

## European Perspective of the Balkans

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### PROLOGUE

That what is called European Union today is considered to have been established in 1951 as the European Union (Community) of Steel and Coal. This proves that the dominating force behind the idea of European integration was always the economic cooperation and progress. Today European Union has 25 members, soon to become 27, and we hope that this number will soon increase with new members. EU today presents a political and economical integration with even building its defence capacities. It has a joint market, freedom of movement of people and goods as well as external borders.

For EU, continuation of its enlargement is a necessary mean to bring stability to the region of West Balkans . EU dedicated itself to ensure European perspective for the countries of the region once they fulfill the criteria to become members. Conditioning was and will remain the basis of European Union approach towards any country whose aim is to join or have close relationship with it. Therefore the message to those who want to join the EU is that they must share the same values and respect ground principles. Conditioning as the ground principle of EU is used in the process of Stabilization Association. The hope to see the Balkans region in a European future remains to be the best motive for internal reform of all countries of the region but also a challenge for greater cooperation between them. Continuation of

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the Stabilization and Association Process and negotiations for accession of those countries of the Balkans that meet the criteria is best proof that the people of the region believe that EU is seriously committed to fulfill its promises given in Thessaloniki in 2003.

## THE ROAD TOWARDS ACCESSION TO THE EUROPEAN UNION

In November 2000 the process of Stabilization and association was approved jointly by the EU and countries of Western Balkans in the summit of Zagreb. Whereas in June 2003, in the summit of Thessaloniki, process of Stabilization and association, was confirmed as the EU policy for western Balkans, while the countries of the region were confirmed the perspective of their membership to the EU.

On this occasion the "Agenda of Thessaloniki for Western Balkans towards European Integration" was approved where the European partnerships were mentioned as one of the instruments to serve for intensification of process of Stabilization and association and one year later regulation on their establishment was established.

Main priorities in these documents deal with capacity of countries to fulfill the criteria set by the European Council of Hague in 1993 for the process of Stabilization and association, as well as the conditions defined by the Council in the Final Declaration of Summit of Zagreb, of 14 November 2000 and in the Agenda of Thessaloniki.

These priorities are defined for each of the countries, based on annual report of the European Commission, whereas the financial support of EU is managed in accordance with the priorities set in this partnership. Thus, the process of Stabilization and Association is the framework of EU policy for countries of Western Balkans, in their road towards possible membership to the EU. Process of Stabilization and Association aims three objectives:

- 1 Stabilization and fast transition into market economy
- 2 Promotion of regional cooperation
- 3 Perspective for to become EU members.

Therefore we may come to conclusion that process of Stabilization and Association is based on a progressive partnership in which EU offers a combination of trade concessions (autonomous trade measures), financial and economic aid (Programs CARDSI IPA) and contracting relations (Agreements of Stabilization and Association). Here we have to mention the fact that each country moves forward based on fulfillment of their commitments in the framework of process of Stabilization and Association. Hence process

of Stabilization and Association helps the countries of the region to build their capacities to adopt and implement European standards including *Acquis Communautaire*<sup>27</sup> of the Union and international standards.

Thessaloniki agenda presented a series of new instruments to support the process of reforms in the countries of Western Balkans and to bring them close to European Union. The instrument with the greater impact is European Partnership, inspired by Membership Partnerships. Through identification of short-term and long-term partnerships which are to address interested countries.

Therefore it is worth mentioning what is European Partnership, as an answer needs to draft and approve an action plan to implement it. Priorities of Union set forth in the European Partnership through action plan are analyzed in concrete actions which will be undertaken by respective institutions in foreseen time periods. During the drafting of plan special attention was paid to identification of duties which are applicable, setting of timeframes which are reachable and budgetary sources. Hence, the plan is main guideline for allocation of future financial and technical assistance for European Union.

European Partnership for each country of Western Balkans is approved through a ruling of European Union Council after a proposal brought forward by the Commission. In this context, it is necessary to mention that the agreement of Stabilization and Association is similar to European agreements which countries of Central Europe have had with EU, but is different due to some conditioning such as regional cooperation.

Conditionings of Balkans are set as precondition for continuation of their integration in EU. But, during the entire process the so-called "individual approach" was preserved which means that each country will be evaluated exclusively based on merits and criteria for integration in European Union.

For this reason, also countries of the region are in different stages of process. Even though they are all subjected to same criteria and EU wants to convince them to cooperate more between one another, until now several assertions that process of Stabilization and Association aims an establishment of a new regional package which, once ready, would joint the European Union, were rejected. As a package in a later wave of enlargement.

The process also recognizes the particularities of these countries, where as a result of it in countries like Croatia, Serbia and Bosnia and Herzegovina the main problem used to be, in Serbia remains to be, the cooperation with the Hague Tribunal on war crimes. In Albania the biggest problem was that the public institutions showed unprepared to implement laws.

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<sup>27</sup> *Acquis Communautaire* – French expression used in the European Right as a synonym for the body of EU legislation, accumulated so far.

Today, European Union may be the most aspired organization of continental countries but at the same time the most rigorous concerning criteria for acceptance of new members. It, as Folson explains, has a magnetic power to attract new countries inside its membership<sup>28</sup>.

It is important to mention that European Union continues to be loyal to its commitment for enlargement whereas countries that aspire to become members of this Union need to fulfill the criteria of becoming members (known as the criteria of Copenhagen), such as political, economical and legislative of European Union (Acquis Communautaire). At the same time European Union needs to address its citizens to better inform them on the goals and challenges of the process of integration and enlargement. Thus, the policy of enlargement of European Union is a strong political tool which provides a deep reform of countries whose sole goal is European Union membership.

The success of continuous reforms and a positive country report on the implementation of duties and obligations which emerge from the agreement of Stabilization and Association including application of measures of free trade in an integral agreement form shall constitute the key element for European Union to consider any application for membership. Therefore based on positive opinion of European Commission, European Union may give the status of applicant country.

Gaining the status of applicant is a political acknowledgement of close relationship to European Union but does not automatically mean that an applicant country may start negotiation for becoming a member.

Euro Atlantic perspective for the region it cannot be looked at as a vision only. If we want to make it real then we need to interpret it in many concrete steps, says Bodo Hembach<sup>29</sup>.

Whereas Jon Gendner said life is full of challenges which are better to be treated carefully than seen as unsolved problems<sup>30</sup>. This brings us to conclusion that something seen as a problem at first sight may have a solution at the end.

## ECHO IN THE BALKANS AND INSTRUMENT FOR PRE-ACCESSION ASSISTANCE

European Union is the biggest donor in the region. In this sense, it is to be underlined that during consecutive crises that stroke Western Balkans, during the 90ties, European Union's priority was to fulfill the basic needs of victims,

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<sup>28</sup> Mr. Blerim Reka. European Union Right, Kosovo Institute for Euro Atlantic Integration, 2000, Prishtinë, p.186

<sup>29</sup> Bodo Hembach, Balkans, Difficult Road to Stability Pact

<sup>30</sup> Stability Pact, Tiranë, 2000, p.37

refugees, displaced person and local populations in need. Therefore as a result of this situation European Union established Office of Assistance of European Union for Humanitarian Aid ECHO (European Community Humanitarian Aid Office).

ECHO's intervention in Western Balkans was one of the longest (from 1991 – 2003) and most expensive (2.3 milliard Euro). The European Commissioner of that time for development and humanitarian aid, Poul Nielson, stated: "War in Yugoslavia is one the first biggest crises ECHO deal with since its creation in 1992". In a publication of ECHO assistance in Balkans he said that the consecutive conflicts in the region during that decade, in particular in Kosovo in 1999 and FYROM in 2001 made the ECHO's intervention in the Balkans the longest and the most expensive one. "Those were humanitarian crises of unprecedented dimension in the doorstep of European Union and they took a high political and medial profile which was unavoidable. EU could not allow inhibition in its humanitarian reaction", said Nielson<sup>31</sup>. See the peak in 1993 and 1999 during the time of crisis in BiH and in Kosovo.

The assistance provided by ECHO was often basic and practical, shelter, food, fuel, medicaments, water, sanitary. But it also went a step further and helped the traumatized population to return to normal life – through psychosocial assistance, beginning of reconstruction process and initiation of income-generating activities in order to enable people to earn their living again.

In order to achieve that, ECHO worked together with its partners, humanitarian agencies of United Nations, international organizations such as The Red Cross and over 200 non-governmental organizations from Europe and beyond.

In this context it must be mentioned that the Balkans both in the past and currently benefited from external projects whereas now, after 2007 – 2013 will benefit from projects of pre-accession instruments, because it is considered to be a zone included in the enlargement procedure of European Union.

On 17 December 2005, after long discussions, European Union came to an agreement on financial perspective for 2007 – 2013. Within a total of 6 instruments for external relations of EU which will be used in this period is also the instrument for assistance before accession (Instrument for Pre-Accession Assistance) known in the dictionary of European Union as IPA, which will be the sole instruments through which applicant countries and potential applicant countries will receive financial assistance.

Starting from 1 January 2007 IPA will replace all other financial instruments offered to these countries so far as PHARE, support of implementation of legislation of EU in forms of institution building and increase of their

<sup>31</sup> Attachment, Time for European Integration, European Agency for Reconstruction, Prishtinë 2006

capacities, ISPA which deals with regional funds and mainly environment, transport and SAPARD infrastructure – support of agricultural development and CARDS.

The instrument for assistance prior to accession composes of five components:

- Institution building and transitional assistance
- Regional and cross-border cooperation
- Regional development
- Human resources development
- Rural development.

Furthermore it is worth mentioning that for Croatia and Turkey, countries that began negotiations for accession to EU are now at the stage of so-called “screening”<sup>32</sup> and FYROM which has the status of applicant country but EU has not yet scheduled a date of initiation of negotiations for accession. For Croatia, Turkey and FYROM, as applicant countries for accession to EU, IPA will be used for approval and implementation of Acquis Communautaire and for preparation in implementation of cohesion and agricultural policies of EU. Whereas other potential applicant countries as Albania, BiH, Serbia, Montenegro and Kosova will benefit of capacity increase and building of necessary administrative, programmatic and managerial structures, for the beginning of preparations for management of structural funds since they will become applicant countries.

Seeing it as a whole, it is important to note that one of the challenges that are discussed upon in the process of integration of countries of the Balkans in the European Union is also the definitions of regions. For European Union it is important that the country which becomes a member has defined its regions because this definition serves as the basis of calculation of qualifications of these regions for financial aid of European Union through funds of aid to regions which are less developed. We need to mention the fact that structural and cohesion funds of European Union in their history have shown to be crucial in decrease of differences between developed and undeveloped regions.

## ACCOMPANYING MECHANISM OF STABILIZATION AND ASSOCIATION FOR KOSOVO

Kosova takes place in the policy of European Union for the Western Balkans through accompanying mechanism of Stabilization and Association process.

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<sup>32</sup> Screening – is a stage in which the legislation of a country is analyzed with the purpose of checking their compatibility with Acquis Communautaire

This mechanism was established in November 2002 with the aim to enable Kosova institutions to fully gain from the main elements of process of Stabilization Association, such as financial support, advising on policies, trade preferences and monitoring of standards of European Union.

Therefore in 2003 when highest officials of European Union stated that Kosova should not remain the "black hole" in the map of Balkans and that its future should be looked at separately from other countries of Western Balkans a completely new challenge opened up for Kosovë. As a result of this in the Thessaloniki Summit held in 2003 the issue of Kosova was treated as a separate chapter and was underlined that countries of Balkans have their place in European Union and that Kosovo needs a more concrete approach.

Accompanying mechanism of Stabilization and Association is a parallel instrument of Process of Stabilization and Association for Kosovo which in absence of international Status cannot be a direct part of Stabilization and Association process. Hence, the mechanism enables Kosova not to remain isolated in the road of transition and of European development of Southeastern Europe. On the other hand, Accompanying Mechanism of Stabilization and Association constitutes a forum for dialogue between Kosova and European Union. It is designed in a manner that Kosova benefits fully from different instruments of Stabilization and Association process.

In this context it is worth noting the contribution of external donors to Kosova which were managed by European Agency for Reconstruction during 1992 – 2002.

**Contribution of external donors given to Kosova and managed by European Agency for Reconstruction during 1992 -2002**

Sectors	1999	2000	2001	2002	Total
Energy and Public Services	25	136	155	60	376
Reconstruction of Houses	14	60	38	16	128
Civil Administration	41	10	39	17	107
Infrastructure (transport, etc)	14	15	18	6	53
Agriculture	1	12	27	9	49
Enterprises	5	15	22	10	52
Health	1	10	14	3	30
Organizations' Expenditure	5	4	14	3	26
Other	21	-	3	9	33
Total:	127	262	330	135	854

Source: Dr. Gani Gjini, External Trade as Factor of Economic Development of Kosovo, Berati, 2005 Prizren, p.172.

This chart shows that external donors through European Agency for Reconstruction have engaged about 854 million Euros for reconstruction of Kosovo economy and vital services. These means were mainly given for energy and public services, 376 million Euro, for reconstruction of houses 128 million, for civil administration 107 million, etc. European Union now expressed readiness to continue financial aid for Kosova and within the new budgetary program 2007 – 2013 through its Instrument for Pre-accession Assistance (IPA) which replaces the current program CARDS.

During the regular meetings of Accompanying Mechanism of Stabilization and Association they discuss about progress and identify future challenges as well as sector workshops, where they created a political and technical dialogue which contributed to a closer link with the European Union. As a result of it in the last meeting of the Accompanying Mechanism of Stabilization Association, held on 29 March, they addressed the development of an Action Plan for implementation of European Partnership. European Partnership is the key element of the process of Stabilization and Association and it is decided by the European Union with the countries that participate in this process.

On the other side, on 9 August, Kosova authorities approved an Action Plan for implementation of European Partnership for Kosova 2006, which was a result of the decision of European Union Council for European Partnership of 24 January 2006. The drafting of the plan was lead by the Agency for European Integration as well as all the ministries and other plan implementing institutions.

Action Plan for European Partnership 2006 of Kosova determines in a structured and integrated manner the how-to deal with priorities of European Partnership. European Partnerships are the main element of Stabilization and Association Process which offer instructions of policies and lead the reforms process which help countries to prepare for a greater integration in European Union. Partnerships include a list of short-term and mid-term priorities that need to be treated from countries as well as offer instructions for financial aid of European Union in Kosovë. As a response to this identification of priorities authorities are requested to draft an action plan for implementation of partnership which presents an agenda towards which progress is measured in the countries which fulfill European standards.

Action Plan for European Partnership will also serve as framework of instructions for planning the aid of European Union, in the future, for Kosova through the instrument of pre-accession and its relevant programs. The plan is organized in a matrix form and describes in detail the field, priorities, proposed actions, responsible institutions, implementation terms and budgetary sources. Such a division aims to make the attendance and monitoring of plan implementation easier. This action plan follows the structure of European Partnership.



Furthermore it is worth noting that Action Plan constitutes an evolutionary document which is expected to substantially change at the beginning of 2007 because this action plan does not prejudge the final status of Kosova in the international right. But, each solution of status must include detailed obligations in many fields covered by the Action Plan which need to be reflected in future versions. Besides, while determination of final status may mitigate achievement of certain priority objectives it will also bring new competencies which will require considerable changes.

## SUPPORT OF CITIZENS OF EU FOR THE BALKAN COUNTRIES

The latest polls with citizens that were published in the latest Eurobarometer show a great increase of support of current citizens of European Union for countries of the Balkans. These polls showed an increase of 8 percent of support in comparison with those performed in fall of 2005.

The last Eurobarometer which published the standpoints of citizens of European Union is entirely dedicated to the process of enlargement of European Union. On the other hand, the majority of citizens stated that they are not much informed about the process of enlargement. Whereas European Commission announced a new communication strategy through which would provide more information to citizens of Europe on enlargement process and would help them understand it better.

According to the poll, many citizens of European Union are informed about the process of enlargement mainly from the media. Television mainly, then daily papers and at the end radio as the main source of information for enlargement process. European Union will continue to follow the standpoints of citizens also in the continuation of enlargement process because it does not want to leave aside the standpoint and opinion of citizens for this process.

This strategy which shall soon be approved, including also clear definitions of absorbing capacities of EU<sup>33</sup> to accept new members. In this context the priority of EU during the enlargement process will also be the standpoint of EU citizens and ensuring to have functional unification.

It is worth mentioning that during the poll with the citizens of EU the greatest support for continuation of enlargement process comes from new member countries.

European Commission insists on its stance that continuation of enlargement process and provision of accession perspective for countries of Western Balkans are necessary for long-term stability of this zone in the heart of

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<sup>33</sup> Absorbing capacity of EU – criteria for accession of new countries within EU (capacity to absorb new members)

Europe. The commission is even against the idea that current applicants are subjected to new criteria for accession to EU.

## TRADE PREFERENCES OF EU FOR THE BALKANS

European Union is the biggest world market with 20 percent of global import and export. Free trade between members of EU has strengthened the successful launching of EU 50 years ago. Thus, Union is the leading factor in efforts for liberalization of market for reciprocal benefit of both rich and poor countries. Therefore in this context in order to assist countries of Western Balkans region European Union initiated measures of stimulation of export from these countries. Such a decision of EU was taken while taking into account the great trade deficit that these countries have in relation to EU. Opening its great market for customs-free import for almost all the products from countries of the Balkans with exception of products that belong to the group of sensitive products EU aims to stimulate export.

Stimulating free export of Balkans countries, the EU stimulates also production in these countries as a result of which is generation of new working places and decrease of trade deficit of these countries. At the time when the commission decided on these preferences the general import of EU in the countries of Western Balkans was less than 0.6 percent from the total import whereas the export of products from EU in the countries of Balkans is dominating.

It is important to mention that because different countries of Balkans are in different stages of contracting relations with the EU in the process of Stabilization and Association also trade preferences are regulated in different manners. For Serbia, Montenegro including Kosovo under administration of UNMIK and Bosnia and Herzegovina trade preferences are an unilateral autonomous measures of EU. This means that EU itself decided to give these preferences to these countries in order to help them but it may also interrupt those whenever it feels so.

On the other side, Croatia and FYROM enjoy these privileges within their respective agreements for Stabilization and Association with the EU which are in force. Albania also finished negotiations for such an agreement. The difference between these countries that signed the agreement for Stabilization and Association is that even if EU wants it cannot suspend their trade preferences in an unilateral manner without respecting the contracting procedures which emerge from the agreement. On the other hand also these countries which signed this agreement with the EU need to gradually open their market for products of EU.

Trade preferences apply to more than 95 percent of products of the Balkans whereas for sensitive agricultural products such as vine, beef, olive oil, some types of fish and textile products a quota for the quality of these prod-

ucts was determined in order to be able to export them to EU free of customs<sup>34</sup>.

Looking at it as a whole, the ground philosophy of EU is to open its market to external import if its partners do the same. The Union is also interested to liberalize the service sector whereas for developing countries is ready to tolerate by allowing them to open their markets slower than the industrialized countries and helps them to integrate in the world trade system. Hence, the trade policy of EU is closely connected to its development policy. The Union provided a preferential approach customs tax-free or their decrease in its market for the majority of imports from developing countries and transitional economies within the general preference system.

It is important to mention that rules of competition are one of the most sensitive and talked about in the European Union therefore EU pays a lot of attention to this field of policy also in the countries of the Balkans which in the future will access the EU. In this field now in the Balkans exist many problems which need to be solved as soon as possible not only as a condition for accession to EU but also as steps to regulate the market in the countries of the region. Even though certain countries are not legally bound to apply rules of EU in the area of competition they receive messages from Brussels that if they want to access the EU they need to act in accordance with the rules of the game without waiting for formal accession.

State interventions are not prohibited and not required to prohibit them in the countries of the Balkans but they are requested to deal with it justly and transparently without damaging other competitors in the market. In this context it is worth mentioning that the European Union helps small and medium enterprises in the countries of Western Balkans develop, and their opinion is that this sector will evidently help the development of the region and creation of new working places.

Countries of the Balkans which had a socialist economy in the past mainly based on big social or state enterprises need to pass more to the development of free market in which small and medium enterprises will have an extraordinary impact. Hence the EU besides the technical support and expertise it grants loans to several projects of such enterprises.

In this aspect the European Bank of Investment is in possession of EU member countries which offer very favorable loans also for projects of small and medium enterprises. In order for interested enterprises to get those loans they need to have professional projects and prove that those projects are feasible.

But, in many countries of the Balkans region development of small and medium business is connected also to the process of legal reform. Examples

<sup>34</sup> Attachment, EU, EAR, SOFRECO, Prishtinë, 2006

of European countries that have already passed through transitional phase prove that the role of small and medium enterprises was crucial in lessening the problems of unemployment but also in decreasing the misbalance of external trade. Therefore development of small and medium business in the Balkans may ensure a better future.

## CREATION OF FREE TRADE ZONE IN THE BALKANS

On the last meeting held in Bucharest, the authorities of Balkan countries have begun the process of building up the Free Trade Zone. Thus, the process formally began on 6 April 2006 in the capital city of Romania, with a great support of the European Union.

This idea is being present for a couple of years, while it is elaborated also by the experts of the Stability Pact for South Eastern Europe. On the other hand, the European Commission had expressed its support for this idea, declaring that the Free Trade Zone will contribute to the increment of trade exchange amongst the countries in Balkans Region that will result in increase of production and in creation of circumstances for more direct external investments. Thus, the creation of the Free Trade Zone would ease the exchange of goods, considerably reduce the bureaucracy and stimulate an growth of commercial cooperation in the Region.

It is worth to mention that before the first meeting in Bucharest there were some suggestions for materializing this idea by enlargement of CEFTA (Central European Free Trade Agreement).

The CEFTA agreement was achieved in December 1992 in Krakow, Poland. The first members of this agreement were Czech and Slovak Republic, Poland and Hungary. Slovenia, Romania, Bulgaria, Croatia and Macedonia joined the CEFTA in later stage. Since the Central European countries have entered the European Union they are no more members of CEFTA. From May 2004, CEFTA is consisted by Bulgaria, Romania, Croatia and the FYROM. Bulgaria and Rumania will leave CEFTA from 1 January of the coming year if there is a confirmation of them becoming full members of the Unique European Market. In meanwhile Yugoslavia, Albania and possibly Moldova will become members of CEFTA.

Balkan countries should pay attention to the stimulation of local products by market and trade exchange increase because by waiving customs in most goods that will enter into their markets, these countries will remain without considerable budgetary incomes, that have to be compensated from other sources, as, for instance, through taxes or increment of products. Furthermore, in this aspect, countries in Region should be prepared for an astringent trade competition when these countries will become members of the EU.

On the other hand, the European Commission sees the creation of the Free Trade Zone in Balkans as a chance for these countries to gain experience that will avail as a preparation for entrance into the European Union. In other words, the Free Trade Zone would help the countries in Region to promote external investments, to unify rules and trade proceedings - in accordance with the European standards, possibility to access larger markets in the Region as well as possibility on achieving the consumer's welfare.

At the end, accession has its own challenges because, in economical aspect, the structural changes are inevitable, besides, the unique mechanism as CEFTA is, precludes monopolistic behavior of these countries.

Looking at it as a whole, the idea for creating the Free Trade Zone through enlargement of CEFTA has been promoted, because CEFTA already offers the frame for that and there is no need to create a new mechanism. However, in this process are taken off some of criteria that existed before and now the countries to become members of CEFTA are not obliged to be first members of the World Trade Organization (WTO).

It is important to point out that the European Commission is not a direct party in the negotiations for creation of this Zone. The Commission is willing to give its support in this process. The Zone should be created by countries in the Region; therefore the European Union expects negotiations for creation of this Zone soon to be finalized, while the Zone should be functional beginning of 2007.

## FINAL ANALYSES

The European Union's Agenda, in regard to the enlargement, is filled with complicated issues, such as Turkey and Cyprus then Bulgaria and Romania, as well as with the definition of the absorbing capacities of the EU. Ongoing negotiations with different countries, regarding the membership to the EU, came to a determining stage. Bulgaria and Romania are on the eve of entering the Union, Turkey has to keep pace with Croatia, since at the moment these are countries negotiating the membership to the European Union. The negotiation that have begun in 2005 already are in "screening" stage, meaning that this stage is to analyze if the laws of these countries are compliant with Acquis.

Taking into consideration the past of the Region, the process of disintegration of former Yugoslavia, the wars which occurred, it is clear that for long-term stability in the Region, it is necessary to have a process of reconciliation and establishment of good relationships between neighbor countries.

Since the Summit of Zagreb, of 2000, where the process of Stabilization and Association was launched, the process which was confirmed three years later in Thessaloniki Summit, it was apparent that the EU will insist on crite-

ria for a Regional cooperation. However, should be emphasized that the EU is going to have a persistency for each country to have its own-individual way toward the EU, without the need to wait for other countries to enter any Package. Within the Regional and a good neighborhood cooperation process, is also the idea of creation of a Free Trade Zone in the Region that is expected to reach its peak by the end of this year, through enlargement of CEFTA. This would also enable the increment of commercial exchange amongst the countries in the Region. Furthermore, it would stimulate foreign investments and would enable the Region to become a competitor also in the European Union's Market. The European Union does not merely set conditions, but it also offers. Thus, the Countries of the Region that have signed the Stabilization and Association Agreement are helped through it, while to the other countries, through unilaterally commercial benefits is given the opportunity to place their products, customs-free, into this rich Market. Therefore, it can be said that the trade and assistance are twin pillars of the development politics of the EU. They are linked between each other in assisting the Balkan countries to get integrated into the European Union's Market and the World's Global Market, since it is time that Western Balkan Region passes from the stage of international assistance to the investments stage. That is what Institutions of the European Union in Brussels say, by taking examples from former Eastern European countries in transition that already have become members and where outside investments showed to be as the best manner for creation of new jobs and economical growth. In the 90s, Ireland was an example for this. At the time when Ireland entered the EU (1973), the country was the poorest in the EU, whereas now is one of the richest countries and is transformed from the "net beneficiary" - that means taking more funds than provides, in the "net contributor" of the EU. Thus, the Ireland succeeded to be amongst the richest countries through structural amendments done by the EU support. As a result of this, it can be concluded that the EU has reconfirmed the European perspective of Balkan countries, but the EU countries have not the same enthusiasm for a rapid integration. Therefore, it would be irresponsible if the EU withdraws from the promises made to Balkan countries for a perspective in the EU, because to these countries, that continues to be the main motivating element for reform.

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