



**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: July 28th, the EU Delegation has suggested the Albanian Government reconsider the adoption of their draft law on fiscal amnesty or address several issues if they decide to move ahead with it. According to the EU Delegation the law could be used for money laundering. The Government has drafted a fiscal amnesty law which will allow the declaration and deposit of assets legally in banks, without fiscal obligations and without criminal liability. The Government's initiative was also criticized by the IMF. (www.exit.al)

- July 30th, the Albanian Parliament approved constitutional changes that stipulate partially open candidate lists and change the rules for pre-electoral coalitions. 116 MPs participated in the vote, with 106 voting for approving the changes. 10 MPs voted against and 6 were not present for the vote. Constitutional changes were proposed by the 28 MPs of the parliamentary opposition and were supported by the Socialist Party of Albania (Partia Socialiste e Shqipërisë – PS). The proposed constitutional changes relate the partial opening of MP candidate lists for voters to choose their preferred candidates, and rank them in the list presented by the party. In the current system, voters can only vote for a fixed party list with MP candidates ranked by party leadership. They will also change the Electoral Code in order to ban pre-electoral coalitions in their current form. Currently, coalition parties are allowed to run with separate MP candidate lists. They can transfer extra votes to other coalition allies when their candidate list is exhausted. With the approved changes, pre-electoral coalitions will only be allowed if coalition allies run with a single MP candidate list. Constitutional changes were op-

posed by the extra-parliamentary opposition. The Democratic Party of Albania (Partia Demokratike e Shqipërisë – PD) and Socialist Movement for Integration (Lëvizja Socialiste për Integrim - LSI) proposed fully opening candidate lists, but were against changing the rules for coalitions, electoral thresholds and electoral districts. The extra-parliamentary opposition claims that changing the allowed pre-electoral coalitions to single candidate lists favors the ruling Socialist Party. On Wednesday, PS left the Electoral Reform Political Council meeting without managing to achieve an agreement with the opposition's largest parties. PD and LSI have continuously warned PS that unilaterally approving the constitutional changes and changing the “*rules of the game*” mere months before the elections would constitute a violation of the electoral reform agreement reached on June 5th, and would dismantle the possibility of uncontested elections and a new, uncontested Government. (www.exit.al.com)

- July 30th, Ana Pisonero, Spokeswoman for the European Commissioner of Enlargement, Neighborhood and International Partnership, reacted to the adoption of the Constitutional Amendments in Albania, saying that she regretted that there was no consensus, but adding that it is important that the changes in the Electoral Code on opening the lists and pre-election coalitions, be discussed in the Political Council in a comprehensive manner. Among other things, Pisonero writes that with the approval of the June 5th, 2020 pact, the condition for the opening of EU negotiations with Albania is met. “*While we accept the approval by the Parliament of Albania of some changes in the Constitution regarding the electoral system, it is unfortunate that there was no more time to find a compromise with all parties in the Political Council,*”

Pisonero. “The amendments to the electoral code adopted by Parliament on July 23rd to implement the June 5th agreement, based on OSCE/ODIHR recommendations, have met the condition set by the Council for the opening of accession negotiations,” she added. “Now it is essential that changes to the electoral code in implementing the constitutional changes, in particular the open lists and pre-election coalitions, be properly discussed with all political actors in the Political Council in a cooperative and comprehensive manner before voting,” Pisonero wrote. (www.top-channel.tv)

COUNTRY ASSESSMENT :

Ruling Socialists proceed with electoral and constitutional reforms amid political crisis. Parliamentary opposition proposed the constitutional changes and ruling PS approved them in the Parliament. However, the so-called “extra opposition” which consists of the main opposition parties (PD, LSI etc) and have withdrawn from the Parliament, does not agree with the changes speaking for unilateral decisions of PS. Current situation is a clear sign of political abnormality and deep constitutional and institutional crisis. Nevertheless, the EU expressed its satisfaction for the ongoing reforms highlighting that with the constitutional reform Albania fulfills one basic condition for starting the first intergovernmental conference between EU and Tirana. 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. Judicial independence and media freedom are seriously questioned in Albania since it is assessed that both have been tooled by the Government. The draft law on fiscal amnesty has raised concerns of the

EU for potential use of the law for money laundering.



BOSNIA & HERZEGOVINA:

July 29th, about 7,000 illegal migrants are currently staying in Bosnia and Herzegovina, waiting for a chance to continue their journey towards the EU, the Head of the Sarajevo office of the International Organization for Migration, Peter van der Auweraert, said on Wednesday, noting a growing number of Bangladeshi nationals among them. Van der Auweraert was quoted by Dnevni Avaz newspaper as saying that movements of illegal migrants have intensified after restrictions imposed to contain the coronavirus epidemic have been lifted. He said that migrants currently staying in Serbia are trying to reach the EU not just by using the route through Bosnia and Herzegovina but also those passing through Croatia, Hungary, and Romania. Those who manage to enter Bosnia and Herzegovina do not stay too long and they immediately try to continue their journey to Croatia, mostly using the route going through Una-Sana Canton. Of the estimated 7,000 illegal migrants currently staying in Bosnia and Herzegovina, 5,200 are accommodated in the reception centers in the Bihac area of northwestern Bosnia and in Sarajevo. Another 1,500 are staying out in the open or in makeshift accommodation in the Bihac area, and several hundred in Tuzla. The IOM official said that no cases of infection with the novel COVID-19 coronavirus have been confirmed among illegal migrants to date. (www.ba.n1info.com)

- July 29th, the Bosnian Serb entity Parliament vetoed a memorandum aimed at improving the security cooperation agreement between the US and Bosnia, on Wednesday, calling it harmful to

vital interests of Republika Srpska (RS), as the semi-autonomous entity is called. Milorad Dodik, the Serb member of Bosnia's tripartite Presidency and the Bosnian Serb leader, said the agreement which was passed by his Croat and Bosnian counterparts on July 22nd, was “*very harmful*” to the Serb-dominated entity’s vital interests, calling on RS MPs to support his decision and reject it with a two-thirds majority vote. Apart from this agreement, the RS National Assembly, as the entity Parliament is called, also rejected the Agreement on Bosnia’s participation in the International Student Assessment Program (PISA) 2021 and the Decision on Bosnia’s accession to the International Reading Literacy Development Survey (PIRLS) 2021. Security memorandum in question deals with further enhancement of cooperation between Bosnia’s Security Ministry and the US Department of Homeland Security in the use of travel information. Memorandum is especially important as it strengthens Bosnia’s cooperation with the US in the field of organized crime and counter-terrorism. Dodik believes that the exchange of travel information is contrary to RS interests and Bosnia’s Constitution. “*This Memorandum excludes any possibility of engaging the RS Police and any other RS agency on these matters and that is the main reason why I thought this Memorandum should not receive our support,*” Dodik said addressing the emergency session. RS Interior Minister Dragan Lukac said that his Ministry supports all initiatives contributing to the fight against terrorism and organized crime, but that “*Memorandum approved by the Presidency [...] neither protects the basic human rights of Bosnian citizens nor does it respect the constitutional structure in Bosnia.*” Thus the RS entity Parliament rejected three decisions adopted by the collective Head of state aimed at improving the

educational system in the country and the security cooperation between the US and Bosnia and Herzegovina. (www.ba.n1info.com)

- July 31st, Deputy Minister of Defense in the Council of Ministers of Bosnia and Herzegovina Mirko Okolic said that 600 soldiers were being recruited in the Armed Forces of Bosnia and Herzegovina and that, on average, more than 10 Serbs were registered for one position, while Croats were below 1%, which means that there are not enough of them registered. Okolic stated that competition is over, part of the checks have been done and now it should be seen how the training and inclusion in the units will be organized, and pointed out that everything depends on the epidemiological situation. “*When it comes to Serbs, on average, more than 10 applied for one position, Bosniaks have a little more than five in the fight for one place, and Croats are below 1%, which means that there are not enough of them registered,*” Okolic told Glas Srpske. He emphasized that this is confirmed by earlier data that, since Croatia joined the EU, more and more Croatian soldiers are giving up military service. “*We will see if now, maybe only for them, the competition will be announced again because they will not be able to fulfill the planned quota. If it is the same in that competition, we must face the fact that there are not enough people interested in the Armed Forces of Bosnia and Herzegovina,*” he said. Okolic confirmed that a certain number of vehicles arrived at the Armed Forces, which somewhat improved condition of the vehicle fleet and everything is ready for the long-announced tender for new military equipment. (www.sarajevotimes.com)

COUNTRY ASSESSMENT :

Bosnian Serbs rejected an agreement between Bosnia and the US on security cooperation confirming that the state's decision-making process is a slow, non-flexible procedure blocking significant issues for the country. Each entity seeks to serve its own interests ignoring the state's interests. Of course this institutional malfunction affects stability and growth of the country having left Bosnia far behind other Western Balkan countries towards the EU. It is not a secret that Bosnia faces several political and institutional deadlocks which slow down its economic performances, encourage entities' rivalries and nationalistic rhetoric, and put the country on permanent political instability. Without the pressure of international community (namely the EU and US) and its close presence in Bosnia through the OHR administration Bosnia could have been dissolved (violently or not). In this context, Bosnia has become a vital field of rivalry between Russia and the West since it is not a full member of the EU and NATO yet. Illegal migration continues to raise security and social concerns for Bosnia. Muslim countries such as Turkey, Saudi Arabia, Qatar, and Iran maintain a permanent presence through financial donations and investments



BULGARIA: July 30th, Bulgaria's Constitutional Court said that it has ruled on the questions asked by the Prosecutor-General to clarify the limits of presidential immunity. In its ruling, the Court said that the immunity from prosecution granted to the President and Vice-President did not prevent Prosecutors from opening investigations, but the office-holders could not be the target of any activity that may lead to them being charged or infringing on their personal rights and freedoms. This would preclude direct investiga-

tion of the President and Vice-President – and invalidate many of the tools used by law enforcement, including warrants, questioning or wire-taps – but the Court's ruling appeared to allow other actions such as investigation of alleged accomplices or questioning other witnesses. Presidential immunity also extended to existing investigations, with the Court saying that in such cases Prosecutors could not undertake any procedural actions targeted at the President or Vice-President or actions that would infringe on their personal rights and freedoms. The Court also reiterated that while office-holders were not immune from punishment for “state treason” or other breaches of the Constitution, such charges could only be levied by Parliament (through impeachment proceedings) and adjudicated by the Constitutional Court. The Prosecutor's office tabled its questions to the Court in January, after it closed an investigation despite concluding that there was “a high degree of probability that the criminal activity under investigation was abetted by a person in high office, the President of Bulgaria, while the possible criminal activity was not linked directly to exercising the duties of his office.” (www.sofiaglobe.com)

- July 31st, the intersection at Eagle Bridge (Orlov Most) in Bulgaria's capital city Sofia continued for a second morning to be blocked by anti-government protesters who have set up tents, Bulgarian National Radio reported on July 31st. Police were diverting traffic from the section of the road between Vassil Levski Boulevard and Eagle Bridge, BNR said. Attempts by officials from Sofia municipality to persuade the protesters to allow public transport through produced no result. Protesters are allowing ambulances to go through the Eagle Bridge intersection. Also ob-

structed by protesters was traffic in front of the Presidency building in Dondukov Boulevard. Protesters, who are seeking resignations of Prime Minister Boiko Borissov's Government and Prosecutor-General Ivan Geshev, say that they will remain in place until these resignations are handed in. Borissov has said that his Government will not resign and Geshev also is refusing to step down. On social networks, anti-government protesters in Stara Zagora were planning to block Trakiya Motorway at 6.30pm on July 31st, local media said. The motorway, linking Sofia to the Black Sea city of Bourgas, is expected to see heavy traffic as people make their way to the southern Bulgarian coast amid the summer heat. (www.sofiaglobe.com)

- August 1st, Washington may send troops to Bulgaria and Romania as part of the redistribution of US forces in Europe. This was reported by the Wall Street Journal, citing sources familiar with the Pentagon's plans. According to the information, redistribution of Stryker brigades in Bulgaria and Romania is possible as a result of President Trump's decision to withdraw 12,000 troops from Germany, half of which will be sent elsewhere in Europe, including the Black Sea region. The process would take years and cost at least 6 billion dollars. The Stryker Brigades are combat teams of thousands of soldiers and hundreds of vehicles, ready to be transferred by transport aircraft and deployed within 96 hours. (www.novinite.com)

COUNTRY ASSESSMENT :

Although citizens' protests have lost momentum, people continue demonstrations across the country demanding resignation of the Government and Prosecutor-General Ivan Geshev due to corrup-

tion. The Government has achieved to stabilize situation avoiding further deterioration of security and social conditions in the country. After gaining the Parliament's confidence, the Government is more stable and confident to handle social turmoil. It is assessed that protests are motivated and coordinated by the opposition while the state's President, Rumen Radev (backed by the main opposition party, BSP) has a central role in pushing for the Government's topple. Redistribution of the US military forces in Europe may attribute central role to Bulgaria (and Romania) due to its strategic position in the Black Sea. Such a scenario could affect the whole strategic orientation of the country affecting its political, energy, economic and security planning. 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: July 29th, Croatia's first stint presiding over the Council of the European Union lasted from January 1st until June 30th when it handed the position off to Germany. Foreign and European Affairs Minister Gordan Grlic Radman presented a report on Croatia's recent EU presidency to MPs today, calling it a resounding success. One of the key focuses of Croatia's presidency, Grlic Radman said, was on putting the issue of continued EU enlargement back on the agenda. *"In spite of the challenges the Union is facing, we succeeded in bringing the issue of continued enlargement back into focus, and reaffirmed a credible and effective enlargement policy,"* Grlic Radman said. Opposition MPs howev-

er, were somewhat less enthusiastic. The Social Democratic Party of Croatia's (Socijaldemokratska Partija Hrvatske – SDP) Rajko Ostojic called it catastrophic, while Bridge of Independent Lists (Most Nezavisnih Lista – MOST) MP Nikola Grmoja questioned why Croatia had not used its presidency to pressure Serbia into meeting its obligations towards Croatia. *“It is interesting that Croatia's priority is Serbia's speedy accession to the EU, when its priority should be about meeting obligations,”* Grmoja said. (www.glashrvatske.hrt.hr)

- July 30th, in Parliament on Thursday MPs debated whether or not to confirm three contracts for loans from international financial institutions that would be used to stimulate the economy during the corona-crisis and in the wake of the earthquake that hit Zagreb on March 22nd, 2020. Presenting the loan package to MPs Finance Minister Zdravko Maric said that the total value of the loans is 660 million Euros. MPs are expected to vote on the package on Friday. Along with stimulating economic recovery amid the corona-crisis and in the wake of the 5.5 magnitude earthquake that hit Zagreb, the funds will also be used to strengthen the public health system. Bridge of Independent Lists (Most Nezavisnih Lista – MOST) MP Miro Bulj wanted to know if Government was doing anything to ease pressure on citizens with loans, given the detrimental affect the corona-crisis and earthquake have had on jobs. Maric responded that efforts are underway to do just that. Maric also informed MPs as to how the coronavirus has affected the revenues side of the budget *“This year has been so hard, that it will be difficult to make it better. However, we have to transparently present all of the data. As far as the total revenues side of the budget is*

concerned, it is down by 14 to 15% since the beginning of the year. Having said that over the past couple of weeks and months situation is slightly better.” (www.glashrvatske.hrt.hr)

- July 31st, Croatia is set to receive slightly more than 22 billion Euros in combined funds from the EU's Multiannual Financial Framework and the *“Next Generation EU”* coronavirus recovery fund. In an interview for Croatian Television today, Finance Minister Zdravko Maric commented on how the corona-crisis is affecting the revenues side of the budget. *“When we adopted the budget revision, when we had a better understanding of the circumstances surrounding COVID-19 and its effect on the economy, we projected a budgetary deficit of some 25 billion Kuna, and our needs for financing grew from roughly 30.5 billion Kuna, to 64 billion Kuna. Under these circumstances, we can happily say that we have effectively met all of our financing needs for 2020.”* Maric also commented on the EU's 750 billion Euro *“Next Generation”* recovery fund, calling it a very big opportunity for Croatia and European as a whole to make a bold step forward. He went on to explain how Croatia plans to put its share of the funds to use. *“I see this program and all of its elements as an opportunity for the Croatian economy and subsequently society as a whole, to achieve a quality transition and take strong step forward. Our fundamental idea is to create conditions on the national level for the quality implementation of a few strong national and recognizable projects. And let's not forget a balanced rural development, which is one of our guiding principles. But, there is also the private business segment, where we want to maximize our use of the funds, so that these grants or loans, make their way to the forces driving our economy and investment,”*

the Minister concluded. (www.glashrvatske.hrt.hr)

COUNTRY ASSESSMENT :

Croatia enjoys political stability with a strong Government. The Prime Minister and his cabinet focus on economy working on its recovery from the COVID-19 effects. The recent EU decision on allocating 750 billion Euros in member states for supporting their economies is a huge assistance for the Croatian economy which has strongly affected by the pandemic. Croatia – Slovenia border dispute remains active, but COVID-19 pandemic 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: July 28th, Cyprus is considering purchasing further weapons from France, Defense Minister Charalambos Petrides said on Tuesday. Responding to a question from media, Petrides said “*Yes, various weapons and other systems are being assessed.*” He said the potential purchase from France came under the broader policy of enhancing Cypriot - French bilateral cooperation announced by President Nicos Anastasiades during his recent state visit to Paris. Petrides, accompanying the President on that visit, had a one-on-one meeting with his French

counterpart Florence Parly. The two discussed developments in the eastern Mediterranean – particularly Turkey’s aggressive posture – and later told media that Cyprus and France intend to deepen their defense cooperation. Meanwhile also on Tuesday Turkish authorities issued a new marine advisory, or Navtex, reserving for seismic surveys a sea area in Cyprus’ Exclusive Economic Zone. The Navtex runs from Tuesday to September 20th, 2020. The surveys, to be carried out by the “*Barbaros Hayrettin Pasa*” vessel, are east of Famagusta. The reserved area covers large swathes of Cyprus’ offshore blocks 2 and 3, and a small part of block 13. (www.cyprus-mail.com)

- July 30th, Turkey’s navigational telex (Navtex) for exploration east of Cyprus is a negative development, EU Commission and EU External Action Service Spokesman Peter Stano said on Thursday, as Ankara’s research vessel “*Barbaros*” began explorations in Cyprus’ EEZ. Stano said de-escalation in the region was necessary to find a solution that would benefit the Greek Cypriot and Turkish Cypriot community. According to CNA, the Navtex issued by Turkey for an area southeast of Cape Greco includes parts of blocks 2, 3 and 13 of Cyprus’ EEZ. The *Barbaros* is accompanied by a Turkish warship and a second support ship, the agency said. Stano said at the July EU Foreign Ministers Council meeting they decided the EU foreign policy Chief Josep Borrell would examine ways they could contribute to the reduction of tensions. “*Last week, the High Representative had a phone conversation with Turkish Foreign Minister Cavusoglu, where they agreed on the need to reduce tensions,*” he said. Commenting on the situation in Cyprus’ EEZ, Greek Government Spokesman Stelios Petsas said “*It is unacceptable. It is a clear extension of its illegal activities.*”

He added Greece would continue to support Cyprus in the country's attempts to solve the Cyprus issue and in its attempts to deal with the Turkish violations, following a phone call between President Nicos Anastasiades and Greek Prime Minister Kyriakos Mitsotakis. Athens' Foreign Minister Nikos Dendias described the presence of the "Barbaros" as a "blatant violation" of an EU member-state's sovereign rights. Speaking to ANT1 television, Dendias, also said that he had spoken with Foreign Minister, Nicos Christodoulides, and clarified that Greece would support the Republic of Cyprus at any level it wishes. Earlier, the US State Department urged Turkey yet again to immediately terminate its operations within the EEZ of the Republic of Cyprus. Prior to news that the Turkish vessel had entered Cyprus' EEZ, a State Department Spokesperson described the Turkish action as provocative, noting that it escalates tensions in the region. It said the US was concerned about Turkey's intentions in exploring for hydrocarbons within Cyprus' sea area, noting that these provocative actions increase tension. "*We urge the Turkish authorities to terminate these operations,*" the Spokesperson said. (www.cyprus-mail.com)

- July 31st, Serdar Denktash has announced he will be running as candidate in the elections in October for a new Turkish Cypriot leader. Denktash, former Head of the Democratic Party (Demokrat Parti - DP) in the north, will run as an independent. Though he had initially announced he would not be running, having in mind his late father, Rauf Denktash's weighty legacy as Turkish Cypriot leader, Denktash said he changed his mind after seeing some actors on the political scene who did not have a goal, who do not seem to be able to win over society, and who

"in order to protect the status quo give no hope to people." These actors, he said, continue to act based on party interests. He also said that he had initially decided not to run, thinking that there were candidates who had the ability to discuss various Cyprus solution models, including the federal one and he did not want his own candidacy, which would mean "*candidates with broad visions*" having to share votes between them, to indirectly support those who insist on the federal solution, which has been leading to a dead end for years. Denktash said while the Greek Cypriot side was the one blocking a solution, he could not promise a bizonal, bicomunal federation, which is the solution model the two sides have agreed to negotiate for the settlement of the Cyprus problem. He said he would not restrict Turkish Cypriots' will to a federal model and pledged to reach the position the community deserved in the international arena without giving false hopes, and to protect their interests on the island and the region. Denktash said the effort should be in cooperation with Turkey and without relying on a negotiation process that will only be driven by the UN or the EU's prodding, to reach a solution model that would protect Turkish Cypriots' political equality. The elections in the north have been scheduled for October 11th, 2020. Current Turkish Cypriot leader Mustafa Akinci, "*prime minister*" and head of ruling National Unity Party (Ulusal Birlik Partisi - UBP) Ersin Tatar, 'deputy prime minister' and former head of the People's Party (Halkın Partisi - HP) Kudret Ozersay, head of main opposition Republican Turkish Party (Cumhuriyetçi Türk Partisi - CTP) Tufan Erhurman and leader of Rebirth Party (Yeniden Doğuş Partisi - YDP) Erhan Arikli are also candidates. (www.cyprus-mail.com)

COUNTRY ASSESSMENT :

Cyprus – Turkey tension has entered in a new phase following a new NAVTEX (from July 28th to September 20th, 2020) issued by the latter which includes parts of Cypriot EEZ. It has become a routine for Turkey to violate Cypriot sovereign rights whenever it wishes. The NAVTEX issued after de-escalation of tension between Greece and Turkey in the Aegean Sea and announcements for talks between the two sides. However, de-escalation between Greece and Turkey does not include simultaneous de-escalation between Cyprus and Turkey and it is assessed that the latter seeks to make clear this fact by the new NAVTEX. Cyprus lacks aeronautical assets to deter Turkey from its illegal activities. It seeks to balance its military weakness through “external counterbalance” through alliances and strategic cooperation with other countries. Strengthening of bilateral relations with France is of strategic importance since the latter has vital interests in Eastern Mediterranean and confronts Turkey in several fronts. France could become a valuable supporter of Cypriot interests both in diplomatic and military fields. One should take for grant that Greece will provide full diplomatic and military support in Cyprus if necessary. 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.



GREECE: July 28th, Greek Foreign Minister on Tuesday said he welcomed a decision by Ankara to suspend research for oil and gas exploration in the Eastern Mediterranean in a move that will help de-escalate tensions between Greece and Turkey. “*The statement of the presidential Spokesman is a positive development for us. The Greek Government has always said, and continues to say, that the necessary condition for dialogue is the de-escalation on the part of Turkey,*” he said after his meeting with Spanish counterpart Arancha Gonzalez Laya in Athens. “*We believe that this is in the interest of both Turkey and Turkish society,*” he added. (www.ekathimerini.com)

- July 29th, Turkey’s intention to abstain from exploration in areas of the Greek continental shelf until the framework of an across-the-board dialogue with Greece is set has been greeted with caution by Athens, which has emphasized that the only issues up for discussion are the continental shelf and sea zones. What is more, Greece has insisted that it is unthinkable to start discussions under Turkish threats. “*Greece is always open to dialogue under certain conditions. Conditions are that there are no provocations because you cannot be led to a discussion with a gun to your head,*” Greek Foreign Minister Nikos Dendias said to Wednesday, emphasizing that Greece will not be blackmailed. He noted that “*there is currently no agreed process for starting a dialogue,*” while adding that there are some discussions, but nothing more. In the same vein, Minister of State Giorgos Gerapetritis pointed out that Greece does not accept ultimatums. Greece, he said, is in favor of dialogue about known issues – maritime zones and the continental shelf – adding that “*a dia-*

logue can be constructive only if the incoming parties have refrained from any aggressive actions.” Athens, he said, is in favor of dialogue on the basis of the rules of international law with Turkey on the unresolved issues between the two countries, but only with regard to the question of maritime zones. However, Gerapetritis said, this does not necessarily mean that dialogue between Athens and Ankara is not possible. “Communication is always preferable to being faced with a fait accomplis that may create unnecessary tension, or a mistake that causes an incident that we are then unable to control,” he said. (www.ekathimerini.com)

- July 30th, Greece’s National Extroversion Strategy, the prospects for American investments in the Elefsina Shipyard and in the ports of Alexandroupolis and Kavala were among the issues discussed during a virtual meeting of the US - Greece Strategic Dialogue Working Group on trade and investment on Thursday. Participants also focused on the implementation of joint projects in the fields of trade and Investment, as well as the ongoing cooperation in energy, tourism, research and innovation, scientific diplomacy, 5G networks, AI, cyber security, cloud technologies, the use of technological applications to address Covid-19, as well as the development of initiatives to strengthen the position of women in the work environment. The event was hailed, among other officials, by Deputy Foreign Minister responsible for economic diplomacy and extroversion, Kostas Fragogiannis and US Ambassador Geoffrey Pyatt. (www.ekathimerini.com)

COUNTRY ASSESSMENT :

Tension between Greece and Turkey was de-escalated after a tense week followed by the de-

ployment of Greek and Turkish Navy fleets in Southeastern Aegean Sea and Eastern Mediterranean in an extremely dangerous escalation of situation following a Turkish NAVTEX for oil and gas research within Greek continental shelf near the island of Kastelorizo. Finally, Turkey did not send the research vessel ORUC REIS in the Greek waters and withdrew gradually its Navy units. In a step further, Turkey announced its intention to cancel its plans for hydrocarbon researches in the Aegean Sea showing its good will for dialogue with Greece. However, Greece did not withdraw its Navy units from the Aegean Sea remaining on high alert due to Turkish provocative actions. In the same time, Turkey issued a new NAVTEX within the Cypriot waters and has sent the “BARBAROS HAYREDDIN PASA” research vessel in the region maintaining tension in Eastern Mediterranean Sea. It is undoubtedly a success of Greek diplomacy and Armed Forces that Turkey forced to cancel its plans. Greece by deploying rapidly its aeronautical forces in the Aegean has sent a clear message that it will not accept any violation of its sovereign rights. It seems that Turkey did not expect such a reaction from Greece. The EU, NATO and the US push both countries to start dialogue for resolving open issues. Greece states that it is ready for dialogue but only for continental shelf and maritime zones; a permanent Greek position. Secondly, Greece highlights that it will not sit on the dialogue table under conditions of pressure or blackmail by the Turkish side. It is assessed that dialogue between the two countries is not an easy issue starting from the agenda. In other words it is not very likely to see Greece and Turkey on the same table in the near future. Greece and Egypt are very close to sign an agreement on delimitation of EEZ; an agreement which will secure Greek interests in Eastern Med-

iterranean (especially after the Turkish – Libyan agreement on maritime zones), but it will raise tension with Turkey (again). Under current situation in Eastern Mediterranean and Aegean Sea, Greece is forced to strengthen and modernize its Armed Forces operational capability.



KOSOVO: July 28th, Kosovo Prime Minister Avdullah Hoti said on Tuesday that Pristina will continue applying for membership in international organizations in coordination with its partners. Speaking during a visit to the Kosovo Security Forces Hospital, Hoti said that Pristina and its partners agree that they have to act together in the process of applying for membership. The Prime Minister said that his cabinet is also looking into measures to combat the coronavirus pandemic. Hoti said he was visiting the hospital to see its capacities if they need to be used during the pandemic. (www.rs.n1info.com)

- July 28th, EU Spokeswoman Nabila Masrali told Pristina daily Gazeta Express on Tuesday that Belgrade and Pristina will not sign separate or partial agreements but will sign a comprehensive agreement after discussing all issues. “Kosovo and Serbia will sign a comprehensive agreement to normalize relations after all issues are discussed and agreement is reached on everything. The road to the EU for both sides is through the EU mediated dialogue,” she is quoted as saying. The Pristina daily said that the EU will work with the two sides to achieve a comprehensive normalization of relations and resolve all unresolved issues. “The EU and its member states expect the sides to implement all agreements reached in the past. Unresolved issues from previous agreements will be resolved in parallel in the negotiations for

a comprehensive agreement,” Gazeta Express reported. (www.rs.n1info.com)

- July 31st, Pristina’s coordinator for dialogue with Belgrade Skender Hiseni said on Friday that he would be going to Washington over the weekend to discuss dialogue with US officials. Hiseni told Radio Free Europe that Washington is fully engaged in the dialogue process and added that its role will be increasingly evident. “*I am going to Washington where I will have meetings with high-level State Department and White House officials in the next two-three days to exchange views on the process and coordinate future activities on dialogue,*” he said. According to Hiseni, the US involvement in dialogue is “*strong, active and irreplaceable.*” (www.rs.n1info.com)

COUNTRY ASSESSMENT :

Kosovo seeks through dialogue process with Serbia to achieve recognition as an independent and sovereign state. However, process is slow and all actors should be very careful with their moves since talks could fail at any time. Pristina seeks to get a comprehensive agreement including all political issues. On the other hand, Serbian strategy seeks to resolve technical issues but recognition of Kosovo is not included. It should be noted that dialogue is separated in two parts; talks facilitated by the US in Washington for normalization of economic relations and talks facilitated by the EU in Brussels for technical and political issues. By definition, talks in Brussels are more difficult and complicated. In this regard, Pristina – Belgrade talks are of strategic importance for Kosovo and the question is “what is ready to sacrifice” for getting recognition from Serbia. Fight against corruption, organized crime, money laundering, smuggling, 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: July 28th, Prime Minister Ion Chicu has had a meeting with the experts' team of the International Monetary Fund (IMF), led by Ruben Atoyan. At an online meeting, the officials gave final touches to the last details on the new financial program for Moldova. Following two weeks of constructive dialogue and negotiations, the sides reached a joint agreement on the actions provided for in the program, the Government's communications and protocol department has reported. The value of the new Moldova - IMF cooperation program amounts to 558 million dollars and will be implemented for a three-year period (2020 - 2023). The financial assistance will be used for the re-launch of Moldova's economy and overcoming the consequences of the COVID-19 pandemic, as well as for implementing institutional reforms. Representatives of the financial institution informed that, immediately after the signing of the IMF - Moldova agreement, a string of preliminary actions would be implemented for assessing the governance's vulnerability in more sectors; budgetary and fiscal, supervising the financial sector, governance of the National Bank of Moldova (BNM), market regulation, rule of law state, combating money laundering and financing terrorism. The plan on centralized assessment of the governance, by the use of relevant criteria and indicators, will provide a specific and concrete diagnosis of the level of governance and anticorruption in Moldova. Based on the results, the IMF team will formulate reasonable recommendations. Therefore, the policies of improving

governance will contribute to reducing corruption and improving economic results. Chicu thanked the experts' team for the effort and work carried out and reiterated the importance of this ambitious program for Moldova. Memorandum between Moldova and IMF is to be discussed at a meeting of the Board of Directors of the IMF, due in next September. (www.moldpres.md)

- July 30th, President Igor Dodon on July 29th, the Constitution Day, signed a decree on the setting up of the commission for constitutional reform. In a posting on social networks, the Head of state informs that the decision to create such a commission was taken at a meeting with the former Presidents of the Constitutional Court (CCM), Victor Puscas and Dumitru Pulbere. The ex-presidents of CCM found out that "*more difficulties have appeared in the jurisdictional Constitution field,*" Dodon noted. The Moldovan President enumerated, in this respect, the constitutional blockages in the Government - Parliament relations on the period 2014 - 2020, the political party switching, initiatives on cutting the number of MPs, national security problems. Another difficulty touched upon by the head of state deals with opportunities to omit from the Constitution the provisions which see possibility to liquidate the state through a referendum. Dodon said that it was necessary to introduce provisions on the state's balanced foreign policy in the Constitution. At the same time, the powers and the status of the Constitutional Court and the Superior Council of Magistracy should be concretely stipulated. (www.moldpres.md)

- July 30th, the Special Representative of the Albanian OSCE Chairperson-in-Office for the Transnistrian Settlement Process, Ambassador Thomas Mayr-Harting welcomed the meeting in

Condruta between Moldovan President Igor Dodon and Transnistrian leader Vadim Krasnoselsky, expressing hope for further “*constructive, forward-looking dialogue*,” IPN reports. “*It is encouraging that this meeting took place and that the Sides focused on issues of particular relevance for the well-being of people living on both banks of the river, such as freedom of movement, integration of telecommunication networks, improved internal banking connectivity and the establishment of a new trolleybus line between Bender, Varnita and the Severny district*,” the Special Representative stated today in Vienna. “*I hope this encounter will pave the way for further constructive and forward-looking dialogue between the sides and lead to concrete results and mutually acceptable solutions in the coming months*,” Ambassador Mayr-Harting said. “*I am confident that all efforts that improve people’s lives on both banks can count on the full support of the international community, in particular the mediators and observers participating in the 5+2 talks. For their part, the Albanian OSCE Chairmanship as well as the OSCE Mission to Moldova, under the leadership of Claus Neukirch, will also remain fully engaged*,” Mayr-Harting concluded. (www.ipn.md)

COUNTRY ASSESSMENT :

Moldovan Government enjoys relative stability having strengthened its position after a failed non confidence motion filed by the opposition. Political parties are preparing their candidates for the presidential elections, scheduled for November 1st, 2020. The country reached an agreement with the IMF for receiving financial aid of 558 million dollars for the next three years (2020 – 2023). Moldova enters in a new IMF program following

the last one of 2016. Main goals of the program are to support Moldova’s post-pandemic economic recovery and advance institutional reforms. Inadequate and dysfunctional institutions, corrupted state officials and public servants, absence of rule of law, money laundering, organized crime, smuggling, controlled justice and poor economic performances are the main challenges of Moldova affecting good governance and economic growth. Moldova has become a field of the ongoing rivalry for influence between the West (namely the EU and NATO) and Russia. 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. 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.



MONTENEGRO: July 31st, budget revenues for six months amounted to 747.8 million Euros, 76.3 million Euros less than in the same period in 2019, data of the Ministry of Finance shows. Budget expenditures amounted to 954 million Euros, higher than in 2019, leading to 206.6 million Euros of deficit in the budget. This big deficit was a consequence of the coronavirus pandemic and health measures imposed by the Government. From March to June, Government’s minus was 130 million Euros. “*Implementation of measures to protect health of population has caused limited economic activity, leading to sharp fall in the projected payment of budget revenues.*”

On the other side, the need for additional financing of healthcare system and implementation of the package of aid measures required redistribution of expenditures to provide fiscal space for financing the measures in effect,” Ministry of Finance stated. Unlike first five months, revenues and expenditures have been compared with projections from re-balance. The biggest negative derogation was recorded in the payment of VAT in the amount of 4.9 million Euros. *“Compared with the same period last year, budget revenues are 76.3 million Euros lower,”* the Ministry said. Expenditures of the budget amounted to 954.4 million Euros, which is 20.7% of GDP. That is 17.2 million Euros lower than projections. Capital expenditures in the six-month period were 84.5 million Euros, 0.5 million Euros lower than projected. (www.cdm.me)

- July 31st, in order for Montenegrin soldiers to be part of NATO Response Force (NRF), they will be required to go through a six-month training of the Alliance, NATO announced. NRF is units of high preparedness which consist of land, air, maritime and special operation forces that Alliance can deploy quickly, whenever is needed. Part of these forces will be Montenegrin soldiers as well. But before that, they will be required to go through a challenging NATO training. *“We welcome Montenegro’s plan to contribute to NRF,”* NATO said. Rotation of forces through NRF requires allies and partner states to meet strict standards and adopt procedures necessary for defense and expedition operations. *“As a result, NRF is preceded by a six-month program of exercises,”* NATO said. Last week, Parliament of Montenegro approved of the participation of 30 members of the Armed Forces of Montenegro in NRF. Decision will be implemented if the highest

body for political decision-making process decides to deploy NRF forces. Operational command of NRF is rotated among ally joint forces in Brunssum (the Netherlands) and in Naples (Italy). By deploying its soldiers in NRF, Montenegro contributes to collective defense system, development of capabilities and capacities of the alliance and direct improvement of security, prosperity and stability of the state. (www.cdm.me)

- July 31st, Vice-President of Social Democratic Party of Montenegro (Socijaldemokratska Partija Crne Gore – SDP), Rasko Konjevic said in the Klub A TV show that his party would be willing to hold talks with Democratic Party of Socialists of Montenegro (Demokratska Partija Socijalista Crne Gore - DPS) about the possibility for forming coalition after the elections. *“If DPS agrees with our principles in the campaign, we are ready to talk,”* Konjevic said. Parliamentary elections in Montenegro are scheduled for August 30th, 2020. (www.cdm.me)

COUNTRY ASSESSMENT :

With the parliamentary elections ahead, Montenegro’s political parties promote their programs and try to establish cooperation among them. Elections are scheduled for August 30th, 2020. Despite wishes and efforts, opposition failed to appear united in the elections with a single electoral list. There are several warnings that foreign stakeholders namely Serbia and Russia will try to interfere in the Montenegrin elections aiming to promote pro-Serbian/Russian parties. In this context, NATO has deployed several months ago hybrid warfare experts aiming to tackle attacks of such form. In sum, although Montenegro is a NATO member and is very close to the EU accession, there is concern that Russia still works on

establishing influence in the country. The state maintains high levels of corruption, organized crime, smuggling, money laundering, poor public administration transparency and accountability, corrupted politicians, absence of rule of law and problematic justice function. Montenegro – Serbia relations remain tense undermining good neighboring between the two countries and endangering stability of the region.



NORTH MACEDONIA: July 27th, a country that is about to open negotiations with the EU must not allow some of its citizens to be denied the right to elect and to be elected, one of the main human and political rights in the EU, the Alliance for Albanians (Алијанса за Албанците - AA)/Alternative (Alternativa) coalition said Monday at a protest it organized in Skopje under the slogan “*March for Democracy.*” According to the coalition, Democratic Union for Integration (Demokratska Unija za Integracija - DUI) is not the winner in the elections and has no legitimacy to represent the Albanian people in North Macedonia. Addressing the protest in front of the EU Delegation office, the leaders of AA/Alternative, Zijadin Sela, and Afrim Gashi, issued two demands to the EU member countries – DUI’s legitimacy as representative of the Albanians not to be recognized and a process of radical reform of the Electoral Code to be launched. “*DUI is not the winner in the elections, but a robber of the Albanian political will. It may have legality according to the State Election Commission, but it will never have the legitimacy to represent the Albanian people in North Macedonia. If we are a country striving to integrate into the EU, freedom and democracy should be the key words in the integration process. We urge the EU*

countries to condemn the abuse of the right to vote and not to recognize DUI’s legitimacy to represent the Albanians in North Macedonia as well as to support the process of radical reform of the Electoral Code ahead of the next elections,” speakers at the protest said. According to the organizers, the July 15th, 2020 elections were the most undemocratic elections ever held in the country. They accused them of “*manipulation of the will of Albanian voters.*” “*It was brutally evident in the recent elections, which sounded our alarm, because if we do not react today, tomorrow it could be too late,*” they said. According to them, vote buying, racketeering of voters, corruption, voter intimidation and other types of election fraud is the signal that the “*Albanian society in North Macedonia is held hostage by mobsters.*” The fight for democracy will not end, organizers vowed. “*Coalition won seats in Parliament and they will be the voice of Albanians either as part of the majority or in opposition.*” Protesters marched in the streets of Skopje from the Cair municipality, passing in front of the Government and ending the protest outside the EU Delegation office in downtown Skopje. Protesters waved the flags of Albania, the US and the EU and carried banners reading “*Our democracy was hacked,*” “*Thieves in jail, not in Government,*” and “*State Election Crime.*” Police presence was heightened during the protest, which was mainly held in line with the anti-coronavirus protocols of the health authorities. (www.republika.mk)

- July 28th, the Government at a session Tuesday adopted an information on North Macedonia’s participation in the NATO-led international peacekeeping force in Kosovo (KFOR). “*The Government tasked the Defense Ministry with taking measures and regulate all issues with the*

competent institutions of NATO and KFOR to send a platoon and staff, 45 people in total, to the Kosovo Force (KFOR) by late 2020,” the Government said. The Defense Ministry, said the press release, is also tasked with informing the Government about the measures taken involving North Macedonia’s involvement in the NATO-led mission in Kosovo by December 15th, 2020 at the latest. (www.republika.mk)

- July 29th, Democratic Union for Integration’s (Demokratska Unija za Integracija - DUI) Secretary General said that reports of the Albanian language daily newspaper “Koha” that an agreement has been reached to form a Government with Democratic Union of Macedonia (Socijal-demokratski Sojuz na Makedonija – SDSM) are not true. *“DUI is a transparent party. Currently, none of the many reports in the media have been confirmed by us. When we have something concrete, you will be notified in a timely manner,”* DUI’s member Artan Grubi wrote on social media. According to him, DUI has post-election contacts not only with SDSM, but also with other parties and all are, as Grubi said *“collegial, friendly and initial.”* (www.republika.mk)

COUNTRY ASSESSMENT :

Parties’ consultations continue for formation of the new Government. North Macedonia President, Stevo Pendarovski stated that he will give the mandate to the party leader who will secure 61 MPs in the 120 seats Parliament. A “war” has broken out between ethnic Albanian parties for the next day after the elections. DUI which is the big winner of the elections by achieving to get 15 seats is trying to capitalize its success promoting an idea of a united Albanian representation; a concept that the coalition “Alliance for Albani-

ans/Alternative” vehemently rejects. SDSM (46 seats) and DUI (15 seats) are on talks for forming the new Government and they are very close in reaching an agreement achieving a marginal majority. Talks focus on the Albanian request for an Albanian Prime Minister; a demand that is difficult to be agreed by SDSM. However, there are leaks for periodic rotation of the Prime Minister between the coalition parties. Nothing has been officially announced yet. An ethnic Albanian premier would be a historic success of the North Macedonia Albanian community. An historic success well coordinated by Albania and its Prime Minister, Edi Rama who strongly influences ethnic Albanian politics in North Macedonia. Besides, the “all Albanian political platform” which is promoted by DUI is under the Albanian Government and Rama auspices. Announcement of North Macedonia’s Armed Forces participation in NATO-led peacekeeping mission in Kosovo with a platoon is a significant development due to the vicinity of the country with Kosovo. North Macedonia’s decision could affect its relations with Serbia. The new Government 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: July 28th, two Romanian military ships, a Puma Naval helicopter and about 320 sailors participated on July 20th – 26th, 2020 in the “SEA BREEZE - 20” maritime exercise, organized and coordinated by the US Navy and Ukraine naval forces in western Black Sea under the aegis of NATO’s Partnership for Peace has come to an end. According to the Romanian

Chief of Navy Staff (SMFN), attending the 20th edition of the SEA BREEZE exercise, one of the largest organized and coordinated by the US Navy, were soldiers of the “CONTRAAMIRAL EUSTATIU SEBASTIAN” corvette and the “REGINA MARIA” frigate which carried out, together with military partners from Bulgaria, Georgia, Norway, Spain, the US, Turkey and Ukraine, joint sea, air and land training to ensure an adapted military presence on the southeastern flank of NATO in the Black Sea region. Meanwhile, the “REGINA MARIA” frigate continues its missions at sea, within the SNMG-2 Standing NATO Maritime Group Two, of which it is a part according to Romania’s commitments to its partners. (www.nineoclock.ro)

- July 30th, National Liberal Party (Partidul Național Liberal - PNL) has reached an agreement with Save Romania Union (Uniunea Salvați România - USR) - Party of Liberty, Unity and Solidarity (Partidul Libertății, Unității și Solidarității - PLUS) in the homestretch on common candidates for the Bucharest district city halls. On the other hand, another right-wing party, People’s Movement Party (Partidul Mișcarea Populară - PMP), founded by former President Traian Basescu, has been left out, as USR - PLUS did not agree to give up a district city hall to PMP. Negotiations are continuing today. PMP Chairman Eugen Tomac said today that his party has not been invited to the “Alliance for Bucharest” as USR is opposing. Tomac said PMP had not been invited to any negotiation and that the only talk he had was with Nicusor Dan, candidate for the Bucharest General City Hall, whom he is willing to endorse. Tomac warned that PMP also want to have candidates for the Capital districts, otherwise, the right-wing risks winning just only

one sector. Basescu had warned he would run for the Bucharest Mayor if the right-wing parties did not shake hands for common candidatures. In his turn, Nicusor Dan has voiced confidence that the right-wing parties will “*have the wisdom*” to reach a deal on the candidatures for the local elections in Bucharest, as they did in his case. (www.romaniajournal.ro)

- July 31st, the Romanian Senate’s interim President, Robert Cazanciuc, announced that the no-confidence motion against the Government would be submitted “*as soon as the necessary signatures are collected.*” Signatures have almost collected, he added, G4media.ro reported. The interim Head of the Social Democratic Party (Partidul Social Democrat - PSD), Marcel Ciolacu, backed the idea. “*I take responsibility for the motion. The Government must leave. They lost control over the pandemic. They are only interested in looting.*” Ciolacu said, quoted by Mediafax. Commenting about the odds of the motion, Digi24 reported that there is a robust will for a non-confidence motion among Social Democrat MPs. Still, the success of such an initiative is not guaranteed. The Social Democrats need the votes of the ethnic Hungarians - who already stated that they do not support a no-confidence motion that would bring even more uncertainty. (www.romania-insider.com)

COUNTRY ASSESSMENT :

Opposition main party, PSD is willing to file a motion of no-confidence against the PNL Government seeking to topple it. Furthermore, PSD interim leader, Marcel Ciolacu is ready to propose a new Prime Minister and an interim Government until the elections if motion is successful. However, there are little chances for the no-

confidence motion to be successful since opposition does not have the necessary parliamentary votes to topple the Government. Current political instability and uncertainty amid the COVID-19 pandemic and the coming economic crisis (due to the pandemic) strongly affects in state's policy, recovery measures, social policy and reforms. Local elections in Bucharest scheduled for September 27th, 2020 would be a strong stress test for parties before the parliamentary ones. It is very likely parliamentary elections to be held on December 6th, 2020. Romania enjoys advanced upgrade in US and NATO strategic plans due to its geographical position located close to Russia and its access to the Black Sea. Romania keeps strengthening its Armed Forces seeking to achieve NATO standards.



SERBIA: July 27th, the Foreign Minister in Serbia's outgoing Government Ivica Dacic said on Monday if Pristina continued to campaign for joining the international organizations and the world did not react, Belgrade would resume its activities for the withdrawal of the recognition of Kosovo's independence. *"For now, Serbia will wait for the international community reaction to Pristina's statement it will resume efforts to join the world institutions,"* Dacic said, adding that if Pristina started applying for memberships again *"we will continue our activities."* He added the Belgrade – Pristina dialogue on the normalization of relations should continue but that it was marked by a high level of mistrust. The question, according to Dacic, is whether the negotiations have any sense if Pristina *"behaves like this,"* adding Belgrade does not believe the EU will be unbiased. He said he has not meant that about the High Representative of the EU Joseph Borrell and

the bloc's envoy for the dialogue Miroslav Lajcak. They come from Spain and Slovakia respectively, the two out of five EU member states that have not recognized Kosovo as an independent country. *"I have not heard anyone condemning (Kosovo's Prime Minister Avdullah) Hoti's statement,"* about Pristina's announcement it will continue to apply for the international organizations, Daci said. He added that Kosovo could not be a UNESCO, INTERPOL or UN member since it was not recognized by the majority of 197 UN member states. Dacic said he did not know if he would hold the post in a new Government, but recalled that during his mandate, 18 countries suspended or withdrew their decision on recognizing Kosovo's independence. (www.n1info.com)

- July 29th, the Belgrade NIN weekly reported on Wednesday it obtained documents showing that *"Vektura Trans"* company, controlled by Slobodan Tesic, one of the sponsors of the ruling Serbian Progressive Party (Srpska Napredna Stranka - SNS) led by the Head of state Aleksandar Vucic, had exported huge quantities of arms to Armenia which was against Azerbaijan over the Nagorno-Karabakh, a landlocked region in the South Caucasus. The exported arms were produced in Serbia in the factories *"Krusik"* from the western town of Valjevo, *"Prva Petoletka"* and *"Zasatav oruzje"* from the central cities of Trstenik and Kragujevac, NIN wrote. Azerbaijan is one of six countries which Serbia has the signed agreement on strategic partnership with, but that arms export imperiled relations between Belgrade and Baku. Serbia's Trade Minister Rasim Ljajic has said that some arms trade was issued in 2015. The last Azerbaijan – Armenia conflict erupted on July 12th, 2020. On July 14th and 15th,

the weapons from Serbia's factories were sent from the southern city of Nis airport "Konstantin Veliki" to an airfield close to Armenia's capital Yerevan. NIN discovered that additional 16 flights carrying arms to Armenia flew to the airport near Yerevan in 2019. According to the documents NIN had access to, 142,000 mines of different calibers and ten Grad 122 mm rockets made at "Krusik" should be exported. Besides, an agreement was made for a transfer of at least a hundred 120 mm mortars from Trsetnik and three 20 mm anti-aircraft cannons M55A4 from Kragujevac. That arms export was agreed between Tesic's "Vektura Trans" company and the Armenian Defense Ministry in 2018. In May 2018, Vucic said he was honored in Azerbaijan when the Action Plan for the strategic partnership and some bilateral agreements were signed. At the same time that year, Tesic's "Vektura Trans" signed four contracts with "Krusik" for arms exports to Armenia, one before and three after Vucic's visit, NIN wrote. The weekly said a total worth of those agreements was 5,864,364 Euro. (www.n1info.com)

- July 31st, Serbian President Aleksandar Vucic said on Friday that a new Government would be formed by the end of August after the newly elected Parliament meets for the first time in the next few days. Speaking to reporters after a meeting of the Serbian Progressive Party (Srpska Napredna Stranka - SNS) Presidency, Vucic said that the ruling party has to know that people want changes in both Parliament and the Government with more young people who are capable of tackling serious problems. "We also discussed future coalition partners and the views expressed at the presidency and by MPs are different. There are four options and all four won votes. Go with the

Socialists [Ivica Dacic; Socialist Party of Serbia (Socijalistička Partija Srbije – SPS)] and the minorities, go with (Aleksandar Sapic; Serbian Patriotic Alliance (Srpski Patriotski Savez – SPAS) and minorities, go with the SPS, SPAS and minorities and go with the minorities alone. All four options had strong support," Vucic said. The SNS leader said he would launch talks within the party after Parliament is constituted in order to form a Government by August 25th, 2020. He said the Government would be formed two and a half months before the deadline set in the Constitution. (www.rs.n1info.com)

COUNTRY ASSESSMENT :

Opposition protests have lost momentum in Serbia and ruling SNS stabilized a situation which jeopardized peace and order in the country. Opposition accuses President Aleksandar Vucic and the SNS – SPS Government of establishing a "hybrid" regime which imposes autocratic practices, does not respect media freedom and violates human rights. Nevertheless, SNS is the absolute dominant of the Serbian politics and seeks to form a Government including other parliamentary parties in an effort to demonstrate a wider consensus. It is assessed that SPS will join the new Government and a couple of minority parties. Serbian Government has reacted on Kosovo provocative statements that it will continue to apply for joining international organizations; a move considered unacceptable for Serbia. Serbian Foreign Minister, Ivica Dacic said that if this happened, Serbia will start again its campaign against Kosovo recognition by international community. Serbian "red line" on Belgrade – Pristina dialogue is Kosovo recognition. It is assessed that Serbia seeks to forward dialogue on technical

issues but it will try to avoid entering on political issues. On the other hand, Kosovo ultimate goal is its recognition. It seems that Serbia will face hard pressure from the EU to agree on political issues challenging its European future. Of course, Russia has a role in Serbian stance and the country's European perspective. 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: July 31st, the Slovenian state budget recorded a 1.92 billion Euro deficit in the first six months of the year, mostly on the account of a considerable drop in revenue related to a lower tax yield as the Government introduced restrictive anti-epidemic measures, figures from the Finance Ministry show. The 1.92 billion Euro deficit in the January - June period compares to the 219.7 million Euro surplus in the same period last year. Budget expenditure increased by 27.7%, while revenue contracted by 15.5%. (www.sta.si)

- July 31st, Mladina reported a new asylum regime had been implemented since June at some Police stations on the border with Croatia, which it said had no basis in legislation. The regime restricts the movement of asylum seekers and places them in the center for aliens in Postojna, where they live in inhumane conditions. NGOs, including Amnesty International Slovenia, expressed concern about the developments. The Interior Minis-

try and the Police rejected the accusations and said asylum applicants were treated in line with the law. The Ministry released figures showing a marked increase in the number of asylum seekers sent to the Postojna center, but said all decisions were made on a case-by-case basis. (www.sta.si)

- August 1st, anti-government protests resumed for the 15th Friday running in Ljubljana and some other Slovenian towns, with some 2,000 protesters mostly targeting Prime Minister Janez Jansa this time. Also a target of criticism was Agriculture Minister Aleksandra Pivec. Protesters called on Jansa to step down, saying he was creating divisions among citizens. There was also a smaller open protest in Republic Square, with anti-government rallies held in other Slovenian towns as well. (www.sta.si)

COUNTRY ASSESSMENT ████ :

Janez Jansa's Government enjoys relative stability. Anti-government protests continue in the country but they are not assessed as a threat against the state's stability. Opposition does not feel so powered to challenge Jansa's cabinet. Slovenia – Croatia dispute regarding the Piran Bay is still active but without tension or escalation. The Slovenian Armed Forces face problems mainly in the field of modern equipment and manning. According to the Armed Forces annual assessment the Armed Forces have limited operational capabilities in war time namely they cannot accomplish their mission. Adoption of an ambitious 780 million euro modernization project may improve operational capabilities of the Slovenian Armed Forces.



TURKEY: July 28th, Turkey has said it will suspend research for oil and gas exploration off a Greek island amid tensions in the eastern Mediterranean. Greece's Navy last week said it had deployed ships in the Aegean in "*heightened readiness*" after Turkey announced plans for energy exploration near the island of Kastellorizo. In an interview with national broadcaster CNN Turk, Spokesman Ibrahim Kalin said on Tuesday President Recep Tayyip Erdogan had requested that operations be put on hold. A Turkish vessel, the ORUC REIS, planned to search for hydrocarbons "*180 kilometers (110 miles) from the island of Meis (Kastellorizo in Greek)*," Kalin said. "*Despite this, our President said while the negotiations are continuing, let's be constructive and hold for a while*," he said. Kalin on Tuesday said Greece was an "*important neighbor*" to Turkey and added "*We are ready to discuss with Greece without any conditions*." On Monday, Greek Government Spokesman Stelios Petsas said Turkey was withdrawing Navy vessels from the area, adding that Athens remained ready to enter negotiations with Turkey "*within the framework of international law and good neighborly relations*." Long-standing tensions between the uneasy NATO allies escalated last week after Turkey's Navy on Tuesday issued an advisory known as a NAVTEX for seismic surveys in waters between Cyprus and Crete. French President Emmanuel Macron called for Turkey to be "*sanctioned*" and accused Ankara of treading on the rights of Greece and Cyprus, as all three nations scramble to exploit recently discovered gas reserves. Relations between the EU and Ankara have deteriorated over multiple issues, despite Turkey still formally being a candidate for membership. As well as drilling for oil and gas off Cyprus, and support

for the opposite side in the crisis in Libya, Turkey infuriated Greece and the EU earlier this year when it stopped preventing refugees from leaving for Europe, causing a surge of tens of thousands of refugees at the Greek border. Erdogan's recent move to turn the iconic Hagia Sophia, originally built as a Byzantine cathedral, back into a mosque has been the latest matter of contention, with Greece calling the move "*a provocation to the civilized world*." Turkey has defended the reconversion of the Istanbul landmark and described foreign criticism as an attack on its sovereignty. (www.aljazeera.com)

- July 28th, presidential Spokesman Ibrahim Kalin reiterated Turkey's determination to support Azerbaijan in face of Armenian aggression near the border, but he noted that this does not mean Ankara has closed its doors on diplomatic communication channels. "*Turkey will continue to stand beside Azerbaijan at all costs, but this does not mean we are against diplomatic channels*," Kalin told a live broadcast on CNN Turk on Tuesday. Twelve Azerbaijani soldiers, including a Major General and a Colonel, were killed and four others were injured in the recent border clashes. Azerbaijan has blamed Armenia for the "*provocative*" actions, with Turkey throwing its weight behind Baku and warning Yerevan that it would not hesitate to stand against any kind of attack on its eastern neighbor. A week after the attack, Turkish Defense Minister Hulusi Akar, Azerbaijani Deputy Defense Minister Ramiz Tahirov and Kerem Mustafayev, Army Chief of the Nakhchivan Autonomous Republic, an exclave of Azerbaijan bordering Armenia, Turkey and Iran, came together and discussed the recent situation. Kalin also urged Greece to resolve bilateral problems through a bilateral approach ra-

ther than involving other countries in the matter. *“It will not be possible for Greece to reach results by using EU membership as a tool of pressure,”* Kalin said, in reference to Athens and the Greek Cypriots’ use of EU accession as a bargaining chip and a way to pressure Turkey. (www.dailysabah.com)

- July 30th, US Secretary of State Mike Pompeo said Thursday that the US is still determining how it will respond to Turkey’s purchase of Russian S-400 missile defense systems. *“We continue to evaluate how to apply sanctions in order to achieve our end objective,”* Pompeo said under questioning from Democratic Senator Bob Menendez at a Senate Foreign Relations Committee hearing. As there have been tensions between the allies since the acquisition, Turkey has repeatedly offered to establish a technical working group, including NATO, to help solve the dispute. *“We offer the US to establish a technical working group with NATO’s inclusion, and NATO can actually lead this technical working group. This offer is still on the table,”* Foreign Minister Cavusoglu said in April. Ties between the NATO allies were badly strained last year over Turkey’s acquisition of the advanced S-400 Russian air defense system, prompting Washington to remove Turkey from its F-35 Lightning II jet program in July. Before the outbreak of the coronavirus pandemic shifted focus away from the issue, Ankara’s bilateral ties with Moscow took a heavy blow over Russia’s support for the Bashar Assad regime’s military offensive on the northwestern Syrian town of Idlib. Ankara and Moscow on March 5th, 2020 agreed to halt military activity in the region to contain the escalating conflict. The meeting came after regime forces attacked Turkish soldiers and civilians on the ground, causing

Turkey to launch a renewed operation in Syria. Turkey launched Operation Spring Shield on February 27th, 2020 after at least 34 Turkish soldiers were killed in an Assad regime airstrike in Idlib and after repeated violations of previous truces. After some heavy fighting, Turkey asked Washington to deploy its Patriot missile defense system along its border with Syria for protection and said it was ready to purchase the systems from the US as well. President Recep Tayyip Erdogan in March said the U.S. has offered to sell Turkey the system if Ankara promised not to operate the rival Russian system. Ankara has repeatedly stressed it was the US refusal to sell it Patriots that led it to seek out other sellers, adding that Russia offered it a better deal, including technology transfers. Turkey even proposed setting up a commission to clarify any technical issues, but the US has so far not responded to this proposal. During a visit to Washington last November, Erdogan met US President Donald Trump and agreed with him on setting up a working group. The Ankara - Moscow S-400 deal was inked back in April 2017, when the parties signed a 2.5 billion US Dollars agreement for two S-400 batteries. The S-400, in use since 2007, is Russia’s most advanced long-range anti-aircraft missile defense system. (www.dailysabah.com)

COUNTRY ASSESSMENT ■ :

Turkey has several open fronts implementing its ambitious multilateral foreign policy summarized in the motto “the world is bigger than five.” Following a decisive reaction of Greek state, Turkey announced its intention to pause hydrocarbon drills in Eastern Mediterranean and the Aegean Sea. This decision could de-escalate tension with Greece which also announced that it withdraws

its Navy units from the region. It is said that the German mediation forced the two parts to avoid further escalation of actions which could lead in uncontrolled military engagement. The EU and US pushes Greece and Turkey to start dialogue but there are no optimistic perspectives for such a scenario. Despite Turkish withdrawal from oil drills Turkey is not going to abandon its interests in the region and has already sent a clear message that natural resources could not be exploited by anyone without its participation. Turkey faces a strong confrontation with France regarding influence in Eastern Mediterranean, Middle East and North Africa. France is not willing to abandon its strategic interests in the region living free space to Turkey. Confrontation is not limited in verbal level but includes active engagement in several fields such as Libya, Syria and Eastern Mediterranean. France seeks to persuade the EU to impose sanctions to Turkey for its aggressive behavior against Cyprus and Greece but its efforts have failed so far. Several regional and global powers are engaged in Libya promoting their strategic interests such as France, Italy, UAE, Egypt, Russia, US and Qatar. A potential victory of Sarraj secures Turkish interests and strong presence of Turkey in Eastern Mediterranean. Turkey and Russia held talks last week agreeing that a political solution is needed. The fact is that Turkey has a say in the Libyan conflict due to its political and military presence in the country. Lately, Turkey appears very active in the Armenia – Azerbaijan front claiming that it will provide military support in the latter if it is necessary. Turkish military personnel and assets may have deployed in Azerbaijan. The country continues to face several restrictions in freedom of expression and human rights. Elected MPs, Mayors, journalists and thousands of citizens are in custo-

dy or convicted by the state Courts. Local and international observers claim the country moves towards an authoritarian regime with thousands of citizens being persecuted. The new law on restrictions of social media activity in Turkey strengthens autocratic practices of the ruling AKP and increases censorship capabilities of Erdogan regime. 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. However, the most important for taking this role in the region is to stabilize its economy and secondly to improve its military capabilities.

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NOTE

 Stable situation. No security risk.

 Rather stable situation. Security risk is monitored.

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

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

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