely due to the primacy of one process, meaning that gridlock is a very unlikely occurrence in this case. However, the sheer cessation of other forms of regional governance that Open Balkan could offer does make the scope of this scenario slightly more narrow than in the other cases. This scenario does not suffer from significant gridlock risks meaning that its overall good rating remains. As such, our risk assessment of misgovernance with regard to scope is **low**.

Ownership. When it comes to the ownership, this scenario envisages the fizzling out of the locally created initiative. While trilateral presidentialism is not an example of the bottom-up process, this scenario would not lead to regional countries steering a major governance mechanism. This scenario is therefore mostly an EU-created initiative with the participation of both regional and European stakeholders. It is worth noting that the Berlin Process is seeking to empower local civil society organizations, as well as to gain their valuable input, which can increase the bottom-up support for the initiative (European Western Balkans, 2023a). We do find this fact significant enough to increase the ownership

score of regional governance in this scenario. As such, our risk assessment of misgovernance with regard to ownership is **moderate**.

Sustainability. The sustainability of this scenario is dependent mostly on EU funding (Europa, 2023). While not locally-led, the Berlin Process is supported by the EU in general and accepted by Western Balkan states as well. This broad commitment makes this process very sustainable, due to the wide support that it receives, as well as numerous potential sources of funding. The Open Balkan initiative seems to have, at least in the opinion of Edi Rama, spurred the Berlin Process after several years of inactivity (European Western Balkans, 2023b). The resurgence in the process was additionally helped by the EU's recommitment to the enlargement policy as a result of the war in Ukraine. In this scenario, local actors cannot indigenously maintain the governance dynamic, and its success depends on the EU's firm commitment to the process. As such, our risk assessment of misgovernance with regard to sustainability is **moderate**.

Openness. The Berlin Process is a very inclusive process and it is open to all of the Western Balkan countries and non-state actors. Likewise, the Berlin process strives to deepen regional cooperation and to prepare countries for integration into the EU. Because of the overall integratory purpose of the process and the willingness of countries to participate, this scenario is likely to avoid inertia and blockages due to peer-socialization and external inducement. As such, our risk assessment of misgovernance with regard to openness is **low**.

In general, the misgovernance score of this scenario is largely dependent on the health and commitment of the Berlin Process itself. While the risk of misgovernance due to openness and scope is low, this scenario suffers in other criteria. The risk of misgovernance due to sustainability is moderate, as this scenario does not have contingency means of maintaining regional governance if the EU member states and the UK do not continue with the process. Similarly, potential remaining shadow projects due to the fizzling out of the Open Balkan bring the misgovernance risk score in the sphere of transparency to moderate. Likewise concerning in this scenario is the moderate risk of misgovernance due to the limited local ownership. While there are some positive aspects, like the dialogues with local CSOs, the regional governance dynamic of this scenario is mostly owned by non-local actors.

#### Scenario 2: Parallelism

The second scenario aligns most closely with the present situation regarding the parallel operation of the Berlin Process and the Open Balkans Initiative. It involves both initiatives functioning simultaneously, with neither of them being discontinued or inactive. Since the immediate launch of the OBI, the current state of parallelism has sparked conflicting perceptions in and outside the region about whether these two initiatives are compatible or competing, whether the OBI undermines the efforts under the EU framework or could be seen as a 'child of the Berlin Process (Telegraf 2022)'. Depending on the developments inside these two initiatives, their mutual relationship will also evolve, providing both chances and challenges for the improvement of the current state of regional (mis)governance.

**Transparency.** That the level of transparency in either of the initiatives is sufficient can best be viewed from the fact that the full text of the recently signed documents under both BP and OBI have remained inaccessible to the public even after their signing. While the practice of the Berlin Process so far creates slightly higher expectations regarding the regularity of the summits and the predictability of their protocols than has been the case with the entirely ad hoc and closed nature of the OBI developments (e.g. the OBI even lacks its own official website), the lack of clarity and transparency in the mechanisms for resource allocation and decisionmaking processes in both initiatives could, in the future, create confusion and hinder efforts to monitor and hold regional authorities accountable under both regimes. While the current scope of the OBI makes this problem manageable, in the event of its enlargement or deepening, the parallelism of two such fluid initiatives could eventually lead to a fragmented approach to addressing regional issues, making it increasingly difficult for citizens and stakeholders to understand where and how resources are being utilized. The only potentially positive externality of having parallel processes could be that the lack of transparency in the OBI might encourage the EU to insist on enhancing transparency within the BP to bolster its comparative advantage, especially among the countries that have not (yet) joined the OBI and have openly raised their concerns about the opaque nature of the OBI (Euractiv 2022). However, in the long run, this could even incentivize elites to redirect some issues to the OBI rather than the BP, given that the OBI's current lack of transparency may be more appealing to them. The risk of misgovernance in this scenario in terms of transparency is, therefore, currently **moderate**, but it could easily rise if the OBI expands and deepens without significantly changing the level of its transparency or institutionalization.

Scope. The simultaneous continuation of BP and OBI could allow states to move beyond the areas covered by the Berlin Process or accelerate the pace of cooperation and integration if need be. For instance, cooperation in emergencies is one of the 'new' topics addressed by OBI in comparison to the BP. Since OBI does not require an 'all in' approach, but allows bilateral agreements, in the case of the further enlargement of OBI, it would allow for the formation of similar 'coalitions of the willing' if some aspects of integration are not of interest or acceptable to others. On the other hand, it is essential to consider the risks of collaboration arising from parallelism, such as irrational resource allocation and potential conflicts due to overlapping responsibilities in the majority of integrated domains. The Open Balkans initiative and the Berlin Process may not always align in terms of priorities and approaches and the lack of coordination can lead to inefficiencies and conflicting strategies, making it difficult for the region to present a unified front to address some of its challenges. The different goals and scopes of the two initiatives can lead to 'competing' and conflicting agendas, as many have argued, potentially resulting in tensions and disagreements among participating countries. At this moment, due to the limited number of participating states in the OBI and still narrow areas of cooperation under it, the risk of misgovernance arising from the scope of these parallel initiatives is **low**, but would need serious consideration if any of those two aspects spread.

Openness. While both initiatives are nominally open to all governments in the Western Balkans, the Berlin Process's openness was ensured by its design, as all countries have been involved from the very beginning. Although established with an ambition to include the entire Western Balkans (and Western Balkans only, at least according to the declaration signed in Novi Sad in 2019), the OBI, on the other hand, was developed by Belgrade, Tirana, and Skopje. This means not only that every 'newcomer' would initially need to adhere to the existing framework, but that the countries already inside would have a stronger position to condition and keep unwanted parties outside. At this moment, this possibility seems rather unlikely since none of the remaining countries in the region have expressed interest in

joining. While all have expressed concerns about the compatibility and purposefulness of the OBI in relation to the EU integration process, some are particularly concerned about the intentions of some of the founding states. This is especially true for Bosnia and Herzegovina and the authorities in Pristina, who, despite the denials from Belgrade, insist on perceiving the OBI as Serbia's hegemonic project. Pristina repeats that they do not want to join the OBI also because Serbia does not treat Kosovo\* as an equal party. Therefore, while a scenario with only one integration involving everyone from the beginning might be the most favourable in the region with a specific post-conflict legacy, the risk of misgovernance in the scenario of parallelism, from the perspective of openness, is currently **low.** 

Ownership. Preserving a strong connection with the EU and its agenda on one side, and fostering narrower intra-regional projects on the other, the simultaneous existence of BP and OBI should not theoretically have negative repercussions on the regional ownership of the region's peace, security, and development. On the contrary, by allowing the benefits of both top-down and bottom-up initiatives to be harnessed, the scenario of parallelism could increase the overall responsiveness of regional governance to local needs and dynamics. However, local ownership in either of the initiatives has not been as great as to guarantee such a synergic effect or promise that this ownership will trickle down to societies and citizens. This is particularly the case with OBI, which has so far remained locked at the level of leaders, with very limited spillover to the wider political and economic elites, let alone civil society and citizens. Moreover, if they remain at the elite level, the initiatives may compete for the attention of political elites and may not fully engage other local and regional actors. This difficulty is often emphasized by the three countries that refuse to join OBI but continue viewing these initiatives as competing with the EU integration process and, as an argument against joining OBI, announce their dedication to European integration. While regional initiatives have generally been seen as instruments towards the EU (Delević 2007), OBI has apparently reversed this perception. Although narrowing down initiatives is not an issue per se, uneven participation can, however, result in the lack of 'full' and evenly distributed ownership over regional development, hampering the effectiveness of regional projects and policies aimed at addressing multifaceted challenges that know no borders. Therefore, while not impossible, ensuring broad-based and inclusive ownership can be difficult when multiple initiatives are at play in the region with open conflicts. The risk of misgovernance from the perspective of ownership is, therefore, considered **moderate**.

Sustainability. From the perspective of resource mobilization and allocation, the continued coexistence of OBI and BP might lead to redundant investments of time and money in various projects and sectors, squandering valuable resources and compromising the commitment of regional actors to any of the processes. The coexistence of OBI and BP could even foster geopolitical rivalries in the region, as previously seen between the EU and the U.S., potentially leading to external interference with the projects and undermining the overall sustainability of economic integration in the region, dividing it into two distinct groups - one exclusively integrated through OBI and the other through BP. Currently, however, this problem is not pressing. The resources for the Berlin Process mostly come from the EU and appear to be on the rise. The resources for OBI come from domestic governments and will likely depend on the local dynamics in each of the participating countries and the potential benefits that the initial OBI projects bring. On the other hand, the continued operation of both initiatives enables long-term sustainability for at least one of them. They can continue to evolve, allowing the more suitable one to stand the test of time, and regional and global dynamics. If OBI, by some chance, proves to be adaptable and self-sustaining, it could withstand changes in external support and continue to expand and contribute to the region's development in the long run, even in the case of temporary or longterm loss of Brussels' interest in the region. On the other hand, BP has proven to be sufficiently functional in cases when overall regional tensions or open disputes among the parties threaten to block OBI. The heightened tensions between Belgrade and Tirana after the events in Banjska in Kosovo\* showed how fragile OBI in such cases still is. Therefore, since the worst scenario of parallelism between BP and OBI could lead to the hibernation of one or both of them, either temporarily or in the long run, the risk of misgovernance from the perspective of sustainability is currently estimated to be low.

In sum, the scenario of continued parallelism between the BP and OBI presents both opportunities and challenges in terms of the risk of misgovernance. On one hand, the coexistence of a top-down, inclusive, comprehensive initiative and a narrower, more bottom-up one could eventually lead to a fusion of the best aspects of both, creating the synergy necessary for regional sustainability and development. However, given the current lack of transparency in either initiative, this parallel scenario could easily deteriorate into a situation where political elites further exploit the worst of both worlds and continue with their already tried methods of misgovernance aimed at advancing particularistic national or other group goals.

# **Scenario 3: Guided Integration**

In addition to the possible fizzling out of the Open Balkan and the complementarity of the Open Balkan and the Berlin Process (through parallelism), one of the scenarios is the guided integration of these two forms of regional cooperation. Since the Berlin Process (unlike OBI) is an EU-led umbrella initiative that includes all six Western Balkan actors, it is possible that OBI will be absorbed by BP.

Transparency. As for transparency, it has already been noted that the Berlin Process (in contrast to the Open Balkans) is a relatively transparent form of regional cooperation, about which there are publicly available data related to its functioning and financing. Since it is an umbrella concept that includes a large number of different projects, initiatives and programs, even among the interested public there is no clear connection between their results and the Berlin process. It is also necessary to emphasize once again the impossibility of easy access to the agreements concluded within the framework of the Berlin process. The risk of misgovernance in this scenario in terms of transparency is, therefore, currently moderate.

Openness. The Berlin Process is a form of regional cooperation that from the very beginning includes all Western Balkan actors with European integration as a key foreign policy goal. The advantage of the Berlin Process is the possibility that, in addition to the existing ones, other interested actors can benefit from this form of regional cooperation through inclusion in its programs, projects and initiatives. Since the Berlin process is understood as an instrument for bringing the Western Balkan region closer to the European Union and as a format for providing a

common response to structural deficiencies and numerous problems (deindustrialization, low level of external competitiveness, consequences of the pandemic) that all the countries of the Western Balkans are facing, the risk of misgovernance in this scenario in terms of openness is **low.** 

Scope. Bearing in mind that the Berlin process covers a much wider scope than the Open Balkan, it seems that integration of these two forms of regional cooperation would not create any significant benefit, but also that there would not be an increased risk of duplication of duties by different regimes. However, considering that the Open Balkan initiative includes some segments of joint cooperation that, at least so far, are not covered by the Berlin process, it seems that there is still a limited unused potential of this scenario, possibly in the field of cultural cooperation or cooperation in the field of protection against disasters. However, it is possible that the question of interest of all participants regarding cooperation in some of the offered domains will arise. In this sense, we should also consider the idea of the existence of the so-called differentiated integration, i.e. the possibility for interested actors to deepen cooperation in areas they consider important, which would not oblige the others. In that case, there would be a slightly higher risk than the existing one. In any case, the risk of misgovernance in this scenario in terms of scope is currently low.

Ownership. Although the Open Balkan is seen to some extent as a locally owned regional initiative, it should be kept in mind that it is a form of the so-called presidential integration (an integration promoted by leaders) that does not have a developed institutional structure and therefore can be abolished or weakened when at least one actor, for any reason, ceases (or reduce) interest in it. Since the Open Balkan is an initiative made up of only three (out of six) Western Balkan actors, the participation of regional stakeholders is limited in this sense. If this scenario comes to fruition, i.e. until the integration of the Berlin Process and the Open Balkan, it does not seem that it would significantly contribute to the growth of efficiency, but it could, to a certain extent, increase the legitimacy of the regional management process. In addition, with the integration of the Open Balkan into the Berlin process, the previous risk of competitiveness of these two forms of regional cooperation essentially disappears. In any case, the risk of misgovernance in this scenario in terms of ownership is currently low.

**Sustainability.** The integration of the Berlin Process and the Open Balkan would simplify resource mobilization and allocation, although due to the limited domain of the Open Balkan, there is essentially no excessive waste of resources. Immersing OBI in the Berlin process as an EU-led initiative would further reduce the danger of playing out geopolitical rivalries in the region. Nevertheless, the long-term sustainability of the possible integration of these two forms of regional cooperation depends on the will of key actors (first of all, from the EU side) to work on improving its functioning, which will also depend on the relations in the European Union itself, and not primarily among the Western Balkan countries. The risk of misgovernance in this scenario in terms of sustainability is **low.** 

	Transparency	Scope	Ownership	Openness	Sustainability
Fizzling Out	moderate	low	moderate	low	moderate
Parallelism	moderate	low	low	moderate	low
Guided Integration	moderate	low	low	low	low

**Table 2.** The risk of misgovernance according to five criteria of good governance for the three predicted scenarios

# **CONCLUSIONS AND RECOMMENDATIONS**

Our analysis in this paper has aimed to conceptualize the three possible scenarios for navigating the future relationship between the Open Balkan Initiative and the Berlin Process, based on the selected criteria of good governance as a normative framework. In this critical, yet gap-filling exercise, *Fizzling Out*, *Parallelism* and *Guided Integration* scenarios evaluate the risks of misgovernance in each of the five good governance criteria. This relatively concise matrix of critical choices can enable the policymakers to further test and assess their arguments in the key debates on the future of cooperation in the Western Balkans. The experts and other researchers could further refine some of the analytical criteria from our work and contribute to more evidence-based policymaking.

Our recommendations aim to offer both general and specific advice in the five selected areas of good governance to policymakers and the broader public:

#### **Transparency**

- Both BP and OBI need to the increase the financial and decision-making transparency, enabling higher predictability of the process and allowing timely planning and inputs from the relevant international and domestic stakeholders.
- In the, OBI and BP can increase their transparency by publishing the relevant agreements in a timely manner on their website, and further improve their communication with the public.
  - For OBI the Chamber of Commerce should publish all the missing agreements.
  - For BP publish all the agreements on the website.

# Scope

- Both BP and OBI stakeholders need to timely consider and prevent potential conflicts and overlaps in the agenda, preventing irrational resource allocation.
- Any increase in the scope of cooperation, especially in the case of OBI, should be followed by increased transparency and institutionalization of the improved form of regional cooperation.

#### **Ownership**

- In order to increase regional ownership, governments in the Western Balkans could organize more Summits with participation of the CSOs from the region and organize CSO-only forums consisting of CSOs from the member states.
- In order to accommodate potential requests for more local ownership and initiatives, the EU-side of the BP should consider institutionalizing the

process in a manner in which Western Balkan countries have the capability of proposing initiatives.

#### **Openness**

- The openness of the OBI can be increased mostly within Parallelism and less in the case of the Fizzling Out scenario.
- The openness of the BP could be moderately increased by the inclusion of other interested EU member states who could potentially contribute funding or expertise to the phased integration of the Western Balkan candidates for membership in some specific policy areas.

# **Sustainability**

- Greater institutionalization and linking between the various levels and sectors of the EU integration process could contribute to increased sustainability of the Berlin Process at least until 2030 (as an indicative year of further EU enlargement). That could contribute to higher credibility of the EU enlargement process, whereas the EU should clearly spell out that this move does not represent a replacement for the membership of the Western Balkan 6.

# **REFERENCES**

Banerjee, Abhijit. 1997. "A Theory of Misgovernance". *The Quarterly Journal of Economics* 112 (4): 1289-1332.

Bechev, Dimitar, Filip Ejdus and Dane Taleski. 2015. "Culture of Regional Cooperation in Southeast Europe". Belgrade: Balkans in Europe Policy Advisory Group.

Berlin Process. 2014. "Final Declaration by the Chair of the Conference on the Western Balkans." Accessed November 6, 2023. <a href="https://www.transport-community.org/wp-content/uploads/2021/02/Final-Declaration-by-the-Chair-of-the-Conference-on-the-Western-Balkans\_Berlin-2014.pdf">https://www.transport-community.org/wp-content/uploads/2021/02/Final-Declaration-by-the-Chair-of-the-Conference-on-the-Western-Balkans\_Berlin-2014.pdf</a>

Berlin Process. 2023a. "Results of the Berlin Process". Accessed October 26, 2023. <a href="https://www.berlinprocess.de/en/the-goals">https://www.berlinprocess.de/en/the-goals</a>.

Berlin Process. 2023b. "Areas of Regional Cooperation". Accessed October 26, 2023. <a href="https://www.berlinprocess.de/en/areas-of-regional-cooperation">https://www.berlinprocess.de/en/areas-of-regional-cooperation</a>.

Best, Edward. 2008. "The Assessment of Regional Governance: Principles, Indicators, and Potential Pitfalls". UNU-CRIS Working Papers, W-2008/10. Bruges: United Nations University. Accessed October 18, 2023. <a href="https://cris.unu.edu/sites/cris.unu.edu/files/W-2008-10.pdf">https://cris.unu.edu/sites/cris.unu.edu/files/W-2008-10.pdf</a>.

Blumkin, Timer, and Mark Gradstein. 2002. "Transparency Gloves for Grabbing Hands? Politics and (Mis)Governance". CEPR Discussion Papers 3668. Paris and London: CEPR Press. Accessed October 23, 2022. https://ideas.repec.org/p/cpr/ceprdp/3668.html.

Bonomi, Matteo, and Zoran Nechev. 2022. "Regional and EU Integration of the Western Balkans: Beyond a Two-Track Approach". *IAI Commentaries* 22 (42): 1–5

Börzel, Tanja A., and Sonja Grimm. "Building Good (Enough) Governance in Postconflict Societies & Areas of Limited Statehood: The European Union & the Western Balkans." *Daedalus* 147 (1): 116–27. https://www.jstor.org/stable/48563411.

Delević, Milica. 2007. "Regional Cooperation in the Western Balkans". Chaillot Paper 104. Paris: European Union Institute for Security Studies.

Đorđević, Vladimir, Jelka Klemenc, and Ivana Kolarova. 2018. "Regional security cooperation reinvented: Western Balkans counterterrorism initiative". *European Security* 27 (4): 415-433.

Dzananovic, Nedzma, Donika Emini, Ledion Krisafi, Ivan Nikolovski, and Anamarija Velinovska. *The Impact of Regional Organizations and Initiatives in the Western Balkans*. Skopje: Institute for Democracy "Societas Civilis". Accessed July 12, 2022. <a href="https://idscs.org.mk/wp-content/uploads/2022/01/A5\_The-Actual-Impact-of-Regional-Organizations-and-Initiatives-on-Regional-Cooperation-Integration-and-Good-Neighborly-Relations-in-the-Western-Balkans-Success-and-Limiting-Factors.pdf">Factors.pdf</a>.

Euractiv. 2022. "Montengero questions transparency, strategy of Open Balkan initiative" (by Alice Taylor). December 2. Accessed November 8, 2023. <a href="https://www.euractiv.com/section/politics/news/montengero-questions-transparency-strategy-of-open-balkan-initiative/">https://www.euractiv.com/section/politics/news/montengero-questions-transparency-strategy-of-open-balkan-initiative/</a>.

Euronews Albania. 2023. "Did PM Edi Rama unilaterally decide to end Open Balkan initiative?" July 2. Accessed October 25, 2023. <a href="https://euronews.al/en/did-pm-edi-rama-unilaterally-decide-to-end-open-balkan-initiative/">https://euronews.al/en/did-pm-edi-rama-unilaterally-decide-to-end-open-balkan-initiative/</a>.

European Western Balkans. 2023a. "Civil Society and Think Tank Forum of the Berlin Process on 14-15 October in Tirana". September 8. Accessed October 27, 2023. <a href="https://europeanwesternbalkans.com/2023/09/08/civil-society-and-think-tank-forum-of-the-berlin-process-on-14-15-october-in-tirana/">https://europeanwesternbalkans.com/2023/09/08/civil-society-and-think-tank-forum-of-the-berlin-process-on-14-15-october-in-tirana/</a>.

European Western Balkans. 2023b. "Rama: Open Balkan has fulfilled its mission, we must dive into the Berlin Process". July 4. Accessed October 27, 2023. <a href="https://europeanwesternbalkans.com/2023/07/04/rama-open-balkan-has-fulfilled-its-mission-we-must-dive-into-the-berlin-process/">https://europeanwesternbalkans.com/2023/07/04/rama-open-balkan-has-fulfilled-its-mission-we-must-dive-into-the-berlin-process/</a>.

Hale, Thomas, David Held, and Kevin Young. 2013. *Gridlock: Why Global Cooperation is Failing When we Need it the Most*. London: Polity Press.

Kulkova, Miroslava. 2023. "We speak over the phone almost daily: routinisation as an overlooked source of pacification in the Western Balkans." *Journal of International Relations and Development*, <a href="https://doi.org/10.1057/s41268-022-00281-z">https://doi.org/10.1057/s41268-022-00281-z</a>.

Lavenex, Sandra. 2011. "Concentric circles of flexible 'European' integration: A typology of EU external governance relations". *Comparative European Politics* 9 (4-5): 372-393.

Lopandić, Duško, and Jasminka Kronja. 2011. *Regional Initiatives and Multilateral Cooperation in the Balkans*. Belgrade: European Movement in Serbia.

Novi Sad Declaration. 2019. "Joint Declaration on Implementing the EU Four Freedoms in the Western Balkans." Accessed November 6, 2023. <a href="https://en-api.pks.rs/storage/assets/Novi\_Sad\_Declaration.pdf">https://en-api.pks.rs/storage/assets/Novi\_Sad\_Declaration.pdf</a>.

Politika. 2023. "Други сајам вина – 'Винска визија Отворени Балкан' у новембру у Београду". September 3. Accessed October 26, 2023. https://www.politika.rs/scc/clanak/541676/vino-sajam-otvoreni-balkan.

Prelec, Tena. 2020. "The Vicious Circle of Corrosive Capital, Authoritarian Tendencies and State Capture in the Western Balkans". *Journal of Regional Security* 15 (2): 167-198.

Prezelj, Iztok. 2013. "Challenges of Multilateral Regional Security and Defence Cooperation in South East Europe." *European Perspectives – Journal on European Perspectives of the Western Balkans* 5 (2): 83–112.

Rosini, Amandine, Jean-Frederic Morin, and Oran Young. 2013. "Regime Complexes: A Buzz, a Boom, or a Boost for Global Governance". *Global Governance* 19 (1): 27-39.

Semini, Llazar. 2023. "European Union offers a new growth plan to Western Balkans that partly opens access to single market". *Associated Press News*, October 16. Accessed October 26, 2023. <a href="https://apnews.com/article/western-balkans-berlin-process-eu-membership-integration-4ffc700555c0b00962c43f67a2117ebe">https://apnews.com/article/western-balkans-berlin-process-eu-membership-integration-4ffc700555c0b00962c43f67a2117ebe</a>.

Telegraf. 2022. "Abazovic: Open Balkan and Berlin Process are compatible." Accessed November 7, 2023. <a href="https://www.telegraf.rs/english/3514524-abazovic-open-balkan-and-berlin-process-are-compatible">https://www.telegraf.rs/english/3514524-abazovic-open-balkan-and-berlin-process-are-compatible</a>.

Vulovic, Marina. 2022. "The Berlin Process in the Western Balkans: Big Ideas, Difficult Implementation". Berlin: Stiftung Wissenschaft und Politik. Accessed October 26, 2023. https://www.swp-berlin.org/10.18449/2022C70/.

### **ABOUT THE AUTHORS**

Marko Kovačević is an assistant professor at the University of Belgrade, Faculty of Political Science and leader of the work package 3 "Regional Security Initiatives" on the MIND research project.

Aleksandar Milošević is an assistant professor at the University of Belgrade, Faculty of Political Science and researcher at the work package 3 "Regional Security Initiatives" on the MIND research project.

Tijana Rečević is a PhD student and teaching assistant at the University of Belgrade, Faculty of Political Science, and junior researcher at the work package 3 "Regional Security Initiatives" on the MIND research project.

Milan Varda is a PhD student and junior researcher at the University of Belgrade, Faculty of Political Science, and junior researcher at the Work Package 3 "Regional Security Initiatives" on the MIND research project.







