OPEN SOCIETY
FOUNDATIONS

Financing EU Enlargement: Balancing Efficiency, Predictability, and Results

Author: Tefta Kelmendi
Coordination and supervision: Tinatin Tsertsvadze

April 2026

Table of Contents

Executive Summary 3

Key Recommendations 4

Introduction 5

Assessing the EU's Current Pre-Accession Assistance Mechanisms: Performance of IPA III (2021-2027) and the New Facilities (2024) 7

Towards a Flexible, Bolder, and Predictable Pre-Accession Assistance in the Next MFF (2028–2034) 11

Conclusion 20

Annex 1: EU Pre-Accession and Investment Support by Country (Selected Candidates) 22

Annex 2: EU Financial Assistance Relevant for EU Accession (Selected Candidates) 23

References 24

© Open Society Foundations
Some Rights Reserved

224 West 57th Street
New York, NY 10019
P. +1 212-548-0600
opensocietyfoundations.org

Executive Summary

- Since 2007, the Instrument for Pre-Accession Assistance (IPA I–III) has delivered a credible, long-term financial commitment to candidate countries, but its rigidity and weak incentive structure have limited its effectiveness in sustaining reform momentum and driving meaningful socioeconomic convergence.

- The Reform and Growth Facilities for the Western Balkans and Moldova introduced after Russia's invasion of Ukraine, have reinvigorated reform momentum, strengthened ownership through conditionality, and begun supporting gradual integration. However, their impact remains uneven, benefiting more advanced candidates and offering limited leverage in addressing political crises, bilateral disputes, or stalled reforms.

- The European Commission's proposal to integrate pre-accession assistance within the Global Europe Instrument (GEI) in the next Multiannual Financial Framework (MFF) has raised concerns among candidate countries regarding funding predictability and continuity.

- The evolving security environment in Europe requires more flexible and responsive tools, capable of strengthening resilience, reducing energy and economic dependencies on third actors, and enhancing security and defense capacities in candidate countries.

- Divergence among candidate countries is increasing, with growing gaps among reform-advanced countries, those facing stagnation, or those whose accession has been effectively frozen due to serious backsliding.

- The Western Balkans Investment Framework (WBIF) is an effective implementation platform for EU policies in the region and supports the EU's Global Gateway objectives, but countries with limited technical assistance capacities and weak institutional coordination mechanisms have struggled to fully capitalize on this platform and meet the investment-related criteria of accession. Moreover, socioeconomic convergence gaps between candidate countries and the EU persist.

- The retreat of U.S. democracy and development assistance has created a significant funding gap, particularly affecting civil society and independent media in candidate countries.

Key Recommendations

- Plan predictable and adequate enlargement resources in the next Multiannual Financial Framework (MFF) to reduce ambiguity, ensure continuity, and reinforce the EU's credibility and commitment to delivering tangible enlargement results within the current Commission's mandate.

- Choose a clear budget architecture within the Europe pillar of the Global Europe Instrument: establish a dedicated European Integration Facility for 2028–2034 to maximize predictability and political credibility; alternatively, strengthen the Europe pillar under GEI with explicit enlargement language and place priority on allocations for candidates.

- Adopt a simple and incentive-based funding structure for pre-accession funds: allocate approximately 65 percent of assistance through programmable multiannual, country-specific Reform, Partnership, and Integration Plans and approximately 35 percent as flexible funding for crises and emerging priorities; combine grants, loans, and guarantees while preserving a strong grant component.

- Set a credible financial envelope: at least EUR 35 billion for the Western Balkans and Moldova (approximately 50 percent grants), plus approximately EUR 8 billion in dedicated accession-related assistance for Ukraine within the Ukraine reserve.

- Provide transitional arrangements for post-negotiation phases, including continued access to GEI funding, a targeted Union action within the EU facility for final-stage convergence, strict rule-of-law conditionality, and tailored measures in the event of Ukraine's accelerated accession.

- Apply strong conditionality to payment disbursements under the fundamentals cluster, while ensuring that conditionality remains balanced with meaningful incentives.

- Provide unconditional grant support to civil society organizations (CSOs), independent media, and small and medium enterprises (SMEs), and substantially increase CSO and independent media funding in the next MFF.

- Significantly strengthen technical assistance and institutional capacity-building, especially for countries that have not yet opened accession negotiations.

- Maintain strong support for regional cooperation and dialogue promotion initiatives, including regional institutions and projects focused on democratic resilience, media and civil society cooperation, connectivity, energy, transport, and good neighborly relations.
- Establish a European Integration Investment Platform as a Team Europe coordination mechanism for candidate countries, building on the Western Balkans Investment Framework model. Define a bold budget for the investment platform for mobilizing investments in candidate countries.

Introduction

The European Union's most recent enlargement wave is taking place at a time of major geopolitical shifts and security challenges on the continent. These shocks demand rapid responses and the readaptation of policies and instruments, guided by a long-term vision for a Union that is stronger, more competitive, and a strategically autonomous actor in the new world order. Institutions and member states are increasingly adapting to the need to think outside the box and to build on the Union's leverage—beyond its large market and skilled labor, its soft power and liberal values continue to serve as a strong force of attraction. Complementing these existing strengths, new and ambitious initiatives have been introduced and now require swift implementation to advance the EU's economic competitiveness and defense capabilities.

In line with this more strategic thinking, EU enlargement now enjoys stronger political backing across EU institutions and member states. There is a shared realization that, in this new context, enlargement no longer serves only as a tool for projecting soft power and promoting democracy and stability; it has also become an important instrument for securing the Union's own stability and reinforcing its position in the world.

The 2025 Enlargement Report[i] indicates that renewed political momentum is beginning to translate into tangible results in candidate countries. For the first time in over a decade, the prospect of new EU accessions within the current Commission's term appears plausible. While several candidate countries have opened accession negotiations, progress remains uneven, with only two candidates—Montenegro and Albania—advancing negotiations at a pace that could allow for their conclusion, and potentially membership, within the present Commission's mandate. Most other candidates—Ukraine, Moldova, Bosnia and Herzegovina, North Macedonia, and Kosovo—despite persistent instability and recurrent blockages at the Council level, continue to demonstrate a clear strategic alignment with the EU and commitment to

accession and reforms. On the other hand, with Türkiye and Georgia, the EU has frozen the accession process due to authoritarian practices and incompatible strategic alignment. With Serbia, the EU is readjusting its approach in response to years of stalled reforms and backsliding, and persistent foreign policy misalignment due to Serbia's cooperation with Russia and China, which complicate the country's accession process. This landscape underlines wide variations on reform progress among candidate countries, directly affecting the timing of their accession. In this context and given the urgent nature of this enlargement wave, the EU's stronger focus on merit-based enlargement makes a case-by-case approach more effective.

This renewed political backing for enlargement has been accompanied by the introduction of additional financial instruments aimed at supporting reforms and accelerating convergence with EU standards. In this regard, the Reform and Growth Facilities for the Western Balkans and Moldova and pre-accession assistance under the Ukraine Facility represent a positive step, signaling the EU's commitment to deeper integration and increased investment in candidate countries.

For the EU and its member states, this year presents a critical opportunity to consolidate this political momentum by ensuring that a bold and coherent pre-accession budget is embedded in the next Multiannual Financial Framework (2028–2034). Adequate resources will be essential to enable accelerated accession, promote rapid socioeconomic convergence, and support reforms through increased investment and simplified procedures. Under the European Commission's proposal for the EU's long-term budget presented in July 2025, within the next MFF support for accession is set to be simplified and channeled through the Global Europe Instrument,[ii] with a budget that will fall within the EUR 43.2 billion proposed to cover the Europe pillar of this instrument. The absence of a more detailed proposal has already raised questions regarding the future effectiveness of pre-accession assistance and its capacity to sustain political commitment and reform momentum in candidate countries.

Scope and Methodology

This paper analyzes current EU pre-accession financial support mechanisms and proposes a set of recommendations for pre-accession support within the next long-term budget of the EU, the Multiannual Financial Framework (2028–2034).

The analysis is based on desk research drawing on EU strategic documents, European Commission proposals, Council conclusions, annual country reports, European Parliament studies, reform agendas of candidate countries, and relevant academic and policy literature. To complement this review, the study also incorporates interviews with 12 experts and officials from candidate countries and the EU, placing a greater focus on perspectives from the candidate countries.

The scope of the paper is limited to candidate countries in the Western Balkans, as well as Moldova and Ukraine.

Assessing the EU's Current Pre-Accession Assistance Mechanisms: Performance of IPA III (2021-2027) and the New Facilities (2024)

The European Union's financial support for the accession process under the current Multiannual Financial Framework (MFF) 2021–2027 is primarily channeled through its dedicated pre-accession instrument, the Instrument for Pre-Accession Assistance (IPA III),[iii] which provides support to candidates and potential candidates in the Western Balkans and Türkiye. Following developments in 2022, which resulted in three countries obtaining EU candidate status, additional funding was mobilized under heading 6 of the EU budget—including within the Neighbourhood, Development and International Cooperation Instrument (NDICI–Global Europe)[iv]—to establish complementary facilities, notably the Western Balkans Reform and Growth Facility (2024–2027) and the Reform and Growth Facility for Moldova (2025–2027)[v]—combining grants, loans, and guarantees. In addition, the EU supports Ukraine through the Ukraine Facility (2024–2027), a significantly larger instrument amounting to EUR 50 billion.[vi]

Within the current MFF, the IPA III budget amounts to EUR 14.2 billion for 2021–2027, and its design reflects enlargement priorities as adapted under the Revised Enlargement Methodology,[vii] which aims to make the process more

credible and predictable while placing fundamental reforms at its core.[viii] It also seeks to strengthen incentives for political leaders to advance reforms, by better leveraging the Western Balkans Investment Framework[ix] to support implementation of the EU's Economic and Investment Plan for the Western Balkans,[x] focusing primarily on connectivity and green investments, as well as on environmental protection, human development, and private sector support.

Compared to previous generations, IPA III introduced a more thematic structure,[1] organized around five windows.[xi] While the European Commission sought to maintain a degree of continuity with the two previous generations of IPA, which followed a strong sectoral approach, it also aimed to address persistent reform stagnation and regional instability by placing stronger emphasis on stabilization, the rule of law, good neighborly relations, and socioeconomic convergence with the EU. This shift was accompanied equally by a greater focus on investments and connectivity as tools to close the development gap with the EU27.

Relative to earlier generations, IPA III is generally considered more strategic in design. Nevertheless, regional experts have criticized the instrument for moving away from a previously stronger focus on alignment with EU policy frameworks—particularly Cohesion Policy—toward a more development-oriented model of assistance.[xii] This model combines an emphasis on socioeconomic convergence, fundamental rights, democratic governance, and investment-driven growth.

The IPA III programming framework in principle adheres to a performance-based approach, allowing for the first time more flexibility to redirect or suspend funds if certain performance indicators are not met—particularly those related to the rule of law and fundamental rights.[xiii] Regardless, in the course of its implementation, there is no conditionality aspect attached to payment of allocations within the IPA framework, strictly speaking. Moreover, the instrument lacks a mechanism to reallocate funds dynamically based on relative progress in the accession process, thereby limiting its effectiveness as an incentive for better-performing candidates.

In terms of allocations, IPA III marked a change from previous instruments by abolishing indicative country-based envelopes. Despite this structural change, the overall budget increased only by EUR 2 billion compared to IPA II, remaining modest in its capacity to drive transformative socioeconomic

[1] 1) Rule of law, fundamental rights and democracy; 2) Good governance, EU acquis alignment, good neighborly relations and strategic communications; 3) Green agenda and sustainable connectivity; 4) Competitiveness and inclusive growth; 5) Territorial and cross border cooperation.

change or serve as a strong financial incentive for accelerated reforms. Studies indicate that, over the entire IPA III period, average per capita support amounts to approximately EUR 500—less than one-eleventh of what neighboring EU member states receive from EU Cohesion funding.[xiv]

Almost half of the IPA III budget (42 percent) is allocated to support the EU's green agenda and sustainable connectivity, compared to 16.9 percent dedicated to good governance and EU acquis alignment, and 15.13 percent to fundamental reforms, rule of law, and democracy.[xv] Within the latter categories, the majority of funding is channeled toward institutional support, judicial reform, and law enforcement. While this reflects a growing emphasis on fundamentals, support for civil society and independent media remains insufficient in a context of increasing democratic backsliding, foreign interference through information manipulation, and growing autocratic tendencies in parts of the region.[xvi] The situation has become more acute following the reduction of U.S. development assistance in 2025, which has left a substantial funding gap for democracy support and intensified competition for EU funds among civil society organizations. Across the Western Balkans, as well as in Ukraine and Moldova, civil society organizations have played a critical role in democratic reforms, including through formal participation in accession-related consultations and, in some cases, direct involvement in drafting policy and legislative proposals. As such, they represent an essential source of technical expertise for driving reforms in the years ahead, highlighting the need to strengthen consultation mechanisms and ensure civil society representation in programming and implementation structures of EU's pre-accession assistance.

IPA III continues to support technical assistance projects, although their impact remains difficult to measure and heavily dependent on beneficiary capacity. Public administration capabilities—particularly within line ministries and local authorities—remain limited across much of the region. Within IPA II and III, Public Administration Reform (PAR) is funded across governance, rule of law, and technical assistance programs. However, limited progress in this area continues to slow the pace of the accession process in candidate countries. Moreover, there is persistent criticism that a significant share of technical assistance funding is recycled back to the EU, reducing resources available for sustainable capacity-building and weakening local ownership of reform processes. This situation exposes the limitations of IPA-type assistance in driving progress on PAR.

***

The past years have provided important lessons regarding the efficiency of the EU's pre-accession assistance model. When the EU received membership

applications from Ukraine, and later from Moldova and Georgia, in 2022, it had not foreseen such a scenario. Strong political will and a clear security imperative led to a rapid decision to grant these countries candidate status; however, the existing pre-accession instrument (IPA III) lacked the flexibility to quickly accommodate the needs of additional candidate countries. As a result, it took between two and three years from the Commission's initial proposals to the establishment of dedicated facilities for Ukraine, Moldova, and the Western Balkans—a considerable delay in a context of urgent need, particularly in Ukraine's case.

In contrast to the more rigid, non-repayable long-term Pre-Accession Assistance architecture, the facilities offer a more flexible, performance-based approach, and a combination of support in the form of loans, grants, and guarantees—which, in the case of the Western Balkans, Moldova, and Ukraine, is conditioned on reform implementation.

In the Western Balkans, the Reform and Growth Facility provides EUR 6 billion for the 2024–2027 period, comprising EUR 4 billion in loans—backed by a 9 percent provisioning rate under the EU budget—and EUR 2 billion in grants.[xvii] Approximately half of this funding is channeled through investment projects implemented via the WBIF.[xviii] While this model has significantly expanded the scale of EU-backed investments, several beneficiaries point to limited national capacities combined with procedural delays of international financial institutions involved in project implementation as a persistent bottleneck, limiting their ability to meet accession-related investment criteria.

In Ukraine's case, the Ukraine Facility is designed primarily to support state resilience during wartime while simultaneously preparing Ukraine for postwar recovery, reconstruction, and EU accession. The facility combines support from the EU budget under NDICI–Global Europe, financing from the European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD)—fully or partially guaranteed by the EU budget—and bilateral financial contributions from member states.[xix]

Overall, pre-accession financial support delivered through a facility-based approach has been broadly well received by candidate countries, which have begun to experience a noticeable shift in efficiency. Under this model, countries are required to adopt reform agendas, with disbursements tied directly to the achievement of implementation milestones. While it is still early to draw conclusions, initial practice already points to stronger ownership and accountability on the part of beneficiaries. By combining performance-based financing with gradual integration into EU policies and market, this approach in the longer term has potential in accelerating EU membership.[xx]

At the same time, given that this model foresees substantial support in the form of loans, its effectiveness depends largely on the fiscal space and debt sustainability of candidate countries. Overall, the adjustments introduced with IPA III, combined with the launch of the facilities in 2024, have created a complex and evolving financial landscape for supporting EU accession under the current MFF. Limited administrative capacity in the Western Balkans has made adaptation to these changes challenging, and the transition has not been smooth. Experience with IPA III also points to insufficient involvement of beneficiaries in shaping the programming framework, reinforcing calls from candidate countries for consultations on the design of future pre-accession assistance under the next long-term budget of the EU.

Towards a Flexible, Bolder, and Predictable Pre-Accession Assistance in the Next MFF (2028–2034)

The European Commission's proposal for the next Multiannual Financial Framework (MFF) foresees a more flexible and simplified overall budget, amounting to nearly EUR 2 trillion for the 2028–2034 period.[xxi] This approach is reflected in the proposal for a regulation establishing the Global Europe Instrument, the external action pillar of the proposed budget. The Commission argues that a more flexible external action instrument is needed to enhance the EU's capacity to respond effectively to crises and rising insecurity in an increasingly volatile geopolitical environment.[xxii] According to the proposed regulation, the Global Europe Instrument would consolidate EU assistance for a wide range of external action policies—including enlargement, neighborhood policy, international partnerships, development cooperation, and humanitarian aid—into a single framework.[xxiii] The instrument would be structured around five geographic pillars and one global pillar, all supplemented by a flexibility cushion. It would combine both programmable and non-programmable funding, with a stronger emphasis on geographic rather than thematic allocation.

Building on the experience of EU's current external action and pre-accession instruments (NDICI, IPA) and the more recent facility-based approaches to pre-accession assistance, there is growing interest in maintaining a strong performance-based model grounded in conditionality, while further supporting the gradual integration of candidate countries through closer alignment with internal EU policies and programs.[xxiv] Simplifying procedures and moving

toward a more unified, flexible, and coherent external action instrument under the next MFF could offer clear efficiency gains. In the current changing global context and drawing lessons from Russia's invasion of Ukraine in 2022, which led to three additional countries being granted candidate status, the EU needs to ensure that it can rapidly adapt its financial assistance to accommodate new candidates. Equally in the case of freezing of the accession process for those countries diverging from the EU's core values—drawing lessons from Georgia and Türkiye—it is important that there is maximum legal flexibility in redirecting funds to back up the EU's leverage toward these countries, all while ensuring that funds are not lost but redirected to ensure maximum effectiveness in achieving democracy and development objectives in those countries. In contrast to the rigid IPA instrument, NDICI allows for reallocation of funds between countries and programs through built-in flexibility mechanisms and midterm reviews. The future pre-accession model could draw lessons from this type of instrument. But the Commission's proposal seeks to introduce even greater flexibility in pre-accession support, notably by not establishing a dedicated instrument, in order to respond more rapidly to shifts in the enlargement policy, developments in candidate countries, and evolving EU external action priorities. However, the EU needs to ensure that it does not undermine the political priority formally assigned to EU enlargement by merging multiple policy objectives into a single framework. In practice, it needs to ensure that within the Europe pillar, the regulation should seek to avoid competition for funds between the various areas, to avoid weakening one against the other.

The proposed budget for Global Europe amounts to EUR 200 billion, representing more than a doubling compared to the EUR 79.5 billion under the current external action instrument. Within the Europe pillar of the Global Europe Instrument, the Commission proposes an approximate increase of 50 percent for candidate countries, compared with the current enlargement budget provided through IPA and enlargement facilities. This comparison, however, requires important caveats. It is based on the optimistic assumption that the proposed envelope of EUR 43.2 billion is not reduced during negotiations and that up to 90 percent of it is ultimately allocated to candidate countries (excluding support for Ukraine within this envelope). Moreover, while the assistance provided through dedicated facilities in the current MFF period is an important complement to the funding delivered through IPA for the Western Balkans and bilateral assistance for eastern candidates under NDICI, the current allocations for Moldova, Ukraine, and the Western Balkans under their respective facilities cover only the 2024–2027 period. Additionally, the proposed amount for the Europe pillar is expressed in current prices and based

on inflation projections over the next seven years. In real terms, the effective increase in support may therefore prove to be lower.

Currently, the proposed EUR 43.2 billion for the Europe pillar is intended to cover both pre-accession assistance and support for the Eastern Neighbourhood. There is no dedicated budget split between the various actions, and part of this envelope could also be used to finance cooperation frameworks and participation in EU programs for other countries in Europe.[xxv]

For Ukraine specifically, an additional EUR 100 billion is proposed under the off-the-budget Ukraine reserve to support recovery, reconstruction, and EU accession. This amount would be established as a dedicated reserve outside the MFF ceiling, allowing for a more flexible and rapid response to evolving circumstances in the country.

The EUR 43.2 billion figure for the Europe pillar is indicative, subject to approval by the EU co-legislators (Council and European Parliament), and no detailed proposal has yet been presented regarding the division of these resources between funding dedicated to the pre-accession process and broader external action support for other countries in Europe. By comparison, allocations and commitments under the current pre-accession assistance from IPA and Heading 6 of EU budget for the Western Balkans, Moldova, and support provided under Pillar III of the Ukraine Facility amount to approximately EUR 25.15 billion (see Annex 1).

Nevertheless, the proposed increase in funding compared to current levels has the potential to address reform and convergence needs across candidate countries. However, if the Commission is to reflect in the budget that enlargement remains a strategic priority over the next decade, the proposal will need to be further carved, and its ambiguity reduced. The future pre-accession assistance can be informed by the following lessons:

1) The IPA model for pre-accession has been a crucial source of financial assistance for countries in the Western Balkans. It is perceived by candidates as a reliable long-term commitment of the EU toward candidates' accession process—specifically in helping them align their institutions and legislations with the EU, demanding strict adherence to democracy, rule of law, and good governance. However, it has not sufficiently led to desired results in implementing reforms and helping candidates advance their socioeconomic convergence. The following main reasons came up from interviews for this study: a) weak institutional capacities—low technical absorption capacity; b) too complex and rigid—programming happens two years in advance of implementation of projects—hence not fit for a rapidly changing

environment; c) few incentives to deliver reforms and low ownership by beneficiaries—mostly grants and no strict conditionality attached; d) not sufficient for advancing convergence with the EU's standards and meeting the investment criteria; and e) does not reflect the diverging needs according to level of accession.

2) The Reform and Growth Facilities for the Western Balkans, Moldova, and Ukraine have relaunched the reform process and have been particularly relevant in supporting a gradual integration of candidates and in advancing their convergence and economic development to prepare their integration into the single market. Their strong conditionality and the introduction of loans and guarantees have increased beneficiaries' ownership in the process.

3) Public administration capacities and technical expertise on EU accession-related reforms across candidate countries remain limited.

4) The European Commission's proposal for future pre-accession assistance within the Global Europe Instrument has raised concerns among candidate countries regarding continuity and predictability of funding. Communication with beneficiaries on the objectives and implications of a more simplified and flexible approach to pre-accession assistance has been insufficient. While the priority for the EU is efficiency and adaptability to a changing regional and security context, for beneficiaries the current environment instead calls for a clear, dedicated, and ambitious pre-accession assistance framework in the next MFF.

5) The Western Balkans Investment Framework is a good implementing platform for the EU's policies in the region—particularly for the Western Balkans Reform and Growth Plan—and serves the EU's own interest by contributing to its Global Gateway strategy. However, the socioeconomic convergence gap between candidate countries and the EU remains very high.

6) The gap between candidates that are advancing their reforms and those who have stagnated is growing. As a result, countries have different needs, for example, between those who need more technical assistance to establish administrative structures for the start of negotiations, and those who need stronger focus on reforms related to the rule of law.

7) The changing security context on the continent demands closer partnership and funds that allow for rapid resilience building, reduction of energy and economic dependency on third actors, and ramping up of defense capacities in the region.

8) The gap left by USAID's retreat for democracy and development aid is significant and can have major repercussions in the region's democratic resilience and its development pace. This decision has primarily impacted CSOs and media organizations in the region who primarily depend on foreign international subventions for operating freely. The EU needs to ramp up its support for CSOs in the upcoming long-term budget.

9) Across the Western Balkans, as well as in Ukraine and Moldova, civil society organizations have played a critical role in democratic reforms, including through formal participation in accession-related consultations and, in some cases, direct involvement in drafting policy and legislative proposals.

For the EU to effectively advance its enlargement agenda within the current Commission's term—and to confirm enlargement as a strategic tool for stabilization, sustainable development, and long-term credibility—it must reflect this ambition in its approach to pre-accession financing in the next MFF. The following recommendations aim to inform the negotiations on this issue.

Architecture

The EU must ensure that predictable and adequate resources for enlargement are embedded in the next MFF. This would reduce ambiguity, ensure continuity, and provide clear reassurance to candidate countries. Two options could help achieve this objective:

1) Establish a dedicated enlargement assistance mechanism following the model of existing reform and growth facilities within the Europe pillar of the Global Europe Instrument. This could take the form of a single European Integration Facility for 2028–2034, with a dedicated budget specifically earmarked for candidate countries. Such an approach would provide greater continuity and reduce ambiguity, while offering stronger reassurance to candidates and confirming the EU's long-term commitment to dedicated pre-accession funding.

   Under this designated facility, approximately 65 percent of assistance to candidate countries should be programmable and multiannual, based on Reform, Partnership, and Integration Plans developed by candidate countries in coordination with EU delegations and approved by the European Commission. These plans should incorporate reforms reflecting the revised enlargement methodology, reforms aimed at integrating the EU's current priority policies, as well as socioeconomic

criteria designed to accelerate development. Their objective should be to prepare candidate countries' institutions and economies for gradual integration into EU policies and the single market. The plans should also foresee deeper cooperation on security and defense, including through the participation of candidate countries in selected EU funding and cooperation frameworks. The remaining 35 percent of assistance should remain flexible, allowing the EU to respond to crises or to incorporate new priorities as they emerge. Assistance should be balanced across grants, loans, and guarantees, while remaining anchored in a substantial grant-based component to ensure ownership, sustain reform momentum, and support long-term convergence.

The existence of a dedicated mechanism would offer greater predictability and a stronger political signal to candidate countries.

2) Maintain pre-accession support within the Europe pillar of the Global Europe Instrument to preserve flexibility and ensure maximum efficiency in the next budget cycle. In this scenario, ambiguity should be reduced by strengthening the language on pre-accession support, while also setting a minimum budgetary allocation dedicated to candidate countries. Flexibility in allocations should be maintained, but only where it supports the EU's enlargement objectives. Where necessary, funds could be reallocated to respond to changing needs—either across candidate countries depending on accession progress, or within a given country, for example by shifting resources from government support to civil society organizations. This flexibility can also be ensured through a slightly larger "cushion" under GEI to allow for eventual modulations.

   The objectives of this approach would remain the same as those outlined under the designated facility option above. Similarly, implementation would follow a structure whereby 65 percent of assistance is delivered through programmable, multiannual, country-specific Reform, Partnership and Integration Plans, with the remaining 35 percent allocated to non-programmable assistance.

In both scenarios, to further improve in efficiency, the new approach should balance conditionality and incentives in a way that works for all candidate countries. It should also combine grants, loans, and guarantees, while remaining anchored in a substantial grant-based component to accelerate long-term convergence, sustain reform momentum, and ensure ownership.

Given the central importance of the fundamentals cluster, strong conditionality should apply to payment disbursements, specifically linked to the

implementation of institutional and legal reforms under negotiating Chapters 23, 24, 5, 18, and 32*. Beyond rule of law and justice reform, conditionality should also be strongly attached to meeting criteria for Public Administration Reform, as it directly impacts the capacity of candidates to advance negotiations and reforms.

At the same time, support for civil society organizations, independent media, and small and medium-sized enterprises should be provided in the form of unconditional grants. Support for CSOs and media should be substantially increased in the next MFF to fill in the void left from the U.S. assistance retreat, amounting to approximately EUR 1.5 billion within the pre-accession budget. This assistance should be provided complementary to funding available through EU programs such as Horizon Europe, Creative Europe and Erasmus+.

Rule-of-law conditionality could be applied more flexibly to funding and cooperation frameworks related to security and defense initiatives. By contrast, participation in these frameworks should remain contingent upon a stricter and more explicit alignment with the EU's Common Foreign and Security Policy.

In the event of a new enlargement methodology being introduced in the coming years, financial assistance to candidate countries should reflect this development through revisions to the Reform, Partnership and Integration Plans.

Future pre-accession financial assistance should significantly strengthen technical assistance aimed at building institutional capacities in candidate countries, particularly those that have not yet opened accession negotiations. Such support should be delivered not only in the form of EU-based expertise, including TAIEX and Twinning programs, but also through a systematic and structured engagement of local experts and CSOs in the process of institutional and legal reforms. This approach should also draw lessons from the Young Cell Scheme for Kosovo under IPA II, which proved effective in strengthening public administration capacities. The EU should therefore consider reintroducing a similar program for candidate countries in the Western Balkans, Moldova, and Ukraine—and beyond students, extend it to young civil servants to benefit from additional specialized trainings in EU studies.

Future pre-accession assistance should account not only for reform performance, but also for the level of alignment and convergence already achieved, as well as administrative maturity and project pipeline readiness.

**These chapters refer to, respectively: Judiciary and fundamental rights; Justice, free and security; Public procurement; Statistics; Financial control*

It should therefore reflect the diverging levels of accession progress among candidate countries by adopting more nuanced approaches, based on two distinct cases:

- For candidates that have opened accession negotiations and are making progress, the focus should be on socioeconomic convergence and reforms under the fundamentals cluster. These countries should receive increased support for judicial reform, the fight against corruption and organized crime, the protection of fundamental rights, as well as reforms related to public procurement, statistics, and financial control. Progress in these areas is essential to strengthen their institutional capacity to absorb EU structural funds and to facilitate the integration of EU policies. In parallel, increased investment support is needed to accelerate convergence and enable deeper and faster integration into the single market.
- For candidates that have not yet opened negotiations and are facing political instability, external threats, sovereignty challenges, Council-level political blockages, or bilateral disputes, the EU should complement accession-related support with additional stabilization and diplomatic initiatives to help these countries overcome crises and political deadlock. In terms of financial assistance, priority should also be given to technical assistance aimed at strengthening public administration capacities, particularly to improve the implementation of projects and reforms. This should be complemented by enhanced development assistance, including investments in human capital and the private sector, alongside continued investments in transport infrastructure and clean energy.

Future pre-accession assistance should also maintain strong support for regional projects and initiatives, notably the Regional Cooperation Council, as well as regional initiatives focusing on democratic resilience, media and civil society cooperation, energy, transport and connectivity, and projects promoting peace and reconciliation.

A European Integration Investment Platform could be established as the main Team Europe coordination mechanism for implementing projects programmed under the Global Europe Instrument for candidate countries. This platform should follow the model of the Western Balkans Investment Framework, while aiming to simplify the rules and procedures for the implementation of projects by international financial institutions.

Finally, programs under future pre-accession assistance should ensure full consistency with the Union’s internal and external action policies and priorities.

Budget

The pre-accession budget for the Western Balkans and Moldova should amount to at least EUR 35 billion, with half of this amount provided in the form of grants. Allocations should be differentiated according to each country's Reform, Partnership and Integration Plans and its specific investment needs.

For Ukraine, an additional approximately EUR 8 billion should be reserved exclusively for EU accession-related assistance within the proposed Ukraine Reserve. This support should combine technical assistance for institutional and legislative reforms with targeted sectoral support, including assistance to support regional and rural development and alignment with EU agricultural standards.

Transitional Arrangements and Gradual Integration

In line with the logic of a more simplified, flexible, and efficient budget in the next MFF, specific regulatory arrangements should be foreseen to provide financial assistance to countries that may face a prolonged period between the conclusion of accession negotiations and full accession.

This is particularly relevant in the current context, where member states may not move swiftly to approve accession treaties or may face delays in ratification by national parliaments.

To address the needs of these countries, the Global Europe Instrument should allow them to continue benefiting from its funding until the ratification of the accession treaty.

Moreover, even though these countries would not be able to access member state funding under the new national plans architecture, the EU should consider establishing a dedicated Union action under the EU Facility[xxvi] to provide targeted, conditional access to selected EU funds to support final-stage convergence, administrative readiness, and early integration into Union policies. The EU Facility is managed directly by the Commission; it is more flexible and would enable a smoother transition from pre-accession assistance to full membership.

Payment disbursements and allocations for these countries under the GEI and EU Facility should be subject to strong rule of law conditionality, to ensure democratic and institutional resilience in the post-negotiations period.

In the event of an accelerated accession for Ukraine, transitional arrangements would be necessary and could be embedded in the form of annexes to the accession treaty. These could include, for example, postponing the full

application of certain technically demanding EU directives in order to allow additional time for building the institutional capacities required for their implementation. Other transitional arrangements could involve temporary limitations on access to agricultural funds, for the period needed to undertake the reforms required to revise EU treaty provisions related to allocations under the Common Agricultural Policy.

Conclusion

EU enlargement policy has become a strategic priority in today's European security context. While it was previously driven by objectives such as promoting democracy, supporting stabilization, and fostering economic prosperity, it has increasingly become a matter of security—both for candidate countries and for the EU's own stability. Russia's invasion of Ukraine in 2022, which led to the EU accepting three additional candidate countries, offers important lessons on the need for simplified and flexible procedures in the EU's external action and enlargement policy.

While the current treaties do not allow for a formal fast-track accession process, recent years have shown a growing use of innovative methods to overcome some of these constraints and support candidates toward a more gradual integration approach. The emergence of dedicated facilities is a clear example, allowing the EU to finance candidate countries through more flexible and performance-based financial assistance, and contributing to initial concrete results and renewed reform momentum. The EU could have responded even more effectively to the changed geopolitical context if a more flexible and simpler pre-accession financial mechanism had already been in place. IPA III was not designed as such an instrument, which highlights the need to adapt the future approach to pre-accession assistance in a way that allows for rapid adjustment in response to changing circumstances.

At the same time, it is important to avoid ambiguity and ensure that the perspectives of beneficiary countries are taken into account during negotiations on future pre-accession assistance modalities. There are also positive lessons to be drawn both from IPA and from the recent facilities dedicated to pre-accession support, notably in terms of predictability, dedicated long-term financial commitment, and reassurance for candidates of the EU's political commitment to enlargement.

If pre-accession assistance is to be channeled through a largely flexible Global Europe Instrument rather than a dedicated facility, then the objectives of the Europe pillar within the Global Europe Instrument should be adjusted to place a stronger emphasis on enlargement-related support and to guarantee that

substantial funding is prioritized for candidate countries, with the explicit aim of accelerating their European integration.

ACKNOWLEDGEMENTS

The author would like to thank the experts and practitioners who generously shared their time and insights during the preparation of this paper: Anton Alimov, Florim Canolli, Adi Ćerimagić, Iulian Groza, Adrian Kamenica, Jovana Marović, Milena Mihajlović, Tanja Miščević, Angelina Pudar, Eulalia Ribero, Ondrej Semerak, and Peter Tabak. Their perspectives were invaluable in shaping the analysis and conclusions presented here. The author alone is responsible for the views expressed in this publication.

Annex 1: EU Pre-Accession and Investment Support by Country (Selected Candidates)

Country	Reform & Growth Facility	IPA III Support (2021–2025)	Other	Global Gateway / WBIF Investments	Total grants, loans, and investments
Montenegro	€383.5M (grants and loans)	~€189M (grants)		€700M mobilized since 2020 (via €280M EU & donor grants, WBIF)	~€1.27B
Albania	€922.1M (grants and loans)	~€680M (grants)		€1.1B mobilized since 2020 (via €390M EU & donor grants, WBIF)	~€2.70B
North Macedonia	€750.4M (grants and loans)	~€667M (grants)		€1.1B mobilized since 2020 (via €300M EU & donor grants, WBIF)	~€2.52B
Serbia	€1.586B (grants and loans)	~€1.01B (grants)		€3.2B mobilized since 2020 (via €870M EU grants, WBIF)	~€5.80B
Bosnia and Herzegovina	€976.6M (grants and loans) No disbursements yet	~€449.5M (grants)		€2.4B mobilized since 2020 (via €820M EU & donor grants, WBIF)	~€3.83B
Kosovo	€882M (grants and loans) No disbursements yet	~€246M (grants)		€427M mobilized since 2020 (via €139M EU & donor grants, WBIF)	~€1.56B
Moldova	€1.9B (2025–2027)	—	€295M Macro Financial Assistance (grants and loans 2022–2024)	€1.7B mobilized since 2021	~€3.90B
Ukraine	—	—	€4.76B Ukraine Facility (grants for technical assistance and reforms)	€6.58B mobilized since 2021	~€11.3B
TOTAL Grants, Loans, Investments	**€7.4B (grants and loans)**	**€3.2B (grants)**	**€5.05B (grants and loans)**	**€17.2B**	**~€32.9B**

Source: European Commission (DG NEAR), various data sets; author's compilation.

Annex 2: EU Financial Assistance Relevant for EU Accession (Selected Candidates)

Region/ Country	Instrument	Grants	Loans	Total	Type of assistance
Western Balkans	IPA III	~€12.2B		~€12.2B	Core grant-based pre-accession assistance
Western Balkans	Western Balkans Reform and Growth Facility (2024–2027)	€2B	€4B	€6B	Performance-based; reform-linked
Moldova	Reform and Growth Facility (2025–2027)	€750M	€1.15B	€1.9B	Performance-based; reform-linked
Moldova	Macro Financial Assistance (2022–2024)	~€75M	~€220M	~€295M	Macro-stability & structural reforms
Ukraine	Ukraine Facility Pillar III (2024–2027)	~€4.76B		~€4.76B	Core grant-based assistance primarily for technical assistance
Total				**~€25.16B**	

Source: European Commission (DG NEAR), various data sets; author's compilation.

References

[i] European Commission. (2025, November 4). *2025 Enlargement Package shows progress towards EU membership for key enlargement partners*. https://enlargement.ec.europa.eu/news/2025-enlargement-package-shows-progress-towards-eu-membership-key-enlargement-partners-2025-11-04_en

[ii] European Commission. (2025). *Global Europe*. https://commission.europa.eu/publications/global-europe_en

[iii] European Commission. (n.d.). *Overview - Instrument for Pre-Accession Assistance (IPA)*. https://enlargement.ec.europa.eu/funding-technical-assistance/overview-instrument-pre-accession-assistance_en

[iv] European Commission. (n.d.). *Global Europe: Neighbourhood, Development and International Cooperation Instrument*. https://commission.europa.eu/funding-tenders/find-funding/eu-funding-programmes/global-europe-neighbourhood-development-and-international-cooperation-instrument_en

[v] European Commission. (n.d.). *Global Europe: Neighbourhood, Development and International Cooperation Instrument*. https://commission.europa.eu/funding-tenders/find-funding/eu-funding-programmes/global-europe-neighbourhood-development-and-international-cooperation-instrument_en

[vi] European Union. (2024, February 29). *Regulation (EU) 2024/792 of the European Parliament and of the Council of 29 February 2024 establishing the Ukraine Facility*. https://eur-lex.europa.eu/eli/reg/2024/792/oj/eng

[vii] European Commission. (2020, February 5). *Revised enlargement methodology: questions and answers*. https://enlargement.ec.europa.eu/news/revised-enlargement-methodology-questions-and-answers-2020-02-05_en

[viii] European Commission. (n.d.). *Instrument for Pre-accession Assistance (IPA) III - Performance*. https://commission.europa.eu/strategy-and-policy/eu-budget/performance-and-reporting/programme-performance-statements/instrument-pre-accession-assistance-ipa-iii-performance_en

[ix] Western Balkans Investment Framework. (n.d.). *About the Western Balkans Investment Framework*. https://wbif.eu/who-we-are

[x] European Commission. (2023, June 29). *European Commission launched an additional €2.1 billion investment package for the Western Balkans under the Economic and Investment Plan*. https://ec.europa.eu/commission/presscorner/detail/sv/ip_23_3641

[xi] European Commission. (2021, October 12). *Commission implementing decision of 10.12.2021 adopting the Instrument for Pre-Accession Assistance (IPA III) Programming Framework for the period 2021-2027*. https://enlargement.ec.europa.eu/system/files/2022-01/C_2021_8914_COMMISSION_IMPLEMENTING_DECISION_EN.pdf

[xii] Centre for European Policy. (2023, September). *Reforming the EU's pre-accession funding instrument*. https://cep.org.rs/wp-content/uploads/2023/09/Reforming-the-EUs-pre-accession-funding-instrument-.pdf

[xiii] European Union. (2021, September 20). *Regulation (EU) 2021/1529 of the European Parliament and of the Council of 15 September 2021 establishing the Instrument for Pre-Accession assistance (IPA III)*. https://eur-lex.europa.eu/eli/reg/2021/1529/oj/eng

[xiv] Centre for European Policy. (2023). *Reforming the EU's pre-accession funding instrument*. https://cep.org.rs/wp-content/uploads/2023/09/Reforming-the-EUs-pre-accession-funding-instrument-.pdf

[xv] Directorate for European Integration of Bosnia and Herzegovina. (n.d.). *IPA III*. https://www.dei.gov.ba/en/ipa-iii

[xvi] Re-Engaging Europe. (2024, July 31). *The interest of values: The EU's democracy promotion in the Western Balkans and the Eastern neighbourhood*. https://re-engaging.eu/the-interest-of-values-the-eus-democracy-promotion-in-the-western-balkans-and-the-eastern-neighbourhood/

[xvii] Jacques Delors Institute. (2024, November). *EU enlargement and pre-accession assistance in the next MFF*. https://institutdelors.eu/content/uploads/2025/06/Paper_Enlargement_Rubio.pdf

[xviii] Re-Engaging Europe. (2024, July 31). *The interest of values: The EU's democracy promotion in the Western Balkans and the Eastern neighbourhood*. https://re-engaging.eu/the-interest-of-values-the-eus-democracy-promotion-in-the-western-balkans-and-the-eastern-neighbourhood/

[xix] European Union. (2024, February 29). *Regulation (EU) 2024/792 of the European Parliament and of the Council of 29 February 2024 establishing the Ukraine Facility*. https://eur-lex.europa.eu/eli/reg/2024/792/oj/eng

[xx] European Union. (2024, May 24). *Regulation (EU) 2024/1449 of the European Parliament and of the Council of 14 May 2024 on establishing the Reform and Growth Facility for the Western Balkans*. https://eur-lex.europa.eu/eli/reg/2024/1449/oj/eng

[xxi] European Commission. (n.d.). *The 2028-2034 EU budget for a stronger Europe*. https://commission.europa.eu/strategy-and-policy/eu-budget/long-term-eu-budget/eu-budget-2028-2034_en

[xxii] European Commission. (2025, July 17). *Commission proposes more flexible and performance-based cohesion policy for 2028–2034*. https://ec.europa.eu/regional_policy/whats-new/newsroom/17-07-2025-commission-proposes-more-flexible-and-performance-based-cohesion-policy-for-2028-2034_en

[xxiii] European Commission. (2025, July 16). *Proposal for a regulation of the European Parliament and of the Council establishing Global Europe*. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52025PC0551

[xxiv] European Commission. (2025, July 16). *Proposal for a regulation of the European Parliament and of the Council establishing Global Europe*. https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52025PC0551

[xxv] Foundation for European Progressive Studies. (2026, December). *Financing enlargement via the 2028–2034 MFF*. https://feps-europe.eu/wp-content/uploads/2026/01/FINANCING-ENLARGEMENT-VIA-THE-2028-2034-MFF.pdf

[xxvi] European Parliament Research Service. (2025). *ERDF – Cohesion Fund and conditions for EU support to regional policy*. https://www.europarl.europa.eu/RegData/etudes/BRIE/2025/779269/EPRS_BRI%282025%29779269_EN.pdf