



Foreign & Commonwealth Office

Record of Emerging Themes roundtable discussion, London, 27 June 2014

On 27 June 2014 members of the Senior European Experts Group took part in a roundtable discussion on the EU Balance of Competences Report on EU Enlargement at the Foreign and Commonwealth Office in London. The participants included:

- former Foreign and Commonwealth Office officials
- Centre for European Reform
- London Chamber of Commerce
- Policy Exchange
- Business for Britain
- Heathrow
- Euclid
- Gapuma
- Council of British Chambers of Commerce in Europe

Historical context of the enlargement process

1. Several participants noted the historical context and political driving force behind previous enlargement rounds, including the spread of democracy to former authoritarian regimes, and then the need to catch up with the political realities brought about by the collapse of the USSR. The context to future enlargement to the Balkans and Turkey would not be driven by similar dynamics, and there was still an opportunity to amend the process.

Widening versus deepening

2. Several participants addressed the issue of whether pursuing a 'wider' EU at the expense of a 'deeper' one - a political objective of previous UK governments – had been a correct judgement. Some participants predicted that the size of the Commission would continue to grow in order to maintain effective governance frameworks over an enlarged EU, in part because of the capacity limitations of some of the newer and smaller Member States.

3. Other participants felt that, despite the common belief that the EU Commission's powers had increased, the EU Parliament had increased its influence at the expense of the Commission; the Commission had diminished from its peak in the 1980s. Similarly, recent enlargement rounds had increased intergovernmental processes, which had likewise helped hold back the centre.

Conditionality

4. Some participants noted that conditionality was important, though it was important to recognise that countries would meet the criteria at different times, depending on individual circumstances. Some participants agreed that it was important that the bar should not be lowered for political expediency. However, one participant felt that conditionality was a failed strategy and that the recent Euro crisis had demonstrated that efforts to stabilise the Euro were rooted in a political imperative, rather than the welfare concerns of individual Member States. One participant felt that the recent Ukraine crisis had shown that energy security might need to be a factor to consider in future enlargement rounds.
5. Some participants recognised the need to continue to monitor conditionality in new and acceding Member States, and one highlighted the limitations to the current monitoring mechanisms; while Cooperation and Verification Mechanisms (CVM) may be useful tools which could highlight problems, they cannot, on their own, resolve them. The EU could not impose sanctions on those Member States who failed to comply with commitments undertaken in the context of accession negotiations. As a recent example, the Commission was unable to intervene effectively when accusations of political interference in the Hungarian judicial system came to light, except through age discrimination policy.

Turkish prospects

6. Participants considered the prospects of Turkish accession to the EU. Several agreed that the long-term and open-ended negotiations may have been initially helpful to Turkey as it pursued secular reform. However, reluctance on behalf of the EU to set a clear timeline had significantly reduced enthusiasm. The EU-Turkey Customs Union had been a step in the right direction, but often denied Turkey a say in important trade matters, increasing levels of frustration. One participant wondered whether the UK's policy towards Turkey was cynical, given that several other Member States would likely veto Turkish accession before the UK would ever need to endorse the decision to grant membership.

A cost-benefit analysis of EU Enlargement to the UK

7. Several participants made interventions that covered the relative benefits of further enlargement to the UK, with one noting that the majority of trade benefits to enlargement took place before the newest Member States joined the EU. There was still an outstanding question of whether there would be significant benefits to the UK when some of the smaller Balkan countries joined the EU, and it may be that the majority of benefits would now be tilted firmly towards accession countries, rather than existing Member States. Moreover, the premature inclusion of several Balkan states may lead to significant stabilisation problems which would be costly to resolve.
8. Other participants, however, emphasised some of the commercial benefits of EU Enlargement, including the Single Market, which has helped promote economic growth, and the EU's emphasis on social enterprise, structural funding and connecting businesses in accession countries. There was a risk, however, of new Member States being unable to comply with Single Market regulations.
9. Other participants believed that an enlarged EU would lead to a greater global footprint, allowing greater EU (and, by extension UK) influence outside of the immediate neighbourhood and, most significantly, with other global players like Russia and China.
10. A participant flagged that, although conventional thinking had previously been that an expansion of the EU would increase the number of UK allies in Brussels, recent analysis suggested the UK's relative influence may be declining as the UK's weight in the Council and Parliament decreases. The recent election of Jean-Claude Juncker to the EU Commission Presidency had highlighted the UK's isolation in an enlarged EU. The contention that UK-friendly countries had increased UK influence was not backed by the evidence.