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**COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN
PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL
COMMITTEE AND THE COMMITTEE OF THE REGIONS**

2023 Communication on EU Enlargement Policy

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I. INTRODUCTION

EU enlargement is a driving force for long-term stability, peace and prosperity across the continent. EU membership is a **geostrategic investment** in a strong, stable and united Europe based on **common values**. It is a powerful tool to promote democracy, the rule of law and respect for fundamental rights. A credible, merit-based prospect of EU membership is the **key driver of transformation** and thus enhances our collective security and socio-economic prosperity. It is essential for fostering reconciliation and stability on the European continent. The geopolitical significance of EU enlargement was further underlined in 2022, when Ukraine, the Republic of Moldova¹ and Georgia applied to become EU members in the wake of Russia's unprovoked and unjustified war of aggression against Ukraine, with the European Council² recognising the European perspective of Ukraine, Moldova and Georgia and granting Ukraine and Moldova candidate status. The granting of candidate status to Bosnia and Herzegovina in December 2022 was an important step in maintaining the momentum of the enlargement process.

Today, the Western Balkans, Türkiye³, Ukraine, Moldova and Georgia have a **historic window of opportunity** to strongly bind their future to the European Union. Accession is and will remain a merit-based process fully dependent on the objective progress achieved by each enlargement partner. Therefore, the enlargement countries will have to act with determination to implement the necessary reforms and make tangible and irreversible progress, starting with the **fundamentals of the EU accession process**. The rule of law, in particular the independence and functioning of the judiciary and the fight against corruption, fundamental rights, the economy, the functioning of democratic institutions and public administration reform continue to be the cornerstones of the enlargement policy.

EU membership is a **strategic choice**. Partners must embrace and promote **EU values** firmly and unequivocally. Alignment with the EU's **common foreign and security policy** is a more significant signal than ever of shared values and strategic orientation in the new geopolitical context.

II. KEY DEVELOPMENTS

A united response to Russia's war of aggression

The last 2 years were marked by **Russia's war of aggression against Ukraine**. The Office of the United Nations High Commissioner for Human Rights (OHCHR) recorded more than 27 000 civilian casualties in Ukraine, including 9 600 killed⁴, with the exact number of deaths expected to be much higher. Humanitarian needs remain high: 17.6 million people in Ukraine, 49% of the country's total population⁵, and 6.2 million in refugee-hosting countries⁶, continue to need multi-sectoral humanitarian assistance. The war has also caused devastation and destruction of production and property, disruption of trade, diminished investment, the erosion of human capital, and immense damage to the environment.

¹ Hereinafter 'Moldova'.

² [EUCO 24/22](#).

³ In line with the request of the Republic of Türkiye regarding the use of the country's new official name in English, this document uses the name "Türkiye" instead of "Turkey" in English. This administrative change is limited to the nomenclature used in EU documents, does not have a retroactive effect, and entails no legal consequences. This approach is without prejudice to the nomenclature used by Member States.

⁴ Figures as of end of August 2023.

⁵ United Nations Office for the Coordination of Humanitarian Affairs, August 2023.

⁶ United Nations High Commissioner for Refugees, September 2023

The **EU's response** to Russia's war of aggression was unprecedented, united, determined and immediate. The 27 EU Member States and their partners around the world **condemned the unprovoked and unjustified war of aggression**. They acted swiftly, isolating Russia politically and economically, condemning the violations of international humanitarian law and supporting steps to ensure full accountability for war crimes and other violations committed in connection with Russia's war of aggression. The EU has adopted so far **11 packages of far-reaching sanctions against Russia and Belarus**. Demonstrating its unwavering support for Ukraine, the EU continues to provide broad **humanitarian, financial, economic and military support** to the country. Through a 'Team Europe' approach, the EU, its Member States and financial institutions have so far **mobilised EUR 82.6 billion** (September 2023; incl. EUR 25 billion in military support), including funding made available to host refugees in the EU. The Council extended until March 2025 the temporary protection for people having fled the war against Ukraine, providing certainty for more than 4 million Ukrainians currently living in the EU. In response to Russia's blockage of the Ukrainian Black Sea Ports, since May 2022, the EU, together with Ukraine and Moldova, has been implementing the EU-Ukraine Solidarity Lanes, which connect Ukraine and Moldova to the European Union, facilitating their trade with the EU and the rest of the world, including in critical products such as grains. The Commission supports a range of efforts to monitor and record the environmental damage. The EU will continue to support Ukraine as long as it takes.

The European Commission, together with Ukraine and G7 partners, set up in January 2023 the **Multi-agency Donors' Coordination Platform** to coordinate support for Ukraine's immediate financing needs and future economic recovery and reconstruction.

In June 2023, the European Commission proposed a dedicated medium-term financing instrument that will provide Ukraine with coherent, predictable and flexible support for the period 2024-2027. The new **Ukraine Facility**⁷ will support efforts to sustain macro-financial stability and will promote recovery. The plan is for the **Facility to be endowed with EUR 50 billion** in grants and loans for 2024-2027.

The EU also delivered two comprehensive **support packages to Moldova**⁸, particularly to address the impact on the country from Russia's war of aggression against Ukraine. Moldova has faced a major influx of refugees from Ukraine, soaring inflation, threats to its energy supplies, violations of its airspace, and a multitude of hybrid hostile actions such as staged protests, massive disinformation campaigns and cyberattacks.

Russia's war of aggression against Ukraine generates fear in the broader region, including in Georgia. In this context, security and defence, countering hybrid and cybersecurity threats continue to be among the priority areas for EU-Georgia cooperation. A total of EUR 62 million has been mobilised in support to the Georgian Defence Forces through the European Peace Facility.

The European Commission put forward in December 2022 an **Energy Support Package** of EUR 1 billion for **the Western Balkans**⁹. Addressing the immediate, short-term and medium-term needs in the region, the substantial energy support package helped the Western Balkan partners to begin decreasing their dependence on Russian fossil fuels, accelerate decarbonisation and improve the region's energy security. The EU stepped up its support in **cybersecurity**, also in light of several cyberattacks in the Western Balkan countries. The

⁷ 2023/0200 (COD)

⁸ [The European Union will grant the Republic of Moldova another EUR 250 million; Support Package for the Republic of Moldova.](#)

⁹ https://ec.europa.eu/commission/presscorner/detail/en/AC_23_3196

European Commission co-hosted a High-Level Cybersecurity Conference in June 2023 in Brussels.

Russia's war of aggression against Ukraine has impacted the enlargement countries, in particular Ukraine as the victim of the aggression, and EU Member States, with **major economic and social challenges**. Confronted with growing foreign instability, strategic competition and security threats, the EU has assumed more international responsibility and has taken further decisive steps towards reducing dependencies and building a more robust economic base. These objectives are relevant for all enlargement countries.

EU enlargement gaining new momentum

The **enlargement agenda gained new momentum in June 2022**, when the European Council endorsed the Commission's recommendations, recognising the **European perspective of Ukraine, Moldova and Georgia and granting Ukraine and Moldova candidate country status**. This followed the **applications for EU membership** submitted by the three countries in spring 2022, and the **Opinions**¹⁰ presented by the European Commission in June same year. The European perspective has reinforced the countries' determination to carry out the necessary reforms required by the EU accession process, in particular the steps/priorities mentioned in the Commission Opinions. The Commission as of now reports on the fulfilment of these steps/priorities as part of its regular enlargement package, in which Ukraine, Moldova and Georgia are included as of this year.

In the **Western Balkans**, the first Intergovernmental Conference with Albania and with North Macedonia on **accession negotiations** took place in July 2022, followed by the analytical examination of the EU *acquis* (screening) process, which is due to be finalised in December 2023. In December 2022, the European Council granted Bosnia and Herzegovina **EU candidate status** on the understanding that the country implements the steps specified in the Commission's October 2022 communication on enlargement policy¹¹. In December 2022, **Kosovo*** applied for EU membership. The EU agreed in spring 2023 on visa liberalisation for Kosovo, applicable from 1 January 2024.

Engagement at high level with the enlargement countries continued. During the November 2022 **Western Balkan Summit** of the **Berlin Process**, the Commission announced a substantial Energy Support Package of EUR 1 billion in EU grants to help the Western Balkans address the immediate consequences of the energy crisis and build resilience in the short and medium term. **The EU-Western Balkans Summit** took place in December 2022 in Tirana. The fact that the summit was organised for the first time in the region was a clear sign of the EU's full and unequivocal commitment to the European Union membership perspective of the Western Balkans. The EU welcomed the breakthrough in the negotiations for three new Common Regional Market agreements facilitating freedom of movement and employment across the region. A roadmap for lowering roaming costs between the EU and the Western Balkans was adopted in the margins of the summit.

On 6 October 2023, at the **informal meeting of heads of state or government in Granada**, EU leaders reconfirmed enlargement as a geo-strategic investment in peace, security, stability and prosperity¹². They highlighted that aspiring members need to step up their reform efforts, notably in the area of rule of law, in line with the merit-based nature of the accession process and with the assistance of the EU. In parallel, the Union needs to lay the necessary internal

¹⁰ [COM\(2022\) 405 final](#), [COM\(2022\) 406 final](#), [COM\(2022\) 407 final](#).

¹¹ [COM\(2022\) 528 final](#).

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo Declaration of Independence.

¹² <https://www.consilium.europa.eu/en/press/press-releases/2023/10/06/granada-declaration/>

groundwork and reforms for further enlargement, to complete the European Union. As a concrete expression of EU support for the enlargement partners, it is crucial to mobilise the corresponding funding, including in the context of the mid-term revision of the current multi-annual financial framework¹³.

The **Berlin Process Summit** on 16 October 2023, held for the first time in the region – in Tirana, saw progress in the Common Regional Market, with the signature of the Agreement on recognition for professional qualifications for midwives, vets, nurses and pharmacists and a number of joint statements related to regional cooperation. It was also an opportunity to discuss the EU Growth Plan for Western Balkans with the leaders of the region and to inaugurate the representation office of the College of Europe in Tirana including launching of the enrolment of students for academic year 2024/25.

Accession negotiations with **Türkiye** are at a standstill since 2018, in line with the decision of the Council. Türkiye remains a key partner for the European Union and a candidate country, and highlights the EU accession as its strategic goal. Nevertheless, Türkiye has continued to move away from the EU, mainly on account of continuing backsliding in the areas of fundamental rights and rule of law, including the independence of the judiciary, and the lack of reforms in some sectoral issues.

The 2016 EU-Turkey Statement remained the key framework for cooperation on migration and continued to yield results, despite continued challenges over its implementation. Türkiye continues to host 3.6 million refugees. Türkiye also continued to play a key role in addressing migration along the Eastern Mediterranean route. The Commission expects Türkiye to uphold its commitments under the EU-Turkey statement, in line with the European Council conclusions of October 2021, including prevention of irregular migration from land and sea routes, and resuming returns.

In line with the European Council conclusions of 2021¹⁴ on a positive agenda with Türkiye, the Commission engaged in high-level dialogue with the Turkish authorities on agriculture and rural development, on climate change, as well as on research and innovation, and launched the newly established Turkey Investment Platform. The next EU-Türkiye high-level dialogue on migration and security is scheduled to take place on 23 November 2023. The EU has a strategic interest in a stable and secure environment in the Eastern Mediterranean and in the development of a cooperative and mutually beneficial relationship with Türkiye. The European Council in June 2023 invited the High Representative and the Commission to submit a report to the European Council on the state of play of EU-Türkiye relations¹⁵, building on the instruments and options identified by the European Council, and with a view to proceeding in a strategic and forward-looking manner.

Since the start of Russia's aggression against Ukraine, the EU relations with Ukraine have attained an unprecedented level. The 24th **EU-Ukraine Summit** and a meeting between the College of Commissioners and the Government of Ukraine took place in Kyiv in February 2023. The first ever EU-Ukraine informal foreign ministers meeting in Kyiv gathered Ukraine, the EU and the 27 Member States on 2 October 2023. The EU reiterated its unwavering support and commitment to Ukraine's independence, sovereignty and territorial integrity within its internationally recognised borders and to the country's EU path.

On 1 June 2023, Moldova hosted the second meeting of the **European Political Community**, bringing together 45 European leaders to discuss joint efforts for peace and security, as well as energy resilience and connectivity and mobility in Europe.

¹³ [COM\(2023\) 336](#)

¹⁴ [EUCO 7/21](#).

¹⁵ [EUCO 7/23](#).

Russia's war of aggression against Ukraine has further underlined the need for unity and solidarity among the EU and its closest partners and thus the importance of **common foreign and security policy** (CFSP) alignment in the enlargement process. Continued full alignment by Albania, Montenegro and North Macedonia remained a strong signal of their strategic choice of EU accession. Ukraine's overall cooperation and alignment with the EU's CFSP increased. The significant increase in the CFSP alignment rates of Moldova and Bosnia and Herzegovina, and Kosovo's continued unilateral alignment, were also important confirmations of their strategic direction towards the EU, although the implementation of sanctions remains a challenge in Bosnia and Herzegovina. Serbia maintained its alignment pattern over the reporting period and is expected, as a matter of priority, to fulfil its commitment and progressively align with the EU CFSP, including on EU restrictive measures, in line with its negotiating framework, and to avoid actions and statements that go against EU positions on foreign policy. Georgia's alignment with CFSP remains low and the country is expected to reverse this trend. Türkiye made no progress on CFSP alignment during the reporting period, maintaining a very low rate. Türkiye continued to refrain from aligning with the EU restrictive measures against Russia. Its rhetoric in support to terrorist group Hamas following its attacks against Israel on 7 October 2023 is in complete disagreement with the EU approach. At the same time, Türkiye, together with the UN, facilitated the export of Ukrainian grain via the Black Sea through the Black Sea Grain Initiative, until Russia's unilateral suspension of the mechanism. Partners continued their valued contributions to common security and defence policy missions and operations.

The Western Balkans, Türkiye, Ukraine, Moldova and Georgia continued to align with the EU, when voting on the majority of relevant UN General Assembly resolutions related to Russia's war of aggression against Ukraine. As a non-permanent member of the UN Security Council, Albania continued to be actively engaged in promoting and defending international law, the UN Charter and the rules-based international order.

Albania, Bosnia and Herzegovina, Moldova and Ukraine joined the Union Civil Protection Mechanism. They achieved significant progress in civil protection by increasing their administrative and operational capacity to demonstrate EU solidarity. The participating states of the Union Civil Protection Mechanism have the same rights and obligations as the EU Member States under the mechanism.

The Commission encourages all enlargement countries to be more ambitious and strengthen their coordinated action on the green transition, especially by prioritising the mainstreaming of the European Green Deal in all policy areas. The countries who are party to the Energy Community Treaty are encouraged to implement commitments under the Energy Community's Decarbonisation Roadmap and prepare for the Emissions Trading System in line with the Energy Community recommendation.

III. THE ENLARGEMENT COUNTRIES ON THEIR WAY TO THE EU

Montenegro has all chapters open for negotiations, three of which are provisionally closed. The next milestone is meeting the interim benchmarks for the rule of law chapters. **Serbia** has 22 out of 35 negotiating chapters open, 2 of which are provisionally closed. The path towards opening further clusters will depend on progress by the country, in particular on the pace of rule of law reforms and normalisation of relations with Kosovo.

In line with the revised methodology¹⁶, in this Communication's conclusions and recommendations, the Commission assesses the **overall balance in the accession negotiations** with Montenegro and with Serbia and proposes the way ahead for each country.

¹⁶ [COM\(2020\) 57 final](#).

The next intergovernmental conferences could take place following publication of the present annual package of reports.

Following the first Intergovernmental Conference with **Albania** and with **North Macedonia** on 19 July 2022, the Commission launched the **screening** process immediately. All sessions on cluster 1 (fundamentals), cluster 2 (internal market), cluster 3 (competitiveness and inclusive growth) and cluster 4 (Green Agenda and sustainable connectivity) have taken place. Explanatory and bilateral sessions for the remaining two clusters are ongoing or scheduled until December 2023. The screening reports for the fundamentals cluster were presented to the Council in July 2023. The authorities have consistently stated their political commitment to the strategic goal of EU integration and their ambition to move forward in the accession negotiations based on continuing reform progress.

After the October 2022 general elections in **Bosnia and Herzegovina**, a new state-level Council of Ministers took office in late January, and a new government of the Federation entity took office in early May 2023. Following the granting of **candidate status** in December 2022, the new ruling coalition declared advancing on the EU path as a top priority of its coalition agreement and expressed commitment to addressing the 14 key priorities from the Commission's Opinion on Bosnia and Herzegovina's application for membership of the EU, Bosnia and Herzegovina's Council of Ministers adopted several strategies (on terrorism, organised crime, money laundering and migration) and draft laws. Parliament adopted a number of laws related to the 14 key priorities and the steps specified in the Commission recommendation for candidate status. The Constitutional Court quashed several legal and political acts adopted by the *Republika Srpska* entity as being in breach of the constitutional and legal order. The reintroduction of criminal penalties for defamation in the *Republika Srpska* entity in July 2023 severely impacts the environment for civil society and represents a major step backwards in the protection of fundamental rights. A draft law targeting civil society groups as 'foreign agents' was adopted in the first reading by the entity assembly; if fully adopted, would mark another regrettable and undeniable major step backwards. In June 2023, the *Republika Srpska* entity adopted two laws on the non-implementation of the Constitutional Court's rulings and the High Representative's decisions, thereby breaching the constitutional and legal order of the country.

The Council of the EU and the European Parliament adopted the decision on visa liberalisation for **Kosovo** in spring 2023. In December 2022, Kosovo applied for EU membership. The situation in the north of Kosovo during the reporting period was characterised by several crises of varying intensity on a number of issues, with a violent attack against Kosovo Police on 24 September 2023 constituting the gravest escalation in recent years. Other crises were triggered by issues over licence plates, which led to the collective resignation of Kosovo Serbs from Kosovo institutions in November 2022.

Kosovo and Serbia reached an Agreement on the Path to Normalisation and its Implementation Annex in February and March 2023 respectively. Both Kosovo and Serbia are yet to start implementation of their respective obligations stemming from the Agreement, which are binding for the Parties and part of their European paths.

The EU and **Türkiye** continued engagement in line with the European Council conclusions of 2021. Türkiye is a candidate country and a key partner for the EU in essential areas of joint interest such as trade, migration, counterterrorism, public health, climate, energy, transport and regional issues. Accession negotiations remain at a standstill, as Türkiye has not reversed the negative trend of moving away from the European Union, with serious backsliding in a number of key areas. On energy, Türkiye continues to be an important and reliable transit country for the EU. The EU immediately responded in solidarity to the February 2023 earthquakes that struck south-eastern Türkiye with rescue teams and in-kind support via the Union Civil Protection Mechanism, and contributed to mobilising an overall pledge of

EUR 6 billion by the international community. Both sides are successfully cooperating to implement the EUR 1 billion of assistance pledged by the EU. The Customs Union between the EU and Türkiye continued to benefit both sides. Full respect of EU restrictive measures should be ensured, in particular taking into consideration the free circulation of products within the EU-Turkey Customs Union.

The Commission's Opinion on **Ukraine's** application for membership of the EU identified 7 steps for Ukraine to proceed on its EU accession path. The European Council granted candidate status to Ukraine and invited the Commission to report on the implementation of the 7 steps as an integral part of this package.

The Commission's Opinion on **Moldova's** application for membership of the EU identified 9 steps for Moldova to proceed on its EU accession path. The European Council granted candidate status to Moldova and invited the Commission to report on the implementation of the 9 steps as an integral part of this package.

The Commission's Opinion on **Georgia's** application for membership of the EU identified 12 priorities for Georgia to proceed on its EU accession path. The European Council expressed readiness to grant the status of candidate country to Georgia once these priorities have been addressed. The European Council invited the Commission to report on the implementation of these priorities as an integral part of this package.

IV. FUNDAMENTALS OF THE EU ACCESSION PROCESS

The **rule of law, fundamental rights, the functioning of democratic institutions, public administration reform** and the **economic criteria** form the core of what is known as the **'fundamentals' of the EU accession process**. Quality of institutions and governance is the basis for enhancing competitiveness, prosperity and societal well-being, and underpin the ability to comply with the EU *acquis* across the board. Credible and irreversible reforms on the fundamentals are crucial for enlargement countries to secure progress on their respective EU accession paths. Over the past year, advancement on the reform agendas linked to the fundamentals was noted particularly in Ukraine and Moldova in response to the recommendations in the respective Commission's Opinions.

The entrenchment of the rule of law requires an independent, impartial, accountable and professional **judicial system**, which operates efficiently, and with adequate resources, free from undue external interference and where decisions are executed effectively and in a timely manner. Progress was achieved in some cases, with judicial reforms advancing, for instance in Albania, Moldova, Serbia and Ukraine. However, in most enlargement countries judicial bodies remain exposed to many challenges and vulnerabilities. Attempts by politicians in several countries to publicly expose and pressure magistrates, particularly on sensitive cases, remained a worrying practice. Institutional arrangements that negatively affect the independence of judges and prosecutors remained in place, ultimately affecting the balance and separation of powers. As a result, the judiciary's credibility overall remained rather low, including a common public perception of impunity. In several countries, justice reforms revealed limited implementing capacity even where there is political will. Effectiveness of investigative and judicial authorities, resulting in a credible track record of results, is essential for further progress in the EU accession process.

The **fight against corruption** remains a priority for governments in the enlargement countries. **Corruption**, including high-level corruption, continues to be widespread across enlargement countries, and entanglement of public and private interests remains an issue of concern. Some efforts were made to strengthen the fight against corruption. Mainstreaming of anti-corruption measures across the most vulnerable sectors remains an important priority, while law enforcement and judicial bodies require greater empowerment and independence. Elements of state capture persist, with threats to democratic stability, high-level corruption

and undue influence by **oligarchs** being observed, alongside attempts by organised criminal networks to infiltrate the economic and political systems, administrations, and media. These challenges need to be urgently addressed through systemic and comprehensive approaches. A key indicator of success will be a credible track record of proactive investigations, prosecutions and final convictions related to corruption, organised crime and money laundering. To be credible, all actors in the rule of law chain should produce solid results and a track record of proactive investigations, prosecutions and final convictions related to corruption, organised crime and money laundering.

Stable and consolidated **democratic institutions** and processes are a central pillar of the EU accession process. The Commission has begun implementing a strengthened and streamlined engagement with enlargement countries on the general framework for democracy, whether this concerns the electoral process, the functioning of Parliament (including its oversight role in government performance and policymaking and the still-excessive reliance on accelerated procedures in many cases) or the role of civil society.

Most countries continued to be affected by marked political **polarisation**, lack of cross-party cooperation, and shrinking space for civil society. Lack of effective cross-party dialogue resulted in prolonged political impasse and the stagnation of reforms. In some cases, parliamentary debates were marked by tensions, offensive language and occasional violent incidents.

In a number of enlargement countries there was some progress on **fundamental rights**, with greater understanding of the importance of these rights and freedoms being guaranteed. At the same time, some negative trends continued, with gender-based violence remaining prevalent, while freedom of media continued to be hindered by political and economic interests, which weakens control over public authorities, opens space for foreign interference and undermines communication about the EU. In some countries, positive initiatives are being put in place on the rights of the child and persons with disabilities. In practice, however, the protection of fundamental rights is negatively affected by insufficient implementation of laws and policies and the ineffectiveness of redress mechanisms across the board. Challenges remain in ensuring effective protection from all forms of hatred and discrimination, including that which is directed towards minorities.

On **justice, freedom and security**, law enforcement and judicial cooperation between the EU and enlargement countries continued to evolve positively, while challenges remain. The Western Balkans continue to function as a hub for criminal activities and groups active in the EU, being an important transit point for victims of trafficking in human beings, migrant smuggling and illicit commodities, in particular for drugs entering the EU. Criminals and criminal networks originating from the Western Balkans also have a significant impact on serious and organised crime in other parts of the world. Türkiye remains the key transit country for heroin trafficked to the EU. Organised crime groups from Moldova and Georgia are active in migrant smuggling, organised property crime, trafficking in human beings, cyber-dependent crime, non-cash payment fraud, excise fraud, and other types of crimes such as document fraud. Ukraine is geographically at the crossroads of smuggling illegal goods to the EU, and is also a source, and destination country for trafficking in human beings. Despite the war-related challenges including stretched institutional capacities due to significant losses of resources to fight organised crime, relevant Ukrainian institutions demonstrated remarkable resilience and operational capabilities.

Ratification and correct implementation of international conventions in the field of judicial cooperation in civil matters, in particular those developed by the Hague Conference on Private International Law, is of the utmost importance in the perspective of future accession of these countries to the EU.

Cooperation on **counterterrorism and prevention of radicalisation** is relevant for all enlargement countries. Terrorism and violent extremism continued to pose a challenge and a security threat. **Hybrid threats**, including disinformation, foreign information manipulation and interference (FIMI) and cyberattacks, in particular against critical infrastructure, remain a political and security challenge for the enlargement countries. After a steep increase last year following Russia's war of aggression against Ukraine, these threats continue to pose a considerable risk to both the EU and enlargement countries. The Joint Action Plan on Counterterrorism for the Western Balkans has been the main framework for cooperation in this matter since 2018.

Alongside an overall increase in irregular **migratory** flows, changing patterns in the Western Balkan routes demand constant vigilance in particular as regards the illegal activity of networks involved in migrant smuggling and trafficking in human beings. There is progress on migration management capacities in the Western Balkans region. An EU Action Plan on the Western Balkans was presented by the Commission in December 2022 to address increasing flows of irregular arrivals to the EU via the Western Balkan route. The implementation of this Action Plan has brought first results with a decrease of migratory pressure on the Western Balkans route in 2023 thanks in particular to an increased political, financial and operational engagement between the EU and the Western Balkan partners on migration and an improved alignment with EU visa policy. Visa policy alignment with the EU remains crucial for the good functioning of the visa-free regime of these partners with the EU. Further efforts should continue to progress on all the strands of the Action Plan.

To help addressing the ongoing challenges along the Eastern Mediterranean route, the Commission presented an EU Action Plan on the Eastern Mediterranean route in October 2023. It outlines operational measures to prevent irregular departures, combat smuggling, provide legal pathways, improve border management, support return and readmission cooperation, and sufficient reception capacity.

Russia's war against Ukraine has led to a rise in the number of Ukrainian refugees. Moldova, which hosts the highest number of Ukrainian refugees per capita among enlargement countries, but also countries like Montenegro, Serbia, Albania and North Macedonia have played a crucial role in hosting these refugees.

The quality of **public administration** and of the regulatory framework is crucial for the EU's **long-term competitiveness**¹⁷. Overall, enlargement countries remain at best **moderately prepared** in terms of quality of their public administration. During the reporting period, reform progress was very limited overall. Most recommendations from earlier years still apply. A typical pattern is that a formal legal and institutional basis for a professional administration is at least partially in place, but not systematically applied.

Since the start of Russia's war of aggression against Ukraine in February 2022, the majority of the 10 enlargement **economies** have faced major economic and social challenges. In Ukraine, GDP dropped by 29.1% in 2022, as the whole country was profoundly impacted by Russia's war of aggression resulting in significant pressure on macroeconomic stability. The Western Balkan region's **GDP growth** slowed to 3.2% in 2022, down from 7.7% rebound from the COVID-19 impact in 2021, but the severity of the slowdown varied across economies, with real GDP growth decelerating to 6.1% in Montenegro, 4.8% in Albania, 4% in Bosnia and Herzegovina, 3.5% in Kosovo, 2.3% in Serbia and 2.1% in North Macedonia. In Türkiye, GDP growth slowed to 5.6%. In Moldova, GDP contracted sharply by 5.9%, while in Georgia GDP continued to grow at double-digit levels of 10.1%. Country-to-country differences in the economic growth were mainly driven by direct and indirect consequences of

¹⁷ [COM\(2023\) 168 final](#).

the war against Ukraine, including its impact on trade links, energy, food prices and refugee flows. The economic outlook for the 10 economies remains surrounded by high uncertainty about the war's potential further consequences on growth, employment and social cohesion.

It is increasingly important that all 10 enlargement economies accelerate **structural reforms** to enable a **sustainable recovery** in the medium term and advance their progress towards meeting the economic criteria for EU membership. This involves ensuring the functioning of market economies and demonstrating the capacity to cope with competitive pressure and market forces within the EU.

A more detailed overview of the situation regarding the fundamentals of the EU accession process across the enlargement countries can be found in annex 1.

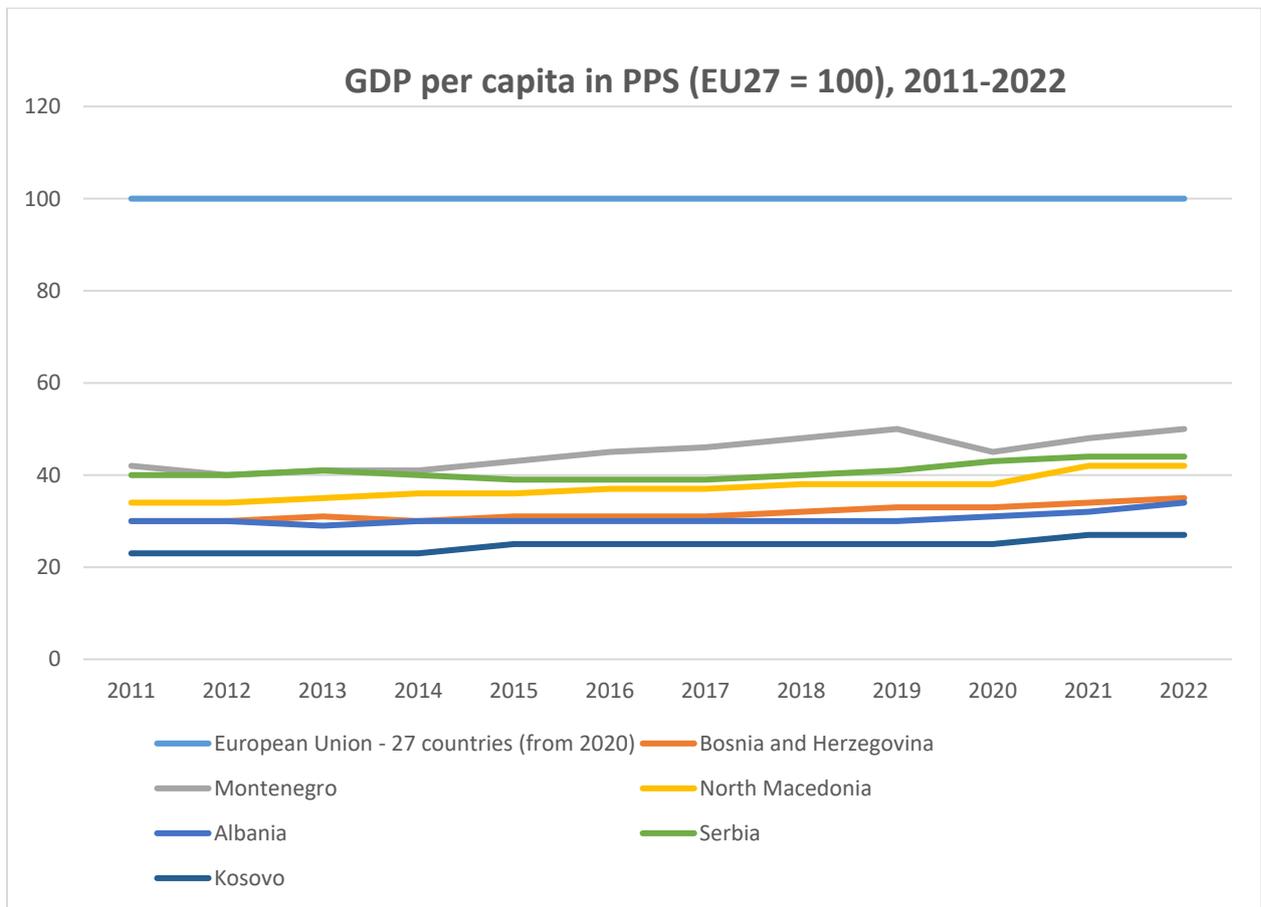
V. ECONOMIC CONVERGENCE NEEDS TO BE ACCELERATED IN THE WESTERN BALKANS

In 2023, after 6 consecutive quarters of slowing growth, economic output in the Western Balkan region expanded faster in the first quarter of 2023 than in the previous 3 months. The region's GDP growth accelerated marginally to 1.7% year on year from 1.6% in the preceding quarter, as most countries except Albania and Bosnia and Herzegovina recorded a pick-up in the rate of output growth. Growth was generally driven by net exports and recovering investment. Private consumption showed a mixed performance, as it decelerated in most countries and even turned negative in some cases, but continued to increase at a robust pace in Montenegro.

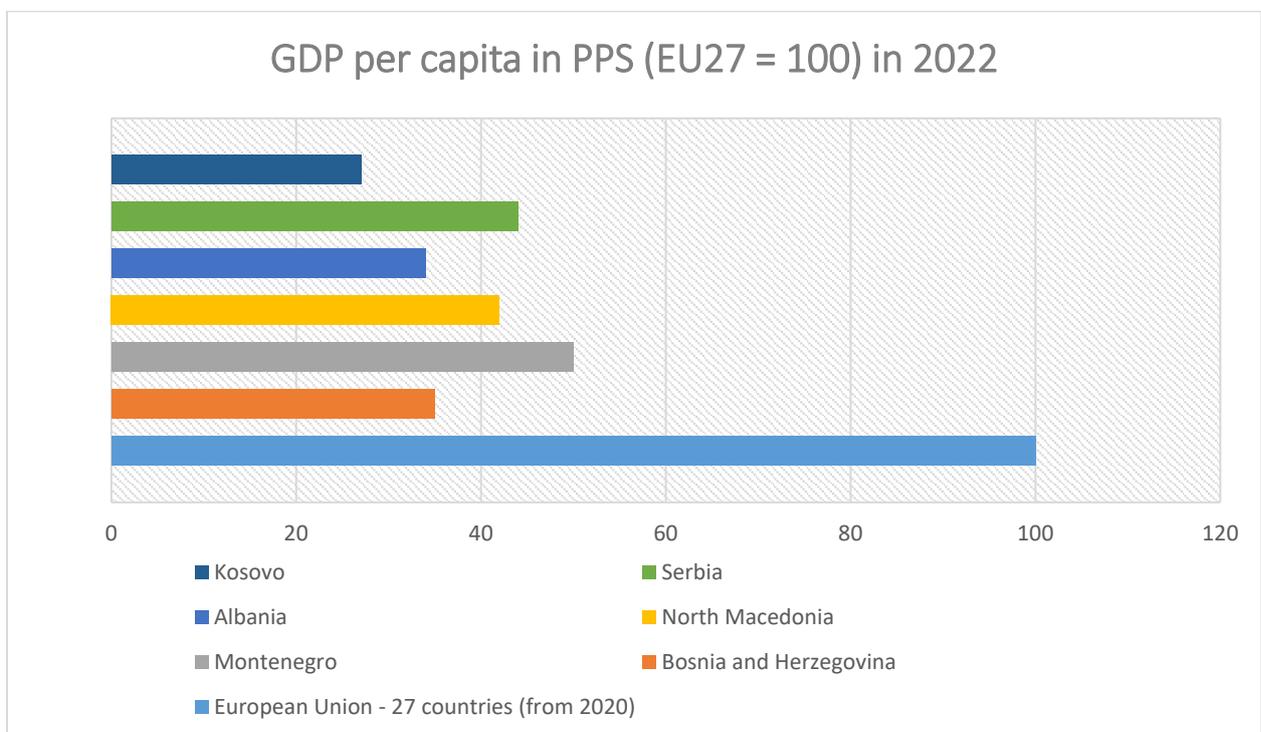
Even before the COVID-19 pandemic, the economies of the Western Balkans faced **major challenges** preventing them from taking full advantage of their economic potential. The countries were lagging behind in reforming their economic structures and improving competitiveness, and faced high unemployment rates (in particular among young people), large skills mismatches, a persistent informal economy, unfriendly business environments and low levels of innovation.

The **investment climate** in the Western Balkans is characterised by a weak rule of law, the lack of adequate enforcement of State aid control, an entrenched grey economy, poor access to finance, and low levels of regional integration and connectivity. State interference in the economy persists, exacerbating the risk of corruption through weak public financial management and frequent changes in the regulatory environment and taxes. There is a strong need to upgrade infrastructure; investments should be channelled through single project pipelines and be consistent with the priorities agreed with the EU.

Economic convergence is at the heart of EU membership benefits. For the Western Balkans, convergence is low, at between 30 and 50% of the EU average (in terms of purchasing power parity), and is not progressing fast enough. The experience of the fifth round of EU enlargement demonstrates the positive impact that membership of the EU single market combined with structural funds has on economic convergence.



Source: Eurostat, World Bank



Source: Eurostat, World Bank

To further accelerate reforms and deliver more in terms of **socio-economic convergence** of the **Western Balkans** with the European Union, and to help the countries meet the

requirements of EU membership, the European Commission is proposing a new **Growth Plan for the Western Balkans**¹⁸, which would bring forward some of the advantages and further reform incentives of EU membership before accession.

VI. REGIONAL COOPERATION AND GOOD NEIGHBOURLY RELATIONS

In the Western Balkans, good neighbourly relations and regional cooperation are essential elements of the stabilisation & association and enlargement processes.

After the successful introduction of **Roam Like at Home** within the six Western Balkan economies as of 1 July 2021, further preparatory steps were taken towards **lowering roaming charges between the Western Balkans and the EU**. A roadmap for lowering roaming costs between the EU and the Western Balkans was adopted on the margins of the Tirana EU-Western Balkans Summit in December 2022. The first phased reduction in charges started in October 2023. The ultimate ambition of the process is to lower roaming prices with the EU to a level close to domestic prices by 2027. On 31 May 2023, the EU and Moldova telecom operators agreed to voluntarily lower roaming tariffs from January 2024, bringing Moldova closer to the Roam Like at Home area.

There has been substantial technical work across the full range of areas covered by the **Common Regional Market** initiative. This work, under the auspices of the **Regional Cooperation Council**, the **Central European Free Trade Agreement (CEFTA)** and the **Western Balkans 6 Chamber Investment Forum**, aims to enable freedom of movement for people, professionals and the provision of electronic services, to facilitate employment and trade and to ease customs procedures within the region. In November 2022, at the Berlin Process Summit, leaders of the WB6 approved a number of ‘mobility agreements’ covering travel within the region on the basis of ID cards, recognition of higher education qualifications and recognition of professional qualifications. Once implemented, these agreements will offer the right to ‘travel, study and work’ across the region. Additional green and blue lanes have been established between Italy, and Montenegro and Albania respectively, and between Croatia, and Montenegro and Bosnia and Herzegovina respectively, with the active support of the Transport Community and CEFTA. More generally, the Transport Community has played an important role supporting the Western Balkans in the enlargement process through the implementation of the relevant EU transport *acquis*, and will do likewise for Ukraine, Moldova and Georgia, following their closer association to the Transport Community. However, disagreements on status issues between Serbia and Kosovo continued to prevent the formal adoption of an increasing number of economically important draft decisions technically agreed in the CEFTA framework. The region needs to show political leadership to complete this work and to adopt legally binding agreements or decisions among all Western Balkan partners for the benefit of their populations and businesses. This requires joint focus on establishing the Common Regional Market, building on EU rules and standards, and avoiding unilateral steps jeopardising this work.

The comprehensive **normalisation of relations between Kosovo and Serbia** through the EU-facilitated Dialogue remains central to their European future and for the stability of the whole region.

Existing bilateral agreements, including the Prespa agreement between Greece and North Macedonia and the Treaty of Friendship, Good Neighbourliness and Cooperation between Bulgaria and North Macedonia, need to be implemented in good faith by all parties.

In the Western Balkans, **overcoming the legacy of the past** and addressing disputes arising from the conflicts of the 1990s remain key. Important outstanding bilateral issues still have to

¹⁸ COM (2023) 691

be solved, including border issues and delivering justice to war crimes' victims, identifying remaining missing persons, and establishing an accurate record of past atrocities at regional level. There is no place in the EU for inflammatory rhetoric or the glorification of war criminals, from any side.

Relations between **Türkiye** and Greece deteriorated until early 2023, however, the solidarity shown by the Greek people and government after the February 2023 earthquakes prompted a marked improvement in relations. High-level exchanges followed, including meetings at head of state level.

During the reporting period, Türkiye did not engage in any unauthorised drilling activities in the Eastern Mediterranean.

Pursuing dialogue in good faith and abstaining from unilateral actions which run counter to the EU interests and violate international law and the sovereign rights of EU Member States is an essential requirement to ensure stable and secure environment in the Eastern Mediterranean and the development of a cooperative and mutually beneficial relationship between the EU and Türkiye. Türkiye is expected to unequivocally commit to good neighbourly relations, international agreements and to the peaceful settlement of disputes in accordance with the United Nations Charter, having recourse, if necessary, to the International Court of Justice.

The EU remains committed to defending its interests and those of its Member States as well as to upholding regional stability.

It is of paramount importance that Türkiye commits and actively contributes to the negotiations for a fair, comprehensive and viable **settlement of the Cyprus issue** within the UN framework, on the basis of a bicomunal, bizonal federation with political equality, and in accordance with the relevant UN Security Council resolutions, as well as in line with the EU *acquis* and the principles on which the EU is founded. No unilateral action should be taken that could raise tensions on the island and undermine a return to talks. Türkiye must immediately reverse all actions and steps taken since October 2020 with regard to Varosha that run contrary to relevant UN Security Council resolutions. Türkiye urgently needs to fulfil its obligation of fully implementing the Additional Protocol to the EU-Turkey Association Agreement and make progress towards normalising relations with the Republic of Cyprus. Türkiye continued to advocate for a two-state solution, contrary to UN Security Council Resolutions.

Russia's war of aggression against **Ukraine** has had an impact on relations with its bilateral partners and neighbouring countries. The Ukrainian authorities have sought to maintain and further strengthen cooperation and diplomatic ties with European countries.

Ukraine's relations with the Western Balkan countries have improved overall, with diverging views with Serbia and Bosnia and Herzegovina's *Republika Srpska* entity over their relations with Russia. Relations with Georgia have experienced some strain, notably due to non-alignment by Georgia with the sanctions against Russia. Türkiye continues to be a strategic partner for Ukraine, with important bilateral economic and people-to-people ties, evidenced by a bilateral visa-free regime and a free trade agreement signed in February 2022. Türkiye has also been a prominent participant in Ukraine's International Crimea Platform.

Following Russia's war of aggression against Ukraine, **Moldova** stepped up cooperation with Ukraine and Romania on humanitarian support for Ukrainian refugees, energy security, transport and connectivity. Since the beginning of Russia's war of aggression against Ukraine, the European Commission has provided more than EUR 48 million in humanitarian assistance to Moldova to support both the Ukrainian refugees living in the country, and the Moldovan families hosting them.

Bilateral cooperation with Ukraine continued to improve during the reporting period. Moldova has shown solidarity with Ukraine since the start of Russia's war, voted in favour of relevant UN General Assembly resolutions, and aligned itself with a number of political statements in international organisations that condemn the military aggression. The country hosted and supported a large number of refugees, heavily relying on international humanitarian donors, and actively supported the development of new trade routes under the 'Solidarity Lanes' initiative. In the aftermath of the Kakhovka dam destruction, Moldova offered bilateral assistance to Ukraine to deal with the humanitarian consequences of the disaster.

Georgia has had diplomatic relations with all its neighbours except the Russian Federation since the war in 2008. Both sides participate in the Geneva International Discussion, co-chaired by the EU, UN and the Organization for Security and Co-operation in Europe. Georgia has a strategic partnership with Türkiye. Georgia continues to support Ukraine's territorial integrity and sovereignty, including through co-sponsorship of UN resolutions in support of Ukraine, however it has not aligned with EU restrictive measures against Russia. The resumption of flights between Russia and Georgia and the health conditions in prison of former Georgian President Saakashvili, a Ukrainian citizen, have led to additional diplomatic tensions.

Ukraine, Moldova and Georgia also continue to participate actively in the **Eastern Partnership**.

Territorial cooperation enables the enlargement countries to work together and with neighbouring EU Member States in key social and economic sectors. More specifically, **cross-border cooperation** programmes create opportunities for dialogue and cooperation at local government level, with the involvement of communities, the private sector and civil society organisations. The EU Strategy for the Adriatic and Ionian Region and the EU Strategy for the Danube Region have continued contributing to cooperation between Member States and candidate countries, by fostering administrative capacity on different EU policies, including cohesion policy; and offering a platform for cooperation.

VII. CONCLUSIONS AND RECOMMENDATIONS

I.

1. In a rapidly changing **geopolitical environment**, the EU has demonstrated it is ready to rise to the occasion by strengthening its stance on the world stage. In line with the aim of the Union to promote peace, its values and the well-being of its peoples, EU enlargement continues to be a powerful tool to promote democracy, the rule of law and respect for fundamental rights. A credible, merit-based accession perspective is the key driver of transformation and thus enhances our collective security and socio-economic prosperity. It is essential for fostering reconciliation and stability on the European continent. Responding to the **call of history**, we must now work on **accelerating EU enlargement and completing the Union**.
2. The **EU's enlargement policy has already gained new momentum**. A firm prospect of EU membership for the Western Balkans, Ukraine, Moldova and Georgia is in the EU's very own political, security and economic interest and essential in the current geopolitical context.

In the Granada declaration¹⁹, EU leaders recall that “*Enlargement is a driver for improving the economic and social conditions of European citizens, reducing disparities between countries, and must foster the values on which the Union is founded.*” They also note that **both the EU and future Member States** need to be ready for a further enlarged Union. For this, the Union needs to lay the necessary internal groundwork and reforms. At the same time, it is essential that aspiring members step up their reform efforts, notably in the area of rule of law, in line with the merit-based nature of the accession process and with the assistance of the EU.

3. **Significant developments** have taken place on the EU enlargement agenda in the past year.

The European Council recognised the European perspective of **Ukraine, Moldova and Georgia**. EU leaders decided to grant the status of candidate country to Ukraine and the Republic of Moldova, and to grant the status of candidate country to Georgia once the priorities specified in the Commission’s Opinion on Georgia’s membership application have been addressed.

In the **Western Balkans**, the first Intergovernmental Conferences with Albania and with North Macedonia on **accession negotiations** took place in July 2022, followed by the analytical review of the EU *acquis* (screening) process. In December 2022, the European Council granted Bosnia and Herzegovina **EU candidate status** on the understanding that the country implements the steps specified in the Commission’s October 2022 communication on enlargement policy. In December 2022, **Kosovo** applied for EU membership. The EU agreed in spring 2023 on visa liberalisation for Kosovo, which will enter into force from 1 January 2024.

4. All enlargement countries now have a **historic window of opportunity** to strongly bind their future to the European Union. The Commission is ready to accelerate their respective accession processes and to make sure that the **next enlargement is a catalyst for progress**. Accession is and will remain a **merit-based process** fully dependent on the objective progress achieved by each country. The rule of law, the economy, the functioning of democratic institutions, and public administration reform continue to be the cornerstones of the enlargement policy. The countries will have to act with stronger determination to implement the necessary reforms and make tangible and irreversible progress on the fundamentals in order to make full use of the new momentum.
5. Furthermore, economic growth in many of the countries is too slow and hence the convergence with the EU is not happening fast enough. Targeted structural reforms are needed in particular to unlock the growth potential of the Western Balkan region. Improving the rule of law and the business environment are key for attracting the level of investment as well as enhancing trade integration that are needed to boost growth and to bring the region closer to the EU. The Commission therefore proposes in parallel a new **Growth Plan for the Western Balkans**²⁰. The plan consists of four pillars that will be mutually reinforcing, (i) increasing integration with the EU’s Single Market which needs to go hand in hand with (ii) opening the markets to all Western Balkan neighbours and building a Common Regional Market. (iii) In order to deepen current reforms, investment priorities and reforms will be articulated in Reform Agendas per country, building on the Economic Reform Programmes. (iv) Delivering on these reforms will unlock increased financial assistance.

¹⁹ [Granada declaration](#)

²⁰ COM (2023) 691; COM (2023) 692

Bilateral issues, notably in the Western Balkans, are holding back not only regional economic integration but also slow down the respective EU paths of the countries. Unresolved issues generate a risk of instability and even escalation, as evidenced by the violent attack against Kosovo police of 24 September in Banjska, in the north of Kosovo. It is therefore essential that open issues are addressed, and mutually acceptable solutions found by the parties concerned. In this context, both Kosovo and Serbia are urged to engage more constructively in the EU-facilitated dialogue implementation of the Agreement on the path to normalisation and its Implementation Annex as well as other agreements reached in the EU-facilitated dialogue without further delay or preconditions. This includes the establishment of the Association/Community of Serb Majority Municipalities. Normalisation of relations is an essential condition on the European path of both Parties. Both risk losing important opportunities in the absence of progress.

6. **Türkiye** remains a key partner for the European Union in essential areas of joint interest. The EU has a strategic interest in a stable and secure environment in the Eastern Mediterranean and in the development of a cooperative and mutually beneficial partnership with Türkiye.

In December 2022, the Council reiterated that Türkiye continues to move further away from the European Union, and that Türkiye's accession negotiations have effectively come to a standstill and no further chapters can currently be considered for opening or closing. The underlying facts leading to this assessment still hold. The European Council in June 2023 invited the High Representative and the Commission to submit a report to the European Council on the state of play of EU-Türkiye relations, building on the instruments and options identified by the European Council, and with a view to proceeding in a strategic and forward-looking manner. This report will be submitted in November 2023. The Commission and the High Representative will update the European Council on the state of play on the aforementioned steps by the end of 2024.

II.

7. In **Montenegro**, the political commitment of the authorities to the country's EU accession process is the key priority for the country and is generally reflected in policy decisions. This includes a continued 100 % alignment rate with the EU's common foreign and security policy, including sanctions. Montenegro has contributed to the management of the mixed migration flows towards the EU by cooperating to implement the EU Action Plan on the Western Balkans. However, in the last two years political instability, tensions, the weak functioning of democratic and judicial institutions and the absence of a fully-fledged government have stalled decision-making processes and reform implementation, leading to a marked slowdown of negotiations. The Commission assessment is that, in line with the negotiating framework, an overall balance is currently ensured between progress under the rule of law chapters, on the one hand, and progress in the accession negotiations across chapters, on the other.

The priority for further overall progress in the accession negotiations - and before moving towards the provisional closure of other chapters or clusters - remains **the fulfilment of the rule of law interim benchmarks** set under chapters 23 and 24. To reach this milestone, Montenegro needs to intensify its efforts to address the outstanding issues, including in the critical areas of freedom of expression and media freedom, the fight against corruption and organised crime, and accelerate and deepen reforms on the

independence, professionalism and accountability of the judiciary including judicial appointments. The constitution of the new parliament and the new government took place at the end of October 2023. The new government needs to focus on delivering key pending EU-related reforms, and a properly functioning Parliament is key. Work must focus on building up broad political consensus on key reforms and on strengthening the focus on core deliverables to advance the EU integration agenda in practice.

8. In **Serbia**, the pace of reforms picked up after the formation of the new government in late October 2022, although political developments following the two tragic mass shootings in May 2023 generated a temporary slowdown. In the area of rule of law, Serbia made steps to strengthen the independence and accountability of the judiciary with the timely adoption of the legislation giving practical effect to the constitutional amendments of 2022. Serbia also prepared and adopted new media legislation whose implementation can significantly improve the regulatory environment. It improved its alignment with EU visa policy and repealed the Law on special public procurement procedures for linear infrastructure projects. Further work and long-lasting political commitment are needed to adopt and implement the necessary reforms in the area of rule of law. The legal framework that will allow gas sector unbundling was put in place, however delays are now significant. Serbia has concluded a Free Trade Agreement with China, raising serious questions. Serbia needs to improve, as a matter of priority, its alignment with EU common foreign and security policy, including restrictive measures and statements on Russia, and must refrain from actions and statements that go against EU positions on foreign policy and other strategic matters. The Commission's assessment is that, in line with the negotiating framework, much more progress could have been achieved in the accession negotiations. Constant attention is needed to preserve the overall balance between progress under the rule of law chapters and normalisation of relations with Kosovo, on the one hand, and progress in the accession negotiations across chapters, on the other. Normalisation of relations is an essential condition on the European path of both Serbia and Kosovo and both risks losing important opportunities in the absence of progress.

The Commission's assessment remains that Serbia has technically fulfilled the benchmarks to open cluster 3 (Competitiveness and inclusive growth).

Serbia's progress on the rule of law and the normalisation of relations with Kosovo will continue to determine the overall pace of the accession negotiations. In the coming year, Serbia is expected to demonstrate unequivocally its determination to advance the accession process by accelerating its work on the implementation of EU-accession related reforms across the board. In the area of rule of law, Serbia is expected to address shortcomings, in particular in the key areas of the judiciary, fight against corruption and organised crime, media freedom, and the domestic handling of war crimes. It also needs to make credible efforts to shut down disinformation and foreign interference and information manipulation, decrease the dependence of its energy sector on Russia, enhance cooperation with the EU in the area of migration and take responsibility for proactive and objective communication on the EU. Serbia has contributed to the management of the mixed migration flows towards the EU by cooperating to implement the EU Action Plan on the Western Balkans.

Serbia has remained engaged in the EU-facilitated Dialogue on normalisation of relations with Kosovo, but it needs to demonstrate more serious commitment, invest more efforts and make compromises to take the process of normalisation of relations with Kosovo forward. Serbia needs to uphold its Dialogue commitments and commit to the full implementation of all past Dialogue agreements and the Agreement on the Path to Normalisation and its Implementation Annex. The country is expected to engage more

constructively to enable negotiations on the comprehensive legally binding normalisation Agreement. Serbia is also expected to fully cooperate in investigations into the violent attack against Kosovo Police of 24 September 2023 and the attacks on KFOR on 29 May. The perpetrators of the attack need to be apprehended and swiftly brought to justice and Serbia must fully cooperate and take all the necessary steps in this regard.

9. In **North Macedonia**, the authorities have consistently stated that EU accession remains their strategic goal. As a negotiating country, North Macedonia needs to deliver on the implementation of EU related reforms, including in the areas of the fundamentals cluster notably the judiciary, the fight against corruption and organised crime, public administration reform, including management of public finances, and public procurement. Some changes to the criminal code, affecting a large number of high-level corruption cases, have raised serious concerns. Strengthening trust in the justice system and addressing corruption unabatedly, including through a solid track record in the investigation, prosecution and final conviction of high-level corruption cases is of key importance. The country has continued to fully align with all EU common foreign and security policy decisions following Russia's war of aggression against Ukraine. North Macedonia has contributed to the management of the mixed migration flows towards the EU by cooperating to implement the EU Action Plan on the Western Balkans.

North Macedonia has committed to launch and achieve as a matter of priority the relevant constitutional changes with a view to including in the Constitution citizens who live within the borders of the state and who are part of other people. The country provides a good example of multi-ethnic society. Following the first Intergovernmental Conference on EU accession negotiations process with North Macedonia in July 2022, the analytical examination of the EU *acquis* (the screening) has progressed smoothly. North Macedonia has engaged actively and shown a high level of commitment during the screening process. The screening report on 'Cluster 1 – the Fundamentals' was presented to the Council in July 2023.

In light of the Council Conclusions of July 2022, the Commission is looking forward to swift and decisive follow-up to the screening report on 'Cluster 1- the Fundamentals', including as regards the country's roadmaps in line with the Negotiating Framework, with a view to opening the first Cluster by the end of this year.

10. In **Albania**, the authorities have consistently stated that the strategic goal of EU accession is the country's key priority. Albania has continued to make progress in reforms under the fundamentals cluster, including with the continued implementation of the comprehensive justice reform. Further concrete results were achieved by the Specialised Structure against Corruption and Organised Crime (SPAK). Good cooperation continued with EU Members States and EU agencies on the fight against organised crime. Albania has contributed to the management of the mixed migration flows towards the EU by cooperating to implement the EU Action Plan on the Western Balkans.

As non-permanent member, Albania has been actively engaged in the UN Security Council including as a co-penholder of resolutions condemning Russia's war of aggression against Ukraine. Full alignment with EU common and foreign security policy by Albania has been a strong signal of its strategic choice of EU accession and its role as a reliable partner.

Following the first Intergovernmental Conference on EU accession negotiations process with Albania in July 2022, the analytical examination of the EU *acquis* (the screening) has

progressed smoothly. Albania has engaged actively and shown a high level of commitment during the screening process. The screening report on ‘Cluster 1 – the Fundamentals’ was presented to the Council in July 2023.

In light of the Council Conclusions of July 2022, the Commission is looking forward to swift and decisive follow-up to the screening report on ‘Cluster 1- the Fundamentals’, including as regards the country’s roadmaps in line with the Negotiating Framework, with a view to opening the first Cluster by the end of this year.

11. The Commission welcomes the reforms efforts undertaken by **Bosnia and Herzegovina** since the meeting of the European Council of December 2022 granting candidate status to the country. The Commission also welcomes the swift entry into office of a new Council of Ministers in January 2023. The public commitment of political parties to the strategic goal of European integration has brought positive results.

Steps and commitments were made towards the fulfilment of the key priorities and to address the steps specified in the Commission recommendation for candidate status. The Council of Ministers adopted strategies to counter organised crime, made an updated risk assessment and an accompanying action plan on anti-money laundering and combating the financing of terrorism, adopted strategies and action plans on migration and on terrorism, and appointed a supervisory body for the implementation of the national war crimes processing strategy. Bosnia and Herzegovina has contributed to the management of the mixed migration flows towards the EU by cooperating to implement the EU Action Plan on the Western Balkans. The contact point with Europol started operations in June 2023. The country adopted laws, notably on integrity in the judiciary through amendments of the High Judicial and Prosecutorial Council; torture prevention (designating the Ombudsman as national preventive mechanism); foreigners; freedom of access to information and adopted the Gender Action Plan. Alignment with the EU common foreign and security policy has significantly improved during the reporting period, but more remains to be done regarding implementation of restrictive measures.

The public commitment of the coalition parties to the strategic goal of European integration has brought positive results, since the granting of candidate status. At the same time, there have been negative developments in the *Republika Srpska* entity. The entity called for constitutional judges to resign and adopted a law decreeing that Constitutional Court decisions would not be implemented, in breach of the constitutional and legal order of the country. The entity also reintroduced criminal penalties for defamation, restricting freedom of expression and media freedom. A draft law targeting civil society groups as ‘foreign agents’ is also pending adoption in the entity; if adopted, it would mark another major step backwards on fundamental rights. Secessionist actions undermining the unity, sovereignty, territorial integrity, constitutional order and international personality of the country undermine progress in EU accession.

A number of Constitutional Court decisions have yet to be fully enforced, notably on state property. Both entities’ assemblies should swiftly appoint judges to ensure the full composition of the Constitutional Court. The country needs to urgently finalise the pending constitutional and electoral reforms. Reforms are still needed to bring the Constitution into line with the European Convention on Human Rights, complying with the *Sejdić-Finci* case law.

Overall, further efforts are required for Bosnia and Herzegovina to fulfil the 14 key priorities set out in the Commission Opinion on its EU membership application and the steps specified in the Commission recommendation for candidate status. The state of play of the implementation of the fourteen key priorities is specified in the country report. The

Commission recommends the opening of EU accession negotiations with Bosnia and Herzegovina, once the necessary degree of compliance with the membership criteria is achieved.

The Commission will report to the Council on progress at the latest in March 2024.

12. Following **Kosovo**'s application for EU membership in December 2022, its government continued to push ahead with its EU reform agenda. Kosovo made progress on addressing long-standing EU recommendations for electoral reform, which led to the adoption of two important election laws. Kosovo needs to intensify its efforts to strengthen the rule of law and public administration and to build energy resilience. Kosovo has contributed to the management of the mixed migration flows towards the EU by cooperating to implement the EU Action Plan on the Western Balkans. Visa liberalisation for Kosovo citizens is scheduled to enter into force on 1 January 2024. The situation in the north of Kosovo has been affected by several crises of varying intensity. Kosovo Serbs collectively resigned from Kosovo institutions in November 2022. Following their withdrawal, local by-elections were organised in the four municipalities in the north of Kosovo in April 2023. The very low turnout, in particular among Kosovo Serb community, showed that these elections do not offer a long-term political solution. It remains imperative to restore a situation where Kosovo Serbs participate actively in local governance, policing and judiciary in the north of Kosovo. Early local elections need to be held as soon as possible in all four municipalities, organised in a fully inclusive manner, and with the unconditional participation of Kosovo Serbs. Kosovo has to engage in de-escalation in the north of Kosovo by decreasing the permanent presence of Kosovo special police forces, ease expropriation of land and eviction orders in the North.

Kosovo has remained engaged in the EU-facilitated Dialogue on normalisation of relations with Serbia, but it needs to demonstrate more serious commitment, invest more efforts and make compromises to take the process of normalisation of relations with Serbia forward. Kosovo needs to uphold its Dialogue commitments and commit to the full implementation of all past Dialogue agreements and the Agreement on the Path to Normalisation and its Implementation Annex. Kosovo is expected to engage more constructively to enable negotiations on the comprehensive legally binding normalisation Agreement. Normalisation of relations is an essential condition on the European path of both Serbia and Kosovo and both risks losing important opportunities in the absence of progress.

13. **Türkiye** is a candidate country and a key partner for the EU. Its accession negotiations remain at a standstill since June 2018 in line with the decisions of the European Council as Türkiye continued to move away from the EU. Dialogue on rule of law and fundamental rights remain an integral part of the EU-Türkiye relationship. The refusal to implement certain rulings of the European Court of Human Rights remains a matter of concern. Türkiye is a significant regional actor in the area of foreign policy, which constitutes an important element in the context of the EU-Türkiye relationship, even if differing views on certain foreign policy issues persist. It maintained a very low alignment rate of 10% with the EU common foreign and security policy. Türkiye condemned Russia's war of aggression against Ukraine, and engaged politically and diplomatically, including by facilitating direct talks, working on de-escalation and cease-fire, facilitating the export of Ukrainian grain, the exchange of prisoners and providing crucial and strong military assistance to Ukraine. Nevertheless, Türkiye continued to refrain from aligning

with the EU's restrictive measures against Russia. Its rhetoric in support to the terrorist group Hamas following its attacks against Israel on 7 October 2023 is in complete disagreement with the EU approach.

The country is expected to actively support the negotiations on a fair, comprehensive and viable settlement of the Cyprus issue within the UN framework, in accordance with the relevant UN Security Council resolutions and in line with the principles on which the EU is founded. It is important that Türkiye reaffirms its commitment to the UN-led settlement talks on Cyprus in line with the relevant UNSC resolutions, including their external aspects. It is also urgent that Türkiye fulfils its obligation to ensure full and non-discriminatory implementation of the Additional Protocol to the EU-Turkey Association Agreement.

Cooperation with Türkiye in areas of joint interest continued in essential areas such as counter-terrorism, economy, energy, food security, migration and transport. The EU has a strategic interest in a stable and secure environment in the Eastern Mediterranean and in the development of a cooperative and mutually beneficial relationship with Türkiye. The Commission and the High Representative will submit a report to the European Council in November 2023, in which they will set out further options to develop this relationship.

14. The Commission welcomes the significant reform efforts undertaken by **Ukraine** since the European Council of June 2022, despite Russia's war of aggression. The Commission considers that Ukraine has made important progress on the seven steps set out in its Opinion of June 2022 and has taken additional measures to complement and sustain these achievements.

Ukraine has established a transparent and merit-based pre-selection system for the judges of the Constitutional Court and has completed an integrity-focused reform of the judicial governance bodies. Ukraine should continue implementing the adopted laws to select and appoint judges in ordinary courts and at the Constitutional Court. Ukraine has strengthened the fight against corruption by continuously building a credible track-record of corruption investigations and convictions and ensuring transparent appointments of the heads of the key anti-corruption agencies. It has taken additional systemic measures to ensure sustainability of its anti-corruption efforts, including by restoring the electronic asset declaration system, albeit with certain shortcomings, and implementing the state anti-corruption programme.

Ukraine has strengthened its anti-money laundering framework, including the alignment of its legislation, notably the definition of politically exposed persons, with the FATF standards, and has adopted a comprehensive strategic plan and action plan for the reform of the law enforcement sector. Ukraine has also stepped-up systemic measures against oligarchs in such areas as competition and political party funding while postponing the application of the anti-oligarch law. Ukraine has aligned its media law with EU law. It has continued to strengthen the protection of national minorities, in particular through amending the laws on minorities and on education, while further reforms as indicated by the Venice Commission are still to be implemented. These reform processes have to be inclusive by fully involving the representatives of the national minorities throughout all the necessary steps.

While the introduction of martial law has led to the derogation of certain fundamental rights, the measures taken are temporary and overall proportionate to the situation in the country.

In light of the results achieved since June 2022 under the political criteria, within the framework of the seven steps and beyond, the Commission considers that Ukraine sufficiently fulfils the criteria related to the stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities, set by the Copenhagen European Council in 1993, provided it continues its reform efforts and addresses the remaining requirements under the seven steps. On this basis, the Commission recommends that the Council opens accession negotiations with Ukraine. Furthermore, the Commission recommends that the Council adopts the negotiating framework once Ukraine has:

- enacted a law proposed by the government increasing the staffing cap for the National Anti-Corruption Bureau of Ukraine;
- removed from the law on corruption prevention the provisions restricting the NACP's powers to continued verification of assets that have already undergone the verification process and limiting NACP's powers to verify property acquired by declarants before joining the public service, without prejudice to the rules applying to national security during wartime;
- enacted a law regulating lobbying in line with European standards, as part of the anti-oligarch action plan;
- enacted a law addressing the remaining Venice Commission recommendations from June 2023 and October 2023 linked to the Law on national minorities, also addressing the Venice Commission recommendations linked to the laws on State language, media and education.

Ukraine has to continue to fight against corruption by building a further track record of corruption investigations and convictions.

The Commission will continuously monitor the progress and compliance in all areas related to the opening of negotiations and report to the Council by March 2024. The Commission stands ready to start preparatory work, in particular the analytical examination of the *acquis* (screening) and the preparation of the negotiating framework.

15. The Commission welcomes the significant reform efforts undertaken by **Moldova** since the European Council of June 2022, despite the severe impact in Moldova of Russia's war of aggression against Ukraine. The Commission considers that Moldova has made important progress on the nine steps set out in its Opinion of June 2022 and has taken additional measures to complement and sustain these achievements.

Moldova has put in place an ambitious vetting process for judiciary and prosecution bodies which is the foundation of its comprehensive justice reform. It has reformed its Supreme Court of Justice and ensured functioning of the Supreme Council of Magistrates with vetted members. The institutional and legislative anti-corruption framework have been reformed. The country adopted new legislation on asset recovery, fighting financial crime and money laundering. Investigation against oligarchs were progressing well, with court convictions in absentia allowed to bring to justice oligarchs involved in the fraud case - with substantial asset seizures - which drained Moldova's public resources.

The number of investigated cases related to corruption and organised crime has increased. The number of instances of seized assets of politically exposed persons has also increased. Moldova has put in place a systemic approach to de-oligarchisation with an ambitious action plan. The new electoral, criminal, media and competition legislation strengthens the country's capacity to fight undue vested interests. Moldova has actively increased

international cooperation with EU Member States and EU agencies through the EU Support Hub for Internal Security and Border Management.

The country adopted strategies for the reform of its public administration, strengthened public financial management and set interinstitutional processes indispensable for handling the reforms. In spite of challenging economic conditions, it increased salaries to retain and attract public service workers. Moldova regulated its public investment framework, further digitalised its public services and progressed in the voluntary amalgamation of local governments.

Moldova has been addressing ODIHR and Venice Commission recommendations and involving civil society in decision-making processes including through a platform for dialogue and civic participation in the Parliament. It has also strengthened the protection of human rights including by fully transposing the Istanbul convention into national legislation.

In the light of the results achieved since June 2022 under the political criteria, within the framework of the nine steps and beyond, the Commission considers that Moldova sufficiently fulfils the criteria related to the stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities, set by the Copenhagen European Council in 1993, provided it continues its reform efforts and addresses the remaining requirements under the nine steps. On this basis, the Commission recommends that the Council opens accession negotiations with Moldova. Furthermore, the Commission recommends that the Council adopts the negotiating framework once Moldova has:

- continued making significant progress in appointing vetted Supreme Court Justices members of judicial and prosecutorial self-governance bodies, and in nominating a new Prosecutor General in a merit-based and transparent process;
- assigned adequate resources and structures to the Anticorruption Prosecutor's office of Moldova;
- undertaken further steps on deoligarchisation, including through relevant regulations such as on cash payments and on financial flows.

Moldova has to continue to fight against corruption by building a further track record of corruption investigations and convictions.

The Commission will continuously monitor the progress and compliance in all areas related to the opening of negotiations and report to the Council by March 2024. The Commission stands ready to start preparatory work, in particular the analytical examination of the *acquis* (screening) and the preparation of the negotiating framework.

16. The Commission welcomes the reform efforts undertaken by **Georgia** in line with the country's constitution which envisages its integration into the EU as a priority for the country. An overwhelming majority of Georgian citizens supports the country's EU accession process. Political depolarisation and more positive engagement by the ruling party with opposition parties and civil society are needed to build consensus on matters of national interest.

Georgia needs to step up its actions to counter disinformation and foreign information manipulation and interference against the EU's values and to improve its alignment rate with the EU common foreign and security policy.

In relation to the twelve priorities specified in the European Commission Opinion of June 2022, Georgia has adopted legislative acts and policy actions on gender equality and on

fighting violence against women, on taking into account European Court of Human Rights judgments in Court deliberations and on organised crime. It has appointed a new Public Defender.

Certain procedural steps have been taken in Parliament to increase scrutiny by the opposition. Building a strong cross-party political consensus would contribute to addressing polarisation and accelerate Georgia's European path. Amendments to legislation and to parliamentary rules of procedure were adopted, in relation to the functioning and accountability of state institutions and the electoral framework. Judicial reform has included steps on accessibility to court decisions, reasoning for judicial appointments, disciplinary measures for judges and the selection of Supreme Court nominees but a holistic reform of the High Council of Justice is still needed. Georgia has shared this legislation and several other core legal acts on the Election Code, Anti-Corruption Bureau, Special Investigation Services, Personal Data Protection Service as well as its action plan for de-oligarchisation with the Venice Commission for opinion. In addition, it is important to establish a system of extraordinary integrity checks, with the involvement of international experts, for all leading positions in the judiciary, and to establish a system of effective assets declarations.

An action plan for de-oligarchisation, following a systemic approach, was adopted and the "personalised" approach withdrawn. An Anti-corruption Bureau was set up. Georgia increased international cooperation in the fight against organised crime. On media pluralism, an opposition media director was released from prison following a Presidential pardon, and Parliament adopted amendments to the Law on Broadcasting to align with EU legislation. A strategy on the protection of human rights was adopted and an action plan elaborated. A memorandum of cooperation between Parliament and some civil society representatives was concluded to frame CSO involvement in policy-making processes.

In the light of the results achieved since June 2022, within the framework of the twelve priorities and beyond, the Commission recommends that the Council grants Georgia the status of a candidate country on the understanding that the following steps are taken:

- Fight disinformation and foreign information manipulation and interference against the EU and its values.
- Improve Georgia's alignment with the EU common foreign and security policy.
- Further address the issue of political polarisation, including through more inclusive legislative work with opposition parties in Parliament, notably on legislation related to Georgia's European integration.
- Ensure a free, fair and competitive electoral process, notably in 2024, and fully address OSCE/ODIHR recommendations. Finalise electoral reforms, including ensuring adequate representation of the electorate, well in advance of election day.
- Further improve the implementation of parliamentary oversight notably of the security services. Ensure institutional independence and impartiality of key institutions, notably the Election Administration, the National Bank, and the Communications Commission.
- Complete and implement a holistic and effective judicial reform, including a comprehensive reform of the High Council of Justice and the Prosecutor's Office, fully implementing Venice Commission recommendations and following a transparent and inclusive process.
- Further address the effectiveness and ensure the institutional independence and impartiality of the Anti-Corruption Bureau, the Special Investigative Service and the Personal Data Protection Service. Address Venice Commission recommendations

related to these bodies, in an inclusive process. Establish a strong track record in investigating -corruption and organised crime cases.

- Improve the current action plan to implement a multi-sectorial, systemic approach to deoligarchisation, in line with Venice Commission recommendations and following a transparent and inclusive process involving opposition parties and civil society.
- Improve the protection of human rights including by implementing an ambitious human rights strategy and ensuring freedom of assembly and expression. Launch impartial, effective and timely investigations in cases of threats against safety of vulnerable groups, media professionals and civil society activists, and bring organisers and perpetrators of violence to justice. Consult and engage with civil society, allowing for their meaningful involvement in legislative and policymaking processes and ensure they can operate freely.

VIII. ANNEXES

- 1. The fundamentals of the accession process.**
- 2. Key achievements of the Economic and Investment Plan for the Western Balkans.**
- 3. Key achievements of the Economic and Investment Plan – overview for Ukraine, Moldova, and Georgia.**
- 4. Third-party indicators related to the status of democracy, good governance and the rule of law in candidate countries and potential candidates.**
- 5. Statistical data.**



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ANNEXES 1 to 5

ANNEXES

to the

**COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN
PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL
COMMITTEE AND THE COMMITTEE OF THE REGIONS**

2023 Communication on EU Enlargement policy

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Annex 1. The fundamentals of the accession process

The **rule of law, fundamental rights, the functioning of democratic institutions and public administration reform – and the economic criteria** form the core of what is known as the ‘**fundamentals**’ of the EU accession process. Quality of institutions and governance is the basis for enhancing competitiveness, prosperity and societal well-being, and underpin the ability to comply with the *acquis* across the board. Credible and irreversible reforms on the fundamentals are therefore crucial for enlargement countries to secure progress on their respective EU accession paths.

In a number of enlargement countries some progress was noted on **justice reform**, on **fundamental rights**, and in the functioning of the **public administration**, including public financial management. A steady intensification of work on the respective reform agendas was noted particularly in Moldova and Ukraine. Overall, progress towards fulfilling the **economic accession criteria** remained too slow to substantially narrow the economic gap with the EU.

There are good examples in the enlargement countries of reform agendas being driven forward to transform institutions and societies in the light of the opportunity of EU accession. However, many obstacles remain. Although not uniform across countries, there is generally a negative and worrisome pattern of diffused political and institutional resistance to change, in particular to strengthening the **fight against corruption**. A constant commitment to prevent corruption and maintaining a culture of integrity remains an important priority, including through mainstreaming of anti-corruption measures across the most vulnerable sectors. Law enforcement and judicial bodies require greater empowerment and the independence necessary to guarantee a meaningful and impartial fight against corruption. Worryingly, elements of state capture persist, with threats to democratic stability, high-level corruption and undue influence by oligarchs still being observed, alongside attempts by organised criminal networks to interfere with the countries’ economies, political systems, administrations and media environments. All these challenges need to be urgently addressed through systemic and comprehensive approaches.

A key indicator that these tendencies are addressed will be a credible track record of proactive investigations, prosecutions and final convictions related to corruption, organised crime and money laundering. It is essential for the enlargement countries to demonstrate the effectiveness of their investigative agencies, prosecution services and criminal courts. To be credible, all actors in the rule of law chain should produce solid results through targeted financial investigations, resulting in systematic confiscation of the proceeds of crime.

On **fundamental rights**, there is some progress in some of the enlargement countries towards greater understanding of the importance of these rights and freedoms being guaranteed. At the same time, some negative trends of recent years have continued, with gender-based violence remaining prevalent, while freedom of the media continued to be hindered by political and economic interests, which weakens control over public authorities, opens space for foreign interference and undermines communication about the EU. In some countries, some positive initiatives are being put in place on the rights of the child and the rights of persons with disabilities. In practice, however, the protection of fundamental rights is negatively affected by insufficient implementation of laws and policies and the ineffectiveness of redress mechanisms across the board. Challenges remain in ensuring effective protection from all forms of hatred and discrimination, including that which is directed towards minorities.

Functioning of democratic institutions

Stable and consolidated democratic processes are a central pillar of the EU accession process. The Commission has begun implementing strengthened and streamlined engagement with the enlargement countries on the general framework for democracy, whether this concerns the electoral process, the functioning of Parliament (including its oversight role in government performance and policymaking and the still-excessive reliance on accelerated procedures in many cases), or the role of civil society. Most countries continued to be affected by marked political polarisation, lack of cross-party cooperation, and a shrinking space for civil society.

Several **elections** took place in the reporting period in enlargement countries including in Albania, Bosnia and Herzegovina, Kosovo, Moldova, Montenegro, and Türkiye. In most countries, reforms are still pending to address outstanding recommendations from the Office for Democratic Institutions and Human Rights at the Organization for Security and Cooperation in Europe (OSCE/ODIHR). The Group of States Against Corruption (GRECO) standards related to political party financing are also yet to be addressed in North Macedonia and Bosnia and Herzegovina.

As regards **parliamentary work**, polarisation remained often a visible feature. Lack of effective cross-party dialogue resulted in prolonged political impasse and stagnation of reforms. This was observed for instance in Montenegro, Albania, North Macedonia and Georgia. In some cases, plenary debates were marked by tensions, offensive language and occasional violent incidents, as was the case in Georgia and Kosovo. In Ukraine, despite the extraordinary circumstances, Parliament has demonstrated resilience and strong political will, particularly in areas vital for Ukraine's integration with the EU. Legislative tasks were carried out systematically, ensuring an uninterrupted democratic decision-making process.

Judiciary and fundamental rights

The entrenchment of the rule of law requires stable, well-functioning institutions. This requires an independent, impartial, accountable and high-quality **judicial system**, which operates efficiently and with adequate resources, free from undue external interference, and whose decisions are executed effectively and in a timely manner. Progress was achieved in some cases, with judicial reforms advancing, for instance, in **Albania, Moldova, Serbia and Ukraine**. However, in most enlargement countries, judicial bodies remain exposed to many challenges and vulnerabilities. Attempts by politicians to publicly influence or attack magistrates, particularly when they deal with sensitive cases, remained a dangerous recurrent practice in several countries. Institutional arrangements that negatively affect the independence of judges and prosecutors remained in place, ultimately affecting the balance and separation of state powers. As a result, the judiciary's credibility remained overall rather low, with the public generally noting the impunity of perpetrators. In several countries, justice reforms reveal limited implementing capacity even where there is political will. Effectiveness of investigative and judicial authorities, resulting in a credible track record of results, is essential for further accession progress. **Georgia's** legal framework on the functioning of the judiciary requires further reforms and avoiding negative steps. Serious backsliding continued in **Türkiye** and the structural deficiencies, notably related to the independence of the judiciary and the lack of checks and balance in the Presidential system, remained in place.

The **fight against corruption** remains a priority for governments in the enlargement countries. **Corruption**, including high-level corruption, continues to be widespread, and entanglement of public and private interests remains an issue of concern. In some cases, corruptive practices and influence exercised by **oligarchs** can trigger risks of state capture.

Progress in preventing and fighting corruption effectively is slow and requires a sustained systemic approach and dedicated action in key sectors vulnerable to corruption. There is a need to initiate or continue to mainstream anti-corruption measures in key sectors, to undertake targeted risk assessments to feed policymaking, and to roll out effective reform plans. Stronger political will and clear reform efforts are still needed to improve transparency and a culture of integrity and to develop further a convincing track record of investigations, prosecution and final convictions, including at high level. Anti-corruption strategies and action plans are in place and need to be updated and implemented in a systematic and structured manner, including through appropriate budgetary resources and dedicated monitoring to ensure their effective implementation. Public procurement, political party financing, public finance management, energy, transport, health, water, infrastructure, natural resources and education remain areas particularly prone to corruption and require more robust and ambitious measures. As regards repression, the generally low track record triggers concerns about the effectiveness of investigations and the judicial follow-up.

Throughout the enlargement countries, **fundamental rights** are generally enshrined and protected by law, but challenges remain in ensuring their effective implementation. The legislative and policy frameworks are gradually being completed as a result of countries' accession to European human rights instruments and alignment with the EU *acquis*. This is notably the case on data protection reforms. However, implementation continues to be slow, and systemic gaps remain in the funding of policies adopted to strengthen human rights protection, leaving many sectors dependent on donors. Based on the experience of Albania, North Macedonia and Serbia, the accession as observer of other candidate countries to the European Union Agency for Fundamental Rights will contribute to the development of a comprehensive monitoring and data collection system ensuring a more effective implementation of human rights legislation, policies, and strategies.

In much of the region, the Ombudsperson institutions and other independent and regulatory bodies such as equality bodies play a key role in monitoring the States' actions to respect, protect and fulfil **human rights**, as per their international obligations. However, their effective independence, resources and capacities remain insufficient, as does the follow-up on their recommendations. Governments in the region need to consistently address all the recommendations of international and regional human rights monitoring bodies, including on prison conditions and the prevention of torture and ill-treatment. This is notably the case in countries such as North Macedonia, Moldova and Serbia, where recommendations of the European Committee for the Prevention of Torture have not been systematically addressed. Civil society continues to supplement or even replace government action in providing services to persons in vulnerable situations, for instance by running shelters for victims of sexual and gender-based violence or trafficking in human beings in Albania and Serbia. In the Western Balkans, the concerns and recommendations in the previous years' reports remain largely valid and need to be addressed as a matter of urgency. In Türkiye, the human rights situation continued to deteriorate and remains a serious concern, including as regards non-implementation of certain judgements of the European Court of Human Rights, notably in the Kavala case.

Freedom of expression, media freedom and pluralism are key pillars of a democratic society and must be upheld. There was limited to no progress, or backsliding, on addressing past recommendations in the Western Balkan region. In several countries, the media landscape is marked by deep political polarisation. Pluralism, independence and the development of quality professional journalism are undermined by media concentration and political influence over the media in a number of countries. Poor labour conditions persist for journalists, which can lead to self-censorship. Cases of threats, intimidation and violence

against journalists and derogatory remarks by public officials continue to cause serious concern throughout the region. Efforts are being made in some countries to tackle this phenomenon, but all countries need to ensure systematic judicial follow-up on all cases. Insufficient protection of journalists and ineffective follow-up on cases can have a chilling effect on the exercise of media freedom.

In general, public broadcasters' independence is undermined by insufficient funding and political influence. The independence of media regulators needs to be guaranteed, including through merit-based appointments in management structures. Where this is not the case, such as in Serbia, regulators must act impartially and exercise their mandates to the full. The effective functioning of independent self-regulatory bodies also needs to be further supported. All countries need to increase transparency on media funding. Efforts to fight Russian disinformation have led to the suspension of broadcasting licences in Moldova and blocking of web resources in Ukraine. In Türkiye, serious backsliding on freedom of expression continued. Journalists, human rights defenders, lawyers, writers, opposition politicians, students and social media users continued to systematically face criminal charges and convictions.

In most countries, the authorities have been working towards putting in place the legal and institutional framework to implement commitments in the field of **gender equality and in combating gender-based violence**, particularly to transpose the provisions of the Istanbul Convention. The Convention has been ratified by all enlargement partners except Kosovo, due to status issues, and Türkiye, whose withdrawal was confirmed as final by its Council of State. However, more efforts are needed to make gender equality a reality and to ensure the sustainability of policies. Gender-based violence remains present in much of the region. All countries need to strengthen assistance to victims of all forms of violence. A trend of increased use of derogatory terms or hate speech targeting women politicians, journalists and human rights defenders in public discourse is a concern, notably in Türkiye, Montenegro, Serbia and North Macedonia. There are also instances of hate speech and violence against lesbian, gay, bisexual, transgender, intersex and queer (LGBTIQ) persons, whose fundamental rights in several countries are often challenged.

Laws and policies on **non-discrimination**, combating hate crime and hate speech are generally in place, but remaining gaps and shortcomings in legislation, including in relation to protected grounds need to be addressed. Equality bodies and other institutions tasked with promoting equal treatment and implementing and monitoring non-discrimination policies need to be provided with sufficient means to fulfil their mandate including assistance to victims, conducting surveys, and publishing reports and recommendations needs to be ensured.

While mechanisms for strengthening the **rights of the child** are generally in place, interinstitutional coordination needs to be substantially improved throughout the region, notably in Kosovo and North Macedonia, to ensure effectiveness of child protection systems, in line with the best interests of the child. Ensuring effective access to education for children in Ukraine and for displaced Ukrainian children remains challenging. Child-friendly justice systems need to be further developed and alternatives to detention made available and used more systematically, with detention used only as a very last resort and for the shortest appropriate period of time. Violence against children and early marriages remain serious concerns. Reliable and comparable data disaggregated by age and sex is in most cases missing and is essential for addressing violence against children. Continued institutionalisation of children without parental care and of children and persons with disabilities is a concern in many countries, particularly Georgia, Moldova, Ukraine and

Bosnia and Herzegovina. Only North Macedonia has achieved full deinstitutionalisation of children from large-scale institutions. While efforts are being made to strengthen the mechanisms to enforce the **rights of persons with disabilities**, much higher levels of investment will be needed to ensure full compliance with the UN Convention on the Rights of Persons with Disabilities, notably as regards transition to community-based care, independent living, accessibility and inclusion.

The rights of persons belonging to **minorities** remain unevenly protected throughout the region. Legal frameworks and implementing mechanisms still need to be completed in Albania, Georgia, Moldova and Ukraine, while recommendations of the Advisory Committee of the Framework Convention on National Minorities need to be addressed by Serbia and North Macedonia. The **Roma** remain the most deprived community and are frequently victims of discrimination, hate-motivated incidents, as well as social and economic exclusion.

Justice, freedom and security

The Western Balkans and Türkiye continue to be hotspots of criminal activities and organised crime groups active in the EU, serving as an important transit point for migrant smuggling, victims of trafficking in human beings and illicit commodities entering the EU via different variations of the Balkan route. Criminals and criminal networks from the region also have a significant impact on serious and organised crime in other parts of the world, including in Latin and South America where they play an important role in the global cocaine trade, the transit for heroin trafficked to the EU, and facilitate the entry of victims of trafficking in human beings, irregular migrants and illicit commodities into EU countries. The criminal infrastructure developed for trafficking heroin and synthetic drugs is used for cocaine trafficking across the Balkan routes in both directions as well as to Black Sea ports.

Organised crime groups from Moldova and Georgia are active in migrant smuggling, organised property crime, trafficking in human beings, cyber-dependent crime, non-cash payment fraud, excise fraud, firearms trafficking and other related crimes such as document fraud. Many of these groups are poly-criminal, meaning that they traffic more than one illicit commodity. Ukraine is located at the crossroads of smuggling illegal goods to the EU and is also a source, transit and destination country for trafficking in human being. Despite the war-related challenges including stretched institutional capacities due to significant losses of personal equipment and reduced financing to fight organised crime, relevant Ukrainian institutions demonstrated remarkable resilience and operational capabilities.

Since February 2022, Russia's war of aggression against Ukraine had a significant impact on the regional crime situation, including on cooperation between powerful regional criminal groups, which largely came to an end. Nevertheless, new circumstances emerged and criminal groups in the region are taking advantage of them.

Law enforcement cooperation (including at operational level) between the EU and the enlargement countries continued to evolve positively. All Western Balkan countries have ratified operational agreements with Europol (except Kosovo, with which a working arrangement is in place) and have access to Europol's secure platform for the exchange of information (SIENA). Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia and Serbia have posted liaison officers at Europol in The Hague. Cooperation between Europol and Türkiye is based on a strategic agreement on cooperation, which excludes the possibility of sharing personal data but facilitates cooperation in a range of areas. A Turkish Liaison Officer is posted at Europol and Türkiye is also connected to SIENA. Ukraine, Moldova and Georgia also concluded operational cooperation agreements with Europol, are connected to SIENA and opened liaison bureaus at Europol. The level of

participation by enlargement countries in EMPACT, the Member States-led European Multi-disciplinary Platform Against Criminal Threats, overall continued to intensify, while remaining uneven. In addition, there is also an increasing trend for operational actions to be led or co-led by enlargement countries, which is a very welcomed development. All Western Balkan countries, along with Moldova and Ukraine, participated in a number of Joint Action Days, with immediate results in terms of arrests of criminals and corrupt officials, seizures and the launch of new investigations.

Trafficking of drugs continues to be a lucrative criminal market in enlargement countries. While the longer-term trend in seizures of cannabis in the Western Balkans is downward, seizure of cocaine (especially in seaports) is on the rise, while heroin seizure remained largely stable. With the exception of Albania, all Western Balkan countries have or had until recently a national strategy on drugs, in some cases accompanied by an action plan. Information about (the quality of) the plans' implementation is not available as no evaluation is performed in the vast majority of cases. Türkiye's national strategy and action plan expire this year. Moldova and Georgia adopted both new strategies and action plans on drugs, while Ukraine has no dedicated strategy or action plan on drugs. Serious efforts are required in the region regarding the establishment of National Drug Observatories (NDO) and National Early Warning Systems (NEWS) on new psychoactive substances (NPS). Only Serbia has an established and operational NDO while a NDO is crucial for the coordination of the drug information system and is a prerequisite for being associated to EU Reitox network (European information network on drugs and drug addiction). With the exception of Serbia, no other formal and/or operational NEWS on NPS has been established in the region, something that should be urgently addressed. The European Monitoring Centre for Drugs and Drug Addiction is providing long-term support or works on the basis of working arrangement or bilateral agreements with the enlargement countries.

The roadmap for a comprehensive **small arms and light weapons control** in the Western Balkans by 2024 continues to be implemented. In May 2023, a political agreement was reached on continuing the roadmap beyond 2024 with the support of the South Eastern and Eastern Europe Clearinghouse for the Control of Small Arms and Light Weapons (SEESAC). Given the high and increasing numbers of small arms and light weapons following Russia's full-scale invasion, the EU has already put in place several preventive measures, jointly with Ukraine, to counter the risk of arms trafficking and Ukraine should continue its engagement with the international law enforcement community to address these risks. This includes support provided by Europol and the European Border and Coast Guard Agency (Frontex), Ukraine's participation in EMPACT on firearms, and the work of the European Union Advisory Mission in Ukraine.

Progress continued, albeit unevenly, on addressing **trafficking in human beings** in enlargement countries. Continuous efforts are required to align and effectively implement the relevant EU *acquis*, including prevention measures, early identification, protection of and assistance to victims, effective investigations of trafficking cases, prosecutions and convictions of perpetrators.

While advancing unevenly, the enlargement countries' respective **track records on proactive investigations, prosecution and final convictions of organised crime and corruption cases**, particularly at high levels, remain overall insufficient and require sustained efforts. Money laundering should be increasingly investigated and prosecuted as a stand-alone offence. The use of financial investigations should be stepped up and used more systematically to dismantle organised crime groups and seize and confiscate the proceeds of crime. Recent cases have once again shed light on the risks of infiltration of organised crime

groups at all levels of the criminal justice chain. Efforts in some countries to strengthen their operational capacities and root out corruption within their judicial bodies need to be translated into concrete results. Building and consolidating a credible track record is essential in order to have a deterrent effect on criminal activities and restore citizens' trust in the law enforcement agencies and in the judiciary. In Ukraine, Moldova and Georgia, the fight against the specific phenomenon of 'thieves in law' should continue.

Albania needs to further strengthen its efforts to combat trafficking in human beings, money laundering, high-level corruption and to counter cybercrime (including by criminalising online child sexual abuse). While confiscation of assets has significantly increased, it is still very limited compared to the amounts of seizures (which, however, have declined). The country still lacks an asset recovery office. There was also a significant decrease in the quantity of drugs seized. The Specialised Anti-Corruption and Organised Crime Structures (SPAK) achieved further results and should continue to develop their track record of investigations and high-level convictions. The persisting lack of progress on the fight against organised crime in Bosnia and Herzegovina raises serious concerns. Kosovo made limited progress on its overall track record on fighting organised crime and should step up its efforts on proactive investigations, convictions and confiscations of criminal assets, which remain very low. In North Macedonia, there are serious concerns about undue external influence over the work of the Judicial Council and the judiciary. Some changes to the criminal code, adopted through an expedited parliamentary procedure, are affecting, halting or even terminating a large number of high-level corruption cases. The authorities also need to enhance their efforts to fight against money laundering and financial crime. Montenegro showed encouraging developments in the fight against organised crime, arresting top-level members of organised crime groups and high-ranking officials in law enforcement agencies. This underlines the importance of consistently and vociferously combating the infiltration of organised crime in the police and the judiciary. However, the lack of convictions in the areas of tobacco smuggling, money laundering, trafficking in human beings and cybercrime, as well as the very low level of asset confiscations, is concerning. Although the number of convictions for financial crimes increased in 2022, these were exclusively based on plea bargains. Serbia's track record on organised crime provides a mixed picture, with an increase in the number of investigations and indictments (including for people smuggling), but a decrease in first-instance and final convictions, and a very low level of confiscations. While Türkiye increased its participation in joint operations with EU Member States and neighbouring countries, it needs to improve the fight against money laundering and financial crime, including the use of confiscation of criminal assets. Moldova carried out a number of financial investigations, performed some assets seizures (and to a lesser extent, confiscations) and has an initial track record of final convictions, which should be consolidated. In Georgia, there was a significant increase in the number of final convictions of 'thieves in law' and convictions were pronounced in cases of money laundering. Ukraine has started to develop an initial track record, but further efforts are required on combating serious forms of organised crime, money laundering and other financial crimes.

While cooperation on **counterterrorism and prevention of radicalisation** is relevant for all enlargement countries, it remains a particular priority for the EU's cooperation with the Western Balkans. Terrorism and violent extremism in all their forms and irrespective of their origin continue to pose a challenge and a security threat. Arrests of violent extremists and foiled attacks were reported. The EU-Western Balkan Justice and Home Affairs Ministerial Forum held in November 2022 reiterated the importance of intensifying the measures undertaken to identify and counter the evolving threats stemming from Russia's war of aggression against Ukraine. The joint action plan on counterterrorism for the Western

Balkans remains the main framework for cooperation with the region, combining political commitment with support and regular monitoring. There is progress across the region, with Albania and North Macedonia having implemented most of the actions. In addition, updated implementing arrangements focusing on the objectives still pending were signed at ministerial level by two countries in December 2022. The remaining Western Balkan countries submitted new reports a fifth set of on the implementation of the action plan in the first quarter of 2023. Montenegro also registered significant progress and an update of the bilateral arrangement is being discussed with the European Commission. In general, more efforts are required on the prevention of all forms of radicalisation, including in prisons, on following up on the early conditional release of violent extremist offenders from prison, and on effectively addressing terrorist and extremist content online. As reported in the 2023 Terrorist and trends report from Europol, recruitment continues to take place both online and through gatherings in informal religious buildings, as well as in correctional facilities. The revision of national strategies and action plans is ongoing in Serbia and Albania, and is already finalised in Bosnia and Herzegovina, Kosovo, North Macedonia and Montenegro. The threat of terrorism remains low in Georgia, Moldova and Ukraine, and their anti-terrorism legislation is broadly in line with international standards. Their strategic security frameworks recognise terrorism as a threat and specialised services are in place. Operational cooperation with European agencies on fighting terrorism is well-established.

Alignment with and effective implementation of legislation on **countering terrorism financing and on anti-money laundering** remains uneven. Progress on legislation, strategies and implementation is reported for North Macedonia, while legislation in Bosnia and Herzegovina is still pending approval in Parliament and track record needs to be established on investigations, prosecutions and final court rulings. Albania, which is under FATF scrutiny, has addressed all action plan items in the last 6 months. FATF decided in June 2023 to propose an on-site visit, which led to Albania's removal from the 'grey list' in October 2023. However, FATF will continue to monitor to check whether any Albanian voluntary tax compliance programme (including potential criminal amnesties), should there be any, is in line with FATF principles and best practices. Türkiye's legal framework should be aligned with the items of its FATF Action Plan in order to be removed from the FATF 'grey list'. Ukraine, Moldova and Georgia have legislation in place that criminalises the financing of terrorism, but some areas still need to be aligned with Moneyval recommendations and relevant EU legislation.

The six Western Balkan partners are increasingly aware of the importance of a robust framework to deal with critical infrastructure protection. Kosovo, Montenegro and Serbia have developed appropriate legislation in this area, while in Bosnia and Herzegovina such legislation exists only partially.

Most Western Balkans partners have repatriated **foreign terrorist fighters** and family members from north-east Syria. Bosnia and Herzegovina has expressed its willingness to repatriate all foreign terrorist fighters. While legal provisions are in place for their prosecution upon their return, effective prosecution took place unevenly throughout the region. Bosnia and Herzegovina prosecuted 7 returned foreign terrorist fighters, while the 6 accompanying women received conditional sentences. Albania is investigating 9 cases of nationals who are still in north-east Syria, with no indictment or prosecution of the 37 women and children repatriated so far. Montenegro has prosecuted one national who returned from the 2014 Russian invasion of Ukraine. These verdicts are characterised by lenient sentences, which is a matter of concern. With regard to departures to participate in the Russian war against Ukraine, with the exception of Albania, that reported that one of its nationals had travelled to fight in Ukraine, none of the other Western Balkan countries reported that their

citizens travelled to foreign battlefields in recent times. However, open sources did report about departures from the region to Ukraine.

Due to the persistent threats from various terrorist groups, Türkiye continued to prioritise the fight against the PKK and the dismantling of the Gülen movement. The PKK remains on the EU's list of people, groups and entities involved in acts of terrorism. Türkiye has also continued its active counterterrorism cooperation with the international community as a member of the Global Coalition to Defeat ISIS, the Global Counterterrorism Forum, and the Committee of Experts on Terrorism of the Council of Europe. Active as a co-chair of the Defeat ISIS Coalition's foreign terrorist fighters working group, Türkiye also provided access to its airspace and facilities for coalition counterterrorism operations in Iraq and Syria. At the same time, Türkiye's authorities should ensure that the country's anti-terrorism law and its application is in line with the rule of law principle and respects fundamental rights and freedoms. Türkiye should bring its anti-terrorism legislation in line with EU standards, and comply with the opinion of the Venice Commission on the law on preventing financing of proliferation of weapons of mass destruction.

Hybrid threats

Hybrid threats, including disinformation, foreign information manipulation and interference (FIMI) and cyberattacks, particularly against critical infrastructure, remain a political and security challenge for the enlargement countries. After a steep increase last year following Russia's war of aggression against Ukraine, these threats continue to pose a considerable risk to both the EU and enlargement countries. In response to the recent granting of candidate status to Ukraine and Moldova and the European perspective of Georgia, various actors, in particular Russia-sponsored, continue to challenge the EU's credibility and undermine public trust in democratic institutions. These actors have continued to engage in information manipulation and interference directly or through proxies, often synchronising their action with deliberate disruptions in different sectors and exploiting vulnerabilities.

Disinformation and FIMI have increased significantly since last year. As the Russian full-scale invasion in Ukraine developed, so did the spreading of different Kremlin narratives in the enlargement countries, with varying results. These are particularly effective in Serbia, where part of the local media and some mainstream political forces disseminate pro-Russian narratives, including throughout the Western Balkan region. Despite considerable efforts, resilience towards these threats remains weak due to low media literacy, low trust in institutions, limited independent and professional journalism and a low level of media freedom. Similarly, following the decision to recognise a European perspective to Ukraine, Moldova and Georgia as well as grant to grant candidate status to Moldova and Ukraine, these three countries have been the target of a new wave of FIMI campaigns, mainly aiming to discredit aspirations to join the EU and blame the West for the current situation in the region. In Georgia, a specific strand of disinformation attempted to imply that the West seeks to open a 'second front' against Russia from Georgia. More active debunking by the authorities would be opportune.

Cybersecurity and cyber resilience remain a **key priority** in all enlargement countries. A few countries reported cyberattacks over the course of the year, with large-scale impact on public administration and public services. Progress on alignment with the EU *acquis* in cybersecurity was seen in Albania, North Macedonia, Montenegro, Ukraine and Moldova. A high-level cybersecurity conference – *Towards a resilient cyberspace in the Western Balkans* took place in June 2023 in Brussels. A second EU-Ukraine cybersecurity dialogue took place in physical format in September 2022.

Albania, Bosnia and Herzegovina, Kosovo, Moldova, Montenegro and Türkiye held **elections** in the reporting period. In the upcoming period, elections will be organised in North Macedonia, Ukraine, Moldova and Georgia. Further measures are required to prevent and address any attempts of interference by third states and non-state actors.

Foreign direct investment also intensified in all countries with the exception of Ukraine. Robust frameworks to control foreign direct investment, in line with the EU FDI Screening Regulation, are still lacking in the majority of the enlargement countries, apart from Moldova, which has a system in place.

Migration

The Russian war of aggression against **Ukraine** has led to a rise in Ukrainian refugees, and countries like Moldova in particular, as well as Montenegro, Serbia, Albania, and North Macedonia have played a crucial role as host countries.

Irregular migration remains a significant challenge for both the **Western Balkans** and **Türkiye**, in particular the fight against migrant smuggling and trafficking in human beings. According to the European Border and Coast Guard Agency (Frontex), in 2022 the total number of irregular border crossings at the external borders of the EU from the Western Balkans was around 144 100. This was an increase of 134% compared to 2021 (61 600). However, from the beginning of the year up to 31 July 2023, the overall number of irregular arrivals from the Western Balkans to the EU decreased, compared with the same period in 2022. In the first 7 months of 2023, around 52 200 irregular border crossings were detected on the Western Balkan route, 26% less than in the same period in the previous year. In 2022 and in the first 7 months of 2023, the main nationalities of arrivals were from Syria, Afghanistan and Türkiye.

The main factors influencing the high number of people arriving by air from Türkiye and Serbia are: (i) visa-free regimes; (ii) the short time needed to cross the region, i.e. 8 days on average in 2022 compared with 53 in 2021 according to the International Organization for Migration (IOM); (iii) the relatively low prices offered by smuggling networks to cross the region; and (iv) the greater difficulty in entering the EU through other routes (e.g. the Western Mediterranean).

The European Commission's policy objective is to support the Western Balkan countries facing migratory pressure in the region as potential future EU Member States. In line with the EU Action Plan on the Western Balkans, this support is comprehensively targeting enhancing border management, asylum procedure and reception capacity, combating migrant smuggling, increasing readmission cooperation and returns of irregular migrants with no rights to stay to their countries of origin, and enhancing asylum and protection systems and reception capacities, as well as achieving visa policy alignment. According to Frontex, in 2022 the EU Member States returned 5 962 third-country nationals to the Western Balkans, 22% more compared with 2021. Albania was the main country of destination for these returns, followed by Serbia and North Macedonia. Moreover, up to 8 June 2023, according to the IOM, there were approximately 3 657 migrants and refugees in the region's reception centres and an estimated 700 outside reception facilities. In comparison, total reception capacity stood at approximately 12 172 places. The Western Balkans participate in the regional Anti-Smuggling Operational Partnership, launched in November 2022 to support law enforcement and judicial cooperation against criminal smuggling networks and to increase border management capacities.

Until September 2023, 22 421 irregular migrants arrived from Türkiye into the EU (including Greece, Italy and Bulgaria), compared to 22 821 arrivals during the same period in 2022.

Arrivals to Greece increased by 123%, while the sea route to Italy saw a substantial decrease (down by 55%). The number of arrivals in Cyprus via the Green Line fell significantly by 42%.

The 2016 EU-Turkey Statement remained the key framework for cooperation on migration and continued to yield results, despite continued challenges over the implementation of the Statement. Türkiye also continued to play a key role in addressing migration along the Eastern Mediterranean route. Türkiye sustained its enormous efforts to host 3.6 million refugees from Syria and other countries, and the EU maintained its substantial support. The EU Facility for Refugees in Turkey had mobilised EUR 6 billion, with EUR 5.1 billion disbursed as of September 2023. After a bridge funding of EUR 535 million in 2020, the Commission continued the implementation of the EUR 3 billion package requested by the Council.

Visa liberalisation continues to be a powerful tool to facilitate people-to-people contacts and support reforms in the Western Balkans as well as in Ukraine, Moldova and Georgia in the areas of justice, security and fundamental freedoms. As corroborated by the 2023 report under the visa suspension mechanism²¹, Albania, Bosnia and Herzegovina, Montenegro, North Macedonia²², Serbia, Georgia, Moldova and Ukraine need to ensure further visa policy alignment with the EU lists of visa-required third countries, in particular those third countries which present irregular migration or security risks to the EU. Visa policy alignment with the EU remains crucial for the good functioning of these partners' visa-free regimes with the EU. No progress was made by Türkiye with regard to completing the still open Visa Liberalisation Roadmap benchmarks during the reporting period.

Public administration reform

The quality of the public administration and of the regulatory framework are crucial for the EU's **long-term competitiveness**²³. For many years, the European Commission has systematically guided and supported prospective EU Member States on how to build stable and well-performing public administrations based on the five principles of good *policy making*, management of the *civil service*, effective *state organisation* and clear *accountability lines*, seamless and citizen-oriented *service provision* and sound *public financial management*. While enlargement countries actively engage in the support, most continue to lack the necessary political commitment and leadership to tackle the more sensitive reforms that would affect a predominantly clientelist culture and build more stable and professional structures and systems. For now, most reforms are more cosmetic than substantive. If countries do not start changing the predominant administrative culture, their public administrations will continue to struggle to attract and retain the talent to coordinate and deliver the policies, services and investments needed to build long-term prosperity and societal well-being.

Overall, enlargement countries remain at best **moderately prepared** in terms of quality of their public administration. During the reporting period, reform progress was very limited overall. Most recommendations from previous year(s) still apply. A typical pattern is that a formal legal and institutional basis for a professional administration is at least partially in place, but not systematically applied. Most countries have **public administration reform**

²¹ [COM\(2023\) 730 final](#)

²² North Macedonia achieved a nearly total alignment of its visa policy with EU lists; only one country (Türkiye) whose citizens require a visa to enter the EU has a visa-free agreement with North Macedonia.

²³ [COM\(2023\) 168 final](#), [COM\(2023\) 667 final](#)

strategies (except Türkiye) or are updating them. However, their implementation is uneven and often does not result in sustainable reforms or have a lasting impact on building a better public administration.

For Ukraine, there are elements of progress but challenges remain also due to the war circumstances. Georgia and Moldova made some progress in strengthening their public administrations following the adoption of a public administration reform and related action plans.

Good policy coordination and development remain the foundation of public administration reforms. Enlargement countries need to systematically inform policy and legislation with data and evidence, design legislation and policies in an inclusive consultative manner and assess their potential impact. Good planning and due process of the policy agenda would build trust, resilience and a more predictable regulatory environment for the public and businesses.

On human resources and civil service management, most countries still struggle with developing and systematically implementing a transparent, coherent and fair salary system as well as a merit-based recruitment, promotion and dismissal system. These reforms are needed to attract and retain motivated and qualified staff and create a professional and well-performing civil service. However, managing such reforms tends to be very sensitive. Understanding different stakeholder interests and concerns and brokering broad support is critical to achieve progress.

Effective state organisation and accountability are still hampered by a lack of progress on *streamlining state structures* and setting clear lines of accountability between ministries and subordinated bodies (in Bosnia and Herzegovina, Albania, Kosovo, North Macedonia, Serbia and Moldova). The *capacity of administrative courts* and the quality of decisions is insufficient to ensure individuals' rights to administrative justice (in Serbia, North Macedonia, Albania, Bosnia and Herzegovina, and Moldova). The quality of *oversight bodies* varies, and recommendations are not systematically followed up, thereby limiting effective checks and balances and opportunities for systemic improvement. Improving *multi-level governance* requires better cooperation and coordination between national, regional and local authorities, ensuring quality of service at all levels and matching administrative responsibilities with resources and capacity. Given the importance of ensuring both an appropriate balance between central, regional and local government, and a coherent application of rules, procedures and standards across all levels of public administration, more efforts are needed in all countries.

Providing **digital administrative services** continues to be the most advanced area of the public administration reform agenda, especially in Albania, Serbia and Ukraine. While other countries still need to catch up with them, all countries need to continue to ensure that public services are equally accessible for people with insufficient digital means or skills. There is also room to further streamline administrative processes and reduce the regulatory burden on the public and businesses.

A lack of effectiveness and integrity of the **public financial management** system erodes trust and affects both *public revenue generation* and *expenditure management* in most enlargement countries. *Budgetary transparency and public expenditure* effectiveness are critical issues, especially in times of increasing fiscal constraints. *Public procurement* systems still have too many loopholes to ensure efficient allocation of taxpayers' money. A culture of *managerial accountability* and *internal and external audits* would ensure the sustainability of a country's finances, but this is not yet the norm. The quality of *asset and investment management* needs to improve much more to enable enlargement countries to

close the infrastructure gap with EU Member States and reap the benefits of future EU membership, including funding for investments.

Civil society

A free and empowered civil society is a key component of any democratic system. Across the enlargement countries, there is an active and vibrant civil society that monitors governmental action and contributes to policymaking. Civil society organisations also continue to be providers of services, particularly assistance to people in vulnerable situations and taking part in the humanitarian response to the Russian war of aggression against Ukraine.

Freedom of association and assembly is enshrined in legal frameworks and generally enjoyed. However, reforms are still needed to fully apply international standards, and implementation needs to be much more consistent. Civil society faces continuous pressure, and its space to operate freely has continued to diminish, with restrictions on its activities and those of human rights defenders. Use of strategic lawsuits against public participation (SLAPP), including by public officials, are on an alarming rise in Serbia and Bosnia and Herzegovina, and are also seen in other countries, such as Albania. Similarly, it is essential that security measures are not misused, e.g. instrumentalised to target political opponents or critics through anti-terrorism legislation in Türkiye, free access to information in Montenegro, and as yet unrepealed excessive control and reporting rules on preventing money laundering in Kosovo. The most worrying developments, however, are linked to the development of ‘foreign agent laws’ leading to the stigmatisation and repression of civil society organisations. These have been put forward in the *Republika Srpska* entity of Bosnia and Herzegovina and in Georgia (but subsequently withdrawn in Georgia due to international and local pressure).

Significant progress needs to be made – for instance in Georgia, Serbia, Montenegro, Bosnia and Herzegovina and Kosovo – to improve the availability and transparency of public funding, which should be distributed on the basis of objective criteria. While the legal framework on philanthropy and donations was improved in Moldova, laws on volunteering are still pending in Albania and Montenegro. Processes for registering civil society organisations need to be improved, including in Albania, North Macedonia and Montenegro.

Despite the existence of policies for strengthening the enabling environment for civil society or for governmental cooperation with civil society in Albania, Kosovo, North Macedonia or Ukraine, their implementation is insufficient and often depends on donor funding. In policymaking, most countries recognise the valuable contribution of civil society. There are also mechanisms for open public consultations, but how they are applied needs to be improved. There are continued weaknesses in the institutionalised mechanisms for cooperation between civil society and government. It is essential that governments ensure the conditions for meaningful and inclusive participation of civil society organisations in policymaking.

Economy

Following Russia’s full-scale invasion of Ukraine in February 2022, the 10 enlargement economies faced major economic and social challenges. In Ukraine, GDP dropped by 29.1% in 2022 as the whole country was profoundly affected by Russia’s war of aggression resulting in significant pressure on macroeconomic stability. The Western Balkan region’s GDP growth slowed to 3.2% in 2022, down from a 7.7% rebound from the COVID-19-induced recession in 2021. However, the severity of the slowdown varied across economies, with real GDP growth falling to 6.1% in Montenegro, 5.6% in Türkiye, 4.8% in Albania, 4% in Bosnia and Herzegovina, 3.5% in Kosovo, 2.3% in Serbia, and 2.1% in North Macedonia. In

Moldova, GDP contracted sharply by 5.9%, and in Georgia, GDP continued to grow at double-digit levels (10.1%). Differences in the economic growth in countries were mainly driven by direct and indirect consequences of Russia's war in Ukraine, including its impact on trade links, energy, food prices and migration. The economic outlook for the 10 economies remains surrounded by high uncertainty about the war's further impact on growth, employment and social cohesion.

During 2022, countries adopted **fiscal measures** to mitigate the economic impact of the war and of rising energy and food prices. As energy prices have come down substantially from their peak, measures should now be gradually phased out, while ensuring that fiscal consolidation is maintained and social protection is well-targeted to those who need it. Inflation in the Western Balkans, Moldova and Georgia started to slow from its peak in autumn 2022 following a substantial acceleration. In Türkiye, inflation also decelerated in the first half of 2023, after global price pressures coupled with an unorthodox monetary policy triggered a large depreciation in the lira and drove inflation up to a two-decade high (over 85% in October 2022). In Ukraine, disruptions in supply chains, higher production costs and money printing by the National Bank to finance the war led to a strong rise in inflation, reaching a 26.6% peak at end-2022 before starting to ease.

Labour markets in the Western Balkans and Türkiye continue to be characterised by overall low activity (especially among women and young people), high unemployment, and brain drain of skilled workers. Structural mismatches in skills persist, driven by underinvestment in human capital and weak education systems. This requires more active labour market policies, strengthened bipartite and tripartite social dialogue and investments in upskilling and reskilling. In this context, Western Balkan partners committed in 2021 to set up Youth Guarantee schemes following the EU model. As of mid-2023, most of them had established inter-ministerial expert groups to develop implementation plans. Three had already adopted their plans, and some were already starting to pilot the scheme in 2023. The labour markets in Moldova and Georgia performed relatively well in 2022, benefiting from the arrival of qualified refugees fleeing Russia's war against Ukraine and mobilisation in Russia, though structural weaknesses persist. However, high levels of informal employment remain a key issue across all partner countries. In Ukraine, refugee flows and internal displacement, together with the tremendous capital destruction, dramatically affected the labour market, which was already characterised by relatively low activity rate and brain drain. Enormous efforts will be required to rebuild a functioning labour market and address the skills shortage once the war ends. Strengthening of social dialogue, including capacity building for social partners, will be crucial in that respect.

It is increasingly important that all 10 enlargement economies accelerate **structural reforms** to enable a sustainable recovery in the medium term and make progress in meeting the two economic criteria for EU membership: ensuring functioning market economies and demonstrating the capacity to cope with competitive pressure and market forces in the EU.

In terms of **functioning market economies**, none of the Western Balkan countries can currently be considered to have a fully functioning market economy, and the levels of compliance vary despite progress in some countries. While Bosnia and Herzegovina remains at an early stage of preparation with no progress over the last year, most of the other partners made some or good progress in building functioning market economies and reached a moderate or good level of preparation. Türkiye's market economy is well advanced, but serious concerns persist over its functioning as it backslid on key elements, such as the conduct of monetary policy and the institutional and regulatory environment. Steps have been taken since the election to address some of these concerns. Moldova and Ukraine are at an

early stage / some level of preparation, while Georgia is moderately prepared. In terms of their capacity to cope with competitive pressure and market forces, only Türkiye has a good level of preparation. Serbia, Montenegro and North Macedonia are moderately prepared, Albania and Georgia have some level of preparation, Bosnia and Herzegovina and Moldova are at an early stage / have some level of preparation, while Kosovo and Ukraine are at an early stage.

The level of implementation of the jointly agreed policy guidance continued to deteriorate across the Western Balkans and Türkiye, falling from 50.8% in 2020 to 42.9% in 2021 and to 40.8% in 2022. Implementing the policy guidance is key for the countries to further align their economies with the EU's and prepare for their future participation in the European Union's framework for the coordination and surveillance of economic and social policies. There is a need to enhance fiscal sustainability, promote human capital development, and build resilience to future shocks. Efforts should continue in advancing the digital and green transitions, improving the business environment and deepening regional economic integration based on EU standards to attract investment and boost economic growth.

Annex 2. Implementation of the Economic and Investment Plan for the Western Balkans

Implementation of the Economic and Investment Plan (EIP) for the Western Balkans²⁴, adopted on 6 October 2020, is well under way. The plan aims at closer integration and bridging the socio-economic gap between the region and the EU, assisting its green and digital transitions and bringing the Western Balkans closer to the EU single market. The plan is implemented through a package of EUR 9 billion of EU grants and the Western Balkans Guarantee Facility, which is expected to attract up to EUR 20 billion in investments.

The impact of these investments on the region's economy is expected to be amplified by tangible advances in the implementation of the Common Regional Market and the Economic Reform Programmes, as well as continued progress in the areas of the rule of law, public finance management and public administration reform.

To date, the **EU has approved or committed funding of EUR 4.29 billion in grants** and is expected to **leverage more than EUR 10.76 billion in investment** from other sources. This includes funding for 54 flagship projects under the Western Balkans Investment Framework (WBIF), bilateral and multi-country actions under the Instrument for Pre-accession Assistance (IPA) and IPARD (IPA for Rural Development) funding in support of agriculture measures. In addition, the EU has approved the provisioning of 21 guarantees under the European Fund for Sustainable Development (EFSD+), which will leverage significant investment through banks and international financing institutions.

Investing in transport connectivity focuses on developing the necessary infrastructure for road, rail and waterway transport in line with the trans-European transport networks priorities. It also focuses on upgrading and greening existing infrastructure to contribute to smart mobility solutions in line with the Green Agenda.

Key flagship projects approved under the WBIF as part of the EIP focus on: (i) the Corridor X Serbia-Bulgaria railway; (ii) the Peace Highway, connecting Kosovo and Serbia; (iii) the Corridor Vc motorway in Bosnia and Herzegovina, connecting the country with the Adriatic, Hungary and Croatia; (iv) the Blue Highway in Albania; (v) the Corridor VIII motorway in North Macedonia; and (vi) other motorway and railway interconnectors and bypasses in the region.

These projects complement connectivity investments adopted in previous years, several of which have been completed in the past months. These include the Corridor Vc Tarcin motorway section and the Ivan Tunnel in Bosnia and Herzegovina and the Corridor IV Bar-Vrbnica railway section in Montenegro.

In coordination with the Transport Community Treaty Permanent Secretariat, the region also continues to work on reform measures through implementation of five sectoral action plans (rail, road, road safety, transport facilitation, and waterborne transport and multimodality) and the sustainable and smart mobility strategy for the Western Balkans. The 5-year rolling work plan endorsed by the six partners serves as an additional planning tool for the reforms and infrastructure that the region has to prioritise in the coming years.

The implementation of these action plans and the modernisation of existing infrastructure is supported through the safe and sustainable transport programme of EUR 80 million adopted

²⁴ [COM\(2020\) 641 final](#).

by the WBIF Operational Board in June 2023. This funds smart and sustainable mobility solutions through decarbonisation and digitalisation.

Following the successful introduction of ‘green lanes’ in the region during the COVID-19 pandemic, similar green and blue lanes (on maritime crossings) are also being created between the Western Balkans and EU countries as part of the transport facilitation measures. They are currently piloted with Greece, Italy and Croatia, and lanes on the Serbia-Hungary border are under negotiation.

Lastly, as part of the proposal for revision of the Trans-European Transport Network (TEN-T) Regulation, a Western Balkans corridor has been established and included in the comprehensive network and partly in the core network. This demonstrates the EU’s commitment to connectivity in the region, which is seen as an integral part of the EU’s transport network.

In terms of financial assistance for sustainable transport under the EIP, EUR 1.74 billion has so far been approved under the WBIF and committed under bilateral and multi-country IPA programmes. This is expected to leverage an additional EUR 5.7 billion from other sources.

Clean energy transition and connectivity flagship projects focus on investment in renewable energy sources, the energy efficiency ‘renovation wave’ and facilitating the transition from coal. Energy security and diversification of supply are also supported.

In October 2022, the Commission announced a EUR 1 billion Energy Support Package for the region. Half the amount is targeted support to vulnerable social groups and businesses, and the other half is for accelerating the energy transition, especially through investments in energy efficiency measures, diversification of supply and renewables generation. Most of the direct support was disbursed in early 2023, while prioritising and adopting the investments is happening in the course of 2023.

The WBIF Operational Board has so far adopted 18 EIP investment projects focusing on the construction of solar/photovoltaic power plants (e.g. in Albania, Kosovo and North Macedonia), windfarms (e.g. in Serbia), rehabilitation of hydropower plants (e.g. in Albania, Bosnia and Herzegovina, North Macedonia and Serbia), electricity transmission network (e.g. the Trans-Balkan electricity corridor) and energy efficiency. The EU is also supporting and provisioning investments in gas interconnectors to ensure a better diversification of energy sources.

To promote renewable energy and energy efficiency and support progress in renovating public and private buildings, the Commission replenished the regional energy efficiency programme with EUR 100 million through a contribution agreement signed in December 2022. Financing of EUR 45 million for a dedicated guarantee facility for projects related mainly to energy efficiency and renewables received a positive opinion from the WBIF Operational Board in April 2022 and is currently being negotiated.

In December 2022, the Western Balkans adopted 2030 energy and climate targets under the Energy Community Treaty. On this basis, they are currently developing their respective national energy and climate plans setting out the steps to achieve these targets. The Commission and the Energy Community are also engaged with the Western Balkans on developing a regional Emissions Trading System as part of their accession process.

The transition from coal in the region, most of which is heavily reliant on fossil fuels, will be a major socio-economic challenge. The Commission has therefore been supporting the cooperation platform for coal regions in transition in the Western Balkans and Ukraine,

mirroring a similar EU initiative. A whole series of bilateral exchanges with EU regions already took place, while others are being planned.

In terms of financial assistance under the EIP for clean energy, EUR 617 million has so far been adopted under the WBIF and committed under bilateral and multi-country IPA programmes. This is expected to leverage an additional EUR 1.3 billion from other sources.

Furthermore, the WBIF Operational Board issued a positive opinion on the provisioning of six open access guarantees related that are expected to generate significant investments in energy infrastructure, efficiency and transition. The contracts are currently under negotiation.

The EIP priorities on transport and energy complement the efforts in the field of the **environment and climate change**. Together, they contribute to implementing the Green Agenda for the Western Balkans, adopted with the EIP and endorsed by the Western Balkan leaders through the Sofia Declaration in November 2020. The five-pillar agenda relies on regulatory reforms and investments in the region to align it with the ambitions of the European Green Deal, particularly in the areas of energy transition, pollution prevention, the circular economy, biodiversity protection and sustainable food production. The implementation of the agenda is promoted by the EIP flagship projects related to sustainable transport, energy transition and waste and wastewater management.

The region is implementing a detailed action plan for the agenda, endorsed by the leaders at the Brdo summit in October 2021. While the Regional Cooperation Council maintains a key role in the coordination of regional initiatives under the Green Agenda, the Commission concluded a EUR 11 million EU4Green programme with the Austrian Environment Agency to help each partner work on their own strategies and reforms.

In addition to the energy and transport projects mentioned earlier, EU-supported investment in favour of the Green Agenda focus on waste and wastewater management, the circular economy, environmental protection and sustainable agriculture. Under flagship 7, the WBIF Operational Board and the Commission have so far approved financing for seven water and wastewater management investment projects in all six partner countries (including in the capitals Podgorica, Skopje, Belgrade and Sarajevo) and three programmes supporting waste management (in Albania, North Macedonia and Serbia). There is also a series of bilateral programmes on biodiversity and the environmental protection of specific areas (e.g. Lake Prespa). There is also a regional programme to fight pollution in cities by supporting the Covenant of Mayors for Climate and Energy, which helps cities develop plans and implement pilot projects in this area.

The agri-food green transition is largely implemented through IPARD. EUR 152 million has been committed under the EIP so far to support the modernisation of sustainable food production.

In terms of financial assistance for environmental protection and climate change under the EIP, EUR 633 million has so far been adopted under the WBIF and committed under bilateral and multi-country IPA and IPARD programmes. This is expected to leverage an additional EUR 685 million from other sources.

Furthermore, the WBIF Operational Board has issued a positive opinion on the provisioning of four open access guarantees related to the green transition, targeting the sustainable transition of cities, carbon sinks and green bonds. The contracts are being prepared with a view to signature in 2023.

The EIP also supports the region in its **digital transformation** through technical assistance and investment. It focuses on the regulatory reforms conducive to the development of a

digital services market and on promoting investment in innovative digital solutions and digital infrastructure. Two projects have been approved under the WBIF so far, related to broadband in Serbia and ICT laboratories in Albania.

In terms of legal framework reform, the Commission maintains annual regulatory dialogue on digital policy with the region and supports the regular high-level Western Balkans digital summits. At the dialogue on 30 June 2023, Albania, Montenegro, North Macedonia and Serbia signed Association Agreements to the Digital Europe Programme (DIGITAL). Participation in DIGITAL will allow the countries to take part in the network of European Digital Innovation Hubs supporting companies and the public sector in the green and digital transitions. The six countries signed up to the Declaration for the Future of Internet in 2022, which sets out the vision and principles for a trusted internet. The region is also fully associated with the work of the Body of European Regulators for Electronic Communications.

The Commission, together with the Regional Cooperation Council, was instrumental in securing the regional roaming agreement, which introduced a Roam Like at Home scheme in the region on 1 July 2021. The first voluntary reduction of data roaming charges by the leading EU and Western Balkan operators came into force on 1 October 2023. The operators also agreed on a glide path for further reductions in the coming years with a view to bringing the prices close to a Roam Like at Home scheme by 2028.

In parallel, the EU is promoting the development of new digital solutions for various aspects of the Western Balkans' economies, including transport, energy, logistics, government and commerce. A major initiative promoting such solutions is the annual Balkathon, which awards innovative digital transition projects.

A regional programme, EU4Digital, is in preparation. It has a budget of EUR 15 million, and it is planned to be implemented in 3 years. The programme aims to complement the ongoing work of the Common Regional Market – Regional Digital Area, which builds on the objectives of the Digital Agenda for the Western Balkans.

Cybersecurity remains an important element of the EIP. A cybersecurity-needs assessment for the region was completed, and a series of technical assistance events are being held through the Technical Assistance and Information Exchange (TAIEX) instrument, building preparedness for cyber incidents.

In terms of financial assistance for the digital transition under the EIP, more than EUR 50 million has so far been adopted under the WBIF and committed under bilateral and multi-country IPA programmes. This is expected to leverage an additional EUR 240 million from other sources.

Furthermore, the WBIF Operational Board has approved provisioning of one open access guarantee in this field: the Digital Transformation Platform.

Supporting the private sector focuses on targeted funding through dedicated guarantee facilities for small and medium-sized businesses (SMEs) to start up, innovate and become competitive. Similar support is also provided to rural agro-businesses through the IPARD.

The right conditions for the development and growth of the private sector must be created, in particular for micro-, small and medium-sized businesses (MSMEs). This is at the centre of the economic policy dialogue held with the Western Balkan partners annually through the Economic Reform Programmes (ERP) exercise and the resulting economic policy recommendations, aligned with the priorities of the EIP.

Private sector support, especially geared towards fostering innovation and strengthening the dual green and digital transitions, is currently delivered through six dedicated private sector blending schemes: SMEs Go Green, Climate Programme, Green Finance for Inclusion, Sustainable Access to Finance for Entrepreneurship, Go Digital and Green for Growth, promoting green lending.

The Commission also supports the WB6 Chambers Investment Forum to promote the economic interests of the Western Balkans and beyond. It finances, in particular, the regional supplier development programme, which aims to help create links/opportunities for domestic suppliers.

Lastly, the Commission launched a number of initiatives under the Western Balkans Guarantee as part of the broader EFSD+. This includes provisioning 10 guarantee schemes to provide general growth financing for SMEs and an agricultural risk-sharing facility as well as promoting inclusive growth and the dual transitions. These are currently under contracting.

In terms of financial assistance for private sector development under the EIP, EUR 341 million has so far been approved under the WBIF and committed under bilateral and multi-country IPA programmes. This is expected to leverage an additional EUR 2.1 billion from other sources.

The sixth priority area supported by the EIP is **developing human capital and innovation**, including young people, education and embracing innovation. In July 2021, the ministers of the region endorsed a declaration committing their countries to the principles of the European Pillar of Social Rights and implementing the Youth Guarantee flagship of the EIP. The EU-Western Balkans Summit in October 2021 saw the launch of a comprehensive agenda on innovation, research, education, culture, youth and sport (the Innovation Agenda).

The Youth Guarantee is an activation scheme to ensure that young people in the Western Balkans receive a quality offer of employment, continued education, apprenticeship and training within a certain time after becoming unemployed or leaving formal education. The scheme requires reforms and capacity building in education and vocational training, employment, labour services and social protection. All Western Balkan partners, except Bosnia and Herzegovina (where work is under way), have adopted national Youth Guarantee implementation plans and set up coordination mechanisms, and some are already piloting them.

Since late 2022, the EU's peer-to-peer technical assistance facility, SOCIEUX+, has been available to the Western Balkans. It specialises in employment, labour and social protection and provides short-term assistance to partner countries' national and local institutions working in the eligible sectors. There are currently 26 actions ongoing in the Western Balkans, mainly related to social protection and to labour and employment.

The Western Balkans Agenda on Innovation, Research, Education, Culture, Youth and Sport continues to set the Western Balkans on a solid path towards closer cooperation in those policy areas. Numerous cooperation efforts between EU Member States and Western Balkan partners have strengthened key areas such as support to the modernisation of higher education systems, industry cooperation and smart manufacturing, strengthening of innovation eco-systems, training of medical personnel, digitalisation and cyber-security.

The Innovation Agenda's key implementation instrument is the Horizon Europe programme, to which all six Western Balkan partners are now associated. The region has also access to the RTD Policy Support Facility and have increased their engagement and participation in EU research initiatives such as COST and EUREKA. North Macedonia and Serbia are associated with Erasmus+, while other four partners benefit from support of the international

dimension of Erasmus+ programme. Since 2023, the Erasmus+ European Universities initiative is open to the participation of all higher education institutions from the Western Balkans as full partners. European Universities are transnational alliances of higher education institutions developing long-term structural and strategic cooperation, creating the universities of the future and promoting European values and identity. The Western Balkan partners are also fully associated with EU initiatives in the area of culture, including the Creative Europe programme and the New European Bauhaus initiative. This initiative promotes innovation, sustainability, inclusion and aesthetics in infrastructure and other projects and is particularly related to implementation of the Green Agenda.

EU assistance in this field also includes close cooperation with the Western Balkans on health. The region continues to be associated with the work of the EU Health Security Committee and the European Centre for Disease Prevention and Control and has access to joint procurement of medical supplies. The EU is financing a health crisis resilience project in the Western Balkans and an investment project to expand the University Children's Hospital in Belgrade.

In terms of financial assistance for human capital development under the EIP, EUR 368 million has so far been approved under the WBIF and committed under bilateral and multi-country IPA programmes. This is expected to leverage an additional EUR 477 million from other sources.

The EIP's six priorities are underpinned – and their impact amplified – by the region's commitment (and the EU's support) to create a Common Regional Market in the Western Balkans based on the four freedoms of movement. A major breakthrough in late 2022 was the conclusion of three agreements on the freedom of movement of people in the region. Their successful implementation will facilitate travel and the recognition of higher education qualifications and certain professional qualifications. The EU is supporting the development of the Common Market through the Regional Cooperation Council and CEFTA.

Lastly, the success of the Economic and Investment Plan is conditional upon all partners implementing best practices in the rule of law, public finance and investment management and fostering a professional and efficient public administration.

Annex 3. Implementation of the Economic and Investment Plan (EIP) – overview for Ukraine, Moldova, and Georgia

In 2021, the EU and its five Eastern partners launched an **Economic and Investment Plan for the Eastern Partnership**²⁵ (EIP). Its aim is to support economic recovery after 2 years of a socially and economically damaging health crisis. The plan also aims to bring about the green and digital transformations required to build innovative, environmentally sustainable, socially inclusive and resilient economies.

Since the start of Russia’s unprovoked war of aggression against Ukraine, the EIP has gained a whole new socio-economic significance and political relevance. It has become an integral part of the EU’s response to the impact of the war against Ukraine by providing the liquidity and mobilising the investments needed to help the economy of Ukraine – and of Moldova – stay afloat. The EIP is also part of the EU’s support to integrating these two countries – as well as Georgia – into the EU’s economy and energy, digital and transport markets. It is a key mechanism to facilitate their accession efforts and unlock the benefits of European integration.

The plan’s ambition is to mobilise up to EUR 17 billion of investment in the region in 2021-2027 by leveraging EUR 2.3 billion of EU grants and guarantees. Flanking policy measures and technical support are also part of the EIP’s implementation.

As of September 2023, a total amount of EUR 6.2 billion had been mobilised through bilateral and regional grants, blending operations and guarantees in support of EIP priorities in Ukraine, Moldova, and Georgia. EUR 3.5 billion of this amount is to support implementation of country flagship projects. The number of investments mobilised so far under the EIP represents 40% of the target amount of EUR 17 billion of investments to be mobilised. In the first half of 2023, investment mobilised thanks to the plan picked up rapidly. With the conclusion of new guarantee agreements with partner financial institutions under the EFSD+ instrument, implementation of the plan is expected to accelerate further.

Sustainable transport

Sustainable transport connectivity has been a key priority in the region ever since the Eastern Partnership was launched in 2009. In December 2021, the EU and its Eastern partners have renewed their commitment to strengthen core transport links, with a focus on the extended indicative core TEN-T network, including connections across the Black Sea. Improvements to key air, road, rail, maritime and inland waterway connections have a huge potential to stimulate sustainable economic development, market integration and cross-border trade in the region and between the region and the EU. Since 2021, EUR 1.2 billion has been mobilised in support of transport connectivity.

In Ukraine and Moldova, the EU has been living up to its commitment to support the implementation of the EU-Ukraine **Solidarity lanes initiative**. Solidarity lanes are priority transport axes connecting Ukraine and Moldova to the EU. They are the main route to trade in essential goods from and to Ukraine, and they have become a lifeline for the country’s economy. The Commission has been working with EU Member States, Ukraine, Moldova, international partners and companies, as well as transport operators to expand and improve the functioning of the solidarity lanes. The Commission is focusing on reducing transport and logistics costs along the solidarity lanes through streamlined procedures, upgrading the infrastructure and using the full potential of all routes. In this context, nine Connecting

²⁵ [SWD\(2021\) 186 final](#).

Europe Facility projects, for a total EU support of almost EUR 250 million, will upgrade rail and road cross-border points between neighbouring EU Member States (Hungary, Poland, Romania and Slovakia) and Ukraine and Moldova.

In 2022, the Commission worked together with the Moldovan authorities, the European Bank for Reconstruction and Development (EBRD) and the European Investment Bank (EIB) to support the rehabilitation of the **north-south** railway axis. The main objective is to improve the capacity of the Moldovan railway network that covers approximately 128 km on the Vălcineţ-Ocniţa-Ungheni-Chişinău-Căinari corridor, particularly in terms of weight norms and travelling speed. This comes on top of short-term investments aiming to quickly upgrade the main road border crossing point between Ukraine and Slovakia and purchase equipment, such as scanners and generators, for priority border crossing points between Ukraine and EU Member States. The Commission mobilised EUR 20 million in grants through the Foreign Policy Instrument alongside a loan of EUR 12 million from the EBRD.

In Georgia, the EU and the EIB continued to invest in the **east-west highway** with a focus on ‘black spots’, which are sections of the road where the number of road accidents and fatalities is particularly high. The EU and the EIB will continue to support the development of this crucial corridor for a total amount of EUR 446 million (including EUR 16.8 million in grants). In support of flagship 2 in Georgia, the EU also launched a comprehensive feasibility study to assess the commercial viability of additional ferry/feeder lines to link Georgia to Bulgaria through the Black Sea.

In November 2022, Ukraine, Moldova and Georgia became observing participants in the **Transport Community** bodies. This will bring concrete benefits to the countries in terms of **implementation of the relevant EU transport acquis** and the development of the indicative TEN-T network on their territories, as well as the sharing good practices with the Western Balkan regional partners and EU Member States. The Transport Community Treaty (TCT) Permanent Secretariat has already started engaging with the observing participants at various levels to introduce them to the work of the Transport Community, involve them in the work of the TCT technical committees and kick-start the work on some of the major TCT deliverables (such as the action plans on rail, road, road safety, transport facilitation, waterborne transport and multimodality).

Moldova and Ukraine became associated to the Connecting Europe Facility in May and June 2023, respectively. This should lead to strengthened cooperation in the transport sector and support implementation of the extended TEN-T.

Easing access to finance for SMEs

Since the launch of the EIP, the EU has actively supported its Eastern partners’ efforts to kick-start their economies after 2 very difficult years of lockdowns and trade disruption due to COVID-19. The EU has paid particular attention to addressing the financing needs of MSMEs by mobilising EUR 1.5 billion in credit lines and business advisory services to help them restart activity, reclaim foregone market shares and digitalise and modernise their operations. EU-supported credit lines offer better borrowing terms for MSMEs, notably by proposing longer maturities, reduced collateral requirements, tailor-made technical assistance and investment incentives. The EU, in cooperation with BGK, provided Ukraine with a EUR 10 million guarantee to enable renewed lending to SMEs that would not qualify for new financing due to risks related to the ongoing war.

Trade facilitation

In October 2022, the EU launched the **Eastern Partnership Trade Helpdesk**, which aims to facilitate companies’ access to trade-related information. The Helpdesk is an online portal

with detailed access to market information (applicable export and import regulations, tariff and non-tariff measures, duties, taxes, procedures, etc.), trade statistics and analytical insights into the potential of EU and EaP national markets. Surveys of non-tariff measures (regulatory, procedural) have been carried out in each country in order to identify obstacles to trade in goods and services and provide recommendations to overcome them.

Implementation of the **EU4Business: Connecting Companies** project continued in 2022 and early 2023. The project aims to promote trade relations and business partnerships in Eastern partner countries by building bridges between SMEs and business support organisations (BSOs) in the EU and their Eastern Partnership peers. A mobility scheme was developed enabling exchanges between SMEs and BSOs from both regions.

Sustainable energy and decarbonisation of economies

Since the launch of the EIP, significant progress has been made in the crucially important area of sustainable energy, where EUR 1.6 billion of investments have already been mobilised throughout the Eastern Partnership region.

In 2022, the EU4Energy programme continued to support Ukraine, Moldova, and Georgia in building their legal and regulatory energy frameworks. The programme also assisted Eastern partners in creating a conducive environment for the development of renewable energy and greener energy mixes. The programme played a central role in assisting **Ukraine and Moldova** in the European Network of Transmission System Operators post-synchronisation process. It also supported Ukraine in the ongoing reconstruction of its energy system, contributing to the security of supply in the region.

Cooperation with the International Renewable Energy Agency (IRENA) was pursued. This aimed to identify conditions and obstacles to the development and integration of renewable energy sources in the Eastern Partnership countries.

In **Ukraine**, the EU-supported flagship initiative of the Energy Efficiency Fund (EEF) (EUR 104 million covered by the EU) continued to successfully implement its programme of energy efficiency investments in multi-apartment buildings. By the end of March 2023, the EEF engaged almost 80 000 households, with 261 projects fully or partially completed in multi-apartment buildings (over 80% of these have been deep renovations). In 2022, the EEF introduced a new ‘restoration’ programme, which supports fast repairs of non-structurally war-damaged residential buildings.

As part of the Eastern Europe Energy Efficiency and Environment Partnership (E5P), the EU co-financed several EBRD-led projects on energy efficiency and district heating in **Ukraine**. Projects on district heating rehabilitation cover Zhytomyr, Ternopil, Lviv, Lutsk and Chernivtsi with a total budget of around EUR 110 million and an EBRD loan contribution of EUR 48 million. Energy efficiency projects for Dnipro public buildings are ongoing with a budget of EUR 39 million, including a EUR 20 million EBRD loan contribution. A major new programme for renovating public buildings in Ukraine (up to 1 000 hospitals and schools) was launched in March 2023 by the EIB with grants from the EU and the E5P programme. This will now also cover non-energy efficiency aspects like bomb shelters, better fire-safety measures and improved access for disabled persons. An important workstream, which started in 2022 and is still ongoing, includes two EU-funded emergency assistance programmes on housing for internally displaced people.

In **Moldova**, the energy efficiency programme was signed in 2022 (financed by a EUR 15 million grant and two EUR 30 million loans from the EBRD and the EIB). It is the first nationwide energy efficiency initiative in Moldova. The main categories of buildings targeted by the programme are public buildings owned by the state and/or municipalities. The

total investment is estimated at around EUR 94 million. Financed under the E5P programme, the Chişinău energy efficiency in public buildings programme entered its second phase of implementation and aims to refurbish 119 public buildings. The Balti district heating phase 1 (EUR 11 million total budget, EUR 7 million EBRD loan) was completed, and phase 2 is starting (EUR 18 million total budget, EUR 14 million EBRD loan).

In **Georgia**, a twinning project with the energy regulatory commission, implemented by a consortium led by Austria and Germany, ended in April 2023. It covered activities to promote the energy market's development, including promoting the Georgian National Energy and Water Supply Regulator's role in market regulation, renewable energy integration and energy efficiency. In 2021–2022, EU support amounting to EUR 135 million was provided to Moldova to help the most vulnerable segments of the population deal with rising energy costs and to support the country's long-term socio-economic recovery, energy security and energy transition. The **Ukraine** Energy Support Fund, managed by the Energy Community Secretariat and co-chaired by the European Commission, has financed the delivery of advanced gas equipment worth nearly EUR 7.6 million to the Gas Transmission System Operator of Ukraine for the restoration of damaged facilities and those in liberated territories.

In **Georgia**, under the E5P, an energy efficiency project for schools in mountainous regions (EUR 2.6 million grant) was implemented. A parallel programme to improve the energy efficiency of public buildings, supported by a EUR 13 million grant from the EU, is implemented by the KfW and the EBRD.

The **Finance and Technology Transfer Centre for Climate Change – EU4Climate window**, run by the EBRD, helps SMEs and mid-cap companies reduce their impact on the environment as well as their energy and water costs by adopting innovative and green technologies.

The ongoing **EU4Climate** programme has helped partner countries improve policies on climate change mitigation and adaptation and move towards a low-emission and climate-resilient economy in line with the Paris Agreement. A new project with the European Environment Agency as implementing partner has been launched to help **Georgia, Moldova and Ukraine** set up an effective governance system for climate action.

Natural assets management, climate and environment

In 2022, investment in the circular economy benefited from finance unlocked through SME support. This was accompanied by regulatory support and advisory services for businesses, primarily provided through the EU4Environment programme. In Ukraine, the EU continued to support creating extended producer responsibility (EPR) schemes for various waste streams. Furthermore, industrial waste maps were finalised for regions in Georgia and Ukraine. In Moldova, pre-feasibility assessments for transforming the Free Economic Zone Valkanes and the Industrial Park Tracom into eco-industrial parks were completed. In Moldova, an assessment of the existing EPR mechanisms was completed and policy recommendations provided. These included recommendations to improve the legal framework on EPR implementation for waste from electrical and electronic equipment and waste batteries. As concerns regulatory support, Georgia received assistance to update its national waste strategy for 2016-2030 and develop a new national waste management plan for 2022-2026. The government adopted these documents in August 2022. They include updated targets, address issues related to biodegradable and hazardous waste and outline requirements for EPR schemes.

On advisory support, eco-innovation assessments and roadmaps were developed for five SMEs from the wine and clothing sectors in Moldova thanks to cooperation with the Organisation for Entrepreneurship Development. Eight Georgian SMEs from the agriculture and hospitality sectors received similar advisory support. The products of three export-oriented companies in Ukraine and five export-oriented companies in Georgia are being assessed using the product environmental footprint methodology.

Water infrastructure in Ukraine, Moldova and Georgia has been chronically lacking capital investment, maintenance and repair. The EIP aims therefore to further upgrade water supply and sanitation and help put river basin management plans into practice. Several investment projects are under way in Ukraine, Moldova and Georgia with EU support. In the context of Russia's war of aggression, EU funding has helped 6.9 million people in Ukraine regain access to clean water. The EU has leveraged funding for investment in water infrastructure in cooperation with several international financial institutions, including AFD, EIB, EBRD, KfW, and NEFCO.

In order to provide technical support for reform and investment in the water sector, implementation of the EU4Environment – Water and Data programme was launched in early 2022 and produced its first results. The process of national policy dialogues on water was restarted in all partner countries. Under the programme, the development of new river basin management plans was launched in Georgia, and work continued on the Dnipro River basin management plan in Ukraine. Support for identification of investments into forestry, biodiversity and nature protection is at an inception phase. However, advances in that area have been made by Ukraine and Moldova through their accession to the EU's LIFE Programme.

Support to identify investments in forestry and protected areas is at an inception phase.

Digital infrastructure and services

Through the EIP, the EU has committed to mobilising up to **EUR 1.5 billion in public and private investment** to support the digital transformation of the region in line with EU standards. The plan also provides for a set of **flagship initiatives** related to digital connectivity, which have been jointly identified as investment priorities with the Eastern partners. These projects feed into the wider **Global Gateway strategy**.

Since the launch of the EIP, the EU has worked actively with European and international financial institutions, EU Member States and the private sector to support digital projects in the region. This includes the roll-out of fast and affordable internet in rural areas in **Georgia** as well as preparing the groundwork for the construction of a digital cable connecting the EU to Georgia and the South Caucasus region through the Black Sea. The EU's involvement in these projects has been crucial to ensure their compliance with the EU's digital standards, in particular on cybersecurity (5G toolbox) and open access to the internet.

In the field of the **digital economy**, as part of the EU4Digital initiative, nine pilot activities were implemented between EU Member States and Ukraine, Moldova and Georgia on e-commerce, e-customs and e-signature to improve access to the European Union's digital single market. The Commission facilitated concluding **voluntary roaming arrangements** between telecom operators in the EU and in **Ukraine** and **Moldova**, providing tangible benefits to the public and businesses.

Broadband national strategies were developed in **Moldova** and **Georgia** to facilitate investments in high-speed and affordable internet in the region. This included a EUR 70 million co-investment by the EIB and the World Bank in Georgia to roll out broadband in rural communities. The price of international connectivity for research and

education institutions has decreased by 70% in recent years. In addition, two ultra-fast digital highways (up to 400 Gbps) were set up between the EU, **Moldova** and **Ukraine** to facilitate cooperation in research and innovation, including participation in Horizon Europe.

In Ukraine, the additional funding mobilised since the beginning of the Russian aggression has supported the country's resilient digital transformation, including the interoperability of registries, electronic identity aligned with EU standards and data back-ups. Support is also helping align Ukraine's legislation with the relevant EU roaming telecom *acquis* so that the country could join the EU roam like at home area.

Health and health systems

In **Moldova**, an EU-World Health Organization (WHO) vaccine deployment project provided technical support to the Ministry of Health and other stakeholders in developing vaccination service delivery plans, national immunisation contingency plans and a risk assessment in the context of the country welcoming refugees. Resources were allocated to purchase cold chain and IT equipment. This included computers and equipment for the national warehouses and 10 regional vaccine warehouses, and 15 vehicles for supportive supervision visits by the National Agency for Public Health. The EU supported communication campaigns in 10 of the 37 districts with the lowest vaccination coverage.

In **Georgia**, focused technical assistance was provided to develop a protocol for qualitative formative research on immunisation and an integrated training package for healthcare staff on routine immunisation and COVID-19 vaccination. The EU-WHO project also delivered cold chain equipment to strengthen vaccine storage infrastructure at national and district levels.

Human capital

Support to education reform, including primary, higher and vocational education, professional training and lifelong learning, is a key focus of the EIP. Providing opportunities for youth and student exchanges (e.g. through Erasmus+) and stronger investment in research capacity are central parts of the EIP's support to human capital development.

On student exchanges, 3 507 students from Ukraine, Moldova and Georgia were able to study in universities from the EU in 2022, and 429 students could study in one of the three countries' universities. A total of 2 504 academic staff were able to spend time in another European university, and 1 864 academic staff spent time in one of the three countries' universities.

In **Ukraine**, the EU has been supporting the education sector a long time, roughly divided into four areas: support to primary/secondary education and the 'New Ukrainian School' reform (EUR 2 million); support to vocational education and training (VET) reforms (EUR 16 million as technical assistance) and refurbishment (EUR 21 million); and support to higher education through grants to universities displaced in 2014 due to the Russian aggression in the east of Ukraine (various grants, EUR 10 million).

The Russian war of aggression against Ukraine has led to a **readjustment of existing support** and additional priorities to allow for emergency support (for instance, electricity generators for VET schools). In addition, the EU has: (i) rehabilitated school facilities – EUR 66 million provided in budget support (alongside EUR 34 million via European Commission-managed projects); (ii) procured school buses (EUR 14 million); and (iii) under U-LEAD with Europe Phase II: Local School Rehabilitation for Resilience, provided EUR 5 million to make war-affected municipalities resilient providers of local public services, in particular education, to mitigate the local impact of the Russian war of aggression against Ukraine.

In 2022, the EU allocated EUR 12 million in support of education and employment in Moldova, of which EUR 10 million focused on education to improve the quality and relevance of education and lifelong learning opportunities for all. The other amount of EUR 2 million aimed to improve the legal framework, policies and capacity for increased access to the labour market and better working conditions in the country.

In Georgia, the skills development and matching labour market needs programme (EUR 48.5 million) aims to support the strengthening of skills to match the private sector's needs by increasing the quality of VET. In 2022, EUR 7 million was disbursed under the budget support part of this programme. Particular progress was made with the introduction of a new methodology for VET qualification development to bring Georgia's system closer to EU and international standards.

Indexes	THIRD PARTY INDICATORS RELATED TO THE STATUS OF DEMOCRACY, GOOD GOVERNANCE AND THE RULE OF LAW IN CANDIDATE COUNTRIES AND POTENTIAL CANDIDATES ²⁶									
	Albania	Bosnia and Herzegovina	Kosovo	North Macedonia	Montenegro	Serbia	Türkiye	Georgia	Moldova	Ukraine
Nations in Transit 2023 - Democracy Scores, Freedom House https://freedomhouse.org/countries/nations-transit/scores	Total score: 46/100 (2022: 46/100) Status: Transitional or Hybrid Regime (2022: Transitional or Hybrid Regime)	Total score: 37/100 (2022: 38/100) Status: Transitional or Hybrid Regime (2022: Transitional or Hybrid Regime)	Total score: 38/100 (2022: 38/100) Status: Transitional or Hybrid Regime (2022: Transitional or Hybrid Regime)	Total score: 48/100 (2022: 47/100) Status: Transitional or Hybrid Regime (2022: Transitional or Hybrid Regime)	Total score: 46/100 (2022: 47/100) Status: Transitional or Hybrid Regime (2022: Transitional or Hybrid Regime)	Total score: 46/100 (2022: 46/100) Status: Transitional or Hybrid Regime (2022: Transitional or Hybrid Regime)	n/a	Total score: 34/100 (2022: 35/100) Status: Transitional or Hybrid Regime (2022: Transitional or Hybrid Regime)	Total score: 36/100 (2022: 35/100) Status: Transitional or Hybrid Regime (2022: Transitional or Hybrid Regime)	Total score: 39/100 (2022: 39/100) Status: Transitional or Hybrid Regime (2022: Transitional or Hybrid Regime)
Freedom in the World 2023 - Global Freedom Score, Freedom House https://freedomhouse.org/countries/freedom-world/scores	Total score: 67/100 (2022: 67/100) Status: Partly free (2022: Partly free)	Total score: 52/100 (2022: 53/100) Status: Partly free (2022: Partly free)	Total score: 60/100 (2022: 56/100) Status: Partly free (2022: Partly free)	Total score: 68/100 (2022: 67/100) Status: Partly free (2022: Partly free)	Total score: 67/100 (2022: 67/100) Status: Partly free (2022: Partly free)	Total score: 60/100 (2022: 62/100) Status: Partly free (2022: Partly free)	Total score: 32/100 (2022: 32/100) Status: Not free (2022: Not free)	Total score: 58/100 (2022: 58/100) Status: Partly free (2022: Partly free)	Total score: 62/100 (2022: 62/100) Status: Partly free (2022: Partly free)	Total score: 50/100 (2022: 61/100) Status: Partly free (2022: Partly free)
Democracy Index 2022 - The Economist Intelligence Unit https://www.eiu.com/n/campaigns/democracy-index-2022/	Overall Score: 6.41/10 (2021: 6.11/10) Rank: 64/167 (2021: 68/167) Regime type: Flawed democracy (2021: Flawed democracy)	Overall Score: 5.00/10 (2021: 5.04/10) Rank: 97/167 (2021: 95/167) Regime type: Hybrid regime (2021: Hybrid regime)	n/a	Overall Score: 6.10/10 (2021: 6.03/10) Rank: 72/167 (2021: 73/167) Regime type: Flawed democracy (2021: Flawed democracy)	Overall Score: 6.45/10 (2021: 6.02/10) Rank: 61/167 (2021: 74/167) Regime type: Flawed democracy (2021: Flawed democracy)	Overall Score: 6.33/10 (2021: 6.36/10) Rank: 68/167 (2021: 63/167) Regime type: Flawed democracy (2021: Flawed democracy)	Overall Score: 4.35/10 (2021: 4.35/10) Rank: 103/167 (2021: 103/167) Regime type: Hybrid regime (2021: Hybrid regime)	Overall Score: 5.20/10 (2021: 5.12/10) Rank: 90/167 (2021: 91/167) Regime type: Hybrid regime (2021: Hybrid regime)	Overall Score: 6.23/10 (2021: 6.10/10) Rank: 69/167 (2021: 69/167) Regime type: Flawed democracy (2021: Flawed democracy)	Overall Score: 5.42/10 (2021: 5.57/10) Rank: 87/167 (2021: 86/167) Regime type: Hybrid regime (2021: Hybrid regime)

²⁶ The table presents the latest available ranking and/or scores by third parties. Additional reference to data from previous assessment is shown in between parenthesis, when available.

World Press Freedom Index 2023 - Reporters without borders https://rsf.org/en/index	Global Score: 57.86/100 (2022: 56.41/100) Rank: 96/180 (2022: 103/180)	Global Score: 65.43/100 (2022: 65.64/100) Rank: 64/180 (2022: 67/180)	Global Score: 68.38/100 (2022: 67.00/100) Rank: 56/180 (2022: 61/180)	Global Score: 74.35/100 (2022: 68.44/100) Rank: 38/180 (2022: 57/180)	Global Score: 74.28/100 (2022: 66.54/100) Rank: 39/180 (2022: 63/180)	Global Score: 59.16/100 (2022: 61.51/100) Rank: 91/180 (2022: 79/180)	Global Score: 33.97/100 (2022: 41.25/100) Rank: 165/180 (2022: 149/180)	Global Score: 61.69/100 (2022: 59.30/100) Rank: 77/180 (2022: 89/180)	Global Score: 77.62/100 (2022: 73.47/100) Rank: 28/180 (2022: 40/180)	Global Score: 61.19/100 (2022: 55.76/100) Rank: 79/180 (2022: 106/180)
Rule of Law Index 2022 - World Justice Project https://worldjusticeproject.org/rule-of-law-index/global/2022/	Overall Score: 0.49/1 (2021: 0.49/1) Global Rank: 87/140 (2021: 83/139)	Overall Score: 0.52/1 (2021: 0.52/1) Global Rank: 70/140 (2021: 72/139)	Overall Score: 0.56/1 (2021: 0.55/1) Global Rank: 57/140 (2021: 60/139)	Overall Score: 0.53/1 (2021: 0.53/1) Global Rank: 63/140 (2021: 64/139)	n/a	Overall Score: 0.49/1 (2021: 0.49/1) Global Rank: 83/140 (2021: 81/139)	Overall Score: 0.42/1 (2021: 0.42/1) Global Rank: 116/140 (2021: 117/139)	Overall Score: 0.60/1 (2021: 0.61/1) Global Rank: 49/140 (2021: 49/139)	Overall Score: 0.52/1 (2021: 0.51/1) Global Rank: 68/140 (2021: 73/139)	Overall Score: 0.50/1 (2021: 0.51/1) Global Rank: 76/140 (2021: 74/139)
Worldwide Governance Indicators 2022 – Rule of Law, The World Bank Group http://info.worldbank.org/governance/wgi/	Percentile Rank: 47.17/100	Percentile Rank: 41.5/100	Percentile Rank: 39.62/100	Percentile Rank: 50.00/100	Percentile Rank: 48.58/100	Percentile Rank: 49.06/100	Percentile Rank: 36.79/100	Percentile Rank: 56.60/100	Percentile Rank: 41.98/100	Percentile Rank: 18.87/100
Worldwide Governance Indicators 2022 – Governance Effectiveness, The World Bank Group http://info.worldbank.org/governance/wgi/	Percentile Rank: 56.60/100	Percentile Rank: 12.74/100	Percentile Rank: 44.34/100	Percentile Rank: 49.53/100	Percentile Rank: 51.42/100	Percentile Rank: 57.08/100	Percentile Rank: 43.87/100	Percentile Rank: 72.64/100	Percentile Rank: 40.57/100	Percentile Rank: 33.02/100
Worldwide Governance Indicators 2022 – Control of Corruption, The World Bank Group http://info.worldbank.org/governance/wgi/	Percentile Rank: 38.68/100	Percentile Rank: 25.94/100	Percentile Rank: 47.17/100	Percentile Rank: 43.87/100	Percentile Rank: 50.94/100	Percentile Rank: 35.38/100	Percentile Rank: 34.91/100	Percentile Rank: 72.17/100	Percentile Rank: 42.92/100	Percentile Rank: 29.25/100

Corruption Perceptions Index 2022 - Transparency International https://www.transparencv.org/en/cpi/2022	Score: 36/100 (2021: 35/100) Rank: 101/180 (2021: 110/180)	Score: 34/100 (2021: 35/100) Rank: 110/180 (2021: 110/180)	Score: 41/100 (2021: 39/100) Rank: 84/180 (2021: 87/180)	Score: 40/100 (2021: 39/100) Rank: 85/180 (2021: 87/180)	Score: 45/100 (2021: 46/100) Rank: 65/180 (2021: 64/180)	Score: 36/100 (2021: 38/100) Rank: 101/180 (2021: 96/180)	Score: 36/100 (2021: 38/100) Rank: 101/180 (2021: 96/180)	Score: 56/100 (2021: 55/100) Rank: 41/180 (2021: 45/180)	Score: 39/100 (2021: 36/100) Rank: 91/180 (2021: 105/180)	Score: 33/100 (2021: 32/100) Rank: 116/180 (2021: 122/180)
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STATISTICAL DATA (as of 31/08/2023), part 1 (Albania – Montenegro)

Demography	Note	Albania		Bosnia and Herzegovina		Kosovo		North Macedonia		Montenegro		EU-27	
		2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
Total population (thousands)		2 846 s	2 830 s	:	:	1 782 s	1 798 s	2 076 s	2 069 s	622 s	621 s	447 485 s	447 001 bps
Share of 15-64 in total population (%)		68.4 s	68.2 s	:	:	67.1 s	67.3 s	69.3 s	69.1 s	66.5 s	66.2 s	64.3 ps	64.1 bps
Crude rate of natural population change (per 1 000 inhabitants)		0.2	- 1.2	:	:	7.4 ep	:	- 3.2	- 5.1	- 0.3	- 3.4	- 2.5 ep	- 2.7 bep
Life expectancy at birth, males (years)		75.2	73.6	:	:	:	:	72.2	71.1 b	73.2	70.8	77.5 ep	77.2 bep
Life expectancy at birth, females (years)		79.6	77.7	:	:	:	:	76.7	75.5 b	78.8	77.0	83.2 ep	82.9 bep

Labour market	Note	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
Economic activity rate for persons aged 20-64: proportion of the population aged 20-64 that is economically active (%)													
Total	1) 2) 3) 4) 5) 6) 7)	75.3 ew	75.1 ew	62.3 bw	63.4 bw	42.9 w	43.9 w	70.5	70.5 w	67.2	64.7 w	77.6	78.4 b
Males	1) 2) 3) 4) 5) 6) 7)	83.9 ew	84.2 ew	75.4 bw	76.7 bw	63.0 w	63.8 w	82.5	83.2 w	74.6	71.7 w	83.6	84.0 b
Females	1) 2) 3) 4) 5) 6) 7)	66.9 ew	66.3 ew	49.1 bw	50.0 bw	23.1 w	24.4 w	58.2	57.4 w	59.9	57.8 w	71.7	72.9 b
Employment rates, aged 20-64 (% of the population)													
Total	1) 2) 3) 4) 5) 6)	66.3 ew	66.3 ew	52.5 bw	52.6 bw	32.3 w	35.1 w	59.1	59.5 w	55.2	54.2 w	72.2	73.1 b
Males	1) 2) 3) 4) 5) 6)	74.0 ew	74.6 ew	64.9 bw	66.0 bw	48.8 w	51.9 w	68.9	69.5 w	61.7	59.8 w	78.0	78.5 b
Females	1) 2) 3) 4) 5) 6)	58.8 ew	58.3 ew	40.0 bw	39.1 bw	16.0 w	18.5 w	49.0	49.2 w	48.8	48.7 w	66.5	67.6 b
Persons aged 15-24 not in employment, education or training, % of the population in the age group	1) 2) 8) 5) 4) 9)	26.6 w	24.0 w	21.6 w	19.9 w	33.6 w	32.1 w	19.6	17.9 w	21.1	20.2 w	11.1	10.8 b

Labour market (cont.)	Note	Albania		Bosnia and Herzegovina		Kosovo		North Macedonia		Montenegro		EU-27	
		2020	2021	2020	2021	2020	2021	2019	2020	2021	2020	2021	2020
Persons aged 15-29 not in employment, education or training, % of the population in the age group	1) 2) 8) 5) 4) 9)	27.9 w	26.1 w	25.9 w	25.1 w	40.4 w	36.6 w	26.2	24.3 w	26.6	26.5 w	13.8	13.1 b
Employment by main sectors													
Agriculture, forestry and fisheries (%)	1) 2) 3) 4) 5) 6) 10)	36.1 ew	33.8 ew	12.0 bw	9.4 bw	4.8 w	2.8 w	12.0 s	11.5 w	7.5 s	6.4 w	4.3 s	3.8 bs
Industry (%)	1) 2) 3) 4) 5) 6) 10)	13.4 ew	13.8 ew	23.9 bw	24.4 bw	16.3 w	14.8 w	23.9 s	23.9 w	10.1 s	10.2 w	18.2 s	18.0 bs
Construction (%)	1) 2) 3) 4) 5) 6) 10)	7.0 ew	8.1 ew	9.5 bw	9.1 bw	11.1 w	10.5 w	6.9 s	6.8 w	8.3 s	6.7 w	6.6 s	6.6 bs
Services (%)	1) 2) 3) 4) 5) 6) 10)	43.5 ew	44.3 ew	54.7 bw	57.0 bw	67.9 w	71.9 w	57.1 s	57.7 w	73.5 s	76.7 w	70.1 s	70.9 bs
People employed in the public sector as a share of total employment, persons aged 20-64 (%)	11) 12) 13) 5) 4)	15.5 ew	16.3 ew	19.1 bw	19.8 bw	28.7 w	28.3 w	24.4 w	25.6 w	30.5 w	32.7 w	:	:
People employed in the private sector as a share of total employment, persons aged 20-64 (%)	14) 1) 13) 2) 5)	84.5 ew	83.7 ew	80.9 bw	80.2 bw	71.3 w	71.7 w	75.6 w	74.4 w	65.6 w	63.7 w	:	:
Unemployment rates (% of the labour force)													
Total	1) 2) 3) 4) 5) 6) 15) 16)	11.8 ew	11.6 ew	15.9 bw	17.4 bw	25.8 w	20.6 w	16.4	15.7 w	17.9	16.6 w	7.1	7.1 b
Males	1) 2) 3) 4) 5) 6) 15) 16)	11.6 ew	11.4 ew	14.2 bw	14.4 bw	23.4 w	18.9 w	16.7	16.4 w	17.5	17.1 w	6.8	6.8 b
Females	1) 2) 3) 4) 5) 6) 15) 16)	12.0 ew	11.8 ew	18.6 bw	22.0 bw	32.2 w	24.9 w	15.9	14.6 w	18.4	15.9 w	7.4	7.4 b
Youth, aged 15-24	1) 2) 3) 4) 5) 6)	26.5 ew	27.1 ew	36.6 bw	38.3 bw	49.1 w	38.0 w	35.7	36.4 w	36.0	37.1 w	16.8	16.7 b
Long-term (>12 months)	1) 2) 3) 4) 5) 6) 15) 16)	7.0 ew	7.3 ew	11.9 bw	13.7 bw	18.4 w	14.5 w	12.4	12.5 w	13.4	11.0 w	2.5	2.8
Average nominal monthly wages and salaries (EUR)	17) 18) 19) 20) 21) 6)	434 sw	474 sw	489 sw	510 sw	466 sw	484 sw	441 sw	466 sw	524 sw	532 sw	:	:

Education	Note	Albania		Bosnia and Herzegovina		Kosovo		North Macedonia		Montenegro		EU-27	
		2020	2021	2020	2021	2020	2021	2019	2020	2021	2020	2021	2020
Early leavers from education and training: percentage of the population aged 18-24 with at most a lower secondary education and not in further education or training (%)	1) 2) 8) 5) 4)	15.6 w	17.4 w	4.7 w	4.7 w	7.8 w	7.0 w	5.7	4.6 w	3.6	6.7 w	9.9	9.8 b
Public expenditure on education relative to GDP (%)	6) 22) 23)	3.3 psw	3.1 sw	4.3 sw	:	4.6 sw	4.3 sw	:	:	:	:	5.0 d	:
Percentage of the population aged 20-24 with at most lower secondary education, total	1) 2) 3) 4) 5) 6) 24)	17.9 w	17.2 w	5.8 bw	6.1 bw	10.2 w	9.8 w	6.1	4.9 w	:	2.8 w	15.7	15.6 b
Percentage of the population aged 20-24 with at most lower secondary education, males	1) 2) 3) 4) 5) 6)	18.5 w	18.4 w	5.8 bw	6.8 bw	9.1 w	10.3 w	5.9	4.9 w	:	3.4 w	18.5	18.1 b
Percentage of the population aged 20-24 with at most lower secondary education, females	1) 2) 3) 4) 5) 6)	17.4 w	16.1 w	5.9 bw	5.3 bw	11.5 w	9.4 w	6.2	4.9 w	:	2.2 w	12.9	12.9 b
Percentage of the population aged 20-24 with upper secondary or post secondary non-tertiary education, total	1) 2) 3) 4) 5) 6)	51.5 w	56.3 w	84.2 bw	84.5 bw	78.8 w	75.6 w	85.2	88.8 w	83.3	85.2 w	66.8	65.7 b
Percentage of the population aged 20-24 with upper secondary or post secondary non-tertiary education, males	1) 2) 3) 4) 5) 6)	60.2 w	65.0 w	86.1 bw	86.5 bw	83.1 w	78.4 w	89.0	91.8 w	85.7	87.6 w	67.5	66.3 b
Percentage of the population aged 20-24 with upper secondary or post secondary non-tertiary education, females	1) 2) 3) 4) 5) 6)	42.4 w	48.1 w	82.3 bw	82.4 bw	73.8 w	72.6 w	81.1	85.7 w	80.6	82.6 w	66.0	65.1 b
Percentage of the population aged 30-34 with tertiary education, total	1) 2) 3) 4) 5) 6)	33.2 ew	32.1 ew	28.4 bw	28.8 bw	29.1 w	32.3 w	39.7	36.9 w	38.4	39.0 w	41.1	41.9 b
Percentage of the population aged 30-34 with tertiary education, males	1) 2) 3) 4) 5) 6)	26.7 ew	25.4 ew	23.2 bw	23.9 bw	28.1 w	30.8 w	34.3	31.8 w	35.1	34.9 w	36.0	36.6 b
Percentage of the population aged 30-34 with tertiary education, females	1) 2) 3) 4) 5) 6)	40.0 ew	39.3 ew	34.0 bw	34.0 bw	30.3 w	34.0 w	45.3	42.3 w	41.7	43.0 w	46.2	47.2 b

National accounts	Note	Albania		Bosnia and Herzegovina		Kosovo		North Macedonia		Montenegro		EU-27	
		2020	2021	2020	2021	2020	2021	2019	2020	2021	2020	2021	2020
Gross domestic product													
In current prices (EUR million)	6) 23)	13 310	15 157 p	17 756	19 995	6 772	7 958	10 852	11 688 p	4 186	4 955	13 471 071	14 567 204
Per capita (EUR)	6) 23)	4 690	5 390 p	:	:	3 800 s	4 426 s	5 240 e	5 672 sw	6 740	8 000	30 050	32 520
In purchasing power standards (PPS) per capita		9 213	10 296 p	10 200	:	:	:	11 349 e	:	13 436	15 538	30 054	32 524
In purchasing power standards (PPS) per capita, relative to the EU average (EU-27 = 100)		30.7	31.7	33.1 s	:	:	:	37.8	:	44.7	47.8	100	100
Real (volume) annual rate of change, compared with the previous year (%)	6) 23)	- 3.5 p	:	- 3.0	7.4	- 5.3	10.7	- 4.7	3.9 p	- 15.3	13.0	- 5.6	5.6
Gross value added by main sectors													
Agriculture, forestry and fisheries (%)	6) 23) 25)	21.9	21.1 p	7.0	6.0	8.9	8.6	9.8	8.4 p	9.1	8.0	1.8	1.8
Industry (%)	6) 23) 25)	12.8	12.9 p	22.8	24.5	24.1	23.6	19.8	19.6 p	13.5	12.5	19.7	20.0
Construction (%)	6) 23) 25)	10.2	10.9 p	5.4	5.1	9.3	10.6	6.0	6.3 p	7.3	5.8	5.5	5.5
Services (%)	6) 23) 25)	55.2 s	55.2 ps	64.7 s	64.3 s	57.7 s	57.2 s	64.3 s	65.8 ps	70.0 s	73.8 s	73.0 s	72.7 s

Balance of payments	Note	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
Net (inward - outward) foreign direct investment (FDI) (million euro)	63) 64) 59) 65) 66)	893.6 s	988.8 s	322.2 w	459.8 w	286.6 w	320.4 w	154.7 w	387.5 w	470.5 w	581.6 w	c	- 318 026.0 s
Net (inward - outward) foreign direct investment (FDI) (% of GDP)	63) 64) 67) 23)	6.71 s	6.52 ps	1.84 sw	2.41 sw	4.23 s	4.03 s	1.45 psw	3.32 ps	11.24 sw	11.74 sw	c	- 2.18 s
Net (inward - outward) foreign direct investment (FDI) in relation to EU-27 (million euro)	68) 59) 65) 69) 66)	506.8 s	652.5 s	226.3 w	186.8 w	135.6 s	189.1 s	11.1 w	390.0 s	92.9 w	180.1 w	c	- 56 205.8 s
Net (inward - outward) foreign direct investment (FDI) in relation to EU-27 (% of GDP)	68) 70) 23)	3.81 s	4.30 sp	1.29 sw	0.98 sw	2.00 s	2.38 s	0.10 psw	3.34 sp	2.22 sw	3.64 sw	c	- 0.39 s
Remittances as % of GDP	71) 72) 23)	5.06 s	5.02 ps	7.26 s	7.78 s	14.47 s	14.49 s	3.07 s	2.95 ps	6.26 s	6.82 s	0.15 s	0.14 s

External trade in goods	Note	Albania		Bosnia and Herzegovina		Kosovo		North Macedonia		Montenegro		EU-27	
		2020	2021	2020	2021	2020	2021	2019	2020	2021	2020	2021	2020
Share of exports to EU-27 countries in value of total exports (%)	26) 27)	74.7 s	72.2 s	72.4 s	72.8 s	34.5 s	31.5 s	77.5 s	77.1 s	37.7 s	31.1 s	:	:
Share of imports from EU-27 countries in value of total imports (%)	26) 27)	57.9 s	54.4 s	60.8 s	58.9 s	45.8 s	44.3 s	46.3 s	46.2 s	44.2 s	45.7 s	:	:
Trade balance (EUR million)	26) 28) 27)	- 2 670	- 3 533	- 3 254	- 3 744	- 2 822	- 3 929	- 1 818	- 2 678	- 1 739	- 2 067	215 288	55 040
International trade in goods and services relative to GDP													
Imports (% of GDP)	6) 23)	37.2	44.7 p	47.9	53.9	53.9	65.2	70.5	82.3 p	61.0	62.2	42.8	46.7
Exports (% of GDP)	6) 23)	22.7	31.3 p	34.2	42.2	21.7	33.4	57.8	66.2 p	26.0	42.8	46.4	50.5
Public finance	Note	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
General government surplus (+) / deficit (-) (%)	29) 30) 31) 23)	- 6.8 w	- 6.8 fw	- 5.3 w	:	- 5.2 w	:	- 8.1 w	:	- 10.7 ew	:	- 6.7	- 4.8
General government debt (%)	32) 29) 33) 31) 34) 23)	72.7 w	76.7 fw	36.6 w	w	21.8 w	:	51.2 w	:	103.1 w	:	90.0	88.0

Financial indicators	Note	Albania		Bosnia and Herzegovina		Kosovo		North Macedonia		Montenegro		EU-27	
		2020	2021	2020	2021	2020	2021	2019	2020	2021	2020	2021	2020
Annual change in consumer prices (%)	35) 36) 37) 38)	2.2 d	2.3 d	- 1.1 w	2.0 w	0.2 d	3.4 d	1.2 d	3.4 d	- 0.5 d	2.5 d	0.7	2.9
Private debt, consolidated, relative to GDP (%)	39) 40)	:	:	- 1.2 w	:	:	:	:	:	:	:	:	:
Total external debt, relative to GDP (%)	41) 42) 43) 44) 23)	64.2 s	64.4 ps	64.3 sw	60.1 sw	37.2 sw	37.4 sw	78.7 s	81.9 ps	221.6 s	191.5 s	:	:
Total debt in foreign currency, relative to GDP (%)	45)	66 w	:	:	:	:	:	:	:	17 w	:	:	:
Lending interest rate (one year), per annum (%)	46) 47) 48) 49) 50) 51) 52)	6.05 w	5.91 w	3.05 w	3.20 w	6.21 w	5.96 w	2.00 w	1.75 w	5.84 w	5.66 w	:	:
Deposit interest rate (one year), per annum (%)	46) 53) 48) 54) 55) 50) 56) 57)	0.40 w	0.48 w	0.07 w	0.05 w	1.49 w	1.33 w	0.15 w	0.15 w	0.40 w	0.35 w	:	:
Value of reserve assets (including gold) (million euro)	48) 41) 42) 43) 58) 59)	3 942.4 w	4 972.2 w	7 091.0 w	8 359.1 w	900.8 w	1 100.3 w	3 359.9 w	3 643.3 w	1 738.5 w	1 748.8 w	:	:
International reserves - equivalence in months of imports	60) 48) 41) 42) 61) 62)	9.6 sw	17.0 sw	10.0 sw	:	3.0 sw	:	5.3 sw	:	8.2 sw	:	:	:

Business	Note	Albania		Bosnia and Herzegovina		Kosovo		North Macedonia		Montenegro		EU-27	
		2020	2021	2020	2021	2020	2021	2019	2020	2021	2020	2021	2020
Industrial production index (2015 = 100)	73) 74) 75) 76)	89.5 w	113.0 w	96.7	106.2	:	:	102.4	103.9	105.8	110.3	98.5	107.5

Infrastructure	Note	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
Density of railway network (lines in operation per thousand km ²)	77) 78) 79) 80) 81) 82)	7.8 sw	7.8 s	19.9 sw	19.9 sw	30.5 sw	30.5 sw	26.9 s	26.9 s	18.0 s	18.0 s	:	:
Length of motorways (kilometres)	83)	22	25	218	218	137 w	137 w	335	335	z	z	:	:

Energy	Note	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
Net energy imports in relation to GDP	84)	1.7 s	2.7 ps	2.7 s	3.5 s	4.2 s	6.7 s	4.8 s	7.7 ps	2.6 s	4.1 s	1.6 s	2.7 s

STATISTICAL DATA (as of 31/08/2023), part 2 (Serbia – Ukraine)

Demography	Note	Serbia		Türkiye		Georgia		Moldova		Ukraine		EU-27	
		2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
Total population (thousands)		6 927 s	6 872 s	83 155 s	83 614 s	3 717 s	3 729 s	2 640 s	2 597 ps	41 733 s	41 419 s	447 485 s	447 001 bps
Share of 15-64 in total population (%)		64.8 s	64.5 s	67.8 s	67.7 s	64.5 s	64.2 s	:	66.7 ps	67.6 s	67.4 s	64.3 ps	64.1 bps
Crude rate of natural population change (per 1 000 inhabitants)		- 8.0	- 10.9	:	:	- 1.1	- 3.8	- 3.8 ep	:	- 7.8	- 10.7 e	- 2.5 ep	- 2.7 bep
Life expectancy at birth, males (years)		71.6	70.0	:	:	:	:	:	:	:	:	77.5 ep	77.2 bep
Life expectancy at birth, females (years)		77.5	75.7	:	:	:	:	:	:	:	:	83.2 ep	82.9 bep

Labour market	Note	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
Economic activity rate for persons aged 20-64: proportion of the population aged 20-64 that is economically active (%)													
Total	1) 2) 3) 4) 5) 6) 7)	72.5	75.0 b	58.7	61.2 bw	63.2 bw	64.5 w	51.1 w	52.8 w	72.0 w	71.9 w	77.6	78.4 b
Males	1) 2) 3) 4) 5) 6) 7)	79.9	82.6 b	79.8	82.3 bw	74.0 bw	76.2 w	55.5 w	57.8 w	78.4 w	78.2 w	83.6	84.0 b
Females	1) 2) 3) 4) 5) 6) 7)	65.2	67.4 b	37.5	40.0 bw	52.8 bw	53.4 w	47.0 w	48.1 w	66.0 w	66.0 w	71.7	72.9 b
Employment rates, aged 20-64 (% of the population)													
Total	1) 2) 3) 4) 5) 6)	65.9	66.7 b	51.0	53.9 bw	51.1 bw	50.6 w	49.1 w	51.1 w	65.2 w	64.8 w	72.2	73.1 b
Males	1) 2) 3) 4) 5) 6)	72.9	74.2 b	70.1	73.6 bw	58.7 bw	58.1 w	53.1 w	55.6 w	70.8 w	70.8 w	78.0	78.5 b
Females	1) 2) 3) 4) 5) 6)	58.9	59.3 b	32.0	34.1 bw	43.9 bw	43.5 w	45.5 w	46.9 w	60.0 w	59.3 w	66.5	67.6 b
Persons aged 15-24 not in employment, education or training, % of the population in the age group	1) 2) 8) 5) 4) 9)	15.9	16.4 b	28.3	24.7 bw	28.5 bw	26.8 w	17.6 w	17.2 w	15.5 w	14.3 w	11.1	10.8 b

Labour market (cont.)	Note	Serbia		Türkiye		Georgia		Moldova		Ukraine		EU-27	
		2020	2021	2020	2021	2020	2021	2019	2020	2021	2020	2021	2020
Persons aged 15-29 not in employment, education or training, % of the population in the age group	1) 2) 8) 5) 4) 9)	20.0	18.8 b	32.0	28.4 bw	35.1 bw	34.6 w	26.0 w	26.4 w	20.0 w	19.8 w	13.8	13.1 b
Employment by main sectors													
Agriculture, forestry and fisheries (%)	1) 2) 3) 4) 5) 6) 10)	14.6 s	15.0 bs	17.6 s	17.2 bw	19.8 bw	18.9 w	21.1 w	21.5 w	14.1 w	14.1 w	4.3 s	3.8 bs
Industry (%)	1) 2) 3) 4) 5) 6) 10)	22.6 s	23.7 bs	20.5 s	21.3 bw	11.4 bw	11.3 w	14.6 w	14.4 w	17.8 w	18.2 w	18.2 s	18.0 bs
Construction (%)	1) 2) 3) 4) 5) 6) 10)	5.4 s	6.0 bs	5.7 s	6.2 bw	6.9 bw	7.8 w	7.2 w	7.7 w	7.0 w	7.0 w	6.6 s	6.6 bs
Services (%)	1) 2) 3) 4) 5) 6) 10)	57.5 s	55.3 bs	56.2 s	55.3 bw	61.9 bw	62.1 w	57.1 w	56.4 w	61.1 w	60.7 w	70.1 s	70.9 bs
People employed in the public sector as a share of total employment, persons aged 20-64 (%)	11) 12) 13) 5) 4)	26.4 w	25.8 w	17.7 w	16.9 bw	23.5 bw	24.3 w	29.6 w	28.6 w	:	:	:	:
People employed in the private sector as a share of total employment, persons aged 20-64 (%)	14) 1) 13) 2) 5)	73.6 w	74.2 w	82.3 w	83.1 bw	76.5 bw	75.7 w	70.4 w	71.4 w	:	:	:	:
Unemployment rates (% of the labour force)													
Total	1) 2) 3) 4) 5) 6) 15) 16)	9.1	11.1 b	13.2	12.0 bw	18.5 bw	20.6 w	3.8 w	3.2 w	9.5 w	9.8 w	7.1	7.1 b
Males	1) 2) 3) 4) 5) 6) 15) 16)	8.8	10.2 b	12.4	10.7 bw	20.2 bw	22.7 w	4.3 w	3.9 w	9.8 w	9.5 w	6.8	6.8 b
Females	1) 2) 3) 4) 5) 6) 15) 16)	9.5	12.1 b	14.9	14.8 bw	16.2 bw	17.8 w	3.3 w	2.5 w	9.1 w	10.1 w	7.4	7.4 b
Youth, aged 15-24	1) 2) 3) 4) 5) 6)	26.6	26.4 b	25.1	22.6 bw	39.4 bw	42.9 w	10.9 w	9.2 w	19.3 w	19.1 w	16.8	16.7 b
Long-term (>12 months)	1) 2) 3) 4) 5) 6) 15) 16)	4.5	4.9	3.3	3.7 bw	5.8 bw	7.2 w	0.7 w	0.8 w	2.0 w	2.4 w	2.5	2.8
Average nominal monthly wages and salaries (EUR)	17) 18) 19) 20) 21) 6)	706 sw	772 sw	384 sw	256 sw	296 sw	372 sw	376 sw	447 sw	334 sw	453 sw	:	:

Education	Note	Serbia		Türkiye		Georgia		Moldova		Ukraine		EU-27	
		2020	2021	2020	2021	2020	2021	2019	2020	2021	2020	2021	2020
Early leavers from education and training: percentage of the population aged 18-24 with at most a lower secondary education and not in further education or training (%)	1) 2) 8) 5) 4)	5.6	6.3 b	26.7	23.0 bw	8.2 w	7.3 w	16.9 w	19.6 w	:	:	9.9	9.8 b
Public expenditure on education relative to GDP (%)	6) 22) 23)	3.5 sw	3.3 psw	4.0	3.5 sw	3.8 psw	3.6 sw	:	:	5.4 sw	:	5.0 d	:
Percentage of the population aged 20-24 with at most lower secondary education, total	1) 2) 3) 4) 5) 6) 24)	6.4	6.7 b	34.4	29.5 bw	7.9 w	7.3 w	21.2 w	23.3 w	2.9 w	2.7 w	15.7	15.6 b
Percentage of the population aged 20-24 with at most lower secondary education, males	1) 2) 3) 4) 5) 6)	6.0	7.7 b	36.7	31.6 bw	8.3 w	7.4 w	24.5 w	27.3 w	3.1 w	2.9 w	18.5	18.1 b
Percentage of the population aged 20-24 with at most lower secondary education, females	1) 2) 3) 4) 5) 6)	6.8	5.7 b	32.2	27.3 bw	7.5 w	7.2 w	18.0 w	19.4 w	2.8 w	2.5 w	12.9	12.9 b
Percentage of the population aged 20-24 with upper secondary or post secondary non-tertiary education, total	1) 2) 3) 4) 5) 6)	85.4	85.3 b	43.1	47.8 bw	77.3 w	77.2 w	69.4 w	68.2 w	54.9 w	55.2 w	66.8	65.7 b
Percentage of the population aged 20-24 with upper secondary or post secondary non-tertiary education, males	1) 2) 3) 4) 5) 6)	87.5	86.3 b	45.3	51.1 bw	82.4 w	84.0 w	68.7 w	66.4 w	59.6 w	58.9 w	67.5	66.3 b
Percentage of the population aged 20-24 with upper secondary or post secondary non-tertiary education, females	1) 2) 3) 4) 5) 6)	83.2	84.1 b	40.8	44.5 bw	71.3 w	70.2 w	70.2 w	69.9 w	50.0 w	51.3 w	66.0	65.1 b
Percentage of the population aged 30-34 with tertiary education, total	1) 2) 3) 4) 5) 6)	33.0	35.3 b	33.1	35.5 bw	38.2 w	35.5 w	31.5 w	31.8 w	57.1 w	58.0 w	41.1	41.9 b
Percentage of the population aged 30-34 with tertiary education, males	1) 2) 3) 4) 5) 6)	27.1	27.7 b	33.9	36.1 bw	33.6 w	32.3 w	24.3 w	28.6 w	49.7 w	51.4 w	36.0	36.6 b
Percentage of the population aged 30-34 with tertiary education, females	1) 2) 3) 4) 5) 6)	39.1	43.2 b	32.2	35.0 bw	42.7 w	38.9 w	38.2 w	34.7 w	64.8 w	64.8 w	46.2	47.2 b

National accounts	Note	Serbia		Türkiye		Georgia		Moldova		Ukraine		EU-27	
		2020	2021	2020	2021	2020	2021	2019	2020	2021	2020	2021	2020
Gross domestic product													
In current prices (EUR million)	6) 23)	46 815	53 329	626 742	689 547	13 871 w	15 732 w	10 116 w	11 569 w	137 133 w	168 710 w	13 471 071	14 567 204
Per capita (EUR)	6) 23)	6 790	7 800	7 520	8 190	3 726 w	4 242 w	3 839 w	4 424 w	3 285 w	4 077 w	30 050	32 520
In purchasing power standards (PPS) per capita		12 812	14 349	18 325	20 337	:	:	12 977 w	16 069 w	:	:	30 054	32 524
In purchasing power standards (PPS) per capita, relative to the EU average (EU-27 = 100)		42.6	44.2	61.0	62.7	:	:	:	:	:	:	100	100
Real (volume) annual rate of change, compared with the previous year (%)	6) 23)	- 0.9	7.5	1.9	11.4	- 6.8 w	10.5 w	- 8.3 w	13.9 w	- 3.8 w	3.4 w	- 5.6	5.6
Gross value added by main sectors													
Agriculture, forestry and fisheries (%)	6) 23) 25)	7.6	7.6	7.5	6.2	8.3 w	7.4 w	10.8 w	12.3 w	10.8 w	12.7 w	1.8	1.8
Industry (%)	6) 23) 25)	23.4	23.0	25.6	29.1	15.5 w	17.0 w	15.2 w	14.7 w	20.9 w	23.8 w	19.7	20.0
Construction (%)	6) 23) 25)	6.6	7.3	5.9	5.7	8.7 w	7.5 w	11.5 w	9.3 w	3.3 w	3.2 w	5.5	5.5
Services (%)	6) 23) 25)	62.4 s	62.2 s	61.0 s	59.1 s	67.5 w	68.1 w	62.5 w	63.6 w	65.0 w	60.3 w	73.0 s	72.7 s

Balance of payments	Note	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
Net (inward - outward) foreign direct investment (FDI) (million euro)	63) 64) 59) 65) 66)	2 938.5 w	3 656.9 w	3 942.6 s	5 832.2 s	498.7 w	783.6 w	133.4 w	322.7 w	- 50.8 w	6 351.5 w	c	- 318 026.0 s
Net (inward - outward) foreign direct investment (FDI) (% of GDP)	63) 64) 67) 23)	c	6.86 s	0.63 s	0.85 s	3.60 sw	4.98 sw	1.32 sw	2.79 sw	- 0.04 sw	3.76 sw	c	- 2.18 s
Net (inward - outward) foreign direct investment (FDI) in relation to EU-27 (million euro)	68) 59) 65) 69) 66)	c	1 801.0 s	140.6 s	600.5 s	178.9 w	189.7 w	:	:	- 691.7 w	4 748.7 w	c	- 56 205.8 s
Net (inward - outward) foreign direct investment (FDI) in relation to EU-27 (% of GDP)	68) 70) 23)	c	3.38 s	0.02 s	0.09 s	1.29 sw	1.21 sw	:	:	- 0.50 sw	2.81 sw	c	- 0.39 s
Remittances as % of GDP	71) 72) 23)	4.81 s	:	0.02 s	:	7.34 sw	8.65 sw	8.87 dpsw	:	0.75 psw	:	0.15 s	0.14 s

External trade in goods	Note	Serbia		Türkiye		Georgia		Moldova		Ukraine		EU-27	
		2020	2021	2020	2021	2020	2021	2019	2020	2021	2020	2021	2020
Share of exports to EU-27 countries in value of total exports (%)	26) 27)	66.2 s	65.8 s	41.1 s	41.1 s	20.9 ew	16.9 sw	66.4 sw	62.5 sw	:	:	:	:
Share of imports from EU-27 countries in value of total imports (%)	26) 27)	55.6 s	53.9 s	33.1 s	31.1 s	23.0 ew	22.9 sw	45.6 sw	46.6 sw	:	:	:	:
Trade balance (EUR million)	26) 28) 27)	- 5 019	- 6 279	- 42 293	- 38 925	- 3 838 sw	- 5 171 sw	- 2 572 sw	- 2 166 sw	- 4 438 sw	:	215 288	55 040
International trade in goods and services relative to GDP													
Imports (% of GDP)	6) 23)	56.5	62.3	32.2	35.5	56.6 w	59.6 w	51.4 w	57.8 w	40.3 w	41.9 w	42.8	46.7
Exports (% of GDP)	6) 23)	48.2	54.5	28.7	35.3	37.3 w	43.2 w	27.9 w	30.6 w	38.8 w	40.7 w	46.4	50.5
Public finance	Note	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
General government surplus (+) / deficit (-) (%)	29) 30) 31) 23)	- 8.0 w	- 4.2 ew	- 4.7 w	:	- 9.3 w	- 6.3 w	- 5.1 ew	0.0 ew	- 5.4 w	- 3.3 w	- 6.7	- 4.8
General government debt (%)	32) 29) 33) 31) 34) 23)	57.7 w	57.5 ew	39.8 w	:	60.1 w	49.6 w	33.1 w	32.6 w	60.4 w	49.0 w	90.0	88.0

Financial indicators	Note	Serbia		Türkiye		Georgia		Moldova		Ukraine		EU-27	
		2020	2021	2020	2021	2020	2021	2019	2020	2021	2020	2021	2020
Annual change in consumer prices (%)	35) 36) 37) 38)	1.8 d	4.0 d	12.3 d	19.6 d	5.2 w	9.6 w	3.8 w	5.1 w	2.7 w	9.4 w	0.7	2.9
Private debt, consolidated, relative to GDP (%)	39) 40)	:	:	13.0 w	7.6 w	:	:	:	:	:	:	:	:
Total external debt, relative to GDP (%)	41) 42) 43) 44) 23)	c	75.8 s	60.4 sw	54.3 sw	135.5 sw	124.0 sw	65.5 sw	66.9 sw	74.6 sw	67.8 sw	:	:
Total debt in foreign currency, relative to GDP (%)	45)	:	:	:	:	:	:	:	:	:	:	:	:
Lending interest rate (one year), per annum (%)	46) 47) 48) 49) 50) 51) 52)	1.90 w	1.90 w	16.25 w	22.79 w	8.52 w	9.46 w	5.15 w	8.50 w	7.89 w	7.67 w	:	:
Deposit interest rate (one year), per annum (%)	46) 53) 48) 54) 55) 50) 56) 57)	0.10 w	0.10 w	13.51 w	17.85 w	8.46 w	9.13 w	0.15 w	4.50 w	7.22 w	6.95 w	:	:
Value of reserve assets (including gold) (million euro)	48) 41) 42) 43) 58) 59)	13 491.7 w	16 454.5 w	81 937.5 w	94 006.1 w	3 532.4 w	3 787.3 w	3 082.9 w	3 445.8 w	23 711.1 w	27 294.4 w	:	:
International reserves - equivalence in months of imports	60) 48) 41) 42) 61) 62)	6.1 sw	:	4.9 sw	6.3 sw	5.4 sw	4.8 sw	7.1 sw	:	:	:	:	:

Business	Note	Serbia		Türkiye		Georgia		Moldova		Ukraine		EU-27	
		2020	2021	2020	2021	2020	2021	2019	2020	2021	2020	2021	2020
Industrial production index (2015 = 100)	73) 74) 75) 76)	111.0	118.5	115.4	135.6	:	:	107.1 w	120.3 w	102.7 w	105.0 w	98.5	107.5

Infrastructure	Note	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
		Density of railway network (lines in operation per thousand km ²)	77) 78) 79) 80) 81) 82)	37.9 sw	38.1 sw	13.3 sw	13.5 sw	22.6 sw	22.2 sw	34.0 sw	34.0 sw	32.8 sw	32.7 sw
Length of motorways (kilometres)	83)	928	928 w	3 523	3 532	208 w	263 w	:	:	15 w	15 w	:	:

Energy	Note	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
		Net energy imports in relation to GDP	84)	2.9 s	4.0 s	3.3 s	5.2 s	1.0 sw	1.8 sw	:	:	:	:

Source: Eurostat and/or the statistical authorities of the enlargement countries

: = not available

b = break in series

c = confidential value

d = definition differs

e = estimated value

f = forecast

p = provisional

s = Eurostat estimate

w= data supplied by and under the responsibility of the national statistical authority and published on an "as is" basis and without any assurance as regards their quality and adherence to EU statistical methodology

z = not applicable and therefore equal to 0

Footnotes:

- 1) North Macedonia: The new IESS regulation has not been implemented
- 2) Bosnia and Herzegovina: Since January 2020, the Labour Force Survey in Bosnia and Herzegovina has been conducted continuously, throughout the year, with quarterly data release. Also, from 2020 the procedure of weight calibration according to population estimates by five-year age groups and sex is carried out.
- 3) Bosnia and Herzegovina: From January 2021, the Agency for Statistics of Bosnia and Herzegovina began to apply the new, redesigned methodology of the Labour Force Survey. The redesign of the survey took place on the basis of and in accordance with the new Regulation of the European Parliament and the Council, which entered into force on 1st January 2021. With the introduction of the new, redesigned methodology of the Labour Force Survey from January 2021, the series of data published in the previous year was interrupted.
- 4) Türkiye: *In HLFS, the series is not comparable to previous years due to the adjustments in the definition, scope and design of the survey with the year 2021.
- 5) Türkiye: Annual LFS results.
- 6) Ukraine: Data exclude the temporarily occupied territory of the Autonomous Republic of Crimea, the city of Sevastopol and the parts of the Donetsk and Luhansk regions which are temporarily occupied.
- 7) Ukraine: Fixing from 2019 economically active population - labour force.

- 8) Bosnia and Herzegovina: From 2020 onwards LFS is conducted on a quarterly basis leading to break in series compared to results from previous years. With the introduction of the new, redesigned methodology of the Labour Force Survey (Regulation (EU) 2019/1700; Implementing Regulation (EU) 2019/2240) from January 2021, the series of data published in the previous year was interrupted. This means that the data for 2020 and 2021 are also not comparable.
- 9) Ukraine: Data exclude the temporarily occupied territory of the Autonomous Republic of Crimea, the city of Sevastopol and the parts of the Donetsk and Luhansk regions which are temporarily occupied.
- 10) Georgia: Since 2020 - NACE Rev.2, before 2020 - NACE Rev.1.1.
- 11) Montenegro: Data refer to number of employees in the public sector as a share of the total number of persons employed.
- 12) North Macedonia: In the public sector are included data: Other (mixed, collective, state, undefined)
- 13) Bosnia and Herzegovina: The public sector includes NACE Rev. 2 Sections O, P and Q while the private sector includes other NACE Sections.
- 14) Montenegro: Break in series as previously only employees were answering this question; Since 2018 all employed persons are giving answer to this question.
- 15) Ukraine: Persons aged 15 years and over.
- 16) Georgia: Persons aged 15 years and older.
- 17) Serbia: Wages and salaries are obtained from administrative sources (tax administration records). Average earnings are calculated on the basis of the total amount of accrued earnings for the reporting month and the number of full-time equivalent (FTE) employees.
- 18) Albania: Source of information: General Directorate of Taxation, social insurance contributors; INSTAT's calculation
- 19) Bosnia and Herzegovina: Net earnings.
- 20) Türkiye: Source: Income and Living Conditions Survey.
- 21) Moldova: Includes units with 1 and more employee.
- 22) Georgia: GDP is calculated according to 2008 SNA.
- 23) Georgia: Based on 2008 SNA.
- 24) Georgia: Persons without education are excluded.
- 25) Georgia: Calculations are made according to NACE Rev. 2.
- 26) Moldova: January to August.
- 27) Georgia: Data converted in EUR by Eurostat
- 28) Ukraine: Data exclude the temporarily occupied territory of the Autonomous Republic of Crimea, the city of Sevastopol and the parts of the Donetsk and Luhansk regions which are temporarily occupied.
- 29) Albania: Forecasts of the Ministry of Finance and Economy.
- 30) Ukraine: Modified cash data (Government finance statistics manual 2014).
- 31) Ukraine: Data exclude the temporarily occupied territory of the Autonomous Republic of Crimea, the city of Sevastopol and the parts of the Donetsk and Luhansk regions which are temporarily occupied.
- 32) Montenegro: Preliminary data. The final data will be available by the end of March 2021
- 33) Bosnia and Herzegovina: End of year (31 December).
- 34) Ukraine: State and state guaranteed debt.
- 35) Bosnia and Herzegovina: Consumer price inflation
- 36) Moldova: Consumer price inflation
- 37) Ukraine: Data exclude the temporarily occupied territory of the Autonomous Republic of Crimea, the city of Sevastopol and the parts of the Donetsk and Luhansk regions which are temporarily occupied.
- 38) Georgia: Consumer price inflation
- 39) Bosnia and Herzegovina: Data for monetary financial institutions.
- 40) Türkiye: Data cover debt securities and loans.
- 41) Bosnia and Herzegovina: Based on IMF balance of payments manual, sixth edition.

- 42) Türkiye: Average of year exchange rate used to convert to euros.
- 43) Moldova: Converted from USD to EUR using end-of-year exchange rates, according to the National Bank of Moldova.
- 44) Ukraine: Assets and debt converted from US dollars to euro using cross rates at the end of the reporting year.
Data exclude the temporarily occupied territory of the Autonomous Republic of Crimea, the city of Sevastopol and the parts of the Donetsk and Luhansk regions which are temporarily occupied.
- 45) Albania: External debt (including FDI).
- 46) Montenegro: Weighted average effective interest rate, outstanding amounts, annual.
- 47) Albania: Average weighted rate applied to new 12-month loans over the respective month, on 12-month maturity.
- 48) North Macedonia: End of year (31 December).
- 49) Bosnia and Herzegovina: Short-term lending rates in national currency to non-financial corporations (weighted average).
- 50) Moldova: The rate is established by the National Bank of Moldova (NBM) starting from 2001. The NBM applies the interest "corridor" method: the highest rate is applied on overnight credits, the lowest one on overnight deposits. End-of year values.
- 51) Ukraine: Average weighted interest rate on all instruments of National bank's refinancing.
- 52) Georgia: Refinancing credits auctions.
- 53) Albania: Deposit interest rate represents the average weighted rate for newly accepted deposits over the respective month, on 12-month maturity.
- 54) Bosnia and Herzegovina: Demand deposit rates in national currency of households (weighted average).
- 55) Türkiye: Average of monthly data. Overnight deposit facility.
- 56) Ukraine: Distribution of deposit certificates of the National Bank of Ukraine.
- 57) Georgia: CD auctions.
- 58) Ukraine: Assets and debt converted from US dollars to euro using cross rates at the end of the reporting year.
- 59) Ukraine: the temporarily occupied territory of the Autonomous Republic of Crimea, the city of Sevastopol and the parts of the Donetsk and Luhansk regions which are temporarily occupied. are excluded from the External Sector' data.
- 60) Albania: End of August 2021
- January-June 2021
- 61) Türkiye: Average of year exchange rate used to convert to euros.
As of Third Quarter of 2021.
As of October 2021.
- 62) Moldova: Converted from USD to EUR using end-of-year exchange rates, according to the National Bank of Moldova.
Converted from USD to EUR using annual average exchange rates, according to the National Bank of Moldova.
- 63) Bosnia and Herzegovina: Based on IMF balance of payments manual, Asset - Liability Approach
- 64) Moldova: Converted from USD to EUR using annual average exchange rates, according to the National Bank of Moldova.
- 65) Ukraine: Since 2021 the National bank of Ukraine have improved the foreign direct investment compilation, in context of which non-financial corporations' reinvested earnings have been incorporated in FDI flows and stocks data. Therefore, BoP, IIP, FDI data for 2015- 2020 were revised.
- 66) Ukraine: Since 2021 the National bank of Ukraine have improved the foreign direct investment compilation, in context of which loans between fellow enterprises have been incorporated in FDI flows and stocks data. Therefore, BoP, IIP, FDI data for 2015- 2020 were revised.
- 67) Ukraine: Data exclude the temporarily occupied territory of the Autonomous Republic of Crimea, the city of Sevastopol and the parts of the Donetsk and Luhansk regions which are temporarily occupied. Since 2021 the National bank of Ukraine have improved the foreign direct investment compilation, in context of which non-financial corporations' reinvested earnings have been incorporated in FDI flows and stocks data. Therefore, BoP, IIP, FDI data for 2015- 2020 were revised.
- 68) Bosnia and Herzegovina: Based on IMF balance of payments manual, sixth edition and OECD Benchmark Definition of Foreign Direct Investment - 4th edition
- 69) Ukraine: FDI Data were recalculated taking into account EU-27 Member States, excluding the United Kingdom.
- 70) Ukraine: Data exclude the temporarily occupied territory of the Autonomous Republic of Crimea, the city of Sevastopol and the parts of the Donetsk and Luhansk regions which are

temporarily occupied. FDI Data were recalculated taking into account EU-27 Member States, excluding the United Kingdom.

Since 2021 the National bank of Ukraine have improved the foreign direct investment compilation, in context of which loans between fellow enterprises have been incorporated in FDI flows and stocks data. Therefore, BoP, IIP, FDI data for 2015- 2020 were revised.

- 71) Moldova: Converted from USD to EUR using annual average exchange rates, according to the National Bank of Moldova.
Personal transfers.
- 72) Ukraine: Data exclude the temporarily occupied territory of the Autonomous Republic of Crimea, the city of Sevastopol and a part of temporarily occupied territories in the Donetsk and Luhansk regions.
Previous data
- 73) Albania: Activity B_D
- 74) Moldova: Starting with 2016 the Industrial production volume index are adjusted seasonally by number of working days and seasonality, the time series was corrected
- 75) Ukraine: Adjustment for the effect of calendar days of the dynamic series of indices to the average monthly value of the base. (2016) year is carried out using the DEMETRA+ program, using the TRAMO/SEATS method activity.
- 76) Ukraine: Data exclude the temporarily occupied territory of the Autonomous Republic of Crimea, the city of Sevastopol and the parts of the Donetsk and Luhansk regions which are temporarily occupied.
- 77) The data was taken from the Republic Geodetic Authority.
- 78) Bosnia and Herzegovina: Inland waters estimated at 210 km².
- 79) Türkiye: Main lines only.
Area values are calculated by reference to corine classifications and adapted to LUCAS. Corine data production period is 6 years.
- 80) Moldova: Including the Transnistrian region.
As of the end of the year.
- 81) Moldova: Including the Transnistrian region.
As of the end of the year.
Including wetlands.
- 82) Ukraine: Data exclude the temporarily occupied territory of the Autonomous Republic of Crimea, the city of Sevastopol and the parts of the Donetsk and Luhansk regions which are temporarily occupied. Data of the State Service on Geodesy, Cartography and Cadastre of Ukraine.
Data are given according to the new Classification of Land Types.
- 83) Ukraine: Data exclude the temporarily occupied territory of the Autonomous Republic of Crimea, the city of Sevastopol and the parts of the Donetsk and Luhansk regions which are temporarily occupied.
- 84) Georgia: Data converted in EUR by Eurostat
Based on 2008 SNA.