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Corruption in the Western Balkans: An Unresolved Issue for the Accession Candidates

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In the Western Balkans, a region characterized by a turbulent history and complex political landscape, corruption in all its manifestations not only looms large, but also represents a notable barrier to European Union (EU) accession. The countries of this region, which include Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia and Serbia, find themselves at various stages on the path toward EU membership, with each country attempting – with varying degrees of success – to meet the stringent criteria set forth by the EU, particularly in the realms of the rule of law and anti-corruption. Despite significant efforts to align with European standards over the past couple of years, corruption remains a pervasive and unresolved issue that not only hinders their accession prospects but also stifles economic development, erodes public trust in institutions, perpetuates a culture of impunity and directly impacts the daily lives of citizens.

Recent studies and reports by the European Commission (EC), the United Nations Office on Drugs and Crime (UNODC), the Group of States against Corruption (GRECO) and civil society organizations, such as the Global Initiative Against Transnational Organized Crime (GI-TOC), underscore the complexity and depth of corruption in the Western Balkans. Findings in the aforementioned reports reveal a concerning entanglement of political, economic and criminal elites, who exploit corruption and money laundering as strategic instruments to consolidate their power, thereby establishing and/or perpetuating a culture of impunity, and obstructing

the path to EU integration. From petty corruption such as low-level bribery or facilitation payments, all the way to “organized corruption” defined as “a symbiosis of organized crime, criminal methods and high-level corruption, which creates a crooked ecosystem that enriches and protects those with access to power” (Zvekic et al., 2023), such as the financing of political parties and elections, political influence and control over state-owned (public) enterprises, and political use and control over public procurement systems, corruption is well-entrenched in the societal culture of the Western Balkans. As such, one could argue that corruption in the Western Balkans is not merely a symptom of governance challenges but a critical, unresolved issue that directly impacts the region’s EU accession prospects.

The Long Road to Accession

After enduring centuries of national liberation struggles, the devastations of two world wars, the bitter conflicts in the former Yugoslavia, as well as decades of communism, the Western Balkans have faced a long road of challenges. These include a significant outflow of refugees and migrants, the transition from one-party and authoritarian regimes, the collapse of socialist economies, and the hardships emerging from their fledgling economic and political systems (Zvekic & Roksandic, 2021).

The prospect of joining the EU emerges as a critical pathway to realizing such a future. EU membership offers concrete benefits that are directly relevant to addressing the legacy of these challenges, including enhanced political stability, economic development, access to funding and markets and the adoption of comprehensive legal and regulatory frameworks aimed at improving governance and reducing corrup-

tion. Particularly, the EU's stringent anti-corruption criteria for accession compel candidate countries to implement robust measures against corruption, which not only aligns with EU standards and serves to fundamentally strengthen the region's political and economic institutions, but is also capable of bettering the lives of citizens. This process, while challenging, represents a significant opportunity for the Western Balkans to move beyond its troubled past by embedding the principles of democracy, transparency and the rule of law more deeply within its societies. Thus, the journey toward EU integration is not merely a political and economic endeavour but a transformative commitment to eradicating corruption and fostering a sustainable future for the region.

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Currently, Montenegro and Serbia have made significant strides in their EU accession journeys, with Montenegro having opened all 33 negotiation chapters, closing three, and Serbia opening 22 out of 35 chapters, with two closed provisionally. Despite this progress, reforms tied to EU integration for both countries have seen little advancement in recent years. Accession negotiations with Albania and North Macedonia commenced in July 2022, following the European Council's approval in March 2020, underpinned by a revised enlargement methodology. This step came after delays due to disputes over cultural and historical issues between North Macedonia and Bulgaria. Bosnia and Herzegovina (BiH) moved closer to EU membership by submitting its application in 2016, following the activation of its Stabilization and Association Agreement with the EU in 2015. Despite lagging in fulfilling the EU Commission's 14 essential priorities set in 2019, BiH was granted candidate status in December 2022, and in March 2024 the Commission recommended opening EU accession negotiations. Kosovo enacted its

Stabilization and Association Agreement with the EU in 2016 and applied for membership in December 2022. Furthermore, as of January 2024, Kosovo has visa-free access to the Schengen Area. Kosovo and Serbia are engaged in an EU-mediated dialogue aimed at normalizing bilateral relations, a critical step forward, though the implementation of their early 2023 agreement to rejuvenate this dialogue is pending (EP, 2023).

Demanding but Crucial

Historically, in the EU's enlargement policy, the fight against corruption has stood as a cornerstone, explicitly highlighted in Chapter 23 of the EU acquis. Aligning with EU law, upholding the rule of law, and implementing anti-corruption reforms are pivotal for the accession pace of candidate countries. These reforms revolve around promoting integrity and transparency in public bodies, enhancing the effectiveness of anti-corruption agencies, and bolstering investigative and judicial capacities alongside civil society engagement. Emphasis is often placed on evaluating legislative and institutional frameworks addressing both prevention and repression of corruption, especially highlighting the importance of a proven track record in proactive investigations and legal proceedings against high-level corruption instances. Marking a significant development in the region's stagnated accession processes, the "New Growth Plan" for the Western Balkans was introduced in November 2023, complemented by the annual enlargement package. This plan, inspired by a geostrategic vision for a robust and united Europe, aims to expedite the enlargement process and foster economic growth in the Western Balkans. It is based on four key pillars: enhancing economic ties with the EU's single market through alignment with its rules and sectoral integration; promoting intra-regional economic integration via the Common Regional Market (CRM), expected to boost local economies by 10%; accelerating essential reforms to support EU membership ambitions, sustainable growth and regional stability; and increasing financial support through the €6-billion Reform and Growth Facility for 2024-2027, split between grants and concessional loans, aimed at encouraging socioeconomic and foundational reforms (EC, 2023a).

This initiative emphasizes the free movement of goods and services, SEPA access, transport facilitation, energy market integration, digital market development and supply chain inclusion as seven priority actions. It stresses the CRM's role in enhancing competitiveness, attracting investment and worker retention, making clear that full commitment to the CRM is essential for harnessing single market opportunities. The plan mandates Western Balkan countries to draft reform agendas aligned with EU recommendations and conditions financial support on meeting reform benchmarks, with provisions for suspending or adjusting funding based on progress (EC, 2023a).

Corruption: An Unresolved Issue for the Accession Candidates

Economic alignment plays a pivotal role in bridging the gap between the Western Balkans and the EU. Presently, the pace of convergence is lagging, with the region's GDP per capita, adjusted for purchasing power, ranging from 27% to 50% of the EU's average (EC, 2023a). Historically, integration into the EU's Single Market has significantly spurred economic growth for new EU members, unequivocally benefiting their GDP and income levels. While the plan aims to do just that, it comes as a surprise that the terms "corruption" or "anti-corruption" do not feature even once within the EC's "New Growth Plan" communication. That said, while it could be argued that incorporating explicit anti-corruption safeguards into all four pillars of the plan would be beneficial, corruption has not been overlooked. It is comprehensively addressed within the fundamental clusters, specifically in chapters concerning the judiciary and fundamental rights (23), justice, freedom and security (24), public procurement (5), and financial control (32), along with the economic criteria, democratic institutions' functionality and public administration reform (EC, 2023d). Still, explicitly reinforcing this point in the plan could have been helpful. The forthcoming case studies of Albania and Bosnia and Herzegovina were chosen to illustrate the spectrum of anti-corruption efforts towards EU accession in the Western Balkans: Albania, with its proactive measures and the establishment of the Specialized Structure against Corruption and Or-

ganized Crime (SPAK), exemplifies a country making significant strides in combating corruption and preparing for accession, while Bosnia and Herzegovina, in contrast, represents a scenario where progress is considerably slower and ongoing challenges raise serious questions about the country's ability to advance in the EU accession process.

Albania: Big Strides in the Right Direction

In Albania, the recent local elections of May 2023 highlighted ongoing issues in the political landscape, characterized by a low voter turnout (38.2%) and allegations of vote buying and pressure on public workers, despite being well-administered overall (EC, 2023b). This reflects deeper systemic issues of political polarization and a lack of robust parliamentary oversight, which persistently challenge democratic processes and anti-corruption reforms. Notably, delays and political influences affect the appointments of key oversight roles such as the Ombudsperson and the Anti-Discrimination Commissioner, undermining institutional integrity. Nevertheless, the consultative role of the Parliament with respect to the EU accession negotiation process was strengthened with the recent March 2023 amendments that were adopted, although these amendments are yet to be made effective.

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On the legal front, Albania has taken steps to align more closely with EU accession requirements, particularly in the realm of judicial reform and anti-cor-

ruption measures. The judiciary has seen substantial progress with the completion of appointments to the Constitutional Court and the vetting of judges and prosecutors, which led to significant dismissals for integrity violations. More specifically, the vetting process in Albania – which commenced in 2017 – represents a critical element of judiciary reform, and has been pivotal in addressing corruption within the legal system. Initiated to evaluate the integrity and suitability of more than 800 judges and prosecutors, the process has led to the dismissal or resignation of 57% of those assessed by October 2023 (EC, 2023b). This rigorous scrutiny aims to dismantle networks of corruption by ensuring that those serving in judicial capacities meet stringent ethical standards. Notably, the process has been instrumental in significant cases, such as the prison sentence handed down to the former Head of the Constitutional Court for false declarations during vetting (EC, 2023b). This process has not only contributed to cleansing the judiciary of corruption, but has also restored public trust in the legal system, making it a cornerstone of Albania's broader EU accession efforts. Furthermore, the efforts of the SPAK should be highlighted. SPAK has actively pursued high-level corruption cases, achieving notable arrests and convictions such as a former director of the Tirana Police, notable judges, the head of the Border and Immigration Services Sector of Korça (SOT.COM.AL, 2023) and the head of crimes at a police station (SOT.COM.AL, 2021). Moreover, the 2024 edition of Freedom House's "Nations in Transit" report recognized SPAK's progressive achievements, particularly its actions against notable political figures, highlighting charges brought against several key politicians in 2023, including a former Prime Minister (Freedom House, 2024). This resulted in the individual being declared persona non grata by the US and UK, signifying a critical advancement, as well as the international influence of Albania's anti-corruption efforts (Blinken, 2021). However, the Freedom House report has noted that the persistent reluctance among Albanian political parties to address corruption internally, with leaders accused of corruption continuing to receive political backing is regrettable. This systemic reluctance impedes Albania's strides towards greater transparency, and accountability in the overall path towards EU accession. Moreover, SPAK's effectiveness is challenged not only by lengthy court processes, a high

backlog of cases and limited success in final high-level convictions, but also political interference, with attacks on its judges and prosecutors threatening its autonomy and integrity (Freedom House, 2024). This situation highlights the fact that political influence and corruption remain as unresolved issues, while the deep-seated culture of impunity underlines the critical challenges facing SPAK in its mission to uphold the rule of law in Albania. Overall, while Albania has made strides in its EU accession journey by institutionalizing reforms and improving its legal framework, significant challenges remain. These include ensuring the effectiveness of the judiciary, deepening anti-corruption measures, and safeguarding fundamental rights and media freedom. The resolution of these issues is crucial for Albania's progress towards EU membership, as they directly impact the country's ability to meet the EU's stringent accession criteria.

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Bosnia and Herzegovina: A Lengthy Journey ahead

Bosnia and Herzegovina's governance is notably complex, characterized by its division into a state level, two entities – Republika Srpska and the Federation of Bosnia and Herzegovina – and the self-governing Brčko District. The Federation itself is further divided into ten cantons and 79 municipalities and cities, while Republika Srpska comprises 64 municipalities and cities (Council of Europe, 2022). This intricate administrative structure significantly hampers the pace of reforms and EU accession progress. Notwithstanding the aforementioned, in Bosnia and Herzegovina, corruption remains a significant obstacle hindering the country's EU accession

prospects. Notable challenges include persistent political interference and systemic shortcomings in the judiciary and law enforcement agencies, which impede effective anti-corruption measures. Elections in October 2022 exemplified ongoing issues, with interventions by the High Representative raising concerns about legal certainty according to OSCE/ODIHR (EC, 2023c). Despite legislative efforts, including the adoption of laws aimed at enhancing judicial integrity and access to information, the implementation of these reforms remains challenging. The Republika Srpska entity's failure to accept Constitutional Court rulings further undermines legal certainty and highlights the deep-rooted political challenges affecting the judiciary's independence. Moreover, June 2023 saw the legalization of the non-publication of the High Representatives decisions, as well as the non-implementation of the aforementioned Court's rulings, undermining the very authority of the Constitutional Court while also being in direct breach of the country's legal and constitutional order (EC, 2023c).

Corruption not only undermines democratic institutions, economic development and the lives of citizens, but also directly impacts these countries' EU accession prospects

Judicial reforms have been superficial, with amendments to the Law on the High Judicial and Prosecutorial Council failing to effectively establish a reliable asset declaration system for judges and prosecutors. The changes made to this law have diluted its impact, indicating a need for further amendments to align with European standards (EC, 2023c). Moreover, the overall functioning of the judiciary continues to suffer from inconsistency and excessive discretion in judicial appointments and career advancements, which severely impacts the public's trust and the judiciary's ability to combat corruption and organized crime effectively. Moreover, corruption is notably prevalent in public procurement (Zvekić et al., 2023) and the judiciary,

with high-level corruption cases occasionally leading to indictments but rarely resulting in significant convictions or changes. This ineffectiveness is compounded by weak coordination and the limited exchange of intelligence between law enforcement agencies, alongside a judiciary that is susceptible to political manipulation.

As such, BiH's EU accession process is impeded by these issues, with the country at an early stage of preparation and needing substantial improvements in governance and legal enforcement. These include improving the ability to adopt and implement EU acquis which currently is low, with little to no progress being seen on most EU chapters (EC, 2023c). Strengthening the judiciary's independence, enhancing inter-agency cooperation, and aligning more closely with EU standards are imperative for BiH to advance its EU accession aspirations and effectively address the pervasive issue of corruption.

Conclusion

In the Western Balkans, the journey toward European Union accession is intricately linked with the region's ongoing struggle against corruption. Though merely a glimpse of the issues, the examples discussed above underscore a common theme throughout the Western Balkans: while strides are being made to address corruption, the depth and breadth of issues surrounding corruption continue to impede real progress. Corruption not only undermines democratic institutions, economic development and the lives of citizens, but also directly impacts these countries' EU accession prospects. The EU's rigorous standards for governance and transparency require not just temporary fixes or superficial compliance, but deep, systemic change – a goal that remains elusive as long as corruption persists as a powerful force in political, judicial and economic spheres.

In conclusion, while there are pockets of progress in the Western Balkans' fight against corruption, the road to EU accession remains long and filled with challenges. Sustained efforts, genuine political will and stronger enforcement of laws and regulations are essential to establishing a culture of integrity. Without these, corruption will continue to be a significant, unresolved issue that could jeopardize the accession aspirations of Western Balkan countries.

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