

Serbia and European Union: A Chronicle of Hesitation

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Several months ago the main topic in Serbia was the Feasibility Study. Everyone was talking about it, mostly completely unaware and uninformed about the nature, form and use of it. Nevertheless, the outcome was important: would it be positive or not? The Feasibility Study was some kind of Hamlet's dilemma for the country: "To be, or not to be?" At least, one ICTY indictee went to The Hague every week. The Government crossed the Rubicon. Public attention was absolute and, finally, on 12 April 2005, Serbia and Montenegro got a positive assessment on its preparedness to negotiate a Stabilization and Association Agreement (SAA) with the European Union (EU).

Key words: Serbia, SAA, EU relations with Serbia and Montenegro

1. Introduction

European Commission (EC) recommended that EU should start negotiating a new relationship with Serbia and Montenegro. "This is the start of the European road for Serbia and Montenegro" as Olli Rehn said before Belgrade University students, on 18 April 2005. The Council of EU welcomed and confirmed the same assessment on 25 April 2005. Officials of the Government of Serbia were overwhelmed as if the country had got an EU membership offer. Eurosceptics cynically underestimated the whole event, arguing that "feasibility study can not be spread over bread". Common people were mostly confused without having any clue what did the Feasibility Study really mean. Anyhow, there was a positive atmosphere throughout the country, the first good news since the "honey-moon" period after the fall of Milosevic's regime. No doubt, this outcome is a watershed in perception that European future has been assured for the country. EU integration replaced, as main foreign policy goal, NATO's Partnership for Peace program which was a kind of obsession for a long time, in the same way as feasibility study these days. Today's State Union is trying to make condi-

tions for regaining a status of favorable European partner that was lost some 15 years ago.

Since the beginning of its relations with European Communities (latter European Union), Serbia and Montenegro has passed through three different state arrangements: Socialist Federal Republic of Yugoslavia (SFRY), Federal Republic of Yugoslavia (FRY) and, lastly, State Union Serbia and Montenegro. Searching for the first step in building these relations would lead us to mid-sixties, exactly to 2 December 1967 and the signing of the Declaration on Relations, the first act which European Communities have signed with a socialist country in its, so far, twenty years long existence. The Declaration has shaped a political framework for further modules of economic cooperation, realized shortly afterwards through two trade agreements with European Economic Community (EEC) in 1970 and 1973. Agreement on Cooperation with EEC, signed in Belgrade, on 2 April 1980, was encouraging continuation of this process which opened a wide range of cooperation opportunities in economy, trade, agriculture, traffic, tourism, science and social area. Moreover, this Agreement established the EEC-SFRY Council for Cooperation. Three Financial Protocols (1980, 1982 and 1991) resulted from that

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Agreement. Also in 1980, the SFRY signed an Agreement with the European Community for Steel and Coal. The strengthening of the SFRY-EEC relations looked promising for the country's political and economic perspective. But, although in eighties, SFRY moved its course in trade and cooperation to EEC political orientation of the country was extensively directed to the Non-aligned Third World, thus loosing in that way a chance to expand basically its European prospects. On the eve of the tragic crisis in the former Yugoslavia, the SFRY entered into the Framework Agreement with the European Community, on 17 December 1990 which included Yugoslavia in the assistance program for the restructuring of Central and Eastern Europe (PHARE). It was a paramount of mutual SFRY-EEC cooperation, a historic moment for the country that seemed to be the first socialist country to obtain the status of the EEC Associated Country. Unfortunately, turn of events in the country, in 1991, dissolved all optimistic expectancies and proved the most pessimistic assessments.

Only a year after the inclusion into PHARE program, when the SFRY was institutionally and financially to a large extent linked to European Communities, having a status that could be considered even more beneficial than the status that would be offered to the future associate countries of Central and Eastern Europe, bloody conflicts started and European Communities imposed sanctions against the SFRY and suspended the Agreement on Cooperation. However, all republics of the former Yugoslavia were excluded from these "restrictive measures" and from the Agreement on Cooperation suspension, except Serbia and Montenegro. Due to the isolationist nature of Milosevic's regime, Serbia and Montenegro remained far away from the mainstream of the European integration, taking place in the meantime. The Treaty on the European Union (EU), of 1992, transformed European Communities into a more operational structure, the three-pillar European Union. New countries became the EU members while some others entered in association arrangements with EU. The Federal Republic of Yugoslavia (FRY), consisting of Serbia and Montenegro, was established on 27 April 1992 and all other republics of the former Yugoslavia became independent states. From the very beginning the FRY was an object of the EU (and UN) sanctions which were suspended on 4 December 1995, in the aftermath of the Dayton Peace Agreement. Half a year later, the first high-level EU delegation visited Belgrade (Jacques Santer, Head of the European Commission and Lamberto Dini, President of the Council of EU) offering a possibility to reestablish institutional relations between the FRY

and the EU. Alas, instead of taking the chance, regime of Slobodan Milosevic (again) another political course, preferring alliance with Russia and Belarus to a refreshed rapprochement with EU. In 1996 and 1997, due to Milosevic's cheating at local elections in Serbia and stirring up tension in Kosovo, the FRY-EU relations took back their worst form, followed by a new wave of sanctions. With the NATO air campaign, in 1999, these relations even ceased to exist (FRY even broke diplomatic relations with United Kingdom, Germany and France). At the same time, it was the turning point in the EU's policy towards the region, called ever since: the Western Balkans. In May 1999, the EC proposed improvement of the existing regional approach to the Balkans, promoting the Stabilization and Association Process (SAP) which became a main cornerstone in the EU's policy for the Western Balkans. Consequently, the Stabilization and Association Agreement (SAA) emerged as a new form of contract between EU and Western Balkan countries. Also, on the EU initiative, on 10 June 1999, the Stability Pact for South Eastern Europe was established. Representatives of EU and G8 countries, international and financial organizations and all countries of the region, except government officials from Belgrade, attended solemn ceremony of the Pact signing, twenty days later, in Sarajevo. Nevertheless, the government officials from Montenegro and representatives of the democratic opposition of Serbia were present at the event. Participation in the Stability Pact and possibility of joining the SAP were foreseen for the FRY but not while Milosevic was in power. Beginning in 1999, EU assistance was made available to democratically-run municipalities within Serbia under the EC's Obnova-CARDS program, like projects "Energy for Democracy" and "Schools for a Democratic Serbia". More ample EU assistance was provided to the Republic of Montenegro, which distanced itself from the Milosevic's political mainstream in early 1997. As a result, the Milosevic regime put it under considerable pressure. The EU therefore provided direct and continuing support to the Republic of Montenegro, exempting it from the sanctions against the FRY and supplying it with substantial material and technical assistance.

2. Serbian transition to democracy

With the transition to democracy in Belgrade, on 5 October 2000, the EU moved quickly to ease the difficult transition period and to give a concrete and visible signal of support to the population and to the new authorities. The first international appear-

ance of the newly elected president of the FRY, Vojislav Kostunica, was at the European Council meeting at Biarritz (13-14 October 2000). There, the EU Heads of State and Government announced that the sum total of up to € 200.000.000 would be allocated for that winter "to help consolidate democratic change in the FRY". Sanctions, comprising the oil and flight embargo, were lifted, except those directed against Milosevic and his close associates. The EC undertook an immediate fact-finding mission (9-11 October) and, in discussions with the new authorities, identified key priorities for the Emergency Support Program. FRY was welcomed as a full participant in the Stabilization and Association Process and invited to the Zagreb Summit, on 24 November 2000. The EC included the entire FRY in the liberalized EC preferential trade regime for the region (entered into force on 1 December 2000). As a result, practically all trade from the FRY to the EU was fully liberalized. By and large most products originating in the FRY can now enter the EU without quantitative restrictions and are exempted from customs duties. These liberal arrangements are even more generous than those enjoyed by the candidate countries of Central and Eastern Europe. The FRY signed the agreement with the European Agency for Reconstruction (EAR) and EAR office was opened in Belgrade. Moreover, the EU has supported FRY membership in international organizations and worked with international financial institutions to integrate FRY into the international financial community. During the visit of the EC President Romano Prodi to Belgrade, the FRY formally signed a framework agreement with EU, on 25 November 2000, which extended the mandate of the EAR, in charge of managing the CARDS program, to entire territory of the FRY. Donors' Conference for the FRY took place on 29 June 2001, to support the economic reform program in 2001.

For the FRY, Stabilization and Association Process officially started with the establishment of the Joint Consultative Task Force (JCTF), on 22 December 2000, as a mechanism that was supposed to enable the EC and Serbia and Montenegro to examine the situation in a number of social and economic areas, as well as to promote a more efficient approach to the EU standards. According to the proposal from the Declaration by the EU on the FRY, issued in Luxembourg, on 9 October 2000, the Zagreb Summit made a decision of establishing JCTF. Its first meeting was held on 23 July 2001, and JCTF had had four more meetings before July 2002. The JCTF was a technical working group, co-chaired by representatives of the Presidency of the Council of

the EU, EC and FRY. At their meetings JCTF adopted joint recommendations, which were binding guidelines for further approximation with the EU standards. JCTF analyzed political and economic reforms, regional cooperation and fulfillment of international obligations by the FRY.

The fifth meeting (9-10 July 2002) was followed by a long pause in the formal dialogue with the EU regarding the preparations for the SAA. Besides the necessity to work on specific issues of legal and institutional harmonization with EU, a new challenge appeared for Serbia and Montenegro. For a rather long time, internal relations between two republics burdened a significant advancement in meeting the requirements for faster and more efficient accession to the EU. Hence, realizing the need for a redefinition of internal relations inside the state, the EU would devote itself to finding out an acceptable and realistic constitutional arrangement. Compromise was met on 14 March 2002, with the so-called *the Belgrade Agreement* which paved the way for a new Constitutional Charter, enacted almost a year later, on 4 February 2003, enabling creation of the new State Union of Serbia and Montenegro. The guarantor of the whole arrangement was the EU and especially its High Representative for Common Foreign and Security Policy, Javier Solana, after him sometimes referred to as 'Solania'. The proof of a doubtless orientation of the EU sponsored state union, could be found in the articles from the Constitutional Charter stating that its primer goals would be as follows: "...inclusion into European structures, especially EU..." and "...harmonization of acts and practice with European and international standards." There are five main jurisdictions of the State Union: foreign affairs, defence, international economic affairs, internal economic affairs and human and minority rights. According to the Constitutional Charter, Minister for International Economic Relations is responsible for "negotiation and coordination of implementation of international agreements, including agreements made with EU...after the consultations with respective ministers of the member states." Therefore, EU has obtained one address to refer, since only the State Union is a subject of international law and partner for conclusion of the international agreements.

Something that no one could imagine happened in March 2003: the assassination of the Serbian Prime Minister Zoran Djindjic. That event, followed by the martial law, for a long time stopped the country's accession to the EU and considerably harmed prompt effort Mr. Djindjic had put in speed-

ing up that process. On that sad occasion, Chris Patten emphasized: "We must not allow this terrible crime to set back the progress being made by his country towards joining the rest of the European family."

3. Enhanced Permanent Dialogue between the EU and the SU Serbia and Montenegro

In the period July 2002 - July 2003 there were three informal meetings of the representatives of the EC, EU member states and the State Union of Serbia and Montenegro, where it was concluded that a new form of cooperation should be introduced as the Enhanced Permanent Dialogue (EPD). In essence, EPD was not different from JCTF. It was introduced in order to ensure a positive assessment in the Feasibility Study, as well as to offer expert consultations and help. The first EPD meeting of Serbia and Montenegro and EU was held in July 2003. By 21 April 2005, there were seven meetings. At those meetings, EC and Serbia and Montenegro estimated condition of reforms and defined the recommendations for further activities in the SAP. Special recommendations were formulated in the area of justice and home affairs, intellectual and industrial property, competition rights and other sector policies.

According to the decisions taken at the European Summit in Thessalonica, held on 21 June 2003, regarding the European Partnership, a key instrument of the EU pre-accession strategy for the potential EU membership candidates. On 14 June 2004, the Council of EU adopted, the Decision on the principles, priorities and conditions contained in the European Partnership with Serbia and Montenegro. The Partnership lists short and mid-term priorities for the preparations for further integration in the EU. This mechanism shall exclusively determine relations between the EU and Serbia and Montenegro until the SAA has been signed. One of the most important facts regarding the European Partnership is that the financial assistance is conditioned by the implementation of the priorities.

The enactment of the Resolution on Joining EU by the Parliament of Republic of Serbia, on 13 October 2004, can be considered as a significant step in outlining the strategic European orientation. Among other things, the Resolution says: "... the faster access of the Republic of Serbia, as a member state of Serbia and Montenegro State Union, with full membership to European Union and accessing Partnership for Peace, is a strategic national goal, that will be fully and constantly supported by the

National Assembly of Republic of Serbia." Particularly interesting part is the one stating: "[the National Assembly of the Republic of Serbia] Accepts the obligation to make active contribution to spreading European values and introducing the Serbian public with the importance of our country accessing the EU."

Trapped in an obstruction of the Montenegrin Government concerning direct elections for the State Union Parliament, the highest political representatives of Serbia, Montenegro and the State Union, together with Javier Solana signed an agreement on 7 April 2005, creating conditions for the amendments of the Constitutional Charter, and solving the problem of the legitimacy of the current Parliament of the State Union. According to the Constitutional Charter, the mandate of the current members of the parliament expired at the beginning of March. The main amendment says: "Direct elections to the Parliament of Serbia and Montenegro are to be held separately, in both member states, once elections for republic legislatures are held. The terms of office of the present members of parliament will be extended until those elections are held." The Council of EU, on its meeting on 25 April 2005 welcomed the political agreement on the constitutional amendments concerning the issue of direct elections to the State Union Parliament, and called on the relevant parliaments to ratify that agreement without delay.

Structure in Serbia and Montenegro responsible for the EU association is represented on three levels:

1. State Union: Ministry for International Economic Relations, Ministry of Foreign Affairs, The Council for European Integration of Serbia and Montenegro and Serbia and Montenegro European Integration Office.
2. Republic of Serbia: Ministry for International Economic Relations, The Serbian Government Council for European Integration, Commission for the EU accession coordination and Serbian European Integration Office (SEIO).
3. Republic of Montenegro: Ministry for International Economic Relations and European Integration, The Council for European Integrations, The Commission for Coordination of the European Union Accession Process.

4. SU Serbia and Montenegro links to the EU

The Council for European Integration of Serbia and Montenegro was founded on 31 July 2003, as an advisory body to the Council of Ministers of Serbia and Montenegro. The main tasks of the Council are: consideration of the issues concerning the membership of Serbia and Montenegro in the EU, monitoring, evaluation and steering of the integration processes, inducing and undertaking measures and activities relevant for the full and timely implementation of recommendations made by the EC. The Council is composed of the President of Serbia and Montenegro, Prime Ministers of Serbia and Montenegro, respective ministers from both member states.

Serbia and Montenegro European Integration Office was founded on 1 November 2001, by the FRY Government. The Office is a body of the Council of Ministers of Serbia and Montenegro, which operates under supervision and according to guidelines set by the Ministry of International Economic Relations of Serbia and Montenegro. The main task of the Office is coordination of the association of Serbia and Montenegro to the EU. In carrying out this task, the Office closely cooperates with other official bodies and institutions of the State Union and with both member states. Activities of the Office cover four broad thematic areas: coordination of activities related to SAP, training of public administration for issues related to the EU integration, translation and language editing of *acquis communautaire*. Finally, according to the Decision on establishing the Council for European Integration of Serbia and Montenegro, the Office is tasked with carrying out expert and administrative work in preparation of the Council's sessions and realization of its conclusions.

The Serbian Government Council for European Integration was established on 4 September 2002 as a consultative Government body. Its main tasks are: to monitor, review, evaluate and streamline the process of Serbia's association to EU and provide political support to the activities relating to the process.

The Council consists of Prime Minister, Deputy Prime Minister, Government Secretary General, eleven ministers and the Secretary General of the European Integration Office. The Prime Minister chairs the Council. European Integration Office provides technical support in preparing Council sessions.

Commission for the EU accession coordination was established by the Serbian Government decision on 17 October 2002. This was done in accord with one of the key conclusions reached at the constitutive session of the Council for European Integration, which pointed out the need for the establishment of an operational body that would coordinate and streamline the activities of Republic of Serbia's institutions and organizations in the SAP. The Commission has the following tasks: to propose measures for setting up and promoting cooperation between institutions and organizations in Serbia responsible for passing and implementing European integration policies, to determine the priorities and best methods for the approximation of Serbian policies and regulations with the EU standards, to propose measures regarding legal harmonization, institutional changes and reform of policies that Republic of Serbia is responsible for and to monitor the implementation of the proposed measures.

Serbian European Integration Office (SEIO) was established by the decision of the Government of the Republic of Serbia on 8 March 2004. SEIO was established following the need to have a strong authority that would efficiently coordinate the EU association process. Essentially, SEIO would build on the activities that were the responsibility of the European Integration Department of the Serbian Ministry of International Economic Relations. Thus, the establishment of SEIO presented a clear institutional determination of the Government to accelerate preparations for the EU integration. The main tasks of SEIO are: coordinating, initiating, monitoring and reporting on the process of harmonization of Serbian legislation with the *acquis communautaire*; planning, monitoring and promotion of institutional capacities of the Republic of Serbia considering the needs resulting from the EU association process. Also, in cooperation with the relevant public administration bodies and organizations SEIO coordinates training for civil servants on the EU matters; initiates, coordinates and monitors public relations and promotion of activities related to the EU association process. In addition to this, the Office provides technical support and organizes meetings of The Serbian Government Council for European Integration, manages work of the Commission for the EU accession coordination, liaises with the Serbia and Montenegro European Integration Office and respective institutions in Montenegro. The ongoing campaign of the SEIO "Europe at your door" which has both informative and educative character on EU issues, intended for common people in the inland of Serbia is noteworthy. Visiting various Serbian towns, government-

tal officials directly involved in the EU integration process, together with their European partners from the Delegation of EC and diplomats from EU member countries, strive to explain to the citizens throughout Serbia, by the direct contacts and through media, the functioning of the EU, the benefits of fast progress towards EU and the impact of this process on the standard and daily life of the citizens.

The Montenegrin Government decided on 6 February 2003 to establish the **Ministry for International Economic Relations and European Integration**. The Ministry's responsibilities include: coordination of all activities on European integration, cooperation with EU institutions at all levels, particularly with regard to the harmonization of the legislation with the regulations and standards of the EU. Moreover, the Government established **The Council for European Integrations**, as advisory body on the EU issues of the Government of the Republic of Montenegro. The tasks of the Council should be: to elaborate and propose measures for determination of the strategy of the Republic of Montenegro for EU accession, to follow and determine direction for implementation of strategy for accession, to elaborate and propose measures related to harmonization of legislation and other institutional changes necessary for successful and efficient process of accession to the EU. Members of the Council are: President of the Republic of Montenegro, Prime Minister, Speaker of the Parliament, Minister for International Economic Relations and European Integration, President of Constitutional Court and several other distinguished authorities. In addition, Government of Montenegro established **The Commission for Coordination of the European Union Accession Process**, as an expert group. The Commission tasks should be: coordination and improvement of activities and cooperation of ministries, state authorities and institutions which are competent for enactment and implementation of policies related to EU accession process; outlining priorities for harmonization of policies and regulations of the Republic of Montenegro with the European Union standard; proposing measures for harmonization of the legislation, institutional changes and reform of policies falling within the competence of the Republic of Montenegro, in accordance with obligations and requirements deriving from EU accession process; monitoring the implementation of proposed measures.

The structure established by the Constitutional Charter and a new State Union is full of shortfalls, especially concerning contractual relations with the EU. While Constitutional Charter precisely defines

the state union competences (through the Minister of the International Economic Relations) in negotiating and treaty making powers, in consultation with respective ministers from member states, there is complete uncertainty regarding the responsibilities in implementation of agreements. The State Union can be responsible only for coordination of an agreement implementation, albeit there is no clear Constitutional Charter stipulation on what the instruments of the coordination should be. Thus, in fact, implementation of international agreements is in charge of members states of the State Union. So, there is the main institutional problem, how to secure that SAA will be implemented correctly and efficiently in the whole territory of the State Union; and how to provide better coordination among all actors involved in the EU association process, on three levels. One of a few good examples is the Action Plan for harmonization of Trade and Customs system of Serbia and Montenegro, adopted by the State Union Parliament on 29 August 2003.

Facing all aforementioned obstacles, and forced by the necessity to establish a functional state structure, capable to undertake fast and thorough steps towards the EU accession, the EU backed the decision made at the meeting of the Council of EU, on 11 October in Luxembourg, to offer to Serbia and Montenegro a "twin-track" approach to SAA negotiations, with aim to underpin work on Feasibility Study. The "twin-track" approach would imply a single SAA with distinct negotiations with the member states of the State Union on trade, economic and possibly other relevant sectoral policies, while continuing to work with the State Union where it is the competent authority, i.e. on international political obligations and human rights. A previous attempt to conduct a Feasibility Study on Serbia and Montenegro was stalled in early 2004 due to the lack of agreement inside the country on how to make the future Agreement work. Commissioner Chris Patten said: "We have offered a "twin track" approach for parts of the Stabilization and Association Agreement, because we do not want to see Serbia and Montenegro fall behind its neighbors."

During the visit of the European Commissioner for the enlargement, Olli Rehn, to Belgrade, in April 2005, a group of 17 nongovernmental expert organizations has submitted him an appeal asking for the change of the current instruments of support not only to Serbia and Montenegro, but also to other Western Balkan countries on their way to the EU. The essence of the appeal is the request for making available pre-accession funds to the West-

ern Balkan countries, irrespectively of their candidate status: "Current instruments are rather exhausted and are no longer potent enough to address the immense challenges ahead both for the Union and our country." This appeal claims that it will be very difficult for potential candidates for the EU membership (Serbia and Montenegro, Bosnia and Herzegovina, Albania and Macedonia) to reach present candidates (Romania, Bulgaria, Croatia and Turkey) to say nothing about old and new EU members, without an additional financial support which has not been foreseen by new EU budget for the period 2007 to 2013. Among others, this appeal has been signed by the European Movement in Serbia, Civic Initiatives, Belgrade Centre for Human Rights, Belgrade Centre for European Integration, Centre for Regionalism, European Law Centre, G17 Institute, Comparative Law Institute...

5. National strategy for accession to the EU

While all main (democratic) actors in the political arena in Serbia (and Montenegro) express their willingness and intention to support European future of the country there is still a visible lack of comprehensible country's strategy for EU accession, comprising first of all, frankly taking up responsibilities for fulfillment of all requirements that SAP presumes. Regrettably, despite the recent redefinition of internal constitutional relations inside Serbia and Montenegro there is no significant will for designing a wide EU accession strategy that would take into consideration all particularities, and sound and unhesitating political consensus on indispensability of the advanced and resolute rapprochement to the EU.

It the beginning of September 2004, SEIO initiated the creation of the National Strategy of the Republic of Serbia for the accession of Serbia and Montenegro to the European Union. With political consensus provided, technical aspect of such a strategy would be easily carried out. Still, the country needs a conceptual basis, a platform for the decision-making in the European integration process, with clear assessment of measures and policies for navigating in the European integration process. Such a strategy should be backed by consensus of all relevant subjects in politics, also involving related academic circles, civil society and wider public.

No doubt, a crucial step on the path of Serbia towards the EU was made on 5 October 2000, by the overthrow of Milosevic's regime. Even so, destructive consequences of his policy can be seen even to-

day and their overcoming faces Serbia with huge challenges. Serbia, a country that has always been stretched between the West and the East, is passing today through its serious transformation. For many years being the object of an oppressive, isolationist politics that held back the country and region, Serbia is moving to a model of a modern, European integrated and economically developed country. Most of the people in Serbia are still traumatized by the war, long lasting isolation and poverty, Milosevic's regime propaganda, NATO bombing, distrust to neighbors. On the other hand, there is a considerable part of Serbian population which is educated, urban, predominantly young and eager to go faster on the way to the EU. Disagreement between these two parts of Serbia is a main substantial obstacle to a more rapid pace on the European path of the country. Comparing with other transitional countries from Central and Eastern Europe (where wide consensus has been agreed among all important actors on main foreign policy goals: joining the EU and NATO, facilitating governments in undertaking measures that would lead to the EU without any fear of harming the process) Serbia still suffers effects of a constant tension present during 200 years of modern Serbian history: clash between conservatism and modernism. Public support to anti-Europeans, on one hand and democratic political forces, on the other, are equalized in this moment, albeit a pooling says that about 70% of Serbians support EU integration. It looks like a paradox: people want to join Europe, but without any sacrifice, effort, concession or fundamental change. Hence, there is always a Damocles sword hanging over every democratic, EU-oriented government in Serbia. The EU integration used as a tool of pressure on a country or at least as an incentive, could not be effective in the case of Serbia. If you have a significant part of population absolutely uninterested in any integration, especially the EU, you can not use prospect of EU membership as an instrument of managing fundamental reforms or securing desirable strategic direction of the country. In complete accordance with this is an opinion that "we must meet EU integration criteria not because of us but because of EU." Some people in Serbia are lacking a motivation to turn back to obsolete conservative mindset and take a new course ahead for their own and country's sake. But, none can blame them only. This problem raises a question of education, which is not only a case of Serbia, but of the region as a whole. Absurdly enough, but it is spite, the main Serbian negative psychological characteristic, that could serve as a tool for their advanced change of mindset regarding EU integration. Only spite can be incentive for common Serbians to do

something efficient, looking at neighbors like Romania and Bulgaria, which are still widely considered as countries at lower level in all respects. Furthermore, the fact that Croatia is standing at the immediate doorstep of EU, and that Serbia is in the same group with Albania and Bosnia and Herzegovina is, perhaps, a plausible element to push things forward. If someone wants to motivate Serbians for this aim, he must talk to them in an understandable way. One of the reasons why common Serbians are still reserved concerning the EU integration idea is a bulk of prejudices came out of a complete lack of information on the EU issues. These prejudices are widely spread, especially in rural areas, and are promoted by anti-European oriented persons. There is even a fear of EU, particularly among farmers. A joke can be frequently heard on the EU, saying that the cucumbers in EU have to be absolutely straight, not twisted. Finally, there is still a vivid perception of victimization, based on the premise that the EU is persistently "against us".

The fact that rings the alert is that only 30% of students in Serbia have travelled abroad and only 3% to any of the EU countries. This is the population that has to undertake the main effort of the EU integration, whose immediate contact with Europe is a necessary task. There is a usual obstacle though called: visa. Although it has certain political implication, visa issue is primarily a technical problem of the better border control, combating organized crime, but first of all: trust in institutions. If citizens of Serbia do not trust their own institutions, especially police, how to expect Brussels to trust them.

Although the problem of unresolved status of Kosovo does not impede SAP of Serbia and Montenegro, basically it has a significant impact on the country and a region as a whole. It is a sensitive question for Serbs and attempts of pushing forward the independence of Kosovo would decrease already fragile support for the EU integration in Serbia. There are some initiatives to use EU accelerated accession of Serbia and Montenegro, as an incentive for "cooperation over the Kosovo issue". "The EU accession process is the only framework that gives Serbia real incentives if not to endorse then at least to consent to such a fundamental change in the status of Kosovo as independence represents" says the port of the International Commission for the Balkans, published in April 2005.

There is another challenge for the outcome of further EU accession process for Serbia and Montenegro, and it is the future of the State Union. Although the Belgrade Agreement has been signed in 2002 and modified by new amendments in April

2005, it suffers all faults that a "genuine" constitutional arrangement, emerged as a fruit of compromises between Serbia, Montenegro and the EU can bring. Most of all, there is a conspicuous absence of enthusiasm for making the State Union efficient. It is not unlikely that a Montenegrin independence referendum, foreseen for 2006, would seal the fate of the federation.

As it is the case with Croatia and Bosnia and Herzegovina, cooperation with the ICTY has become known as a core prerequisite for Serbia and Montenegro's steady rapprochement with the EU. Previously, the EU has consistently criticized the broad coalition government of Vojislav Koštunica for failing to surrender high-level military figures indicted for war crimes. Now, having seen that "it does not hurt", the government of Serbia seems ready to continue this trend, especially after receiving positive EU feedback, through the Feasibility Study.

6. Conclusion

The State Union Serbia and Montenegro is at the point where it is very hard to say that it "is a tragic story" as the former EU Commissioner Chris Patten said just a year ago, in German Bundestag. With the recent enlargement, the EU has become Serbia's immediate neighborhood. This country simply cannot "escape" its European future. In the period to come, the country's political elites should take up the opportunity of an offered hand from the EU and intensify reforms in all fields, especially of economic and judicial system, as well as public administration. Along with this, Serbia must define, in the long run, its relations with Montenegro and actively join negotiations relating to the final status of Kosovo. Serbia and Montenegro have wasted so much time and there is no excuse for its further waste. So, time is the core factor for the EU accession of Serbia and Montenegro. Of course, besides the decisiveness of all key actors in Serbia and Montenegro, desirable consensus, beneficial solution of all burning status issues, wider information and educational campaign, the country also needs an additional clear benevolent approach from EU. The best option for securing Serbia's and Montenegro's (or Serbia and Montenegro's) European prospective is to allow it to submit a formal membership application simultaneously with the signing of the SAA. Slovenia did it in 1996. It could encourage overall reforms and verify, once and for all, the country's EU vocation, enabling it to catch up with other possible candidates. Serbia and Montenegro do not have any other future except the European. The only problem is that they should become aware of it.