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# **The Effectiveness of the EU's Conditionality Policy in the Western Balkans**

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## **Abstract**

Despite having many common characteristics such as their Yugoslav history, their transitioning economies, the presence of many ethnic minorities in their territories and their geographical area, the Western Balkans comply at very different rates with the EU's recommendation with one another. Thus, to examine the effectiveness of the EU's conditionality policy, additional factors must be found. The focus here is on domestic factors and more specifically party competition and policy salience. To examine the above, a Rational Institutional Approach of the determinants of the effectiveness of the EU's Conditionality is used, that views conditionality as "Reinforcement by Reward". The method used to analyse the question and the stated hypothesis is a comparative case study between the energy and the environmental sectors of Bosnia & Herzegovina and Montenegro. Finally, conditionality was found to be more effective in Montenegro than in Bosnia & Herzegovina, especially in the energy sector. Concerning the first factor, party competitiveness, it seems that the number of democratic, pro-EU parties is significant. However, governmental changes after elections are not. Concerning the second hypothesis, according to the literature, energy should be more salient than the environment, especially in BiH. However, this was not supported by the evidence. The results of the analysis showed that there are no significant differences between the effectiveness of the EU's conditionality in the energy and the environmental sector in BiH, while in Montenegro, compliance is better in the energy sector. Based on the above, further research is needed on the ways political systems affect the effectiveness of the EU's conditionality in the Western Balkans, especially concerning Bosnia & Herzegovina and the lack of administrative capacity especially concerning Montenegro.

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## **I. List of Abbreviations**

*Bosnia & Herzegovina – BiH*

*Environmental Action Program - EAP*

*Environmental Non-Governmental Organizations – ENGOs*

*European Atomic Energy Community – EURATOM*

*European Bank of Reconstruction and Development - EBRD*

*European Coal and Steel Community - ECSC*

*European Commission – EC*

*European Economic Community - EEC*

*European Union – EU*

*Instrument for Pre-Accession – IPA*

*International Criminal Tribunal for Yugoslavia - ICTY*

*Federation of Bosnia & Herzegovina -FBiH*

*North Atlantic Treaty Organization - NATO*

*Republika Srpska – RS*

*Single European Act - SEA*

*South-Eastern Europe - SEE*

*Stabilization and Association Agreement – SAA*

*Stabilization and Association Process – ASP*

*Treaty on the Functioning of the EU - TFEU*

*United Nations- UN*

*United Nations Development Program - UNDP*

*Union of Soviet Socialist Republics - USSR*

*Western Balkans – WB*

*Western Europe – WE*

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# **1. Introduction**

With the term "The Balkans" or Balkan Peninsula, scholars usually describe the geographical area in SEE that borders the Adriatic, the Ionian, the Aegean and the Black Seas. The term, however, has multiple definitions, since it carries a geopolitical and historical meaning as well. This is even more evident with the phrase "The Western Balkans", which usually refers to the six countries that are located to the westernmost part of the Balkans and largely coincide with the Dinaric Alps. These countries include Albania, BiH, Montenegro, North Macedonia, Serbia, and the partially recognized Kosovo. All of these countries are either potential candidate or candidate members of the EU. During the cold war, the WBs were ruled by communist governments, while all except Albania, constituted the Socialist Federal Republic of Yugoslavia (Yugoslavia). However, both Albania and Yugoslavia soon fell out with the Soviet Union and started forming closer relations with the West. Tension in the area started to occur only in 1980, after the death of Josip Broz Tito, president of Yugoslavia. With his death, the pre-socialist era conflicts between the constituting states of Yugoslavia re-emerged, leading to a series of disputes that escalated to wars. Such conflicts, for example, were those between the Serbs and Croats, the Serbs and the Kosovar Albanians and between Slovenia and Croatia versus Serbia, BiH and North Macedonia. In the 90s, the hostilities between these states worsened, leading to a full-scale war between the former republics of Yugoslavia. The above resulted in its breakup and the following declarations of independence of these countries. Slovenia and Croatia were the first to declare their independence in 1991, which was followed by the ten-day war and the 4 years' war of the Croatian independence. In their entirety, the Yugoslav wars lasted for approximately 10 years, ending in 1999 after the UN intervention and NATO's bombing of Serbian forces in BiH and Serbia (Mazower 2007). The violent outburst continued even after the end of wars and the liberalization of these countries, especially during their first free elections. Furthermore, by taking advantage of the post-war instability, the lack of sufficient institutions and the contested borders, various organized crime networks emerged. This resulted in serious security concerns, especially for Europe, since it facilitated the transportation of illicit drugs and increased migration in the EU. The above, combined with the political and economic crisis that began after the end of the wars, created a

highly unstable environment in a strategic area (Becker 2008 p.19; Richter 2012), attracting the attention of many key international players. These include two countries with historical ties in this area, Russia and Turkey, and a third country, China. Thus, before continuing with the analysis of the main topic of this thesis, it is useful to discuss how these various actors interact with the WBs and whether the EU is the most influential player in the area.

With both political and economic interests in the area, the EU has perhaps the most powerful leverage against the other players, that of the accession to the union. After the collapse of Yugoslavia, the central concern of the EU regarding the WBs was their security and stabilization by promoting democratization, state- and peacebuilding. By integrating the WBs countries in Europe, the EU further aims at the political and economic reconstruction of the whole south-east Europe. This interest stems from the fact that a highly unstable region does not only affect the lives of people living in the area but will also result in a series of issues for WE as well. Furthermore, stability in the WB benefits the rest of Europe as well, since it creates new markets for investments and trade opportunities, as well as skilled, low wage labour. The most significant tool of the EU in achieving the above is the possibility of accession to the union in exchange to a series of reforms and recommendations, as outlined by the Stabilization and Association Processes and the Copenhagen Plus criteria, which included the implementation of peace treaties and the cooperation with the ICTY. The above process however is not without obstacles. First and foremost, the objectives of Security/stability and that of democratization are often conflicting. The former requires the rapid integration of these countries to the EU for example, while the latter requires stricter criteria and slower integration. To solve this dilemma, the EU's strategy towards the WB includes close cooperation in various sectors, financial assistance and a series of initiatives to facilitate their accession to the EU combined with strict conditionality (Becker 2008 p 19f; Richter 2012). Besides the stability and security concerns, the WBs are also significant due to their strategic position. For example, after the 2007 enlargement with the accession of Romania and Bulgaria, the area has no land border with third countries. Moreover, the WBs are located at a crossroad between the West, the East and from South to North, and thus are essential for investments. A third interest of the EU for the area is to avoid economic and political pressures if these countries choose to side with Russia or China. For example, if



China's presence in the area increases, it's economic pressure on exports could cause problems for the EU, while Russia could benefit from fuelling conflicts in the region and undermining the stability of the area (Bieber 2011; Richter 2012). As far as the ways in which the EU is involved in the region are concerned, this are various. Concerning trade, the EU is the largest trade partner in the region. For example, the total share of trade with North Macedonia and BiH surpasses 70%, while the total foreign trade of the WBs with the EU reaches 73% (Hansel & Feyerabend 2018; Hake & Randzyner 2019 9ff). Furthermore, the SAAs that complement the SAP and outline the benefits and obligation of the potential candidate and candidate members of the EU, facilitate and strengthen the trade relations between the EU and these countries, giving the EU an advantage compared to other trade partners of the WBs (Hake & Randzyner 2019 4f). Similarly, the EU is the largest investor in the area as well. Some recent investments in the area, for example, include the 42.1 million euros Mediterranean corridor between Albania and Croatia, the Eastern railway between Montenegro and Albania (13.7 mills) and the construction of a motorway linking Serbia to Kosovo (41.1 mills) (Lachter & Kaminski 2019). The primary program aimed at facilitating these investments in the area is the Instrument of Pre-Accession, with a budget of 11.7 billion euros for the period 2014-2020, while an increase to 14.5 billion is expected for the period 2021-2027. Furthermore, in 2018, assistance towards the WBs countries reached 1.07 billion, while it is estimated that EU financial assistance towards WB amounts to 4% of their GDP (Hake & Radzyner 2019 4f). The EU is also dominant in the banking sector of these countries, with banks from countries such as Austria, Germany, Italy and France dominating up to 60% of all banking assets in the area, while banks from the Euro area amount to 44% (Hake & Randzyner 2019 9ff). Besides the above, all WB countries, besides Kosovo, can travel without a visa to the EU, an additional important aspect of the Unions involvement in the area (Hansel & Feyerabend 2018). Finally, the EU is still committed to the Thessaloniki 2003 agenda, that is to the full integration and accession of the WBs to the EU. In fact, the Union has updated its commitment, stating that countries that are ready to join the EU can do so in 2025. (Altman et al 2014; Hansel & Feyerabend 2018). Thus, the WBs have a lot to gain from their collaboration with the EU as well. Not only are they provided with opportunities to improve their infrastructure and economic stability, but to advance their administrative and institutional capacities as well. Finally, with their integration to the EU, their position in global politics is improved as well. (Lachet & Kaminski 2019).

The second most influential player in the area of WBs and a potential antagonist of the EU is Russia. With both historical and cultural ties in the area, Russia has been involved in the WBs since the 19th century both politically and economically. Concerning Moscow's political interest in the region, through its use of "soft power", it aims to turn the WBs into its area of influence in Europe. This is especially true for Serbia, a traditional ally of Russia, linked with the country both by cultural and religious ties. In fact, the common Slavic and Orthodox roots between many WB countries and Russia, facilitate the political dialogue between them (Altman et al 2014; Bojana 2017). Concerning its economic ties with the countries of the WBs, trade volume is generally small and less important for these countries compared with that of the EU. For example, only Albania (Trade and Economic Cooperation Agreements; Treaty for the Avoidance of Double Taxation), Bosnia and Herzegovina (trade and economic cooperation agreements), and Serbia (bilateral free trade agreement) have bilateral trade agreements with Russia, while overall trade volume has been decreasing, falling from the biggest trade partner of the region, to single digits (Lachet & Kaminski 2019; Hake & Radzyner 2019). Similarly, Russian investments in the area are negligible. For example, only 6.6% of foreign direct investments in the region are Russian. Moreover, the country's presence in the banking sector continues to be small despite its recent increase with Russian banks only in BiH and Serbia (Bechev 2015; Hake & Radzyner 2019). Furthermore, Russian businesses are only present in a few sectors of the economy, such as real estate and energy. In fact, energy, and more specifically gas and oil, is the only significant leverage that Russia has against the EU in the area. This is especially true for North Macedonia, Serbia and BiH, where oil and natural gas from Russia reaches between 75 and 95 per cent (Hake & Radzyner 2019 p 7ff). Furthermore, major energy companies, such as Lukoil and Gazprom, have a significant presence in many WB countries, including Serbia and BiH (Hake & Radzyner 2019). Thus, Russia is significant for the WB primarily in terms of oil and gas transits and trade (Altman et al 2014; Bojana 2017). However, their energy dependency from Russia, despite making them vulnerable, has started to decline in the recent years (Lachet & Kaminski 2019; Hake & Radzyner 2019 7ff). Thus, Russia's overall interest in the area is primarily based in securing its oil and gas export monopoly. To achieve this, Moscow generally tries to exploit gaps in the EU's policy in order to influence the WB countries and hamper their integration to the EU (Krastev 2018; Hake & Radzyner 2019; Lachet & Kaminski 2019). However, as it was made

clear, Russian presence in trade, banking and investment areas is rather weak especially when compared with the EU. Furthermore, gas consumption is limited in WB, weakening the energy dependence of the WB from Russia. Moreover, even with its leverage in the oil sector, Russia cannot often influence these countries politically as it was seen by Montenegro's choice to join the EU imposed sanctions against Russia (Bechev 2015; Hake & Radzyner 2019). Moreover, unlike the EU, Russia cannot offer an alternative to the EU-integration and the benefits that it will bring for these countries, while the overall advantages in terms of investments and trade that the EU offers are more significant than that of Russia. Thus, the WB countries continue to favour their integration to the EU and choose in its favour during difficult situations, despite the occasional support towards Russia from countries where it enjoys support such as Serbia and the Serbs of Bosnia (Bechev 2015; Bojana 2017).

Besides the EU and Russia, another actor in the area is Turkey. Like Russia, Turkey has both historical and cultural ties with the area of WB, dating back to the Ottoman Empire, and can thus exercise both "hard" and "soft" power to influence these countries. For many years, however, Turkey was absent from the area and re-emerged only after the end of the cold war and the beginning of the Yugoslav wars in the 90s, by supporting the Bosniaks and the Albanians of Kosovo. While typically Turkey was linked with the Muslim communities of the area (Albania and Bosniaks), today it has increased its presence in the area, forming ties with other countries as well while its presence can be seen both in the economic and political sectors (Altman et al 2014; Hansel & Feyerabend 2018). Concerning the economy, even though its overall trade volume with the area remains small, especially when compared with that of the EU, Turkey remains among the top trading partners in Serbia and BiH. Furthermore, the country has signed various bilateral trade agreements with most WB countries, including Albania, Bosnia and Herzegovina, Kosovo, Montenegro and Serbia. Among its advantages is its geographical proximity to the area, facilitating transport and reduced costs and the similar consumption habits. Thus, even though trade between Turkey and the WBs remains weak compared to the EU, it is significant and constantly gains importance (Hake & Radzyner 2019 p4f). Similarly, in the investment and banking sectors, Turkey's presence in the area remains low compared to the EU despite its constant increase. For example, a Turkish bank appeared in the area for the first time in 2015, while its market share remains low. Moreover, in Serbia

and BiH, Turkey has only limited presence in the banking sector while the country is a major investor in Kosovo and Albania. In the latter, the Turkish bank Banka Kombetare Tregtare owns 28% of the banking assets while in the former, almost half of the foreign banks are Turkish with a total market share of 16% (Hake & Radzyner 2019 p 9). Thus, Turkish presence in the banking sector remains small in most WB countries and fragmented. Besides the above, another tool that Turkey is using in WBs is its “soft-power”, namely a “neo-Ottoman” policy, which aims to influence the political sector of these countries through the use of its religious and cultural heritage in the area. However, despite President Erdogan’s anti-EU positions, Turkey has applied for candidacy in the EU itself and generally supports the integration of the WB in the EU, stating that its presence in the area is complementary to that of the EU (Altman et al 2014; Hansel & Feyerabend 2018; Hake & Radzyner 2019 p. 5ff; Lachet & Kaminski 2019). Overall, Turkish presence in the area remains small compared to the EU but it gains importance.

Besides the above actors, another significant player in the WBs is China. Unlike the above players, however, China doesn’t have historical and cultural ties with the area or the advantage of geographic proximity. Thus, the country’s main interest is economic. More specifically, China views the WBs countries as an opening to the EU’s market and thus as a crucial step to its commercial expansion. By investing in infrastructures, such as ports and railroads, it aims to facilitate the transport of goods from the Greek port of Piraeus to the rest of Europe. Furthermore, China is interested in the area due to the strategic location of these countries at the end of China’s new silk road. In fact, China is among the top investors in the region while it is the top investor in Serbia. The above investments are carried out through significant initiatives, such as the One Belt, One Road initiative, aiming to create a new silk road between China and Europe and the 16+1 initiative, which aims to increase cooperation between the countries of Central and Southeast Europe. Thus, the country has strengthened its financial and economic ties with these countries, especially since 2015 (Hansel & Feyerabend 2018; Lachet & Kaminski 2019; Hake & Radzyner 2019 p. 4, 8ff). Besides investments in infrastructure, China has also increased its trade with the WB countries as well. Similarly to Turkey, overall trade volume, especially compared to that of the EU remains small. However, Chinese exports, especially to Albania, BiH and Montenegro, have almost doubled from 2004 to 2014 and imports

from Serbia increased more than sevenfold. Bilateral trade agreements have been formed with Albania, Montenegro and Serbia, while in the banking sector Chinese banks generally are not involved in the retail sector but concentrate on lending funds to governments for investments in infrastructure (Lachert & Kaminski 2019). Finally, China is not an obstacle to the European integration of the WB but is in favour of their accession to the Union since this will facilitate its economic activities in the region. In fact, the Chinese strategy in the WB rests on the assumption that these countries will eventually integrate to the EU creating stronger ties between the Chinese companies and the European markets. Moreover, if labour costs between china and WB narrows, companies will benefit from building their production facilities closer to the EU. Finally, unlike Russia, China is interested in stabilizing the area, like EU, which can be inferred by the multiple investments in the area (Hansel & Feyerabend 2018; Lachet & Kaminski 2019; Hake & Radzyner 2019).

From the above, it is clear that the EU is the still the largest actor in the area despite the involvement of other countries. Moreover, the countries of WB have more to gain from the EU, namely the accession, and more to lose if they move away from the EU in terms of trade and investments.

Inspired by the puzzle of why despite having many common characteristics such as their Yugoslav history, their transitioning economies and the presence of many ethnic minorities in their territories the Western Balkans (WB) comply at varying levels with the EU's requests with one another, the main objective of this thesis is to investigate how different domestic factors affect the effectiveness of the EU's conditionality policy in the WB. More specifically, the main research question is **“How is the effectiveness of the EU's conditionality policy affected by domestic factors in the Western Balkans?”**. The main theoretical framework to answer the above will be based on a rational institutionalist approach that views conditionality as “Reinforcement by Reward”. This approach suggests that the EU uses external incentives to persuade countries to conform to its demands, while the targeted countries calculate their costs and benefits to decide if they will comply or not. Based on a collection of theories that discuss the determinants of the effectiveness of the EU's conditionality, the two most significant factors for the WB are singled out. These are the “Party Competition” and the “Policy Saliency”. The first factor relates to the works of Schimmelfennig & Sedelmeier (2004; 2005) and Vachudova (2005). It includes two discrete, albeit similar

ideas, what Schimmelfennig & Sedelmeier (2004;2005) described as “Party Constellations and Orientation” and what Vachudova (2005) described as “Political Competitiveness”. The first idea explains how the EU’s conditionality is expected to increase when the number of liberal-democratic and pro-EU/ pro-Western parties in the parliaments of the countries increases. The second focuses on the elections and suggests that the conditionality will be more effective if they result in significant governmental changes. The second independent variable, “Policy Saliience”, describes how states take into account the salience that key actors attribute to the policies when calculating costs and benefits and will refrain from adopting policies that harm the interests of key domestic actors (Jacoby 2004; Lindstrom 2011;2015). Thus, the effectiveness of the EU's conditionality policy depends on whether demands oppose the interests of domestic actors, including those of the general public. Here, salience is understood as the “the relative importance of different policy areas”, (Humphreys & Garry 2000 p.2) or as the weight that different actors attribute to issues (Thomson 2011; Beyers et al 2017; Meissner & McKenzie 2018). Two main reasons led to the choice of the above variables. First, "Political Competitiveness" and "Party Constellations and Orientation" are both of significant importance during or after major transformations (Vachudova 2005; Schimmelfennig & Sedelmeier 2004). Thus, this factor is especially relevant for the WB, given the Yugoslav wars and the following political transformations of the 90s and early 00s. The second factor, “Policy Saliience”, was chosen due to its importance in states with weak institutional capacities, such as the WB. In such states, actors are forced to invest political resources to “strategic issues” that do not generally cause opposition (Meissner & McKenzie 2018). Thus, based on the above, two main hypotheses are made. These are

**H1: The higher the party competition, the more effective the EU’ conditionality policy will be**

**H2: The greater the policy salience, the less effective the EU’s conditionality policy will be.**

To analyse the above, a comparative case study is carried out between the energy and environmental policy sectors of two of the six WB countries, BiH and Montenegro.

The rest of this chapter outlines the structure of the thesis. The second chapter will present the theoretical framework, starting with a brief presentation of the energy and

environmental policies of the EU, as well as the two countries under investigation, Bosnia Herzegovina and Montenegro. Next, the presence of the EU in these states is discussed, before closing with the theories on the EU's tool of conditionality and the formulation of the hypotheses and the theoretical model that will be used for their analysis. The third chapter presents the data and method that will be used to explore the main research question and the two main hypotheses. The first part discusses the field of investigation and case selection, as well as the rationale behind their choice. The next section introduces the method and the design of the analysis, while the last part presents the operationalization of the variables and the data used. The fourth chapter presents the relevant data for the examination of the stated hypotheses. The first part presents data regarding BiH's and Montenegro's level of compliance with the EU's *acquis*, while the second part provides the necessary information on the countries' parties and party systems. Next, the differences between the Environmental and Energy policies are presented, to determine which policy has more salience. The fourth section compares the countries and policies with one another while trying to draw a conclusion with regards to the hypotheses of the previous chapter. Finally, the section closes with a brief discussion of the alternative hypothesis and why it is not expected to be relevant. The fifth chapter proceeds with the analysis of the data and their discussion, trying to answer the stated hypotheses and offers an alternative explanation. The sixth chapter concludes by summarizing the thesis and presenting its limitations and suggestions for further study.

## **2.Theoretical Framework**

*This chapter presents the theoretical framework of this thesis. The first section presents the European Union's (EU) energy policies while the second gives the necessary information on the countries of Bosnia and Herzegovina (BiH) and Montenegro as well as a brief overview of their energy and environmental sectors. Next, the EU's presence in the Western Balkans (WB) is described, giving special emphasis on the accession process and its condition. The existing theories on the tool of EU's conditionality and its effectiveness are presented on the fourth section. The chapter concludes with the formulation of the hypotheses and the theoretical model that will be used for their analysis.*

### **2.1 The Energy and Environmental policies of EU**

#### **2.1.1 The energy policy of the EU**

Even though the coordination of coal and steel production and the atomic energy were key strategies of the European integration as early as 1952 under the European Coal and Steel Community (ECSC) and 1958 under the European Atomic Energy Community (Euratom), energy remained an issue of national decision-making until the early 1990s (Bozhilova 2009 p 1; Buchan 2010 p 361). Despite the European Commission's efforts to create common energy strategies using areas under its control, such as the environment, the internal market and the competition policy, states were reluctant to give up their power concerning energy and tried to restrict EU's authority over energy policies. The situation started to change only during the early 90s, when after the fall of the USSR and the recession of the economy, the coordination of the national energy policies became more salient (Bozhilova 2009; Linderstrom 2011 p. 202; Benson & Russel 2015 185). Thus, important developments begun in the 2000s with initiatives such as the Green Papers and the Strategic European Energy Reviews while a common EU climate– energy policy was agreed in 2007. The most important development however, came in 2009 with the Treaty of Lisbon and the inclusion of the Energy policy in the EU treaties thus giving more power to the EU in setting common objectives regarding energy and formed a formal legal basis for energy policy (Linderstrom 2011 p 202; Benson & Russel 2015 185). Currently, EU's control over the energy policies is increasing and its legislative

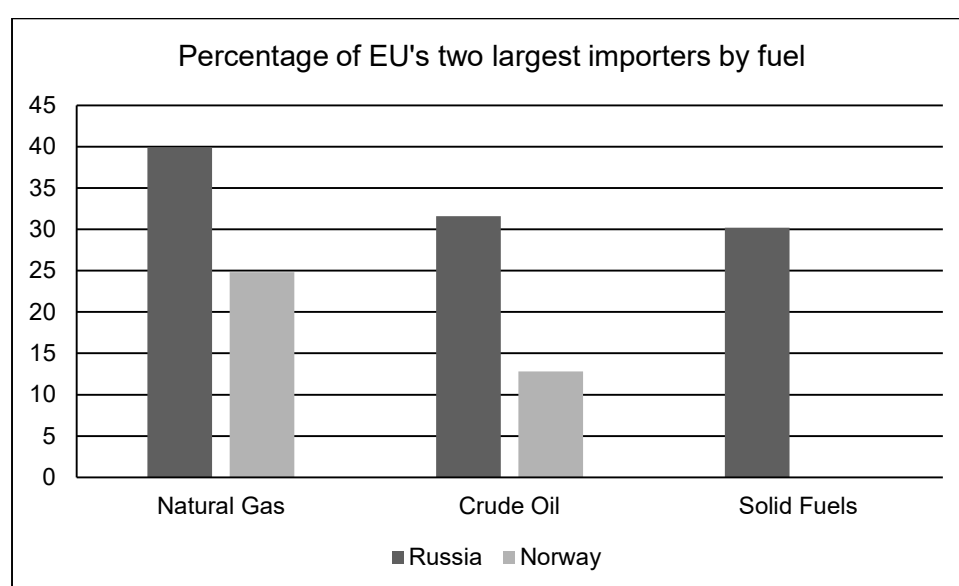


instruments concern issues ranging from coal and oil production to energy research and development (Birchfield and Duffield 2011). The legal basis of the energy policy derives from the article 194 of the Treaty on the Functioning of the European Union (TFEU) which integrates some areas of energy policy. However, Member States are still able to regulate the exploitation of their energy resources as well as their energy supplies. Furthermore, a variety of articles such as Article 122 on the security of supply and 170-172 on energy networks regulate a wide variety of issues related to energy. The EU's current energy policy agenda, guided by the 2014 climate and energy policy of the European Council, sets a variety of goals, aimed to be achieved by 2030. These include the 40% reduction of greenhouse gas emissions, the improvement of energy efficiency and of the increase by 27% of the share of renewable energies. Concerning the energy efficiency policy, the Directive 2012/27/EU aims at guiding member states to fulfil their targets and improve their energy performances. The promotion of renewable energies is another priority of the EU. Directive 2009/28/EC set a target of a 20% increase in the usage of renewable energy sources by 2020 while the Commission targets a 27% increase by 2030. Moreover, since 2013 the diversification of energy supply and the development of local resources became another priority for the EU (Gouarderes & Beltrame 2019). Finally, one of the most recent major developments was the creation of the energy union in 2015. As the pillar of the EU's energy policy, the energy union ensures the affordability and sustainability of energy and consists of 5 inter-related dimensions (energy security, an integrated internal energy market, energy efficiency, climate action, and research and innovation). Furthermore, it promotes a low-carbon, sustainable energy sector and greater coordination among Member States (European Commission 2019). All the above developments aim at ensuring the security of supply and resolving a series of challenges that the EU is facing. Such challenges are the increasing energy import dependency and the consequential high prices, the climate change, the limited diversification and the increasing share of renewables as well as the lack of energy efficiency and the integration of the energy markets. According to the 2018 statistical report on energy, in 2016 the EU produced 46% of its energy while it imported 54%, signifying the large scale of dependency on energy imports. Moreover, the vast majority of these imports are from a limited number of external partners, threatening the stability of the EU's energy supply. For example, Russia, as the main EU supplier of energy, exports to EU 40% of the total imported natural gas and 30% of the solid

fuel. In 2016, petroleum products were the majority of the energy imports, reaching almost two thirds of the total energy imports (European Commission 2018). Figure 1 shows EU's import dependency by fuel for the years 1995-2016 while Graph 1 presents the share of the Union's two greater importers, Russia and Norway by fuel for the year 2016.

	1995	2000	2005	2010	2015	2016
<i>Total</i>	43.1	46.7	52.1	52.7	53.9	53.6
<i>Solid Fuels</i>	21.4	30.6	39.4	39.4	42.4	40.2
<i>of which Hard Coal</i>	29.7	42.5	55.6	57.9	63.6	61.2
<i>Petroleum and Products</i>	74.1	75.7	82.2	84.5	88.8	86.7
<i>of which Crude and NGL</i>	73	74.4	81.3	84.6	88.4	87.4
<i>Natural Gas</i>	43.4	48.9	57.1	62.5	69	70.4

Table 1. Percentages of EU's Energy Import Dependency by fuel. European Commission 2018



Graph 1. Percentage of EU's two largest importers by fuel. European Commission 2018

Concerning energy production, the largest contribution in 2016 came from nuclear energy (29%) while the second largest source was renewable energy (28%) (European Commission 2018). To conclude, the EU is highly depended on energy imports, making energy security one of its great challenges. Additionally, the diverse national energy policies and the complexity of the EU decision making put excess strain on this policy sector. Finally, the integration of potential candidate and candidate member states and the harmonization of their energy sectors with the EU is another important challenge that the EU must tackle. This is especially for the Western Balkans both because of their energy production that can increase EU's independency and of their low degree of current integration.

### 2.1.2 The Environmental policy of the EU

As one of the EU's main areas of intervention, the environmental policy has experienced perhaps the most dramatic expansion since its formal establishment in the early 1970s. It originates from the 1972 Paris Summit, where the member states of the then European Economic Community (EEC) in response to the first United Nations' (UN) conference on the environment, decided to introduce a common environmental policy. The resulting 1973 Environmental Action Program (EAP) identified the existing problems and set agendas for their solution. Since then seven such programs were signed, setting the EU's environmental goals and objectives. The next big step towards a more integrated European environmental policy came in 1986, with the adoption of the Single European Act (SEA) that introduced a series of changes to the environmental decision-making process. The most significant change was the introduction of a legal basis for a common environmental policy. Through the incorporation of environmental law-making articles to the treaty, the Court of Justice of the European Union managed to shift from making decisions based on case law to adopting extensive and rigid laws based on treaty provisions. Equally important was the introduction of the qualified majority voting that allowed the more environmentally conscious member states to promote firmer policies. (Ohlinger 2019, VanDeveer 2015 p 3ff). Furthermore, a series of treaty revisions increased the EU's involvement in environmental policies. The Maastricht Treaty recognised the protection of the environment as a main objective of the EU by making it an official policy area. Moreover, the treaty set up new standards such as the co-decision procedure and the

precautionary principle. With the Treaty of Amsterdam, the EU promoted sustainable development by declaring the incorporation of environmental protection to all EU sectoral policies as a necessity. The importance of sustainable development and environmental integration were further emphasized with the treaty of Nice. Finally, the Treaty of Lisbon introduced the prevention of climate change as a main EU objective. Furthermore, it strengthened the EU's international role in promoting sustainable development and environmental protection (Orlando 2013; Ohlinger 2019). Thus, even though initially an environmental legal basis was lacking and the EU's approach to environmental issues was incoherent and guided by the needs of economic and market integration, EU's environmental policy became one of the most advanced in the world<sup>1</sup>.

<b>Year signed</b>	<b>Year in force</b>	<b>Treaty</b>	<b>Changes affecting environmental policy</b>
1957	1958	Rome	No mention of environment.
1986	1987	SEA	<ul style="list-style-type: none"> <li>- Environmental Title added.</li> <li>- Article on Integration added.</li> <li>- Qualified Majority Voting (QMV) for the internal market.</li> </ul>
1992	1993	Maastricht	<ul style="list-style-type: none"> <li>- 'Sustainable growth respecting the Environment' becomes one of the tasks of the Community (Article 2).</li> <li>- Environment Title strengthened to include mention of 'precautionary principle'.</li> <li>- Integration Article (Article 130r) was reinforced.</li> <li>- The number of policy areas where the Council could adopt environmental legislation using QMV was extended.</li> <li>- Co-decision strengthened the role of the European Parliament in developing environment policy.</li> </ul>
1997	1999	Amsterdam	<ul style="list-style-type: none"> <li>- Article 2 strengthened so that 'Sustainable development of economic activities' made an explicit objective of the EU.</li> <li>- Integration Article given more prominence (Article 6).</li> <li>- Co-decision became the normal process for agreeing environment policy.</li> </ul>
2001	2003	Nice	<ul style="list-style-type: none"> <li>- QMV changed to establish a double majority of Member States and votes cast.</li> </ul>

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<sup>1</sup> Today, the EU's environmental acquis includes more than 500 environmental directives, regulations and decisions.

2007	2009	Lisbon	<ul style="list-style-type: none"> <li>- Environment Title (174–176 of the TEC) substantively unchanged but numbering changed (now Articles 191–193 of TFEU).</li> <li>- Integration Article now Article 11.</li> <li>- Article 2 strengthened so that the EU shall work for the ‘sustainable development of Europe’ and the ‘sustainable development of the Earth’ (now Article 3 of the TEU).</li> </ul>
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*Table 2. Summary of the significant changes in EU’s environmental policy in successive treaties. IEEP 2014*

Today, its legal basis rests on the articles 11 and 191-193 of the TFEU, while its jurisdiction includes a wide range of environment-related matters. However, its actions are still restricted by principles such as those of subsidiarity and unanimity for decisions taken by the Council. On the other hand, a variety of other principles, such as those of “precaution, prevention and rectifying pollution at source” and the “polluter pays” principle, support and direct the implementation of the EU’s environmental policy. Regarding the institutions that are involved in the design and implementation of the environmental policy, besides the involvement of five of the seven EU institutions (the European Council, the European Commission, the Council, the Parliament, and the Court ), a wide variety of committees and agency are also engaged (VanDeveer 2015; Ohlinger 2019). The basic policy tools that the above institutions use are based on command and-control style approaches, market-based instruments as well as on persuasive policy instruments such as voluntary agreements. (VanDeveer 2015 p 8f). Concerning the environmental policy’s basic framework, it is set by the above-mentioned EAPs. The most recent 7<sup>th</sup> EAP was adopted in 2013 and entered into force in 2014. It involves objectives and policies for the period up to 2020 as well as broad directions concerning sustainability up to 2050 (European Commission 2014; Ohlinger 2019). Its key objectives include the protection and conservation of the EU’s natural habitat, the defence of the EU’s citizens from environment-related risks and the creation of sustainable cities (European Commission 2014). Besides the EAPs, a variety of laws, regulations and directives complement the EU’s environmental policy framework. The implementation of the above decisions however still rests on the national level. Thus, the EU also has a wide range of monitoring and implementation instruments to ensure the application and enforcement of its decisions. Such instruments include the 1990 European Environmental Agency and the 2016 Environmental Implementation Review (Ohlinger

2019). To conclude, after the 70s, the EU's legislation concerning the environment has expanded dramatically, bringing a wide range of positive developments. For example, the protection of the environment was increased significantly, while emissions of pollutants were reduced. Furthermore, there has been a significant progress towards the green economy and sustainable economy. Finally, despite the impressive improvements some issues still persist. These include the increased usage of natural resources, the loss of biodiversity and the destruction of natural habitats (Orlando 2013; Ohlinger 2019). Another issue is the struggle to integrate the potential candidate and candidate member states of the WBs, where the lack of environmental culture combined with the uncontrolled production methods, make the tackling of environmental issues a necessity. The next section looks at the two countries under study, that is BiH and Montenegro and their current energy and environmental situation.

## 2.2 The countries of Bosnia & Herzegovina and Montenegro

### 2.2.1 Bosnia & Herzegovina

BiH is a small state located in the Western Balkan peninsula, with a population of roughly 3.5 million. The country was part of the Socialist Federal Republic of Yugoslavia from 1918 until 1992 when it declared its independence, following the dissolution of Yugoslavia in 1991. The declaration of independence was based on a referendum that was opposed and boycotted by the majority of the country's Serb population. The ensued war devastated the region and ended with the death and displacement of more than two million people (Preljevic & Carmichael 2017; Malcom et al 2018). The first significant step towards the end of the conflict was taken in 1994 with the Washington Agreement that ended the conflict between Bosniaks and Croats, creating the Bosniak-Croat Federation. On 1995 with the Dayton Agreements, all combatant parties formed a peace agreement, thus ending three years of conflict. The final agreement outlined a "General Framework agreement for Peace in Bosnia and Herzegovina" and kept the country as a single state consisting of two entities, the Federation of Bosnia and Herzegovina (FBiH), which is the federation of Bosniaks and

Croats and the Republika Srpska (RS), a unitary entity of Serbs. Sarajevo remained undivided as the capital city (Fagan 2012; Preljevic & Carmichael 2017). The above, although it successfully ended the war, made BiH a highly decentralized and ethnically divided state. Even today, the central state has weak institutions while its authority has only recently started to increase under the EU's guidance. Thus, power rests with the two autonomous entities, FBiH, and RS that have independent institutions and can form some treaties separately from the central state. Power in the FBiH is further distributed in ten cantons and local municipalities, in order to better reflect and represent internal ethnic divisions. Similarly, RS is further divided in 64 municipalities. Finally, there are special provisions for the cities of Sarajevo and Mostar, while in 2009 an additional self-governing district of shared administrative control was created, the Brcko District (Fagan 2012 p. 645f; Fagan & Sircar 2015 p. 32ff). Consequently, the complexity of BiH's administration and the high diffusion of power make the adoption of new laws and provisions extremely difficult especially at a national level, putting excess weight on the EU's efforts to stir change in the region.

As far as energy is concerned, the country is characterized by high inefficiency both in the residential and industrial sectors. Energy consumption in public buildings is estimated to be three times higher than that of the EU's average, resulting in high public expenditures. The outdated infrastructure resulting in energy losses and greenhouse emissions combined with the lack of new investments and under-developed renewable energy sources as well as the country's dependency on coal and natural gas imports are contributing factors to the above. (Dunjic et al 2016). Moreover, between 2001 and 2013 there has been a 50% increase in the generation of power while per capita generation is now equal to other Eastern European countries. Consequentially, exports also increased between 2001 and 2011 (Nikolakakis et al 2019 p.47). Hydropower produced electricity is the most important part of BiH's energy sector with 76 hydropower plants that generate more than half of the country's power (Dogmus et al 2019). However, the large bureaucracy combined with high levels of corruption, the lack of sufficient funding opportunities and the absence of development strategies result in the delay or even cancelation of a wide variety of hydropower-related projects (Dogmus et al 2019; Nikolakakis et al 2019). Finally, BiH produced 16.99 billion kWh of electric energy in 2016 and exported 6.007

billion kWh. 49% of the electricity came from fossil fuels while 51% from hydroelectric plants. (CIA World Factbook 2019).

Concerning the environment, even though BiH ratified both the United Nations Framework Convention on Climate change (2000) and the Kyoto Protocol (2008), development remains slow and the country's environmental capacities weak. The complexity of the state's administration, combined with the fragile post-conflict setting, have resulted in the lack of sufficient legislation and research on environmental issues. Furthermore, according to the United Nation's Development Programme (UNDP 2019), both policymakers and the general public lack awareness of the interdependence between the environment and economic development, thus resulting in the limited utilization and protection of the country's rich natural resources. Implementation of legislation concerning the environment is still a major issue due to the diffusion of administrative power, especially given the lack of a centralized state-level Ministry for Environment. The only authority of the central state rests in harmonizing the legislation of the two entities with EU standards and international agreements (Fagan 2012). Moreover, according to the UNDP 2018 report, the country was "the second deadliest in the world" concerning air pollution with the main issues being coal produced electricity, traffic and the various industrial activities. Further issues include waste management and illegal waste dumping as well as transnational issues such as climate change, pollution and ozone layer depletion (UN environment 2018). Finally, all the above are at the expense of the country's biodiversity which is among the top five in Europe. For example, 30% of the endemic species of the Balkan's flora, including many threatened species can be found in BiH. However, the amount of protected territory falls below the EU average, with (2.5% compared to 10-15% elsewhere in Europe) (UNDP 2019).

### 2.2.2 Montenegro

With a population of 0.6 million in 2018, Montenegro is the least populated country of the WB. It has an area of approximately 13,812 km<sup>2</sup>, and it is located at the southern end of the Dinaric Alps. During the 20th century, similarly to BiH, it was part of Yugoslavia. After its dissolution, however, Montenegro joined Serbia, creating the Federal Republic of Yugoslavia and in 2003, the two countries formed the State Union of Serbia and Montenegro (Ramet 2010; Poulsen et al 2019). Finally, in 2006, the



country decided to leave the federation, after a referendum that was barely in favour of the country's independence (55.5 % out of the 55% needed). In contrast with the rest of the former Yugoslav countries, Montenegrin politics were mostly stable during the 1990s. There are only a few exceptions to the above, the most notable being the deterioration of the country's relationship with Serbia, that created inter-state divisions (Poulsen et al 2019). In 1997 for example, two factions were created within the ruling party (Demokratska Partija Socijalista Crne Gore), one that supported Milošević and one that did not. Thus, when Milo Đukanović who opposed Milošević won during the presidential elections against Momir Bulatović, Montenegro withdrew from several federal institutions and even started using its own currency to increase its economic independence from Serbia (Bieber 2003). Furthermore, during the bombing of Serbia by NATO in 1999, Montenegro, while a constituent unit of the Federal Republic of Yugoslavia, declared its neutrality and even supported the removal of Milošević from power (Ramet 2010). Currently, the country is governed by an executive, a legislative and a judicial branch separately. The president is the head of state, while the prime minister leads the unicameral parliament. Finally, the judicial branch includes a constitutional and a supreme court. (Poulsen et al 2019).

Concerning energy, Montenegro is “one of the most inefficient consumers of energy and water” according to the UNDP while its energy demands are growing rapidly (UNDP; World Bank 2018). Currently, the country's energy sources include mainly hydro and lignite followed by firewood and industrial wood wastes while it has the potential for other renewable energy sources as well. Energy production depends on three main plants, the 307 MW at Perucica and 342 MW at Piva hydropower plants and the 225 MW lignite plant at Pljevlja while since 2017, an EBRD financed wind farm exists as well. Electricity is generated by three partially privatized companies (Montenegrin Power Utility, Montenegrin Transmission System Operator and Montenegrin Distribution System Operator) while natural gas infrastructures are lacking. Moreover, even though the government is interested in oil production, Montenegro does not currently extract oil. Thus, similarly to Albania, the high dependence of the country on hydropower to produce electricity results in shortages and the production dependence on weather conditions (Bankwatch Network 2017; World Bank 2018; Poulsen et al 2019). Further issues include the outdated infrastructure that results in power losses and low supply, as well as the limited

investments and the country's high energy intensity<sup>2</sup> (World Bank 2018). Finally, Montenegro adopted the Energy policy until 2030 in 2014, that sets key objectives based on priority areas such as energy supply security, development of competitive energy market and the development of sustainable energy (Energy Charter 2018; World Bank 2018).

Concerning the environment, since 2007, the country saw a minor development of its legal and institutional framework regarding environmental protection, climate change and sustainable development. For example, the creation of environmental legislation and the country's compliance with its international obligations are the most significant developments in the environmental policy, with the Law on Environment being the most important piece of legislation (Bejko 2011; 3<sup>rd</sup> UN environmental review 2015; Kostic-Mandic 2017; Energy Charter 2018). Since 2006, the Ministry of Sustainable Development and Tourism is responsible for the creation of the country's environmental policy while the 2008 Environmental Protection Agency and the Administration for Inspection Affairs are responsible for their implementation and enforcement (Energy Charter 2018). Despite the above, however, a variety of environment-related problems persist such as water pollution, waste management and wastewater treatment. Furthermore, Montenegro is vulnerable to climate change with significant heat waves and drought in the last years. Additionally, the country experienced significant damages and losses due to a 2010 flood, while future flooding still threatens 250 square kilometres of its land, since its drainage system lacks sufficient maintenance (3<sup>rd</sup> UN environmental review 2015; Axhemi & Axhemi 2015). Finally, the country is still lacking a strategy against climate change while even though there are laws against environmental pollution and waste management they are selectively enforced, or they fail to produce the necessary results (Transformation Index 2018).

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<sup>2</sup> Although energy intensity decreased by 29% from 2006 to 2015, it remains significantly higher than other countries in Europe.

## 2.3 The Western Balkans and the EU

Due to the different economic and political capabilities of the countries, the EU has designed a thorough and vigorous procedure when accepting new member states. Thus, eventual membership depends on the fulfilment of a series of conditions and criteria, that are designed to ensure the political and economic stability of the new member states as well as their ability to comply with the EU's laws and meet their obligations as members of the Union. The first step of this procedure is the fulfilment of the Copenhagen criteria that were set in 1993 by the European Council in Copenhagen. According to these criteria, countries must have "stable institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities; a functioning market economy and the capacity to cope with competition and market forces in the EU; the ability to take on and implement effectively the obligations of membership, including adherence to the aims of political, economic and monetary union" (European Council 1993). Once a country adheres to the above, it becomes an official candidate for membership. From this point on, advancement through the remaining stages depends on the country's own progress while the commission selects the necessary instruments and pressure in relation to each candidate. Eventually, candidate countries start formal membership negotiations that cover the 35 chapters of the EU's Acquis Communautaire (Acquis). The Acquis is the full body of the EU laws and rules and consists of treaties, protocols, regulations, directives and decisions of topics that range from the free movement of goods and workers to laws regarding fisheries, taxation and Science and research. Its adoption is a crucial step to the membership procedure since it ensures that candidate member states are fully prepared to become full members of the EU. The next step is the signing of the Accession Treaty, a document that finalizes the country's membership in the EU. It contains the terms and conditions of the country's accession and has to be approved by the Parliament and the Council and ratified by all states. Finally, the state becomes a full EU member on the date set by this treaty. Additionally, to the prospect of accession to the EU, the enlargement process includes a variety of other benefits as well, including trade, financial aid and visa-free travels (Grabbe 2002 p 251ff; Anastasakis & Bechev 2003 p. 5ff; Glüüker 2013 p 225ff).

Concerning the WB, after the collapse of communism and the dissolution of Yugoslavia in the early 90s, the EU offered these states the possibility of accession in exchange for a series of reforms to secure the democratization and stabilization of the area. Their EU perspective was first announced in 1999, after the Kosovo War, and was established by the European Council in Zagreb in 2000 initiating the "Stabilization and Association Process (SAP) for the Western Balkans". Furthermore, during the Feira (2000), the Thessaloniki (2003)<sup>3</sup> and Sofia (2018) Summits of the European Council, the European prospect of the WB was reaffirmed. (European Council 2000;2003; 2018 Aspirdis & Petreli 2012; Grimm & Mathis 2017; Flessenkemper 2018). Due to their political and economic particularities, however, eventual membership for the WB depends on additional steps and criteria, set up by the aforementioned SAP. As the EU's central policy towards the WB, the SAP aims both at assisting these countries in meeting the Copenhagen criteria as well as in stabilizing the region and promoting regional cooperation. With this process, the EU ensures that each WB country is capable of adopting the EU's laws and regulations before formal accession negotiations can begin (Baker 2015; Keil 2013). The contractual relationships of SAP are set by the Stabilization and Association Agreements (SAA), signed with each country individually, to address state-specific issue and ensure that each potential candidate and candidate member state progress at its own pace. They are legally binding agreements, providing political and economic co-operation, reform suggestions and establishing a free trade area between the two parties. Moreover, the SAAs monitor each country's progression regularly and include their rights and obligations (Baker 2015; De Munter 2018). Since 2016, SAAs are in force with all WB candidate and potential candidate member states. Finally, the correct implementation of the SAAs leads to the next steps of the accession process, the application for membership. (Wolff et al 2013; Baker 2015; De Munter 2018). Financial and technical assistance to meet the political and economic goals set by the SAAs and support countries during their accession process is given through the Instrument for Pre-Accession (IPA) (Baker 2015). The IPA is allocated both to candidate and potential candidate countries via the EU's Western Balkans Investment Framework. It was first established in 2006 and was set in action in 2007, replacing the 2000-2006 CARDS

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<sup>3</sup> The Thessaloniki Summit 2003 was dedicated to EU-Western Balkans relations, and resulted in the Thessaloniki Agenda for the Western Balkans which recognised all WB countries that had formed SAAs with the EU as potential candidate members

programme and the previous OBNOVA and PHARE programmes, thus unifying the EU's pre-accession assistance. For the years 2014-2020, IPA is replaced by IPA II. It targets both the candidate and the potential candidate countries of the WB and aims at aiding these states with the implementation of the conditions set by the various partnership arrangements (Council of the European Union 2006; Baker 2015). Furthermore, IPA II sets reforms and development agendas to address country-specific problems. These reforms pertain to a variety of pre-defined sectors that cover areas related to the enlargement process and aim to bring them up to EU standard via financial assistance. Finally, conditionality through both IPA and IPA II is achieved by freezing financial flows in case a state does not comply with the necessary objectives (Baker 2015). From 2018, in addition to the above, a new strategy for the WB was adopted by the Commission called the six-flagship initiative. It addresses specific actions including the expansion of the EU Energy Union to the Western Balkans. (European Commission 2018). Besides the above accession process, the EU is involved in the WB through its trade relationships with these countries. As the biggest trade partner of WB, in 2016 the total trade volume between the EU and the WBs reached €43 billion (EU Commission 2017). Finally, regional cooperation and Visa-free travel to the Schengen area are other important tools of EU in its relationships with the WB (European Parliament 2016). To sum up, EU's influence in the WB can be found in the following areas:

1. The Copenhagen Criteria
2. The 1999 Stabilization and Association Process
3. The EU's Acquis
4. Country specific conditions
5. Conditions set out by individual projects
6. Conditions set out by peace agreements and political deals

Concerning BiH, the country gained the potential candidate status in 2003 during the Thessaloniki Summit of the European Council. Even though negotiations for a SAA between BiH and the EU started in 2008, they remained frozen due to the countries inability to comply with the rules of the European Court of Human Rights. Thus, a SAA was signed and entered into force in 2015, while until today, BiH remains a potential

candidate country. Finally, BiH applied for membership in 2016. On the other hand, Montenegro applied for EU membership in December 2008 and received the candidate status in 2010, while formal negotiations began in 2012. Until today Montenegro has opened 33 out of the 35 chapters of the EU's Acquis, while 3 of them are closed (European Council 2019). Finally, according to the European Commission's 2018 enlargement strategy, Montenegro is expected to complete the accession process by 2025 (European Commission 2018).

Concerning actions for the energy and environmental policies, WB, like all countries, must comply with the specific Chapters of the EU's Acquis. Concerning the environment (Chapter 27), "The EU environment policy aims to promote sustainable development and protect the environment for present and future generations". It is based on preventive action, shared responsibility and the polluter pays principle, while it's 200 legal acts, including issues ranging from waste management and nature protection to industrial pollution control and genetically modified organisms (European Commission). As far as energy is concerned (Chapter 15), "EU energy policy objectives include the improvement of competitiveness, the security of energy supplies and the protection of the environment". It consists of rules regarding issues such as competition, energy market, nuclear safety and promotion of renewable energy sources (European Commission). Furthermore, both countries receive financial assistance under the IPA II program. Regarding the areas of the environment, the climate change and energy, Montenegro receives 37.5 million euros for the period 2014-2015 while BiH 114.2 million for the same period. Besides assisting the countries financially, IPA II promotes cross-border cooperation programmes, such as "The Interreg IPA Cooperation Programme Croatia Bosnia and Herzegovina-Montenegro 2014-2020" which aims at the socioeconomic and territorial development of the area between these countries. One of its key priorities is the protection of the environment as well as the promotion of sustainable and efficient energy (European Commission 2016). Furthermore, with the new, six-flagship initiative strategy for the WB, the EU aims to increase funding and assistance in a variety of fields, including energy, while another target is the expansion of the Energy Union to the WB. (European Commission 2018). The most important cooperation in the energy sector between the EU and the WB however comes from the Energy Community. The Energy Community is an international organisation aiming at the closer cooperation between the EU and

its neighbouring countries through the creation of an integrated energy market. It was created in 2005 by the Energy community treaty and is in force since 2006. Some of its key objectives include the extension of the EU's energy market to the SEE countries, the creation of common regulatory and market frameworks and the establishment of a common energy market to facilitate trade. Concerning the environment, it aims at improving the "environmental situation in relation to energy supply in the region and fosters the use of renewable energy and energy efficiency". Finally, the parties of the Energy Community Treaty must fully adopt the EU's energy acquis (Energy Community Treaty 2005). Finally, initiatives through regional cooperation is another important tool to influence the environmental and energy policies of the WBs through a variety of programmes and organizations. For example, the Regional Cooperation Council, based on the issues addressed by the EU's Europe 2020 Strategy as well as the expected progress, aids the WB to adopt new strategies in a wide range of areas of common interest and to develop both economically and politically. More specifically, through the "SEE 2020-Jobs and Prosperity in a European Perspective Strategy" and its connectivity initiative, the RCC assists the WB governments to successfully implement their development strategies and their obligations related to EU accession. Regarding the energy sector, the RCC aims first of all at integrating the WBs in the EU's energy market. Furthermore, it promotes efficient and affordable energy and a higher share of renewable energy sources. Finally, concerning the environment, it encourages its protection as well as efforts to address climate change (Regional Cooperation council 2013;2017; Baker 2015).

#### 2.4 Theories on EU's Conditionality

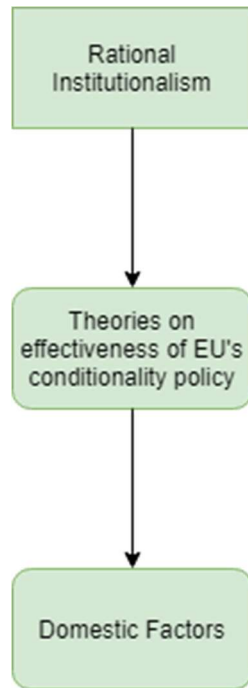
As one of the EU's most powerful tools, conditionality has always played a significant role in forming the Union's relations with third Countries (Anastasakis & Bechev 2003; Dimitrova & Dragneva 2013; Moise 2015). For this reason, numerous authors have tried to measure and determine the factors of its effectiveness (Schimmelfennig & Sedlemeir 2004; Schimmelfennig 2005; Vachudova 2005; Freyburg & Richter 2010; Richter & Wunsch 2019). When examining conditionality, scholars usually use one or a combination of two main approaches. The Rational Institutional approach views conditionality as "reinforcement by reward" whereby the EU uses external incentives

to persuade the targeted countries to comply with its demands. Thus, states are rational actors that calculate the expected costs and benefits before deciding whether to comply with requests or not. Two other relevant characteristics of the EU's conditionality is that it's positive and based primarily on material incentives. This means that instead of enforcing punishments in case of non-compliance, the EU offers or withholds incentives and rewards. Furthermore, these rewards are mainly material and strongly linked with the accession of the countries to the EU (Schimmelfennig & Scholtz 2010). On the other hand, sociological institutionalist and constructivist approaches focus on the legitimacy of the demands and the process of persuasion. National governments comply with requests because they are convinced of their legitimacy and intrinsic value. Consequently, while in rationalist approaches governments base their decisions on cost-benefit calculations, in sociological and constructivist approaches they adopt rules regardless of the incentives because they perceive them as legitimate and beneficial for their state (Freyburg & Richter 2010). Given the complexity of real-life politics and decision-making processes, the above approaches often co-exist. However, even though the significance of sociological institutionalism is recognized, this thesis considers conditionality under a rational institutionalist approach (Schimmelfennig 2005; Freyburg & Richter 2010)<sup>4</sup>. Thus, the theoretical framework of this thesis focuses on a rational institutionalist approach of the domestic factors that determine the effectiveness of the EU's conditionality policy (Fig. 1)

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<sup>4</sup> Another important distinction is that between democratic and Acquis Conditionality. The first describes compliance with the democratic and political principles of the EU, while the second the adoption of specific EU laws and rules as described in the EU's Acquis. However, given the nature of the environmental and energy policies, as well as the fact that accession negotiations are not opened yet with BiH, this thesis does not take into account this specific distinction (Schimmelfennig 2005).





**Figure 1. Theoretical Framework**

Hence, the EU uses conditionality by setting political, regulatory and economic condition both to candidate Member States as well as to third countries in exchange for financial and technical aid, trade or political and economic cooperation in the form of agreements, contacts and most importantly membership to the Union (Weber 1995; Anastasakis & Bechev 2003 p.5; Schimmelfennig & Sedelmeier 2004). The idea dates back to the Birkelbach Report of 1962, declaring that only democratic states that respect the human rights and liberties would be welcome to join the community (Anastasakis & Bechev 2003, Alonso & Maravall 2003). However, the then EEC started using conditionality as a policy tool only during the late 80s, while the increasing complexity of the EU's laws and regulations as well as the number of the new candidate members during the 90s, developed it further. A significant factor that led to the above was the introduction of the Copenhagen Criteria in 1993 and the demand to fulfil them prior to the application for membership. Finally, it's impact and strength became evident during the enlargement towards the CEE, and later towards Bulgaria, Romania and Croatia. By using the incentive of the accession to the Union, the EU managed via conditionality to impact the post-communist transition of the above states by persuading their national governments to introduce the necessary reforms. Currently, the legal enforcement of conditionality stems from a 1998 Council

Regulation which made the allocation of financial assistance dependent on progress for the application and enlargement criteria (Weber 1995; Kochenov 2008 p. 50; Anastasakis & Bechev 2003 p. 5f).

In the same vein, conditionality plays an essential role in the integration of the WB as well. In this area, conditionality is multidimensional and multipurpose since it goes beyond the political and economic integration of these countries and aims at improving the security, reconciliation and reconstruction of the region (Anastasakis & Bechev 2003; Noutcheva 2006). However, given the unstable post-conflict environment and the resulting particular characteristics of these countries as well as of their relationship with one another, it has been widely suggested that the tool of conditionality is not as successful in WB as in CEE. Furthermore, the remnants of the past authoritarian regimes have had a negative impact to the institutional capacities of these states (Anastasakis & Bechev 2003; Freyburg & Richter 2010; Pickering 2011; Glüpker 2013; Wakelin 2014; Richter & Wunsch 2019). Despite the above, scholars also suggest that WBs do not refuse to comply with membership criteria altogether, but instead, they selectively adhere to the EU's conditions (Freyburg & Richter 2010; Richter & Wunsch 2019). This partial compliance is observed in states with democratic governments as well and stems from a variety of conditions.

The most prominent and widely used model that has been used to explain compliance is the External Incentives Model (EIM) by Schimmelfennig and Sedelmeier (2004). The EIM was introduced by Schimmelfennig and Sedelmeier (2004) to describe the effects of the EU's conditionality on the candidate member states of CEE. It is a rationalist-institutionalist bargaining model, that views states as rational actors that try to maximize their gains and reduce their losses based on cost-benefit calculations. Furthermore, the model proposes four fundamental factors upon which the above calculations depend. These are the determinacy of conditions, the size and speed of rewards, the credibility of threats and promises, and the size of adoption costs. Moreover, according to the model, the last two factors are the most determinant, while the reward of accession the most likely to produce change. However, when it comes to the WBs, the validity of the model has been questioned numerous times. The low credibility of accession, combined with the high costs of adoption<sup>5</sup> that are present in

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<sup>5</sup> Domestic adoption costs have been significantly increased for the WB especially the political and administrative costs. This is because of the WB's "lower level of fit" due to their reduced democracy and

most WB countries, would result according to the EIM in the absolute non-compliance of these countries. However, this is not the case, since compliance can be observed in specific policies and situations. Thus, without discarding the above model, additional factors should be found from the literature.

Concerning the conditions under which conditionality is effective, scholars have proposed a variety of domestic and EU-level factors. The majority of the former can be summed up under the umbrella of what the EIM describes as "domestic costs of adoption" (Mattli & Plümer 2002; Ethier 2003; Schimmelfennig and Sedelmeier 2004; Grabbe 2006; Schimmelfennig et al. 2006; Vachudova 2005; Richter & Wunsch 2019). Here, the central argument is that states, as rational actors, will calculate the adoption costs of the EU's requests and often compare them with the expected benefits before accepting or declining specific demands. Thus, conditionality only results in significant change if the domestic and political costs do not surpass the advantages of an EU membership. For example, "party constellations and orientation" is a significant factor that determines the effectiveness of the EU's conditionality. According to the theory, liberal or mixed party constellations are expected to comply with EU demands easier than antiliberal regimes. Their compliance increases even further when the majority of the parties of the targeted government are orientated towards the West and in favour of the accession of their country in the EU. Thus the EU's conditionality will be more effective in countries where the majority of the parties are liberal-democratic and West- or EU- orientated. On the other hand, states with antiliberal party constellations often face higher political costs when accepting reforms since compliance with the EU's democratic conditions threatens their regime. Thus, domestic adoption costs are expected to be higher than the benefits of an EU membership, resulting in a lower level of compliance. Furthermore, political costs are generally lower for liberal party constellations since such parties are generally reform minded (Schimmelfennig and Sedelmeier 2004; 2005 p. 835ff; Vachudova 2005). Similarly, to the above, the country's regime type impacts the effectiveness of conditionality since it determines the "demand for EU membership" and its readiness to implement reforms. Thus, more democratic regimes are more reform orientated and thus more likely to comply with EU conditions (Mattli & Plümer 2002). Finally, the quality of political competition is

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governance capacities. On the other hand, credibility of accession is low given the EU's "Enlargement fatigue" (Schimmelfennig & Sedelmeier 2017 p.11).

another significant domestic adoption cost factor. Political competitiveness refers to whether the opposition can inspect and hold positions at state institutions as well as whether elections can result in regime changes. Thus, a competitive political system ensures that national governments will not avoid compliance for their own advantages. Furthermore, in highly competitive political systems, failure to comply with reform translates to higher costs for the incumbent (Vachudova 2005; Glupker 2013). Political competitiveness and party constellations have been found to be of particular importance during or after major transformations (Vachudova 2005; Schimmelfenning & Sedelmeier 2004). Thus, this factor is especially relevant for the WB, given the Yugoslav wars and the following political transformations of the 90s and early 00s.

Another domestic adoption cost that states have to take into account before complying with EU's demands is the salience that key actors attribute to the policies under question. Concerning policy salience from a constructivist approach, scholars argue that governments, consider the national identity and norms, to determine which issues are appropriate to be subjected to cost-benefit calculations and which are not. This thesis, however, examines policy salience from a rational institutionalist approach, meaning that actors will refrain from adopting policies that harm the interests of key domestic actors. Furthermore, salience can be understood in two different ways. Those are the salience that the EU gives to policy areas<sup>6</sup> and the salience that candidate members give to issues. However, since this thesis focuses on domestic costs, I examine the later. Thus, policy salience refers to the importance that powerful domestic actors attach to specific political issues (Thomson 2011; Lindstorm 2011; Warntjen 2011; Beyers, Dür & Wonka 2017 p 2; Meissner & McKenzie 2018). Moreover, since different actors consider different policies salient, issues that are highly salient to citizens, for example, are not salient to interest groups, creating a complex environment (Beyers, Dür & Wonka 2017 p 3). The complexity of policy salience also depends on the interaction between domestic and international politics and pressures that affect the sensitivity of an issue (Grabbe 2006 p 107f). When it comes to complying with specific EU demands, the effectiveness of the EU's conditionality is determined by whether these demands harm or oppose the interests

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<sup>6</sup> The more salient a topic is for the EU, the more countries will comply with its demands, because it becomes an absolute imperative for the country's integration and laws and conditions are formulated clearly (Grabbe 2006 ). Similar to what Schimmelfennig calls determinacy of conditions (Schimmelfenning and Sedelmeier 2004)

of domestic actors, including the general public. Hence, governments calculate costs in terms of electoral gains and powerful economic actors. Concerning the general public and electoral gains, states are expected to comply more difficultly with reforms on sensitive issues, that not only attract the public's attention, but they oppose their interests as well (Linderstrom 2011). Disagreement on highly salient policies will also mobilize the public to dispute or alter the reforms, making compliance even harder for governments (Jacoby 2004; Lindstrom 2011 p 203). Thus, as Schimmelfennig et al (2003 p. 498) put it, states will comply only with recommendations that are not perceived as threats to the 'government's domestic power base, and its core political practices for power preservation'. As far as veto players are concerned, governments are often influenced by powerful domestic actors that force them to accept or decline specific conditions. Thus, by offering incentives, the EU tries to affect the balance of the already established cost-benefit equilibriums of these states. However, compliance with such issues will be challenging (Schimmelfennig & Sedelmeier 2004; 2005; 2011 p.25). Finally, Richter & Wunsch (2019) argue that state capture<sup>7</sup> plays a significant role in whether governments will comply with the EU's conditionality. Especially for the WB, they suggest that the union is not only unable to circumvent state capture, but in some cases, it involuntarily aids to its expansion, thus hindering the democratic transformation of these countries (Richter & Wunsch 2019). Policy salience is especially important for WB because in states with weak institutional capacities, actors are forced to invest political resources to "strategic issues" that do not cause opposition (Meissner & McKenzie 2018).

To sum up, states, especially in WBs, are expected to comply easier when they have a competitive party system where the majority of the parties are liberal-democratic and pro-EU and when the requested reforms on salient issues do not oppose the interests of key domestic actors and the public.

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<sup>7</sup> As state capture the authors describe a form of corruption where clientelist networks infiltrate state institutions

## 2.5 Hypotheses and Alternative Explanations

Based on the above conditions, two main hypotheses can be derived. These are:

### **H1: The higher the party competition, the more effective the EU' conditionality policy will be**

Party competition is chosen as the first independent variable due to its great significance as a determinant of effective conditionality during political transformations (Vachudova 2007). During the early 90s, the WB experienced a series of ethnic conflicts and wars of independence starting in 1991, that resulted in the dissolution of Yugoslavia. The resulting declarations of independence, without addressing the ethnic tensions, resulted in further wars and thus fragile political conditions (Woodward 1995). Thus, party competition encompasses both what Schimmelfennig & Sedelmeier (2004;2005) described as "Party Constellation and Orientation" as well as Vachudova's (2005) notion of political competitiveness. Thus, it is expected that states with greater competition among political parties will comply easier with the EU's demands.

### **H2: The greater the policy salience, the less effective the EU's conditionality policy will be**

Policy salience is the other significant factor in the WB due to the weak institutional capacities of these countries that force governments to concentrate on "strategic issues" (Meissner & McKenzie 2018). This thesis understands as "salient", policies that are sensitive and generate significant opposition from domestic actors. Thus, it is expected that policy salience decreases the effectiveness of the EU's conditionality.

This chapter closes by providing an alternative explanation for the effectiveness of the EU's Conditionality in the WB. Scholars often argue that determinants of effective conditionality can be found on the EU-level as well. For example, the most important factors are the determinacy of conditions and the clarity of the demands (Schimmelfennig & Sedelmeier 2004; Kochenov 2008 p. 79; Glüpker 2013 p. 225f). According to the EIM, the adoption of a rule by states depends on whether the EU has set its adoption as an indisputable condition for receiving the attached reward or avoiding the consequences (Schimmelfennig & Sedelmeier 2004; Kochenov 2008 p.

79; Glüpker 2013 p 225f). Furthermore, the EU's conditionality is expected to be more successful when its members agree on common norms and are able to make clear and specific demands from candidate member states (Jacoby 2004, p. 62). This means that states are more likely to accept and implement rules, that are formulated clearly, and their implications are clear (Sedelmeier 2011 p. 19). While the above can perhaps explain variations in compliance between different policies, when it comes to states, it is a weak determinant, since both the determinacy of conditions and the clarity of demands remain the same for all potential and candidate member states. Furthermore, it also fails to explain the reduced compliance of the WB when compared to the CEE. Due to the increasing number of specific EU laws (Acquis), clarity and determinacy is constantly increasing and is now greater for WB than it was for CEE (Schimmelfennig & Sedelmeier 2017). However, their overall compliance with the EU's conditions remains lower.

Another EU-level variable is the size and speed of the incentives. It suggests that the more significant and quicker<sup>8</sup> a reward is, the more likely the states are to adopt the required conditions (Schimmelfennig & Sedelmeier 2004). Concerning the Balkan states, the size of the rewards hasn't change compared to CEE. The EU still promises full membership to these states, while it hasn't specified the exact timelines of their accession. On the contrary, the EU suggests that states will join the EU once they are ready (Schimmelfennig & Sedelmeier 2017 p.8). As far as the last EU-level factor is concerned, the credibility of conditionality, Schimmelfennig & Sedelmeier (2011) suggest that "given a strategy of reinforcement by reward, rule adoption requires both the superior bargaining power of the rule-setting agency (otherwise threats would not be credible) and certainty, on the part of the target states, about the conditional payments (otherwise promises would not be credible)" (Sedelmeier 2011 p.21). This means that the EU must be both capable to give rewards at a low cost and be consistent in doing so. On the other hand, states must be certain about the credibility of the above (Sedelmeier 2011 p.21ff). This factor has partially changed for the WB compared to the CEE countries. Although the credibility of threats remains the same, the credibility of the promise of accession has been reduced significantly

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<sup>8</sup> Shorter distances to the payment of the rewards increase the likelihood of the state's compliance (Sedelmeier 2011 p. 20).

(Schimmelfennig & Sedelmeier 2017 p. 9f).<sup>9</sup>, the credibility of the promise of accession has been reduced significantly compared to the CEE (Schimmelfennig & Sedelmeier 2017 p. 9f). However, concerning differences within the WB, the credibility of accession, as well as the size of material incentives, remain the same for all WB states. According to the EU latest strategy for the WB, countries can join the union in 2025, provided that they are ready to do so (European Commission 2018). Thus, again, the above factor fails to explain the differences both between policies and the WB countries.

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<sup>9</sup> In fact, Schimmelfennig & Sedelmeier (2017) suggest that given the reduced significance and attractiveness of the WB for the EU, the credibility of threat has increased.



### **3. Method, Data and Operationalization**

*This chapter presents the data and method that will be used to explore the main research question of “How is the effectiveness of EU’s Conditionality affected by domestic factors in the Western Balkans?” and the two main hypotheses, as they were stated in the previous chapter. The first part discusses the field of investigation and case selection, as well as the rationale behind their choice. The next section introduces the method and the design of the analysis, while the last part presents the operationalization of the variables and the data used.*

#### **3.1 Field of Investigation and Case Selection**

To test the hypotheses of the previous chapter, I chose two policies, the energy and the environment and two of the six Western Balkan countries, BiH and Montenegro. One main reason led to the selection of the above countries. During most of the 20th century, both countries were part of Yugoslavia, while they both declared their independence after controversial referendums. The above led to a variety of similar situations, including their economies (both countries are transition economies, shifting from central planning to free markets), the number of ethnic minorities and the high level of corruption. Despite their similarities, these states chose diverging paths during the Yugoslav conflicts, resulting in different political situations and thus party competition today. For example, the war for BiH's independence was particularly intense (perhaps even the most violent) resulting in the death and displacement of many of its citizens. Animosity between the three ethnic groups that constitute the country (Bosniaks, Croats and Serb) remained until the Dayton Agreements that set the complex political system of the state, while distrust between them prevails even today. On the other hand, in Montenegro, there was not a full-scale, prolonged war as in BiH and Kosovo, or violent conflicts like Serbia and North Macedonia. And even though its referendum of independence was accompanied by dissatisfaction and protests, its secession from the confederation with Serbia was overall civil and peaceful. Another difference relates to the dependent variable. While BiH is the current laggard, Montenegro is the front runner concerning the EU accession progress. The above means that Montenegro is generally more eager to comply with the EU's conditions (Hupchick & Cox 2001). Thus, the country selection follows the logic of Mill's method of difference, where the two cases exhibit common characteristics, save

from the main independent and dependent variables (Mill 1843; Meckstroth 1975). Concerning the two policies (energy and environment), two reasons led to their selection. First, while they are inter-related, their salience differs, making their comparison more suitable. The energy policy, for example, has usually stronger veto players, especially in the WB where energy is a large part of the economies of these countries. On the other hand, environmental issues do not attract the public's attention in the area, and thus, the policy's salience is lower. The second reason for choosing the above policies relates to their ever-increasing importance for the EU, combined with the lack of sufficient research concerning compliance, especially in the energy sector of the WB. To the best of my knowledge the majority of the research that studies the effectiveness of the EU's conditionality in this region has been carried out in more sensitive policy areas, including state sovereignty, national identity, ethnic conflicts, and minority rights (Noutcheva 2009; Freyburg and Richter 2010; Schulze & Tosun 2013) or it test general compliance (Schimmelfennig et al 2019). Thus, given the ever-increasing significance of the environmental protection and energy matters in combination with the lack of such awareness in the WB and the prospect of their accession, make the above policies worth examining.

### 3.2 Method and Design

To examine the above hypotheses, I will use a comparative case study. Comparative case studies are in-depth analyses that examine the similarities, differences and patterns between cases that share a common idea or focus. They are based on small-N samples, allowing them to be studied in greater detail and often include both quantitative and qualitative data (Goodrick 2014).

In this thesis, the comparison will be made between the environmental and energy policies of the two aforementioned countries, BiH and Montenegro. Two main reasons led to the choice of this specific method. First, comparative case studies, similarly to single case studies, allow the collection of details that are harder to be obtained or quantified by other methods. Furthermore, an in-depth analysis provides more useful explanations, especially when the subject under investigation depends on many inter-related variables (Bennet 2004; Goodrick 20014). In this case, the EU's conditionality might not only depend on additional variables but the way the independent variables

under study interact with the dependent needs to be examined in detail as well. Secondly, comparative case studies are especially useful when examining rare cases where large samples are not available. Thus, given that this thesis focuses on a specific area, the Western Balkans, combined with the limited period (countries became potential candidate members in the early 00s), makes the use of this method more suitable (Goodrick 2014). Concerning the design of the analysis, each hypothesis will be examined separately. First, the data of the variables will be presented before discussing how they interact with each other in each country. Finally, a comparison of the two countries and policies will be made, while discussing if additional variables and alternative explanations could also be used to explain the effectiveness of the EU's conditionality in this specific area. For the first hypothesis, the political competitiveness of the two countries will be tested vis-à-vis the effectiveness of conditionality in these states and compare the two results. For the second hypothesis, the salience of the two policies is compared with one another to determine which policy is more salient before comparing the result with the EU's conditionality in BiH and Montenegro.

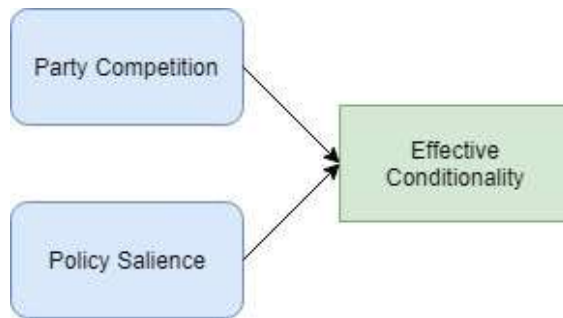
### 3.3 Data and Operationalization

As it has already been discussed in the introductory chapter, the main research question of this thesis is ***“How do domestic factors affect the EU's conditionality policy in Western Balkans?”***. To examine the above puzzle and based on the theoretical framework of the previous chapter, two main hypotheses have been formulated. These were the following:

**H1: The higher the party competition, the more effective the EU's conditionality policy will be**

**H2: The higher the salience of a policy, the less effective the EU's conditionality policy will be**

Thus, the analysis will have one dependent and two independent variables. The dependent variable will be the “effective conditionality”, while the two independent, “party competition” and “policy salience”. Effective conditionality is conceptualized as progress made by the countries under study in the environmental and energy policy areas. Data for this variable are collected from the European Commission’s and Energy Community’s progress reports for each country. For this variable, I look specifically for the recommendations that are made and compare them with the next year’s reports as well as the overall level of preparedness and progress of the countries in each sector under study. Concerning the first independent variable, party competition, it is conceptualized as the presence and number of democratic pro-EU/West parties in governing coalitions as well as in the parliament. The second aspect of the variable, political competition, looks at whether there are significant regime changes after elections. Data on the parties and party system for each country are collected mainly from the European Parliament and the European forum platform. Data concerning the elections are obtained from the Organization for Security and Co-operation in Europe (OSCE) mission. Finally, further information on parties and elections is gathered from the “Parties and Elections in Europe” database by Wolfram Nordsieck. As far as the second independent variable is concerned, Policy Salience, it is conceptualized as “the relative importance of different policy areas” (Humphreys & Garry 2000 p.2). Concerning its measurement, given the limitations of language and access to local newspapers and media, salience is measured by looking at the general differences between the two policies (Energy and Environment), especially for the countries under investigation using secondary literature. Finally, to examine the alternative explanation of whether the effectiveness of conditionality depends on EU-level actors, I study the size of the rewards and the credibility of accession. Data concerning the size of rewards are collected from the IPA and the various regional co-operation projects, while for the credibility of accession from the European Council summits and strategies regarding the WB. Figure 2 shows the diagram of the relationship between the variables.



**Figure 2. Main relationship between variables**

Finally, data is collected starting from the year 2006, marking the independence of Montenegro from the State of Serbia and Montenegro and the subsequent initiation of accession negotiation between the EU and Montenegro. For consistency, the same date is chosen for BiH as well. The analysis covers 12 years and ends with 2018, due to the lack of sufficient information for parties and their orientation for the year 2019.

## **4. Data presentation and Analysis**

*This chapter presents the relevant data for the examination of the stated hypotheses. The first part presents data regarding the BiH and Montenegro's level of compliance with the EU's acquis, while the second part provided the necessary information on the countries' parties and party systems. Next, the differences between the Environmental and Energy policies are presented, to determine which policy has more salience. The fourth section compares the countries and policies with one another while trying to draw conclusion with regards to the hypotheses of the previous chapter. Finally, the section closes with a brief discussion of the alternative hypothesis and why it is not expected to be relevant*

### **4.1 Progress in Bosnia & Herzegovina**

During the period under study (2006-2018), BiH made limited progress in complying with the EU's recommendations concerning the energy and environmental policy areas. Lack of compliance was found especially concerning requests to increase the cooperation between the two entities (Federation of Bosnia & Herzegovina – FBiH & Republika Srpska – RS) and to introduce state-level laws, regulations, strategies and agencies. Both sectors are deeply fragmented, and policy design is still carried out at an entity-level<sup>10</sup>. For example, even though each entity has adopted its own energy strategy, the country repeatedly missed deadlines concerning the adoption of a national energy strategy. Further recurring issues included the lack of coordination in securing oil supplies, the outdated gas sector and the failure of its transmission company to meet its legal obligations regarding maintenance and development of the transmission infrastructure. Finally, the country still lags behind in adopting the EU's acquis concerning both policy areas and harmonizing its existing legislative framework with that of the EU. Thus, overall, compliance with the EU's demands in BiH is slow and limited, especially in the energy sector, where fragmentation is more apparent than in the environment. The country's progress is further hindered by behavioural

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<sup>10</sup> The energy of BiH is as complex and fragmented as its political system. It consists of three regulatory frameworks, three main producers and four suppliers, with only one transmission Company (Balkan Green Foundation 2017)

practices that oppose the adopted EU laws (Brözel & Fagan 20015) and the lack of important changes in its current domestic rules and practices (Lindstrom 2011 p. 198). Table 3 shows the general level of progress in compliance with EU recommendations based on the European Commission’s annual reports for BiH. The next two sections of this chapter provide analytical information concerning the countries level of progress in compliance for the period under study. First compliance in the energy sector is studied, followed by the environmental policy area.

<b>Year</b>	<b>Energy</b>	<b>Environment</b>
<b>2006</b>	Limited Compliance	Some Compliance
<b>2007</b>	Limited Compliance	Limited Compliance
<b>2008</b>	No Compliance	Limited Compliance
<b>2009</b>	No Compliance	Limited Compliance
<b>2010</b>	Limited Compliance	Limited Compliance
<b>2011</b>	No Compliance	Limited Compliance
<b>2012</b>	Limited Compliance	Limited Compliance
<b>2013</b>	Limited Compliance	Limited Compliance
<b>2014</b>	Limited Compliance	Limited Compliance
<b>2015</b>	Some Compliance	Some Compliance
<b>2016</b>	Some Compliance	Some Compliance
<b>2017</b>	N/A	N/A
<b>2018</b>	No Compliance	Limited Compliance

*Table 3. Level of progress in complying with the EU’s recommendations in BiH for the Years 2006-2018 in the Energy and Environment sector (European Commission report 2006-2018)*

#### 4.1.1 Energy

BiH's overall compliance with the EU's demands as well as its progress towards integrating the EU's energy acquis has been limited throughout the period under study. The country made only some improvements during the years 2015-2016. However, the limited level of compliance of the previous years, including the halt of any progress during the years 2008-2009 & 2011 kept Bosnia's preparation levels concerning energy at an early stage. More specifically, in 2006 with the signing and ratification of the Energy Treaty, BiH took a significant step towards improving the harmonization of its energy sector with that of the EU's. The second important step of that year was the

advancement of the unbundling of the electricity sector's transmission, with the establishment of the Independent System Operator (ISO) and the Transmission Company (Transco). However, progress remained limited concerning the modernization of its gas sector and the liberalization of its energy market. The biggest issue, however, was the lack of co-operation between the two entities (FBiH, RS) and the failure to adopt a state-level energy strategy. Despite the previous year's recommendations, the country still lacked state-level agencies, while the harmonization between the regulations of the two entities remained low. The low level of co-operation was observed in the areas of nuclear safety and radiation protection as well, with the uneven application of the Framework Law of 1999 between the two entities. Recommendations for the following year included the securitization of the oil stock supply, the better co-operation between the ISO and Transco as well as the further unbundling of electricity generation and distribution. However, great emphasis was given to the establishment of State-level regulations and legislation as well as the adoption of a nation-wide energy strategy (European Commission 2006). From the above, in 2007, only the unbundling of electricity generation made progress, albeit slow, while RS privatized its main oil refinery without however ensuring that the buyer was willing to produce fuel that agreed with the EU's standards. Furthermore, overall compliance with the EU's acquis and recommendations remained limited. BiH didn't secure its oil supplies and failed to adopt the Energy Community's acquis within the given deadline. Although the establishment of both ISO and Transco proceeded, their cooperation remained inadequate. Concerning the co-operation between the two entities, despite the urgency of the previous year's requests, it remained at a low level. BiH didn't make any progress towards adopting a state-level energy plan or strategy. The gas sector remained without a country-wide legal framework while some developments were only observed in the adoption of state-level regulations regarding the electricity sector and radiation protection with the preparation of a legal framework for the creation of a state regulatory agency for nuclear safety and protection. Given BiH's failure to comply with the majority of last year's request, they remained largely the same (further unbundling of the electricity generation, modernization of gas sector, liberalization of the energy market and co-operation between the two entities with the adoption of country-wide energy strategy) (European Commission 2007). During the following two years (2008-2009) progress in BiH came to a halt. While both entities proceeded with the implementation and adoption of separate legislation and regulatory



frameworks, their coordination and harmonization were not achieved, hampering the adoption of a state-level strategy. Similarly, the rest of the recommendations of the previous year's including the adoption of the Energy Community's acquis and the modernization of the gas sector remained without any developments. The energy market remained inefficiently opened while securitization of BiH's oil supply did not improve. Partial improvement was only observed in the adoption of the Eu's internal electricity market acquis, the adoption of a new State-level Law regarding radiation protection and the improvement of the country's renewable energy sources (European Commission 2008; 2009). The following year (2010), progress slowly started again. Important improvements, albeit uneven, were made in securing the country's oil supply, with the implementation of a new law concerning the transposition of directives on mitigation measures by the RS. Regarding the rest of the recommendations, however, there was little progress. The adoption of the energy community's acquis was still at an early stage despite the urgency of the previous reports especially regarding the gas sector, the internal energy market and the electricity supply. Furthermore, a State level energy strategy continued to be missing. Co-operation between the two entities remained unfulfilled, while despite the call for "rapid action", by the previous report, efforts to adopt a State level energy strategy and laws and to create country-wide agencies were not initiated (European Commission 2010). In 2011, progress stalled again with no significant developments. The trends of the previous year regarding the uneven progress of the securitization of oil stocks and adoption of the Energy Community's acquis continued while no efforts were made to harmonize existing laws between the two entities and with the EU's acquis. A particular trend of this year was the adoption of a variety of initiatives by the two entities independently hindering, even more, the harmonization of their energy strategies and the creation of a country-wide energy strategy (European Commission 2011). During the three next years (2012-2014), BiH made little progress without improving almost any of the previously recommended areas (oil supply securitization, modernization of gas sector, liberalization of the internal energy market, co-operation between entities, state-level strategy etc). For the first time since it was first proposed in 2006 however, the three Prime Ministers agreed to increase the co-operation and share of liabilities between the ISO and Transco. Another significant development was the improvement of the Transco's viability. However, the trend of the previous year regarding the adoption of independent legislations without harmonizing them continued. Both

entities made important steps by adopting laws on the usage of renewable energy sources and energy efficiency without initiating discussions however for country-wide legislations. Finally, progress regarding the adoption of both the EU's and Energy Communities acquis remained at an early stage regarding gas and electricity (European Commission 2012; 2013; 2014). Due to the above, in 2014, the Energy Community decided that BiH's repeated failures to meet the deadlines of the adoption of its acquis constitute a "serious breach" of its obligations and sanctions would be applied should the country fail to meet the new deadline (European Commission 2014). Because of the above the year 2015 saw significant steps towards improving the nuclear protection sector by adopting new laws, including the law on liability for nuclear damage. Furthermore, BiH's overall progress was increased compared to the period 2006-2014. However, the country's previous limited progress resulted in an early stage of overall preparation in complying with the EU's requests. Important developments included the liberalization of its electricity market, the adoption of secondary legislation regarding energy efficiency and the adoption of national renewable energy and emissions reduction plans (European Commission 2015). In 2016, BiH reached a 42.3% share of energy from renewable sources, surpassing its 40% target. However, BiH made little progress regarding the adoption of a country-wide energy strategy, while the harmonization and co-operation between the two entities remained limited. A positive development towards this goal was the efforts by the FBiH to develop its energy strategy to "ensure an equal starting point with the Republika Srpska entity towards developing a countrywide strategy" (European Commission 2016 p 60). Furthermore, despite the urgency of the previous reports and the imposed sanctions, BiH did not advance in adopting the Energy Communities and EU's acquis. The country's gas and electricity sectors, as well as its energy efficiency strategy, still did not comply with the EU's requirements. Moreover, the security of the country's oil supply remained problematic (European Commission 2016). Finally, in 2018 there was only a little improvement with the majority of the EU's requests remaining unaddressed, especially regarding the adoption of a countrywide strategy and the development of sufficient infrastructure as well as the adoption of the EU's and Energy Community's Acquis (European Commission 2018).

#### 4.1.2 Environment

In BiH's environmental sector compliance with the EU's request was limited, albeit overall progress was better than that of the energy sector during the period under study. In 2006 progress was made regarding waste management and the improvement of the water and air quality. Both Entities adopted important regulations, including a "Water Law" that integrated the principles of the EU's Water Framework Directive to their legislation. Recommendations for the following year included the adoption of a State-level environmental strategy and law as well as the creation of country-wide agencies in order to strengthen BiH's weak environmental administrative capacity (European Commission 2006). Starting from the following year (2007) and up until 2014, progress in complying with environmental demands, remained limited in BiH. Implementation of the environmental legislations stalled in both entities with only limited developments in the areas of waste management and water quality during the years 2007-2009, while air quality started to improve in 2010, with the adoption of the Stockholm convention. In addition to the above, in 2011 nature protection improved as well, while air quality was further improved in RS. In 2012 both entities made further progress regarding climate change and in 2013 FBiH adopted the strategy for "Climate Change Adaptation and Low Emissions Development". Despite the above positive developments, throughout the period 2007-2014, a country-wide environmental strategy or legislations were not adopted, and no State-level environmental agencies were established. Furthermore, the country's administrative capacity remained weak and the harmonization between the laws of the two entities did not progress. Alignment with the EU's *acquis* as well the country's fulfilment of its international obligations remained at an early stage despite the numerous requests of the previous years. Recycling and the lack of adequate state-level legislations concerning waste management and water quality was an additional persistent issue from 2009, while in 2010 progress regarding nature protection came to a halt. Thus, similarly to the energy sector, despite the progress that each entity made individually, the lack of co-operation and harmonization of their laws and regulations, as well as the lack of adoption of a country wide environmental strategy and legislation and the establishment of a State Environmental Protection Agency and monitoring agencies remained unfulfilled requests. As a consequence, the country's administrative capacity

in the environmental and climate sectors remained weak, hindering progress in the adoption of the EU's environmental, air and climate acquis as well as a country wide climate policy. Furthermore, in 2014 alignment with water related legislations slowed down and the country failed to adopt a number of EU Directives related to state-level legislations on water quality. However, in 2013 there was some alignment with the ozone layer protection and fluorinated gases acquis and in 2014 with the nature conservation acquis. Finally, the incorporation of environmental issues in other policy areas remains fragmented especially at a state-level (European Commission 2007; 2008; 2009; 2010; 2011; 2012; 2013; 2014). The following two years (2015-2016) the overall preparedness of BiH in the environmental sector was at an early stage due to the limited progress of the previous years. However, these years saw some improvement with the country's level of compliance. The greatest issue during this period was again the lack of efforts to harmonize the legal frameworks of the two entities concerning especially the environmental protection and climate change. The country failed again to establish country-wide agencies, while there was also lack of progress concerning the creation of monitoring networks. State-level strategies continue to not be implemented. The weak administrative capacity of the country and the subsequent limited progress in the adoption of the EU's environmental acquis were two additional issues despite the repeated request especially regarding air quality and climate changes. However, especially in 2016 there was significant progress concerning the adoption of various EU legislations concerning water and waste management, albeit from each entity individually, hindering the preparation of a harmonized, country-wide strategy. For example, FBiH made progress concerning the implementation of its 2010-2022 water management strategy, while RS adopted a 2015-2024 strategy for water management (European Commission 2015; 2016). Finally, despite strong suggestion throughout the period under study, the country still did not progress in 2018 regarding the adoption of a country-wide environmental policy and strategy hindering progress in the adoption of the EU's acquis especially on climate change and water protection (European Commission 2018).

## 4.2 Progress in Montenegro

Overall, Montenegro made significant progress in both policy areas during the period under study. More specifically, even though the country achieved a satisfying level of preparation in both areas, the Energy sector outperformed the Environmental in terms of compliance. Montenegro managed to adhere to the majority of the EU's request regarding Energy during 2006-2018 with only minor exceptions. For example, despite general progress regarding its renewable energy, it is estimated that 80% of its hydropower potential remains unexploited ( Dogmus & Nielsen 2019 p.9)<sup>11</sup>. The lack of domestic gas production and Montenegro's subsequent dependency on gas imports from Russia remained an additional issue throughout the period under study as well as the securitization of its oil stock supply. Furthermore, the country only partially complied with recommendations regarding energy efficiency and intensity. The high percentage (40%) of produced electricity through lignite and the power distribution and transmission losses (1/5th of electricity is lost) are the primary causes of the above (Esser et al 2018). The most significant issue, however, regarding Energy is the insufficient implementation and enforcement of the existing legislation. For example, even though the majority of the EU's and Energy Community's acquis, including the Third Energy Package, have been adopted, their implementation lags behind (Esser et al 2018). Improper implementation and enforcement of the adopted legislation remains the main problem of the Environment sector as well. The issue is even bigger in this sector, given its weak administrative capacity. Despite the adoption of important laws and documents, including the 2016 Law on Environment and the ratification of international conventions their enforcement and correct application negate any positive progress that the country is making. Furthermore, although some level of compliance can be observed in the areas of nature protection, climate change and water and waste management, overall progress in the adoption of the EU's acquis remains slow (Hogg et al 2017; Kostic-Mandic 2017). Finally, compliance with the EU's acquis regarding nuclear protection remains partial, and it is not expected to improve. The main reason for the above is Montenegro's prohibition on nuclear facilities.

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<sup>11</sup> Despite this large percentage of unexploited hydropower, Montenegro has already met its 2020 Renewable energy targets and generates a significant amount of energy through hydropower (Esser et al 2018)

<b>Year</b>	<b>Energy</b>	<b>Environment</b>
<b>2006</b>	Some Compliance	Limited Compliance
<b>2007</b>	Some Compliance	Some Compliance
<b>2008</b>	Some Compliance	Some Compliance
<b>2009</b>	Some Compliance	Some Compliance
<b>2010</b>	Limited Progress	Limited Compliance
<b>2011</b>	Some Compliance	Limited Compliance
<b>2012</b>	Some Compliance	Limited Compliance
<b>2013</b>	Some Compliance	Limited Compliance
<b>2014</b>	Some Compliance	Limited Compliance
<b>2015</b>	Some Compliance	Some Compliance
<b>2016</b>	Good Compliance	Good Compliance
<b>2017</b>	N/A	N/A
<b>2018</b>	Some Compliance	Good Compliance

*Table 4. Level of progress in complying with the EU's recommendations in Montenegro for the Years 2006-2018 in the Energy and Environment sector (European Commission report 2006-2018)*

#### 4.2.1 Energy

More analytically, in 2006 and up to 2009 there was some level of compliance with the EU's recommendations and requests in Montenegro. During its first year of Independence (2006), Montenegro made some progress, notably by ratifying the Energy Treaty and establishing an Energy Regulatory Agency. Significant steps were taken with the adoption of energy efficiency and renewable energy strategies as well. For example, the country established an Energy Efficiency Department, albeit with weak administrative capacities. Despite the above, Montenegro made no efforts to securitize its oil supplies, while the liberalization of the energy market was still at an early stage. Significant hurdles were met in the nuclear sector as well, causing the EU to request the establishment of a regulatory body and the adoption of legislation in line with that of the Energy Community's. Further requests for the following years included the legal unbundling of the electricity sector, the strengthening of Montenegro's administrative capacities, the establishment of an Environmental Protection agency and the ratification of the Nuclear Safety Convention (European Commission 2006; 2007). From the above recommendations, Montenegro progressed with the complete unbundling of its electricity distribution and power utility in 2007 and 2008 and the establishment of the Environmental Protection Agency. Furthermore, the country

made limited progress concerning the securitization of its oil stocks with the preparation of a series of draft laws on "prospection, exploration and exploitation of oil and gas" in 2008 but their implementation stalled in 2009. As requested in 2006 and 2007, significant steps were taken throughout the period 2007-2009 in the generation of electricity and the internal electricity and energy markets with the adoption of action plans, in line with the acquis of the Energy Community. However, their implementation continued to be a significant issue. Montenegro made only one step towards meeting its requirements concerning nuclear protection in 2009, with the adoption of the "Law on Nuclear Safety and Radiation Protection". However general compliance with the EU's nuclear safety acquis remained low. Further recommendations for the following years included the improvement of infrastructure and the adoption of an Energy efficiency law (European Commission 2007; 2008; 2009). 2010 was the only year when Montenegro made only limited progress in complying with its EU obligations (European Commission 2010). According to the 2006 and 2007 requests the country finally adopted a new Energy Law, setting a framework for "maintaining 90 days of petroleum products stocks" and harmonizing the national electricity and gas markets legislation with that of the EU (European Commission 2010 p 79). Furthermore, the country ratified a series of nuclear energy, safety and protection international treaties and introduced the 2009 Radiation Protection Act that harmonized its legal framework with the international standards. However, the above progress was only superficial. The new Energy Law failed to set timeframes and was not implemented correctly. Furthermore, regulations arising from international conventions and the EU's acquis were not implemented, while general compliance with nuclear safety standards remained low. Progress also stalled concerning the opening of the electricity market, the securitization of oil stocks, the energy efficiency and usage of renewable energy sources. Thus in 2010, the most significant issue was still the lack of implementation of the adopted laws and legislation and the weak administrative capacity of Montenegro's energy sector (European Commission 2010). From 2011, Montenegro's level of compliance improved once again. Despite the limited progress on the areas of oil stock and internal energy market, the country complied with the EU's request concerning Energy Efficiency by adopting the "National Energy Efficiency Action Plan". Furthermore, significant progress was made in the sector of nuclear safety as well with the ratification of the Joint Convention on the "Safety of Spent Fuel Management and the Safety of Radioactive Waste Management". Moreover, the country adopted an

emergency plan for nuclear accidents. The recommendations for the next years included the improvement of the country's administrative capacity, the correct implementation of the Energy Law that was adopted the previous year and the introduction of further legislation concerning oil stocks and renewable energy sources (European Commission 2011). Despite numerous requests, the three next years (2012-2014) saw no improvement regarding the security of the country's oil supply. For example, even though Montenegro developed a decree regarding the strategic stocks of oil and petroleum products in 2012, its adoption was not finalized. On the contrary, there was significant progress on the internal energy market (European Commission 2011; 2012; 2013; 2014). In 2012, the country increased its energy sector competitiveness while in 2013 & 2014 the necessary legislation for its correct functioning was adopted. Regarding renewable energy sources, Montenegro proceeded with the adoption of legislation concerning the generation of electricity from renewable sources in 2012 and in 2014 set a 33% target for its final share of renewables until 2020, without however adopting a relevant action plan. Important steps were taken in the field of energy efficiency as well with the adoption of the necessary legislation on energy performance and audits and the adoption of a 2013-2015 action plan for energy efficiency. Finally, in 2012 Montenegro introduced the "strategy for protection against ionising radiation, radiation safety and radioactive waste management ", thus complying partially with the EU's requests regarding nuclear protection. The recommendations of this period for the next years included the further securitization of oil stocks, the advancement of the implementation of existing legislation, the improvement of the country's administrative capacity and the country's adjustment to the Third Energy Package (European Commission 2012; 2013; 2014). The following years (2015-2018), Montenegro's good level of compliance continued. Most notably, in 2015 and 2016 the country adopted action plans on oil stocks and oil and petroleum reserves while significant progress was made in the internal energy market with its complete opening for households. Montenegro adhere to EU's request to further harmonize its legislative framework with that of the Third Energy Package in electricity by adopting new laws (a new energy law in December 2015 and a cross-border exchange of electricity and natural gas law in June 2016). Furthermore, the usage of renewable energy sources and energy efficiency were both improved. Finally, some of the unfulfilled requests were the complete harmonization of Montenegro's legislative framework with the Third Energy Package, the



development of a gas market and the further improvement of the country's implementation capacities especially in the energy efficiency area (European Commission 2015; 2016; 2018).

#### 4.2.2 Environment

Concerning Montenegro's Environment sector, progress in complying with the EU's requests was slower and more fragmented than that of its Energy sector. In 2006, progress was limited with positive developments in the areas of horizontal legislation, pollution prevention and waste management. For example, the country adopted a series of laws and by-laws, such as the "Law on Environmental Impact Assessment" and the "Law on Strategic Environmental Assessment". Concerning waste management, Montenegro proceeded with the adoption of a strategic plan and a law on Waste Management, without however ensuring their implementation or the adoption of the necessary accompanying by-laws. For the next years, the EU recommended that the country should proceed with the adoption of its National Strategies on Sustainable Development and on the Management of Coastal Areas as well as its water quality legislation. Furthermore, similarly to its energy sector, Montenegro's administrative capacity<sup>12</sup> and the lack of implementation of existing legislation was found to be its greatest problems. Finally, perhaps the most significant requests in 2006 were the establishment of an Environmental Protection Agency and the separation of the country's environmental policy and legislation tasks (European Commission 2006). In the following three years (2007-2009), Montenegro increased its compliance with the EU's requests. Not only did the country take significant steps to harmonize its legislation with the EU's acquis, but areas such as air and water quality that were previously neglected started to improve. For example, the country adopted the Law on ambient air quality those of Water and Water Management, without however implementing them. Furthermore, in 2008, Montenegro adopted the requested National Waste Management plan, and in 2009, it established the Environmental Protection Agency. Limited progress was made in the area of the country's implementation and administrative capacities with the establishment of the Ministry of Tourism and the Environment and the adoption of various implementing

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<sup>12</sup> The lack of experienced staff and adequate cooperation between Montenegro's various environmental bodies are only some of the issues that weaken its administrative capacity.

laws<sup>13</sup>. However, they both remained weak and in need of further improvement especially concerning air and water quality. Further compliance with the EU's water and waste acquis was an additional request as well as the establishment of inspection services (European Commission 2007; 2008; 2009). In 2010 and 2011, compliance was limited. Waste management continued to be an issue despite the entering into force of the 2008 waste management law. As previously requested, some progress was achieved regarding water quality with Montenegro's alignment with the EU's Water Framework Directive but overall progress in this area remained limited. Harmonization with the EU's acquis remained at an early stage, especially in the areas of climate change, environmental information, assessment, air quality and environmental protection, despite the adoption of the requested Law on environmental offences and the ratification of the Stockholm and Rotterdam Conventions. With regards to the country's administrative capacity, some progress was observed especially with the improvement of the Environmental Protection Agency and the allocation of environmental responsibilities to the Ministry of Sustainable Development and Tourism (European Commission 2010; 2011). The period 2012-2014, compliance continued to be limited. Although a series of laws continued to be adopted or amended<sup>14</sup>, actual progress remained slow. Harmonization with the EU's acquis on water quality and climate change did not progress, causing the EU to request the initiation of development in these areas more firmly. Despite the above, Montenegro took significant steps to improve the administrative capacity of its environmental sector during this period. In 2012, the Environmental Protection Agency was further improved while in 2013 the country provided training to ministerial staff. Moreover, in 2014 the country established the "National Council for Sustainable Development and Climate Change" which increased the co-operation and coordination between various institutions. Finally, EU's recommendations for the following years included the development of a comprehensive national climate change policy and strategy in line with the EU's framework and raising the public's and lawmakers' awareness on the environment and climate change (European Commission 2012; 2013; 2014). In 2015, Montenegro's compliance with the above requests improved. The country took steps

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<sup>13</sup> For example, in 2008 Montenegro adopted an implementing law on environmental impact assessment

<sup>14</sup> Montenegro amended the Law on Strategic evaluation and a new Law on Waste Management in 2012, a national strategy for air quality and several implementing legislations on waste management and air quality in 2013 and 2014

to harmonize its climate change and water and air quality policies with that of the EU's by improving its existing legislation and it strengthened its administrative capacity by establishing two Directorates in the Ministry of Sustainable Development and Tourism (European Commission 2015). In 2016 and 2018 Montenegro's compliance improved even further. Harmonization with the EU's *acquis* progressed with the adoption of new laws and national strategies on areas such as climate change, air quality and waste management. However, implementation and enforcement remained key issues in most areas and particularly those of water quality, waste management and nature protection. Furthermore, the lack of consistency of Montenegro's climate change strategy was not addressed. Despite previous progress, the country's administrative capacity is still hindering Montenegro's ability to fully align with the EU's requests while the limited financial resources add to the problem. Finally, as requested in 2016, Montenegro ratified the Paris Agreement in 2018 (European Commission 2016; 2018).

#### 4.3 Political Parties and Coalitions in Bosnia & Herzegovina

Due to BiH's complex history and multi-ethnic composition, its political system is one of the most intricate in the world. It was first introduced in the early 90s, after the dissolution of Yugoslavia and the collapse of its League of Communists, while the 1995 Dayton Agreement, that ended the 3-year long Bosniak war further complemented it. In short, BiH is a federal republic with multi-level governance, where the EU's High representative, currently Federica Mogherini, closely works with all institutions and is the highest authority in the country. Furthermore, power is shared between BiH's three distinct ethnic groups, the Bosniaks, the Bosniak-Croats and the Bosniak-Serbs, while the majority of the population still votes based on their ethnicity (European Parliament 2015). At a state level, citizens vote for the members of the House of Representatives, and the three-member Presidency. The House of Representatives, one of the two chambers of BiH's bicameral Parliamentary Assembly, consists of 42 members of which 28 are elected from the FBiH and 14 from the RS by party-list proportional representation<sup>15</sup>. Finally, it is presided by the Chairman of the Council of Ministers. As far as the Presidency is concerned, it is

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<sup>15</sup> The second chamber, the House of Peoples, consists of 15 members, 5 from each ethnic group and is appointed by the parliaments of the two entities.

considered to be the country's highest political institution, albeit its role is mostly symbolic. It consists of three members, one for each ethnic group who act as their representatives at a state level. Thus, citizens of RS vote directly for the Serb member, while those of the FBiH can vote either for the Bosniak or Croat member. Finally, the position of the Chairperson of the Presidency rotates between the three members every eight months (European Stability Initiative 2019; European Parliament 2015). This ethnic-based division of authority goes even further, given that the central state has only a limited number of responsibilities and actual power rests on the two entities. What's more, every institution at a state level works based on ethnic quotas (1/3 for each ethnic group) and consensual decision making. Concerning the entities, the FBiH has an additional president, elected by its parliament. The parliament is divided into two chambers, the House of Representatives of the FBiH and the House of People. The first consists of 98 members, elected directly by its citizens, while the second has 58 delegates, chosen by the Cantons<sup>16</sup>. Similarly, the RS has again a separate president and parliament, the National Assembly, consisting of 83 members. Both are elected by its citizens<sup>17</sup> (European Stability Initiative 2019, OSCE 2018). Concerning the electoral process, it is regulated by BiH's constitution, as well as a series of laws and principles. Elections take place every four years and the rights to vote and participate as a candidate are both restricted by residency and ethnicity. Finally, there are specific regulations for each level (state, entity and canton) separately<sup>18</sup> (European Parliament 2015). The rest of this section outlines the characteristics of the main political parties in BiH, before presenting the coalitions that were formed after the last five elections (2006-2018).

*Social Democratic Party of BiH (SDP BiH):* Initially, the SDP BiH has enjoyed support from all ethnic groups, and even though today it still advocates itself as a multi-ethnic party, its voters are mostly Bosniaks. It is technically the successor to the old League of Communists, but a series of mistakes in the early 00s caused the party to collapse.

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<sup>16</sup> Each of the 10 Cantons has its own government and parliament. However, in this thesis the analysis stops at an entity level for the sake of clarity.

<sup>17</sup> RS has a second chamber as well, the Council of Peoples, which is similar to FBiH's House of People.

<sup>18</sup> For the state-level elections, BiH is divided into eight electoral units, three for RS and five for the FBiH. The public votes for the members of the parliament based on open lists and proportional representation, while the three-member presidency is elected by plurality vote, where each citizen votes for the president representing their ethnic group. Finally, at an entity level, the electoral law guarantees minimum representation in the parliament for each group.

When it re-emerged, in the 2010 elections, its program and ideology were completely changed. For example, it started to increase its Bosniak and populist rhetoric, in order to reduce criticism concerning its ideas for "strong state institutions" and a "multi-ethnic European Bosnia" (BIRN 2018; European Forum 2018; Nordseik 2019). Thus, SPD BiH is a social democratic party that fully supports Bosnia's European Integration.

*Party of Democratic Action (SDA):* Formed in 1990, after the ban on nationalist parties was lifted, following the collapse of Yugoslavia, the SDA is one of the oldest and most popular parties in the BiH, gaining support mostly from Bosniaks. Thus, SDA's strength stems primarily from the FBiH, where the party is a significant player in the entity's parliament. Concerning its ideology, it is a Pro-European party and is also an observer member of the European People's Party in the European Parliament. Furthermore, it is a conservative party, advocating Bosniak Nationalism, although recently it started changing its political discourse, by moving closer to the centre and becoming more open to non-Muslim Bosniaks as well. Finally, it promotes a unitary, albeit decentralized BiH with ethnically mixed cantons and cultural autonomy for the ethnic groups (BIRN 2018; European Forum 2018; Nordseik 2019)

*Croatian Democratic Union (HDZ BiH) & Croatian Democratic Union 1990 (HDZ 1990):* Closely linked with the HDZ in Croatia, the HDZ BiH is the main party of the Croats of the BiH. In 2006, a number of its members left the party, creating the HZD 1990. The main difference between these two parties and the reason of their split is that HDZ 1990 advocates a separate Bosniak-Croat entity within a federal BiH, while HDZ BiH is more aggressive, aiming for ethnic autonomy, and often even speaks of "a confederate structure with Croatia". Despite the above, both parties are Conservative, Pro-European and advocate the Croatian nationalism. Finally, HDZ BiH remains the main party of Croats despite having lost part of its power from the HDZ 1990 (BIRN 2018; European Forum 2018; Nordseik 2019).

*Alliance of Independent Social Democrats (SNSD):* The SNSD, founded by Milorad Dodik in 1992, is the largest party in the Serb dominated entity of RS. Its main orientation is socialism in the economic section and conservative in the social/cultural section. Furthermore, it strongly advocates Serb Nationalism and opposes the further strengthening of BiH's central state and institutions. Furthermore, its leader often supports the entity's secession from the rest of the country. Concerning the EU, even

though it has expressed its commitment to the country's integration, it is often accused of slowing down EU induced reforms. More importantly, the party keeps close links with Russia as well as a number of pro-Russian eastern European parties and has supported Russia. The above led the party to lose its international support and to be suspended by the Socialist International (BIRRN 2018; European Forum 2018; Nordsiek 2019).

*Serb Democratic Party (SDS):* Currently, the second largest party in the RS is the SDS. Up until 2006, it was the largest party, but it started to gradually lose its voters to the SNSD. One of the main reasons for the above was the prosecution of a number of its leading members for war crimes, that led to international sanctions, causing the party to reform its structure and ideology. However, a part of RS's population continues to support the SDS despite the above. Regarding its ideology, after its democratisation, one segment within the party began to support the country's integration to the EU, while the other remained Eurosceptic. This intra-party division has further weakened the SDS. Finally, its main orientation remains nationalistic, supporting the Serb nationalism (BIRN 2018; European Forum 2018; Nordsiek2019).

As is clear from the above, the vast majority of the parties in BiH remains nationalistic, representing one of the three main ethnic groups. Furthermore, even though most parties in the FBiH are supportive of the EU and the country's European Integration, many of the RS's parties, including the two major parties, remain Eurosceptic, if not Pro-Russian. The state level parliament often consists of more than ten parties, generally promote the interests of one of the three main ethnic groups of BiH. Similarly, a large number of parties hold seats at an entity level as well, while government formation in all levels requires the participation of more than four parties.

After the 2006 elections, the first nation-wide election to be fully administered by BiH's authorities, three parties emerged as the main winners in the country. In RS, the SNSD gathered the majority of the votes in all levels, including the presidency and parliamentary elections of its entity, as well as those of the central state. On the other hand, in the FBiH, the candidate of the Party for BiH (SzBiH)<sup>19</sup> won the majority of the votes in the presidential elections, while the SDA received most votes for the

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<sup>19</sup> SzBiH is a pro- European Bosniak nationalist party that was the main Bosniak party until 2006. SBiH further advocates a BiH with central government and it is centrist.

parliamentary elections of the entity. As far as the Croatian presidency is concerned, it was won by the SDP, fuelling resentment between the two ethnic groups of the FBiH since the Bosniaks were accused of voting for the Croat member to reduce the dynamic of the HDZ, the main party of the Bosniak-Croats. Since no party won the necessary number of votes to form a government, a long period of negotiations began that resulted in the following coalition at a state level. It was led by the SNSD and was complimented by the SDA, the SDP, the HDZ and the SzBiH. From this coalition, all parties were nationalist, social-democratic or conservative. Furthermore, three of the four (SDA, HDZ, SzBiH) parties supported BiH's integration in the EU, while the leading SNSD was Eurosceptic, having close ties with Russia. At an entity- level, a coalition led by the SDA and complimented by the HDZ and the SzBiH was formed in the FBiH. All of these parties were in favour of the country's European integration, but they were largely conservative and supporting the Bosniak or Croat nationalism. In RS's National Assembly, two nationalist, Eurosceptic parties, the SNSD and the Democratic People's Alliance (DNS) formed a coalition together with a smaller, Pro-European, social democratic party, the SP. Finally, at a state level 12 parties made it to the parliament while at an entity level eleven in the FBiH and nine in RS (OSCE 2006; Nordsiek 2019). The next elections took place in 2010. The state presidency of the Bosniak- Croats and Bosniaks-Serbs was won again by the SDP and the SNSD respectively. However, the Bosniak member came from the SDA. The coalition that was formed at a state level, was led by the SDP and included five additional parties. These were the SDA, the HDZ BiH, the HDZ 1990, the SDS and the SNSD. Two of the above parties, the SDS and the SNSD were Eurosceptic. Notably, however, the SDA left the coalition in 2012, and it was replaced by the SBB another conservative, pro-European party. At an entity-level, the parliament of FBiH, was led mainly by Pro-European, nationalist parties including the SDA, the SDP (until 2012), the Union for a better future, and the Croatian Party of Rights, the only Eurosceptic party to hold office in FBiH. In the National Assembly of RS, the same coalition as that of the previous years emerged again (SNSD-DS-SP). Finally, the parliament of BiH consisted of twelve parties and those of RS and the FBiH of ten (OSCE 2010; Nordsiek 2019). After the 2014 elections, at the state's level parliament, the majority of the parties were Pro-European, while the DNS and SDS, were not. Notably however, the SNSD, despite receiving the majority of the votes in RS wasn't a member of the governing coalition, having failed to agree with the other parties. At the presidential elections there were

no changes for Bosniaks, but for the position of the Bosniak-Croat member was won by the Croatian Democratic Union's candidate, a pro-EU Christian Democratic party. Furthermore, the candidate of the coalition that opposed the SNSD won the presidency for the Bosniak-Serb member. At an entity level, in the FBiH a coalition between Pro-European parties, one of which social democratic and the others nationalist was formed, while in RS the same coalition that has been forming since 2006 emerged again. After the 2014 elections, 12 parties managed to be elected at a state-level, while in the FBiH and RS eleven and seven parties respectively. Since 2018, fourteen parties are at the state level parliament, while eleven in the FBiH and nine in RS (OSCE 2014; Nordsiek 2019)<sup>20</sup>. The presidency was won by SDA for Bosniaks, the DF for the Bosniak-Croats and the SNSD for the Bosniak-Serbs. At an entity level, the coalition that was formed in RS remained the same as before. In the FBiH the DF joined the coalition of the previous elections. Table 5 presents the number of pro-European and pro-democratic parties at the state level parliament. Table 6 shows the coalitions that were formed at an entity level while table 7 shows the winners of the presidential election (OSCE 2018; Nordsiek 2019).

Year	Coalition	No of Pro-EU parties	Liberal Parties	Democratic
2006	SNSD-SDA-HDZ-SzBiH	3		0
2010	SDP-SDA-HDZ-HDZ 1990- SDS- SNSD (Until 2012)	4		0
	SDP-SBB-HDZ-HDZ 1990- SDS- SNSD (from 2012)	4		0
2014	SDA-HDZ-DF-SDS-PDP-DNS	4		1
2018	N/A	N/A		N/A

Table 5. State-Level Parliament 2006-2018. Nordsiek 2019

<sup>20</sup> After the 2018 elections a coalition has not been formed yet at the state's level parliament (CAS report 2019)



Parliament Entity-Level				
2006	FBiH	Party of Democratic Action	Pro-EU	Bosniak Nationalism Conservatism
		Croatian Democratic Union	Pro-EU	Conservatism
		Party for BiH	Pro-EU	Bosniak Nationalism Centre
	Srpska	Alliance of Independent Social Democrats	Eurosceptic	Serbian Nationalism Socialism
		Democratic People's Alliance	Eurosceptic	Nationalism Centre-Right
		Socialist Party	Pro- EU	Social Democracy
2010	FBiH	Social Democratic Party	Pro-EU	Social Democracy
		Party of Democratic Action (Until 2012)	Pro-EU	Bosniak Nationalism Conservatism
		Union for a Better Future of BiH (From 2012)	Pro-EU	Bosniak Nationalism Conservatism
		Croatian Party of Rights	Eurosceptic	Far right
	Srpska	Alliance of Independent Social Democrats	Eurosceptic	Serbian Nationalism Socialism
		Democratic People's Alliance	Eurosceptic	Nationalism Centre-Right
Socialist Party		Pro- EU	Social Democracy	
2014	FBiH	Party of Democratic Action	Pro-EU	Bosniak Nationalism Conservatism
		Democratic Front (Until 2015)	Pro-EU	Social Democracy
		Union for a Better Future of BiH (From 2015)	Pro-EU	Bosniak Nationalism Conservatism
		Croatian Democratic Union	Pro-Eu	Croatian nationalism Conservatism
	Srpska	Alliance of Independent Social Democrats	Eurosceptic	Serbian Nationalism Socialism
		Democratic People's Alliance	Eurosceptic	Nationalism Centre-Right
Socialist Party		Pro- EU	Social Democracy	
2018	FBiH	Party of Democratic Action	Pro-EU	Bosniak Nationalism Conservatism
		Democratic Front	Pro-EU	Social Democracy
		Union for a Better Future of BiH	Pro-EU	Bosniak Nationalism Conservatism
		Croatian Democratic Union	Pro-EU	Conservatism
	Srpska	Alliance of Independent Social Democrats	Eurosceptic	Serbian Nationalism Socialism
		Democratic People's Alliance	Eurosceptic	Nationalism Centre-Right
Socialist Party		Pro- EU	Social Democracy	

Table 6. Coalitions at entity-level 2006-2018. Nordsiek 2019

Presidential Elections	Party	Eu Stance	Ideology
2006	<b>Bosniaks:</b> Party for BiH	Pro-EU	Bosniak Nationalism Centre
	<b>Croats:</b> Social Democratic Party	Pro-EU	Social Democracy
	<b>Serbians:</b> Alliance of Independent Social Democrats	Eurosceptic	Serbian Nationalism Socialism
2010	<b>Bosniaks:</b> Party of Democratic Action	Pro-EU	Bosniak Nationalism Centre-right
	<b>Croats:</b> Social Democratic Party	Pro-EU	Social Democracy
	<b>Serbians:</b> Alliance of Independent Social Democrats	Eurosceptic	Serbian Nationalism Socialism
2014	<b>Bosniaks:</b> Party of Democratic Action	Pro-EU	Bosniak Nationalism Centre-Right
	<b>Croats:</b> Croatian Democratic Union	Pro-EU	Christian Democracy Croatian Nationalism
	<b>Serbians:</b> SDS–PDP–NDP–SRS RS–PUP	N/A	Serb Nationalism Conservatism
2018	<b>Bosniaks:</b> Party of Democratic Action	Pro-EU	Bosniak Nationalism Centre-Right
	<b>Croats:</b> Democratic Front	Pro-EU	Social Democratic
	<b>Serbians:</b> Alliance of Independent Social Democrats	Eurosceptic	Serbian Nationalism Socialism

Table 7. Presidential Winners 2006-2018. Nordsiek 2019

#### 4.4 Political Parties and Coalitions in Montenegro

Compared to BiH, Montenegro's political and electoral system are more straightforward. The country's parliament is unicameral, elected for a four-year term through proportional representation, based on closed, nation-wide lists. Its members, according to the country's constitution, are eighty-one, one for every six-thousand citizens. Furthermore, all polling stations have the same lists of candidates, while voters have only one vote. Chairs in the parliament are assigned based on two allocations, one based on votes cast in the whole country (76 seats), and one based on the votes of the citizens of the polling station located in areas where the majority of Montenegro's Albanian minority resides (5 seats). The threshold of the first allocation is 3% of all votes, while for the second if no party reaches this threshold, it is reduced to 0.7%. Furthermore, an additional exception to the national threshold concerns the

Croatian minority (0.35 %). Finally, up until 2011, parties were free to allocated half of their mandates to candidates irrespective of the order in which they appeared on the party's list. However, with the 2011 amendments to the electoral law, parties are now obligated to follow the exact order of the lists (OSCE 2012-2016).

As far as the parties that participate in the elections of Montenegro are concerned, based on the last two elections, three main parties can be observed, as well as three main minority parties.

*Democratic Party of Socialists (DPS):* Without a doubt, the largest and most popular party in Montenegro is the DPS. Since the collapse of Yugoslavia, and even before the country's independence, the DPS has been the ruling party of the country without interruption. Its origins derive from the Montenegrin League of Communists, while its main leader is Milo Djukanovic. Notably, up until the 2012 elections, the DPS was part of the "Coalition for a European Montenegro" along with the now smaller Social Democratic Party of Montenegro (SDP), a social democratic, pro-European party and the Liberal Party of Montenegro (LP), a liberal pro-European party. Concerning its ideology, the DPS is strongly in favour of Montenegro's integration in the EU and NATO. Furthermore, even though historically it is associated with the League of Communists, it has been reformed, moving closer to the centre, and it is now accused of seeking neo-liberal economic policies and of neglecting welfare strategies. The above is partially true since despite being social democratic, its long rule has caused the party to alter its ideology many times. Finally, the influence of the party is such, that even though there are ethnic minority parties, members of those minorities often prefer to vote for the DPS (BIRN 2016, Nordsiek 2019)

*Democratic Front (DF):* During the last two elections, the DF was the main opposition in Montenegro. It is a coalition of a number of smaller parties, most notably the New Serbian Democracy (NOVA), a Eurosceptic, national-conservative party and the Movement for Changes (PZP), liberal-conservative party. Its main ideology centres around the long ruling of the DPS, as well as the corruption of the government. Thus, it usually attracts votes from voters who are disappointed by the current government. Finally, although it is mostly pro-European, it is anti-NATO and considered by some as the Pro-Russian force of Montenegro (BIRN, Nordsiek 2019).

*Socialist People's Party (SNP)*: The SNP is the second main-opposition party in Montenegro. It was founded in 1997, by the pro-Serbian wing of DPS that left the party. Initially, it supported a state union with Serbia, but slowly its ideology shifted from concentrating on its relationship with Serbia to a more social democratic, pro-EU stance. Often running in coalitions with other, smaller parties, it is the main pro-Serbian party in Montenegro. Finally, in the 2016 elections, the SNP run as part of the Key coalition (BIRN 2016, Nordsiek 2019).

*Bosniak Party (BS)*: The BS was founded in 2006, to better represent and protect the rights of the Bosniak-Muslim minority of Montenegro. It is a coalition of four smaller parties: The International Democratic Union, the Party For Democratic Action, the Democratic Alliance of Bosniaks and the Party of National Equality. Concerning its ideology, it is a pro-European party which focuses on minority interests. One of its main demands, for example, is the transfer of powers to regions. Finally, until 2012 it was part of the Coalition of a European Montenegro (BIRN 2016, Nordsiek 2019).

*Croatian Civic Initiative (HGI)*: A second minority interest party, often complementing the governing coalition, is the HGI. It was formed in 2002, and it represents the minority right of the Croatian minority of Montenegro. As a pro-European, centre-right party, it was part of the Coalition for a European Montenegro, along the DPS, the SDP and the BS. However, in 2012 and 2016 it decided to run on the elections independently. (BIRN, Nordsiek 2019).

*Democratic Union of Albanians (UDSH) & Democratic League of Montenegro (LDMS)*: The two Albanian minority interest parties, the UDSH and the LDMS, are of equal size and enjoy equal support. Similarly, to other minority parties, they often support the governing coalition. They are both conservative, pro-European parties. Since 2012, the LDMS participates in the elections as part of a coalition with the remaining two Albanian parties, the FORCA and the Albanian Alternative (BIRN 2016; Nordsiek 2019).

From the above, we can see that most parties in Montenegro are either social democratic, or they represent minority interests. Furthermore, the vast majority is in favour of the country's integration in the EU. This is especially true for the parties that form governing coalitions since no Eurosceptic parties have participated in the government in the period under study. Finally, an important observation is that the

same party (DPS), either independently or in a coalition, has been winning the elections in Montenegro since the early 90s. The DPS usually forms coalitions with minority interest parties.

This section closes with the presentation of the coalitions that were formed after the elections from the first year of Montenegro's independence (2006) until today. Thus, in 2006, Montenegro held its first parliamentary elections as an independent state. The elections took place less than four months after the country's independence was declared and in a completely changed political environment. This was because the old dichotomy between pro-independence and pro-union parties collapsed. The party that gathered the majority of the votes was the Coalition for a European Montenegro, a coalition between the DPS and the SDP. A number of smaller parties, mainly minority interest parties (LDMS & UDSH) as well as the coalition of the Bosniak Party (BS) and the Liberal party (LP) complemented the governing coalition (OSCE 2006; Nordsiek 2019). All of the above parties were in favour of the country's integration to the EU. Finally, eight parties made it to the parliament. The next elections took place in 2009, one year earlier than it was expected. The Coalition for a European Montenegro was again the winning party, gathering the majority of votes and thus managed to win an absolute majority of 41 seats. In 2012, again a year earlier than expected, the citizens of Montenegro were called to vote once again. As before, the Coalition won the elections, albeit its results were lower than those of 2009. The party thus formed a governing coalition with the BS, which run independently from the LP, the HGI and an Albanian political alliance, For Unity. All parties were pro-European and either social democratic or minority interest. The latest elections took place in 2016. For the first time, the Coalition for a European Montenegro was divided and each of its members run in the elections independently. However, a second coalition between the DPS and the LPCG was later formed. Thus, despite its reduced dynamic, one of the two main parties of the Coalition, the DPS won. The DPS formed a governing coalition with the BS and the HGI as well as the SD and FORCA, a coalition of mainly Albanian minority interest parties. From the above, all parties were pro-European, except FORCA. Finally, in all election eight parties made it to the parliament (OSCE 2006-2012; FreedomHouse 2007-2018; Nordsiek 2019). Tables 8 & 9 show the parliamentary and presidential results of the Montenegrin elections from 2006-2016.

	<b>Government</b>	<b>EU stance</b>	<b>Ideology</b>
2006	Coalition for a European Montenegro	Pro-Eu	Social democracy
	Liberal Party-Bosniak Party	Pro-EU	Liberal-Conservative
	Democratic Union of Albanians	N/A	Minority interest
2009	Coalition for a European Montenegro	Pro-Eu	Social democracy
2012	Coalition for a European Montenegro	Pro-Eu	Social democracy
	Bosniak Party	Pro-Eu	Minority interest
	Croatian Civic Initiative	Pro-Eu	Minority interest
	Albanian Coalition	Pro-EU	Minority interest
2016	Democratic Party of Socialists (+ LPCG)	Pro-Eu	Social democracy
	Bosniak Party	Pro-Eu	Minority interest
	Croatian Civic Initiative	Pro-Eu	Minority interest
	FORCA	Pro-EU	Social Democracy

Table 8. Governing Coalitions in Montenegrin parliament 2006-2016. Nordsiek

<b>Presidential Election Montenegro 2018</b>		
Milo Đukanović	Democratic Party of Socialists	53.9
Mladen Bojanić	Independent	33.4
Draginja Vuksanović	Social Democratic Party	8.2
Marko Milačić	True Montenegro	2.81
<b>Presidential Election Montenegro 2013</b>		
Filip Vujanović	Democratic Party of Socialists	51.21
Miodrag Lekić	Independent	48.79
<b>Presidential Election Montenegro 2008</b>		
Filip Vujanović	Democratic Party of Socialists	51.89
Andrija Mandić	Serb People's Party	19.55
Nebojša Medojević	Movement for Changes	16.64
Srđan Milić	Socialist People's Party	11.92

Table 9. Presidential elections in Montenegrin parliament 2006-2016. Nordsiek

#### 4.5 Saliency of the Energy vs Environmental sector

Due to its increased importance for political science research, saliency has been used numerous times by scholars either as an independent or as a dependent variable. However, even though political scientists generally agree on its significance, its definition and measurement are harder to define (Humphreys & Garry 2000; Wlezien 2002 p.2). In general, saliency can be described either as “the relative importance of different policy areas” (Humphreys & Garry 2000 p.2) or as “prominence” meaning whether specific issues are uppermost in the minds of individuals (Taylor & Fiske 1978). Despite the similarity between these two definitions, indeed sometimes

important policies tend to be also prominent, they are not identical. This is true because while the “importance of a policy” measures the weight of the policy for different actors including the state, “prominence” focuses on the general public’s opinion on a specific issue and whether it is considered among the most important problems of a country (Wlezien 2002 p.2ff). This thesis conceptualizes salience based on the first definition. Thus, the term is viewed as the weight that different actors attribute to issues, (Thomson 2011; Beyers et al 2017; Meissner & McKenzie 2018) or in other words how important specific policies are for domestic actors, as opposed to whether an issue is prominent for the general public or not (Humphreys & Garry 2000; Lindstrom 2011). Another significant aspect of salience worth mentioning is how it affects policy change. While most scholars agree that salience increases chances for policy change within the country (Davis, 1993, p. 7; Lowry et al Baker, 2002, p. 133; 2014; Jones & Jenkins-Smith, 2009; Graetz, 2011, p. 179) when the attention is shifted to EU induced reforms that precede social mobilization for change, increased salience leads to the opposite results. This is because the costs of the governments increase as the contestation and the actors involved increase (Lindstrom 2011; Jacoby 2004; Schimmelfennig & Sedelmeir 2004). Thus, an increased salience also increases the likelihood that domestic actors will mobilize to block the adoption of specific EU requests that harm their interests or try to influence the political outcomes (Jacoby 2004 p. 10; Thomson 2011; Meissner & McKenzie 2018). Furthermore, receptivity of “external standards of appropriate behaviour” is expected to be lower for more salient issues (Noutcheva 2006 p. 14). Finally, Hutter & Grande (2014) showed that conflict and contestation regarding EU politics increases with salience. The rest of this section will outline the basic differences between the two policies under investigation (Energy and Environment), in an effort to assess which of the two is more salient.

Despite their interdependence, the energy and environmental policies have some fundamental differences that result in variation in their level of salience. First off all, the energy sector is usually more politicized than that of the environment, especially in the region of the WBs. This politicization derives from a series of factors, the most important of which, is the historical legacies of the energy markets of these countries. For example, during the socialist era, all major companies were under state control. After the collapse of Yugoslavia, however, their privatization and liberalization became principal EU demands and therefore a concern for the WB states as well. EU requests,

such as the reduction of funding of firms and the selling of energy companies to private owners, were met with strong opposition from domestic actors, especially in cases where funding was necessary to ensure the functioning of the firms. Due to the free and subsidized energy that intensive industries and the consumers were enjoying, pressures to liberalize energy markets came up against established domestic interests (Lindstrom 2011). Furthermore, local politicians opposed privatization since state-owned companies were practically party-owned, and members of the governments often benefited directly from their functioning (Lindstrom 2011; Santrucek 2019). The above, combined with the small number of energy producers, made the addressing of the issues of privatization and liberalization of the energy markets even more challenging (Santrucek 2019). Moreover, even in cases where there were such attempts, they were often fragmented and heavily contested. For example, in 2017, the President of the EPS Board of Directors, Branko Kovačević announced that there are plans to purchase power utilities in the Western Balkans, a statement that was followed by criticism and counterstatements like that of the Minister of Industry, Energy and Mining of RS, saying that no companies will be privatized or sold to the EPS (Balkan Green Economy 2017). Finally, even where privatization did occur, the process was highly controversial and non-transparent, often followed by corruption scandals and ethnic divisions within the countries. For example, parties either actively tried to obstruct the process or chose to sell the companies to their sympathizer and members of their own ethnic groups. Thus, energy companies maintained closed links with the governments or even remained under partial state ownership, especially in the electricity sector (Lindstrom 2011). Contrary to the above, in the area of the environment, the WBs lack traditional, well-established elites and structures. Thus, the absence of environment-related institutions and Environmental Non-Governmental Organizations (ENGOS), resulted in the reduced vested interests of this policy. Furthermore, the lack of experience by government officials concerning environmental issues, render them more likely to be acceptive of such ideas and their implementation (Jacoby 2004 p.62; Börzel & Fagan 2015 p75f). Another significant difference between the two policies is their degree of contestation. It derives primarily from the fact that while environmental policies are more result-oriented, in energy, the processes and instruments used to achieve those results are equally important. What's more, even though both environmental and energy policy objectives are clear, the means and methods of the latter are not well defined. Thus, although there is general agreement



concerning policy objectives such as nuclear safety or renewables, there is contestation regarding how those goals can be achieved and which instruments should be used. Furthermore, energy issues are more open to interpretation as well, since their objectives and priorities often change unlike those of the environment (Prontera 2009). While renewable sources of energy, for example, are regarded as a solution to a variety of problems, ranging from energy diversification to climate change, the transition to renewables is contested. Some of the issues include the resource competition, the policy aims and the trade-offs. Thus, despite agreement on the objective, contestation regarding the policy design causes opposition when such attempts are implemented (Wallbott & Kreuter 2017).

An additional difference, similar to the above, is the number of domestic and international players in each policy field. Typically, there are more actors involved in the energy sector than that of the environment. National governments are, of course, the main actors in both policy areas. However, while in the environment Environmental Non-Governmental Organizations) ENGOs are the only second player, especially in the WBs, the actors involved with energy, are more. Those include among other firms, industries and trade unions. Furthermore, many energy firms create organizations to represent and promote their interests, affecting the design of various energy policies. Finally, industrial clients and associations, due to their large use of energy, are influential actors as well (Prontera 2009 16ff). The final difference between the two policies discussed in this thesis concerns the general public. While typically salience among the people is higher for environmental issues given their visibility and the technicality of the energy sector, this is not the case for the WBs. Due to the continuous conflicts and their historical legacies, these countries did not have the opportunity to develop an environmental movement. Thus, environmentalism and ENGOs are still at a very early stage in all WB countries and especially in BiH (Carmin & Fagan 2010 p. 702f). National and ethnic issues occupy most of the political debates, while the environment is considered by politicians and the public as being of low political significance. Indeed, ENGOs have only started to emerge as a consequence of the association of these countries with the EU (Fagan 2008) and the "availability of donor money and civil society development projects, rather than as a direct response to specific ecological issues" (Fagan 2008 p. 643). A third difference lies in the strategic significance of the two policy areas. Two factors contribute to the increased

importance of the Energy policy compared to that of the environment. First, the policy results of the energy policy are more immediate and apparent than that of the environmental policy. The above, combined with the short-term horizons of the politicians, make them more likely to focus on the former. The second factor relates to the connectedness of those policies with others. As it was mentioned earlier in this chapter, energy and environment are interconnected. However, the former is also connected with a number of additional policies, increasing its significance. In fact, the majority of social and economic aspects of life are somehow connected with energy. For example, energy, as raw material, is often used by businesses and industries, such as energy-intensive industries, resulting in the creation of jobs and improving the overall quality of life. Furthermore, energy prices are an important part of government policy since they can impact the cost of production, and thus affect economic growth (Prontera 2009 9ff). The most significant, however, connection of energy is with the international and foreign policy of the countries. While both policies have an international aspect and need international co-operation to be addressed, reaching an agreement is harder in the field of energy than of the environment. The security of energy supplies and the international trade of energy products take up a significant part of the foreign policies of the countries. This is because energy resources are often scarce and concentrated on specific geographic locations. Thus, energy issues shape the relationships between states, and especially between exporting and importing countries (Prontera 2009 p 3).

To sum up, given the above characteristics of the environmental and energy policies, the latter is considered more salient than that of the environment. This is especially true for the area of the WBs given their strategic position and the role of energy in their domestic economy as well as its historical legacies. Furthermore, unlike Western European countries, a lack of environmental conscience and therefore ENGOs can be observed as well.

## 5. Discussion and Alternative Explanation

*This chapter discusses the above data and tries to answer the main question of the thesis by examining how well the data presented in the previous chapter prove or disprove the hypotheses, as they were stated in the second chapter. The second part discusses an alternative explanation, that of whether the EU treats the WB countries under investigation equally, by offering them the same incentives.*

### 5.1 Discussion

As it was stated in the introduction, the main purpose of this thesis is to examine the effectiveness of the EU's tool of conditionality in the region of the WBs. More specifically, the puzzle that inspired this thesis is why despite their similarities these countries comply at very different rates with the EU's requests. Based on their common history (Ottoman and Yugoslav past), culture and type of economy (transitioning from centrally planned economies to liberal ones), it would be expected that there wouldn't be significant differences on the willingness of the WB states to comply to the EU's demands, necessary to join the Union. This is especially true if we take into account the fact that the EU treats these countries equally, and offers them the same incentives, namely financial assistance and eventual membership to the Union. However, this is not the case. While for example Serbia and Montenegro are close to joining, having opened most of the acquis chapters, Kosovo and BiH are still potential candidate members. Thus, to examine the above puzzle, I focused on the domestic factors that might affect the effectiveness of the EU's conditionality and set the following research question. ***“How do domestic factors affect the EU's conditionality policy in Western Balkans?”***. To answer the above question and based on a rationalist institutionalist approach of the domestic factors that influence the EU's conditionality policy, two different variables were chosen, these of “Political Competitiveness” and “Policy Salience”, and two hypotheses were made. These were

**H1: The higher the party competition, the more effective the EU' conditionality policy will be.**

**H2: The higher the policy salience, the less effective the EU's conditionality policy will be**

Concerning the first hypothesis, **H1: The higher the party competition, the more effective the EU' conditionality policy will be**, it was found to be partially significant based on the data of the previous chapter. While the first part of the variable, "party constellations and orientation" appears to be of relevance, the second, "party competitiveness" is not. More specifically, the number of democratic, pro-EU parties is a strong determinant of the effectiveness of the EU's conditionality. According to the data of the previous chapter, in Montenegro, the vast majority of the parties are social democratic or minority interest parties, with a strong preference for the country's integration to the EU. Moreover, the largest party, the DPS, actively promotes a European future for the country while its primary opponent, the DF, is the only Eurosceptic party in the parliament, and has never won the elections or took part in a governing coalition. In fact, according to the data of the previous chapter, since 2006, there was no Eurosceptic party in a governing coalition in Montenegro. On the other hand, in BiH, the vast majority of the parties remain nationalistic, representing one of the three main ethnic groups. Furthermore, even though most parties in the FBiH are supportive of the EU and the country's European Integration, many of the RS's parties, including the two major parties, remain Eurosceptic, if not Pro-Russian. Thus, both at the state's, as well as at the entity's level parliaments, there is at least one Eurosceptic party, and in RS the two main parties of the governing coalition are always Eurosceptic. Consistently with the first part of the hypothesis, overall compliance with the EU's demands is better in Montenegro, especially in the energy sector. While for example, Montenegro has adopted almost all of the EU's energy acquis, in BiH compliance is limited and the country has repeatedly missed important deadlines. On the other hand, the second part of the hypothesis, "party competitiveness", was not confirmed, since there were no significant changes in the governing coalitions following the elections. In Montenegro, the same party (DPS), either independently or in a coalition, has been winning the elections since the early 90s, forming governing coalitions with minority interest parties. Similarly, the same three parties have been winning the election in RS, while at the state level of BiH a combination of the same parties always form governing coalitions. An explanation for the above inconsistencies between the theory and the analysis can be found from the weaknesses each country has in complying with the EU's demands. While in Montenegro for example, the insufficient implementation of the adopted laws and legislations, as well as the weak administrative capacity and institutions seem to be the main issues, in BiH, it's the lack

of cooperation between the entities. Indeed, the country has repeatedly missed deadlines for the introduction of national energy and environmental strategies and the creation of state agencies. On the other hand, each entity has adopted its own laws and takes significant steps towards integration. This creates a complicated scene, where the lack of coordination and harmonization between the legislations of the two entities makes their cooperation even harder especially in more sensitive sectors such as the security of oil supply and gas.

Since this lack of coordination and thus the country's lack of compliance with the EU's demands as well as the characteristics of BiH's political parties can both be dependent on the country's complex political system, more research is needed between these variables. As it was mentioned in the second chapter, BiH's political system is one of the most complicated in the world, being the outcome of the Dayton peace agreements that ended the 1992-1995 war. Political power and authority rest within the two entities (FBiH, RS) and the central state has limited authority. Furthermore, the two entities are further divided into cantons and municipalities, making the diffusion of power even more opaque (Fagan 2008). More specifically, according to BiH constitution (1995), the country's governmental system is a consociationalism, where power is shared between the three constituent ethnic groups of BiH, to better represent its citizens. The two entities are largely autonomous and possess their own constitutions as well, while almost all policies, except that of foreign policy rest under their jurisdiction. Thus, both policies examined in this thesis (Energy and Environment) are the responsibilities of each entity and not the state itself, making cooperation between them more challenging (article 3). Furthermore, both policies require the coordination between other policy areas, complicating things even further. Thus, while for example, the central institutions are responsible for the country's foreign policy (relationship with energy-producing countries) and finances of institutions (budget of state energy and environmental institutions), the entities can form their own agreements and relations with neighbouring states and are responsible for the overall implementation of energy and environmental legislation (article 3). Things are even more complicated for the FBiH since the entity is a federation itself, divided into 10 cantons, with their own governments. Thus, in the FBiH, responsibility for the above policies is divided even further.

As far as the second hypothesis is concerned, that of **H2: The higher the policy salience, the less effective the EU's conditionality policy will be**, it cannot be verified by the results of this thesis. More specifically, salience of the energy sector was found to be higher than that of the environment, especially in the WB countries. The historical legacies of the energy companies during the communist regimes and the urgent need to privatize them after their collapse made the energy sector highly politicised and contested. Furthermore, the number of actors both in the domestic and international scene are more in the energy sector, given especially, the lack of established environmental elites and constitutions in the area. The above, combined with the so far lack of environmental conscience and knowledge both by the general public and the governments, showed the higher salience of the energy sector. Finally, it was shown that the fact that while the environment is primarily result oriented, in the energy sector the methods to achieve the results is equally important, making the latter more contested. Despite the above however, as well as the fact that according to the theory in the second chapter, the effectiveness of conditionality is lower for more salient policies, there was no significant difference between the two policies in BiH, while in Montenegro conditionality was far more successful in the energy sector. Several explanations can be given to explain the above inconsistency. Concerning BiH, due to its complex political system, both sectors are highly fragmented as it was discussed before. The above, combined with the outdated infrastructure of its institutions and their weak administrative capacities, make the compliance with the EU's demands, as well as the adoption of its acquis, equally challenging in both sectors. In Montenegro, the majority of the EU's demands concerning energy are completed unlike those in the environmental sector. This can be explained by the weaker administrative capacities of the environmental sector compared to the energy that was discussed in the previous chapter. Another explanation can be the fact that despite the adoption of numerous laws and strategies in the environmental sector, their actual implementations lags behind, since the country started to have adequate institutions and thus administrative capacity only after 2012, as the data of the previous chapter showed. Thus, harmonization with the environmental acquis is more challenging for Montenegro. One general explanation to the above inconsistency that should also be examined more closely in the future include the importance of the salience that the EU attributes to policies. Often, the importance of a policy for the EU and its current members, overshadows other determinants of conditionality, since the

adherence with demands to these sectors are crucial for the acceptance of new members to the union (Grabbe 2006). In the area under study, the EU gives priority to the energy sector, since energy politics is one of EU's main concerns regarding WB as it was discussed in the introduction. Thus, the pressure of the candidate and potential candidate countries to comply with energy demands is higher.

## 5.2 Alternative Explanation

An alternative explanation to what has been discussed thus far, is that EU-level factors are of equal importance with the domestic in determining how easily countries will comply with its demands. Concerning these factors, it has been argued that one of the most important variables is the clarity with which the EU makes the requests. The more clearly the union states what steps should be followed by the countries, for example, the easier it will be for them to comply with its demands. Thus, conditionality is also expected to be more successful in areas in which its members have an agreement concerning their common norms and are thus capable of making clear and explicit demands from candidate member states (Jacoby 2004, p. 62). Furthermore, the condition must also constitute an essential requirement for the acceptance of the candidates to the EU to stir significant changes (Glüpker 2013 p 225f). While the above factors, however, are good determinants when examining different regions, they cannot easily explain the differences between the WB countries, given both their common characteristics regarding culture and history and the subsequent similarity of the EU demands towards them both in terms of clarity and urgency. In addition to the above, Schimmelfennig and Sedelmeier introduced a model (EIM) which proposes four basic factors based on which the countries decide whether to comply or not. These are the determinacy of conditions, the size and speed of rewards, the credibility of threats and promises, and the size of adoption costs (Sedelmeier 2011 p. 18). Concerning the determinacy of conditions, the EIM suggest that the adoption of a rule by states depends on whether the EU has set its adoption as an indisputable condition for receiving the attached reward or avoiding the consequences. This factor further refers to the clarity of the proposed conditions. This means that states are more likely to accept and implement rules that have been formulated clearly and their implications have been made clear (Sedelmeier 2011 p. 19). As far as the WBs are concerned,

Schimmelfennig & Sedelmeier (2017 p.10f) found that due to the growth of the EU's legislation and *acquis*, conditions for the WB have evolved too. This means that although the conditions are more demanding compared to those of the CEE countries, their determinacy has been partially improved. However, while this factor can explain variations in the effectiveness of conditionality between policies or regions, it cannot easily explain differences between countries of the same geographical area, especially when the time frame of the countries' accession process is the same. This is because the EU's *acquis* and conditions are the same for all WB countries during the period under study. The second factor, the size and speed of the rewards, suggests that the greater the reward, the more likely the states are to adopt the required conditions (Schimmelfennig et al 2003; Schimmelfennig 2005). Moreover, shorter distances to the payment of the rewards increase the likelihood of the state's compliance. Furthermore, as opposed to promises of associations or assistance, the promise of accession is the EU's strongest tool (Sedelmeier 2011 p. 20). Concerning the Balkan states, the size of the rewards hasn't change compared to CEE. The EU still promises full membership to these states while it hasn't specified the exact timeline of their accession (Schimmelfennig & Sedelmeier 2017 p.8). While the size of the rewards is of extreme importance, its significance is weakened when comparing differences between the countries of the WBs, given that the rewards that the EU promises to these states (trade, financial assistance, accession etc) are the same. As far as the third factor is concerned, the credibility of threats and promises, Schimmelfennig & Sedelmeier (2011) suggest that "given a strategy of reinforcement by reward, rule adoption requires both the superior bargaining power of the rule-setting agency (otherwise threats would not be credible) and certainty, on the part of the target states, about the conditional payments (otherwise promises would not be credible)" (Sedelmeier 2011 p.21). The above means that the EU must be both capable to withhold or give rewards at a low cost and consistent in doing so. On the other hand, states must be certain about the credibility of the above. This credibility increases the stronger the asymmetrical interdependence between the two actors is (Sedelmeier 2011 p.21ff). Compared to the CEE countries, this factor has changed for the WBs. Although the credibility of threats hasn't changed<sup>21</sup>, the credibility of the promise of

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<sup>21</sup> In fact, Schimmelfennig & Sedelmeier (2017) suggest that given the reduced significance and attractiveness of the WB for the EU, the credibility of threat has increased.



accession has been reduced significantly (Schimmelfennig & Sedelmeier 2017 p. 9f). However, again, the above factor cannot explain differences between the WB states. The credibility of accession, for example, is the same for all countries, especially given the fact that the EU has promised accession the union for all WB states that are ready in 2025. Furthermore, the WBs relative bargaining power against the EU's is not significantly different for country to country. Thus, the threats are also equally credible. To sum up, while the above factors are all significant and strong determinants when comparing different policies or countries of different region and accession during different periods, when comparing states of the same region they are weaker. This is because demands and promises are not expected to be different.

## **6. Conclusions**

Inspired by the puzzle of why despite having many common characteristics such as their Yugoslav history, their transitioning economies and the presence of many ethnic minorities in their territories the Western Balkans (WB) comply at varying levels with the EU's requests with one another, the main objective of this thesis was to investigate how different domestic factors affect the effectiveness of the EU's conditionality policy in the WB. More specifically, the main research question was **“How is the effectiveness of the EU's conditionality policy affected by domestic factors in the Western Balkans?”**. The main theoretical framework was based on a rational institutionalist approach that views conditionality as “Reinforcement by Reward”. This approach suggests that the EU uses external incentives to persuade countries to conform to its demands, while the targeted countries calculate their costs and benefits to decide if they will comply or not. Based on a collection of theories that discuss the determinants of the effectiveness of the EU's conditionality, the two most significant factors for the WB were singled out. These were the “Party Competition” and the “Policy Saliency”. The first factor relates to the works of Schimmelfennig & Sedelmeier (2004; 2005) and Vachudova (2005). It included two discrete, albeit similar ideas, what Schimmelfennig & Sedelmeier (2004;2005) described as “Party Constellations and Orientation” and what Vachudova (2005) described as “Political Competitiveness”. The first idea explained how the EU's conditionality is expected to increase when the number of liberal-democratic and pro-EU/ pro-Western parties in the parliaments of the countries increases. The second focuses on the elections and suggests that the conditionality will be more effective if they result in significant governmental changes. The second independent variable, “Policy Saliency”, describes how states take into account the saliency that key actors attribute to the policies when calculating costs and benefits and will refrain from adopting policies that harm the interests of key domestic actors (Jacoby 2004; Lindstrom 2011;2015). Thus, the effectiveness of the EU's conditionality policy depends on whether its demands oppose the interests of domestic actors, including those of the general public. This thesis understood saliency as the “the relative importance of different policy areas” (Humphreys & Garry 2000 p.2) or as the weight that different actors attribute to issues (Thomson 2011; Beyers et al 2017; Meissner & McKenzie 2018). Two main reasons led to the choice of the above variables. First, “Political Competitiveness” and “Party Constellations and Orientation” are both of notable importance during or after significant transformations (Vachudova 2005; Schimmelfennig & Sedelmeier 2004). Thus, this factor is especially relevant for the WB, given the Yugoslav wars and the following political transformations of the 90s and

early 00s. The second factor, “Policy Saliency”, was chosen because it is relevant for WB since, in states with weak institutional capacities, actors are forced to invest political resources to “strategic issues” that do not generally cause opposition (Meissner & McKenzie 2018). Thus, based on the above, two main hypotheses were made. These were

**H1: The higher the party competition, the more effective choice EU’ conditionality policy will be**

**H2: The greater the policy saliency, the less effective the EU’s conditionality policy will be.**

To analyse the above empirically, I chose a qualitative method, a case study. More specifically, I selected the environmental and energy policies of two out of the six WB countries, Bosnia and Herzegovina (BiH) and Montenegro. These countries were selected because, despite their similarities, (Yugoslav past, independence after controversial referendums, transition economies, ethnic minorities, high level of corruption etc), they chose different paths during the Yugoslav wars, resulting in diverse political and party systems today. The two policies were decided based on their varying levels of saliency despite being inter-related.

In short, the results of the analysis were the following. First of all, overall conditionality was found to be more effective in Montenegro than in BiH, especially in the energy sector. However, concerning the two policy areas, there were no significant differences in BiH, while in Montenegro, compliance was lower in the environmental policy area than that of the energy. Concerning the first independent variable, the vast majority of parties in BiH seemed to be socialist and nationalistic, promoting the interest of each ethnic group (Bosnians, Croats, Serbs). Thus, voters typically vote along ethnic lines. Moreover, in one of BiH’s entities, the Federation of BiH (FBiH) most parties are supportive of the country’s integration to the EU and the West. On the other hand, in Republika Srpska (RS) there are many Eurosceptic and Pro-Russian parties, especially the two main parties that often form governing coalitions. Finally, there are only minor changes after elections while coalitions at a state-level consist of more than four parties. In Montenegro, parties are generally Social Democratic and pro-Western/ Pro-EU. Furthermore, there is a significant number of liberal democratic and minority interest parties as well. However, there are no changes after elections, since the same party (independently or in a coalition) has been winning the elections since the early 90s. Thus, the first hypothesis is only partially correct. While indeed the number of democratic, Pro-EU parties seems to be significant, governmental changes after elections are not. Concerning the second

hypothesis, according to the literature, energy should be more salient than the environment, especially in BiH. However, this was not the case. The results of the analysis showed that there are no significant differences between the effectiveness of the EU's conditionality in the energy and the environmental sector in BiH, while in Montenegro, compliance is better in the energy sector. Thus, the second hypothesis is not confirmed. Two reasons might be able to explain the above inconsistency. First of all, the lack of adequate administrative capacity in the environmental sector might hinder the efforts of these countries to comply. Secondly, since energy is more salient for the EU as well, especially concerning the region under investigation, its requests for this sector will also be more prominent. Thus, candidate countries might be more eager to comply despite the domestic costs. On their External Incentives Model, Schimmelfennig & Sedelmeier (2004) called the above "the determinacy of conditions", meaning that effective conditionality can also depend on how important the issue is for the EU and thus how clearly the EU formulates the condition and how hard it presses the countries to comply.

The known limitations of this thesis are three. The most important is the lack of knowledge of the languages of the countries under study. Thus, the examination of articles, books and primary sources from those countries was not possible. This limitation is significant because the thesis focused on EU primary sources and international secondary literature, which might have resulted in a one-sided review of the subject. However, research written in English by scholars from these states reduced the negative impact of this limitation on the results of the thesis. A second limitation relates to the complex nature of BiH political system. As it was described in the second chapter, the country is divided into two entities, which in turn are further subdivided into cantons and municipalities. Each of the above, has its own governing bodies, for example, while the two entities and the cantons enjoy a big portion of autonomy. Because of this complexity, in-depth and thorough analysis in the case of BiH was not possible. Especially when combined with the first limitation, there was a limited possibility to see how the various governing bodies interact with one another and what kind of jurisdiction and in which sectors each level has. Finally, a third limitation concerns the nature of the second variable and the ambiguity that surrounds it. Scholars usually view salience under different perspectives and have similar, albeit different definitions.

Based on the above limitations, as well as the results of this thesis, several further research suggestions can be made. First of all, as it was discussed in the previous chapter, whether the differences in the political system of the countries are responsible both for the nature of the

parties, as well as for the level of compliance, should be further investigated. The complexity of BiH political system, for example, can be an obstacle when adopting laws and promoting cooperation. Similarly, it can also facilitate the existence of nationalistic parties. Thus, a useful future investigation could be how the political systems of the WB countries affect the EU's conditionality. A second area worthy of further research is corruption and its correlation with conditionality. More specifically, the high levels of corruption in the WB could affect both the levels of compliance and the increased salience of the energy sector. Furthermore, according to the progress reports of Montenegro, the lack of sufficient administrative and institutional capacity seems to be the main issue in the said country, and thus this factor should also be further examined. Finally, it would be useful if the study is repeated after these countries enter the EU in order to examine how and if the effectiveness of the EU's conditionality policy changes for the WB countries once they become members of the Union.

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## 8. Appendix

Party	Votes	% of Valid Votes	Seats		
			Main	Albanian	Total
<i>Coalition for a European Montenegro (DPS–SDP)</i>	164,737	48.62	39	2	41
<i>Serb List</i>	49,730	14.68	12	0	12
<i>SNP–NS–DSS</i>	47,683	14.07	11	0	11
<i>Movement for Changes</i>	44,483	13.13	11	0	11
<i>Liberals and Bosniak Party</i>	12,748	3.76	3	0	3
<i>Democratic Alliance in Montenegro–Party of Democratic Prosperity</i>	4,373	1.29	0	1	1
<i>Democratic Union of Albanians</i>	3,693	1.09	0	1	1
<i>Civic List</i>	2,906	0.86	0	0	0
<i>Albanian Alternative</i>	2,656	0.78	0	1	1
<i>League of Communists of Yugoslavia – Communists of Montenegro</i>	2,343	0.69	0	0	0
<i>New Democratic Force - FORCA</i>	2,197	0.65	0	0	0
<i>Democratic Party of Montenegro</i>	1,286	0.38	0	0	0
<i>Invalid/blank votes</i>	6,922	–	–	–	–
<b>Total</b>	<b>345,757</b>	<b>100</b>	<b>76</b>	<b>5</b>	<b>81</b>
<i>Registered voters/turnout</i>	484,430	71.4	–	–	–

Table 1. Parliamentary Elections Montenegro 2006. OSCE 2006

Party	Votes	%	Seats		
			Main	Albanian	Total
<i>Coalition for a European Montenegro</i>	168,290	51.9	47	1	48
<i>Socialist People's Party of Montenegro</i>	54,547	16.8	16	0	16
<i>New Serb Democracy</i>	29,883	9.2	8	0	8
<i>Movement for Changes</i>	19,546	6.0	5	0	5
<i>People's Coalition (NS–DSS)</i>	9,448	2.9	0	0	0
<i>For a Different Montenegro (LP–DC)</i>	8,759	2.7	0	0	0
<i>Party of Pensioners and Invalids of Montenegro</i>	7,691	2.4	0	0	0
<i>Democratic Union of Albanians</i>	4,747	1.5	0	1	1
<i>Serb National List (SSR–SSN)</i>	4,291	1.3	0	0	0
<i>Bosniaks and Muslims Together as One</i>	3,489	1.1	0	0	0
<i>New Democratic Power – FORCA</i>	2,939	0.9	0	1	1
<i>Albanian List (DSCG–AA)</i>	2,898	0.9	0	1	1
<i>Albanian Coalition "Perspective"</i>	2,619	0.8	0	1	1
<i>Serb Fatherland Party</i>	2,446	0.8	0	0	0
<i>Montenegrin Communists</i>	1,594	0.5	0	0	0
<i>Party of Democratic Prosperity</i>	805	0.2	0	0	0
<i>Invalid/blank votes</i>	5,827	–	–	–	–
<b>Total</b>	<b>329,819</b>	<b>100</b>	<b>76</b>	<b>5</b>	<b>81</b>
<i>Registered voters/turnout</i>					

Table 2. Parliamentary Elections Montenegro 2009. OSCE 2009



<b>Party</b>	<b>Votes</b>	<b>%</b>	<b>Seats</b>
<i>Coalition for a European Montenegro</i>	165,380	45.60	39
<i>Democratic Front</i>	82,773	22.82	20
<i>Socialist People's Party</i>	40,131	11.06	9
<i>Positive Montenegro</i>	29,881	8.24	7
<i>Bosniak Party</i>	15,124	4.17	3
<i>Serb Unity</i>	5,275	1.45	0
<i>For Unity</i>	5,244	1.45	1
<i>Albanian Coalition</i>	3,824	1.05	1
<i>Serb National Alliance</i>	3,085	0.85	0
<i>Democratic Union of Albanians</i>	2,848	0.79	0
<i>Croatian Civic Initiative</i>	1,470	0.40	1
<i>Together</i>	1,384	0.38	0
<i>Albanian Youth Alliance</i>	531	0.15	0
<i>Invalid/blank votes</i>	5,764	1.59	–
<b>Total</b>	<b>362,714</b>	<b>100</b>	<b>81</b>
<i>Registered voters/turnout</i>	514,055	70.56	–

Table 3. Parliamentary Elections Montenegro 2012. OSCE 2012

<b>Party</b>	<b>Votes</b>	<b>%</b>	<b>Seats</b>
<i>Democratic Party of Socialists</i>	158,490	41.41	36
<i>Democratic Front</i>	77,784	20.32	18
<i>Key Coalition</i>	42,295	11.05	9
<i>Democratic Montenegro</i>	38,327	10.01	8
<i>Social Democratic Party</i>	20,011	5.23	4
<i>Social Democrats</i>	12,472	3.26	2
<i>Bosniak Party</i>	12,089	3.16	2
<i>Positive Montenegro</i>	5,062	1.32	0
<i>Albanians Decisively</i>	4,854	1.27	1
<i>Albanian Coalition</i>	3,394	0.89	0
<i>Croatian Civic Initiative</i>	1,801	0.47	1
<i>Democratic Alliance of Albanians</i>	1,542	0.40	0
<i>Serb Party</i>	1,201	0.31	0
<i>Bosniak Democratic Community in Montenegro</i>	1,140	0.30	0
<i>Alternative Montenegro</i>	878	0.23	0
<i>Party of Serb Radicals</i>	693	0.18	0
<i>Party of Pensioners, Disabled and Social Justice</i>	672	0.18	0
<i>Invalid/blank votes</i>	5,513	–	–
<b>Total</b>	<b>388,220</b>	<b>100</b>	<b>81</b>
<i>Registered voters/turnout</i>	528,817	73.41	–

Table 4. Parliamentary Elections Montenegro 2016. OSCE 2016

Community	Candidate	Party	Votes	%
Bosniaks	<i>Haris Silajdžić</i>	<i>Party for Bosnia and Herzegovina</i>	350,520	62.8
	<i>Sulejman Tihić</i>	<i>Party of Democratic Action</i>	153,683	27.53
	<i>Mirnes Ajanović</i>	<i>Patriotski Blok BOSS-SDU BiH</i>	45,608	8.17
	<i>Muhamed Čengić</i>	<i>People's Party Work for Betterment</i>	4,466	0.8
	<i>Beščo Alibegović</i>	<i>Independent</i>	2,670	0.48
	<i>Adil Žigić</i>	<i>Independent</i>	1,245	0.22
Croats	<i>Željko Komšić</i>	<i>Social Democratic Party</i>	116,062	39.56
	<i>Ivo Miro Jović</i>	<i>Croatian Democratic Union</i>	76,681	26.14
	<i>Božo Ljubić</i>	<i>Croatian Democratic Union 1990</i>	53,325	18.18
	<i>Mladen Ivanković Lijanović</i>	<i>People's Party Work for Betterment</i>	24,822	8.46
	<i>Zvonko Jurišić</i>	<i>Croatian Party of Rights</i>	20,350	6.94
	<i>Irena Korjenić Javor</i>	<i>Independent</i>	2,143	0.73
Serbs	<i>Nebojša Radmanović</i>	<i>Alliance of Independent Social Democrats</i>	287,675	53.26
	<i>Mladen Bosić</i>	<i>Serbian Democratic Party</i>	130,824	24.22
	<i>Zoran Tešanović</i>	<i>Party of Social Progress</i>	26,818	4.96
	<i>Jugoslav Jovičić</i>	<i>Social Democratic Party</i>	22,245	4.12
	<i>Radislav Kanjerić</i>	<i>Serbian Radical Party</i>	19,849	3.67
	<i>Ranko Bakić</i>	<i>People's Party Work for Betterment</i>	18,302	3.39
	<i>Nedo Durić</i>	<i>Srpska Democratic Movement</i>	16,307	3.02
	<i>Slavko Dragičević</i>	<i>Patriotic Bloc (BOSS-SDU)</i>	10,410	1.93
	<i>Svetlana Udovičić</i>	<i>Independent</i>	2,847	0.53
	<i>Snežana Avdalović</i>	<i>Independent</i>	2,753	0.53
	<i>Branislav Ristić</i>	<i>Independent</i>	2,143	0.4
Invalid/blank votes				–
<b>Total</b>			<b>1,397,418</b>	<b>100</b>

Table 5. State Presidency BiH 2006. OSCE 2006

Party	Federation			Republika Srpska			Total
	Votes	%	Seats	Votes	%	Seats	
<i>Party of Democratic Action</i>	217,961	25.5	8	20,514	3.67	1	9
<i>Party for Bosnia and Herzegovina</i>	196,230	22.9	7	23,257	4.2	1	8
<i>Social Democratic Party</i>	131,450	15.4	5	11,822	2.1	0	5
<i>HDZ-HK-HNZ</i>	68,188	7.9	3	1,145	0.2	0	3
<i>Croats Together</i>	52,095	6.1	2	591	0.1	0	2
<i>Bosnian Patriotic Party</i>	37,608	4.4	1	866	0.2	0	1
<i>People's Party Work for Betterment</i>	27,487	3.2	1	5,533	1.0	0	1
<i>Patriotic Bloc (BOSS-SDU)</i>	23,605	2.8	0	162	0.0	0	0
<i>Croatian Party of Rights</i>	19,486	2.3	0	4,929	0.9	0	0
<i>Democratic People's Union</i>	16,221	1.9	1	321	0.1	0	1
<i>Pensioners' Party</i>	11,790	1.4	0	–	–	–	0
<i>Liberal Democratic Party</i>	8,337	1.0	0	–	–	–	0
<i>Youth Political Movement</i>	7,713	0.9	0	800	0.1	0	0
<i>Alliance of Independent Social Democrats</i>	7,265	0.9	0	262,203	46.9	7	7
<i>Movement for Change</i>	6,091	0.7	0	–	–	–	0
<i>European Ecological Party E5</i>	5,053	0.6	0	519	0.1	0	0

<i>Civic Democratic Party</i>	4,322	0.5	0	400	0.1	0	0
<i>People's Bosniak Party</i>	3,848	0.4	0	–	–	–	0
<i>Democratic Party of Invalids</i>	3,475	0.4	0	–	–	–	0
<i>BH Free Democrats</i>	1,657	0.2	0	–	–	–	0
<i>Socialist Party</i>	1,752	0.2	0	12,579	2.3	0	0
<i>KNSZPBG-PMBiH</i>	1,013	0.1	0	369	0.1	0	0
<i>Bosansko Podrinjska Narodna Stranka</i>	493	0.0	0	73	0.0	0	0
<i>Democratic People's Alliance</i>	232	0.0	0	19,868	3.56	1	1
<i>Serbian Democratic Party</i>	–	–	–	108,616	19.4	3	3
<i>Party of Democratic Progress</i>	–	–	–	28,410	5.08	1	1
<i>Serbian Radical Party</i>	–	–	–	15,806	2.8	0	0
<i>SRS "Dr. Vojislav Šešelj"</i>	–	–	–	14,714	2.6	0	0
<i>PS–NDS</i>	–	–	–	12,340	2.2	0	0
<i>Serbian Democratic Movement</i>	–	–	–	7,807	1.4	0	0
<i>Serbian New Power</i>	–	–	–	2,712	0.5	0	0
<i>Democratic Socialist Alliance</i>	–	–	–	2,350	0.4	0	0
Invalid/blank votes	68,492	–	–	33,027	–	–	–
<b>Total</b>	<b>921,864</b>	<b>100</b>	<b>28</b>	<b>591,733</b>	<b>100</b>	<b>14</b>	<b>42</b>

Table 6. House of Representatives BiH 2006. OSCE 2006

<b>Party</b>	<b>Votes</b>	<b>Reg.</b>	<b>Com.</b>	<b>Total</b>
<i>Party of Democratic Action (SDA)</i>	218,365	23	5	28
<i>Party for Bosnia and Herzegovina (Za BiH)</i>	190,148	19	5	24
<i>Social Democratic Party (SDP)</i>	130,204	13	4	17
<i>Croatian Democratic Union of Bosnia and Herzegovina(HDZ/HNZ/HSP)</i>	64,906	7	1	8
<i>Croatian Democratic Union 1990 (HDZ1990)</i>	54,210	5	2	7
<i>Bosnian-Herzegovinian Patriotic Party-Sefer Halilović (BPS)</i>	35,223	1	3	4
<i>Bosnian Party/Social Democratic Union (BOSS/SDU)</i>	27,200	1	2	3
<i>People's Party Work for Betterment</i>	27,132	-	3	3
<i>Croatian Party of Right/New Croatian Initiative</i>	21,152	1	-	1
<i>Democratic People's Community</i>	16,014	2	-	2
<i>Alliance of Independent Social Democrats</i>	12,564	1	-	1

Table 7. House of Representatives FBiH 2006. OSCE

<b>Party</b>	<b>Percentage</b>	<b>Seats</b>
<i>Alliance of Independent Social Democrats (SNSD)</i>	43.29%	41
<i>Serb Democratic Party (SDS)</i>	18.03%	17
<i>Party of Democratic Progress (PDP)</i>	6.86%	8
<i>Democratic People's Alliance (DNS)</i>	4.04%	4
<i>Party for Bosnia and Herzegovina (SBiH)</i>	4.01%	4
<i>Socialist Party(SP)</i>	3.5%	3
<i>Party of Democratic Action (SDA)</i>	3.39%	3
<i>Serbian Radical Party (SRS-RS)</i>	2.92%	2
<i>Social Democratic Party (SDP BiH)</i>	2.5%	1

Table 8. National Assembly of RS. OSCE 2006

Candidate	Party	Votes	%
<b>Bosniak member</b>			
<i>Bakir Izetbegović</i>	<i>Party of Democratic Action</i>	162,831	34.86
<i>Fahrudin Radončić</i>	<i>Union for a Better Future of BiH</i>	142,387	30.49
<i>Haris Silajdžić</i>	<i>Party for Bosnia and Herzegovina</i>	117,240	25.10
<b>IBRAHIM ĐEDOVIĆ</b>	<b>DNZ BIH (Democratic People's Union of BiH)</b>	13,369	2.86
<i>Mujo Demirović</i>	<i>Bosnian-Herzegovinian Patriotic Party-Sefer Halilović</i>	8,951	1.92
<i>Đemal Latić</i>	<i>Party of Democratic Activity</i>	8,738	1.87
<i>Ibrahim Spahić</i>	<i>Civic Democratic Party</i>	6,948	1.49
<i>Izudin Kešetović</i>	<i>Bosnian Party</i>	4,228	0.91
<i>Aida Jusić</i>	<i>Independent</i>	2,347	0.50
<b>Croat member</b>			
<i>Željko Komšić</i>	<i>Social Democratic Party</i>	337,065	60.61
<i>Borjana Krišto</i>	<i>Croatian Democratic Union</i>	109,758	19.74
<i>Martin Raguž</i>	<i>Croatian Coalition</i>	60,266	10.84
<i>Jerko Ivanković-Lijanović</i>	<i>People's Party Work for Betterment</i>	45,397	8.16
<i>Pero Galić</i>	<i>Independent</i>	1,581	0.28
<i>Mile Kutle</i>	<i>Independent</i>	1,069	0.19
<i>Ferdo Galić</i>	<i>Independent</i>	975	0.18
<b>Serb member</b>			
<i>Nebojša Radmanović</i>	<i>SNSD</i>	295,629	48.92
<i>Mladen Ivanić</i>	<i>Together for Srpska</i>	285,951	47.31
<i>Rajko Papović</i>	<i>Union for a Democratic Srpska</i>	22,790	3.77
Invalid/blank votes		141,053	–
<b>Total</b>		<b>1,768,573</b>	<b>100</b>
Registered voters/turnout		3,126,599	56.56

Table 9. State Presidency BiH 2010. OSCE 2010

Party	Federation			Republika Srpska			Total			
	Votes	%	Seats	Votes	%	Seats	Votes	%	Seats	+/-
<i>Social Democratic Party</i>	266,023	26.07	8	18,412	2.96	0	284,435	17.33	8	+3
<i>Alliance of Independent Social Democrats</i>	8,810	0.86	0	269,009	43.30	8	277,819	16.92	8	+1
<i>Party of Democratic Action</i>	197,922	19.40	7	16,378	2.64	0	214,300	13.05	7	-2
<i>Serb Democratic Party</i>	–	–	–	137,844	22.19	4	137,844	8.40	4	+1
<i>Union for a Better Future of BiH</i>	124,114	12.16	4	6,334	1.02	0	130,448	7.95	4	New
<i>Croatian Democratic Union</i>	112,115	10.99	3	2,361	0.38	0	114,476	6.97	3	0
<i>Party for Bosnia and Herzegovina</i>	74,004	7.25	2	12,665	2.04	0	86,669	5.28	2	-6
<i>Croatian Coalition</i>	49,549	4.86	2	522	0.08	0	50,071	3.05	2	0

<i>People's Party for Work and Betterment</i>	49,050	4.81	1	–	–	–	49,050	2.99	1	0
<i>Party of Democratic Progress</i>	–	–	–	40,070	6.45	1	40,070	2.44	1	0
<i>Democratic People's Alliance</i>	1,147	0.11	0	28,511	4.59	1	29,658	1.81	1	0
<i>Bosnian-Herzegovinian Patriotic Party-Sefer Halilović</i>	28,102	2.57	0	602	0.10	0	28,704	1.75	0	–1
<i>Bosnian Party</i>	19,224	1.88	0	217	0.03	0	19,441	1.18	0	0
<i>Our Party–New Socialist Party</i>	11,917	1.17	0	7,518	1.21	0	19,435	1.18	0	New
<i>Party of Democratic Activity</i>	17,634	1.73	0	371	0.06	0	18,005	1.10	0	New
<i>Democratic People's Union</i>	14,843	1.45	1	310	0.05	0	15,153	0.92	1	0
<i>Democratic Party</i>	–	–	–	15,057	2.42	0	15,057	0.92	0	New
<i>Socialist Party</i>	–	–	–	14,573	2.35	0	14,573	0.89	0	0
<i>SRS "Dr. Vojislav Šešelj"</i>	–	–	–	14,320	2.30	0	14,320	0.87	0	0
<i>Party of the Penniless People</i>	11,462	1.12	0	237	0.04	0	11,699	0.71	0	New
<i>Pensioners' Party</i>	11,158	1.09	0	–	–	–	11,158	0.68	0	0
<i>Serbian Radical Party</i>	–	–	–	10,483	1.69	0	10,483	0.64	0	0
<i>Serbian Progressive Party</i>	–	–	–	8,636	1.39	0	8,636	0.53	0	0
<i>Social Democratic Union</i>	8,603	0.84	0	152	0.02	0	8,755	0.53	0	0
<i>Croatian Peasant Party</i>	3,522	0.35	0	4,574	0.74	0	8,096	0.49	0	New
<i>National Democratic Party</i>	–	–	–	6,692	1.08	0	6,692	0.41	0	0
<i>Alliance for Srpska Democracy</i>	–	–	–	4,911	0.79	0	4,911	0.30	0	New
<i>Democratic Party of Invalids</i>	3,577	0.35	0	47	0.01	0	3,624	0.22	0	0
<i>Party for the People</i>	3,174	0.31	0	–	–	–	3,174	0.19	0	New
<i>Turnaround Coalition (GDS–NEP)</i>	2,053	0.20	0	398	0.06	0	2,451	0.15	0	0
<i>LDS–EES E-5</i>	2,290	0.22	0	15	0.00	0	2,305	0.14	0	0
<i>Independents</i>	–	–	–	57	0.01	0	57	0.00	0	New
<i>Invalid/blank votes</i>	78,009	–	–	49,669	–	–	127,678	–	–	–
<b>Total</b>	<b>1,098,302</b>	<b>100</b>	<b>28</b>	<b>670,945</b>	<b>100</b>	<b>14</b>	<b>1,769,247</b>	<b>100</b>	<b>42</b>	<b>0</b>

Table 10. House of Representatives BiH 2010. OSCE 2010

Party	Votes	Reg.	Com.	Total
<i>Social Democratic Party (SDP)</i>	251,053	20	8	28
<i>Party of Democratic Action (SDA)</i>	206,926	17	6	23
<i>Union for a Better Future of BiH (SBB BiH)</i>	121,697	11	2	13
<i>Croatian Democratic Union of Bosnia and Herzegovina (HDZ)</i>	108,943	10	2	12
<i>Party for Bosnia and Herzegovina (Za BiH)</i>	78,086	8	1	9
<i>People's Party Work for Betterment</i>	48,286	-	5	5
<i>Croatian Democratic Union 1990 (HDZ1990)/Croatian Party of Right</i>	47,941	4	1	5
<i>Party of Democratic Activity (A-SDA)</i>	19,254	1	-	1
<i>Democratic People's Community</i>	15,082	1	-	1
<i>Alliance of Independent Social Democrats</i>	9,505	1	-	1

Table 11. House of Representatives FBiH 2010. OSCE 2010

Candidate	Party	Votes	%
<i>Milorad Dodik</i>	<i>Alliance of Independent Social Democrats</i>	319,618	50.52
<i>Ognjen Tadić</i>	<i>Coalition Together for Srpska</i>	227,239	35.92
<i>Enes Suljkanović</i>	<i>Social Democratic Party</i>	15,425	2.44

Table 12. President of RS 2010. OSCE 2010

Party	Votes	%	Seats			
			Direct	Compensatory	Total	+/-
<i>Alliance of Independent Social Democrats</i>	240,727	38.00	28	9	37	-4
<i>Serb Democratic Party</i>	120,136	18.97	14	4	18	+1
<i>Party of Democratic Progress</i>	47,806	7.55	5	2	7	-1
<i>Democratic People's Alliance</i>	38,547	6.09	4	2	6	+2
<i>Socialist Party–Party of United Pensioners</i>	26,824	4.23	3	1	4	+1
<i>Democratic Party</i>	21,604	3.41	1	2	3	New
<i>Social Democratic Party</i>	19,297	3.05	2	1	3	+2
<i>Party of Democratic Action</i>	16,861	2.66	2	0	2	-1
<i>Serbian Radical Party</i>	15,166	2.39	1	0	1	-1
<i>SRS "Dr. Vojislav Šešelj"</i>	13,731	2.17	0	0	0	0
<i>National Democratic Party</i>	13,440	2.12	2	0	2	

Table 13. National Assembly RS 2010. OSCE 2010

Candidate	Party	Votes	%
<b>Bosniak member</b>			
<i>Bakir Izetbegović</i>	<i>Party of Democratic Action</i>	247,235	32.87
<i>Fahrudin Radončić</i>	<i>Union for a Better Future of BiH</i>	201,454	26.78
<i>Emir Suljagić</i>	<i>Democratic Front</i>	114,334	15.20
<i>Bakir Hadžiomerović</i>	<i>Social Democratic Party</i>	75,369	10.02
<i>Sefer Halilović</i>	<i>Bosnian-Herzegovinian Patriotic Party-Sefer Halilović</i>	66,230	8.80
<i>Mustafa Cerić</i>	<i>Independent</i>	33,882	4.50
<i>Džebrail Bajramović</i>	<i>Diaspora Party</i>	5,041	0.67
<i>Mirsad Kebo</i>	<i>Independent</i>	3,893	0.52
<i>Halil Tuzlić</i>	<i>Independent</i>	3,162	0.42
<i>Adil Žigić</i>	<i>Independent</i>	1,637	0.22
<b>Croat member</b>			
<i>Dragan Čović</i>	<i>Croatian Democratic Union</i>	128,053	52.20
<i>Martin Raguž</i>	<i>Croatian Democratic Union 1990</i>	94,695	38.61
<i>Živko Budimir</i>	<i>Party of Justice and Trust</i>	15,368	6.27
<i>Anto Popović</i>	<i>Democratic Front</i>	7,179	2.93
<b>Serb member</b>			
<i>Mladen Ivanić</i>	<i>SDS–PDP–NDP–SRS RS–PUP</i>	318,196	48.71
<i>Željka Cvijanović</i>	<i>SNSD–DNS–SP</i>	310,658	47.56
<i>Goran Zmijanac</i>	<i>Fair Policy Party</i>	24,334	3.73
Invalid/blank votes		137,473	–
<b>Total</b>		<b>1,788,193</b>	<b>100</b>

Table 14. State Presidency BiH 2014. OSCE 2014

Party	Federation			Republika Srpska			Total			
	Votes	%	Seats	Votes	%	Seats	Votes	%	Seats	+/-
<i>Party of Democratic Action</i>	274,057	27.87	9	31,658	4.88	1	305,715	18.74	10	+3
<i>Alliance of Independent Social Democrats</i>	5,842	0.59	0	249,314	38.48	6	255,156	15.64	6	-2
<i>Serb Democratic Party</i>	–	–	–	211,603	32.67	5	211,603	12.97	5	+1
<i>Democratic Front</i>	150,767	15.33	5	–	–	–	150,767	9.24	5	New
<i>Union for a Better Future of BiH</i>	142,003	14.44	4	–	–	–	142,003	8.70	4	0
<i>HDZ–HSS–HKDU–HSP–AS BiH–HSP HB</i>	119,468	12.15	4	3,555	0.55	–	123,023	7.54	4	–
<i>Social Democratic Party</i>	92,906	9.45	3	15,736	2.43	–	108,642	6.66	3	-5
<i>PDP–NDP</i>	194	0.02	0	50,338	7.77	1	50,532	3.10	1	0

<i>Croatian Democratic Union 1990</i>	40,113	4.08	1	–	–	–	40,113	2.46	1	–
<i>Bosnian-Herzegovinian Patriotic Party-Sefer Halilović</i>	35,866	3.65	1	2,452	0.38	0	38,318	2.35	1	+1
<i>Democratic People's Alliance</i>	–	–	–	37,072	5.72	1	37,072	2.27	1	0
<i>Party for Bosnia and Herzegovina</i>	25,677	2.61	0	–	–	–	25,677	1.57	0	–2
<i>Party of Democratic Activity</i>	22,088	2.25	1	–	–	–	22,088	1.35	1	New
<i>Socialist Party</i>	–	–	–	18,732	2.89	0	18,732	1.15	0	0
<i>SPP–SDU–DNZ</i>	12,885	1.31	0	3,429	0.53	0	16,314	1.00	0	–1
<i>People's Party for Work and Betterment</i>	12,927	1.31	0	–	–	–	12,927	0.79	0	–1
<i>Advanced Serb Party</i>	–	–	–	11,421	1.76	0	11,421	0.70	0	0
<i>Our Party</i>	10,913	1.11	0	–	–	–	10,913	0.67	0	0
<i>Party of Justice and Trust</i>	–	–	–	9,763	1.51	0	9,763	0.60	0	New
<i>Bosnian Party</i>	7,518	0.76	0	–	–	–	7,518	0.46	0	0
<i>Social Democratic Union - Union for Us All</i>	5,881	0.6	0	853	0.13	0	6,734	0.41	0	0
<i>Labour Party</i>	5,731	0.58	0	–	–	–	5,731	0.35	0	New
<i>HSP–DSI</i>	5,475	0.56	0	–	–	–	5,475	0.34	0	–
<i>Communist Party</i>	3,075	0.31	0	1,976	0.30	0	5,051	0.31	0	New
<i>Croatian Union HKDU/HRAS T</i>	4,718	0.48	0	–	–	–	4,718	0.29	0	New
<i>Diaspora Party</i>	3,371	0.34	0	–	–	–	3,371	0.21	0	New
<i>New Movement</i>	1,830	0.19	0	–	–	–	1,830	0.11	0	New
<i>Tomo Vukić</i>	–	–	–	397	0.06	0	397	0.02	0	New
<i>Invalid/blank votes</i>	97,720	–	–	58,857	–	–	156,577	–	–	–
<b>Total</b>	<b>1,081,025</b>	<b>100</b>	<b>28</b>	<b>701,156</b>	<b>100</b>	<b>14</b>	<b>1,782,181</b>	<b>100</b>	<b>42</b>	<b>–</b>

Table 15. House of Representatives BiH 2014. OSCE 2014



Party	Votes	Reg.	Com.	Total
<i>Party of Democratic Action (SDA)</i>	275,728	21	8	29
<i>Union for a Better Future of BiH (SBB BiH)</i>	145,946	13	3	16
<i>Democratic Front (Bosnia and Herzegovina) (DF)</i>	128,058	10	4	14
<i>Croatian Democratic Union of Bosnia and Herzegovina (HDZ/HSS/HKDU/HSP-AS BiH/HSP-HB)</i>	118,375	11	1	12
<i>Social Democratic Party (SDP)</i>	100,626	10	2	12
<i>Croatian Democratic Union 1990 (HDZ 1990)</i>	40,125	4	-	4
<i>Bosnian-Herzegovinian Patriotic Party-Sefer Halilović (BPS)</i>	36,873	-	4	4
<i>Party for Bosnia and Herzegovina (Za BiH)</i>	32,790	-	3	3
<i>Party of Democratic Activity (A-SDA)</i>	22,334	2	-	2
<i>Our Party (NS)</i>	15,248	1	-	1
<i>Labour Party of Bosnia and Herzegovina</i>	5,607	1	-	1

Table 16. House of Representatives FBiH 2014. OSCE 2014

Candidate	Party	Votes	%
<i>Milorad Dodik</i>	<i>SNSD–DNS–SP</i>	303,496	45.40
<i>Ognjen Tadić</i>	<i>Alliance for Change</i>	296,021	44.28
<i>Ramiz Salkić</i>	<i>Homeland</i>	24,294	3.63

Table 17. President RS 2014. OSCE 2014

Party	Votes	%	Seats			
			Direct	Compensatory	Total	+/-
<i>Alliance of Independent Social Democrats</i>	213,645	32.28	24	5	29	-8
<i>SDS–PUP–SRS RS</i>	173,742	26.26	20	4	24	+4
<i>DNS-NS-SRS</i>	61,140	9.22	6	2	8	+2
<i>Party of Democratic Progress</i>	48,848	7.38	6	1	7	0
<i>Homeland</i>	34,952	5.22	3	2	5	+3
<i>National Democratic Movement</i>	33,966	5.13	3	2	5	0
<i>Socialist Party</i>	33,692	5.09	1	4	5	+2

Table 18. National Assembly RS 2014. OSCE 2014

Candidate	Party	Votes	%
<b>Bosniak member</b>			
Šefik Džaferović	Party of Democratic Action	212,581	36.61
Denis Bećirović	Social Democratic Party	194,688	33.53
Fahrudin Radončić	Union for a Better Future of BiH	75,210	12.95
Mirsad Hadžikadić	Mirsad Hadžikadić - Platform for Progress	58,555	10.09
Senad Šepić	Independent Bloc	29,922	5.15
Amer Jerlagić	Party for Bosnia and Herzegovina	9,655	1.66
<b>Croat member</b>			
Željko Komšić	Democratic Front	225,500	52.64
Dragan Čović	Croatian Democratic Union	154,819	36.14
Diana Zelenika	Croatian Democratic Union 1990	25,890	6.04
Boriša Falatar	Our Party	16,036	3.74
Jerko Ivanković-Lijanović	People's Party for Work and Betterment	6,099	1.42
<b>Serb member</b>			
Milorad Dodik	Alliance of Independent Social Democrats	368,210	53.88
Mladen Ivanić	Alliance for Victory (SDS–PDP–NDP–SRS RS–SRS–NS–SNS)	292,065	42.74
Mirjana Popović	Serb Progressive Party of Republika Srpska	12,731	1.86
Gojko Kličković	First Serb Democratic Party	10,355	1.52
Invalid/blank votes		120,259	–
<b>Total</b>		<b>1,812,575</b>	<b>100</b>
Registered voters/turnout		3,355,429	54.02

Table 19. State Presidency BiH 2018. OSCE 2018

Party	Federation			Republika Srpska			Total			
	Votes	%	Seats	Votes	%	Seats	Votes	%	Seats	+/-
Party of Democratic Action	252,081	25.48	8	29,673	4.45	1	281,754	17.01	9	-1
Alliance of Independent Social Democrats	4,663	0.47	0	260,930	39.10	6	265,593	16.03	6	0
SDS–NDP–NS–SRS	–	–	–	162,414	24.34	3	162,414	9.80	3	-2
Social Democratic Party	140,781	14.23	5	9,672	1.45	0	150,453	9.08	5	+2
HDZ–HSS–HSP–HNS–HKDU–HSP–AS BiH–HDU BiH	145,487	14.71	5	4,385	0.66	0	149,872	9.05	5	+1
Democratic Front–Civic Alliance	96,180	9.72	3	–	–	–	96,180	5.81	3	-2
Party of Democratic Progress	–	–	–	83,832	12.56	2	83,832	5.06	2	+1

<i>Democratic People's Alliance</i>	652	0.07	0	68,637	10.29	1	69,289	4.18	1	0
<i>Union for a Better Future of BiH</i>	67,597	6.83	2	1,394	0.21	0	68,991	4.16	2	-2
<i>Our Party</i>	48,402	4.89	2	-	-	-	48,402	2.92	2	+2
<i>Independent Bloc</i>	41,511	4.20	1	-	-	-	41,511	2.51	1	New
<i>Movement of Democratic Action</i>	38,417	3.88	1	-	-	-	38,417	2.32	1	New
<i>Socialist Party</i>	-	-	-	31,321	4.69	1	31,321	1.89	1	+1
<i>Party of Democratic Activity</i>	29,763	3.01	1	756	0.11	0	30,519	1.84	1	0
<i>HDZ 1990-HSP</i>	28,962	2.93	0	-	-	-	28,962	1.75	0	0
<i>People and Justice</i>	23,353	2.36	0	-	-	-	23,353	1.41	0	New
<i>Party for Bosnia and Herzegovina</i>	17,830	1.80	0	-	-	-	17,830	1.08	0	0
<i>Bosnian-Herzegovinian Patriotic Party</i>	16,433	1.66	0	-	-	-	16,433	0.99	0	-1
<i>Independent Bosnia-Herzegovina List</i>	12,505	1.26	0	-	-	-	12,505	0.75	0	New
<i>Labour Party</i>	7,735	0.78	-	-	-	-	7,735	0.47	0	0
<i>First Serb Democratic Party</i>	-	-	-	7,513	1.13	0	7,513	0.45	0	New
<i>Pensioners Party</i>	7,185	0.73	-	-	-	-	7,185	0.43	0	New
<i>Bosnian Party</i>	5,771	0.58	-	-	-	-	5,771	0.35	0	0
<i>Serb Progressive Party of Republika Srpska</i>	-	-	-	4,750	0.71	0	4,750	0.29	0	0
<i>Union for New Politics</i>	728	0.07	-	1381	0.21	0	2,109	0.13	0	New
<i>Croatian Party BiH</i>	1,095	0.11	-	-	-	-	1,095	0.07	0	New
<i>LDS za Boljitak</i>	1,833	0.19	0	-	-	-	1,833	0.11	0	New
<i>Lijevo Krilo</i>	264	0.03	0	666	0.10	0	930	0.06	0	New
<i>Invalid/blank votes</i>	95,808	-	-	60,600	-	-	156,408	-	-	-
<b>Total</b>	<b>1,085,036</b>	<b>100</b>	<b>28</b>	<b>727,924</b>	<b>100</b>	<b>14</b>	<b>1,812,960</b>	<b>100</b>	<b>42</b>	<b>0</b>
<i>Registered voters/turnout</i>	2,093,784	51.82	-	1,261,645	57.70	-	3,352,429	54.03	-	-

Table 20. House of Representatives BiH 2018. OSCE 2018

Party	Votes	%	Seats		
			Direct	Compensatory	Total
<i>Party of Democratic Action</i>	252773	25.24	22	5	27
<i>Social Democratic Party</i>	145453	14.52	12	4	16
<i>HDZ BiH,HSS,HKDU BiH,HSP-HNS,HSP DR AS BiH,HDU BiH,HSS SR</i>	143705	14.35	13	3	16
<i>Democratic Front–Civic Alliance</i>	93696	9.36	9	1	10
<i>Union for a Better Future of BiH</i>	70683	7.06	5	3	8
<i>Our Party</i>	50945	5.09	1	5	6
<i>Movement of Democratic Action</i>	37731	3.77	3	1	4
<i>Independent Bloc</i>	34912	3.49	1	3	4
<i>Party of Democratic Activity</i>	27429	2.74	2	0	2
<i>HDZ 1990-HSP</i>	25663	2.56	2	0	2
<i>People and Justice</i>	23222	2.32	2	0	2

Table 21. House of Representatives FBiH 2018. OSCE 2018

Party	Votes	%	Seats			
			Direct	Compensatory	Total	+/-
<i>Alliance of Independent Social Democrats</i>	218,201	31.87	24	4	28	-1
<i>SDS–SRS RS–SRS</i>	123,515	18.04	13	3	16	-8
<i>Democratic People's Alliance</i>	98,851	14.44	11	1	12	+4
<i>Party of Democratic Progress</i>	69,948	10.22	5	4	9	+2
<i>Socialist Party</i>	56,106	8.19	6	1	7	+2
<i>Together for BiH</i>	29,556	4.32	2	2	4	New
<i>NDP–NS–SNS–Freedom</i>	28,183	4.12	1	3	4	-1
<i>United Srpska</i>	21,187	3.09	1	2	3	New

Table 22. National Assembly RS 2018. OSCE 2018

Candidate	Party	Votes	%
<i>Željka Cvijanović</i>	<i>Alliance of Independent Social Democrats</i>	319,699	47.04
<i>Vukota Govedarica</i>	<i>Alliance for Victory (SDS–PDP–NDP–SRS RS–SRS–NS–SNS)</i>	284,195	41.82
<i>Ramiz Salkić</i>	<i>Together for BiH</i>	21,292	3.13
<i>Čamil Duraković</i>	<i>Independent</i>	10,299	1.52

Table 23. Presidency RS 2018. OSCE 2018

## **Declaration of Authorship**

I hereby certify that this thesis has been composed by me and is based on my own work unless stated otherwise. No other person's work has been used without due acknowledgment in this thesis. All references and verbatim extracts have been quoted and all sources of information, including graphs and data sets, have been specifically acknowledged.

**Date:** 05/09/2019    **Signature:**