

# Lessons from the Western Balkans: For a Better Rebuilding of Post-War Ukraine

How can **Ukraine** rebuild better after war? This paper draws lessons from the **Western Balkans'** experience after the wars in the 1990s to inform Ukraine's **post-conflict reconstruction**, emphasising the need for effective coordination and accountability among domestic and international actors, decentralisation, and alignment with EU integration. It is aimed at policy-makers, development experts and civil society shaping Ukraine's recovery strategy.



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## Recommendations

### **Strengthen cross-level and cross-sectoral coordination.**

Effective reconstruction requires close coordination across all levels of governance – from local to international – as well as across diverse sectors. Establishing formal mechanisms for joint planning, transparent communication and shared decision-making is essential to avoid duplication, ensure the efficient use of resources and align interventions with local priorities. Local governments should be empowered and meaningfully integrated into national recovery strategies, while civil society must be engaged as a key partner in both implementation and oversight.

### **Ensure continuous monitoring and evaluation.**

Post-conflict recovery must be guided by long-term sustainability, not just short-term stabilisation. This requires the development of continuous monitoring and

evaluation frameworks that assess not only financial inputs and project outputs, but also broader social, economic, environmental and institutional impacts over time. Recovery programmes should incorporate clear exit strategies and prioritise building local capacities to sustain and expand progress after the reduction of international support. Regular evaluations should inform strategic adjustments and reduce long-term dependency on external aid.

**Put communities at the centre of reconstruction.** The whole process of post-war rebuilding needs to be human-centric and include a strong reconciliation component in its centre. Life on the day after must continue and different communities with various past experiences must continue finding (new) ways to coexist, interact and live in one country together. This will require both complex and sensitive policies on reintegration as well as international help to invest in mental health support, potentially also requiring the engagement of professional mediators.

### **Anchor reconstruction within the wider process of EU integration.**

After the war atrocities have ended, the best and most sustainable way forward is to align the process of rebuilding with the EU agenda and internal reform. In practice, this requires an alignment between reconstruction, reforms and EU integration at each step and within each major investment project to avoid diverging from the long-term strategic agenda. Alongside utilising the legal competence and skilled personnel of government and central authorities in dealing with EU affairs, more investment should also be dedicated to training people at the regional and local level too, which is necessary to prepare the whole state apparatus for a future EU enlargement.

## Introduction

When conceptualising the post-war reconstruction of Ukraine, which has been severely damaged by Russia's ongoing full-scale invasion, there is perhaps no closer comparison – in terms of the scale of damage to society, the economy and infrastructure – than the Western Balkans and the wars in the region during the 1990s. Thus, the logical questions are: what worked and what did not (such as societal reconciliation among communities), and what should be avoided when helping Ukraine to get back on its feet? What lessons can the EU and the West learn in order to put Ukraine in a better shape than it was before 24 February 2022, if not before 2014?

The historical events and the violent breakup of Yugoslavia as well as the subsequent developments in the region of the Western Balkans can, in many respects, be considered a useful lesson for Eastern Europe today. While the Russian aggression and de facto occupation of close to 20% of Ukraine's internationally recognised territory has not ended, the Western Balkans' experience offers examples of both good and bad practices from which Ukraine – and potentially also Moldova and Georgia – can learn while moving closer to the prospect of EU membership.

It is exactly this future-looking perspective and the EU's enlargement track that puts both regions closer together and should motivate them to cooperate rather than compete in areas such as rule of law and judiciary reforms or at the level of municipal cooperation, while at the same time exchanging best (and worst) practices in forging partnerships with the EU. Moreover, it is in the interest of Czechia and other like-minded partners in Central Europe to support the EU's enlargement and keep the conversation open between both camps. This paper offers food for thought and inspiration on how to facilitate the exchange as well as how to establish close and productive relations.

## Post-conflict reconstruction in the Western Balkans

During the 1990s, the Western Balkans experienced a series of devastating internal and inter-state conflicts marked by atrocities and destruction unprecedented in post-World War II Europe. The region became a battleground of competing ethno-national projects seeking to establish their own political entities amid the violent disintegration of Yugoslavia. The wars in Croatia, Bosnia and Herzegovina as well as Kosovo left tens of thousands dead, displaced millions and inflicted severe

damage on previously developing economies. Due to the ethno-territorial nature of the conflicts, destruction was often geographically concentrated, with certain regions bearing the brunt of the violence. In extreme – though not uncommon – cases, entire regions were temporarily depopulated, with housing, infrastructure and local economies left in ruins as a direct result of the conflict.

Following the signing of peace agreements and the establishment of ceasefires, Western Balkan societies and institutions – with political and financial backing from international agencies – promptly began the difficult process of post-conflict reconstruction. This process introduced novel approaches that offered new ambitions and opportunities but also presented significant challenges. In many ways, the post-Yugoslav space in the 1990s and 2000s became a laboratory for a new model of international post-conflict engagement, guided by liberal post-Cold War ideas promoted by the emerging international community.

## New approaches

One key innovation was the comprehensive nature of peacebuilding, whereby international actors became deeply involved in the domestic politics and economies of the post-Yugoslav states, influencing governance structures, policy priorities and economic reforms. The goal of this new externally driven approach was not only to halt violence and enforce peace on the ground but also to assist in rebuilding war-torn societies and esta-

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blishing inclusive political institutions intended to provide long-term stability. In the clearest example, the Dayton Peace Agreement established a complex political system designed to provide security and stability in Bosnia and Herzegovina, overseen by multiple international agencies. However, these externally imposed institutional frameworks often proved unsustainable or dysfunctional over time, as evidenced by the chronically paralysed systems of interethnic power-sharing in Bosnia and Herzegovina and in Kosovo.

A second distinctive feature was the involvement of a

wide range of actors: international and domestic, national and local, governmental and non-governmental. While physical security was ensured by international peacekeeping forces coordinated by NATO, international organisations such as the EU and the UN were directly responsible for the civilian implementation of peace agreements, and multiple development agencies were active in post-war economic and social recovery. While this multi-level engagement enabled inclusivity, diverse expertise and broader resource mobilisation, it also introduced complexity and required robust coordination mechanisms.

Third, there was a strong emphasis on local-level engagement and decentralisation, both political and economic. In Kosovo, political decentralisation and the devolution of power to municipalities were key requirements set by the international community before recognising state independence. Empowering local authorities was intended to provide more tailored responses to community needs, improve legitimacy and offer a platform for rebuilding trust in public institutions damaged by war.

## Challenges and lessons learned

Despite the unprecedented scale of international assistance and the ambitious setup of interventions, the long-term outcomes of post-conflict reconstruction have been mixed.

In the immediate post-war period, key challenges included restoring physical security and the protection of vulnerable groups and minorities, addressing urgent humanitarian needs, facilitating the return of displaced populations, and re-establishing basic governance functions amid widespread infrastructure collapse. Thanks to a massive international military presence and extensive political and economic support, these initial challenges were addressed relatively successfully across the region.

However, over time, deeper structural problems emerged. Persistent mistrust within and between communities continued to hinder reconciliation and inclusive governance, particularly in ethnically mixed regions where ethno-political fragmentation remained entrenched. This highlights the limitations of institutionalising ethnic divisions – even making them the foundation of statehood, as in the case of Bosnia and Herzegovina – which has prevented the development of supra-ethnic identities. This experience underscores the importance of avoiding similar arrangements in Ukraine, particularly any decentralisation based on presumed ethno-national lines.

Fragile institutions and patronage networks, closely tied to ethno-political ‘elites’, weakened reform efforts and public trust, while widespread corruption became a major obstacle to effective governance and sustainable development. The approach to post-conflict recovery in Ukraine should therefore emphasise transparency and accountability in political and economic processes,

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clearly limiting the space for the emergence of such political-economic networks at the local, regional, or national level. Additionally, the ongoing emigration of young, educated people due to a dysfunctional economy and political institutions further reduced state capacity and undermined the region’s long-term economic potential.

The complex architecture of the reconstruction process often led to poor coordination among stakeholders – horizontally (across institutions and agencies) and vertically (between international, national and local actors). In many cases, accountability mechanisms were weak, and the sheer volume of external aid fostered dependency without sufficient planning for long-term sustainability. These challenges raised critical questions about the effectiveness and ownership of the reconstruction process.

## Post-war reconstruction of Ukraine: How to do it right?

As the former Director of the European Agency for Reconstruction responsible for the Balkans and later also Ambassador to Ukraine Hugues Mingarelli repeatedly pointed out, the Western Balkans offers several important lessons for Ukraine and its reconstruction, especially when perceived from the European point of view. Among them, the EU’s past experience shows that it is essential to have a very strong political leadership on both sides and ownership of the whole process in order to determine a clear agenda and roadmap for reconstruction of the country in a step-by-step approach.

This includes both the governance structure on both sides as well as the sectoral and regional priorities determined by Ukraine and its international partners

together – such as transport, agriculture, education, industry or the environment; every sector needs to receive a timetable and a clear list of priorities for each of the post-war years. Otherwise, the EU risks repeating the same mistakes of the past when investing in all sectors simultaneously – as in the case of the Western Balkans in the post-1990s period – and risks not delivering the desired results, missing the point of focused and dedicated attention to individual sectors and areas. Prioritisation of the agenda should also help the partner countries cope with the limited absorption capacity typical for post-conflict societies and state institutions.

Apart from that, Ukraine as well as Moldova need to have an unquestioned perspective of the EU's future membership that should secure the necessary investment and send a clear signal to Western companies and international creditors, as well as to Russia and other adversarial powers, that there is light at the end of the

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tunnel. Thus, it is important to triangulate the process of post-war reconstruction with the internal reform efforts as well as EU enlargement, ensuring that all three aspects advance in tandem rather than on divergent tracks. The Western Balkan countries received this political commitment in 2003 already, but little has changed or been delivered until the last couple of years, during which there has been at least limited progress in some countries, seemingly driven by the EU's concerns over potential geopolitical instability in Southeastern Europe following the Russian aggression in Eastern Europe. Any grey zones or (geo)political uncertainties could be

exploited by enemy powers with malign interests in both the regions of Eastern Europe and/or the Western Balkans, as clearly understood by the EU in the past years.

Finally, and beyond the obviously very demanding processes of internal reforms, the role of out-of-government forces deserves emphasis when looking at the next steps and future months and years to come. This includes not only the well-developed civil society actors, but also local and regional authorities. The decentralisation reform has been one of the most successful and impactful in Ukraine's context, both in terms of resilience against external threats – including the Russian aggression – as well as internal stabilisation, the fight against corruption, internal democratisation, and the devolution of powers back to local and regional administrations and back to the citizens themselves. Overconcentration of resources in the hands of a narrow circle of elites in the capital, on the contrary, has proven to deliver only mixed results in the reconstruction efforts, promoted nepotism and vested interests, and detached important projects from the community level with the knowledge of local needs and understanding of reality on the ground.

Thus, it is highly desired – also based on experience with the decentralisation strategies applied in the Western Balkans – to continue having at least a two, or ideally three-level approach incorporating the central authorities, regional administrations as well as the local (hromada/town/city) representatives to deliver the most efficient and long-term sustainable solutions as well as desired investments for Ukraine's society as a whole. However, based on the repeated statements by the international financial institutions on the crucial role of the private capital, it is hard to imagine the reconstruction working in practice without the business and interest of the private sector that will need to cooperate on this massive endeavour in the future.

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