



**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.

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ALBANIA: June 1st, in Albania, which is referred to as “*a producer of herbal cannabis for the European market,*” the cultivation of the drug is expected to increase following the COVID-19 pandemic. In their May 2020 EU Drug Markets report compiled by EUROPOL, experts state that the increase will be due, in part to the fact that law enforcement resources are diverted to enforcing COVID-19 restriction measures. The report also noted that trafficking routes in the region are still in operation. The report notes that the negative economic impact of the pandemic has not been seen in the international drug trafficking market. These markets continue to generate huge profits and seizures of illicit substances have been higher in the first part of 2020 than in previous years. Catherine De Bole, Executive Director of Europol said that the findings of the report should motivate authorities to ensure that recovery from the pandemic is accompanied by a “*strong and effective international law enforcement response.*” “*We need to establish that drug traffickers do not benefit from the potential social and economic consequences of the crisis,*” she said. (www.exit.al)

- June 3^d, the Albanian economy will see a 5% drop, which will lead to poverty rates similar to those seen in the beginning of the decade, the World Bank reports. In a forecast concerning the economic and social impact of COVID-19 in the Western Balkans published last week, the World Bank has outlined two possible scenarios. In the most optimistic one, the outbreak and the associated containment measures last until the end of June, whereas in the other, they last through August. The World Bank has made predictions on

the impact the crisis will have on the country’s employment and, consequently, poverty, according to each scenario. In fact, the Albanian economy seems to be reopening even earlier than the World Bank’s more optimistic scenario assumes, which means that its forecast may be more negative than the expected reality. The more optimistic scenario foresees poverty in Albania rising by 4%, reaching 40%, whereas in the less optimistic scenario, poverty will rise by 8%, with 44% of the population falling below the poverty line. In the first scenario, poverty in Albania is expected to reach 2012 levels, whereas in the second it will reach 2005 levels. The World Bank defines the poverty threshold as “*5.50 US dollars (2011 PPP) per person per day for all countries except for Bosnia and Herzegovina, where poverty is based on KM 205 per month threshold.*” The Albanian economy reopened on June 1st, 2020 with almost all coronavirus preventative restrictions being lifted, thus it can be assumed that poverty will increase by less than 4%, and will remain at less than 40% overall. The report stresses that Albania and Kosovo will likely face more difficulties than other countries in the region, seeing as a third of the people who work in the sectors affected by the coronavirus crisis in these countries are self-employed and especially vulnerable to a loss of income. The World Bank divides the economy in three main groups (highly impacted, moderately impacted, and relatively impacted), based on the expected impact the crisis will have on them. It notes that, in the worst-case scenario, the highly impacted workers will lose up to 25% of their income, the moderately impacted group will lose up to 12.5% of their income, whereas the relatively impacted group will see no significant loss in income. In the best-case scenario, which entails an early

reopening of the economy as in Albania's case, the drop in average income is expected to be 12.5% and 6.3% for highly impacted and moderately impacted sectors, respectively. Specifically, the World Bank notes that, in Albania, *“many industries, among them textiles, mining, call centers, and construction, have been forced to reduce production to comply with social distancing requirements and because demand has dropped as export orders collapse. Albanian emigrants are also likely to suffer from this global crisis, which reduces their incomes and thus remittances. Since most of the people working in agriculture are already poor, and the simulation assumes no income decrease in agriculture, the increase in poverty is mainly the result of urban people in services losing a significant share of their earnings.”* (www.exit.al.com)

- June 5th, Albanian political parties have finally reached an agreement on electoral reform. The reform was one of the several conditions set by the EU to be met before the start of accession negotiations. The Socialist Party of Albania (Partia Socialiste e Shqipërisë – PS) has conceded to the opposition and has abandoned its proposal to dismantle the politicized election administration. It has instead agreed to maintain the current electoral committees with party representatives. There was an agreement to use biometric identification across the country. However, it is possible that biometric identification will not be able to be implemented at all in the next election given the short time until the expected April or May elections. Judges in the Electoral College shall be elected from those who have passed the vetting process successfully. The parties did not agree with MP Rudina Hajdari's proposal to change the electoral system. The

Albanian diaspora, which amounts to about half of the population living in the country will still be unable to vote. Opposition gave up on its request to have a caretaker Government set-up before each general election. (www.exit.al)

COUNTRY ASSESSMENT ■ ■ :

Opening of accession negotiations with the EU and constant pressure from the US Embassy in Albania forced Albanian political to show maturity reaching an agreement on electoral reform which actually modernizes election procedures improving transparency and securing fair and free elections. It should be also noted that opposition abandoned its request for a caretaker Government until next parliamentary elections. Agreement between Albanian political parties is a significant step towards restoration of political stability in the country. Potential economic crisis in coming period deteriorating citizens' living conditions may cause a social and political outbreak. Judicial reform also is in progress with positive signs. Above all, it should be underlined that corruption, organized crime (and especially links of state's politics with organized crime), money laundering and smuggling remain as “open sores” for the country. Moreover, Albania is considered as a major cannabis producer which supplies the whole Europe; an activity which is strongly connected with organized crime in the country. In general, it is noticed a significant decline of human rights respect in Albania regarding minorities (Roma, Egyptian etc), women (sexual harassment, violence, exclusion etc), Police law enforcement, and Justice.



BOSNIA & HERZEGOVINA:

June 1st, the liberal OUR Party (Naša Stranka - NS) party is gathering MP signatures for a motion of no confidence to the current Government of Bosnia's Federation (FBiH), after the FBiH Prime Minister, Fadil Novalic and the former Head of the Civil Protection Authority, Fahrudin Solak were named suspects in the investigation into a controversial Government deal which involved the procurement of overpriced ventilators that are unfit for treating COVID-19, NS's Sabina Cudic told N1 on Monday. Cudic said that FBiH is "entering a time of crisis with an ineffective Government." "Here we are speaking of political responsibility for the crisis. When you create it with potential crimes or reckless activities with the money of Bosnian citizens, then one would expect you to withdraw in a modern democracy, but this is not happening here," she said. "We have initiated the gathering of signatures for a motion of no confidence for the entire FBiH Government because there are Court restrictions and the Prime Minister is unable to communicate with the Finance Minister and the Head of the Civil Protection Authority while his legal representative is a member (of the group) and participated in all the controversial public procurements," she said. Prosecutors named Novalic, Solak, and the owner of a company from the eastern town of Srebrenica, Fikret Hodzic, suspects after Police questioned them on Friday in connection with the purchase of 100 ventilators from China by the company that runs a raspberry farm with no history in dealing with medical equipment. The fact that a 10.5 million Kuna (some 5.3 million euro) Government contract was granted to SREBRENA MALINA sparked outrage in the semi-autonomous Bosnian region.

According to Prosecutors, experts found that the ventilators "did not even meet the minimum characteristics necessary for the adequate treatment of patients in intensive care units, among which are COVID-19 patients." "I believe we are experiencing a difficult moment - a global pandemic, the state of disaster was just lifted, we have court proceedings against top officials in FBiH and what is worse, we have activities by one of the main parties, which is pressuring state institutions with its conclusions," she said, referring to the Party of Democratic Action (Stranka Demokratske Akcije - SDA), which Novalic is a member of. SDA leader, Bakir Izetbegovic, said that the arrest of Novalic was part of "a continuous attack on Bosniaks" by the State Prosecutor's Office and argued that it is an attempt for the main Croat party, the Croatian Democratic Union of Bosnia and Herzegovina (Hrvatska Demokratska zajednica Bosne i Hercegovine or HDZ BiH), to take over. Cudic argued that the SDA is currently mirroring the rhetoric of Bosnian Serb leader Milorad Dodik by attacking institutions, only to save some of its officials, adding that "this is in the long-term a devastating policy." "We are entering a deeper phase of the crisis which was not caused with the arrest, but with the reactions to it," she said. Allegations that the idea behind the arrest is an attempt for the HDZ BiH to take over do not make sense but only cause destabilization, she argued. Cudic also argued that the FBiH Civil Protection Authority has been operating illegally for six years since their last audit was in 2014. The institution is also unable to respond to crises since they have no money for it. "This public procurement procedure has drawn attention because it could have had the most tragic result for our family members or us if we were to be

hooked up to inadequate ventilators, which could have resulted in death,” she said. (www.ba.n1info.com)

- June 3rd, Bosnia’s top judicial institution, the High Judicial and Prosecutorial Council (HJPC), has called on Wednesday the threats against the Chief Prosecutor due to her investigation into the controversial procurement of overpriced Chinese ventilators the most brutal attack on the country's judiciary so far. On the first day of a two-day session of the HJPC, the Head of the institution which names and disciplines judicial officials, Milan Tegeltija, asked for the threats against the Chief Prosecutor Gordana Tadic to be discussed. She received them following statements by officials of the main Bosniak (Muslim Bosnian) party in the country, the Party of Democratic Action (Stranka Demokratske Akcije - SDA). Prosecutors named the Prime Minister of Bosnia’s Federation (FBiH) region from the SDA, Fadil Novalic, a suspect in a controversial procurement of 100 ventilators from China by a company that runs a raspberry farm and that has no history in dealing with medical equipment. It turned out that the purchased ventilators were overpriced and unfit for treating COVID-19. The SDA reacted to this immediately, saying that Novalic’s detention represents “*a continuous attack on Bosniaks*” by the state Prosecutor. Bosnia’s former Security Minister, Fahrudin Radoncic, told media on Monday that he asked for additional Police protection for Tadic. He named the threats as one of the reasons for his resignation a day later. Tegeltija told N1 earlier that it is the obligation of the HJPC to protect judicial officials and that the judiciary must operate without pressure. HJPC member Ruzica Jukic said on Wednesday that there is a “*political persecution*” ongoing against

Prosecutors due to the “*Ventilators*” case. Another member of the institution, Slavo Lakic, asked whether such attacks are supposed to represent a message to the judiciary that it should ask politicians whether to prosecute someone. The HJPC members requested a special declaration on the pressure on the judiciary to be put together in order to provide support for Prosecutors so they can continue working on all future cases without fear. (www.ba.n1info.com)

- June 4th, the Chairman of the Council of Ministers of Bosnia and Herzegovina, Zoran Tegeltija, has officially accepted the resignation of Fahrudin Radoncic to the position of the Minister of Security of Bosnia and Herzegovina, according to Avaz news portal. On June 2nd, 2020 Radoncic resigned from the position of Minister of Security of Bosnia and Herzegovina. This information was confirmed by Radoncic himself, who said that there were three reasons for his decision and that he was waiting for the end of the pandemic and the appointment of his deputy. “*The first reason is the different understanding of the migrant crisis, on the one hand by me as Minister of Security, and on the other by Bosnian Presidency Member Sefik Dzaferovic and Bosnian Foreign Minister Bisera Turkovic, who sided with the Pakistani Ambassador and who do not understand and identify the migrant security problem,*” Radoncic said. As another reason, he pointed out his personal assessment that relations between the Party of Democratic Action (Stranka Demokratske Akcije - SDA), the Alliance of Independent Social Democrats (Savez Nezavisnih Socijaldemokrata - SNSD) and the Croatian Democratic Union of Bosnia and Herzegovina (Hrvatska Demokratska zajednica Bosne i Hercegovine or HDZ BiH) are such that

they will not create a good environment for work in the Council of Ministers of BiH for a long time. *“That is why I really see no reason to remain in the Council of Ministers as the only leader of a political party,”* said the President of the Union for a Better Future of BiH (Savez za Bolju Budućnost BiH - SBB BiH). As the third reason, he pointed out the *“Respirators”* affair that is, what has been happening in recent days. *“I supported Prosecutors, the Police and the independent judiciary to sanction the affair and brutal robbery, and the SDA interpreted it as a blow to Bosniaks and the Bosniak political factor. Obviously, we experience things differently about systemic corruption. I do not prejudge who is guilty, I am for an independent judiciary, but we cannot share political views in a way that makes a harangue on the Prosecutor’s Office of BiH, to declare it anti-Bosniak activity, and we know that all Prosecutors in this case are Bosniaks,”* Radoncic explained. The Bosnian-Serb member of Presidency of Bosnia and Herzegovina Milorad Dodik believes that resignation of Radoncic is a confrontation within the Bosniak political elite. *“Radoncic himself said that this is a problem of migrants where there is an SDA party plan. We could hear about that at the session of the BiH Presidency a month ago and it was clear that something was not working there,”* Dodik explained. Now again, he added, the Council of Ministers is not complete. *“That position certainly belongs to Bosniaks, but it is necessary, of course, to follow all checks and procedures for the new candidate. As for Radoncic, I think that he showed more engagement after the disastrous consequences at that position in the previous mandate,”* Dodik told reporters in Mrakovica. Dodik added that they will try to find someone

similar in that regard and that he believes it is possible. (www.sarajevotimes.com)

COUNTRY ASSESSMENT :

Bosnian politics have entered in a period of increased uncertainty due to consecutive crisis. The “respirators” scandal which has led in the federal Prime Minister, Fadil Novalic’s arrest, resignation of Security Minister Fahrudin Radoncic, direct intervention to judiciary by SDA leader, Bakir Izetbegovic, and postponement of local elections are enough facts to raise tension in the country. SDA’s leader intervention against independent judiciary followed by threats against the Prosecutor and her family (by unknown people) it was a shocking action in a country which seeks to enter the EU. Besides, the scandal shows that corruption and organized crime have penetrated in the highest levels of state’s administration. Political instability, poor economic performances, entities’ rivalries, and problematic framework of state’s structure (due to Dayton Accord) have left Bosnia far behind other Western Balkan countries towards the EU. Furthermore, nationalistic rhetoric and actions from the three entities creates certain conditions of mutual mistrust and work as a factor of potential destabilization. Muslim countries such as Turkey, Saudi Arabia, Qatar, and Iran maintain a permanent presence through financial donations and investments. Lately, Turkey seeks to be engaged deeper in Bosnia’s Armed Forces training and modernization. Migration issue turns to become a problem of social turbulence for the regions which hosts reception structures for migrants.



BULGARIA: June 1st, Prime Minister Boyko Borsov and Serbian President Alexandar Vucic inspected the construction of Balkan Stream by helicopter. The project is a priority for the Bulgarian Government. Its implementation aims to increase the security of natural gas supplies from various sources, increase competition and transparency of the natural gas market, which in turn will have a positive effect on natural gas consumers. As a key project for market integration, Balkan Stream will contribute to ensuring the supply of natural gas to the country and the region, while contributing to the creation of real conditions for diversification of sources and routes and the possibility of transporting additional quantities of natural gas to and through Bulgaria. *“Everything is according to the rules of the European Union,”* Borissov said during the inspection. BULGARTRANGAZ EAD is building a gas pipeline with a total length of 474 km. A total of 26,489 pipes or 324.26 km were delivered to the temporary construction bases. Another 10,935 pipes or 133.52 km have been delivered to the port of Bourgas, which are transported daily to the temporary bases. Borissov and Vucic also inspected by helicopter progress on the construction of the Europa Motorway in the area of the 17 km section between Dragoman and Slivnitsa. The value of the investment is 117 million leva and is financed entirely from the national budget. The section will have two road junctions with lighting – *“Slivnitsa 1”* and *“Slivnitsa 2,”* as well as 11 large facilities - 5 overpasses, 5 underpasses and a bridge over the river Slivnishka. The planned eco measures are strictly implemented on the site. (www.novinite.com)

- June 4th, Bulgaria will try to sell some of its Soviet-made MiG-29 fighter jets when the US-made F-16s the country is acquiring in a 1.2 billion dollars deal arrive, Defense Minister Krassimir Karakachanov was quoted by Bulgarian media as telling the National Assembly portfolio committee on June 4th, 2020. Bulgaria has had the Russian-made MiG-29s in service for more than 30 years. In that time, two have crashed, one in September 1994 – killing the pilot – and another in April 2012. Currently, the country has about 14, and is spending huge sums on overhauling the ageing fighters, still used to patrol its air space pending the arrival of the F-16s. Karakachanov said with the arrival of the eight F-16s, there would be no need to maintain the full fleet of MiG-29s. A complete transition to flying only F-16s to protect Bulgaria’s air space would happen only after the arrival of a further eight of the US-made fighters, but it is not known when that would happen. The idea of selling the MiGs was to recoup some of the expenses, according to Karakachanov. He told the parliamentary committee that the process of the acquisition of the first eight F-16s was not being delayed by the COVID-19 pandemic. The first F-16 is scheduled to be delivered at the end of 2022, to be used for training Bulgarian Air Force pilots. The remainder will arrive in stages in the years 2023 and 2024. Bulgaria would not be reducing its defense budget and the acquisition of two new naval patrol vessels and 150 armored vehicles would go ahead, according to Karakachanov. Together these will cost an estimated 2.5 billion leva. Germany had a number of MiG-29s at the time of its reunification in 1990. One is on public display at an airport and another crashed in 1996. In 2003, Germany sold 22 MiGs to Poland, at a

symbolic price of one euro each. (www.sofiaglobe.com)

- June 5th, a group of four Bulgarian Air Force pilots, to be the first from the country to leave for the United States for training on the F-16 Block 70, were given a sendoff on June 5th, 2020 by Defense Minister Krassimir Karakachanov, the Ministry said. The four are Major Stoyan Petkov, Captain Alexander Velinov, Captain Todor Todorov and Senior Lieutenant Simeon Georgiev. Bulgarian Air Force Commander Major-General Tsanko Stoykov said that the four officers were responsible and prepared to successfully undergo the training, which will be carried out a number of US military bases. Initially, the group, who all speak English, will undergo nine-week training in specialized English at the Language Training Centre at Lackland Air Force Base in Bexar County, San Antonio, Texas. Once the course is successfully completed, their basic training in flying the F-16 will begin. It will last about three years and four months, the Defense Ministry said. Pilots will go through the full training programs on the Beechcraft T-6 Texan II single-engine turboprop aircraft and the Northrop T-38 Talon two-seat, twinjet supersonic jet trainer. The training on these two aircraft will last about a year. The main, and longest, stage of the training will be on the F-16. The pilots will also undergo Physio Hypoxia Training and on a centrifuge, which will ensure their physical fitness and endurance at high loads when training on an F-16 aircraft, the Ministry said. (www.sofiaglobe.com)

COUNTRY ASSESSMENT ■ :

Bulgaria's economy is at risk although it enjoys a dynamic which has stopped due to COVID-19

pandemic. Economic situation may affect not only the Bulgarian effort to enter the ERM2 mechanism; the “waiting room” before the eurozone, but also the political stability of the country. It should be noted that Bulgaria's goal is to join the ERM 2 mechanism by July 2020. Migration poses a national security threat but currently situation is under control since migrant and refugee flows coming from Turkey are not increased. Nevertheless, situation is closely monitored by Bulgarian authorities. Corruption and organized crime remain significant obstacles for the country's development and should be addressed decisively. The country pays special attention to energy security developing several projects. Modernization of Armed Forces is a top priority for Bulgaria and huge armament projects are ongoing (fighter jets, armored vehicles, vessels etc). However, military operational capability of the state is questioned especially in the Air Force. Bulgarian Armed Forces are far from NATO standards.



CROATIA: June 4th, Croatia has fulfilled only one out of the three recommendations made by GRECO, the Council of Europe anti-corruption body, concerning parliamentary Deputies, and together with Hungary, Poland and Austria, Zagreb is one of underperformers in this category, the Vecernji List daily wrote on Thursday. Of 42 Council of Europe member - states covered by recommendations, the above-mentioned four countries have the poorest outcome in meeting the recommendations made in a bid to curb corruption among parliamentarians, the Vecernji List says in the article headlined, “Croatia fails to abide by anti-corruption recommendations for

MPs.” GRECO, headed by Croatian judge Marin Mrcela, who is the Croatian Supreme Court's Vice-President, has recommended the adoption of a code of conduct for MPs, however Zagreb has not yet done that. The code of conduct is supposed to provide guidelines for the conduct of lawmakers during their meetings with lobbyists or anyone advocating their cause. The document should also specify what MPs can accept as gifts and so on. A deadline which Croatia has set on itself to adopt the code expired in late 2015. The deadline was specified in the 2015-2020 strategy for the fight against corruption. GRECO has in the meantime proposed new recommendations, including the adoption of a code of conduct for top state office-holders. GRECO has already recommended the strengthening of the role of the Conflict of Interest Commission. (www.hr.n1info.com)

- June 5th, Prime Minister of Croatia Andrej Plenkovic said on Friday in Mostar, southern Bosnia and Herzegovina, that he is opposed to a wire fence on the border between the two countries after the migrant crisis has once again escalated. Over the past few weeks, the number of migrants coming to Bosnia and Herzegovina has increased once again, and they are trying to reach EU members passing through Croatia. Bosnia and Herzegovina's Security Minister Fahrudin Radoncic resigned earlier this week due to a difference in opinion in the ruling coalition with regard to resolving the migrant problem. Plenkovic, who today met with the leader of the Croatian Democratic Union's (Hrvatska Demokratska Zajednica – HDZ) sister party in Bosnia and Herzegovina - HDZ BiH, Dragan Covic, said that the solution cannot lie in building physical obstacles on the border. *“I am opposed to*

erecting wire fences between Croatia and Bosnia and Herzegovina. We are two neighboring countries directed to each other and a message like that would not be good,” underscored Plenkovic. He believes that the key is to resolve the migrant crisis on the Greece - Turkey border. Plenkovic underscored the need to strengthen the status of Croats in that Bosnia and Herzegovina. *“We will do everything so that the status of Croats in Bosnia and Herzegovina is not weakened, just the opposite, that it is strengthened. We are constantly working on that and I think that we have more than clearly communicated the topic of the equality of Croats at all levels of the Council of the EU and the European Commission,”* he told a press conference held together with Covic. The Croatian Premier added that the most important thing for Bosnia and Herzegovina is that it advances to EU membership and the equality of the three peoples there is a precondition to reach important agreements in the country. Croatia supports Bosnia's aspirations for EU membership and for its integration to NATO which is important for the country's stability. (www.hr.n1info.com)

- June 6th, findings of the ECB's assessment showing that all the major commercial banks in Croatia have met capital adequacy requirements and passed stress tests means that Croatia is a step closer to the European Exchange Rate Mechanism (ERM II), the Croatian Chamber of Commerce (HGK) said on Friday. Therefore we can expect the country to join the euro area in 2023, as planned, the HGK said in a press release after the Croatian National Bank (HNB) stated that the comprehensive assessment conducted by the European Central Bank showed that the five leading banks in Croatia are well-capitalized and

resilient to shocks. Zagrebacka Banka (ZABA), Privredna Banka Zagreb (PBZ), Erste & Steiermaerkische Bank, OTP Banka Hrvatska and Hrvatska Postanska Banka (HPB), which were covered by the comprehensive assessment conducted by the ECB, do not face any capital shortfalls as they did not fall below the relevant thresholds used in the asset quality review (AQR) and the stress test, the Croatian Central Bank reported earlier on Friday. Findings are also a confirmation of the stability and good quality of the Croatian banking system, the chamber underlines in its comment. “This is also an act of recognition of our members from the banking system and of the whole economy,” the HGK said. The chamber reiterated some of the advantages of the membership of the euro area such as the access to funding through the European Stability Mechanism, the fact that the HNB would no longer have to maintain the stability of the kuna, and the consequent higher credit ratings for the country. Croatia sent its letter of intent to join the Exchange Rate Mechanism (ERM II) to the ECB on July 4th, 2019. The Finance Ministers of the euro area's 19 member states and Denmark, the President of the European Central Bank (ECB) and a representative of the Danish Central Bank's Governor discussed the letter at a meeting in Brussels, after which the Finance Ministers issued on July 9th, 2019 a statement in which they “welcome the intention of the Croatian authorities to put in place the necessary elements for a successful entry into ERM II.” The euro area statement said then that the ECB could complete its assessment of Croatia's compliance with the commitments it outlined in the letter of intent in about a year's time. In case of a positive assessment, a decision would be made on Croatia's ERM II participation, a sort of euro

waiting area where it should spend at least two years, which means Croatia could introduce the euro in 2023 at the earliest. Croatia would simultaneously join ERM II and the Banking Union. (www.hr.n1info.com)

COUNTRY ASSESSMENT :

Croatia is moving towards the parliamentary elections scheduled for July 5th, 2020. Political situation is normal despite a couple of corruption scandals which involve officials of the ruling HDZ. Corruption remains a significant problem of state politics and despite some steps for improving current conditions there is a lot of work should be implemented. Croatia – Slovenia border dispute remains active, but COVID-19 pandemic and pre-electoral period in Croatia have downsized current situation. Croatia seeks to maintain its influence in neighboring Bosnia through the Croatian entity in that country. Croatia implements a policy of Armed Forces' modernization trying to form a reliable and well equipped force according to NATO standards. However, the current COVID-19 pandemic may affect the ambitious modernization plans due the economic repercussions in the country. Croatian Air Force is far from NATO standards and actually the country lacks an operational air power.



CYPRUS: June 3rd, the Council of Europe's anti-corruption body GRECO (Group of States against Corruption), said Wednesday Cyprus was among the 14 countries which had not yet fully implemented any of its recommendations concerning MPs. In its latest report, GRECO said that as of December 31st, 2019, Cyprus had fully implemented two of the

16 recommendations issued. Eight recommendations had been partly implemented and six recommendations had not been implemented. GRECO said countries were falling behind on battling corruption when it comes to MPs. The percentage of countries implementing GRECO's recommendations on tackling corruption among politicians was around 26%. "That is very low," said Gianluca Esposito, Secretary-General of GRECO. The recommendations for politicians included rules on receiving gifts, donations and other benefits. If any are accepted they should be recorded, says GRECO, including the type of gift and the donor, to improve transparency. House President Demetris Syllouris had proposed a code of ethics earlier this year, which had been criticized and ridiculed by the media and MPs themselves. The media said the 155-page tome contained provisions that suppressed free speech, freedom of information and transparency. It also includes provisions regulating relations between Deputies and journalists as well as stipulating what type of articles Deputies can have published. Any discussion about the code was abandoned as the coronavirus crisis gripped the island. (www.cyprus-mail.com)

- June 3rd, the Natural Gas Infrastructure Company of Cyprus (ETYFA) has issued notice that it was going ahead with the consortium that was awarded the LNG import terminal, paving the way for Cyprus' largest energy project. According to an ETYFA news release, by accepting the notice, the parties of the consortium declare their commitment and their ability to deliver the 289 million euro infrastructure to be used for electricity purposes, within the specified schedule. Part of the cost will be covered by the EU; 101

million euro in the form of a grant through the Connecting Europe facility. Another 43 million euro were provided as equity by the Cyprus Electricity Authority, while the remaining amount will be financed through borrowing on favorable terms. ETYFA said co-financing construction of the project and creating state-owned facilities is the optimal choice for the Republic of Cyprus. It creates fundamental conditions for reducing the price of electricity and affords the benefits to the economy and the consumers. The project will be undertaken by the international consortium JV China Petroleum Pipeline Engineering Co Ltd, and METRON S.A., with Hudong-Zhonghua Shipbuilding Co. Ltd and Wilhelmsen Ship Management Limited. (www.cyprus-mail.com)

- June 6th, if Mustafa Akinci is re-elected as the Turkish Cypriot leader in the north then Cyprus talks can "definitely" resume, President Nicos Anastasiades said Saturday. In a video interview with Politico magazine, Anastasiades spoke about the Cyprus problem, natural gas, and aggression from Turkey in the island's Exclusive Economic Zone (EEZ). Commenting on Cyprus talks, which have been frozen since failed talks the Swiss-resort town Crans Montana three years ago, Anastasiades said, in October, Turkish Cypriots will go to the polls and, if Akinci is re-elected leader, reunification talks between the two sides of the island can "definitely" resume. Regarding a bone of contention with the north over natural gas and potential benefits from exploration, Anastasiades added as a way to fairly divide revenue from the massive natural gas deposits thought to lie off the coast of Cyprus, and de-escalate tensions with Turkey, he has offered Turkish Cypriots a share of gas revenues if Ankara recognizes Nicosia's energy exploration

rights. *“I am ready to open an escrow account in favor of the Turkish Cypriot community, according to the population ratio. And if Turkey stops the aggressiveness, and recognizes the Exclusive Economic Zone of Cyprus, I am ready to accept, even without finding a solution to the Cyprus question, to give the right to the Turkish Cypriots to benefit by withdrawing... any proceeds which might be the result of the exploitation of the natural resources,”* Anastasiades said. On Turkey’s actions in the area, Anastasiades said *“If Turkey does not dial down its aggression in the Eastern Mediterranean, it should lose its status as a candidate for EU accession.”* The President also said that Turkey’s oil and gas exploration off the coast of Cyprus, which the EU says is illegal because it infringes on the island’s EEZ, is a step too far. The President said *“Either they are compliant with the terms and conditions of any other candidate country, otherwise they could not be either a candidate or accepted.”* He added *“although, we are in favor of having Turkey as a member state of the EU, we prefer to have a European neighbor rather than to have an aggressive state the way Turkey is behaving.”* Adding more names to the sanctions list is one of the alternatives available, said the Cypriot President. *“Yet, I believe that as the EU we are left with no other option than to address the whole spectrum of EU-Turkey relations.”* A decision to formally stop the accession talks is *“one of the steps we can take in order to send a strong message to Turkey, although I would prefer to have a peaceful solution.”* After Turkish drillships FATIH and YAVUZ moved into the island’s EEZ, EU Foreign Ministers endorsed on July 15th, 2019 measures concerning Turkey’s illegal drilling deciding, among others, to suspend

negotiations with Ankara on the Comprehensive Air Transport Agreement and postpone the Association Council and other EU - Turkey meetings. The Council also reduced the pre-accession assistance to Turkey for 2020 and invited the European Investment Bank to review its lending activities in the country. (www.cyprus-mail.com)

COUNTRY ASSESSMENT :

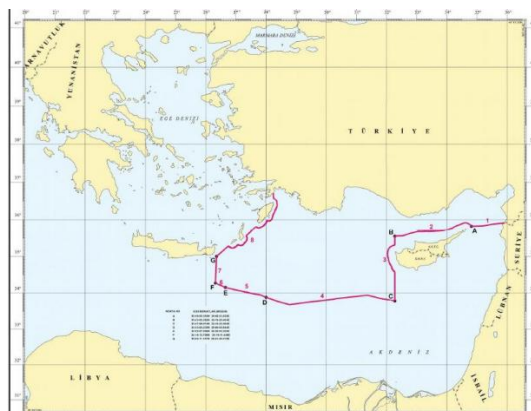
Cyprus continues to react diplomatically against the Turkish drills in the Cypriot Exclusive Economic Zone (EEZ) denouncing Turkey’s aggressive behavior against international law. In this effort it enjoys the EU support but only in rhetorical level since the union lacks of comprehensive military capabilities. Cyprus cannot stop the Turkish activity so far, failing to protect its sovereign rights. Turkey has simply refused to withdraw from a region that it is considered as its strategic extension where vital geostrategic and geoeconomic interests are at stake. Cyprus lacks adequate military means (especially aeronautical forces) to deter Turkey from continuing its activity. However, it is not expected escalation of situation in the near future since energy companies have postponed their scheduled drills within the Cypriot EEZ. It is certain that Turkey will not accept “fait accompli” in a region considered as part of its strategic interests. Besides, Turkey maintains a significant military force on the island (Army Corps size) which poses a permanent threat against the Cypriot republic. 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. Illegal migration is a challenge for Cyprus especially if migrant flows will be increased during summer.



GREECE: June 2nd, publication in the Turkish Government's gazette of a map outlining areas of the Greek continental shelf where Turkish Petroleum Corporation (TPAO) has applied for exploration permits has drawn an angry response from Athens, which warned it is fully prepared to respond in the event that Ankara chooses to conduct exploratory activities in these areas. The map shows the 24 blocks that Ankara has demarcated from its shores to the point where its sea borders meet Libya, based on the maritime border agreement it signed with the North African country's internationally recognized Government of National Accord (GNA) last December. The agreement has been fiercely condemned by Greece as a violation of its sovereign rights. It has been declared illegal by Cyprus, Israel and Egypt as well, while the EU has also opposed it. Denouncing Ankara's efforts to "*usurp Greece's sovereign rights,*" Foreign Minister Nikos Dendias said on Monday that "*Turkey's illegal activities do not produce any legal effects.*" "*Let us be clear. Our views on this issue and on the consequences of Turkish illegality are well-known. They have been repeatedly conveyed to Turkey,*" he said. "*Greece was and remains fully prepared to deal with this provocation, if Turkey decides to implement it,*" he added. Turkey's Ambassador to Greece Burak Ozugergin was summoned to the Greek Foreign Ministry in Athens, where he was handed a demarche. Athens sees the map as an illustration of Turkey's claims that encroach on Greek sovereign rights, as some of these blocks are

located six nautical miles east of Rhodes, Karpathos, Kassos and eastern Crete. The delimitation of 24 blocks extends from the southeast of Crete to the Gulf of Fethiye located north of Rhodes. The western boundary of the blocks reaches up to six nautical miles from the Greek islands of Rhodes and Crete and traces the map layout of the Turkey - Libya memorandum. (www.ekathimerini.com)



Geographical coordinates of the outer limits of the Turkish continental shelf as agreed by the Memorandum of Understanding Between Turkey and the Government of National Accord-State of Libya on Delimitation of Maritime Jurisdiction Areas in the Mediterranean
(Photo source: www.undocs.org)

- June 4th, Greece's economic slump was not as bad as expected, Government Spokesman Stelios Petsas said on Thursday, following the release of the GDP data by the country's statistics service (ELSTAT). "*Greece had a significantly lower recession than expected, as the GDP for the first quarter decreased by 0.9%,*" Petsas said on Thursday. "*The Greek economy entered dynamically the first two months of the year, while March was not as bad for the economy as it had been predicted,*" he added. The seasonally adjusted data showed the economy shrank at an

annual 0.9% dip in the first quarter after a 1.0% growth rate in the fourth quarter of 2019. Data also showed Gross Domestic Product shrank 1.6% in the first quarter, at a faster pace compared to a 0.7% contraction in October-to-December. (www.ekathimerini.com)

- June 7th, Greece's Ministry of Foreign Affairs has welcomed Egypt's initiative to mediate for peace in civil-war-torn Libya. "We welcome Egypt's new initiative to resolve the Libyan Gordian knot," the Ministry's announcement said. "(The initiative) highlights the basic principles of the international community as enshrined in UN Security Council resolutions and the Berlin Conclusions, namely respect for the unity, integrity and independence of Libya." "We fully share its high priorities, such as immediate ceasefire, the withdrawal of all foreign forces and mercenaries, the disarmament of paramilitary groups and the return of all Libyan components to a process of inclusive dialogue for a comprehensive political solution," the announcement said. "Restoration of peace can only be achieved by the Libyans themselves. While prolongation of the crisis serves those third parties which are interfering in its internal affairs with ulterior motives, peace will benefit not only the Libyans, but also the stability and prosperity of the entire Eastern Mediterranean," the statement concluded. (www.ekathimerini.com)

COUNTRY ASSESSMENT :

Greek – Turkish relations are the main concern of Greece although there are signs that Turkey seeks de-escalation of tension in the borders (land borders in Evros and sea borders in the Aegean). The Turkish – Libyan agreement regarding maritime zones creates an extra concern on Greek

foreign policy since Turkey seeks to establish "fait accompli" in the East Mediterranean restricting Greek sovereign rights. Greece tries to react in Turkish actions with diplomatic means but it shows also determined to protect its sovereign rights. If Turkey tries to conduct hydrocarbon drills within Greek Exclusive Economic Zone tension could be escalated rapidly towards a "hot" incident. Greece seeks to take into advantage the ongoing rivalry for power between Turkey and UAE (and Egypt) in Libya. Under current situation in Eastern Mediterranean and Aegean Sea, Greece is obliged to strengthen and modernize its Armed Forces operational capability.



KOSOVO: June 4th, Kosovo's former Prime Minister Albin Kurti said on Thursday he would not hand over his office to the newly elected Premier Avdullah Hoti, who he dismissed as the First Deputy Prime Minister soon after he took power following last October's general elections. Instead, Kurti announced the return to power. "We will be back very soon," he said. His Vetevendosje (Self-Determination) party won the last elections but had to form a coalition Government with the runner-up Democratic League of Kosovo's (Lidhja Demokratike e Kosovës - LDK) which member is Hoti. However, after Kurti dismissed him and another LDK Minister, the party broke up the coalition and voted for the Government ouster. Kurti's cabinet survived only four months during which he said it had achieved significant results, among which he emphasized that he ruled without the support of the Serb List, supported by Belgrade, which on Wednesday voted for Hoti's new cabinet, in which it would lead two Ministries and

have a post of a Deputy Prime Minister. Before and during the Parliament session which elected the new Government, several hundred Vetevendosje supporters protested against what they said was “*the manipulation with our votes,*” and demanding new elections. Kurti said his party had nothing with those protests, but after the new cabinet was voted in added that “*now protests are inevitable.*” In the meantime, Hoti received congratulations from both the EU and the US. His Government start working without the official handing over of office since Kurti refused to do that. Hoti said his priorities would be fighting against the coronavirus epidemic and Kosovo's economic recovery, as well as “*the strengthening of the rule of law, taking over dialogue (with Belgrade) based on the Constitution, and improving the education and health care system.*”

Miroslav Lajcak, the EU special envoy for the Belgrade - Pristina dialogue on normalization of relations, called the new Prime Minister on Wednesday night, saying he was “*looking forward to closely cooperate with you in the dialogue under the EU auspices and about the European perspective for people in Kosovo.*” All Kosovo's politicians have insisted that the visa-free regime for their citizens should be the first thing the EU should do if it was serious about Pristina's European perspective. Former EU mediator, Federica Mogherini reminded Lajcak on Wednesday of that unfulfilled promise. Also on Wednesday, Lajcak announced he would organize the first meeting between Belgrade and Pristina officials as the start of the resumption of the dialogue already in June, even before the general elections in Serbia due on June 21st, 2020. Commenting on the announcement, Serbia's President Aleksandar Vucic said “*Serbia will have a word too.*” Dialogue has been on hold

since November 2018 after Pristina introduced the 100% import tariffs on goods from Serbia in retaliation, as it said, for Belgrade's diplomatic offensive to prevent Kosovo's INTERPOL membership. So far, Vucic and Kosovo's President Hashim Thaci headed the delegations in the years-long negotiations, but Thaci said he would not talk to Lajcak who, as he said, sided with Belgrade. In the meantime, Kurti decided to ban import of goods from Serbia if it did not have the “*Republic of Kosovo*” declaration, and Belgrade said no talks were possible before Pristina annulled that and some other measures. After his elections, Hoti said his Government would remove obstacles to the negotiations with Belgrade and that he hoped a final agreement would be reached and would include the mutual recognition, something that Serbia's authorities pledged never to accept. Kurti charged that Hoti would accept the change of borders or territory swap with Belgrade, what he said Vucic and Thaci agreed on secretly. Brussels, and especially Berlin and Paris, are strongly against any border change, but Washington, which has the greatest influence on Pristina, has a bit more flexible view about the issue. Belgrade also seems not entirely against the idea, though Vucic has never officially confirmed that, but said that “*it is not possible that someone gets everything and the other nothing.*” (www.rs.n1info.com)

- June 4th, In an extraordinary session of the Kosovo Assembly, a new coalition Government led by Democratic League of Kosovo's (Lidhja Demokratike e Kosovës - LDK) Avdullah Hoti was elected on Wednesday with 61 votes in favor, 24 votes against and one abstention. With a majority of 61 required, the motion electing the Government passed by a single vote. In his

address to the Assembly before the vote, Hoti said that his Government would protect Kosovo's territorial integrity and respond to the "shock" that the economy will suffer in the coming months. "The new Government will have a new program of economic recovery," Hoti said, adding that a fund will be established to cope with the consequences of the COVID-19 pandemic. In regards to dialogue with Serbia, Hoti said that the Government will take its "constitutional responsibilities" to lead negotiations for Kosovo and would not allow a "change of borders or a land swap." He added that "Kosovo authorities will respect the Kosovo Constitution in full and the comprehensive deal will be based on mutual recognition." The new Government will be made up of 16 Ministries, with seven Ministers nominated by LDK, four by Alliance for the Future of Kosovo (Aleanca për Ardhmërinë e Kosovës - AAK), two by Social Democratic Initiative (NISMA Social Demokrate – NISMA), two by Serbian List (Lista Srpska) and one by the Turkish Democratic Party of Kosovo (Kosova Demokratik Türk Partisi - KDTP). There will also be four Deputy Prime Ministers, with one provided by each of LDK, AAK, NISMA and Serbian List. Agim Veliu has returned to his post as Minister of Internal Affairs after being fired in March by former Prime Minister Albin Kurti. Anton Quni, Vlora Dumoshi and Besian Mustafa will all continue as Minister of Defense, Minister of Culture and Minister of Agriculture respectively. Hykmete Bajrami has been transferred from Minister of Education to Minister of Finance, while Lumir Abdixhiku, previously Minister of Infrastructure, declined to be part of the new Government, with his Ministry being taken over by Arban Abrashi. LDK will also provide the new Minister of Health, with

Armend Zemaj taking over from Arben Vitia. AAK representatives will run the Ministry of Economy and Environment, the Ministry of Education, the Ministry of Justice and the Ministry of Foreign Affairs, where Meliza Haradinaj will assume duties. Goran Rakic, leader of Belgrade-backed Serbian List will serve both as a Deputy Prime Minister and Minister for Local Government. Rakic currently serves as Mayor of North Mitrovica, and his appointment will likely trigger an extraordinary election for Mayor in the municipality. Delibor Jevtic of Serbian List will continue to serve as Minister for Communities and Returns. Skender Recica, who ran the Ministry of Labor and Social Welfare under the PAN coalition Government between 2017 and 2019 returns to his post as one of NISMA's representatives, while NISMA's Vesel Krasniqi will lead the newly restored Ministry of Trade and Industry. LDK, AAK, NISMA and Serbian List came to a governing agreement in April after President Hashim Thaci indicated his intention to form a new Government without fresh elections following a successful vote of no confidence was passed against the previous government led by Vetevendosje's (Self-Determination) Albin Kurti on March 25th, 2020. Thaci was mentioned in the session by Haxhi Shala, a NISMA MP who said that he was visited by the President and former Prime Minister Ramush Haradinaj, who convinced him to vote in favor of the new Government. Shala had previously told the press that he planned to vote against the formation of the Government. In a press conference held on Wednesday afternoon, Thaci did not deny that the meeting with Shala took place. Vetevendosje has objected to the decision, with Kurti describing the decision as "unfair" and "unacceptable." A small protest was

held outside during the session voting on the formation of the Government, with demonstrators calling for elections. The session was chaired by LDK's Kujtim Shala, who announced that the Speaker of the Assembly, Vjosa Osmani, authorized the Vice-Speakers to chair the session. Osmani has publicly objected to the formation of the Government, and on Tuesday proposed a Government of National Unity to lead the country for the next six to nine months. Vice-Speaker of the Kosovo Assembly Arberie Nagavci of Vetevendosje reportedly did not agree to chair the session, leaving the responsibility to Shala. Many of Nagavci's colleagues in Vetevendosje also did not attend the session, the central benches of the Kosovo Assembly designated for the party's MPs remaining empty throughout the session. At the session, the Head of Vetevendosje's parliamentary group Rexhep Selimi stated that the new Government is not constitutional. *"The Government that you want to form is illegal and illegitimate,"* Selimi said. *"Let us hold elections to respect the will of the people and the constitution."* (www.prishtinainsight.com)



The new Kosovo Prime Minister, Avdullah Hoti
(Photo source: www.kryeministri-ks.net)

- June 6th, the Government of Kosovo has annulled decision on reciprocity measures on import of goods from Serbia, Prime Minister Avdullah Hoti confirmed following the session on

Saturday. Addressing a press conference, Hoti said that Pristina has now removed all obstacles in dialogue with Belgrade, in line with the promises it gave to international partners. *"Now we expect to see the same from Serbia. To remove all obstacles and give a chance to the process of dialogue,"* Hoti said. *"Our partners promised they would exert pressure on Belgrade too, so they remove all barriers for further dialogue, and as soon as they are gone, we will start negotiations. As of today, we have all obstacles removed and we gave a chance to dialogue for a reasonable period of time,"* he added. Hoti said on Friday that the Government of Kosovo would remove all the barriers for the dialogue with Serbia, expressing the belief that talks would restart soon. Kosovo's ex-Prime Minister Albin Kurti assessed that the annulment of reciprocity measures was *"illegal and detrimental."* He wrote on social media that Kosovo is *"working even on weekends only to annul reciprocity for Serbia"* and that by doing so Hoti actually blamed Kosovo for halting the dialogue with Serbia. (www.balkaninsight.com)

COUNTRY ASSESSMENT :

Kosovo enjoys a new Government with Avdullah Hoti (LDK) as a Prime Minister but it is not certain that it will reach political stability. It is not only opposition Vetëvendosje's accusations of Constitution's violation for forming the Government but there are also MPs of the ruling coalition who do not agree with this Government despite their support in Parliament. President Hashim Thaci and former Prime Minister Ramush Haradinaj's meeting with an MP of NISMA party to persuade him to visit in favor of the new Government shows that ruling coalition is not so stable. Vetëvendosje leader and former Prime

Minister Albin Kurti warned that protests will follow and announced that he will not hand over office in Hoti because it is not a legitimate Government. Of course the new Government enjoys support of the EU and US which have not seen Kurti as a good solution for Kosovo. In fact, Hoti immediately after took office lifted all reciprocity measures against Serbia aiming to facilitate restart of Belgrade – Pristina dialogue. It is assessed that dialogue will start soon since both Kosovo and Serbia have new Governments, while the EU and US push both parts for dialogue restart. Fight against corruption, organized crime, money laundering and trafficking, establishment of rule of law, accountable and transparent state institutions, and functional public administration are the main challenges for Kosovo towards its European path.



MOLDOVA: June 3rd, on Wednesday, Moldova President Igor Dodon and Transnistria President Vadim Krasnoselsky held a telephone talk and agreed upon simplifying the rules of crossing the Dniester by people. Dodon wrote on social media afterwards that the interlocutors had analyzed current situation in the Transnistria Security Zone namely in the Moldova-controlled villages situated on the left, eastern river side. To travel to the right river side, i.e. to the mainland Moldova, these villagers have to go through populated areas and territories forming a part of the Transnistrian region, or to use a ferry. When a state of emergency was announced due to the COVID-19, the Transnistrian authorities closed the border with Moldova. Certainly, this situation creates considerable problems for the residents of the Moldovan villages of Cocieri, Vasilevca,

Molovata Noua, Roghi and some other on the left bank. Dodon wrote today that the sides have agreed to take measures to simplify the local residents' movement from one Dniester bank to the other. (www.infotag.md)

- June 5th, President Igor Dodon had a working meeting with the Head of the Administrative Board of the MOLDOVAGAZ stock company, Vadim Ceban, the presidential press service has reported. The interlocutors discussed the state of things at the company and in the branch on the whole. Also, the sides analyzed regional situation in terms of natural gas prices. According to Ceban, the price for MOLDOVAGAZ might decrease to 100 dollars for 1,000 square metres of gas till October 1st, 2020, which will allow reducing the tariffs for the end consumers too. Another important issue discussed by Dodon and Ceban was focused on continuing connecting Moldovan settlements to gas supply. Ceban said that amendments were to be made to the enterprise's investment program for this year, in order to include as many as possible villages of Moldova into the gas supply network. At the same time, the Head of the MOLDOVAGAZ Administrative Board informed Dodon about the fact that the enterprises from the gas branch were working as normal, ensuring the continuity of the deliveries and the system's security. Despite the crisis triggered by the pandemic, most economic agents and residents pay the bills for the gas consumed in time. On the other hand, given the pandemic, disconnections from gas supply are not made and the MOLDOVAGAZ stock company is open for individual negotiations on gradual payment of the debts accumulated. Ceban also said that the enterprise and the gas branch employees had transferred two million lei to

combating the spread of COVID-19. (www.moldpres.md)

- June 6th, Prime Minister Ion Chicu had a meeting with Head of the EU Delegation in Moldova Peter Michalko. The officials discussed the economic situation in Moldova and EU and the evolution of the epidemiological situation, the Government's communication and protocol department has reported. The sides reviewed the progress made in fulfilling Moldova's commitments within the Moldova - EU Association Agreement, among which 25 normative acts, meant to transpose the European legislation, were worked out and approved. To boost the process of implementing the conditions related to EU's macro-financial assistance, the Government gave final touches and approved, as a priority, the law on procurements in the energy sector, fields of water, transports and post services, as well as the law on the finding out of infringements in the field of prevention of money laundering and financing terrorism, with the way sanctions are imposed. The Moldova - EU Association Committee, held in Chisinau on February 19th, 2020, represented an important platform for dialogue and confirming the authorities' commitment to make progress in the cooperation with EU. EU conveyed to Moldova's authorities a list of eight short-term actions as pre-condition for resuming political dialogue in full format and disbursement of the installment II of the Macro-financial Assistance (present program). Progress has been made in the creation of the joint Moldova - Latvia investigation team on the bank fraud file. A draft law was registered for the abrogation of the Citizenship through Investments Program, which is under approval now. Actions related to the strategy of reform in the justice

sector and the reform of the Superior Council of Magistracy (CSM) are under implementation. The Audiovisual Council and the Competition Council were notified to present proposals on the carrying out of the peer-review evaluation. The Parliament's Juridical Commission for rules and immunities approved a draft law on non-commercial organizations, which is to be discussed at a plenary meeting. Michalko informed about the allocation of five million euro for backing Moldova's Government in the process of implementing the Association Agreement. (www.moldpres.md)

COUNTRY ASSESSMENT ■ :

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

lack of transparency and accountability reign in public administration and state's politics.



MONTENEGRO: June 3rd, Minister of Defense of Montenegro, Predrag Boskovic, said in the Parliament today that there have never been any counting in the Armed Forces of Montenegro based on national grounds and said that *“Serbs account for 20% of the members of the Armed Forces of Montenegro. There are members of all nations and religions in the Armed Forces of Montenegro, over 20% of Serbs. Commander in charge of recruitment is Serb from Trebinje, former Commander of the Aviation is from Kragujevac, Commander of the biggest ship is a Serb from Vojvodina,”* Boskovic pointed out. He said it was even more important that they saw this country as their own. (www.cdm.me)

- June 3rd, Minister of Foreign Affairs, Srđan Darmanovic, reiterated today that Serbian state authority had been taking every opportunity to fuel tensions in Montenegro. *“It is true I said Serbia meddled into Montenegro's internal affairs and I am saying that again now,”* Darmanovic said. He pointed out that regime media *“play main role in that process.”* *“I think in times of Milosevic there was not as much hatred and vulgarity in media campaigns as we see now,”* Darmanovic said. He reminded that only one day after presentation of results of two-year work of Montenegro's President, Aleksandar Vucic and Patriarch Irinej held a meeting and spoke about Montenegro. *“And that is definitely meddling into our internal affairs. On that occasion, Patriarch says that a new Montenegrin nation is being created in Montenegro. The first man of the church, everyone considered their spiritual and*

lately political guide – says that Montenegrin nation is being created now,” Darmanovic stressed. (www.cdm.me)

- June 4th, on a proposal of the Ministry of Finance, Government has adopted Draft Law on the Amendments to the Law on Budget for 2020. Minister of Finance, Darko Radunovic, said that 2021 would bring partial recovery to Montenegro and 4.9% economic growth. *“Montenegrin economy was characterized by positive trends which resulted in significant GDP growth,”* Minister pointed out. Considering the estimated FDI decline from 7% to 5.4% and estimated tourism revenues amounting to 650 million euro in 2020, real GDP fall in 2020 is estimated to be 6.8%. *“In 2021, we expect partial recovery of the economy and 4.9% growth,”* Radunovic added. He said that source revenues of the budget would be by 349.37 million euro lower and will amount to 1.705 million euro. He pointed out that tourism would manifest greatest vulnerability and a real decline of 40%. Re-classification of the budget expenditure has created additional fiscal space for financing Government measures to support economy for additional 45 million euro. Minister Radunovic said they had not considered reduction in salaries yet. (www.cdm.me)

COUNTRY ASSESSMENT :

Montenegrin officials claim that Serbia intervenes in the country's internal affairs seeking to destabilize it. Although Montenegrins and Serbs share common values, traditions and historical bonds, there is much tension last year between the two countries, with provocative statements from both sides. It should be noted that the country has a significant number of Serbs, while there is notable sympathy among Montenegrin people for

Serbs. There are concerns that coming autumn will be a hard one due to the COVID-19 consequences in the state's economy. Although the Government claims that 2021 would be a year of growth second semester of 2020 would be a difficult one. So the Government seeks to call for elections in late summer or beginning of autumn. Corruption, smuggling (especially cigarettes) and money laundering are dominated in the country setting significant obstacles and risks for every investor. Such situation has strongly affected progress of accession negotiations with the EU. Montenegro needs more concrete reforms in the field of justice, rule of law, fight against corruption, money laundering, and organized crime, public administration transparency and accountability in order to become a stable and attractive investment environment. The country focuses on strengthening its Armed Forces by purchasing modern equipment.



NORTH MACEDONIA: June 2nd, EU Commissioner for Neighbourhood Policy and Enlargement Negotiations Oliver Varhelyi told Tuesday's press conference that he will discuss with the North Macedonia's authorities on ensuring sufficient time for campaigning and freedom of elections, MIA's Brussels correspondent reported. *"I have seen the announcement of the Government their intent to hold elections early July and I need to look into the details and at this stage what I can tell you is that free and fair elections would have to be hold with sufficient time for campaigning and sufficient possibilities for all political parties to campaign. We need to also look into how under the COVID-19 regime this can be implemented. So, this is something that we will take up with the North*

Macedonia's authorities for sure, because it is very important to ensure fully fairness and freedom of elections," Varhelyi said. Varhelyi said that the negotiating frameworks for North Macedonia and Albania will be published in *"a couple of days"* and that the European Commission's goal is to get negotiating frameworks on the table of the Council of the European Union hopefully next week. He announced that the European Commission's enlargement package has been postponed until autumn. (www.republika.mk)

- June 3rd, the European Commission (EC) is to present draft negotiating framework for North Macedonia on June 9th or 10th along with the brief progress report, Deputy Prime Minister for European Affairs Bujar Osmani said. During his visit to Stip, he also said that reaching a consensus on election date will not affect the negotiating framework. Osmani said that once the EC presents draft negotiating framework, EU member states will present their national positions and ultimately try to reach a consensus. *"I expect that this proposal will be neutral concerning the positions of the EU member states, and will be based more on the principles of the functioning of the EU. I expect that once draft negotiating framework is presented, each country, including Bulgaria, will try to put forward its national position. But we are coordinating and we have identified the state's positions. As an EU candidate country, we are not in a position to influence the negotiating framework, but we intend to continue working,"* Osmani said. (www.republika.mk)

- June 6th, Democratic Union for Integration (Demokratska Unija za Integracija - DUI) party leader Ali Ahmeti doubled down on

his push that an ethnic Albanian is made Prime Minister of North Macedonia after the next elections, calling on all Albanian voters to unite around this issue like they were united during the 2001 civil war. *“We were united in the UCK during the war and we were united to elect the first Albanian Speaker of Parliament, to join NATO and begin accession talks with the European Union. It is time for an Albanian Prime Minister,”* Ahmeti said in a message. Ahmeti led the UCK/NLA terrorist group in the 2001 war against North Macedonia’s forces. Hundreds of Macedonians and Albanians were killed in the war that lasted for over half a year and was ended with the Ohrid peace treaty. Ahmeti’s coalition partner Zoran Zaev insisted that he will be the next Prime Minister and not some Albanian. (www.republika.mk)

COUNTRY ASSESSMENT :

Political parties are still on consultations for agreeing a date on parliamentary elections. Although the country has a caretaker Government situation is not stable since the Parliament has been dissolved and there is no elected Government to handle major state’s issues. Albanian political leader, Ali Ahmeti’s statements that he seeks to elect the first ethnic Albanian as the next Prime Minister is considered not only as an effort to unite Albanian voters for his party (DUI) but also as a negotiation asset for the next day of the elections whenever to be held. In the meanwhile, North Macedonia expects the European Commission to announce the negotiation framework for the country’s accession talks. Political uncertainty and disputes may affect the final decisions of EC. The country should focus on reforms regarding justice, rule of

law, fight against corruption and money laundering, public administration, and respect of human rights in order to accelerate its European integration process.



ROMANIA: June 4th, Prime Minister Ludovic Orban on Wednesday held consultations with the representatives of the Coalition for Romania’s Development (CDR) on which occasion they discussed on how to implement the International Monetary Market (IMM) Invest Program, the Economic Recovery Plan, how to attract internal and external financing sources, de-bureaucratization and digitalization, especially in the relation between the National Agency for Fiscal Administration (ANAF) and its contributors. The Head of Executive specified that the Government is making *“important steps”* in consultations with the European Commission on the validation of the mechanisms for economic stimulation financed with European funds – state aid schemes and guarantee schemes meant to ensure the working capital and support the active measures aimed at preserving jobs. *“At home, in legislative terms, we have prepared the accession to the SURE Program, by which the European Union supports the member states with funds for active measures in employment, designed to support both the employee and the employer,”* Orban said, as quoted in the mentioned post. Consultations between the Government and CDR will continue, said the same source. (www.nineoclock.ro)

June 4th, Romania's Constitutional Court decided that the Parliament is entitled to regulate, by law, the extension of Mayors’ mandate Digi24.ro reported. The Parliament is also entitled to decide who approves the election calendar, the

Parliament itself or the Government. Until the end of the current parliamentary session, the Chamber of Deputies and the Senate must adopt a law to extend the mandates of the local authorities. The Liberal Government and the Parliament, controlled by the Social Democrats, compete over gaining the right to decide the electoral calendar. The lawmakers passed on April 23rd, 2020 a draft law extending the mandates of local elected officials until the end of the year, due to the epidemic, and giving the Parliament the right to set the date of elections, by law. The Liberals challenged the bill at the Constitutional Court by Liberals, dissatisfied with the change made in the Parliament on their emergency ordinance that empowered the executive to decide the electoral calendar. The local elections in Romania were supposed to take place this month, but they were postponed because of the COVID-19 pandemic. (www.romania-insider.com)

- June 5th, the new National Defense Strategy for 2020 - 2024 reiterates Romania's "commitment" to the rule of law, with the document categorizing the corruption phenomenon as a "security risk," said presidential adviser to the National Security Department, Ion Oprisor in a statement sent by the Presidential Administration to AGERPRES on Thursday. According to the same source, "corruption phenomenon is no longer presented as vulnerability, as mentioned in the previous strategies, but as a high risk, being included in the security risk category." He specified that in drafting this strategy there have been taken into account the constitutional provisions and in force laws and also decisions of the Constitutional Court of Romania based on which "the intelligence services do not need to participate in cooperation with the Public Ministry in obtaining

the evidence used in the criminal proceedings." "The strategy reiterates Romania's commitment to the rule of law and explicitly underscores, under item 53, that observing the firm commitment to justice and law, the values of democracy and the rule of law principle, as well as the modernization of the state and its institutions, are fundamental things that ensure citizens the security and prosperity they are entitled to receive," said the presidential adviser. Oprisor added that the strategy grants "major" importance to the societal component of the national security, based "especially on the increase in resilience and the decrease in internal vulnerabilities, including through combating corruption, as well as based on the good functioning of the rule of law and democracy and the strengthening of the administrative capacity." According to the presidential adviser, combating corruption in all its form, from the creation of illegitimate groups of interest to the risk of influencing decisions made by the authorities of the state is being approached in several sections of the strategy. "The strategy refers to the fight against corruption in achieving the national security objectives from an internal perspective, which has to do with the good functioning of justice and ensuring the rule of law, eliminating deficiencies that affect good governance, as well as preventing and combating criminality of all kinds," added Oprisor. At present, Oprisor brought to mind, the National Defense Strategy drafted by the Ministry of Justice is still in force, but it will expire at the end of this year. "After the approval by the Romanian Parliament of the new National Defense Strategy, all the public institutions operating in national security will draft their sectoral strategies specific to their field of activity, including an anti-corruption strategy,

which will present in detail the objectives, responsibilities and concrete directions for action,” added the presidential adviser. “According to President Klaus Iohannis the anti-corruption fight must continue by all means, at the same time with the promotion at the level of the society of the fundamental values on which we can create a culture of integrity in the public area, which is the only way to eliminate the causes at the grounds of the corruption phenomenon,” maintained Oprisor. He brought to mind that the Head of state had a meeting on Wednesday with Prime Minister Ludovic Orban during which they discussed “in detail” about “repairing” the justice laws that was very much affected by the successive modifications in the past couple of years. The new National Defense Strategy for 2020 - 2024 has been approved by the Supreme Council of National Defense (CSAT) at its meeting of May 27th, 2020 and was submitted to Parliament for debate and approval. The strategy represents the main document involving planning in the defense field and it was drafted with the contribution of all institutions operating in the national security field. (www.romania-insider.com)

COUNTRY ASSESSMENT ■ :

Political situation in Romania is rather stable since opposition threatens to file a motion of no-confidence against the Government of PNL. Political dispute has emerged between the ruling coalition and opposition for the local elections date which have been postponed due to COVID-19 pandemic. Opposition PSD enjoys majority in Senate and Parliament seeking to control political developments according to its interests. New National Defense Strategy should be ratified by the Parliament but parties have expressed their

concerns for downgrading the corruption issue in the country. Romania enjoys advanced upgrade in US and NATO strategic plans due to its geographical position located close to Russia. Romania keeps strengthening its Armed Forces seeking to achieve NATO standards.



SERBIA: June 4th, Belgrade has suspended its campaign for the withdrawal of Kosovo's independence recognition unnamed diplomatic sources in Brussels told Radio Free Europe (RFE) on Thursday. The EU officials dealing with the dialogue said the campaign was “an irritating issue.” RSF reported that Serbia's authorities accepted to stop the campaign contributing for the resumption of the Belgrade – Pristina dialogue on the normalization of relations which had been on hold since November 2018. The statement came a day after Kosovo elected new Government believed to be ready to annul trade barriers to Serbia's goods introduced by the previous cabinet and thus contribute to the resumption of negotiations under the EU auspices. “As a sign of goodwill in creating a favorable atmosphere for the continuation of the dialogue, Belgrade agreed to suspend this campaign,” an EU high diplomatic source told RSF. (www.rs.n1info.com)

- June 5th, the top EU representative in Serbia Sem Fabrizi said on Friday that the forthcoming general elections would be a test for democracy in the country, the FoNet news agency reported. In a meeting with Serbia's Prime Minister Ana Brnabic, Fabrizi said the election boycott announced by the part of the opposition, was not a good idea, adding the EU called on all citizens to take part in the June 21st, 2020 ballot. “The elections are the right way for people to express

their opinion, for pluralism of political views to be seen, and I can only call on the parties to take part. There is no other way except the ballot to say if you agree or disagree,” the Head of the EU Delegation in Serbia said, adding that it was *“important that a clear European agenda exists after the elections.”* Fabrizi said the EU welcomed the ODHIR election monitoring mission arrival, emphasizing the significance of the media role, especially of the state RTS TV. Regarding the resumption of Belgrade – Pristina dialogue on the normalization of relations, he said the bloc *“always calls for the avoidance of measures which could endanger dialogue,”* answering the question whether Belgrade suspended its campaign of the withdrawal of Kosovo independence recognitions. Fabrizi said the EU congratulated Serbia’s authorities for coping with the coronavirus pandemic, adding the bloc had helped Serbia since the outbreak and recalled that an agreement on 70 million euro support from IPA funds was signed last week. After the meeting with Fabrizi, the Ambassadors of the EU member states and Jadranka Joksimovic, Serbia’s Minister of European Integrations, Brnabic said Belgrade *“knows that the EU does not want to import problems,”* and added the EU’s stand that Serbia could not join the bloc without an agreement with Pristina was *“understandable.”* *“What is an open issue for debate and interpretation is what that agreement should consist of,”* she said and added she could not *“officially comment on an official report about Belgrade’s suspension of the campaign of the withdrawal of Kosovo independence recognition.”* She added that *“there is no reciprocity between the withdrawal of (import) taxes and the withdrawal of the campaign,”* reiterating President Aleksandar Vucic’s message

that Belgrade could suspend the campaign if Pristina suspended its attempts to join the international organizations. (www.rs.n1info.com)

- June 7th, Foreign Minister of Serbia Ivica Dacic said that neighboring Montenegro went too far in spreading the anti-Serb campaign, in a wish to build up a Montenegrin identity. Dacic said that recent statement of Montenegro’s Foreign Minister Srdjan Darmanovic about NATO helping the country in a potential defense from *“aggressive Serbia”* proves this idea. *“Serbia is not aggressive. Serbia has never shown in a single act any aggressiveness towards Montenegro and they refuse to admit they were the ones who caused these problems,”* Dacic told Happy TV. Montenegro often conveys messages saying that *“Serbia interferes in their internal affairs,”* according to Dacic, who stressed that the matter of human right and ethnic communities are not internal matters of a country but something that is regulated by international conventions and declarations. He wonders how would Montenegro react if he paid a visit to the country’s coastal towns Budva or Herceg Novi prior to elections in order to meet the ethnic Serbs within the election campaign – just like Albania’s Foreign Minister Gent Cakaj plans to do in Serbia, to visit the southern town of Medvedja, populated mostly by Albanians. Serbia does not object that, he said. His strong reactions to the statements from Montenegro are not a part of the campaign but something he always did when it comes to statements of certain politicians from the region, their moves and decisions, said Dacic. (www.rs.n1info.com)

COUNTRY ASSESSMENT ■ :

Serbia's pre-electoral campaign is reaching its peak since June 21st, 2020 is close. The EU urges opposition parties to join elections since it is the only democratic way to express their views. However, there is an atmosphere that elections will not be fair and free highlighting a democratic vacuum. The new Kosovo Government announced abolishment of any economic measures against Serbia implementing the US and EU's request facilitating the restart of dialogue between Belgrade and Pristina. Unofficial announcement that Serbia stops its campaign against Kosovo recognition (The Serbian Government denied it) confirms that (secret?) consultations are in progress in the backstage for establishing the necessary conditions for dialogue resumption. Montenegro – Serbia tension continues with the latter reminding that Serbian population in Montenegro is not an internal matter of Podgorica. Montenegro's statements that it might ask for NATO support if it need it raises concerns for regional stability. The EU has raised serious concerns over Serbia's effectiveness on independence and accountability of the judiciary, freedom of expression, prevention of corruption and the fight against organized crime. Serbia pays special attention in improving operational capabilities of its Armed Forces declaring towards all sides that they are the power of the state. It implements an ambitious armament program mainly supported by Russia.



SLOVENIA: June 2nd, over 1,000 additional Police Officers were dispatched to Slovenia's border with Croatia to tight border control until Friday. The aim of the four-day campaign, ordered by acting Police Commissioner Anton Travner, is to show

migrants and smugglers that an attempt to enter Slovenia does not pay off, Deputy Police Commissioner Joze Senica said. According to Police data, there are more than 10,000 migrants in Serbia and Bosnia-Herzegovina who want to continue their journey to the EU. He said the number of people on the Balkan migration route had increased in the past two weeks after countries started lifting restrictions they had had in place due to the coronavirus pandemic. (www.sta.si)

- June 3rd, Defense Minister Matej Tonin set out a plan to invest 780 million euro in defense over the next six years as he joined President Borut Pahor for the viewing of a military exercise “Dubbed Leap 2020” in Babno Polje in the south of the country. The exercise is special in that it is not being held in the country's main military exercise grounds, but in local communities, which Tonin said welcomed SAF members well. (www.sta.si)

- June 3rd, Prime Minister Janez Jansa responded to the turning down of his Government's offer of a cross-partisan partnership by most opposition parties. “We offered a hand of cooperation. When the SDS was in the opposition it never received such a generous offer from those on power,” he wrote. All opposition parties bar the Slovenian National Party (Slovenska Nacionalna Stranka - SNS) had turned down the proposal for a partnership agreement whose goal would be to involve the opposition in the drafting of legislation prior to its adoption by the Government in exchange for support when the time comes to vote. (www.sta.si)

COUNTRY ASSESSMENT :

Opposition rejected the Prime Minister, Janez Jansa's proposal for an agreement for consensus on the adoption of certain bills. It was a Jansa's move which shows that he is concerned of his Government fragile majority. Migration is considered as a major threat against the country and in this context 1,000 police officers was sent to the Croatian – Slovenian borders to strengthen security and deter migrants from entering the country. Slovenia – Croatia dispute regarding the Piran Bay is still active but without tension or escalation due to COVID-19 pandemic. 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. In this context, Defense Minister, Matej Tonin announced a 780 million euro in defense sector seeking to strengthen the Armed Forces capabilities.



TURKEY: June 2nd, Turkey's Foreign Ministry reiterated on Tuesday that the country is determined to “*protect the rights of Turkey and Turkish Cypriots in the Eastern Mediterranean.*” In a statement, Ministry Spokesperson Hami Aksoy said the Turkish Petroleum Corporation's recent application for a permit that would allow for additional oil exploration and drilling activities in the East Mediterranean was within the boundaries of Turkey's continental shelf based on the UN definition. Emphasizing that Turkey would “*resolutely continue to exercise its sovereign rights in this area,*” Aksoy added that the country's “*seismic research and drilling*

activities are carried out according to the previously determined program.” Aksoy's remarks came shortly after Greek Foreign Minister Nikos Dendias claimed Turkey was deploying “*illegal*” means in the Eastern Mediterranean. The Turkish Ambassador to Athens Burak Ozugergin said on Monday that Ankara's calls for dialogue with Greece had gone unanswered stressing that Turkey's activities in the Mediterranean Sea fell in line with international law. Ozugergin made the remarks in a meeting at the Greek Foreign Ministry after the Turkish Petroleum Cooperation applied for a license for additional oil exploration in the Mediterranean, according to diplomatic sources. At the meeting, he said that Turkey's position is known and transparent on various issues such as Cyprus, the Eastern Mediterranean including hydrocarbon exploration and extraction, Libya, and the whole region. Turkey has several times sought dialogue with Greece on these issues, but Athens failed to make any response, he added. Turkey has consistently contested the Greek Cypriot administration's unilateral drilling in the Eastern Mediterranean, asserting that the “*Turkish Republic of North Cyprus (TRNC)*”^{*} also has rights to the resources in the area. Since last year, Ankara has sent drilling vessels to the Eastern Mediterranean, asserting the right of Turkey and the “*TRNC*” to the resources of the region. Athens and Greek Cypriots have opposed the move, threatening to arrest the ships' crews and enlisting EU leaders to join their criticism. (www.dailysabah.com)

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

- June 3rd, Turkey and Azerbaijan have agreed on mutual visa exemption for all citizens holding a

passport valid for six months, according to Turkey's official gazette on Wednesday. The agreement, which was signed on February 25th, 2020 in the Azerbaijani capital, aims to *"strengthen the friendly relations and cooperation between the two countries, aiming to facilitate travels of citizens of both countries."* With the agreement, citizens of Turkey and Azerbaijan *"holding a valid passport shall be exempted from visa requirements for 90 days in order to enter, transit, exit and stay temporarily in the territory"* of each country. (www.dailysabah.com)

- June 6th, Turkey's Foreign Ministry rejected on Saturday allegations Egypt leveled against Ankara regarding Libya. *"We reject the unfounded accusations of Egyptian Foreign Minister Sameh Shoukry against Turkey within the context of Libya in the meeting of the Foreign Ministers of the Global Coalition to Defeat DAESH/ISIS Small Group on June 4th, 2020,"* Ministry Spokesman Hami Aksoy said. *"In fact, Turkish Deputy Foreign Minister Ambassador Sedat Onal gave the necessary response to the Egyptian Foreign Minister during the meeting,"* he added. Aksoy said putschist General Khalifa Haftar and his allies including the Egyptian administration are the real obstacles to peace in Libya, with their attempts to overthrow the legitimate Government and establishing an authoritarian regime. *"It is not surprising that those who have taken over their administration by a coup support a putschist. Egypt's yearslong military support to Haftar constitutes a clear violation of the relevant UN Security Council resolutions,"* Aksoy added. Turkey, on the other hand, is the only country which has neutralized thousands of DAESH terrorists in Syria, he said. He concluded that Turkey will continue backing the legitimate

Government in Libya and pursue relevant UN resolutions. Haftar has been waging a campaign for over a year to try to capture the capital, Tripoli. The military tide has been reversed in recent weeks with his forces losing several strategic spots in western Libya. Haftar's offensive left more than 1,000 people dead. The Government launched Operation *"Peace Storm"* in March to counter attacks on the capital Tripoli and recently regained strategic locations, including the al-Watiya airbase and Tarhuna, which is viewed as a significant blow to Haftar's forces. Haftar forces are supported by Egypt, France, Russia, Jordan, the United Arab Emirates and other key Arab countries. Along with Turkey, the UN-recognized Government in Tripoli is backed by Italy and Qatar. Libya has been in turmoil since 2011 when a civil war toppled Moammar Gadhafi, who was killed later. The country has split between rival administrations in the east and the west, each backed by armed groups and foreign Governments. (www.dailysabah.com)

COUNTRY ASSESSMENT ■ :

It seems that Turkey has stabilized the Syrian front. However, security situation in the region is fragile while Russia is the absolute dominant cooperating closely with the Syrian Government. In Libya, Turkey enjoys the UN-recognized Government of Fayeze al-Sarraj success in the military battlefield which gave some victories of strategic importance. Turkey has invested its strategic interests through its alliance with Sarraj and supports him by military assets. Libya has become a field of rivalry between several foreign countries which seek to promote their interests. Turkey, Qatar and Italy on the one hand support Sarraj while on the other Egypt, Russia, UAE,


Saudi Arabia, and France support General Khalifa Haftar's forces. A potential victory of Sarraj secures Turkish interests and strong presence of Turkey in Eastern Mediterranean. Turkey maintains its claims in the Aegean Sea and Cypriot Exclusive Economic Zone violating constantly their sovereign rights. In the east Mediterranean front, Turkey will not accept "fait accompli" in the region and is expected to react violently if balance of power is jeopardized. The country continues to face several restrictions in freedom of expression and human rights. Elected MPs, Mayors, journalists and thousands of citizens are in custody or convicted by the state Courts. Local and international observers claim the country moves towards an authoritarian regime with thousands of citizens being persecuted. Turkey develops an ambitious armament project aiming at becoming self-sufficient in defense sector; if it succeeds it will set the base to become a regional military super power. Without any question, Turkey has the characteristics of a regional superpower and it tries to act like one.


www.hermesresearch.eu


email: info@hermesresearch.eu


Editor in Chief: Ioannis Karampelas


NOTE

 *Stable situation. No security risk.*

 *Rather stable situation. Security risk is monitored.*

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

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

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