

Analytical Brief

The Geopolitical Re-Anchoring of Europe: Enlargement Strategy, Conditionality and Internal Reform Pathways (2025–2026)

Executive Summary

As of December 2025, the European Union's enlargement policy has completed a total transition from a technical absorption exercise into a primary geostrategy. Driven by the existential threat of Russian aggression in Ukraine and the slow influence of China in the Western Balkans, the EU now defines enlargement as a "geostrategy investment in peace, security, stability and prosperity". This strategic re-anchoring, reinforced by the General Affairs Council (GAC) Conclusions of December 16 and the Brussels Declaration of December 17, reconfirmed by the European Council Conclusions from 18 December 2025, emphasizes that a larger Union is the strongest response to those who seek to divide and destabilize the European continent.

The current landscape is defined by the "Regatta Principle" where progress is strictly merit-based and highly differentiated among the nine recognized candidates. While frontrunners like Montenegro and Albania are nearing the final stages of accession and the "Eastern Trio" (Ukraine and Moldova, except Georgia) maintains exceptional momentum, other candidates face persistent stagnation and even backsliding. North Macedonia remains a critical "special case", technically prepared and strategically aligned yet procedurally blocked by a constitutional hurdle that has created an environment of "reform fatigue" and political stalemate.

The central challenge of 2026 is a dual transition: candidates must deliver deep structural reforms in the "Fundamentals Cluster," while the EU must navigate a high-stakes negotiation for its own internal readiness. The ambition of achieving a Union of 30+ members by 2030 remains a challenging aspiration unless Member States secure political commitments in 2026 to begin the painful process of internal structural reform, including Multiannual Financial Framework (MFF 2028–2034), Qualified Majority Voting (QMV), Common Agricultural Policy (CAP) and Cohesion Policy. The 2030 target for enlargement remains a "realistic goal" only if the upcoming Cyprus and Ireland (2026), followed by Lithuania/Greece (2027) and Italy/Latvia (2028) Presidencies successfully combine political ambition with concrete institutional delivery. Merging political commitment with credible, sustainable results on both sides of the accession equation defines the path ahead.

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1. The Geopolitical Imperative: Reshaping the Rationale for EU Enlargement

Geopolitics as the Primary Driver: From Technical Process to Security Strategy

The enlargement policy has always carried significance for peace and stability, yet its strategic weight has reached an unprecedented peak in 2025. The policy has undergone a fundamental paradigm shift, moving decisively from a technical, bureaucratic process guided solely by the *acquis* to a primary instrument of European security and geopolitical strategy.

The Post-2022 Paradigm Shift: The full-scale invasion of Ukraine fundamentally redefined the EU's eastern frontier and the geopolitical calculus of accession. Granting candidate status to Ukraine and Moldova and accelerating their integration is now explicitly viewed as an act of pre-emptive security. This rapid integration is strategically necessary to create a democratic bulwark against regional instability and further Russian expansionism. The necessity of speed is tempered by the acknowledgment that such rapid integration must not compromise the integrity of the process, leading to a profound connection between geopolitical acceleration and strict adherence to the Revised 2020 Enlargement Methodology.

Countering Great Power Competition: The urgency of the current policy is further fuelled by the recognition that the vacuum created by prolonged, slow accession negotiations is being actively filled by external, non-Western actors. Enlargement is recognized as the most credible tool for anchoring these regions firmly within the democratic, Western sphere of influence. The threat manifests primarily through two vectors:

- **Russian Hybrid Warfare.** Russia leverages political interference, disinformation (Foreign Information Manipulation and Interference, FIMI), and destabilization attempts, acutely targeting states like Moldova. The European External Action Service (EEAS) has actively built-up capabilities to identify, analyse, and respond to FIMI, recognizing it as a growing security threat to democratic processes. The EU Partnership Mission to Moldova, launched in 2023, enhanced cybersecurity and capacity to respond to these hybrid threats, demonstrating that security cooperation is now an essential pre-accession strategy.
- **China's Economic Anchoring.** China utilizes strategic debt and infrastructure investments, particularly in the Western Balkans. This approach carries the inherent risk of economic and political capture, as demonstrated by Montenegro's near-debt crisis related to the Bar-Boljare highway. The EU's response, primarily through the Reform and Growth Facility (RGF), is designed as a counter-financing mechanism to re-anchor the Western Balkan economies to EU standards of transparency, governance, and public procurement, mitigating the risks associated with non-transparent external debt.

The 2020 Revised Methodology in Practice: Credibility and Conditionality

The current policy framework is governed by the Revised 2020 Enlargement Methodology, which emphasizes four core principles: credibility, stronger political guidance, greater dynamism and enhanced predictability and reversibility.

The Credibility Paradox and Financial Leverage: The need for geopolitical acceleration creates an inherent tension, often referred to as the credibility paradox. Geopolitics demands rapid integration (Ukraine, Moldova), but rapid integration risks compromising the strict, merit-based



approach enshrined in the Copenhagen Criteria. The EU's mechanism to manage this risk is the legally reinforced reversibility clause and the strict application of performance-based financial conditionality. This means that the EU must demonstrate its willingness to use the reversibility mechanism or financial suspension on candidates, even the fast-track geopolitical ones, should sustained regression occur on the fundamentals, thereby preserving the integrity and credibility of the entire process. The most critical change introduced by the Revised Methodology is the principle of enhanced predictability and reversibility. This introduced the mechanism that membership benefits can be progressively granted before accession (gradual integration), but also that the entire process, including pre-accession benefits, can be halted or reversed in case of sustained regression on the fundamentals.

The Enduring Primacy of the Fundamentals Cluster: All accession negotiations commence with, and remain strictly tethered to, the Fundamentals Cluster, encompassing Chapters 23 (Judiciary and Fundamental Rights) and 24 (Justice, Freedom, and Security). Progress in this cluster remains the sine qua non for advancing in any other area. The core components include judicial independence, the fight against corruption and organized crime, protection of fundamental rights (including media freedom), and sound economic governance. The Commission's 2025 reports explicitly reaffirmed that any success in economic or sectoral alignment, such as gradual Single Market integration, is deemed institutionally meaningless without a credible and irreversible track record in the Fundamentals. This strict focus ensures that even accelerated candidates must meet the highest quality of reforms, particularly on the rule of law and democratic institutions.

2. Financial Conditionality: The "Cash-for-Reform" Model

The core innovation of the current enlargement policy is the rigorous, performance-based conditionality that directly links the disbursement of significant financial capital to verifiable political and structural reform results. The EU has definitively abandoned the model of providing financial support simply for process compliance.

The Reform and Growth Facility (RGF) for the Western Balkans (€6 Billion)

The RGF, established by Regulation (EU) 2024/1449, serves as the financial pillar of the Growth Plan for the Western Balkans, providing €6 billion for the period 2024–2027 (€2 billion in grants and €4 billion in concessional loans). Its aim is to accelerate socioeconomic convergence and offer some of the benefits of EU membership in advance of accession.

Performance-Based Disbursement and the Reform Agenda: Support under the RGF is strictly performance-based. To receive funding, each beneficiary must adopt a country-specific Reform Agenda, setting out specific reforms aligned with accession priorities and existing Commission recommendations. Funds are only released upon the successful, verifiable, quarterly or bi-annual implementation of milestones defined within this agenda. This approach financializes the merit principle: compliance is quantified and tied directly to measurable budgetary outcomes, transforming accession from a political dialogue into an enforced policy contract where the EU manages candidate cash flow based on institutional delivery.

Operationalizing the Political Pre-Condition: The RGF Regulation contains a vital Pre-condition for all beneficiaries: they must at all times continue to uphold and respect democratic mechanisms, including the rule of law and the separation of powers. This represents a powerful, explicit political safeguard. Failure to adhere to these foundational principles, even if technical



milestones are met, results in immediate financial suspension, providing the EU with ultimate financial leverage against democratic backsliding.

Gradual Integration and the Single Market Trade-off: The RGF structure enables gradual integration through Pillar I, which offers progressive opening of EU Single Market sectors, such as SEPA or digital market integration. While this provides immediate economic benefits, the accession to these benefits is granted based on alignment with the *acquis*, requiring complex domestic legislative reforms. This trade-off puts pressure on candidates to undertake politically difficult reforms earlier than under the previous methodology, accelerating long-term convergence by forcing an early legislative alignment.

The Ukraine Facility (€50 Billion)

The Ukraine Facility (Regulation (EU) 2024/792) provides up to €50 billion in stable financing over 2024–2027, serving a dual function: macro-financial stabilization and recovery, while structurally reinforcing Ukraine's EU accession path.

Architecture and The Rule of Law Lock-In: The Facility operates through the Ukraine Plan, a comprehensive reform and investment strategy developed by Kyiv and approved by the EU. Financial payments, such as the €2.3 billion sixth payment in late 2025, are released only after the European Commission verifies the successful completion of a predefined number of "steps" or reform milestones outlined in the plan. Crucially, the payments are conditional on Ukraine continuing to uphold and respect effective democratic mechanisms, including a multi-party parliamentary system and the rule of law. By funding the national budget and recovery efforts through the rigorous EU accession roadmap, the Facility ensures that every euro spent contributes directly to the political objective of full EU membership. This structural lock-in ensures governance standards are intrinsically tied to financial viability, particularly focusing on judicial independence and anti-corruption institutional effectiveness.

The Moldova Growth Plan (€1.9 Billion)

The Moldova Growth Plan is worth €1.9 billion for 2024–2027, follows the performance-based structure of the RGF. It aims to double Moldova's economy over the next decade by accelerating reforms in energy security, economic competitiveness, and the rule of law. A key component is the "Comprehensive Strategy for Energy Independence and Resilience," conditional on market reforms to make Moldova independent of Russian energy sources by the end of 2026.

3. The Two-Speed EU Enlargement: Progress and Deep-Seated Stagnation (2025 Assessment)

The 2025 assessment confirms that EU enlargement is proceeding at two distinct speeds, sharply differentiating between candidates demonstrating strong political commitment and those hampered by domestic instability or unresolved bilateral disputes.

The Momentum Cohort

The Commission's 2025 enlargement reports highlighted four candidates, **Montenegro, Albania, Ukraine and Moldova**, as having advanced most significantly on reforms in the past year.



Western Balkans Frontrunners: Montenegro and Albania are designated as "Momentum-Makers" due to their tangible commitment to the judicial and anti-corruption reforms required in the Fundamentals Cluster. Montenegro has set an aggressive political goal of completing negotiations by the end of 2026, positioning itself for membership by 2028 if the pace of reforms is maintained. Their current progress validates the merit-based approach embedded in the Revised Methodology.

Eastern Partnership Accelerants: For Ukraine, the ongoing conflict has paradoxically consolidated national unity and focused political will behind the EU path. The country successfully navigated the first major milestones of the Ukraine Facility in 2025, demonstrating commitment to strengthening anti-corruption institutions and judicial independence. The critical challenge lies in maintaining democratic accountability and protecting civil society freedoms under martial law while managing the immense scale of reconstruction. Moldova's accession process is moving systematically, supported by a pro-European government that secured a firm mandate in the 2025 parliamentary elections. Significant progress was achieved in reforming the judiciary and improving anti-corruption institutions. However, Moldova is exposed to intense Russian hybrid warfare, including disinformation campaigns and attempts to destabilize the political environment. The success of its integration pathway is therefore inextricably linked to strengthening public and institutional resilience against foreign interference (FIMI).

The Stalled Cohort

Serbia, Kosovo and Regional Normalization: Negotiations for both Serbia and Kosovo are effectively stalled. Their advancement is critically hampered by the requirement for constructive engagement in the normalization of their relations, which has been formalized as a precondition for accessing financial support under the Growth Plan and RGF. Serbia, according to the 2025 rule of law report, made only limited progress in implementing reforms in the Fundamentals Cluster and electoral conduct, and suffers from a growing concern regarding right-wing extremist content, hate speech and disinformation online. The high political polarization and dependency on external mediation in the Belgrade-Pristina dialogue undermine regional security and place the entire disbursement stream for both parties at risk.

Bosnia and Herzegovina (BiH), Institutional Fragility: Progress in BiH remains minimal due to profound internal political divisions and institutional fragility. Persistent ethno-nationalist obstruction, notably from the Republika Srpska leadership, prevents the establishment of effective central government functionality necessary to formulate and implement the Reform Agenda required to unlock RGF benefits. This severe lack of political cohesion blocks long-term democratic progress and stability.

North Macedonia, EU Accession Credibility: North Macedonia characterizes the challenge facing the Western Balkan enlargement process, a candidate assessed as technically prepared for accession, but one that remains politically blocked by unresolved bilateral disputes. Accession negotiations are currently blocked, pending the required constitutional amendments that would formally recognize the Bulgarian minority. This impasse is driven by severe domestic political polarization, about the constitutional changes on the grounds that they jeopardize national identity vs stagnation on the EU accession process.

The RGF is effective in driving technical and economic alignment. However, the inability to advance the main negotiation track, despite access to financial benefits, exposes a fundamental contradiction: the financial instrument has proven ineffective in forcing the



constitutional/identity compromise needed to advance the core political process. The risk is the onset of reform fatigue and rising Euroscepticism, where citizens receive financial benefits but see no corresponding progress toward membership. The EU's key policy focus in 2026 must be utilizing the RGF funds to deliver tangible benefits to citizens, strengthening the pro-EU political narrative while seeking stronger political mechanisms to EU enlargement process more predictable.

4. Internal EU Readiness: The Precondition for a Union of 30+

The most profound constraint on future enlargement is the EU's own institutional capacity. The political target of enlargement by 2030 requires the EU to implement institutional and budgetary reforms to ensure readiness for a Union of 30+ members; without such reforms, the bloc risks institutional paralysis.

Institutional Decision-Making Reform: Overcoming the Unanimity Trap

A Union of 30+ operating under the current unanimity rules, particularly in sensitive foreign policy areas, is widely viewed as institutionally unworkable. The current "vetocracy" risks crippling the EU's ability to act decisively on the global stage.

The Necessity of QMV Expansion: The debate centres on extending Qualified Majority Voting (QMV) to areas that currently require unanimity, such as Common Foreign and Security Policy (CFSP) and taxation. Without QMV in CFSP, a single Member State could block critical actions, sanctions, or even the final integration of a new member, undercutting the geopolitical rationale for enlargement. While the political will for enlargement is firm, the political will for the painful internal reform required to expand QMV remains fragmented.

Pathways and Safeguards: The institutional inertia is significant because structural reforms often require Treaty change. To circumvent this politically difficult process, the European Commission has advocated for the wider use of Passarella clauses (provided for by the Lisbon Treaty) which allow for a shift from unanimity to QMV in selected policy areas. However, the crucial first step, the decision to activate the Passarella clause, must itself be adopted unanimously. To assuage Member State concerns about being perpetually outvoted on issues of great national importance, proposals include the introduction of a 'sovereignty safety net' or 'vital interests' clause'. The invocation of this clause would trigger continued discussion until a satisfactory solution is reached or the issue is referred to the European Council for consideration. Such mechanisms are essential to securing the necessary consensus for QMV expansion.

Mitigating Vetoes in EU Enlargement: The challenge posed by using veto from one EU member state demonstrates the systemic vulnerability of the accession process. To address this, the EU must develop stronger mechanisms to politically avoid veto power for reasons unconnected to the technical scope of the acquis. Proposals exist, such as allowing the opening of negotiation clusters by Qualified Majority Voting rather than unanimity, as proposed by the President of the European Council.

Budgetary and Financial Recalibration (MFF 2028–2034)

The next MFF is the true "natural timeframe" for implementing enlargement-ready policies. On July 16, 2025, the Commission proposed a budget of €1.98 trillion for 2028–2034. Integrating



large, low-GDP per capita candidates, particularly Ukraine, under the current rules of the Multiannual Financial Framework (MFF) is financially impossible without fundamental reform.

The Cohesion Policy Challenge: Candidate countries have markedly lower GDP per capita than any current Member State; Montenegro, the most advanced Western Balkan candidate, stood at just 50% of the EU-27 average in 2022. Integrating several such low-income candidates simultaneously would statistically shift the GDP thresholds, inevitably redirecting Cohesion funds away from current Member States who rely on these transfers. This statistical effect creates a profound political conflict between the promise of enlargement and the continuity of regional solidarity funds for existing members, requiring the Union to devise a major, potentially less generous, regional aid structure. This financial redirection creates a new, financially rooted vector for obstruction, as countries set to lose eligibility may exercise a political veto on accession treaties.

The Common Agricultural Policy (CAP) Imperative: The financial structure of the Common Agricultural Policy (CAP) is currently unsustainable with the prospective integration of Ukraine. Ukraine's massive agricultural sector would necessitate deep, politically sensitive reforms to the CAP budget and subsidy distribution methodology. The current framework would require immense funds, making the current CAP unsustainable without radical restructuring. The reluctance to commence this politically explosive debate indicates that, despite the 2030 political aspiration, the financial reality remains a significant brake pedal.

Future Financial Sustainability: While the Ukraine Facility provides critical near-term stability (€50 billion), the funding required for macro-financial stability and reconstruction remains staggering. Estimates suggest the funding gap over 2026-2027 could stand at roughly €135 billion, requiring the European Commission to propose alternative solutions for maintaining support, such as EU borrowing or Reparations Loans. This signals that the financial burden of enlargement, particularly concerning Ukraine, will necessitate profound and ongoing financial innovation and political commitment beyond the current MFF cycle.

EU Internal Reform Imperatives: Unanimity vs. QMV Expansion Scenarios

Policy Area	Current Voting Rule	Need for Reform (Enlarged EU)	Proposed QMV Mechanism	Political Sensitivity
Common Foreign & Security Policy (CFSP)	Unanimity	Risk of single member "vetocracy" on sanctions/missions	Phased QMV, possibly with a "vital interests" clause"	High (Sovereignty and neutrality concerns)
Budgetary (MFF/Own Resources)	Unanimity	Financial strain from CAP/Cohesion integration	QMV for technical budgetary implementation, not core architecture	High (Net contributor/beneficiary divides)
Accession Cluster Opening/Closing	Unanimity	Allows one member state to hijack the process	Shift to QMV for technical cluster progression	Medium (Directly impacts national leverage over candidates)



5. Conclusions and Strategic Recommendations (2026-2030)

The milestones of late 2025, the **GAC Conclusions and the Brussels Declaration, followed by European Council Conclusions**, represent a moment of "strategic clarity". The EU has signalled that the window for enlargement is wide open, but the bar for entry remains unyieldingly high. **The case of Ukraine and Moldova** that will start "**technical negotiations**", announced by the Commission, bypassing unanimity decision making rule of the Council of the EU as defined by the TEU, versus North Macedonian case where that rule does not apply, is a situation that needs further clarification by the Commission and will be matter of additional analyses.

The feasibility of a **Union of 30+ members by 2030** ultimately rests on a dual delivery: candidates must resolve their domestic political and rule-of-law "stagnations," while current Member States must undertake the most significant institutional and budgetary restructuring since the Treaty of Lisbon. 2026 will serve as the litmus test for this dual commitment, with the performance-based financial instruments serving as the primary engine for progress.

Synthesis of the Geopolitical-Financial Nexus

The EU's enlargement policy has successfully navigated the paradigm shift to become a geopolitical instrument, utilizing rigorously enforced financial conditionality as the structural bridge between political commitment and merit-based results. The success of the Momentum Cohort (**Montenegro, Albania, Ukraine, Moldova**) in 2025 validates the financialization of the merit principle. **However, the political process remains vulnerable to the fundamental institutional weakness of the unanimity requirement, through utilization of the veto power from one member state.** The greatest risk to the 2030 target is now internal: the structural inertia blocking QMV expansion and budgetary reform. The timing of the EU's internal readiness will ultimately determine whether 2030 is still a realistic goal.

Strategic Recommendations for 2026

To sustain momentum and ensure the credibility of the enlargement process, the following strategic steps are recommended for the 2026 timeframe:

Enforce Financial Credibility: The European Commission must be prepared to invoke the financial suspension mechanism stipulated in the RGF Regulation against candidates, such as Serbia or Bosnia and Herzegovina, should they fail to adhere to the Rule of Law pre-condition or constructive regional cooperation obligations. A demonstrated willingness to suspend funds in 2026 is necessary to maintain the policy's overall credibility and ensure the merit-based approach is paramount.

Accelerate QMV Institutional Debate: The European Council must move beyond the rhetoric of reforming "in parallel" and establish concrete, irreversible steps toward internal reform. It is imperative to formally mandate the exploration of the Passarella clause mechanism for CFSP and taxation in 2026, paired with a mutually acceptable 'vital interests clause' to ensure efficient governance in an enlarged Union.

Depoliticize Enlargement Vetoes: The EU must develop stronger political and procedural mechanisms to prevent national vetoes from derailing enlargement for reasons unconnected to the acquis. This includes actively supporting proposals, such as allowing QMV for the technical opening and closing of negotiation clusters.



Launch Budgetary Impact Reform: To pre-empt future financial veto threats, formal working groups must commence work in 2026 to model comprehensive scenarios for post-2027 CAP and Cohesion Policy reform. Transparent communication regarding potential statistical trade-offs for current Member States must be initiated immediately, thereby front-loading the most sensitive financial negotiation ahead of the 2030 political deadline.

Strengthen Public Engagement: The EU and candidate governments must jointly intensify strategic communication in 2026, focusing on showing clear, fact-based benefits of the Growth Plan and Facilities (RGF/Ukraine Facility). This concerted effort is essential to counter external disinformation, rebuild public trust, and mitigate reform fatigue.

The geopolitical momentum driving enlargement is a necessary, but insufficient, condition for success. The feasibility of a stable, enlarged Union by 2030 ultimately rests on the current Member States' willingness to undertake structural internal reforms parallel to the candidates' delivery of foundational Rule of Law results.

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