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European Integration, Enlargement and Pre-Accession Assistance: A Tale of Democratic Consolidation and Economic Development

Alice Cunha, NOVA University Lisbon, Portugal

Abstract: European Union (EU) funding has grown in parallel with European integration itself and has supported a wide range of programmes and projects covering different areas. However, the history of the concession of EU funds does not only begin with accession but before with the granting of pre-accession assistance. This is often considered as a landmark of the accession negotiations for candidate states and good practice in the overall strategy of the EU's enlargement policy with enduring political and economic effects. The purpose of this paper is twofold: firstly, to analyse the rationale underlying the concept of the EU's pre-accession assistance and, secondly, to assess its importance within the overall enlargement policy over time, in order to demonstrate the overall connection between EU enlargement and funding throughout the history of the European Union, from the first beneficiary State of such a policy instrument (Portugal in the 1980s) to the current EU enlargement candidate countries.



Until three months ago enlargement seemed to belong almost exclusively to the history of European integration. And doubly so. On one hand, the last accessions seem a long time ago (with few memories remaining of Croatia's negotiations or even Bulgaria's and Romania's) since we take the enlargement to Central and Eastern European countries eighteen years ago as our last point of reference. On the other hand, the United Kingdom's departure from the European Union (EU), commonly referred to as Brexit, was not only the first Member State to leave the EU as it became a long process that lasted almost four years (June 2016 – January 2020). This lies at the opposite end to the enlargement policy.

But then again, even though the EU is still suffering from “enlargement fatigue”¹ and at a time when the enlargement policy has been practically on hold, the sudden Ukrainian request for EU membership (28 February 2022) during an invasion, followed by a similar request from Georgia and Moldova (3 March 2022), has granted EU's enlargement policy, once again, mediatic prominence and fostered the debate among Member States and EU institutions, and may also probably regain some traction in the academic agenda. Will there be any change for the EU accession process? Will Ukraine get an express accession? What are the consequences for the candidate and potential candidate countries? Will Macron's proposal for a new EU 'community' of aspiring states ever be created? These are some timely questions for European politics to what concerns the enlargement policy.

Within enlargement policy, one special feature is the pre-accession assistance funding. In fact, EU funding has grown in parallel with European integration itself and has supported a wide range of programmes and projects covering different areas. However, in many cases, the history of the concession of EU funds does not only begin with accession but before with the granting of pre-accession assistance. This is often considered as a landmark of the accession negotiations for candidate states and good practice in the overall strategy of the EU's enlargement policy with enduring political and economic effects.

The purpose of this paper is twofold: firstly, to analyze the rationale underlying the concept of the EU's pre-accession assistance and, secondly, to assess its importance within the enlargement policy over time, in order to demonstrate the overall connection between EU enlargement and funding throughout the history of the European Union, from

¹ Schimmelfennig, Frank, “EU Political Accession Conditionality after the 2004 Enlargement: Consistency and Effectiveness”, *Journal of European Public Policy*, Vol. 15, No. 6, 2008, p. 919

the first beneficiary State of such a policy instrument (Portugal in the 1980s) to the current EU enlargement candidate countries.

The least loved policy: state-of-the-art

Since the 1990s, European Union (EU) enlargement has been systematically studied and there is a good amount of literature on EU enlargement, but still mostly focused on national cases or particular enlargement rounds. Later, in the 2000s, enlargement studies became a new area of study within European Union Studies² with conceptual and theoretical approaches to the study of enlargement³, mechanisms and procedures⁴, studies on the tensions and conflicts emerging from each enlargement round and the distributive gains for the Member States⁵, and the nationalization of enlargement by Member States⁶. My own work has also made a number of contributions to the subject regarding the Portuguese case study⁷.

Although the possibility of enlargement was provided for in the Treaty of Rome itself, the negotiating procedure was only more clearly defined in 1961 at the time of the first accession requests. Moreover, despite the developments following the first enlargement (especially the establishment of the Copenhagen Criteria) the mechanisms and procedures employed for enlargement basically remained the same⁸ and constitute the “liturgy” of enlargement.

In fact, taking into account the characteristics of the first enlargement as well as the historical circumstances, a negotiating procedure was drawn up that benefits existing structures rather than welcoming new Member States. Since then, the bilateral format of negotiations is based on a formula that protects the rules of the EU and the interests of

² Pridham, Geoffrey, *The arrival of enlargement studies: patterns and problems*, CRCEES Working Paper Series, University of Glasgow, 2008

³ Schimmelfennig, Frank and Sedelmeier, Ulrich, *The Politics of European Union Enlargement: Theoretical Approaches*, London, Routledge, 2009; Mattli, Walter and Plümper, Thomas, “The demand-side politics of enlargement: democracy and the application for EU membership”, in *The Politics of European Union Enlargement: Theoretical Approaches*, edited by Frank Schimmelfennig and Ulrich Sedelmeier, London, Routledge, 2009, pp. 52-74

⁴ Nugent, Neill, “Distinctive and recurring features of enlargement rounds”, in *European Union Enlargement*, edited by Neill Nugent, Houndmills, Palgrave Macmillan, 2004, pp. 56-69

⁵ Schneider, Christina J., *Conflict, Negotiation and European Union Enlargement*, Cambridge, Cambridge University Press, 2009

⁶ Hillion, Christophe, *The Creeping Nationalisation of the EU Enlargement Policy*, Stockholm, Swedish Institute for European Policy Studies, Report No. 6, 2010

⁷ For example, Cunha, Alice, *Dossiê Adesão. História do Alargamento da CEE a Portugal*, Lisboa, Imprensa de Ciências Sociais, 2018; Cunha, Alice (coord.), *Os Capítulos da Adesão*, Lisboa, Assembleia da República, 2017

⁸ Nugent, Neill, “Distinctive and recurring features of enlargement rounds”, in *European Union Enlargement*, edited by Neill Nugent, Houndmills, Palgrave Macmillan, 2004, p. 60

Member States. It also allows each enlargement round to follow a similar and predictable negotiating process. The enlargement rounds have therefore conformed to the classical EU method, with negotiations focusing exclusively on each candidate's adoption of the *acquis communautaire* with only transition periods and temporary derogations being negotiable.⁹ No substantial alteration to this method is foreseen.

Within the EU policies, enlargement is a very interesting case study. First of all, this is because it is a non-permanent issue despite the fact that for most its history the EU has dealt with successive enlargement rounds; second, and as a result of the first reason, it only acquired its own Directorate-General in 1999 (DG ELARG, current DG NEAR – European Neighbourhood Policy and Enlargement Negotiations) in the face of the biggest enlargement in number of states; third, its procedures have been basically the same since the first enlargement round even though the accession criteria have been complemented and improved (Copenhagen Criteria, 1993, 1995); fourth, it still remains largely a national issue since the decision to submit an application is mainly determined by the applicant's national policy as the EU has never requested or invited any State to apply although Member States may individually have encouraged or unofficially “sponsored” an application (e.g. France for Greece); and, fifth, on the EU Member States' side, enlargement ends up being the “least loved policy” in a sense since it brings new players to the EU arena with different needs, expectations and priorities as well as more competition in the end, and it also brings with it the need for institutional and policy reform, redistribution of budgets and the rearrangement of EU funding distribution.

Each enlargement round is, thus, unique in several ways. This gives it its own individuality as well as some characteristics that distinguish each round from the others. However, there are some recurring features in the various enlargements rounds, such as the motivations of candidates and Member States, the way in which this elite-driven process is handled and the impact of enlargement on deepening.

In the case of candidate countries, the motivations, with some case-by-case variations, are of economic and political origin as are those of the Member States, notably in terms of the advantages for the expansion of the internal market. This therefore suggests that enlargement is based on “the converging interests of current and potential

⁹ Preston, Chris, “Obstacles to EU enlargement: the classical community method and the prospects for a wider Europe”, *Journal of Common Market Studies*, Vol. 33, No. 3, 1995, pp. 451-463; Preston, Chris, *Enlargement and Integration in the European Union*, London, UACES, 1997

Member States”¹⁰, the former because they consider enlargement will provide long-term economic and geopolitical benefits and the latter because membership will give them access to the largest internal market and strengthen ties with the West.

Enlargement and funding

European funds – currently designated European Structural and Investment Funds (ESI Funds) – have their origin at the very beginning of the European integration process and European Union funding has grown in parallel with European integration itself and has supported a wide range of projects and programmes covering different areas such as agriculture, employment and regional development. They are “simultaneously a tangible evidence of solidarity between Member States and something that offers concrete benefits (e.g. a road, training, wi-fi)” to citizens¹¹.

The Treaty of Rome (1957) itself highlighted the need to consolidate economic unity among Member States, which led to the creation of the first two Structural Funds – the European Social Fund, broadly designed to prevent unemployment and to promote integration into the labour market, and the European Agricultural Guidance and Guarantee Fund for rural development and the improvement of agricultural structures.

Following the first enlargement round in the middle of the 1970s, the EU (at the time, European Economic Community – EEC) adopted a regional policy instrument – the European Regional Development Fund – to combat the socio-economic inequalities existing between Member States and their regions as was the case of the disparities that existed between Britain’s prosperous South-East and its industrial North-West, or between Northern Italy and the Southern Mezzogiorno. This instrument introduced for the first time the notion of redistribution between richer and poorer regions of the Community. This was not a single case, as each enlargement round has led to adaptations in European funding, the history of which has been intertwined with new EU memberships, remaining valid before, during and after the Eastern enlargement rounds¹².

¹⁰ Moravcsik, Andrew and Vachudova, Milada Anna, “National interests, state power, and EU enlargement”, *East European Politics and Society*, No. 17, 2003, p. 43

¹¹ Cunha, Alice, “Blues signs on the road: European Union funding and citizens’ feelings towards membership”, in *Routledge Handbook of European Integrations*, edited by Thomas Hoerber, Ignazio Cabras and Gabriel Weber, London, Routledge, 2021, pp. 410-426

¹² Cunha, Alice, thematic issue European Funding, *Journal of European Integration History*, No. 2, Vol. 23, 2017, pp. 181-186

The Single European Act (1987) established a policy of Economic and Social Cohesion designed to help the least well-off countries rise to the challenge of the Single Market, then a major reform of the EU's structural funds took place (1989) while the Maastricht Treaty (1993) made cohesion a priority objective of the European Union writing thereafter a brand new history of EU funding¹³.

The topics of structural and investments funds, regional disparities and economic and social cohesion have progressively entered Community jargon, which is only mastered by a group of specialists and to date remains largely separate from the vocabulary of European Integration historians and Europeans in general. So far, economists and geographers (and to a lesser extent political scientists) have been at the forefront of regional studies and EU funding's rationale, dynamics, implementation, assessment and current and future prospects. They focus on concrete structural and investment funds, particularly mapping territorial inequalities and measuring the impact of structural funds on the regional and national growth process. At the opposite end, European Integration historians have not acquired a significant interest (if any) in this topic of research.

The state-of-the-art shows that there has been very little analysis undertaken in this field of research on the conception, distribution, implementation, management, outcomes and impact of EU funds. If narrowed down to the study of pre-accession instruments, this issue is mainly discussed in the case of the 2004 enlargement to Central and Eastern European countries as a whole or for some of these new Member States, and also in the case of Croatia¹⁴. On Portugal there are only two articles that deal with the subject¹⁵. And why is Portugal important in this matter? When someone mentions EU

¹³ In the interest of clarity and historical accuracy, throughout this paper the European Economic Community before 1993 is implicit whenever I mention EU funding

¹⁴ Delhey, Jan, "The Prospects of Catching up for New EU Members: Lessons for the Accession Countries to the European Union from Previous Enlargements", *Social Indicators Research*, Vol. 56, 2001, pp. 205-231; Bailey, David and Propis, Lisa de, "A Bridge Too Phare? EU Pre-Accession Aid and Capacity-Building in the Candidate Countries", *Journal of Common Market Studies*, Vol. 42, No. 1, 2004, 77-98; Haughton, Tim, "When Does the EU Make a Difference? Conditionality and the Accession Process in Central and Eastern Europe", *Political Studies Review*, Vol. 5, 2007, pp. 233-246; Bache, Ian et. al., "Europeanization and multi-level governance in south-east Europe: the domestic impact of EU cohesion policy and pre-accession aid", *Journal of European Public Policy*, Vol. 18, No 1, 2011, pp. 122-141; Păun, Nicolae and Corpădean, Adrian, "Cultural Opportunities and Shortcomings in the Management of EU-funded Projects in Romania", *Journal of European Integration History*, No. 2, Vol. 23, 2017, pp. 295-306; Antonopoulos, Eleftherios and Bachtler, John, "The role of EU pre-accession assistance in the establishment of national coordination structures for EU funding", *Journal of Contemporary European Research*, Vol. 10, Issue 2, 2014, pp. 184-202

¹⁵ Dauderstädt, Michael, "The EC's pre-accession aid to Portugal. A first appraisal", *Estudos de Economia*, Vol. VII, N.º 4, 1987, pp. 397-417; Cunha, Alice, "A welcome incentive: Pre-accession aid to Portugal

pre-accession assistance, the first thing that comes to mind is Central and Eastern enlargement. But were the Central and Eastern enlargement countries the first beneficiaries of such assistance? The correct, but often overshadowed, answer is no. The first, and only, beneficiary until the 2000s was a Southern country, Portugal, back in the 1980s and early 1990s.

Small, peripheral and poor: the first beneficiary country of EU pre-accession assistance

The end of the *Estado Novo* authoritarian regime in Portugal (1933-1974) led to the beginning of the democratization process in Southern Europe, to the redefinition of the Portuguese foreign policy and, ultimately, to a new EU enlargement round. EU membership was viewed as insurance for the consolidation of democracy and for economic development, motives which supported Portugal's accession request.

After acceptance of the accession application and the consequent opening of negotiations, the second major event in the Portuguese accession negotiations (1977-1985) was the granting of pre-accession aid (formal designation at the time)¹⁶. The future success of the harmonious integration of the country into the EU depended to a large extent, so it was said, on this pre-accession aid programme. This line of thought continued to be valid for all subsequent candidate countries except for those in EFTA. In this respect, in 2007 the Instrument for Pre-Accession Assistance (IPA) replaced a series of EU programmes and financial instruments, for example ISPA, PHARE and SAPARD, for candidate and potential candidate countries. However, despite the fact that their designation may have changed over time, the main objective and/or philosophy remains the same, i.e. to provide assistance in different forms to countries undertaking political and economic reforms in order to bring the beneficiaries closer to EU membership, especially in the fields of economic and social development. This still happens today with present enlargement candidates just as it did back in the 1980s.

within the context of the Iberian enlargement", *Journal of European Integration History*, Vol. 49, No. 2, 2019, pp. 229-248

¹⁶ In the interest of clarity and historical accuracy, throughout this paper whenever I mention pre-accession assistance, its former 1980s version (pre-accession aid) is implied.

Throughout the process of accession negotiations, Portugal recurrently invoked the “Portuguese specificity”¹⁷, and ended up being the first State to receive a distinctive concession in an enlargement round: the granting of pre-accession aid. Whilst the Treaty of Rome lacks detail on the enlargement process, as only Article 237 vaguely addresses the topic, pre-accession aid is absent altogether. In this respect, a novelty in the features of the future enlargement policy was introduced with the Iberian enlargement.

Portugal was a very poor country by European standards in the 1970s – whose GDP in 1976 only represented 1% of the EU’s GDP – so the idea of introducing an aid measure to promote Portuguese economic development and to facilitate its future integration into the EU was mooted in April 1978 by the European Commission in its reflections on enlargement (COM (78) 120 final). Although subtle, it is interesting to note the choice of words: what was under discussion was financial “aid” to the country not “funding”. In practice it may be the same (the EU granting partial funding to Portugal for specific programmes and projects) but still the word “aid” carries a somewhat negative charge (someone is helping someone else even if they have some kind of interest in doing so). This document addressed some of the problems the EU faced regarding enlargement and may be considered a first attempt to view enlargement in a global perspective. The idea of pre-accession aid was later developed in the *Avis* in May that year and the Commission insisted on it given the possible implications for the EU of Portugal’s poor economic development (COM (78) 220 final).

Economic problems headed the list of the “General considerations on the problems of enlargement”. This survey pointed out the lower level of economic development of the candidates for enlargement (Greece, Portugal and Spain), which would cause an increase in the number of regions and sectors in difficulty. What is more, the industrial and social structures of the candidates were also very different from those of the EU, which would call into question the cohesion of the common market and the achievement of economic union.

In concrete terms, besides the issues it raised at the level of adapting both treaties and institutions, the perspective of a new enlargement created a series of obstacles in various areas among which:

- agriculture, because of the increased number of people working in this area, surpluses in the amount of certain Mediterranean products produced (wine, olive oil,

¹⁷ Cunha, Alice (coord.), *Os Capítulos da Adesão*, Lisboa, Assembleia da República, 2017, pp. 19-24

some fruits and vegetables) and the need to improve production structures and their quality;

- industry, through the increased disparity in production conditions and the need to adapt production to the new market conditions;

- energy problems, relating to energy dependence of about 78%-88%;

- social aspects, in terms of increased unemployment;

- regional questions, regarding amplified disparities between regions (COM (78) 120 final).

In addition, Portugal had the lowest *per capita* income of all the Member States plus the candidate countries (Greece and Spain) and its productive structures were considered underdeveloped. It was therefore argued that Portugal should receive Community aid to facilitate its growth – an implicit reference to what was to become pre-accession aid – in relation to the above-mentioned areas.

This document, consequently, included the recommendation for the EU to help the candidate countries in certain industries and, most importantly, the possibility of granting them related financial aid¹⁸. Hence, from the start of the negotiations, the general idea was that the EU should support Portuguese development, particularly in the agricultural and industrial sectors, through programmes agreed between the country and the EU with the latter co-financing them.

At that time, all three EU membership candidates were economically less developed than Member States although the weight and potential of Spain's economic growth was much greater than for the other two countries. This also helps us understand why pre-accession aid was granted for the first time at the moment of the Iberian enlargement, but only to Portugal. Despite the European Commission advocating that the Community should grant financial aid to the three countries to help them grow or revitalize certain industries, at the time it was actually granted Greece had already practically finished negotiating the terms of its membership and it was no longer possible to include this type of financial aid. As for Spain, the level of development of the Spanish economy when compared to the Community average ended up meaning that it would not benefit from this type of aid, although there were some actual discussions¹⁹.

¹⁸ COM (78) 120 final, "General Considerations on the Problems of Enlargement", in *Bulletin of the European Communities*, Supplement 1/78, pp. 7-8

¹⁹ The issue dates back to at least 1984, when the Commission presented recommendations to help unblock the fisheries chapter; and the aid was meant to ensure the definitive dismantling of 100 thousand GRT (Gross Registered Tonnage) in 1985, and was requested by the Spanish Government to compensate for

Consequently, both countries ended up being beneficiaries of other European funds, but in a post-accession context.

The same had applied in the first enlargement round when the disparities in economic development between the candidates and the Member States were smaller. Henceforth, Portugal was the first, and only, beneficiary of pre-accession aid until the 2004 enlargement when it was widely applied and in very significant amounts.

The rationale behind pre-accession aid, and part of the Commission's argument, was that the EU should be prepared to support Portuguese development, particularly in the industrial and agricultural sectors, with Community cofunding for specific programmes. From the European Commission's point of view, the key task was to reconcile the EU's economic objectives with its political will to enlarge to Southern Europe. But from the outset, the Commission also argued that such measures had to be specific and negotiated with the candidate country according to concrete sectoral objectives, while taking into account the EU's overall interests. It also established that the European Investment Bank (EIB) could finance joint measures in conjunction with other sources (such as the Community budget).

At the official opening of the Accession Conference between the European Communities and Portugal on 17 October 1978, Commission President Roy Jenkins again stressed that "Portugal's integration into the Community should be eased by 'joint actions' to support the reorganization of your economy" and that the Commission was ready to examine the nature and scale of such initiatives with the Portuguese Government, to identify sensitive economic sectors, and to determine to what extent the Community could support the country with a view to the rationalization and adjustment of the Portuguese

future decline in the sector. Still, although a Council Regulation on the institution of pre-accession aid for the adaptation of the Spanish fishing fleet had been drafted, it was abandoned and the aid was eventually included in the Accession Treaty, not under the specific designation (and category) of pre-accession aid, but as financial aid, as stated in Article 159.2; and after accession had been legally adopted as a Council Decision

Sources: AHCE, BAC 147/1991 243, "Note a l'attention de M. le Vice-President Lorenzo Natali, Elargissement - Secteur de la pêche", s.d.; AHCE, BAC 147/1991 243, Secrétariat General du Conseil, "Adhésion Espagne - Amendements au doc. de travail n° 278", 19 octobre 1984; COM(84) 569 final, "Proposition de règlement (CEE) du Conseil concernant la conclusion de l'accord sous forme d' échange de lettres entre la Communauté économique européenne et l'Espagne relatif à la mise en oeuvre d'une aide financière spécifique destinée à faciliter et à accélérer l'adaptation des capacités dans le secteur de la pêche en Espagne", *Journal officiel des Communautés européennes*, N° C 298/6, du 9.11.84 ; "Décision de la Commission du 14 novembre 1986 concernant la mise en oeuvre par l'Espagne de certaines actions d'adaptation des capacités dans le secteur de la pêche en application de la directive 83/515/CEE", *Journal officiel des Communautés européennes*, N° L 319/75, du 14.11.86

economy²⁰.

From this point on, besides the chief accession negotiations, a pre-accession aid fund negotiation took place (intrinsically connected yet in some way separate) over a relatively lengthy period (October 1978 - December 1980)²¹. The accession of new states is a cause of tension among EU members, particularly when there are distributional consequences. But beyond that: who was going to pay for the pre-accession aid and how was it going to be disbursed? Would it come out of the common budget or from the EIB? Would intra-Community financial transfers be affected? Globally, the nine Member States faced two contradictory requirements: on the one hand, there was a need to show real and effective solidarity with Portugal, in order to prepare its economy for membership, but on the other, a strict Community budgetary policy had to be respected, taking account of the difficult financial situation of several Member States and the importance of not exceeding certain ceilings for Community expenditure²². In short, they conditioned their final agreement on the existence of corresponding budgetary appropriations. Interestingly, the same process, the same doubts, the same difficulties would be replicated during the Central and Eastern enlargement round, only with ten times more candidates and the need for an equivalent allocation of financial resources. Still, this issue was not a matter of controversy for either of the parties, as the Council members endorsed the Commission's proposal, only questioning its cost.

²⁰ Arquivo Histórico-Diplomático - Arquivo das negociações da adesão de Portugal às Comunidades Europeias, Lisboa (AHD-ANAPCE), CONF-P/4/78, "Declaration made by Mr. Roy Jenkins, President of the Commission of the European Communities at the opening ministerial session of the negotiations between the European Communities and Portugal, further to Portugal's application to accede to those Communities, held in Luxembourg on 17 October 1978"

²¹ The Council mandated (27 October) the Commission to reach an agreement with Portugal on the implementation of this aid, which was formally agreed in an exchange of letters on 17 November 1980, approved by the Council at the 24-25 November session, was effectively signed on 3 December and came into force on 1 January 1981. When accession was further delayed, a supplementary aid programme followed in 1984.

Commission, *Bulletin des Communautés Européennes*, n.º 11, Bruxelles, Commission des Communautés Européennes, 1980, p. 56; JO L 367 du 31.12.1980; "Council Regulation (EEC) No 3323/80 of 18 December 1980 on the conclusion of the Agreement in the form of an exchange of letters between the European Economic Community and the Portuguese Republic concerning the implementation of pre-accession aid for Portugal", *Official Journal L 349*, 23/12/1980, p. 0002; Règlement (CEE) n 3598/84 du Conseil, 18.12.1984, concernant la conclusion de l'accord sous forme d'échange de lettres entre la Communauté économique européenne et la République portugaise relatif à la mise en œuvre d'une aide financière spécifique destinée à l'amélioration des structures agricoles et de la pêche au Portugal, *JOCE*, L 333, 21.12.1984, pp. 7-11

²² MNE-AHD, "Boletim Europe, de 18 de setembro de 1980, segundo Telegrama n.º 188 da Missão Portuguesa junto das Comunidades Europeias para o Ministério dos Negócios Estrangeiros", 19 September 1980

In the end, the rationale for the granting of such aid was based on the assumption that “if the Community’s problems are of concern to the applicant countries then in the same way the problems of the latter concern the Community”²³. Some argue, however, that since Portugal’s hopes of accession in the early 1980s had vanished, “substantial pre-accession aid compensated the country for the wait it had been subjected to”²⁴. According to this analysis, Portugal received compensation for the accession delay rather than because of any pressing economic need, in which case Spain would have no reason to receive it. In my opinion, this was not the case, as the topic had already been mentioned early in preliminary accession talks and documents. From another perspective, it could also be considered a reward for democratization²⁵, as the granting of any EU financial aid, particularly during the interim governments phase (1974-1976), was linked to Portugal’s democratic consolidation. Rewards aside, economic issues undoubtedly played a major role and, in the end, pre-accession aid was one of the most important milestones in the accession negotiations as it gave the Portuguese government the advantage of a financial instrument to support investment.

An exportable model?

The history of the concession of EU funds does not begin with accession but before this with the granting of pre-accession assistance. In various cases, pre-accession aid was frequently implemented at the same time that a particular state had already accessed structural funds as a result of membership. This was the case, for example, of Portugal in the 1980s and Romania in the 2000s. This argument supports the fact that through different case studies, albeit in different periods, it is possible to ascertain similarities at the level of procedures, timings, stakeholders, achievements, sustainability of projects and evaluation.

The Iberian enlargement is often used as a case study and/or reference for Central and Eastern enlargement in terms of democratization and economic development²⁶. One

²³ AHCE, BAC 250/1980 n.º 22, Discours du vice-président Natali au XXI^e congrès de l’UEDC, Lisbonne, 24.06.1980

²⁴ Mata, Eugénia e Valério, Nuno, *História Económica de Portugal. Uma Perspectiva Global*, Lisboa, Presença, 1994, pp. 228-229

²⁵ Cunha, Alice, “The Least Loved Policy: The EEC’s Enlargement to Portugal”, in *Reshaping Europe. Towards a Political, Economic and Monetary Union, 1984-1989*, edited by Michael Gehler and Wilfried Loth, Nomos, Baden-Baden, 2020, p. 379

²⁶ Álvares, Pedro, *L’Élargissement de l’Union Européenne et l’Expérience des Négociations d’Adhésion du Portugal*, Oeiras, Instituto Nacional de Administração, 1999; Royo, Sebastián, “Lessons from the integration of Spain and Portugal to the EU”, *Political Science and Politics*, Vol. XL, No. 4, 2007, pp. 689-

may wonder from the start to what extent this 1980s pre-accession assistance model was used in its general guidelines, or adapted to their specificities, for the Central and Eastern enlargement countries in the late 1990s and early 2000s. And beyond that, what use may it still have when applied to the current candidates, such as Serbia and Montenegro, or future candidates in the Western Balkans.

In reality, the similarities do not end with the building of a democracy and elected and fully operational institutions, nor with the fostering of each country's economic development, but also in the overall process of accession negotiations, including several of the accession chapters. Furthermore, since the late 1980s, right after the collapse of the Communist regimes, Portugal consistently supported the EU's goal of Central and Eastern enlargement.

History has shown that the pre-accession assistance instrument has been upheld as good practice in the overall strategy of the EU's enlargement policy, and some even suggest that the EU's economic effects have been more far-reaching than its political effects²⁷. But has the model been fully duplicated in subsequent enlargement rounds?

Enlargement has always been an option on the 'EU's menu', however until the end of the Cold War it was "a sporadic event for much of the EU's history"²⁸, and it wasn't a "particularly popular" one²⁹. The overthrow of Communism was peaceful in the vast majority of Central and Eastern Europe (CEE) countries. After the dissolution of the Soviet Union into 15 independent republics, in December 1991, the newly CEE states quickly began to consider their future economic and political direction, concluding almost unanimously that EU membership was the best option in a wide range of European and international organizations. They viewed EU membership, along with NATO, as prized goals: the former for the economic benefits it was expected to confer and the latter to ensure their security.

But the EU was addressing existential questions, with the prospect of a large number of potential new members, including whether the EU would be viable with 25 or more Member States, or if the newcomers could weaken the integration process, either

693; Schukink, Martijn and Niemann, Arne, "Portugal and the EU's eastern enlargement: a logic of identity endorsement", *European Integration online Papers (EIoP)*, Vol. 16, Article 12, 2012, pp. 1-42

²⁷ Epstein, Rachel A. and Jacoby, Wade (eds.), "Eastern Enlargement Ten Years On: Transcending the East-West Divide?", *JCMS: Journal of Common Market Studies*, Vol. 52, Issue 1, 2013, pp. 1-16

²⁸ Schimmelfennig, Frank and Sedelmeier, Ulrich, "The Politics of EU Enlargement: Theoretical and Comparative Perspectives", *The Politics of European Union Enlargement: Theoretical Approaches*, edited by Frank Schimmelfennig and Ulrich Sedelmeier, London, Routledge, 2009, p. 3

²⁹ Schneider, Christina J., *Conflict, Negotiation and European Union Enlargement*, Cambridge, Cambridge University Press, 2009, p. 1

by virtue of their attitudes towards integration, or because the Union itself would be unable to function when institutional arrangements originally designed for six states could not cope with four times that number. In any case, past experiences had showed that some institutional arrangements are always required, so any further enlargement would also necessitate the adjustment of the EU's institutional framework anyhow.

In order to help the EEC states to move towards liberal democracy and a market economy, the EU first concluded Association Agreements with them with a view to their future accession. The Essen European Council (9–10 December 1994) set out a 'pre-accession' strategy in order to prepare the CEE countries for the progressive adoption of the EU *acquis communautaire*, following the Copenhagen European Council (21–22 June 1993) which had previously spelt out the political and economic conditions to be met for accession to the European Union, commonly referred to as the 'Copenhagen criteria'.

The legacy of the socio-economic systems and structures, though, made more difficult a rapid integration of the CEE countries into the EU. By contrast with the EFTA's enlargement round, the CEE states that sought membership of the EU from the early 1990s onwards (e.g. Cyprus and Malta in 1990, Hungary and Poland in 1994, Slovenia in 1997) found their accession process rather protracted as they struggled to make the reforms necessary to enable them to meet the EU's criteria.

For newly states emerging from decades of non-democratic command economies, the Copenhagen Criteria set the bar for membership very high, which the candidates took as a sign that the EU was not enthusiastic about having them join and which, they suggested, created double standards between what the existing members demanded of newcomers and what they did themselves. At the same time, domestically they tended to use the EU criteria as an excuse for introducing painful reforms that would have been necessary in any case. The end result was that Euroscepticism was fostered in some CEEs even before they joined the EU and has ever since progressed, as some recent examples in Hungary and Poland show.

The negotiations for the future 2004 enlargement round were launched in Brussels on 30 March 1998³⁰, where an accession partnership was established between the EU and each applicant country. Each country received a ‘road map’ which set out the objectives to be achieved in order to satisfy the accession criteria and the pre-accession financial aid conditional on respect for the commitments entered into.

Under the framework of these negotiations, an enhanced pre-accession strategy was centred on accession partnerships and increased pre accession aid, as decided in the Luxembourg European Council (12-13 December 1997). The Accession Partnership was, at the time, a new instrument that was intended to mobilize all forms of assistance to the CEE applicant countries within a single framework, which would cover in detail for each applicant the priorities to be observed in adopting the EU *acquis*, and also the financial resources available for that purpose, in particular the PHARE programme.

In that context financial assistance would be linked to the applicants’ progress and, more specifically, to compliance with the programme for adoption of the *acquis*. This is something distinctive from the Portuguese case study, as the financial assistance was not directly connected to any progresses made in the reforms leading to the adoption of the *acquis*, since almost all projects were approved beforehand.

Even if the financial support to the countries involved in the enlargement process was based on the principle of equal treatment, independently of their accession request time, particular attention was to be paid to countries with the greatest need. To this end, the enhanced pre-accession strategy defined in Luxembourg would offer substantial, targeted and practical help to prepare the applicant States for accession.

As previously in the Portuguese case, the Commission's opinions on the applicant states constituted a sound overall analysis of each applicant's situation in the light of the membership criteria set by the Copenhagen European Council. The same applies nowadays. And they were crucial for determining the needs that each country had, political and economically wise, and the distribution of said pre-accession assistance.

After the 2004 enlargement round and ensuing “enlargement fatigue”, curiously neither did EU accession requests stopped, nor pre-accession assistance funding was no longer available. But there were some changes. Similar to Structural Funds, as of 1 January 2007 pre-accession funds underwent a significant policy reform. The most visible

³⁰ 2078th Council meeting - GENERAL AFFAIRS, Brussels, 30/31 March 1998, 7095/98 (Presse 86), available <https://data.consilium.europa.eu/doc/document/ST-7095-1998-INIT/en/pdf>

effect of this reform was the replacement of several European Union programmes and financial instruments (PHARE, PHARE CBC, ISPA, SAPARD, CARDS and the financial instrument for Turkey) with one single instrument and legal framework—the Instrument for the Pre-Accession Assistance, known as IPA³¹. IPA was thereafter the means by which the EU has been supporting reforms in the enlargement region with financial and technical assistance.

In its current form, IPA III supports candidate countries and potential candidates on their path towards fulfilling the EU accession criteria through deep and comprehensive reforms, focusing on rule of law and respect of fundamental values; strengthening democratic institutions and public administration reform; promoting economic governance and reforms towards competitiveness.

The IPA III Programming Framework includes five thematic areas (*windows*), which mirror the clusters of the existing negotiating chapters: rule of law, fundamental rights and democracy; good governance, EU *acquis* alignment, good neighbourly relations and strategic communication; Green agenda and sustainable connectivity; competitiveness and inclusive growth; territorial and cross border cooperation. These are also aligned with the EU's present-day agenda.

IPA III is complemented with the new Neighbourhood, Development and International Cooperation Instrument (NDICI) – Global Europe (budgeted almost €80 billion).

³¹ The legal framework for this instrument was established under Council Regulation (EC) No 1085/2006 of 17 July 2006 establishing an Instrument for Pre-Accession Assistance (IPA), and its implementation provisions in Commission Regulation (EC) No 718/2007 of 12 June 2007 implementing Council Regulation (EC) No 1085/2006 establishing an instrument for pre-accession assistance (IPA).

Table I summarizes the budget allocations and the number of beneficiaries of pre-accession assistance, from the first time it was granted until the current framework. It shows that, after its creation, it was not applied for just six years (1994-1999) – which roughly corresponds to the time of the EFTA enlargement round – and it were the CEE countries that most benefited from it, in terms of available funds.

Table I. Pre-accession assistance, 1980-2027 (budget and number of beneficiaries)

	Pre-accession aid (1980-1993)	PHARE, PHARE CBC, ISPA, SAPARD, CARDS (2000-2006)	IPA (2007-2013)	IPA II (2014-2020)	IPA III (2021-2027)
Budget (total)	€120 million ³²	€21 billion	€11.5 billion ³³	€12.8 billion ³⁴	€14.2 billion ³⁵
No. beneficiaries	1	12 ³⁶	9 ³⁷	7 ³⁸	7 ³⁹

EU pre-accession funds are, in the end, an investment in the future of both the enlargement countries and the EU itself. The objective of this policy instrument continues to be to support the beneficiaries in adopting and implementing the political, institutional, legal, administrative, social and economic reforms required to comply with the rights and obligations of Union membership, thus progressively aligning them to EU rules, standards, policies and practices. To that particular, the objective is the same now as it was in the 1980s. Due to the positive effects that it has had in the enlargement process, the pre-accession assistance model was, so far, applied in three enlargement rounds (1986, 2004/2007, 2013) and is also available for the current EU enlargement candidate countries and potential candidates, linking EU enlargement to funding.

³² Règlement (CEE) n 3598/84 du Conseil, 18.12.1984, concernant la conclusion de l'accord sous forme d'échange de lettres entre la Communauté économique européenne et la République portugaise relatif à la mise en œuvre d'une aide financière spécifique destinée à l'amélioration des structures agricoles et de la pêche au Portugal, in JOCE, L 333, 21.12.1984, pp. 7-11. Author's calculus, at 2014 prices.

³³ Source: https://ec.europa.eu/neighbourhood-enlargement/enlargement-policy/overview-instrument-pre-accession-assistance_en

³⁴ Source: https://ec.europa.eu/neighbourhood-enlargement/enlargement-policy/overview-instrument-pre-accession-assistance_en

³⁵ Source: "European Commission welcomes political agreement on new €14.2 billion Pre-Accession Assistance Instrument (IPA III)", https://ec.europa.eu/commission/presscorner/detail/en/ip_21_2810

³⁶ Countries that acceded to the European Union as part of the 'fifth wave' of EU enlargement, i.e. Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, and Slovenia on 01/05/2004, and Bulgaria and Romania on 01/01/2007.

³⁷ Albania, Bosnia and Herzegovina, Croatia, Iceland, Kosovo, Montenegro, North Macedonia, Serbia and Turkey.

³⁸ Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia and Turkey.

³⁹ Same as IPA II.

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