



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

SOUTHEASTERN EUROPE

AT A GLANCE



SOUTHEAST EUROPE DIRECTORATE

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

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: March 15th, Albania has signed an agreement with EXXONMOBIL and EXCELERATE ENERGY to turn the Vlora thermal power plant into a terminal for liquified natural gas (LNG). (www.exit.al)

- March 15th, the US expects Albania to hold high-standard elections on April 25th, 2021 and continue with the implementation of the justice reform, supported by the EU and US, according to the Deputy Assistant Secretary Matthew Palmer. (www.exit.al)

- March 17th, Albania and Frontex, the European Border and Coast Guard Agency, have renewed their deal for joint border management and fight against international crime. Frontex has 71 officers from 20 EU countries controlling Albania's border with Greece, and combating crime, smuggling, drug and human trafficking, and terrorism. (www.exit.al)

- March 19th, the Minister of Energy Belinda Balluku stated that the Government has a “*master plan*” for the gasification of the country that would bring economic development. (www.exit.al)

- March 19th, the OSCE Office for Democratic Institutions and Human Rights (ODIHR) held a press conference this Friday on the election observation mission (EOM) for the April 25th, 2021 elections in Albania. They have announced that 24 long-term observers will be present in the country, alongside some 250 observers who will monitor the voting and counting process. (www.exit.al)

- March 19th, the Albanian Supreme Court has reached the necessary quorum to review all cases

after President Ilir Meta appointed four new members on Friday. The Court now has 7 of its 19 judges, but it can handle all cases with a quorum of 5 judges, except for appointing members to the Constitutional Court. (www.exit.al)



The Albanian Supreme Court

(Photo source: <http://www.gjykataelarte.gov.al>)

- March 20th, the Central Election Commission (CEC) has indicated there are 15 electoral candidates that could have issues with the decriminalization law. State Commissioner Ilirjan Celibashi said in an interview with ABC that the CEC will seek verification in the prosecution for 15 cases, including MP Tom Doshi. (www.exit.al)

COUNTRY ASSESSMENT :

Almost a month before the April 25th, 2021 parliamentary elections, political thermometer is heating up. Media reports and opposition political parties have launched accusations against the ruling PS for misusing the state's institutions in favor of its electoral campaign. The CEC announced that 10 to 15 cases of candidates' registration applications are investigated according to the state's decriminalization law; a pressing request of the US and EU authorities towards the Albanian state to ban candidates with criminal records from running the elections. The OSCE will monitor the electoral process with a big mission seeking to confirm that the elections will be transparent, free

and fair, and to record any irregularity. These parliamentary elections are of critical importance for the country, since are considered as the way out of the long political crisis it suffers. Justice reform is boosted and after a year the Supreme Court became functional again, following the Constitutional Court. The two main justice institutions of the country work again strengthening the establishment of rule of law in Albania. So far, justice reform is considered as the most successful in the country but it has not completed yet. Coming elections will confirm either electoral reform is successful too or it has not worked yet. However, Albania is still far from implementing its commitments in a wide range of issues such as corruption, links between politicians and organized crime, drug smuggling, money laundering, media freedom, democratic rule, public administration transparency, and rule of law. It should be underlined that the country has established legal framework for several issues as mentioned before but its executive bodies refuses or avoid from implement them. Currently, the Government promotes the state's energy plans focusing on energy diversification and self-sufficiency. It should be underlined that energy plans of country have been fully delivered to the US which becomes the ruler of the Albanian energy plans. Entrance of EXXONMOBILE in the Albanian market is considered of great importance not only for economic reasons, but also for geopolitical ones.



BOSNIA & HERZEGOVINA:

March 16th, SRBIJAGAS and the GAS-RES companies signed an agreement in Banja Luka on Tuesday to build a gas interconnection between Serbia and Republika Srpska. The interconnection

will link the gas pipeline system in Bosnia and Herzegovina to Serbia and the Balkan Stream pipeline. (www.ba.n1info.com)

- March 17th, the inaugural session of Bosnia's Commission for Cooperation with NATO, chaired by the Deputy Minister of Foreign Affairs, Josip Brkic was held Wednesday, during which he said that transparency is the basis of of this body's work. Commander of the NATO Headquarters in Sarajevo, General Eric Folkestad, stated that this Commission will be the one to decide which areas of cooperation between BiH and NATO will be pursued and that all 30 NATO partners will help. (www.ba.n1info.com)

- March 18th, twenty-five years after the Dayton Peace Agreement, it is clear that the time has come for Bosnia and Herzegovina to move on, European Enlargement Commissioner Oliver Varhelyi said, addressing the international conference on Bosnia's Euro-Atlantic journey. He said that Bosnia will, like other EU candidate countries did in the past also have to amend its Constitution on this path. (www.ba.n1info.com)

- March 18th, Russia will react if Bosnia takes steps towards joining NATO because Moscow would perceive this as a hostile act, the Russian Embassy in Bosnia said in a statement on Thursday. (www.reuters.com)

- March 19th, both Bosniak (Muslim Bosnian) and Croat BiH Presidency members, Sefid Dzaferovic and Zeljko Komsic condemned the statement by the Russian Ambassador to Bosnia saying should Bosnia join NATO, Russia would have to react to that hostile act. NATO also reacted in Russian Embassy announcement through its Spokesperson Oana Lungescu who told N1 that no third party

has the right to intervene against any country wishing to join NATO and such threats are unacceptable to the NATO. (www.ba.n1info.com)

COUNTRY ASSESSMENT ■ :

As “HERMES” has already underlined in previous assessments, the US – Russia struggle for influence in the Balkans is in full progress. This rivalry became even harder after political change in Montenegro which activated political reflexes of the US, EU and NATO. The configured Serbian axis of influence Belgrade – Podgorica – Banja Luka is facilitating the Russian plans for interfering in the region, while NATO considers that Russia and Serbia act in full harmony and consultation. In this context, Bosnia surprisingly boosted its approach with NATO, while the Russian Ambassador in Sarajevo announced that “Russia will react if Bosnia takes steps towards joining NATO” considering this act as “hostile.” It is assessed that the two global rivals are forced to unveil their plans under current circumstances. The representatives of the Bosniak and Croat entities condemned the Russian intervention in the state’s internal affairs. The role of Republika Srpska is crucial for the future approach between NATO and Bosnia since the Bosnian Serb member of the tripartite Presidency of the country has the constitutional power to block and further step regarding Bosnia’s accession to the Alliance. One could understand that the establishment of the Bosnian commission on cooperation with NATO occurred with Bosnian Serbs consent; otherwise it would have been blocked. Experts do not exclude attempts of destabilization of the country by the Russian factor. Bosnia is far from joining the EU since the country suffers from high rates of corruption, absence of rule of law, difficulties in

respect of human rights, weak public administration, democratic deficit and its economic performance is one of the lowest in Europe. The decision-making system of the country is an important obstacle for accelerating state’s reforms and bringing Bosnia in the European path. Current political and geopolitical situation not only in the region, but also in Europe favors the acceleration of the accession process in EU and NATO. Current political situation in Bosnia could be instrumentalized by the rival political forces raising nationalist rhetoric for their internal goals and interests.



BULGARIA: March 16th, Bulgaria’s Defense Ministry has sent letters to Patria and General Dynamics giving notice that it was terminating the procedure for acquiring armored combat vehicles for the Army, the Ministry said in a media statement. (www.sofiaglobe.com)

- March 16th, in a meeting with North Macedonia’s Foreign Minister Bujar Osmani, the Prime Minister Boyko Borissov said that the progress of North Macedonia and Albania to EU accession should not be delayed, therefore the differences between Sofia and Skopje should be resolved, the Government Information Service here reported. (www.novinite.com)

- March 19th, Bulgarian Prosecutors and the State Agency for National Security have taken into custody members of a group, led by a former senior military intelligence officer, who built an intelligence network committing espionage for Russia, it emerged at a briefing. (www.sofiaglobe.com)

COUNTRY ASSESSMENT ■ :

Pre-electoral campaign in Bulgaria is calm without polarization. Parliamentary elections are scheduled for April 4th, 2021 and are considered as a way out from the last year's political and social turbulence. Corruption, media freedom and independence justice remain the main challenges for the ruling force will emerge from the elections. Currently there are allegations by international organizations for Bulgaria's poor performances on media freedom. Bulgaria's accession to the Schengen Zone, Eurozone and OECD is almost impossible for the near future and only after 2026 could become possible. 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. Termination of the armor vehicles procurement will strongly affect the land forces operational capability.



CROATIA: March 15th, Prime Minister Andrej Plenkovic said in an interview with the Politico news website published on Monday that it was reasonable to expect that Croatia would enter the eurozone, as well as the Schengen area, by the second half of 2024. (www.hr.n1info.com)

COUNTRY ASSESSMENT ■ :

Croatia enjoys political stability. The Prime Minister, Andrej Plenkovic claimed that the country could access the Schengen Zone and Eurozone in the second half of 2024; just in the end of the Governemnt's term and before the regular elections. Accession in these two mechanisms is a strategic goal since it will benefit

the state regarding economy, trade, and security. Illegal migration in borders with Bosnia remains a major problem for the country, despite the significant reduce of migrants last two months. With the weather getting better and warmer it is expected an increase on the migrant flows which seek to enter the EU zone through Croatia. Croatia implements a policy of Armed Forces' modernization trying to form a reliable and well equipped force according to NATO standards.



CYPRUS: March 16th, political leaders in their majority said they would accompany President Nicos Anastasiades to the informal five-party summit set to take place next month in Geneva to support and advise him, even as some expressed concerns over Turkey's plans. (www.cyprus-mail.com)

- March 21st, the Cypriot authorities have issued an anti-Navtex after a Navtex was issued on Saturday by Turkey for exercises in the Bay of Morphou, sources told the Cyprus News Agency on Sunday. (www.cyprus-mail.com)

COUNTRY ASSESSMENT ■ :

Cypriot political forces appears united (with only a few exceptions) in view of the coming challenge of the 5+1 informal meeting for the Cypriot question scheduled for April 27th – 29th, 2021. The President, Nikos Anastasiades has invited leaders of political parties to accompany him in Geneva and all of them (not ELAM) accepted the invitation. Expectations are very low since the two sides go to the meeting with substantial disagreements. Cypriot side advocates the solution of a bicomunal – bizonal federation with decentralized competencies for the federal

parts, while the Turkish Cypriot community supports the idea of two independent and sovereign states. Turkish President Recep Tayyip Erdogan declared that Turkey remains committed in its stance in Eastern Mediterranean confirming that if talks in Geneva fail tension in the region could return at any moment. Turkey maintains a significant military force on the island (Army Corps seize). As long as part of Cyprus remains under Turkish occupation and Turkish troops (equipped with heavy weapons) are deployed in the island, Cyprus faces an existing direct threat against its national security and sovereignty.



GREECE: March 17th, the 62nd bilateral “exploratory talks” between Greek and Turkish officials started without a hitch on Tuesday in Athens. (www.ekathimerini.com)

- March 17th, the Council of State rejected an appeal by convicted terrorist Dimitris Koufodinas to postpone his planned transfer to the maximum-security Domokos Prison. (www.ekathimerini.com)

- March 17th, Greek Prime Minister Kyriakos Mitsotakis and Egyptian President Abdel Fattah Al-Sisi discussed developments in the region (Libya, Eastern Mediterranean Sea) in a phone call on Wednesday. (www.ekathimerini.com)

- March 18th, Foreign Minister Nikos Dendias has accepted an invitation by his Turkish counterpart, Mevlut Cavusoglu, to meet in Ankara on April 14th, 2021 according to diplomatic sources. (www.ekathimerini.com)

- March 18th, the US is “supportive of connecting distribution grids of mainland Europe to Cyprus and Israel via the EuroAsia Interconnector,” a

Spokesperson for the State Department said on Thursday, after Ankara on Monday formally protested a memorandum of understanding signed last week between Israel, Greece and Cyprus for the construction of a 2,000-megawatt undersea electricity cable. (www.ekathimerini.com)

- March 18th, three Mayors on the Aegean islands of Lesbos, Chios and Samos called on the EU to amend the proposal for the new migration pact, saying “it unduly burdens frontline countries, damages their national interests and creates gray zones in the eastern borders of the EU.” (www.ekathimerini.com)

- March 20th, the Turkish military had prepared a list of 131 islands, islets and rock formations in the Aegean Sea which status is disputed by Ankara and prepared plans to take them over in a possible armed conflict with Greece, according to a confidential document obtained and published by Nordic Monitor. (www.ekathimerini.com)

- March 20th, the Hellenic Armed Forces are busy conducting joint exercises with allies. On Saturday, the joint exercise of Hellenic and Saudi Arabia Air Force concludes after eight days, and the Hellenic Armed Forces are already focusing on much wider-scale maneuvers in Thrace that include parts of NATO’s annual mega-exercise “Defender Europe – 21.” (www.ekathimerini.com)

COUNTRY ASSESSMENT :

The second round (the 61st in general) of exploratory talks between Greece and Turkey took place in Athens without any tangible results, although the two parts avoided to announce what was discussed. Turkey insists on expanding the

dialogue's agenda aiming to include more topics such as the Muslim minority in Thrace, airspace and status (demilitarization) of Eastern Aegean islands. Greece rejects Turkish claims and insists on putting on the table of talks only delimitation of maritime zones. Greek energy plans are currently "safe" since cooperation with Egypt and Israel continues rather fruitfully and despite Turkish efforts to ram these strategic relationships between the countries. Apart from talks, Greece is strengthening defense cooperation with regional actors such as Saudi Arabia, UAE, Egypt and Israel. It is obvious that Athens is implementing a multilateral foreign policy seeking to strengthen the state's external balance for deterring the Turkish threat. In parallel, the Greek Government implements an ambitious project for strengthening the Armed Forces seeking to modernize the Navy and Air Force power by purchasing new frigates and fighter jets. Leftish terrorism is considered as a major threat in Greek security, despite the arrest of the most dangerous terrorist organization "November 17th" back in 2002. It is considered that here are several active cells (linked with one way or another) with limited operational capabilities but they have the ability to launch low level attacks in state's officials or infrastructure.



KOSOVO: March 15th, Turkish media said on Monday that official Ankara condemned Kosovo's decision to open its Embassy in Jerusalem, calling it an irresponsible and lawless step. (www.n1.info.com)

- March 16th, Albin Kurti, the leading candidate for Kosovo's new Prime Minister and Vjosa Osmani, the acting President, talked on Tuesday

with the Serb List (Srpska Lista) party's leaders about forming new institutions following the early elections held on February 14th, 2021. (www.rs.n1info.com)

COUNTRY ASSESSMENT :

Winner of the February 14th, 2021 parliamentary elections, Albin Kurti, leader of the LLV has started consultations with ethnic minority parties for forming the new Kosovo Government. He has already received the Roma and Ashkenazi minority parties and the Social Democratic Union (Socijaldemokratska Unija - SDU) (Bosniak minority) support, while talks with Serbian List have not reached an agreement yet. Opening of Kosovo's Embassy in Jerusalem, Israel in the context of the September 4th, 2020 agreement between Belgrade and Prishtina in Washington, under the US auspices, has outraged Turkey and other Arab countries. For exchange, Prishtina received recognition by Israel; a much needed move for Kosovo in its "battle" for getting international recognition. Kosovo – Serbia dialogue is in question after Kurti's public statement that talks is not his priority. However, in this case patience is needed since one cannot predict how Kurti will react when he will take office. According to Kurti, the new Government will focus on justice reform, fight of unemployment and management of the COVID-19 pandemic. Organized crime, corruption, money laundering, weak public administration, absence of rule of law, controlled justice, transactions between politicians and criminals are persistent "open sores" for Kosovo.



MOLDOVA: March 16th, China's Ambassador to Moldova Zhang Yinghong said

the signing of the Free Trade Agreement between the two states will increase the competitiveness of the Moldovan products on the Chinese market. The Moldovan products have huge potential on the Chinese market, with the wines, walnuts and honey being in great demand there. (www.ipn.md)

- March 16th, Mariana Durleșteanu, who was proposed by the Party of Socialists of the Republic of Moldova (Partidul Socialiștilor din Republica Moldova – PSRM) for Premier, withdrew her candidacy. She said she cannot allow her name and reputation to be used in the settling of old scores between political clans and she accepted to be nominated only because she wanted to help overcome the crises and move things on, IPN reports. (www.ipn.md)

- March 16th, President Maia Sandu took note of Mariana Durleșteanu's decision to withdraw her candidacy for premiership. As there is no candidate who would be supported by a formal majority now, she decided to field Igor Grosu, the President of the Action and Solidarity Party (Partidul Acțiune și Solidaritate - PAS), for Prime Minister, IPN reports. (www.ipn.md)

- March 18th, leader of the Socialist parliamentary group Corneliu Furculita in the legislature's sitting announced the formation of a parliamentary majority, without saying who will form part of this. He invited President Maia Sandu to consultations with the parliamentary majority, IPN reports. (www.ipn.md)

- March 18th, the former Socialist MP Vladimir Golovatiuc, who was recently named Moldova's Ambassador to Russia, is the parliamentary majority's candidate for Prime Minister, the Party

of Socialists of the Republic of Moldova (Partidul Socialiștilor din Republica Moldova – PSRM) announced in a press release that is quoted by IPN. (www.ipn.md)

- March 19th, the Constitutional Court (CC) rejected the Party of Socialists of the Republic of Moldova's (Partidul Socialiștilor din Republica Moldova – PSRM) request to suspend the effect of the President's degree to nominate Igor Grosu for Prime Minister. The Court said the Socialist MPs' application is admissible and this will be examined on March 22nd, IPN reports. (www.ipn.md)

COUNTRY ASSESSMENT :

Political crisis is deepening in Moldova, while the country essentially remains ungovernable amid the COVID-19 pandemic. The newly elected President, Maia Sandu and PSRM leader, Igor Dodon share responsibility for this political stalemate due to their political games and their ruthless struggle for power. Sandu continues to move on the edge of constitutional order and the new nomination for Prime Minister of Igor Grosu was challenged by PSRM to the Constitutional Court. Sandu is trapped in constitutional procedures, while Dodon is seeking to avoid snap elections by any mean. There are people who “dream” a Moldovan “orange revolution”, while there are international circles who are willing to support it. Moldovans are fed up with corrupted political elite which is interested only in its privileges ignoring social needs and demands. The “Transnistrian case” is always a “running sore” for the country working as a potential factor of destabilization.



MONTENEGRO: March 17th,

Deputy Prime Minister Dritan Abazovic told the EP's Foreign Affairs Committee that the new Government in Podgorica is not pro-Russian, and that those who deviate "one centimeter" from the European and Euro-Atlantic agenda will not be their partners. He said that with the current Prosecutor office staff, the results in the rule of law cannot be achieved. (www.rtcg.me)

- March 18th, the Prime Minister of Montenegro, Zdravko Krivokapic, advocated for the close historic bonds between people of Montenegro and Serbia underlining the opposition DPS failed last 30 years to change this attitude. However, he stated that he has not visited Serbia because no one called him, but if the decision was to change, he would be happy to come to Belgrade. (www.cdm.me)

- March 19th, the citizens of Montenegro should make a decision on the exploration of oil and gas in our submarine in a referendum, said Milos Konatar from the Civic Movement United Reform Action (Građanski Pokret Ujedinjena Reformska Akcija – URA). (www.rtcg.me)

- March 19th, Montenegro will not progress on the path to the EU if it does not meet the temporary criteria from Chapters 23 and 24, which concern judiciary and fundamental rights, justice, freedom and security, MEP Tonino Picula said in an interview for Gradski (City) Radio. (www.cdm.me)

- March 20th, the Venice Commission has issued its opinion on the proposed amendments to the prosecutorial laws sent by Minister of Justice, Human and Minority Rights Vladimir Leposavic,

expressing its concerns for undermining justice reform in the country. (www.cdm.me)

COUNTRY ASSESSMENT :

Struggle for power between the ruling coalition and opposition DPS is continuing, since the former works for deconstructing the state's mechanism that the President, Milo Djukanovic has established last 30 years, while the opposition it uses this mechanism and pro-DPS media to downgrade current Government as destructive for the country. Strong supporter for the opposition in this process is the EU and US which they consider the Montenegrin ruling coalition as pro-Russian setting a threat for the Southeastern Europe political and security stability. Although, Montenegro is a NATO member and is in the process of accession negotiation with the EU, the two organizations are suspicious towards the Government. The ruling coalition's top officials are trying to convince Brussels and Washington that Montenegro remains committed in its Euro-Atlantic path, rather in vain. Under current circumstances, turbulence and political provocation against the Government motivated by foreign circles aiming to topple the ruling coalition could not be excluded. Montenegro needs concrete reforms in the field of justice, rule of law, fight against corruption, money laundering, and organized crime, public administration transparency and accountability in order to become a stable and attractive investment environment. Montenegro is closer to the EU accession than any other Western Balkan country but current political situation puts at risk its European future.



NORTH MACEDONIA: March 15th, Deputy Interior Minister Nazim Bushi displayed an engraved sign of the UCK/NLA terrorist organization in his office. The group sparked the 2001 civil war attacking North Macedonia's officers and taking over a string of villages on the border with Kosovo. Hundreds were killed in the war that raged for months. (www.republika.mk)

- March 16th, Bulgaria's veto to the opening of negotiations with the EU was an ungrateful gesture, but my Government is committed to Europeanization of the country, the Prime Minister Zoran Zaev told Luxembourg's daily Wort. (www.mia.mk)

- March 17th, the US Department of State approved the sale of 54 light armored vehicles "Stryker" to the North Macedonia's Army, the Ministry of Defense announced. It was said the cost was 210 million Dollars and it was part of the multi-year (2019 - 2024) project of procurement of light armored vehicles for the modernization of the Army of North Macedonia in line with NATO standards. (www.mia.mk)



"Stryker" ICV Armored Vehicle
(Photo source: www.gdls.com)

- March 19th, the Government's Spokesperson, Dushko Arsovski said that the census will be held without any delay, since the strict protocol which is in place and is monitored, and the appropriate

training of the census working teams ensure it. (www.mia.mk)

- March 21st, the Prime Minister Zoran Zaev was re-elected as the Social Democratic Union of Macedonia (Socijaldemokratski Sojuz na Makedonija - SDSM) leader at the first direct inter-party election. (www.mia.mk)

COUNTRY ASSESSMENT :

The North Macedonia's Government is receiving messages of support by all EU member states for the opening of accession negotiations with Brussels, but the fact is that talks cannot start as long as Bulgaria is vetoing the whole process due to their bilateral dispute regarding identity and language issues. One cannot say if the two parts are close to an agreement, but North Macedonia's top officials appear optimistic for a positive outcome. National census is another significant challenge for the ruling coalition and despite governmental assurances that the process will be implanted normally and without delays, it is still not certain that census will be held as it was planned. Although Zaev gained some political time with the confidence vote a couple of weeks ago, the Government is not so powerful and stable. Announced purchase of modern armored vehicles by the North Macedonia's Army is a significant move towards its modernization according to the NATO standards.



ROMANIA: March 17th, the Senate rejected today by a vote of 55 to 72 and one abstention the simple motion against Economy Minister Claudiu Nasui, titled "Romania in agony, with Nasui at Economy." (www.nineoclock.ro)

- March 18th, Airbus Helicopters and IAR have signed an Industrial Cooperation agreement for the customization of the H145M helicopter for attack missions for the Romanian Armed Forces, in the presence of Claudiu Nasui, the Minister of Economy, Entrepreneurship and Tourism and Bruno Even, CEO of Airbus Helicopters. (www.nineoclock.ro)

- March 19th, Romania is closer to having the Cooperation and Verification Mechanism (CVM) monitoring lifted. The Prime Minister Florin Citu said, that the European Commission (EC) supports the elimination of the CVM at the end of 2021. (www.romania-insider.com)

- March 19th, the Government discussed during Friday's sitting the National Recovery and Resilience Plan (PNRR), which will be subjected to public debate, declared Prime Minister Florin Citu. According to Citu, after the state budget, PNRR was "*the second test*" of the Government coalition, which "*clearly shows*" that it is "*united, strong and determined to work for the following years.*" (www.nineoclock.ro)

COUNTRY ASSESSMENT ■ :

The ruling coalition is overcoming obstacles one after another confirming its viability and stability. Motion of no confidence against the Finance Minister was rejected by the Senate, while the Government concluded the National Recovery and Resilience Plan (PNRR); two strong signs of the Government's unity and stability. Announcement of the Prime Minister, Florin Citu that the European Commission is supporting the lift of the Cooperation and Verification Mechanism (CVM) is a positive sign for the state, since it is related with improvement of corruption

and the establishment of rule of law in the country. If CVM is lifted within 2021 then it opens the road for Romania to access the Schengen Zone possibly within the 2021 as well. The country enjoys advanced upgrade in US and NATO strategic plans due to its geographical position located close to Russia. Strengthening of Romanian Armed Forces with sophisticated weapons (fighter jets, ground to air defense missile systems etc) is a priority not only for Romania itself but also for NATO. After redeployment of the US military forces from Germany, Romania is upgrading into the advanced bastion of NATO against Russia. Consequently, Russia reacts in this close military cooperation between the two countries and the Alliance perceiving it as a threat against its national security.



SERBIA: March 15th, Serbia's President Aleksandar Vucic and Matthew Palmer, the US State Department special envoy for the Western Balkans, discussed on Monday the general situation with the COVID-19 pandemic, economic recovery, the resumption of the Belgrade – Pristina dialogue on the normalization of relations and the significance of media freedom in the region. (www.rs.n1info.com)

- March 16th, Branislav Nedimovic, Serbia's Minister of Agriculture, said on Monday that Chinese and UAE companies would build a Sinofarm factory to produce the vaccine in Serbia and that Belgrade would provide terrain and infrastructure. (www.rs.n1info.com)

- March 18th, the World Bank said that it had approved 62.5 million Dollars to finance the first

stage of project to modernize the Serbian railway system. (www.rs.n1info.com)

- March 18th, Serbian Finance Ministry's Administration for the Prevention of Money Laundering said on Thursday it started a probe into opposition leader Dragan Djilas' alleged links to the company Ascanius LTD company in Mauritius. (www.rs.n1info.com)

- March 19th, Serbia's pro-European opposition parties and movements accused on Friday the country's authorities led by the Serbian Progressive Party (Srpska Napredna Stranka - SNS) of undermining the chance of a successful outcome of the inter-party mediated by the European Parliament and called on its members for the talks as soon as possible. (www.rs.n1info.com)

- March 19th, Serbia's ratings are supported by macroeconomic policy credibility, which has resulted in low inflation, higher foreign-exchange (FX) buffers, relative macroeconomic resilience to the coronavirus shock, and underpins our confidence in a post-crisis fiscal adjustment, the Fitch Agency has said on Friday. The report added that "governance, human development indicators, and GDP per capita compare favourably with 'BB' medians." (www.rs.n1info.com)

COUNTRY ASSESSMENT ■ :

Mistrust between the ruling coalition and extra-parliamentary opposition is setting obstacles for the smooth beginning of the inter-party dialogue under the EP auspices. In the meanwhile, opposition accuses the ruling SNS of increased attacks against media and civil society

organizations, and attempts to downsize the role of EP. Furthermore, the Serbian Parliament Speaker, Ivica Dacic promotes a parallel dialogue with the opposition without the EP participation undermining inter-party talks facilitated by European mediators. Last week, the Government has started investigations of the extra-parliamentary opposition, Dragan Djilas for money laundering. Situation is rather polarized and it is assessed that it will worsen in the near future. Opposition is determined to go on the streets starting a row of protests aiming to destabilize the ruling coalition. The wire-tapping scandal has raised questions over secret service (BIA) ability to protect the Serbian President and state's top officials. Actually, it is believed that a foreign actor has penetrated in Serbian secret service for the establishment of a wire-tapping mechanism of the President's phone talks. Realizing the close relations between Belgrade – Moscow and the strong influence Serbia exercises in Montenegro and Bosnia it is assessed that there are foreign actors which would seek to destabilize or topple the Serbian Government aiming to establish a new political reality in the country. In Kosovo – Serbia dialogue none could expect progress until the formation of the new Government in Prishtina. Corruption, organized crime, public administration accountability, media freedom are the main internal challenges for the country. Serbia pays special attention in improving operational capabilities of its Armed Forces declaring towards all sides that they are the power of the state. It implements an ambitious armament program mainly supported by Russia.



SLOVENIA: March 15th, Interior Minister Ales Hojs told the press he was not optimistic about support among EU countries for

Croatia joining the Schengen zone. He does not expect the Portuguese presidency to put the matter on the agenda again, but added he had no problems with putting in on the agenda during Slovenia's EU presidency. (www.sta.si)

- March 16th, the center-left opposition fell eight votes short of an outright majority needed for their motion to oust Education Minister Simona Kustec to succeed. Kustec, backed by 41 votes to 38, hailed the outcome as a realistic result of the political balance of power. (www.sta.si)

- March 16th, Slovenia continues to rank among NATO member states allocating the lowest proportion of its GDP for defense spending, trailing the list by investment in defense equipment, follows from a report for 2020 presented by NATO Secretary General Jens Stoltenberg. Slovenia allocated 1.1% of its GDP for defense in 2020, of which 4.6% for investment in defense equipment. Only Belgium (1.07%) and Luxembourg (0.57%) allocated less for defense spending. (www.sta.si)

- March 18th, the Defense Ministers of Slovenia and North Macedonia, Matej Tonin and Radmila Sekerinska, called for a strengthening of defense ties as the pair met in Ljubljana. They agreed to boost cooperation in NATO missions and set up a joint center for the maintenance of OSHKOSH armored vehicles. "Slovenia is interested in North Macedonia's Army participating in Slovenian Armed Forces' platoons or companies at missions abroad," Tonin said. (www.sta.si)

- March 19th, Janez Cigler Kralj remained Labor Minister as the opposition-sponsored motion of no confidence was defeated by 44 votes to 38 early in the morning. The National Assembly was

thus eight votes short of voting him out of office. (www.sta.si)

- March 19th, the International Monetary Fund (IMF) has downgraded its forecast for Slovenia's economic growth in 2021 from 5.2% to 3.7%. For next year, it forecasts a GDP growth of 4.5%, Bernardin Akitoby, chief of the IMF mission for Slovenia said. (www.sta.si)

- March 19th, Slovenia is in for new military investment projects, including modernization of the military communication and information system, overhaul of the Ljubljana barracks, purchase of a tactical-transport aircraft and upgrade of the Bell helicopter fleet as the development program plan was expended by the Government's decision on Thursday on proposal of the Defense Ministry. The total estimated cost of the projects stands at around 170 million Euro. (www.sta.si)

COUNTRY ASSESSMENT :

The minority Government of Janez Jansa enjoys fragile stability which is confirmed almost on daily basis due to the repeated motions of no confidence against the Government's Ministers. Media freedom in Slovenia has been put under the EU microscope and is monitored closely. Besides, it is not a secret that the Slovenian Government together with the Hungarian and Polish ones are considered by Brussels as a "thorn" for the EU. Slovenia, which is prepared for taking over the EU presidency for the next semester, expressed its concern over the accession of Croatia in the Schengen Zone. It is considered that Slovenia will use the "Schengen card" to exercise diplomatic pressure towards Croatia regarding open disputes between the two states (Piran bay border

dispute etc). The Slovenian Armed Forces face problems mainly in the field of modern equipment and manning. Their operational readiness is under question and it is assessed that they cannot accomplish their mission. Currently, Slovenia has joined several military projects seeking to modernize its Armed Forces.



TURKEY: March 15th, Egyptian Foreign Minister Sameh Shoukry acknowledged that diplomatic contact had been established with Turkey but warned full ties would depend on “*a real change in Turkish policy,*” state media reported. (www.euractiv.com)

- March 15th, Turkey issued a diplomatic note to Greece, Israel and the EU, asking them to request permission before carrying out work on its continental shelf in the Eastern Mediterranean. (www.dailysabah.com)

- March 15th, the EU will request the renewal of the migration pact with Turkey, the bloc’s foreign policy chief Josep Borrell said Monday. (www.dailysabah.com)

- March 16th, Saudi Arabia is seeking to buy armed drones from Turkey, said President Recep Tayyip Erdogan on Tuesday, in a move that could mark a rapprochement between the two rival regional powers. (www.aljazeera.com)

- March 17th, a top Turkish Prosecutor has filed a case with the Constitutional Court demanding the closure of the pro-Kurdish Peoples' Democratic Party (Halkların Demokratik Partisi - HDP) party in the culmination of a years-long clampdown on Parliament’s third-largest party – a move the US said is “*troubling.*” (www.aljazeera.com)

- March 18th, the EU has frozen plans to blacklist more senior executives at Turkey’s state-owned Turkish Petroleum Corporation (TPAO), four diplomats said, in the clearest sign that a diplomatic offensive by Ankara this year is bearing fruit. (www.aljazeera.com)

- March 20th, Turkey has pulled out of the world’s first binding treaty to prevent and combat violence against women, a presidential decree said Friday, in the latest victory for conservatives in President Recep Tayyip Erdogan’s governing party. (www.aljazeera.com)

- March 21st, Turkish Police detained pro-Kurdish lawmaker Omer Faruk Gergerlioglu from his party’s headquarters in Parliament, where he had been staying for four nights to protest against the stripping of his MP status over a separate case. (www.aljazeera.com)



HDP MP Omer Faruk Gergerlioglu

(Photo source: www.omerfarukgergerlioglu.com)

- March 21st, Turkey’s new Central Bank Chief, Sahap Kavcioglu will hold a call with bank CEOs on Sunday afternoon, a day after he was appointed in a shock leadership overhaul that left investors predicting quick rate cuts and a lira selloff, two sources told the Reuters news agency. President Recep Tayyip Erdogan abruptly sacked former Central Bank Chief Naci Agbal in the early hours of Saturday, two days after a sharp interest rate increase (www.aljazeera.com)

COUNTRY ASSESSMENT :

Turkey after being isolated not only in regional, but also in international (namely the EU and US) level has impressively changed its foreign policy seeking to restore broken ties with several regional countries. Moreover, is seeking to avoid further sanctions from the EU in the coming summit on March 25th – 26th, 2021. In this context, Turkey has approached Egypt following a long time of frozen diplomatic relations seeking to disturb the close relation between Cairo and Athens. Moreover, Turkey is trying to build a bridge of communication with Saudi Arabia, following the development between Athens and Riant in the defense sector. It should be highlighted that Turkey is annoyed with the recent joint military exercise between Greece and Saudi Arabia in Greek territory where the latter's F-15 fighter jets landed in the island of Crete. Furthermore, Turkey leaks that Israel is also ready to talk with it. Finally, Turkey approached the EU through Germany achieving to ease hard rhetoric of Brussels against Ankara preventing the EU for imposing more economic sanctions to the country. Actually, Germany advocates a moderate approach of Turkey seeking to expand Berlin's investments in huge Turkish market. Apart from that, the EU is promoting warming of Anara – Brussels relationship aiming to upgrade the 2016 agreement with Turkey regarding illegal migration. Turkey is fully aware of its privileged geographic position and it knows that it can never be rejected by its western allies and the EU. Anyone who controls Turkey has a substantial advantage in the international security system and under this prism the country is an integral part of the west (namely the US and NATO) and this relation it is not going to change in the near


future. Turkey continues to implement a multilateral foreign policy which is strongly support it by military force wherever is necessary. Sudden dismissal of the Central Bank Chief, Naci Agbal confirms that Turkish economy is suffering, while inflation is fluctuating in double digits making ordinary life extremely difficult for the citizens. Democratic rule and human rights are further deteriorating in Turkey. Justice is moving for banning the pro-Kurdish HDP from Parliament accusing it for ties with PKK, an organization considered as terrorist by Turkey, the US and EU. Although it is rather unlikely to happen, this facts confirms that the country suffers from democratic deficit and the ruling AKP follows autocratic practices. Pictures of a pro-Kurdish MP to be detained within the Parliament are disappointing for the country which shows that there is no freedom of expression and respect to the people's elected representatives. Elected MPs, Mayors, journalists and thousands of citizens are in custody or convicted by the state Courts.


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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. Low tension incidents.

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

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