

Policy Recommendations 2002

## TOWARD A MULTI-LAYERED EUROPE

Prospects and Risks Beyond EU Enlargement

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## **Toward a Multi-Layered Europe**

A Wider Europe is a consequence of continuing European history. Since the signing of the Treaties of Rome in 1957, Western European history has been an ongoing process integrating and enlarging European institutions. Institutions now known as the European Union have become a major pillar for the security and stability for Europe as a whole. After the upcoming enlargement the EU will have direct neighbors, that can neither be integrated nor generally excluded. In order to keep stability and security in Europe as a whole, the EU has to shape new strategic thinking.

The results and recommendations of the international experts group *Beyond EU Enlargement* map out an approach to Europe's future. In Southeastern Europe, the Union is already taking on responsibility to stabilize the region's postwar recovery. Because the enlarged EU will surround the western Balkans, this approach is very much in the European interest. Although approaches to a new neighborhood policy for Eastern Europe are still under discussion, they are already on the agenda of western decision-makers. On the whole, while the EU recognizes its responsibility beyond its borders, pressure from the outside remains much higher than European responses. For instance, Ukrainian and even Moldavan decision-makers are using the perspective of EU membership as a new guideline for their post-Soviet orientation. At the same time, internal development is an inconsistent mix between meeting western standards and muddling through transition problems. Developments in the Balkans are driven by membership prospects and assistance, even if EU membership for countries such as Albania is, in the short and medium term, based much more on a Western commitment than on fulfillment of the Copenhagen criteria. In both in Eastern and Southeastern Europe, expectations from the European Union exceed its current strategies.

To reduce the gap between external expectations and EU policies, the Union has to develop a new level of pan-European capacities. This step cannot be achieved by "simply" continuing the success story of EU enlargement. Only the model of a multi-layered Europe can fulfill the huge attraction of the EU, which is present in most of the former communist countries. EU integration has to be the most important core of the model. Based on the EU's history and self-understanding internal integration will continuously increase. The future of European integration is partly reflected in the post-Nice process and the European Convention.

### **First Layer: Deepening European Integration**

Although the process is first and foremost oriented around the current enlargement, European integration must also meet pan-European requirements. It is not only Russia that challenges the EU to strengthen its Common Security and Defense Policy. Furthermore the EU should identify other areas for functional cooperation with non-candidate states. Differentiated integration can offer alternatives for strengthening cooperation without full membership. In any case, future capacities and capabilities for European integration shape a multi-layered Europe. At the same time, the EU cannot solve the problem by simply ignoring it, because expectations beyond the Union's borders would either be constantly increasing or would be disappointed. In the latter case, the EU might lose its influence in stabilizing and safeguarding Europe.

### **Second Layer: Membership**

Based on setting norms from the outside, on monitoring and on integration, the enlargement process is the success story of the European Union's external relations. Within the multi-layer model, enlargement is the most concrete but also most ambitious option, which should not be used as a magic bullet. One has to consider that its benefits also depend on internal capacities to strengthen integration, and a rash opening of the Union might even destabilize its ability to act.

### **Third Layer: Pre-Accession Strategy**

The current accession process illustrates that not all countries from the Baltics to the Balkans that have been offered more or less concrete accession prospects will enter into the Union in the short or even medium term. To reduce rejection shocks and to improve the accession process, pre-accession benefits have to be strengthened. Once the overall prospects for membership are decided, providing technical assistance and information should be instruments of a pre-accession strategy. Overall, in the third layer a powerful pre-accession approach should be developed, which makes the status attractive enough to guide cooperation in the medium term.

### **Forth Layer: A New Neighboring Policy**

For good reasons, the EU has not offered membership prospects to the countries of the fourth layer, such as Ukraine and Moldova. Currently, the decision depends not only on the

shortcomings of the countries' internal reforms, but also on the EU's capacities for integration and its political will. In any case, declarations about avoiding a new dividing line should be taken seriously and not limited to mere statements. To integrate countries without current accession prospects into the multi-layer model, a new neighborhood policy is needed. The neighborhood policy cannot be shaped only by the EU; the neighboring countries must also agree. Neighborhood policy differs from pre-accession and accession policy in its general approach. Being a neighboring country does not necessarily mean being oriented on the *acquis communautaire*, but does mean strengthening cooperation. From the neighboring countries' side, it is imperative to have access to European markets and societies. Therefore, neighborhood policy should avoid trade borders and visa borders until there are new opportunities for functional integration. In a nutshell, EU interest is guided by security, stability and cooperation. The status of a neighboring country should only be offered to countries fulfilling two criteria, geographic location in the European neighborhood and European self-definition.

#### **Fifth Layer: A Pan European Perspective**

The Chechnya war and the conflicts arising as a consequence of September 11th illustrate that a new European model has to go beyond direct neighborhood. To increase its pan-European influence, the EU should strengthen its capacities and capabilities for conflict prevention as well as conflict management. At the same time, supporting transition processes through technical assistance can be a keystone for European cooperation.

The multi-layered Europe should widen the European Union towards a European union, in which successful external relations are not restricted to enlargement. To make the approach executable, the different layers of European integration, accession, neighborhood, and pan-European policy have to be flexible. The intentions of the Treaties of Rome declare that the Union should be open for every European country, but that does not mean that every European country should receive a membership guarantee. Membership depends on EU capacities, strategic decisions and internal developments of the Eastern and Southeastern states. The principle of openness implies that a certain country can develop its status from an outer layer into an inner one. The principle of differentiation presumes that the closer a country would like to be to the EU, the stronger it has to be monitored by European standards. There should be different kinds of monitoring, ranging from the progress reports of the

candidate countries to a new monitoring of neighborhood policy. The most important principle is transforming single-layer approaches into a multi-layered model. The EU has to broaden its attractiveness from offering enlargement to becoming a pan-European actor.

## **Policy Recommendations for a Multi-Layered Europe**

Eastern enlargement of the European Union is a guidepost for a new pan-European policy. From this point of view, the current EU enlargement is less a solution bringing stability and prosperity than a challenge provoking new policies, caused by pressure from Southeastern and Eastern Europe as well as European self-understanding. Post-conflict development in the western Balkans is driven by the EU's approach to stabilization and association, even if the transition of some countries concerned lags far behind Western standards. As reflected in the Ukrainian case, EU accession is also very attractive for some successor states of the former Soviet Union. In addition to southeastern and eastern neighbors' transition problems, European integration in its post-Nice process has to be modified for the Union to retain its capability of action after enlargement.

In its eastern and southeastern neighborhood, the European Union is challenged to develop alternatives to short-term prospects for membership until the Union itself is prepared for further enlargement, and the neighboring countries are able to fulfill the Copenhagen criteria. A multi-layered Europe is based on different levels of cooperation and integration, but in every case the policies should be guided by the two principles of keeping the integration process open and identifying new areas of functional cooperation. Keeping the European integration process open does not necessarily mean that every country should have a right to accession, but at the same time the EU, by its own definition cannot deny the accession status under all circumstances and forever. Simultaneously, there should be serious and attractive alternatives to direct entry into the Union. In this case, "Europe" can be extended through functional cooperation on all levels and in all policy areas that feature mutual interest between the Union and its neighboring countries. At present, the EU's external relations are targeted on accession guidelines that are unilaterally fixed by the West, while mutual relations with countries that do not have prospects for membership must be based on mutual agreements. The overall approach of a new multi-layered Europe can be implemented through the following policy recommendations.

## For Eastern Neighbors

The European Union is a crucial actor for strengthening security and stability in Eastern Europe. Beyond the success story of the EU's eastern enlargement, the Union and some member states have already understood the need for a new neighborhood policy. In general, this is a step in the right direction for developing a policy beyond accession and the one-size-fits-all approach of the Partnership and Cooperation Agreements. The existing agreements between the EU and its future neighboring countries are seen more as pious statements of intent than as a sustainable framework for cooperation. Any new institutional framework has to avoid being perceived as just a replication of old mechanisms. Therefore the new neighborhood policy has to be based, to the maximum possible extent, on agreements between the EU on the one side and the different neighboring countries on the other. In any case, the EU should try to avoid unfulfilled membership prospects, as with Turkey, which will not contribute to a safer and more stable Europe; indeed, exclusion and unfulfilled promises might bring about the opposite result.

1. The European Union must implement its normative goal of **avoiding a new dividing line** between the future EU member states and the neighboring countries. Measures to avoid a new dividing line should go beyond declarations by not excluding future enlargement of the EU and by underlining the Union's general openness to countries that belong to Europe and are willing and able to fulfill European norms. Even if a general institutional openness is an important factor for shaping pan-European policy, membership prospects for Ukraine, Moldova and Belarus are not a realistic option for the time being. To avoid unrealistic expectations and new frustrations at being rejected, it should be clear to both sides that any kind of integration with the EU first and foremost depends on the state of each country's internal transition. In this sense, the decision about membership is not made in Brussels or the EU capitals, but is driven by developments in Kiev and Chisinau. At present, all of the future neighboring countries lag well behind Western standards.

Ukraine and Moldova have both declared their strong interest in joining the European Union. The interest is first and foremost a result of internal discourse about foreign policy orientations between East and West, between Russia on one side, and the European Union and NATO on the other. In internal reform debates, EU membership has little to do with fulfilling the criteria of economic stability and sustainable

democracy, which from Brussels' point of view are basic accession requirements. By underlining its general openness while simultaneously excluding accession for the time being, the EU should be able to find a new framework to overcome the gap between the neighbors' important foreign policy perception of belonging to the west and their current inability to fulfill western functional requirements. The reform debate within the neighboring countries can be supported by an EU description of being a non-accession country, while unrealistic prospects for membership in the short or even medium term can also be avoided.

2. **Functional cooperation** between the European Union and its neighboring countries should be strengthened in fields of common interest. Based on the analysis of "Challenges for Pan-European Security," transportation and energy are areas where pan-European integration can be advanced. Following the basic idea of functional integration, cooperation in some key areas will have spillover effects on other fields of cooperation. Even without any perspective of EU membership, functional integration could be strengthened into a free trade area or a European Free Trade Association (EFTA). Free trade between EU and its future neighbors is already foreseen within the Partnership and Cooperation Agreements and might also be part of the initiative to create a joint European-Russian economic and social sphere. Nevertheless, this idea should be developed from a vague promise to a concept for functional integration.

Another aspect of functional integration is security. In the aftermath of September 11th, the first steps of a new agenda for Russian-EU security cooperation were already taken. In order to not only define common risks and interests, but also to implement joint defense and security activities, a European Defense and Security Policy has to confirm its capacities and capabilities. September 11th is also an indicator of the embryonic status of European security cooperation. Increasing pressure from the eastern neighbors to build a European security policy should also be seen as an impetus for European integration.

3. The combination of declaring openness to **institutional integration**, as a factor for the neighboring countries' internal reform processes, and strengthening functional integration needs to be differentiated. The decisive factor is the country's self-definition as a part of the West. European strategies have to contend with Ukraine's strong orientation toward the EU, as well as Belarus' official anti-western position. The EU

should take the neighboring countries' European orientation seriously, but simultaneously have a strong focus on internal transition issues.

4. The European Union should elaborate a **monitoring system** for the neighborhood policy related to an overarching dual goal. On one side, neighborhood monitoring should act as an indicator for the state of the transition process within the neighboring states. The EU's country strategy papers published at the end of 2001 were initial steps in analyzing the regional situation and shaping EU policy along regional requirements. At the same time, neighborhood monitoring makes EU cooperation clear for the eastern neighbors. The western decision not to offer membership to these countries will not be perceived as institutional unwillingness but will be seen to depend on each country's internal state of affairs. On the other side, neighborhood monitoring has to be a guideline for the EU's external relations. Two factors are crucial: the countries' interest in joining the EU, and the countries' capacities and capabilities of meeting western requirements, with particular attention on the transition's progress and regress. If both factors are fulfilled, and the EU is able to integrate new member states, further accession cannot be excluded. Because for the time being the neighboring states only partly fulfill preconditions for membership, neighborhood monitoring should focus on requirements for good neighborly relations. As a precondition, the EU has to identify and implement a new neighborhood policy. Based on the expert group's analysis, certain areas should be linked within the new approach, and therefore be part of the monitoring. These include transition toward some basic requirements of the *acquis communautaire* such as a market economy and sustainable democracy. Furthermore, it should also include some factors that are particularly significant for good neighborly relations, such as an efficient and controlled border, a framework for cross-border cooperation, and basic requirements for a free trade area with the EU. Fulfilling the criteria of a good neighborhood should be a condition for deepening European cooperation. Monitoring should be conducted annually in joint cooperation between the states concerned and the European Commission.
5. Under present conditions, **Belarus should be treated as a special case**. The overall goal is to understand Belarus as an isolated country whose transition is prevented by its leadership, but which has the potential to be a European partner. Because of its geographic situation, with direct borders to Poland and Lithuania, and because it was one of the most developed parts of the Soviet Union, the country is important for



European cooperation. But because of the authoritarian regime of president Lukashenko, the country lags far behind other transition countries in democratization and modernization. Nevertheless, western decision-makers should change the general course of isolating Belarus into a kind of acupuncture strategy. The development of something beyond the current system is more important and realistic than fighting against it. On this basic assumption, market economics, democracy and civil society could be strengthened by European support. An overall goal is to bring the country back to the West. This could be achieved by small steps, such as teaching western languages and creating platforms for East-West communication. Cross-border cooperation with the accession countries Poland and Lithuania has to be strengthened.

6. Poland's and Lithuania's **introduction of visa regulations** driven by the Schengen *acquis* in July 2003 has to be accompanied by a positive visa strategy. After ten years of fruitful cooperation along the future EU external border, decision-makers and societies on both sides of the boundary perceive Schengen *per se* as building a new dividing line. Taking this negative perception into consideration, introducing the Schengen *acquis* is a litmus test for Europe's willingness to avoid new dividing lines. Candidate states, in cooperation with the European Commission, have to strengthen their administrative capacities to issue visas efficiently. Long queues, waiting times and a small number of consulates will not only complicate crossing borders, they may lead to corruption and are also a very bad image of European cooperation. In its own interest, the EU should support the candidate states in introducing visa regulations efficiently. In addition to administrative requirements, an information campaign should be conducted to depoliticize the visa issue. By making Schengen transparent and efficient, it can be reduced to its real function.

While introducing the Schengen regulations, cross-border cooperation should be deepened and widened. Based on the concept of the European Union's Northern Dimension, an Eastern Dimension is an option for putting cross-border cooperation into a European framework. The Union has to consider the experiences of the Northern Dimension, as well as specific requirements of an Eastern Dimension. As long as the concept does not include funding and a European legal framework, it will remain a myth. Based on additional financial and institutional support, an Eastern Dimension is one pillar in a new neighborhood policy and that avoids new dividing lines.

7. Medium and long-term thinking about **Kaliningrad** should go beyond the transit problem. Russia and the EU should concentrate on new approaches to stabilize the region. In the fall of 2002, Kaliningrad has been the test case for EU enlargement in regard to Russia. Even if Moscow is still using Kaliningrad as a lever to influence EU enlargement, the question of transit from the Kaliningrad exclave to the rest of Russia remains relevant. This decision changes the Russian regional “hot spot” of Kaliningrad into an area of overlapping interest. Volume one includes some recommendations that can be used for Kaliningrad beyond the visa problem. The most important goal is economic and social development, which depends first of all on a proper strategy of infrastructure and technological modernization. This strategy should be elaborated jointly and financed on a share or parity basis. Independent estimates assess investment needs in this field at €650 million within 6 years, which is relatively little money compared to resources that will be available to Poland and Lithuania, but much more than Kaliningrad can hope to receive under the Technical Assistance for the Commonwealth of Independent States (TACIS) program.

Considering Kaliningrad’s exclave position, cross-border cooperation is very important and should be strengthened. The EU initiative on the Northern Dimension should be used more actively. Its own actions (“value-added”) should be coordinated with activities of the CBSS to form “coalitions of the willing” from member and applicant countries to build on an existing constituency. Otherwise, there is a risk that the initiative will be left without a distinguishable agenda and fade into history. Furthermore, the Northern Dimension’s efficiency also depends on additional funding from the EU. The EU should also encourage bilateral and trilateral Lithuanian-Polish-Russian projects, as long as some of them can be implemented without EU money, or financed with credit instruments already available to applicant countries. In this context, the idea of combining funds from different assistance programs deserves a more positive response. The same recommendation applies to environmental security.

From the Russian side, the perception of Kaliningrad has to be changed from a strategic pillar into a weak region that demands particular support. Given that Russia still lacks coherent approaches to regional policy, Russia and the EU could agree to set up a joint regional development fund that could even be administered by an independent bank. The availability of Russian financial instruments creates a window of opportunity, which could produce useful synergies.

8. **Technical support** from the European Union should be more related to neighborhood requirements. The EU's country strategy papers published in December 2001 create a conditionality between regional analysis and supporting the transition process. Based on a conditionality approach, technical assistance should be linked to EU demands for a new neighborhood policy. Technical assistance should go to the areas of functional integration. The combination of supporting efficient borders and strengthening cross-border cooperation should be particularly important for technical assistance. Even if TACIS has made important transformations in its decade of existence, from a program driven by the "Washington consensus" (transformation through liberalization) toward institutional change, it has to continue evolving and adapting its processes. The regional situation can be considered on the basis of the neighborhood monitoring. Internal processes should avoid red tape; for instance, the monitoring systems have to be proportional to the projects.

The goals and the funding mobilized to attain them should be interrelated. In comparison with the candidate states and the Balkans, the neighboring countries receive a relatively small amount of technical aid. For the present, EU enlargement has higher priority, but one should also consider the positive aspects of integrating the accession countries into the Union. As a positive side effect, pre-accession support will decrease. In the medium term, PHARE funding should be transformed into TACIS funding, which will also create conditionality between technical assistance and neighborhood policy.

9. The neighboring countries are a driving force for **strengthening the European Security and Defense Policy**. The tragic events of September 11th and Russian President Putin's surprisingly pro-western orientation afterwards made the requirements for security cooperation quite obvious. The neighboring countries, first and foremost Russia and Ukraine, are interested in security cooperation with the EU, even if the Union still has limited capacities and capabilities in the field. Furthermore, a small number of frozen conflicts are locked within the neighboring countries. These range from the armed conflict in Chechnya to unsolved status questions and economic interests in Transdnistria and are related to a combination of regional conflicts and institutional weakness. Because the EU and Russia have already agreed on some regional hot spots within the former Soviet Union, the decision for joint action has been made. Once again, future initiatives depend less on EU and Russian interests but much more on strengthening European security policy.

## For Southeastern Neighbors

With the long-term agenda of regionalization and integration set, the challenges of Southeastern Europe (SEE) involve bridging the long time span to EU membership effectively and meaningfully, while keeping all the countries and entities in the heterogeneous region included in the process. The challenges also include moving from stabilization to integration, and from an externally-driven reform process—with the inevitable asymmetries and unintended consequences—to partnership, regional ownership, and sustainability. In sum, EU policy instruments need to become more flexible and differentiated. Whereas the advantages of eventual membership will come in a managed, incremental process, the illusions of partial or virtual membership should be avoided by developing functional forms of cooperation within the region, as well as between the region and Europe.

1. **Security:** EU support for regional initiatives in Southeastern Europe should be set according to clear priorities. Variables could include membership diversity, practical achievements, bottom-up approaches, and consistency with the international community's goals in the region. Moreover, the security initiatives should be both implemented and constantly reviewed. To this end, clear-cut screening criteria should be devised and mechanisms for civil society to monitor the initiatives should be supported.
2. **Governance:** At present there is little compatibility between the EU framework and the Commission's stated aims in governance. There needs to be open and public recognition that the process of external governance, in managing the integration of Southeastern European states through the Stabilization and Accession process (SAp), risks weakening the standing and capacity of SEE state institutions and also risks marginalizing democratic processes, at least in the short term. Unless the problems of building state institutions and developing civil society are addressed in the context of the historically unprecedented level of external regulation, the risk of unintended outcomes will be magnified enormously. As long as state institutions and political processes in Southeastern Europe are judged solely on their compatibility with EU mechanisms, rather than in relation to domestic political, economic and social constraints, there is a risk that governance reform will fail to address key domestic questions. It is important that SEE governments have more input into SAp and Community Assistance for Reconstruction, Development and Stabilization (CARDS) priorities to avoid spending EU funds unproductively. Rather than focusing on integration by seconding EU officials

to work through an EU agenda, it would be better to train Southeast European civil servants and invest in government infrastructure. A more interventionist approach poses clear problems of sustainability and external dependency. Imposing EU policy should not be seen as a shortcut to institutionalizing good governance practices, because this raises the problem of artificiality. There is a danger of imposing external policy frameworks that could result in paper institutions with little influence over, or relationship to, society. There needs to be international recognition that the encouragement of “government by task force,” and the creation of new policy institutions outside the formal democratic framework of the SEE state, may result in unintended consequences, such as the weakening of state capacity. This is particularly a danger when these *ad hoc* bodies seek to influence state policies through appeals to external bodies rather than relying on domestic political processes. Building civil society needs to feed into the domestic political process rather than take resources away from this process. Civil society groups need to be judged on their membership and articulation of social needs rather than their policy. A civil society that relies too much on external financing may be unable to provide an alternative voice or develop broader policy-making discussion and involvement.

3. **Economics:** EU conditionality in bilateral relations with individual SEE countries is at present probably the most important instrument for implementing certain EU objectives. The criteria that the countries are expected to fulfill are well known to SEE governments, but foreign assistance programs do not always fully conform with these criteria, nor do they necessarily respect the interests of the beneficiaries. Thus, a stronger link between existing EU conditionality criteria and concrete objectives of assistance programs is required. To make donors’ projects more recipient-driven and less donor-driven, greater flexibility by donor to take greater consideration of recipients’ concrete needs would be highly desirable. Mechanisms to screen external intervention within the SAp, which link access to finance from western aid agencies to compliance with certain criteria, have to be introduced. Given the long time horizon for EU membership of most SEE countries, it would be more useful to adopt criteria designed to assist development and transition efforts of SEE economies, rather than insisting on criteria that are only likely to become important at a later stage, at the moment of EU accession. It may be preferable for SEE countries to devote their scarce resources to reforms and development, rather than to harmonization with EU legislation. Thus, both

agendas of stabilization and integration often fail to provide the incentives and preconditions for economic growth.

4. **Strategic complementarity and institutional congruence:** The Informal Consultation Council ought to be enhanced and upgraded to become the common forum for consultation among the key strategic actors on southeastern enlargement: the EU Council Secretariat, the European Commission, the South East European Cooperation Process (SEECP), the Stability Pact and the EU Presidency, the United States, the South East Cooperation Initiative, the World Bank and NATO, as well as—temporarily—the Special Representative for Kosovo and the High Representative for Bosnia-Herzegovina. Regionalization and true regional ownership require a SEECP with stronger capabilities, not necessarily institutionalized, including regular ministerial meetings in key areas of potential regional cooperation: security, economics and trade, energy, etc. The Stability Pact ought to define its own agenda selectively and proactively based on actual and potential added value that is complementary to the Stabilization and Association process. Consequently, the Stability Pact's table structure has to be reconsidered and certain other tasks regionalized, transferred to the EU or phased out in the medium term. Thus, the strategic capacity of the Office of the Special Coordinator will have to be strengthened.
5. **Monitoring:** The density and intensity of external guidance and assistance, combined with the relative weakness of the counterparts, requires a consistent monitoring system. Monitoring ought to be broader than the criteria and conditionalities of the Stabilization and Association Agreements. It should not be overly focussed on the EU *acquis communautaire*, as in most countries and areas in question, the driving force is still the prospect of EU integration, rather than the precise stipulations of the *acquis*. Monitoring also includes the effectiveness, prioritization and congruence among international donors and agencies. The results of such comprehensive monitoring and screening would be equally helpful for the international community and national governments.
6. **SAP:** Coherence of the EU agendas of stabilization, regionalization and integration implies that cross-conditionality can be applied more vigorously and transparently. Non-compliance with international obligations (ICTY, Res. 1244 or Dayton) could be linked to progress in the SAP. In order to include all countries and entities of the region in the process and the Stabilization and Association Agreement (SAA) path, a special *SAA-Minus* has to be defined for those incapable of fulfilling the SAA admission criteria in

the medium term, e.g. due to unresolved status issues. Once the constitutional constellation and the SAA procedure for Serbia and Montenegro have been arranged, Kosovo would be a prime candidate for SAA-Minus, with reduced conditionality and reduced but effective assistance and benefits. Conversely, the logic of conditionality requires that each country's "graduation" from SAA to candidate status depends on the reform criteria in the agreement, not on its planned duration. The separation and sequencing of SAA and candidate status, however, is not violated by selectively offering relevant pre-accession instruments to the more advanced SAA states, for example, screening for the adoption of the *acquis*, certain economic instruments and assistance for building administrative capacity. Eventually, this SAA-Plus approach might significantly shorten the actual phase of accession negotiations and strengthen the country's "locomotive role" within regional cooperation.

7. **For southeastern enlargement:** SAp and EU candidate status should be upheld as separate but sequential trajectories for EU integration. The EU perspective for the Balkans, the logic of regionality and the concept of SAp-Plus imply that as by 2004 DG Enlargement will take responsibility for both the remaining candidates of eastern enlargement and for the SAp states in a new DG Southeastern Enlargement.
8. **Functional cooperation:** Regional cooperation should be made obligatory and instigated with vigor only in forms that are beneficial for both advanced countries and laggards via the Stability Pact (SP) and the South East European Cooperation Process (SEEC): regional infrastructure, energy networks, free movement of goods, capital and persons within the region, etc. In many issues of civil society development, regional cooperation can add value, but it should not be a directly requirement of European conditionality. Accordingly, functional regional cooperation should be less constrained by the EU's distinctions among members, candidates, SAp countries and non-members. Without raising the specter of virtual, partial or second-class membership, the EU might intensify cooperation in some policy areas (e.g., the fight against organized crime, environmental policies, and security issues). Functional cooperation would be beneficial for both the region and the EU.
9. **Pan-European benefits:** In view of a completed Europe that will include the western Balkans, some exclusive EU benefits can be turned into "pan-European" benefits to strengthen regional and European solidarity without violating SAp conditionality. EU member states and European public opinion may be used to the complexity of the EU's

architecture and working methods. Generally, this does not apply to the Balkan states and their populations. It certainly does not mean the lack of clarity about EU priorities in the region, compounded by multiple and often divergent EU messages, is a minor issue that merits only minor attention. Moreover, familiarization with the EU's working methods and internal politics would also enhance the capability of the countries of Southeastern Europe to improve their cooperation with EU institutions. Citizens from the region could qualify for EU educational programs and for staff positions in the EU. Information campaigns on the Union ought to include the region on an equal footing, and observer status for the states in the European Parliament or at the next Inter-Governmental Conference might be worth considering.