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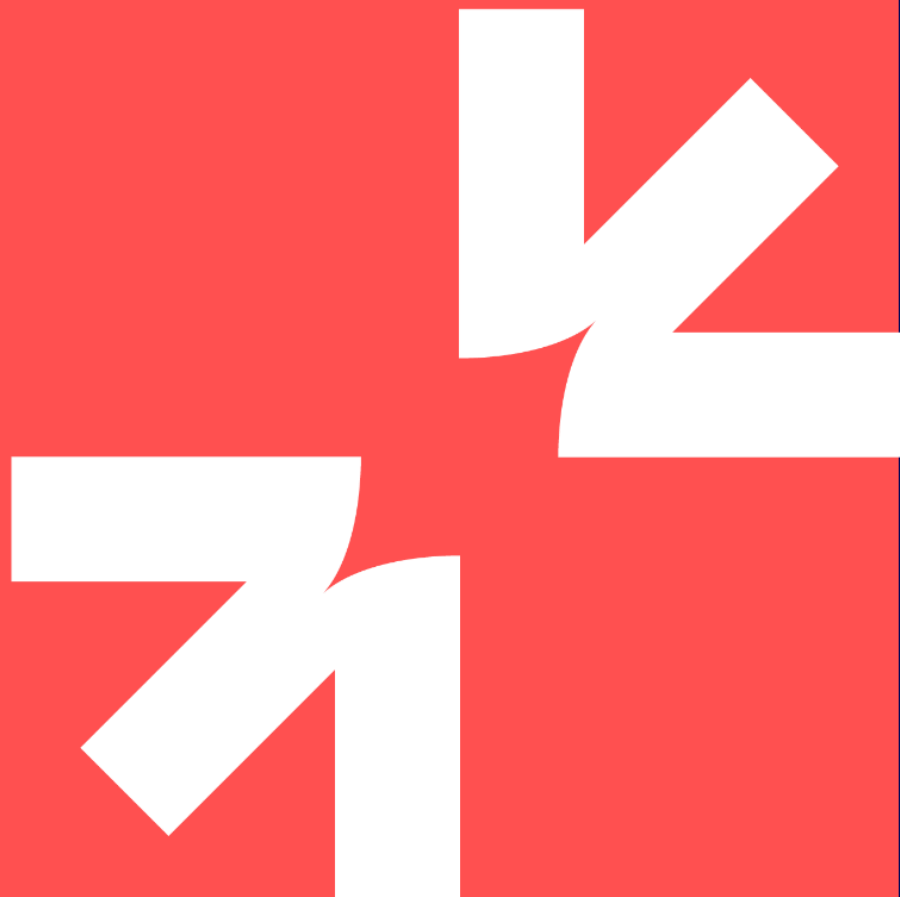
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## **POLICY BRIEF:**

# **GRADUAL INTEGRATION OF THE SIX WESTERN BALKANS COUNTRIES (WB6) IN THE EUROPEAN UNION: FDI SCREENING CONTACT POINTS NETWORK AND EXPERT GROUP**

March 18, 2026





# 1. INTRODUCTION

Phased accession to the European Union (EU) – a pillar of the EU enhanced accession methodology, launched in 2020 – is attracting more and more attention in the six Western Balkans countries (WB6): Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, and Serbia. This approach brings added value to the reform processes in these countries as it allows the EU to support them in reaching EU standards by granting them access to its specialised mechanisms in specific policy areas, in parallel with reforms they implement.

In practice, this means enabling their institutions and other stakeholders dealing with specific policy areas to engage directly with their peers in the EU in an institutional learning process. EU agencies and similar institutional bodies are typical such mechanisms. They are specialised EU-level institutions that drive, jointly with the European Commission (EC) – which also conducts membership negotiations with them – the development of the EU acquis in their policy areas through policy expertise. As such, they would play a critical role in guiding and supporting WB6 countries' institutions in their reforms to align with the EU acquis and European standards.

The Kosovar Centre for Security Studies has been working extensively to support this reform process through extensive policy research. We have also been doing so through advocacy and by promoting and facilitating policy dialogue across the region and with EU actors on this approach, in cooperation with COSs in other WB6 countries. Building on our work on alignment with the EU Regulation on Screening of Foreign Direct Investments, we have prepared the present policy brief on integration of WB6 in two EU bodies: the FDI Screening Contact Points Network and the FDI Screening Expert Group. The purpose of this policy paper is to inform key stakeholders in WB6 on the role of these bodies in the EU-wide system of FDI screening and their importance in support of the ongoing reforms being pursued by these countries in this specific area. It also seeks to shape the public discourse in the region on the EU integration process. Third, we seek to support implementation of reforms, through policy advocacy and by promoting policy dialogue across the region.

This policy paper consists of three sections. The first two sections focus on the mandate and functioning of the Contact Points Network and the Expert Group, respectively. The third section discusses integration of WB6 into these bodies. Since all WB6 countries have yet to establish their national FDI screening mechanisms, this section discusses the institutions in each of them that would be appropriate, based on their legal



mandates and internal structures, to be engaged in cooperation with and integration into these EU bodies in the future. The policy brief ends with main conclusions outlining directions of reforms in the WB6.

## 2. EU NETWORK OF FDI SCREENING CONTACT POINTS

The *Network of Contact Points on Screening of Foreign Direct Investments in the European Union* (EUFDISNCP) is established by the EU Regulation on Screening of Foreign Direct Investments (EUFDISR).<sup>1</sup> It is part of the institutional setup in charge of screening of foreign direct investments in the EU that brings together the EC and Member States (MSs). It brings together contact points designated by the EC and MSs that are in charge of coordinating FDI screening mechanisms across the EU. Under this regulation, the EC and MSs are required to establish FDI Screening Contact Points to coordinate communication and cooperation between MSs and the EC for the purpose of implementation of the EUFDISR.

As part of the FDI screening mechanism in the EU, this network covers FDI that are undergoing screening and those not undergoing screening that are likely to affect security or public order in a MSs. The EUFDISR requires the EC and MSs to involve these contact points in all issues related to its implementation. It also requires the EC to provide a secure and encrypted system for direct exchange of information between FDI Screening Contact Points, and all of them to use such a system as the only channel to share information.

<sup>2</sup>

The preamble of the EUFDISR outlines three guiding principles of functioning of FDI Screening Contact Points: their institutional position, their capacities, and protection of personal data. According to the first principle, they should be appropriately placed within the institutional setup of the EC or the respective member state's administration. According to the second principle, they should be equipped with staff and powers necessary to perform their functions as part of the EU FDI screening mechanism and to ensure proper handling of confidential information. According to the third principle, these contact points should ensure that personal data are processed in compliance with applicable EU rules on their protection.<sup>3</sup>

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<sup>1</sup> EUR-Lex, *Regulation (EU) 2019/452 of the European Parliament and of the Council of 19 March 2019 establishing a framework for the screening of foreign direct investments into the Union*, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019R0452>.

<sup>2</sup> Ibid, Art. 11, 6, 7.

<sup>3</sup> Ibid, Preamble, points 27, 31.



The practical work of FDI Screening Contact Points involves tasks such as notifying EC and other MSs on FDI under the definition of the EUFDISR under screening, exchanging information with them on such investments, responding to opinions and comments issued by the EC and other MSs, and coordination among MSs when an investment from a third country may affect more than one MS, and facilitating cooperation within the EU FDI screening mechanism. Pursuant to the EUFDISR, these contact points are required to provide information, through secured channels, such as who are the investors from third countries and respective target companies in the EU, value of investments and sources of funding, and when transactions are expected to take place.<sup>4</sup>

The FDI Screening Contact Points are placed in national-level ministries legally in charge of trade as a policy area, respectively FDI. Specifically, in most of them they function either in ministries of trade and industry (Czechia, Ireland, Spain) or those of economy and/or finance (Belgium, Germany, Spain, Latvia, Netherlands, Austria, Slovenia, Slovakia, Finland). There are also member states where FDI contact points function in specialized agencies/similar bodies within government institutions in charge of trade (Denmark, Estonia, Malta, Poland and Sweden) or in the Office of the Prime Minister / main government chancellery (Italy, Lithuania, Luxembourg and Portugal). In Greece and Hungary these contact points function in ministries of foreign affairs, which are also in charge of foreign trade and foreign investments, while in Romania it is placed in the national competition authority.<sup>5</sup>

### 3. FDI SCREENING EXPERT GROUP

The *Group of Experts on Screening of Foreign Direct Investments in the European Union* (EUFDISEG) was established by the EC in 2017. It is also part of the institutional setup in charge of FDI screening in the EU.<sup>6</sup> It brings together experts from the EC and MSs institutions in charge of FDI to facilitate and support the implementation of the EUFDISR.

While this body was established prior to adoption of the EUFDISR, based on the 2017 EC Communication on Welcoming Foreign Direct Investment while Protecting Essential Interests<sup>7</sup>, its legal mandate was afterwards, in 2019, provided for in the EUFDISR. It

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<sup>4</sup> Update on the new EU foreign direct investment screening framework, <https://www.eversheds-sutherland.com/lv/global/insights/update-on-the-new-eu-foreign-direct-investment-screening-framework>.

<sup>5</sup> European Commission, *List of screening mechanisms notified by Member States*, available at [https://policy.trade.ec.europa.eu/enforcement-and-protection/investment-screening\\_en](https://policy.trade.ec.europa.eu/enforcement-and-protection/investment-screening_en).

<sup>6</sup> European Commission, *Investment screening*, [https://policy.trade.ec.europa.eu/enforcement-and-protection/investment-screening\\_en](https://policy.trade.ec.europa.eu/enforcement-and-protection/investment-screening_en).

<sup>7</sup> EUR-Lex, *Commission Communication (2017)494 on Welcoming Foreign Direct Investment*, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52017DC0494>.



was established prior to the adoption of the EUFDISR mainly to facilitate initial preparations to build the FDI screening regime in the EU. The EUFDISR, Article 12, stipulates that it is charge of providing the EC with expertise and advice. It does so mainly by sharing best practices and lessons learned, and exchanging views on trends and issues of common interest. The EC may also seek the advice of this body on systemic issues relating to the implementation of the EUFDISR. This regulation also stipulates that the discussions of this expert group are confidential.<sup>8</sup> The preamble of EUFDISR provides further guidance on the mandate of this body, stating that it should support the development and implementation of comprehensive and effective policies in the area of FDI screening.<sup>9</sup>

The functioning of the EUFDISEG is regulated in detail by the EC Decision of 29 November 2017 Setting up this Expert Group.<sup>10</sup> It regulates its tasks, chairmanship and membership, as well as procedural aspects of its functioning.

The EUFDISEG has the following *tasks*: identifying assets with strategic implications from the point of view of security, public order or control of critical assets and technologies; exchanging information and analysis on FDI into the EU; discussing issues of common interest; sharing best practices and lessons among member states; discussing opportunities for cooperation with third countries; promoting policy convergence; further reflecting on means to protect strategic interests of the EU, including through FDI screening; and considering other issues relating to FDI screening. In terms of its *chairmanship and membership*, the Expert Group is chaired by the EC (a representative of its Directorate-General for Trade). Its members are authorities of member states in charge of FDI. The latter are required to nominate their representatives and should ensure that they provide a high level of expertise. In addition, the EC may invite experts with specific expertise to participate in the expert group on ad hoc basis.

In terms of *procedural aspects* of its functioning, this decision requires the Expert Group to adopt its rules of procedure, which are to be proposed by the EC and adopted in agreement with it. It also regulates procedural aspects such as organisation of meetings, secretarial support and internal decision-making (by consensus). Members of the Expert Group, as well as invited experts and observers are bound by the obligation of professional secrecy as defined by the EU Treaty, as well as EC rules on security regarding the protection of EU's classified information. On the other hand, in

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<sup>8</sup> *FDI Screening Regulation*, Art. 12.

<sup>9</sup> *Ibid*, Preamble, point 28.

<sup>10</sup> European Commission, *Decision of 29 November 2017 Setting up the Group of Experts on Screening of Foreign Direct Investments into the European Union*, available at <https://ec.europa.eu/transparency/expert-groups-register/screen/expert-groups/consult?lang=en&groupId=3569&fromMeetings=true&meetingId=61653>.



terms of transparency, it is required to be registered in the EC register of expert groups. Financial expenses of the Expert Group are covered by the EC.

## 4. INTEGRATION OF WB6 INTO THE FDI SCREENING CONTACT POINTS NETWORK AND THE FDI SCREENING EXPERT GROUP

This section discusses institutions in the WB6 countries that could be appropriate to serve as basis to be appointed as FDI Screening Contact Points and to participate in the FDI Screening Expert Group in the future, based on their current legal mandate as national institutions in charge of FDI. It also explores how WB6 countries could cooperate with the EU Network of FDI Screening Contact Points and the FDI Screening Expert Group as expertise-based bodies of the EU FDI screening mechanism. Cooperation with these EU bodies requires, as preconditions, alignment of the legislation with the EUFDISR and establishment of national screening mechanisms in line with such aligned legislation. Therefore, at this stage of reform processes in WB6 countries on FDI screening – when none of them has yet fulfilled both of these two preconditions – it suffices to identify institutions in these countries that could establish working contacts with these bodies and jointly explore potential focus and forms of cooperation.

**Albania.** In the current structure of the Albanian Government, put in place when the current government term took over in autumn last year, trade as a policy area falls under the remit of the Ministry of Economy and Innovation (MEI)<sup>11</sup>. In addition, the Albanian Investment Development Agency (AIDA)<sup>12</sup>, established in 2010 by the Law on its Organisation and Functioning, is Albanian Government's specialised agency in charge of investments.

Based on the current institutional setup in Albania, MEI would be the institution to appoint the FDI Screening Contact Point as part of its FDI screening mechanism, after this country aligns its relevant legislation with the EUFDISR. It could also coordinate and facilitate preparations to participate in the FDI Screening Expert Group in the future. More specifically, based on MEI's internal organisational structure, these two

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<sup>11</sup> Government of Albania – Ministry of Economy and Innovation, <https://ekonomia.gov.al/en/>.

<sup>12</sup> Government of Albania – Albanian Investment Development Agency, <https://aida.gov.al/>.



roles would belong to its Directorate-General of Business Promotion Policies and Trade, namely the Foreign Trade Directorate within this directorate-general.<sup>13</sup>

**Bosnia and Herzegovina.** The Ministry of Foreign Trade and Economic Relations (MFTER)<sup>14</sup> is the state-level institution in charge of trade as a policy area, including FDI, in this country. In addition, the Foreign Investment Promotion Agency (FIPA)<sup>15</sup> – established in 1998 and functioning as regulated by the Law on FIPA, adopted in 2004 – is BiH's specialised agency in charge of investments. The area of trade is covered by MFTER's Department of Foreign Trade Policy, Control and Safeguard Measures.

Based on this institutional setup, MFTER would be the appropriate institution to appoint BiH's FDI Screening Contact Point as part of its FDI screening mechanism, after it aligns its relevant legislation with the EUFDISR. It could also coordinate and facilitate preparations in this country to participate in the FDI Screening Expert Group in the future. Both these roles would belong to the Department of Foreign Trade Policy, Control and Safeguard Measures.

**Kosovo.** In the current structure of the Kosovan Government, in place since the current government term began in early 2026, the Ministry of Industry, Entrepreneurship, Trade and Innovation (MIETI) is the national institution in charge of trade as a policy area, and of FDI as part of it.<sup>16</sup> In addition, the Kosovo Investment and Enterprise Support Agency (KIESA)<sup>17</sup> is currently Kosovo's specialised agency in charge of FDI. However, this function is foreseen to be transferred to a new agency – Agency for Investments and Export (AIE)<sup>18</sup> – to be established as an executive agency of the Office of the Prime Minister under direct supervision of the Prime Minister. The area of trade is covered by MIETI's Trade Department.

Based on this evolving institutional setup in Kosovo, it would fit with MIETI's mandate to appoint the FDI Screening Contact Point of Kosovo as part of its future FDI screening mechanism. This contact point could also coordinate and facilitate preparations for

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<sup>13</sup> Government of Albania – Ministry of Economy and Innovation, *Organisational structure*, <https://ekonomia.gov.al/wp-content/uploads/2025/12/Copy-of-STRUKTURA-PROPOZIM-M.pdf>.

<sup>14</sup> Government of Bosnia and Herzegovina – Ministry of Foreign Trade and Economic Relations, <https://www.mvteo.gov.ba/>.

<sup>15</sup> Government of Bosnia and Herzegovina – Foreign Investment Promotion Agency of Bosnia and Hercegovina, <https://www.fipa.gov.ba>.

<sup>16</sup> Government of Kosovo – Ministry of Industry, Entrepreneurship, Trade and Innovation, <https://mint.rks-gov.net/page.aspx?id=2.1>.

<sup>17</sup> Government of Kosovo, Ministry of Industry, Entrepreneurship, Trade and Innovation – Kosovo Investment and Enterprise Support Agency, <https://kiesa.rks-gov.net/page.aspx?id=2.1>.

<sup>18</sup> Official Gazette of the Republic of Kosovo, *Law on Sustainable Investments*, Art. 19, <https://gzk.rks-gov.net/ActDocumentDetail.aspx?ActID=96277>.



Kosovo's participation in the FDI Screening Expert Group in the future. More specifically, this double role would belong to the Trade Department.

**Montenegro.** The national institution in charge of trade, including FDI, in this country is the Ministry of Economic Development (MED)<sup>19</sup>. In addition, its specialised agency in charge of is the Montenegrin Investment Agency (MIA)<sup>20</sup>. MED's unit in charge of FDI is the Directorate for Investments and Regional Development.

Based on the current institutional setup, it would fit with MED's mandate to appoint the FDI Screening Contact Point of Montenegro as part of its future FDI screening mechanism. This contact point could also coordinate and facilitate preparations for Montenegro's participation in the FDI Screening Expert Group in the future. More specifically, both these roles would belong to MED's Directorate for Investments and Regional Development.

**North Macedonia.** The national institution in charge of trade in this country is the Ministry of Foreign Affairs and Foreign Trade (MFAFT)<sup>21</sup>. In addition, the function of the specialised agency in charge of FDI in North Macedonia is exercised by the Agency for Foreign Investments and Export Promotion (AFIEP)<sup>22</sup>, established through a dedicated law. MFAFT's unit in charge of FDI is the Department for Economic and Public Diplomacy.<sup>23</sup>

Based on the current institutional setup in this country, it would fit with MFAFT's mandate to appoint the FDI Screening Contact Point as part of its future FDI screening mechanism. The contact point could also coordinate and facilitate preparations to participate in the FDI Screening Expert Group in the future. More specifically, both these roles would belong to the Department for Economic and Public Diplomacy within the MFAFT

**Serbia.** The Ministry of Domestic and Foreign Trade<sup>24</sup> (MDFT) is the national institution in charge of trade as a policy area, including FDI, in Serbia. In addition, the Development

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<sup>19</sup> Government of Montenegro – Ministry of Economic Development, <https://www.gov.me/en/mek>.

<sup>20</sup> Government of Montenegro – Montenegro Investment Agency, <https://mia.gov.me/en>.

<sup>21</sup> Government of North Macedonia – Ministry of Foreign Affairs and Foreign Trade, <https://mfa.gov.mk/en>.

<sup>22</sup> Government of North Macedonia – Agency for Foreign Investments and Export Promotion, <https://investnorthmacedonia.gov.mk/>.

<sup>23</sup> Government of North Macedonia, Ministry of Foreign Affairs and Foreign Trade, Department for Economic and Public Diplomacy, <https://mfa.gov.mk/en-GB/ministerstvo/direktorati/direktorat-za-ekonomska-i-javna-diplomatija>.

<sup>24</sup> Government of Serbia, Ministry of Domestic and Foreign Trade, <https://must.gov.rs/>.



Agency of Serbia (DAS)<sup>25</sup> is the specialised agency for FDI. Within MDFT, the unit in charge of FDI is the Trade, Services and Competition Policy Sector.

Based on this institutional setup in Serbia, it would fit with MDFT's mandate to appoint the FDI Screening Contact Point as part of its future FDI screening mechanism. The contact point could also coordinate and facilitate preparations to for this country to participate in the FDI Screening Expert Group in the future. Both these roles would belong to the Trade, Services and Competition Policy Sector within the MDFT

## 5. CONCLUSIONS

As this policy brief discusses, WB6 countries are currently not engaged in cooperation with the EU FDI Screening Contact Points Network and the Expert Group as they have yet to establish their national FDI screening mechanisms and appoint focal points in charge of FDI screening. In other words, they have not yet put in place institutional structures do so.

Therefore, they first need to foresee FDI screening focal points as part of their institutions that will be in charge of FDI screening, specifically their mandates and human capacities. This includes drafting and adoption of implementing legislation regulating their internal functioning and cooperation with other institutions and stakeholders.

Secondly, they need to provide them with human, financial and technical capacities to be able to exercise their mandates, starting with establishing cooperation with the Network and the Expert Group. This includes developing secure and encrypted systems for the exchange of information.

Thirdly, cooperation with them could be of added value in particular to support them in capacity-building and technical assistance, information exchange and alignment with EU best practices.

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<sup>25</sup> Development Agency of Serbia, *Vision Statement*, <https://ras.gov.rs/en/about-us/vision-statement>.