

Recent history

Croatia and the Former Yugoslav Republic of Macedonia (FYROM) were both (along with Bosnia and Herzegovina, Serbia and Montenegro) formed as a result of the break-up of Yugoslavia in the 1990s. This break-up sparked several wars across the Balkan region. Croatia became involved in a bitter conflict with Serbia, and the Serb population living in Croatia, known as the Croatian War of Independence (1991-95). Fought mainly along ethnic lines, thousands were killed and it left a legacy of division that the region is still coming to terms with.

FYROM remained largely at peace in the immediate aftermath of the break-up, but was later severely destabilised by ethnic Albanian radicals taking refuge from the Kosovo War in the late 1990s. The resulting conflict only ended with the intervention of NATO and the signing of the Ohrid Agreement. In this agreement, FYROM's government agreed to devolve some political power to the Albanian minority, in exchange for the group giving up their separatist demands.

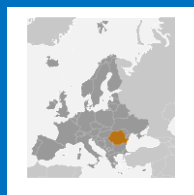
Albania has existed as an independent state since 1925, but went through a period of great uncertainty following the collapse of Communism in 1992. Manipulated election results and an economic crisis caused widespread riots in 1997, which saw the rule of law collapse momentarily until a government of national unity was built and new elections called. The country was also unsettled by the large number of refugees from Kosovo in 1998 and 1999, but managed to stabilise without any great conflict.

Croatia: key facts



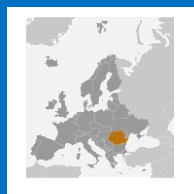
❖ Capital	Zagreb
❖ Population	4 million (2014)
❖ % of total EU population	0.8%
❖ Official languages	Croatian
❖ Year of EU accession	2013
❖ Currency	Croatian Kuna HRK
❖ Schengen Area member	No
❖ Seats in European Parliament	11

FYROM Macedonia: key facts



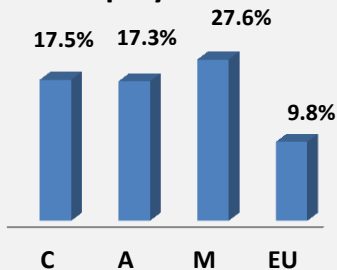
❖ Capital	Skopje
❖ Population	2 million
❖ Official languages	Macedonian
❖ Currency	Macedonian denar (MKD)
❖ Schengen Area member	No
❖ EU membership status	Official candidate since 2005

Albania: key facts

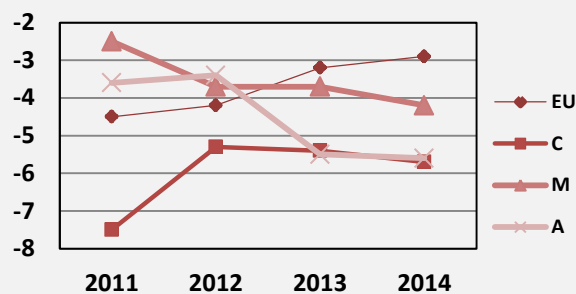


❖ Capital	Tirana
❖ Population	3 million
❖ Official languages	Albanian
❖ Currency	Lek (ALL)
❖ Schengen Area member	No
❖ EU membership status	Official candidate since 2014

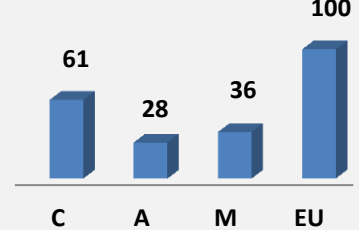
Unemployment rate



Public budget deficit/surplus



GDP per capita in PPS (2013)



Issues concerning EU membership

Croatia is an official EU member state, while FYROM and Albania are candidate countries. At the Zagreb Summit in 2000, all three countries agreed on a **Stabilisation and Association Process** with the EU's political leaders. This was reiterated in the Thessaloniki European Council in 2003. Croatia began membership negotiations in October 2005; at a referendum held on 22 January 2012, 66.27% of Croatian voters supported Croatia's accession to the EU and the country officially became the EU's 28th member state on 1st July 2013.

FYROM was formally recognised as an EU candidate country in 2005, although membership negotiations were delayed by an on-going dispute with Greece about its name (a region in Greece is also called Macedonia). FYROM also witnessed violence during elections in June 2008 as tensions remain between the centre-right Democratic Party for Macedonian National Unity (VMRO-DPMNE) and the country's largest ethnic Albanian party, the Democratic Union for Integration (DUI). These tensions have significantly slowed reform, especially in key areas such as fighting corruption and reforming the police and judiciary. In February 2007, Olli Rehn, the EU Enlargement Commissioner at the time, criticised all parties for 'obstruction and a lack of faith'. However, some progress has been made; the EU granted FYROM visa liberalisation in December 2009.

Albania is currently a candidate country for EU membership, and completed a **Stabilisation and Association Agreement (SAA)** with the EU in June 2006. Albania is a fledgling democracy; it has made progress on strengthening its democratic institutions as part of its SAA, but falls short of the **Copenhagen Criteria** on certain measures, particularly with regard to the judiciary, public administration, corruption and organised crime. Albania also faces large challenges to deliver genuine economic reform.

Facts and figures

- ❖ In its year of accession (2013), Croatia received €93.5 million (£68m) in EU aid
- ❖ In the 2014-2020 period, FYROM is receiving €664.2 million (£483m), and Albania is supported with almost €650 million (£472m)

"...under my Presidency of the Commission, ongoing negotiations will of course continue, and notably the Western Balkans will need to keep a European perspective, but no further enlargement will take place over the next five years."

Jean-Claude Juncker, European Commission President, July 2014

Technical Terms

- ❖ **Stabilisation and Association Process:** strategy, based on an SAA, to prepare countries for membership negotiations with the EU. SAAs typically offer the incentive of free trade in exchange for commitments to political, economic, trade or human rights reform
- ❖ **Copenhagen Criteria:** rules set down in the 2002 Copenhagen Accords that must be met before a country can join the EU
- ❖ **PPS:** GDP per head is expressed in Purchasing Power Standards (PPS) to eliminate the differences in price levels between countries allowing meaningful volume comparisons of GDP between countries

Links

- ❖ http://ec.europa.eu/enlargement/index_en.htm
- ❖ <http://www.euractiv.com/en/enlargement/eu-croatia-relations-linksdossier-188293>
- ❖ <http://ec.europa.eu/eurostat>
- ❖ <https://www.cia.gov/library/publications/the-world-factbook/fields/2145.html>
- ❖ http://europa.eu/about-eu/countries/index_en.htm