

*JUNE 8 - 14, 2020 – VOL. 3 - ISSUE 24*



**Hermes Institute of  
International Affairs,  
Security & Geoeconomy**

**SOUTHEASTERN EUROPE**

**AT A GLANCE**



**SOUTHEAST EUROPE DIRECTORATE**

***PROVIDING KNOWLEDGE TO THOSE WHO SHAPE THE FUTURE***

“SOUTHEASTERN EUROPE AT A GLANCE” (ISSN: 2654-0304) is a weekly review of the most significant current political, economic, energy, defense, and security news of Southeastern Europe. It covers 14 countries; Albania, Bosnia & Herzegovina, Bulgaria, Croatia, Cyprus, Greece, Kosovo, Moldova, Montenegro, North Macedonia, Romania, Serbia, Slovenia, and Turkey. However Greece enjoys its own weekly review for a more detailed presentation of its current affairs (GREECE AT A GLANCE).

This ambitious newsletter aspires to become an informative “tool” for anyone who is interested in the region and wishes to have knowledge of the non-stop current developments and challenges. “HERMES” Institute is not a news agency and it is not one of its ambitions to become one but it is strongly believed that today’s events provide the necessary material to understand the future and to analyze situations that may affect in peace, stability, and growth of the region.

#### **“HERMES” I.I.A.S.GE**

“HERMES” Institute of International Affairs, Security & Geoeconomy (“HERMES” I.I.A.S.GE) is an independent, non – governmental, non – profit organization, consisting of scholars dedicated in the research and analysis of international affairs in regional and global level. The Institute aims at providing objective, scientific, and reliable research analysis through a variety of studies contributing effectively and constructively in the public dialogue and the evolution of scientific knowledge.

Copyright © 2020

“HERMES” Institute for Foreign Affairs, Security & Geoeconomy

All rights reserved





**ALBANIA:** June 11<sup>th</sup>, the US Secretary of State Mike Pompeo has welcomed the electoral reform agreement in Albania and encouraged all political parties to vote for it in Parliament and implement it. *“I also welcome Albania’s cross-party agreement on electoral reform, which will strengthen its democracy and further solidify Albania’s European future. We encourage all stakeholders to codify this political agreement,”* Pompeo stated on Wednesday during a press conference where he presented the International Religious Freedom report 2019. Albania’s Socialist majority and the non-parliamentary opposition reached an agreement last week on some administrative changes to the Electoral Code. The agreement was reached with the mediation of the US Ambassador Yuri Kim, British Ambassador Norman Duncan and EU Ambassador Luigi Soreca. ([www.exit.al](http://www.exit.al))

- June 12<sup>th</sup>, the Albanian Government’s fiscal amnesty bill will benefit the majority of former high state officials, who will be freed from the obligation to disclose the source of their wealth. The Government has prepared a fiscal amnesty bill which will allow the declaration and deposit of assets legally in banks, without fiscal obligations and without criminal liability. The bill drafted by the Ministry of Finance, which expects to pass in Parliament during the following weeks, excludes from amnesty high officials (like the Prime Minister, Ministers, Mayors, department Heads etc) that are currently serving or have served in the last 3 years, from the date the law is passed. Other former high officials will be able to declare their undeclared assets with no criminal liability or fiscal obligations. Fiscal amnesty will last a year, from January 1<sup>st</sup> to

December 31<sup>st</sup>, 2021. All high officials that are currently serving (President, Prime Minister, Ministers, Judges, Prosecutors, Customs Directors, tax office Directors, customs officers), immediate family members of the above, all high officials who have served in the last three years, immediate family members of the above, all those suspected by the Prosecution for being part of criminal or terrorist organizations, all those convicted of drug trafficking and kidnapping, all those who have ever been investigated, even if they have been ruled innocent by a Court or the investigation against them has been halted, for murder, drug trafficking, or being part of a criminal organization will not be eligible for the fiscal amnesty, and, if they choose to declare their wealth, will still be liable to criminal prosecution. Former high officials who left their position before 2018 and all other people who are legally obligated to declare their wealth, but do not fall into one of the above categories will not be criminally prosecuted if they declare their wealth. Thus, all former politicians and high state officials who have not held a public post since 2018 will be able to declare the wealth accrued during their years in service, without having to disclose where that wealth came from. ([www.exit.al](http://www.exit.al))

- June 14<sup>th</sup>, all four candidates for Head of the National Bureau of Investigation (BKH) have successfully passed the verification of their background by the General Prosecutor’s Office. The four candidates are Aida Veizaj, Artur Beu, Ervin Hodaj and Idajet Faskaj. They will be ranked by a Committee, and the High Prosecutorial Council (KLP) will then vote to elect the Head of BKH. S/He will have a 5-year term, and the right to be reappointed once. The

National Bureau of Investigation is a specialized structure with the Special Anti-Corruption Prosecutor's Office (SPAK) that investigates crimes by senior officials and organized crime. (www.exit.al)

## COUNTRY ASSESSMENT :

*Albania fast forwards reforms in electoral process, justice and economy seeking to implement its commitments to the EU with the accession negotiations ahead. Agreement on electoral reform is a significant step towards political stability in the country and restore of parliamentary order. Potential economic crisis in coming period deteriorating citizens' living conditions may cause a social and political outbreak. Above all, it should be underlined that corruption, organized crime (and especially links of state's politics with organized crime), money laundering and smuggling remain as "open sores" for the country.*



## BOSNIA & HERZEGOVINA:

June 8<sup>th</sup>, the reason why some key reforms in Bosnia's judiciary were not implemented is that certain institutions have obstructed it, the Head of Bosnia's top judicial Institution told N1 on Monday after the news emerged that the European Commission (EC) might cut funding to his institution, the High Judicial and Prosecutorial Council (HJPC). According to a statement EC Spokesperson, Ana Pisonero Hernandez, sent to N1, key reforms in Bosnia's judiciary are being resisted from within the country's judicial system and due to *"limited results on the objectives of judicial reform,"* the EC is currently reviewing the effectiveness of its financial support allocated to the HJCP, which is in charge of those reforms.

The HJCP is the institution which oversees the judiciary in Bosnia and, among other things, appoints and disciplines judicial officials. HJCP President, Milan Tegeltija, told N1 that he *"shares the frustration"* regarding the lack of reforms but that the EC is not blaming the right institution for it. He said that the EC's stance is mostly a result of *"obstruction of reform activities which we undertook in the past two years."* Tegeltija listed several reform acts that were adopted, in accordance with the peer review recommendations by the EC - including a new set of rules regarding the naming of those in judicial positions, on collecting data on the financial situation and property of those serving in the judiciary and on evaluating them. *"Two of these three of the most important reform acts have been revoked against our will at this time, by a decision of the Agency for Personal Data Protection and the Court of Bosnia and Herzegovina, and that is something we cannot have any influence over,"* he said. He explained that the problem regarding the integrity of judicial officials was that it involved putting together guidelines for collecting and processing the financial statements of such officials and that the Agency for Personal Data Protection banned its implementation following a complaint by certain associations of judges in the country who argued that there was no legal ground for it. Tegeltija said that one the one hand, *"the frustration of the EU is understandable and we share it as well, as we warned about eventual consequences of obstructing the reforms that are being undertaken,"* but on the other hand, he argued that it is not fair to blame the HJCP for the halt in the reforms since the institution *"invested a lot of effort"* to adopt the reform acts in the past two years and has no control over those obstructing it.

He stressed that the HJCP is powerless in this case. *“We will thank them (the EC) for their cooperation so far and continue (working), because the HJPC, Courts and Prosecutor’s offices in Bosnia and Herzegovina are institutions which have their funding fully included in the budgets of various Government levels, and there will be no halt or problem in the work of the HJCP, Court and Prosecutor’s offices,”* he concluded. (www.ba.n1info.com)

- June 12<sup>th</sup>, member of Presidency of Bosnia and Herzegovina Milorad Dodik said on Friday that there could be problems with the appointment of Selmo Cikotic as Bosnian Security Minister at the suggestion of the Party of Democratic Action (Stranka Demokratske Akcije - SDA). *“Today, we learned that Bosniaks proposed a new Minister, Klix.ba news portal reports. Of course, it is unofficial; I was not informed about it. But mentioning the candidate, I just think he has a lot of problems. He recently announced a new text for which he is an author and in which the Serbian people are very badly connoted and assessed as aggressors. We will see how we will treat it,”* Dodik said. He said that the Alliance of Independent Social Democrats (Savez Nezavisnih Socijaldemokrata – SNSD) believes that no appointment can be made to that position until all appointments that have passed the procedures are resolved, such as the candidate for Director of SIPA, the Communications Regulatory Agency and others who have not been appointed. *“It will be necessary for the Council of Ministers to appoint all procedurally completed procedures in advance and thus create a more decisive conversation in the candidate for Minister of Security,”* Dodik added. (www.sarajevotimes.com)

- June 13<sup>th</sup>, Minister of Foreign Affairs of Bosnia and Herzegovina Bisera Turkovic spoke on the phone with Minister of Foreign and European Affairs of the Republic of Croatia Gordan Grlic Radman and informed him about the decision of the Bosnian Council of Ministers to allow citizens of the Republic of Croatia, who are temporarily or permanently in BiH, to vote on July 4<sup>th</sup> and 5<sup>th</sup>, 2020 in diplomatic and consular missions of the Republic of Croatia, at the Embassy of the Republic of Croatia in Sarajevo, the Consulate General in Mostar, Tuzla, Banja Luka and the consulates in Vitez and Livno. Minister Grlic Radman informed Minister Turkovic about his conversation with German Foreign Minister Heiko Maas regarding the opening of the European Union borders to the countries of the Western Balkans, the BiH Ministry of Foreign Affairs announced. Turkovic also informed her colleague from Croatia about the consent of the Council of Ministers to accept the Military Attache of the Republic of Croatia in Bosnia and Herzegovina. (www.sarajevotimes.com)

## COUNTRY ASSESSMENT :

*The EU is reconsidering its funding on Bosnian judicial reforms highlighting the lack of progress of Bosnia to implement its commitments. The problematic institutional framework of the Dayton Accord obstructs the decision-making process on vital state issues slowing down reforms. Another current example is the potential block of the appointment of the new Security Minister [coming from the Bosnian Muslim entity (Bosniaks)] by the Bosnian Serbs because of disagreements on the proposed person. Political instability, poor economic performances, entities’ rivalries, and problematic framework of state’s structure (due*

*to Dayton Accord) have left Bosnia far behind other Western Balkan countries towards the EU. Furthermore, nationalistic rhetoric and actions from the three entities creates certain conditions of mutual mistrust and work as a factor of potential destabilization. Muslim countries such as Turkey, Saudi Arabia, Qatar, and Iran maintain a permanent presence through financial donations and investments. Lately, Turkey seeks to be engaged deeper in Bosnia's Armed Forces training and modernization. Migration issue turns to become a problem of social turbulence for the regions which hosts reception structures for migrants.*



**BULGARIA:** June 8<sup>th</sup>, Prime Minister Boyko Borissov has said he is preparing a renewal in the ranks of Citizens for European Development of Bulgaria (Grazhdani za Evropeisko Razvitie Balgariya – GERB). During a meeting with young economists from the Center for Right Politics and Journalists, the GERB leader said he was preparing to “ventilate” the party. He said that GERB will have an updated list for next year’s parliamentary elections. *“More new faces, new people to think with their heads. For 10-15 years it did not matter much who the representatives in the individual cities were. Now it is very important, and in this new political situation of populism, we need authorities,”* the Prime Minister commented. (www.novinite.com)

- June 10<sup>th</sup>, *“we want a change in the model through resignation of the Government. Bulgaria is ruled by a parallel state,”* the leader of the opposition Bulgarian Socialist Party (Bulgarska Sotsialisticheska Partiya - BSP), Korneliya Ninova said, after a meeting of the party's

Executive Bureau on June 9<sup>th</sup>, 2020. *“We are starting a petition in every city to call for the resignation of the Government. We want a people’s vote of no confidence. If the petition receives strong support, it could turn into a no-confidence vote,”* Ninova said. Petition is not intended to be partizan and the BSP hopes to unite all people who are dissatisfied with the country’s governance. The proposal is made by the party’s Executive Bureau and it will be approved by the BSP National Council on Saturday. The opposition will also propose the establishment of a parliamentary inquiry committee to investigate claims by fugitive gambling businessman Vassil Bozhkov of Government’s abuse of power and corruption. On January 29<sup>th</sup>, 2020 the Prosecutor’s Office pressed charges against Bozhkov on seven counts and then in February charged him with 4 more, thus the criminal charges against him adding up to 11. He has been charged with evasion of more than 700 million Bulgarian leva in gambling licensing fees, money laundering, extortion, bribery, murder, abetting in murder, attempted rape, leading an organized crime group, trading in influence, and unlawful possession of cultural assets. The businessman left the country prior to completion of the inquiries and is now in the United Arab Emirates, from where Bulgaria is seeking his extradition. (www.novinite.com)

- June 10<sup>th</sup>, the European Commission (EC) has presented a report on the progress of non-Eurozone countries towards the adoption of the euro. EC Vice President Valdis Dombrovskis said there was encouraging progress in some countries. He congratulated Croatia and Bulgaria on their preparations for joining the ERM II currency mechanism. The document concludes

that Bulgaria, Poland, Hungary, Croatia, the Czech Republic and Sweden meet the requirement for public finances and long-term interest rates. Croatia and Sweden meet the requirements for price stability. Yet the national legislation in none of those countries, with the exception of Croatia, is fully compatible with Eurozone rules, the report said. (www.novinite.com)

## COUNTRY ASSESSMENT :

*Bulgaria enjoys political stability despite opposition main party, BSP's accusations that the current Government is a corrupted one and it should be resigned. European Commission has sent encouraging messages regarding Bulgaria's goal to join the ERM 2 mechanism. However, there are several further steps Bulgaria should implement for joining the mechanism. Migration poses a national security threat but currently situation is under control since migrant and refugee flows coming from Turkey are not increased. Nevertheless, situation is closely monitored by Bulgarian authorities. Corruption and organized crime remain significant obstacles for the country's development and should be addressed decisively. The country pays special attention to energy security developing several projects. Modernization of Armed Forces is a top priority for Bulgaria and huge armament projects are ongoing (fighter jets, armored vehicles, vessels etc). However, military operational capability of the state is questioned especially in the Air Force. Bulgarian Armed Forces are far from NATO standards.*



**CROATIA:** June 8<sup>th</sup>, Hungarians are not laying claims on parts of Croatia and they

know very well where the border is because during the migrant crisis in 2015/2016 they erected a wire fence on it, Croatia's Foreign and European Affairs Minister Gordan Grlic Radman said on Monday. Hungary's Prime Minister Viktor Orban has recently unveiled the “*Hungarian Calvary*” monument on the occasion of the centenary of the Treaty of Trianon when Hungary lost two-thirds of the territory it had had before. The monument portrays a map of Great Hungary which encompasses parts of modern day Croatia, Serbia, Slovenia, Slovakia, Austria, Romania and Ukraine which were part of the then Hungary in the Austro-Hungarian Empire even though most of these areas were never inhabited by Hungarians. Croatia reacted and expressed its protest to Hungary's Ambassador in Zagreb however Grlic Radman does not think that Budapest is laying claims to Croatian territory. “*This is in memory of something, a historical reminiscence of something that existed one hundred years ago,*” Grlic Radman told reporters. “*Hungarians have never called for anything to be returned to them and in the migrant crisis they erected a wire fence where the Croatian-Hungarian border is, as such they know where the border is,*” said Grlic Radman who used to be Croatia's Ambassador to Budapest. On several occasions Orban displayed a map of Great Hungary which includes parts of Croatia, the last time being in May when he sent a message to high school seniors ahead of state exams with the historical map of Hungary. Grlic Radman said that that topic had never been discussed with his counterpart Peter Szijjarto. Claiming territory in the EU “*is inconceivable and is not expected,*” Grlic Radman underscored. He recalled that Hungary was among the first countries in 1992 to recognize Croatia's territorial integrity and



independence. *“We did not write the past, but we now have the present and future in our hands,”* said Grlic Radman referring to relations between Zagreb and Budapest as *“strategic, partner-like and pragmatic.”* What is inscribed on the contentious plaque? On Sunday media outlets reported that the inscription on the unveiled plaque reads *“Rijeka - The Hungarian Sea.”* Earlier in the day the Foreign and European Affairs Ministry reacted to the *“inappropriate inscription,”* laying claims to Croatian territory however the Hungarian Embassy responded that the inscription was incorrectly translated and interpreted. The proper translation, the Hungarian Embassy claimed, should read *“Rijeka - To the Sea, Hungarians,”* which is allegedly a citation from a newspaper article from 1846 written by poet and politician Lajos Kossuth to motivate the construction of a railway and in which he described the beauty of the sea and coastline, the Croatian ministry has said. (www.hr.n1info.com)

- June 9<sup>th</sup>, the World Bank announced that it expects Croatia's GDP to drop by 9.3% this year and its growth by 5.4% next year. Updated data is in question; an earlier estimate showed a decline in the Croatian GDP due to the coronavirus by 6.2% this year and growth in the next by 4.6%. This year, Croatia will have the largest percentage drop in the GDP in the region of European and Central Asian countries, followed by Bulgaria, with an expected decline of 6.2% and Russia, by 6%, according to the World Bank. The World Bank expects the global economy to fall by 5.2% this year and plunge into the deepest recession since World War II. (www.glashrvatske.com)

- June 10<sup>th</sup>, the European Commission (EC) has announced in a report that Croatia meets all the

criteria for entry into the euro area except for membership in the European Exchange Rate Mechanism II. Namely, at least two years of participation in this mechanism are needed before the introduction of the euro, without serious tensions. It should be recalled that Prime Minister Andrej Plenkovic sent a letter to the leaders of the member states and the European Commission yesterday, stating that Croatia had fulfilled all measures and obligations from the action plan before the deadline and pointed out that its goal was to join the European Exchange Rate Mechanism and the Banking Union in July this year. *“The Commission has announced that, as always, it is ready to support Member States and welcomes the efforts being made by both countries, referring to Bulgaria and Croatia,”* said Commission Executive Vice President Valdis Dombrovskis. (www.glashrvatske.com)

## COUNTRY ASSESSMENT :

*The country enjoys political stability despite the coming parliamentary elections of July 5<sup>th</sup>, 2020. Economic forecasts are not optimistic for Croatia since the World Bank announced that its GDP will drop by 9.3% and next year's growth by 5.4%. Despite such disappointing data Croatia seeks to join the ERMII mechanism before entering the eurozone. According to the EC, Croatia has fulfilled the criteria to join the mechanism which is a very positive message for the country. Corruption remains a significant problem of state politics and despite some steps for improving current conditions there is a lot of work should be implemented. Croatia – Slovenia border dispute remains active, but COVID-19 pandemic and pre-electoral period in Croatia have downsized current situation. Croatia seeks*

*to maintain its influence in neighboring Bosnia through the Croatian entity in that country. Croatia implements a policy of Armed Forces' modernization trying to form a reliable and well equipped force according to NATO standards. However, the current COVID-19 pandemic may affect the ambitious modernization plans due the economic repercussions in the country. Croatian Air Force is far from NATO standards and actually the country lacks an operational air power.*



**CYPRUS:** June 11<sup>th</sup>, a key project in the Cyprus energy plan and the reduction of carbon dioxide emissions has come under fire in the European press just as it reaches the starting gate. Today, the board of the European Investment Bank is to review a project to import LNG to the island, to build a plant for an LNG terminal at the port of Vassiliko so that it could arrive by sea, and to re-gasify (re-gasification is a process of converting liquefied natural gas (LNG) at  $-162\text{ }^{\circ}\text{C}$  ( $-260\text{ }^{\circ}\text{F}$ ) temperature back to natural gas at atmospheric temperature) it so that it could help power the electrical grid. The tender for the project was put out by Cyprus Natural Gas (DEFA), the Government monopoly provider of the commodity, and it was awarded to a JV led by China Petroleum Pipeline Engineering, AKTOR and METRON, Hudong-Zhonghua Shipbuilding and Wilhelmsen Ship Management. The cost of this project is about 550 million US dollars in total. The EIB is expected to provide a grant for 150 million euro, with a first instalment of 101 million euro to be paid from the “*Connecting Europe Facility – Innovation and Networks*” program. But, on Sunday, French newspaper “*Libération*” published an article that is sharply

critical of the project, warning that it is “*causing a stir*” within the EIB. According to the report, the EIB might not approve the project – a last-minute challenge that would have exhaustive ramifications. “*The winner is an industrial consortium led by a Chinese public company, a subsidiary of China National Petroleum Corporation (CNPC),*” “*Libération*” reports. “*A hydrocarbon giant with annual turnover of more than 350 billion euro.*” The French newspaper cites an internal report at the EIB which is critical of Cyprus Gas as administrator of the project. A few weeks after the choice of the Chinese company in August 2019, the Greek AKTOR was excluded from the project by the Cypriot promoter. Two other offers for the site were rejected without due consideration, according to the report. Competing bids were dismissed for unclear compliance reasons, according to the report. “*So there was only one proposal on the table,*” it is said. The report additionally expresses concerns about costs beyond the usual market value, and notes that the Cyprus Auditor-General had expressed objections about the project. Minister of Energy George Lakkotrypīs could not be reached for comment. DEFA Chair Symeon Kassianides declined to comment. Several industry observers commented that there are significant political forces at work in the French newspaper article. The current suspicion of China, which recently found expression in the renewed opposition to Huawei participation in the 5G network, is clearly indicated. Nonetheless, there are serious questions, raised by industry observers, about a number of aspects of the project. The fact that competition for the tender was reduced to a single bidder, after the two other participants were disqualified, raised concerns. Then, the import of LNG would not be sufficient

to help Cyprus achieve its 2030 climate-change target, so the very considerable investment in LNG should be questioned as well. And the gas could reportedly be supplied by the Israeli firm ENERGEAN by pipeline at a cost below 7 US dollars by mmbtu (one million British Thermal Units). Another option, involving leasing, could reportedly supply LNG at a similar price level. Finally, the Norwegian company HØEGH, which specializes in LNG, has an alternative solution which would be considerably cheaper, and which would offer a European partner. Meetings between HØEGH and the Cypriot authorities were held last month, but there has been no reply from DEFA. What will happen if the EIB does not approve the project tomorrow? This is simply not clear. Alternative financing could be found, or an alternative for supply could be adopted. Perhaps the Cyprus Government will simply finance the project entirely? (www.cyprus-mail.com)

- June 12<sup>th</sup>, President Nicos Anastasiades on Friday briefed the President of the European Council Charles Michel and the High Representative of the Union for Foreign Affairs and Security Policy, Vice President Josep Borrell, on Ankara's illegal activities in Cyprus' Exclusive Economic Zone (EEZ) and reiterated that the EU needs to be more decisive on the issue. During the discussion, participants referred to the destabilizing character of the illegal actions, as well as to the risks for the broader region and their negative impact on the whole spectrum of EU - Turkey relations. Anastasiades told the EU leaders, according to a Spokesman, that the EU needed to be more decisive by safeguarding the interests and principles on which the Union was founded. Spokesman Kyriacos Kousios said the

teleconference, which took place in the presence of Foreign Minister Nicos Christodoulides, also discussed the migration issue, the multiannual fiscal framework, and the EU's recovery plan in the context of dealing with the impact of the coronavirus pandemic. *"In particular, regarding Turkey's continued illegal actions in the Republic of Cyprus' EEZ and the Eastern Mediterranean in general, President Anastasiades, Michel and Borrell referred to the destabilizing nature of these illegal actions and the dangers they pose,"* said Kousios. *"During the discussion, there was an understanding as to the role the EU must play, closely following developments, condemning Ankara's illegal actions and decisively insisting for the implementation of its decisions,"* he said. On the multiannual fiscal framework and recovery plan, Anastasiades said Cyprus needs to be aided, as it has certain challenges to overcome as an island nation, and its lack of connectivity with the EU. (www.cyprus-mail.com)

- June 14<sup>th</sup>, Elizabeth Spehar, the UN Special Representative, mishandled the issue of the crossing points and the attack against her by the Cyprus Government was an understandable response, a high-ranking foreign diplomatic source has told the Sunday Mail. *"This was a highly political matter and there was no need for her to become involved, as she would have been thought to be taking sides,"* said the diplomatic source, on condition of anonymity. *"She has burned her bridges,"* he said, referring to the March 5<sup>th</sup>, 2020 statement in which UNFICYP censured the Cyprus Government for unilaterally closing four of the nine crossing points. However, Spehar's office did not issue a written statement censuring the "government" in the north after it blocked the deal reached by President Nicos

Anastasiades and Turkish Cypriot leader Mustafa Akinci, allowing limited movement through the crossing points from June 8<sup>th</sup>, 2020. The “government” in a clear attempt to undermine Akinci then said that anyone crossing north from the Republic would have to go into 14-day quarantine, thus preventing thousands of Turkish Cypriots from returning to their jobs in the south. On March 5<sup>th</sup>, 2020 after Spehar met Akinci, UNFICYP issued a statement directed at the Cyprus Government’s unilateral decision expressing concern about closure of four crossing points. It told the two sides that *“it is imperative for the two sides to coordinate closely in order to provide a comprehensive response to the potential public health emergency.”* Last week, however, it avoided taking a stand on the Ersin Tatar “government’s” spoiling tactics. Commenting on the matter, UNFICYP Spokesperson Aleem Siddique, told the Cyprus News Agency on Wednesday *“It is imperative for the parties to continue coordinating closely on the opening of the crossing points. The (UN) mission stands ready to assist both sides on the way forward.”* The reality was that the two sides had coordinated at leadership level, but their deal was undermined by the Turkish Cypriot “government.” This lukewarm response by UNFICYP angered Anastasiades, who accused Spehar and UNFICYP of a *“lack of objectivity”* in a television interview broadcast on Thursday night by Antenna TV. He said he had instructed the Foreign Minister to send her a letter of protest about her office’s *“contradictory”* behavior, adding that the letter would also be forwarded to the UN Secretary-General. He interpreted UNFICYP’s stance as implying that his Government should coordinate with the “government” in the north, which is out of the question for the Greek Cypriot side. *“If they*

*[UNFICYP] have not realized that the two sides have cooperated at the allowed, acceptable [leaders’] level, if they are under the impression that the legal Government will come into contact with an illegal entity, they fool themselves,”* he said in the interview. *“My interlocutor and that of each President of the Republic since the time of Archbishop Makarios has been the Turkish Cypriot leader,”* he said. On Friday morning, Foreign Minister Nicos Christodoulides fired another broadside at the UN, dismissing its statement on the crossing points as *“unacceptable.”* Speaking on the CyBC, he said UNFICYP’s failure to take a clear stand was condoning the behavior of the Turkish Cypriot politicians who had blocked the implementation of the Anastasiades - Akinci agreement on the crossings. *“UNFICYP should have taken into account what has happened and its position in the recent past, be clear about the need for the crossings to open and what has been agreed between the two leaders to be implemented,”* said Christodoulides. The Government had been waiting for this opportunity to get even with Spehar after UNFICYP’s March 5<sup>th</sup> statement, which had infuriated Anastasiades. *“I think interventions concerning the policies of a sovereign country, the Republic of Cyprus, which is a recognized state of the United Nations and the European Union are unfortunate,”* he said at the time. He also refused to see Spehar who had requested a meeting with him immediately after her March 4<sup>th</sup>, 2020 meeting with Akinci. It is common practice for the UN Special Representative to follow a meeting with one leader by a meeting with the other. There has been no meeting between the two since the UNFICYP written statement, described by the diplomatic source as *“a big mistake.”* This was

not the first falling out between Spehar and the Government, although the previous row was conducted in private. It involved Christodoulides having a heated exchange with her over UNFICYP's stance in a dispute regarding the placement of some barrels on the dividing line in Strovilia that was combined with the Turkish Army allegedly moving some meters into the buffer zone. The Government, according to reliable sources, had wanted Spehar, who was appointed in 2016, removed from her post before the crossing points row, but recently her contract which would have ended in 2020 was extended by another 12 months. *"This was only because of the coronavirus,"* said the diplomatic source. What has raised questions is the timing of the Government attack. In a few weeks' time the UN Security Council will be discussing the renewal of the UNFICYP mandate. The last few times this was discussed, questions were raised by permanent members, particularly the US, as to whether it was justified to maintain the peacekeeping troops in Cyprus. Picking a fight with the Secretary-General's Special Representative at such an important time could backfire. Progressive Party of Working People (Ανορθωτικό Κόμμα Εργαζόμενου Λαού - AKEL) Spokesman, Stefanos Stefanou warned on Friday that *"any reactions by our side must be cautious so they do not give the impression that the Greek Cypriot side is clashing with the UN."* He added *"It is historically proven that a clash of our side with the UN never led to positive results."* (www.cyprus-mail.com)

## COUNTRY ASSESSMENT :

*Cyprus continues to react diplomatically against the Turkish aggressiveness and its drills in the*

*Cypriot Exclusive Economic Zone (EEZ) denouncing Turkey's behavior against international law. In this effort it enjoys the EU support but only in rhetorical level since the union lacks of comprehensive military capabilities. Cyprus cannot stop the Turkish activity so far, failing to protect its sovereign rights. Turkey has simply refused to withdraw from a region that it is considered as its strategic extension where vital geostrategic and geoeconomic interests are at stake. Cyprus lacks adequate military means (especially aeronautical forces) to deter Turkey from continuing its activity. However, it is not expected escalation of situation in the near future since energy companies have postponed their scheduled drills within the Cypriot EEZ. It is certain that Turkey will not accept "fait accompli" in a region considered as part of its strategic interests. Besides, Turkey maintains a significant military force on the island (Army Corps size) which poses a permanent threat against the Cypriot republic. Cypriot energy project to transform the island into a natural gas hub is questioned by the EU and its EIB. In fact geopolitical and geoeconomic interests, balances and alliances are engaged in this project and the Chinese involvement is the main concern of Europe and its energy security. As long as part of Cyprus remains under Turkish occupation and Turkish troops (equipped with heavy weapons) are deployed in the island, Cyprus faces an existing direct threat against its national security and sovereignty.*



**GREECE:** June 9<sup>th</sup>, Greek Foreign Minister Nikos Dendias and his Italian counterpart Luigi Di Maio on Tuesday inked a maritime borders agreement delimiting an

Exclusive Economic Zone (EEZ) between the two countries. The agreement, which was signed by the two Foreign Ministers during a visit by Di Maio to Athens and is an extension of a 1977 accord, paves the way for Greece and Italy to explore for and exploit marine resources. It also paves the way for Greece to reach a similar deal with neighboring Albania. *“The delimitation of maritime zones with all of our neighbors in the context of international law is a consistent objective for this country,”* Dendias said in comments after signing the agreement. In a regular press briefing earlier in the day, Government Spokesman Stelios Petsas hailed the agreement as *“a development of historical significance.”* The agreement comes amid months of mounting tension between Greece, Cyprus and Turkey and also after Ankara signed a contentious accord with the Tripoli-based Government in Libya it claims gives it exploration and drilling rights in parts of the Eastern Mediterranean that overlap the Greek continental shelf. *“The delimitation of maritime zones is accomplished with valid agreements, not with invalid ones like that signed by Turkey and [the Libyan Government of Favez] al-Sarraj and with maps unilaterally submitted to the United Nations,”* Dendias said on Tuesday. Dendias and Di Maio had met in Rome in February to discuss further cooperation between the two countries in the energy sector in the eastern Mediterranean, where Greece and Italy are partners on the EastMed gas pipeline project. The EEZ agreement had been under negotiation for several years as the two sides hashed out the details, particularly with regard to reservations expressed by Rome over fishing rights in the Ionian Sea. (www.ekathimerini.com)

- June 11<sup>th</sup>, the difficulties in Greece’s relations with Turkey are also a problem for the European Union, Prime Minister Kyriakos Mitsotakis said Thursday as he repeated criticism of Ankara’s maritime boundaries agreement with the Tripoli-based Government in Libya. *“When it comes to our relationship with Turkey it is not just a Greek - Turkish problem, it is an EU - Turkey problem,”* Mitsotakis said during an online discussion with historian Niall Ferguson at the Delphi Economic Forum. *“Greece is a member of the European Union, our security concerns are also the security concerns of the Union, when we are guarding our borders, when we are protecting our borders, we are protecting the borders of the EU,”* he said. *“If Turkey is thinking about violating the sovereign rights of the Hellenic Republic, not only will it get a response from Greece, I am pretty sure it will get a response from Europe,”* Mitsotakis said, adding that leading EU officials had visited the Evros border during the migrant standoff in March, which appeared to be encouraged by Turkey, *“as an indication of solidarity.”* (www.ekathimerini.com)

- June 13<sup>th</sup>, Prime Minister Kyriakos Mitsotakis ruled out any possibility of early elections on Friday, saying his Government will see out its four-year term, in response to suggestions by opposition Coalition of Radical Left (Συνασπισμός Ριζοσπαστικής Αριστεράς – SYRIZA) leader Alexis Tsipras that he would spring a surprise with snap polls after the summer. *“There will be no elections before the end of the four-year term. In no way at all does the country need elections [now],”* Mitsotakis told a Parliament session Friday, adding however that *“some adjustments”* will be made to the Government’s plans, which was seen to hint at a

cabinet reshuffle. Earlier Tsipras had predicted that the Government, having made commitments to its partners, would not shy away from new austerity measures either at the end of the year or early 2021. Against this backdrop, Tsipras said, the Prime Minister would be amenable to suggestions for early polls before his Government announces a fresh batch of austerity measures. “You will bring fiscal austerity measures back in April 2021 – I hope not sooner – when you will be talking about the medium-term plan, or in December 2020, when you will discuss the budget,” Tsipras said, while mockingly adding that Mitsotakis wakes up in the middle of the night, thinking, “Elections, what will happen if there are elections?” In response, Mitsotakis said that Tsipras and his aides can rest assured and take their vacations in the summer with no concerns as there will be no elections before the end of the four-year term. “The Government has political capital, which it intends to invest,” Mitsotakis said. “The central core of Government policy on the need for this country to be transformed through a large wave of reforms has not changed,” he said, adding that, until the 2023 elections, “you [Tsipras] have another three years in the opposition.” (www.ekathimerini.com)

## COUNTRY ASSESSMENT :

*Greece is concerned regarding Turkish behavior in the Aegean and east Mediterranean Sea where it follows an aggressive and provocative action. The Turkish rhetoric is getting harder and harder challenging the Greek sovereign rights. Greek foreign policy has focused on maritime zones after the Turkish – Libyan agreement on Economic Exclusive Zones (EEZ) which puts Greek vital interests at stake. The result was the*

*agreement between Greece and Italy on their EEZ which could be assessed as the beginning of the Greek reaction on Turkish plans. It could be said that Greece has started to delimitate its maritime zones with the less “painful”! Delimitation with Albania is a challenge (especially after the strong influence of Turkey in the latter), while a potential Greek – Egyptian agreement would bring serious concerns to Turkey putting at risk its vital interests in east Mediterranean Sea. Of course there is always the possibility of a “hot” incident if Turkey tries to conduct hydrocarbon drills within Greek Exclusive Economic Zone. Under current situation in Eastern Mediterranean and Aegean Sea, Greece is obliged to strengthen and modernize its Armed Forces operational capability. On the illegal migration field, Greece has achieved to shield its land and sea borders. However, there are allegations that Greece follows a “pushback policy” towards refugees and immigrants; an accusation which is rejected by the country’s authorities. Finally, on political level the Government enjoys public support. Despite, the Prime Minister’s rejection of the possibility of snap elections, this scenario could not be rejected for the coming fall.*



**KOSOVO:** June 8<sup>th</sup>, Kosovo President Hashim Thaci said on Monday that Pristina is ready to continue its dialogue with Belgrade, adding that Serbia no longer has any excuse to avoid it. The new Kosovo Government headed by Prime Minister Avdulah Hoti revoked what former Prime Minister Albin Kurti called reciprocal measures on any goods coming from Serbia proper which was the condition set by the authorities in Belgrade to continue the dialogue to normalize relations. “Kosovo is clear about what



*it wants from the dialogue – mutual recognition and a faster pace towards membership in the United Nations. Above all, Kosovo is in this process together with the US and all other allies,”* Thaci told a news conference. He added that Kosovo needs to move towards membership in NATO, the European Union and other international organizations as fast as possible. (www.rs.n1info.com)

- June 10<sup>th</sup>, European Commission Spokesman Peter Stano told the Voice of America on Wednesday that the European Union is prepared to continue the Belgrade - Pristina dialogue immediately but added that the timing and scope of the talks will be decided by the two sides. *“Miroslav Lajcak, the EU special envoy for the dialogue, will travel to the region in the next few days to discuss aspects of the dialogue with the participants,”* Stano is quoted as saying. Radio Free Europe reported that Lajcak is set to visit Pristina next week. Stano said that talks should continue as soon as possible once the coronavirus pandemic allows it. *“We have been saying for some time that the key thing is to restart the dialogue which would give the region a clear European perspective,”* he said. (www.rs.n1info.com)

- June 11<sup>th</sup>, Prime Minister Avdullah Hoti has presented the Government's new framework for the Kosovo - Serbia dialogue, stressing the importance of Kosovo's territorial integrity and the need for mutual recognition. Introducing his new framework for the Kosovo - Serbia dialogue at the Academy of Science and Arts on Wednesday, Kosovo Prime Minister Avdullah Hoti set out his main working principles, as well as plans to build cross-party political consensus on the dialogue. Hoti presented three principles;

that the territorial integrity of the Republic of Kosovo is non-negotiable, that mutual recognition should be the ultimate goal of the negotiations and that the agreement reached must be in accordance with the spirit of the Constitution of the Republic of Kosovo. Hoti stated the aim of dialogue was to create *“reciprocal recognition that immediately secures a seat at the UN and also secures immediate recognition from the five EU member states that have not yet recognized Kosovo.”* Hoti, who was appointed a week ago, said that dialogue can only take place provided it respects the principles laid down in the Kosovo Constitution, adding that it will be led by himself. The Prime Minister stressed that the Government aims to address open issues between the two countries, including people still missing from the Kosovo war, wartime reparations, and the reinstatement of pensions that were terminated in June 1999. He stated that the Government would also seek to address the return of cultural and historical artifacts to Kosovo and the long list of technical issues that are still pending resolution between the two countries. *“I believe that with mutual recognition and membership to the UN, these issues will be more easily addressed in accordance with the international conventions that need to be implemented to normalize relations between the two countries,”* said Hoti. Regarding representation in the dialogue, the Prime Minister stressed that his Government intends to establish a forum of political leaders in the country, in order to try and foster political consensus concerning the dialogue. *“This forum will not take any competence that the Prime Minister, the Assembly, the President or any other institutions hold,”* Hoti said. *“It will be a forum through which I will inform [political leaders] about the position that I will hold as Prime*



Minister in the dialogue process and, after each round of the negotiations, I will inform them in detail about the progress we have made.” Hoti said that he also intends to establish another team within the Prime Minister’s Office composed of experts from outside of his Government and the political parties represented in the Assembly. “Here we have thought to include people with expertise from civil society and academic institutions,” Hoti said, adding that he would seek to find people with experience from previous negotiations with Serbia, including from previous meetings at Rambouillet [1999], Vienna [2005] and the EU-facilitated dialogue. On Thursday, President Hashim Thaci stated that he will be involved in dialogue and that he is not competing with the Government. “The country’s President represents the country at the domestic and international level, everything is set out in the Constitution” said Thaci. “In this regard we must complement each other,” he added. Thaci also reiterated his support for the Prime Minister’s removal of reciprocal trade measures with Serbia. “I welcome Mr. Hoti’s decision to remove the obstacles to the continuation of dialogue. Now, Pristina is no longer an obstacle,” he said. “Kosovo must be ready to respond to any call from the United States.” Meanwhile, Vetevendosje (Self-Determination), the largest opposition party at the Kosovo Assembly, have already distanced itself from Hoti’s plans for consensus building. Arlind Manxhuka, the Spokesperson for Vetevendosje, announced that no representatives from the party will be part of discussions on the future of dialogue. “A Government dependent on and enabled by the votes of Lista Srpska and formed by and for President Thaci, as well as a Government that deprives the state of Kosovo of

reciprocity with Serbia has neither credibility nor legitimacy,” said Manxhuka. (www.prishtinainsight.com)

## COUNTRY ASSESSMENT :

*Kosovo declares its readiness for dialogue with Serbia after the establishment of its new Government (under the President Hashim Thaci, the EU and the US blessings) and withdrawal of all reciprocal trade measures against Belgrade. The Prime Minister, Avdullah Hoti presented his principles for dialogue announcing that he will lead talks for Pristina. He claimed that Kosovo territorial integrity is non-negotiable which apparently is translated to rejection of the idea of land swaps. However, Thaci did not hesitate to make public that he will actively engaged in dialogue reminding that he is present. Under these circumstances it is assessed that Kosovo negotiations will be leaded by the President (especially in the background). Of course there is always the opposition Vetëvendosje which refuses to legitimate the Government and negotiation platform; a strategy which actually could be very useful in the short-term future for bringing the party back to power. Fight against corruption, organized crime, money laundering and trafficking, establishment of rule of law, accountable and transparent state institutions, and functional public administration are the main challenges for Kosovo towards its European path.*



**MOLDOVA:** June 8<sup>th</sup>, the Democratic Party of Moldova (Partidul Democrat din Moldova - PDM) has been subjected to unprecedented attacks by those who were leading the party, who attempted to take the party’s leadership back and launched a campaign of

acquisition with expensive bids for MPs, Mayors, local councilors. PDM leader Pavel Filip made statements to this effect at a news briefing held today, one year after the leadership had been changed in Chisinau. *“I will trenchantly say that the suitors moving all over the country to our teams in the territory received instructions from their financiers to increase the sums and paces,”* the PDM leader said, referring to the attempts by the PRO Moldova Group and Republican Socio-Political Movement Equality (Mișcare Social-Politică Republicană Ravnopravie - SHOR) to corrupt Democrats’ members. At the same time, Filip noted that the Democratic Party had made a break with its past, stressing that the *“one-billion-dollar theft, invalidation of the elections, buying MPs do not represent the true Democrats.”* According to Filip, *“the Democratic Party is not only Vlad Plahotniuc”* and took commitment to reestablish the good name of his party. In another context, Filip appealed to the Parliament’s colleagues who, according to him, represent the true pro-European orientation, meaning the ACUM [Dignity and Truth Platform Party (Partidul Platforma Demnitate și Adevăr - PPDA) and Party of Action and Solidarity (Partidul Acțiune și Solidaritate - PAS)] Block. Filip said his was skeptical about the bloc’s participation in the creation of a new coalition, urging them not to make illusions. On June 14<sup>th</sup>, 2009, the then PDM leadership ruled to withdraw from governance, in order to de-block the crisis emerged in Moldova. (www.moldpres.md)

- June 9<sup>th</sup>, President Igor Dodon participated today in a weekly meeting with Speaker Zinaida Greceanii and Prime Minister Ion Chicu, the presidential press service has reported. The

officials pointed out the country’s leadership agenda for the coming days. At the same time, they noted improved situation in terms of budget revenues, which allows authorities to ensure social payments. *“We have good news in agriculture. Moldova’s food security is ensured, farmers still need Government support. Therefore, we are going to work out a lot of proposals in this regard,”* Dodon said. The Head of state also noted that tenders for road rehabilitation across the country will soon be completed, according to the national program *“Good roads for all.”* Authorities plan to start repair work in late June or early July. In another context, the sides also approached the fight against the COVID-19 pandemic, noting that situation in Moldova is relatively good, our country ranked 22nd among 48 European countries, according to the number of infected compared to one million people. Currently, there are about 1,500 infected people who are treated in hospitals in the country and over 800 are treated at home, about 5,800 people have been cured, and death rate is 3.5%, lower than in most European countries. (www.moldpres.md)

- June 11<sup>th</sup>, the future priorities of cooperation within the Eastern Partnership (EaP), as well as the counteraction of the consequences of the epidemiological crisis were on the agenda of a virtual meeting. Attending the event was Foreign Affairs and European Integration Minister Oleg Tulea, along with the Foreign Affairs Ministers of the EU and EaP member states. The event was chaired by High Representative of the European Union for European Affairs and Security Policy Josep Borrell, the Foreign Affairs and European Integration Minister’s press service has reported. The Moldovan diplomacy Head pointed out the

importance of deepening the political dialogue and sectoral cooperation within the EaP. “*The Eastern Partnership needs new ideas, as well as a new political impetus. While combining a renewed vision, enhanced capacities and political commitment, we will be able to give the partnership the necessary dynamism and ambition. By setting new collaboration goals, we will create tangible benefits for the citizens, as well as will bring more cohesion between the eastern partners and the EU countries,*” Tulea said. In the context of the sectoral goals of the Partnership, Tulea stressed that Moldova would pay increased attention to the cooperation in the field of strengthening the supremacy of law, which is a major priority nationally. Also, within the economic cooperation, special emphasis will be put on the turning to account of the potential of the Deep and Comprehensive Free Trade Area, implementation of the investments plan on the TEN-T transport network, extending the energy connectivity and connection to the Single Euro Payments Area (SEPA). The proposals dealing with the digital transformations, environmental protection and consolidation of an inclusive society, which will contribute to the sustainable development of the entire region of the Eastern Partnership, will be backed by Moldova too. Participants in the meeting exchanged opinions on the present challenges and consequences of the COVID-19 pandemic. Tulea highly appreciated the support provided to Moldova by the European institutions and EU member states for the medical system, as well as for the attenuation of the social and economic impact. At the same time, the Moldovan diplomacy head highlighted the need to improve the international cooperation in crisis situations. The ministerial meeting was held in the context of the preparations for the EaP meeting at

the level of leaders, scheduled for June 18<sup>th</sup>, 2020. ([www.moldpres.md](http://www.moldpres.md))

## COUNTRY ASSESSMENT :

*Political uncertainty reigns in Moldova since the Chicu Government is not so stable enjoying a fragile parliamentary majority. Rapid political developments are not unlikely including early parliamentary elections. Presidential elections announced for November 1<sup>st</sup>, 2020. The President, Igor Dodon is the absolute dominant of state's politics and any further political development should have his approval. Moldova has become a field of the ongoing rivalry between the West (namely the EU and NATO) and Russia for influence. The country is considered by the US and EU of great strategic importance being in the soft underbelly of Russia. On the other hand, Moldova is considered by Russia as an important region for its national security belonging by principle to its sphere of influence. Russia maintains troops in Transnistria which are considered by pro-western forces as violating Moldovan sovereignty. The frozen conflict of Transnistria is always a “running sore” for the country working as a potential factor of destabilization. Corruption, lack of transparency and accountability reign in public administration and state's politics.*



## **MONTENEGRO:** June 9<sup>th</sup>,

Montenegro has confirmed itself as a responsible NATO member that contributes to global stability. Our respect for what was the legacy of the Euro-Atlantic partnership after the World War II has only fostered and intensified over the past three years of membership. It assures us that this is the right formula for a more stable and better

future of the region where we live, said the President of Montenegro Milo Djukanovic at today's working visit in Brussels, where he met with the Secretary General Jens Stoltenberg. The NATO Secretary General congratulated Montenegro on the third anniversary of accession to NATO and noted *"just as NATO can count on Montenegro, Montenegro can count on NATO."* He also added that *"those who try to divide us will not succeed."* Djukanovic emphasized that he was satisfied with cooperation between Montenegro and NATO over the past three years, and thanked Allies for their assistance in the battle against the coronavirus. He also stressed that Montenegro has been Europe's first country to declare the end of the epidemic. *"NATO membership is good for our security and prosperity. Investment by NATO member states has doubled, while Allies provided support with equipment and financial assistance through the coronavirus pandemic,"* Stoltenberg said. He also said that NATO would continue with providing assistance during the security crisis. *"During this pandemic, both state and non-state actors have used disinformation and propaganda to try to undermine our Alliance and our democracies. Those who try to divide us will not succeed,"* underlined the NATO Secretary General. (www.cdm.me)

- June 12<sup>th</sup>, Montenegro's Prime Minister, Dusko Markovic, said this morning that he and Milo Djukanovic, Montenegro's President had suggested suspension of the implementation of the Law on Freedom of Religion until European Court of Human Rights and Constitutional Court provide their view. Despite that, Metropolitan Amfilohije called for the resumption of religious processions. *"As I have already said to the public, I had several meetings with Mr Amfilohije*

*regarding Law on Freedom of Religion and other important issues between the state and Serbian Orthodox Church. Several days ago, Mr Djukanovic and I agreed to meet Metropolitan and Bishop Joanikije. That meeting was a confirmation of our respect for the Metropolitanate and other dioceses of the SOC and of our permanent commitment to dialogue and providing best possible solutions,"* Markovic said. The Prime Minister said that talks were constructive, long and terminated with clear proposals. *"To be more precise – the Government was ready to suspend implementation of the Law on Freedom of Religion until Constitutional Court and ECHR render decision on its correctness. We also suggested continuing the talks at expert level,"* Markovic said. He said that these were facts and the truth Montenegrin citizens and believers were not able to hear from Church dignitaries. *"Unfortunately, as a response to our suggestions, Metropolitan Amfilohije called for the organization of religious processions, which is interpreted as absence of understanding and confrontations we do not want in our Government. SOC continues to violate law,"* the Prime Minister said. Markovic said that Montenegro *"is a democratic society of European and Euro-Atlantic values which allows public gatherings provide that they do not threaten rights of others. Therefore, the religious processions must be organized in such a way that epidemic measures and recommendations are fully applied,"* Markovic points out. Markovic also left the possibility for the Metropolitanate and dioceses of the SOC of finding solutions for the best interest of orthodox believers. (www.cdm.me)

- June 14<sup>th</sup>, crisis due to the coronavirus pandemic has not undermined the stability of the Montenegrin economic system, claims Economy Minister, Dragica Sekulic. In an interview for Pobjeda daily, she said that the Government's response through the first two packages of measures contributed to somewhat milder economic consequences. The Minister also said that strengthening of domestic production will continue to be the Government's major focus through a specific range of measures. (www.cdm.me)

## COUNTRY ASSESSMENT :

*Tension with Serbia remains in high level. Nevertheless, Montenegro Government is trying to de-escalate current tension temporarily in the country by announcing its intension to suspend the implementation of the Law on Freedom of Religion until European Court of Human Rights and Constitutional Court provide their view. It is a tactical move by Montenegrin authorities aiming to deprive pro-Serbian supporters and Serbian Orthodox Church from reasons for protests and tension. Moreover, Montenegro is trying to forbid Serbia interfering in its internal affairs. It should be noted that the country has a significant number of Serbs, while there is notable sympathy among Montenegrin people for Serbs. The Government seeks to call for elections in late summer or beginning of autumn. Corruption, smuggling (especially cigarettes) and money laundering are dominated in the country setting significant obstacles and risks for every investor. Such situation has strongly affected progress of accession negotiations with the EU. Montenegro needs more concrete reforms in the field of justice, rule of law, fight against corruption,*

*money laundering, and organized crime, public administration transparency and accountability in order to become a stable and attractive investment environment. The country focuses on strengthening its Armed Forces by purchasing modern equipment.*



**NORTH MACEDONIA:** June 12<sup>th</sup>, the US Ambassador to North Macedonia Kate Byrnes called on the country to hold elections. The statement came as the leaders of the two main parties, Hristijan Mickoski and Zoran Zaev were meeting to discuss a date for elections. “North Macedonia needs an elected, fully functioning Government and Parliament to manage the many pressing challenges that will have longterm impact on the country's future, including the response to the COVID-19 crisis and preparations for EU accession talks. As for the date of these elections, it should be determined in accordance with the laws and the Constitution of the country,” Byrnes said. Zaev demands elections as early as July 5<sup>th</sup>, 2020 despite the total mishandling of the coronavirus epidemic, hoping that most citizens will stay away and that his Social Democratic Union of Macedonia (Socijaldemokratski Sojuz na Makedonija – SDSM) party can score a better result in a low turnout elections. Mickoski and his Internal Macedonian Revolutionary Organization – Democratic Party for Macedonian National Unity (Внатрешна македонска револуционерна организација – Демократска партија за македонско национално единство - VMRO-DPMNE) party have proposed dates in August or September, when the epidemic would be hopefully put under control. (www.republika.mk)

- June 12<sup>th</sup>, Kosovo politician Albin Kurti announced that he will set up a branch of his Vetevendosje (Self-Determination) party which recently won the elections in Kosovo but was removed from office under US pressure. *“Vetevendosje won over the hearts of all Albanians throughout the region. We already have a branch in Albania and now we are raising an initiative to set up a VV movement in Macedonia,”* Kurti said during a protest meeting in Pristina. Some of the opposition ethnic Albanian parties in North Macedonia already have extensive cooperation with Vetevendosje and have campaigned on its anti-corruption message, and Blerim Reka, who ran for President of North Macedonia last year, was named member of Kurti’s short-lived Government. (www.republika.mk)

- June 14<sup>th</sup>, President Stevo Pendarovski’s Office said it is possible to declare another state of emergency nationwide only if political parties reach an agreement on election date. The response from the President’s Office comes after Internal Macedonian Revolutionary Organization – Democratic Party for Macedonian National Unity (Внатрешна македонска револуционерна организација – Демократска партија за македонско национално единство - VMRO-DPMNE) leader Hristijan Mickoski called on Pendarovski earlier on Sunday to extend the state of emergency in the country. *“President Stevo Pendarovski’s position is known to the public. The President is prepared to declare another state of emergency nationwide, only if all political stakeholders reach an inter-party agreement on early parliamentary election date, creating a legal framework to organize and conduct elections,”* the President’s Office told MIA.

Speaking at a press conference on Sunday, Mickoski called on Pendarovski to extend the state of emergency, underlining that VMRO-DPMNE will participate in the elections under two conditions, the first of which requires protocols for the protection of people’s health, and the second is right conditions for fair, democratic and inclusive elections, with an OSCE/ODIHR monitoring mission. Mickoski, who said that the first possible election date is mid-July, noted that the election campaign could be launched a day after the OSCE/ODIHR mission arrives in the country and holds a press conference, adding that the election date can be set from that day. North Macedonia’s state of emergency expired at midnight on Saturday. After leaders of the country’s two largest political parties, the ruling Social Democratic Union of Macedonia (Socijaldemokratski Sojuz na Makedonija – SDSM) and the opposition VMRO-DPMNE – Zoran Zaev and Hristijan Mickoski, respectively – failed to reach an agreement on election date at a meeting hosted by President Stevo Pendarovski on Friday, election-related activities resume for July 5<sup>th</sup>, 2020. The election campaign is to be launched on June 16<sup>th</sup>, 2020. (www.republika.mk)

## COUNTRY ASSESSMENT :

*This long dispute on elections date is harmful for North Macedonia’s political stability. Although the country has a caretaker Government situation is not stable since the Parliament has been dissolved and there is no elected Government to handle major state’s issues. It is estimated that elections could take place on July but parties are still on consultations. The US and EU urge political forces to set a date for the elections*



*securing political stability. The threat of the COVID-19 pandemic is back in the country again since it suffers from increased number of cases. The country should focus on reforms regarding justice, rule of law, fight against corruption and money laundering, public administration, and respect of human rights in order to accelerate its European integration process.*



**ROMANIA:** June 9<sup>th</sup>, Romania's Social Democratic Party (Partidul Social Democrat - PSD), PRO Romania (PRO România - PRO), and the Alliance of Liberals and Democrats (Alianța Liberalilor și Democraților - ALDE) have started talks to form a center-left coalition to participate in the next local and parliamentary elections, ALDE President, Calin Popescu-Tariceanu, announced. *"We believe that we have a real chance in the next elections going together as part of a center-left coalition,"* said Tariceanu, speaking for Romania TV, Agerpres reported. The ALDE leader mentioned that another topic discussed by the three political parties is the no-confidence motion against the Liberal Government of Prime Minister Ludovic Orban. *"We are also discussing the option of a no-confidence motion given the incompetence demonstrated by the Government. The PSD proposed, quite fairly in my opinion, that if PNL failed to comply with the Pension Law and increase pensions by 40%, this would be an additional reason for submitting the motion,"* Tariceanu explained. He also said that the new Government to be appointed after the motion, regardless of its structure, would be short-lived with the only mission of organizing the next elections. (www.romania-insider.com)

June 11<sup>th</sup>, the near-term risks of a rating downgrade have disappeared in Romania, after S&P's rating affirmation. Still, downgrade fears will run high into the rating reviews in the fourth quarter and beyond due to the uncertainty about the pension hike and populist initiatives ahead of the elections, according to the latest research report of ING Romania. There is an increasingly likely scenario where we could see the Romanian Government toppled but still be allowed to continue its work on an interim basis until the elections, the bank's analysts argue. This would severely limit the Government's ability to control spending for the remainder of the year and counter the initiatives to increase spending still likely to be promoted in Parliament. Furthermore, the outcome of the elections this autumn is becoming increasingly unpredictable, the bank's analysts imply. The latest polls continue to show the ruling National Liberal Party (Partidul Național Liberal - PNL) ahead of the Social Democrats. However, their lead has reduced significantly since January. The next six months will be decisive for Romania's political and fiscal outlook, which remains fragile. According to ING's outlook, near-term optimism is underpinned by the European Central Bank's repo line and hopes on a European recovery fund. (www.romania-insider.com)

- June 12<sup>th</sup>, Romania's President Klaus Iohannis pleaded for *"simpler, more flexible"* regulations under the state of alert that he and the Government plan to extend after June 15<sup>th</sup>, 2020. He stressed that it would be unwise to undergo accelerated relaxation, G4media.ro reported. His statement came as the Government prepares to ask a hostile Parliament to approve maintaining the state of alert. Iohannis criticized the

opposition politicians who asked for evidence for further delaying relaxation. He cited the 237 new COVID-19 infection cases reported in the day and the number of people in intensive care that remains over 150. The virus is in the community, he concluded. Without the state of alert, the Government cannot effectively take action to mitigate the effects of the epidemic, he added. *“Faced with illness, one is either cautious or stupid. One of two,”* the President declared on a radical note. He later explained he did not mean that those infected were stupid. (www.romania-insider.com)

## COUNTRY ASSESSMENT :

*Political situation in Romania is rather stable since opposition threatens to file a motion of no-confidence against the Government of PNL. The Government enjoys a fragile support in the Parliament and could be toppled at any time. It is assessed that early elections are not too far. Opposition PSD enjoys majority in Senate and Parliament seeking to control political developments according to its interests. Romania enjoys advanced upgrade in US and NATO strategic plans due to its geographical position located close to Russia. Romania keeps strengthening its Armed Forces seeking to achieve NATO standards.*



**SERBIA:** June 8<sup>th</sup>, Defense Minister Aleksandar Vulin said on Monday that the Serbian military has one of the strongest main battle tank forces in Europe making it a regional tank power. Vulin visited the Cacak Technical Maintenance Depot with the Chief of Staff General Milan Mojsilovic for a presentation of the upgraded M-84 tank the Ministry said in a press

release. *“The upgrade that we have started doing which will be designated M-84 AS1 will allow us to say that we will be one of the most modern tank powers, not just in the region but in all of Europe,”* the Minister said. He added that the Army of Serbia is modernizing, being equipped and strengthened and that all of its segments deserve equal attention. (www.rs.n1info.com)

- June 11<sup>th</sup>, Serbia is ready to negotiate with Pristina, without any deadlines and *“in good faith,”* but mutual recognition is not on the agenda, President Aleksandar Vucic said. *“We are ready to negotiate, but ... there is no white flag,”* Vucic said in an interview with Reuters. According to him, dialogue is welcome if it is a dialogue, in which it would be considered what is possible and what is a compromise. *“We believe that it is in the best interest of Albanians and the international community to discuss freedom of movement of capital, people and services,”* Vucic explained. In that regard, Reuters reminds that the EU-mediated dialogue was suspended in 2018, when Kosovo introduced 100% taxes on Serbian goods, and that the removal of that trade barrier by the new Pristina Government, this month, opened the way for resumption of dialogue. The agency reminds that Serbia must normalize relations with Pristina before joining the EU. Vucic also pointed out that Serbia wants balanced ties with the West, China and Russia, and to strive to become a member of the EU, as well as to reach an agreement with Pristina. He also pointed out that Belgrade does not plan to choose between Russia - a natural Slavic and Orthodox ally, the EU - its main trade partner, and China. *“We have our own agenda, one chair, not two. How could we say ‘long live Hong Kong and long live Taiwan,’ and then expect Chinese support for our*



*territorial integrity? Not to mention that China is our friend who helped us,”* President of Serbia said. According to Reuters, Vucic describes himself as a “Eurorealist” adding that EU membership remains a strategic goal. *“Apart from the fact that we share common values, we realize 67% of our trade exchange with the EU,”* he concluded. (www.b92.net)

- June 11<sup>th</sup>, Serbia needs to accelerate reforms in the key areas of judicial independence, the fight against corruption, media freedom, the domestic handling of war crimes and the fight against organized crime, The European Commission said in a non-paper that N1 had access to. It warned that there has been no progress in the constitutional reform process which is on hold until after the June 21<sup>st</sup>, 2020 parliamentary elections. *“The constitutional reform process needs to be continued in a transparent and inclusive manner as soon as possible, including by preparing the required implementing legislation,”* the document said. It said that the Law on the financing of political activities needs to be further amended to fully comply with all recommendations of the OSCE Office for Democratic Institutions and Human Rights (ODIHR). The document added that the introduction of special anti-corruption sections in the Higher Prosecutors Office is starting to yield results but has not had a tangible impact on high-level corruption cases. The adoption of legislation on the Ombudsman, anti-discrimination, gender equality, and juvenile offenders is seriously delayed, the document said. It expressed concern over threats and violence against journalists as well as for the overall environment for the exercise of freedom of expression without hindrance which, it added, needs to be further

strengthened, including in practice. *“Transparency of media ownership and of allocation of public funds, especially at local level, also needs to improve,”* it said. Serbia has taken some steps to combat terrorism and money laundering but the fight against organized crime needs to show better results and a more pro-active approach in financial investigations and asset confiscation, the document said. (www.rs.n1info.com)

## COUNTRY ASSESSMENT :

*Serbia is moving towards the June 21<sup>st</sup>, 2020 elections. Although there are major concerns from the opposition and international community regarding the electoral process (fair and free elections), pre-electoral period could be described as normal without violence. Serbia and Kosovo are moving towards a resumption of dialogue seeking to improve relations in technical issues under the US mediation. However, Serbian President, Aleksandar Vucic made clear publically that dialogue will not conclude in mutual recognition of Serbia and Kosovo. Montenegro – Serbia tension continues affecting bilateral relations of the two countries. The EU has raised serious concerns over Serbia’s effectiveness on independence and accountability of the judiciary, freedom of expression, prevention of corruption and the fight against organized crime. Vucic gave his geopolitical view of the Serbian route towards the EU claiming that his country will continue to balance between the EU, Russia and China claiming that Serbia is not willing to choose among the three powerful countries. Serbia pays special attention in improving operational capabilities of its Armed Forces declaring towards all sides that they are*

*the power of the state. It implements an ambitious armament program mainly supported by Russia. Defense Minister, Aleksandar Vulin boasted that Serbian Armed Forces have the most powerful tank force in the region and likely in Europe. It is assessed as an exaggerated statement since Serbian tanks (around 230 tanks) are based on old generation models (2<sup>nd</sup> and 3<sup>rd</sup> generations) of former USSR and Yugoslavia with limited operational capabilities. Modernization of M84 tank will certainly improve its capabilities but it still remains an old tank. However, Serbian tank fleet could be assessed as the most powerful compared to neighboring Croatian, Bosnian, and Montenegrin tank forces.*



**SLOVENIA:** June 10<sup>th</sup>, the OECD's latest forecast for Slovenia says the country's GDP is expected to shrink by 7.8% this year or as much as 9.1% in the event of a second wave of coronavirus infections. For 2021, the OECD expects that Slovenia's economy will grow by 4.5%, or by 1.5% in the event of another COVID-19 outbreak. The unemployment rate is expected to reach 6.4% this year, or 6.9% in the adverse scenario, and next year to stand at 5.4% or 8.1%, respectively. Measured with the harmonized index of consumer prices, the inflation rate for this year is expected to stand at 1% under both scenarios, and at 2% or 1.7%, respectively, next year. (www.sta.si)

- June 11<sup>th</sup>, the new Government has overhauled the inter-ministerial task force for the implementation of the Slovenia - Croatia border arbitration decision, putting Vinko Gorenak, a State Secretary at the Prime Minister's office, at its helm. The task force was established on July

6<sup>th</sup>, 2017, a week after the border arbitration decision was announced, and its main tasks are coming up with proposals and guidelines for coordinated action of state bodies regarding the decision's implementation. (www.sta.si)

- June 12<sup>th</sup>, Economy Minister Zdravko Pocivalsek was endorsed for the way he handled procurement of vital equipment during the COVID-19 epidemic as a motion of no confidence in him, sponsored by four center-left opposition parties, was defeated by 51 votes to 37 in Parliament just before midnight last night. Pocivalsek commented that MPs were obviously persuaded by his arguments, while he would now be able to focus on the many challenges faced by the economy. The lead sponsor of the motion, List of Marjan Sarec (Lista Marjana Šarca - LMS) MP Robert Pavsic said the opposition had proved the Government had been misleading the public. (www.sta.si)

## COUNTRY ASSESSMENT ■:

*Janez Jansa's Government enjoys relative stability. Motion of no confidence against the Economy Minister, Zdravko Pocivalsek rejected by the Parliament confirming the Government's stability. Slovenia – Croatia dispute regarding the Piran Bay is still active but without tension or escalation due to COVID-19 pandemic. However, the SDS Government established a new Task Force dealing with the implementation of the arbitration decision. The Slovenian Armed Forces face problems mainly in the field of modern equipment and manning. The annual report on the Armed Forces operational readiness released by the Armed Forces Chief of Staff is disappointing since it assessed that the Armed Forces have*

*limited operational capabilities in war time namely they cannot accomplish their mission.*



**TURKEY:** June 8<sup>th</sup>, Authorities in Turkey have ordered the arrest of 149 people, mainly from the security forces, over suspected links to a failed coup in 2016, according to state media. The Prosecutor's office in the western province of Balikesir ordered the arrest of 74 people, all previously let go from the security forces, state-run Anadolu Agency said on Monday. Among them were six former Police Chiefs. Meanwhile, Prosecutors in southeast Gaziantep and western Bursa provinces respectively ordered the arrest of 33 people, including 24 security forces personnel on active duty, and 42 people, including six soldiers on active duty. Authorities have carried out a sustained crackdown on alleged followers of United States-based Muslim religious leader and businessman Fethullah Gulen, who Ankara has accused of masterminding the failed coup in July 2016. Gulen denies any involvement. A former ally of President Recep Tayyip Erdogan, he has lived in self-imposed exile in Pennsylvania since 1999. Erdogan has for years accused Gulen's supporters of establishing a "parallel state" following its own agenda by infiltrating the Police, judiciary, military and other state institutions. Since the coup attempt, tens of thousands of people have been jailed pending trial and some 150,000 civil servants, military personnel and others let go or suspended from their jobs. Turkey has been condemned by its Western allies and rights groups over the crackdown, purges and erosion of judicial independence following the failed coup bid. Critics accuse the Government of using the

incident as a pretext to silence opposition in the country. The Government says that the purges and arrests are in line with the rule of law and aim to remove Gulen's supporters from state institutions and other parts of society. ([www.aljazeera.com](http://www.aljazeera.com))

- June 12<sup>th</sup>, Greece continues to fuel tension with Turkey over the Eastern Mediterranean's natural gas resources by suggesting the two parties engage in "dialogue" while still claiming Turkey's lawful acts in the region are "invalid." Greek Prime Minister Kyriakos Mitsotakis claimed to be ready on Thursday to discuss the delimitation of maritime zones with Turkey. "Greece is always open to dialogue with Turkey to delimitate the maritime zones," Mitsotakis told an economic forum in the capital Athens. "We can discuss (it) openly, and if we finally confirm that we cannot agree, there are always ways to refer the issue to the International Court (of Justice) in The Hague on how to solve the problem but always with absolute respect for international law," he said. Mitsotakis also claimed that it was not an era of "gunboat diplomacy" and such understandings belong to other centuries. Noting that Ankara and Athens have "complex" relations, the Prime Minister, despite seeming to support reconciliatory rhetoric, still mentioned Turkey's maritime zone delimitation agreements with Libya, claiming they were "invalid." Mitsotakis also defended an accord his country signed recently with Italy on maritime boundaries to establish an Exclusive Economic Zone (EEZ) between the two countries, stressing it was valid. He said, "If Turkey attempts to violate our sovereign rights, it will see a response from not only Greece but also Europe." He added that it was not the path he wished to follow, but "if such a thing happens, it will have serious

*consequences.*” Although Turkey has merely pursued its international rights by making a deal with Libya, it has still received criticism, specifically from Greece and Cyprus. Reacting to the deal, Greece claimed that the move was against international maritime law as well as the principles of good neighborly ties. The Cypriot administration’s Foreign Ministry also claimed that a memorandum of understanding signed between the two countries has no legal validity and cannot undermine the rights of the island of Cyprus or other coastal states. Yet, this criticism seems to only prevail when Turkey signs a maritime deal since Greece sees no problem in having similar deals with other regional actors. For instance, Greek Foreign Minister Nikos Dendias said Tuesday *“Under international law, delimitation of maritime zones is carried out through legal agreements, not baseless ones ... and certainly not through the one-sided submission of coordinates.”* Earlier this year Greece also signed an agreement with Cyprus and Israel on the Eastern Mediterranean for a huge pipeline project to ship gas to Europe. According to the UN Convention on the Law of the Sea, while a country is able to stretch its territorial waters only 12 nautical miles out to sea, when it comes to the Exclusive Economic Zone, where it has rights to fishing, mining and drilling, the area can extend for an additional 200 miles. However, if the maritime distance between the two countries is less than 424 miles, a bilateral deal is needed to determine a mutually agreed upon dividing line of their respective EEZ. Greece, on the other hand, claims that the islands also have their own EEZ, and with this claim, it reduces Turkey’s zone remarkably. Last week, Turkey announced that it planned to start drilling for hydrocarbons in the Eastern Mediterranean in three or four months, a

move Greece condemned as *“illegal.”* Since last spring, Ankara has sent two drilling vessels, FATIH and most recently YAVUZ, to the Eastern Mediterranean, asserting the rights of Turkey and the Northern Cyprus (Occupied by the Turkish military forces since 1974) over the resources of the region. Athens and Nikosia, once again, have opposed the move, threatening to arrest the ships’ crews and enlisting EU leaders to join their criticism. Although there are varying estimates, most figures suggest that the Eastern Mediterranean region has over 70 trillion cubic feet of natural gas, or approximately 1.5% of the overall natural gas reserves in the world. Most of this natural gas is found in the fields of the island of Cyprus’ Glaucus, the Aphrodite and Calypso areas, Israel’s Leviathan and Egypt’s Zohr. The reserves in the Eastern Mediterranean carry great importance, especially for Europe – the continent with the least natural gas reserves in the world – which is desperate to eliminate its dependence on Russia on the issue. So far, only 3.5 trillion cubic meters of natural gas reserves have been found in the Eastern Mediterranean and yet, this alone became enough for Europe to increase its hope, which led it to support the Greek Cypriot administration in its search. However, Europe is not alone in its search for alternative natural gas resources as Turkey also has a major dependence on foreign states – particularly Russia, Iran and Azerbaijan – when it comes to energy and is seeking substitutes for its supply. Yet, unlike Europe’s ambitions, Turkey has the longest shoreline in the Eastern Mediterranean, making it a natural candidate for seeking reserves in the region in accordance with international law. The presence of the *“Turkish Cypriot Government”* in Northern Cyprus\* also strengthens Turkey’s hand as the country defends the rights of the Turkish

Cypriots in the region and insists that their consent is needed for any type of drilling activities. Turkey's Foreign Ministry Spokesman, Hami Aksoy said Tuesday that the country is determined to *"protect the rights of Turkey and Turkish Cypriots in the Eastern Mediterranean."* In a statement, Aksoy said the Turkish Petroleum Corporation's recent application for a permit for additional oil exploration and drilling activities in the Eastern Mediterranean is within the boundaries of the UN's continental shelf for Turkey. Underlining that Turkey *"will resolutely continue to exercise its sovereign rights in this area,"* Aksoy said the country's *"seismic research and drilling activities are carried out according to the previously determined program."* Moreover, Turkey's Ambassador to Greece Burak Ozugergin said Tuesday that Ankara's call for dialogue with Athens has gone unanswered. Turkey has several times sought dialogue with Greece on these issues, but Athens has failed to respond, he added. Despite the fact that Turkey has the longest shoreline in the region when it comes to the drilling activities, no country has felt the need to consult or engage in dialogue with Ankara on the issue. Still, until very recently, Ankara expressed willingness to establish communication channels with the various regional countries, and yet all its attempts fell flat with no response. Egypt even organized the Eastern Mediterranean Gas Forum last year, inviting all the regional countries – except for Turkey. Before the Abdel Fattah el-Sissi administration in Egypt, Ankara and Cairo had planned to conduct joint naval maneuvers in the region. However, following the Sissi administration, as bilateral ties worsened, these plans were canceled when Egypt replaced Turkey with Greece for joint activities. As a matter of fact, the effects of poor bilateral

ties have become a common pattern when it comes to Turkey's journey in the Eastern Mediterranean. For instance, since the beginning of the 2000s, regional countries began making deals with the Cypriot administration, a country that Ankara does not recognize as a state, on the EEZ, which are all defined as unlawful by Turkey and were brought up to the UN. Still, Turkey has remained open to dialogue with Greece. Turkey wants to solve all the problems in the Aegean Sea, the Eastern Mediterranean and Cyprus in accordance with international law, said the country's Defense Minister, Hulusi Akar. Akar said *"Let's solve all the problems within the framework of good neighborly relations, based on mutual goodwill, respect, using peaceful means and without encroaching on anyone's rights."* He added *"In this context, a Turkish delegation went to Athens twice based on the agreement Turkey reached with Greece and a meeting was held there,"* referring to the previous dialogue attempts of Turkey, which have all failed due to Greece's uncooperative stance. (www.dailysabah.com)

\* The occupied by Turkish military forces part of Cyprus, which is not recognized by the UN.

- June 14<sup>th</sup>, the United Arab Emirates (UAE) has allegedly provided financial aid to the PKK (Kurdistan Workers' Party - Partiya Karkerên Kurdistanê) guerilla group in Iraq's northern Kurdish-administered region. Speaking to the London-based Al-Araby Al-Jadeed newspaper, a security source at the Kurdish Regional Government (KRG) noted that authorities have imposed limitations on money transfers from the UAE. The newspaper claims that the move came after the militant group appeared to have received financial aid from the UAE in recent months. The security source in Irbil, who preferred anonymity

due to security reasons, said the KRG has asked to obtain a “proof of approval” from security authorities over money transfers coming from the UAE to the region’s foreign exchange offices and bank accounts. He added that the new measure is required for money transfers exceeding 1,000 US dollars and this measure will be applied to all exchanges in Irbil, Duhok and Sulaymaniyah. In its more than 30-year campaign against Turkey, the PKK – listed as a terrorist organization by Turkey, the U.S. and the European Union – has been responsible for the deaths of nearly 40,000 people, including women, children and infants. Ties between Turkey and the UAE have been strained by Ankara’s support for Qatar after four Arab countries including the UAE imposed sanctions on Doha in 2017. In Libya, where the UN says it has supplied aircraft and military vehicles to Haftar, the UAE called on all parties last month to commit to a UN-supervised political process to end the war. The UAE was also a leading power in an alliance which intervened in Yemen five years ago against the Iran-aligned Houthi movement. It reduced its presence in Yemen last year but remains a member of that alliance. UAE - Turkey relations have always been a bit distant, but the UAE has been blatantly stepping up its anti-Turkey efforts – and not only its war of words. From the Gezi events in 2013, which had been depicted as the “*Turkish Spring*,” to the July 15th, 2016 coup attempt by the Gulenist Group (FETO), Turkish authorities have come across traces of the influence of Mohammed Dahlan, an adviser to Mohammed bin Zayed (MBZ), the crown prince of Abu Dhabi. The UAE has funded anti-President Recep Tayyip Erdogan groups, including the outlawed PKK, according to reports. Turkish Foreign Minister Mevlut Cavusoglu was referring to the UAE when he said

after the failed coup attempt, “*We know that a country gave 3 billion euro in financial support to the coup attempt in Turkey.*” In fact, some UAE-based media openly declared their support for the coup. Turkey has also revealed a UAE spy network that has been operating all over the country. The proof, which was revealed through security forces investigating the case, demonstrated that the link with the network also had support from the CIA in their operations. The leader of the spies who were captured in April was identified by the National Intelligence Organization (MIT), revealing the details of the network. Disclosed only by his initials, H.E.R. was one of the key figures in the spy chain who was also determined to be the leader of two others who were detained. The network was revealed through the arrest of two other UAE spies, Samir Semih Shaban and Zaki Y.M. Hasan, by the MIT in April this year. The pair allegedly came to Istanbul with the aim of detecting and gathering information on UAE adversaries after the controversial murder of journalist Jamal Khashoggi. The Khashoggi murder is not the only case that the UAE grasped a hostile attitude against Turkey and tried to plot against the country. Shortly after the July 15th coup attempt carried out by FETO, David Hearst of the Middle East Eye claimed the owner of the Al-Ghad TV Channel, Dahlan, had transferred money to the group for the attempted coup. (www.dailysabah.com)

## **COUNTRY ASSESSMENT** :

*Turkey has several open fronts abroad, while its worsened economy is a factor which could bring rapid political developments in the country. It seems that Turkey has stabilized the Syrian front. However, security situation in the region is*

*fragile while Russia is the absolute dominant cooperating closely with the Syrian Government. In Libya, Turkey enjoys the UN-recognized Government of Fayeze al-Sarraj success in the military battlefield which gave some victories of strategic importance. Turkey has invested its strategic interests through its alliance with Sarraj and supports him by military assets. Libya has become a field of rivalry between several foreign countries which seek to promote their interests. Turkey, Qatar and Italy on the one hand support Sarraj while on the other Egypt, Russia, UAE, Saudi Arabia, and France support General Khalifa Haftar's forces. A potential victory of Sarraj secures Turkish interests and strong presence of Turkey in Eastern Mediterranean. At the moment it seems that UAE is the main rival of Turkey in the struggle for power in the Middle East and East Mediterranean. This struggle is conducted mainly by proxy wars (war in Libya, UAE support of PKK, Qatar etc). Turkey feels insecurity in East Mediterranean since other regional powers have isolated it. The strategic cooperation of Greece, Cyprus and Israel or Greece, Cyprus, Egypt makes Turkey nervous. Moreover, delimitation of maritime zones between Greece and Italy in Ionian Sea frustrated Turkey. A potential agreement between Greece and Egypt on EEZ could become a source of turbulence in the region since Turkey will not accept "fait accompli" in the east Mediterranean Sea. It is expected to react violently if balance of power is jeopardized. The country continues to face several restrictions in freedom of expression and human rights. Elected MPs, Mayors, journalists and thousands of citizens are in custody or convicted by the state Courts. Local and international observers claim the country moves towards an authoritarian regime with thousands of citizens*


*being persecuted. Turkey develops an ambitious armament project aiming at becoming self-sufficient in defense sector; if it succeeds it will set the base to become a regional military super power. Without any question, Turkey has the characteristics of a regional superpower and it tries to act like one.*


www.hermesresearch.eu


email: info@hermesresearch.eu


Editor in Chief: Ioannis Karampelas


## NOTE

 Stable situation. No security risk.

 Rather stable situation. Security risk is monitored.

 Major concerns over stability and security. significant security risk in specific regions. Low tension incidents.

 Imminent major incidents regarding stability and security. Violent incidents or armed violence in specific regions. Ongoing tension or crisis. High security risk.

 Evolving or ongoing crisis including major armed violence or violent/armed conflict. Civil, inter-state or non –state actors war.