One symbol and, in a sense, surrogate, for this more powerful European presence on the ground, was the OHR, particularly once the first High Representative, Carl Bildt, was succeeded in mid-1997 by Carlos Westendorp, who was able and willing to wield the increased powers granted the OHR by the Bonn PIC in December of that year. Over the next two years Westendorp took a series of decisive, if controversial, actions to sack duly-elected but anti-Dayton officials and to impose – in the absence of Bosnian government decisions – national institutions including a flag, currency and non-communal licence-plates. The High Representative answered not to the EU but to the PIC and, ultimately, to the UN Security Council. Nevertheless, as an EU national he became identified as the bearer of Europe's colours while the EU itself worked less visibly and forcefully in the trenches of reconstruction.

If the EU's role in Bosnia during this initial phase was constrained by circumstances on the ground, by great-power politics and by turf-wars among the multilateral agencies in the protectorate, its role in the broader Balkan region was limited by the varying domestic conditions and international postures of the Yugoslav successor states, which made a coherent overall strategy difficult to envisage. Only in the case of Slovenia, whose secession had precipitated the crisis in 1991 and which had been rapidly approaching EU economic, social and political standards since then, did Brussels have a clear, workable policy – accession to membership. Slovenia signed a "Europe" Association Agreement on June 10, 1996. On the same day it applied for membership in the EU and, thanks to its zealous efforts at transition, found itself among the first six candidates for accession with which the EU opened formal negotiations in the fall of 1998. Over the next four years Slovenia proved an especially adept navigator of the 31 chapters into which the negotiations were structured, and was among the ten applicants accepted, in December 2002, for admission to the EU in 2004.

Rather against expectations, Macedonia (the FYROM) remained relatively quiescent, as it had during the Bosnian war under the watchful eye of UNPREDEP. In 1997 it, like the rest of the Balkans, fell under the new regional approach enunciated by the Council of Ministers, which applied economic and political conditionality to the development of bilateral relations. This country-by-country approach was a logical response to the variety of national situations in the region. The EU's global judgement at this point was that, with the exception of Slovenia, none of the successor states was a credible candidate for accession to the EU in the near future.

In its relations with Croatia, the EU was resolute – despite some differences among member-states – in applying conditionality. Rhetoric aside, however, it was clear that Croatia was unlikely under President Tudjman, to undertake the kind of political and economic reforms needed to fulfill its announced aim of joining the EU and NATO. Indeed, Zagreb's open flouting of the Dayton agreement by supporting the secessionist Croat project in Herzegovina, and its continuing intransigence on the issue of Serb refugee returns to the Krajina and other regions from which they had been driven in 1995, kept tensions high in the relationship. The EU linked prospects for better trade access and aid for reconstruction, with progress on refugee returns, to no great effect. In April 1998, for example, the EU Foreign Ministers agreed to boycott a Croatian Refugee Return and Reconstruction Conference unless the Tudjman government could show that a credible and workable