



**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. However Greece enjoys its own weekly review for a more detailed presentation of its current affairs (GREECE AT A GLANCE).

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

#### **“HERMES” I.I.A.S.GE**

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**ALBANIA:** November 12<sup>th</sup>, the Albanian Prime Minister, Edi Rama, was asked by Top Channel if the EU supports the Balkan Schengen initiative, which the US Special Envoy of the State Department clearly supported. Rama said *“The Balkan Schengen is a term first used by Fatos Nano. And when he used that term, the times were such that everyone thought he was crazy. Before speaking about it I have heard the voice in a favor from Belgrade to Brussels and Washington. The voice I hear in public are fewer than the ones I heard from Brussels and Washington and other partners because it used to be seen as a provocation to open the border with Kosovo.”* Rama added that he will remove the border between Albania and Kosovo allowing citizens from both sides of the border to travel from Albania to Kosovo as if they were traveling from Prishtina to Gjakova and from Lezha to Durres. *“They will not have to wait for hours. This is very simple. This initiative is based not only on consensus, but also for the best interest of the common people in all countries,”* Rama added. As for the national unification, Rama said that it comes through integration of the region in the EU. *“The Albanian people must and shall be untied as part of the processes that are going to unify as all with the people and citizens of this continent. There is no other way if we want to see people have a better economy. The conditions for all services will be improved if we invest more,”* Rama said. (www.top-channel.tv)

- November 14<sup>th</sup>, after the Constitutional Court remained without members, due to the vetting law, the process for appointing new members is entering a new, unprecedented and dangerous constitutional stalemate. The President of

Albania, Ilir Meta, decreed Marsida Xhaferllari several days after his legal deadline. His delay meant that the next on the list, Ana Vorpsi, would automatically go to the Constitutional Court since the President failed to exert his Constitutional Right for appointing the new candidate within the 30-days provided by law. The President argues that he could not appoint the second member since that would make him violation the Constitution. In such conditions, according to the Presidency, the Parliament would be stripped of the right to appoint, since the list of the Commission of Justice Appointments would be reduced to 2 candidates, from 3. The Presidency justifies the appointment of Marsida Xhaferi with the fact that she had a better CV. Xhaferi has not finalized her vetting process yet. She will face the Special Commission of Appeals on January 21st, 2020. The President went back to strong accusing declarations towards the majority, one day ago. Despite the new conflict of the President with the Prime Minister, Edi Rama, Arta Vorpsi continued with her new duty. She did not lose time to wait for the President’s invitation to take her oath. She took the oath in front of a notary and sent it to the President through the post. Then she entered the Constitutional Court building for her first day at the new job. The majority accused the President of opposing the judiciary reform in a brutal way, and summoned a new extraordinary meeting this Friday, to discuss the Constitutional violation of the President. (www.top-channel.tv)

- November 15<sup>th</sup>, the President of Albania, Ilir Meta, said that if the Constitutional Court was controlled by the majority, there would be no hopes for democratic changes in Albania. Meta insinuated that the Head of the Council of Justice Appointments, an institution established through

the judiciary reform, is cooperating with Prime Minister, Edi Rama. The President said that the Government has captured every single power in Albania, and now they are trying to grab the Constitutional Court as well. According to Meta, if this would happen, the only ways left to the people would be grabbing guns, accepting a dictatorial one-party system or leave the country. Meta said that the two latter ones were especially unacceptable. (www.top-channel.tv)

## COUNTRY ASSESSMENT      :

*Opposition increases its pressure against the Government to call snap elections. PD leader, Lulzim Basha has slightly changed his strategy by avoiding to keep pushing for the Prime Minister Edi Rama's resignation as a precondition for early elections. This fact could show that early elections are close and somekind of consensus is needed. Besides, it would be much more difficult for Rama to remain in power carrying the burden of failure towards the country's European future. The ongoing political crisis is expected to become deeper strengthening instability and uncertainty. Violent protests could not be excluded especially if Rama refuses to listen public demands and use Police violence against civilians. A new conflict broke out last week between the President, Ilir Meta and the Government. Meta did not hesitate to encourage people to react violently if they feel that their constitutional rights are violated. Both, the President and prime Minister are acting in "the edge of constitutional order" undermining country's political order. The Government is accused of having links with organized crime and current situation raises questions over the power of "Albanian mafia" in the country and its influence in state's politics. Undoubtedly, corruption and organized crime remains the most*

*significant state's problem undermining its strategic goal of opening accession negotiations with the EU. What really needs the country is political stability and constitutional order for moving ahead with reforms. Election of Albin Kurti as the new Kosovo Prime Minister is a new challenge for Albania. His calls for unification of Albania and Kosovo may become a factor of destabilization and tension in the wider region of Southeastern Europe bringing Albania in the center of negative developments. Besides, the state maintains its leading role in the Albanian world providing guarantees and support to Albanian population in the region namely Kosovo, Serbia, Montenegro, and North Macedonia.*



## **BOSNIA & HERZEGOVINA:**

November 11<sup>th</sup>, Bosnia's Serb-majority region, Republika Srpska (RS), does not have a right to "give up on its autonomy and statehood," Bosnian Serb leader Milorad Dodik said as he addressed RS lawmakers on Monday in an effort to gain their support for reversing numerous reforms that were made in the country since the war and abolishing a set of powers of Bosnia's international administrator. Dodik, who is the Serb member of the tripartite Presidency and leader of the ruling party in the RS, told the lawmakers in the RS National Assembly that all conditions foreseen by international law have been met for the Serb semi-autonomous entity to secede from Bosnia. Citing the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights, Dodik, who has been advocating for years for the secession of the entity which was created during the 1992-95 war, said the right of

the Bosnian Serbs to form their own country is based on the fact that they are discriminated against in Bosnia. He said that according to interpretations of acts of international law, secession as the ultimate form of creation of one's own state can only be used by *“peoples who are suffering discrimination, lack the right to a representative Government, and only if discriminatory behavior is so deep, branched out and systematic that it specifically threatens the survival of those peoples and if there is no strong likelihood that discrimination will end.”* All of those conditions have been met, he said. *“Republika Srpska, which has, as a state of the Serb people and others who live there brought its statehood, territory, government and population into the Dayton Agreements, constantly suffers from unjust activities by the OHR (Office of the High Representative) and the Constitutional Court. Its rights which are guaranteed according to Bosnia's Constitution are constantly being breached - competencies are being stripped away and institutions at the state level have been formed without a clear constitutional basis for it,”* he said. The OHR is the institution of the international official named to oversee the civilian implementation of the Dayton Agreement, which includes Bosnia's Constitution. The current High Representative is the Austrian diplomat Valentin Inzko. The official has a special set of powers - the *‘Bonn Powers’* - which allow him to, among other things, fire officials and impose laws. Dodik has been arguing that too many authorities the Dayton Peace Agreement had given Republika Srpska were transferred to the central Government. This, he argued, is a violation of Bosnia's Constitution, although Bosnian Serb lawmakers in the country's Parliament have also voted for them. Dodik said that reforms

implemented after the war were carried out under pressure from international representatives who *“manipulated with a fake compromise”* while working in the interests of Bosniaks (Muslim Bosnians) who prefer a centralized state. *“Now we know that these were lies damaging Serbs in the RS (...) That is why it is time to draw the line, to see where we are now 25 years after the Dayton Agreement was signed,”* Dodik said, arguing that the judicial, defense and tax reforms have harmed Republika Srpska. Bosnia's two entities - the Federation (FBiH), which occupies 51% of the country and is mostly populated by Bosniaks and Croats and Republika Srpska (RS) which has 49% of the territory - had their own separate armies, tax and judicial systems. Over the years those melted into joint, state-level systems. *“All of this has stripped off competencies from the RS,”* Dodik said, adding that *“Bosniaks are not complaining about those reforms because they favor a centralized Bosnia and Herzegovina, which they could not achieve during the war and in the Dayton Peace Agreement.”* (www.ba.n1info.com)

- November 12<sup>th</sup>, Bosnia and Herzegovina's (BiH's) Minister of Security Dragan Mektic said that some 260 BiH's citizens are currently in camps in Syria, and that they will be accepted in BiH. Mektic explained during the press conference in Banja Luka, a city located some 200 kilometers northwest of the capital Sarajevo, that *“it is reasonably believed that 100 men were former members of Islamic State (IS) and of 160 women, some of them were also members of IS,”* who are to be deported by the Turkish authorities. Mektic explained that it was agreed on October 10<sup>th</sup>, 2019 this year, with Turkish authorities, for nine men to be handed over to BiH. Namely, there

was an international arrest warrant for nine men because of their terrorist activity in Syria. One three-year-old child is also expected to be handed over to BiH whose family was killed in an airstrike, and who has grandparents living in BiH. *“I have been informed that this is being cancelled until further notice,”* Mektic said, explaining it was cancelled because of Turkish invasion in Syria. Mektic added that it was an obligation of the BiH’s authorities to accept BiH’s citizens and that the perpetrators of terrorist offenses will be the subject of investigations and indictments, Klix.ba news portal reported on Monday. He also explained that women who were IS members, if they performed auxiliary tasks of cleaning and preparing meals and other housework’s, will be held accountable in accordance with the law. Identity of BiH’s citizens in camps in Syria will be determined before deportation, including the biological parents of children and whether they are entitled to BiH citizenship. *“No one who does not have BiH citizenship will be accepted. The ultimate measure will be DNA analysis,”* Mektic concluded, Klix.ba news portal reported. (www.sarajevotimes.com)

- November 15<sup>th</sup>, it is about time to form the Council of Ministers and the agreement seems to be close, Bosnian Croat leader Dragan Covic said following the meeting with Milorad Dodik, the leader of the main Serb party, the Alliance of Independent Social Democrats (Savez Nezavisnih Socijaldemokrata - SNSD), in Mostar on Friday. *“I will be too optimistic again but I strongly believe it is about time to form the Council of Minister of Bosnia and Herzegovina. It seems like we are not too far from that,”* said Covic, the leader of the strongest Croat party, the Croatian Democratic Union of Bosnia and

Herzegovina (Hrvatska Demokratska Zajednica Bosne i Hercegovine - HDZ BiH). But, it remains unclear what was the ground for his optimism. Bosnian Croat and Serb leaders met a week after another Mostar meeting, which involved Covic and Bakir Izetbegovic, the Bosniak leader, who discussed the ongoing developments focusing on the formation of the state-level Government, formally known as the Council of Ministers. The Government formation has been an open issue for more than a year after Bosnia held its general elections, mostly due to political disagreements on Bosnia's NATO road. Covic made it clear during the meeting with Izetbegovic that his party was supportive of NATO membership but does not want to link the appointment of the Council of Ministers Chairman with NATO i.e. Bosnia's first Annual National Program (ANP), the document that contains the guidelines for reforms that the Alliance want the country to implement. *“And this is where we disagree,”* the Bosniak leader said after the last week's meeting. But, in this part, the Croat leader agrees with Dodik. In addition, the Serb leader neither wants to link the Government formation with NATO nor he supports NATO road in general. *“It is my belief that the issue of the Annual National Program was placed to prevent some other issues,”* said Dodik adding that the matter of the Council of Ministers' formation has become *“tiresome.”* *“I would like to be optimistic as much as Dragan is, but I believe that these from Sarajevo are constantly working on prevention of progress,”* he said adding that the meetings taking place in Bosnian capital are tiring him. *“Those are the least productive places I have ever been to in my life.”* (www.ba.n1info.com)

**COUNTRY ASSESSMENT**   :

*Lack of state's Government since October 7<sup>th</sup>, 2018 elections is an insurmountable obstacle which undermines stability and growth of the country. Not only that but it creates "fertile soil" for emerging ethnic tension and nationalistic rhetoric which is detrimental for Bosnia's sustainability. HDZ BiH leader, Dragan Covic appears optimistic the the Government soon will be formed, but Serb Bosnian leader, Milorad Dodik does not share his optimism. The three entities [Serbs, Croats, and Bosniaks (Muslim Bosnians)] disagree on the country's route towards NATO. Taking into consideration than the country is without central Government for more than a year it is assessed that these two issues should be separated. Dayton Peace Agreement has been put into question by almost everybody including Bosnian Muslims (Bosniacs) threatening peace, stability, and coexistence of ethnic entities in the country. Dodik adovkates secession of Republica Srpska from Bosnia and he argued last week in the entity's Parliament trying to convince Bosnian Serb MPs to support him. It is not a secret that political situation in Bosnia is alarming and at the moment it is considered as the most dangerous for a violent turbulence or a conflict in the region. Neighboring Croatia and Serbia keep on intervening in Bosnia's internal affairs, while Muslim countries such as Turkey, Saudi Arabia, Qatar, and Iran maintain a permanent presence through financial donations and investments. Currently Turkey renovates a mosque, while Qatar agreed to allow Bosnians to travel without passport, but only with their IDs. Russia tries to "penetrate" in Bosnian affairs maintaining its influence in Southeastern Europe. As already "HERMES" has assessed Bosnia with no Government, no state budget, and no growth sliming slowly but steadily towards interethnic*

*tension conflict. Country faces several functional and institutional problems. Consequently political fragility maintains permanent uncertainty and institutional mistrust blocking any attempt for economic growth and major reforms. EU path is too long for Bosnia and only for geopolitical interests it could have chances entering the EU.*



**BULGARIA:** November 12<sup>th</sup>, the deadline for bidders who have applied to supply Bulgaria with two new naval patrol vessels to update their offers has been extended by two weeks, to December 6<sup>th</sup>, 2019 Defense Minister Krassimir Karakachanov said. Karakachanov said that the request for the extension of the deadline had come from two companies, but he did not disclose the names of the companies, Bulgarian National Radio reported. "We are obliged, so that tomorrow there are not any comments that we rushed deliberately to favor someone at the expense of others," Karakachanov said. He said that it was important that all participants in the bidding were well prepared to present their motivations for their proposals "and from then on to evaluate their offers." In April 2019, it was announced that three companies, one Bulgarian, one German and one Italian, had submitted bids to supply the Bulgarian Navy with two new multi-purpose patrol vessels. The three companies that met the April 16<sup>th</sup>, 2019 deadline to submit bids are Fr. Lürssen Werft GmbH & Co.KG of Germany, MTG Delfin AD of Bulgaria, and Fincantieri of Italy. The Bulgarian Navy currently has six naval vessels, three dating from the Soviet era and the rest second-hand former Belgian vessels. The three from the USSR era have difficulties in getting spare parts and are not compatible with the standards of the NATO



alliance which Bulgaria joined in 2004. The project envisages the two new vessels replacing the Soviet-era three. In July 2018, Bulgaria's National Assembly approved an updated version of the project, envisaging spending a maximum about 503 million euro, value-added tax included. (www.sofiaglobe.com)

- November 14<sup>th</sup>, currently, two energy projects raise concern about their impact on Bulgaria's energy security; Turk Stream and the Belene Nuclear Power Plant, the Sofia-based Euro-Atlantic Security Center (EASC) said in a position statement. It released the statement following a meeting of the EASC General Assembly on November 12<sup>th</sup>, 2019 during which a debate on the energy security of Bulgaria was held. The main elements of energy security include secure suppliers, affordable prices, and a sufficient level of diversification to achieve three main objectives, the statement said. These were flexibility of the energy system and the ability to respond quickly to supply-and-demand balance disruptions; competition between suppliers to ensure the lowest prices based on the market principles; and uninterrupted supply, ensured by the possibility of replacing one source with another at any time, given a problem with the original supplier. The EASC said that Bulgaria had signed in record short time a contract for the construction of the continuation of the "Turk Stream" through its territory, the statement said. In less than six months all procedures were carried out, all permits were issued, a contract was signed, and a first dig was made. The value of the contract amounts to over 1.1 billion euro. The length of the pipeline is 474 km. Under the contract, the construction will finish for the record 250 calendar days for the linear section.

*"However, there is no funding for the project and only Russian gas will flow through the pipe. Bulgartransgaz does not have the resources to build this infrastructure. Neither Bulgartransgaz, nor the parent company the Bulgarian Energy Holding can take a loan for such a big amount. Therefore, the terms of the contract provide for the investment to be paid from the transit revenue within 10 years after the pipeline is put into exploitation. This means that debt service will depend on the gas quantities transferred and the price thereof,"* the statement said. If Gazprom decides not to use the pipe and it remains empty, Bulgartransgaz will accumulate debt that it will not be able to service, the EASC said. *"It is logical for the lender to try to acquire the company and its assets upon default. This situation creates prerequisites for a disproportionate increase in Russian influence in the political and economic life in our country, as well as the risk for complete dependence of the Bulgarian gas operator Bulgartransgaz on Gazprom. At the same time, the envisaged binding gas supply contracts will make it impossible to diversify with supply of liquefied natural gas,"* the announcement said. The state of the Belene Nuclear Power Plant project is also worrying, the EASC said. Following the mid-2018 proposal by the Cabinet to resume the project, the National Assembly passed a decision prohibiting the Government from providing any guarantees or payments on this project and stressed that the project implementation should happen *"on a market basis (with no mandatory energy purchase contracts, no preferential prices, no contracts for difference, no corporate and / or other non-market mechanisms to guarantee the investment) and no state guarantee."* In recent months, the Government has given a number of signals that it

will attempt to resume the project and attract Russian and Chinese investors. “*In this context, it is important to preserve the decision of the National Assembly,*” the EASC said. “*Otherwise, if the Bulgarian Government gives guarantees for the Russian investment, we risk the Bulgarian energy sector to become fully dependent on Russia. At the same time, we should not underestimate the fact that in the field of nuclear energy it is not so important who owns the reactors, but who owns the technology and can process the nuclear waste from the operation of these reactors,*” the statement said. (www.sofiaglobe.com)

- November 15<sup>th</sup>, Prime Minister Boyko Borissov has met with US Ambassador to Greece Geoffrey Pyatt on the sidelines of the 4<sup>th</sup> Thessaloniki Summit, the Government Press Office reported. The focus of the meeting was the diversification of natural gas supply sources and routes for Bulgaria and Southeast Europe. Borissov highlighted the progress made in the construction of the Greece - Bulgaria interconnector pipeline, which is of strategic importance for ensuring energy security in the region. Borissov emphasized the delivery of liquefied natural gas (LNG) to the Bulgarian market since the beginning of 2019 – 396 million cubic meter (mcm), including 182 mcm from the US. Borissov and Pyatt discussed Bulgaria's participation as a shareholder in the project to build a LNG terminal near Alexandroupolis, Greece. Bulgaria has decided to participate with 20% in the capital of the project company. At present, Bulgargaz is analyzing the LNG quantities it has to reserve in the second binding phase of the market test. Borissov and Pyatt expressed appreciation for Bulgaria and US’

cooperation in the field of security and defense as NATO partners. (www.novinite.com)

## COUNTRY ASSESSMENT  :

*Boyko Borissov Government is stable. Corruption and organized crime remain significant obstacles for the country's development and should be addressed decisively. The country pays special attention to energy security developing several projects. However, there are concerns regarding energy diversification since there is a risk the Bulgarian energy sector to become fully dependant by Russia. Modernization of Armed Forces is a top priority for Bulgaria and huge armament projects are ongoing (fighter jets, armored vehicles, vessels etc). However, military operational capability of the state is questioned especially in the Air Force. Bulgarian Armed Forces are far from NATO standards.*



**CROATIA:** November 12<sup>th</sup>, in the EU accession treaty Croatia undertook the obligation to adopt the euro as its official currency and the strategic goal is to meet the criteria by the end of the next Government's term, Prime Minister Andrej Plenkovic said on Tuesday. The economic benefits of euro are many; the currency risk in the economy will be eliminated, the cost of borrowing will drop for all domestic sectors, and citizens and businesses will have lower financing costs than they would if Croatia stayed outside the euro area, he said at the Croatian Financial Institutions Day conference, organized by the Chamber of Commerce (HGK). Conversion costs will be eliminated and the joint currency will contribute to international trade and competitiveness, Plenkovic added. The plan is for Croatia to enter the European Exchange Rate

Mechanism II upon confirmation of compliance with all conditions in the second half of 2020, Plenkovic said. Croatia will spend between two and a half and three years in ERM II and entry into the euro area is expected in January 2023 at the earliest or in January 2024. HGK President Luka Burilovic said the positive effects of the euro include a lower price of capital, easier awarding of a better credit rating, the elimination of the currency clause risk, and higher competitiveness of exporters. *“We can hope that Croatia will have a stronger position in attracting foreign direct investment,”* he said. (www.hr.n1info.com)

- November 14<sup>th</sup>, the decision on when Croatian citizens will take to the polls to choose a President for the next five years was adopted at today's government cabinet session and announced by Prime Minister Andrej Plenkovic *“The first round of presidential elections will be held on December 22<sup>nd</sup>, meaning now signature gathering begins, followed by a decision from the State Election Commission and then the campaign, which will last about 15 days until midnight on December 20<sup>th</sup>,”* said Plenkovic. All those that want to run for the position of Croatian President have 12 days to gather at least 10,000 signatures. After that, within a period of 48 hours, the state Election Commission will publish a list of valid candidates. The election campaign will last 16 days. If on December 22<sup>nd</sup>, no candidate wins a majority, or more than 50% of the vote, a second round will be held on January 5<sup>th</sup>, in which the two candidates that won the most votes will be running. (www.glashrvatske.hrt.hr)

- November 14<sup>th</sup>, Croatian lawmakers adopted the 2020 budget on Thursday with 80 lawmakers voting in favor of the bill, 41 against, and one

abstaining. The Government bill envisages 145 billion kuna (19.5 billion euro) in revenues and 147 billion kuna (19.8 billion euro) in expenditures, with most Government agencies receiving an increase in funding. The budget was drafted under the assumption that Croatia's economy will grow at a rate of 2.5% in 2020. The Government expects a 6.7% increase in revenues from the 2019 budget, 5.4% more than the 2019 budget revision, which was also adopted by the Parliament today. The Government expects to spend 5% more in 2020 than it planned to do in 2019. The budget gap in 2020 is projected at 2.15 billion kuna (289 million euro), around 0.5% of GDP. Leader of the Croatian Democratic Union (Hrvatska Demokratska Zajednica – HDZ) in the Parliament, Branko Bacic, said on Thursday that the budget vote showed ruling majority was strong and unified, adding that he did not share the view that the budget did not include the demands of striking teachers. Opposition MPs disagreed and expressed disappointment that the demands of teachers were not met. (www.glashrvatske.hrt.hr)

## **COUNTRY ASSESSMENT**   :

*The country enjoys political stability and adoption of 2020 state budget confirmed that the ruling coalition is stable. Croatia is moving ahead for the presidential elections, scheduled on December 22<sup>nd</sup>, 2019 (first round) and January 5<sup>th</sup>, 2020 (second round if necessary). Croatia received a positive recommendation by the European Commission for implementing all necessary criteria for entering the Schengen Zone. However, the final political decision by the member states requires a unanimous vote and it is expected to become a field of confrontation*

*between Croatia and Slovenia. Slovenia has already expressed its intention to block Croatia's accession to the Schengen Area due to their border dispute. However, Croatia expresses confidence that finally it will get full support (Slovenia including) for entering the Zone. Croatia implements a hard-line foreign policy with its neighboring countries maintaining open disputes with Bosnia, Slovenia, and Serbia. Croatia implements a policy of Armed Forces' modernization trying to form a reliable and well equipped force according to NATO standards. Failure to complete successfully the purchase of a modern fighter jet maintains a long period of an ineffective and weak Croatian Air Force.*



**CYPRUS:** November 11<sup>th</sup>, EU Foreign Ministers agreed on Monday economic sanctions over Turkey's drilling off the coast of Cyprus, setting up the legal framework for travel bans and asset freezes but leaving names until a later date. The decision, reflecting a broader deterioration in EU ties with Turkey, aims to punish Ankara for violating Cyprus' maritime economic zone by drilling off the divided island. It follows a separate decision to stop new arms sales by EU Governments to Turkey over Ankara's October 9<sup>th</sup>, 2019 incursion into Syria. *"I am satisfied with the decision of the EU, which is actively supporting the sovereign rights of the Republic of Cyprus and legality in Cyprus' sea,"* President Nicos Anastasiades said after decision. Turkey, which is a formal candidate to join the EU, says it is operating in waters on its own continental shelf or areas where Turkish Cypriots have rights. EU Ministers said in a statement that Monday's decision *"will make it possible to sanction individuals or entities responsible for or*

*involved in unauthorized drilling activities of hydrocarbons in the Eastern Mediterranean."* Two EU diplomats said the staggered approach gives Turkey a chance to end what the EU says are *"illegal"* drilling activities before any measures enter into force. If sanctions are imposed, the asset freezes and travel bans are likely to target the Turkish military and captains of the drilling ships, the diplomats said. EU ties with NATO-ally Turkey have meanwhile worsened after years of stalemate on Ankara's bid to join the world's biggest trading bloc. With Turkish President Tayyip Erdogan's crackdown on dissidents and his sweeping new presidential powers that the EU says lack checks and balances, many EU states say Turkey no longer meets the democratic criteria to be a candidate, let alone an EU member. ([www.cyprus-mail.com](http://www.cyprus-mail.com))

- November 16<sup>th</sup>, the Government on Friday condemned Turkey's latest attempt to conduct illegal drilling within Cyprus' maritime zones after news that drillship FATIH is back and has started operations off Karpasia. *"Any claim by Turkey that the drilling is carried out after 'licensing' by the so-called 'TRNC' to the Turkish petroleum company (TPAO) has no legal basis and any drilling activities carried out on behalf or for the benefit of the illegal secessionist regime are illegal and void just as the pseudo-state is illegal and baseless, according to relevant UN Security Council resolutions,"* the Government said in a written statement. Turkish Vice President Fuat Oktay said on Friday the FATIH had started its operations off the coast of northeastern Cyprus. Oktay was in the north on Friday to attend celebrations for the 36<sup>th</sup> anniversary of the unilateral declaration of independence by Turkish Cypriots on November

15<sup>th</sup>, 1983. According to media in the north, the vessel is around 13 nautical miles off the coast of Galinoporni village, in Karpasia and is expected to carry out drilling in a new location in the area. The Government said that the announced drilling within the eastern Exclusive Economic Zone (EEZ) and Cyprus' continental shelf, very close to the territorial sea, at 12.4 nautical miles off the coast of Karpasia, "*violates the sovereign rights of the Republic of Cyprus under the UN Convention on the Law of the Sea and international customary law.*" It also condemned the reported illegal seismic investigations by the ORUC REIS research vessel in a large area in the western EEZ / continental shelf of Cyprus, which, it said, is in violation of its sovereign rights. Arrival of the FATIH comes after the adoption on Monday by the EU Foreign Affairs Council of a framework for restrictive measures against people and companies involved in Turkey's unauthorized drilling activities in the eastern Mediterranean. According to the Government the fact that the new illegal actions were announced on the same day the EU's sanctions framework came into force "*is an act of extreme and provocative contempt*" of international and European law, as well as repeated calls by the international community for an end to these actions and to respect the sovereignty and exclusive sovereign rights of the Republic of Cyprus. "*It is at least hypocritical for Turkey to claim to be defending the rights of the Turkish Cypriots, while at the same time claiming 44% of the Cyprus EEZ / continental shelf against the legitimate rights of the entire Cypriot people,*" the Government said. It added that the interests of the Turkish Cypriots would be better safeguarded by the overall settlement of the Cyprus problem, rather than by conducting illegal activities, namely 10 days

before the scheduled meeting of the President with the Turkish Cypriot leader and the UN Secretary-General. "*We urge Turkey once again to put an end to all its illegal activities and to withdraw all drilling and seismic vessels from the maritime zones of Cyprus,*" it said. Recalling the framework of sanctions that have been put into effect by the EU which targets natural and legal persons involved in these activities, the Government also called on individuals and companies to terminate any co-operation or assistance in any illegal activities. The FATIH left earlier in the month its initial location west of Cyprus where it had been anchored since May. It had carried out drilling in two locations dubbed by Turkey as '*Finike 1*' and '*Finike 2*'. After briefly docking in Mersin for refuelling and maintenance, it was dispatched back into Cypriot seas, this time off Karpasia. It is expected to remain there until February 23<sup>rd</sup>, 2020. Turkey criticized the decision and said it would not cease drilling because it is operating on its own continental shelf or areas where Turkish Cypriots have rights. Another Turkish drillship, YAVUZ, is off the southwest coast of Cyprus, in block 7, which the Republic of Cyprus has licensed for gas exploration to French-Italian energy consortium TOTAL-ENI, in early October. It is expected to remain there until January 20<sup>th</sup>, 2020. (www.cyprus-mail.com)

- November 17<sup>th</sup>, a five-party conference with the guarantor powers could take place in December 2019, Foreign Minister Nicos Christodoulides has said. In an interview with Kathimerini on Sunday, Christodoulides who is slated to meet US Secretary of State Mike Pompeo in Washington on Monday said, the tripartite meeting of the leaders with the UN Chief was a first step towards

a new five-party conference. President Nicos Anastasiades and Turkish Cypriot leader Mustafa Akinci are due to meet with Antonio Guterres in Berlin on November 25<sup>th</sup>, 2019. *“It is our hope and expectation to pave the way for the resumption of substantive talks from where they left off in July 2017,”* Christodoulides said. Asked if there could be a new round of negotiations while Turkey continues to illegally drill in Cypriot waters, Christodoulides emphasized that the proper environment must be in place for the resumption of substantive talks. *“At an informal conference, there should be a commitment to creating the necessary climate without violations and challenges,”* he added. Referring to recent statements by Turkish officials on changing the Cyprus settlement framework, Christodoulides said there was no question of changing the basis of the solution and/or the goal pursued. *“Such a possibility is out of the question and it is particularly positive that the UN Security Council, and in particular the five permanent members, have a common and clear approach to this issue,”* he said. Christodoulides said the possibility for closer cooperation between Nicosia and Washington would be at the center of talks with his US counterpart Mike Pompeo on Monday. Pompeo invited Christodoulides to visit Washington one year after the signing of a statement of intent between the two countries. Bilateral relations, the Cyprus problem and the state of play in the Eastern Mediterranean, and more particularly developments in the energy sector, will be among the items on the agenda. Apart from Pompeo, Christodoulides will hold separate meetings with Acting Assistant Secretary of European and Eurasian Affairs Philip Reeker, Deputy Assistant Secretary Matthew Palmer and Assistant Secretary Francis Fannon, while he may

also meet with the US President’s National Security Adviser Robert O’ Brien. (www.cyprus-mail.com)

## **COUNTRY ASSESSMENT** ■ :

*Although invasion of Turkish drillship Yavuz in Cypriot EEZ continues challenging the state’s sovereignty, Cypriot authorities focus on restarting of peace talks. The tripartite meeting (UN, Republic of Cyprus, and Turkish Cypriot community) is scheduled for November 25<sup>th</sup>, 2019 in Berlin, but the Turkish Cypriot side and the Greek Cypriot administration leaking that it would be “an informal meeting with almost nothing to expect.” The truth is that it is not very likely to see a five-party meeting (Cyprus, Great Britain, Greece, Turkey, and the Turkish Cypriot community) in the near future since no progress has been done so far and Turkey continues to challenge the Cypriot sovereignty. Nevertheless, Cypriot Foreign Minister, Nikos Christodoulides stated that a 5-party meeting is possible in coming December. Bi-communal and bi-zonal federation is the basis for a negotiation, according to Cypriot officials. Lack of military power and more specifically aeronautical power is critical for Turkish uncontrolled actions. Cyprus continues to work by diplomatic means on resolving the crisis but the fact is that Turkey has consolidated its presence in the Cypriot waters. Current situation has not only political and diplomatic repercussions, but also economic ones. Turkey rejects any possibility of unilateral (by Cyprus) exploitation of hydrocarbons within Cypriot Exclusive Economic Zone (EEZ) without equal participation of the Turkish Cypriot community. The presence of Turkish drill ships accompanied by warships forced oil companies to*



*reconsider their activity in Cypriot waters due to safety reasons. EU announced last week restrictive measures against individuals and companies related to illegal Turkish drilling in the eastern Mediterranean. As long as tension remains in eastern Mediterranean, there is always a high risk of an armed “hot” incident or a conflict. It is certain that Turkey will not accept “fait accompli” in a region considered as part of its strategic interests. 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:** November 11<sup>th</sup>, dozens of students clashed with riot Police outside the Athens University of Economics and Business (AUEB) on Monday, which will remain closed for seven days after Police found several items on the premises used by rioting anarchists last week. Protesters hurled stones and other objects against riot Police who responded with stun grenades and entered the grounds of the campus where about 90 people have gathered. There was no information on any detentions being made, but Patission avenue – the main thoroughfare outside the building – remains closed to traffic. Police operation on Monday is part of a drive to empty buildings used by anarchists against officers stationed in the area. AUEB’s Senate decided to shut down the university until November 17 (the 46th anniversary of a student uprising against the ruling dictatorship of the time), after Police found in a university room shafts, full face masks, motorcycle helmets, rocks and pieces of marble

used by rioters to attack and to mask themselves. (www.ekathimerini.com)

- November 12<sup>th</sup>, welcoming Chinese President Xi Jinping to Athens ahead of the signing of 16 bilateral deals Monday, Greek Prime Minister Kyriakos Mitsotakis described the two countries’ cooperation as a road that “*will soon become a highway.*” During a joint press conference after their talks in Athens, Mitsotakis noted that Greece was turning into the “*most vital*” logistics hub linking Europe and the Far East and becoming the basic gateway for a transport corridor between China and Western Europe. Xi, for his part, described China’s investment at the port of Piraeus as “*the biggest project of the One Belt, One Road initiative,*” referring to China’s plan for a modern Silk Road of railways, ports and other facilities linking East Asia with Europe. “*Now that our country is once again acquiring a leading role, we are broadening our common goals,*” Mitsotakis said following his talks with Xi at the Maximos Mansion and shortly before Ministers of the two countries signed the 16 deals. Apart from expanding the presence of Chinese logistics giant COSCO at Piraeus, the agreements foresee boosting bilateral business deals, opening the Chinese market to certain Greek agricultural products including saffron and kiwi fruit, and the establishment in Athens of a Bank of China branch and a representative office of the Industrial and Commercial Bank of China. Mitsotakis stressed that Greece has much to gain from the opening up of the Chinese market while emphasizing China’s role not just as a major power but as a country that worked hard to forge a leading role on the geostrategic, economic and political stage. Earlier in the day, Greek President Prokopis Pavlopoulos heralded an “*emblematic*

*improvement in the strategic relationship between Greece and China*” and said the Belt and Road initiative would function as a “*bridge*” between China and the West. Greek and Chinese officials also signed a 17-point joint statement on “*Strengthening the Comprehensive Strategic Partnership.*” In it, they agreed to strengthen their cooperation in existing sectors while seeking to expand into the areas of agriculture and technology. It also underlines “*the importance of Greece’s important role in promoting the EU-China partnership.*” (www.ekathimerini.com)

- November 15<sup>th</sup>, Greek Prime Minister Kyriakos Mitsotakis on Thursday essentially offered his support to North Macedonia Premier Zoran Zaev and his country’s effort to unstick its stalled bid for EU accession talks but emphasized that Skopje would have to honor the terms of the Prespes name deal. In talks between the two men in Thessaloniki, Mitsotakis reportedly told Zaev “*You can count on me.*” Their discussion focused on the decision by the European Council not to approve the launch of EU accession talks with North Macedonia following a veto by France. Talks took place on the sidelines of the Thessaloniki Summit 2019, a business event organized by the Federation of Industries of Greece. According to Government Spokesman Stelios Petsas, Mitsotakis reiterated Greece’s support for the enlargement of the EU to include Western Balkan countries, saying this would boost peace, stability and prosperity in the region. In statements to reporters, Zaev said Mitsotakis assured him that he would speak with French President Emmanuel Macron and other European leaders. Zaev also revealed that he invited Mitsotakis to visit Skopje, while, according to sources, Foreign Minister Nikos Dendias is

expected to travel to the capital of North Macedonia in the coming week. Asked about the Prespes deal, Zaev said it is being implemented step by step, stressing that “*we have obligations and so do you,*” referring to Greece. With regard to the issue of the brand names of products from North Macedonia and those from the region of Macedonia in northern Greece, he said both sides will reach an agreement “*in an amicable way.*” Mitsotakis told the summit that both countries should do their best to curb the negative aspects of the deal. As for Albania, Mitsotakis said that to start EU accession talks, it must conduct a full census and protect the properties and rights of its Greek minority. (www.ekathimerini.com)

## **COUNTRY ASSESSMENT**   :

*Greece enjoys political stability. The Government implements a plan of restoring “law and order” in the country, mainly in Athens seriously damaged last 5 years during the left-wing party of SYRIZA. In this context, security forces have conducted several operations in buildings in Exarchia region (considered as the “fortress” of anarchists in Athens) and the Economic university of Athens (AUEB). Clashes broke out between riot Police and students of the university. Main opposition party of SYRIZA expressed its support in the students claiming that the right-wing Government exercise excessive Police violence against students and civilians. It is assessed that SYRIZA acts in a populist way since Greek society demands restoration of law and order in Athens city center and a normal function of universities which at the moment are fully controlled by radical political factions and criminal gangs. There are security concerns of escalation of tension between security forces and radical leftist*



groups especially on November 17<sup>th</sup> and December 6<sup>th</sup>, 2019. Efforts of security forces to fight domestic terrorism continue and according to the Police last arrests deterred a possible terrorist attack against state's institutions. It should be noted that Greece is one of the last European countries faces domestic activity by left-ideology terrorists. Parliamentary Investigative Committee has started questioning witnesses of the "Novartis" bribery case investigating if former Alternate Justice Minister, Dimitris Papangelopoulos interfered in the case pushing witnesses to testify against political opponents of SYRIZA. The case will remain in the central political scene in the near future as a source of tension. At the moment, migration is the main security problem of Greece. Good weather contributes in maintenance of a stable flow from Turkish coasts towards Greek islands. Control of migrant flows coming from Turkey is a critical point for Greek national security and consequently EU's security. The Government focuses its efforts on relieving the islands of eastern Aegean Sea (Lesvos, Samos, Chios) from a burden that it may come out of control threatening law and order in these small communities. At the moment, the Government tries to find ways of addressing the problem. In this context, it is planned new reception centers with restricted in and out for migrants to set up. Visit of Chinese President Xi Jinping in Greece was of major interest since 16 agreements were signed upgrading Piraeus port in a strategic hub for Chinese products and transports between Asia and Europe. Greek – Turkish relations are in a critical point not only due to Turkey's decision to violate Cypriot Exclusive Economic Zone (EEZ) aiming at conducting oil and gas drills, but also because Turkey maintains a hard rhetoric against

Greece regarding its territorial and maritime sovereign rights. Greece is concerned due to Turkish intention to search for hydrocarbons within its EEZ near to Kastelorizo region. The critical question is "how Greece would react if a Turkish drillship would appear in its territorial waters." Turkey has targeted the wider area of Kastelorizo (and Northeast Aegean Sea) issuing several NAVTEXs for naval exercises with live fires. Moreover, Turkish fighter jets massively violate Greek airspace, while Turkish drones fly over Greek islands or islets. Turkey keeps upgrading provocations against Greece with a "hot" incident always to be in the foreground. Lately, Greece has changed its stance towards Cyprus by sending repeatedly fighter jets over the Cypriot sky in a strong message that Greek Armed Forces are present in the island at any time to support its defense. Greece seeks to modernize its Armed Forces by receiving US military aid. It is a fact that Greek military force has been affected by the long economic crisis threatening the balance of power with Turkey. Currently, Greece is in talks with France for purchasing two advanced frigates BELHARA. Taking into consideration the ongoing provocations in the Aegean Sea and the complicated current situation in Cypriot EEZ, security situation is of high risk due to an accidental or preplanned incident by Turkey.



**KOSOVO:** November 12<sup>th</sup>, in a meeting with French President Emmanuel Macron, Kosovo President Hashim Thaci said that "Kosovo is ready for a peace agreement with Serbia."



Trilateral meeting of Presidents of France,  
Emmanuel Macron, Kosovo, Hashim Thaci, and  
Serbia, Aleksandar Vucic

(Photo source: [www.president-ksgov.net](http://www.president-ksgov.net))

In the evening of November 11<sup>th</sup>, 2019 Thaci and Macron discussed the Serbia - Kosovo dialogue and Euro-Atlantic prospects of Kosovo and the Western Balkans, according to a release from Thaci's office. *"We are ready to resume dialogue with Serbia and achieve a final peace agreement, which would mean mutual recognition and our membership in the UN,"* Thaci said. According to Thaci, it would also *"complete Kosovo's international consolidation,"* and open the door to foreign investments. *"That means development for Kosovo. That means more opportunities for prosperity, for a better life of all Kosovo citizens,"* he noted. He stressed that Kosovo had only one goal – memberships in NATO and the EU. ([www.betabriefing.com](http://www.betabriefing.com))

- November 15<sup>th</sup>, the US President's envoy for the Belgrade - Pristina talks Ambassador Richard Grenell welcome the *"Balkan Schengen"* initiative but warned that it could succeed only if everyone, including Kosovo, is included in it, Pristina media reported on Friday. The media quoted a press release from the US Embassy in Berlin which welcomed the initiative for a Western *"Balkan mini-Schengen"* as the way to start the free flow

of people and goods. *"We believe that for this initiative to succeed it has to include everyone in the region, including the Government of Kosovo. The Trump administration is focused on helping the entire region to create economic opportunities and jobs for the young,"* the press release is quoted as saying. The Kosovo authorities refused to take part in the recent meeting between top officials from Serbia, Albania and North Macedonia which agreed to launch the *"mini-Schengen"* initiative. Politicians in Pristina said that the initiative was an attempt to create a new Yugoslavia. ([www.rs.n1info.com](http://www.rs.n1info.com))

- November 15<sup>th</sup>, on Friday, 337 new recruits joined officially the Kosovo Security Force (KSF) after successfully finishing basic trainings at the Command and Doctrine Training Centre. The KSF Commander, Lieutenant General, Rrahman Rama said the Kosovo Force is committed to peace and security in the region. *"We are committed to peace and stability to all. The KSF is capable of helping to maintain peace whenever is needed in the world along with NATO soldiers,"* Rama said. He also stated that the KSF is concluding one year of a successful transition. *"We are closely cooperating with our strategic partners in order for the KSF members be trained based on NATO standards and prepare for operations aimed at guaranteeing peace and stability in the region and beyond,"* Rama said. The Parliament of Kosovo has voted last year to transform the Kosovo Security Force (KSF) from a professional, lightly armed and uniformed Security Force into a full-fledged army. ([www.gazetaexpress.com](http://www.gazetaexpress.com))

**COUNTRY ASSESSMENT**      :

Winners of the October 6<sup>th</sup>, 2019 early parliamentary elections, Vetëvendosje and LDK have reached an agreement of forming a Government and it is a matter of time its official announcement. Recount of almost 58% of election's ballots (after parties and candidates requests) will delay the announcement of official results and consequently the Government's establishment. The potential Prime Minister, Albin Kurti from the winning Vetëvendosje is a nationalist hardliner and it is assessed that dialogue with Belgrade will not be facilitated in the near future. Not only that, but it seems that Kurti's strategic choice is to force Kosovo Serbs to cut lines of communication with Serbia and Kosovo authorities to fully control north. Such opinion is dangerous since the balance of co-existence between Kosovo Serbs and Kosovo Albanians is very sensitive. However, Kurti is slightly changing his stance as he is getting closer to power, by stating that he will accept a Minister of Srpska Lista but he will not form a political coalition with the Serb party. Possible deployment of security forces and the newly established Kosovo Army in the north may become a reason for turbulence and an armed conflict. Besides, Kurti advocates unification of Albania and Kosovo; a view which will threaten peace and stability not only in Kosovo – Serbia but in the whole Western Balkans. International community namely the US and EU strengthen their efforts towards restarting dialogue between the two parties after elections. It seems that the US pays special attention in Kosovo problem by appointing Ambassador Richard Grenell as special envoy for Kosovo – Serbia dialogue; together with special envoy for western Balkans Matthew Palmer. Restart of bilateral negotiations could not be expected before December 2019 or

beginning of 2020 provided that Kosovo will revoke tariffs imposed to Serbian goods. French President Emmanuel Macron undertook an initiative to invite Serbian and Kosovo Presidents in Paris for an informal meeting aiming to set conditions for dialogue restart. Increased tension is expected in North Kosovo by Kosovo Serbs if Serb List representatives will be excluded by the new Government. Only through normalization of relations with Serbia, Kosovo will be able to move forward namely to enter the UN, NATO, EU and to achieve a normal status of a state. Kosovo lacks determination over its critical reforms which will establish in the country rule of law and modern functional administration. Kosovo unresolved status, political instability, corruption, and organized crime are not encouraging factors for its future within European community. Path towards the EU and NATO will be long and hard.



**MOLDOVA:** November 12<sup>th</sup>, the cabinet of Ministers led by Prime Minister Maia Sandu was dismissed through motion of censure today. Sixty three MPs of the Democratic Party of Moldova (Partidul Democrat din Moldova - PDM) voted for the dismissal of the Government. The lawmakers of the Republican Socio-Political Movement Equality (Mișcare Social-Politică Republicană Ravnopravie - SOR) abstained from voting. Before the discussion of the motion of censure, Sandu gave a speech in front of the MPs, in which she reviewed the cabinet's achievements in those five months of work and made a synthesis of the political situation emerged. She asked the MPs to be correct in their decisions and not to judge the actions of the Government through the light of narrow interests. The Prime Minister said that the motion filed by Party of

Socialists of the Republic of Moldova (Partidul Socialiștilor din Republica Moldova – PSRM) was based on erroneous information and the economic situation had not worsened in Moldova on the last period. *“The only worsening of the economic situation is for those for whom corruption schemes were ceased,”* Sandu said. *“We started working immediately and, during two months, we fulfilled all foreign financing commitments which the previous ones had not fulfilled during three years. We have brought foreign assistance to the country worth more than two billion lei. This money was provided by international partners to Moldova’s citizens, with confidence that the Government will manage it correctly and transparently,”* Sandu said. She noted that, if the Government is dismissed, the financings promised by the development partners might be stopped. *“Would you prefer a docile Government, blind to schemes? Are you scared by a cabinet which acts? Why would you like to get rid of us? Are you not sick and tired of schemes? Do not you like the liberal justice and prefer the wealth,”* Sandu said. The motion of censure against the Government was registered in Parliament by the PSRM faction on November 8<sup>th</sup>, 2019. At that time, the Socialists showed discontent that the Government changed the rules of appointment of the Prosecutor General through the procedure of taking responsibility, without consulting them. During all the plenary meeting, at which the motion was discussed, more supporters of the ACUM [Dignity and Truth Platform Party (Partidul Platforma Demnitate și Adevăr - PPDA) and Party of Action and Solidarity (Partidul Acțiune și Solidaritate - PAS)] bloc protested to back the Government outside the Parliament building. (www.moldpres.md)

- November 13<sup>th</sup>, Heads of diplomatic missions of the US and the EU stated about the concerns that arise in connection with the dismissal of the Moldovan Government. At the Wednesday’s opening of the Moldova Business Week 2019 in Chisinau, Ambassador Peter Michalko, Head of the EU Delegation to Moldova said that an alarming situation arises, especially in the context of the launched initiatives on combating corruption, ensuring independence of justice system and investigating the bank theft. *“Justice system and the legal state are key elements of a favorable entrepreneurial climate. Besides this, de-politicization of state institutions and a healthy democracy will remain the basic moments which will be standing at the core of our relations and the support to any authorities. The principle of fulfilling conditions will be applied permanently taking into account only the interests of Moldovan citizens,”* he stressed. According to the diplomat, in such context it is of critical importance that the efforts of Moldovan leadership to be directed to building of a sustainable economy, based on investments in infrastructure, joining the European space and a healthy environment. *“Transformation of trade and investments into an engine of development needs several urgent measures. It is crucial that reforms in the field of food safety to be implemented sooner for providing to local producers the possibility to export livestock products with high added value. This will allow ensuring higher quality standards for local consumers as well,”* the EU Ambassador said. He stressed the importance of ensuring a correct waste management, the continuation of reforms in the banking sphere, as well as recent governmental measures on combating monopolies in several branches of economy. US Ambassador to Moldova Dereck J. Hogan

said that despite the unfortunate dismissal of the Maia Sandu Government, and the current political situation, the key moments in relations between the two countries have not changed. *“The US will continue urging Moldova’s elected officials to make more efforts for ensuring a better, more democratic and prosperous future for all citizens. Moldovans deserve leaders who will work for the good of the country and will free it from the corruption that has prevented Moldova from reaching its potential. We will continue supporting a more transparent investment climate, giving the critical importance of private sector in development,”* Hogan said. He stressed the Government’s role in this process, as it is the Cabinet of Ministers which is engaged in creating infrastructure, supports quality education and labor force training, as well as a strong and independent judiciary, which is able to ensure fair resolution of conflicts. According to the Ambassador, real changes become possible only when the Government and the private sector cooperate, but the authorities cannot deal with everything alone, because private companies and investors are the engine for economic growth. (www.infotag.md)

- November 14<sup>th</sup>, the Parliament gave today a vote of confidence to the Cabinet of Ministers led by the candidate nominated by the President, Ion Chicu. The Government is a minority one and was established with the vote of the Party of Socialists of the Republic of Moldova (Partidul Socialiștilor din Republica Moldova – PSRM) and Democratic Party of Moldova (Partidul Democrat din Moldova - PDM) Deputies. The ACUM [Dignity and Truth Platform Party (Partidul Platforma Demnitate și Adevăr - PPDA) and Party of Action and Solidarity (Partidul Acțiune și Solidaritate -

PAS)] bloc Lawmakers have left the meeting room, and those from the Republican Socio-Political Movement Equality (Mișcare Social-Politică Republicană Ravnopravie - SOR) have abstained from voting. Ion Chicu said that the minority Government that he is going to run will have the mandate until the presidential election in the autumn of 2020. *“Considering the status of minority Government, set up to improve precarious situation in most social-economic areas of Moldova, timeframe of the work program is limited to the period until the presidential elections in autumn 2020,”* he said. He noted he set out short-term priorities to improve the social and economic situation in the country in the beginning of winter. *“The political crisis started a few days ago may have extremely serious repercussions in all socio-economic areas of the country. Therefore, any day of prolonging this crisis will further aggravate the situation of the country,”* Chicu said. Chicu's priorities include reforming the judiciary, reviving local public administration, boosting relations with development partners and meeting the commitments made by Moldova so far. Chicu said he would choose to resume good initiatives launched by previous Governments and plans to turn Moldova into a construction site. The new cabinet will work on the recovery of the economy, the development of the IT branch, as well as tourism. At the end, Chicu asked the MPs’ support, noting that he will come up with a detailed Government program later. ACUM bloc MPs criticized the new Government and said that Chicu was appointed with serious violations of legislation. Democratic MPs said they support this Government, but their vote is not a “blank check” and they will strictly monitor the activity of Ministers. The new cabinet will consist of nine

Ministries and will have two Deputy Prime Ministers. Thus, the position of Deputy Prime Minister, Minister of Finance will be held by Sergiu Puscuta, who has headed the State Tax Service so far. Deputy Prime Minister for Reintegration will be former Head of the Reintegration Policy Bureau Alexandru Flenchea. The position of Minister of Economy and Infrastructure will be exercised by Anatol Usati, who has served as Deputy Governor of Gagauzia. Minister of Internal Affairs will be former Minister of Defense Pavel Voicu and Minister of Justice will be PSRM legal advisor Fadei Nagacevski. The Ministry of Foreign Affairs will be headed by diplomat Aureliu Ciocoi, and the Defense Ministry - by General Victor Gaiuciu. Minister of Education, Culture and Research was appointed Corneliu Popovici, who so far has served as Presidential Adviser. Minister of Health, Labor and Social Protection became Viorica Dumbraveanu, former Secretary of State in the same Ministry. The new Minister of Agriculture, Regional Development and Environment, Ion Perju, has worked as an Advisor to the President in the agribusiness and public administration. Six out of 11 members of the new executive are Presidential Advisers. (www.moldpres.com)

## COUNTRY ASSESSMENT :

*A political crisis has broken out in Moldova on November 8<sup>th</sup>, 2019 which led in collapse of Maia Sandu's Government and dissolution of the PSRM – ACUM coalition. Moldovan President, Igor Dodon is the absolute dominant in state's politics. He decided to topple the Government and he nominated his advisor, Ion Chicu as a Prime Minister of a technocrat Government in which 6*

*members out of 11 are his advisors. The Government got confidence vote by PSRM and PDM, but still it is considered as a minority one. Everybody knew that coexistence of pro-western ACUM block and pro-Russian PSRM was a difficult issue predicting that it would reach an end sooner or later. EU and the US, expressed their concern over the current political crisis. Sandu's Pro-western policy stopped abruptly, while she implied that without ACUM in the Government EU and US economic assistance may be revoked. Russia is closely following political developments in Moldova as it is considered as a pivotal country for Russian national security. The "Transnistrian case" is always a "running sore" for the country working as a potential factor of destabilization.*



**MONTENEGRO:** November 12<sup>th</sup>, extending the deadline for the Committee on Comprehensive Reform of Electoral and Other Legislation is just another attempt of the opposition to take part in the Committee, and thus get election results that would be acceptable for all parties, Montenegro's Parliament Speaker and leader of Social Democrats of Montenegro (Socijaldemokrate Crne Gore - SD) Ivan Brajovic told Radio Montenegro. Nevertheless, he warns that if there is not enough commitment of all sides, the new deadline, December 18<sup>th</sup>, 2019 as well as every other deadline will be short. According to him, even though there are grounds for reaching an agreement, it is extremely important to take care of the interests of voters, according to him. "Our task is to make an agreement but not to give up on the program approaches of political parties," he said. He is convinced that there might come to an

agreement in the Parliament as was the case when the opposition was boycotting it. According to Brajovic, the vast majority of MPs participate in all plenary debates, and those who are not attend the Comprehensive Reform Committee on electoral and other legislation. A seat in the executive branch gets deserved in elections, which is why we should put an end to the story of the caretaker Government, Brajovic said. *“Also, experience from the previous Government of electoral trust shows that this is not a model acceptable to democratic societies,”* he added. Leader of SD is ready to prove false Dusko Knezevic’ allegations that he gave him money before prosecution. What worries the Social Democrats is that they believe the concession papers for the Airports are partly illegal, that a private individual cannot be a better manager than the state and that they would like the Government to abandon the project. While they will continue to persist in proving that Airports must remain state-owned, this will in no way endanger the coalition Government. *“I expect another successful year until the new parliamentary elections. Obviously, we have not reached a compromise in this matter, but I will remind you that this is not the first time. There was no compromise even when it came to Jugoperol, Telekom, KAP... We will continue to point very openly to the shortcomings of the offered concession model,”* Brajovic said. (www.rtcg.me)

- November 12<sup>th</sup>, Montenegro’s Economy Minister Dragica Sekulic said on Monday that joining the “mini Schengen” initiative for Balkan states proposed by Albania, North Macedonia and Serbia would be a waste of energy because her country has already “opened its borders” and lifted trade barriers to its neighbors. She said that

Montenegro is a member of CEFTA, the Central European Free Trade Agreement, a regional initiative for the Western Balkan countries which guarantees the free flow of people of goods. *“I understand the initiators. These are the countries that, because of the various trade barriers they have placed on each other, may need a new initiative to promise again that they will do what we have long done,”* Sekulic told the Montenegrin public broadcaster. She also said that Montenegrin citizens are already travel using their identity cards as a document to all countries in the region except Croatia. At a summit in Ohrid in North Macedonia on November 10<sup>th</sup>, 2019 Albanian Prime Minister Edi Rama, his North Macedonian counterpart Zoran Zaev and Serbian President Aleksandar Vucic committed to work together to lift barriers on the movement of goods and people between the three Balkan countries. They also invited other Balkan countries to join the initiative. Rama called on Montenegro and Bosnia and Herzegovina to join the process, but reiterated that Kosovo should also be included on a *“legal basis and on an equal footing.”* (www.balkaninsight.com)

- November 15<sup>th</sup>, Presidents of Montenegro and Italy, Milo Djukanovic and Sergio Mattarella, put the undersea power cable into function today. Montenegro’s and Italy’s Presidents pointed out that this projects, called “energy bridge,” was of utmost strategic importance for the region as it *“is the first interconnection between Montenegro and Italy and Europe.”* *“We are all honored to be here today and celebrate completion of this grandiose project. We are witnessing the triumph of our vision. This project is a firm bond between Montenegro and Italy,”* Djukanovic said. He added that undersea cable would contribute to



better quality of life in Montenegro. *“From the aspect of development philosophy, this project is a reflection of principles we aired when we started our transition journey. Those principles are openness, freedom of exchange and visions of Montenegro, as part of a unique European market. We proved professional, technical and staff capacity of cooperating with the best, Montenegro proved to be reliable partner in the implementation of important cross border, European infrastructure projects,”* Djukanovic said. Italy’s President, Sergio Mattarella, said that this was a very important investment. *“It has strategic importance at the European level. I is an energy bridge between Europe and the Balkans. An important hub for Italy, the Balkans, Europe... It gets us closer to each other,”* Mattarella said. President of TERNA group, Katia Bastioli, pointed out that innovative infrastructure had great importance for the integration of the Balkan energy market into Europe. According to TERNA’s CEO, Luigi Feraris, this interconnection is a key hub for European energy union. Interconnection represents an impulse for a set of prospects and safer and more efficient electricity market. He stressed that implementation required more than 600 days of sea research. (www.cdm.me)

## **COUNTRY ASSESSMENT** ■ :

*Political tension and abnormality continues as ruling DPS insists that there is no need for a transitional Government rejecting opposition’s request. Opposition appears divided strengthening ruling DPS’s power. A possible boycott by opposition of the next parliamentary elections will have negative impact in country’s political stability, consolidation of democracy,*

*and economic growth. EC hardens its stance towards Montenegro’s EU accession process (as it was expected). A non-paper expresses concerns over rule of law in the country; most specifically is focusing on judiciary, media and fight against corruption. Although the Government tries to appear calm, the fact is that concerns have been raised in the country for its EU route. In this context, it is rather unlikely the EU to proceed with opening of Chapter 8 in accession negotiations with Montenegro. The Government promotes state’s political and economic stability which creates an almost ideal investment environment. Montenegro and Italy inaugurated an undersea electric power cable which is a significant energy project. However, the state needs more concrete reforms in the field of justice, rule of law, fight against corruption, money laundering, and organized crime, public administration transparency and accountability in order to become a stable and attractive investment environment. Russian influence continues to be considered as a “threat” against state’s national security. In this context, US personnel specialized in Cyber Warfare has been deployed in Montenegro (North Macedonia and Ukraine too) aiming to encounter hybrid threats and collect useful intelligence regarding Russian activity in the region. Moreover, Serbian intervention in Montenegrin internal affairs is considered also as a notable problem which needs to be resolved. Serbia refuses to abandon the view that Montenegro is the “natural extension of the country.” The country focuses on strengthening its Armed Forces by purchasing modern equipment and reducing the average age of its military personnel (currently 37 years old).*





## NORTH MACEDONIA:

November 11<sup>th</sup>, we agreed in Ohrid on measures to improve movement of people, goods and services through the region and ensure a better life for all in a modern and peaceful Balkans, Prime Minister Zoran Zaev posted on social media Monday morning, following Sunday's leaders' meeting on the regional cooperation initiative, known as "mini-Schengen." *"Crossing borders using only personal identification documents, improving border crossing efficiency and introducing fast lanes for trucks, devising a plan of how diplomas should be recognized by the countries so as to create a comprehensive offer of qualified staff from the whole region, increasing efforts for mutual recognition of diplomas, strengthening police cooperation to better fight cross-border crime, terrorism and illegal migration, and developing a joint investments platform,"* Zaev listed the agreed measures. This initiative, the leaders of North Macedonia, Albania and Serbia underlined Sunday in Ohrid, does not mean backing down from European integration, but taking joint action to improve border crossing and movement of people, goods and services. Western Balkan leaders said these measures should be implemented not just to satisfy criteria in the process of European integration, but improve trade, exchange ideas, and ensure free movement of people and workforce in order to create better living conditions and improve the standard of living in this part of Europe. (www.nezavisen.mk)

- November 13<sup>th</sup>, construction of gas pipeline from Skopje, to Tetovo and Gostivar, in length of 76 km is underway and will be completely over in 2020, informed Prime Minister Zoran Zaev in a

government session. *"With this project worth 29 million euro we shall bring gas to citizens and companies in Gostivar and Tetovo which will significantly decrease the costs of both businesses and households. The gas, along with other measures for fighting air pollution, such as subventions for investors, the program for financing filters for filtering dangerous emissions of gasses at small and medium enterprises, including other measures, is our contribution to solving this issue"* said Zaev. In the draft budget for 2020, 15 million euro were assigned for fighting air pollution, and through them, 10.000 households will receive inverters to replace heating elements. (www.meta.mk)

- November 15<sup>th</sup>, North Macedonia's President Stevo Pendarovski received guarantees from French counterpart Emmanuel Macron that the new negotiating methodology would be adopted by March at the latest, whereas subsequent developments depended on political decisions. *"I am a moderate optimist, not a radical one. We did not get a 100% guarantee from President Macron that the Zagreb summit would produce a positive decision. The guarantee we got was that the methodology would be adopted as soon as possible, by March at the latest. So we can be certain in this part. Further developments depend on political decisions,"* Pendarovski said. He claimed it is possible that in an organization with more members such as the EU there could be individual requirements, especially considering the period of six months leading up to the European Council summit in May. *"I hope situation will resemble the current one, when there are no additional requirements. Europe, as Macron said, asked for some time to streamline the methodology for admission of new members,*

*not saying there are additional conditions for us. Therefore, we will wait and see how fast can the EU restructure on the inside regarding this very important issue,”* Pendarovski said. Concerning the issue of separating North Macedonia and Albania, Macron asked Pendarovski if this option would produce consequences. *“I told him that all relevant politicians and political parties of ethnic Albanians in North Macedonia, including those in the highest Government positions, have said it is not their wish for this to happen, but North Macedonia should not be punished or put in the same position, because the entire process is merit-based,”* the President concluded. (www.nezavisen.mk)

## **COUNTRY ASSESSMENT** :

*Political parties are organizing their pre-electoral campaigns for the early parliamentary elections scheduled for April 12<sup>th</sup>, 2020, while an interim Government is expected to be formed on January 3<sup>rd</sup>, 2020. Undoubtedly, North Macedonia has entered in political uncertainty and instability. Russia is trying to fill in the “political gap” in Western Balkans, but western forces are on alert to prevent it. It should be noted that the dilemma EU opening accession negotiations or Russian influence is not a realistic one since the country has already entered NATO (the process is ongoing but almost to be concluded) which is a major step towards the full integration into the western security system. President Stevo Pendarovski was met with his French counterpart, Emmanuel Macron and their talk focused on North Macedonia European future. Macron left an “open window” for summer 2020 but as Pendarovski said “he did not assure us 100%.” On the other hand, Prime*

*Minister Zoran Zaev was met with his Greek counterpart, Kyriakos Mitsotakis in a very positive atmosphere. Both leaders agreed that “Prespa Agreement” should be respected and implemented, while they promoted strengthening of bilateral economic relations. North Macedonia should focus on reforms regarding justice, rule of law, fight against corruption and money laundering, administration, and respect of human rights in order to accelerate its European integration process. North Macedonia’s politics are still shaken by a series of corruption and extortion scandals undermining not only country’s political stability, but also its European perspective. Fancy names such as “Extortion”, “Empire”, “Racket”, “Titanic”, “Monster” are nothing more than scandals involving politicians, businessmen, criminals, and judicial servants demonstrating that corruption, absence of rule of law and non transparency dominate in state’s function.*



**ROMANIA:** November 13<sup>th</sup>, the Social Democratic Party’s (Partidul Social Democrat - PSD) considers filing a no-confidence motion against the new Liberal government led by Ludovic Orban, in February next year, PSD leader Viorica Dancila confirmed on Tuesday. The new Government got the Parliament’s vote on November 4<sup>th</sup>, 2019 thus replacing the Socialist Government led by Dancila, which was dismissed following a no-confidence motion on October 10<sup>th</sup>, 2019. Dancila, who is also PSD’s candidate in the presidential elections, said at public television TVR that the no-confidence motion would be submitted in the context of an “austerity program that the Orban Government wants to implement,” local Agerpres reported.

*“We promised a very active opposition, we promised that we will not let the pensioners and employees be sanctioned by the anti-Romanian measures taken by this Government. We took measures for the people, for the Romanians. We see now that the measures they want to take are against the Romanians,”* Dancila said. According to Prime Minister Ludovic Orban, his cabinet’s priorities include a budget amendment for this year to allow the payment of pensions and salaries in the public sector until the end of the year, preparing Romania for winter in terms of energy stocks, and drafting the budget for 2020. (www.romania-insider.com)

- November 14<sup>th</sup>, Romania’s real budget deficit today is over 4% of GDP, new Finance Minister Florin Citu said in his first press conference. He added that situation of the country’s finances, which he took over from the Social Democrat Government of Viorica Dancila, is much worse than expected and that the previous Government hid it by using two budgets. *“Romania’s economy has been managed with two budgets, in the last three years. A budget was presented to the Parliament, and a second budget, with real information, was used to finance the local barons. Exactly the method used by Al Capone, who had a registry for the tax agency and a registry for him,”* Citu said, quoted by News.ro. He said he looked into the real data and discussed situation with representatives of the European Commission and international financial bodies. *“Almost everything I found here exceeded the most pessimistic expectations,”* said the Minister. *“The real situation was not known or anticipated by international partners,”* he stressed. Citu said he would notify the competent institution about this situation. *“Everything was*

*premeditated. In the last three years, the fundamentals of the Romanian economy have been affected,”* he said. He also explained how the Social Democratic Party’s (Partidul Social Democrat - PSD) used the state budget in its own interest by budget amendments. Unless corrective measures are taken the public deficit will exceed 4% of GDP this year, Citu also said in his press conference. The deficit reached 2.84% of GDP at the end of October, as the budget revenues are some 4.4 billion euro under plan, but the Government also has significant unpaid bills. There are some 2.3 billion euro, some 1% of GDP in unpaid taxes and, maybe, part of it can be collected quickly, while the remaining 2.1 billion euro are EU funds that have not been drawn and PSD never planned to draw them, he said. (www.romania-insider.com)

- November 14<sup>th</sup>, the National Liberal Party (Partidul Național Liberal - PNL) candidate in the presidential election, the incumbent Head of state Klaus Iohannis, has obtained 37.82% in the first round of Sunday’s elections, Social Democratic Party’s (Partidul Social Democrat - PSD) candidate Viorica Dancila 22,26%, and the Save Romania Union (Uniunea Salvați România - USR) - PLUS candidate, Dan Barna 15,02%, according to the final official results of the first round of presidential election released by the Central Electoral Bureau on Thursday. The number of voters who went to polls on November 10th, 2019 amounted to 9,359,673, representing 51.19%. (www.romanianjournal.ro)



Romanian President, Klaus Iohannis  
(Photo source: [www.presidency.ro](http://www.presidency.ro))

## COUNTRY ASSESSMENT ■ :

*The incumbent President Klaus Iohannis was the big winner of the first round of presidential elections, according to the official data released by Central Electoral Bureau. Iohannis achieved to increase impressively his rates comparing with those of his party (PNL) got in last EU elections. Viorica Dancila also should be satisfied since she got the second place maintaining PSD's electoral body. Second round is scheduled for November 24<sup>th</sup>, 2019 with Iohannis being the potential winner. Romania got a PNL interim Government with its leader, Ludovik Orban as the new Prime Minister. However, the new Government is a weak minority Government and it is doubtful if it will achieve to handle serious state's issues such as the 2020 budget. Elections should not be expected before spring 2020, giving the necessary time to PSD to be reorganized and even to take in advantage a possible wear of former ruling party. The country enjoys advanced upgrade in US and NATO strategic plans due to its geographical position located close to Russia. Consequently,*

*Russia reacts in this close military cooperation between the two countries perceiving it as a threat against its national security. Romania keeps strengthening its Armed Forces seeking to achieve NATO standards.*



**SERBIA:** November 12<sup>th</sup>, Serbian President Aleksandar Vucic told reporters in Paris late on Monday after meeting his French counterpart Emmanuel Macron that he was realistic, but also a bit pessimistic, adding Serbia wanted to know what it could expect in the future, the Srna news agency reported. Following the meeting with Macron and Kosovo's President Hashim Thaci, Vucic described the talks as "good, open, friendly," but added they did not go deep into the issues. "Europe certainly wants a clear role in further Belgrade – Pristina dialogue (on the normalization of relations)," Vucic told media and added Kosovo first had to abolish the import tariffs on goods from Serbia. He also said Macron wanted to show his European commitment to resolving of problems on the continent's soil. Last night, after dinner for the participants in the Paris Peace Forum, Vucic said Serbia wanted to be told clearly what it could expect and what it could hope for in the future in terms of European integration. He said that he also informed Macron about the details of the so-called "mini Schengen initiative" between Serbia, North Macedonia and Albania and expressed he hoped Macron would lend support to the process. ([www.rs.n1info.com](http://www.rs.n1info.com))

- November 13<sup>th</sup>, MEP Tanja Fajon told the latest issue of Diplomacy and Commerce magazine that she is completely devoted to Serbia's accession to the EU, but warned of problems with the level of democracy, freedom of the media and rule of law.

*“My vision is that the complete Western Balkans should become a part of the EU,”* Fajon, the Chair of the European Parliament Delegation to EU - Serbia Stabilization and Association Parliamentary Committee, said and added that she sees Serbia as an equal member of the EU and a part of the family of European countries. Fajon said that Serbia has to resolve current problems in terms of the level of democracy, freedom of the media and free and fair elections in order to speed up the accession process. She said that the speed of progress on the path to the EU depends on the willingness of the Serbian authorities and noted that some progress had been made in certain areas such as economic development, constitutional reform and efforts to draft a new media strategy but that limited progress has been achieved in combating organized crime and corruption. She also warned of improper implementation of new regulations and laws. Speaking about elections, she said there is a need to secure democratic and fair conditions and improve the media situation, where all parties are equally represented, especially on the state TV stations. Fajon said that it seems that both private and public media are not completely free, adding that the frequent attacks on the media are unacceptable. Fajon warned that the opposition boycott of elections and parliament is not a good development and will not bring positive changes. *“My opinion is that European Parliament mediation is necessary and that it will improve the electoral situation in Serbia,”* she said. She warned that Serbian society is very polarized with months of anti-government protests. *“I am receiving letters from citizens who are concerned about constraints on the freedom of media and speech and the limited space for democratic dialogue,”* she said and added that she is aware of criticism the EU is not objective

towards the Serbian President Aleksandar Vucic and the Government and is supporting his autocratic acts. Fajon said that it is important for Serbia to remain engaged in the dialogue to normalize Belgrade - Pristina relations which is a huge challenge for both Serbia and Kosovo. *“It is my hope that in the near future, both sides find a satisfactory agreement, from which everyone can benefit,”* she said. (www.rs.n1info.com)

- November 16<sup>th</sup>, Serbia *“may be the only country in the region that has no territorial claims against its neighbors,”* Serbia’s Defense Minister Aleksandar Vulin said on Saturday. In an interview with pro-Government Pink TV, Vulin dismissed criticism from some countries in the region regarding Serbia’s acquisition of the *“Pancir”* air defense system and a joint exercise between Serbia’s Armed Forces and the Russian Air Force, which brought the S-400 to Serbia for that occasion. Criticism came after N1 TV’s Program Director spoke to an employee of the Krusic arms factory, Aleksandar Obradovic. *“Who are we threatening? The ‘Pancir’ system is exclusively a defense system,”* Vulin said. Vulin also commented on the invitation for the Serbian Army to participate in next year's Victory Parade in Moscow, saying, *“who else would be at the Red Square if not the descendants of the winners. The times when [former Croatian President] Stjepan Mesic would go to Moscow and introduce himself as an anti-fascist are gone. Our ancestors marked us among the better part of humanity, and we will not remove ourselves from there,”* Vulin said. (www.rs.n1info.com)

## **COUNTRY ASSESSMENT**   :

*Political tension continues in Serbia with opposition persistently refusing dialogue with*



ruling SNS and hardening its stance against the Government. The Chair of the European Parliament Delegation to EU - Serbia Stabilization and Association Parliamentary Committee, Tanja Fajon warned Serbia that it must improve situation of democracy, media freedom, and rule of law. It is assessed that opposition is hardening its stance seeking to create conditions of abnormality in the state emphasizing that the current Government is not able to handle situation. Potential boycott of the elections by opposition will affect Serbia's political stability, economic growth, and its European process. Close approach of Serbia and Russia especially in the defense and security sector (but also in economic field after the agreement signed by Serbia with EAEU) raise concerns of the US. A possible purchase and deployment of anti-aircraft missile system S-300 and S-400 in the heart of Southeastern Europe could be a "red line" for the US and NATO. Regarding Kosovo, Serbia is waiting to see initiatives and actions of the new Government which will be formed (most likely) with Vetevendosje leader, Albin Kurti as the Prime Minister. Kurti's statements so far (exclusion of Serbian List party from the Government, unification with Albania, full control of Kosovo north by Kosovo institutions) are not encouraging signs and may destabilize the region. A possible deployment and permanent presence of Kosovo security forces in Serb majority north Kosovo would bring tension and turbulence. However, the US and EU are increasing pressure on both sides to restart dialogue. According to information the US mainly seek to forward talks between the two parties before the Serbian elections on spring 2020 but it is very unlikely to see this happens. Serbian President, Aleksandar Vucic joined an

informal meeting with French President, Emmanuel Macron and his Kosovo counterpart, Hashim Thaci. There were no tangible results from the meeting. Serbia insists that taxes should be revoked for joining dialogue. Tension remains between Kosovo and Serbia and none could predict Serbia's reaction in a possible accidental or pre-planned (provocation including) incident in Northern Kosovo against local Serbs. One should have in mind that top state officials have said repeatedly in public that Serbia will protect Kosovo Serbs by any mean including security and military force. Serbia pays special attention in improving operational capabilities of its Armed Forces declaring towards all sides that they are the power of the state.



**SLOVENIA:** November 12<sup>th</sup>, an additional 13 projects have been confirmed as part of the Permanent Structured Cooperation on Security and Defense (PESCO), including a project in which Slovenia will participate, as the EU Defense Ministers met in Brussels, Slovenia has so far been participating in three projects as part of the partnership involving all EU member states except the UK, Denmark and Malta, and has been present in another five as observer. Slovenia, Croatia, Hungary and Austria signed a program agreement for a project in nuclear, chemical, radiological and biological oversight as a service which will be operated by Austria. Defense Minister Karl Erjavec said that the project was about drones supplying data on the situation on the ground, adding that Slovenian small and medium-sized enterprises (SMEs) could participate, and could be joined by research institutes in what is an excellent opportunity. (www.sta.si)

- November 13<sup>th</sup>, the Slovenian National Security Council has called on the Government to table legislation that would allow law enforcement to prosecute paramilitary militias, which have recently sprung up and started to patrol the border to keep illegal migrants out. Changes to the penal code and misdemeanor regulations are needed to “appropriately sanction association and activities by various organizations that encroach on the powers of state authorities,” the National Security Council said after today's session. The appeal comes in the aftermath of increased activity by militias including the Stajerska Guard, whose leader Andrej Sisko was sentenced to eight months in prison earlier this year for attempting to subvert the constitutional order. (www.sta.si)

- November 15<sup>th</sup>, the parliamentary Finance Committee endorsed the Government's budget bills for 2020 and 2021, but the opposition successfully pushed through several amendments that may turn into a headache for the minority Government when it faces the first major vote in Parliament after losing the support of the Left (Levica) party. That is because the amendments tabled by opposition would raise spending by roughly 200 million euro next year, with extra funding secure for municipalities and rail investments. Unofficial reports suggest the treasury is concerned the budget may run afoul of the fiscal rule. The budget debate at the plenary starts on November 19<sup>th</sup>, 2019. (www.sta.si)

## **COUNTRY ASSESSMENT**  :

*The Left party withdrew its support towards the minority Government of Marjan Sarec raising concerns over political stability in the country. Although the Prime Minister is reassuring for the Government's stability and sustainability there*

*are questions over its effectiveness. The possibility of snap elections is rather unlikely, however it is not certain what will happen when the Government bases its viability on opposition support. Ruling coalition parties and opposition make their political calculations which will signal their further actions. As the prime Minister said a lot of compromise is needed. Opposition SNS (and NSi) offered their parliamentary support in the Government. Approval of the 2020 – 2021 state budget will be the first crash test of Marjan Sarec Government. Slovenia – Croatia relations may be tested in coming period due to the latter's effort to join the Schengen Zone. Slovenia appears determined to play the “Schengen Zone card” in order to push Croatia to implement the ruling arbitration regarding the Piran Bay dispute, but it is not sure if it will insist until the end of the process. It might Slovenia be isolated by the other member states; it is not an easy way to veto in EU institutions. It should be underlined that relations between Croatia and Slovenia are in low level and an “underworld war” is ongoing (at political, diplomatic and intelligence context) due to the two countries border dispute. The issue of illegal migrants entering Slovenia mainly from Croatia is high in the agenda lately. The Government deployed military force to support Police tasks. Local communities and municipal authorities in the border with Croatia call for more effective measures against illegal migration. The Slovenian Armed Forces face problems mainly in the field of modern equipment and manning. The annual report on the Armed Forces operational readiness released by the Armed Forces Chief of Staff is disappointing since it assessed that the Armed Forces have limited operational capabilities in war time namely they cannot accomplish their mission. The med-term*

*2018 – 2023 defense program it could improve situation, but under current political situation it is doubtful if it will be implemented to the end. However, the 2020 and 2021 budget foresees increased funding for defense sector.*



**TURKEY:** November 13<sup>th</sup>, four Mayors were suspended in eastern Turkey on Wednesday over alleged terror ties. The Interior Ministry suspended Songul Erden, the Mayor of Idil district in southeastern Sirnak province. In southeastern Diyarbakir province, Belgin Diken, the Mayor of Yenisehir district, and Ahmet Celik, Mayor of Hazro district, were suspended from their posts. Also, in the eastern Tunceli province, Orhan Celebi, the Mayor of Akpazar town of Malazgirt district, was suspended. As part of investigations into the Mayors, the four were removed from their offices for allegedly being members of an armed terror group and spreading terrorist propaganda, said security sources on condition of anonymity due to restrictions on speaking to the media. District Governors -- Zafer Sag in Idil, Murat Besikci in Yenisehir, Ali Oner in Hazro, and Menderes Topcuoglu in Malazgirt, were appointed as Deputy Mayors. In the meanwhile, Turkish Police have arrested journalist and novelist Ahmet Altan, a week after his release from prison in his retrial on charges linked to the failed 2016 coup. Istanbul Police and human rights groups said on Tuesday that officers detained Altan at his home. *“I am out of the Turkish prison but thousands of innocent people are still there. I lacked the power to save them and nobody listened to what they said,”* Altan wrote in an op-ed for The Guardian after his release, criticizing the Turkish judicial system. Amnesty International's Europe Director, Marie

Struthers, said Altan's arrest on Tuesday was *“scandalous.”* Turkey ranked 157 out of 180 countries in the 2019 World Press Freedom index published by Reporters Without Borders. (www.yenisafak.com, www.aljazeera.com)

- November 14<sup>th</sup>, as Turkish President Recep Tayyip Erdogan returned to his suite at Washington's Willard Hotel after a lengthy meeting with Donald Trump and US Senators on Wednesday, he may have felt his US trip had been a success, despite presenting no concrete agreements. *“Erdogan could have lost but there is not much he could have won,”* said Selim Sazak, Research Director at Ankara consultancy TUM Strategy. *“There was a chance of a major embarrassment for him or backtracking. I do not think he won but not having lost is a major victory in a way,”* he added. *“If I was Erdogan, I could not be happier now,”* Aazak said. The Turkish President and his wife Emine arrived in Washington facing a list of long-standing disputes with the US political establishment. Topping that list was the military operation Turkey launched in northeast Syria last month and Ankara's purchase of Russian missiles over the summer. Both issues have seen the US Congress prepare sanctions against NATO ally Turkey; sanctions that Trump has so far held off on implementing. *“This visit should be considered another episode in the ongoing negotiations between Turkey and the US at the leadership level, which aim to postpone crises rather than provide concrete solutions to the long-standing problems between the two countries,”* said Selin Nasi, a researcher and analyst at Bosphorus University. Last month saw Turkish troops and their Syrian allies target the Syrian Democratic Forces (SDF) in a cross-border operation precipitated by Trump's decision to pull



back US troops from the frontier. That led to bipartisan support for sanctions against Ankara in Congress. The SDF is dominated by the Kurdish People's Protection Units (YPG), which Turkey views as an offshoot of the armed Kurdistan Workers' Party (PKK). The YPG fighters partnered with the US in combating the Islamic State of Iraq and the Levant (ISIL, also known as ISIS) in Syria. In the US, an uproar followed over the attack on “*the Kurds*” and a resolution in the House of Representatives called for sanctions. The bill followed the tabling of sanctions in July after Turkey took delivery of the Russian S-400 air defense system. The arrival of the missiles also led to Turkey being kicked off the F-35 stealth fighter project, which it helped develop. Both issues were tackled head-on during Erdogan's White House visit. The President used his meeting with US Senators, including Lindsey Graham, a Trump backer who has been highly outspoken in criticizing Turkey's operation against the SDF, to stress that Turkey was not attacking Kurds but the YPG forces in northeast Syria. In a televised discussion with the Senators that *Hurriyet*, Turkey's best-selling newspaper, described as a “*class*” Erdogan stressed that Turkey had taken in 350,000 Kurdish refugees from Syria as well as emphasizing his own political party's Kurdish membership and support. He underlined that Turkey was fighting “*terrorists*” rather than “*Kurds*” in Syria. On the S-400s, Trump said both leaders had asked their Ministers to find a way to resolve the standoff. “*I think it will work out fine,*” he told journalists. There were several other issues the leaders agreed on; the need for Europe to share more of the burden on Syrian refugees and dealing with captured ISIL foreign fighters as well as plans to quadruple bilateral trade between Turkey and the

US to 100 billion dollars. “*Pro-Erdogan people are saying among themselves that Erdogan is the only Turkish leader who was able to stand up to an American President,*” said Ahmet Evin, a veteran political scientist at Sabanci University's Istanbul Policy Centre. “*Erdogan certainly has the rhetoric to rally the broad masses around the flag,*” he added. The Turkish President was also able to use the meeting to press his case for the resettlement of up to 2 million refugees currently being hosted by Turkey in northeast Syria and called for the international community to help shoulder the cost. However, some burning issues were not discussed publicly, most noticeably the current Court case in New York against Turkey's state-run Halkbank. The lender faces a multimillion-dollar fine over its alleged role in money laundering and helping Iran evade US sanctions. Erdogan has previously lobbied Trump to help resolve the dispute. There was also little mention of Fethullah Gulen, a former ally of Erdogan's who lives in Pennsylvania and is accused of ordering a coup attempt in Turkey three years ago. Ankara has long called for his extradition. Gulen, who heads a global organization that includes educational and business ventures in the US, denies the accusations. (www.aljazeera.com)

- November 15<sup>th</sup>, Presidential Spokesperson İbrahim Kalın said Friday Turkish and US officials have started negotiations on the F-35 fighter jets and Turkey's acquisition of Russian S-400 missile defense systems. “*Officials have started working as part of a mechanism to evaluate the impact of Russian S-400s on F-35 jets,*” Kalın told Turkish state news broadcaster, TRT Haber. “*It is out of the question for Turkey to take a step back from its purchase of the [S-400]*

system,” the Spokesman said. After its long efforts to purchase US-made PATRIOT missiles failed, Turkey acquired two batteries of the Russian-made S-400 air missile defense systems as part of a \$2.5 billion dollars deal inked in December 2017. The deal caused tension between Ankara and Washington as the latter even threatened sanctions on Turkey. US President Donald Trump, however, has said he was not considering punitive measures. The US eventually suspended Turkey, a fellow NATO member, from its F-35 stealth fighter program, in which Turkey is a major manufacturer and buyer. Washington argues the S-400 would be incompatible with NATO systems and expose the F-35 to possible Russian subterfuge. Turkey, however, emphasized the S-400 would not be integrated into the NATO systems and would not pose a threat to the alliance, refusing to step back from the deal with Russia. (www.dailysabah.com)

## **COUNTRY ASSESSMENT** ■ :

*President Erdogan paid a visit in the US where he met with the President, Donald Trump. Both men showed compromise seeking to rebuild ties. One could claim that Erdogan left the meeting satisfied; at least not as defeated. Although he did not get concrete confirmations or agreements, he was reassured by Trump that the US will try to resolve the S-400 crisis and to understand the Turkish concerns on Syria. The question is how reliable is President Trump and how much Erdogan could count on him since Senators have a different point of view and promote sanctions against Turkey. In other words, in what extension Trump has the power to impose his will. Nevertheless, Erdogan will return to Turkey as a “triumphant”. Turkey and Russia implement the agreement on Syrian “safe zone” ensuring a*

*relative truce in the region. Turkish leadership appears satisfied with the final results of the operation “Peace Spring.” Undoubtedly, Turkey was one of the winners in Syrian conflict. It achieved to establish a 32 kilometers “safe zone” and to force Syrian Kurds to withdraw their forces from an area of 120 kilometers in Turkish – Syrian borders. In other words, Syrian Kurds are no longer a threat to Turkish security since they are not able anymore to conduct and support operations within the Turkish soil. The Turkish plan will be concluded by relocation of almost 2 million Syrian refugees within the “safe zone” diversifying population’s composition in north Syria. Turkey continues to face several restrictions in freedom of expression and human rights. Elected MPs, Mayors, journalists and thousands of citizens are in custody or convicted by the state Courts. Lately, 4 elected Mayors dismissed from their duties and replaced by appointed officials. Local and international observers claim the country moves towards an authoritarian regime with thousands of citizens being persecuted. The state demonstrates decisively its leading role in the wider region of the Middle East, Southeast Europe, and East Mediterranean implementing its doctrine for a diligent capability development effort to be able to fight two multi-front, inter-state armed conflicts while being able to simultaneously carry on large-scale counterterrorism operations at home and beyond borders. Kurdish question is a major security threat for Turkey affecting stability, peace and even unity of the state. In Eastern Mediterranean Turkey continues to dispute Cypriot Exclusive Economic Zone (EEZ) by keep violating it repeatedly. Moreover, it raises tension with Greece and Cyprus by announcing several naval exercises with real fires in the Aegean Sea*


*and within Cypriot EEZ. It seems that Turkish strategic plans are targeting the maritime area around the island of Kastelorizo, southeast of the Aegean Sea. Turkey is determined to protect its interests and would not hesitate to use force against Cyprus or Greece. With zero cost so far Turkey achieved not only to consolidate a situation in which Turkish drill ships could enter within Cypriot EEZ whenever they wish accompanied by Turkish navy vessels, but also to put the hydrocarbon issue on the table of negotiations, to force oil and gas companies to reconsider their engagement in a sea which is not stable and secure, and to directly question the Cypriot sovereignty. So far, so good for a country which exercise a multilateral foreign policy and is engaged in several ongoing armed conflicts. Turkey develops an ambitious armament project aiming at becoming self-sufficient in defense sector; if it succeeds it will set the base to become a regional military super power.*


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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.*