



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

## ***SOUTHEASTERN EUROPE***

### ***AT A GLANCE***



***SOUTHEAST EUROPE DIRECTORATE***

“SOUTHEASTERN EUROPE AT A GLANCE” is a weekly review of the most significant current political, economic, energy, defense, and security news of Southeastern Europe. It covers 14 countries; Albania, Bosnia & Herzegovina, Bulgaria, Croatia, Cyprus, Former Yugoslav Republic of Macedonia (FYROM), Greece, Kosovo, Moldova, Montenegro, Romania, Serbia, Slovenia, and Turkey. However Greece enjoys its own weekly review for a more detailed presentation of its current affairs (GREECE AT A GLANCE).

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

### **“HERMES” I.I.A.S.GE**

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**ALBANIA:** March 19<sup>th</sup>, the Central Election Commission announced that only the ruling Socialist Party of Albania (Partia Socialiste e Shqipërisë – PS) handed in its members list for the Local Electoral Administration Commissions within the March 18 deadline, while the opposition’s Democratic Party of Albania (Partia Demokratike e Shqipërisë – PD) and Socialist Movement for Integration (Lëvizja Socialiste për Integrim - LSI) chose not to propose any candidates. The local electoral administration commissions (KZAZ) play a vital role in administering local elections, which are to take place on June 30<sup>th</sup>, 2019. By submitting its candidate list on time, the PS attempted to show everything is going normally in the country. Prime Minister Edi Rama gave the same message of maintaining a normal parliamentary situation to the Socialist MPs – the only MPs remaining in Parliament after the opposition resigned its mandates two weeks ago – one day before submitting its candidate list. Meanwhile, refusal to submit their KZAZ candidates list is the first sign from the PD and the LSI that they will be boycotting the upcoming local elections. Missing the KZAZ deadline has occurred before in the past. During the 2017 election campaign, all parties failed to submit a full list until a few days before the elections, leaving large areas of voting without sufficient preparation. The tactic of postponing the publication of the names of commissioners in polling stations is a party-recognized tactic and aims to reduce the risk that opposing parties “buy” commissioners ahead of the election. The electoral reform, required by the EU and OSCE/ODHIR, is supposed to remove any political influence in the selection process of election commissioners. However, now that the opposition has left Parliament, there is little

chance that reform will be adopted and implemented before the coming elections. On Monday, Rama also assigned the former Minister Damian Gjijknuri as Electoral Reform Coordinator, although he was dismissed from duty in December 2018 due to his involvement with the DH Albania scandal – a ghost company that received almost 30 million euro through Government tenders. Relying on the Prosecution’s interceptions, which were published by VOA last month, the opposition also claims Gjijknuri was the Chief PS official who led the vote buying in Dibra district during the 2017 elections. ([www.tiranatimes.com](http://www.tiranatimes.com))

- March 20<sup>th</sup>, the President Ilir Meta, declared during his visit in Pogradec that the country’s political crisis is intentional, and that he is ready to resign from his post for the country’s best interest. *“I am ready to even sacrifice myself just like Salvador Allende, to not allow the establishment of a military junta,”* Meta said. Meta stated that the crisis could cause confrontations that the country has already seen in the past, but he underlined that he does not feel responsible if this happens, as he has done everything possible to prevent it, for the past two years. ([www.top-channel.tv](http://www.top-channel.tv))

- March 21<sup>st</sup>, fresh opposition protests in Albania ended with minor scuffles while three more MPs from the opposition Socialist Movement for Integration (Lëvizja Socialiste për Integrim - LSI) took oath of office against their party’s wishes, eroding the opposition boycott of Parliament. Protesters threw a colored substance against one of MPs as he was entering the Parliament in Tirana for the first time. After the opposition parties summoned their supporters early in the morning, dozens of them threw firecrackers and

smoke bombs while Police pushed them back. Unlike in previous protests, Police did not use tear gas, although they were prepared with gas masks and water cannons. This was the fifth protest organized by the opposition during last month. Monika Kryemadhi, Head of the LSI and wife of Albanian President Ilir Meta, approached the Police cordon herself, while protesters gave it another push. Opposition MPs resigned in late February, demanding the resignation of Prime Minister Edi Rama. Since then, several protests have taken place, some of which ended in violence. Under the Albanian electoral system of closed lists, the seats of the resigned MPs have been offered to election candidates further down the list of the same party. Some of them have agreed to serve, despite their respective parties branding them “traitors.” Three candidates from the main opposition centre-right Democratic Party of Albania (Partia Demokratike e Shqipërisë – PD) have taken up seats along with nine from the LSI. About 41 of 43 PD MPs have resigned their mandates along with 17 out of 19 MPs from LSI. About 25 candidates from the PD who have been invited to act as substitutes for their resigned colleagues have refused to do so. However, about 126 more candidates from the party remain in line. About 16 LSI candidates have also received invitations to sit in Parliament. Nine have accepted and there are another 113 candidates on the party’s waiting list. Albania’s western partners have criticized the opposition for abandoning parliament, calling it an attack on democracy. They have urged the runner-up candidates to take up the seats. They said that the Government was legitimately elected and have accused the opposition of inciting violence. (www.balkaninsight.com)

*Albania has entered in a period of political turmoil and fragile political stability not only because opposition organizes huge protests against the Government, but mainly because opposition MPs decided to abandon Parliament and resign. Such an action is blocking Parliament’s works undermining Albania’s reforms (economic, justice etc). Such decision was strongly criticized by the international community namely the EU (and U.S) putting at risk the opening of accession negotiations in June 2019. The Prime Minister, Edi Rama urged opposition to return in the Parliament starting a constructive dialogue but PD and LSI leaders, Basha and Kryemadhi respectively pushing for the Government’s topple and snap elections. Institutions and media close to the Government highlight intensively that political destabilization is in favor of Russian influence in the country underlying that Rama and his Government are the only credible stakeholders which could guarantee the firm western orientation of the country. It is not normal for a stable country seeking to enter the European club to face such situation of political abnormality. Opposition MPs’ resignation aiming at forcing the Government in collapse is not a reasonable political strategy for a functional and stable democracy. At the moment, the Government seeks to maintain Parliament fully functional, while opposition accuses Rama for buying its MPs to refuse resignation. Further polarization of political atmosphere in Albania by the opposition could not be excluded. Opposition PD and LSI did not submit their candidates within the deadline (March 18<sup>th</sup>, 2019) which is a sign that both parties plan to boycott the coming local elections scheduled for June 30<sup>th</sup>, 2019. The Government is accused of having links with organized crime and current situation raises questions over the power*

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of “Albanian mafia” in the country and its influence in state’s politics. Undoubtedly, corruption and organized crime remains the most significant state’s problem undermining its strategic goal of opening accession negotiations with the EU. The EU closely monitors progress of reforms especially in justice sector. Latest European Parliament assessment on Albania accession negotiations is a rather positive sign underlining concerns over specific issues such as corruption, justice reforms, and implementation of rule of law. The final decision for opening Albania’s accession negotiations in June 2019 is up to the EU Heads of Governments. One should underline that unofficial concerns have already been raised regarding this date due to current political instability. Albania monitors Kosovo – Serbia negotiations and definitely has a role as a “mother nation.” It is estimated that Albania will fully comply with the EU and U.S “line” for territorial exchanges or border changes between Serbia and Kosovo if it is necessary for a mutual accepted solution. Albania maintains its leading role in the Albanian world providing guarantees and support to Albanian population in the region namely Kosovo, Serbia, Montenegro, and F.Y.R.O.M. In this context, the Albanian Prime Minister and his Government work on promoting Kosovo interests in international community using any forum they have access. Possible border changes may engage Albania in dangerous situations taking into consideration that it has the role of “protector” of Albanians in the region.



#### **BOSNIA & HERZEGOVINA:**

March 19<sup>th</sup>, negotiations of party leaders on the formation of state authorities, hence the Council of Ministers of BiH, has begun in the BiH Presidency building in Sarajevo. The meeting is

attended by the leaders of Croatian Democratic Union of Bosnia and Herzegovina (Hrvatska Demokratska Zajednica Bosne i Hercegovine - HDZ BiH), Dragan Covic, Party of Democratic Action (Stranka Demokratske Akcije - SDA), Bakir Izetbegovic, and Alliance of Independent Social Democrats (Savez Nezavisnih Socijaldemokrataor - SNSD), Milorad Dodik, who did not give statements to gathered journalists before the start of the meeting. Dodik announced during the day that the meeting would be held and that they would have a final statement on principles related to state-level Government formation. He emphasized that no coalition – neither political nor program – is being made at the level of BiH. ([www.sarajevotimes.com](http://www.sarajevotimes.com))

- March 21<sup>st</sup>, if Bosnia’s western border to the EU remains closed for migrants, then the country will have to close its eastern border too, Bosnia’s Prime Minister Denis Zvizdic said. The country will remain committed to the principles of humanity and international law when migrants seek asylum, but not many of their requests are sincere and Bosnia needs to protect its borders just like the EU has done, Zvizdic said. “Migrants from EU countries are coming to Bosnia with the intent to return to the EU again. They come from Greece, and if reports that a large number of migrants are leaving Greece in May are true, then we really have to think about fully closing the Bosnian border,” he said. Thousands of migrants have entered Bosnia on their way towards EU countries since the beginning of 2018. However, they got stuck there after surrounding countries closed their borders, particularly Croatia, Bosnia’s EU neighbor. Migrants continue trying to enter the EU illegally but Croatian Border Police have reinforced the border to Bosnia turning them back. Bosnia needs

to resolve its issues with its neighboring countries regarding the migrant flow, Zvizdic said, explaining that many Iranians enter Serbia as tourists and then cross over to Bosnia as migrants. He also mentioned that Hungary and some other countries have offered to help Bosnia secure its border. (www.ba.n1info.com)

- March 22<sup>nd</sup>, Bosnia requested from Croatia to refrain from using Trgovska Gora, an area near the border between the two countries, for dumping radioactive and nuclear waste finding another adequate area within its own territory to do so, Bosnia's Presidency said in a news release. Trgovska Gora is located just north from the border, near the Bosnian town of Novi Grad. Croatia adopted strategic documents end of last year which name that area as a potential location for dumping nuclear waste. This information caused concern among residents of Novi Grad, who told N1 in November 2018 the decision was "scandalous." The Minister of Spatial Planning, Construction and Ecology in Bosnia's Serb-majority region of Republika Srpska (RS), Srebrenka Golic, said in early March that she sent Croatia requests for clarification regarding the issue, but that those were ignored. She also said that if Croatia dumps its nuclear waste near Bosnia's border, it would be fair if Bosnia would respond by dumping its nuclear waste at its southern border to Croatia, near the city of Dubrovnik. She called upon Croatia to "respect international norms" and accused Bosnia's Government of ignoring the issue. According to the Friday news release, the Chairman of the Bosnia's tripartite Presidency, Bosnian Serb leader Milorad Dodik, is to send a letter to Croatia's Prime Minister containing the request. It also said that Bosnia's Internal Affairs Ministry was tasked with "informing European Union

*member countries and organizations dealing with environmental protection issues"* about the request via "diplomatic-consular representation offices of Bosnia and Herzegovina." Bosnia will insist on protecting its rights under international law and within its competencies regarding this issue, the Presidency statement said. (www.ba.n1info.com)

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*Bosnia has not a Government since October 7<sup>th</sup>, 2018 general elections. It seems that the three main parties representing the three constituent entities (Bosniaks, Serbs, Croats); HDZ (Bosnian Croatian party), SDA (Bosnian Muslim or Bosniak party), and SNSD (Bosnian Serbian party) have reached an agreement to cooperate in forming a Government bypassing their different views on main issues. Bosnia's accession process towards NATO is the main disputable issue; Bosnian Serbs insist that the country should remain neutral staying out of NATO while the two other members of the tripartite Presidency set commitment to NATO accession as a precondition for supporting a Government. However, it seems that during last meeting the three leaders decided to put aside the NATO issue in an effort to form a Government bringing the country back to political normality. Country faces several functional and institutional problems. Consequently political fragility maintains permanent uncertainty and institutional mistrust. Croatia and Serbia keep on intervening in Bosnia's internal affairs destabilizing the state. It is more than impressive that Bosnian Serbs and Croats came very close aiming at achieving their special goals. Of course, both entities (Croats and Serbs) take in advantage "Dayton Peace Agreement" weaknesses and malfunctions. Russia pays special*

*attention in Serbia and Bosnia in order to maintain its influence in the region. Bulgaria, Romania, Croatia, Slovenia, Albania, and Montenegro have already entered NATO, while North Macedonia would join the Alliance on June 2019. These two countries (Serbia and Bosnia) are the only “vehicles” for Russia to maintain a narrow influence in Southeastern Europe. Election of ultra nationalist pro-Russian Serb Milorad Dodik in the tripartite Presidency is a strong sign of more nationalistic rhetoric and more obstacles towards Bosnia’s EU and NATO (mostly) integration. Dodik is a person who does not actually believe in B&H viability and is expected to promote (actually, he has already started) his own political agenda. Saudi Arabia, Iran, and Turkey approach the country mainly through “investments” and/or funding ethnic or religious groups according to their interests.*



**BULGARIA:** March 19<sup>th</sup>, secret service will train Bulgarian teams. This became known after a meeting between Interior Minister Mladen Marinov and Deputy Director of Secret Service William Callahan in the United States, the press center of the Ministry of Interior announced. The two men discussed the development of bilateral co-operation in countering counterfeiting and misuse of electronic payment instruments. It was agreed to continue the technical support to strengthen the capacity of GDBOP. Partnerships will also be stepped up in countering cybercrime. Marinov also met with FBI Director Christopher Ray. The assessment of both was that a strategic partnership was established between the law enforcement authorities of Bulgaria and the FBI, which will develop and deepen. They discussed continuing operational interaction on specific cases, as well as working together on countering

cybercrime. “We have established a regular exchange of information, including in the fight against international terrorism, and continue our joint work,” the FBI Director said. The Minister announced continued training and technical assistance to strengthen the GDBOP capability to fight cybercrime. He invited Ray to participate in the opening of the upcoming conference in Sofia in September of FBI alumni. The Bulgarian delegation led by Marinov held a working meeting with the US Customs and Border Protection Service Kevin McCainlin. “We have regular information exchange and great interaction,” said the Director of the US Customs and Border Guard Service. Marinov and the host highly praised the real-time data exchange, the joint projects and the exchange of experience. (www.novinite.com)

- March 21<sup>st</sup>, the MPs from Volya party will stay in Parliament. This emerged after a meeting between Volya leader Vesselin Mareshki and Citizens for European Development of Bulgaria (Граждани за европейско развитие на България – GERB) Parliamentary Group leader Tsvetan Tsvetanov, reports BNT. Last week Volya left the Parliament for a day saying they were dissatisfied that MPs did not discuss topics, which were important to people and asked for a meeting with GERB to discuss the policies of the ruling majority. Following today’s meeting, however, they said they were impressed by the goals of the ruling parties and therefore would stay in Parliament. At the meeting, GERB presented their governance program, in which the minimum pension is set to become 240 BGN by the end of the term in office. It turned out that the same was envisaged in the program of Volya party. (www.novinite.com)



- March 23<sup>rd</sup>, Fitch Ratings has revised Bulgaria's outlook to positive from stable while affirming the sovereign's long-term foreign and local currency Issuer Default Ratings (IDRs) at "BBB". The credit ratings agency said that the country's external finance metrics continued to improve and outperformed the majority of its "BBB" peers. *"The current account surplus was an estimated 4.5% of GDP in 2018, well above previous estimates and helped by a rising services surplus. With private sector external assets also increasing, this has led to a further strengthening of the country's net asset position,"* Fitch said. The agency said that it expected a further build-up of external assets in 2019-20, although at a more gradual pace, as the current account surplus is set to narrow in line with higher trade deficits. *"Bulgaria has thus far been successful in maintaining external competitiveness via shifts to higher value added production and productivity improvements, with its share of intra-European and global trade rising over the last five years,"* the agency said. Upward revisions to historical GDP figures means that GDP per capita is now at almost 90% the "BBB" median, and is expected to reach the current peer median by 2020, Fitch said. GDP per capita has increased by over 20% in nominal terms in the last five years, although it is still among the weakest in the EU. Going forward, the main factors that could, individually or collectively, could lead to positive rating action were continued improvement in external and fiscal balance sheets, progress toward euro zone accession and favorable growth prospects that lead towards faster convergence with income levels of higher rate peers. On the negative side, a downgrade could be prompted by the re-emergence of external imbalances, deterioration of external competitiveness or a sharp rise in public debt driven by fiscal easing or the

materialization of contingent liabilities on the sovereign's balance sheet. ([www.sofiaglobe.com](http://www.sofiaglobe.com))

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*Ruling GERB resolved Volya's decision to abstain from parliamentary sessions and the party is back in the parliament strengthening Borisov's claims that there is no parliamentary crisis in Bulgaria. Consequently, the ruling coalition claims that there is no parliamentary crisis and possibility of snap elections. Currently, only BSP has left the Parliament. Nevertheless, it should be noted that absence of opposition parties from parliamentary sessions it is not a good sign of democratic function and the Government always has a responsibility about it. However, one should claim that Bulgarian politics follows the Balkan trend (Albania, Montenegro, Serbia etc) of leaving the Parliament; a strong sign of democratic and parliamentary immaturity. It is assessed that Bulgaria has not entered yet in political instability but it could be evolved into a potential major crisis. On the other hand, the junior partner of the ruling coalition, United Patriots remains the vulnerable and unpredictable piece of the inter-governmental stability; none could predict when a new incident or dispute will break out. Thus, Bulgaria has entered in a period of rather stable political situation. The President Radev grabs every opportunity to criticize the Government (and the Prime Minister Borisov) highlighting his different political affiliation (Radev is backed by the opposition Socialists). Opposition BSP tries to push further Borisov and his Government by strengthening its rhetoric and having tabled three motions of no confidence so far. The country strengthened its efforts towards entering the Eurozone achieving a positive decision of the*

*Eurogroup. However, the EC made clear that Bulgaria could not enter the Eurozone before 2022. Fitch upgraded Bulgarian economy from stable to positive; a good sign of economic function. Apart from that the European Parliament adopted a resolution for the accession of Bulgaria (and Romania) in Schengen Zone. However, it is questioned if the European Council will receive a unanimous final decision for Bulgaria under the current migration pressure. Corruption and organized crime remain significant obstacles and should be addressed decisively. Although modernization of Armed Forces is a top priority for Bulgaria and huge armament projects are ongoing (fighter jets, armored vehicles, vessels etc) military operational capability of the state is questioned especially in the Air Force. Bulgarian Armed Forces are far from NATO standards. Security situation stable; no major threats.*



**CROATIA:** March 22<sup>nd</sup>, Prime Minister Andrej Plenkovic was on hand in Brussels to commemorate the milestone of Croatia's first decade in the NATO alliance. On the occasion he met with NATO Secretary General Jens Stoltenberg. *"I am glad that we have emancipated ourselves, and that for ten years now we have been a reliable partner, that we are participating in a political context but also in defense, as we are involved in a number of NATO operations, from Afghanistan, KFOR in Kosovo, our involvement in Iraq and our recent activities in Poland and Lithuania, this shows that Croatia, with all of its experience, is capable of being inter-operable and of participating in varying activities in the Euro-Atlantic area, but also in those missions that focus on establishing peace and stabilizing the situation in post-conflict areas*

*throughout the world,"* the Prime Minister said after their meeting. ([www.glashrvatske.hrt.hr](http://www.glashrvatske.hrt.hr))

- March 23<sup>rd</sup>, credit rating agency Standard and Poor's has raised Croatia's credit rating to double B plus from a triple B minus. The change takes Croatia from the top bracket below investment grade to the lowest bracket in investment grade. Croatia has not had an investment grade rating since December of 2012, when fiscal conditions improved and the country was in economic recovery. However, Moody's and Fitch, the two other major credit rating agencies, still rate Croatia below investment grade. Prime Minister Andrej Plenkovic said that Standard and Poor's assessment lined up with that of his own Government. *"It reflects our goals, the direction we want to move in and the achievements of this Government,"* he said. Plenkovic also said political stability was a key factor that was making it possible for the Government to move forward on reforms. ([www.glashrvatske.hrt.hr](http://www.glashrvatske.hrt.hr))

- March 23<sup>rd</sup>, Croats are the oldest constituent people in Bosnia and Herzegovina and one of the pillars of the modern Croatian state, President Kolinda Grabar-Kitarovic said at the Open Day for Croats from Bosnia in her office. *"You are not guests, newcomers or an ethnic minority in Bosnia but its oldest constituent people which wants nothing more than peace and equality as the other two peoples in the common homeland of Bosnia,"* she said, adding that Bosnia is not a state of one but three constituent peoples, which has been *"a fact in Bosnia for decades and centuries."* This fact *"guarantees your constitutional rights and we have the duty to defend, interpret and promote that fact,"* she said. *"That is the threshold of your constitutionality and equality, and there is no retreating from that threshold.*

*Together with you on that threshold stands Croatia.*” Grabar-Kitarovic said Croats in Bosnia have the right to elect political representatives who would *“legitimately represent them at all Government levels,”* as well as the right to ethnic, cultural, educational and media institutions and the right to the equal use of the Croatian language. In demanding those rights, Croats seek *“nothing more than others”* and that is the best way to preserve Bosnia as a state and that is how European values are built into Bosnia, she added. She went on to say that Bosnia Croats, along with their *“fellowmen and all patriots in Croatia”* and expatriates *“are one of the pillars of modern Croatian state and our victory in the Homeland War.”* The President said that her meeting with Croats from Bosnia was *“an expression of the continuity of the policy of building national unity”* as set out by Croatia’s first President, Franjo Tudjman. *“not just you Croats who live in Bosnia as its native people, but also Croats who emigrated from Bosnia as well as those who emigrated from Croatia are part of the indivisible Croatian being.”* She called for the establishment of mechanisms for connecting Croats in Croatia, Bosnia and abroad so as to make it possible to put all *“national resources to use for demographic renewal and survival in our homelands, the boosting of our economy, and political and cultural recognition in the world. That’s the goal of my policy, Croatian unity and a strong Croatia which will be also your safe support and a good neighbor,”* Grabar-Kitarovic said. Bosnia is the Croatian people’s second homeland and Croats have been present in Bosnia more than a thousand years as well as *“having done everything for the survival of Bosnia as a state,”* she added. The President said Croatia had made *“the biggest possible political and military contribution”* to Bosnia’s defense and survival, and that Bosnia

Croats voted for Bosnia’s independence at a 1992 referendum and agreed to the creation of the Federation entity to contribute to *“cooperation, peace and trust.”* Grabar-Kitarovic pushed for more intensive accession negotiations between the EU and Bosnia, provided that Croats are an equal people. The EU needs Bosnia and its accession would be of great political, cultural and security value, she said. The EU and other influential international stakeholders *“will make a big mistake with unforeseen consequences”* if they do not back Bosnia’s European journey, she added. Banja Luka bishop Franjo Komarica told Hina that only a few Croats remained in the Bosnian Serb entity and called on Croatia’s state leadership to help those wishing to stay and those wishing to return there. Four thousand families wish to return, he said. (www.n1info.com)

## COUNTRY ASSESSMENT ■ :

*Croatia follows a tough regional policy with neighboring countries. It is openly intervene in Bosnia’s internal affairs, while it maintains open disputes with Slovenia, Serbia, and Bosnia. It is estimated Croatia tries to establish a leading role in Western Balkans not only as an EU and NATO member state but also as a rising “local” (Western Balkans) power. One should take into consideration that Croatia shows its military strength and capabilities quite often not only in international, but also in national level sending strong messages to neighboring countries. Apart from that, Croatia pays special attention in energy strategy and security announcing ambitious projects. Although the President is a member of the ruling party, it is estimated that there is some kind of political distance between the President and Government. However, the state enjoys political stability. Latest incidents*

*with journalists' persecutions by the national broadcaster HRT has raised concerns over media freedom in Croatia and one should focus on the Government's action on this matter. Border dispute on Piran Bay remains active and Slovenia's initiative to file a lawsuit against Croatia adds a new chapter between the two countries conflict. The state accelerates its efforts towards accession in Schengen zone, while the EC sends good news regarding Croatia's fiscal policy. Standard and Poor's has upgraded Croatia's credit rating sending a positive message for its economy. Croatia implements a policy of Armed Forces' modernization trying to form a reliable and well equipped force according to NATO standards. Failure to complete successfully the purchase of a modern fighter jet maintains a long period of an ineffective and weak Croatian Air Force.*



**CYPRUS:** March 18<sup>th</sup>, Finance Minister Harris Georgiades said that the Government is in talks with the European Investment Bank (EIB) over the latter's financing of natural gas infrastructures. Chiming in, EIB President Werner Hoyer, currently on a visit to the island, appeared optimistic that the bank would take part in the project. Georgiades and Hoyer were speaking during a joint press conference in Nicosia. *"From 2013 until today we have signed financing agreements of a value of 1.5billion euro,"* the Finance Minister said. *"Half of that amount is aimed at small and medium size enterprises through Cypriot banks, a tool which has contributed in a decisive way in the Cypriot economy's recovery,"* he noted. He added that during their meeting including with President Nicos Anastasiades, *"we have reconfirmed that this powerful and important cooperation will*

*continue."* However, Georgiades pointed out, *"we are also interested in cooperating, financing, for a project of strategic importance, that of funding infrastructures for natural gas to be imported and used in Cyprus."* Talks are underway, he noted, adding that *"we are interested in financing of up to 150 million euro and I hope that in the context of our cooperation we will have a positive outcome."* Asked to give further details, Georgiades said only that efforts are ongoing and that there is nothing to announce just yet. (www.cyprus-mail.com)

- March 20<sup>th</sup>, Nicosia-based EuroAsia Interconnector has urged Athens to re-engage in discussions on a joint EU-funded project to connect the power grids of Israel-Cyprus-Crete and mainland Greece or risk it not going ahead. A similar appeal was made by the EU's Energy Directorate Chief and Cyprus regulators on February 27<sup>th</sup>, 2019, as well as the Cyprus Energy Ministry that urged Greece not to isolate Cyprus. EuroAsia sounded the alarm of unavoidable lengthy delays, or worse, project risk following a recent decision by Greek transmissions system operator, ADMIE, to go it alone with the Crete-Attica section of the project and abandon cooperation with the Cypriot project promoter. This was done even though there is a political commitment from the Governments of Cyprus and Greece to build an electricity interconnector that ensures the security of supply and cleaner energy. The Cypriot firm argues that by Greece going it alone to promote a *"national project"* – rather than an EU Project of Common Interest – Greek consumers will be burdened with an additional 450 million euro cost while jeopardizing efforts to lift Cyprus from energy isolation. After Greek officials blamed EuroAsia for the current impasse, the company has issued a

document clarifying the state of play. It puts the record straight regarding the financing of the Israel-Cyprus-Greece project, especially the 1.1 billion euro Crete-Attica link, as well as the need for the Cyprus and Greek sides to agree on a technical commonality. This being the interoperability of the 1000MW cable and the four converter stations that have to be built connecting Israeli energy to the continental European electricity grid. EuroAsia refutes any notion, as implied by ADMIE, that it is the Cypriot side that refuses to cooperate, by not signing a shareholders' agreement for the new "national project." "The delays in the implementation of the project are due to the Greek side's failure to accept the agreed roadmap as proposed by the European Commission," said EuroAsia in a statement. Moreover, Energy Commissioner Manuel Arias Canete warned Greece in January that going it alone would mean violating all European agreements that could be subject to infringement procedures. EuroAsia argues that if previously agreed guidelines were followed, it would have already awarded tenders and reached the construction phase, comfortably meeting the mid-2022 deadline for the Crete-Attica link. It said unilateral decisions by Greece will not resolve the delays but jeopardize the entire project at an additional financial cost to Cypriot and Greek consumers. (www.cyprus-mail.com)

- March 20<sup>th</sup>, the Governments of Cyprus, the US, Israel and Greece agreed to increase regional cooperation, support energy independence and security, and to "defend against external malign influences" in the Eastern Mediterranean and the broader Middle East. The US Secretary of State Mike Pompeo, who attended the Jerusalem summit, expressed US support for the trilateral

mechanism established by the three countries when, according to a brief official declaration following the summit, they met "to affirm their shared commitment to promoting peace, stability, security and prosperity in the Eastern Mediterranean region." According to the statement, Pompeo noted the importance of increased cooperation with the three countries. "The leaders agreed to increase regional cooperation; to support energy independence and security; and to defend against external malign influences in the Eastern Mediterranean and the broader Middle East," the declaration said. "They welcomed the recent natural gas finds in the Eastern Mediterranean and its potential to contribute to energy security and diversification," it concluded. President Nicos Anastasiades also met separately on the sidelines of the summit with Israeli Prime Minister Benjamin Netanyahu and with Pompeo. The Government had said over the weekend that Anastasiades would try to secure US support for the rights of Cyprus to exploit its Exclusive Economic Zone (EEZ) during his meeting with Pompeo as a warning to Turkey. The support Cyprus was seeking from the US is similar to that already expressed by the EU. Though there was no specific mention of Cyprus' sovereign rights to exploit its hydrocarbons within its EEZ in the final declaration, the reference to defending "against external malign influences" could be interpreted as a signal to Turkey, which has been warning off foreign energy giants such as ENI, Total and ExxonMobil, operating in the island's EEZ, and threatening to drill within the Republic's blocks. Anastasiades said prior to the meeting that the presence of Pompeo at this sixth trilateral summit was tangible proof that the three countries constituted reliable partners for Washington, especially in the fields of energy and security. Pompeo, in his statement before the

summit, described Cyprus, Israel and Greece as “key partners” and said the US was looking forward to working with them and cooperating in the field of energy infrastructure. Referring to the EastMed pipeline project, Anastasiades said the vision and actions of the three countries that aimed to create an Eastern Mediterranean energy corridor “is an excellent example in this respect.” “I want to assure of Cyprus’ unwavering commitment to this reliable and solid partnership that aims, through tangible actions, to generate much needed security, stability and prosperity in our turbulent region,” he said. An interstate agreement between the three countries on the pipeline was concluded last December during the trilateral summit, in Beer Sheva but any developments on this were not likely until after the European elections in May. Netanyahu described the trilateral partnership as “one of the best regional partnerships worldwide.” (www.cyprus-mail.com)



Leaders of Cyprus, Greece, and Israel and the U.S Secretary of Department of State  
(Photo source: www.pmo.gov.il)

## COUNTRY ASSESSMENT ■ :

*Cyprus works systematically in order to become a major part of the East Mediterranean energy hub. Its natural gas deposits affect not only its economy but also its security. The strategy of multilateral cooperation seems to be fruitful. At*

*the moment, Cyprus is engaged in three different trilateral formations which also include strong features of strategic cooperation and alliance; Cyprus – Egypt – Greece, Cyprus – Israel – Greece, and Cyprus – Jordan – Greece. The last two are highly improved due to the US engagement. Cyprus, Greece, and Israel’s leaders met again on March 20<sup>th</sup>, 2019 in Jerusalem with the participation of the US Secretary of State Mike Pompeo. Although a joint declaration has sent a strong message of cooperation and decisiveness, not tangible results have been noticed (Eastmed pipeline, security etc). Turkey is isolated from the energy game and it is a good question how it will react since it is certain that it will not accept “fait accompli” in a region considered as part of its strategic interests. It is assessed that Turkish provocative actions may be intensified either by Turkish gas and oil drills within the Cypriot EEZ, or by military actions. It is a fact that Cyprus has a significant deficit of military power which is (externally) balanced by regional cooperation. Furthermore Cyprus improved its bilateral relations with the U.S, strengthened its defense cooperation with France, and lately develops its defense and security relations with Germany. The US administration appears ready to abolish the arms embargo against Cyprus allowing it to improve its military capabilities. Conduct of aeronautical exercises in cooperation with other countries (Israel, Egypt etc) sends various messages of defense capability, readiness, and determination. Although the UN Secretary General appears optimistic for a new round of talks between the two communities, it is assessed that talks could not be resumed earlier than summer 2019. President Anastasiades promotes the scenario of a “bizonal, bicomunal decentralized federation”; an idea which is in principle accepted by the leader of the Turkish*

*Cypriot community and enjoys support from the U.S. However, there are a lot of disputed issues in which both parts should compromise; the most important is considered the decision-making process. Recent close approach between Cyprus and the US provoked Russia's strong reaction which foresees a possible isolation from its influence in the Island. It is not a secret that Russia enjoys or used to enjoy a privileged relationship with Cyprus due to the US distance regarding defense and foreign policy neutrality. It is a question how Cyprus will achieve to balance between the US and Russia interests in the region. As long as part of Cyprus remains under Turkish occupation and Turkish troops (equipped with heavy weapons) are deployed in the island, Cyprus faces an existing direct threat against its national security and sovereignty.*



**GREECE:** March 21<sup>st</sup>, the joint statements by Foreign Minister Giorgos Katrougalos and his Turkish counterpart Mevlut Cavusoglu in Antalya, that Ankara should not be excluded from the unfolding energy game in the Eastern Mediterranean, sparked a war of words between the Government and opposition New Democracy (Νέα Δημοκρατία – ND). In a statement, ND's shadow foreign minister Giorgos Koumoutsakos accused the Government of unilaterally diverging from Greece's foreign policy positions with regard to Turkey. Koumoutsakos said the comments by Katrougalos were the latest in a string of statements by Premier Alexis Tsipras, former Foreign Minister Nikos Kotzias, and Coalition of Radical Left (Συνασπισμός Ριζοσπαστικής Αριστεράς – SYRIZA) MPs that open the door to Turkey in the Eastern Mediterranean. The ND official said that Katrougalos's remarks were made a day after the

trilateral summit between Greece, Israel, and Cyprus with the participation of the US Secretary of State Mike Pompeo. Katrougalos dismissed his remarks as petty partisan politics. *“The respect for international law in general and the law of the sea in particular are constants of our national foreign policy, which underpin and do not question the sovereign rights of our country,”* he said, adding that these are self-evident facts that should not be called into question. In their joint briefing, Katrougalos defended Cyprus's *“self-evident”* right to manage the reserves in its Exclusive Economic Zone for the benefit of both communities on the divided island, acknowledging that Turkey too has rights in the Eastern Mediterranean. He also reiterated Greece's support for Turkey's European Union prospects, saying that it is in the interests of everyone to have *“a friendly European Turkey on our eastern border.”* Cavusoglu said the two men discussed hydrocarbon exploration, the *“Turkish”* [Muslim] minority in Thrace and the Cyprus dispute. ([www.ekathimerini.com](http://www.ekathimerini.com))

- March 22<sup>nd</sup>, hours after Turkish Defense Minister Hulusi Akar reportedly claimed that the Aegean Sea and Cyprus lie within Turkey's territorial waters, his Greek counterpart Evangelos Apostolakis urged Ankara officials to refrain from unreasonable statements that fuel bilateral tension. *“Although we are in a phase that we are struggling to find ways to defuse tension... [Akar] surprised us with something new, with things that are not based on reason,”* Apostolakis, former Greek Armed Forces Chief, said. *“It is the principle of Greece that we respect international law and the treaties. When these principles are questioned, we have to be concerned,”* he said. *“I do not think that [Akar's] statements can be taken seriously. [Turkish officials] have to get serious*

*and watch what they say. They should not shoot off fireworks just to make an impression,”* (www.ekathimerini.com)

- March 23<sup>rd</sup>, the improving weather has been accompanied by an increase in arrivals of undocumented refugees and migrants on the Aegean islands by sea from neighboring Turkey, with the already overcrowded reception center on Samos under rising pressure. With the Vathy camp already hosting more than 4,000 people – several times its capacity of 650 – the new arrivals pose a real headache for the authorities. Dozens of people are reaching Samos, as well as Lesbos and other islands in the eastern Aegean, daily on boats from Turkey. The impasse has fueled rising intolerance among residents on Samos, with parents withdrawing their children from one school for two weeks to protest the presence of refugee children in classes. Though the Education Ministry described the move as “*an attempt to cultivate a climate of racism and xenophobia,*” the parents insist they are concerned about public health due to unsanitary conditions at the Vathy camp. (www.ekathimerini.gr)

## **COUNTRY ASSESSMENT** ■ :

*Political situation in the country is rapidly evolving and it is assessed that early parliamentary elections will be held on May 2019 (although the Prime Minister Tsipras insists that his Government will complete its mandate by October 2019). The country has entered in pre-electoral period. A long pre-electoral period first of all may polarize society with unpredictable results and secondly it hurts national economy. The Prime Minister Alexis Tsipras focuses on approaching the center-left voters and weakening KINAL (former PASOK). Political turmoil*

*emerged in a period where Greece faces several diplomatic, security, and economic challenges. Internal terrorism is considered as a major unresolved problem of national security undermining stability of the state. Greek Defense Minister announced mutual efforts with his Turkish counterpart for confidence-building measures. In this context, Greek high officials made a series of statements which look like deviating from the adopted national positions and interests regarding Turkish rights in Eastern Mediterranean Sea. The question is firstly which is the purpose of such a change and secondly if this is an official change of national foreign policy. However, Turkish high officials the President Erdogan included maintain hard rhetoric against Greece, while Turkish fighter jets keep violating Greek airspace and NAVTEXs reserves part of Greek continental shelf and Cypriot Exclusive Economic Zone. Security situation is of significant risk due to an accidental or preplanned incident.*



**KOSOVO:** March 21<sup>st</sup>, Kosovo Prime Minister Ramush Haradinaj hosted Montenegro Foreign Minister, Srdjan Darmanovic, to discuss current developments and the agreement on border demarcation between the two countries, Gazeta Express reported. Haradinaj confirmed through social media the meeting with Montenegro Foreign Minister Srdjan Darmanovic saying that foreign policy of Kosovo is oriented to peace, stability, and building of good neighborly relations with all countries of the region. “*Friendly meeting with Montenegro Foreign Minister, Srdjan Darmanovic, on deepening of mutual relations, economic cooperation and political partnership,*” Haradinaj wrote. Kosovo Prime Minister considers the demarcation



between the two countries as closed issue, writing that *“the two countries which have no open issues set the example in the region for mutual support towards European Union integration process.”* (www.gazetaexpress.com)

- March 21<sup>st</sup>, Mayor of South Mitrovica, Agim Bahtiri has criticized the EU for disregarding the requests of Albanians to return in their homes and properties in northern part of the country dominated by Serbs. Bahtiri who is Mayor of the Mitrovica South the ethnically divided town with Serbs living in the north and Albanians in the south, said that around 13 thousand Albanians were expelled from their homes in northern Kosovo were never returned. He said Serbian criminal structures, through the elected representatives in local institutions or mafia-like groups have terrorized Albanians by preventing them return their homes. *“The EU has discussed a lot about return of Albanians in the north but did nothing to return them home. To make things worse, in the north has started a multi-million project called ‘Sustainable return – support and strengthening’ financed by the European Union, aimed at return of Serbs, but in reality will return only Serbs who never lived in Kosovo, currently living in Serbia as refugees with the origin from other parts of ex-Yugoslavia,”* Bahtiri wrote. Bahtiri said through this project will continue colonization of the north with Serbs from Bosnia-Herzegovina, Croatia and Serbia, aimed at changing ethnic structure in that part of Kosovo. *“This is shameful, unacceptable and should be stopped,”* Bahtiri said in a social media post. He also blamed the Government of Kosovo and the Ministry for Return and Communities which is headed by a Serbian representative for investing millions in the north for Serb returnees, adding that in reality this investment is about colonizing

the north. *“I call on the Government of Kosovo not to ignore this reality before it becomes too late, as our impatience grows,”* Bahtiri stated. (www.gazetaexpress.com)

- March 22<sup>nd</sup>, the NATO-led Kosovo Force (KFOR) denied a claim by Serbia’s official that a joint Albanian Army and Kosovo Security Force (KSF) exercise was planned to frighten Serbs and that *“KFOR keeps silent about it,”* the Beta news agency reported. KFOR Spokesperson Vincenzo Grasso told the Belgrade Danas daily the drill aimed to *“improve the searching and rescuing capacity on hilly ground, i.e., saving lives.”* Milovan Drecun, the Head of Serbia’s Parliament Committee for Kosovo, told the Belgrade Pink television that the demonstration of the *“Greater Albanian”* policy of force was inadmissible and that Albania had no basis for sending its army to Kosovo unless it is an occupational force. Drecun added that what Albania is doing is so dangerous that it could be seen as a declaration of war to Serbia. However, Grasso said *“the spreading of false information causes unnecessary concern among people and risk of creating an environment in which a single isolated incident could escalate.”* (www.n1info.com)

## COUNTRY ASSESSMENT ■■■ :

*Haradinaj’s decision to impose 100% tax on Serbian and Bosnian products provoked major problems in Kosovo affecting Governments stability. The international community namely the EU and the U.S put a lot of pressure on the Government to suspend taxes. The UN Secretary General confirmed that tax is the major problem regarding dialogue between Pristina and Belgrade. The US has started sending officials in Pristina in an effort to convince Kosovo leaders*

to restart dialogue with Serbia, while a joint French – German initiative for restarting the dialogue is underway. Although Kosovo still enjoys the EU and U.S support none could avoid recognizing that the state acts beyond European standards violating international agreements such as CEFTA. On the other hand dialogue between Kosovo and Serbia has reached a deadlock trapping mostly Pristina in an endless conflict. Only through normalization of relations with Serbia it will be able to move forward namely to enter the UN, NATO, EU and to achieve a normal status of a state. However, the state's authorities show a tendency of escalating tension with Serbia undermining a peaceful resolution of the case. By imposing 100% tariff on Serbian (and Bosnian products), establishing Kosovo army, executing Special Forces operation in northern Kosovo, arresting Serbs, and requesting special court for Serbs it is created a climate which does not facilitate dialogue and the establishment of confidence between the two parties. Latest rumors for an imminent military operation in North for controlling the Trepca mines may trigger an armed conflict. Apart from that, the presence of an Albanian military force for a joint Search and Rescue exercise (according to KFOR spokesperson) with KSF raises Serbian concerns and fear for military action against Kosovo Serbs. In the meanwhile, Kosovo negotiation team promotes a platform of principles and goals regarding Kosovo – Serbia dialogue. It is a hardline document “seeking to take everything and give nothing”; however it is nothing more than a negotiation base which actually rejects Thaci's goal for border correction. Thaci changed last week his position claiming that he is not in favor of border correction. It is estimated that internal politics affect political leaders' stance in Kosovo – Serbia issue. The question of

border exchange or simply change continues to divide Kosovo political forces and population. It seems that the U.S (and the EU) has a leading role in the background pushing for the idea of territorial change (or exchange). Kosovo lacks determination over its critical reforms which will establish in the country rule of law and modern functional administration. Path towards the EU and NATO will be long and hard. Establishment of Kosovo Army is also a factor of destabilization since there is always a possibility of Police or military engagement with Serbian forces. Kosovo seeks KSF to be operating all over the country pushing NATO towards such direction. The presence of Kosovo Army in the north it is assessed of high security risk which may lead in armed violence. One should take into consideration that the Serb President has already ordered all defense and security stakeholders to take all necessary measures for protecting Serbian population in Kosovo.



**MOLDOVA:** March 18<sup>th</sup>, one of the topics discussed at the Meeting of the EU Foreign Affairs Council was the current political situation in Moldova following the parliamentary elections of February 24<sup>th</sup>, 2019. Foreign Ministers highlighted the importance of a transparent and credible Government formation process that should reflect a genuine parliamentary majority that respects the outcome of the elections. They stressed the importance of non-interference in the formation process and the fact that the EU does not support individual parties and specific political actors, but values and principles. At the same time, the Council reiterated that the basis for EU cooperation with Moldova is the implementation of the Association Agreement and confirmed the importance of the principle of

conditionality in delivering macro-financial assistance to Moldova, which had to be withheld following serious deterioration in the areas of rule of law and the upholding of democratic principles. On the other hand, Foreign Ministers highlighted the critical importance of offering support to Moldovan citizens and to civil society. At the press conference following the Foreign Affairs Council meeting, the High Representative of the EU for Foreign Affairs and Security Policy, Federica Mogherini, presented the remarks regarding the previously discussed topics. *“We assessed with the Foreign Ministers the current situation in Moldova, with full respect of the politics of the country and still with the willingness to support the reform agenda in the country, the rule of law, and its democratic perspective. We have expressed some concerns and, obviously, agreed that we will keep a close eye on the formation of the Government and the program that the Government will put in place,”* Mogherini claimed. Additionally, the High Representative declared that the Council will not enter into the discussions about coalitions and formation of the Government. However, it is crucial *“to stay vigilant on the rule of law and most of all the implementation of the [EU-Moldova] Association Agreement with Moldova that is a key partner in the Eastern Partnership.”* According to the preliminary conclusions of the OSCE/ODIHR Election Observation Mission stated in the Background Brief document of Foreign Affairs Council, the elections were *“competitive and fundamental rights were generally respected.”* However, shortcomings were noted throughout the campaign and on the election day, including *“allegations of pressure on public employees, strong indications of vote buying and the misuse of state resources.”* The Mission also noted that *“control and ownership of*

*the media by political actors limited the range of viewpoints presented to voters.”* (www.moldova.org)

- March 21<sup>st</sup>, the Parliament of the 10<sup>th</sup> legislative period convened in a founding meeting. Upon entering the legislature, the new MPs have got two state signs and the Constitution. The meeting started with the traditional anthem of Moldova and was chaired by oldest Socialist MP Eduard Smirnov, who will be 80 years this year. At the first meeting, President of the Constitutional Court Mihai Poalelungi unveiled a report on the results of parliamentary elections and validation of the mandates of elected MPs. The leadership of the Central Electoral Commission and President Igor Dodon delivered speeches before MPs. Parliament is considered legally set up since foundation meeting. After the legal establishment of Parliament, Parliament Speaker, Deputy-Heads shall be elected, and Parliament Standing Bureau shall be formed. Within 10 days of the first meeting, the parliamentary groups will be formed, operating under their own regulations. The first parliamentary meeting has been marked by protests organized by supporters of ACUM [Dignity and Truth Platform Party (Partidul Platforma Demnitate și Adevăr - PPDA) and Party of Action and Solidarity (Partidul Acțiune și Solidaritate - PAS)] block. (www.moldpres.md)

- March 22<sup>nd</sup>, the parliamentary group of the Democratic Party of Moldova (Partidul Democrat din Moldova - PDM) seeks to begin establishing a parliamentary majority next week, incumbent Prime Minister Pavel Filip stated at a news conference following the forum's first plenary meeting. Filip is a Deputy Chairman of PDM. He was elected Member of the Moldovan Parliament at the February 24<sup>th</sup>, 2019 election. And today,

Democratic MPs elected him as Head of PDM parliamentary group. Filip underlined that the new Parliament is not quite functional yet because its governing bodies, without which it is impossible to pass laws, are yet to be shaped. *“But first of all, it is necessary to form a parliamentary majority. However, to our great regret, the forum’s first plenary meeting was too short today. A pause was announced, during which we have to hold negotiations on majority formation,”* he said. He reminded that the PDM had invited ACUM [Dignity and Truth Platform Party (Partidul Platforma Demnitate și Adevăr - PPDA) and Party of Action and Solidarity (Partidul Acțiune și Solidaritate - PAS)] leaders for the talks, and *“had the talks taken place, our today’s plenary meeting could be more effective.”* *“I am convinced that the pause will be used efficiently. We will hold intensive discussions with parliamentary factions and independent Deputies so as to shape a majority already next week. I do not really think that in case of a snap election, the composition of the Moldovan Parliament will change. That is why I guess that those people who are standing firmly against negotiations and against coalition formation are simply mocking at citizens and do not care about useless State Budget expenditures. Citizens have already voted, so our duty is to start majority discussions in order not to disappoint the voters,”* Filip, said. Asked what post, Parliament Speaker’s or Prime Minister’s, presents a greater interest for Democrats, Pavel Filip replied it is too early yet to speak of this, but at any rate such matters should be handled primarily from the positions of realism and not personal or party preferences. (www.infotag.me)

## **COUNTRY ASSESSMENT** :

*Parliamentary elections in Moldova were hiding surprises and ACUM achieved to get the 2<sup>nd</sup> place, but due to the new electoral system got only 26 seats. ACUM looks reluctant to negotiate a possible coalition with PDM. At the moment the most possible scenario is a ruling coalition of PSRM – PDM. On the other hand, the US and EU it might push for a PDM – ACUM cooperation aiming at interdicting the pro-russian PSRM from entering a Government. New elections could not be excluded. Moldova is between the Euro-Atlantic structures on the one hand and the Russian influence on the other. Political situation in the country is alarming and the EU has hardened its policy towards Moldova pushing for more reforms which will strengthen state’s transparency, accountability, and democratic values. The current Government has walked into dangerous paths which support corruption and organized crime and deep and determined justice reforms are needed. The U.S, EU and IMF express their major concerns. The ongoing crisis between Russia and Ukraine may affect Moldova; First of all Russia maintains military forces in Transnistrian ground and secondly it shares common borders with Ukraine which cannot go unnoticed by international stakeholders. The “Transnistria case” is always a “running sore” for the country working as a potential factor of destabilization.*



**MONTENEGRO:** March 18<sup>th</sup>, the authorities are ready to talk with those who formally lead protests and discuss all issues that represent their interest, said the President of Montenegro Milo Djukanovic. At the German Foreign Policy Society in Berlin, the Montenegrin President said that the protests in Montenegro are tried to be presented as civil ones, although, as he

stated, it is clear that political forces stand behind them. According to Djukanovic, protests in Montenegro, Serbia, and Albania are an obvious indicator of progress of the Western Balkans. *“Today, protests are seen as a legitimate way of expression of political interests. We repeat that it would be normal to replace the protests led by opposition with parliamentary dialogue,”* Djukanovic said. *“We are ready to talk with those who formally lead protests and discuss all issues that represent their interests. There is no question about this issue nor potentially conflicting situations in relation to authorities and participants of the protests,”* Djukanovic said. The President said he recognizes a common thread in all protests that take place in the region. That is, according to Djukanovic, the idea of changing power without the electoral process. (www.rtcg.me)

- March 20<sup>th</sup>, civic protests do not pose a threat to the state and its political system, according to Prime Minister Dusko Markovic, who assessed that the Government of Montenegro is persistent in the protection of the state and its citizens. He reiterated that the demands for resignation were not grounded because, as he says, the Government has support in the Parliament in which it was elected. During the Premier’s hour that was not attended by MPs of the opposition, Markovic announced that the state is becoming more and more stable. *“Although we can feel the intention and ambitions of the organizers of the protests, there is no danger to the state and its political system. Our country is not Montenegro from 1918 and 1998,”* Markovic estimated. According to the Prime Minister the Euro-Atlantic and European future of Montenegro, along with its independence cannot be compromised by anything. (www.rtcg.me)

- March 22<sup>nd</sup>, organizers of the recent series of anti-government protests in Montenegro have offered an agreement to the country’s opposition parties on forming a national unity Government that would pave the way to fresh elections. They said they expected a response from the opposition parties before Saturday’s planned protests in Podgorica – after which they will offer the same agreement to minority parties that are part of the current coalition Government. Some opposition parties have already pledged to support the agreement, but others have asked for time to consult further with the protest organizers. One of the organizers of the protests, Xhemal Peroviq, said he expected the opposition to back the agreement as the only way to oust the current Government led by the Democratic Party of Socialists of Montenegro (Demokratska Partija Socijalista Crne Gore - DPS). It offered *“a roadmap”* towards *“a tranquil transition,”* Peroviq told a press conference. The *“Agreement on the Future”* proposes that the new unity Government would comprise three parts; the opposition parties, some of the former ruling parties, and independent non-party intellectuals. The new Prime Minister would not come from the present ruling parties. The opposition would in the meantime remain outside Parliament and boycott all elections until the new Government creates the right conditions for elections. To avoid charges that the new unity Government would steer Montenegro in another – pro-Russian – foreign policy direction, the deal states *“The Government of Civil Unity will not, by any activity or decision, change the current foreign policy direction of Montenegro.”* The DPS-led Government has long accused the opposition parties, and protest movements generally, of acting as channels for Russian influence and of aiming to reverse the 2017 decision to join

NATO. Organized by an informal group of intellectuals, academics, NGO activists, and journalists the “Odupri se!” [“Resist!”] protests began in early February following new revelations of corruption in the political elite and allegations of links with organized crime. Prime Minister Dusko Markovic and President Djukanovic have both said that behind the protest movement are the opposition, part of the media and the civil sector who want to change the government without elections. Markovic dismissed the idea of forming a new technical or other new Government without the ruling coalition’s consent. “*We are here to talk. But there will be no talk of blackmail or ‘take it or leave it’ models in Montenegro,*” Markovic told MPs. The EU has criticized the opposition for quitting the Parliament. On a visit to Podgorica in February, Enlargement Commissioner Johannes Hahn said boycotts are “*not the way to solve problems.*” (www.balkaninsight.com)

## **COUNTRY ASSESSMENT**   :

*Massive protests against the President and high officials disturbed a period of “euphoria”, emerging state’s problems such as corruption, media freedom, and nepotism. In this context, accusations against the country’s President for bribery by a fugitive businessman should be investigated with transparency and into depth. However, protesters harden their stance by giving an ultimatum to opposition parties for accepting their terms for forming a unity Government. It is a quite strange political model; a group of people – protesters gives a mandate to opposition parties demanding collapse of a legitimately elected Government. In the same context as in Albania, Serbia one could notice an immature democracy which actually cannot function under the basic*

*democratic principles. Of course, under these circumstances polarization of political situation could not be excluded undermining the EU process of the country. The EP assessment was positive praising the state’s efforts to implement major reforms, but on the other hand it underlined the problems of the rule of law, media freedom, corruption, money laundering, and organized crime. However, the EP stated that Montenegro under certain conditions may be able to access the EU by 2025. It is assessed that the EU and U.S strongly supports the President Djukanovic and the Montenegrin Government despite corruption accusations as being the only loyal partner committed to the Western orientation of the state. In other words the west is closing its eyes in lack of democratic values and rule of law due to geopolitical interests namely Russian influence. The Government promotes state’s political and economic stability which creates an almost ideal investment environment. Although the Government takes concrete measures against corruption, organized crime, and money laundering it is assessed that a lot should be done to reach such a level of economic activity; mainly in the field of public administration, public sector corruption, and money laundering. Imprisonment of opposition MPs is a worrying and alarming sign regarding rule of law and democratic values in the country. Montenegro shows activity within NATO trying to prove that it is an equal partner of the alliance with military capacity according to NATO standards. Moreover, it tries to modernize and strengthen its operational capabilities and in this context it raised its defense budget aiming at purchasing new assets such as armored vehicles. Establishment of a credible and effective system of Armed Forces reservists will strengthen defense capabilities of its Armed Forces.*



## **NORTH MACEDONIA:**

March 19<sup>th</sup>, Prime Minister of North Macedonia, Zoran Zaev and Head of European Diplomacy, Federica Mogherini, agreed that the successful conduct of fair, democratic and free presidential elections is a key and priority for the Government in Skopje. At the same time, it was highlighted that a constructive approach and participation in presidential elections, as well as in reform processes, is expected from the opposition. The talks were also attended by Deputy Prime Minister of North Macedonia, Bujar Osmani, Foreign Minister Nikola Dimitrov, and Defense Minister Radmila Sekerinska. During the meeting it was welcomed the strong progress of the country's implementation of the reform agenda. Mogherini also encouraged the Government to work more intensively completing the remaining reforms envisaged in the European Council's conclusions of June last year, before June 2019. During the meeting, it was concluded that Northern Macedonia has many reasons to hope for positive signals from all European institutions in the coming period. The first round of presidential elections in Northern Macedonia will be held on April 21<sup>st</sup>, 2019. ([www.aljazeera.net](http://www.aljazeera.net))

- March 20<sup>th</sup>, following a meeting with Prime Minister Zoran Zaev, the NATO Secretary General Jens Stoltenberg said that the signature of the Accession Protocol for the Republic of North Macedonia in February was a historic moment for the country and for NATO. *"Your leadership helped make this happen,"* he said. *"By working with Athens you have shown what courage, commitment and diplomacy can achieve."* Stoltenberg said that the agreement with Athens has already created a lot of positive political momentum and that NATO membership will

further bring peace, stability and prosperity to South-Eastern Europe. He highlighted that several Allies have already ratified the Accession Protocol and that once all Allies have completed this process, North Macedonia will become the 30<sup>th</sup> member of the Alliance. *"Your country already has a seat at NATO's table,"* he said. The Prime Minister Zoran Zaev said that Northern Macedonia is fully prepared to take over the obligations and responsibilities arising from full membership in NATO and that, as a future member, the state's Armed Forces is taking serious steps to strengthen its capacities. *"In 2018, we increased the Macedonian Army's [North Macedonia Army] budget by 14 percent, and we remain committed to achieving our goal by 2024, that is, securing two percent of Gross Domestic Product for the army, which in every respect will be equal to other NATO allies,"* Zaev said. He added that he is convinced that the North Macedonia's membership in NATO will additionally contribute to stability and security in Southeast Europe. *"Our membership will be an instrument for creating a new positive image of the region,"* he said, adding that he is ready to support all countries in the region in meeting the strategic goals that are in the interest of the region's citizens, such as commitment to democracy, freedom, market economy, respect for human rights, and the rule of law. ([www.aljazeera.net](http://www.aljazeera.net), [www.mia.mk](http://www.mia.mk), [www.nato.int](http://www.nato.int))



North Macedonia Prime Minister, Zoran Zaev and  
NATO Secretary General, Jens Stoltenberg  
(Photo source: www.nato.int)

- March 22<sup>nd</sup>, the Internal Macedonian Revolutionary Organization – Democratic Party for Macedonian National Unity (Внатрешна македонска револуционерна организација – Демократска партија за македонско национално единство - VMRO-DPMNE) has sent their objections to the Ministry of Justice regarding the shortcomings of the draft text on the Law on Public Prosecution, including the three principles that the party seeks to be part of this new law, VMRO-DPMNE Spokesman, Naum Stoilkovski said. He added that the new law must be adopted by a consensus, it must be reformed and constitute the basis for building a law-abiding country. *“Zaev and Deskoska must not turn away from the fact that the Public Prosecutor’s Office should be in the position to protect citizens and preserve the legal order in the country, rather than being a servant to the executive Government. The Government must not be silent and ignore the argumentative proposals that will enable the fight against corruption and criminal actions of the Government. The Government must not run away from the fact that there should be accountability and respect of human rights, and not for public Prosecutors to protect Ministers and Prime Ministers and to conduct political purges following orders of those in power,”* Stoilkovski said. He added that the Government should not run away from the implementation of 11 international acts by the UN, recommendations of the European Council of Ministers, and recommendations of the Venice Commission. (www.meta.mk)

**COUNTRY ASSESSMENT**  :

*Ratification of NATO accession protocol by the member states proceeds rapidly. Zaev and his Government focus on domestic affairs trying to benefit by the successful name agreement. The ruling SDSM announced that it will not call for early parliamentary elections along with the presidential one. As it was assessed, the Government seeks to fully capitalize its gains from NATO accession (scheduled for June 2019) and a possible opening of accession negotiations with the EU (also for June 2019). VMRO-DPMNE will strengthen its nationalistic rhetoric due to the coming presidential elections seeking to elect its own presidential candidate. However, the ruling coalition SDSM-DUI presented its own common candidate, Stevo Pendarovski. Polarization of state’s political life including low scale violent incidents could not be excluded during the pre-electoral campaign especially if VMRO-DPMNE realizes that it is not going to elect its own President. The EU did not hesitate to send the message that coming presidential elections would be a stress test for state’s opening of accession negotiations. The fact is the country is more stable and more coherent watching its future in a more optimistic way. However, the country should focus on its economy and major administrative reforms aiming at reaching the EU standards. The U.S and EU enjoy their success since F.Y.R.O.M moves in their paths far from Russia’s influence. Needless to say that in a period where border questions are raised again in the Balkans F.Y.R.O.M achieved to strengthen its political stability and growth prospects.*



**ROMANIA:** March 20<sup>th</sup>, Romanian President Klaus Iohannis said he is *“almost intent”* on calling a referendum on justice on May 26<sup>th</sup>, 2019 the day the EU Parliament elections are



held in the country. However, he said he needed some time for a thorough analysis. *“I am almost intent on calling a referendum on May 26, when the EU Parliament elections are held; please allow me a margin that is due to the need for a thorough analysis,”* the President said, quoted by News.ro. The President made the statement in answer to a question on what guarantees are there that a referendum on justice would take place soon. *“The guarantee can only be me, because the President is calling the referendum,”* he said. He also explained that he did not want to call a referendum that would not meet a quorum. *“I have started analyzing, together with my team at Cotroceni, what it would be like to call a referendum on the day of the EU Parliament elections. At first, there were relatively few enthusiasts for this idea, myself and two-three others, but I have managed to convince more [people] that we need to consider things very, very well. [...] We are working intensively on this, we are analyzing options, dates, the legal side, and so on,”* the President explained. He also said he wanted to find partners for the idea of the referendum not only in the political parties but also in the civil society. He explained that the referendum can express the attitude of the people. *“I want the Romanian people to say clearly if they tolerate corruption and the corruption that changes laws to get away or if we draw the line and say ‘enough’,”* the President said. President Iohannis launched the idea of a referendum on justice at the beginning of 2017, when the ruling Social Democrat Party (Partidul Social Democrat - PSD) initiated the first changes to the country’s criminal codes. The referendum would ask the people to express their will on *“continuing the fight against corruption and ensuring the integrity of public office.”* (www.romania-insider.com)

- March 22<sup>nd</sup>, the ruling Social Democrat Party (Partidul Social Democrat - PSD) is preparing a new Government reshuffle, which would lead to the change of three Ministers. Rovana Plumb, the EU funds Minister, and Natalia Intotero, the Minister for Diaspora, are on the list of Ministers to be changed, according to local Digi24. Both are to be included on PSD’s list of candidates for the 2019 European Parliament elections, with Plumb opening the list, the local media reported. But the expected Government reshuffle also targets Justice Minister Tudorel Toader. Although he recently survived a simple motion filed by the opposition, PSD may decide to change him anyway as the party is reportedly unhappy with the fact that he failed to issue several emergency ordinances on justice, including one to change the criminal codes. The previous Government reshuffle, decided by PSD in November last year, did not go as planned after the President refused two of the ruling party’s nominations several times and delayed announcing his decision. The crisis ended three months later, in February this year, when the Government nominated other candidates and the President accepted the proposals. (www.romania-insider.com)

- March 24<sup>th</sup>, Prime Minister Viorica Dancila has announced, during the visit paid to the US, that after completing the analysis and in full consensus, Romania will relocate the Embassy in Israel from Tel Aviv to Jerusalem. The announcement was made during a speech at the American Israel Public Affairs Committee (AIPAC), ziare.com informs. *“I am delighted to announce today, in front of the AIPAC audience, that after the completing of the analysis by all constitutional players involved in the decision-making process in my country, and in full consensus, that I, as Prime Minister of Romania*

*and the Government I lead, will relocate the Romanian Embassy to Jerusalem, the capital of Israel,”* Dancila said. Dancila said about the decision made by US President Donald Trump to relocate the Embassy to Jerusalem as being “*admirable and courageous.*” The relocation of Romanian Embassy to Jerusalem was a tensed topic last year between Social Democrat Party (Partidul Social Democrat - PSD) and President Klaus Iohannis. The initial announcement was made by social-democrat leader Liviu Dragnea, who said the Government adopted a memorandum whereby it is decided to start the procedures for the relocation of the Embassy from Tel Aviv to Jerusalem. President Iohannis mentioned that the UN has asked the member states to abstain from establishing diplomatic missions in Jerusalem and to intensify the international efforts for a lasting, comprehensive peace in the Middle East. Dancila also heralded important decisions for Jews who left communist Romania. She also underlined that she is firmly committed to contributing to an ever closer relationship of Israel with the EU. At the same time, the Romanian premier announced that the Speaker of the Chamber of Deputies (Romania’s lower chamber of Parliament), Liviu Dragnea, would promote three important laws for the Jewish community, such as the one granting the Romanian citizenship for the Jews who left the country during the communist regime, and also a law to grant pensions for the Holocaust survivors. (www.romaniajournal.ro)

## **COUNTRY ASSESSMENT** ■ :

*Political struggle between the President Klaus Iohannis and Government has been transformed into an “open battle” leading the political functionality in a deadlock. A new battle are*

*expected due to President’s thought to conduct a referendum on justice issue together with the European elections on May 26<sup>th</sup>, 2019. Iohannis tries to gather civil society and political forces around him and against PSD. By setting a question with obvious answer it is expected that the President will get an extremely high positive percentage. On the other hand, it is assessed that political climate will be fully polarized affecting Romania’s political stability. Romania took over the Presidency of the Council of EU facing criticism and non-confidence by the EU member states’ high officials. The state looks divided in major institutional issues such as national defense, justice, and security. In this context, one should add the direct European Parliament warning for activating article 7 of the EU Treaty (suspending certain rights of an EU member state when a country is considered at risk of breaching the EU’s core values). Iohannis strongly opposes in Government’s plans to intervene in judicial system while there are specific signs that the Government works towards controlling state’s justice. The state faces political abnormality in many levels which at the moment could be resolved only by early parliamentary elections. The Prime Minister Dancila announced that Romania will transfer its Embassy in Israel from Tel-Aviv to Jerusalem; another issue which may cause tension with President Iohannis who are against such an idea. Moreover, such an action it may increase security risk of the country. Romania according to NATO strategic and operational planning has become an advanced base close to Russia. Its strategic importance and role has been upgraded and high level NATO exercises take place in its territory. Consequently, Russia reacts mainly against the NATO military base in Deveselu where anti-missile defense systems have been deployed.*



**SERBIA:** March 19<sup>th</sup>, President Aleksandar Vucic met in Belgrade with Bosnia-Herzegovina (BiH) Presidency Chairman Milorad Dodik. Dodik, a former President of the Serb entity in BiH, the Serb Republic (RS), expressed *“gratitude and satisfaction with the desire, determination, and intention of Serbia and President Aleksandar Vucic to continuously assist citizens and municipalities of the RS.”* In a joint conference with Vucic, Dodik said that today's agreement on assistance to RS citizens (the projects to be financed by Serbia in 62 municipalities in the RS) have been *“the most concrete to date.”* The realization of this agreement and project will mean that Serbia will be present in all municipalities throughout the RS, and *“it is about serious money,”* Dodik said. He added that the fact Serbia supports the RS is encouraging, *“when we know there is much that Serbia needs to be done.”* Dodik said that he also talked with Vucic about the issue of relations between BiH and Serbia, especially the issue of the border, which, as he said, remains unresolved due to the attitude of the Bosniak (Bosnian Muslim) side that has *“its own, different approach to the issue.”* As far as he is concerned, he said, the option that was originally proposed is acceptable. *“Serbia and Srpska (RS) are showing cooperation that is aimed at stabilizing the entire area. To us Serbia is the most important for stability of the entire region and for the open issues that exist to be solved,”* Dodik said, adding that *“what Serbia is doing for the RS is a good example for everyone, especially for erbs in BiH.”* According to Dodik, President Vucic was informed about the formation of power at the state level of BiH, where the Serb and Croat sides showed readiness, but there had been obvious obstruction from the Bosniak side in order to

retain the personnel that it suits it in ministerial positions. Therefore, he pointed out, it is not only a technical delay, but an organized obstruction, which will last for a while, Dodik said, adding that the Serb side does not intend *“to suffer it.”* The behavior of Vucic during the weekend protests (in Belgrade) and the message sent that way; the message of the defense of institutions and statehood has met with the approval of citizens in the RS, while nobody approves of violence, Dodik said. Asked how the events in Belgrade were seen in BiH, he replied *“Never mind how it is seen in BiH. In the RS it is seen this way; Serbia is always looked at from the RS with a great deal of love, and a desire that all the best things happen to it. What we saw was certainly not a good picture and it was aimed at destabilizing Serbia and at collapsing the negotiating, regional and international position of Serbia.”* (www.b92.net)

- March 21<sup>st</sup>, Serbian President, Aleksandar Vucic asked by the Italian newspaper La Repubblica *“if stability is threatened in the aftermath of the weekend conflict [during opposition protests]”* said that Serbia is absolutely stable. *“I assure Europe; Serbia is absolutely stable. Unfortunately, peaceful demonstrations that did not involve many people became violent. The police guaranteed peace and order in a moderate manner. You will no longer see unpunished violence in the streets of Serbia. We are more stable than ever, the opposition parties are losing their support in the polls,”* Vucic said. Vucic underlined that he will not resign since he was elected through free and fair elections. *“I do not care about my own destiny, I am in power because I have been elected and I am trying to implement difficult, courageous reforms. I am not afraid of their violence,”* Vucic said. Asked about

the “tense situation with Pristina that wants to take control of the huge Trepca mine” in Kosovo and “whether there is a risk of conflict,” Vucic said that he “spoke about precisely this with NATO Secretary General Jens Stoltenberg.” “I told him that we appreciate the work of KFOR. They have been protecting the Serbs in Kosovo. We expect them to continue to do so. Without the permission of KFOR and NATO, Pristina cannot make any move. I hope they will not endanger peace. Faced with the risk of a pogrom (against Serbs in Kosovo) we will have no choice but to protect our people. However, we hope that KFOR, in which I have confidence, will solve any problem and that Pristina will act rationally,” Vucic said. (www.b92.net)

- March 23<sup>rd</sup>, the “1 in 5 Million” protest returned to the Serbian state TV (RTS) headquarters for a second Saturday in a row but this time with a peaceful performance on the parking lot outside the building. A group of protesters, led by Dveri party leader Bosko Obradovic, entered the building last week and were evicted by the Police and Gendarmerie in riot gear. The entrance to the building was roped off this week with opposition leaders standing facing the crowd to prevent protesters from approaching it. This was the 16th weekly protest in Belgrade and it started with speeches by actor Branislav Lecic (a veteran leader of protests since the early 1990s) and retired Air Force General Sreto Malinovic on the plateau in front of the Belgrade University School of Philosophy (a traditional venue for protests dating back to the student protests of 1968). The crowd marched to the RTS building carrying banners including those saying “Don’t Let Fear be Your Profession, They’re Saying Things Were Never Better, Things Are Never Worse.” A group of protesters organized a performance titled Free

Serbia Daily News (Dnevnik Slobodne Srbije) which included statements by five of the young men arrested for taking part in the previous week’s protests and their lawyer. Many in the crowd lit candles for the RTS staff killed in the NATO bombings (which started on March 24<sup>th</sup>, 1999) and to “get rid of the media darkness once and for all.” The crowd then moved to the Supreme Court of Cassation in a show of support for the people on hunger strike there who are demanding a solution to the problem of their mortgages in Swiss Francs. The protesters demands free and fair elections, free media for a period of 6-9 months prior to the elections, and the dismissal of the state leadership. In the meanwhile, the Serbian President Aleksandar Vucic said, the authorities would not allow for violence to take over the protests, adding that even if it happens, it will be so brief that everyone will understand the State’s message. “Some things happened because we thought we were dealing with normal and rational leaders, but when you realize you are dealing with two tycoons who are in a hurry to renew their finances by plundering state property and a fascist, you can say that we have made an error in judgment, and now we will take all the necessary measures, and our citizens have no reasons to fear any violence,” Vucic said. He told journalists in the northern-Serbian city of Novi Sad that he does not want bloodshed and is against a single Serb being hurt in a conflict, asking what the meaning of the protest in front of the Presidency building, when the protesters surrounded the building with one goal only; to kill him. (www.n1info.com)

## COUNTRY ASSESSMENT ■ :

*Serbia has entered in a period of fragile political stability due to citizens’ reactions against*

governmental practices regarding human rights, media freedom, and elections transparency. People protest in the streets, while opposition starts to take action. Vucic is thinking of snap elections, but he has to balance a lot of things before his final decision. It is assessed that he will try to avoid early elections but it is likely to be forced to conduct them. Although protests are appeared to be motivated by the civic society there are indications that certain opposition forces back them. Serbia has followed so far a successful diplomatic strategy regarding Kosovo achieving to be appeared in the international community as a reasonable voice seeking a compromise resolution via dialogue. Serbia realizes that time runs in favor of it and knows that Kosovo will become more and more nervous as long as it cannot get Serbia's recognition. On the other hand Serbia strengthens its relations with Russia (and China) seeking stronger support regarding Kosovo case. Security situation is complex and uncertain since Serbia apart from political and diplomatic means has engaged its military and security forces. The Armed Forces are in high readiness alert but Vucic tried to de-escalate situation by stating that war is not a possible solution. However, none could predict Serbia's reaction in a possible accidental or pre-planned (provocation included) incident in Northern Kosovo against local Serbs. One should have in mind that top state officials have said in public that Serbia will protect Kosovo Serbs by any mean including security and military force. At the moment, Serbia looks like acting in accordance with the international law aiming at reducing tension in the region. In other words state's leadership is acting in a "reasonable" and "wise" way avoiding mistakes of the past which have isolated Serbia from the international community. Of course, under these circumstances

none could speak for restarting of Belgrade – Pristina dialogue. There are certain analysts who claim that such situation will inevitably lead in Kosovo partition with the north part going to Serbia. Some of them claim that this scenario has already agreed by Vucic and Thaci. Serbian repayment will be Kosovo recognition. By expressing neutrality and maintaining equal distance from the U.S.A and Russia it moves in an environment of fragile balance.



**SLOVENIA:** March 18<sup>th</sup>, the Foreign Minister and President of the Modern Center Party (Stranka Modernega Centra – SMC), Miro Cerar, strongly rejected the statements of Slovenian Democratic Party (Slovenska Demokratska Stranka - SDS) leader and former Prime Minister Janez Jansa who claimed that the arbitration ruling regarding the Croatia – Slovenia border dispute allows a bilateral agreement between the two countries. Cerar considered Jansa's views to be harmful and dangerous for the state accusing him of “mixing Slovenian and party interests.” Jansa said last weekend in a conversation with the Croatian dily Jutarnji list that the decision of the arbitral tribunal is legally binding, but at the same time allows a bilateral agreement on part or the entire border between the two countries. He assessed that there is a certain margin of maneuver in which Croatia would get a bilateral agreement, while Slovenia would have a more reasonable line than that set by the arbitral tribunal. Cerar said in a statement that he does not agree with Jansa, listing three reasons. First of all, nor Jansa neither anyone else have achieved to reach any legal agreement with Croatia regarding the border dispute. Secondly, Jansa carries the burden of a bilateral agreement on the issue with the former Croatian Prime

Minister, Ivo Sanader which *“if it had been come into force would be detrimental for Slovenia.”* Finally, arbitration ruling is a given and should not be renegotiated giving the chance to Croatia *“asking for more.”* (www.vecer.com)

- March 18<sup>th</sup>, a new far-right party is emerging on the Slovenian politics two months before the European elections, modeled on the Italian League and FIDESZ in Hungary, and drawing on former and current supporters of the opposition Democratic Party (Slovenska Demokratska Stranka - SDS). It is seen as complementary with, or competitive to SDS. Called the Homeland league (Domovinska Liga) and using the acronym DOM (home) the party considers the French President Emmanuel Macron, German Chancellor Angela Merkel, and the European People Party's (EPP) candidate for the presidency of the EU Commission Manfred Weber as the *“destroyers of the EU.”* *“The European spring is coming, the spring of European nations...The European spring is symbolized by the bloc of sovereignty [supporters] under the leadership of Matteo Salvini. The Homeland League wishes to be part of that undertaking,”* it is published on social media. The party was officially registered on February 26<sup>th</sup>, 2019, which means that it has to satisfy the statutory requirement of having at least 200 members. Its leader is Ziga Jereb, a former mid-ranking member of SDS who is largely unknown among the general public. The party's program will be presented on April 6<sup>th</sup>, 2019. (www.sta.si)

- March 21<sup>st</sup>, the Slovenian Entrepreneurs Club (SBC) announced the co-operation agreement between the coalition Government and the Left party (Levica), addresses some issues that the Government had assured a few months ago that

are only for consultation and they will not be touched. However, *“all these consultations has become commitments by signing the agreement with Levica,”* SBC said. The SBC welcome the easing of wages, but at the same time asked what kind of message the Government sends to investors by raising the tax on business profits to 30%. They support the minimum tax rate of the corporate income tax, but at the same time they are surprised that the proposed increase in the rate of this tax is 22%. Abolition of voluntary supplementary health insurance is particularly worrying because in the case of achieving it to a great extent, it would eliminate the effects of the disburdening of wages. *“Realization of the aforementioned and other announced measures would be very dangerous for the further economic development of Slovenia. We therefore believe that is the right time to present our view for the development of entrepreneurship in Slovenia since the coalition agreement becomes a growing reality and commitment,”* wrote in the letter to Prime Minister Marjan Sarc the SBC. They suggest to the Prime Minister to hold a meeting with all key economic organizations as soon as possible, listening the expert's arguments, and preparing thorough, realistic, and specialized assessment on the impact of the measures from the agreement with Levica, not only on the short-term impact on public finances, but also on the medium-term effect on the competitiveness of Slovenian entrepreneurship, and thus on prosperity in the future. On the occasion of signing the agreement with Levica, amendments to the law on the implementation of the 2019 budget were confirmed on Wednesday, after the state council voted a veto last week. The SBC seeks the budget to be rebalanced supporting further the development of Slovenian businesses. (www.vecer.com)

## COUNTRY ASSESSMENT :

*Slovenia enjoys a relative political stability. Sarec's Government faced the biggest exodus of Ministers since its independence in 1991 put ruling coalition cohesion under question. Sarec has been proved of being flexible in Slovenia's politics achieving to balance adequately between different political trends. Although Government's stability has been reconfirmed there is some tension due to Sarec agreement with the Left party which is necessary for the Government's viability. Without the left's support the Government would be toppled and early elections should be called. At the moment none of the ruling coalition parties wish snap elections. The Government has to address several internal social issues (increase of minimum wage, health care, pensions etc) and at the ruling parties' summit it was paid special attention in tax reform, social care measures, health reform, and private education measures. On the other hand, Slovenian businessmen are concerned over the Government agreement with Levica and its impact on enterprises' development. Border dispute with Croatia is still ongoing and former Government of Miro Cerar filed a lawsuit against Croatia over its refusal to implement the border arbitration. Although the Prime Minister Marjan Sarec announced that his Government will follow the same policy in the issue, he showed up with an attitude of compromise by claiming that his country will not stop Croatia's accession in the Schengen zone. The Slovenian Armed Forces face problems mainly in the field of modern equipment and manning. The med-term 2018 – 2023 defense program it could improve situation, but under current political situation it is doubtful if it will be implemented to the end.*



**TURKEY:** March 20<sup>th</sup>, Turkish and Iranian military Commanders agreed in a phone call to continue joint operations against the Kurdistan Workers' Party (PKK) militants for "some time," Turkey's Interior Ministry said. The Ministry said in a statement that Turkish Gendarmerie Commander General Arif Cetin and Iranian Border Forces Commander Briagdiar General Qassem Rezai agreed on the continuation of the operations as well as the fight against the PKK and its Iranian affiliate the Kurdistan Free Life Party (PJAK). In a separate phone call Turkish and Iranian Deputy Interior Ministers welcomed the stage reached in the joint operations, the Ministry said. The Interior Ministry released a statement following a phone call between the Deputy Interior Minister of Turkey, Muhterem Ince and his Iranian counterpart, Hossein Zolfaghari over the joint operations. According to the statement, the two statesmen expressed their satisfaction with the current state of the coordinated operations. The operations, which were launched against criminal and terrorist elements which threaten both countries' security, were being regarded as a "must" for the peace of the two societies, during the phone call. The PKK and its Iranian affiliate, PJAK use the Qandil mountains, located roughly 40 kilometers southeast of the Turkish border in Iraq's Irbil province, as headquarters for the terrorist group. Although the PKK was headquartered in Syria until 1998, currently, the organization is now controlled from its headquarters in northern Iraq's Qandil Mountains. The Kurdistan Communities Union (KCK) serves as an umbrella group for guerilla groups functioning under the names of the PKK in Turkey, the Kurdistan Democratic Solution Party (PCDK) in Iraq, the PJAK in Iran, and the

Democratic Union Party (PYD) in Syria and its armed wing the People's Protection Units (YPG), which currently control some one-third of the Syrian territory and dominate the U.S.-backed Syrian Democratic Forces (SDF) group. (www.dailysabah.com)



Commander of Turkish Gendarmerie, General  
Arif Cetin

(Photo source: www.jandarma.gov.tr)

- March 22<sup>nd</sup>, Turkish President Recep Tayyip Erdogan called on the world to fight rising Islamophobia as they did against “*anti-Semitism after the Holocaust*,” following the attack on two mosques in Christchurch, New Zealand that killed 50 people. “*Just as humanity fought against anti-Semitism after the Holocaust disaster, it should fight against rising Islamophobia in the same determined fashion*,” Erdogan told an emergency meeting of the Organisation of Islamic Cooperation (OIC). In a speech at the meeting of Muslim Foreign Ministers in Istanbul, Erdogan also praised the sensitivity shown by the New Zealand Government and Prime Minister Jacinda Ardern in the wake of the attack. “*Empathy and solidarity shown by Ardern towards Muslims should be an example for all world leaders*,” he said. New Zealand Foreign Minister Winston Peters reassured the gathering that Muslims living in the country would be “*safe and secure*” despite

the deadly attacks in Christchurch. “*Police stand guard at every mosque to ensure people can pray in peace. And there is an elevated Police presence throughout the country. There are new strict gun control measures already announced and we will confront the way that social media is used to spread vile hate*,” he said. Turkey's Foreign Minister Mevlut Cavusoglu praised New Zealand authorities and their “*sincere solidarity messages*.” “*We are here to show we are one body against Islamophobic actions across the world*,” he said. Erdogan, campaigning for local elections this month, has presented the attack as an assault on Islam and has demanded the West do more to counter Islamophobia. He has angered New Zealand by repeatedly showing a video made by the attacker during the Christchurch shootings. Erdogan has also angered Australia with comments about anti-Muslim Australians being sent back in “*coffins*” like their grandfathers at Gallipoli, a World War I battle. The accused gunman, a self-avowed white supremacist from Australia, livestreamed much of the attack and spread a manifesto on social media claiming it was an attack against Muslim “*invaders*.” (www.aljazeera.com)

- March 22<sup>nd</sup>, Russia will begin delivering natural gas to Hungary via the TurkStream pipeline in the second half of 2021, Peter Szijjarto, the Hungarian Minister of Foreign Affairs and Trade announced. According to Russian news agency Tass, Szijjarto asserted that Hungary would receive the gas with a good possibility that new deliveries would start by approximately the second half of 2021. The TurkStream natural gas pipeline has a total capacity of 31.5 billion cubic meters, out of which the first line will carry a capacity of 15.75 billion cubic meters of Russian gas to Turkish consumers. The second line will



carry another 15.75 billion cubic meters of gas to Europe via Turkey. The second line of the project to transfer Russian gas to Europe is expected to route through Bulgaria following transmission via Turkey. TurkStream gas plans to run from Turkey to Bulgaria, then Serbia, Hungary and Slovakia. (www.yenisafak.com)

## COUNTRY ASSESSMENT ■ :

*Turkey faces several restrictions in freedom of expression and human rights. Elected MPs and journalists are in custody or convicted by the state Courts. Local and international observers claim the country moves towards an authoritarian regime with thousands of citizens being persecuted. Turkish – U.S relations have strongly been harmed forcing Ankara to approach new allies such as Russia. Although Turkey maintains its strategic goal of entering the EU, the EU sends strong messages of suspending the EU – Turkey accession talks. Turkish Armed Forces have been engaged in military operations against Kurds and PKK in Northern Iraq and against YPG Kurds in Syria as well. Turkey declares its readiness to intervene militarily in Syria, eastern of Euphrates river but the U.S does not give the “green light” aiming at protecting Syrian Kurds and YPG. Turkey is waiting for the “green light” for establishing a safe zone in Syria but it is doubtful if it will ever get it. However, Turkey strengthens its cooperation with Russia and Iran conducting joint military patrols with Russia in Syrian Idlib, and a joint military operation against PKK in North Iraq, with Iran. Turkey has been developed into a “regional power” engaged actively in regional conflicts seeking to expand its influence and secure its interests. In this context, Turkey is conducting military operations in the territory of two other countries, it threatens to start a new*

*operation in Syria, maintains a significant military force in North Cyprus, and threatens a NATO ally – Greece – with an armed conflict. Apart from the use or the threat of use of direct armed violence Turkey participates actively in diplomatic processes in the region (Syria negotiations, Nagorno-Karabakh conflict, Cyprus question, Qatar crisis etc). The country demonstrates its interests in Africa by strengthening its presence through various ways (economic, military etc) in several countries such as Somalia, Djibouti etc. Moreover, the state demonstrates decisively its leading role in the wider region of the Middle East, Southeast Europe, and East Mediterranean implementing its doctrine for a diligent capability development effort to be able to fight two multi-front, inter-state armed conflicts while being able to simultaneously carry on large-scale counterterrorism operations at home and beyond borders. Turkish President Erdogan toughly reacted against the terrorist attack in New Zealand presenting a leading profile in Muslim world. Turkish economy inaugurated a period of recession bringing back memories of 2009. It seems that economy is the major Turkish problem which may be emerged as the “Achilles’ heel” for Turkish President Erdogan and his political long reign starting with the local elections scheduled for March 31<sup>st</sup>, 2019. Kurdish question is a major security threat for Turkey affecting stability, peace and even unity of the state. Regarding Turkish interests in East Mediterranean Sea, Turkey looks like has been isolated from the energy activities in the region. Cyprus, Egypt Greece, Israel, Italy, Jordan, and the Palestinian Authority have established an energy coalition promoting their interests and isolating Turkey. Turkey has proved so far its decisiveness in protecting its interests and it assessed that it will*

*not give up its role in the “energy game” in Eastern Mediterranean Sea. Turkey is ready to start oil and gas drills within the Cypriot EEZ escalating tension which could not exclude an accidental or pre-planned “hot incident”.*

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#### **NOTE**

-  Stable situation. No security risk
-  Rather stable situation. Security risk is monitored
-  Major concerns over stability and security. significant security risk in specific regions
-  Imminent major incidents regarding stability and security. High security risk
-  Evolving or ongoing crisis or violent/armed conflict