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Brexit Implications
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Brexit Implications for the Eu Enlargement of the Western Balkans

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Abstract

Most of the analyses are performed to find the impact of the EU membership on trade relations and economic impact for the EU member states. On the contrary, the Brexit is the first case to discuss and predict the exit process. In this paper we will try to analyse the Brexit with regard to the EU enlargement of the Western Balkans. The first issue addressed by this paper is: the lack of political support of Britain for the EU enlargement of the Western Balkans from now on. The paper tackles another important issue, namely the EU-UK negotiation process and its impact on the Western Balkans. Assuming that Britain cannot negotiate optimally with the EU, which could impose long term negotiations, and therefore the main focus of the European Union will be directed to the Brexit process instead of focusing on the EU enlargement of the Western Balkans.

We employed a survey of 400 respondents, covering mainly academics working on the EU affairs and other stakeholders in four Western Balkan countries, to produce the empirical results from the expectations of respondents about the future prospects of the European Union in the Western Balkans after Brexit. The survey was conducted in 2017. Generally, based on the statistical indicators as well as the survey results, we can conclude that the respondents in the Western Balkans are still optimistic about the European Integration process despite the Brexit and other EU challenges.

KEYWORDS: Brexit, EU enlargement, membership, negotiations, integration, Western Balkans.

Introduction

Besides the European Union membership, the UK is also member of the most influential international institutions such as: G8, G20, NATO, the OECD, the WTO, the United Nations Security Council, a significant contributor to the UN, IMF and World Bank as well as world's sixth largest economy (World Bank, 2013).

The fact that, on the 23rd of June 2016, the majority voted UK to exit the European Union has caused great uncertainty throughout Europe, although the UK's membership of the EU was somewhat special as the UK has an opt-out from the single currency, it has a rebate from the EU budget, and it was not part of the Schengen zone (Andor, 2016).

As a result of this decision, the Western Balkan countries have also experienced great uncertainty in their integration path towards the European Union. As the "Brexit" does not mean just exit of Great Britain from the EU, but also shifting the main focus of the EU exclusively to this process, throwing into oblivion its enlargement. This also represents a major problem for the Western Balkan countries, even though after the UK referendum the EU high representatives reassured Western Balkans leaders that the enlargement process will continue. Despite this EU commit-



ment, the dilemma exists whether the Brexit process will cause political challenges, impact on reforms and future growth (Bakker, 2016).

According to Bieber (2016) the EU accession process has been the key driver for political and economic reform in the Western Balkans for years. Serbia and Montenegro are in accession talks. Albania is a candidate country, as is Macedonia - albeit with a question mark since the political crisis of the past year. Bosnia and Herzegovina submitted its EU membership application just a few months ago; Kosovo remains lagging far behind, but has recently concluded a Stabilization and Association - Agreement. Generally, europeanisation in the Western Balkans has been equalled with building regional peace and stability (Kostovicova, 2016).

Except the economic and political issues, the EU for many years is supporting the Western Balkan countries on educational reforms by providing various forms of support through the different educational programs such as: Tempus, Erasmus, Horizon 2020. Given the administrative and experience constraints of the Western Balkans the UK partners supported the involvement of the Western Balkan universities on the EU projects. The Brexit leads us to the question, to what extent will it affect the participation process of the Western Balkans in the EU projects, as well as the overall support to these countries?

The main objective of this paper is to investigate and determine whether Brexit is a threat to the enlargement process of the EU in general, and whether the countries of the Western Balkans are still part of the current plan of the European Union? The story in this paper is build in the main assumptions, such as: first, the Brexit will significantly impact the speed of the EU enlargement process; and second, the Brexit will have stronger political negative effect on Western Balkans compared to economic effects, due to the continuation of strong political influence of the Britain in the region.

There are not many theoretical contributions about the Brexit and the Western Balkans, therefore this paper adds value and could be very useful for the academic world; the policy makers in the Western Balkans, as well as for other interested stakeholders.

The Brexit process is officially initiated in March 2017, and the plan is that by March 2019, the UK should complete its separation process from the EU. The impact of the Brexit has been immediate and global, but there are still more questions than answers about what happens next. The Brexit referendum means that the EU will have to devote tremendous activities in the coming years to its own internal debates and to the ideas of determining the future of the European integration.

According to Wohlfeld (2016), it is expected that the exit process won't be an easy task. But if for any reason UK decides to revoke the process of the Brexit, according to the EU, it can only happen if all 27 other members of the EU allow it. Thus, it would be much better if the UK has a good plan to be able to function outside the European Union. Even before the outcome of the Brexit referendum, the Western Balkans and the topic of the EU enlargement were hardly top priorities for the Europe's decisionmakers. Since at least the onset of the economic and financial crisis in 2007 and 2008, and with mounting worries about member states leaving the EU, the EU has been chiefly concerned with internal matters, issues that require enormous effort and resources (Wohlfeld, 2016).

The EU message was clear on its commitment to the Western Balkans: enlargement would continue as usual. But in the Balkans, there are concerns about EU integration process as the EU gets mired in the unprecedented task of British withdrawal. These fears accurately reflect the relationship between the EU and its Balkan partners. Balkan countries aspire the EU membership, but the driver of change is still the EU (Kostovicova, 2016). Britain had been an active force in the

Literature review

Western Balkans, especially in Bosnia and Kosovo, even though the level of its engagement had noticeably declined in recent years (Ker-Lindsay, 2015). Earlier, however, it had been “extremely important” in the context of Kosovo’s recognition as a state as well as “instrumental” in taking Serbia-Kosovo relations forward (Tanner, 2016).

Furthermore, with Britain leaving the EU, the countries of the Western Balkans are losing a key advocate of enlargement. As many member states have become critical towards enlargement, the UK has promoted both enlargement and reforms in the region vigorously (Bieber, 2016). In those terms the issue of Brexit influences the time and capacity the EU institutions are investing in the policy of enlargement and the view from the Balkans is that this EU policy has been neglected (Bazerkoska, 2016). In addition, Bieber (2016) added that the uncertainty that Brexit produces makes prediction difficult, but that uncertainty in itself will play an important role in shaping policy making. The consequence of the Brexit is both structural - the ability of the EU to act and integrate new members - and normative - the ability of the EU to promote a particular type of democratic, consensus-oriented system of government.

An additional important issue for the Western Balkans countries is participation on EU programs in partnership with the UK. Although the UK Government has confirmed that there will be no change to arrangements, many partner institutions in the EU countries as well in the Western Balkans have raised concerns about whether to collaborate with UK institutions on the EU funding projects. Evidence suggests that the HE sector is already experiencing an impact with regard to collaboration in EU research projects and HE staff mobility, as much will depend on what will be agreed as part of the UK’s exit negotiations with the EU (Hubble, 2016).

Apart from political consequences, the Brexit it’s expected to have also the economic impact for the EU. The UK made the third highest net contribution to the EU budget, €7.1 Billion, following France with €7.4 Billion and Germany with €17.7 Billion. Therefore the economic impact relates also to the EU’s multiannual financial framework (MFF) for both the current (2014-2020) and the next planning period. The negotiations around and adoption of the (2021-2027), MFF will become more stressful and challenging than before (Dana, 2016). Furthermore, once Britain leaves the European Union, there will be consequences for the EU as a trading power. Britain was, in 2015, the world’s fifth-largest economy and Europe’s second-largest. It was tenth-biggest exporter of merchandise, and the second-biggest of commercial services (Schmucker, 2016). According to the (DG for Internal Policies Report, 2017) the volume of trade between the UK and EU27 is very substantial, with EU27 enjoying a large surplus. The EU27’s exports to the UK totalled €306 billion, whereas it imports amounted to only a little above half as much, at €184 billion. Furthermore, in 2015, 76% of the Western Balkans’ total trade was with the EU 28. Within the EU 28, the UK is a minor export market for the Western Balkans compared with Italy, Germany and Central Europe. These markets are unlikely to change because of Brexit (Butler, 2016).

With regard to the investments, the UK has never been a significant investor in the Western Balkans. The potential economic decline of the UK as a fallout from Brexit may have thus a very limited impact on these economies (Stojic, 2016). The long-term impacts of the decision to leave the EU on the overall regulatory framework for the UK will depend, in part, on the relationship that the UK seeks with the EU in the future (Booth, 2016). The EU would also face political and economic risks as described in the table 1.

For the EU the so called process of Brexit doesn’t mean just the exit of UK but also the ruin of many dreams that the founders had about the Europe. Brexit would not just have significant consequences for the UK but also for the rest of the European Union; a divorce of this magnitude would necessarily impact all parties involved Gow & Henning (2016). However, Brexit implica-

| |
|---|
| Damage to the post-war European ideal |
| Political contagion – Brexit would set a precedent and in the UK economy is successful would increase impetus for further exits |
| Shift in the balance of power within EU institutions |
| Loss of major net contributor to the budget |
| Smaller voice on the global stage with the exit of its second largest economy |
| Damage to EU-UK trade could exert a negative impact on the UK's major trading partners within the EU |
| Increased competition from the UK as a destination for FDI |

Source: Political and economic impact on EU (blog.euromonitor.com).

tions are not easy to measure as they depend on negotiating process and which status Britain will ensure with the EU. Thus depending on how these scenarios will unfold, the process could result with benefits or challenges for the Western Balkans.

First, a pilot survey was conducted with local experts in Kosovo, which dealt with the EU integration issues with regard to the Brexit and Balkans, and helped us to create the key assumptions. Those assumptions are: lack of political support from the Britain for the Western Balkans integration to the EU; lack of EU support for the WB integration as EU involvement on Brexit negotiations. Based on results of this pilot exercise we compiled a final survey which was the main focus of this study. The primary data are gathered from respondents including four Western Balkan countries as follows: Kosovo 100 respondents, Bosnia and Herzegovina 100 respondents, Montenegro 100 respondents and Macedonia 100 respondents. The targeted respondents are mainly university lecturers and students as well as local officials within public institutions involved on the EU integration process. We used a SPSS statistical package to obtain the descriptive statistics.

The results of the surveys conducted were interpreted separately for each participating country including Kosovo, Bosnia and Herzegovina, Macedonia and Montenegro. Afterwards, these results, respectively the perceptions and expectations expressed in the surveys were compared to analyze the situation for all these 4 countries of the Western Balkans. This section summarize and present the main findings of the research.

1. Kosovo

Kosovo is the last country of the Western Balkans included within the European Integration Process due to the political and final status challenges. On the question if the Brexit will have an impact on the Western Balkans, around 58% of the respondents answered that Brexit will have a significant impact, while only 12.4% expected no impact and 29.5% relative impact. More than half of the respondents, 54.4%, answered that the main impact of Brexit will be political, while 45.6% thought that the economic impact will be more important. Furthermore 78.1% of the respondents expected that the EU-UK negotiations will be very difficult, while only 21.9% of the respondents thought they will be very easy.

On the question about the most difficult issues during the negotiations, interestingly around 34% declared that the most difficult will be the negotiation of economic issues, which is quite similar with the EU programmes as 31% declared about the EU programmes and 34.3% declared about

Table 1

Political and economic impact on EU from BREXIT

Methodology

Result's interpretation

political issues. When asked about the impact of Brexit on the EU, most of the respondents, around 88%, answered that the Brexit will have a negative impact on the EU, whereas on the contrary only 12% thought that Brexit will have a positive impact.

Table 2

Interpretation of the results for Kosovo

| Interpretation of the results for Kosovo | | | | | | | | | | |
|--|---|---------------------------|---------------------|-------------------------|-------------------------|---|--|------------------|--------------------|------------------------------------|
| | BREXIT will have an impact on Western Balkans | The main impact of Brexit | EU- UK negotiations | Issues to be negotiated | The Brexit impact on EU | Will Brexit postpone the EU integration process | The impact of Brexit on other EU members to leave the EU | Negative effects | EU main challenges | EU potential to overcome challenge |
| Yes | 58% | | | | | | | | | |
| No | 12.4% | | | | | | | | | |
| Relatively | 29.5% | | | | | | | | | |
| Political | | 54.4% | | | | | | | | |
| Economic | | 45.6% | | | | | | | | |
| Difficult | | | 78.1% | | | | | | | |
| Easy | | | 21.9% | | | | | | | |
| Economic i. | | | | 34% | | | | | | |
| EU prog. | | | | 31% | | | | | | |
| Political i. | | | | 45.6% | | | | | | |
| Positive | | | | | 12% | | | | | |
| Negative | | | | | 88% | | | | | |
| Yes | | | | | | 32.5% | 61% | | | |
| No | | | | | | 64.8% | 39% | | | |
| Political | | | | | | | | 42.9% | | |
| Economic | | | | | | | | 57.1% | | |
| Economic crisis | | | | | | | | | 52.4% | |
| Brexit | | | | | | | | | | 17.1% |
| Emigration | | | | | | | | | | 18.1% |
| Enlargement | | | | | | | | | | 12.4% |
| Yes | | | | | | | | | | 85.7% |
| No | | | | | | | | | | 14.3% |

Source: Authors'.

Around 32.5% of the respondents think that the Brexit will postpone the EU integration process for the Western Balkans, and 64.8% think that there will be no impact. Another important question addressed was also the impact of Brexit on initiatives of other EU member states to leave the EU. Most of the respondents, 61% of them, answered that Brexit could influence the other member states to leave the EU while 39% of them declared that Brexit will have no influence on other EU member states.

With regard to negative spillover effects on the European Union, around 42.9% of the respondents think that there will be political negative effects, while 57.1% think that Brexit will have much more economic negative effects.

The current EU main challenges by respondents were classified as follow: 52.4% identify the EU economic crises and convergence as the main challenge, 17.1% think it is the Brexit, 18.1% the emigration and refuge crises, while only 12.4% the enlargement process. Finally most of the respondents are optimistic about the EU potential to overcome the challenges, as 85.7% of them believe that EU will overcome easily these challenges and only 14.3% of them think that the current challenges will create serious problems for the existence and functioning of the European Union.

2. Bosnia and Herzegovina

Bosnia and Herzegovina is a potential candidate country within EU Integration Process. Our analysis on impact of Brexit on the Western Balkans will be described as follow. In Bosnia and Herzegovina around 40% of the respondents think that Brexit will have significant effect, only 14% answered there will be no effects, and interestingly some 46% chose relative effects.

Furthermore, around 54% of the respondents think that the main impact from the Brexit will be political, while 46% think that the economic impact will be the main one. In addition majority of the respondents, around 83%, think that there will be very difficult negotiations between the EU and UK and only 17% expect easy negotiations. Political issues are considered to be the most important respectively difficult issues by the respondents, consisting of 42% and approximately similar level around 43% think that economic issues are more important; while only 15% think that the crucial issue will be the participation of Britain on the EU programmes. Around 77% of the respondents also expect the negative effects for the EU from the Brexit, on the contrary only 23% of them believe that there will be no effects for the EU from the Brexit as Britain was not fully integrated within the EU.

With regard to the enlargement process, 45% of respondents in Bosnia and Herzegovina concluded that the Brexit will postpone the EU integration process for the Balkans, while 55% think the contrary will happen. The Brexit impact on the other EU member states according to 65% of the respondents is real, that means this process could initiate other EU member states to think about the EU exit such as France; while 45% believe that policies of the other countries will not be affected by Brexit. Some 53% of the respondents expect political negative effects, whereas the remaining 47% of them believe on economic negative effects to the EU from the Brexit.

The emigration and refuge crises was seen as the most important issue from the 39% of respondents, about the current EU main challenges, followed by EU economic crises and convergence around 26% of respondents, Brexit 24%, and the enlargement process only 11%. According to the question if the EU could overcome these challenges easily, only 67% of the respondents answered positively while the remaining 33% answered negatively by being pessimistic about the EU mechanisms and institutions.

Table 3

Interpretation of the results for Bosnia and Hercegovina

| Interpretation of the results for Bosnia and Hercegovina | | | | | | | | | | |
|--|---|---------------------------|--------------------|-------------------------|-------------------------|--|---|------------------|--------------------|-------------------------------------|
| | BREXIT will have an impact on Western Balkans | The main impact of Brexit | EU-UK negotiations | Issues to be negotiated | The Brexit impact on EU | The Brexit postpone the EU integration process | The impact of Brexit on other EU member to leave the EU | Negative effects | EU main challenges | EU potential to overcome challenges |
| Yes | 40% | | | | | | | | | |
| No | 14% | | | | | | | | | |
| Relatively | 46% | | | | | | | | | |
| Political | | 54% | | | | | | | | |
| Economic | | 46% | | | | | | | | |
| Difficult | | | 83% | | | | | | | |
| Easy | | | 17% | | | | | | | |
| Economic i. | | | | 43% | | | | | | |
| EU prog. | | | | 15% | | | | | | |
| Political i. | | | | 42% | | | | | | |
| Positive | | | | | 23% | | | | | |
| Negative | | | | | 77% | | | | | |
| Yes | | | | | | 45% | 65% | | | |
| No | | | | | | 55% | 45% | | | |
| Political | | | | | | | | 53% | | |
| Economic | | | | | | | | 47% | | |
| Economic crisis | | | | | | | | | 26% | |
| Brexit | | | | | | | | | 24% | |
| Emigration | | | | | | | | | 39% | |
| Enlargement | | | | | | | | | 11% | |
| Yes | | | | | | | | | | 67% |
| No | | | | | | | | | | 33% |

Source: Authors'.

3. Macedonia

Macedonia, as a country of the Western Balkans, is a candidate country within the EU Integration Process. In Macedonia only 38% of respondents concluded that Brexit will have significant impact, followed by 39% who concluded that there will be relative impact and 23% expected no impact. Around 34% of respondents answered that the main impact of the Brexit will be politi-

cal, while 66 % of respondents think that economic impact will be the main one. Majority of the respondents, around 80% of them, are expecting the difficult negotiations between EU and UK on Brexit, while only 20% of respondents expect normal and easy negotiations.

Around 44% of the Macedonian respondents expect that the most difficult part will be on economic issues, followed by 32% of respondents who expect difficulties on the EU programmes and

| Interpretation of the results for Macedonia | | | | | | | | | | |
|---|----------------------------------|---------------------------|--------------------|-------------------------|-------------------------|---|---|----------------------------|--------------------|---|
| | BREXIT impact on Western Balkans | The main impact of Brexit | EU-UK negotiations | Issues to be negotiated | The Brexit impact on EU | Brexit will postpone the EU integration process | The impact of Brexit on other EU member to leave the EU | Negative spillover effects | EU main challenges | EU potential to overcome the challenges |
| Yes | 38% | | | | | | | | | |
| No | 23% | | | | | | | | | |
| Relatively | 39% | | | | | | | | | |
| Political | | 34% | | | | | | | | |
| Economic | | 66% | | | | | | | | |
| Difficult | | | 80% | | | | | | | |
| Easy | | | 20% | | | | | | | |
| Economic i. | | | | 44% | | | | | | |
| EU prog. | | | | 32% | | | | | | |
| Political i. | | | | 24% | | | | | | |
| Positive | | | | | 64% | | | | | |
| Negative | | | | | 37% | | | | | |
| Yes | | | | | | 47% | 66% | | | |
| No | | | | | | 53% | 34% | | | |
| Political | | | | | | | | 39% | | |
| Economic | | | | | | | | 61% | | |
| Economic crisis | | | | | | | | | 33% | |
| Brexit | | | | | | | | | 25% | |
| Emigration | | | | | | | | | 30% | |
| Enlargement | | | | | | | | | 12% | |
| Yes | | | | | | | | | | 67% |
| No | | | | | | | | | | 33% |

Source: Authors'.

Table 4

Interpretation of the results for Macedonia

surprisingly only 24% of respondents think about political issues as difficult ones. Macedonian respondents expect a minor role of the Brexit on the EU, only 37% declared on the negative impact of Brexit on the EU; whereas on the contrary, majority of them 64% expect a positive impact of the Brexit for the EU.

Some 47% of the respondents believe that Brexit will involve the EU in long negotiations therefore the process of the EU integration for the Balkans will be out of the EU agenda, while 53% do not share their thoughts. Around 66% accept that the case of the Brexit will influence other EU member states initiating the similar initiatives, while 34% of them believe on the strong commitment of other member states to remain in the EU, especially old members. Interestingly only 39% of respondents expect political negative spillover effects, but 61% of respondents expect economic negative spillover effects from the Brexit.

Interesting results were shown about the main current challenges, which are almost equal as 33% of the respondents that the EU economic crises and convergence are main current challenge, 25% of them put their weight on the Brexit, 30% believe that the emigration and refugee crises are the main challenges, while only 12% of respondents chose the enlargement process. In Macedonia there is also an optimistic view about the EU potential to overcome the challenges as 67% of respondents believe in the EU institutions and reforms and 33% of them think that these challenges are not easy tasks for the European Union.

4. Montenegro

Montenegro is also one of the candidate countries in the European Integration Process. According to the dilemma about the Brexit impact on the Western Balkans only 29% of the respondents expected a significant impact, while 22% expected that Brexit will have no impact on the Western Balkans, and 49% accept only relative impact of the Brexit on the Western Balkans.

With regard to political or economic impact they almost share the same opinion, suggesting that 49% expect political impact and 51% expect an economic impact as more important. Most of the respondents, 84% of them, expect long term and hard negotiations, while the small group of the respondents, only 16%, expects easy negotiations between the EU and the UK. For almost 40% of the respondents in Montenegro the most challenging issues are seen political issues during the negotiations, followed by 35% of respondents who think that the EU programmes are larger issues, and interestingly only 25% of the respondents focus on the role of economic issues during the negotiations.

Furthermore, in Montenegro only 30% of the respondents answered that the Brexit will have negative impact on the European Union, while 70% of them think that the Brexit will have the positive impact, which is contrary to Kosovo and Bosnia and Herzegovina but similar with Macedonia.

Regarding the enlargement process and Brexit, respondents have following expectations: 47% of them think that Brexit will postpone the enlargement process of the Western Balkans, while 53% of them believe that there will be no impact on enlargement process. Around 58% of the respondents in Montenegro think that the Brexit impact on the other EU member states is real, meaning that this process could initiate other EU member states to initiate procedures of exiting from the EU, while 42% thought that the other countries will not be affected by the Brexit.

Some 54% of the respondents expect to see political negative effects, whereas 46% of them expect mainly economic negative spillover effects to the EU. Furthermore, around 31% of the respondents consider the main EU current challenges to be the economic crises and the EU convergence, the similar number of 31% of respondents consider the emigration and refugee crises as key challenges, whereas the rest of the respondents, about 27%, consider Brexit, and 11% the enlargement process as main challenges. Finally respondents in Montenegro seems to believe

on the EU institutions as 76% of them believe that the EU will find the optimal solution to overcome the challenges, while only 24% of the respondents are pessimistic about the EU potential for the reforms and new initiatives.

| Interpretation of the results for Montenegro | | | | | | | | | | |
|--|----------------------------------|------------------------|--------------------|-------------------------|-------------------------|--|--|------------------|--------------------|---|
| | BREXIT impact on Western Balkans | The main Brexit impact | EU-UK negotiations | Issues to be negotiated | The Brexit impact on EU | Brexit postpone the EU integration process | The Brexit impact on other EU member to leave EU | Negative effects | EU main challenges | EU potential to overcome the challenges |
| Yes | 29% | | | | | | | | | |
| No | 22% | | | | | | | | | |
| Relatively | 49% | | | | | | | | | |
| Political | | 49% | | | | | | | | |
| Economic | | 51% | | | | | | | | |
| Difficult | | | 84% | | | | | | | |
| Easy | | | 16% | | | | | | | |
| Economic i. | | | | 25% | | | | | | |
| EU prog. | | | | 35% | | | | | | |
| Political i. | | | | 25% | | | | | | |
| Positive | | | | | 30% | | | | | |
| Negative | | | | | 70% | | | | | |
| Yes | | | | | | 47% | 58% | | | |
| No | | | | | | 53% | 42% | | | |
| Political | | | | | | | | 54% | | |
| Economic | | | | | | | | 46% | | |
| Economic crisis | | | | | | | | | 31% | |
| Brexit | | | | | | | | | 27% | |
| Emigration | | | | | | | | | 31% | |
| Enlargement | | | | | | | | | 11% | |
| Yes | | | | | | | | | | 76% |
| No | | | | | | | | | | 24% |

Source: Authors'.

Table 5

Interpretation of the results for Montenegro

Comparisons between the Western Balkan countries

The European Union within the framework of the Stabilisation and Association Process has succeeded in incorporating the countries of the Western Balkans into the European Integration Process despite their political, economic and institutional challenges and differences.

In general, there are interesting perceptions about the impact of the Brexit on the Western Balkans when comparing surveyed countries of the Western Balkans, namely: Kosovo, Bosnia and Herzegovina, Macedonia and Montenegro. Kosovo showed highest perception in general about the significant impact of Brexit as 58% of the respondents expect the negative impact, while it was a bit less in other countries: Bosnia and Herzegovina only 40%, Macedonia 38% and Montenegro only 29%. Therefore in Bosnia and Herzegovina, Macedonia and Montenegro there is a high number of respondents who expect only relative impact of the Brexit. This perception probably could be interpreted in a way that for Kosovo respondents, the UK represent very influential country especially from the political point of view.

Different countries had also differences when it came to analyzing if there will be political or economic impact from the Brexit. In Kosovo and Bosnia and Herzegovina respondents shared the similar opinion. Around 54% in both countries expect the political impact. However the situation differs with Macedonia and Montenegro. In Macedonia around 66% expect economic impact followed by 51% in Montenegro.

With regard to negotiating process all the Western Balkan countries respectively more than 80% of the respondents in these countries are expecting difficult negotiations between the EU and the UK. Although Macedonian respondents expected that economic issues will be the most challenging, for around 40% of respondents in Kosovo, Bosnia and Herzegovina and Montenegro the political issues are considered to be the most challenging topics during EU-UK negotiations.

In surveyed countries such as Kosovo and Bosnia we found that majority of the respondents expect negative effects of the Brexit on the EU. Kosovo leads with 88%, followed by Bosnia and Herzegovina by 77%, while in contrary respondents in Macedonia 63% and Montenegro 70% declared about positive effects of the Brexit on the EU. They explained that UK benefited from the EU due to selective policies applied. Macedonian and Montenegro respondents share the similar percentage of 53% on the dilemma if the Brexit will postpone the enlargement process, followed by Bosnia 55%. This suggest that countries assume that the Brexit will not postpone the enlargement process.

In Kosovo a larger number of respondents share the idea that EU integration process will continue. All surveyed countries share almost the similar opinion that Brexit could influence other EU member states. This is expressed in percentages in Montenegro 58%, Kosovo 61%, Bosnia and Herzegovina 65% and Macedonia around 66%.

In Kosovo, Bosnia and Herzegovina and Montenegro respondents declared that there will be political negative effects from the Brexit, whereas only in Macedonia 61% have a perception that the main will be the economic negative effects for the EU. Almost three countries share the same opinion that the main current challenge of the EU is economic crises and convergence issues, while only in Macedonian respondents think that the emigration and refugee crises was the main challenge for the EU.

Finally most of the respondents in all the countries believe that the European Union will overcome the current challenges and crises. Expressed in percentages this is as follows: in Kosovo 85.7%, followed by Montenegro 76%, and similar for Bosnia and Herzegovina and Macedonia with 67%.

Conclusions

Despite the minor economic role respectively export market for the region of the Western Balkans, the UK was considered among the main influential countries for the EU integration of the Western Balkans. Taking into consideration this fact, for the Western Balkans the UK position within the EU was very important as it's is also very important the UK positioning outside the EU. According to the survey results the main conclusions of this paper are:

- The Brexit impact is significant for all the countries of the Western Balkans. For Kosovo and Bosnia and Herzegovina it is considered mainly transmitted as a political impact while for Macedonia and Montenegro as economic impact.
- For the Western Balkans the EU-UK negotiating process is also crucial, as the most of the respondents is expecting difficult negotiations which keep both the EU and the UK engagement out of the Balkans.
- The Western Balkan respondent's in Kosovo and Bosnia assume that the Brexit will impose the negative effects on the European Union, while in Macedonia and Montenegro expect positive effects of Brexit on the EU, as they suppose that UK had more benefits from the EU membership than contributions.
- In most of the Western Balkan countries, respondents accept that the EU will experience larger negative political effects compared to economic effects due to the Brexit.
- Additional negative effect for the EU could be the increase of the Eurosceptic's within the EU, therefore influence other EU member states to undertake the same initiatives.
- It is important also the fact that most of the respondents expected that the EU integration process will continue therefore the Brexit will slow the enlargement process but not interrupt it. This fact could be interpreted that the respondents in the Western Balkans are too optimistic.
- For most of the respondents in three countries, namely: Kosovo, Macedonia and Montenegro the most currently challenging issues are economic and social crises, followed by other challenges while in Bosnia and Herzegovina emigration and refugee crises is seen as key challenge.
- Respondents in the Western Balkans expect that even with current difficulties, the EU will overcome current and future challenges. Therefore they believe in the European Project, especially respondents in Kosovo, Montenegro and Bosnia and Herzegovina.
- Additionally with regard to Brexit process respectively UK, it seems that the Western Balkan respondent expectations are based on the political influence of the UK and less in the economic terms such as reduce of the EU budget, trade relations and other economic issues. The economic impact respectively trade could derive indirectly on the Western Balkans as these countries have trade relations with Germany, Italy and other EU countries which are affected from the Brexit.

Finally, we can confirm our initial assumptions: first, that Brexit will impact the speed of the European Integration process for the Western Balkans and second, UK will have less important political role for the EU enlargement of the Western Balkans outside of the EU.

In general, we can conclude that although optimistic view of respondents in Balkans, the current relationship between the EU and the Western Balkans seems to be uncertain. Recently European Union proposed the "Balkan Regional Economic Area" which could be seen as substitute for the EU integration agenda for the Balkans as EU currently doesn't have enough political willignes deal with the Western Balkans.

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