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SOUTHEASTERN EUROPE AT A GLANCE



SOUTHEAST EUROPE DIRECTORATE

PROVIDING KNOWLEDGE TO THOSE WHO SHAPE THE FUTURE

“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: July 11th, the Albanian Prime Minister Edi Rama claimed in an interview for the Greek news Agency “AMNA” that Albania and Greece will reach an agreement for strategic cooperation. *“The problems between both countries are difficult, but a solution is absolutely necessary. The most important thing is not only to resolve these issues but to take them to another level of cooperation and partnership. The relations between both countries need to overcome the past and reach a new level; the one that exists among the citizens of both countries,”* Rama said. Rama spoke about the recent agreement between Greece and F.Y.R.O.M considering it as a great achievement regarding the new name of Albania’s neighboring country. *“It was a courageous leadership from Tsipras and Zaeu, who undertook the risk to confirm something that it wasn’t easy. They showed that there is a solution if there is goodwill,”* Rama said. (www.top-channel.tv)

- July 13th, one week before arriving to Tirana with his team to start the implementation of the reforms required by the EU for opening the accession negotiations, the EU Commissioner for enlargement Johannes Hahn met Prime Minister Edi Rama in Brussels. Hahn was optimistic for Tirana’s progress with the reforms on what he called “common goal”. *“The European Commission will keep following the implementation of the reforms for opening the accession negotiations next year. We will do everything possible to progress with the negotiations. We will be in Tirana to talk with the Government and opposition. We will reach this goal with the Albanian Government. It is our common goal,”* Hahn said. On the other hand Rama said *“We are ready to start preparing for*

opening negotiations and fulfill whatever has been required. We will not lose time although we are facing a difficult month ahead. It is important that we saw a large number of EU countries recognizing the merits of Albania. 25 countries were in favor of opening the accession negotiations.” (www.top-channel.tv)

- July 14th, Chairman of the Socialist Movement for Integration (Lëvizja Socialiste për Integrim – LSI) Parliamentary Group Petrit Vasili claimed that the U.S Department of State has warned Albania for massive money laundering of the Government. Vasili emphasized that the numerous “high towers” in Tirana is a tangible and clear evidence of the Government’s incrimination. *“Just a few weeks ago the U.S Department of State very clearly confirmed that Albania remains the main source of money laundering,”* Vasili claimed. According to him Albanian Government is under close monitoring for its activity and the U.S Department of State has evidences for the methods are followed for money laundering. *“This is a devastating activity for country’s economy which also criminalizes Albanian political and social life,”* Vasili said. (www.albaniannews.com)

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The Albanian Government looks determined to strengthen its work in order to achieve its strategic goal of opening accession negotiations with the EU next year. In fact the EU member states’ decision for the opening of accession negotiations one year later was “a smack in the eye” for the Albanian Government which hoped to get the “green light” in the current summit. Corruption and organized crime remain the most significant problems of the state. Security

situation stable without major incidents or challenges.



BOSNIA &

HERZEGOVINA: July 9th, the Main Council of the Croat National Assembly (HNS) of Bosnia & Herzegovina (B&H) published an open call to all political parties and actors, representatives of the international community, all responsible institutions and all citizens and the public in B&H that within their powers and capabilities to do everything they can to protect the Dayton Agreement, the Constitution of the country, the constitutional and legal order, and the rule of law. According to the open letter, B&H faces a constitutional coup by the Bosniak entity aiming at maintaining full institutional and political control of the Federation of B&H. HNS expressed its deep concern for the current situation in the country claiming that is currently facing a great constitutional crisis and an open attack on the constitutional and legal order and the rule of law. *“It has been a year and a half since the Constitutional Court of B&H ruled in the ‘Ljubici’ case, and the Election Law of B&H has still not been reformed in accordance with the ruling. There is only three months left until the general elections of 2018, and the solution for the implementation of the ‘Ljubić’ ruling is still not in sight. On the contrary, we are witnesses of different attempts of manipulation of the mentioned ruling and using the ruling itself as an excuse for harsh encroachment on the Dayton Agreement and the Constitution of B&H,”* the letter said. HNS emphasized that although implementation of the Court’s ruling is responsibility of the Parliamentary Assembly of B&H, five Bosniak parties (SDA, SBB, SDP, DF and NS) in violation to the Constitutional Court of

B&H ruling and the Constitution of B&H try to resolve the issue in the Parliament of the Federation of B&H. *“By putting the entity above the state, and the entity Parliament above the state Parliament and the legislation at the entity level above the legislation at the state level five Bosniak parties have, with the proposal of the ‘Law on the electoral units and the number of mandates of the Parliament of the Federation of B&H,’ both de jure and de facto performed an entity coup against the state, threatened the constitutional and legal order in B&H and violated the Constitution of B&H and the Dayton Agreement,”* it is claimed by the HNS. According to Croats *“All mentioned above lead us to the fact that the end goal of such politics is turning the Federation of B&H into a Bosniak entity, and after that, to turn that Bosniak entity into Bosniak national state.”* The HNS has sent special call to the Office of High Representative of B&H (OHR) and the Steering Board of the Peace Implementation Council (PIC) to protect the Dayton Agreement and the Constitution of B&H. (www.hnsbih.ba)

- July 11th, over 30,000 Bosnians gathered at the Srebrenica Memorial Centre to commemorate the 23rd memorial day of the genocide and pay their respects as 35 more victims were buried. Politicians from Bosnia & Herzegovina and the former Yugoslavia, as well as officials from the international community, attended the commemoration. Croat member of the B&H Presidency Dragan Covic released a message through social media regarding the 23rd anniversary of the genocide in Srebrenica *“In Srebrenica was committed a terrible crime, today we beg for forgiveness, even on behalf of those who do not have the courage to do that. We build a common European future on truth and*

reconciliation.” The US Ambassador to B&H Maureen Cormack, who joined commemoration event, expressed her deep sympathy to victims of genocide and their families through a video on social media. *“The United States and the U.S Embassy are still truly committed in supporting citizens of Srebrenica; victims, their families and people who survived to find their way even after this tragedy. Here in Potocari, I am deeply affected by the size of this tragedy and the suffering of victims’ families,”* Cormack said. The U.S Ambassador joined the “March of Peace” as every year, and said that she was impressed once again by the full commitment of the participants to the goal of this march to turn the terrible tragedy into a peace movement. The U.S Secretary of State Mike Pompeo stated *“This year marks the 23rd anniversary of the genocide in Srebrenica. Today, we Americans united with the people of B&H pay tribute and remember the victims of more than 8,000 men and boys in that city. This terrible genocide in Srebrenica reminds us that we must remain committed to provide a prosperous future for all citizens of B&H regardless of their religious and ethnic affiliation.”* The EU High Representative for Foreign Affairs and Security Federica Mogherini sent an official message on the memory of the Srebrenica genocide *“Today we mark the 23rd anniversary of the Srebrenica genocide and we want to express our condolences to the survivors, families and friends of those who were killed and lost their lives. This commemoration reminds us one of the darkest moments of humanity and modern European history, as well as our obligation to prevent such a crime from happening again.”* The High Representative in B&H, Valentin Inzko attended commemoration event stating *“Ignoring what happened in Srebrenica 23 years ago; denying genocide does*

not mean that it did not happen.” (www.klix.ba, www.balkaninsight.com)



Srebrenica Genocide Memorial
(Photo source: www.potocarimc.org)

- July 12th, the Foreign Affairs Committee of the Parliament of Great Britain published a report on the Western Balkans claiming that Russia enjoys significant influence on the Republic of Srpska (RS) by supporting political leaders of this entity and having as main tasks destabilization of B&H, and prevention of state’s progress towards the EU and NATO. *“Russians are very good at worsening the already bad situation; it's one of their great abilities,”* said Sir Robert Cooper. He emphasized that Russia has always been present in this region and it has defended Serbs who feel some sort of nostalgia for it. Sir Alan Duncan spoke about the risk of external influences in B&H, and noted the concern about the situation in the country, where tension between the three main ethnic groups have increased. *“Russia seeks to do whatever it can in order to harm Western Balkans’ stability and democracy. They have demonstrated this by attempting a coup in Montenegro in 2016 and by trying to supply with weapons a militant group in B&H,”* the report said. Western Balkans Director, Foreign & Commonwealth Office Fiona McIlwham said they were very worried about the situation in B&H as tension rose ahead of the presidential election. *“We have asked the EUFOR for a report on the*

Russian Arms of the Bosnian Serbs and we are waiting for their answer. What we already know is that there has been disproportionate purchase of certain weapons, not only by Serbian groups, but throughout B&H, so we are waiting for full evaluation regarding weapons that we believe were purchased by the Bosnian Serbs,” she said.

Professor Kenneth Morrison from De Montfort University said that a small number of extreme right-wing groups are active in Serbia and RS in B&H. “Many of these groups are linked with others who were volunteers and fought together with pro-Russian forces in the Donbas in Ukraine; among them Alexander Sindelic who planned a coup in Montenegro in October 2016. Number of members of the group ‘Serbian honor’ is growing in both Serbia and the RS,” Professor said. Morrison pointed out that B&H is a candidate for NATO membership, but RS proclaimed military neutrality, which is precisely what Russia seeks to Western Balkans. “External actors such as Russia, China and Turkey have taken advantage of the gap created in Western Balkans due to their neglect over the past decade. Many added that, unlike China and Turkey, Russian influence in the region is weak, mostly due to its poor economic presence in B&H. Nevertheless, Russia is capable of taking into advantage of regional problems and jeopardizing regional progress towards peace, prosperity and, finally, accession in the EU and NATO,” the Committee said. Report was concluded claiming that the entire region of Western Balkans is a zone of increased risk regarding organized crime such as human trafficking and narcotics, illegal migration, radicalization and potential terrorism. (www.klix.ba)

Country faces several functional and institutional problems. Consequently political fragility maintains permanent uncertainty and institutional mistrust. General elections have been scheduled for October 7th, 2018 and it is assessed that nationalistic rhetoric will be increased for pre-electoral reasons. The state’s road towards its Euro-atlantic integration is full of obstacles and opening of negotiation talks with the EU should not be expected earlier than 2022. RS rhetoric for greater autonomy remains active while more and more “voices” express concern over Russian influence in the Serbian entity not excluding security irregularities.



BULGARIA: July 9th,

Azerbaijan’s Defense Minister, Colonel General Zakir Hasanov met with the newly appointed Ambassador of Bulgaria in Azerbaijan Nikolay Yankov. Defense Minister congratulated the Ambassador on his new appointment, and touched upon the current state of bilateral military cooperation between Azerbaijan and Bulgaria stressing the importance of further development towards this direction. The Minister, analyzing the military-political situation in the region, noted that Armenia continues to pursue an aggressive policy towards Azerbaijan, adding that Yerevan is deliberately dragging out the negotiation process on the settlement of the Nagorno-Karabakh conflict and this negatively affects situation in the region. The diplomat, in his turn, expressed satisfaction with his appointment as Ambassador in Azerbaijan, noting that Bulgaria is interested in cooperation with Azerbaijan in all areas of interest. Yankov stressed that Bulgaria regards Azerbaijan as a friendly country, recognizing its territorial integrity and supporting a peaceful solution of the Armenia - Azerbaijan Nagorno-

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Karabakh conflict. The Ambassador added that Bulgaria, as a member state of NATO, is ready to share its experience in the military sphere with the Azerbaijani army. During the meeting, it was discussed prospects for military cooperation between the two countries, expanding relations in the field of military education, organizing mutual visits, as well as other issues of regional and bilateral cooperation. (www.novinite.com)

- July 11th, Bulgaria is ready to follow Romania's example for new drillings in the Black Sea and important oil and gas explorations. This is happening at a time when international energy giants, like French TOTAL confirm their interest in Southeastern Europe region. The Bulgarian Ministry of Energy announced its intention to assign the rights of exploring and exploiting of the "Tervel" field located in the Black Sea to French TOTAL. Bulgarian Government aims at attracting foreign investments in the energy sector and in particular to create a secure investment environment for the exploitation of the country's resources. TOTAL has already presence in the Black Sea as a 40% stakeholder in the Han Asparuh 1-21 exploration joint venture with Austrian OMV (OMV Offshore Bulgaria GmbH) and Spanish REPSOL (REPSOL Bulgaria BV) with 30% each, and in particular its subsidiary, TOTAL E & P Bulgaria has undertaken exploratory drillings in the area since 2012, but due to the low oil prices internationally it has abandoned the effort. (www.balkaneu.com, www.sofiaglobe.com)

- July 13th, Bulgaria's attempt to use the six-month period during which it held the rotating presidency of the EU to advance its bid to join the euro zone appeared to yield results after the EU Finance Ministers gave a cautious endorsement to

the application. In a statement after the July 12th, 2018 meeting of the EU, the Eurogroup said that it welcomed *"the intention of the Bulgarian authorities to put in place the necessary elements for a successful entry into ERM II,"* the exchange rate mechanism sometimes referred to as the euro *"waiting room"*. Bulgaria has made a number of commitments in policy areas *"Of high relevance for a smooth transition to, and participation in, ERM II,"* the statement said, such as banking supervision, other financial sector issues and institutional quality and governance. The implementation of such commitments would be overseen by the European Central Bank (ECB) and the European Commission. *"Once they have provided a positive assessment, a decision will be taken by the ERM II parties on the formal application of the Bulgarian authorities for ERM II participation,"* the statement said. Bulgaria has targeted joining ERM II in July 2019 and the Eurogroup statement said that the ECB *"Could be expected to conclude"* its comprehensive assessment – stress tests of Bulgaria's banks – within approximately one year after Bulgaria's formal application. The Eurogroup also called on Bulgaria to *"Thoroughly implement the reforms monitored by the Commission under the Cooperation and Verification Mechanism in the areas of judicial reform and the fight against corruption and organized crime in Bulgaria, in light of their importance for the stability and integrity of the financial system."* Bulgaria meets the macroeconomic criteria for joining the euro zone – on price stability, government debt and long-term interest rates – but falls short with regards to compatibility of legislation and membership in ERM II. Under the terms of its EU accession treaty, Bulgaria is required to adopt the euro, but has no legal deadline to do so. Before joining the euro zone, a country has to spend at

least two years in the ERM II, during which the exchange rate of its currency must not fluctuate by more than 15 per cent versus the euro. In the case of Bulgaria, there would be no fluctuation since it has pegged the lev to the euro since 1999 as part of a strict currency board agreement. The larger concerns about euro zone membership for Bulgaria have always been political – including its fight against corruption and its financial stability, highlighted by the collapse of its fourth-largest bank by assets in 2014. When allowed to join the euro zone, Bulgaria would also be its poorest member, with per capita GDP of about 7,100 euro in 2017. (www.sofiaglobe.com)

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Bulgaria continues its active and constructive role in the context of the EU Presidency promoting various initiatives and policies in various topics (Cyber-security, air – marine transport, EU electoral law etc). On the other hand 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. Bulgaria presents an active development policy trying to exploit its resources and establish an attractive and stable investment environment. Security situation stable; no major threats.



CROATIA: July 12th, the U.S Secretary of Defense James Mattis was received by President Kolinda Grabar Kitarović in Zagreb in the context of the ministerial meeting of the American-Adriatic Charter, a regional initiative launched in 2003 by the United States, Croatia, Albania and F.Y.R.O.M, while Bosnia &

Herzegovina, and Montenegro joined it in 2008. Its goal is to support the Euro-Atlantic process in Southeast Europe. Croatia and Albania joined the alliance in 2009. Mattis met also with Prime Minister Andrej Plenkovic, with both men expressing their satisfaction with the excellent and friendly relations between Croatia and the United States. Mattis said that he was pleased to once again be in a country that is a proven American ally with a respectable army. He praised the decisions of the Croatian state leadership on the acquisition of new military equipment and promised assistance in the next steps of the modernization of the Croatian Army. (www.glashrvatske.hrt.hr)

- July 13th, Defense Minister Damir Krsticevic announced the procurement of several U.S helicopters for the Croatian Armed Forces, after the U.S had donated to Croatia a squadron of Bell OH-58 Kiowa Warrior helicopters last year. Helicopters are a priority in the process of upgrading the Armed Forces, after the Government had made a decision to purchase multi-purpose fighter jets F-16 from Israel earlier this year, Minister Krsticevic said. The Government had in March unanimously adopted a decision on the procurement of 12 Israeli F-16 C/D “BARAK” fighter jets that will cost Croatia 2.9 billion kuna (392 million Euros) over a ten year period. Krsticevic said this was one of the most important decisions made in the defense sector after the 1991-95 war. The U.S had donated to Croatia 16 Kiowa helicopters and equipment produced between 2012 and 2015. Krsticevic discussed the procurement of helicopters in Zagreb on with the U.S Defense Secretary James Mattis, who said the United States would help modernize the Croatian Army. The Minister did not reveal any other details on

the procurement of new helicopters, only saying that “the Croatian public will be informed.” (www.hr.n1info.com, www.total-croatia-news.com)

- July 14th, the Social Democratic Party (Socijaldemokratska partija Hrvatske - SDP) held a session to discuss the current crisis hitting this biggest opposition party, which has culminated with a letter recently signed by 90 dissatisfied members who asked from the SDP leader Davor Bernardic to step down from its chairmanship. Bernardic called on SDP members to follow the example of the Croatian national soccer team and be united; however, he did not propose a way for exit of the crisis. Bernardic criticized some of these diversified members accusing them of double standards and hypocrisy which are against social democratic values. (www.hr.n1info.com)

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It seems Croatian society has entered in somekind transition. Several citizens' initiatives for referendums regarding social and human rights issues are ongoing expressing fears of a far conservative society. Apart from that it is estimated that the political distance between the President and Government may affect political stability of the state. Border dispute on Piran Bay remains active but no concrete actions and initiatives are expected due to political instability in Slovenia. Croatia implements a policy of Armed Forces modernization trying to form a reliable and well equipped force according to NATO standards.



CYPRUS: July 12th, Nicosia shall not remain idle in the face of possible Turkish provocations within Cyprus' Exclusive Economic

Zone (EEZ), President Nicos Anastasiades said. “We have a series of measures in mind. I will not specify. Naturally we do not mean warfare. But there are international organizations [we could turn to] which exist for this very purpose.” Moreover Anastasiades claimed that Turkish provocations may have a negative impact on potential new peace talks. Anastasiades was alluding to the possibility of a fresh standoff at sea between the Turkish Navy and companies contracted by Cyprus to drill for natural gas off the island's coast. Back in February 2018, Turkish warships – operating on the pretext of drills in international waters – prevented a drillship from reaching its destination in offshore block 3. Next major activity in Cyprus' economic maritime waters is scheduled for this autumn, when the U.S energy giant EXXONMOBIL intends to drill two back-to-back wells in block 10. The President confirmed that the UN envoy Jane Holl Lute will visit Cyprus on July 23rd, 2018. Anastasiades reiterated the Greek Cypriot position, namely that the process should pick up where it left off in Switzerland in July 2017, where a multilateral conference ended in impasse. The starting point now, he said, should be the six parameters laid out by UNSG Antonio Guterres. These included the abolition of guarantees and their replacement by a new security system for the island, and the scrapping of the right of unilateral intervention in Cyprus by the guarantor powers. After Nicosia, Lute is then expected to visit Ankara, Athens and London. (www.cyprus-mail.com)

- June 14th, Cyprus and France signed a bilateral military cooperation program during a visit to Paris by the Defense Minister Savvas Angelides. According to a press release, Angelides completed his visit to the French capital where he held a series of meetings with his French

counterpart Florence Palry, Chairman of the Defense Committee Jean-Jacques Bridey and the President of the Cyprus-France Friendship Group in the French National Assembly Sarh El Hairry. During the meetings, *“the continued enhancement of ties between Cyprus and France in the area of security and defense was reconfirmed, while Cyprus’ geostrategic role as a pillar of stability in the Eastern Mediterranean region was highlighted,”* the press release said. No details of the cooperation program were given. Cyprus decided to join the EU’s Permanent Structured Cooperation (PESCO) two days after President Nicos Anastasiades saw French President Emmanuel Macron in Paris in November 2017. (www.cyprus-mail.com)

- July 14th, Turkish Cypriot leader Mustafa Akinci has sent a letter to the members of the United Nations Security Council (UNSC) calling for the reassessment of the mandate of the UN Peacekeeping Force in Cyprus’ (UNFICYP). The letter, dated July 2nd, 2018 is a response to the letter sent by President Nicos Anastasiades to the members of the UNSC on June 25th, 2018 concerning the renewal of UNFICYP’s mandate for six more months, until January 31st, 2019. By this letter the Turkish Cypriot leader claims an overall revision of UNFICYP mandate should not be ruled out, as well as the level and concept of its presence on the island, as, any presence that creates a comfortable zone for the Greek Cypriot side on the island must be questioned. Akinci said that even though UNFICYP has contributed to stability on the island through its original mandate, after more than half a century of operations on the island, it was imperative that the UNSC re-evaluates the mandate of the peacekeeping force’s mission in light of fundamental changes in circumstances such as the

opening of the crossing points between the two sides. Moreover Akinci said that UNFICYP continues to cooperate with the Turkish Cypriot authorities without a legal basis, despite the repeated calls by the Turkish Cypriot side for the establishment of such a basis. He also conveyed the readiness of his community for the preparation of a document with the UN to deal with all the aspects of the relations of the breakaway regime with UNFICYP and the establishment of the legal basis. The Turkish Cypriot leader also said that contributions by the governments of Cyprus and Greece to the budget of UNFICYP, was a clear example of a conflict of interest. Such practices, he said, had stopped in all other UN missions in the world. Commenting on Akinci’s letter, Foreign Minister Nicos Christodoulides said that establishing a legal basis for cooperation with UNFICYP was the main reason for the communication of the Turkish Cypriot leader to the UNSC. He added that similar letters were being sent regularly to the UNSC. *“The approach of Turkey on this matter is well known. It is aimed at creating issues with that mission, because this serves long-established goals,”* he said. Christodoulides also said that the presence of UNFICYP on the island is based on the UNSC resolution 186 of 1964 and it concerns the Republic of Cyprus. The Government expects that UNFICYP will continue its mission as long as there are Turkish occupation troops on the island, Government Spokesman Prodromos Prodromou commended. (www.cyprus-mail.com)

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Cyprus expresses in highest level its commitment to react decisively against possible Turkish provocations regarding its intentions to exploit energy resources in Cypriot Exclusive Economic

Zone (EEZ). It is estimated that coming Autumn may be a period of high tension while a “hot” security incident should not be excluded. Cyprus promotes drills in its EEZ while Turkey is ready to react if it assesses that its EEZ (or the Turkish Cypriot EEZ) is violated by the Cypriots. Peace talks may start soon again and the new UN envoy prepares its first visit in the island.



F.Y.R.O.M: July 11th, “*I am certain that the majority of citizens of Macedonia will vote in favor of the recent agreement with Greece at the forthcoming referendum,*” the Prime Minister Zoran Zaev said in Brussels at the conference “NATO Engages – The Brussels Summit Dialogue.” According to Zaev referendum will be held in late September or early October and the process will be “*Rather democratic and I believe that vast majority of our citizens will vote for,*” he said. F.Y.R.O.M’s Prime Minister emphasized that opposition reactions against the agreement in both countries are a solid confirmation the deal was fair. (www.mia.mk)

- July 11th - 12th, NATO member states have agreed to invite F.Y.R.O.M to start accession talks, Secretary General Jens Stoltenberg announced in a press conference. “*We welcome the historic agreement between Athens and Skopje on the solution of the name issue and agreed to invite the Government in Skopje to start accession talks. Once all national procedures have been completed to finalize the name agreement, the country will join NATO as our 30th member,*” Stoltenberg said. He however reminded that F.Y.R.O.M could join NATO only if changed its name. It is up to the people in the country to decide, as this is an once-in-a-lifetime

opportunity; they will either support the agreement and become members or do the opposite and will not become members, he said. “*The doors for our full-fledged NATO membership are opened,*” Prime Minister Zoran Zaev commended in regard to the decision of the Alliance’s members. On July 12th, 2018 the NATO Secretary General Jens Stoltenberg met with Prime Minister Zaev for a ceremony marking the official beginning of accession talks with Skopje. (www.nezavisen.mk)



NATO Secretary General Jens Stoltenberg
officially hands over membership invitation to
Prime Minister Zaev
(Photo source: www.nato.int)

- July 12th, the Internal Macedonian Revolutionary Organization – Democratic Party for Macedonian National Unity (Внатрешна македонска револуционерна организација – Демократска партија за македонско национално единство - VMRO-DPMNE) brings back the concept of a transitional Government that was agreed in Przino - at the height of the political crisis of the state in 2015. What was unacceptable to the former VMRO-DPMNE leadership during the negotiations in Przino, suddenly became a priority for the new party top. The opposition party seeks to return in this model of Government with two Ministers and three Deputies from the ranks of the opposition. This model became part of the Law on Government

before the parliamentary election in 2016, but as an interim solution - only for that election period, because Social Democratic Union of Macedonia (Социјалдемократски сојуз на Македонија - SDSM) insisted in having control over several state departments associated with the election. Now the situation has been reversed since VMRO-DPMNE seeks a solution that it rejected in 2015, and SDSM believes that there is no need for such a type of transitional Government, due to the fact that deep political crisis is over. VMRO-DPMNE asks for this amendment on Government Law as a precondition for unblocking the election of the new composition of the State Election Commission (SEC), in addition to the amendments to the Law on Party Financing. With the blockade of the SEC formation, it is impossible to begin preparations for the referendum on the name that should be announced by the end of this month so that it can be held at the end of September or early October. Asked why this topic is currently opening up [amendment on Government Law], when parties have been in talks for several months in working groups to amend the election regulations, a senior VMRO-DPMNE official said it is a “*preventative measure*” in case the ruling majority decides to go to early parliamentary election together with the referendum, in order to achieve a greater turnout and reach the referendum threshold. (www.nezavisen.mk)

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It was an historic week for F.Y.R.O.M since it was officially invited for accession talks by NATO as a natural consequence of the F.Y.R.O.M – Greece agreement on the “name” issue. Nevertheless opposition namely VMRO-DPMNE strengthens

its action aiming at destabilizing the Government and blocking ratification of the agreement. It seems that VMRO-DPMNE enjoys influence in several parliamentary institutions in order to block Zaev’s political initiatives. Of course one should take into consideration that opposition enjoys support by the President Ivanov who is another major obstacle for the Government and SDSM. Early parliamentary elections should not be excluded in late September or early October together with the referendum. As referendum date approaches political tension will be higher while citizens may strengthen their protests against the Government. Despite its seeming euphoria the country enters in a difficult and strange period where political and security destabilization is not an unlikely scenario.



GREECE: July 9th, the new head of the International Monetary Fund (IMF) mission to Greece, Peter Dolman, was quoted in the Sunday edition of “Kathimerini” newspaper as warning that high primary budget surpluses (as a percentage of GDP) that the Government has committed Greece to achieving in the near future could threaten economic growth. Dolman said medium-term debt relief measures and the framework of post-bailout supervision for Greece, agreed to by Eurozone Finance Ministers at last month’s Eurogroup meeting, did indeed improve “Greece’s prospects for accessing the markets.” At the same time he warned that a 3.5% of GDP fiscal target until 2022, and a 2.2% annual target until far-off 2060, “*Constrain the Government’s ability to promote growth.*” “*As a member of the Eurozone, Greece has lost the ability to implement an independent monetary policy. The fiscal constraints mean that there are very few tools left with which to boost economic activity,*”

“Kathimerini” quotes Dolman as saying. In the meanwhile Eurogroup Working Group President Hans Vijlbrief expressed his direct opposition to any prospect of the poll-trailing Tsipras Government not implementing a latest round of social security tax - set to come online on January 1st, 2019. A number of Ministers of the leftist-rightist Greek coalition Government have hinted at the possibility of suspending or even avoiding the coming austerity measure. In statements Vijlbrief said the upcoming pension and tax reform, as well as possible countervailing measures, deal with the *“Credibility of the budget (execution), promotion of fairness and growth, as well as insuring a model for sustainable development, one which the citizens will trust... anything else would be self-destructive, and neither Greece nor its partners in the Eurozone want to walk this path again.”* (www.kathimerini.com, www.protothema.gr, www.naftemporiki.gr)

- July 11th, the Greek Government has decided to expel two Russian diplomats, and ban the entry into Greece of two more, accusing them of intrusion into domestic affairs and illegal acts against Greece’s national security. More specifically, Athens is accusing the Russian diplomats of trying to extract and circulate information, and to bribe Greek state operatives, which have failed. According to high-level Greek diplomatic sources, Athens is calling for the immediate expulsion of two personnel, including the Russian Embassy official Victor Yakovlev, and the expulsion of two more. The same sources note that the initiative follows numerous coordinated efforts to expand Russian influence in Greece including, among others, the activities of the Imperial Orthodox Palestinian Society. The same sources note that despite the efforts by the

Greek Government to keep relations with Russia on a good level, lately various circles that are connected to Russian interests have been meddling in Greek domestic affairs. Through monetary rewards they are trying to influence municipalities, metropolitans in the Greek Orthodox hierarchy, and to gain influence in Mount Athos. They point to the effort by Russia to intervene in a sensitive domestic issue like the agreement between Greece and FYROM over the name dispute and by doing so negatively affect Greece’s role in the Balkans. The Foreign Ministry in Moscow said it would respond in kind to Greece’s expulsion of two Russian diplomats. Citing a member of the upper house of parliament, Andrei Klimov, RIA news agency said two Greek diplomats would be expelled. On July 12th, 2018 the US Department of State welcomed Greek Government’s decision through a message on social media: *“We support Greece defending its sovereignty. Russia must end its destabilizing behavior,”* wrote State Department spokeswoman Heather Nauert. (www.ekathimerini.com)

- July 12th, the Greek Prime Minister Alexis Tsipras and Turkish President Recep Tayyip Erdogan met in Brussels on the sidelines of NATO summit. Tsipras said after talks that it *“Wasn’t the easiest of meetings”* and that he raised the issue of the two Greek military men held without charge in the neighboring country since March 2018. *“We have more hope than before the meeting,”* he said during a press conference in Brussels, but he made no reference to any commitment by Turkey on the matter. The Greek Premier said that, in response, Erdogan raised the issue of the eight Turkish servicemen who Ankara wants extradited for their alleged role in the coup attempt in 2016. Tsipras told reporters

he had emphasized the distinction between the two matters to Erdogan, adding that the Greek judiciary is independent. *“I stressed, once more, I made clear, that in Greece, the Greek judiciary is totally independent,”* he said, adding that *“At the same time I underlined what I have repeatedly stated: that for the Greek Government, anyone who joined a coup attempt, from any country – from Turkey in this case – or anyone who attempts the breakdown of democratic order, are not welcome in our country.”* Talks between the two leaders, the Greek premier said, also focused on Cyprus, migration and tensions in the Aegean, including Turkish violations of Greek air space. Tsipras said the two sides agreed to promote measures to de-escalate tensions in the Aegean Sea. (www.ekathimerini.com)

COUNTRY ASSESSMENT :

Greece – F.Y.R.O.M agreement on name dispute has created strong turbulence in the ruling coalition SYRIZA – ANEL threatening its sustainability. It seems that the main ruling Party of SYRIZA plans early parliamentary elections together with the local and European one scheduled for May 2019. However, none could exclude the possibility of ANEL withdrawal from the Government when the Greece – F.Y.R.O.M agreement would come to the Parliament for ratification namely during autumn 2018 or beginning of 2019. Incident with Russian diplomats has worsened relations between two countries adding a new problem in Greek foreign policy. Greece – Turkey under “low level” tension with a lot of open issues which easily may turn into major crisis.



KOSOVO: July 12th, President

Hashim Thaci said Kosovo has “red lines” when it comes to the final phase of the dialogue with Serbia. Thaci adopted “red lines” in talks with Serbia after criticism from opposition parties. Earlier this month Thaci, who leads the political dialogue with Serbia, said that there are no “red lines” in the dialogue with his Serbian counterpart, Aleksandar Vucic. According to him the final phase of the dialogue will be concluded with a historic legally-binding agreement between the two parties and the outcome would be recognition of Kosovo by Serbia. *“The state of Kosovo has drawn a clear red line: this process should be concluded with a historic final legal-binding agreement, which means recognition of the state of Kosovo by Serbia,”* Thaci said during a visit to Kacanik municipality. *“The agreement will be final and it implies mutual recognition.”* He also confirmed that the next round of the Kosovo-Serbia high-level dialogue will be held on July 18th, 2018 in Brussels. Thaci also said that there will be no amnesty for those who committed crimes against humanity, cleansing and killed over 15 thousand innocent civilians in Kosovo. He made the comments after recent media reports that Kosovo is ready to discuss with Serbia an amnesty of all war crimes. *“After every conflict, parties have discussed potential amnesty, and this is not the case only with Kosovo and Serbia,”* Thaci said. (www.gazetaexpress.com)

- July 13th, coalition partners gathered to discuss a draft document on how Kosovo should be represented in the dialogue with Serbia. The coalition leaders reportedly disagree on who should lead the dialogue, since one of the coalition partners; the Social Democratic Initiative (NISMA Social Demokrate – NISMA)

headed by Fatmir Limaj is against the leading role of the President Hashim Thaci in the dialogue with Belgrade. Reportedly all coalition partners have agreed to support this document. The draft document of the ruling coalition parties on continuation of the dialogue with Serbia is expected to be sent to opposition parties, who are against Thaci as chief negotiator with Serbia in the final phase of the EU-facilitated dialogue in Brussels. The biggest opposition party of Democratic League of Kosovo (Lidhja Demokratike e Kosovës - LDK), as well as the Self-determination (Vetevendosje) and Social Democratic Party of Kosovo (Partia Socialdemokratike e Kosovës - PSD) say that the President has no legitimacy to lead the dialogue and it is up to the Assembly of Kosovo to decide who should be leading the final phase of talks. In the document it is stated that Kosovo President Hashim Thaci should lead the dialogue aiming at the mutual recognition between the two countries allowing Kosovo to enter the UN. Also based on this draft Kosovo asks from the EU and the US to facilitate talks with Serbia. (www.gazetaexpress.com)

COUNTRY ASSESSMENT :

Kosovo lacks determination over its critical reforms which will establish in the country rule of law and modern functional administration moving in the opposite direction towards the EU and NATO integration. Political forces work on reaching a consensus regarding dialogue with Serbia forming an accepted negotiation framework. Dialogue is crucial since the EU and NATO have made clear to both sides that there is no Euro-Atlantic future without an agreement. However, Kosovo's burden is heavier due to the fact it is not a recognized member of the UN; it is

not a recognized sovereign state. Dialogue is scheduled for July 18th, 2018 and one should keep an eye towards possible provocations aiming at undermining talks.



MOLDOVA: July 9th, the

Government of Moldova strongly reacted against the European Parliament's (EP) decision to stop funding the country. According to a Government press release this is a wrong decision received by the European Parliament against the Moldovan citizens' interest. The Prime Minister Pavel Filip claimed that the country has fulfilled all the necessary reforms and commitments towards the EU including the judicial reforms and consequently funding postponement cannot be justified. The Government claimed that EP decision was promoted by Moldovan opposition leaders aiming at undermining state's funding by the EU for their own interests. However several Members of the EP (MEP) rejected Government's claims by saying that it is not possible two Moldovan parties to manipulate voting of the EP. According to the MEPs by this decision the EP expressed its concerns about the recent invalidation of the mayoral elections in Chisinau. MEP Renate Weber from the Group of the Alliance of Liberals and Democrats for Europe said this decision it does not mean that funds will no longer reach Moldova, but the country should first fulfill its obligations towards the EU. Weber underlined "I understand that the Moldovan Government transfers political pressure from its shoulders to those of the EP...Macro-financial assistance and funds still exists. The Moldovan Government should establish the appropriate conditions for funding. Moldovan citizens suffer because of the Moldovan political elite. Conditions for funding are not new. First of all

new election for Chisinau Mayor it would be a very good step towards democratic principles. Secondly, the Government should take into consideration recommendations of the Venice Commission regarding the new electoral law for the next parliamentary election. Finally the state should cooperate with the European institutions and judicial authorities in order to recover money have been stolen from the state's budget in a huge bank fraud.” (www.jurnal.md)

- July 10th, the Parliamentary Assembly of the Organization for Security and Cooperation in Europe (OSCE) reaffirmed during its annual session the necessity of the complete withdrawal of foreign armed forces from the territory of Moldova. Rapporteur of the General Affairs Committee Kristian Vigenin presented its draft resolution proposing three amendments regarding Moldova. Vigenin apart from withdrawal of foreign armed forces from Moldova proposed transformation of peacekeeping mission into a civilian mission under international mandate. Two amendments were proposed by the Moldovan Parliament's delegation while the Romanian one proposed a third amendment. All proposals approved by a majority vote and it was a successful result of a joint effort of delegations from Moldova, Romania, USA, United Kingdom, Georgia, and Lithuania. (www.moldpres.md)

- July 12th, the Parliamentary Judicial Committee analyzed the electoral law aiming at finding solutions which will strengthen procedures preventing future invalidation of elections, Speaker of the Parliament Andrian Candu has announced. According to him the Committee will present its final report and recommendations by the end of September 2018. *“We know there is a problem; Court's decision proves it. On the one*

side we should follow this decision because it is the law, but on the other side there is also a political decision which damaged Government's image, Democratic Party's [Partidul Democrat din Moldova – PDM] image, and the most important Moldova's image.” The Parliament supported initiative for analyzing situation which has created so many problems in state's function. *“Parliamentary election is about to come and we should have solve this issue,”* Candu said. (www.publika.md)

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. The EU has hardened its policy towards Moldova pushing for more reforms which will strengthen state's transparency, accountability and democratic values. The “Transnistria case” is always a “running sore” for the country working as a potential factor of destabilization.



MONTENEGRO: July 9th, the

Chairman of NATO Military Committee, General Petr Pavel praised the so far contribution of Montenegro into the Alliance as a full member state. “Montenegro is the brand new member of the Alliance but we have to remember that it has been part of the membership Action Plan since 2009. During the pre-accession period cooperation was intensified at both political and military level, aiming at the successful accession of Montenegro to the NATO. Montenegro's

political and military representatives continuously provide guidelines and collaborate with the Alliance in order to implement tasks decided by NATO member states' Heads. We welcome Montenegro's participation in NATO missions in Afghanistan and Kosovo," said Pavel adding "We have to see how nations meet the agreed capability objectives. How the countries participate in missions, operations and other activities, at training sessions and exercises? How they contribute to the NATO command structure and structure of NATO forces? All these factors should be taken into consideration. We're stronger together and every nation, either big or small, brings experience which helps the Alliance in its principle mission," Pavel concluded. General did not miss to underline that Montenegrin sky is protected by NATO members; Italy and Greece. (www.cdm.me)

- July 12th, According to Balkan Investigative Reporting Network (BIRN) Montenegro plans to join NATO forces in Latvia and Poland by 2019. Montenegrin troops will be deployed in the borders with Russia aiming at strengthening NATO presence in the region. Montenegro's troops will join the Slovenian army force assigned in Latvia under the Canada command. Two Montenegrin logistics officers will be assigned in Poland's NATO Battle Group. NATO has deployed four multinational Battle Groups in borders with Russia namely in Estonia, Latvia, Lithuania, and Poland totaling approximately 4,500 troops which became operational since 2017. (www.balkaninsight.com)

- July 14th, commenting on the long-running dispute between Croatia and Montenegro over the "Boka Navy" heritage, Commissioner for European Neighborhood Policy and Enlargement

Negotiations Johannes Hahn said both countries should avoid misusing open bilateral issues in the EU accession process. This is what Hahn answered when Marijana Petir, a Croat Member in the European Parliament, challenged him to comment on Montenegro's "illegal ownership" of the "Boka Navy", as it belongs to Croatia. The EU Commissioner said that the European Commission's (EC) document of February 6th, 2018 related to the "Credible enlargement perspective for the Western Balkans countries" underlined that the rule of law, justice and fundamental rights remain the topmost priority for all countries negotiating to accede the EU, including Montenegro. As for the "Boka Navy" issue, the EC noticed that, according to the international law, identification and protection of intangible cultural heritage belong to the state on whose territory the aforementioned intangible cultural heritage is situated. *"These issues are determined by UNESCO's Convention regarding the protection of the world cultural and natural heritage. Even though some its provisions are present in the EU legislation, the EU didn't sign the Convention. Therefore, the EC cannot interfere in procedures for recognition of UNESCO's heritage,"* Hahn said. News agency Tanjug yesterday reported the EU Enlargement Commissioner would require the future EU member states to pledge that they will not block other countries of region in their accession negotiations. (www.cdm.me, www.tanjug.rs)

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. 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 large number of people is opposed in NATO and maintains pro-Russian stance while Montenegro's presence in Kosovo may harm relations with Serbia.



ROMANIA: July 9th, the President Klaus Iohannis signed the decree to revoke the National Anticorruption Directorate (DNA) Chief Prosecutor Laura Codruta Kovesi, in accordance with the decision of the Constitutional Court (CCR), the spokesperson of the Romanian Presidency Madalina Dobrovolschi announced. *"In a state governed by the rule of law, the rulings of the Constitutional Court must all be respected. It is precisely for this reason that the constitutional judges have the tremendous responsibility that, in ensuring the supremacy of the Constitution, they do not depart from its spirit, which is based on the democratic traditions of the Romanian people and on the ideals of the 1989 Revolution. However, the Constitutional Court's rulings must be respected and enforced not only by the President of Romania, but also by the political majority, a majority that decides legislative changes with major impact on the rule of law."* Dobrovolschi said. Kovesi's dismissal caused a political crisis in Romania namely a conflict between the President Iohannis and the Government. In February 2018, Justice Minister Tudorel Toader asked the dismissal of Kovesi invoking 20 intolerable acts and facts related to her activity as head of this important institution. The Superior Magistracy Council's Prosecutor section issued a negative opinion on the Justice Minister's request and President

Iohannis later announced he would not revoke the DNA Chief. He motivated his decision saying that the Justice Minister's arguments didn't convince him. However, Toader asked the Constitutional Court to rule on Iohannis' decision, invoking a constitutional conflict between the Presidency and Government. The Court later ruled that the President has to sign the decree to revoke Kovesi. The ruling coalition was expected to make a decision today, July 9th, 2018 on whether or not they suspend President Iohannis. The main reason for suspension was the fact that the President postponed taking a decision on revoking the DNA head. (www.romania-insider.com)

- July 9th, talks on starting the procedure to suspend President Klaus Iohannis will continue in the party and in the ruling coalition, Liviu Dragnea, Head of the ruling Social Democratic Party (Partidul Social Democrat - PSD), has announced. The ruling alliance made up of PSD and Alliance of Liberal and Democrats for Europe (Alianța Liberalilor și Democraților - ALDE) was expected to make a decision on whether or not they suspend President Iohannis. The main reason for suspension was the fact that the President postponed taking a decision on revoking the Head of the National Anticorruption Department (DNA), as requested by the Constitutional Court (CCR). However, Iohannis decided on July 9th, 2018 to dismiss the DNA Head, and thus the ruling coalition postponed taking a decision on the suspension of the President. However, Liviu Dragnea said PSD and the ruling alliance would continue the talks on starting the procedure to suspend the President. *"Iohannis revoked her after 30 days [from the CCR decision]. I don't think he did it for the sake of complying with the Constitution but because of pressures generated by personal calculations, but the talks about the*

suspension were not only generated by this violation of the Constitution but by a series of constitutional deviations of the President. The fact that he made it a habit to block and delay almost any law of the Parliament and any Government initiative [...] Talks on suspension will continue in the party and will also be discussed in the coalition,” Dragnea said. “It’s a very important discussion that we have to take very seriously because it is a very serious approach, it’s not a game, but unfortunately the President has been failing to respect the Constitution for a long time now, he fails to respect his duties, he no longer has the power to be a President over the parties, a President without party interests, a President to mediate between the powers of the state, and this leads to a lot of blockages,” Liviu Dragnea added. (www.romania-insider.com)

- July 13th, NATO has agreed to build a three-star command center in Romania, which will host around 400 troops, Romanian president Klaus Iohannis said at the end of the NATO summit in Brussels. Moreover, NATO will upgrade the Multinational Brigade in Romania on a permanent basis. “A third result, which is also very important, is that the entire session was practically organized at our initiative and at our approach. I’m talking about the session dedicated to the Black Sea, which took place in the presence of the allies, with guests from Georgia and Ukraine. So, that session took place at our initiative. This happened amid the approach started in 2015 to put the Black Sea region on the NATO map, which I can say we have succeeded. Meanwhile, there are plans for the Black Sea region, there is an intense NATO approach, there is a very good alliance presence in the Black Sea,” Iohannis also said. In the meanwhile Romanian Armed Forces forced to ground the

MIG-21 “LANCER” fleet after a fighter jet crashed on July 8th, 2018 at an air rally near Constanta on the Black Sea coast. “After last week’s tragedy at the aviation rally, according to the procedures during the investigation, the MiG fighter jets will remain grounded,” the Defense Minister Mihai Fifor announced. Fifor noted that air policing missions in Romanian airspace will be carried out by four British EUROFIGHTER TYPHOON fighter jets. Romanian officials have claimed that Russian fighter jets violate frequently Romanian and NATO airspace. There were several reports of such violations recently. Air policing patrols follow standard procedures and intercept them immediately from Kogalniceanu military base near Constanta. It is estimated that about 30 MIG-21 aircrafts remain functional out of 111 jets modernized by the Israeli company ELBIT to NATO standards in the 1990s. Romania has bought 12 F-16 second-hand fighter jets from Portugal, but they are not operational yet due to the ongoing training of the pilots. The Romanian Air Force plans to buy another 36 multi-role combat aircraft by 2022, after Romania has risen defense spending to 2% of national GDP, complying with NATO and US demands. (www.romania-insider.com, www.balkaninsight.com)

COUNTRY ASSESSMENT :

The President Klaus Iohannis tried to de-escalate political tension by signing the decree of dismissal of the Chief Prosecutor of the National Anticorruption Directorate (DNA) Laura Codruta Kovesi. However, the ruling coalition still faces the dilemma of suspending or not the President Klaus Iohannis. Taking into consideration that Iohannis strongly opposes in Government’s plans to intervene in judicial system it will not be a

surprise if a proposal for his suspension be submitted by the ruling coalition. There are specific signs that the Government works towards controlling state's justice. The EU keeps an eye in Romanian political developments. Possible Iohannis suspension may cause chain political reactions and developments in the country. Romania as a NATO member upgrades its position within the alliance due to its strategic geographical place and NATO's interest in borders with Russia.



SERBIA: July 10th, *“There will be no dialogue for a long time unless the five men arrested in the Gnjilane municipality are released by this evening,”* Director of the Serbian Government's Office for Kosovo and Metohija Marko Djuric said. According to him this was also the message of Serbian President Aleksandar Vucic, and that representatives of the European Union have already been informed about it; *“But there is still no reply,”* he concluded. Djuric said that the Kosovo Police arrested the Head of the Kosovo Pomoravlje District Radovan Stojkovic, Head of the National Employment Service Office in Gjilane Jovan Denic, Nenad Stojanovic, a member of the Serbian Army who lives in Kosovo a but works in Vranje, in central Serbia, and the brothers Aleksandar and Predrag Djordjevic; one of whom is an active, and the other a retired member of the Interior Ministry (MUP). As he said, the five Serbs have been arrested for committing *“a verbal transgression”* which happened at a time when the region's Prime Ministers were meeting in London to discuss peace. *“Their only sin is that they verbally opposed formation of the Kosovo army,”* Djuric said. Pristina-based newspaper Koha Ditore reported that five men have been released

“Immediately after they were questioned.” Jetish Maloku, the Head of basic Prosecution in Gjilane, told Balkan Investigating Reporting Network (BIRN) that five Serbs detained in raids at five different locations in the eastern town of Gjilane, were released. *“They are free, we are investigating. We are analysing all the evidences that has been confiscated,”* he added. Moloku, however, insisted the men were accompanied to the police station but were not *“arrested.”* (www.b92.net, www.balkaninsight.com, www.koha.net)

- July 10th, Foreign Minister Ivica Dacic reacted in South Serbia Albanians' request for implementation of the principle of reciprocity regarding rights and advantages Serbs of Northern Kosovo will gain during Serbia – Kosovo talks in Brussels. Dacic said *“Tolerance has limits. I advise them not to play with our patience and tolerance because we will react politically or in any other necessary way if it is necessary. If they think that could put at risk security and stability of the state and that we are an easy target I tell them let it go and turn back to politics and dialogue,”* Dacic said. He emphasized that he would like to see Kosovo implementing what has signed in Brussels regarding establishment of the Community of Serb Municipalities (Зajeдница српских општина – ZSO) and not to hear from Serbia's Albanians about rights they do not enjoy yet. According to the Minister South Serbia's Albanians seek for secession from Serbia and unification with Kosovo underlying that anytime an Albanian delegation from South Serbia visits Kosovo it is called by the state's officials as a delegation from *“Eastern Kosovo”*. (www.blic.rs)

- July 12th, F.Y.R.O.M's Prime Minister Zoran Zaev said that everyone should follow example of

his country and join NATO urging Serbia and Kosovo to continue their dialogue. Minister of Defense Aleksandar Vulin expressed his annoyance for Zaev's statements saying "Zaev must know that there is no Kosovo and Serbia, but only Serbia and territories under the interim administration of the UN in accordance with Resolution 1244." According to Vulin "Macedonia [Ed.: F.Y.R.O.M] and Serbia do not share same goals; we want freedom and autonomy, and to decide for ourselves. As long as Aleksandar Vucic leads, Serbia will remain neutral even if it remains the last non-NATO member state," he said. (www.blic.rs)

COUNTRY ASSESSMENT :

Relative political stability. Security situation is stable. Serbia's path towards the EU and NATO goes through Kosovo case resolution. However dialogue between two communities is full of obstacles which undermine establishment of confidence and good will between two parties. One should note that Serbia has achieved to reverse negative atmosphere regarding Kosovo case expressing confidence and responsibility for the talks. By expressing neutrality and maintaining equal distance from the U.S.A and Russia it moves in an environment of fragile balance.



SLOVENIA: July 13th, the Slovenian interim Government in a closed session a decision to file a lawsuit against Croatia for violation the European law, regarding its failure to implement the arbitration ruling of the border between two states. The action has already been brought before the EU Court. In a press release, the Government's Press Office stated "The

Government adopted the final text of the Republic of Slovenia's action against the Republic of Croatia for failure to fulfill its obligations under Article 259 of the EU Treaty on the Functioning of the EU. The Government also decided to immediately bring the case before the EU court. A lawsuit was also filed in accordance with the decision." It was not clear whether the Government of Miro Cerar decided to take this step after it turned out that Slovenian political forces was not uniform in terms of tactics in dealing with the lawsuit already prepared by March 2018. The newly established Foreign Policy Committee showed that the majority of its Members agree with the content of the application, rather than the fact that the lawsuit was filed by a Government which term expires. Janez Jansa, the leader of the Slovenian Democratic Party (Slovenska Demokratska Stranka – SDS) responded to Cerar's announcement in social media that he has received the consent from the Deputies to file a lawsuit against Croatia. "It's not true; four parliamentary parties did not support," Jansa wrote. Later, it turned out that the lawsuit is currently being challenged by SDS, New Slovenia – Christian Democrats (Nova Slovenija – Kršćanski Demokrati - NSi), The Left (Levica), and Slovenian National Party (Slovenska Nacionalna Stranka - SNS). According to SDS action against Croatia should have been undertaken by the new Government bearing full political responsibility. SDS explained the decision on filing a lawsuit should be adopted by an "empowered" Government and not by a Government with only 24 MPs in the National Assembly putting on the table a question of political legitimacy. The President Borut Pahor, also advocated that it would be more reasonable for the new Government to file a lawsuit against

Croatia. “It would be politically valuable if the decision to continue the lawsuit would be enjoying acceptance by the new Government. Such decision was not under time pressure,” Pahor said. Croatian Prime Minister Andrej Plenkovic had stated before Slovenian election *“Judicial path that Slovenia intends to take is not good for two partners and allies in the EU and NATO and two friendly countries.”* He also said that, the new Slovenian Government *“Will offer a solution to the dispute in a way that will be acceptable in the Croatian Parliament and the National Assembly.”* (www.dnevnik.si)

- July 15th, Eleven hours lasted coalition negotiations, led by the List of Marjan Sarec (Lista Marjana Šarca - LMS) President Marjan Sarec. Leaders of the Social Democrats (Socialni Demokrati – SD), Modern Centre Party (Stranka Modernega Centra – SMC), New Slovenia – Christian Democrats (Nova Slovenija – Krščanski Demokrati - NSi), Democratic Party of Pensioners of Slovenia (Demokratska Stranka Upokojencev Slovenije - DeSUS), and Party of Alenka Bratusek (Stranka Alenke Bratušek - SAB) appeared satisfied with talks and most issues have been agreed. Sarec said that NSi could decide on joining the coalition through a party *“referendum.”* However, Sarec underlined that although he is satisfied with negotiations coalition has not yet been formed. According to him there was agreement on health, taxation, pensions, and education issues while there are still open for talks defense, security, and environmental issues. NSi appeared unsatisfied with the coalition agreement in general but Sarec stated that it is better to solve all problems during negotiations rather than facing obstacles after the Government will have been drafted. Regarding distribution of Ministries Sarec said that *“It is not soccer”* but a

matter of negotiations. According to sources LMS should get five Ministries, SD and SMC four, NSi 3, SAB and DeSUS two. Sarec said that even if talks will end successfully *“We have to wait until July 23rd”* when the first round of mandates expires. Nevertheless, Sarec described the worse scenario if negotiations reach a negative result; *“I will not accept the mandate if I do not have the members’ signatures and a signed coalition agreement,”* he said. He will also request the signatures of the Deputies if the President is to nominate him as the Prime Minister in the second round of mandates. If NSi decides not to enter coalition Sarec claimed that he will start talks with The Left (Levica) party stressing this would be in fact a radical element in the coalition. (www.dnevnik.si)



LMS leader Marjan Sarec
(Photo source: www.strankalms.si)

- July 15th, the President of the Slovenian Democratic Party (Slovenska Demokratska Stranka – SDS), Janez Jansa announced that he will recall invitation for talks on formation of a coalition Government which has been sent to parliamentary parties’ leaders until further notice.

Jansa decided to cancel talks taking into consideration that the President of the List of Marjan Sarec (Lista Marjana Šarca - LMS) Marjan Sarc is close to reach a six-party coalition agreement. *“Taking into consideration messages publicly announced that a group of six parties agreed on forming a coalition and that coordination talks will continue next week, I will keep on withdrawing the invitations for talks on the composition of a coalition for Slovenia,”* Jansa wrote in a letter published by the online Democracy. Jansa invited last week all parliamentary parties for talks on the formation of a coalition under the umbrella of SDS. Talks were scheduled to be held on July 16th – 17th, 2018 aiming at coordinating programs of possible coalition partners. However, only two parties expressed their intention to join talks; New Slovenia – Christian Democrats (Nova Slovenija – Krščanski demokrati - NSi) and Slovenian National Party (Slovenska Nacionalna Stranka - SNS). Several parties rejected possibility of cooperation with SDS during pre-election period and continue to insist in their decision. Jansa should inform the President Borut Pahor until July 19th, 2018 whether he is ready to accept the mandate. SDS leader announced that he will accept the mandate if it turns out that a sufficient number of parties share *“similar views for the future.”* (www.dnevnik.si)

COUNTRY ASSESSMENT :

Political developments are ongoing due to parliamentary elections results which do not allow one Party Government. SDS got the first place in the electoral body but it is doubtful whether it will succeed to form a coalition Government. The second party LMS has undertaken an initiative to form a coalition

without SDS and it seems that a coalition Government of six parties is close. Surprisingly the interim Government of Miro Cerar filed a lawsuit against Croatia denying the right of initiative and responsibility from the new Government. Although tension with Croatia regarding the Piran dispute had been reduced due to Slovenian internal political situation it is assessed that latest Slovenian action will provoke Croatia's reaction once again.



TURKEY: July 9th, the President Recep Tayyip Erdogan was sworn officially in a historic day as Turkey steered into a new era with the new executive presidential system. Upon taking the oath of office, Erdogan wished for the very best in the new term with the help of God. *“Everything will be better now,”* he said. As part of the ceremony in Anıtkabir, Erdogan laid a wreath at the mausoleum of Ataturk and signed the official Anıtkabir memorial book. In his written message to Mustafa Kemal Ataturk, Erdogan wrote: *“Mighty Ataturk, Turkey successfully completed two crucial elections on June 24th, 2018. Our people deemed me worthy of becoming the first President under the new executive system and elected the Deputies for the 27th term of Parliament.”* At 6 p.m., the inauguration ceremony was held at the Beştepe Presidential Complex in Ankara. Presidents of Bulgaria, Georgia, F.Y.R.O.M, Moldova, Bosnia & Herzegovina, Serbia, Pakistan, Kyrgyzstan, Sudan, Guinea, Zambia, Guinea Bissau, Equatorial Guinea, Somalia, Mauritania, Gabon, Chad, Djibouti, Venezuela as well as the Emir of Qatar attended the historic ceremony. A total of 28 foreign dignitaries – including Prime Ministers, Vice Presidents, Parliament Speakers and Ministers attended the ceremony. Secretary

General of the Organization for Security and Co-operation in Europe (OSCE) and D-8, and the European Commissioner for Migration and Home Affairs were among the attendees. During the ceremony at the Beştepe Presidential Complex Erdogan introduced the new Cabinet. The new executive presidential system envisages a Cabinet that will not be voted for confidence in the Parliament. In the first presidential decree of the new system, the number of Ministers in the Cabinet was reduced from 25 to 16. Presidential offices and agencies, newly established under the presidential system, will also be introduced. For example, the National Intelligence Agency (MİT) or the Office of the Chief of General Staff, both of which used to be an undersecretary, will now be categorized as agencies. The new agencies will also include the Presidency of Defense Industry, the National Security Council, the Presidency of Strategy and Budget, the Presidency of Religious Affairs, the State Inspection Council and the Presidency of Communications. (www.dailysabah.com)

- July 10th, Turkish Land Forces Commander General Yasar Guler was appointed Chief of General Staff under a new presidential decree published in the official gazette. Chief of General Staff General Hulusi Akar was appointed as Minister of National Defense with the same decree. The decree also included the names of the newly appointed Deputy President and Ministers following President Erdogan's announcement of the new Cabinet. Deputy Chief of General Staff General Umit Dundar was named as the new Commander of Turkish Land Forces and Lieutenant General Metin Gurak was appointed as the new Deputy Chief of General Staff by the new decree. (www.dailysabah.com)

- July 12th, main opposition Republican People's Party (Cumhuriyet Halk Partisi - CHP) candidate Muharrem Ince called once again for an extraordinary conference to replace leadership. Speaking at a live interview on Haber Turk news channel, Ince ruled out claims that he was planning to establish a breakaway party and said instead CHP needs to renew itself as well as its chairman Kemal Kılıcdaroglu. Ince, a former Deputy of the northwestern province of Yalova, gained 30.7% of votes and came in second to President Recep Tayyip Erdogan, who received 52.6% of the votes. Meanwhile, the CHP's votes in the parliamentary elections remained at 22.6%, a gap of nearly 8 percent between the chairman's total vote and his party's. According to CHP bylaws, the conference can be held with the party chairman's call or the decision of the Party Assembly. It can also be convened with the signatures of one-fifth of the total number of congress delegates. When asked whether he would consider running for CHP's candidate for Istanbul Mayor, Ince said he preserves his goal to become the country's President. *"I say let's prepare for the next presidential elections, change our party regulations and program. Let's increase the number of party members."* (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. Country is under state of emergency maintaining or even strengthening the abnormality of current political life; However officials leaks that it is a matter of time to end emergency rule. The country moves towards an authoritarian regime with thousands of

persecution of citizens. Newly re-elected President Erdogan enjoys extended powers implementing the new executive presidential model of governance. Turkish Armed Forces have been engaged in a new military operation against Kurds and PKK in Northern Iraq. It seems that Turkey achieved to reach an agreement with the U.S regarding Syrian Manbij in favor of Turkish interests. Kurdish question is a major security threat for Turkey affecting stability, peace and even unity of the state.

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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