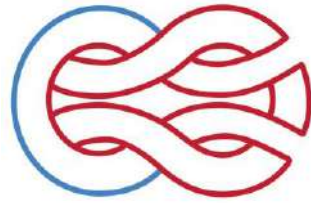


Drug Policy Network South East Europe

DRUGS

European Union
2022 Enlargement
Country Reports

Drug Policy Network South East Europe



European Union 2022 Enlargement Country Reports

*Segments on drugs from the European Union annual assessment reports
and opinion on the Western Balkans and Turkey
published on 12 October 2022*

The current European Union *enlargement agenda* covers the partners of the Western Balkans and Turkey.

Accession negotiations have been opened with [Montenegro](#) (2012), [Serbia](#) (2014), and [Turkey](#) (2005).

In March 2020, Member States agreed to open accession negotiations with [North Macedonia](#) and [Albania](#).

[Bosnia and Herzegovina](#) (application to join the EU submitted in February 2016) and [Kosovo](#) (Stabilisation and Association Agreement entered into force in April 2016) are potential candidates.

Drug Policy Network South East Europe

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Situation in the region

Organised crime remains an important security threat to the Western Balkans and Turkey. Powerful criminal networks continue to operate in and beyond the region, playing important roles in the global trade of illicit goods and in smuggling people to and within the European Union. These criminal networks have proven to be very adept at exploiting the COVID-19 pandemic and there is a risk that they take advantage of the Russian invasion in Ukraine, including of the availability of large stockpiles of weapons in Ukraine.

Law enforcement cooperation between the EU and the Western Balkan countries – including with EU Justice and Home Affairs Agencies – continued to intensify. Following the adoption of Council Conclusions in March 2021, law enforcement cooperation with third countries was mainstreamed in all European Multidisciplinary Platform against Criminal Threats (EMPACT) operational action plans, resulting in a boost in the Western Balkans’ participation in EMPACT. Albania continued to lead one operational action, Montenegro and Albania were co-leading four and two operational actions respectively, while Serbia and North Macedonia were each co-leading one operational action. Bosnia and Herzegovina is the only partner, which scaled down its participation in EMPACT.

In the context of EMPACT, the partners from the region also participated in several joint action days, targeting among other things the facilitation of irregular immigration, drug trafficking and trafficking of firearms, which led to immediate results in terms of arrests and the seizure of criminal assets. With the help of Europol and the Southeast Europe Police Chiefs Association, good progress was made in stepping up the region’s capacity to conduct strategic and operational criminal analysis in an EU-harmonised manner. Since the start of Russia’s war of aggression against Ukraine, Serbia refrained from participating in a number of regional events in the security field.

National strategies on drugs are outdated and require revision in Serbia and Montenegro. A strategy and its corresponding action plan are in place in Kosovo and North Macedonia. Bosnia and Herzegovina has a strategy in place, but the adoption of the corresponding action plan is still outstanding. In Albania, the issue is covered under the national strategy on fighting organised crime, with a dedicated action plan. Efforts are clearly needed across the region to reinforce the strategic framework, also based on proper evaluation, and advance on implementation. Despite long-standing support by the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) on the matter, national early-warning systems and national drug observatories – essential contributors to supply, demand and harm reduction – either have yet to be established or are severely under-resourced and hence not operational, with the exception of Serbia. Swift action is needed in this respect. National data collection remains partially aligned with EMCDDA protocols and the national data sets submitted by most Western Balkan partners are incomplete or delayed. Poor institutional coordination between national bodies sometimes translates into fragmented and incomplete data sets. It is therefore recommended to further raise awareness and find alternative and more efficient ways to motivate Western Balkan partners to commit more and better in this information area at political, institutional and technical level.

Albania made further progress on the seizure and confiscation of criminal assets but needs to step up its capacity to address cybercrime and (online) child sexual abuse. Bosnia and Herzegovina did not make progress in fighting organised crime and criminal organisations operating in the country. Continued lack of progress at all levels increases the risk of backsliding. Despite some recent successes in the fight against organised crime, Kosovo needs to improve its track record and ensure more concrete results both in dismantling criminal network and addressing high-level cases and achieve more proactive investigations, final court decisions and final confiscation of assets. North Macedonia made some progress in the operational cooperation with international partners but needs to step up efforts on asset recovery and addressing cybercrime. In Montenegro, progress was made in restoring the full use of special investigative measures and some important operational results were achieved in the fight against drugs and cigarettes smuggling. However, a substantial improvement of the judicial response to corruption, high-level corruption and organised crime as well as an improved track record in the area of corruption and high-level corruption, tobacco smuggling, money laundering, financial investigations and asset confiscation are needed. Montenegro also needs to step up measures to mitigate the risk of infiltration of organised crime in the police and the judiciary and take measures to destroy confiscated cigarettes. Serbia consolidated a good level of cooperation with Eurojust, Interpol and Europol but needs to better target criminal networks and step up the confiscation of their assets. Turkey made limited progress and still needs to amend its legislation on cybercrime and witness protection and establish an asset recovery office.



Albania

Chapter 24: Justice, freedom and security

Fight against organised crime

Albania has some level of preparation/is moderately prepared to implement the EU acquis in the area of Justice, freedom and security. Some progress was made overall. The Specialised Structures against Organised Crime and Corruption (SPAK) are building an initial track-record of law enforcement cases and implementation of the Financial Action Task Force (FATF) Action Plan has progressed significantly. The track-record on money-laundering and high-level corruption cases remains insufficient, financial investigations need to be further developed, and the FATF Action Plan must be completed. Albania has continued its positive engagement with all the EU Justice and Home Affairs agencies. No progress was made in referrals to asylum procedure and the implementation of return procedures in line with the legal framework. The number of asylum applications lodged by Albanian nationals in EU Member States and Schengen-associated countries remains lower than the pre-pandemic level, but increased since the summer of 2021, and thus still requires continuous and sustained efforts. Albania should keep addressing the phenomenon of unaccompanied minors. Albania's visa policy should be aligned with the EU's. Since only partial progress was made with the Commission's 2021 recommendations, these remain valid.

In the coming year, Albania should in particular:

- Continue developing the systematic use of parallel financial investigations when dealing with organised crime, illicit trafficking, terrorism, and money laundering;
- Swiftly achieve the overdue completion of the action plan agreed with the Financial Action Task Force (FATF) on preventing money laundering and countering terrorism financing with a view to delist Albania from the FATF list of jurisdictions under increased monitoring for strategic deficiencies;
- Implement the asylum law and resume referrals to the asylum procedure; align return procedures with the existing legal framework; continue to address the issue of unfounded asylum applications and fully align national legislation with the EU list of visa-required third countries.

Implementation and enforcement capacity

Albania pursued its efforts towards building a track record on fighting organised crime. In 2021, there were 41 new cases referred to prosecution (up from 22 in 2020); 14 indictments for a structured criminal group in 2021 (against 15 in 2020) and 19 cases were closed with 75 persons with final convictions at appeal level (compared with 13 persons in 2020).

In 2021 the Special Prosecution Office (SPO) initiated 304 criminal proceedings – 92 for organised crime and 212 for corruption, which represents an increase of 50% compared with the year before. During the same period, 31 criminal procedures for corruption and 15 procedures for organised crime were sent to trial. 23 (against 94 defendants) convictions at first instance were reached by the special court and 52 (against 136 defendants) at appeal level in 2021.

As regards the track record for serious crimes, there was a further increase in 2021 with 3 913 new cases referred to prosecution, up from 2 838 in 2020; this increase is mostly due to an increase of referrals of drug trafficking cases (3 078 referrals in 2021 compared with 2 086 in 2020). New referrals for trafficking in human beings and money laundering remained at similar levels in 2021, compared with 2020. For serious crimes, 791 cases resulted in indictments in 2021, compared with 581 in 2020. In 2021, there were 375 people with final convictions for serious crimes compared with 261 in 2020. The use of special investigation techniques and proactive investigations should be stepped up.

On international police cooperation, a Europol Liaison Officer was deployed in Tirana until the end of 2021 and allowed to further develop cooperation between Albania and EU Member States' police forces. In 2021, 95 police operations were carried out in cooperation with international partners: 78 of them were in the field of narcotics, 14 in the field of illicit trafficking, and 3 in the field of cybercrime.

In 2021, there were eight joint investigation teams (JITs) with the involvement of Albanian partners (4 in 2020), resulting in 30 joint operational meetings. Albania has a police liaison officer in Europol and is planning to deploy a second one.

Albania continued to participate actively in EMPACT Joint Action Days promoting cooperation in against firearms trafficking, the smuggling of migrants and drugs trafficking, motor vehicle crime, and trafficking in human beings and document fraud.

The flow of information sent via the Interpol global police communication channel 24/7 system to the National Contact Bureau Interpol Tirana has grown by 14 % in 2021. The cooperation between the Albanian Security Academy and the EU Agency for Law Enforcement Training (CEPOL) is well established and based on a working arrangement. Albania continues to benefit full access to the CEPOL Exchange Programme and to participate in the CEPOL-led Partnership against Crime and Terrorism project in the Western Balkans, which runs until October 2023.

Albania has a large informal sector and its economy is primarily cash-based. Crimes that generate large amounts of money include drug trafficking, tax evasion, smuggling and trafficking in human beings.

Cooperation in the fight against drugs

Institutional set-up and legal alignment

The Ministry of the Interior and the Ministry of Health and Social Protection/Institute of Public Health are the lead bodies in the fight against drug trafficking and drug abuse respectively. Albania does not have a specific National drugs strategy. The Strategy against Organised Crime adopted in December 2020 foresees to improve the legislation on psychoactive substances and precursors

and to update the list of prohibited psychoactive substances. The establishment of a National Centre of Information on Drugs (national drug observatory) is overdue. Albania has not yet established a national early warning system on the information exchange about new psychoactive substances. Consultations for establishing the Early Warning System and updating the legislation regarding psychoactive substances and precursors started. Albania continues to implement the working arrangement with the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) and makes efforts to increase its reporting capacity on drug-related issues in line with EMCDDA guidelines/protocols and needs sufficient resources for this task. Under the Strategy Against Organised Crime 2021-2025, the Albanian State Police approved in January 2022 an Action Plan for 2022 on the “Prevention and crackdown on criminal activity of cultivation of narcotics plants”.

Implementation and enforcement capacity

Drug trafficking is the most common form of serious criminal offence in Albania and the number of identified cases continued to increase. In 2021, the police identified 3 168 offences related to drug cultivation, production, sale and trafficking of narcotics compared to 2 086 in 2020, involving 3 927 alleged offenders (3 205 in 2020).

Albania’s law enforcement authorities have maintained a good level of cooperation with their counterparts in EU Member States in tackling the trafficking of narcotics. During 2021, 212 police operations in the field of narcotics took place, out of which 78 saw the cooperation of Albania’s international partners.

Albania remains the only country in the region that allows monitoring by another country: since 2013, Italy’s Ministry of Economy and Finance Enforcement Agency (Guardia di Finanza) has carried out aerial surveys to detect cannabis plantations in Albania. 70 flight missions were operated by Guardia di Finanza in 2021, surveying 6.5 million km² and allowing 92 500 plants to be found and destroyed, which represents about 35% increase compared with 2020. In addition, ASP continued monitoring by drones. The quantity of cannabis seized in Albania continued to decline, from about 4.3 tons in 2020 to 3.6 tons in 2021. However, the number of cannabis plants seized increased from 137 000 to 166 000 between 2020 and 2021.

All other drugs saw an increase in amounts seized in 2021 compared to 2020: from 1 kg to 208 kg of hashish, from 51 kg to 8 1kg of heroin and from 6 kg to 725 kg of cocaine.

The lack of secure storage for drugs and drug precursors prior to destruction remains an issue of concern. The practice of keeping only a small sample as material evidence for court proceedings (instead of the entire quantity seized) is not yet established. Albania needs to establish the legal base for an appropriate process for the destruction of precursors.

Other issues related to drugs

Albanian legislation is not aligned on drug precursors, though the list of controlled substances tallies with the relevant lists in the EU acquis.

(Chapter 1: Free movement of goods)

On drug abuse prevention and harm reduction, prevention activities are only sporadic, they should be conducted in a more systematic way. The National Drug Observatory established in 2011 should be reactivated with adequate resources.

(Chapter 28: Consumer and health protection)

Albania continues to cooperate with EMCDDA under the working arrangement signed in March 2019 on drug related issues.

(Annex I - Relations between the EU and Albania)



ALBANIA

on its European path

#EUenlargement



Key milestones

- APRIL 2009**
Application for EU membership
Entry into force of the Stabilisation and Association Agreement
- JUNE 2014**
EU candidate country status granted
- APRIL 2018**
Commission recommends opening of accession negotiations
- JUNE 2018**
The Council sets out the path towards opening accession negotiations
- MARCH 2020**
The Council decides to open accession negotiations and endorses its decision
- JULY 2020**
Presentation of the draft negotiating framework to the Member States
- JULY 2022**
Intergovernmental Conference on accession negotiations (IGC)
Start of the screening process



Trade & investment

- The EU is Albania's biggest trading partner
- The EU's Foreign Direct Investment in Albania reached €610.9 million in 2021
- Volume of trade in goods with the EU was €5.9 billion in 2021



EU funding

- The EU is the largest provider of financial assistance to Albania
- The EU is supporting the socioeconomic development and reforms in the enlargement region, including in Albania, with financial and technical assistance through the **Instrument for Pre-accession Assistance (IPA)**
- For 2021-2027, IPA III funding for the whole enlargement region is **€14.162 billion***. It responds to thematic priorities

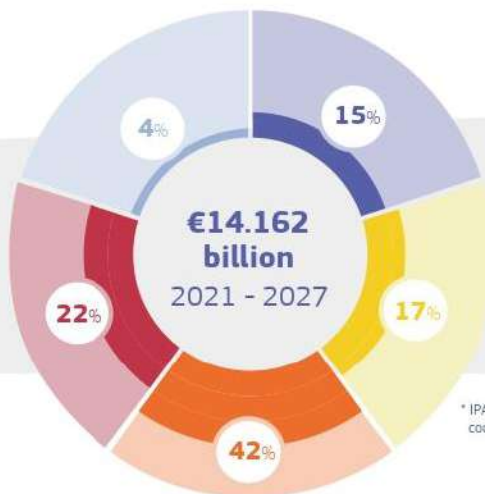


Economic & Investment Plan

Over the next seven years, the EU will mobilise up to **€30 billion** in cooperation with international financial institutions through the Economic and Investment Plan for the Western Balkans launched in 2020. The following EIP projects for Albania were endorsed in 2022:

- Sustainable transport:** Tirana bypass, Hani i Hotit railway line
- Clean energy:** Vau i Dejës Floating Solar Photovoltaic Power Plant

- The Annual Action Plan 2021 for Albania foresees a budget of **€64.9 million** supporting actions in judiciary, property rights, circular economy & green growth, innovation and nature
- For 2014 - 2020, IPA II funding allocated for Albania amounted to **€758 million**
- €569 million in European Investment Bank loans since 1999
- €115 million** EU grants for rehabilitation and reconstruction after the 2019 earthquake



- Rule of Law, fundamental rights and democracy
- Competitiveness and inclusive growth
- Good governance and neighbourly relations
- Territorial and cross-border cooperation
- Green agenda and sustainable connectivity

* IPA assistance is based on EU thematic priorities rather than pre-defined country allocations, hence the global amount for the enlargement region.



Human capital & innovation

- The EU pays special attention to youth, education and innovation and is helping the Western Balkans implementing Youth Guarantee schemes to support youth employment
- 9,800+ participants from Albania in student, academic and youth exchanges under ERASMUS+ (2014-2020)
- €25 million in support to civil society (2014-2020)

Last updated: 10/2022



Bosnia Herzegovina

Following its application for EU membership in February 2016, Bosnia and Herzegovina has to fulfil 14 key priorities set out in the Commission Opinion of May 2019 which covers democracy/functionality, the rule of law, fundamental rights, and public administration reform. This is required for the Commission to recommend opening EU accession negotiations with Bosnia and Herzegovina. In June 2022 the European Council expressed its readiness to grant the status of candidate country to Bosnia and Herzegovina and to that aim it invited the Commission to report on the implementation of the 14 key priorities set out in its Opinion with special attention to those which constitute a substantial set of reforms in order for the European Council to revert to decide on the matter.

Summary of the report

Bosnia and Herzegovina is at an early stage/has some level of preparation in the prevention and fight against corruption and organised crime. No progress was made in this area over the reporting period.

Bosnia and Herzegovina needs to continue its efforts in the fight against terrorism and drug trafficking and increase its capacity to do so.

Chapter 24: Justice, freedom and security

Bosnia and Herzegovina has achieved some level of preparation to implement the EU acquis in this area. Limited progress was made in this chapter, in particular on Opinion key priority 8 on managing migration and asylum. Further significant steps have been taken towards establishing a sustainable migration management system. The Ministry of Security has continued efforts to improve coordination and take over responsibility for managing migration, which should be supported by all levels of government. Last year's recommendations remain pending. The country has several strategies in place, and legislation in some areas is broadly aligned with the EU acquis. However, legislation is not harmonised across the country, and institutional cooperation and coordination remain weak. As a result, implementation is often uneven and unsatisfactory.

In the coming year, Bosnia and Herzegovina should in particular:

- Adopt and implement a strategy for preventing and combating terrorism and violent extremism (2021-2026), and urgently adopt and start implementing legislation on anti-money laundering and combating the financing of terrorism (AML/CFT) in line with the EU acquis, to avoid facing the possibility of being again "greylisted", i.e. listed as a jurisdiction under increased monitoring for strategic AML/CFT deficiencies by the international standard setting body the Financial Action Task Force (FATF) after evaluation of the regional body, the Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL)

- Urgently adopt and implement the strategy and action plan on migration; ensure effective coordination of border management and migration management capacity, including the fair distribution of reception capacity among all entities and cantons; and guarantee more efficient access to asylum procedures;
- Adopt the action plan on drugs; improve civilian oversight mechanisms over police, at all levels; consistently appoint police directors on a merit basis; fully align with the EU list of visa-required third countries.

Institutional set-up and legal alignment

In 2021, there were 53 investigations into organised crime with 735 suspects, 28 indictments with 190 accused, 22 convictions with 134 convicted, and 23 acquittals. This represents an increase compared with 2020 (359 suspects, 22 indictments with 103 accused and 7 sentences with 54 convicted). In 8 cases, plea bargain agreements were concluded with 90 individuals (4 and 27 in 2020). There were 181 orders to conduct investigations against 198 individuals for cybercrime including for online child sexual abuse in 2021, (125 investigations against 129 individuals in 2020), with 54 indictments against 65 individuals (45 and 41 in 2020). The number of convictions in 2021 is still very low, with 43 convictions for 51 individuals (26 and 31 in 2020) of which 25 convictions for 27 individuals resulted in suspended sentences (58%).

The capacity to effectively dismantle criminal organisations is seriously hampered by the lack of harmonised criminal legislation in the country, which is exacerbated by weak institutional coordination. While there is some progress in carrying out joint operations tackling serious crimes, there is still a systematic lack of operational cooperation and limited exchange of intelligence at some levels.

The March 2017 agreement on operational and strategic cooperation with Europol is not yet fully implemented; the contact point is not yet operational, although efforts are ongoing. As a result, exchange of information with Europol is still taking place through a unit in the Directorate for Coordination of Police Bodies of Bosnia and Herzegovina, whose mandate has expired, and with which the Republika Srpska entity has suspended operational cooperation.

Bosnia and Herzegovina continued to participate actively in the EMPACT joint action days (JADs). These included (i) the JAD South East Europe 2021, promoting closer cooperation to tackle firearms trafficking, migrants smuggling and drugs trafficking;

Cooperation in the field of drugs

Institutional set-up and legal alignment

The legal framework is only partly in line with the EU acquis, notably on minimum rules on drug-related criminal offences and sanctions. The legislation provides for the entire quantity of drugs seized to be preserved as material evidence for court proceedings, rather than just a sample, which creates risks. Bosnia and Herzegovina cooperates with the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) and should designate by law a correspondent for cooperation. The country should establish a national drug observatory to provide factual, objective, reliable and comparable information on drugs, drug addiction and their consequences. It should improve coordination among the competent agencies and align data reporting on

epidemiological trends with the EMCDDA treatment indicators. Bosnia and Herzegovina should also adopt legislation on new psychoactive substances, establish a focal point for drug issues for the entire country and introduce an early warning system.

Bosnia and Herzegovina has a 2018-2023 strategy on supervision over narcotic drugs, prevention and suppression of the abuse of narcotic drugs, but there is no action plan to implement it. A new action plan for 2023 and beyond, in line with EU standards, should be adopted. The Republika Srpska entity has its own strategy and action plan on drugs. Although the Council of Ministers re-activated a commission for the suppression of the abuse of narcotic drugs in September 2020, composed of members of both entities at political level, not a single meeting has taken place since.

Implementation and enforcement capacity

In 2021, there were a total of 2 451 reported crimes related to drug abuse and 2 171 orders issued to conduct an investigation. There were 1 409 indictments filed, 2 023 confirmed, 587 indictments with a criminal warrant and 6 indictments with plea agreement. There were 33 acquittals, 6 judgments rejecting charges and 1 967 convictions, of which 89 fines; 24 court reprimands; 1 304 suspended sentences; and 550 prison sentences.

Bosnia and Herzegovina is still a transit country and a final destination for drugs. The Council of Ministers has not updated the list of criminalised psychoactive substances since 2011, in line with the recommendations of the Commission for the suppression of abuse of narcotic drugs. As a result, several psychoactive substances circulate freely. A more flexible mechanism is needed to regularly update this list. Professional capacity and cooperation with civil society needs to be improved. More funds are needed for harm reduction programmes and the social reintegration of addicted persons. In 2021, 1 700 kg of drugs were destroyed, mostly marijuana, amphetamines and heroin. The lack of secure storage before destruction is still a concern.

Other issues related to drugs

There have been some improvements regarding crime statistics, which are collected monthly and submitted annually for the United Nations Office on Drugs and Crime questionnaire.

(Chapter 18: Statistics)

Drug abuse prevention and harm reduction, preventative measures are not systematic, though some are implemented through education and NGO activities. There is no systematic approach to rehabilitation and social reintegration, and programmes have been introduced on this unequally in different parts of the country.

On health inequalities, a key challenge facing the health care system is to improve accessibility for all citizens, although the legislation stipulating equal access to health is in place. Ensuring good quality accessible public health care for all citizens including marginalised groups is one of Bosnia and Herzegovina's key reform priorities.

(Chapter 28: Consumer and health protection)



BOSNIA AND HERZEGOVINA

on its European path

#EUenlargement



Key milestones

JULY 2008

Signature of the Stabilisation and Association Agreement & entry into force of the Interim Agreement on trade

JUNE 2015

Entry into force of the Stabilisation and Association Agreement

FEBRUARY 2016

Bosnia and Herzegovina submits EU membership application

MAY / DECEMBER 2019

Commission Opinion on EU membership application: 14 key priorities, endorsed by the EU Council conclusions

OCTOBER 2022

Commission recommendation to the Council to grant Bosnia and Herzegovina candidate status, on the understanding that a number of steps are taken



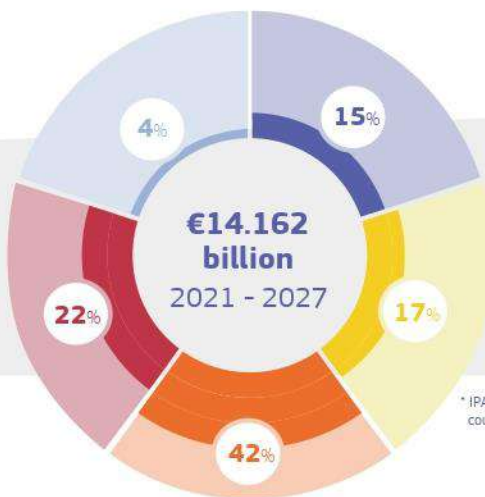
Trade & investment

- The EU is Bosnia and Herzegovina's biggest trading partner
- The EU's Foreign Direct Investment in Bosnia and Herzegovina reached €230 million in 2020
- Volume of trade in goods with the EU was €11.8 billion in 2021



EU funding

- The EU is the largest provider of financial assistance to Bosnia and Herzegovina
- The EU is supporting the socioeconomic development and reforms in the enlargement region, including in Bosnia and Herzegovina, with financial and technical assistance through the **Instrument for Pre-accession Assistance (IPA)**
- For 2021-2027, IPA III funding for the whole enlargement region is **€14.162 billion**. It responds to thematic priorities
- The Annual Action Plan 2021 for Bosnia and Herzegovina foresees a budget of **€73 million** supporting actions in migration & border management, democracy, socio-economic development, regional development, agricultural development, and energy & transport
- For 2014 - 2020, IPA II funding allocated for Bosnia and Herzegovina amounted to **€539.6 million**
- €3.2 billion in loans from European Investment Bank since 1999



* IPA assistance is based on EU thematic priorities rather than pre-defined country allocations, hence the global amount for the enlargement region.



Human capital & innovation

- The EU pays special attention to youth, education and innovation and is helping the Western Balkans implementing Youth Guarantee schemes to support youth employment
- 12,000+ participants from Bosnia and Herzegovina in student, academic and youth exchanges under ERASMUS+ (2014-2020)
- €35.15 million in support to civil society (2014-2020)

Last updated: 10/2022



Kosovo*

Summary of the report

The situation in the north of Kosovo remains challenging, in particular in terms of corruption, organised crime, and the conditions for freedom of expression.

Kosovo is still at an early stage in developing a well-functioning judicial system. While some progress was made, the overall administration of justice continues to be slow, inefficient and vulnerable to undue influence.

Kosovo is at an early stage in the fight against organised crime and limited progress was made in investigating and prosecuting organised crime cases. The powerful tools envisaged by the Criminal Code and the Law on Extended Powers of Confiscation are not yet fully utilised. A number of successful operations targeting organised crime took place, involving international and cross-border cooperation. Fighting organised crime in the north of Kosovo continues to be challenging.

In July 2020, Europol and the Kosovo Police concluded a Working Arrangement.

Chapter 23 - Judiciary and fundamental rights

Fight against corruption

Despite a fairly advanced legal framework in place, criminal asset confiscation remains low. Between July 2021 and March 2022, the prosecution offices confiscated assets in the total amount of about EUR 92,000 in three cases related with drugs, tax evasion and organized crime.

Fundamental rights

The efforts to improve the drug addiction treatment programmes and prison medical facilities in light of Committee for the Prevention of Torture recommendations are ongoing.

There is a lack of quality services and dedicated programmes for the prevention and reintegration of child victims of drug abuse.

Chapter 24 - Justice, freedom and security

Kosovo is at an early stage/has some level of preparation in this area. The entry into force of several laws important to combatting organised crime has not led to tangible results.

* This designation is without prejudice to positions on status, and is in line with UNSC 1244 and the ICJ Opinion on the Kosovo declaration of independence

Kosovo has only partly followed the recommendations of the 2020 report, especially related to violent extremism. The other recommendations remain outstanding.

As Kosovo has partly followed the recommendations of the 2021 report, they remain valid. In the coming year, Kosovo should in particular:

- Continue to reinforce the capacity of the Special Prosecution Office to investigate and prosecute high-profile organised crime cases;
- Establish a Joint Threat Assessment Centre, including a threat level grading system on terrorism and related links;
- Further enhance migration governance, coordination and monitoring of policies; reinforce capacities for data collection and analysis; further strengthen asylum.

Fight against organised crime

Kosovo is at an early stage in the fight against organised crime and limited progress was made in investigating and prosecuting organised crime cases. Limited results were achieved, despite the existence of proper legal and institutional frameworks. During the reporting period, a number of successful operations targeting organised crime continued, also involving international and cross-border cooperation.

There is a well-established cooperation with Interpol and Europol. In addition, Kosovo has appointed Eurojust Contact Points.

Cooperation in the field of drugs

Institutional set-up and legal alignment

The legislative framework to combat illicit handling of and trafficking in narcotic drugs is based on the 2007 Law on Narcotic Drugs, Psychotropic Substances and Precursors. A more comprehensive, revised draft law that in turn is aligned with more recent EU legislation is yet to be adopted. The Criminal Code addresses drugs and trafficking-related crimes. A coordination mechanism has been established to prevent and combat drug trafficking and the illicit use of precursors. To this end, and in accordance with the current strategy and action plan (2018-2022), a national drug observatory is established within the Ministry of Internal Affairs. There is no head of the observatory since December 2018. In March 2022, the Ministry of Internal Affairs assigned an officer to carry out the function at the observatory. While a decision was taken to increase the number of personnel, this has partly been implemented. Difficulties also remain regarding the sustainable and routine collection of drug-related data throughout Kosovo, also given the lack of a functional Health Information System. The early warning system is not yet established nor operational. The Ministry of Internal Affairs approved an internal regulation on the organisation of the national drug observatory and the early warning system, which ensures adequate human and financial support. Two new positions have been approved to reinforce the secretariat and the drug observatory; however, the recruitment process is yet to start. Cooperation with the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) has improved thanks to the support from ad hoc expertise outside the national drug observatory. The EMCDDA signed a working arrangement with the Ministry of Internal Affairs and with the Ministry of Health in September 2019.

Implementation and enforcement capacity

Kosovo continues to be both a storage and a transit country for narcotic drugs and their derivatives. Overall, drug seizures are increasing: around 500kg of marijuana, 3.6kg of heroin, and 414kg of cocaine were seized in 2021. In March 2022, the Kosovo Police seized 83.5kg of heroin and arrested seven suspects. Further, in May 2022, successful police operations targeted a major Cannabis Sativa cultivation plot in North Mitrovica and successfully seized 68kg of heroin in Ferizaj. During 2021, the Kosovo Police registered 726 new drug-related cases (1 006 in 2020). Out of the total number of cases, 218 were charged as drug trafficking, 478 as illegal possession of drugs, 29 were related to cultivation and one was initiated for other drugs. In 2021, 1 117 persons were indicted for drug-related offences and 390 persons were found guilty by the courts (seven were acquitted). Provisions are in place for the secure storage of seized drugs awaiting destruction. However, a protocol for the handling, storage and destruction of drug precursors is still not in place.

Organised crime groups continue to play a dominant role in large-scale drug trafficking and subsequent distribution in the EU. The Western Balkans drug trafficking routes constitute a major challenge. During the reporting period, a number of successful drug targeting operations was carried out, and cooperation with EU Member States was effective. Law enforcement agencies and prosecution need to further increase the understanding of the drug market through analytical work, by examining the intelligence picture and identifying intelligence gaps. Inter-agency cooperation and exchange of information in the fight against drug trafficking among relevant actors in the chain of justice sector should further improve. The prosecution service continues to remain understaffed and insufficiently trained to efficiently deal with drug-related offences. Increased cooperation and coordination among law enforcement agencies in the Western Balkan region is paramount. This can only take place through vastly improved inter-agency cooperation and exchange of information at all levels. A 24-hours drug abuse hotline is available, and addiction treatment and methadone therapy is being offered.



KOSOVO*

on its European path

#EUenlargement



Key milestones

MARCH 2011

EU-facilitated dialogue between Pristina-Belgrade started

APRIL 2013

'Brussels Agreement' between Belgrade and Pristina concluded

APRIL 2016

Entry into force of the Stabilisation and Association Agreement

MAY 2016

The European Commission proposes visa-free travel for the people of Kosovo

OCTOBER 2016

First meeting of the EU-Kosovo Stabilisation and Association Council

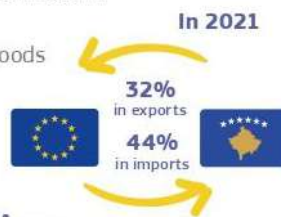
JULY 2018

Commission confirms that Kosovo has fulfilled all outstanding visa liberalisation benchmarks



Trade & investment

- The EU is Kosovo's biggest trading partner
- The EU's Foreign Direct Investment in Kosovo reached €208 million in 2021
- Volume of trade in goods with the EU was €1.8 billion in 2021



EU funding

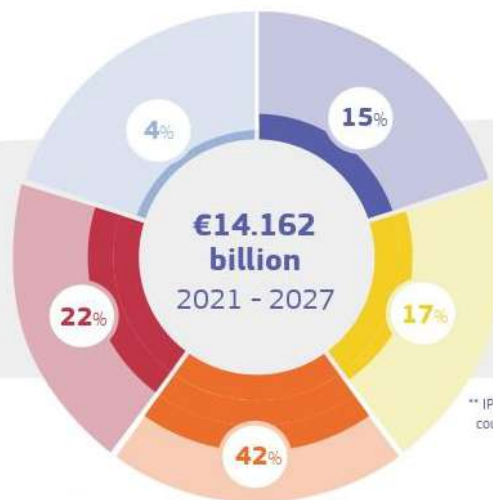
- The EU is the largest provider of financial assistance to Kosovo
- The EU is supporting the socioeconomic development and reforms in the enlargement region, including in Kosovo, with financial and technical assistance through the **Instrument for Pre-accession Assistance (IPA)**
- For 2021-2027, IPA III funding for the whole enlargement region is **€14.162 billion****. It responds to thematic priorities



Economic & Investment Plan

Over the next seven years, the EU will mobilise up to **€30 billion** in cooperation with international financial institutions through the Economic and Investment Plan for the Western Balkans launched in 2020. The following EIP project for Kosovo was endorsed in 2022:

- **Sustainable transport:** Pristina-Merdare section of the Peace Highway connecting Kosovo to Serbia



- Rule of Law, fundamental rights and democracy
- Competitiveness and inclusive growth
- Good governance and neighbourly relations
- Territorial and cross-border cooperation
- Green agenda and sustainable connectivity

** IPA assistance is based on EU thematic priorities rather than pre-defined country allocations, hence the global amount for the enlargement region.



Human capital & innovation

- The EU pays special attention to youth, education and innovation and is helping the Western Balkans implementing Youth Guarantee schemes to support youth employment
- 3,400+ participants from Kosovo in student, academic and youth exchanges under ERASMUS+ (2014-2020)
- 364 'Young Cells Scheme' grants have been awarded to public administration scholars
- 4,000+ young and disadvantaged people received employment and entrepreneurship training
- €18.5 million in support to civil society (2014-2020)

Last updated: 1.0/2022

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence



Montenegro

Summary of the report

The role of civil society is recognised and promoted, although the current legal and institutional framework needs to be further improved to strengthen the consultation and cooperation mechanisms between state institutions and civil society in the context of the EU accession process.

In the fight against organised crime, Montenegro has some level of preparation/is moderately prepared. Some progress was made in addressing last year's recommendations, in particular as regards the efficiency of criminal investigations. Some key figures in organised crime groups were arrested and another record of drug seizures was reached.

Chapter 23: Judiciary and fundamental rights

Freedom of expression

On 25 May, the Supreme Court upheld the appeal quashing the High Court's and Appellate Court's verdicts on the case of investigative journalist Jovo Martinovic, who was sentenced to a year in prison for involvement in drug smuggling while he was conducting journalistic investigations.

Chapter 24: Justice, freedom and security

Montenegro is moderately prepared in the area of justice, freedom and security. The legislative and institutional frameworks are largely in place. Some progress was achieved in addressing last year's recommendations, as Montenegro started revising its legal approach to financial investigations and took a number of steps to improve the efficiency of criminal investigations.

In the coming year, Montenegro should in particular:

- Limit the use of plea bargains to exceptional cases, in order to enhance the transparency and credibility of the judicial response to organised crime through a more deterrent and consistent sanctioning policy;
- Review the legal and operational approach towards financial investigations, asset recovery, the fight against money laundering and tobacco smuggling; align it with EU and international standards, and establish a convincing track record in these areas;
- Further strengthen the capacities in border management by addressing the critical gaps in human resources and equipment; take the necessary steps to establish an Advance Passenger Information System (API) and a biometric migrant registration system that follows the Eurodac model; take concrete steps to fully align with the EU's list of visa required third countries and increase the accommodation capacity for migrants.

Fight against organised crime

Montenegro has some level of preparation/is moderately prepared in the fight against organised crime. Some progress was made in addressing last year's recommendations, in particular as regards the efficiency of criminal investigations. The full use of special investigative measures was restored. Legislative changes introduced safeguards against political influence over the appointment or dismissal of the Head of the police.

Some key figures from organised crime groups were arrested and another record of drug seizures was reached. The first joint investigation team with a third country was launched. The number of final convictions in organised crime cases is on the rise.

However, the track record of court decisions on tobacco smuggling and money laundering, the use of financial investigations and the capacity to confiscate the proceeds of crime need to be strengthened. Montenegro has yet to address some systemic deficiencies affecting its criminal justice system across the board, including the way organised crime cases are handled in courts. This will require a more deterrent sentencing policy and a revision of the use of plea bargains in organised and serious crime cases.

In the coming year, the country should in particular:

- Continue to increase the efficiency of criminal investigations by establishing an interoperable system with a single search feature and by increasing the number of investigators and experts in key areas such as financial investigations, cyber-crime, forensics and special investigative measures;
- Address the lengthy duration of trials and frequent adjournments in organised crime cases; ensure stronger mutual understanding between courts and the prosecution on key legal concepts such as money laundering and the quality of evidence;
- Enhance the strategic monitoring of the criminal justice system by establishing a centralised database of organised crime and high-level corruption, collected from all relevant authorities, for analysis and policy-making purposes.

Institutional set-up and legal alignment

In 2021, the number of police officers rose to 4 586 (from 4 139 in 2020). The ratio of police officers remains high, at 730/100 000 inhabitants, compared with an EU average of 333/100 000 (Eurostat, 2018-2020). However, unlike most EU Member States, Montenegro includes border guards in the police (1 307 staff members), as well as non-operational staff such as advisers and officers without police rank.

Amendments to the Law on internal affairs, adopted in November 2021, addressed a recommendation from the European Commission 2021 annual report by improving safeguards against political influence over the appointment and dismissal of the Head of the police. Addressing another recommendation from the Commission's annual report, amendments to the Criminal Procedure Code were adopted in December 2021, restoring the use of some special investigative measures in compliance with constitutional principles, a key step forward for the efficiency of investigations in drug-related cases. As from January 2022, the prosecution service could again use undercover activities, or "controlled delivery", whereby a consignment of drugs is detected and allowed to go forward in order to secure evidence against the perpetrators.

A new serious and organised crime threat assessment was adopted in March 2022, identifying 10 main criminal groups and 12 threats to the national security of Montenegro.

Implementation and enforcement capacity

International drug smuggling and conflicts between competing criminal groups remain typical features of Montenegro's criminal profile. Some Montenegrin crime groups are key players in international and large-scale cocaine trafficking and have the capacity to facilitate or control logistical aspects of transatlantic drug shipments, including using corrupted crew members. They are also involved in violent activities, such as contract killings. However, in 2021 there were no gang-related murders for the first time in several years, something that has been a characteristic of Montenegro's criminal scene in the last 10 years. Preventive investigations and police intelligence have succeeded in preventing several planned murders of police officers, judges and prosecutors, including of the Chief Special Prosecutor, as well as 13 murders of members of other criminal groups.

Montenegro's law enforcement agencies had key successes in the fight against criminal networks in 2021, including the arrest of leading figures in criminal groups, both in Montenegro and abroad in cooperation with foreign police services. This marks a turning point in the fight against organised crime. In these high-profile cases, cooperation with EU Member States through Europol's Secure Information Exchange Network Application (SIENA) has been instrumental in the handling of the investigations. The shared intelligence also resulted in the arrest, in April 2022, of the former Supreme Court President while she was attempting to board a flight to Serbia. The charges related to suspicions of forming a criminal organisation and exerting unlawful influence. Her son and bodyguard are also under investigation in the same case. She had been the President of the Supreme Court between 2007 and 2020, and in parallel President of the Judicial Council between 2008 and 2014.

In May 2022, using intelligence from EU Member States, the newly appointed Chief Special Prosecutor re-opened an investigation into three police officers suspected of involvement in drug smuggling and organised crime, including the son of the former Police Director for the fight against crime. The charges against them had been dismissed in January 2022, under the previous management of the Special Prosecutor's Office.

Montenegro continued to participate actively in Joint Action Days (JADs). Specifically, it participated in JAD South East Europe 2021 (promoting closer cooperation in the fight against firearms trafficking, the smuggling of migrants and drugs trafficking).

Cooperation in the field of drugs

Institutional setup and legal alignment

Montenegro's legal framework in this area is not fully aligned with the EU acquis. The national drug information system does not fully meet EU standards. A new Directorate for the Prevention of Drug Abuse was created in the Ministry of Health, in which the National Drug Observatory (NDO) is embedded, following its removal from the Ministry in February 2021. The Observatory, however, has not addressed recommendations from the European Commission's previous annual reports nor has it participated in the different training and capacity building exercises organised by the EMCDDA since 2021. The NDO still does not have sufficient capacity and budget autonomy to

meet EU standards, and does not sufficiently fulfil its coordination function. The Institute of Public Health, the forensic laboratory and other institutions (including NGOs) dealing with drug-related issues have good technical and scientific capacity. However, security-related data collection on drugs is not compliant with the EU standards and the related security-related national data sets are not provided to the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) in the requested form and timelines. The Observatory has still to become an authoritative source of information that prepares regular national reports on drugs in Montenegro and provides evidence-based information for drug-related national policies.

In October 2021, Montenegro reported to the EU early warning system on a new psychoactive substance identified by the forensic centre. The national early warning system (NEWS) is still not ready to be linked to the EU early warning system, as it has limited operational capacity, lacks defined procedures and sufficient involvement of law enforcement and health authorities. A new strategy for the prevention of drug abuse has yet to be adopted, as the previous one came to an end in 2020.

Implementation and enforcement capacity

Montenegro continued to be a transit country for drugs, as a part of the Balkan route. In 2021, the Special State Prosecutor's Office conducted nine investigations into drug smuggling, of which five were international investigations conducted with foreign police services. This resulted in the unprecedented amount of 4.7 tonnes of drugs seized in the country in 2021 (compared with 3.1 tonnes in 2020 and 2.4 tonnes in 2019), mainly marijuana (3.4 tonnes), but also a significant quantity of cocaine (1.2 tonnes), along with heroin and synthetic substances. In August 2021, the police seized more than one tonne of cocaine, hidden in a shipment of bananas. The movement of the drug shipment had been monitored from a vessel in the Port of Bar to the end destination in a storage facility near Podgorica. Two people were arrested and are under investigation. A large illegal marijuana plantation of 860 cannabis stalks was detected, leading to the arrest of three Albanian citizens. Another plantation of 1 300 seedlings cannabis was found, but the perpetrators were not discovered. The courts issued seven convictions for drug smuggling associated with organised crime in 2021 (down from eight in 2020), all of them based on plea bargains.

In the first quarter of 2022, 15 final convictions were handed down in drug-related cases. Ten cases of drug trafficking at international level were pending before the courts, involving 58 people.

The insufficient storage capacity for seized drugs has yet to be addressed. Montenegro has not amended the relevant legal provisions in the Criminal Procedure Code to make it possible to keep only a sample of psychoactive substances as evidence for court proceedings, and not the entire amount, as it is the case now.

Judicial cooperation in civil and criminal matters

In September 2021, Montenegro concluded for the first time an agreement with a third country (the Republic of Moldova) to establish a joint investigation team on a common drug trafficking and money laundering case, enabling coordinated searches, arrests and seizures in both countries. The joint investigation team was supported by the IPA II project 'Countering Serious Crime in the Western Balkans'.

Other issues related to drugs

On drug abuse prevention and harm reduction, efforts focused on treatment and prevention actions are organised by the civil society organisations. Opioid substitution treatment is available at primary health care centres. However, the rehabilitation and social integration of drug addicts was problematic, as they needed to participate themselves in covering the costs of the rehabilitation programmes provided by a state centre. Adequate support to minor drug users with mental diseases is not available, and there is no specific healthcare entity for this group of drug users.

Chapter 28: Consumer and health protection)

The legislation on the control of production and trade of drug precursors is expected to be adopted at the same time.

(Chapter 29: Customs union)



MONTENEGRO

on its European path

#EUenlargement



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Key milestones

- DECEMBER 2008**
Application for EU Membership
- MAY 2010**
Entry into force of the Stabilisation and Association Agreement
- DECEMBER 2010**
EU candidate country status granted
- JUNE 2012**
EU decides to open accession negotiations
- DECEMBER 2013**
'Rule of Law' chapters 23 and 24 are opened for negotiations
- JUNE 2020**
All 33 screened chapters have been opened, three of which are provisionally closed
- JUNE & DECEMBER 2021**
Political Intergovernmental Conferences under the revised enlargement methodology provide political steer to the accession process

Source: EU Data

Trade & investment

- The EU is Montenegro's biggest trading partner
- The EU's Foreign Direct Investment in Montenegro reached €169.4 million in 2021
- Volume of trade in goods with the EU was €1.5 billion in 2021



EU funding

- The EU is the largest provider of financial assistance to Montenegro
- The EU is supporting the socioeconomic development and reforms in the enlargement region, including in Montenegro, with financial and technical assistance through the **Instrument for Pre-accession Assistance (IPA)**
- For 2021-2027, IPA III funding for the whole enlargement region is **€14.162 billion***. It responds to thematic priorities



* IPA assistance is based on EU thematic priorities rather than pre-defined country allocations, hence the global amount for the enlargement region.

Economic & Investment Plan

Over the next seven years, the EU will mobilise up to **€30 billion** in cooperation with international financial institutions through the Economic and Investment Plan for the Western Balkans launched in 2020. The following EIP project for Montenegro was endorsed in 2022:

- Environment and climate:** Podgorica wastewater treatment plant

Human capital & innovation

- The EU pays special attention to youth, education and innovation and is helping the Western Balkans implementing Youth Guarantee schemes to support youth employment
- 4,000+ participants from Montenegro in student, academic and youth exchanges under ERASMUS+ (2014-2020)
- Reforms of the social welfare and child-care systems implemented with EU support
- €14.4 million in support to civil society (2014-2020)

Last updated: 10/2022



North Macedonia

Summary of the report

The reporting period was characterised by intense efforts, which led to the start of the accession negotiation process. The holding of the first Intergovernmental Conference in July 2022 was a historic moment and marked a new phase in the EU accession process for North Macedonia. This was a clear recognition of the determination of North Macedonia to implement EU related reforms.

Civil society organisations (CSOs) continue to operate in an enabling environment, including with the adoption of the strategy of cooperation with and development of civil society 2022-2024. Civil society continued to play an important role in decision-making processes and in monitoring the activities of the state. However, efforts are needed to improve transparency in policymaking and the inclusiveness of consultation processes. The legal and financial frameworks still need to be improved and implemented in practice.

North Macedonia has some level of preparation in the fight against organised crime. It has made some progress, mainly in operational cooperation with international partners, as well as in improving the coordination of activities to combat organised crime. More needs to be done to improve the effectiveness of law enforcement in fighting certain forms of crime, such as money laundering and financial crimes. The investigative centres at the Basic Public Prosecution Office need to be strengthened to achieve their objectives of increasing the efficiency of investigations and improving coordination between prosecutors, the police and other relevant bodies.

Chapter 23: Judiciary and fundamental rights

Fundamental rights

The lack of adequate healthcare or measures to treat drug addiction in prisons remains an issue of serious concern, to be addressed by the Ministry of Health.

Chapter 24: Justice, freedom and security

North Macedonia is moderately prepared to implement the EU acquis. Cooperation with the EU law enforcement agencies remains good, and a liaison prosecutor to EUROJUST has been appointed.

Most of the recommendations from the 2020 report remain outstanding. In the coming year, the country should, in particular:

- Continue the proactive implementation of the institutional reforms of the structures fighting organised crime with a focus on increasing operational capacity and cooperation;

- Continue to implement the Joint Action Plan on Counterterrorism, with a focus on prevention of extremism, reintegration of former foreign terrorist fighters and deradicalisation in prisons;
- register migrants and improve protection-sensitive profiling, as well as adopting a more systematic approach to fighting migrant smuggling; align national legislation with the EU's list of visa required third countries.

Fight against organised crime

North Macedonia has some level of preparation in the fight against organised crime. Some progress was made mainly in operational cooperation with international partners, as well as in improving the coordination of activities against organised crime, but more needs to be done to improve the effectiveness of law enforcement in fighting certain forms of crime, such as money laundering and financial crimes.

In the coming year, the country should, in particular:

- Further improve its track record on investigating, prosecuting and convicting instances of organised crime and money laundering with a focus on confiscation of proceeds of crime;
- Adopt and implement the necessary legislation on asset recovery;
- Prepare the necessary legislation on cybersecurity and set up a coordinated and unified system for tackling cybercrimes.

Institutional set-up and legal alignment

The country has 330 police officers per 100 000 inhabitants, compared with an EU average of 333 (Eurostat, 2018-2020). In 2021, 590 police officers were employed, and 600 new public vacancies were announced.

Key institutions in the fight against organised crime include specialised police units within the Ministry of Interior, which deal with different types of organised crime and financial investigation.

The Asset Recovery Office (ARO) set up within the Public Prosecution Office, is understaffed, employing only one public prosecutor, out of five foreseen. The law on the Asset Recovery Office has still not been adopted.

Regarding the legal framework, the Criminal Code is broadly in line with European standards and criminalises trafficking in human beings, online child pornography, computer crime and drug trafficking.

Implementation and enforcement capacity

The country participates in international police cooperation activities through the main cooperation channels. Cooperation with Europol is well established following the conclusion of a strategic agreement in 2007 and an operational agreement in 2011. There is operational cooperation in the fight against trafficking of human beings, weapons, and drugs.

The country continued to participate actively in EMPACT Joint Action Days (JADs), such as the JAD South East Europe 2021 (promoting closer cooperation in the work against firearms trafficking, the smuggling of migrants and drugs trafficking).

Cooperation in the field of drugs

Institutional set-up and legal alignment

A national drugs observatory (NDO) exists since 2007 in the Ministry of Health. However, it lacks sufficient staff and hence its operational capacity (e.g. in terms of data collection) remains limited. There is still no national early warning system to liaise with the European Monitoring Centre for Drugs and Drug Addiction on new psychoactive substances and new trends.

The 2021-2025 National Drug Strategy and the Action Plan 2021 - 2023 were adopted in July 2021. The Strategy is based on human rights, guaranteed security of all citizens, and aims at providing quality services by state government bodies, the bodies of the local self-government units, the institutions, and the civic associations. Proper implementation, monitoring and evaluation of the Strategy need to be ensured.

A new law on Control of Narcotic Drugs and Psychotropic Substances has been drafted. Any changes to the law must comply with the EU acquis and international standards.

Implementation and enforcement capacity

The operational capacity of the NDO is limited. It needs to have sufficient staff and a regular process of cooperation with relevant stakeholders. A national early-warning system needs to be set up.

In 2021, there was a significant improvement in the prevention of drug trafficking. A total of 701 criminal offences were recorded against 840 perpetrators. 10 organised criminal groups with 61 members were uncovered and suppressed, while in the first half of 2022, 9 organised groups of 36 members.

In 2021, the Ministry of Interior confiscated 18,301 stems of cannabis and as 6,960 ml of alcoholic solutions of tetrahydrocannabinol from legal entities holding a License for production of cannabis oil extracts for medical purposes, whose production premises and equipment were used for illegal cultivation of the narcotic drug - cannabis and production of oil extracts. The control of those entities by law enforcement authorities needs to be strengthened.

Cooperation with neighbouring countries is good, including on ad hoc operations.

Other issues related to drugs

The licensing, monitoring and control systems are operational for businesses dealing with drug precursors and civil explosives.

(Chapter 1: Free movement of goods)

The Customs Administration participated in three international operations and a number of projects, in cooperation with Europol and the World Customs Organisation (WCO), to combat illicit trade in drugs, counterfeit goods, medicines, medical devices and protective equipment, weapons, explosives, dangerous waste, cultural goods and tobacco products.

(Chapter 29: Customs union)



NORTH MACEDONIA

on its European path

#EUenlargement



Key milestones

- MARCH 2004**
Application for EU membership
- APRIL 2004**
Entry into force of the Stabilisation and Association Agreement
- DECEMBER 2005**
EU candidate country status granted
- OCTOBER 2009**
The Commission recommends opening of accession negotiations
- APRIL 2018**
The Commission repeats its unconditional recommendation to open accession negotiations
- JUNE 2018**
The Council sets out the path towards opening accession negotiations
- MARCH 2020**
The Council decides to open accession negotiations and endorses its decision
- JULY 2020**
Presentation of the draft negotiating framework to the Member States
- JULY 2022**
Intergovernmental Conference on accession negotiations (IGC)
Start of the screening process

Source: EU Data



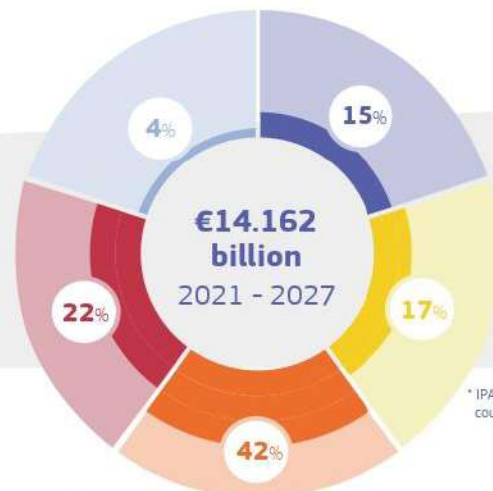
Trade & investment

- The EU is North Macedonia's biggest trading partner
- The EU's Foreign Direct Investment in North Macedonia reached €288.8 million in 2021
- Volume of trade in goods with the EU was €10.8 billion in 2021



EU funding

- The EU is the largest provider of financial assistance to North Macedonia
- The EU is supporting the socioeconomic development and reforms in the enlargement region, including in North Macedonia, with financial and technical assistance through the **Instrument for Pre-accession Assistance (IPA)**
- For 2021-2027, IPA III funding for the whole enlargement region is **€14.162 billion***. It responds to thematic priorities



* IPA assistance is based on EU thematic priorities rather than pre-defined country allocations, hence the global amount for the enlargement region.



Economic & Investment Plan

Over the next seven years, the EU will mobilise up to **€30 billion** in cooperation with international financial institutions through the Economic and Investment Plan for the Western Balkans launched in 2020. The following EIP projects for North Macedonia were endorsed in 2022:

- Sustainable transport:** North Macedonia – Bulgaria Corridor VIII Rail Interconnection
- Clean energy:** Oslomej 1 Solar Photovoltaic Power Plant, Oslomej 2 and Bitola Photovoltaic Power Plants
- Environment and climate:** Skopje Wastewater Treatment Plant

- The Annual Action Plan 2021 for North Macedonia foresees a budget of **€90.45 million** supporting actions in rule of law & anti-corruption, fight against organised crime, trade, environment & clean air, green economy and the green agenda
- For 2014 - 2020, IPA II funding allocated for North Macedonia amounted to **€633 million**
- €984 million provided in European Investment Bank loans since 1999



Human capital & innovation

- The EU pays special attention to youth, education and innovation and is helping the Western Balkans implementing Youth Guarantee schemes to support youth employment
- 11,600+ participants from North Macedonia in higher education, vocational education and training, school education, adult learning and youth under ERASMUS+ (2014-2020)
- €24.3 million in support to civil society (2014-2020)

Last updated: 10/2022



Serbia

Summary of the report

Further efforts are still needed to ensure systematic cooperation between the government and civil society. An enabling environment for developing and financing civil society organisations still needs to be created on the ground, as verbal attacks and smear campaigns against such organisations continued.

In the fight against organised crime, Serbia has some level of preparation. Limited progress was made over the reporting period. The number of new investigations and final convictions increased in 2021 compared to 2020, however the number of indictments and first instance convictions decreased. The number of cases involving seizure and final confiscation of assets is still limited. Extended confiscation is not systematically applied. However, the level of understanding and the investigation approach have improved, which should lead to better results in the future. Serbia should move from a case-by-case approach to a strategy against criminal organisations, and from focusing on cases of low or medium importance to high-profile cases, aimed at dismantling big internationally spread organisations and seizing assets.

Chapter 24: Justice, freedom and security

Serbia has some level of preparation to implement the EU acquis on justice, freedom and security. Some progress was made in addressing last year's recommendations, in particular through the preparatory work on the Schengen action plan and on the criminal code as regards the trafficking of weapons. The administrative capacity of the Prosecutor's Office for Organised Crime was strengthened. A baseline analysis has been carried out, however, there is a delay in developing 'systematisation rulebooks' (decisions on staffing). Serbia took no steps to further align with the EU's common visa policy.

Serbia continued to significantly contribute, as a transit country, to the management of the mixed migration flows towards the EU by playing an active and constructive role and cooperating effectively with its neighbours and EU Member States. Efforts continued to host and accommodate substantial numbers of third-country nationals, with EU support. Serbia decided on 17 March to grant temporary protection for 1 year to Ukrainian nationals having fled Russia's war on Ukraine.

In the coming period, Serbia should in particular:

- Further increase the technical, financial and human resources capacity of the Prosecutor's Office for Organised Crime to perform its duties in an independent manner (including premises to accommodate new staff)

- Amend the Law on internal affairs to make the police fully autonomous from the Ministry of the Interior and fully accountable only to the Prosecutor's Office during pre-investigation and investigation phases
- Adopt the Schengen action plan and ensure that all relevant government institutions are properly involved
- Take concrete steps to fully align with the EU's list of visa required third countries

Serbia adopted a revised action plan for Chapter 24 in July 2020. It sets out Serbia's commitments, including in terms of timelines, for meeting the interim benchmarks of the EU common positions for these chapters. In general, indications of delays in this report are measured against the deadlines established by Serbia in these revised action plans. The Ministry improved the practice of publishing reports on the implementation of the action plan for Chapter 24 with the timely publishing of the report covering July-December 2021. For a period starting in February 2020, no meetings were held between the Negotiating Group for Chapter 24 and civil society organisations under the umbrella of the Working Group for Chapter 24 of the National Convention on the European Union. The meetings restarted in November 2021.

Fight against organised crime

Serbia has some level of preparation in the fight against organised crime. Limited progress was made in addressing last year's recommendations by introducing changes to improve the measurement of the track record on investigation, prosecution, and convictions in serious and organised crime cases. The data provided by Serbia shows a mixed picture: the number of new investigations and final convictions increased in 2021 compared to the year earlier; the number of indictments and first-instance convictions fell. Proactive criminal investigations and systematic tracking of money flows, especially in cases of inexplicable wealth are not regular practices. Although financial investigations were initiated in 128 cases, the number of cases where seizure and final confiscation of assets occurs is still limited. Extended confiscation is not systematically applied. However, the understanding and the investigation approach has improved and prosecutors are aware of the importance of consistently applying a 'follow the money to find the crime' method. This should lead to better results in the future in terms of final convictions and seizure and confiscation of assets.

Serbia is delayed in conducting an analysis of the roles and practices of security services and of the National Security Council in carrying out criminal investigations relating to serious and organised crime.

There is well-established cooperation with Eurojust, Interpol and with Europol, notably in weapons trafficking, drugs trafficking, and the fight against organised crime groups.

Serbia should adapt its approach from one based on cases to a strategy against criminal organisations, and from focusing on cases of low or medium importance to high profile cases aiming at dismantling big and international organisations and seizing the assets.

In the coming period Serbia should increase its efforts to address the shortcomings and:

- Increase the number of investigation, prosecution, and convictions in serious and organised crime cases, including cases of money laundering, based on systematic tracking of money flows and on the efficient use of special investigative measures to collect relevant evidence;

- Systematically increase the seizure and confiscation of criminal assets which includes both seizure of proceeds of crimes or their equivalent and the systemic use of extended confiscation;
- Amend the Serbian criminal code in order to effectively criminalise the trafficking of weapons; take concrete steps to ensure a clear separation of the mandates and regulations concerning the interception of communications for criminal investigation on the one hand, and for security purposes on the other.

Institutional set-up and legal alignment

There were 40 059 police officers in Serbia in April compared to 40 119 in April 2020, equivalent to 439 per 100 000 inhabitants, compared with an EU average of 333 (Eurostat, 2018-2020). The Prosecutor's Office for Organised Crime (POOC) still needs to recruit three prosecutors to fill all 25 prosecutor posts.

Serbia is late in conducting an analysis of the roles and practices of security services in investigations into serious and organised crime. Regarding the interception of communications, a clear separation needs to be made between the remits and regulations for criminal investigation and those for security purposes.

The Law on internal affairs still needs to be harmonised with the criminal procedure code. The legal framework is still not sufficient to guarantee the operational autonomy of the police from the Ministry of the Interior during the pre-investigation and investigation phases.

Media relations, including press releases on ongoing investigations and trials, are still managed mainly by politicians and representatives of the Ministry of the Interior and not by the prosecution and/or the police. Several media outlets made public leaked information on ongoing investigations, including defendants' statements on alleged links between politicians and organised criminal groups, creating undue pressure on individual members of the judiciary or the prosecution.

Implementation and enforcement capacity

The data provided by Serbia shows a mixed picture: under organised crime jurisdiction, the number of new investigations increased in 2021. Investigations were initiated against 130 individuals compared to 110 in 2020. The number of indictments fell in 2021: 100 individuals were indicted compared to 108 in 2020. The number of first instance convictions fell in 2021: first instance convictions were rendered against 46 individuals compared to 127 in 2020. The number of final convictions increased in 2021: 98 (including 67 with plea agreements) individuals have been convicted in 2021 compared to 72 in 2020.

There is a delay in setting up a working group to carry out a comprehensive analysis of the effectiveness of the criminal legal system in order to increase the track record in serious and organised crime cases.

The use of plea agreements needs to be carefully balanced against the need for justice to be seen to be done and the need to avoid any impression of impunity in serious and organised crime cases.

There is well-established cooperation with Eurojust, Interpol and Europol, including on high-profile organised crime cases. The seconded Serbian prosecutor in Eurojust is well established and the institution was proactive in providing intelligence in important organised crime cases. The secure communication channel SIENA is operational.

Cooperation between Serbia and the EU Agency for Law Enforcement Training (CEPOL) is well established and based on a working arrangement. A dedicated contact point is in place. Serbia has full access to the CEPOL Exchange Programme as well as to CEPOL's the free of charge electronic learning system.

Financial investigations are not a regular practice in every criminal investigation. Proactive criminal investigations are needed, including pre-seizure planning and a systematic tracking of money flows, aimed not only at asset recovery but the gathering of circumstantial evidence for inexplicable wealth.

Cooperation in the field of drugs

Institutional set-up and legal alignment

The national drug strategy expired at the end of 2021. The action plan for 2021 was prepared and is pending adoption. The Office for Combating Drugs conducted an evaluation of the expired strategy, which should be used as the basis for drafting the new one.

The Serbian National Drug Observatory is fully staffed and operational. Serbia regularly updates and publishes reliable information on new psychoactive substances. The adoption of the new rulebook on determining the list of controlled psychoactive substances is underway, with 38 newly added psychoactive substances. The coordination role and responsibilities of the Office for Combating Drugs are still not clearly specified in relation to other state institutions. Since December 2020, a working arrangement has been in force between the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) and the Office for Combating Drugs, the Ministry of the Interior and the Ministry of Health. Serbia has a well-established early warning system (EWS) to liaise with the EMCDDA on new psychoactive substances and new trends. This also applies to the associated risk assessment procedure and the subsequent control mechanism for adding new psychoactive substances to national drug control legislation.

The National Drug Observatory continued with implementation of its three core functions: data collection; monitoring, analysis and interpretation of the data collected and reporting and dissemination. Serbia submits data upon request and in the framework of the data collection exercises, although data collection, analysis and reporting are yet to be fully aligned with the requirements and the methodology of the EMCDDA.

The decree on the manner of preserving, sampling, storing and destroying psychoactive substances was adopted in August 2021 providing a necessary legislative framework for psychoactive controlled substances, i.e. chemical/biological material either seized or confiscated. However, the current legislation still requires that the entire seized quantity be kept as material evidence for court proceedings. A national contact point for the transmission and analysis of samples of controlled psychoactive substances has not yet been established, though the rulebook to regulate its work was adopted in December 2020.

In October 2021, at fourth regional centre was set up in Kraljevo as part of the Drugs Combating Service Department for Coordination, Cooperation and Drugs Abuse Prevention.

From February 23, 2022, the Drugs combatting Service changed systematisation and created 5 new jobs positions. The recruitments are ongoing.

Implementation and enforcement capacity

In 2021, 30 individuals were convicted for the production, processing, sale or offering for sale of narcotics under the organised crime jurisdiction, and 784 under general competence jurisdiction. In 2021, a total of 8.5 tonnes of various substances (including 66.6 kg of heroin) were confiscated, as well as significant quantities of ecstasy, amphetamine, etc. in pills/pieces.

In contrast to 2020 when no seized controlled psychoactive substances were destroyed, a total of 1.4 tons of seized psychoactive substances were destroyed in 2021. The destruction of seized precursors remains an issue that needs to be regulated by law.

A software program is in operation that gives daily updates on quantities of seized drugs, and provides an e-communication channel on seized drugs with the National Forensic Centre on Seized Drugs. 'Security bags' were introduced to prevent any tampering with collected evidence. Since January 2021, seized drugs are stored centrally in five containers and in line with clear guidelines based on a legal advice.

The government produced a number of documents as a part of the programme for the prevention of the use of psychoactive substances, based on scientific evidence and in alignment with international standards.

Serbia made a significant contribution to the development of content for e-lessons for drugs laboratories. The e-lessons are part of the EU Agency for Law Enforcement Training (CEPOL)'s online training modules.

In 2021, the Prosecutor's Office for Organised Crime participated, with Spanish authorities, in a joint investigative team, whose work led to the dismantling of the organised criminal group dealing with the unauthorised production, transfer and sale of marijuana.

According to government data, the total value of seized property in 2021 amounts to EUR 1 million including 7 parking spaces and 2 business premises.

Other issues related to drugs

Public Health

On serious cross-border health threats, including communicable diseases, surveillance and response capacity remains limited and requires modernisation.

Regarding communicable diseases, attention needs to be given to effective, sustainable financing of disease-specific strategies, including the national HIV/AIDS strategy, and to raising awareness, particularly on the importance of child vaccination.

Community-based mental health services remain underdeveloped and suffer from low accessibility. Serbia's national programme for mental health protection 2019-2026 remains to be costed and fully implemented.

Serbia's legislation remains partly aligned to the EU acquis on medicines for human and veterinary use, and on preventing drug abuse. A national programme to reduce the harmful effects of alcohol and alcohol-induced disorders was adopted in 2017 but it remains to be implemented.

On health inequalities, access to healthcare services remains an issue for people with disabilities, people living with HIV, children and adults who use drugs, prisoners, women involved in prostitution, LGBTIQ persons, internally displaced persons and the Roma.

(Chapter 28: Consumer and health protection)



SERBIA

on its European path

#EUenlargement

Key milestones

DECEMBER 2009

Application for EU membership

MARCH 2011

EU-facilitated dialogue between Belgrade-Pristina started

MARCH 2012

EU Candidate country status granted

JUNE 2013

EU decides to open accession negotiations

SEPTEMBER 2013

Entry into force of the Stabilisation and Association Agreement

JUNE 2021

Political Intergovernmental Conference under the revised enlargement methodology provides political steer to the accession process

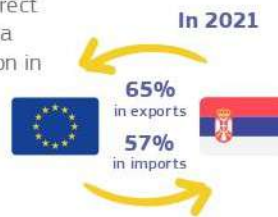
DECEMBER 2021

Opening of cluster 4 on Green agenda and sustainable connectivity, bringing the number of opened chapters to 22 out of 35, two of which are provisionally closed



Trade & investment

- The EU is Serbia's biggest trading partner
- The EU's Foreign Direct Investment in Serbia reached €1.85 billion in 2021
- Volume of trade in goods with the EU was €32.3 billion in 2021



EU funding

- The EU is the largest provider of financial assistance to Serbia
- The EU is supporting the socioeconomic development and reforms in the enlargement region, including in Serbia, with financial and technical assistance through the **Instrument for Pre-accession Assistance (IPA)**
- For 2021-2027, IPA III funding for the whole enlargement region is **€14.162 billion***. It responds to thematic priorities



* IPA assistance is based on EU thematic priorities rather than pre-defined country allocations, hence the global amount for the enlargement region.



Economic & Investment Plan

Over the next seven years, the EU will mobilise up to **€30 billion** in cooperation with international financial institutions through the Economic and Investment Plan for the Western Balkans launched in 2020. The following EIP projects for Serbia were endorsed in 2022:

- **Sustainable transport:** Removal of WWII German sunken vessels from the Danube, Prahovo sector; Niš railroad bypass; Stalač – Đunis railway section
- **Clean Energy:** Trans-Balkan electricity corridor; Advanced system for remote meter reading in Kraljevo, Čačak and Niš
- **Digital Future:** Rural broadband rollout
- **Human Capital:** University Children's Hospital Tiršova 2 in Belgrade

- The Annual Action Plan 2021 for Serbia foresees a budget of **€122.14 million** supporting actions in the areas of EU integration; connectivity and green agenda; sustainable economy, agriculture and rural development; enabling a more responsive healthcare system
- For 2014 - 2020, IPA II funding allocated for Serbia amounted to **€1.404 billion**
- Over €6.3 billion provided in European Investment Bank loans since 1999



Human capital & innovation

- The EU pays special attention to youth, education and innovation and is helping the Western Balkans implementing Youth Guarantee schemes to support youth employment
- Around 12,400 participants from Serbia in higher education, vocational education and training, school education, adult learning and youth under ERASMUS+ (2014-2020) (Serbia is a programme country in Erasmus+ since 2019)
- €33 million in support to civil society (2014-2020)

Last updated: 10/2022



Turkey

Summary of the report

Serious backsliding regarding civil society issues continued. Civil society organisations faced increased pressure and their space to operate freely continued to reduce, limiting their freedoms of expression, association and assembly.

Türkiye has some level of preparation in the fight against organised crime, however there was limited progress overall. The completion of an international agreement on the exchange of personal data between Europol and the Turkish authorities responsible for fighting serious crime and terrorism is still pending, as Turkish data protection legislation is not yet in line with the EU acquis.

The deterioration of human and fundamental rights continued. Many of the measures introduced during the state of emergency remain in force. The legal framework includes general guarantees of respect for human and fundamental rights, but the legislation and its implementation need to be brought into line with the European Convention on Human Rights (ECHR) and the European Court of Human Rights (ECtHR) case-law. The human rights action plan adopted in 2021 continued to be implemented, but this does not address critical issues and has not led to an improvement in the overall human rights situation.

The rights of the most disadvantaged groups and people belonging to minorities need better protection. Gender-based violence, discrimination, and hate speech against minorities (in particular against lesbian, gay, bisexual, transgender, intersex and queer (LGBTIQ) persons are still a matter of serious concern.

Chapter 23: Judiciary and fundamental rights

Fundamental rights

Concerning Roma people, Türkiye needs to adopt a new national strategy and an action plan covering 2022 onwards, in line with the EU Roma Strategic Framework and in order to enhance equality and participation of Roma citizens. There is need for a holistic approach to address the problem of drug addiction, notably taking the social and economic factors into account.

Chapter 24: Justice, freedom and security

Fight against organised crime

Turkey has some level of preparation in the fight against organised crime; however there was limited progress overall. The majority of the recommendations from last year remain to be addressed.

In the coming year, Turkey should in particular:

- Collect and use aggregate statistics to facilitate threat assessment, policy development and implementation and improve Türkiye's track record on dismantling criminal networks and confiscating criminal assets;
- Improve the legal framework and practices on counter-terrorism in line with the EU acquis. Türkiye also needs to continue addressing outstanding recommendations to be delisted from the FATF's 'grey'-list;
- Demonstrate the establishment of a fully operational centralised bank account register (BAR) in line with Article 32 A of the Anti-Money Laundering Directive;
- Improve its legislation on cybercrime and witness protection;
- Establish an Asset Recovery Office in line with the EU acquis;
- Conclude an international agreement on cooperation with Eurojust;
- Enhance efforts to prevent trafficking in human beings, specifically targeting vulnerable groups; improve early identification of, support and assistance to victims of trafficking, in particular those of vulnerable communities; increase the capacity of shelters available for victims of trafficking; expand training for professionals likely to enter into contact with victims of trafficking.

Institutional set-up and legal alignment

The legal framework for the fight against organised crime and police cooperation is partially aligned with the EU acquis.

Turkey is a member of the Management Board of the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) and of the Agency's European Information Network on Drugs and Drug Addiction (Reitox).

Implementation and enforcement capacity

Türkiye ranks high (12th out of 193 countries) on the Global Organised Crime Index therefore it is a country of interest in relation to several priorities of the European multi-disciplinary platform against criminal threats (EMPACT), notably firearms and drugs trafficking, trafficking in human beings, migrant smuggling, high risk criminal networks, environmental crime, organised property crime, counterfeiting and criminal finances as well as money laundering and asset recovery.

Cooperation in the field of drugs

Institutional set-up and legal alignment

Turkey's institutional set up remains the same. Coordination and monitoring at national level is the responsibility of the High Council for the Fight against Drugs. The National Strategy and Action Plan to combat illegal drugs covering 2018-2023 is in place and the civil society is closely involved in the implementation thereof. All ministers involved in the implementation of the Strategy and Action Plan are members of the High Council. The research committee conducts research on drug addiction and a scientific committee provides recommendations for studies and training on drug abuse. While Türkiye addressed the issues of drug supply and drug demand reduction, it does not support harm reduction interventions, contrary to the EU drugs policy.

The Turkish Monitoring Centre for Drugs and Drug Addiction (TUBİM) is the national focal point to the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA). Türkiye has a participation agreement in place with the EMCDDA since 2007. It has a monitoring role at national and international level and is drafting the annual Turkish drug report. It collects data, makes risk assessment, and provides recommendations with regard to the National Early Warning System on new psychoactive substances. A total of 991 new psychoactive substances have been included in the national legislation, 53 of which were put on the list in 2021, and an additional 20 in the first quarter of 2022. The instant data flow system, which uses encryption and anonymisation of personal data for monitoring and reporting, is operational. The responsible body for controlling drug precursors is the Turkish Medicine and Medical Devices Agency of the Ministry of Health, which gives the licences and permissions for manufactures, possession, selling, purchase, transportation, usage, consumption, distribution, importation, exportation, and legal use including for pharmaceutical and industrial purposes.

Implementation and enforcement capacity

Türkiye remains a transit route for drugs between Asia and Europe. In 2021, Turkish law enforcement services conducted operations that resulted in the seizure of, inter alia, 64 125 kg of cannabis including skunk (in 2020: 93 741 kg), 2 841 kg of cocaine (in 2020: 1 961 kg), 22 202 kg of heroin (in 2020: 13 783 kg), 5 528 kg of methamphetamine (in 2020: 4 162 kg), 7 618 013 ecstasy tablets (in 2020: 11 096 244) and 13 790 648 captagon tablets (in 2020: 2 875 183).

In 2021, a total of 64 073 cases in relation to Article 188/3 of the Turkish Criminal Code (54 325 in 2020) involving 85 036 suspects (75 907 in 2020) were launched by the prosecution for illicit drug related offences with 24 990 suspects (18 478 in 2020) being convicted. In the field of prevention, the Ministry of Health (MoH) operates 207 counselling centres in 81 provinces. In 2021, 7 new Centres became operational. The anti-drug counselling hotline received 71 326 calls in 2021.

There are 137 treatment centres for drug dependence in 81 provinces, 58 of the centres focus on inpatient treatment, and 11 of those are dedicated specifically to treating children. The remaining 79 centres are outpatient centres with 9 serving children exclusively. The waiting time for applicants to be admitted to the treatment centres is currently 1-3 days.

Other issues related to drugs

On procedural measures, specific licensing and regulation system are in place for economic operators dealing with drug precursors, with a strict follow-up and monitoring system in cooperation with the police and customs authorities.

(Chapter 1: Free movement of goods)

The legitimisation of counterfeiting and piracy in public opinion stems from the deeply-rooted belief that these are petty crimes. However, most of the offences are committed by organised crime networks which are also involved in fraud, corruption, cybercrimes, money laundering, drug smuggling and human trafficking.

(Chapter 7: Intellectual property law)

Social restrictions and economic disruption caused by COVID-19 increased the risk factors due to lack of physical exercise, increasing stress levels and possible negative coping mechanisms such as smoking, use of drugs, and alcohol consumption.

(Chapter 28: Consumer and health protection)

Turkey participates in the European Environmental Agency, the European Monitoring Centre for Drugs and Drug Addiction and the Civil Protection Mechanism.

(Annex I – Relations between the EU and Turkey)



TÜRKIYE

on its European path

#EUenlargement

Key milestones

- 1995**
Customs Union enters into force
- DECEMBER 1999**
EU candidate country status granted
- DECEMBER 2004**
EU decides to open accession negotiations
- DECEMBER 2013**
Visa liberalisation dialogue launched
- NOVEMBER 2015**
First EU-Türkiye Summit held
- MARCH 2016**
EU-Turkey Statement
- JUNE 2018**
The Council notes that Türkiye's accession negotiations have effectively come to a standstill and no further chapters can be considered for opening or closing
- MARCH 2019**
54th EU-Türkiye Association Council held
- MARCH 2021**
The European Council expresses the EU's readiness to engage with Türkiye in a phased, proportionate and reversible manner to enhance cooperation in a number of areas of common interest

Trade & investment

- Türkiye is the EU's sixth largest trading partner
- The EU is Türkiye's first and biggest trading partner
- Volume of trade in goods with the EU was €157.2 billion in 2021
- The EU foreign investment stock to Türkiye was €52 billion in 2020



EU funding

- EU Facility for Refugees in Turkey** provides €6 billion in support to refugees (mostly from Syria) and host communities. In 2020, an **additional €535 million** in humanitarian funding outside the Facility ensured the continuation of two Facility flagship programmes. **In 2021 €3 billion were added** to continue the support
- The EU is supporting the socioeconomic development and reforms in the enlargement region, including in Türkiye, with financial and technical assistance through the **Instrument for Pre-accession Assistance (IPA)**
- For 2021-2027, IPA III funding for the whole enlargement region is €14.162 billion. It responds to thematic priorities

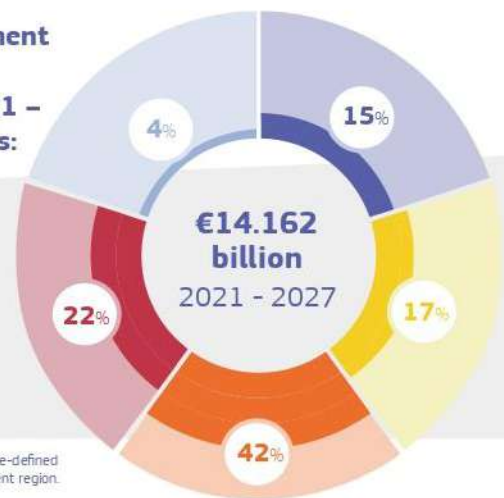
Türkiye investment platform

As an eligible country, Türkiye is fully integrated into the European Fund for Sustainable Development Plus (EFSD+). This will allow Türkiye to profit from a wide range of budgetary guarantee mechanisms that facilitate public and private investments. The recently established **Türkiye investment platform (TIP)** became the main vector for identifying and selecting investment opportunities that reflect the EFSD+ priorities - Green Deal, Global Gateways, Jobs and Growth. This new mechanism will aim to support innovative investments proposed by EU financial institutions in areas that include **decarbonisation, digitalisation, access to finance, innovation and green investments**

- The Annual Action Plan 2021 for Türkiye foresees a budget of €134.5 million, supporting actions in the areas of **climate action and environment, energy, transport, agriculture, employment competitiveness and sustainability of the business environment**, improving the functioning of the 'EU-Turkey Customs Union' and for Türkiye's participation in EU programmes
- For 2014 - 2020, IPA II funding allocated for Türkiye amounted to **€3.19 billion**
- Outside the AAP, EU funding is notably allocated to civil society and cross border cooperation too

The EU supports reforms in the enlargement region through the Instrument of Pre-Accession Assistance (IPA). Between 2021 – 2027* the IPA III funding for the region is:

- Rule of Law, fundamental rights and democracy
- Competitiveness and inclusive growth
- Good governance and neighbourly relations
- Territorial and cross-border cooperation
- Green agenda and sustainable connectivity



* IPA assistance is based on EU thematic priorities rather than pre-defined country allocations, hence the global amount for the enlargement region.

Human capital & innovation

- The EU pays special attention to youth, education and innovation
- Youth Guarantee
- In 2004 - 2020: 98,800 higher education students were hosted in countries participating in the ERASMUS+ programme
- In 2004 - 2020: 32,750 higher education students were hosted in Türkiye
- €220.5 million in support to civil society (2014-2020)

