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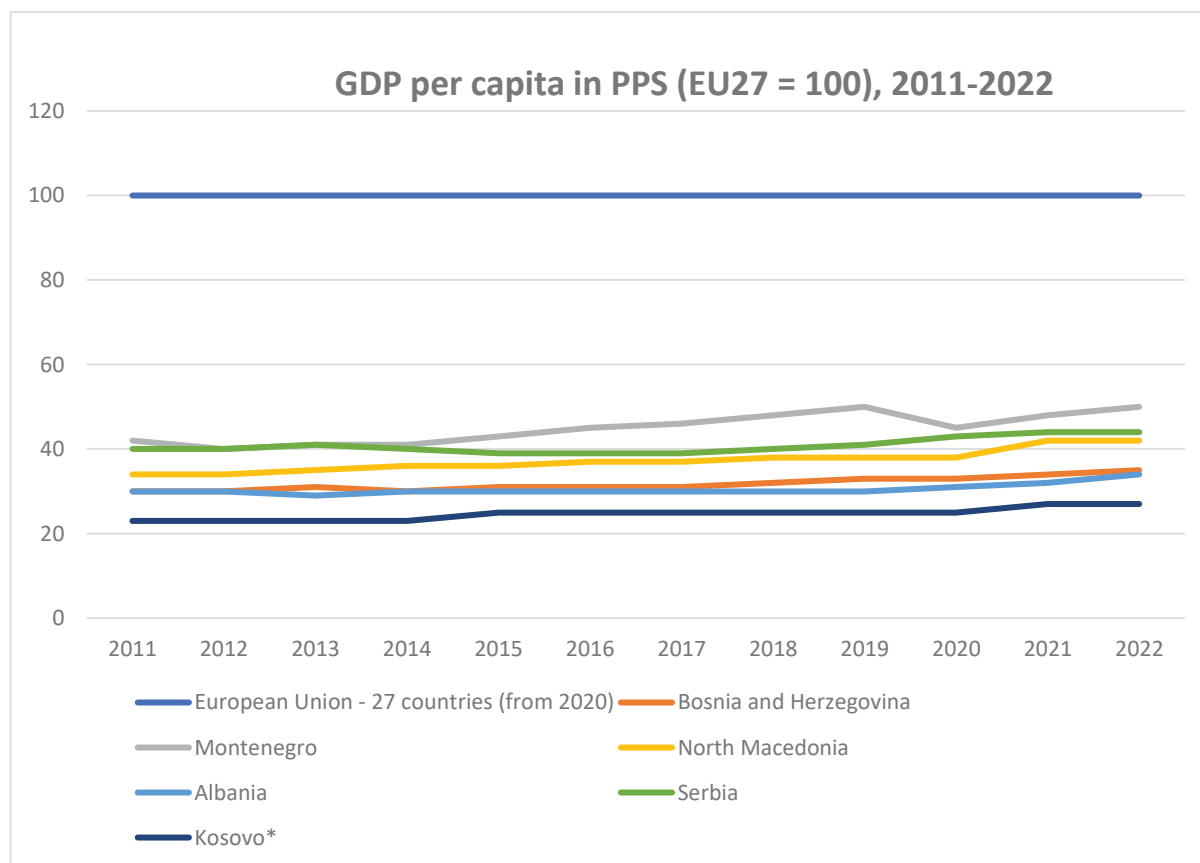
New growth plan for the Western Balkans

INTRODUCTION

The European Commission strongly believes that enlargement remains a key policy of the European Union and in particular that full EU membership for the Western Balkans is in the Union's very own political, security and economic interests.

Russia's war of aggression against Ukraine illustrates once again the need for a determined geostrategic investment in a stable, strong and united Europe. The war has had a significant impact on our Western Balkan partners, putting further pressure on their economies and societies and creating risks to their stability. The need to bring them closer to the EU and to accelerate their accession process, based on EU-related reforms in the countries, has never been clearer than it is today. A majority of Western Balkans citizens think that their country's membership of the EU would be a good thing¹. In this respect, the new growth plan for the Western Balkans will represent an opportunity to further increase the visibility and awareness of the EU support to the region, strengthening the engagement with the local audiences.

Economic convergence is an essential element in getting the Western Balkan countries closer to the EU. Currently, the level and speed of convergence between the Western Balkan partners and the EU is not satisfactory² – either in terms of reform processes or of socio-economic convergence – and is holding back their progress on the EU track. Therefore, there is a need to jump-start and incentivise the Western Balkans' preparations for EU membership by bringing forward some of its benefits especially in ways that can be felt directly by the citizens of the Western Balkan countries. The objective should be to enable partners to step up reforms and investments to significantly accelerate the speed of the enlargement process and the growth of their economies.



* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo Declaration of Independence.

¹ Standard Eurobarometer 99 – Spring 2023

² Eurostat and World Bank

To this effect, the Commission is proposing a **new growth plan for the Western Balkans** based on four pillars, aimed at:

- 1) **Enhancing economic integration with the European Union's single market**, subject to the Western Balkans aligning with single market rules and opening the relevant sectors and areas to all their neighbours at the same time, in line with the Common Regional Market;
- 2) **Boosting economic integration within the Western Balkans through the Common Regional Market**³, based on EU rules and standards, which could potentially add 10%⁴ to their economies;
- 3) **Accelerating fundamental reforms**, including on the fundamentals cluster⁵, supporting the Western Balkans' path towards EU membership, improving sustainable economic growth including through attracting foreign investments and strengthening regional stability;
- 4) **Increasing financial assistance to support the reforms through a Reform and Growth Facility for the Western Balkans**, a new instrument worth EUR 6 billion in non-repayable support and loan support, with payment conditioned on the Western Balkans' partners fulfilling fundamental reforms, and in particular specific socio-economic reforms.⁶

Economic convergence is a significant benefit of EU membership. The positive impact on a country's GDP and income levels that arise from the integration with the EU's single market, combined with EU Cohesion Policy, has been clearly demonstrated in the past. This requires investments in modernisation of the economies, as well as in infrastructure, for which additional financial assistance is needed. At the same time, fundamental reforms, including to strengthen the rule of law and fundamental rights, are indispensable to unleash the benefits of integration and to create a favourable environment to attract private investments and generate sustainable economic growth while reducing emissions. Building a modern, dynamic and decarbonised economy with improved employment opportunities will also reduce the incentive for outward migration.

This new growth plan builds on the existing enlargement methodology⁷ and creates a package of mutually reinforcing measures that will multiply the potential benefit of each measure. It also provides for more incentives and for the benefits of integration ahead of EU accession, thereby aiming to speed up accession negotiations. Finally, in view of ensuring a level playing field amongst enlargement countries, it progressively adds further opportunities for the Western Balkans to those available under the existing Stabilisation and Association Agreements (SAAs). Speed is now of the essence and the objective is for the growth plan to start making a real difference already next year.

The growth plan is without prejudice to the ongoing accession processes, and the specific conditions set out there in this context, in particular as regards the fundamentals. However, it will feed into this

³ The Common Regional Market (CRM) is an initiative agreed by the leaders of the six Western Balkans at the Berlin Process summit in Sofia 2020. The CRM and its associated action plan are intended to bring the four freedoms of movement (goods, services, capital and workers) within the region.

⁴ Gomez Ortiz Maria Del Mar; Zarate Vasquez, Roman David; Taglioni, Daria. *The Economic Effects of Market Integration in the Western Balkans (English)*. Policy Research working paper; no. WPS 10491 Washington, D.C. : World Bank Group: <http://documents.worldbank.org/curated/en/099544006202322289/IDU062c50b5106fe8046d1080530898bbe45d6fa>

⁵ In line with Communication on "Enhancing the accession process – A credible EU perspective for the Western Balkans" COM(2020)57, the fundamentals cluster includes: chapter 23 – Judiciary and fundamental rights, chapter 24 – Justice, Freedom and Security, the economic criteria, the functioning of democratic institutions, public administration reform, chapter 5 – Public procurement, chapter 18 – Statistics and chapter 32 – Financial control.

⁶ In its proposal of the mid-term revision of the Multiannual Financial Framework 2021 – 2027 (COM(2023)337 final), the Commission proposed an additional EUR 2 billion for the Western Balkans. The EUR 4 billion would be provided in the form of concessional loans.

⁷ COM (2020) 57 Final

process by incentivising countries to accelerate the adoption and implementation of the *acquis*. Moreover, with a strong focus on integration within the Western Balkan region it should help the countries to focus on their common future as members of the EU and to overcome bilateral challenges that unfortunately consume too much energy in the region and hold it back.

1) Enhancing economic integration with the European Union's single market

Integration with the EU's single market has been the main driver of economic growth for all countries that joined the EU. For countries on the path to EU accession, closer association with the EU's single market would bring benefits that could be felt directly by their citizens.

Providing the Western Balkans with more opportunities for closer links to the EU's single market is a key rationale of the growth plan. The objective is to bring economies closer to the single market once the necessary level of preparedness has been achieved.

As part of this growth plan, the Commission has identified seven initial priority areas, which the EU could offer to the Western Balkan countries. Such integration would deliver substantial economic benefits to the region and would ensure a broad level-playing field amongst enlargement countries.

Completing the work to which the six partners have committed in the context of the Common Regional Market will be a necessary pre-condition for closer integration with the single market. The offer under the seven priority areas is based on own merits and also subject to prior alignment on EU *acquis* in each specific area, including having the necessary infrastructures and working institutions. No Western Balkan partner shall be able to block access to the EU single market for the other five.

These priority actions can be implemented by using the existing legal basis of the Stabilisation and Association Agreements, through targeted complementary agreements or by amending, as necessary, the existing Transport Community and Energy Community Treaties.

The offer to the Western Balkans⁸: 7 Priority Actions for Integration into the EU's single market

1. Free movement of goods:

- (i) *Agreements on conformity assessment* to unlock the single market for goods manufactured in the Western Balkans following alignment with the relevant horizontal EU product *acquis*.
 - (ii) *Improved Customs and Tax co-operation agreement* to streamline customs procedures and reduce waiting times at borders, through measures including prior exchange of information, mutual recognition of authorised economic operators, based on merit, and closer cooperation in the development of their national single windows and speedier implementation of the indirect tax *acquis*.
 - (iii) Participation of all Western Balkans partners in *the Convention on Common Transit*.
- (i) requires agreements based on existing provisions in the SAAs, (ii) would be agreements complementing the SAAs and would build on existing work in the Common Regional Market where the Western Balkan partners are integrating among themselves on the basis of EU rules, (iii) requires joining an existing convention. Western Balkans partners will be expected to support all applications from within the region.

⁸ The implementation of the priority actions, and the other proposals in the Communication will be subject to the relevant procedures under the Treaty on the Functioning of the European Union.

2. Free movement of services and workers:

- (i) For *e-commerce* related services including *parcel delivery services*⁹, *tourism services* and other activities where agreement has been reached within the Common Regional Market.
- (ii) *Recognition of skills and qualifications* between the EU and the Western Balkans, including professional qualifications. Building on the four ground-breaking “mobility agreements agreed in context of the Common Regional Market¹⁰ through enhanced co-operation, information exchange and use of transparency tools - such as the European Qualifications Framework (EQF) - to facilitate faster and more effective recognition of skills and qualifications. In particular, through promoting an effective implementation by Member States with regard to Western Balkan countries of the upcoming Commission Recommendation on the recognition of qualifications of third-country nationals¹¹.

With regard to (i) existing legal bases of the SAAs would be used, once merit-based conditions, including alignment and implementation of relevant EU *acquis*, are fulfilled.

3. Access to the Single Euro Payments Area (SEPA):

Reducing the cost of cross border payments to the benefit of consumers and businesses will act as a boost to cross-border commerce. As part of the work on the Common Regional Market the Western Balkans are collectively putting in place national legislation required by the European Payments Council for participation in SEPA. The European Commission will **continue to support the Western Balkan countries** to align with the relevant EU legislation, and prepare their application to access SEPA.

4. Facilitation of Road transport:

- (i) Support Western Balkan countries to integrate their road transport in the region on the basis of the adoption of the relevant EU *acquis*.
- (ii) In parallel work towards granting access of the Western Balkan partners to the relevant EU information systems (IMI, ERRU) and consider further facilitation of bilateral transport operations, through a separate agreement complementing the SAAs.

Both actions should accelerate the adoption of EU Road Transport *acquis*, provide significant economic benefits and progressively lead to further integration in the area of road transport.

5. Integration and de-carbonisation of Energy markets:

Building on the existing work within the Energy Community to integrate the electricity market in the region with that of the EU and opening the possibility for integration of other energy markets. This will take into account the need for an equivalent carbon price to the EU Emissions Trading System’s carbon price or the application of the Carbon Border Adjustment Mechanism to allow for the continued electricity market coupling from 2030 onwards.

This will be done by implementing the existing Energy Community treaty.

⁹ Building on the existing intra-CEFTA parcel delivery services initiative and in line with the Regulation (EU) 2018/644 on cross-border parcel delivery services.

¹⁰ Recognition of Professional Qualifications of Doctors of Medicine, Doctors of Dental Medicine and Architects in the CEFTA context; Recognition of Higher Education Qualifications; Mutual Recognition of Professional Qualifications for Nurses, Veterinary Surgeons, Pharmacists and Midwives; and Freedom of Movement with Identify Cards in the Western Balkans.

¹¹ Adoption foreseen for 15 November 2023

6. Digital Single Market:

- (i) Facilitate the extension of the coverage of the current *voluntary roaming agreement* among telecom operators¹²; this would be an interim step until (ii) below;
- (ii) Provide legal certainty for users and operators exploring solutions for a long-term roaming arrangement to include the Western Balkans in the EU ‘roam like at home’ area, fully respecting the European Union’s international trade commitments;
- (iii) Extend the EU’s rules on addressing unjustified *Geo-blocking* and other forms of discrimination – based on customers’ nationality, place of residence or place of establishment – to the Western Balkans;
- (iv) Integrate the region into *EU trust services* once national legislation is compliant with electronic identification, authentication and trust services (eIDAS). An intermediate step will be the development of a regional Digital Identity Wallet (“Balkan Digital Identity Wallet”) aligning with that of the EU and following the exact same technical specifications.
- (v) Strengthen *cybersecurity links* through enabling the association of the WB countries to the Cybersecurity pillar of the Digital Europe programme by envisaging as a first step their access to the Cybersecurity Reserve under the Cyber Solidarity Act¹³. Promote a comprehensive implementation of the EU 5G Cybersecurity Toolbox by all Western Balkans partners.
- (vi) Strengthen cross-border *interoperability* through national interoperability frameworks that are fully aligned with the European Interoperability Framework as a basis for interoperable, human-centric, digital public services.

(i) is based on the existing voluntary arrangements, while (ii) to (iv) would require a viable legal solution (e.g. via amendment of the SAAs). (v) will require a change to the existing association agreement to the Digital Europe programme.

7. Integration into industrial supply chains:

- (i) Develop strategic partnerships on sustainable raw materials value chains, after an initial focusing on the identification of concrete joint industrial projects.
- (ii) Develop strategic partnerships for the security of supply of critical medicines.

The development of strategic partnerships on sustainable raw materials value chains will be based on: identification and implementation of joint sustainable raw materials and battery projects covering all stages of the respective value chains i.e. exploration, extraction, processing/manufacturing and recycling; and supporting the Western Balkan companies/organisations to join the EU Raw Materials Alliance and EU Battery Alliance¹⁴. Closer cooperation on research and innovation, capacity building via e.g. facilitating access of Western Balkan countries to the European Battery Alliance’s Skills Academy and the Raw Materials Academy (iii) Extension of the EU international strategic partnerships for the production of critical medicines and active pharmaceutical ingredients.

These priority areas reflect consultations with stakeholders across the region¹⁵ and represent a direct linkage to the on-going work for the implementation of the Common Regional Market.

¹² <https://neighbourhood-enlargement.ec.europa.eu/system/files/2022-12/eu-wb-roaming-declaration.pdf>

¹³ The Cyber Solidarity Act is a Commission proposal which has not yet been adopted by the co-legislators.

¹⁴ The two Alliances are coordinated by two Knowledge and Innovation Communities (KICs) of the European Institute of Innovation and Technology (EIT).

¹⁵ Consultations have taken place at political and expert level with a range of stakeholders. There have been technical discussions with national administrations, business across the region have been consulted through

The Commission intends to propose amendments to the SAAs so as to introduce a mechanism that would allow the SAA bodies to extend the rights and obligations of the EU *acquis* to the Western Balkans, once conditions are met. The mechanism would enable the institutions of the SAA to adopt annexes containing a list of single market legislation (“*acquis*”) in specific areas that would be transposed into domestic legislation, and rules on monitoring. Once it has been determined by the Commission that there is *acquis* alignment and the rules are being effectively implemented – and also that there is no significant risk to the level-playing field in the EU single market (e.g. a sufficient degree of Antitrust, Merger and State aid control, where appropriate) – a decision could be taken by the institutions of the SAA to grant reciprocal internal market treatment in the specific area concerned. In addition to access to the single market, adopting and implementing the *acquis* in this way would also have a positive impact on the path to accession.

This approach would enable the SAAs to offer a progressive extension to specific areas of the *acquis*, in particular those with a specific link to the single market such as sanitary and phyto-sanitary measures and intellectual property rights. When looking at which sectors to incorporate, priority would be given to areas where substantive actions have been taken under the Common Regional Market.

Furthermore, to directly support the seven priority actions and more broadly to ensure that their full potential is realised, the European Commission is proposing a series of complementary measures.

As a minimum, all the Western Balkan countries should fully participate in the relevant EU programmes, including in particular the single market programme, the Customs and Fiscalis programmes, the Digital Europe programme and Horizon Europe (including exploring extensions to its missions on ‘Climate-Neutral and Smart Cities’ and on ‘Restore our Ocean and Waters’). The fullest possible participation in Commission-led expert groups, according to EU rules, will be encouraged, as these are an important pathway for developing practical knowledge about the effective implementation of the *acquis*. The Western Balkan countries may benefit from the measures foreseen in the Commission Communication on “Enhancing the European Administrative Space (ComPAct)”, to help build better public administrations.

The potential of further integration of the Western Balkans into the respective parts of the single market will be underpinned by strengthening infrastructure links with the EU. The Western Balkans Investment Framework (WBIF) is ready to step up support to put in place the necessary infrastructure set out in the Economic and Investment Plan¹⁶, implementing the Global Gateway Strategy in the Western Balkans, and closely linked to the Trans-European networks. Implementation of the individual Reform Agendas (see point 3 below) will be essential to that effect. Work will also continue on the development of the trans-European transport network (TEN-T) to improve connectivity between the Western Balkans with the EU, to support integration in the EU single market and promote a more sustainable transport system.

2) Boosting regional economic integration through the Common Regional Market

The Western Balkan region faces a profound economic challenge from limited attractiveness to investors, due to small fragmented markets and large-scale outward migration as a consequence of limited opportunities. At the 2020 Berlin Process summit, the region decided that integration at regional level, through a Common Regional Market would be one of the key approaches to address such challenges.

The Common Regional Market¹⁷ action plan sets out an extensive programme of actions based on EU rules and standards, to establish the four freedoms of movement within the Western Balkans: goods,

dialogue with the Western Balkan 6 Chamber investment forum and there have been consultations with regional organisations, CEFTA, the Regional Cooperation Council, the Transport Community, and the Energy Community.

¹⁶ Economic and Investment Plan https://ec.europa.eu/commission/presscorner/detail/en/ip_20_1811

¹⁷ Common Regional Market <https://neighbourhood-enlargement.ec.europa.eu/enlargement-policy/policy-highlights/common-regional->

some services, capital and workers. This is accompanied by a Green Agenda and a Digital and Innovation Agenda for the region. Despite much technical work having started, most results have yet to materialise, in part due to political blockages in decision making, in part due to the pace of implementation, which needs to be accelerated substantially.

Developing a Common Regional Market is essential for two reasons. Firstly, because it is crucial to unlocking the economic potential of the region, to creating opportunities for domestic firms and workers alike and to making the Western Balkans a more attractive place for European investors. It is estimated that the Common Regional Market could add 10% to the economies of the countries in the region.¹⁸ Secondly, because the Common Regional Market is based on the adoption and implementation of EU standards.

It therefore acts as a stepping-stone towards the EU's single market in many sectors, and as a mechanism for making progress in the accession negotiations while reaping early economic benefits. Closer economic integration with the EU, goes hand in hand with building a Common Regional Market. As part of this growth plan, the Western Balkan countries are **invited to re-commit to the full implementation of the Common Regional Market Action Plan**.

The EU will provide substantial opportunities for integration in the EU's single market only if the region delivers on regional economic integration. Partners that are not fully committed to the Common Regional Market or impede the implementation of the Common Regional Market Action Plan cannot expect to benefit from the growth plan in terms of opportunities for single market integration (pillar 1).

The Central European Free Trade Agreement¹⁹ is the key governance mechanism for managing the Common Regional Market. Its effective functioning is therefore essential. As such, the important work ongoing – notably in the following areas – needs to be speeded up:

- trade facilitation through increased regional recognition of standards and certification (based on EU rules);
- reducing the negative impact of non-tariff measures;
- opening up the service sector, in particular the new area of e-commerce; and
- facilitating the movement of workers through mutual recognition of academic and professional qualifications.

One of the success stories of the Common Regional Market has been the establishment of Green Lanes at borders within the region. Through the exchange of customs data in advance of goods arriving at crossing points, the transit times for goods is greatly reduced. Estimates suggest that a 3-hour reduction in waiting times is the equivalent of a 2% reduction in tariffs²⁰. This success within the region has led to the establishment of Green Lanes (land borders) and Blue Lanes (maritime borders) between the region and some EU Member States. This is one example of how deepening customs co-operation can boost economic activity between the region and the EU.

There are numerous workstreams within the Common Regional Market where progress could pave the way for closer integration with the single market. These include integrating the region into the EU's systems for consumer protection and market surveillance, mutual recognition of academic and professional qualifications, participation of all partners in the region in the European Committee for Standardisation (CEN) and the European Electrotechnical Committee for Standardisation (CENELEC).

[market_en#:~:text=The%20Common%20Regional%20Market%20action,1%25%20of%20the%20region's%20GDP.](#)

¹⁸ As for footnote 4.

¹⁹ The Central European Free Trade Agreement (CEFTA) 2006 brings together the Western Balkans 6 and Moldova in a regional trading area with the aim of liberalising trade in goods and services within the region. The work of CEFTA was incorporated into the CRM action plan in 2020.

²⁰ As for footnote 4.

Such integration requires the development of necessary institutions and practices, such as via the Single Market Academy to ensure that national systems fully align with those of the EU.

Looking at the future, **an ambitious successor to the current Common Regional Market action plan must be developed before the current one expires in 2024**. The new action plan should incorporate the opportunities offered under this growth plan as well as fully reflecting the Green Agenda and the Digital and Innovation Agenda for the region. To future-proof the Common Regional Market and in preparation for the Carbon Border Adjustment Mechanism, the action plan should contain the necessary elements for the Western Balkans to advance on decarbonisation.

3) Accelerating fundamental reforms

Experience from successive rounds of enlargement has shown that closer integration with the EU's single market and targeted financial support are not sufficient to achieving accelerated socio-economic convergence. Sustainable success requires comprehensive reforms, including in the fundamentals cluster. They are essential for candidate countries to move ahead towards EU membership, and for their economies to cope with the competitive pressure of the single market, and to build competitive and sustainable businesses to attract private investment. Moreover, accelerating fundamental reforms will also have a positive impact on the pace at which countries move along their EU accession path.

As part of this growth plan, every Western Balkan partner will be invited to prepare a **Reform Agenda** based on existing recommendations including from the annual Enlargement Package and the conclusions of the Economic and Financial Dialogue, based on the countries' Economic Reform Programmes (ERP). The Agenda will be consulted with, assessed and adopted by the Commission.

The Reform Agenda will identify a limited set of priority reforms, broken down into qualitative and quantitative steps which will serve as **payment conditions**, i.e. upon achievement, they will trigger the release of funds under the new Reform and Growth Facility according to a pre-determined timeline. Payment conditions will be **linked to specific socio-economic reforms** to unlock national and regional growth potential, and to **specific reforms related to fundamentals of the enlargement process**, including the rule of law, democracy, the respect of human rights and fundamental freedoms. Macro-financial stability, sound public financial management, transparency and oversight of the budget are general payment conditions that have to be fulfilled for any release of funds. Another pre-condition should be that Serbia and Kosovo engage constructively in the normalisation of their relations with a view to fully implementing all their respective obligations stemming from the Agreement on the Path to Normalisation and its Implementation Annex and all past Dialogue Agreements and engage in negotiations on the Comprehensive Agreement on normalisation of relations. Disbursements will not be conditional on the above-mentioned proposed changes to the SAAs (i.e. to implement the 7 priority actions) being in place.

The Reform Agenda will be a key driver of the growth plan: fulfilling it will create the necessary preconditions to take up and fully benefit from the available single market opportunities, to trigger disbursements under the new Reform and Growth Facility and, at the same time, bring the countries closer to fulfilling the criteria for EU membership.

4) Supporting convergence through increased financial assistance: the new Reform and Growth Facility for the Western Balkans

The new Reform and Growth Facility (hereafter the facility) for the Western Balkans will provide key support to the implementation of the new growth plan and its four pillars, through **significantly increased financial assistance**. Payments will be subject to strict conditions in terms of key reforms as set out under the Reform Agenda.

The proposed facility will cover the period 2024-2027. It would provide financial support in the form of **non-repayable support** (up to EUR 2 billion) **and loans** (up to EUR 4 billion) through direct

disbursements to the national budgets, or as capital investment financing through the Western Balkans Investment Framework (WBIF).

It will serve as the centrepiece of the growth plan, significantly increasing financial assistance based on an ambitious reform agenda focusing on necessary socio-economic reforms coupled with fundamental reforms, including on the rule of law and fundamental rights. It will introduce strong conditionality by establishing a payment mechanism based on achievements of key reforms taking into account recommendations from the latest Commission Enlargement Package²¹. Such an approach requires an entirely new design, different from the currently available external assistance instruments. This type of extensive ex-ante conditionality and proposed construction is not possible under the existing Instrument for Pre-accession Assistance (IPA III). Payment conditions will also be complementary to and reinforce other forms of bilateral support for the Western Balkans provided through other EU instruments.

The financial impact of the facility, combined with the funds still available under IPA III for the remainder of the MFF 2021-2027, will provide the Western Balkans with roughly the same aid intensity per inhabitant as cohesion policy does on average in the EU. Such an unprecedented budget reinforcement would respond to the growing calls from the region for stronger socio-economic convergence; it would also reinforce the message to the region that the benefits of closer integration with the EU can be felt in advance of accession. The longer-term objective is to help the region to achieve its full potential in terms of economic and social development capacity compared to EU Member States by 2030.

The instrument is designed to be flexible, adapted to the objective of accelerating fundamental socio-economic reforms and bringing the region closer to the EU, while ensuring predictability, transparency, visibility, and accountability of the funds.

The new instrument will be **complementary** to and mutually reinforcing with the current financial assistance under IPA III as well as – in particular to address legal and administrative obstacles to cross-border cooperation – with Interreg cooperation programmes under the EU's Cohesion Policy involving the Western Balkans. The specific reforms under the Reform Agenda will allow for the necessary conditions to be in place to fully leverage the impact of the significant financial assistance under both the new facility and under IPA III.

CONCLUSION

In response to the unprecedented challenges facing the Western Balkans resulting from the need to reinvigorate the economies following the COVID19 pandemic and the current impact of Russia's war of aggression on Ukraine, the Commission is proposing that the EU makes **a bold offer to the region**. An offer that provides opportunities **to boost socio-economic convergence and bring our partners closer to the EU's single market in many areas**, in addition to **significant additional financial support**. This offer seeks to bring forward some of the economic benefits to the pre-accession period to build stronger, more resilient economies and provide day-to-day economic benefits for businesses, workers and consumers alike. This in turn will have benefits for the whole EU – the integration of well prepared and economically stronger countries applying EU rules and standards already before their accession.

To unlock the potential of this growth plan, the **Western Balkan partners will need to meet this offer with resolute efforts to advance both on the domestic reform agenda and on strengthening economic integration** within the region. Their authorities have the responsibility to communicate effectively on the growth plan and its implementation. Together, the Western Balkans and the EU should seize this opportunity to accelerate progress on the accession path.

²¹ The Enlargement Package includes a Communication on EU enlargement policy and accompanying country reports.

Measures supporting integration to the EU's single market

Entrepreneurship: Opportunities for business

- Boost innovation, increase knowledge valorisation, and protect investments in new products by establishing a structured cooperation network among the Western Balkan partners for a harmonised application of intellectual property rights.
- Boost agri-food industry development, including fisheries and aquaculture, in line with EU standards. Boost agricultural trade by recognising the Western Balkans contingency plans for fruits and vegetables and crop-based survey plans, already approved by the Central European Free Trade Agreement (CEFTA) parties.
- Boost innovation by (i) developing a **dedicated European Innovation Council (EIC) pre-accelerator** for the Western Balkans, helping deep-tech innovation companies develop their full potential with concrete ideas and investment plans and (ii) supporting and upskilling innovators and entrepreneurs, through the activities of the European Institute of Innovation & Technology (EIT) and its Knowledge and Innovation Communities.
- Accelerate the transfer and upscaling of technological and social innovation solutions for achieving climate-neutral and smart cities.

Closer to EU: Opportunities to prepare for the single market

- Set up a **Single Market Academy** - a programme of capacity building, designed to build the quality infrastructure of the Western Balkans up to EU levels of operation, so as to speed up the process of achieving free movement of goods. The first areas to be targeted will be standards, certification and conformity assessment.
- Promote **full membership and participation of CEN and CENELEC to the Western Balkans partners, when possible.**

Connect and modernise: Opportunities for digital

- **Make the Western Balkan region more cyber resilient and fight cybercrimes together**, including by increasing participation in trainings and events organised by the EU Agency for Cybersecurity (ENISA).
- Grant full access to the European High Performance Computing Joint Undertaking (HPC).
- Join the **Interoperable Europe Academy**, to boost public administrations' advanced digital skills in the interoperability field.
- Support the deployment of **secure international connectivity and 5G network infrastructure** through WBIF investment projects, in line with the EU 5G Cybersecurity toolbox. 5G networks will support digital transformation in the region.
- Accelerate the digital transition of SMEs and startups through participation in the Digital Europe Programme, and taking part in the network of European Digital Innovation Hubs (EDIHs) supporting companies and the public sector in the twin (green and digital) transitions.
- Develop a dialogue on Artificial Intelligence (AI), including flagship initiatives such as AI models. The focus will be on Generative AI and specifically Large Language Models.

Reskill and upskill: Opportunities for employment and training

- **Extend Europass membership** to all Western Balkan countries: helping job seekers to take the next step in their career and open up new opportunities and **further support their**

participation to the European Qualifications Framework Advisory Group: facilitating transparency of skills and qualifications.

- Explore participation in some activities of the European Network of **Public Employment Services (PES Network)** and cooperation with the Network²² strengthening the capacity of the public employment services in Western Balkans.
- Create safer workplaces through capacity building in Western Balkan Labour Inspectorates.
- Strengthen **active engagement in the European Year of Skills and the Pact for Skills** to promote a mindset of upskilling and reskilling, using the group of National Coordinators as a platform of exchange on skills policies.
- Foster cooperation on vocational education and training, in particular on apprenticeships and work-based learning in the framework of the **European Alliance for Apprenticeships**.
- Continue encouraging the participation of all Western Balkans countries to the Employment and Social Innovation (**EaSI**) strand of the **European Social fund Plus (ESF+)**.

Time for Youth: Opportunities for Young People

- **Make it easier for young people to study abroad** by facilitating the recognition of academic qualifications and mobility periods.
- Improve access to quality education and remove barriers to learning, working towards **full participation** of the Western Balkan partners in the **European Education Area** and supporting transnational cooperation of higher education institutions.

Broader Horizons: Opportunities for easier tourism, travel, transport and cultural activities

- Join efforts to promote Europe as a tourist destination in third countries **through full membership** to all Western Balkan partners **in the European Travel Commission**.
- Observers in the **Data Space for Tourism**: providing the information necessary to improve tourism planning.
- Develop **tourism talent partnerships on skills** between the EU and to increase and improve their tourism offer. Further increase the participation of all Western Balkan partners to Creative Europe so as to support the role of cultural and creative sectors in the economy.

Peace of Mind: Protection for consumers

- Give market surveillance authorities in the Western Balkans access to the **e-Surveillance Webcrawler tool**, which detects products that have been notified as dangerous in Safety Gate.
- Give **access to some public information** of Safety Gate, and in the longer-term exchange selected non-public information on the safety of products and measures taken.
- Grant access²³ to selected elements of the e-Enforcement academy.

²² In accordance with the conditions laid down in the Decision No 573/2014/EU of the European Parliament and of the Council on enhanced cooperation between Public Employment Services (PES) and in particular for countries which have joined the Employment and Social Innovation (EaSI) strand of the European Social Fund Plus (ESF+)

²³ To the extent that safeguards exist which allow for the treatment of information in accordance with EU law requirements.