



**European Commission - Speech**  
**[Check Against Delivery]**



**Commissioner Olivér Várhelyi's address at the Budapest COSAC  
Chairpersons' meeting**

Brussels, 29 July 2024

Deputy Speaker Mr István Jakab,  
Chairman Mr Zoltán Tessely,  
State Secretary Mr Péter Sztáray,  
Chairpersons,

Honourable Members of the Parliament,

Ladies and Gentlemen,

It is indeed to my great pleasure that here I can deliver an address at the House of the Parliament. This is a special privilege for a Hungarian to speak in a House where Hungarians have been taken care of their common issues for more than 100 years now. It is always a great privilege.

Thank you!

*Ladies and Gentlemen,*

National parliaments are the cornerstones of the democratic institutional system of the European Union. They play a key role in the accession process since the European Union will not succeed without the parliaments of the acceding States and the national parliaments of the Member States.

Honourable Members,

20 years ago, Hungary, alongside nine other countries – joined the European Union. Twenty years later, the geopolitical landscape and security architecture in and around our continent have changed dramatically, especially during my mandate as Commissioner for Neighbourhood and Enlargement.

Since the 2004 enlargement, **the impact of EU membership** has been felt across Europe. Today, in the face of the current geopolitical reality, ten new countries aspiring **to become members of the Union** are a clear testament to the value or the prospect of EU membership: long-term peace, security, stability, and prosperity. These ten aspiring countries' citizens and youth believe in these values. Therefore, the political leadership should act responsively. We have seen how the war strengthened this principle. Thus, the responsibility is even more significant in **making Enlargement a reality**.

Let me start by saying a few words about the ten aspiring countries whose parliamentary representatives are with us today which is an enormous pleasure.

Let me start with **Ukraine**.

Ukraine applied for EU membership only five days after the beginning of the Russian aggression. Despite challenging times, Ukraine has made progress on reforms. After the adoption of the EU-Ukraine Negotiation Framework and the Opening Statement by the Council we could organise the first Inter-Governmental Conference which is the first official accession negotiation round which took place on 25 June in Luxembourg. The first bilateral screening - the analytical examination of the *acquis* - was held already early this month and now we are focusing on the work.

To fully comply with all membership criteria, Ukraine must remain committed to this process and **continue its reforms. And here**, I want to underline the key role that the rule of law and fundamentals play. Enlargement is and remains a merit-based process. Our role is to ensure that the process abides by European principles and standards. Our objective is to ensure that Ukraine will be prepared when it joins.

To that end, with the EUR 50 billion **Ukraine Facility**, the EU has scaled up its support to the country. Two weeks ago [*on 17 July*], the Commission made a positive assessment to release the

first regular instalment under the **Ukraine Facility, which was close to EUR 4.2 billion**.

All in all, we plan to pay **EUR 16 billion** to Ukraine's budget in 2024, subject to the country fulfilling the reform conditionalities.

Turning to **Moldova**, I am equally pleased to see that we formally launched accession negotiations last month and that I launched the first bilateral screening meeting on 9 July in Chisinau. This is an outstanding achievement, given the country's challenges from the war in Ukraine and Russia's destabilization attempts against Moldova. Therefore, it is even more critical to reaffirm loud and clear that the European Commission will continue to assist Moldova every step of the way. The accession negotiations process has a transformative effect that will benefit the Moldovan society and economy even before accession.

Through the **EUR 1.6 billion investments** mobilized already through the Economic and Investment Plan and its flagship initiatives, we have supported the rehabilitation of key road and rail transport corridors and the green and digital transition. As Moldova advances on its EU accession path, these benefits will continue to increase.

**Georgia** was granted candidate status last December on the understanding that it would undertake the so-called nine steps, which range from depolarisation and the fight against disinformation to the rule of law and fundamental rights.

In the meantime, the Government has passed controversial legislation on the "transparency of foreign influence". Also, other laws have raised concerns such as changes to the electoral code or repatriation of offshore assets.

As a reaction to these legislative procedures, in June, EU leaders expressed their "serious concern regarding recent developments in Georgia, stating that in particular, the law adopted on transparency of foreign influence represents backsliding on the steps set out in the Commission's recommendation for candidate status".

Therefore, EU Leaders "called on Georgia's authorities to clarify their intentions by reversing the current course of action which jeopardises Georgia's EU path, de facto leading to a halt of the accession process". [*Council Conclusion – 27 June*]

Our assessment of these steps will be presented in the autumn as part of the Commission's enlargement package.

Georgia will hold Parliamentary elections in October. The Georgian people have been overwhelmingly pro-European; we do hope that all political parties will show now that they act for their people.

Turning to the **Western Balkans**, I am pleased to see that there is also a clear momentum around Enlargement in the region.

*I know how high this file features on the agenda of the Hungarian Presidency.*

The European Union is dynamically engaged in ensuring a European perspective for the Western Balkans on the clear understanding that our Union can only be complete with the accession of this region.

First, I would like to highlight a significant milestone which has been reached with **Montenegro** during the Intergovernmental Conference held in June. With the fulfilment of the rule of law interim benchmarks under chapters 23 and 24, Montenegro has taken a crucial step forward on its enlargement path. We are now ready to start closing the negotiating chapters provisionally. I hope that other intergovernmental conferences will follow very soon under the Hungarian presidency closing a critical mass of chapters leading us to the final phase of the accession negotiations with Montenegro.

On **Serbia** our assessment remains that the negotiations on Competitiveness and Inclusive Growth (Cluster 3) should be opened. The new Government declared its commitment to speed up the EU-accession-related reforms across the board; this is good news. In the current geopolitical context, it is also essential that Serbia shows its strategic direction to the EU.

It is clear that the European paths of both **Serbia and Kosovo** go through the Dialogue. We expect the parties to pursue sustained de-escalation efforts and progress on implementing their obligations under the Dialogue - starting with sending the statute of the Association of Serb Majority Municipalities to the Constitutional Court of Kosovo.

Reforms in **Albania continued**, primarily focusing on the implementation of judicial reform. However, further efforts are needed in the rule of law, freedom of expression, minority issues, and property rights. Our assessment also remains that negotiations on the **first cluster on**

**fundamentals** should be opened as soon as possible, which should be followed by opening of other cluster(s) during the second half of this year.

**North Macedonia** needs to accelerate the pace of EU-related reforms and achieve relevant constitutional amendments. Only after that can we move forward with the process.

We are working on the negotiating framework for **Bosnia and Herzegovina**, with a view to its adoption by the Council at the moment all eight steps set out in the Commission's recommendation from October 2022 are taken.

As part of the annual Enlargement Package, the European Commission will report on the progress of our accession countries this autumn like every year.

Let us now turn to a new tool that has been introduced by this Commission.

A new tool that should speed up the integration of our enlargement partners.

And that is the new Growth Plan.

The unprecedented offer of the **Growth Plan to the Western Balkans** will help boost the socio-economic convergence of the region with the EU, provide benefits of the membership even before accession, and accelerate the process of Enlargement. It also promotes economic integration within the region through the Common Regional Market. We believe that by frontloading certain benefits and obligations of EU membership, our enlargement partners can be better prepared for a smoother accession process.

The **EUR 6 billion** under the **Reform and Growth Facility** entered into force in May 2024. To receive funding, the beneficiaries must implement far-reaching reforms in the fundamentals and socio-economic sectors set out in their tailor-made **Reform Agendas**. We have already started the internal process of assessing the agendas and I am happy to tell you that we are at the very final stage of making our proposal to the European Council for their approval.

**Additionally, the Reform and Growth Facility** builds upon the **EUR 30 billion Economic and Investment Plan** for the Western Balkans, which is mobilizing 1/3 of the entire region's GDP. It identifies ten key investment flagships to support long-term economic recovery based on the green and digital transition and foster regional cooperation in the Western Balkans.

So far, we have endorsed 68 strategically important projects in the areas of transport, energy, environment and climate change, digital infrastructure, human capital development, and support to the business sector.

In numbers, so far, the EU has approved programmes set to mobilise **EUR 17.5 billion in investments** under the Economic and Investment Plan, including **EUR 5.4 billion in EU grants.**

With the Reform and Growth Facility, the total EU financial support– will by 2027 reach a comparable level of aid intensity as we see in the current cohesion and structural funds countries in the European Union. **Meaning 90% by 2027.** And from there on, the Western Balkans will have all the conditions in place to be ready to join the European Union. Because without real integration of their economies and societies the Enlargement will not be a success.

And this is why, we need to work on the real integration of these countries even before they join the European Union.

Honourable Members,

In this new reality, the EU's enlargement policy represents more than ever a clear and necessary geostrategic investment in our own long-term peace, stability, security, and prosperity.

*I am very proud of the momentum we have built around Enlargement and the drive to complete our Union since the beginning of my mandate.*

I count on **all our enlargement partners** to seize this momentum and carry out the necessary reforms to advance on their respective EU paths.

I also count on all **27 EU Member States** to help us deliver and keep our promises.

Twenty years after the largest Enlargement took place, I look forward to the next one as we mark the success of the last two decades.

I am convinced that the next Commission will have to be an Enlargement Commission.