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SOUTHEASTERN EUROPE

AT A GLANCE



SOUTHEAST EUROPE DIRECTORATE

PROVIDING KNOWLEDGE TO THOSE WHO SHAPE THE FUTURE

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

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

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ALBANIA: August 10th, Albanian organized crime involved together with Montenegrin gangs to a major drug and fuel scandal in Libya. Calabrian mafia gang “*N’Drangheta*” is involved in the case in which tons of cannabis and cocaine were smuggled into Europe. (www.exit.al)

- August 10th, reactions against seizure of TV ORA and Ora News continue by journalists associations. The Albanian branch of the Association of European Journalists expressed its support to their ORA media colleagues. According to the Special Anti-Corruption Prosecution Office (SPAK), the Albanian Government seized the assets of Ylli Ndroqi, President of the two television channels because there is reasonable suspicion that he has been involved in criminal activity in Turkey, Italy, and Albania, and that his wealth has been accrued via this criminal activity. National and European media organizations are concerned that the Prime Minister, Edi Rama intends with direct intervention to control the independent media in the country. (www.exit.al)

- August 11th, Albanian media law could become an obstacle for starting accession negotiations between Albania and the EU, Susanne Schutz, Director for the Western Balkans at the German Foreign Office said. According to the German official, Germany which holds the EU presidency for the second semester of 2020 seeks to hold the first intergovernmental conference with North Macedonia and Albania, if conditions are met in the next six months. Schutz claimed that the new media law promoted by the Government “*does not yet reflect the best international standards and practices.*” (www.exit.al)

- August 12th, the European Commission has agreed on a Memorandum of Understanding (MoU) relating to macro-financial assistance programs with eight countries, including four Western Balkan ones. Albania will receive 180 million Euros which are a part of a 3 billion Euros assistance package for enlargement and neighborhood partners. (www.exit.al)

- August 14th, President Ilir Meta has vetoed and returned to Parliament the law on “Regional Development and Cohesion,” which divides the country into four territorial units called development regions. On Friday, the President argued that the law is unconstitutional as it affects the autonomy of local Government. (www.exit.al)

COUNTRY ASSESSMENT :

Albanian political crisis is ongoing despite efforts of the Government to appear a consensus on constitutional and electoral reforms. Besides, seizure of ORA RTV and ORA News due to their owner, Ylli Ndroqi accusations for being involved in drug trafficking has provoked reactions in Albania regarding media freedom. Journalist unions express their concerns over media freedom, while the EU is highly concerned due to the Government’s draft bill on media which is not according to the European standards on freedom of expression. In short, Albania’s European path is not smooth but there is a lot of work should be done. Although Albania received last March the green light for the opening of accession negotiations by the EU, the first intergovernmental conference which signals the beginning of the process is doubtful due to Albanian inconsistency in fast forwarding reforms. Corruption, organized crime (and especially links of state’s politics with organized crime), money laundering and smuggling

remain as “open sores” for the country. Judicial independence is seriously questioned in Albania since it is assessed that it is tooled by the Government.



BOSNIA & HERZEGOVINA:

August 11th, Bosnian Security Minister, Selmo Cikotic presented a comprehensive operational plan for tackling the migration crisis in the country. The plan was announced and discussed with representatives of north-western Una-Sana Canton and Mayor of Canton's administrative centre Bihac which has suffered mostly by the migrant's waves. The plan has seven priorities, 21 measures and 116 activities and foresees a mechanism of cooperation between cantonal and city institutions with Bosnian state institutions in order to become more effective. (www.ba.n1info.com, www.sarajevotimes.com)

- August 12th, a dispute has erupted between Federation of BiH (FBiH) and Republika Srpska on the new vaccine against the COVID-19. Bosnian Serb leaders said on Wednesday that they would request that Bosnia and Herzegovina procure the Russian COVID-19 vaccine as soon as possible. On the other hand, the FBiH Health Minister, Goran Cerkez announced that FBiH will follow the European Union's policy on this issue. The world's first COVID-19 vaccine was registered in Russia, President Vladimir Putin told media on Tuesday. It was developed by the Moscow-based “Gamaleya” Institute and officially approved by the Health Ministry of Russia. (www.ba.n1info.com)

- August 9th, Sarajevo Canton (SC) Prosecutor's Office launched last night Police operation “DAR I” seeking to arrest Police Officers for corruption

acts. 17 Police Officers were arrested accused of having committed more than a hundred crimes including bribery or other forms of benefit and abuse of position or authority. (www.klix.ba)

COUNTRY ASSESSMENT ■ :

Bosnia continues to suffer from political instability and uncertainty due to complicated Bosnian political system and the state's non-flexible decision-making process. Each entity seeks to serve its own interests ignoring the state's interests leading quite often in political or economic deadlocks. Consequently, Bosnia is far behind other Western Balkan countries towards the EU integration process. It is not a secret that Bosnia faces several political and institutional deadlocks which slow down its economic performances, encourage entities' rivalries and nationalistic rhetoric, and put the country on permanent political instability. Without the pressure of international community (namely the EU and US) and its close presence in Bosnia through the OHR administration Bosnia could have been dissolved (violently or not). Republika Srpska's leaders have openly stated that they are in favor of secession from the Bosnian state. Of course such a scenario could destabilize the whole region of Western Balkans. Bosnia has become a vital field of rivalry between Russia and the West. Moscow estimates that Bosnia is a privileged region of action to establish influence. Taking into consideration that Southeastern Europe is a region fully controlled by the Euro-Atlantic forces only Bosnia and Serbia still offer “fertile soil” for Russian meddling in region's affairs. Muslim countries such as Turkey, Saudi Arabia, Qatar, and Iran maintain a permanent presence through financial donations and investments. Migration flows are a

heavy burden for the country and especially the Una-Sana canton. In this context, Security Minister, Selmo Cikotic's announcement of a comprehensive operational plan is encouraging for tackling the migration problem relieving local population.



BULGARIA: August 10th, protests in Bulgaria demanding the resignation of the Prime Minister Boyko Borissov's Government and of Prosecutor-General Ivan Geshev entered their 33rd day. Borissov said that he will not allow tension or clashes in the protests highlighting that it is his responsibility to allow neither Police Officer nor protester to get injured during protests. (www.sofiaglobe.com)

- August 14th, Prime Minister Boyko Borissov proposed in an official statement convocation of the Grand National Assembly for amending the Constitution. According to him amendment of the state's Constitution will seek to reform justice and upgrade Bulgarian political institutions. Borissov spoke about the need to "restart the state" by restarting the political system and securing judiciary's independence. The Prime Minister concluded by saying that the day the Grand National Assembly will be convened he will resign from his duties. (www.novinite.com, www.sofiaglobe.com)

- August 14th, Bulgaria's economy declined by 9.8% in the 2nd quarter of 2020, the National Statistical Institute (NSI) said in a flash estimate. In real terms, Gross Domestic Product (GDP) in Bulgaria in April - June was 13.83 billion Euros. (www.nsi.bg, www.sofiaglobe.com)

- August 14th, President, Rumen Radev rejected as unconstitutional the Prime Minister, Boyko Borissov's proposal for convening the Grand National Assembly to change the Constitution. Radev said that there is only solution for current political situation; the resignation of the Government and call for early parliamentary elections. (www.sofiaglobe.com)

COUNTRY ASSESSMENT :

The Prime Minister, Boyko Borissov's proposal for convening the Grand National Assembly aiming to change the Constitution demonstrates that ruling GERB and the Government are in difficult situation. Borissov's initiative could be assessed as meaningless or even groundless which was launched only for gaining political time. Borissov hopes to de-escalate tension with his proposal but it seems that his political maneuver will not achieve his goal. It seems that early parliamentary elections are the only solution for the country to reach political stability. It is positive that the Government has avoided using Police violence to stop protesters; another sign that elections are not too far. The President, Rumen Radev has chosen to act more as an opposition political leader rather than the Head of state with a unifying role. Modernization of Armed Forces is a top priority for Bulgaria and huge armament projects are ongoing (fighter jets, armored vehicles, vessels etc). However, military operational capability of the state is questioned especially in the Air Force. Bulgarian Armed Forces are far from NATO standards.



CROATIA: August 10th, Split Shipyard will speed up construction of four Coast Guard patrol boats following a delay of seven

years for the construction of the prototype; the ship “Omis” which is already in operational use. Deadline for the completion of the four boats is almost 1.5 year (580 days). The Croatian Navy is also considering the construction of a larger ship by participating in the “Eurocorvette” project, a joint project of several countries. Croatia is currently participating as an observer and Brodosplit shipyard is also considering joining the project. (www.hrt.hr)

- August 11th, the COVID-19 pandemic continues to have a detrimental effect on the economy. Initial forecasts projected a drop in GDP of up to 25%. Taking into consideration that COVID-19 did not turn back tourists, economists are forecasting now a drop in GDP of 10% or less. (www.hrt.hr)

- August 13th, Interior Ministry state secretary Terezija Gras expressed satisfaction during a meeting with her Slovenian counterpart Franc Kangler that both countries are in agreement that Croatia joining the Schengen Area is the next step towards strengthening the EU’s external borders. Both Ministries are working on a Police cooperation agreement seeking to strengthen border control between the two countries combating illegal migration, human trafficking and smuggling. (www.hina.hr, www.hr.n1info.com)

COUNTRY ASSESSMENT :

Croatia enjoys political stability with a strong Government. Croatia’s main concern is economic recovery from the COVID-19 pandemic. Lately, economic analysts are more optimistic minimizing drop of GDP from 25% to only 10% or less. Croatia – Slovenia border dispute remains active, but COVID-19 pandemic have downsized current

situation. Surprisingly, Slovenia appears ready to promote Croatia’s accession to the Schengen zone; an issue which Slovenia has threatened to use it for pushing Croatia to implement the arbitration tribunal rule on Piran Bay dispute. Croatia seeks to maintain its influence in neighboring Bosnia through the Croatian entity in that country. Croatia implements a policy of Armed Forces’ modernization trying to form a reliable and well equipped force according to NATO standards. However, the current COVID-19 pandemic may affect the ambitious modernization plans due the economic repercussions in the country. Croatian Air Force is far from NATO standards and actually the country lacks an operational air power. Construction of 5 new patrol boats for the Navy will upgrade its operational capabilities but only for coastal operations (surveillance, reconnaissance). Croatian Navy needs open sea ships (corvettes, frigates etc) to become reliable and fully operational for protecting Croatia’s interests.



CYPRUS: August 12th, Turkish Cypriot “foreign minister” Kudret Ozersay said on Wednesday he was dissatisfied with the response of the EU Commission President, Ursula Von der Leyen, to his letter complaining that the Greek Cypriot side has banned foreign nationals from crossing to the north using the pandemic as an excuse. Von der Leyen’s response to Ozersay’s July 13th, 2020 letter arrived on Wednesday, he said. According to Ozersay, the Commission’s Head said they were aware of the crossing point restrictions and that the Commission was closely monitoring situation. Ozersay said von der Leyen’s response to his letter explaining the facts of the “unreasonable restrictions” imposed by the

Greek Cypriot leadership “*did not satisfy us.*” (www.cyprus-mail.com)

- August 13th, “*if Turkey believes that it is acting on the basis of international law, why does it not accept proposals to appeal to the International Court of Justice in The Hague to settle the East Med dispute, rather than using force as a means to resolving it,*” President Nicos Anastasiades said on Thursday. Anastasiades said Cyprus and Greece were trying through diplomacy to resolve the issue but with Turkey, he said, “*we are dealing with a country which, I repeat, neither respects the rules of international law nor adapts to the modern era.*” (www.cyprus-mail.com)

- August 15th, violation of the status of Varosha, the fenced-off area of the occupied town of Famagusta, will be the cause of interruption of Turkey’s European course, President Nicos Anastasiades said on Saturday calling on Ankara to consider the cost. Varosha is often described as a “ghost town.” UN Security Council resolution 550 (1984) considers any attempts to settle any part of Varosha by people other than its inhabitants as inadmissible and calls for the transfer of this area to the administration of the UN. The Turkish Bar Association organised earlier this year a round table meeting, which was held in Varosha for the first time since 1974, and was attended by Turkish Vice President Fuat Oktay and Turkish Justice Minister Abdulhamit Gül, among others. Oktay stated that Varosha belongs to the illegal Turkish Cypriot regime, and took part in a tour of the fenced-off part of Famagusta. (www.cyprus-mail.com)

- August 16th, Cyprus issued on Sunday an anti-NAVTEX as a response to Turkey’s own maritime notice a day earlier for exploration inside

Cyprus’ Exclusive economic Zone (EEZ). Turkey’s NAVTEX covers Cyprus’ Block 6 and specified the “Yavuz” drillship will be in the area southwest of the island until September 15th, 2020. In its own anti-NAVTEX, Cyprus called Turkey’s notice “*unauthorized and illegal activity of the ‘Yavuz’ drillship and its supporting vessels, in Cyprus’ EEZ and continental shelf.*” (www.cyprus-mail.com)

COUNTRY ASSESSMENT :

Cyprus has to tackle increased Turkish aggression due to Turkey’s plans for hydrocarbon drills within Cypriot Exclusive Economic Zone. Turkish activity in Cyprus is linked with the respective activity in Greek waters which has raised tension in Eastern Mediterranean dramatically. While Greece has deployed its Armed Forces, Cyprus has engaged in a marathon diplomatic campaign to get international support and solidarity. Despite Cypriot diplomatic efforts, Turkey conducts hydrocarbon drills in Cyprus’ waters whenever and wherever it wishes without any substantial countermeasures from Cyprus. Currently, Cyprus coordinates its diplomatic efforts with Greece seeking to convince EU member states to impose sanctions to Turkey; a scenario not very likely. As long as Turkey is isolated from energy cooperation and alliances in the Eastern Mediterranean it would react aggressively seeking to gain an active role in the energy game. Unresolved Cypriot question complicates exploitation of energy resources in the region. France presence in the region is strengthened with naval forces which conducted a military exercise with Greek Navy. Cyprus lacks aeronautical assets to deter Turkey from its illegal activities. It seeks to balance its military weakness through “external counterbal-

ance” through alliances and strategic cooperation with other countries. It is certain that Turkey will not accept “fait accompli” in a region considered as part of its strategic interests. Another significant aggressive act by Turkey and Turkish Cypriot community which should be closely monitored is the intention of opening of the “ghost” city of Varosha; such an action could undermine any possibilities for dialogue regarding resolution of Cypriot question. Turkey maintains a significant military force on the island (Army Corps size) which poses a permanent threat against the Cypriot republic. As long as part of Cyprus remains under Turkish occupation and Turkish troops (equipped with heavy weapons) are deployed in the island, Cyprus faces an existing direct threat against its national security and sovereignty.



GREECE: August 10th, Athens responded to Turkey’s decision to issue a NAVTEX reserving an area south of Kastellorizo for seismic research with a counter-NAVTEX, calling on all vessels to disregard Ankara’s message. (www.ekathimerini.com)

- August 11th, Greek Armed Forces was placed on high alert Monday after Turkey sent its “*Oruc Reis*” drill ship into an area within the Greek continental shelf, a move which Athens described as a threat to peace and stability in the region. In this context, Greece’s Defense Council was met under Defense Minister Nikos Panagiotopoulos amid an escalation of tensions with Turkey, state-run Athens-Macedonia news agency said, quoting Ministry sources. (www.ekathimerini.com)

- August 12th, Cyprus President Nicos Anastasiades was briefed on Tuesday by Greek

Prime Minister Kyriakos Mitsotakis on the situation in Greece’s continental shelf and Exclusive Economic Zone (EEZ), where Turkey’s seismic exploration vessel “*Oruc Reis*” is currently stationed, with the two leaders agreeing on coordinated action. The two leaders, Koushos said, coordinated their actions and agreed on further steps to be taken to deal with Turkey’s provocations, while vowing to remain in close contact. (www.ekathimerini.com)

- August 13th, the French military conducted training exercises with Greek forces off the southern island of Crete on Thursday, defense sources said, as tension persisted with Turkey over disputed waters in the eastern Mediterranean. A frigate and two “*Rafael*” jets had arrived in Crete earlier on Thursday and carried out joint maneuvers with Greek forces, the Greek defense sources said. (www.ekathimerini.com)

- August 14th, a Greek and a Turkish warship were involved in a mini-collision on Wednesday during a standoff in the eastern Mediterranean, a Greek defense source said, describing it as an “*accident*.” The Turkish “*Oruc Reis*” survey ship has been moving between Cyprus and the Greek island of Crete, shadowed by a number of Greek frigates. On Wednesday one of them, the “*Limnos*” was approaching the survey vessel when it came into the path of one of its Turkish naval escorts, the “*Kemal Reis*.” The Greek frigate maneuvered to avoid a head-on collision and in the process its bow touched the rear of the Turkish frigate, the defense source said.

COUNTRY ASSESSMENT :

Greece has put its Armed Forces on high alert due to Turkish aggression and provocative behav-

ior. The Turkish drill ship “Oruc Reis” sails within the Greek continental shelf while Turkish officials announced that it will proceed with hydrocarbon research. Although tension is extremely high and both Navies are fully deployed one across another, diplomatic efforts for de-escalation are ongoing not only by Greece and Cyprus but also by the EU and US. Greece is determined to protect its sovereign rights by using all its assets including military force. Collision between a Greek and Turkish frigate could be escalated into a “hot” incident and an armed conflict proving that an accident could escalate tension into a crisis or war. Greece enjoys support and solidarity by the EU but its member states reject sanctions against Turkey. Germany seeks to de-escalate tension and convince both sides to sit on the table of dialogue but currently this is not very likely. Turkish reaction was almost expected due to the announcement of the Greek – Egyptian agreement on delimitation of maritime zones. A substantial success of the Greek foreign policy which actually cancels the Libyan – Turkish memorandum on maritime zones. Agreement between Egypt and Greece secures Greek interests in Eastern Mediterranean and confirms a commitment of the Greek Government to delimit maritime zones with its neighboring countries. It has started with Italy and continues with Egypt. Under current situation in Eastern Mediterranean and Aegean Sea, Greece is forced to strengthen and modernize its Armed Forces operational capability.



KOSOVO: August 12th, Alliance for the Future of Kosovo (Aleanca për Ardhmërinë e Kosovës - AAK) have put forward party leader Ramush Haradinaj as a potential candidate for

Kosovo's next President and authorized him to represent the party during any discussions on the reshuffling of the Government. Current President, Hashim Thaci stated that if indictment against him by the Specialist's Prosecutor Office for war crimes in Kosovo war is confirmed, he will resign. Besides, his current mandate is due to end in April 2021. “Even if there is no indictment confirmed against President Thaci, after four or five months we need to enter into the process of electing the President,” Ardian Gjini, a deputy leader of AAK told a press conference on Wednesday. (www.pristinainsight.com)

- August 13th, Kosovo Parliament failed to pass a controversial law on “protecting values of the Kosovo Liberation Army.” Although the ruling coalition proposed the law it failed to get support in the Parliament due to the lack of quorum. The US and EU opposed the law since it is against freedom of speech and could intimidate potential protected witnesses in the trials of some former KLA members (www.rs.n1info.com)

- August 14th, the US Special Envoy Richard Grenell has announced that a “negotiation” between representatives from Kosovo and Serbia will take place at the White House in September, with Kosovo PM Avdullah Hoti revealing that the meeting will include discussions over “major economic projects.” According to Grenell, the meeting will be held between the “leaders of Kosovo and Serbia” at the White House on September 2nd, 2020. (www.rs.n1info.com)

COUNTRY ASSESSMENT :

Possible indictment of President Hashim Thaci may bring political changes in Kosovo politics. Although Thaci testified in Hugu and he still waits

for the prosecutor's office decision, it seems that he has removed in "political backstage" due to his war crimes case. His opponents seek to get his power in Kosovo politics. AAK leader, Ramush Haradinaj has already announced his intention to claim the President's position; a move that it may overturn political balances in Kosovo. Belgrade – Pristina is in progress despite obstacles, mutual mistrust and provocative statements from both sides. The US administration strengthens its efforts for reaching an agreement between Kosovo and Serbia on technical economic issues. The two parts will meet on September 2nd, 2020 in Washington with the US ambition to present a comprehensive agreement. Kosovo will seek strongly to get Serbia's recognition as an independent state but it rather unlikely to achieve it. Besides, dialogue with the US mediation is limited only on economic issues. Fight against corruption, organized crime, money laundering, smuggling, trafficking, establishment of rule of law, accountable and transparent state institutions, and functional public administration are the main challenges for Kosovo towards its European path.



MOLDOVA: August 11th, as a result of discussions between the four parties – the Democratic Party of Moldova (Partidul Democrat din Moldova - PDM), Party of Socialists of the Republic of Moldova (Partidul Socialiștilor din Republica Moldova – PSRM), Action and Solidarity Party (Partidul Acțiune și Solidaritate - PAS) and Dignity and Truth Platform Party (Partidul Platforma Demnitate și Adevăr - PPDA) – it was decided to constitute two working groups. One of these groups will examine situation in agriculture, while the other group will focus on education, primarily the beginning of the

new school year. The opposition MPs insist on urgently convoking Parliament, while the parliamentary majority says solutions should be first identified IPN reports. (www.ipn.md)

- August 12th, the Action and Solidarity Party (Partidul Acțiune și Solidaritate - PAS) has announced a protest against the Government for August 16th, 2020 starting at 11am. This will be mounted in the square of the National Opera House. According to the PAS leader Maia Sandu protest is organized due to the Government's inability to solve the farmers, business entities and the diaspora problems. Moreover, she accused the President, Igor Dodon for subduing justice and he promotes corrupted people in top-rank positions in justice mechanism. (www.ipn.md)

COUNTRY ASSESSMENT :

Although Moldovan Government enjoys relative stability, the country faces political instability and economic uncertainty. COVID-19 pandemic has hit hard the Moldovan economy which sees various economic worker groups to suffer. Agriculture and small businesses are a couple of them. Moldovan Government is waiting the EU financial support and the IMF loan to survive. In a different case is endangered to collapse. Inadequate and dysfunctional institutions, corrupted state officials and public servants, absence of rule of law, money laundering, organized crime, smuggling, controlled justice and poor economic performances are the main challenges of Moldova affecting good governance and economic growth. Moldova has become a field of the ongoing rivalry for influence between the West (namely the EU and NATO) and Russia. The country is considered by the US and EU of great strategic importance being in the soft underbelly of Russia. On the oth-

er hand, Moldova is considered by Russia as an important region for its national security belonging by principle to its sphere of influence. Russia maintains troops in Transnistria which are considered by pro-western forces as violating Moldovan sovereignty. The frozen conflict of Transnistria is always a “running sore” for the country working as a potential factor of destabilization.



MONTENEGRO: August 13th, the President of the Parliamentary Assembly of the Council of Europe, Rik Daems sent a letter to the President of the Parliament of Montenegro, Ivan Brajovic informing him that Parliamentary Assembly will not be able to carry out observation mission of monitoring parliamentary elections in Montenegro due to epidemic situation and limited travels to Montenegro. (www.cdm.me)

- August 13th, the Government has never accepted proposals and offers that would put limits on investments, development and creation of new jobs, said Montenegro’s Prime Minister, Dusko Markovic, in the Council for the Improvement of Business Environment. He added that, owing to the carefully planned economic policy, they had made Montenegrin economy more productive. (www.cdm.me)

- August 16th, Intensified economic relations should follow very good political relations between Montenegro and Ukraine, and there is a room for this to happen in the sectors of energy, metallurgy, information technology, tourism and agriculture – it was assessed at the meeting between the secretary general of the Chamber of Commerce of Montenegro, Pavle Radovanovic, and the head of the Ukrainian Chamber of Com-

merce and Industry, Gennadiyem Chyzhykov. (www.cdm.me)

COUNTRY ASSESSMENT :

Parliamentary elections will be held on August 30th, 2020 and parties strengthen their pre-electoral campaign seeking to get public attention. In the meanwhile, consultations are underway for potential electoral cooperation. The possibility of pro-Russian/Serbian parties coming to power is a major concern of Western allies of Montenegro. There are several warnings that foreign stakeholders namely Serbia and Russia will try to interfere in the Montenegrin elections aiming to promote pro-Serbian/Russian parties. In this context, NATO has deployed several months ago hybrid warfare experts aiming to tackle attacks of such form. In sum, although Montenegro is a NATO member and is very close to the EU accession, there is concern that Russia still works on establishing influence in the country. The state maintains high levels of corruption, organized crime, smuggling, money laundering, poor public administration transparency and accountability, corrupted politicians, absence of rule of law and problematic justice function. Montenegro – Serbia relations remain tense undermining good neighboring between the two countries and endangering stability of the region.



NORTH MACEDONIA: August 12th, President, Stevo Pendarovski handed over the mandate to form a Government to the Social Democratic Union of Macedonia (Socijaldemokratski Sojuz na Makedonija – SDSM) leader, Zoran Zaev, who won most of the seats in the new Parliament, the Office of the President announced. SDSM has not reached an

agreement with any other party so far for forming the Government and it is still on talks with the ethnic Albanian Democratic Union for Integration (Demokratska Unija za Integracija - DUI) (www.meta.mk)

- August 13th, Internal Macedonian Revolutionary Organization – Democratic Party for Macedonian National Unity (Внатрешна македонска револуционерна организација – Демократска партија за македонско национално единство - VMRO-DPMNE) leader, Christian Mickoski announced that his party freezes relations with President Stevo Pendarovski and it will review the policies towards the President's Office after Pendarovski handed over the Government mandate to the Social Democratic Union of Macedonia (Socijaldemokratski Sojuz na Makedonija – SDSM) leader, Zoran Zaev.

- August 13th, President Stevo Pendarovski said at Thursday's press conference that if no one forms a Government and the Parliament does not dissolve itself, Oliver Spasovski will be the interim Prime Minister for the next four years. (www.republika.mk)

- August 15th, Internal Macedonian Revolutionary Organization – Democratic Party for Macedonian National Unity (Внатрешна македонска револуционерна организација – Демократска партија за македонско национално единство - VMRO-DPMNE) will challenge decision of President Stevo Pendarovski to give the mandate for the establishment of the next Government before the Constitutional Court. According to VMRO-DPMNE, Pendarovski has violated the Constitution which requires that a candidate has majority in Parliament before the President gives him the mandate Social Democratic Union of

Macedonia (Socijaldemokratski Sojuz na Makedonija – SDSM) leader, Zoran Zaev still does not have the necessary votes in the Parliament to secure a majority. (www.republika.mk)

- August 15th, the Social Democratic Union of Macedonia (Socijaldemokratski Sojuz na Makedonija – SDSM) issued a press release saying that they are conducting talks on the division of departments in a future Government SDSM plans to form with Democratic Union for Integration (Demokratska Unija za Integracija - DUI). The party denied the report that it agreed to a power sharing agreement under which for one year of the four year term the Prime Minister would be an ethnic Albanian candidate – Naser Ziberi nominated by DUI – which was a key DUI demand during the campaign. (www.republika.mk)

COUNTRY ASSESSMENT :

Political instability and uncertainty continues in North Macedonia after the early parliamentary elections since a Government has not established yet. President, Stevo Pendarovski handed over the mandate to SDSM leader and winner of the elections, Zoran Zaev who has not yet secured a parliamentary majority for forming the new Government. He is in intensive talks with ethnic Albanian DUI leader, Ali Ahmeti but an agreement has not reached yet. Nevertheless, there are rumors that SDSM and DUI have agreed on forming the new Government and it is a matter of time to be announced. Announcement is delayed for ethnic Albanian's internal reasons. VMRO-DPMNE accuses Pendarovski of promoting a SDSM Government by violating the Constitution which foresees that the mandate should be handed over to a party leader who has already secured a parlia-

mentary majority. DUI is seeking to appear as the representative of all ethnic Albanians of the country; an approach which is rejected by the other ethnic Albanian parties. The new Government should focus on reforms regarding justice, rule of law, fight against corruption and money laundering, public administration, and respect of human rights in order to accelerate its European integration process.



ROMANIA: August 10th, Prime Minister Ludovic Orban has stated on Monday that the Government will most probably extend the state of alert in Romania by 30 more days. It is the third time the state of alert is extended. The Romanian PM also said that he sees no problem at all in organized the local elections as scheduled on September 27th, 2020 arguing that the increase of new Coronavirus cases has been currently stopped. (www.romaniajournal.ro)

- August 12th, Speaker of the Chamber of Deputies Marcel Ciolacu, the acting national leader of the Social Democratic Party (Partidul Social Democrat - PSD) announced on Wednesday that PSD will submit a motion of censure against the Government on August 17th, 2020 saying that Romania is a “country floating aimlessly,” with a Government of “zero credibility.” (www.nineoclock.ro, www.romania-insider.com)

- August 14th, Russia has openly reacted in the US plans to strengthen its military presence in Romania. On Thursday, Russian Foreign Ministry Spokeswoman Maria Zakharova told a news briefing that “following the announcement of the Pentagon decision to increase its military presence in Poland and the Baltic states, high-ranking US Commanders spoke about their country’s

plans to redeploy to Romania some of the troops being withdrawn from Germany. Washington does not conceal that these steps are part of the effort to bolster the so-called ‘north-south axis’ from the Baltic to Black Sea, the axis that is to become the line marking Russia’s ‘containment,’ with Romania viewed as a key stronghold for projecting power in the Black Sea region (...) All that is evidence that the US and its NATO allies are intent on seeking to create an ‘arc of tension’ along the contact line with Russia, at the expense of European security interests.” (www.nineoclock.ro)

COUNTRY ASSESSMENT :

Main opposition party, PSD is determined to submit a non-confidence motion against the Government on August 17th, 2020 seeking to topple the liberal cabinet. Although PSD has the support of ALDE and PRO-Romania parties it has little chances to achieve its goal without the ethnic Hungarian party UDMR votes. Besides, the complicated political system of Romania does not foresee early elections if the Government collapses. A new PNL Government could be established or current Government could continue with limited powers. Such situation strengthens political instability and uncertainty in Romania amid the COVID-19 pandemic. It is likely parliamentary elections to be held on December 6th, 2020. Local elections on September 27th, 2020 would be a good stress test for Romanian political parties before the parliamentary elections. Romania enjoys advanced upgrade in US and NATO strategic plans due to its geographical position located close to Russia and its access to the Black Sea. NATO military force in Europe is gradually shifting from central Europe (Germany) to the east. Announcement of the US plans to redeploy its

military forces from Germany to Romania (Poland and Baltic states) has provoked the Russian reaction which considers such a deployment in the context of the NATO “north – south axis” as a direct threat against its security. It is assessed that such deployment of NATO forces is jeopardizing the balance of power in the region (Eurasia) and as recent history confirms, such plans are not remain unanswered by Russia. Russia’s surrounding by NATO from the north to the south becomes increasingly stifling and Romania could become the central field of confrontation between Russia and NATO. Romania keeps strengthening its Armed Forces seeking to achieve NATO standards.



SERBIA: August 10th, Russian media expressed their surprise for Serbia’s decision to buy the Chinese anti-aircraft FK-3 rocket system instead of the Russian-made S-300, the Balkan Security Network website reported on Monday. (www.n1info.com)

- August 10th, the Alliance for Serbia (Savez za Srbiju - SzS) has officially transformed into the United Opposition of Serbia (UOS) on Monday, gathering 12 parties and movements, including a Hungarian minority’s party, in an attempt to more seriously challenge the ruling coalition led by President Aleksandar Vucic’s party. Earlier, the SzS leaders have vowed they are not interested in ruling the country but suggested a transitional government, changes in some laws, freedom of media and fresh elections after nine months or a year. (www.rs.n1info.com)

- August 10th, the locally developed LAZAR 3 armored combat vehicle was introduced into the Serbian military, the Defense Ministry said on

Monday. The LAZAR 3 is intended for use by infantry and Special Forces and is armed with a 12.7 mm machinegun and a 30 mm cannon and can move at speeds of up to 110 km/h. (www.rs.n1info.com)

- August 10th, the US warned the Serbian Government over the announced purchase of Chinese anti-aircraft missile batteries, the Beta news agency said on Monday. Although the US Embassy in Belgrade, said the purchase of military equipment is the sovereign decision of each individual country, it highlighted that Governments should be aware of the short- and long-term risks and cost of doing business with Chinese companies. (www.rs.n1info.com)

- August 14th, Serbia’s President Aleksandar Vucic said on Friday he was considering two concepts for the country’s new Government – a simple coalition of his ruling Serbian Progressive Party (Srpska Napredna Stranka - SNS) and the other party, or a national unity Government (with all Parliamentary parties), and that he was closer to the first option. The idea of the national unity Government would mean new general elections in 18 months. (www.rs.n1info.com)

COUNTRY ASSESSMENT :

While President Aleksandar Vucic is still on consultations for forming the new Government, extra-parliamentary opposition has been unified under a new coalition called “United Opposition of Serbia”. According to UOS their goal is a transitional Government and early elections in a year or less. This mean constant protests and social unrest for Serbia for the coming months. Vucic is very careful with the establishment of the new Government seeking to balance in internal poli-

tics, although he is the absolute dominant in Serbian Parliament. The EU and US express through various channels their concern over Serbia's democratic rule, media freedom and human rights. Leak that Serbia has purchased Chinese Anti-Aircraft systems has provoked Russian and US reactions. Russians are annoyed that Serbia has chosen a Chinese system instead of theirs S-300 (or S-400), while the US warned that such purchases threaten the European orientation of the country. On the other hand, China is seeking to penetrate in the European arms market by selling weapons to several countries. Belgrade – Pristina talks will continue on September 2nd, 2020 in Washington DC focusing on economic issues. Vucic, who will lead talks for Serbs, appeared suspicious with Kosovo authorities claiming that they do not actually care on economic or other issues; they do care only for Kosovo recognition. The EU has raised serious concerns over Serbia's effectiveness on independence and accountability of the judiciary, freedom of expression, prevention of corruption and the fight against organized crime. Serbia pays special attention in improving operational capabilities of its Armed Forces declaring towards all sides that they are the power of the state. It implements an ambitious armament program mainly supported by Russia and China (lately).



SLOVENIA: August 11th, Slovenia supports Croatia's accession to the Schengen zone because this will help prevent illegal migration at the EU's external border, Interior Ministry State Secretary Franc Kangler said after meeting his Croatian counterpart Terezija Gras in Ilirska Bistrica, south-west. (www.sta.si)

- August 13th, Slovenia and the US signed a joint declaration on safety of 5G networks as US Secretary of State Mike Pompeo paid a visit. Pompeo said the tide was turning against the Chinese Communist Party. The declaration excludes "untrusted vendors" from 5G networks, which will "benefit the people of this country and all of us who share information across complex network systems." A strong reaction came from the Chinese Embassy. (www.sta.si)

- August 14th, speaking about a potential second nuclear reactor in Krsko, Infrastructure Ministry State Secretary Blaz Kosorok told the STA that Slovenia is and will remain a nuclear country. While the Government recently placed a new nuclear reactor in Krsko on the list of strategic projects for post-coronavirus recovery, Kosorok said this did not mean a final decision on the project had been made. (www.sta.si)

- August 14th, dismissal of Democratic Party of Pensioners of Slovenia (Demokratična Stranka Upokojencev Slovenije - DeSUS) President, Aleksandra Pivec will be decided by the party congress, where Pivec will ask for a confidence vote. (www.sta.si)

COUNTRY ASSESSMENT :

Janez Jansa's Government relative stability may be threatened by the DeSUS internal struggle. DeSUS leader, Aleksandra Pivec is questioned by the party's internal opposition and a potential withdrawal from the Government could not rule out if changes happen within the party. Slovenia – Croatia dispute regarding the Piran Bay is still active but without tension or escalation. Slovenia announced that it supports Croatian accession in the Schengen zone. Visit of the US secretary of

state, Mike Pompeo in Slovenia has warmed up relations between the two countries and led in the sign of a bilateral agreement on 5G networks; a critical issue for the US administration and the ongoing struggle between the US and China. The agreement has provoked the strong reaction of China. The Slovenian Armed Forces face problems mainly in the field of modern equipment and manning. According to the Armed Forces annual assessment the Armed Forces have limited operational capabilities in war time namely they cannot accomplish their mission. Adoption of an ambitious 780 million euro modernization project may improve operational capabilities of the Slovenian Armed Forces.



TURKEY: August 12th, Iraq cancelled a ministerial visit and summoned Turkey's Ambassador on Wednesday as it blamed Ankara for a drone attack that killed two high-ranking Iraqi military officers. Iraqi officials called the attack a "*blatant Turkish drone attack*" in the autonomous Kurdish region in northern Iraq, where Turkey's military has for weeks raided positions of fighters it considers "*terrorists*." (www.aljazeera.com)

- August 15th, Turkey will always continue to support Azerbaijan as it has in the past, Turkey's Presidential Spokesman Ibrahim Kalin said late on Friday. On the Nagorno-Karabakh issue, Kalin said if Azerbaijan suffered any attack, Turkey would continue to do everything in its power to support it. (www.dailysabah.com)

- August 15th, Turkish President, Recep Tayyip Erdogan announced that research vessel "*Oruc Reis*" will continue its activity accompanied by Navy ships until August 23rd, 2020 maintaining

tension in high levels. He highlighted that Turkey will not hesitate to respond to the slightest harassment of "*Oruc Reis*" in the Eastern Mediterranean. Moreover, Turkey issued a new Navtex for its Yavuz drillship, which extends the vessel's operations until September 15th, 2020. (www.dailysabah.com)

- August 15th, Turkey is considering suspending diplomatic ties with the United Arab Emirates and withdrawing its ambassador after agreement between the Gulf state and Israel to normalise ties was revealed, President Recep Tayyip Erdogan said. Turkey denounced UAE behavior as "*hypocritical*." (www.aljazeera.com)

- August 16th, Turkey rejected defense agreement between Cyprus and France claiming that the Cypriot republic has not the right to sign such agreements. Moreover, Turkey called France to abstain from agreements which escalate tension in Eastern Mediterranean Sea. According to Turkey the agreement between the two countries does not reflect the interests of the Turkish Cypriot community. In the context of the agreement, France organizes joint military exercises with Cyprus, while it deployed fighter jets on the island. (www.dailysabah.com)

COUNTRY ASSESSMENT :

Tension in Eastern Mediterranean Sea remains increased due to Turkish decision to continue sailing of its research vessel "Oruc Reis" within the Greek continental shelf or Exclusive Economic Zone (EEZ). The research vessel is accompanied by Turkish Navy ships which are ready to protect it from any potential harassment. Turkey appears determined to continue its research activity challenging Greek sovereign rights expressing

its commitment to escalate tension if it is provoked. Turkey feels isolated from the energy developments in the region and it will not allow any further exploitation in Eastern Mediterranean without its participation. This is the main message it seeks to spread with its activity and demonstration of hard power. Relations with UAE are in the worst situation ever and Turkey threatens to stop its diplomatic relations. Normalization of relations between UAE and Israel offered a great opportunity to Turkey for appearing as the protector of Muslims and the Arab world seeking to become their leader. Tension escalated between Iraq and Turkey with the latter violating Iraq's sovereignty by conducting military operation in its territory. Kill of two Iraqi Battalion Commanders by a Turkish armed drone was an act which infuriated Iraq. Of course, Turkish activity in northern Iraq (the autonomous Kurdish region) keeps always an open eye towards the rich in oil region. Turkey is strongly supporting Azerbaijan in its conflict with Armenia by personnel and assets. Turkey is directly involved in the dispute seeking to promote its interests. Relations with France are worsening since the latter decided to strengthen its presence in Eastern Mediterranean. Taking into consideration the above, Turkey is considered as a regional power joining all security challenges in the region. With one or another way, Turkey is part of the problem or the solution in Middle East, East Mediterranean, Balkans, South Caucasus, and Black Sea. A sustainable solution in political, energy and security dilemmas in the region needs the Turkish participation and this is acknowledged by international stakeholders; the EU, US, Russia. That is why these powers are very careful with their reaction with Turkey. Besides, the energy game in Eastern Mediterranean is about to start and none of the partic-


ipants is willing to weaken its share from the oil and gas hidden under the sea bottom. Under these circumstances tension will remain in the region with an incident and an armed conflict not unlikely. The country continues to face several restrictions in freedom of expression and human rights. Elected MPs, Mayors, journalists and thousands of citizens are in custody or convicted by the state Courts. Local and international observers claim the country moves towards an authoritarian regime with thousands of citizens being persecuted. Turkey develops an ambitious armament project aiming at becoming self-sufficient in defense sector; if it succeeds it will set the base to become a regional military super power.


www.hermesresearch.eu


email: info@hermesresearch.eu


Editor in Chief: Ioannis Karampelas


NOTE

 Stable situation. No security risk.

 Rather stable situation. Security risk is monitored.

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

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

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