

Prioritizing Enlargement: Financial Instruments for the Western Balkans in the Next EU Budget

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Executive Summary

As the European Union prepares its next Multiannual Financial Framework (MFF) for 2028–2034, ensuring that enlargement remains a credible and adequately financed policy priority is essential. This policy brief underscores the need for both EU institutions and the Western Balkans Six (WB6) to actively engage in shaping the next MFF so that the budget reflects the EU’s political commitment to integrate the region by 2030. The EU must now be institutionally and fiscally prepared to welcome new members, ensuring that the enlargement process remains credible and achievable. It is time to move beyond declarative support and back the EU’s enlargement commitment with a concrete financial roadmap, including a stronger and more flexible pre-accession instrument tailored to various enlargement scenarios.

Advocacy momentum:

With the start of the preparatory phase for the 2028–2034 MFF, a clear advocacy push is needed to embed enlargement costs as a transparent and strategic element of the next EU budget. Without corresponding fiscal planning, enlargement risks remaining a political slogan rather than a credible commitment.

The Commission’s pre-enlargement policy reviews in early 2025 are a key opportunity to initiate an informed debate on how to integrate future members into the EU budget. Yet, if these reviews stay vague, the EU will miss the chance to prepare both institutions and public opinion for a financially realistic enlargement.

At a time when misinformation about the “exorbitant costs” of enlargement is spreading, early and evidence-based communication is essential. The Commission should proactively present realistic cost estimates and feasible mitigation options, such as phased access to funds or transitional mechanisms.

Advocacy efforts should therefore focus on:

- Framing enlargement as a strategic investment in Europe’s stability and competitiveness.
- Coordinating joint messaging among pro-enlargement Member States, WB6 governments, and civil society.
- Engaging budget actors in Brussels and national capitals to secure a dedicated enlargement envelope within the MFF.

Funding Priorities and Recommendations

The European Commission's initial communication on the MFF 2028–2034 remains vague about how future enlargements will be financed. With consultations ongoing and formal MFF proposals expected by July 2025, Western Balkan governments and civil society must align and advocate collectively to ensure enlargement is embedded as a budgetary priority.

A dedicated budget envelope within the MFF 2028–2034 should be created specifically for Enlargement, incorporating provisions for various enlargement scenarios. This could include a 'pre-accession transition' budget line to bridge the gap between the closure of negotiations and full membership, and phased access to structural and cohesion funds through a dedicated mechanism. Active involvement of national governments and civil society in programming should be institutionalized.

To ensure credibility and impact, future funding should scale performance and reforms, allowing for gradual access to the single market and EU programs. Maintaining a dedicated IPA IV with at least €20 billion in grants is essential to support membership-oriented programming. Merging IPA into broader external action funds would dilute the enlargement focus and should be avoided.

IPA IV should be structured around three strategic pillars:

- Reforms for EU Accession – performance-based criteria to ensure alignment with EU standards.
- Investments for Transformation – targeted funding to support necessary structural changes.
- Governance, Capacity Building, and Society – support for public sector reform, civil service modernization, and civil society engagement.

Economic and Structural Justification

The Western Balkans' GDP per capita at purchasing power parity (PPP) stands at roughly 38% of the EU average, with convergence progressing too slowly to close the gap within decades. Despite higher support compared to earlier enlargement waves, the WB6 still receive far less per capita funding than current EU member states. For example, Croatia received €3,060 per citizen during 2013–2020, while the WB6 average was only €286 per capita over seven years. This disparity underscores the need for an ambitious funding approach in the next MFF. The region's improving economic performance, marked by a record 48.5% employment rate in 2024, strengthens the case for investment that would bolster reforms and enhance EU stability.

For enlargement to succeed, internal EU reforms are equally essential. These include adjustments in budget structure, decision-making mechanisms, and qualified majority voting (QMV). A renewed ‘Agenda 2000’ style commitment is needed to effectively anchor enlargement within the EU’s strategic framework. Future support must also improve alignment with reform benchmarks, capacity-building, and public administration efficiency.

Conclusion

The integration of the Western Balkans is not only a political promise but a strategic necessity for Europe’s stability, security, and prosperity. To make enlargement both credible and achievable, the next Multiannual Financial Framework (2028–2034) must embed enlargement readiness across all its structures and instruments - providing the resources, flexibility, and policy alignment required for a genuine accession pathway.

A dedicated enlargement envelope within the next EU budget would send a strong political signal that the Union is institutionally and fiscally ready to welcome new members. The establishment of a Pre-Accession Transition Facility would ensure that frontrunner countries can sustain reform momentum between the end of negotiations and formal accession. Meanwhile, a redesigned and adequately funded IPA IV, with at least €20 billion in grants, should link financial assistance directly to measurable progress in reforms, public administration capacity, and regional cooperation.

At the same time, internal EU reforms, including budgetary adjustments and decision-making modernization, must accompany this process to prevent institutional fatigue and ensure policy coherence once new members join.

Ultimately, the credibility of the enlargement process depends on predictability and fairness: candidate countries must see a tangible, well-resourced path to membership. A forward-looking and adequately financed MFF would not only restore trust in the EU’s commitment to enlargement but also strengthen Europe’s geopolitical influence, reinforce pro-European actors in the region, and contribute to the Union’s long-term resilience.