Bosnia and Herzegovina’s way to the European Union

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(abstract) Among the Balkan countries, Bosnia and Herzegovina (BiH) is the most unstable state: since the 1995 Dayton Treaty it has existed because of interests of great powers. In this study I examine the issue of what future the country might be in the next years and in long term. According to optimistic scenarios, the country will be modernized and join EU. Primarily, I examine relations between BiH and EU and its common scenarios. The European Union sees the country’s future and stability in the accession. The goal of the Union is to keep the current state corps in one anyway and to build a functioning market economy. If Bosnia accomplishes these and Maastricht criteria, the country may join the Union in the future. Is that a realistic version? What is the country’s relationship with the European Union? How ready to join? When can we expect it? What else scenarios could be?

Keywords: Bosnia and Herzegovina, EU accession, stability, scenarios, dissolution

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Introduction

Bosnia and Herzegovina is a very unstable country: after eighteen years the 1995 Dayton Treaty – it is questionable that it will be exist in long term. The Dayton accords put an end to more than three year long war in Bosnia, situated the heart of the Western Balkans, one, but the gravest armed conflicts in the Former Socialist Federative Republic of Yugoslavia.

BiH declared its independence in 1992, which followed by a bitter conflict ensued between Serbs, Bosniaks (Bosnian Muslims) and Croats, claiming around 100 000 lives. Eventual international military intervention under UN auspices culminated in a NATO bombing campaign against Bosnian Serb forces in 1995. This led to the Dayton Agreement that created the current constitution and geopolitical structure of BiH. The conflict involved ethnic cleansing and a number of atrocities were committed – worst of all the Srebrenica massacre in 1995, when an estimated 8,000 Bosniak men and boys were killed by the army of the Republika Srpska and other paramilitary units (despite the presence of 400 armed Dutch peacekeepers in the area). Bosnia is officially a federation, divided into two partner entities with considerable independence: the Federation of Bosnia and Herzegovina (Bosniak-Croat Federation, which comprises 51% of the federation area) the Republika Srpska, with Brčko District being governed by both entities. Each has its own government, legislature and police force, but the two come together to form a central, federal government with an eight-month rotating presidency held equally by a Bosniak, a Croat and a Serb (NATO, 1995 and EuroActiv, 2010).
As we can see above, Bosnia is a multietnic (or multinational) state in which no one of the three major groups, who vied for the status of a state-constitution nation, could claim titular status on the basis of number alone (Burg-Shoup, 1999). The major groups are: Bosnian Serbs (around 48% of total population), Bosnian Muslims (37.1%) and Bosnian Croats (14.3%). The major groups see the future differently: the Bosniaks wants to preserve the unity with a centralized state, while Bosnian Serbs are most interested in a weak central state (and this group are very sceptical about EU membership). The main challenge of the state is how to make it more governable (reaching agreements) and how to stabilize it (Huszka, 2010). One solution of the stabilization is the accession to EU, but in order to achieve it, it requires compromises, constitutional reforms and a functional market economy.

*Relations between Bosnia and Herzegovina and the European Union*

Reportable relations between Bosnia and the European Union began in the late 90s¹, a few years after Dayton Agreement (officially: The General Framework Agreement for Peace in Bosnia and Herzegovina). The European Union was not able to contribute to the peace agreement significantly in the country, because of its weakness and its member states were (are) indeed divided and ambiguous. Nowadays, the goal of the European Union is to Europeanize the country and become a member state in order to keep in peace the country and in the Western Balkan region. The region, including Bosnia and Herzegovina was recognised as a potential candidate country for EU accession in 2003 in the Thessaloniki European Council summit.

2008 saw significant progress in Bosnia and Herzegovina’s movement towards EU membership. Visa facilitation and readmission agreements entered into force on 1 January, facilitating visits to the EU by citizens of Bosnia and Herzegovina. European partnership was adopted in February, identifying new and remaining priorities for action. Moreover, in this year the country signed a Stabilisation and Association Agreement (SAA), agreeing to the EU’s conditions for membership (negotiations began in 2005). However, the agreement has not entered into force yet because of Bosnia’s failure to meet conditions set by the Union. The EU deploys considerable resources in Bosnia and Herzegovina within the framework of the Common Foreign and Security Policy (CFSP) and the European Security and Defence Policy (ESDP) (European Commission, 2013).

The EUFOR/Althea mission presents in Bosnia and Herzegovina in order to support a political process aimed at enabling BiH with the necessary reforms, to continue its path towards integration into the European Union. EUFOR ALTHEA military operation in Bosnia and Herzegovina (BiH) was launched on 2 December 2004. Since then ALTHEA has contributed to the maintenance of a safe and secure environment in BiH. The decision to launch Operation ALTHEA followed the decision by NATO to end mission of SFOR, and the adoption of Resolution 1575 of the UN Security Council, which has authorized the deployment of EU military forces in Bosnia. The European Union, in accordance with Chapter VII of the UN Charter, has deployed its troops in 7000 under Operation ALTHEA, in order to ensure continued compliance with the Dayton-Paris Agreement and contributed to a safe and secure environment in BiH. Since then EUFOR was reorganized several times, the last time in September 2012. Now it has about 600 troops in Bosnia and Herzegovina, which supported backup power outside of BiH. EUFOR continues to act in accordance with its mandate for peace enforcement under Chapter VII of the UN Charter. The Security Council extended the mandate again in November 2012 (Resolution no. 2074) (EUFOR, 2013). This shows that EU plays a significant role in peacekeeping but its role is decreasing.

The EU has supported reforms of transition and institutional buildings under IPA (Instrument for Pre-Accession assistance) since 2007². Because of Bosnia is a potential candidate country, the country is eligible to benefit only from two of the five elements of IPA: I. Transitional Assistance and Institutional Building and II. Cross Border Cooperation. In the last year the allocation was 102.8 million euro, which included financing of cross-border co-operation with neighbour countries. The EU has funded reforms of public administration, justice and home affairs, building the capacity of civil society, supporting economic development – including networks linking the education system – and to being comfort with EU law (European Commission, 2013). The priorities are between 2011 and 2013 in the national programme of IPA: 1) to strengthen of the rule of law by assisting the country to reform its justice sector and to fight against organised crime and corruption; 2) to improve the capacity and efficiency of public administration and setting a professional civil service, to support country’s efforts to improve functioning of institutions at all level of governance. Finally, (3) to support the social and economic development, in particular assisting the

² The IPA has replaced CARDS, the EU’s former instrument for funding the West Balkan countries.
country in its efforts to develop SME sector, to reduce unemployment and to reform education system to help adapting qualification framework with the requirements of labour market, and to invest in transport and environment infrastructure (European Commission 2011). However, it is questionable that the country can call its support, because the accession to IPA funds remains an issue of dispute in Bosnia concerning which level of government is to apply for the cash. Problems mostly occur in the division of responsibility between the state and its two entities: the Bosniak-Croat Federation of Bosnia and Herzegovina and the Serb-dominated Republika Srpska (Jukic, 2012). Moreover, there are other problems with effective application of the IPA scheme: lack of the administrative capacity on both EU and Bosnia’s side or a low level of knowledge about IPA including that rules and procedures are complex and at times difficult to interpret or apply. The insufficiency of information affects parties in both central and local government circles, as well as among CSOs (Civil Society Organisations). Another problem is that the main IPA rules and procedures are supplied to the country in English. Unfortunately, neither governments nor any other involved institutions are able to finance translation of these documents into their own language. Moreover, priorities are determined in a closed circle, while a broader consultation with local governments and CSOs is missing. Another problem is that because national institutions tend to show a relatively low capacity in IPA project management, EU Delegations carry a very responsible role in the programming process. Consequently, the Delegations support those national priorities in the projects that are based on their vision, which sometimes doesn’t fit with country’s national needs. Moreover, in spite of that the co-financing rate of projects are low (10-20%), experience shows that municipalities with small budgets have difficulty securing this because of financial crisis and budget restrictions. A consistent problem is CSOs’ limited capacity to monitor the outcomes of EU-funded projects. Problems in monitoring will have an impact on efficiency and transparency of IPA projects implemented by national authorities (EMA, 2013). For 2013, the EU has budgeted 111.8 million euro in financial aid for Bosnia. The EU is discussing the amount to be allocated for IPA program as a whole for the period 2014-2020. No decision has been reached yet, but given the EU’s financial difficulties, funding may be at least slightly reduced in real terms when compared to 2007-2013 period (Woehrel, 2013 and European Parliament, 2013).

**Bosnia and Herzegovina’s readiness onto the accession**

The EU has set several conditions for Bosnia to become a candidate country. The EU demanded that Bosnia adopt a law on state aid at the central government level to prohibit government aid that would distort foreign trade. Bosnia was required to adopt a law on holding a new census. The EU wanted to see Bosnia amend its constitution to comply with the ruling of the European Court of Human Rights on the Sejdic-Finci case, which concerned about ethnic discrimination regarding representation in the institutions of the country. The EU also insisted that Bosnia’s many levels of government establish an effective coordinating mechanism for cooperation with the EU. Bosnia met two of these three criteria. The Bosnian parliament approved a census law and a state aid law. Little progress has been made on the Sejdic-Finci issue, but ethnic discrimination regarding representation in the institutions remains an issue of serious concern (Woehler, 2013 and European Commission, 2012).

According to the European Union, accession process requires functional institutions at all levels and an effective coordination mechanism for dealing with the EU, allowing the country to speak with one voice (European Commission, 2011 and 2012), which is has not completed yet. It does not mean centralization, unitarization or domination of the Bosniak majority, the EU expects ‘only’ a well functioning federation within which the three constituent nations will devise a quicker and more efficient method of reaching compromise (Kecmanovic, 2012). Most recently, this problem occurs in connection with Croatian accession: after Croatia joins the EU, Bosnians will no longer be able to export agricultural products (eggs, meats, dairy products) to Croatia. The reason is that BiH’s politicians can’t agree on who should certify whether their producers meet EU’s sanitary and veterinary rules. Muslim Bosniaks want the job done by a central body, while Serbs prefer agencies in the two autonomous parts of Bosnia (Economist, 2013).

According to the last European Commission’s progress report, Bosnia and Herzegovina has made limited progress towards meeting the political criteria. There has been little progress in achieving more functional, coordinated and sustainable institutional structures. Substantial efforts are needed to reinforce the justice sector, in line with the priorities identified in the context of the EU-Bosnia dialogue on justice. Efforts also need to be stepped up in the fight against corruption and organised crime and in pursuing public administration reform. Significant further efforts are needed to meet the remaining requirements and to reach the membership. In sum, the European Commission is critical of Bosnia’s performance, noting “limited progress,” or “little progress,” or even “very little progress” in almost all reform areas. In spite of some
results were achieved (concerning achievements which led to the country being granted visa-free access to the EU for its citizens), its opinion that overall pace of reforms has been very limited (European Commission, 2011).

Overall, according to the European Commission, Bosnia and Herzegovina is not ready to join European Union, neither to become a candidate country officially. In order to get a clear picture of the country’s readiness of accession, it is necessary to examine BiH’s economy. This is an essential point, because as a member state Bosnia and Herzegovina will face strong competitive pressure. Moreover, the Commission notice that there are serious problems in the economy (high unemployment rate, problems with the sustainability of fiscal policy), so it is necessary to examine the country’s economy how will be able to benefit from the integration (and reduce its costs).

BiH has made a little further progress towards a functioning market economy, but further reform efforts need to be cope over long-term with competitive pressures and market forces within the Union. Financial and monetary stability was preserved (European Commission, 2012). In the last years the real GDP increased but not as much as before the crisis (between 2002 and 2008 the average growth was between 3,86 and 6,26% - see table 1). The inflation rate is moderate, but increasing. The most important economic problem is the high unemployment in spite of that between 2002 and 2008 almost halved. In 2011, the unemployment rate was 28%, which has been growing since 2009. The most affected group is the youth, their unemployment rate almost 60% (Eurostat, 2013). Moreover, the participating rate is low and the role of informal sector is very high. Job creation is hampered by labour market rigidities, such as high rates of social contributions and poorly targeted social transfers (European Commission, 2012).

Table 1 – BiH’s important economic indicators between 2002 and 2011

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
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<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real GDP growth (%)</td>
<td>5.05</td>
<td>3.86</td>
<td>6.26</td>
<td>3.87</td>
<td>5.95</td>
<td>6.12</td>
<td>5.58</td>
<td>-2.91</td>
<td>0.72</td>
<td>1.26</td>
</tr>
<tr>
<td>Inflation rate (%)</td>
<td>0.35</td>
<td>0.60</td>
<td>0.40</td>
<td>3.80</td>
<td>6.10</td>
<td>1.50</td>
<td>7.40</td>
<td>-0.40</td>
<td>2.10</td>
<td>3.7</td>
</tr>
<tr>
<td>Unemployment rate (%)</td>
<td>41.07</td>
<td>41.64</td>
<td>41.76</td>
<td>43.90</td>
<td>31.10</td>
<td>29.00</td>
<td>23.40</td>
<td>24.10</td>
<td>27.20</td>
<td>28.00</td>
</tr>
<tr>
<td>General government net lending/borrowing (% of GDP)</td>
<td>n/a</td>
<td>0.70</td>
<td>1.59</td>
<td>2.39</td>
<td>2.85</td>
<td>1.18</td>
<td>-2.18</td>
<td>-4.45</td>
<td>-2.49</td>
<td>-1.27</td>
</tr>
<tr>
<td>GDP per capita (% of EU27)</td>
<td>n.a.</td>
<td>n.a.</td>
<td>n.a.</td>
<td>25</td>
<td>27</td>
<td>28</td>
<td>30</td>
<td>31</td>
<td>30</td>
<td>30</td>
</tr>
<tr>
<td>Current account balance (billions of dollars)</td>
<td>-1.183</td>
<td>-1.627</td>
<td>-1.639</td>
<td>-1.868</td>
<td>-0.984</td>
<td>-1.632</td>
<td>-2.607</td>
<td>-1.083</td>
<td>-0.954</td>
<td>-1.589</td>
</tr>
</tbody>
</table>

Source: Eurostat (2013)

In the country, the currency board arrangement enjoys a high degree of credibility (European Commission, 2012) because its currency: BAM (konvertibilna marka; convertible mark), which is fixed to the euro (1 KM is 0.51129 euro). The currency was established in 1995 and it replaced the Bosnian dinar, Croatian kuna and Serbian dinar as the currency of BiH in 1998. The name of mark refers to German mark; it was pegged to it, and since the introduction of euro in 2002, Bosnian convertible mark has pegged to euro the same fixed exchange rate as German mark (Juhász-Márkus, 2003).

In the few last years, the budget deficit occurred (see table 1). The cause was the worsened economic environment, which led to the increase of government borrowing and debt. The sustainability and credibility of fiscal policy has severely hampered in the last year because of delays in the adoption of 2011 and 2012 State-level budgets and the Global Frameworks for Fiscal Policies 2012-2014 and 2013-2015. Moreover, the quality of public finances is low with high expenditures to GDP (European Commission, 2012)

There are serious shortcomings concerning to convergence. The GDP per capita (in purchasing power parity) is just 30 per cent of EU27 average, which is extremely low. Moreover, the role of agriculture is very important (it gives 8,7% of GDP), and lots of people works in agriculture, it has a puffer role (Eurostat, 2013). One of the more important tasks of BiH is to modernize and catch up its economy to be closer to EU standards. It will take a long time.

In the last few years trade activities have increased and the level of trade integration with the EU and other Western Balkan countries is high. In spite of this the countries faces current account deficits, which is
growing, showing external imbalances (see table 1). Business environment is little improved thanks to some achievements in area of registering property, paying taxes and resolving insolvency. In spite of this, the country is last in the region according to the World Bank’s ease of doing business ranking. The most problematic factors: starting a business in the country, getting electricity, dealing with construction permits, enforcing contracts and paying taxes. In the rank, the country places at 126th place from 185 countries (regional average is 73) (World Bank, 2013). The business environment is affected by administrative inefficiencies and weak rule of law (European Commission, 2012).

In spite of improvement in competitiveness (between 2008 and 2012, the country reached 88th place from 106th), BiH’s performance is the worst in the Western Balkan region. The most problematic factors are: access to financing, policy instability, tax rates, government instability and inflation (WEF, 2012). Corruption is very spread, which impedes competitiveness and decreases foreign investments. According to Transparency International Bosnia and Herzegovina took place at 91st among 183 countries in 2011. African countries have similar level of corruption. In the region only Albania’s and Kosovo’s performance is worse than BiH’s (Transparency, 2012). In sum, the competitiveness is weak. Moreover, privatisation, restructuring of public enterprises and liberalisation of network industries have not advanced yet (European Commission, 2012).

On the other side, the EU Commission has promised continued support for Bosnia’s EU membership aspirations (European Commission, 2012), but experiences show that the EU can’t reach significant results and progress. While the EU Copenhagen criteria do represent a clear framework for political reforms in Bosnia and Herzegovina, internal disagreements and particularistic interests in EU member states do not allow a single position the future of Bosnia (Milardović, 2009). Impedes the progress of the fact that the EU is in crisis, and its main aim is to stabilize the euro zone, not to recruit new members or to deepen their relationships. According to Woehler (2013) the EU may be leery of putting forward specific details for constitutional reform, fearing that to do so may cause Dodik and the RS to scuttle the whole EU integration process before it starts. Moreover, because of the euro crisis, the EU has not the necessary financial resources to get ready Bosnia to join.

The future – scenarios

According to optimistic scenarios till 2025, Bosnia and Herzegovina will join European Union. There are three main scenarios about this. First states that by the year 2025, the state will be a functional decentralized state with a functioning rule of law, will respect for human rights and its economy will raise, all of which are the result of constitutional reforms. There will be newly established political elites, which will not be based on particular ethnic interests, and it will create a new structure, with a clear socioeconomic policy that serves the interests of all citizens of the state and protection mechanisms to ensure respect for rights of different groups. According to the second optimistic scenario, the country will be a centralized member state by 2025. A ‘new’ BiH will be established after a violent conflict (which will break out in 2016) and subsequent swift international military intervention, which will be able to achieve simplified decision-making processes which will lead to political, economic and judicial reforms. As a result, human rights legislation will be implemented, economics forecasts will be favourable, new jobs will be created and social cohesion will being strengthened. The third scenario says that all of Western Balkan countries will be member states of EU and the region will be reconnected because of several motivations: economic-interdependence, mutual sports and cultural values, absence of language barrier, cultural regionalisation etc. (Pasch, 2012). But it has presented below that Bosnia and Herzegovina is not ready to join European Union. Moreover, the European Union is in crisis and in the longer future – except Croatia – won’t add new members. Bosnia is very fragmented country, which is kept alive by the will of great powers. This raises the question how will this state formation be exist. In the following I discuss the possible scenarios.

Status quo

This scenario means the continuance of internal political conflicts between Sarajevo and Banja Luka, as well as asymmetrical relations between the Croat and Bosniak parts of the Federation. A status quo scenario would see a prolongation of the Dayton political system, without options for its improvement or reconstitution. This situation can mean a further socioeconomic stagnation and degradation of mutual trust and respect among major political forces in the country and might provide fertile ground for escalation of ethnic strives. The present political system does not provide stability and unity, nor does it represent a stable basis for economic progress, the Bosnian state creates a heavy administrative burden that hampers
development initiatives (Milardović, 2009). According to this scenario in the future (till 2025) BiH will receive EU candidate status with the implementation of some reforms. In spite of this, the state will be in a bad economic situation in comparison to neighbouring countries: public spending will be at high levels with massive internal and external debt. The changes will be taking place, but very slowly because of different international, regional and internal pressures (Pasch, 2012).

**Federalization**

The current political architecture: the Croat-Bosniak Federation of Bosnia and Herzegovina (further divided into ten cantons/counties) and the Republic of Srpska, with Brčko District being governed by both entities, provide a possibility of federalization. However, the current state model is not viable, because it is a result of a temporary solution created by the Dayton Peace Treaty which has over time become a permanent state of affairs (Milardović, 2009). The question is what different models of federalism might prove applicable in the Bosnian case. One solution might have been the Belgian model of federalism, which based on ethno linguistic political and administrative communities. The model demonstrates that even where groups disagree on state structure, a mixture of various forms of group autonomy may be able to ensure stability and compromise. Both states: Belgium and Bosnia might be understood as ‘divided house states’, which means that there are proportionally similar groups with opposing views regarding whether the country should be more unitary or more decentralized (Stroscchein, 2003). Contrary, Belgium shows deep internal problems and cannot effectively be compared and transposed to Bosnia and Herzegovina. The adaption of this model could lead to the division of Bosnia into three autonomous entities (Serb, Croat and Bosniak), along ethnic lines (Milardović, 2009). Another possibility/solution is the adaption of Swiss model, which is based on a long tradition of democracy, subdivision into small, self-governing cantons and coalition governments. This is very unlikely to be achieved in Bosnia and Herzegovina because democracy has not rooted yet in the society. ‘This model would mean the dissolution of the Federation of Bosnia and Herzegovina and of Republic of Srpska and the creation of self-governing cantons on the whole Bosnian territory’ (Milardović, 2009: 95).

**Renewed armed conflict**

This scenario is not too possible, but this could happen because there are factors in the country that have a bearing on the potential for interethnic violence and renewed armed conflict. Potential sparks are: football hooliganism and juvenile delinquency, minority returnees, terrorism and Islamic radicalization. Youth in Bosnia and Herzegovina are victims of a dysfunctional state, a poor economy, and of nationalist ‘indoctrination’. Most of them are unemployed and disenchanted from the system. Juvenile delinquency is on the rise and increasingly violent; football hooliganism adds ethnicity and organization to the mix. These groups have already been used for political exploits in the country, as they are semi-organized and relatively easy to mobilize; Minority returnees have lost the central political relevance it previously had. They remain a vulnerable social group; their relationship with the ethnic majority population in their communities is often difficult. They sometimes face structural discrimination, although their relations with the dominant local populations have normalized considerably in the past decade. In spite of this, there are some incidents, which quality is worrying. Some people are worrying about terrorism and Islamic radicalization in the country. In response, Bosniaks, particularly the official Islamic Community, has descended into default denial of any security threat that may be posed by the presence of dangerous individuals and ideologies associated with Islam. Law enforcement officials have been left to balance between two opposing, and equally flawed, perceptions and they have adjusted their analysis and reaction to the terrorism threat to suit the outcomes desired by their respective political elite (Azinović-Bassuener-Weber, 2011). 'The real empowerment of radical or violent groups and their opportunity to have visible impact on a society comes when political elites exploit them in pursuit of their own agendas. Opportunities for such exploitation in BiH are substantial since the same political elites, through formal and informal ties, exert control over both law enforcement agencies and some militant groups. Effective deterrents remain few, while enablers of terrorism and political violence are many’ (Azinović-Bassuener-Weber, 2011: 7). According to Milardović (2009) although the levels of sports violence with ethnic and political backgrounds (conflicts between Croats and Bosniaks) show some potential for low-intensity armed struggle in Bosnia and Herzegovina and although there are dubious military and police cooperation arrangements between Banja Luka and Belgrade, a renewed escalation of armed conflict in the country is not very likely. Serbia is economically too exhausted to launch a war campaign. Croatia is a NATO member and will join EU in the near future, so probably will not engage in armed
conflict. Moreover, external factors are not strong enough to transform internal Bosnian contradictions into armed conflict.

**Dissolution**

It is possible that BiH will no longer exists in its current form because the ethnic conflict will raise in the future, which will cause dissolution of the state into three separate countries under the supervision and patronage of international community to prevent violent conflict. In this scenario, these economies will have to go through internal structural changes and to focus on EU integration (Pasch, 2012). But this will require decades. Without sufficient support from Belgrade (which is not likely to be shown in near future), the dissolution of the state is not a very likely scenario. Separatist tendencies remain high both among Bosnian Serbs and many Bosnian Croats, but the political strength to turn such ideas into reality is not present (Milardović, 2009). This version could happen only with great sacrifice and only through violence, because the international community (including U.S., European Union, Turkey or arab countries) is not support separation. According to Nenad Kecmanovic (2012) (dean of the School of Political Sciences at the University of Banja Luka) the favourable solution is the breakup of the Muslim-Croat federation and the establishment of a third, Croat entity. This can be a peaceful solution of the problem, because it would give the Muslims a piece of real estate and this disembarrass Serbs about the Bosniak centralizing ambitious.

**Summary, conclusions**

The European Union’s next enlargement round seems to be having a lot of challenges than the previous had. Between the Balkan countries, Bosnia and Herzegovina is one of the most problematic countries, maybe the most problematic one. Nowadays, the greatest challenge is how to make the state functional, how to make the government “speak as one”. If the country remains in its divided form, the EU won’t be able to negotiate further with Bosnia towards official candidacy and lately membership. Moreover, the country has economic challenges too: e.g. rising unemployment, low economic growth, rising general government expenditures and gross debt.

An another serious barrier of accession is that the European Union member states are divided, ambiguous, and weak in terms of its Europeanizing politics in Bosnia and Herzegovina and in economic terms also. As a result, such a strategy EU itself is responsible for a decade-long status quo in BiH and not too attractive among Bosnian Serbs. The EU is in crisis, not a powerful actor that is capable of resolving deep and harsh Bosnian paralysis.

Bosnia and Herzegovina’s current position is untenable. It is necessary to solve its problems, a country is a failing state, where lots of institutions do not work and leaders cannot find the common voice, which is necessary to achieve reforms, economic growth and on one day, the membership of European Union.

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