



Trans European Policy Studies Association

2017 Bulgarian Pre-Presidency Conference

REPORT

30 November – 1 December 2017

Park Hotel Moskva, Sofia

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with support from



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Contents

I.	Introduction and Acknowledgments.....	3
II.	Opening Remarks.....	4
III.	The priorities of the Bulgarian EU Presidency	5
IV.	TEPSA Recommendations to the Bulgarian EU Presidency.....	7
V.	Plenary Session I: The Future of the EU	8
	a) Panel I.A – Migration and security challenges and the EU's response	8
	b) Panel I.B – EU and the neighbourhood - Common foreign policy and the prospects of Enlargement.....	9
VI.	Plenary Session II: Creative Industries and EU Economic Growth	10
VII.	Plenary Session III: EU after Brexit	12
	a) Panel III.A – Designing the post-2020 MFF for a cohesive, prosperous Union capable of responding to global challenges	12
	b) Panel III.B - EU and the Catalonia conundrum: lessons learned and ways forward.....	13
VIII.	Concluding Remarks	14
	Annex I: Pre-Presidency Conference Sofia Programme.....	15
	Annex II: Recommendations from members of the TEPSA network to the incoming Bulgarian Presidency	20



I. Introduction and Acknowledgments

On the occasion of the first Bulgarian EU Council Presidency starting on January 1st 2018, [TEPSA](#) held its traditional [Pre-Presidency Conference](#) (PPC) in Sofia from 30 November to 1 December 2017. The Conference was co-organised in cooperation with and hosted by the New Bulgarian University and is part of the long-standing tradition of TEPSA's Pre-Presidency Conferences (PPCs), which take place twice a year in the capital of the country holding the EU Council Presidency prior to the beginning of its mandate.

The main aim of TEPSA's PPCs is to bring together academics and researchers from the TEPSA network, policy-makers, media, civil society organisations, and the general public in order to discuss the agenda and challenges of the upcoming Council Presidencies. TEPSA's PPCs represent a major platform for communication and exchange between policy-makers and academia. Prior to the event TEPSA researchers formulate recommendations to be presented to a high-rank official of the government concerned in a plenary session. Moreover, the conferences actively involve civil society and media actors, who are able to interact with practitioners and academia. Finally, the insights gained during these conferences and seminars directly feed into future research on the EU and into EU policy making. Thanks to their genuinely European and transnational nature and to the involvement of civil society, TEPSA's Pre-Presidency conferences actively contribute to shaping a European public sphere.

3

The PPC in Bulgaria was also an integral part of TEPSA's [PONT project](#), aimed at providing a bridge connecting young academics and EU practitioners, in order to improve the employability of young researchers. In this regard, the Sofia PPC saw the participation and active involvement of a PONT Fellow

TEPSA would like to thank the New Bulgarian University (NBU) and especially Dr Kiril Avramov, Vice Rector at NBU, and Dr Hristo Panchugov, Assistant Professor at NBU, for organising the Sofia Pre-Presidency Conference from 30 November to 1 December 2017. A sincere and warm thank you also goes to the financial supporters of the event, the Representation of the European Commission in Bulgaria, the European Parliament Information Office in Bulgaria and the Bulgarian Ministry of Education and Science. TEPSA would also like to thank Angeliki Tsiliou, PONT Fellow and author of the conference report.

The TEPSA Pre-Presidency Conferences are further financed by the Erasmus+ Programme of the European Union, within the framework of the PONT project.

The opinions expressed in this report are those of the speakers and do not necessarily reflect the positions of TEPSA or TEPSA Member Institutes. Please note that this is a summary not a verbatim report.



II. Opening Remarks

Tomislav Donchev, Vice Prime Minister of Bulgaria, officially opened the Conference by warmly welcoming all the attendees. He stressed the difficulties addressed in policy making at EU level, where broad consensus needs to be reached among Member States with different needs and different goals. He also claimed that the development of effective tools to measure impacts can increase the capacity to claim better policies. Mr Donchev concluded by stating that the investment of resources in self-designed policies can be translated in better and less costly implementation.

Professor Jaap de Zwaan, TEPSA Secretary General, thanked all the participants and in particular the young people who attended the Conference. He expressed his pleasure for being in Sofia and briefed the audience on Bulgaria's extremely interesting history. Professor de Zwaan underlined that the aim of the TEPSA Conference is to provoke discussions with the forthcoming Bulgarian Presidency and make recommendations on its political agenda, informed by the various current political documents at EU level. He concluded by thanking NBU for the initiative and the organisation of the Conference.



4

Professor Antoni Slavinski, President of the Board of Trustees of the NBU, thanked all the Conference participants. He noted that Bulgaria is taking over the Presidency of Council of the EU in very interesting times. The current challenges require planning, public debate and clear vision. In times when populism is rising, clear solutions are needed. He further highlighted the need to breach the gap between academia and policy-making and he expressed a strong commitment from the side of the New Bulgarian University to participate in similar future initiatives.

Iskra Mihaylova - MEP, Group of the Alliance of Liberals and Democrats for Europe, Chair of the Committee on Regional Development, thanked all the organisers through a video message. She underlined that the TEPSA Pre Presidency Conference serves as a great occasion for the exchange of views between policy makers, academics, researchers, media and civil society. In her opinion the Bulgarian Presidency will contribute significantly to the debate on the future of the EU through a model of unity and integrity. The MEP stressed the need for effective cooperation between the EU Institutions,



the development of synergies between funds and procedural transparency. She closed her intervention by wishing a nice event and a fruitful exchange of views to the participants.

Professor Michael Kaeding, TEPSA Chairman and Jean Monnet Professor for European Integration at the University of Duisburg-Essen, in his introductory remarks thanked the organisers and the participants of the Conference. Following the long TEPSA tradition on holding Pre Presidency Conferences twice per year, he acknowledged that it is a great opportunity for exchange of views on the TEPSA recommendations (available in the Annex) and beyond. Taking into account the current political issues, Professor Kaeding stressed that involving all Member States in the European integration dialogues is one of the biggest challenges that the new Presidency will have to face.

III. The priorities of the Bulgarian EU Presidency

Dr Monika Panayotova, Deputy Minister of the Bulgarian EU Presidency, presented the priorities of the Bulgarian Presidency and highlighted the importance of the feedback received by academia and civil society in the preparation of the Presidency's agenda. Dr Panayotova stated that the Bulgarian Presidency will stand as an open mediator, promoting the unity and solidarity of the Union. The forthcoming Presidency's plan is to adopt a working method that corresponds to the current challenges and is open to EU citizens. Bulgaria is taking over the Presidency of Council of the EU in interesting times when complex but inspiring decisions for the future of the EU have to be made.



5

The main objectives of the Bulgarian Presidency will focus on growth and employment, on the energy union and climate policies, on migration, security and internal affairs as well as on strengthening the EU on the global stage.

Discussing the future of Europe and the role of young people in it, Dr Panayotova highlighted the need for transformation of key EU policies that will contribute in fostering the economic growth and social cohesion. The forthcoming Presidency will focus on the Multiannual Financial Framework post-2020, holding a Ministerial Conference in Sofia in March 2018. Another objective will be the modernisation and simplification of the Common Agricultural Policy (CAP) post-2020, as well as the deepening of the Economic and Monetary Union (EMU). Last but not least, concerning young people, Bulgaria will pay



particular attention to the development of skills and competences, as well as to the promotion of European values through formal and non-formal education.

With regards to a specific priority for the Bulgarian Presidency, Dr Panayotova noted that the prosperity, development and stability of the European continent is closely related to the prosperity, development and stability of the Western Balkans. To that aim, the Bulgarian Presidency will focus on the European perspective and connectivity of Western Balkans through realistic projects, which will stimulate motivation for the citizens. In addition, an EU-Western Balkans Summit will be held in Sofia in May 2018.

On security, the Bulgarian Presidency is planning to focus on the EU Global Strategy, widely endorsed by numerous EU Member States. Moreover, it will try to address the root causes of migration in a coordinated effort to decrease irregular arrivals. While solidarity and responsibility should be the guiding principles in the reform of the asylum system, during its Presidency, Bulgaria will also intensify the efforts to bring Schengen back to its normal functioning. Beyond that, the incoming Presidency will also work on the logistical matters for the establishment of the European Public Prosecutor Office (EPPO), and last but not least it will focus on the clean energy package proposal, as an instrument for delivering a safe, secure and well-connected energy system.

Information and communication technology is the foundation of all modern systems, affecting also the dynamics of the future markets. With this consideration as guiding principle, the Bulgarian Presidency is planning to focus its work in this particular field, taking advantage of the new horizons that open for the industries.

Concluding her presentation, Dr Panayotova emphasised the need for the EU to become more pragmatic and efficient, providing security to its citizens and taking back the management on migration. Moreover, there is a need to make the EU more competitive and innovative, while enhancing territorial and social cohesion. The EU needs to become a force of inspiration at the global stage but also in the neighbourhood, taking into account the prosperity and connectivity of Western Balkans.

IV. TEPSA Recommendations to the Bulgarian EU Presidency

Following the presentation of the priorities for the Bulgarian EU Presidency, Professor Kaeding took the floor, elaborating on TEPSA recommendations. The thematic focus is on five key EU policies:

- Enlargement and Western Balkans
- Migration
- Deeper monetary integration
- Future budget negotiations
- Social dumping and economic convergence

The full text of TEPSA recommendations to the Bulgarian EU presidency is available in the Annex of the report.

The presentation of TEPSA's recommendations was followed by a fruitful exchange with Dr Panayotova on the priorities of the Bulgarian EU Presidency.



V. Plenary Session I: The Future of the EU

a) Panel I.A – Migration and security challenges and the EU's response

PANEL I.A

chaired by
Hristo PANCHUGOV
NBU

> **Prof. Dr. Jaap DE ZWAAN**
TEPSA Secretary-General

> **Valeri RATCHEV**
Geneva Centre for the
Democratic Control of
Armed Forces

> **Todor KOLAROV**
New Bulgarian University

Professor de Zwaan started his presentation by highlighting that migration remains a significant feature in the political agenda. His contribution focused on ways to tackle the problem by addressing its root causes. While the need for change is a common ground of agreement among the relevant stakeholders, much more is yet to be achieved. He stressed the need to adopt a consistent and holistic approach on border controls, lifesaving, resettlement, readmission and returns, as well as on legal migration. Professor de Zwaan argued that this can only be achieved in due respect of the principle of solidarity and he added that the EU should seriously consider alternative modalities for the EU Member States that do not cooperate in this regard. He emphasised the need to assist the countries of origin to develop a more sustainable economic and social framework. Finally, he concluded by stressing that a global approach is necessary in order to tackle the migration challenges, with the cooperation of third actors

like the USA, Canada, Australia, Russia and China.

Valeri Ratchev noted that security and migration issues hold a central position in all European discussions. He stated that a better definition of the migration phenomenon would allow for the development of a more efficient policy. In his view, the EU security policy was not prepared for the recent challenges, as it was vastly interdependent. Mr Ratchev stressed the need for the EU Member States to overcome their thresholds in order to achieve a common security policy. Finally, he stated that the EU should adapt better, in particular with regard to the policy followed by its counterparts, especially in Russia and the USA.





Todor Kolarov argued that security is interlinked with defence and judicial cooperation and therefore he underlined the need for a holistic approach towards the current challenges. He encouraged the Bulgarian presidency to promote the European Commission's proposal that is in the pipeline on the fight against organised crime and financing of terrorism. Professor Kolarov also called for further implementation of the 2015 Agenda on Security, arguing that Bulgaria has a vested interest to promote it and a good ground to insist on further developments to that aim.

b) Panel I.B – EU and the neighbourhood - Common foreign policy and the prospects of Enlargement

PANEL I.B

chaired by
Hristo PANCHUGOV
NBU

- > **Dr. Ettore GRECO**
Istituto Affari
Internazionali, Rome
- > **Prof. Atila ERALP**
TEPSA Board member,
Center for European
Studies at the Middle
East Technical
University

Dr Ettore Greco discussed the enlargement prospects of the EU. He reminded the audience that this policy has been put on hold for a while, as both the political world and the society are not favourable towards the enlargement perspective. In his view, the reasons for this could be the economic crisis, internal EU divisions or even the mismanagement of the refugee crisis. Dr Greco highlighted the importance for the EU to reassert its principles and values, to counter the external dangers, include candidate members in the crucial dialogues and ultimately make enlargement policy relevant again.

Professor Atila Eralp argued that the EU is facing numerous challenges, however it still remains relevant at global level. Its particular identity facilitates the development of partnerships with third countries within the complex global system. Key issues

to be addressed at international level are migration, security, energy, and terrorism, however, according to Professor Eralp, the EU is not delivering sufficiently in those areas. Furthermore, he argued that Turkey is a strategic partner for the EU in the areas of migration, security and energy and therefore it should adopt a more inclusive policy in this regard. Finally, he concluded that the EU should seriously reconsider its overall approach concerning third countries, in order to sustain its attractiveness for the neighbouring countries.



VI. Plenary Session II: Creative Industries and EU Economic Growth

PANEL II

chaired by

Hristo PANCHUGOV, NBU

- > **Dr Kalin MARINOV**,
Deputy Director of the
European Funds for
Competition, BG Ministry of
Economy
- > **Dr Maja BUCAR**
Centre of International
Relations, University of
Ljubljana
- > **Prof Evgenii DAINOV**
Professor at NBU

Dr Kalin Marinov, in his keynote speech, elaborated on the support provided by the Bulgarian Ministry of Economy to Bulgarian businesses and in particular to creative industries. He stated that with respect to the criteria set by the European Commission and the European Parliament as implementing preconditions, Bulgaria is investing a significant amount of resources in this industry. Under the so-called *Smart Specialization Industry*, Bulgaria is supporting new technology in creative and re-creative industry, emphasises on building bridges between scientists and practitioners, while it also focuses a lot on future technology plans. The Deputy Director concluded by highlighting the importance of creative industries for society and added that the Bulgarian government will keep supporting such initiatives.

Dr Bucar started her intervention by highlighting that the definition of creative industries varies across EU Member States. Moreover, while the European Commission is stressing the importance of creative industries as a competitive advantage, the figures demonstrate that their contribution to GDP has actually dropped. At the same time, its indirect impact on other industries, such as design or marketing, should also be taken into consideration. Dr Bucar stated that the promotion of creative industries lies a lot within education. Moreover, entrepreneurship can be crucial in promoting creative industries. Last but not least, the adoption of a horizontal approach is necessary, serving as a way for networking and cooperation amongst the relevant actors.





Professor Dainov drew attention to the role of universities in the particular context of creative industries. While questioning whether universities should obey to the needs of markets, he also stressed the difficulty for universities to match the markets' ever-changing nature. By making a distinction between traditional and social skills, Professor Dainov concluded that the aim of universities should indeed be to provide the students with the required skills, but also enable them to use those skills efficiently for their own integration. After all, markets and universities form part of a specific set of society, and this should not be neglected.

VII. Plenary Session III: EU after Brexit

a) **Panel III.A – Designing the post-2020 MFF for a cohesive, prosperous Union capable of responding to global challenges**

PANEL III.A

chaired by
Dr. Kiril AVRAMOV
Vice Rector, NBU

- > **Prof. Michele CHANG**
TEPSA Board member,
College of Europe
- > **Assoc. Prof. Margarita SHIVERGIEVA**,
Prof. Jean Monet in
Economy, New Bulgarian
University

Professor Chang started her speech on a positive note by presenting the Eurozone's gradual recovery from the financial crisis. However, the continuation of the bank-sovereign link, the unemployment rates and Brexit cannot not be disregarded. In her view, issues like the decision-making methods that will be used in the future, the allocation of risks in the Eurozone and the role of the European Commission should be followed closely. Professor Chang presented her reflections on the impact of Brexit on Eurozone's enlargement, expressing her concerns on the readiness of some Member States to join the euro and on the benefits that this enlargement would entail. Concluding, Professor Chang noted that Brexit might ultimately create the conditions for deepening the EMU and strengthening the Banking Union.

12

Professor Shivergieva discussed the future of the Eurozone. She argued that the EU should make its presence felt at global level and provide better answers to the current challenges, related to the Eurozone and its democratic legitimacy. While GDP divergences between Member States still exist and unemployment rates remain high, Professor Shivergieva suggested the completion of the Banking Union and the establishment of a (directly accountable to the European Parliament) Eurozone minister as possible remedies.



b) **Panel III.B - EU and the Catalonia conundrum: lessons learned and ways forward**

PANEL III.B

chaired by

Dr. Kiril AVRAMOV

Vice Rector NBU

> **Prof. Ignacio MOLINA**

Elcano Royal Institute,
Madrid

> **Prof. Brendan DONNELLY**

Director, The Federal Trust
for Education & Research

Prof. Ignacio Molina started his presentation by acknowledging the long-standing disputes between the central Spanish government and the regions, because of their strong identity.

Globalization and the euro crisis further contributed in the escalation of those tensions, especially in the case of Catalonia. By comparing the bid for secession of Catalonia with that of Scotland, he argued that the main points of differentiation are the respect for the rule of law and matters related to national sovereignty. Although Catalonia has never been a pro-European region, the Catalans should consider better what the implications of a unilateral secession would be for the relations with the EU. He concluded by calling for an accommodating compromise to be reached between the region and the central government.

With a short but provocative statement **Professor Donnelly** argued that, in his view, Brexit will not affect the European Union to a great extent. According to him, the issues that are being currently raised are not newborn, but rather have been 'on the table' for a long time. The Brexit negotiations enable the two parties to address those points, but at the same time serve as an opportunity for the EU itself to tighten its bonds (especially when it comes to areas such as the Eurozone).



VIII. Concluding Remarks

The chairman of TEPSA, Professor Michael Kaeding, warmly thanked the prominent speakers, the participants and everybody who was engaged in the preparation of the Bulgarian Pre-Presidency Conference. He stated that this conference served as another great opportunity to discuss the future of Europe in the light of the forthcoming EU Council Presidency. Professor Kaeding commented on the changing dynamics within the (newly-elected) governments of various EU Member States that sometimes do not even hold the majority. In this regard, he highlighted the contribution of TEPSA in shaping the future of Europe with initiatives like the Pre-Presidency Conference but also with academic contributions, like the forthcoming TEPSA book under the title 'The Future of Europe – Perspectives from EU capitals'.





Annex I: Pre-Presidency Conference Sofia Programme

TEPSA – Trans European Policy Studies Association

Pre-Presidency Conference

Sofia – Bulgaria

30 November – 1 December 2017



United We Stand Strong

15

Venue: Park Hotel "Moskva", Sofia, Nezabravka 25 Str., 1113 Sofia, Bulgaria



Programme

Thursday 30 November 2017

- 09.00 - 12.00 Arrival of guests and registration
- 12.00 Lunch
- 13.00 Registration of the Conference delegates
- 13.15 Welcome address by Prof. *Jaap de Zwaan*, TEPSA Secretary General
- 13.30 Welcome address by the Prof. *Antoni Slavinski*, President of the Board of Trustees of the NBU
- 13.45 Welcome address by *Ognian Zlatev*, Head of the European Commission's Representation in Sofia
- Iskra Mihaylova* - MEP, Group of the Alliance of Liberals and Democrats for Europe, Chair of the Committee on Regional Development
- 14.00 **"The priorities of the Bulgarian EU Presidency"**
- Address by:
- Deputy Minister of the BG EU Presidency, *Monika Panayotova*
- 14.30 **TEPSA Recommendations to the Bulgarian EU Presidency**
- 15.00 Discussion
- 15.30 Coffee break

16



16.00

Plenary Session 1 “The Future of the EU”

A) Migration and security challenges and the EU's response

Moderator - *Hristo Panchugov*, NBU

Presenters:

- Prof Dr *Jaap W. de Zwaan* - TEPSA Secretary-General, former Director Clingendael, The Netherlands
- *Todor Kolarov* - New Bulgarian University
- *Valeri Ratchev* - Geneva Centre for the Democratic Control of Armed Forces, Center for Security and Defence Management, advisor to the Minister of Defence 2010-2013

Discussion

B) EU and the neighbourhood - Common foreign policy and the prospects of Enlargement

17

Presenters:

- Dr. *Ettore Greco* - Istituto Affari Internazionali, Rome
- Prof. *Atila Eralp* - TEPSA Board member, Center for European Studies at the Middle East Technical University; Senior Fellow at the Istanbul Policy Center

Discussion

17.30

Coffee break

18.00 - 20.00

TEPSA General Assembly

20.30

Dinner - Park Hotel Moskva



Friday 1 December

09.30 **Plenary Session 2 “Creative Industries and EU Economic Growth”**

Moderator - *Hristo Panchugov*, NBU

Presenters:

- Prof. *Evgenii Dainov*, NBU
- Dr. *Kalin Marinov*. Deputy Director of the “European Funds for Competition” Directorate at the Ministry of Economy”
- Dr. *Maja Bucar* - Centre of International Relations, Faculty of Social Sciences, University of Ljubljana

Discussion

11.00 Coffee break

11.30 **Plenary Session 3 “EU after Brexit”**

18

Moderator - Dr. *Kiril Avramov*, Vice Rector, NBU

A) Designing the post-2020 MFF and reforming the EMU for a cohesive, prosperous Union capable of responding to internal and external challenges

Presenters:

- Assoc. Prof. *Margarita Shivergieva*, Prof. Jean Monet in Economy, New Bulgarian University
- Prof. *Michele Chang* - TEPSA Board member, College of Europe



B) EU and the Catalonia conundrum: lessons learned and ways forward

Presenters:

- Prof. *Brendan Donnelly* - Director, The Federal Trust for Education & Research
- Prof. *Ignacio Molina*- Elcano Royal Institute, Madrid

12:30 **Concluding remarks** by the TEPSA Chairman Prof. *Michael Kaeding*, University of Duisburg-Essen

13.00 **Lunch**



Annex II: Recommendations from members of the TEPSA network to the incoming Bulgarian Presidency

The Trans European Policy Studies Association (TEPSA) has a tradition of formulating recommendations to the incoming Council Presidency. These recommendations have been prepared by the following members of the TEPSA network: Michele Chang (TEPSA Board, College of Europe, Bruges), Petr Kratochvíl (TEPSA Board, Institute of International Relations, Prague, the coordinator), Jaap de Zwaan (Secretary General of TEPSA, TEPSA Board Member), and Hristo Panchugov (New Bulgarian University). They do not necessarily represent the view of TEPSA or its member institutes.

Michael Kaeding (University of Duisburg-Essen), Chairman of the TEPSA Board, will present the recommendations to the incoming Bulgarian Presidency on the occasion of the TEPSA Pre-Presidency Conference on 30 November and 1 December 2017 in Sofia. The conference is organized by New Bulgarian University in Sofia in cooperation with the Trans European Policy Studies Association.

November 2017

Preamble

20

As the time of the first Council Presidency for Bulgaria, the coming six months will be undoubtedly challenging, both administratively and politically. But first presidencies also offer an extraordinary opportunity since in such cases, public attention to the presidency is considerably higher in the country as well as abroad than during the given country's subsequent presidencies. At the time of increased worries about the legitimacy of the European Union, the public aspect of European integration is more important than ever. It is therefore laudable that the National Forum has been established in Bulgaria to draw the limelight to the Presidency and its activities. The Presidency has set many important priorities, ranging from sustaining the economic growth that has recently returned with a renewed vigour, to migration, energy policy, and measures related to competitiveness and to the relations between Eurozone and non-Eurozone countries. These priorities correspond very well with the ambitious Work Programme of the European Commission for 2018, which increases the likelihood of a strong synergy between the Presidency and the EC.

Equally importantly, as the brunt of the several recent crises is behind us, a new impetus for further reform has emerged. Although calls for a treaty change have become more vocal, the EU still falls short of reaching consensus on this delicate question. For these reasons, we appreciate the insistence of the Prime Minister of Bulgaria Boyko Borisov on a balanced and consensual



approach as the main guideline of the Bulgarian Presidency. Indeed, this corresponds to the basic insight that unity and solidarity should remain the basic principles of the integration project.

The question of legitimacy and efficiency is directly linked to the debate on the future of the EU. Without infringing on the activities of President Donald Tusk, the Presidency of the Council has a responsibility in this endeavour as well since the future interests of the EU as a whole are at stake here. The steps and measures scheduled for the next year and a half will need the full engagement of all Heads of State and Government, but they will also require the will to make compromises on specific points in the general interest. If the Agenda is not successfully implemented, the EU may inadvertently fall back to a period of 'muddling through', with less of an integration impetus and more initiatives to develop models of differentiated integration, thus failing to fully address the urgent needs of the EU as a whole, its member states and its citizens. Needless to say, the reputation of the EU as a global actor is at stake here too. Again, unity and solidarity are the guiding principles so that the dynamism of the integration process can be maintained, both internally and in relations with other countries and partners.

Enlargement and the Western Balkans

The enlargement policy has always been one of the most successful policies of the EU, leading to an unprecedented level of institutional and legal integration, but also to economic convergence across the Continent. However, further enlargement is fast becoming less and less popular in many EU capitals. We are strongly convinced that it is all the more important to show that future EU enlargement to the Western Balkans can be a similar success story as the past enlargement, as it could be beneficial both for the newest members of the community and for the Union as a whole. Bulgaria has a high level of regional expertise here, which allows it to remain realistic with regard to this issue and yet support the Western Balkan countries on their path to the EU.

Bulgaria has placed the so-called 'connectivity agenda' (transport, communication, infrastructure and energy) at the heart of its priorities with regard to the Western Balkans with the aim to improve the links of the region with the EU Single Market. To reach this goal, Bulgaria plans to propose an initiative for digital connectivity and a step-by-step adoption of roaming rules within the European Union by the Western Balkan countries, while passing through a gradual reduction in roaming charges and an increase in broadband internet access opportunities. This, however, seems less ambitious than necessary. While remaining realistic, Bulgaria may use the full potential of its Presidency to foster and take a leading role in the regional cooperation on issues of mutual interest (transport and energy in particular) to overcome regional disparities and pave the road to accession.

Additionally, building on its regional expertise, Bulgaria needs to engage in a comprehensive diplomatic offensive to foster positive attitudes towards further EU enlargement in the region, so that the accession of the Western Balkans becomes a tangible prospect based on the



fulfilment of the conditions and the principles of merit. As part of a broader strategy, Bulgaria should actively focus (both bilaterally and through regional cooperation) on sharing its experience with the challenges that the accession process poses before candidate-countries so that best practices can be shared in the region at large.

Migration

Although the most difficult period of the migration crisis seems to be largely over, the influx of migrants has been continuing. The EU therefore urgently needs a consistent and comprehensive migration strategy, but this – notwithstanding all the mixed experiences in the recent past – is unfortunately still lacking. Not only must we better protect our external borders and combat smuggling of migrants as a priority, but we also need to ensure that once the migrants arrive in one of the Member States, the EU acts more quickly and more efficiently, inter alia, with regard to the number of immigration officers capable of executing the assessment of the applications for asylum and/or residence. At the same time the often inhumane conditions under which migrants are received and housed in some Member States must be urgently improved. On the other hand a better cooperation with the countries of origin should be developed in order to return illegal migrants to their homelands faster once their claims for asylum or residence are definitively dismissed. In undertaking all these actions, solidarity from all Member States is required: all Member States should take their share of the responsibility for dealing with – and, finally, solving – the problems at stake.

Finally, reflections on how to improve the situation(s) in the migrants' unstable regions of origin should be intensified. On 27 September 2017, the European Commission has presented its mid-term review of the 2015 European Agenda on Migration (Communication COM(2017)558 final). The proposed activities and acts contained therein regarding, for example, relocation, resettlement, legal migration and an adequate return policy deserve all the necessary attention from the Bulgarian Presidency and the Member States. Similarly, the programme, as scheduled by the European Council in its conclusions of 19 October 2017, has to be fully and timely implemented.

Deeper monetary integration

Among the key issues that will redraw the landscape in the area of the EMU and set the tone in the sphere of monetary integration is the European Commission's EMU Package, which will be delivered in early December 2017. The Package will include, among other proposals, a convergence instrument to give pre-accession assistance to non-Euro countries to encourage their efforts to join the common currency area. It will also propose the creation of the post of a permanent European Minister of Economy and Finance. All these proposals have far reaching



consequences for the decision-making and the institutional set-up of the Eurozone as well as the European Union as a whole.

TEPSA has long warned about the growing institutional gap between the Eurozone and the rest of the EU and the dangers related to this unfortunate development. The Bulgarian Presidency should work hard to prevent the deepening of the growing differences between the two groups of countries. While differentiated integration is a long-established principle of the integration process, it should never lead to creating obstacles to joining the more exclusive club should any non-participating country so decide in the future.

Additionally, Bulgaria can also become a role model for the other non-Eurozone countries if it is among the first to use the resources provided by the newly introduced convergence instrument. We believe that the full inclusion of Bulgaria in the ERM II, which is one of the key prerequisites for adopting the Euro in the future, is another very important step in this direction.

Future budget negotiations

By the end of May 2018, the European Commission will table its proposal for the Multiannual Financial Framework beyond 2020. As difficult as the negotiations were regarding the current budget, this time the complexity will further increase. The conditions are dramatically different from the past: the budget will be missing between 10 and 12 billion Euros following Brexit, and the potential contribution of the leaving UK to the future budget cannot be counted on. Simultaneously, the EU will have to cope with increased demands in terms of both external and internal security and migration. This also means that cuts in sensitive areas will have to be made: for example, lower agricultural subsidies are being considered.

Even more politically explosive is the proposal to link the structural funds payments to the state of the rule of law in member states. This proposal cannot be dismissed easily, as there are worrying trends in some EU member states and it is only natural that other members of the EU express their concerns. In other words, this proposal has its merits. But the overriding formula should be cohesion *and* solidarity. Hence, any changes should always simultaneously consider their impact on the fragile state of cohesion in the EU, its legitimacy and the levels of solidarity. Solidarity here should be interpreted comprehensively, as comprising both financial aspects and refugee distribution. Again, Bulgaria can serve as an example for other states to follow as it complies with EU rules in both of the aforementioned areas.

Social dumping and economic convergence

The final issue TEPSA would like to raise is related to the double issue of social dumping and economic convergence. The two challenges are often treated separately and while social dumping is more broadly discussed in some member states, the failing economic convergence is



a sensitive topic in others. A real dialogue about these issues is sadly missing even though they are in fact intimately connected. This leads to mounting misunderstandings and sensitivities.

It is a very important task of the Bulgarian Presidency to stress that the fight against what some member states call social dumping makes sense only if it is also accompanied by measures to encourage economic convergence. The slow pace of the convergence or even its stagnation is among the root causes of the rising Euroscepticism in Central and Eastern Europe. Addressing the issues of social dumping and convergence simultaneously is therefore essential. One topical instantiation of this double problem is the new directive on posted workers. It is our conviction that shortly prior to and during the Bulgarian Presidency, a consensus can slowly emerge here, but the fate of the directive as well as the willingness of the EU to work for stronger economic convergence will be a litmus test for the ability of the member states to find a broadly acceptable compromise.