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General socio-economic trends and relations with New Zealand

The region of South-Eastern Europe or the Balkans and the Eastern Partnership countries comprises sixteen relatively small countries (excluding Ukraine) all of which - except for Greece - were until the early 1990s ruled by communist regimes and had effectively no political, economic or cultural relations with New Zealand during their communist past. Following the collapse of the communist regimes in Central and Eastern Europe in the late 1980s and the opening of the European Union's Eastern Enlargement process, three post-communist states from the Balkans - Bulgaria, Romania and Croatia - joined the EU by 2013. All their remaining Balkan neighbours, labelled (together with Croatia) by the EU 'the Western Balkans', have also expressed a strong desire to follow the pathway of these three. Currently, North Macedonia (which was until recently known as the Former Yugoslav Republic of Macedonia), Montenegro, Serbia and Albania hold the status of official EU candidates, while the remaining two - Bosnia and Herzegovina, and Kosovo - have a longer way to go and are still considered as only potential candidates for EU membership. Unlike their post-communist counterparts from Central Europe, the Baltics and the Western Balkans, the six countries from the Eastern Partnership are not offered a membership perspective to the European Union. The Eastern Partnership, which is an offshoot, and the Eastern dimension, of the European Neighbourhood Policy is the EU's policy initiative to forge closer ties with the six countries in Eastern Europe and the South Caucasus (namely: Armenia, Azerbaijan, Georgia, Belarus, Moldova, and Ukraine). The partnership seeks to promote regional stability through trade agreements and democratic institution-building. The Programme offers partner countries tariff-free access to the EU's single market in exchange for their adoption of trade-related and political EU legislation. Despite the much greater political and economic openness of all these countries during their post-communist history, New Zealand's political, economic, cultural, trade and tourist relations with all

the post-communist Balkan states and the Eastern Partnership countries have remained marginal at best. However, some positive recent trends, especially in relations with the new EU member states from the region of post-communist Europe, indicate that there is potential for significant improvement of all types of relations between New Zealand and both the Balkan states and the Eastern Partnership countries. In addition to academic relevance, the main objective of these policy briefs is to raise awareness among the NZ intellectual and wider public, particularly the political and business elites, of the main social-political and economic trends in these two groups of states as a pre-condition for identifying potential opportunities for the improvement of cooperation. The two policy briefs that this Jean Monnet Chair will issue annually for the period September 2017 - September 2020 will cover the following aspects of the contemporary developments of the Balkan States and the Eastern Partnership countries:

- General macroeconomic and social trends in the region and their impact on NZ trade, tourism and its socio-cultural and people-to-people links with the Balkan and the Eastern Partnership countries;
- Socio-political conditions and developments in the respective countries with regard to intra-regional cooperation and progress in democratisation and the European integration process. Particular attention will be paid to providing an overview of the current state of play as regards the Western Balkan states' attempts to meet the official political and socio-economic conditions for EU accession, EU relations with the Eastern Partnership countries, and the latter's progress in democratisation and in complying with the socio-political and economic requirements of the Eastern Partnership programme.

1. General macroeconomic and social trends

The economic trends in the South-Eastern European countries (SEE) in the second half of 2018 and in 2019 seem varied in different countries in the region. Croatia and Romania remain the two most advanced economies in the region. After several years of severe economic crisis in the first half of the decade, the Croatian economy has continued to grow at a rate of around 3% annually since 2015. This year, its real GDP growth is projected to be 3% as well. Romania has also been catching up fast with the rest of the EU in recent years. Its GDP per capita has been growing since 2014 and is estimated to reach around US\$28,000 in 2019. The real GDP growth rate in Romania still keeps at 4 percentage points in 2019 according to the forecast by the International Monetary Fund. (Tables 1 and 2). In Bulgaria, the third EU member state in the region, the economy grew steadily in 2019. Its real GDP growth rate in 2019 is predicted to be 0.6% higher than the last year's. Bulgaria benefited from membership in the European Union (EU), which largely prompted its high economic growth and improved Bulgarians' living standards. However, Bulgarians' income per capita is still the lowest among all EU member states.

The general trend of economic growth is slowing in the Western Balkans and is predicted to be 3.2% in 2019.ⁱ Among the six Western Balkan states, North Macedonia and Kosovo have managed to further increase their economic growth rates in 2019 while the other economies in the region have continued to grow at a slightly lower pace. According to the IMF forecast, the North Macedonian economy has grown faster this year (from 2.7% in 2018 to 3.2% in 2019); Kosovo's real GDP growth rate is 0.4% higher than the previous year's (from 3.8% in 2018 to 4.2% in 2019). The economies in the remaining countries in the region (Montenegro, Albania, Bosnia-Herzegovina and Serbia) all grew at a slower pace than in 2018. In Montenegro, its real GDP growth rate is very likely declining from 4.9% in 2018 to 3% in 2019. In Albania, the growth rate

is also going to fall by 1.1% in this year. The GDP growth rates in both Bosnia-Herzegovina and Serbia are expected to fall by 0.8% from 2018 to 2019. Despite the slower economic growth in the region, it is encouraging that the GDP per capita in all the Western Balkan states has been growing steadily and at a pace close to those in East Central European (ECE) countries. The investment in the region from public and private sources remains modest in 2019 in comparison with 2018 in most of the countries, except for North Macedonia. The investment situation in Serbia is estimated to remain strong in 2019.ⁱⁱ

Though more women entered the labour market (through a range of governments' economic incentives) and an extra 150,000 job opportunities were offered in the region by June 2019, these didn't reduce the unemployment rate greatly in the region. According to the World Bank report, only 44% of the working-age people in the Western Balkans have job positions.ⁱⁱⁱ Despite employment circumstances remaining unbalanced in the region, the unemployment rate has kept declining in all the countries in 2019. (Table 1). The employment situation remains particularly problematic in Kosovo, Bosnia and Herzegovina and North Macedonia although all of them have continued to lower their unemployment rates over the last year. A particularly significant drop of unemployment rate was achieved in Kosovo where it was lowered from 29.6% in 2018 to 26.3% in 2019 and in North Macedonia where it declined from 20.7% to 17.9% throughout the same period (Table 1).

While Montenegro and Serbia are the regional frontrunners in the EU accession process, both of which hope to be able to meet the required conditions and join the EU by 2025 (European Commission, 2018), the EU's prioritisation of stability and security issues in its relations with the Western Balkan candidates has in fact further delayed progress in the accession of these states in recent years and consequently hindered further reforms in

them as well as regional political stability. ^{iv} Moreover, the date of opening of accessions talks with Albania and North Macedonia still remain uncertain. (BBC, 2019).^v It's undeniable that the countries in the region need to eradicate domestic organised crime, corruption and nepotism and the political elite needs to strive for the same direction, ^{vi} but their accession prospects are still primarily

determined by the EU's policy and approach towards further enlargement in general and particular assistance that each of them receives (or not receives) in this regard. The membership will surely bring more investment opportunities to the region, boost its international trade engagement, stimulate economic growth and improve unemployment and people's quality of life.

Table 1. Basic social and macroeconomic indicators

	Population (millions)			GDP per capita (PPP in international thousand\$)			Unemployment rate (Percent of total labour force)		
	2014	2018	2019	2014	2018	2019 E*	2014	2018	2019 E*
South-Eastern Europe									
Albania	2.89	2.87	2.87	10.91	13.33	13.99	17.5	12.2	13.7
Bulgaria	7.2	7	6.96	18.37	23.17	24.6	11.5	5.3	4.9
Bosnia-Herzegovina	3.57	3.5	3.5	11.02	13.58	14.22	27.5	18.4	18
Croatia	4.24	4.09	4.06	21.24	26.26	27.73	19.3	9.9	9
Montenegro	0.62	0.62	0.62	15.42	19.17	20.08	N/A	N/A	N/A
North Macedonia	2.07	2.08	2.08	13.47	15.71	16.49	28	20.7	17.9
Kosovo	1.81	1.79	1.8	9.28	11.66	12.32	35.3	29.6	26.3
Romania	19.95	19.52	19.52	20.04	26.45	28	6.8	4.2	4.3
Serbia	7.13	6.99	6.97	13.5	17.55	18.56	19.9	13.3	13.1
East-Central									
Czechia	10.51	10.61	10.64	30.53	37.34	38.83	6.1	2.2	2.2
Hungary	9.88	9.78	9.76	25.63	31.91	34.05	7.8	3.7	3.5
Poland	38.02	37.98	37.97	25.41	32.01	33.89	9	3.8	3.8
Slovenia	2.06	2.07	2.07	29.97	36.74	38.46	9.7	5.1	4.5
Slovakia	5.42	5.44	5.45	28.73	35.14	36.64	13.2	6.6	6
Some Western EU Countries									
Belgium	11.18	11.4	11.46	43.45	48.33	49.53	8.5	6	5.5
France	64.03	64.72	64.82	40.99	45.89	47.22	10.3	9.1	8.6
Germany	80.98	82.9	82.97	46.89	52.39	53.57	5	3.4	3.2
Italy	60.78	60.48	60.36	35.42	39.68	40.47	12.6	10.6	10.3
Netherlands	16.86	17.18	17.23	49.12	56.49	58.34	7.4	3.8	3.3
UK	64.6	66.44	66.87	41.07	45.74	46.83	6.2	4.1	3.8
Eastern Partnership									
Georgia	3.72	3.73	3.71	9.27	11.43	12.23	14.6	12.7	N/A
Moldova	3.56	3.54	3.54	6.04	7.31	7.7	3.9	3	3
Ukraine	42.76	42.04	41.87	8.76	9.29	9.77	9.3	9	8.7
Armenia	2.99	2.97	2.97	8.2	10.27	11.08	17.6	18.2	17.7
Azerbaijan	9.48	9.94	10.06	17.92	18.02	18.62	4.9	5	5
Belarus	9.47	9.49	9.48	18.95	29.94	20.64	0.5	0.4	0.5
Europe	735.1	742.51	743.27	33.21	37.84	39.04	N/A	N/A	N/A
New Zealand	4.56	4.93	5.04	35.65	40.1	40.94	5.4	4.3	4.3

Source: International Monetary Fund, World Economic Outlook. ^{vii}; CEIC Data ^{viii}; Trading Economics ^{ix}. *(E) Estimated

It is obvious that there is a considerable gap in economic performance between the non-

members and members of the EU in the SEE region. As is shown in the following tables, the

unemployment rate in the three EU members, Romania, Croatia and Bulgaria keeps falling in 2019 (except for Romania, which only had 0.1% difference compared with last year) and their GDP per capita has also kept growing since 2014. These three countries benefit from EU membership and engagement with the European Single Market although they also will need a lot of years to catch up with East-Central European EU members and even more so with Western members of the Union (see Tables 1 and 2). In addition to the above

mentioned current socio-economic problems, the future of the Western Balkan states remain more uncertain due to the unpredictability of their progress in the EU enlargement process that had earlier significantly assisted their ex-communist counterparts from Central Europe and in their Balkan neighbourhood in building functioning market economies and good governance through the 2004/07 and 2013 enlargement rounds (Petrovic, 2013^x and 2017^{xi}).

Table 2. Real GDP annual growth and inflation rates

	Real GDP growth 2016-2019 (annual percent change)				Inflation rates, average consumer prices 2016-2019 (annual percent change)			
	2016	2017	2018	2019	2016	2017	2018	2019E
South-Eastern Europe								
Albania	3.4	3.8	4.1	3	1.3	2	2	1.8
Bulgaria	3.9	3.8	3.1	3.7	-1.3	1.2	2.6	2.5
Bosnia-Herzegovina	3.2	3	3.6	2.8	-1.1	1.2	1.4	1.1
Croatia	3.5	2.8	2.6	3	-1.1	1.1	1.5	1
Montenegro	2.9	4.3	4.9	3	-0.3	2.4	2.6	1.1
North Macedonia	2.8	0.2	2.7	3.2	-0.2	1.4	1.5	1.3
Kosovo	4.1	3.7	3.8	4.2	0.3	1.5	1.1	2.8
Romania	4.8	7	4.1	4	-1.6	1.3	4.6	4.2
Serbia	2.8	1.9	4.3	3.5	1.1	3.1	2	2.2
East-Central Europe								
Czechia	2.5	4.3	3	2.5	0.7	2.4	2.2	2.6
Hungary	2.2	4	4.9	4.6	0.4	2.4	2.8	3.4
Poland	3	4.6	5.1	4	-0.6	2	1.6	2.4
Slovakia	3.3	3.4	4.1	2.6	-0.5	1.3	2.5	2.6
Slovenia	3.1	5	4.1	2.9	-0.1	1.4	1.7	1.8
Some WE Countries								
Belgium	1.4	1.7	1.4	1.2	1.8	1.8	2.3	1.5
France	1.1	2.3	1.7	1.2	0.3	0.3	2.1	1.2
Germany	2.2	2.5	1.5	0.5	0.4	0.4	1.9	1.5
Italy	0.9	1.5	0.9	0	-0.1	-0.1	1.2	0.7
Netherlands	2.2	2.9	2.6	1.8	0.1	0.1	1.6	2.5
UK	1.8	1.7	1.4	1.2	0.7	0.7	2.5	1.8
Eastern Partnership Countries								
Georgia	2.8	4.8	4.7	4.6	2.1	2.1	2.6	4.2
Moldova	4.4	4.7	4	3.5	6.4	6.4	3.1	4.9
Ukraine	2.4	2.5	3.3	3	13.9	13.9	10.9	8.7
Armenia	0.3	7.5	5.2	6	-1.4	-1.4	2.5	1.7
Azerbaijan	-3.1	0.1	1	2.7	12.4	12.4	2.3	2.8
Belarus	-2.5	2.5	3	1.5	11.8	11.8	4.9	5.4
Europe	1.7	2.5	2.2	1.5	1.5	1.5	2.2	2.1
New Zealand	4.1	3	2.8	2.5	0.6	0.6	1.6	1.4

Source: International Monetary Fund, World Economic Outlook; *(E) Estimated

The six Eastern Partnership countries (EPCs) have also witnessed slightly slower economic growth in 2019 than in the previous year. In Armenia, the economy is growing steadily in 2019 and expected to keep growing as the new government has been making efforts in reducing corruption and improving the business environment, etc.^{xii}.

In Azerbaijan, the formation of new government brought reforms in key sectors. Stable oil production and increase in domestic demand stimulated GDP growth. Petroleum and natural gas exports stimulated overall exports. Its real GDP growth is expected to increase by 1.7% from 2018 to 2019. In Georgia, poverty has declined greatly since 2006 because of effective government reforms and creation of economic opportunities. Georgia has signed the deep and comprehensive free trade agreement with the EU and the free trade agreement with China, which will promote its trade with international markets. However, the temporary ban from Russia on flights between Russia and Georgia imposed since July 2019 in response to anti-Russia protests in Tbilisi may affect Georgia's economy this year.^{xiii} Ukraine has experienced a series of economic and political challenges since 2014, including the "Maiden" revolution, territorial conflict in eastern Ukraine with Russia and Russia's annexation of Crimea, etc., which severely hindered the country's economic growth in recent years. In 2019, the agricultural harvest only slightly pushed the growth of the economy; the real GDP growth

2. Relations with New Zealand

As can be seen from bilateral trade statistics in Table 3, trade relations between New Zealand and the EU as a whole have been improving on a yearly basis. In 2019, the value of New Zealand's total merchandise trade with the EU surpassed that of the previous year's total value (calculated on the Jun-Jun basis). In the SEE region, as elsewhere on the European continent, trade relations between New

of 2019 is projected to be less than 4%. Continuous growth depends on effective reforms from the Ukrainian government.^{xiv} Since 2014, Belarus' economic situation remained weak as exports decreased; however, the GDP per capita in Belarus remains the highest among the six EPCs. Moldova's economy retained a moderate growth rate from 2018 to 2019. The new government formed in June 2019 is likely to push the country's reforms in various sectors. The six countries' inflation rates are the highest in a wider European region, especially in Belarus and Ukraine. The unemployment rates in Georgia, Ukraine and Moldova are expected to drop, particularly in Georgia; while there is no significant differences regarding the unemployment rate in Azerbaijan and Belarus.

Although at different stages of political and economic transition, both the Western Balkan and the EPCs have a huge economic gap with the EU countries. The main driving force for stimulating economic activities relies on consumption, but the governments in both regions were not efficient enough in putting forward sustainable economic growth. Structural reforms, the stability of the political environment and development of a balanced economic model are necessary to stimulate economic growth, social development, and in turn will then motivate their accession conversations and engagement with the EU, the wider European region and international society.

Zealand and EU member states are stronger than between New Zealand and non-EU member states. For example, in 2018, the value of New Zealand's imports from Bulgaria, which joined the Union in 2007, doubled from 2017 to 2018; New Zealand imported more than NZ\$50 million worth of goods from Romania in 2018 which was more than two times that in 2017 and in June 2019 was greater for NZ\$26 million than in June 2018 (Table 3). New Zealand has less trade

engagement with the Western Balkan states although their bilateral economic connections have been gradually improving. The value of New Zealand imports and exports with the six Western Balkan states expanded; in particular with Albania and North Macedonia on imports and with Montenegro and Serbia on both imports and exports from 2018 to 2019.

On the other hand, economic relations between New Zealand and ECE states are much more prominent than with the countries

in the SEE region. New Zealand imported NZ\$ 0.2 billion worth of goods from Czechia and Poland in the first half-year of 2019. However, it is still only approximately 0.02% of New Zealand's total imports from the EU in 2019. Economic engagement between New Zealand and the EPCs are also marginal in terms of trade values. Nevertheless, Belarus and Ukraine exported an increased value of goods to New Zealand in 2019 compared with the last year.

Table 3. New Zealand merchandise trade (NZ\$ mil, Annual-Jun)

	2017		2018		2019	
	Exports	Imports	Exports	Imports	Exports	Imports
South-Eastern Europe						
Albania	0.211	0.513	0.145	0.658	0.028	0.769
Bulgaria	11.606	16.941	13.894	33.697	12.785	24.915
Bosnia-Herzegovina	0.146	2.784	0.055	3.393	0.295	2.012
Croatia	2.279	4.217	2.904	5.345	1.443	5.090
North Macedonia	0.031	0.547	0.194	1.060	0.088	0.916
Montenegro	0.193	0.042	0.081	0.043	0.184	0.040
Kosovo	0	N/A	0	0	0	0
Serbia	1.119	3.638	2.114	3.933	2.403	4.979
Romania	4.403	23.835	6.906	50.060	8.720	76.532
East Central Europe						
Czechia	11.849	145.673	20.887	191.923	45.784	239.301
Hungary	3.492	72.204	5.536	87.021	8.897	151.107
Poland	51.833	147.680	63.574	195.264	74.723	200.007
Slovakia	3.191	74.831	7.987	61.145	9.234	97.405
Slovenia	3.499	19.949	4.180	30.830	1.853	37.403
Eastern Partnership Countries						
Georgia	4.611	0.418	5.491	0.797	53.510	0.851
Moldova	0.275	0.208	0.171	0.422	0.246	0.543
Ukraine	12.369	8.007	11.200	10.448	16.105	22.200
Armenia	16.850	0.050	13.214	0.171	0.004	0.308
Azerbaijan	64.078	1.035	52.360	0.155	18.208	0.211
Belarus	1.124	1.954	0.456	1.574	1.481	28.118
Europe	5,300.132	10,151.298	5,784.954	11,842.444	6,010.160	12,886.878
EU	4,846.844	9,448.443	5,454.114	11,086.675	5,554.336	11,680.386
World	49,873.492	53,530.299	55,490.193	53,530.299	59,378.413	59,696.459

Source: Statistics New Zealand

The annual growth rate of Belarus' exports to New Zealand was 6.86% in June 2019 whereas the value of New Zealand's imports from

Ukraine doubled in comparison to the previous year and is the highest in this region. On the other hand, it is worth noting that until this

June New Zealand's exports to Georgia have grown by 9.74% more than in the previous two years and even surpassed New Zealand's exports to Czechia. These positive developments are promising and encouraging for further development of economic relations between New Zealand and Eastern Partnership countries in the future. The expected improvement of the countries' relations with the EU surely will bring more opportunities for their more extensive bilateral cooperation with New Zealand.

To date, New Zealand has no direct consulates or trade representations in the South-Eastern European region nor in any of the Eastern Partnership countries. The current cultural communication and tourism exchange between New Zealand and the two regions remain marginal in 2018 and 2019. As is shown in the following two tables, the total number of New Zealand visitors to the SEE region was respectively 7551 and 7880 in 2018 and 2019.

Table 4. Total number of New Zealand visitors to SEE, ECE and EPC countries (Annual-Jun)

	2016	2017	2018	2019
South-Eastern Europe (total)	3,960	6,484	7,551	7,880
Albania	20	80	68	90
Bulgaria	N/A	502	595	613
Bosnia-Herzegovina	160	160	91	92
Croatia	2,680	3,600	4,676	4,729
FYROM (North Macedonia)	300	420	422	334
Montenegro	80	140	182	184
Serbia	560	580	566	721
Kosovo	160	140	149	150
Romania	N/A	862	802	967
East Central European Countries (total)	4,660	5,800	5,447	5,812
Czechia	1,780	1,940	1,832	1,983
Hungary	900	1,560	1,176	1,275
Poland	1,320	1,460	1,641	1,859
Slovakia	320	500	406	312
Slovenia	340	340	392	383
Eastern Partnership Countries		663	1,431	1,280
Georgia	N/A	200	182	146
Moldova	N/A	20	103	119
Ukraine	N/A	103	691	625
Armenia	N/A	60	110	91
Azerbaijan	N/A	160	177	90
Belarus	N/A	120	168	209
Europe	216,900	247,840	263,277	272,101
World	2,611,020	2,852,740	3,017,221	3,072,334

Source: Statistics New Zealand

Table 5. Total number of visitor arrivals to New Zealand by country of residence (Annual-Jun)

	2016	2017	2018	2019
South-Eastern Europe (total)	2,816	3,712	3,459	3,582
Albania	32	16	33	35
Bulgaria	560	848	646	730
Bosnia-Herzegovina	0	48	44	30
Croatia	672	800	766	783
North Macedonia	48	112	91	87
Montenegro	32	64	21	29
Kosovo	16	32	26	43
Serbia	208	336	233	226
Romania	1,248	1,456	1,599	1,619
East-Central Europe	12,816	15,632	15,786	16,075
Czechia	4,320	5,248	5,582	5,759
Hungary	1,616	2,048	1,850	1,849
Poland	5,152	6,064	6,008	6,256
Slovakia	1,040	1,232	1,392	1,304
Slovenia	688	1,040	954	907
Eastern Partnership Countries	1,888	1,936	1,573	1,585
Georgia	48	80	19	15
Moldova	96	32	36	52
Ukraine	1,552	1,488	1,229	1,241
Armenia	32	48	29	45
Azerbaijan	80	96	94	71
Belarus	80	192	166	161
Europe (total)	519,328	580,640	568,169	561,152
World (total)	3,494,336	3,723,344	3,857,716	3,887,430

Source: Statistics New Zealand

But it is encouraging that the number of NZ visitors to this region has continued to grow significantly since 2016 and has – foremost thanks to the attractiveness of Croatia as a tourist destination – surpassed the total number of New Zealand visitors to the ECE region. The majority of New Zealanders visited Croatia for holiday and vacation purposes. More visitors from East-Central European countries than the SEE region and Eastern Partnership countries visited New Zealand for travelling, business, attending conferences or visiting families or relatives since 2019. The number of visitors from the ECE region in June 2019 is higher than in June 2018 and is expected to further increase in the latter half of 2019. The increasing number of visitors from both sides are promising signals indicating that bilateral, cultural and tourism exchange has

been improving between New Zealand and the SEE region.

For the Eastern Partnership countries, the main destination for New Zealand travellers to the region has been Ukraine in 2018 and 2019. In 2018, the number of New Zealand travellers to Ukraine increased 588 compared with 2017 and stayed at more or less the same level until this June. In addition, the number of Ukrainian visitors to New Zealand in the most recent four years was higher by far than of all other Eastern Partnership nations combined. The number of Ukrainians who visited New Zealand from June 2018 to June 2019 was almost the same as of Romanians, Hungarians, and Slovaks. New Zealand is opening a visa centre in Kyiv in September 2019 which is expected to further enhance relations between the two countries. The rising trend of cultural exchange

also spread to schools and universities in New Zealand, SEE countries and EPCs. As they are approaching integration with the EU and people's living standards are improving, the cultural and tourism relationship between

New Zealand and the South-Eastern European countries as well as with Eastern European Partnership countries should improve in the future.

ⁱ Western Balkans Regular Economic Report: Fall 2019. World Bank.

<https://www.worldbank.org/en/region/eca/publication/western-balkans-regular-economic-report>

ⁱⁱ Rising Uncertainties. 2019. World Bank.

<http://documents.worldbank.org/curated/en/643781570478210132/pdf/Rising-Uncertainties.pdf>

ⁱⁱⁱ Unemployment Drops While Growth Slows in Western Balkans. 2019. World Bank.

<https://www.worldbank.org/en/news/press-release/2019/10/08/unemployment-drops-while-growth-slows-in-western-balkans>

^{iv} Petrovic, M., 2020. The Post-communist Transition of the Western Balkans: Europeanisation with a Small Enlargement Carrot. In *30 Years since the Fall of the Berlin Wall* (pp. 57-82). Palgrave Macmillan, Singapore.

^v EU blocks Albania and North Macedonia membership bids. 2019. BBC.

<https://www.bbc.com/news/world-europe-50100201>

^{vi} EU-Western Balkans Summit: Is enlargement in sight? 2019. Euronews Answers.

<https://www.euronews.com/2019/07/05/eu-western-balkans-summit-is-enlargement-in-sight-uronews-answers>

^{vii} World Economic Outlook, 2019. International Monetary Fund.

<https://www.imf.org/external/datamapper/datasets/WEO>

^{viii} Kosovo Unemployment Rate. 2019. CEIC data.

<https://www.ceicdata.com/en/indicator/kosovo/unemployment-rate>

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