



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

SOUTHEASTERN EUROPE

AT A GLANCE



SOUTHEAST EUROPE DIRECTORATE

“SOUTHEASTERN EUROPE AT A GLANCE” 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, Former Yugoslav Republic of Macedonia (FYROM), Greece, Kosovo, Moldova, Montenegro, 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.

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ALBANIA: November 14th, a joint press release was held in Brussels by the Albanian Minister for Europe and Foreign Affairs, Ditmir Bushati, the EU Commissioner for Enlargement, Johannes Hahn, and the High Representative of the EU for Foreign Affairs and Security Policy, Federica Mogherini. Mogherini said that 2019 will be the year Albania will mark new success stories. *“Albania keeps playing a constructive role in the region. We are determined to prioritize security operations. Agreement between Western Balkan countries and Europe is our strategy. We will keep working with Albania to fulfill all of our priorities. We are determined that 2019 will be a successful year for Albania,”* she said. Bushati underlined that the Rama Government is open and ready for dialogue with other political forces. *“In this 10th meeting for the Stabilization and Association Agreement, our message is to keep an open door for cooperation with all political forces. We are in favor of reforms. We will work together with the European Commission and EU countries to turn this into a success story by June 2019,”* Bushati declared. The Foreign Minister mentioned the recent successful operations against organized crime, for which Albania was congratulated by Mogherini and Hahn. *“These operations are very encouraging. I am happy that the EU High Representative mentioned this fact. The law-enforcing institutions are on the front line. We will keep working with the law respecting the rights of national minorities. We share the same views with the EU about Albania’s role in the region. The fact that Albania aligns its foreign stances with the EU is not a technical process, but a process that derives from our strategic choices,”* Bushati said. (www.top-channel.tv)

- November 14th, the regular meeting of Defense Ministers of the U.S.- Adriatic Charter held in Budva, Montenegro on November 13 – 14th, 2018, alongside the Ministers of Montenegro, F.Y.R.O.M, Albania, Bosnia & Herzegovina, the Deputy Assistant Secretary of Defense for Russia, Ukraine and Eurasia Laura Cooper, and representatives of Slovenia and Serbia. The Albanian Ministry of Defense will take the leadership of the Adriatic Charter in less than two months. Minister Olta Xhacka, in the capacity of host to the next meeting in Tirana, invited her counterparts of the Adriatic Charter member countries to support Albania's initiative to open doors to other countries aspiring to be part of the North Atlantic Alliance. *“It is the time that before we ask NATO to open its doors, we must show that we are ready to open the doors to each other, right here in our home. A-5 should become A-6 and next year, when Albania will head the A-5, all should welcome Kosovo to become part of this initiative, a precursor for the integration of the region in NATO,”* Xhacka stated. (www.top-channel.tv)



Adriatic Charter meeting of Defense Ministers
(Photo source: www.mod.gov.al)

- November 16th, three hours before the Constitutional deadline was about to expire, the President of Albania, Ilir Meta, decreed Sander Lleshaj as the Interior Minister of Albania,

resolving this way a stalemate that had been created with one of the most important members of Prime Minister Rama's cabinet. Before decreeing him, the President released him from his duty as General. This was the reason why Meta did not decree him from the very beginning. After this decision, the Albanian Prime Minister Edi Rama reacted on social media and said that even when it seems that people may disagree, there is always a solution. The opposition leader, Lulzim Basha, responded by saying that with or without Lleshaj, the Interior Ministry is unable to operate, as long as the Prime Minister defends politicians linked to organized crime. (top-channel.tv)

COUNTRY ASSESSMENT :

A potential governmental crisis resolved as the President Meta finally decreed Sander Lleshaj as the new Interior Minister. Rama re-established government's stability, but it was confirmed the political rivalry between Rama and Meta. According to the opposition the Government carries the burden of having links with organized crime. Opposition raises questions over the power of "Albanian mafia" in the country and its influence in state's politics. The main conclusion is that corruption and organized crime remains the most significant state's problem undermining its strategic goal of opening accession negotiations with the EU next year. The EU closely monitors progress of reforms especially in justice sector. Albania monitors Kosovo – Serbia negotiations and definitely has a role as a "mother nation". It is estimated that Albania will fully comply with the EU and U.S "line" for territorial exchanges or border changes between Serbia and Kosovo if it is necessary for a mutual accepted solution. Albania maintains its leading

role in the Albanian world providing guarantees and support to Albanian population in the region namely Kosovo, Serbia, Montenegro, and F.Y.R.O.M. Possible border changes may engage Albania in dangerous situations taking into consideration that it has the role of "protector" of Albanians in the region. Security situation stable without major incidents or challenges.



BOSNIA & HERZEGOVINA:

November 12th, the coalition agreement with the Croatian Democratic Union of Bosnia & Herzegovina (Hrvatska Demokratska Zajednica Bosne i Hercegovine - HDZ BiH) does not mean it is an agreement against a third party, said the Bosnian Serb leader and the newly elected member of Bosnia and Herzegovina's tripartite Presidency, Milorad Dodik. Following a meeting with HDZ BiH leader Dragan Covic, whom he met in Sarajevo to discuss future cooperation, primarily a partnership in the post-election formation of state power institutions, Dodik said they would invite "a third party to join them in solving the accumulated problems together." "We believe that sovereignty of Bosnia and Herzegovina might be strengthened if the local institutions and political representatives take responsibility," said Dodik, the leader of the Alliance of Independent Social Democrats (Savez Nezavisnih Socijaldemokrataor - SNSD). "We agreed with HDZ to go together towards the formation of authorities at all levels in Bosnia and Herzegovina, from the cantonal to the level of Bosnia and Herzegovina," Dodik said. Dodik was elected in the October 7th, 2018 general election to represent the Serbian entity in the Bosnia's state Presidency. On the other hand, Dragan Covic lost to his main opponent, social-democrat Zeljko Komsic in the race for the Croat member of the

Presidency. Despite his defeat in the Presidency, Covic's HDZ BiH won a considerable number of seats in the Parliaments at all levels of authority, which provided the party with a significant role in the post-election talks on the formation of the Government. Addressing the media after the meeting, Covic said he would meet representatives of the Bosniak political parties in the following days. He named the electoral legislation reform a top priority in the post-election period. *"The Bosniak partner will have to think in a similar way,"* stressed Covic. *"We will seek the partners with whom we need to reach agreements on solving the crucial issues,"* he added. (www.ba.n1info.com)

- November 13th, the State House of Representatives (HoR) Speaker Mladen Botic said that HoR Deputy Speaker Borjana Kristo did not support scheduling of the inaugural session of the chamber. *"I thought everything would go a lot smoother because this is a matter of protocol and a chamber's obligation to set the date,"* Botic said. *"We proposed that the session be convened on November 5, but to my surprise, Mrs Kristo rejected the idea. I have no idea why."* The Collegium of Bosnia & Herzegovina's (B&H) House of Representatives (HoR) failed to schedule the inaugural session of this chamber, due to the lack of consent of one of the Deputy Speakers, Borjana Kristo, from the Croatian Democratic Union of Bosnia & Herzegovina (Hrvatska Demokratska Zajednica Bosne i Hercegovine - HDZ BiH). Reasons for this move are unknown, and Botic said situation is now quite odd. *"I don't see what else we could discuss. I asked her to propose another date, but she was obviously not ready to take part in the decision-making process. Whether there is a simple reason behind this or some kind of*

political game, we have yet to be seen," he added. According to him, this is quite a new situation which could end up in courts for them to find the solution. He also said he believes this could be a hint of a new blockade in the functioning of the state.

- November 14th, Armed Forces' delegations of Bosnia & Herzegovina (B&H) and neighboring Croatia held a meeting in Sarajevo and agreed they would expand the two armies' cooperation in the years 2019 and 2020. Deputy Chief of Staff of the Bosnian Armed Forces, Major General Ivica Jerkic and his Croatian counterpart, Major General Drago Matanovic led the delegations. The meeting was *"very successful,"* according to Jerkic, and they touched upon a series of topics including the Armed Forces' assistance to civilians in cases of natural disasters. *"We discussed the continuation of cooperation through the US-Adriatic Charter as well as participation in 'Resolute support' peacekeeping mission (in Afghanistan). A very important subject we also talked about was the continuation of the use of the Croatian Military Academy's capacities with an accent on possibilities of the training and education of new pilots because we find this a very important and delicate topic,"* Jerkic said following the meeting. Major General Matanovic emphasized the two countries' collaboration in education and training, pointing out the necessity of exchanging experience in preparing for and preventing natural disasters. All prerequisites to keep the cooperation going towards the desired direction have been met, said Matanovic and added that Croatia is willing to help B&H on its road to the NATO membership. *"We are here at disposal to share our experience,"* he stressed. The meeting resulted in expanded cooperation of

the two armies in 2019 and 2020, said the Croatian General. (www.ba.n1info.com)

COUNTRY ASSESSMENT :

Country faces several functional and institutional problems. Consequently political fragility maintains permanent uncertainty and institutional mistrust. It is under question if the general election held on October 7th, 2018 will bring political stability in the country. It is estimated that formation of Government would be a very difficult issue adding more problems in state's function. Serbs and Croats are ready for a political cooperation namely Dodik's SNSD and Covic's HDZ BiH. Croats strengthens their rhetoric for a third entity in the country; the Croatian entity. Election of ultra nationalist Serb Milorad Dodik in the tripartite Presidency is a strong sign of more nationalistic rhetoric and more obstacles towards Bosnia's EU and NATO integration. Dodik is a person who does not actually believe in B&H viability and is expected to promote his own political agenda. Bosnia has become a field of influence's rivalry; Saudi Arabia, Turkey, and Russia approach the country mainly through "investments" and/or funding ethnic or religious groups according to their interests. High Representative Inzko expressed in the UN Security Council his disappointment and pessimism over Bosnia's future. Major concerns over security situation and political stability in the state.



BULGARIA: November 16th,

Bulgaria's Deputy Defense Minister Atanas Zapryanov dismissed, in an interview with the Armed Forces television channel, the option of purchasing F-18 as part of the process to select fighter jets for its Air Force. Zapryanov said that

the first expert committee, tasked with the initial assessment of the bids, concluded that the F-18 bid was defined more as a letter of intent rather than a fully-qualified offer. As a result, the committee did not carry out an assessment of the bid and suggested that the US be informed that it did not have "the requisites of an offer." Zapryanov said that the US have been notified of that fact and that, going forward, Bulgaria would focus on the other three bids – new F-16s, new JAS 39 Gripens, and used Eurofighters – but also emphasized that the F-18 bid was not formally disqualified. He said that there is no "ideal offer" and the existing bids are subject to improvement. Zapryanov said that more details about the bids would be made public at the point of direct negotiations, but "we are still very far away from the moment in which we can say what we have on the table as the basis for state-to-state talks." Bulgaria invited bids from seven countries in July 2018 after Parliament approved, a month earlier, a 1.8 billion euro military modernization project, which included 920 million euro for the fighter jets, to be acquired in two stages of eight each. The Defense Ministry received four offers in reply to its request for proposals by its October 1st, 2018 deadline. Two offers came from the US, for new F-16s and new F-18s, while Sweden once again put forward its offer for new JAS 39 Gripen jets. Italy's offer was for used Eurofighters, making it the outsider in the race, according to reports in local media, as Bulgaria wants to purchase new jets. Portugal and Israel, which were asked to submit proposals for F-16 jets, Germany (Eurofighter) and France (Rafale) did not submit offers. (www.sofiaglobe.com)

- November 16th, Bulgaria's Lyulin Motorway was blocked by protesters mobilized around "high fuel prices" in the country, Bulgarian National

Radio said. Bulgaria has been seized by blockages of motorways and key city roads for several days because of the protests, aimed at the resignation of Prime Minister Boiko Borissov's Government. The latest obstruction of a key motorway came on the evening of the first day of what is billed to be a three-day protest in Sofia, seeking the Government's resignation and the setting up of a Grand National Assembly to craft a new Constitution for the country. Critics of the November 2018 "*fuel price protests*" have likened them to the February 2013 protests, which led to an incident of violence in Sofia which prompted Borissov to announce the resignation of his first Government, opening the way to early parliamentary elections at the time. Bulgarian media reports, hostile to the "*high fuel price*" protests, have alleged that figures prominent in the current protests have ties to organized crime, that at least one has a conviction for fraud. According to BNR, the protesters in Pernik who blocked the Lyulin Motorway said that they wanted a higher standard of living and said that they were opposed to the "*corruption and plundering of the state*." The same night, a protest also was held in Bulgaria's largest Black Sea city Varna. The protest was peaceful, with no streets and boulevards blocked. Protests also were reported in the towns of Kyustendil and Sliven. In Sofia, protests – billed as "*national protests*" and organized via social networks – are scheduled for November 18 and 19. Both are expected to cause some traffic disruption in the Bulgarian capital city. Bulgaria's Government, faced with the protests, has insisted that it has nothing to do with setting the price of the fuel at pumps, arguing that these are determined by trends on world oil markets. At the same time, it has held talks with fuel retailers on ways to cut end-user prices of petrol. The "*high fuel price*" protests of recent

days have seen obstructions of traffic that have irritated other Bulgarian motorists. Bulgaria's Interior Minister Mladen Marinov has appealed, as have other Government figures, to protesters to not obstruct Bulgarians' right to move freely while they exercise their right to protest. Marinov also said that some of those in the protests deliberately sought confrontation and conflict. (www.sofiaglobe.com)

- November 16th, Bulgaria's Deputy Prime Minister Valeri Simeonov has submitted his resignation to the Prime Minister Boyko Borissov. He announced his decision to withdraw from office at an extraordinary press conference at the Council of Ministers. He said that his decision was not made under pressure and the reasons to resign was an ongoing media campaign, especially over the past two days, which came as a sequel to a campaign carried out against him in connection with his statement about protests in front of the Government building. "*The sequel to this campaign did not focus on me, but on MPs of the NFSB,*" Simeonov said, referring to the National Front for the Salvation of Bulgaria (Natzionalen Front za Spasenie na Bulgaria - NFSB). Simeonov is the leader of NFSB, which is part of the power-sharing United Patriots alliance. The Prime Minister Boyko Borissov has accepted Simeonov's resignation, the Government press office announced. Valeri Simeonov added that he resigned in order not to damage the country's governance, which he described as exceptionally successful. Valeri Simeonov's resignation comes after 26 days of daily protests, staged by mothers of disabled children. The protests were sparked by Simeonov's remarks on SKAT TV on October 16th, 2018 in which he described them as "*a group of loud mouthed women who speculated with their*

children, manipulated the public, exhibiting allegedly sick children in hot weather and heavy rain outside the Parliament.” After consultations within the Coalition Council Simeonov publicly apologized for his words on October 24th, 2018. However, the protesting mothers did not accept his apology and went on with the protests insisting on Simeonov’s resignation. (www.novinite.com)

COUNTRY ASSESSMENT :

Bulgaria has entered in a period of fragile political stability. Citizens’ protests over high fuel prices bring back memories of 2013 when protests forced current Prime Minister to call early parliamentary election. Deputy Prime Minister Simeonov’s resignation added more concern over Government’s sustainability. Simeonov underlined that his resignation is a personal issue but it is still a question how his party MPs will behave continuing their support of ruling coalition. In other words, Bulgaria entered in an uncertain political environment where rapid political developments cannot be excluded. President Radev strengthens his rhetoric and criticism against the Government (and the Prime Minister Borissov) highlighting their different political affiliation (Radev is backed by the opposition Socialists). Opposition BSP tries to push further Borisov and his Government by strengthening its rhetoric and having tabled three motions of no confidence so far. The country strengthened its efforts towards entering the Eurozone achieving a positive decision of the Eurogroup. Corruption and organized crime remain significant obstacles and should be addressed decisively. Although modernization of Armed Forces is a top priority for Bulgaria and huge armament projects are ongoing (fighter jets,

armored vehicles, vessels etc) military operational capability of the state is questioned especially in the Air Force. Bulgarian Armed Forces are far from NATO standards. Security situation stable; no major threats.



CROATIA: November 13th, the largest opposition party, the Social Democratic Party of Croatia (Socijaldemokratska Partija Hrvatske - SDP), continues to lose members as the party has hit record low support in recent polls. Former SDP MP Mario Habek, now an independent MP, has joined the parliamentary bench of the Croatian People's Party – Liberal Democrats (Hrvatska Narodna Stranka – Liberalni Demokrati - HNS-LD), a junior member of the ruling coalition. Although parliamentary majority has applauded the move, opposition parties see this as just more political corruption. Habek insists that he has not joined the parliamentary majority and that he will maintain his independent views. He added that this will be reflected in his voting. “*This move in no way binds my hands, I have my autonomy, and that will continue to be the case as far as voting is concerned,*” Habek said. SDP Chairman Davor Bernardic however, sees the move as nothing more than political bartering. “*Obviously, the hunger for personal advancement is stronger than consistency and principles,*” Bernardic said. (www.glashrvatske.hr.hr)

- November 15th, the Croatian oil company INA has completed the purchase of Italian energy company ENI's stake in gas fields in northern Adriatic, the company announced, adding this would result in a 10% increase in INA's daily output of natural gas. On June 20th, 2018 INA said that it had agreed the purchase of ENI's stake in the gas fields in northern Adriatic and that it

would become the sole owner of ENI's Croatian daughter company ENI CROATIA BV, as well as take over the management of the exploitation areas Northern Adriatic and Marica once all contractual conditions were met, including approval by competition agencies. INA said that the gas produced in the Northern Adriatic exploitation field would be put into Croatia's gas supply system, which would increase gas supply security, while the gas produced in the exploitation field Marica would continue to be transported to Italy, in line with a gas sale agreement between INA and ENI. INA said the latest transaction would enable further investment in the Northern Adriatic and Marica fields. Earlier this year INA said that this transaction covered 4.3 million Barrels of Oil Equivalent (BOE) of proven and probable reserves and would increase production by about 2,500 BOE a day (almost 380,000 cubic meters of gas per day). INA said at the time that the transaction would enable it to become, for the first time in its history, the sole operator in an offshore exploitation field in the country and abroad. (www.hr.n1info.com)

- November 17th, Hungary supports Croatia's accession to the Organization for European Cooperation and Development (OECD), Foreign and European Affairs Minister Marija Pejcinovic-Buric said in an interview with the Vecernji List daily, which means that Slovenia remains the only country blocking Croatia's entry into the club of the world's most developed countries. *"Hungary is our neighboring and friendly country, with which we share many historical, cultural and other ties, but surely ties between our people are the strongest, and they are firm and close. Hungary supports our accession to the OECD,"* the Minister said. She did not speak about any details, but Hina news agency has been told that

Hungary no longer opposes Croatia's accession to the 36-member organization. Over the past year Hungary was blocking Croatia's accession to the OECD, claiming that Zagreb does not respect decisions of the UN Commission on International Trade Law (UNCITRAL), which has ruled that there is insufficient evidence to prove that agreements signed in 2009 by the Croatian Government and the Hungarian oil company MOL regarding management rights in the Croatian oil company INA were a result of corruption. Slovenia is still blocking Croatia's accession due to Croatia's refusal to recognize a ruling by an international arbitral tribunal on the two countries' border dispute. Hungarian Prime Minister Viktor Orban said that he would pay an official visit to Croatia in early December, the MTI news agency reported. Speaking of relations with Croatia, Orban said that the Hungarian Government believed the dispute regarding MOL should be dealt within the company and not through talks between the two Governments. *"I have tried to explain that raising the dispute regarding MOL to the Government level would result in a stronger response from Hungary, which can be very harmful to bilateral relations,"* said Orban. *"International courts must decide on the legal aspects of relations between the two companies and Hungary will honor their decisions,"* he added. (www.hr.n1info.com)

COUNTRY ASSESSMENT :

Croatia follows a tough external policy with neighboring countries. Although it has territorial disputes with Slovenia and Bosnia it does not hesitate to intervene in Bosnia's internal affairs in the name of Croatian entity living there. It is more than obvious that Croatia tries to establish a leading role in Western Balkans not only as an

EU and NATO member state but also as a rising “local” power. One should take into consideration that Croatia shows its military strength and capabilities quite often not only in international, but also in national level sending strong messages to neighboring countries. Although the President is a member of the ruling party, it is estimated that there is some kind of political distance between the President and Government. However, ruling coalition claims political stability. Border dispute on Piran Bay remains active and Slovenia’s initiative to file a lawsuit against Croatia adds a new chapter between the two countries conflict. It is still a question how Croatia will react. Apart from that a new border conflict has emerged with Bosnia & Herzegovina regarding Peljesak Bridge. The state accelerates its efforts towards accession in Schengen zone. Croatia implements a policy of Armed Forces’ modernization trying to form a reliable and well equipped force according to NATO standards.



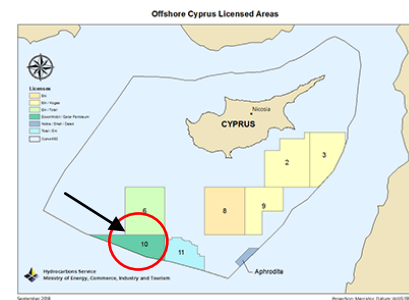
CYPRUS: November 12th, Turkish Cypriot leader Mustafa Akinci said his side is open to the idea of reducing the Federal Government’s powers post-solution but they would never accept decisions to be taken on the basis of simple majority. Akinci said he wants to address all communities on the island, stressing that he was not only responding to last Monday’s news conference by President Nicos Anastasiades and does not want to foment a war of words. Akinci said the Turkish Cypriot side is not opposed to the idea of devolution as long as a concrete proposal is set on the table so that it can be evaluated in a procedure that will be focused on the result and not open ended. *“But I want to make something clear, so far, the Greek Cypriot*

side’s stance in the negotiations is exactly the opposite,” Akinci said. He stressed that even if the powers of the constituent states increased, *“we will not accept decision-making in the central Government to be on the basis of simple majority-minority.”* Akinci said without joint decision-making it would mean either two separate states or a unitary state and the ongoing effort is for neither. The Turkish Cypriot leader said throughout his entire political career he considers the aim of federation feasible under the current circumstances and that is why *“I wonder when I see the Greek Cypriot leadership viewing federation as a painful compromise.”* The current reunification model is a logical solution that can unite the two communities who have been living separated for over four decades, Akinci said. Realists know that the formula in the hands of the two communities is none other than bizonal, bicomunal, federation and that is because it is clear that Turkish Cypriots would not accept having minority rights and be dominated in a unitary Greek Cypriot state, Akinci said. He suggested that the large majority of Greek Cypriots did not approve of the creation of two separate states. The political equality between the two communities is referred to many UN resolutions and reports, Akinci said. *“Every decision contains the element of sovereignty stemming from the two communities equally, the regime and powers of the two constituent states will be equal, and relations between the two communities will not be relations between majority and minority.”* Political equality does not mean numerical equality in every federal institution but it will mean effective participation in the decision-making of all federal bodies, he said. The issue of one positive vote from each side has been discussed and has been accepted; it was also agreed that decisions on foreign policy,

security, and defense would be made jointly by the President and Deputy President of the cabinet, the Turkish Cypriot leader said. (www.cyprus-mail.com)

- November 16th, the US Assistant Secretary of State for Energy Resources Francis Fannon reiterated his Government's support to Cyprus' right to develop its natural wealth, adding that his country promotes energy developments in the Eastern Mediterranean region as a matter of priority. Fannon, who met Energy Minister Giorgos Lakkotrypīs, made his comments while ExxonMobil and Qatar Petroleum started drilling in block 10 of Cyprus' Exclusive Economic Zone (EEZ). The American diplomat said his visit was part of a regional trip to discuss energy developments in the region. Cyprus was his second stop after Israel, and he will also travel to Egypt. *"We view energy as a catalyst for cooperation, economic development and to benefit all the people in the region and Cyprus has a meaningful role to that end,"* Fannon said. *"We are very excited about the developments ongoing in the region and the great promise."* He added that he was happy to see the involvement of a US company and reiterated the US long-standing position of recognizing Cyprus' right to develop resource wealth in its EEZ. *"We also continue our long-standing position that we believe that resource wealth should be shared with all communities on the island equitably in the context of a comprehensive settlement,"* the US official said. Noting that this visit to Cyprus will not be the only one, Fannon added *"we will continue to advance Eastern Mediterranean energy as a priority."* Lakkotrypīs expressed his gratitude for the support to Cyprus energy program. Describing the meeting as very productive, the Cypriot Minister said the

discussion focused on ways of developing the region's energy resources but also on developments in Cyprus concerning exploration and natural gas exploitation. *"We agreed to continue discussions and collaborate with the US and the countries of the region on a common goal, the efficient development of energy resources of the Eastern Mediterranean to benefit the people,"* the Minister said. The Stena Icemax drillship leased by ExxonMobil arrived on location at the Delphine target in block 10 on November 11th, 2018. The drilling is expected to last around two months. After finishing with Delphine, the rig will move to either Glafkos or Anthea targets. The choice of the second target will depend, in part, on the findings of the first drilling in Delphine. (www.cyprus-mail.com)



Block 10 of Cypriot EEZ

(Photo source: www.mcit.gov.cy)

- November 16th, Cyprus disagrees with any notion of suspending Turkey's EU accession negotiation, Government Spokesman, Prodromos Prodromou said. *"The accession dialogue must not be substituted with an upgraded, enhanced or enlarged customs union of Turkey with the EU, bearing in mind the fact Turkey that has not appropriately implemented even the initial customs union,"* he said. He was commenting on the call this week by the European Parliament's rapporteur on Turkey, Kati Piri, for formal suspension of accessions talks with Turkey. In her

draft 2018 Commission Report on Turkey, released this week, Piri said that continuing a negotiating process aimed at EU integration of Turkey has lost all credibility under the present circumstances. *“Apart from the clearly autocratic nature of the recently introduced presidential system, which lacks the necessary democratic accountability and balances, it is impossible to ignore the further regression of the rule of law with over 50,000 people, including journalists, politicians and human rights defenders still in jail since the attempted coup and 150,000 civil servants dismissed without proper legal procedures,”* the report said. Even though Prodromou said that draft report on Turkey’s accession progress includes important references concerning *“exactly the fair, objective and real recording of the data,”* Cyprus does not agree with a possible discontinuation of the country’s accession process. The trend observed lately, he said, *“not only in the report, but more generally in the European policy on the possible disruption of Turkey’s accession course – a direction unfortunately caused by developments in Turkey – creates a great deal of concern (to the Government).”* He added that the Government does not agree with such a prospect in the sense that the accession dialogue should not be substituted *“by the upgrade, strengthening or enlargement of Turkey’s Customs Union with the EU, bearing in mind that Turkey does not even apply properly the original Customs Union (agreement).”* Turkey does not fully implement the EU Customs Union agreement, as, since it does not recognize the Republic of Cyprus, refuses to open its ports and airports to Cyprus’ vessels and aircrafts. Prodromou said that the issue is being handled by the Foreign Ministry and that developments are expected. (www.cyprus-mail.com)

COUNTRY ASSESSMENT :

Cyprus expresses in highest level its commitment to continue its energy plans exploiting energy resources in Cypriot Exclusive Economic Zone (EEZ) despite Turkish aggression. Involvement of an American company (ExxonMobil) in the drills it is proved “wise” and “smart”. The US administration expresses in various ways its support in Cypriot energy plans and visit of the US Assistant Secretary of State for Energy Resources in Cyprus, Israel, and Egypt “institutionalizes” their tripartite (or quadrilateral including Greece) cooperation. However, none could exclude the possibility of spasmodic actions of Turkey against Cyprus but in no case directly against the drill ship in block 10. Taking into consideration that Cyprus lacks of military power and especially aeronautical forces it is expected Greece to be engaged more actively in the region. Conduct of aeronautical exercises in cooperation with other countries sends various messages of defense capability, readiness, and determination. The UN Secretary General appears optimistic for a new round of talks between the two communities. President Anastasiades promotes the scenario of a “bizonal, bicomunal decentralized federation”; an idea which is in principle accepted by the leader of the Turkish Cypriot community and enjoys support from the U.S. However, there are a lot of disputed issues in which both parts should compromise; the most important is considered the decision-making process. 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.



F.Y.R.O.M: November 12th,

F.Y.R.O.M will start today the preparatory screening for Chapter 24 titled “*Justice, freedom and security*.” F.Y.R.O.M’s delegation is led in Brussels by Vice Prime Minister for European affairs, and Bujar Osmani who is the Chief Negotiator and the Head of the Government delegation for negotiations with the EU. The meeting will last for three days during which expert teams will be discussing the 70 pages of the European legislative that are centered on these subjects. Three more screening meetings should be held by the end of this year. (www.meta.mk)

- November 16th, the Prime Minister Zoran Zaev said that Nikola Gruevski’s escape is not related to the vote in Parliament for the start of the changes to the Constitution stemming from the “Prespa” Agreement. However, he added that he is concerned about the parliamentary majority. “*For me the first priority is the political process in Parliament and that’s because it is related with country’s future in NATO and the EU. I believe in the parliamentary responsibility of MPs. I hope that the numbers of MPs who are in favor will grow, but I want to share my fear and concern for the numbers, because we cannot interfere in state’s justice, procedures of the judicial systems, how they act, and reflect on the cases. MPs should make a historic decision adopting constitutional amendments,*” Zaev said. (www.meta.mk)

- November 16th, the European Commissioner for Neighborhood Policy and Enlargement Negotiations, Johannes Hahn indirectly commented on the escape of former convicted Prime Minister Nikola Gruevski on his social media account, saying it is a “*matter of Europe’s credibility*.” His message was directed

to Hungary and its Prime Minister Victor Orban because Gruevski has applied for political asylum there. “*A strong rule of law is one of the fundamental criteria of EU accession. After years of backsliding, Macedonia [F.Y.R.O.M] is making good progress in this area, including criminal law. All EU member states and West Balkan neighbors should support this process. This is a matter of Europe’s credibility,*” wrote Hahn. His message came two days after the EU spokesperson said that Brussels monitor closely the case and hope it would not be politicized. (www.meta.mk)

COUNTRY ASSESSMENT :

The Prime Minister Zaev accelerates procedures for constitutional amendments aiming at concluding the whole process successfully. It is expected late January 2019 the whole process will have been finished successfully. Not only F.Y.R.O.M’s future is based on this process, but also Zaev’s political future. It is more than certain that constitutional change will end successfully not only because Zaev fully controls political balance in the Parliament, but also because international community namely the US and EU strongly supports F.Y.R.O.M’s name change. Does Gruevski’s escape has political background namely somekind of a “secret” political agreement? The Government rejects such a scenario but things will become clearer in near future. F.Y.R.O.M has become a field of rivalry between the US and EU on the one side and Russia on the other. After Montenegro, NATO seeks to bring F.Y.R.O.M within the alliance isolating Russian influence in the region. Needless to say that in a period where border questions are raised again in the Balkans,

F.Y.R.O.M needs political stability and growth prospects.



GREECE: November 12th, a new security alliance, also involving the US participation, appears to be in the offing in the Eastern Mediterranean and the Middle East, according to analysts. Security structure of this sort would most likely rely on the trilateral partnerships that Greece and Cyprus have in recent years forged with Israel, Jordan and Egypt. Developments are seen linked to Washington's efforts to bolster Europe's energy security through the diversification of supply routes. The chances of the US-inspired plan materializing will be assessed during two key summits taking place next month; leaders from Greece, Cyprus and Jordan will meet in Nicosia on December 19th, 2018. The following day, a meeting between Greek, Cypriot and Israeli leaders will be held in Jerusalem. Should the scenario materialize, the US is likely to be represented by the Assistant Secretary of State for European and Eurasian Affairs Wess Mitchell, an advocate of supporting Eastern European countries – what he calls “*frontier states*,” that function as a bulwark against Russian influence. Greek officials will have an opportunity to gauge American intentions before the trilateral meetings as December 13th, 2018 sees the launch of the so-called US-Greek Strategic Dialogue in Washington. The event is seen as crucial, as the two NATO allies will, for the first time, discuss key areas of cooperation – mainly security and energy issues – under a joint institutional umbrella. Athens is keen to deepen a relationship that could offer greater protection against future challenges to territorial sovereignty and maritime rights amid regional rivalry over energy resources. Washington on the other hand,

clearly aspires to closer military cooperation. Meanwhile, the recent visit by Cyprus Foreign Minister Nikos Christodoulides to the US – where he held talks with his US counterpart Mike Pompeo and other senior officials – confirmed that Washington acknowledges Cyprus's strategic significance in the Eastern Mediterranean, also in relation to the EU energy diversification. The US oil giant ExxonMobil has started drilling in block 10 of Cyprus's Exclusive Economic Zone (EEZ) and Washington is naturally expected to back the interests of American companies. It remains to be seen whether it will also take steps toward lifting the arms embargo on the Mediterranean island. (www.ekathimerini.com)

- November 14th, almost a year after the country's last domestic terrorist strike, the Greek Police's counterterrorism unit investigates an attempted bomb attack against a Prosecutor in the Athens neighborhood of Vyronas. Although the would-be bombers used tactics reminiscent of established groups, Police believes they are more likely to belong to a new generation of terrorists. This is partly because they used gunpowder, of the type used in firecrackers, rather than the more powerful explosives usually used by other groups. The bomb comprised a kilogram of gunpowder inside a saucepan and had been concealed inside the top box of a motorcycle that was parked outside the Vyronas home of Supreme Court Deputy Prosecutor Isidoros Dogiakos. Police and a bomb disposal unit rushed to the scene after an anonymous caller telephoned the “Zougla” news website and the daily “Efimerida ton Syntakton” at around 4 a.m. Tuesday, warning that a bomb had been placed at the Vyronas address and would go off in 20 minutes. As police did not have time to cordon off the area they used loudspeakers to tell residents to remain in their

homes. Police believes the bomb's failure to detonate may have been due to a problem with the detonation circuit, which most likely occurred during its transportation on the motorcycle. Investigators are looking into older cases handled by Dogiakos, who is among Greece's most prominent judicial officials, for clues to the motives of the foiled attack. Dogiakos has been involved in a number of high-profile cases, including the prosecution of the far-right Golden Dawn (Χρυσή Αυγή) party and the breakup of a major trial-fixing racket. According to sources, the attack is reminiscent of previous hits by Group of "Popular Fighters", which has claimed a string of attacks, most recently last December on the Athens Appeals Court. However, the group generally uses stronger explosives and different methodology. There are also parallels with other groups such "Conspiracy of the Cells of Fire", which also placed some of its bombs in saucapans. However, experts believe it unlikely that the group is behind Tuesday's attempted hit as several of its jailed members are currently seeking early release or furloughs and would therefore be unlikely to undermine their appeals. It appears more likely that the bomb was the work of amateurs experimenting with techniques of established groups, according to sources who said a claim of responsibility, if one is released, will shed more light on the case. (www.ekathimerini.com)

- November 16th, a tentative deal between the Prime Minister Alexis Tsipras and Archbishop of Orthodox Christian Church Ieronymos to take Greek priests off the state payroll and resolve a property dispute appeared in doubt after the Holy Synod rejected any changes to the way clerics are paid and called for more discussion. The initiative was announced last week in a joint press

conference by Tsipras and Ieronymos who hailed it as "*historic*." However, Friday's tense session of the Synod underscored the serious objections of a large section of church representatives. In a statement issued after the meeting, the Synod said it had unanimously decided to establish a committee of clerics and legal experts and "*continue dialogue*" with the state. However, it said that it "*insists on the existing pay status of clerics and secular employees of the Church of Greece*." Priests object to being removed from the state payroll amid fears of losing their status as civil servants. In its own statement issued shortly afterward, Tsipras's office suggested that the Government might move unilaterally on the payroll issue. "*The payroll status of clerics is, in any case, the responsibility and decision of the state*," the statement said. It also noted that the Government would draft a law based on the joint declaration by Tsipras and the Archbishop last week and present it to the Holy Synod's committee before sending it to Parliament for approval. Ieronymos sought to ease tensions, welcoming the Premier's statement as an indication that the Government is prepared to continue dialogue with the Church. "*Our cooperation is a further step in the establishment of our distinct roles in the framework of serving the interests of our people*," he said. Earlier, during the Holy Synod's session, Ieronymos had sought to overcome the concerns of clerics at potential changes, promising to stand by them and indicating that the tentative deal marks "*the beginning of a free Church*." Many in attendance were unconvinced, however. Bishop Chrysostomos of Messinia, a vocal opponent of the plan, walked out after attempting to interrupt the Archbishop and being chastised. (www.ekathimerini.com)



The Holy Synod of the Greek Orthodox Christian Church

(Photo source: www.ecclesia.gr)

COUNTRY ASSESSMENT :

Ruling coalition of SYRIZA – ANEL intensifies its efforts to reverse political atmosphere since the country enters gradually in a long pre-electoral period. Tsipras and Kammenos try to gain political time planning to relief society with social care measures. Taking into consideration that measures will start to be voted next month it is assessed that early election may be called in May 2019 together with local and European election. Ruling coalition believes that it is enough time so people to enjoy relief measures reversing political climate. Of course there is always the alternative scenario of parliamentary election in autumn 2019 when actually mandate of current Government expires. The ruling coalition tries to put in the political agenda issues which will turn the interest of public opinion from daily life and governmental failures. Constitutional reform is a typical example, while the prime Minister's initiative to seek an agreement with the Church separating it from the state may have controversial results. One should take into consideration that Greek Church is extremely powerful with high influence in Greek society. Greece (and Cyprus) has entered in a risky period

of tension with Turkey. A navy frigate is already closely monitors the Turkish drilling ship “Barbaros Hayreddin Pasha” while several Turkish NAVTEX in the Aegean Sea for aeronautical exercises establish conditions of tension and possible crisis. Coming days will be critical to see if Turkey keeps maintaining a war of words or it will escalate situation.



KOSOVO: November 15th, Chief of the Parliamentary Group of the Democratic League of Kosovo (Lidhja Demokratike e Kosovës - LDK), Avdullah Hoti, said that the Parliament of Kosovo is dysfunctional and the country should announce snap elections to restore democratic order. Hoti said in social media that the Parliament is struggling to create majority and push forward the legislation agenda considering that ruling coalition has lost majority. “*The Government of Kosovo is functioning without democratic legitimacy. The country should move towards elections to restore democratic order,*” Hoti wrote. He said that Kosovo’s important processes have stalled and the dialogue with Serbia now is in the hands of one person who is negotiating without constitutional mandate, referring to President Hashim Thaci, who is leading the EU-facilitated dialogue with Serbia. (www.gazetaexpress.com)

- November 16th, Deputy Minister of the Kosovo Security Force (KSF), Burim Ramadani, said that by the end of the year the Parliament will approve the package of laws enabling transition of the KSF into Kosovo Army. Ramadani said transformation of the KSF into an army is an irreversible process. He claimed that by entering into force the new legislation, the KSF’s name will remain unchanged but its mission will be stepped up into military self-defense duties.

Ramadani said that the KSF's operational mission will cover security needs and demands in all territory of Kosovo. The Parliament of Kosovo has approved last month in principle three draft laws enabling transformation of the KSF into Army of Kosovo. (www.gazetaexpress.com)

- November 17th, Russian Foreign Minister, Sergei Lavrov, said that Moscow is ready to consider a solution on Kosovo's issue, in a constructive manner, as long as it is acceptable to Serbia. *"If Belgrade considers any settlement option acceptable to Serbia, we are ready to consider it in a constructive manner. It's inappropriate to speculate about the possible content of one or another option,"* Lavrov said in an interview with the newspaper Srpski Telegraf. Kosovo President Hashim Thaci after meeting Russian President Vladimir Putin last week in Paris, said that Russian leader has confirmed that he would support any agreement reached between Kosovo and Serbia. (www.gazetaexpress.com)

COUNTRY ASSESSMENT :

Although Kosovo – Serbia dialogue has entered in a critical phase it seems that Pristina obviously undermines its normal evolvement by unilateral actions. Announcement of the establishment of Kosovo Army and impose of an extra 10% tariff in Serbian (and Bosnian) imported products definitely are not proper actions before bilateral meetings. Furthermore, President Thaci has to address with his opponents within the country which actually question his mandate to negotiate territorial changes. In other words, Kosovo appears not well organized for such a level of dialogue. The question of border exchange or simply change continues to divide Kosovo political forces and population. However, it could

be estimated that if Kosovo keeps on acting in such way it may be isolated on the table of international negotiations. It seems that the U.S (and the EU) has a leading role in the background pushing for the idea of territorial change (or exchange). Kosovo lacks determination over its critical reforms which will establish in the country rule of law and modern functional administration. Path towards the EU and NATO will be long and hard. A mutual accepted agreement between Kosovo and Serbia is the critical point for the country in order to start approaching the Euro-Atlantic integration. Kosovo army issue is a case which may cause tension with Serbia and it seems that the state seeks to accelerate actions towards transformation of KSF into a regular army.



MOLDOVA: November 12th, the Head of the Transnistrian diplomatic mission, Vitaly Ignatiev told about what is slowing down the negotiation process. He claimed that the Transnistrian side is trying to focus on concrete matters, on a specific agenda within the conflict negotiation process. Ignatiev drew attention to the fact that the position of President Vadim Krasnoselsky, who previously declared that it makes no sense to meet with Moldovan counterparts without a specific agenda, is connected with this. According to him, over the years of the negotiation several plans, approaches, or visions on the Moldovan - Transnistrian settlement have been discussed and presented; there were many delusions that the conflict was very easy to be resolved. However, the Transnistrian diplomat refused to recognize Transnistria as part of Moldova. *"We have absolutely legitimate international legal, historical grounds for recognizing the*

independence of Transnistria. We have a generation of Transnistrians who have not lived a single day in the Soviet Moldova. Any settlement should be based on the will of the people. We rely on the will of the population, which has already determined its fate within referendums,” the Minister added. He stated that Transnistria lives in accordance with its Constitution, and Moldova, in turn, lives within its legislative space. *“There is not a single signal about the eagerness of the Moldovan authorities to deal with these issues seriously, although there are a lot of statements about the issue. Sometimes these statements create an unnecessary background and interfere with the dialogue,”* the diplomat concluded. (www.moldova.org)

- November 14th, the European Parliament approved the report on the implementation of the Stabilization and Association Agreement between the Republic of Moldova and the European Union after more than one hour of debate in the EU legislature. Report is critical of the Government based on serious violation of democratic procedures and institutions and it was supported by 396 MEPs, while 76 MEPs voted against and 186 abstained. Report states that any decision on future funding and financial support to Moldova should be made only after the parliamentary elections and provided that they are carried out in line with international standards. The European Parliament adopted these harsh measures in response to the cancellation of the results of the local elections in Chisinau, the lack of independent judiciary, politically motivated cases against the opposition, lawyers and human rights activists, pressure on journalists, and monopoly of the media. The EU may revise the visa-free regime for Moldovan citizens in case of non-compliance with the obligations related to the

fight against corruption and money laundering. On November 16th, 2018 the EU Commissioner for European Neighbourhood Policy and Enlargement Negotiations, Johannes Hahn criticized the Government *“There is a constant delay in the Republic of Moldova in respect of the rule of law and freedom of expression. For more than two months, we have seen a negative development in some areas that are linked to citizens' rights. And this is not only criticized by the Commission, but also by the European Parliament.”* (www.jurnal.md, www.moldpres.md)

- November 17th, the US Ambassador to Chisinau Dereck J. Hogan during a meeting with the leaders of some political parties in Moldova said the upcoming parliamentary elections are a critical moment for bilateral relations between the two countries. In a social media post, the diplomatic mission mentioned that Ambassador Hogan met with Zinaida Greceanii, Chairman of the Party of Socialists of the Republic of Moldova (Partidul Socialiștilor din Republica Moldova – PSRM), Andrei Nastase, leader of the Dignity and Truth Platform Party (Partidul Platforma Demnitate și Adevăr - PPDA), Vlad Plahotniuc, leader of Democratic Party of Moldova (Partidul Democrat din Moldova – PDM), and Maia Sandu, President of the Party of Action and Solidarity (Partidul Acțiune și Solidaritate - PAS). *“The United States is not trying to influence who wins or loses on election day. It is a decision that belongs exclusively to voters in Moldova. But the United States is very interested in seeing that this campaign and the elections in Moldova are in line with international standards and are part of a fair and transparent political process,”* the Ambassador underlined. (www.moldova.org)

COUNTRY ASSESSMENT :

Political life is “hostage” of the pro-Russian President Igor Dodon and pro-Western Government rivalry which undermines the institutional function of the country. In the wider framework Moldova is between the Euro-Atlantic structures on the one hand and the Russian influence on the other. Political situation in the country is alarming and the EU has hardened its policy towards Moldova pushing for more reforms which will strengthen state’s transparency, accountability and democratic values. Coming parliamentary elections scheduled for February 24th, 2019 will be closely monitored by the international community and especially the US and EU as a “democratic stress test.” The Government is sliding into dangerous paths which support corruption and organized crime and deep and determined justice reforms are needed. The U.S, EU and IMF express their major concerns. By autumn the state has entered in pre-election period although elections are scheduled for February 24th, 2019. The “Transnistria case” is always a “running sore” for the country working as a potential factor of destabilization.



MONTENEGRO: November 12th, Negotiator for Chapters 23 and 24, Marijana Lakovic, said she has expected the European Commission (EC) would recognize stable progress the Montenegrin institutions have achieved on the road to the EU. In an interview with Pobjeda daily, Lakovic emphasized the rule of law has been an area requiring continuous results, there are some challenges but Montenegrin institutions have been decisive in an attempt to use all available resources to achieve

the best results possible. “*The EC regularly submits the interim reports on their perception when it comes to the progress in the area of the rule of law, i.e. chapters 23 and 24. We expect the EC would recognize stable progress in numerous significant aspects of the rule of law, evaluating concrete results achieved by our institutions,*” emphasized Lakovic. When asked whether Montenegro reached the results the EC requested, she said Montenegro has been completely committed to the new approach in negotiations, much more demanding compared with the previous enlargements. “*The fact clearly denoting our progress in the area of rule of law is that so far Montenegro has started talks in 31 chapters, negotiations in 3 negotiation chapters have been temporarily closed, while we expect to open the 2 remaining chapters soon. Also, we expect the EC to recognize the latest activities of the National Police and state Prosecutor’s Office in fighting organized crime, high-level corruption, money laundering, temporarily seized assets and confiscated drugs,*” she said. Lakovic also added that by implementing thorough reform activities in judiciary and setting up of a modern legislative framework, Montenegro has proved its full democratic capacity to enforce the most contemporary European standards in this area. (www.cdm.me)

- November 14th, the Prime Minister, Dusko Markovic, during the meeting of the Ministers of Defense of the US-Adriatic Charter (A5) said that Montenegro has already started to feel all the benefits of the NATO membership, especially through increase of investments and interest of credible investors. “*The huge step forward that Montenegro made by joining NATO is more than obvious. Montenegro demonstrated the power of the idea of alliance among the countries that*

share the same values, regardless of their size. Our citizens can already see and feel the benefits of NATO membership. We've recorded increase of investments which definitely had an impact on our economic growth. The sign of safety that we carry now changes the awareness that other have of Montenegro," the Prime Minister said. By joining NATO, Montenegro fulfilled one of its most important objectives of the foreign policy and, in that context US-Adriatic Charter had a very important role. Markovic reminded that Montenegro is constantly working on the open door policy, both within NATO and the Charter. *"This will be our key priority this year, since we are aware of the importance of strengthening regional trust and mutual support of neighboring countries. Therefore, we were so happy about the invitation sent to Macedonia [F.Y.R.O.M] regarding the commencement of the negotiation process. We believe that Macedonia [F.Y.R.O.M] will soon become fourth member of the Charter,"* Markovic said. He pointed out that the nature of contemporary challenges, such as terrorism, illegal migration, hybrid and cyber threats, require that we all focus more on the issues of wider importance. (www.cdm.me)

- November 16th, the Prime Minister Dusko Markovic, Minister of Economy, Dragica Sekulic and Minister of Sustainable Development and Tourism, Pavle Radulovic, visited the research ship "Polar Empress" which is collecting 3D seismic data of Montenegrin submarine area. *"It's a new experience for me to be on a ship of this capacity. Hopefully, this will be the beginning of a new era in industrial production. We've approached oil and gas research systematically. Our ultimate objective is responsible management of this non-renewable resource that belongs to all generations,"* said Markovic. Sekulic said that

they are constantly learning and improving. *"In that context, representatives of state administration will be at the ship. We want to respond to everything that's expected in the domain of oil and gas research in the best possible way,"* he said. Norwegian ship "Polar Empress", 117 meters long, sailed into Montenegrin part of Adriatic Sea. It should begin 3D seismic imaging of submarine area in Ulcinj for the reasons of the possible exploitation of oil and gas. According to the Greek company "Energean", 3D seismic research in January of 2019 will have minimal impact on the environment. The company took all the necessary measures so that this project can be carried out in accordance with the highest world standards. (www.cdm.me)



Montenegrin Prime Minister Dusko Markovic
visit in research ship "Polar Empress"

(Photo source: www.gov.me)

COUNTRY ASSESSMENT :

Major reforms should be implemented in order the country to come closer to the EU. Montenegro shows activity within NATO not only because decided to send troops in Kosovo, but also because plans to join NATO forces in Latvia and Poland. According to the Prime Minister the state enjoys benefits from NATO and encourages other Western Balkan countries to join Euro-

Atlantic structures. Although the state fulfills its obligations as a full member of the Alliance questions are raised for such initiatives due to their impact in Montenegro's society but also in country's foreign relations. A significant number of people is opposed in NATO and maintains pro-Russian stance while Montenegro's presence in Kosovo may harm relations with Serbia. The Government tries to change investment "atmosphere" in the country aiming at attracting foreign investments and funds. It is highlighted a stable and secure environment where the Government takes concrete measures against corruption, organized crime, and money laundering.



ROMANIA: November 14th, the President Klaus Iohannis has stated that Romania is not ready to take over the European Council Presidency, arguing the responsible stakeholders in the Government are replaced or they are leaving, while *"things have got crazy."* In a meeting with the mayors in Romania, the Head of state stated that this is another reason for which the current Government must step down. *"I have to mention a big concern, although it doesn't concern you directly. It's about the year of 2019, when Romania will take over the Presidency of the EU Council, which is an extremely honorable position but also very challenging, particularly for the Government. My opinion is that we are not ready for such a thing. Several weeks ago I said we can honorably deal with it, but in the meantime things have got crazy, we don't know who are the responsible people in the Government anymore, the people who should take care of it are resigning or are being replaced. I still believe that the political need right now is to replace this accident of the Romanian democracy which is*

Dragnea-Dancila Government. There is no perspective for good governance and involvement in the European affairs. These are extremely serious matters," the President told the General Assembly of the Cities Association in Romania. The ruling Social Democratic Party (Partidul Social Democrat - PSD) chairman Liviu Dragnea replied back in a press conference claiming the Head of state is doing a great disservice to the country. *"Everyone has his obsessions. Klaus Iohannis has this obsession on the night of December 2016. He has been lying to us for two years there are no money for pensions, that we cannot meet the 3% budget deficit. Only alarming lies and what we have assumed in the ruling program we have achieved and it will happen from now on too. The Government is prepared to successfully manage the EU Council Presidency. Iohannis is doing a great disservice to the country, for he tries to induce the idea that the Government of his country is not ready to take over this Presidency. It is unspeakable,"* Dragnea said. (www.romaniajournal.ro)

- November 14th, the resolution on the rule of law in Romania, which the European Parliament (EP) adopted on November 13th, 2018 is *"politically and profoundly incorrect,"* the Romanian Prime Minister Viorica Dancila said. *"It is definitely a political resolution. It is profoundly incorrect and in at least a few points, it is not justified, while in other points it doesn't even is referred to Romania. This resolution is the expression of the electoral interests of the great political groups, namely the People's Party – which are the majority – and the Social Democrats,"* Dancila said. She also said that it is *"absolutely regrettable"* that the document was voted by Romanian MEPs, arguing that there are *"a few limits that no good Romanian should cross."* *"A*

good Romanian never votes against his own country, regardless of the context, of the political war, of how many electoral benefits he would gain from this in his own country. It is sad to see a Romanian voting against Romania,” she added. The EP adopted the resolution on the rule of law in Romania with 473 votes in favor, 151 against and 40 abstentions. It said it is “*deeply concerned*” about the reform of the country’s judicial and criminal laws, “*which risks undermining separation of powers and the fight against corruption.*” Meanwhile, on the same day, the European Commission released its latest Cooperation and Verification Mechanism (CVM) report, which notes that Romania has reversed the progress of its judicial reform and the fight against corruption and comes with new recommendations to remedy the current situation. Romania’s Social Democrat-led government said that it is considering suing the European Commission before the European Court of Justice over the highly critical report on the country’s justice affairs and rule of law. (www.romania-insider.com, www.balkaninsight.com)

- November 16th, around 1,800 troops from NATO Allies Bulgaria, Canada, Hungary, Italy, Poland, Portugal, Romania and Spain took part in the Romania-led exercise “SCORPIONS FURY 18” from November 5th to 16th, 2018. This included computer-assisted training, live-firings and other field training exercises at the Joint National Training Centre in Cincu, Romania. The exercise aimed to certify the South-East Multinational Brigade Headquarters for full capability, by planning and executing a NATO Article 5 operation over assigned forces within a command post exercise. The South-East Multinational Brigade is part of NATO’s enhanced forward presence in the eastern part of

the Alliance and the Black Sea region, as part of NATO’s response to a more challenging security environment. It conducts training, exercises and operations contributing to collective defense of Alliance territory and populations.



“SCORPIONS FURY 18”

(Photo source: www.nato.int)

COUNTRY ASSESSMENT :

Political struggle between the President Klaus Iohannis and Government continues not only in the field of Justice. A major struggle has broken out between these two state’s institutions regarding state administration’s readiness to take over the EU presidency on January 2019. Iohannis directly asked for toppling the Government calling them “an accident of the Romanian democracy”. Apart from that the EU released reports strongly criticizing the Government over rule of law and justice. Major concerns are expressed over political situation in Romania and justice independence. Iohannis strongly opposes in Government’s plans to intervene in judicial system while there are specific signs that the Government works towards controlling state’s justice. Romania according to NATO strategic and operational planning has become an advanced base close to Russia. Its strategic importance and role has been upgraded

and high level NATO exercises take place in its territory.



SERBIA: November 13th, the Prime Minister Ana Brnabic participated in the “Serbia in the EU” European Forum held at the Konrad Adenauer Foundation in Berlin. According to the Serbian Government, Brnabic told the gathering that her country's strategic commitment is membership in the EU, whereas maintaining stability and developing regional cooperation of essential importance for the country. *“If there is something in which we have continuity, that is certainly Serbia in the EU and we invest a lot of resources, knowledge, time and energy towards that goal. It seems to me that we are moving towards that goal relatively quickly, but we should do it faster,”* Brnabic said. She stated that 2025, as a year of potential entry of Serbia and Montenegro into the EU is a reachable date, but very ambitious, and it does not depend only on us, but on the EU as well. She said that Serbia had made the biggest advances in the field of the economy, around 85%, in the area of public administration reform around 50%, and around 30% in reforms in the field of the rule of law. Brnabic added that the biggest challenges for Serbia are chapters 23 and 24 that deal with the rule of law, while Chapter 35 on Kosovo is the most difficult question that we will have to solve until we become ready for the EU membership and the EU for further enlargements. She thanked Germany for support to Serbia on its path to the EU, as well as for investments in our country. Brnabic also pointed out that Serbia and Germany have a completely different opinion on Kosovo and the way in which long-term normalization of Belgrade - Pristina relations could be reached, but that disagreement does not mean that we take it

amiss, but that we are trying to explain why that normalization should be different than how Germany envisions it. The Prime Minister said that the solution to the issue of Kosovo should be based on mutual compromise, and that for her a compromise should be found somewhere between the two opposing positions, that Kosovo is Serbia or that Kosovo is independent and that Serbia should just recognize it. *“A compromise is somewhere in between these two sides, but if someone insists that Kosovo is independent and that Serbia should just recognize it, then that will not happen and Belgrade will continue insisting that Kosovo is Serbia,”* Brnabic stated. According to her Pandora's Box was opened 10 years ago when Kosovo declared independence in violation of all democratic principles. The Prime Minister also noted that frozen conflict is in no way a good solution as it will always pull us backwards. (www.b92.net)

- November 14th, the President Aleksandar Vucic has confirmed that drones (Unmanned Air Vehicle – UAV) worth 30 million dollars will be bought from China for the Serbian Army. Vucic also announced the possibility of expanding military cooperation with this country. *“I believe that we will get something else from China, and pay for something, but I will only say it when I get a confirmation from the Chinese President,”* he said. Vucic again congratulated members of the Serbian Army for successfully holding the exercise (over the weekend) on the occasion of the 100th anniversary of victory in the World War I, and he estimated that people who watched the broadcast could see what a big difference had made compared to the situation five years ago. *“I was the Minister of Defense and I know what I inherited, one warplane in a state of disrepair. And yesterday you had eight flying. Not in the*

hangars, but flying. Not to mention the uniforms, the project of equipping the army, the rifles, the domestic-made carriers, howitzers,” said Vucic. (www.b92.net)



Serbian Army exercise “Century of Victors”

(Photo source: www.mod.gov.rs)

- November 16th, the Bureau for the Coordination of the Work of the Security Services of Serbia discussed the overall security situation in the country. At the session, particular reference was made to the current situation in (the Autonomous Province of) Kosovo, bearing in mind the announced formation of the “Kosovo Army” and the upcoming General Assembly of Interpol, the Serbian Government announced. A detailed work plan was agreed on for all security services that received specific tasks and will take all necessary measures to prevent security challenges to prevent significant instability from turning into a situation that could endanger the security of Serbs in the southern Serbian province. It was pointed out that the announced establishment of the so-called “Kosovo Army” would be contrary to the UN Security Council Resolution 1244, but also guarantees from the international community that without which such a decision cannot be made. The circumstances related to the upcoming General Assembly of Interpol and the request of Kosovo for admission to the international police

organization were also considered. Serbia will continue to present legal, police and political arguments, which say that Kosovo should not be a member of Interpol, but also to indicate how much this would be a security threat, because, among other things, the database of this police organization could be misused. The topic of the session of the Bureau was the fight against corruption and organized crime, with special emphasis on the suppression of drug trafficking. At the same time, concrete measures have been agreed for the Police and security services in accordance with the legally prescribed powers and in cooperation with the competent Prosecutor's Offices, all with the aim of protecting Serbia and the security of its citizens. The Bureau was chaired by the Secretary of the National Security Council, Deputy Prime Minister and Minister of the Interior Nebojsa Stefanovic. Apart from members of the Bureau, the meeting was also attended by the Minister of Justice Nela Kuburovic, Defense Minister Aleksandar Vulin, Republic Public Prosecutor Zagorka Dolovac, Police Director and the Prosecutor for Organized Crime. (www.b92.net)

COUNTRY ASSESSMENT ■ :

Relative security stability. Serbia’s path towards the EU and NATO goes through Kosovo dispute resolution. Serbian President withdrew from the negotiation talks claiming several violations by Kosovo administration. Establishment of Kosovo Army is “a red line” for Serbia which hardens its reaction. In a session assessing current security situation in Kosovo top-officials decided to allocate specific operational tasks to all security – defense services. Moreover, Serbia is running a rally of military armament and exercises demonstrating military power and capability. It is

assessed that Serbia will not escalate security situation in Kosovo and especially in the North, but a serious incident or accident in Northern Kosovo may “legalize” intervention of Serbian security forces. However, Vucic’s and Brnabic’s statements show that Serbia is ready to compromise recognizing that it cannot gain everything through negotiations. It is estimated that Serbia is ready to give Kosovo recognition for taking North Kosovo (where there is a majority of Serbs). Actions of ethnic minorities in Serbia such as Albanians in south Serbia or Muslim Bosnians in Sandzak region touch the sensitive issue of national security of the state. By expressing neutrality and maintaining equal distance from the U.S.A and Russia it moves in an environment of fragile balance. Russia is getting involved in Kosovo case by supporting actively Serbian stance.



SLOVENIA: November 13th, Slovenia’s Minister for Development, Strategic Projects, and Cohesion Marko Bandelli resigned over a transgression linked to the EU funding allocations, exposing the first cracks in a fragile minority coalition Government that took office in September 2018. Bandelli quit after apologising for sending an email to an independent candidate in a mayoral election in Komen, in which he indicated that the western city might get no EU funds if the candidate won. The Prime Minister Marjan Sarec had asked Bandelli - himself a former Mayor of Komen - to quit on Monday after learning about the email. Bandelli is a member of the Party of Alenka Bratušek (Stranka Alenke Bratušek - SAB), a former Prime Minister, who expressed disappointment that Sarec did not discuss the situation with her before asking Bandelli to resign. *“If the coalition will*

continue to use such communication channels, our (coalition) time will be short,” she said. In a letter to the Prime Minister, Bandelli said he made a mistake with the email, which was a result of a dispute between residents in Komen, where Bandelli still lives. Under the terms of the coalition agreement, SAB will nominate his replacement, which is expected to happen in the coming weeks. The centre-left Government, formed after an election in June 2018, consists of the List of Marjan Sarec (Lista Marjana Šarca – LMS), SAB and three other parties. It holds 43 out of 90 seats in the Parliament and relies on the support of the Left (Levica) party - which is outside the coalition - to pass legislation. However, on November 17th, 2018 Bratusek in an interview told the newspaper Večer that her party would do everything in its power so *“this Government doesn’t fail.”* (www.dnevnik.si, www.sta.si)

- November 18th, the ruling coalition parties reached an agreement on measures that should be taken in the field of budget expenditure after the state has assumed some additional obligations. Some issues still remain open, including demands from the public sector trade unions. What measures will be approved by the Government on November 22nd, 2018, remains unknown, but it is believed that child and family allowances, and state grants will not be changed. Contents of the agreement in the coalition did not leaked, but after social criticism from all sides it was decided not to interfere with children's allowances, family allowances and state scholarships. According to the Prime Minister Marjan Sarec, the coalition parties also decided that the supplementary budget, which they intend to take in the first months of the next year, should be balanced in line with the fiscal rule. Budget changes are

necessary due to the already adopted and anticipated additional expenditure (raising financial social assistance, increasing lump sums, raising the minimum wage, extraordinary reconciliation of pensions etc) and some austerity measures that would be released from January 1st, 2019. (www.dnevnik.si)

- November 18th, some 3,200 polls closed across the country at 7 p.m., as more than a third of Slovenian voters went to the polls to elect Mayors and Councilors of the country's 212 municipalities. Once the Municipal Electoral Commissions count the ballots, the new Mayors elected by today's local elections will be known. According to the data, the turnout by 16:00, it was 626,067 or 36.81% of the voting beneficiaries. In urban municipalities the participation was 32.82%. Participation was slightly higher than four years ago when 32.12% of voters came to the polls by 16:00 hours, while participation in urban municipalities was 26.14%. Even in early voting, which lasted from Tuesday to Thursday, participation in towns was mostly higher than in early voting in previous local elections. (www.dnevnik.si)

COUNTRY ASSESSMENT :

Although Slovenia enjoys a relative political stability, the newly established minority Government faced its first crisis. Minister Bandelli forced by the Prime Minister Sarec to resignation due to a local scandal. Although SAB leader (where Bandelli comes from) reacted due to the fact Sarec did not inform her about the resignation it is assessed that it will not affect governmental stability. However, it is still unknown how the governmental cohesion will react in a major problem (migration, fiscal, or

security). Border dispute with Croatia is still ongoing and former Government of Miro Cerar filed a lawsuit against Croatia over its refusal to implement the border arbitration and it is still a question how the new Government will continue with the case.



TURKEY: November 17th, a high-level meeting between Turkey and the European Union will be held next week, an EU official said. Speaking at a conference in Turkey's northern Samsun province, the Head of the EU delegation to Turkey Ambassador Christian Berger said a political dialogue between the EU and Turkey will be initiated following the meeting. Berger said meetings on transportation, energy and economy will be held after the beginning of the political dialogue. Next week's meeting will include discussion on the 3 million euro fund supporting Turkey's assistance to migrants who take refuge within its borders. Berger said 72 projects have been carried out within the scope of the funding, adding that, especially in regard to education for Syrian children, Turkey and the EU have the same mindset. In March 2016, Brussels and Ankara reached an agreement to take stricter measures against human trafficking, discourage irregular migration through the Aegean Sea and improve the living conditions for Syrian refugees in Turkey. The agreement also promised to accelerate Ankara's EU membership process and visa-free travel for Turkish nationals in the Schengen area, provided that Ankara fulfills a list of 72 criteria set by Brussels. However no concrete steps have taken so far to implement the agreement's promises, including the visa-free travel. Berger added they also expect a presidential-level meeting next year during Romanian presidency of the EU Council. Turkey

and the EU have both signaled moves toward a period of normalization in ties recently. There have also been positive remarks made by Turkish and some EU officials, who have displayed their willingness to restore ties. Negotiations between Turkey and the EU for full membership started in 1963; however, 55 years later, a concrete result has yet to be reached. In order to become an EU member, Turkey has to complete discussions on 35 policy chapters and implement some reforms. Yet, in December 2016, EU member states vetoed opening new chapters. (www.dailysabah.com)

- November 18th, Turkey's Defense Minister Hulusi Akar has voiced Ankara's objection to U.S. soldiers celebrating a veterans' holiday with People's Protection Units (YPG) militants in Syria during his meeting with General Joseph Dunford, the U.S. Joint Chief of Staff Chairman. *"We reiterated the inappropriateness of the YPG presence here [in northern Syria] as a terrorist [group] which is no different from the PKK and U.S. soldiers spending time and cooperating with them,"* Akar said. The closed-door, one-hour meeting, on the sidelines of the Halifax International Security Forum in Canada, addressed November 11th, 2018 photos showing U.S. soldiers stationed in Manbij -- in northern Syria, near the Turkish border -- having a U.S. Veterans Day dinner with YPG militants. Turkey considers the YPG as the Syrian offshoot of the illegal PKK and therefore as terrorist organization. The PKK is listed as a terrorist organization by Turkey, the United States, and the European Union. Akar said Turkey scolded the U.S. about the *"provocative and unacceptable"* images of YPG militants having dinner with U.S. soldiers and said he expects this not to be repeated. Akar also said that the U.S. cooperation with the YPG disturbed Turkey and urged the

U.S. to cut these ties as soon as possible. *"We also pointed out that giving weapons and ammunition to the terrorist YPG by truck and airplanes does not fit with the understanding of [the Turkish-U.S.] alliance,"* he said. Turkish Foreign Minister Mevlut Çavusoglu has similarly said that the U.S.' support for the YPG militants is a *"big mistake,"* adding that the issue had strained ties between the NATO allies. *"Despite knowing and acknowledging that (the YPG) is the same organization (as the PKK), seeing this cooperation as necessary is really a big mistake,"* Çavusoglu said, adding that he would discuss bilateral relations with his U.S. counterpart Mike Pompeo on November 20th, 2018. (www.hyrrietdailynews.com)

- November 18th, last week, the Turkish delegation presided over by Vice President Fuat Oktay withdrew from a conference on Libya in Palermo, Italy after they were excluded from a key meeting on the case. The meeting, which included representatives from Italy, Egypt, Libya, Russia, France, Tunisia, Algeria, the U.N. and the retired General Khalifa Haftar, who is one of the political actors of Libya, was not included in a schedule provided to Turkey. In the statement he gave while leaving Palermo Oktay underscored the impossibility of achieving stability in the Mediterranean Sea without Turkey's involvement. *"Libya cannot be stabilized as long as some countries continue to crush the process in line with their own interests. Libya needs less foreign intervention, not more,"* the Vice President stressed. Libya has remained dogged in turmoil since 2011, when a deadly NATO-backed uprising led to the ouster and death of long-serving President Moammar Gadhafi after more than four decades in power. Currently, two rival seats of power are vying for supremacy in Libya;

An internationally recognized national unity Government based in Tripoli and a Government supported by a legislative assembly based in the eastern city of Tobruk. (www.dailysabah.com)

COUNTRY ASSESSMENT :

Turkey faces several restrictions in freedom of expression and human rights. Elected MPs and journalists 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. Turkish – U.S relations have strongly been harmed forcing Ankara to approach new allies such as Russia. Although Turkey re-examines its relations with the EU in an effort to avoid international and regional isolation, the EU sends messages of terminating the EU – Turkey accession talks. Turkish Armed Forces have been engaged in military operations against Kurds and PKK in Northern Iraq and in Syria as well. The state tries to show a leading role regarding Syria’s “next day” claiming that developments in neighboring country are related to its national security mainly because of the Kurds. Kurdish question is a major security threat for Turkey affecting stability, peace and even unity of the state. Regarding Turkish interests in East Mediterranean Sea it seems that they are reaching a critical point since Cypriots are ready to start next week hydrocarbon drills in their Exclusive Economic Zone via the US energy giant ExxonMobil. Is Turkey ready to move from rhetoric to action? It is rather difficult to see a direct harassment against the drill ship (which is monitored by 4 U.S vessels), but none could exclude a “hot” incident in the Aegean Sea. In the meanwhile, Turkey looks for its leading role in Mediterranean and for that reason seeks be

engaged in Libyan problem resolution. It seems that multilateral cooperation between Greece, Israel, Cyprus and Greece, Cyprus, and Egypt raises its concerns of regional isolation.

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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
-  Imminent major incidents regarding stability and security. High security risk
-  Evolving or ongoing crisis or violent/armed conflict