



**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.

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ALBANIA: December 20th, Albania has expelled Iran's Ambassador and another diplomat for "*damaging its national security*," the Foreign Ministry announced. Albania did not identify the two, and did not say when they were expelled or if they had left the NATO member country, but told Reuters it had consulted its Alliance partners on the decision. Iran's Foreign Ministry spokesman said the move was made under pressure from Israel and the United States. "*I believe that this is a step aimed at harming Iran's ties with Europe at such a sensitive time*," the state news agency IRNA quoted him as saying. "*Obviously this is a measure which has been taken under Israel and America's pressure We expect Albania to respect its own independence*," he said. Israel regards the Islamic republic as its most dangerous enemy and has backed U.S. President Donald Trump's decision in May to exit a 2015 nuclear deal between Iran and six powers that followed reimposition of sanctions on Tehran. The European Union, France, Germany, Britain, Russia and China, participants with the United States in the 2015 deal that lifted sanctions on Iran in exchange for curbs on its nuclear program, have been trying to find ways to circumvent the U.S. limitations. U.S. national security adviser John Bolton, who played a major role in Trump's decision to reimpose sanctions on Iran, backed Albania's decision. "*Prime Minister Edi Rama of Albania just expelled the Iranian Ambassador, signaling to Iran's leaders that their support for terrorism will not be tolerated*," Bolton said in a social media post. "*We stand with PM Rama and the Albanian people as they stand up to Iran's reckless behavior in Europe and across the globe*," he said. (www.reuters.com)

- December 21st, Democratic Party of Albania (Partia Demokratike e Shqipërisë – PD) leader, Lulzim Basha directly accused the Prime Minister, Edi Rama of having links with criminals. "*Edi Rama has links with criminals and this is only for the sake of power*," Basha said. He also stressed that MPs of the ruling Socialist Party of Albania (Partia Socialiste e Shqipërisë – PS) are linked with criminal business. "*People from the PS were brought here in this hall with criminal records becoming major directors in customs and other directories. These people had been in prison for raping, sale, and trafficking of Albanian girls and women, as in the case of Elvis Roshi, Armando Prenga, and Mark Frroku. Without seperating politics from crime Europe's doors will continue to be closed. Vetting of politicians must be done according to Venice. Venice has opened the green light and we should work to vote this law in this hall*," Basha said. The PD leader added that the majority does not want vetting because this means the end of its political career. (www.albaniandailynews.com)

- December 21st, Serbia has asked Albania to use its influence in Prishtina so that Kosovo removes the 100% tariff on Serbian products and the creation of its army. More specifically, the Serbian Prime Minister, Ana Brnabic sent two letters to his Albanian counterpart, Edi Rama. The first one is dated on November 16th, 2018 using a rather harsh tone by mentioning crimes against Serbs and threatening that the situation may be escalated. Six days later, on November 22nd, 2018 Brnabic sent a second letter to Rama, using softer tones and economic arguments. Rama responded to the Serbian Prime Minister's letters two weeks later, reminding to his counterpart the Serbian crimes in Kosovo and claiming that it is impossible for him to fulfill its request, due to the

fact that Kosovo is an independent and sovereign country that can decide on its own about its laws. *“Dear colleague, it is simply impossible for me to understand your calling ‘to review our position in support of independence’...Albania’s position is that Kosovo is an independent state and a sovereign country that independently assumes its own decisions, which Serbia and other countries should respect as a reflection of the sovereign will of Kosovo people through democratically elected leaders. Albania has supported the Kosovo – Serbia dialogue, led by the European Union. But we cannot fail to say that under the guise of dialogue Serbia has undertaken hostile obstacles and acts against Kosovo which are detrimental to the spirit of comprehensive regional cooperation, which is not worthy for an EU candidate state,”* was written among other in Rama’s letter. (www.albaniandailynews.com, top-channel.tv)

COUNTRY ASSESSMENT :

Opposition accuses the Government of having links with organized crime. It raises questions over the power of “Albanian mafia” in the country and its influence in state’s politics. Undoubtedly, corruption and organized crime remains the most significant state’s problem undermining its strategic goal of opening accession negotiations with the EU. Albania has entered in a “protest storm”; Students protest for better education conditions and reduction of tuition fees and citizens protest for high fuel prices and public construction scandals. Opposition tries to take in advantage public discontent pushing further the Government to collapse. 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 is up to the EU Heads of Governments for opening Albania’s accession negotiations in June 2019. 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. Security situation stable without major incidents or challenges.



BOSNIA & HERZEGOVINA:

December 17th, leader of the Bosniak Party of Democratic Action (Stranka Demokratske Akcije - SDA), Bakir Izetbegovic, said that it is likely that Bosnia's future Government would be composed by members of the three major national parties, adding, however, that he would like to see a bloc of three centre-left parties included in the new cabinet. Following consultations on the future make-up of Bosnia's Council of Ministers, organized by the country's tripartite Presidency in Sarajevo, Izetbegovic said that a Government consisting of representatives of the SDA, as well as the of the Alliance of Independent Social Democrats (Savez Nezavisnih Socijal-

Demokrataor - SNSD) led by Bosnian Serb leader Milorad Dodik and of the Croatian Democratic Union of Bosnia and Herzegovina (Hrvatska Demokratska Zajednica Bosne i Hercegovine - HDZ BiH) is likely. Although these three parties have enough seats to enjoy the absolute majority in the state-level Parliament, the SDA leader said that he believes that members of the centre-left Social Democratic Party of Bosnia and Herzegovina (Socijaldemokratska Partija Bosne i Hercegovine - SDP), Our Party (Naša Stranka - NS), and the Democratic Front (Demokratska Fronta -DF) should join the Council of Ministers, *“for the sake of the Government’s stability.”* The Prime Minister is likely to be Zoran Tegeltija (SNSD), who has so far held the post of the Serb entity's Finance Minister. The Office of Prime Minister in the future Government has to be filled by a Serb official, in compliance with the ethnic rotation of office-holders. He is to replace Bosniak Denic Zvizdic (SDA) who took office in March 2015. (www.ba.n1info.com)



Republica Srpska Minister of Finance
(Photo source: www.vladars.net)

- December 18th, Bosnian Croat political parties are discussing the re-creation of the separate Croat republic they had during Bosnia’s 1992-95 war and will not give up the project, the Head of the Bosnian Croat caucus in the House of Peoples,

Mario Karamatic said. *“This needs to be prepared seriously; and we are working on it,”* he said adding that the Bosnian Croat parties will be persistent enough to overcome the international and local resistance to the project. *“They will get tired, we will not,”* he said. The 1992-1995 war left Bosnia and Herzegovina divided into two semi-autonomous entities, the Bosnian Serb-dominated Republika Srpska (RS) and the Federation (FBiH) of Bosniaks (Muslims of Bosnia) and Croats. Since the signing of the 1995 Dayton peace agreement, however, hardline Bosnian Croat officials have been seeking to have their own entity like the one the Serbs have. Some have been advocating for the recreation of the wartime Republic of Herzeg-Bosnia (HB), they had during the war. *“We are not speaking about a third entity,”* Karamatic said. *“We had a republic,”* he said, referring to HB. Herzeg-Bosnia ceased to exist with the signing of the Washington agreement in 1994, which ended the war between the Bosniaks and Bosnian Croats. Because of the war crimes committed during the establishment of the pure Croat territory of HB, the UN war crimes Tribunal in the International Criminal Tribunal for the Former Yugoslavia (ICTY) ruled that the project was a *“joint criminal enterprise,”* in which neighboring Croatia has taken part with the goal of annexing the territory. Karamatic said that the Bosnian Croats brought HB into the Federation and into Bosnia with wartime agreements, including the Dayton Peace Agreement, but *“if one side is cheated”* in an agreement, he said, *“it has the right to go back to square one,”* implying the reestablishment of HB. He has earlier said that Bosniaks had violated the spirit of the peace agreement by voting at past elections for the Croat member of the country’s three-member Presidency, instead just for their own. Karamatic

said that the Croatian National Assembly (HNS), a group of Croat ethnic-oriented political parties, had *“talked about the initiative,”* of re-creating Herzeg-Bosnia but that nothing was initiated because the HNS wants to do it right. According to Karamatic, Croats are endangered in Bosnia. In this context he said it is good that Croatia has adopted a Declaration on the status of Croats in Bosnia. *“The (Croatian) Parliament and Government stand behind Bosnian Croats, and this is the first time they do since the end of the war. Up until now, it was some kind of ‘ostrich politics’, they buried their head into the sand. Now they took it out and opened their eyes,”* Karamatic said. (www.ba.n1info.com)

- December 20th, none of the nine members of the Government Commission for NATO integration who come from Bosnia's Serb-dominated Republika Srpska (RS) attended the meeting at which an essential step toward activating the Membership Action Plan (MAP) for Bosnia's NATO accession was discussed. NATO Foreign Ministers approved the Membership Action Plan (MAP) for Bosnia and Herzegovina, a step forward in the country's aspiration to become a member of the Alliance, beginning December 2018. But NATO membership is a topic where Bosniak (Muslim Bosnians), Bosnian Croat and Bosnian Serb representatives stand divided, with the former two groups wanting the country to join, while the Serbs firmly oppose it. *“We do not support the activation of the MAP, and in accordance with that, we ask of those people who sit or will be sitting in the Council of Ministers in the coming period to refrain from conducting any activities within the framework of the Commission which tends to this issue,”* the President of the semi-autonomous RS entity, Zeljka Cvijanovic, said last month. Most Serbian and Bosnian Serb

politicians are against NATO because of the Alliance's bombing of Bosnian Serb artillery positions during the 1992-1995 Bosnian war and its airstrikes on Serbia during the 1999 Kosovo conflict. The Commission, composed of 20 representatives, had the necessary quorum to hold the meeting sending the Annual national program to Brussels with which Bosnia's MAP would be activated, but it could not make any decisions, the Head of the Commission and Deputy Foreign Minister Josip Brkic, told N1. Some Commission members have justified their absence, he said. Outgoing Deputy Defense Minister and member of the Commission, Boris Jerenic, told N1 that he did not attend because he had resigned from the post and cannot participate in the meeting. (www.ba.n1info.com)

COUNTRY ASSESSMENT :

Country faces several functional and institutional problems. Consequently political fragility maintains permanent uncertainty and institutional mistrust. It is under question if the general election held on October 7th, 2018 will bring political stability in the country. Although it is estimated that formation of Government would be a very difficult issue adding more problems in state's function, SDA leader Bakir Izetbegovic stated that establishment of a coalition Government is very likely to include the three main parties of its national entity (Bosniaks, Serbs, Croats). It seems that HDZ (Bosnian Croatian party) and SNSD (Bosnian Serbian party) have reached an agreement to cooperate in forming a ruling coalition despite their different views on main issues. Tension has broken out between Bosnia and Croatia due to the direct intervention of the latter in country's internal affairs. In our point of view it is another sign of

“Dayton Peace Agreement” malfunction. Croatian actions put the agreement under question claiming that Bosnia’s Croats rights are violated. In this context, Bosnia’s Croats highlight the issue of re-establishment of Herzeg – Bosnia republic raising questions for Croatia’s real intentions over Bosnia. One should take into consideration the current arms race in the region mainly by Serbia and Croatia. Not only that but also the establishment of Kosovo Army complicates current situation. Election of ultra nationalist Serb Milorad Dodik in the tripartite Presidency is a strong sign of more nationalistic rhetoric and more obstacles towards Bosnia’s EU and NATO 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. Bosnia has become a field of influence’s rivalry; Saudi Arabia, Turkey, and Russia approach the country mainly through “investments” and/or funding ethnic or religious groups according to their interests. Approval of Bosnia’s MAP by NATO aims at facilitating state’s approach with the Alliance; however Dodik’s presence in the tripartite Presidency is a critical obstacle for any further step.



BULGARIA: December 17th, F.Y.R.O.M and Bulgaria's long-simmering dispute over the “Macedonian” language is threatening to boil over again, just as Skopje nears a resolution to its dispute with Greece over the name “Macedonia.” Greece and F.Y.R.O.M’s name-change deal in June, the so-called “Prespa agreement” aims to alleviate Athens' concerns about potential territorial claims from Skopje and to clean the way for the former Yugoslav republic to move forward with its

efforts to join NATO and the European Union. But a junior partner in Bulgaria's coalition Government, the Bulgarian National Movement (Bulgarsko Natsionalno Dvizhenie - VMRO) raised the possibility this week of new hurdles for Skopje by threatening to withdraw Sofia's support for F.Y.R.O.M's Euro-Atlantic integration. The VMRO, led by Defense Minister Krasimir Karakachanov, was irked over recent arguments made by Macedonian Prime Minister Zoran Zaev about the existence of the “Macedonian” language. Skopje insists “Macedonian” language is a distinct South Slavic one that forms part of country's culture and national identity. Bulgaria was the first country to recognize F.Y.R.O.M's independence from Yugoslavia in 1992, but it has never recognized “Macedonian” as a unique language. Sofia insists the official language of F.Y.R.O.M is merely a regional dialect of Bulgarian. Zaev recently raised the language issue while campaigning for a constitutional amendment needed under the deal with Greece to change country's name to the “Republic of North Macedonia.” In early December, Zaev told Parliament the deal included clarification on the existence of a separate “Macedonian” language; a reassurance that is important to the national identity of “Macedonians.” Zaev's remark referred to part of the Prespa deal under which Greece agreed to recognize the existence of the “Macedonian” language at the United Nations. F.Y.R.O.M’s Parliament on December 3rd, 2018 approved a draft constitutional amendment on the name change. A final vote on whether to adopt the constitutional amendment is expected in January 2019. But Zaev's remark to Parliament about the language was also heard in Bulgaria, leading to outrage from Karakachanov. He told Bulgarian National Television last week that F.Y.R.O.M is

playing “tricks” and “falsifying history” to force the idea of “a Macedonian identity and language not only within Macedonia [F.Y.R.O.M], but also on Bulgarian territory.” “North Macedonia is a geographic denomination that also includes current territories of Bulgaria,” Karakachanov said. “Mr. Zaev could as well ask that the Bulgarian dialect they use be studied as an official foreign language in Bulgaria. This is unacceptable. This is a provocation,” the Minister said. The VMRO joined Bulgaria's coalition Government with pro-Western Prime Minister Boyko Borisov despite the VMRO's opposition to EU and NATO enlargement. However, some politicians from Borisov's pro-Western Citizens for European Development of Bulgaria (Граждани за европейско развитие на България – GERB) party have joined Karakachanov to protest Zaev's remarks on the language issue. It is included Andrey Kovatchev, a Bulgarian member of the European Parliament who described F.Y.R.O.M's language as “the Western Bulgarian dialect,” and accused Zaev of “scoffing about our ancestors' memory.” F.Y.R.O.M's Foreign Ministry was quick to jump into the fray to urge calm. It warned that a “similar counter-response” by F.Y.R.O.M's officials would create a “chain of negative reactions that will separate” F.Y.R.O.M and Bulgaria, creating “hostility instead of friendship.” (www.novinite.com)

- December 19th, Bulgaria's President Roumen Radev said that he has vetoed provisions in the amendments to the Penal Code, passed by the Parliament last week, giving law enforcement agencies more time until they have to notify relatives of an arrestee. Specifically, the changes in the penal procedure would allow police to detain a person for up to 48 hours before serving

notice to their family, if investigators deem that time necessary to carry out further actions that, if prevented, would seriously jeopardize the investigation. Additionally, and “more worrisome” according to Radev's veto motives, is the provision that allows a 24-hour delay of arrest notification in case of minors. “The President support the efforts and measures taken to fight terrorism, organized crime and other forms of complex criminal activity as necessary and justified, but disagrees with the lawmakers' approach,” the Presidency said in a statement. “Without clearly defining the people and specific crimes to which arrest notification delay can be applied, there is an opportunity being created for disproportionate breach of rights and there is a risk that an exception will become the rule,” the statement said. This breached the provision in the Constitution that says that a person's rights should not be restricted beyond what is necessary for the administration of justice, while also violating the EU directive on the right of access to a lawyer and could lead to further violation of rights, such as the right to work if an arrestee is not allowed to notify their employer, the president's motives said. Radev's veto was his eighth so far this year, with Parliament overturning all but one, in a case where the vetoed provision was withdrawn before it was put to a vote. (www.sofiaglobe.com)

- December 21st, a report by a political-military group that assessed the offers to supply the Bulgarian Air Force with a new fighter jet has recommended the opening of negotiations with the US to acquire F-16s. The aircraft in question is Lockheed Martin's F-16 Block 72, known as the “VIPER.” At the beginning of November, Bulgaria's Defense Minister Krasimir Karakachanov opened the offers from three countries – the US for the F-16, Sweden for JAS-

39 Gripen and Italy for second-hand Eurofighter. At a news conference on December 21st, 2018 it emerged that the F-16 offer had come out on top. The report also proposes that the Cabinet should request by the Parliament to change the financial parameters of the fighter jet acquisition which currently reach 920 million euro (Value-Added Tax included). Lockheed Martin has indicated that to secure the deal, it is willing to reduce its initial price offer and to speed up the delivery process. On December 14th, 2018 the final day for improving offers, Sweden offered to supply an initial ten instead of eight fighter jets. Recently, the Prime Minister Boiko Borissov said publicly that he had spoken to pilots and saw the F-16 offer as the best one, though he said that he did not want to interfere in the selection process. Bulgaria has been a NATO member since 2004, and is meant to acquire fighter jets that meet the Alliance's standards, to succeed the Bulgarian Air Force's ageing MiG-29s, on which the current Government is continuing to spend huge sums of money to overhaul and maintain. For more than 10 years, a succession of Bulgarian Governments have failed to bring the fighter jet acquisition process to a conclusion. In early 2017, the caretaker Government accepted a report that ranked the offer of JAS-39 Gripen as the best one, but this assessment was overturned amid subsequent political maneuvering. (www.sofiaglobe.com)

COUNTRY ASSESSMENT :

The junior partner of the ruling coalition, United Patriots looks like the vulnerable piece of the Governmental stability; none could predict when a new incident or dispute will break out. Thus, Bulgaria has entered in a period of fragile political stability. In this context, Bulgarian

Defense Minister and leader of VMRO Karakachanov reacted against F.Y.R.O.M top officials statements regarding the adoption on "Macedonian language" by putting the friendship agreement between the two countries into question. According to Bulgaria citizens of F.Y.R.O.M speaks Bulgarian rejecting the existence of "Macedonian" language. On the other hand, President Radev grabs every opportunity to criticize the Government (and the Prime Minister Borissov) 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. 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. However, it seems that acquisition of 8 modern fighter jets which will improve operational capabilities of Bulgarian Air Force is close to an end. Lockheed Martin's F-16 VIPER is going to be the final decision of Bulgaria's Government, since top officials (including the Prime Minister) keep

expressing their preference in the U.S proposal. Security situation stable; no major threats.



CROATIA: December 20th, the Central State Office for Croats Abroad and the State Office for Housing have announced that in a joint effort they will provide approximately 460,000 euro in aid to Croats in Bosnia and Herzegovina through 44 projects aimed at stimulating the return of Croats to their pre-war homes in the neighboring country. *“This aid will help the entire area in which these projects are implemented, and all of the people living there. This is just another way of showing our friendship with Bosnia and Herzegovina, a country comprised of three equal and constituent peoples,”* said the State Secretary at the Central State Office for Croats Abroad Zvonko Milas. The funds will be used for a variety of purposes including the reconstruction of houses destroyed during the 1992-1995 Bosnian War. Prior to the war 760,000 Croats lived in Bosnia and Herzegovina, while today there are less than 435,000. (www.glashrvatske.hrt.hr)

- December 20th, the European Commission has given Croatia an extra 6.8 million euro bolstering security along the EU's external borders. The funds will be divided among ten border police stations in Croatia to cover additional costs associated with pressures from the ongoing migration crisis, including salaries and more modern equipment. *“This week, the European Commission has made available an additional 305 million euro in emergency assistance for migration and border management to support our member states under pressure; and the funding will help Greece, Italy, Cyprus, and Croatia to increase reception capacity, protect victims of human trafficking, as well as strengthen border*

surveillance and management capacity. The new emergency funding is part of the 10.8 billion euro for migration, border management and internal security already mobilized by the Commission for the period from 2014 to 2020,” The European Commission Spokesperson Mina Andreeva announced. Croatia has so far received more than 23 million euro in aid to deal with migration. (www.glashrvatske.hrt.hr)

- December 21st, following claims by former presidential adviser Mate Radeljic that the Security and Intelligence Agency (SOA) was involved in his dismissal, the Office of President Kolinda Grabar-Kitarovic said that no pressure had ever been exerted on anyone to resign. *“The Office of the President of the Republic most resolutely dismisses the malicious claims that pressure was ever exerted on anyone to resign, either directly or indirectly. In practice, only one signature is enough for an official to be dismissed or appointed at the Office, which makes the claims that it was necessary to inappropriately involve any third party all the more absurd and untrue,”* the President's Office said in a statement. It added that the President chooses her aides according to her policy goals and in the belief that they will perform their duties professionally and honourably, both during and after their term in Office. The President said she also expects all relevant services to follow the rules, laws, guidelines and professional standards in their work. The President's Office announced in a press release on Friday morning that Mate Radeljic had been relieved of his duties as a domestic policy adviser. On Friday evening, Radeljic said in a press release that the SOA had threatened him and that he was told by the President that he did not fit into her plans because he was an obstacle in her relations with the Prime Minister. SOA promptly

dismissed his statement, saying that it operates in accordance with the Constitution, the pertinent laws and the annual guidelines on the operation of the security and intelligence agencies adopted by the National Security Council. (www.hr.n1info.com)

COUNTRY ASSESSMENT :

Croatia follows a tough external policy with neighboring countries. Although it has territorial disputes with Slovenia and Bosnia it does not hesitate to intervene in Bosnia's internal affairs in the name of Croatian entity living there. Declaration on the status of Croats in Bosnia was considered by the neighboring country as a direct interference in its internal affairs. Bosnia's Croats announced their plans to re-establish the Republic Herzeg Bosnia, while Croatia keeps funding Bosnia's Croats highlighting the existence of three equal entities. It is a fact, that after the October 2018 elections Croatia insists on a hard line against Bosnia's politics requesting actually change of Dayton Peace Agreement. It is more than obvious that 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" 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. 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, ruling coalition claims political stability. 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. It is still a

question how Croatia will react. Apart from that a new border conflict has emerged with Bosnia & Herzegovina regarding Peljesak Bridge. The state accelerates its efforts towards accession in Schengen zone. Croatia implements a policy of Armed Forces' modernization trying to form a reliable and well equipped force according to NATO standards.

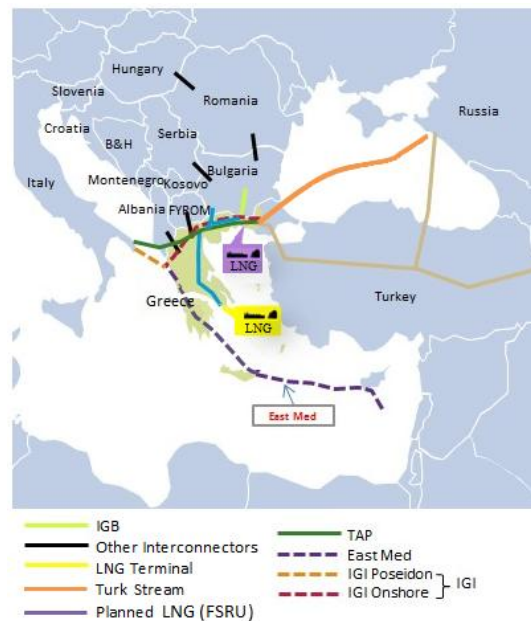


CYPRUS: December 18th, the President Nicos Anastasiades met UN envoy Jane Holl Lute at the presidential palace for their second meeting during her current visit to the island. She was then meeting Turkish Cypriot leader Mustafa Akinci. The aim is to work out terms of reference that would allow a new round of Cyprus talks to go ahead. After the meeting the Government Spokesman Prodromos Prodromou told reporters that consultations continued “*in a productive environment.*” “*The President discussed with Ms Lute with a view to formulating the terms of reference to restart negotiations. The discussion will continue and Ms Lute will return early next year,*” he said. Asked if they began to discuss details regarding the terms of reference, the Spokesman said “*The formulation of terms of reference being discussed as far as the general principles and details are concerned.*” In response to a question whether a framework had been set for the terms of reference, Prodromou said the process was “*systematic and methodical.*” “*When there is something to announce we will announce it,*” he added. Asked whether Lute had conveyed to the President any message from Akinci, who she met on Monday, the Spokesman said Lute had been mandated by the UN Secretary-General to help formulate the terms of reference, and that was the message. (www.cyprus-mail.com)

- December 19th, Israel and Cyprus completed a three-day joint military drill, the second time in two months that Israel Defense Forces (IDF) trained on the Mediterranean island. According to local Cypriot media, the drill included personnel from the Cypriot National Guard, along with representatives from the IDF and several types of Israeli aircrafts. A press release issued by the Cypriot Ministry of Defense said that the joint drill took place over much of the island, and involved military aircraft flying at a low altitude within the Nicosia Flight Information Region (FIR). The goals of the exercise were training in air force deployment tactics, improvement of operational capabilities of both countries, and cooperation between Air Force of the two countries. (www.sigmalive.com, www.jpost.com)

- December 21st, the leaders of Cyprus, Greece and Israel said they were ready to proceed with an inter-state agreement concerning the EastMed pipeline, following a trilateral summit in Beersheba, Israel. The agreement will be signed pending approval from the European Commission, as the pipeline project has been designated an EU Project of Common Interest (PCI). Speaking after the tripartite summit, the fifth in a series, President Nicos Anastasiades said the decision to go ahead with the pipeline was among the most important and substantial decisions taken during the proceedings. “We have reached an agreement,” he said, noting that the text will be signed once it receives the approval of the European Commission. The agreement also contains references to the security of energy infrastructure. Anastasiades added that together with the Prime Ministers of Greece and Israel, Alexis Tsipras and Benjamin Netanyahu, they reaffirmed their political determination to

promote the subsea electricity cable known as the EuroAsia Interconnector.



EastMed Pipeline Project

(Photo source: www.depa.gr)

“I deem that today’s summit was entirely successful with regards to the goals set, and I feel particularly satisfied because the development of our tripartite mechanism shows in a very tangible way that it has become a credible model of constructive regional cooperation, for the benefit of the people and the region in general,” Anastasiades said. *“The field of energy comprises a key component of our cooperation,”* he said in remarks after the summit. On a bilateral level, Cyprus and Israel signed a memorandum of understanding on cyber security and in the field of meteorology, as well as a joint declaration for cooperation in the exploration of outer space for peaceful purposes. For his part, Netanyahu called the EastMed *“a pipeline of prosperity.”* He added that the signing of the inter-state agreement was expected to take place in 2019, in Greece. The Israeli leader noted that the pipeline is an important project for Europe’s energy security,

for the economies of Cyprus, Greece and Israel and for reinforcing the already important cooperation between the three countries. Commenting more broadly on the trilateral cooperation, Tsipras said the aim was to include in the future more countries with energy resources in the region. “We aim to exclude no one,” he noted. Participating in the tripartite summit for the first time were the United States, represented by the US Ambassador to Israel, David Friedman. “The United States supports the trilateral partnership between Israel, Greece and Cyprus. This partnership is an anchor of stability in the eastern Mediterranean and is based on common interests and common values that the three countries share together with the USA,” Friedman said. “The USA wholly supports the project and its goals that help diversify energy sources throughout the entire region and to help bring energy security to Europe. I call on all countries in this region to help ensure that the project is successful,” the US Ambassador added. As part of the deal, the three countries will set up a permanent secretariat in Nicosia which task will be to monitor and coordinate the implementation of trilateral projects. The Jerusalem Post quoted sources as saying the establishment of a permanent secretariat signaled that the three nations are moving from being good friends to forging an actual alliance. The US Secretary of State Mike Pompeo said after that meeting that the eastern Mediterranean is “an important strategic border. The US is working to strengthen our relations with stable democracies and democratic allies there. Allies like Greece, Cyprus, and Israel.” According to Greek media reports, Washington is examining the prospect of a four-way meeting between the US, Greece, Israel, and Cyprus at the level of Foreign Ministers. (www.cyprus-mail.com)

COUNTRY ASSESSMENT :

Cyprus expresses in highest level its commitment to continue its energy plans exploiting energy resources in Cypriot Exclusive Economic Zone (EEZ) despite Turkish aggression. A 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 which expressed their interest by joining the latest summits by the presence of their Ambassador. It is a fact that Cyprus has a significant deficit of military power which is (externally) balanced by regional cooperation. Involvement of an American company (ExxonMobil) in the drills it is proved “wise” and “smart.” Announcement of Turkish seismographic research within the Cypriot EEZ (plot 4) could be assessed as spasmodic actions of Turkey against Cyprus (already predicted and expected). At the moment, none could assess the level of escalation Turkey seeks to reach. Taking into consideration that Cyprus lacks of military power and especially aeronautical forces it is expected Greece to be engaged more actively in the region. Conduct of aeronautical exercises in cooperation with other countries (Israel, Egypt etc) sends various messages of defense capability, readiness, and determination. The UN Secretary General appears optimistic for a new round of talks between the two communities. 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. It seems that not only the Turkish Cypriot side faces arguments with Turkey regarding negotiations, but also Cypriot political parties are divided regarding President Anastasiades' negotiation plans. 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. Situation is complex since Russia strengthened its relation with Turkey, while the US and Turkey, two allies within NATO are deteriorating theirs. The idea of NATO as the guarantor of Cyprus reunification and its security is a new fact which may cause disputes within the Cypriot political life. 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



F.Y.R.O.M: December 18th, with a fast-track procedure and with 95 votes in favor, a law for amnesty was passed this evening that will determine who will be amnestied for the attack on Parliament on the April 27th, 2017. As soon as it enters into force, the accused will have 5 days to file a request for amnesty*. According to the law, organizers and those that took part in the preparation, perpetrators, those that carried weapons and explosive devices and officers who did not follow orders will not be granted an

amnesty. The Law was supported by some MPs from the Internal Macedonian Revolutionary Organization – Democratic Party for Macedonian National Unity (Внатрешна македонска револуционерна организација – Демократска партија за македонско национално единство - VMRO-DPMNE), even though the party claimed that it does not support a selective, but a general amnesty. VMRO-DPMNE MP, Ilija Dimovski, said that they joined the process as proposers of the law. “I think it is more important that in the end, we arrived at that point that we spoke about since the very beginning; we should look into each other eyes and not spread our problems and mistakes on the whole society, taking the state into custody for what we did wrong. Even though it wasn't on offer, I would like to inform you personally that Pancho Minov and I are joining in as proposers of this law,” said Dimovski. The Prosecution and the court will need 5 days to answer the defendants whether their request for amnesty has been approved. (www.meta.mk)

*The Law signed on December 21st, 2018 by the President Gjorge Ivanov and published in the Official Gazette.

- December 21st, Moscow hit back at Washington over the Prespes accord saying the United States intervened in the domestic politics of F.Y.R.O.M to enforce the “inadequate” agreement. In a visit to Skopje earlier this week, the US Assistant Secretary of state John Sullivan praised Greek Prime Minister Alexis Tsipras and F.Y.R.O.M counterpart Zoran Zaev, saying Russia has tried to undermine the deal. Responding to Sullivan, the Russian Foreign Ministry accused the US of anti-Russian rhetoric, saying Washington is trying to justify its “unjustifiable interference” in F.Y.R.O.M's domestic affairs and legitimize “the

inadequate Prespes Agreement” in order to lead another Balkan country to NATO. In this context, the Russian Ambassador to Athens, Andrej Maslov stated on December 20th, 2018 Russia does not actually oppose the Prespa Agreement but it opposes F.Y.R.O.M’s membership into NATO adding if that happens, Moscow will be forced to take countermeasures. (www.mia.mk, www.meta.mk)

- December 21st, the Ministry of Defense is preparing a draft-law for amending the Law for service in the Armed Forces which will help solve the problems with the status of professional soldiers, whose employment is terminated when they reach the age of 45 years old and the status of the personnel with special abilities which are significant for the army. “Professional soldiers to whom the employment is terminated by turning 45 years of age can be employed in the army of the Republic of Macedonia [F.Y.R.O.M] as civil personnel and people with special abilities for the army can be employed without a public advertisement, but only by an agreement with the organization where they have worked previously,” said the clarification published by the Singular National Registry of Regulations of F.Y.R.O.M. (www.beta.mk)

COUNTRY ASSESSMENT :

The Prime Minister Zaev accelerates procedures for constitutional amendments aiming at concluding the whole process successfully. It is expected late January 2019 the whole process will have been finished successfully. Not only F.Y.R.O.M’s future is based on this process, but also Zaev’s political future. It is more than certain that constitutional change will end successfully not only because Zaev fully controls

political balance in the Parliament, but also because international community namely the US and EU strongly supports F.Y.R.O.M’s name change. However, latest statements by the Prime Minister about “Macedonian” language within Greece raised tension between the two countries. It is assessed that Zaev is addressed to his own internal audience and it is not in his direct interests to intervene in Greek internal affairs. He is trying to convince FYROM’s citizens that “Prespa Agreement” is a good one securing the state’s interests. Nevertheless, tension proves that the agreement is unclear allowing both parts to interpret it according to their interests. Initiative for political reconciliation is a positive step by Zaev’s governance, although there are claims that it’s the price for 8 opposition MPs support regarding constitutional amendments and more specifically the name deal with Greece. The European Parliament has sent an encouraging message to F.Y.R.O.M for opening accession negotiations in June 2019. The country has become a field of rivalry between the US and EU on the one side and Russia on the other. After Montenegro, NATO seeks to bring F.Y.R.O.M within the alliance isolating Russian influence in the region. Lavrov openly claims that the US and EU blackmailed and bribed MPs to support the name agreement with Greece. Needless to say that in a period where border questions are raised again in the Balkans, F.Y.R.O.M needs political stability and growth prospects.



GREECE: December 18th, after a relative lull in recent months, urban terrorism returned to the fore with a bomb attack at the building housing the headquarters of Skai TV and Kathimerini newspaper in southern Athens. Greek Police (ELAS) investigating the early morning

bomb blast suspect that a far-left organization calling itself “Group of Popular Fighters” may be behind the attack and are examining footage from the building’s surveillance cameras, as well as a torched car that may have been used by the bombers to flee the scene before the explosion which occurred at 2.37 a.m. The powerful blast caused extensive damage to the building’s glass front but no injuries – as the facility had been evacuated following warning calls to two other media outlets shortly before 2 a.m. Forensic experts said that a backpack containing around 10 kilograms of explosives was attached to a metal crash barrier on the street in front of the building. The footage has not officially been received by Police but it has been handed over to officials at the Citizens’ Protection Ministry, which the paper has criticized for not providing police protection to the building. Popular Fighters is believed to have been behind similar bomb attacks against the downtown Athens headquarters of the Federation of Greek Industries (SEV) in November 2015, a Eurobank branch near Omonia square in April 2017 and the Athens Court of Appeals in December of that year. It also claimed responsibility for an armed attack on the Israeli Embassy in December 2014. The attack was condemned at home and abroad, with Prime Minister Alexis Tsipras calling it the work of “cowardly and dark forces against democracy itself.” “They will not achieve their goal though, neither to terrorize nor to disorientate,” he added, expressing his “genuine solidarity” with journalists and television station employees. For his part, during a visit to Skai’s headquarters, New Democracy (Νέα Δημοκρατία – ND) leader Kyriakos Mitsotakis warned of the dangers that stem from a tolerance of violence. “When we differentiate between ‘good’ and ‘bad’ violence, these are the results,” he told Skai during his visit

to the building. “The distance separating a Molotov from a Kalashnikov, a sledgehammer from a powerful bomb, is not that great,” he insisted, adding that “this toxic climate, which has been shaped with the Government’s culpability, has side effects.” The leader of Independent Greeks, Panos Kammenos, also condemned the attack, even though he noted that Skai had declared war on his party. “We support the right of free speech even to those who violate our own right,” he said on social media. Underscoring that press freedom is one of the pillars of European society, European Economics Commissioner Pierre Moscovici said on social media that “every attack on [the press] is an attack against our way of life, our principles and our values – an attack on all Europeans.” (www.ekathimerini.com)

- December 21st, Ankara’s claims in the Aegean and the Eastern Mediterranean were highlighted once again with a barrage of overflights and violations of Greek airspace by Turkish fighter jets. More specifically, the Hellenic National Defense General Staff (GEETHA) said that some 35 Turkish fighter jets conducted 10 overflights and 110 airspace violations and engaged in six mock dogfights with Greek fighter jets in an area spanning the northern Aegean to the Eastern Mediterranean. The latest incursions came on the heels of recent remarks by Turkish Foreign Minister Mevlut Cavusoglu, disputing Greece’s sovereignty in the Aegean, and Turkish Defense Minister Hulusi Akar, who warned that Ankara will not relinquish its rights in the Aegean and the Eastern Mediterranean. The rhetoric and the violations are seen in Athens as a response to comments by the Chief of the Hellenic National Defense General Staff (GEETHA), Admiral Evangelos Apostolakis, on Wednesday, when he set out a “red line” warning that Greece would

“flatten” any Greek islet in the event that Turkish forces land there. The incursions on Thursday by Turkey occurred as the Defense Minister Panos Kammenos was touring the islets of Ro, Strongyli and Kastellorizo in the eastern Aegean, accompanied by the Chief of the Hellenic Army General Staff, Lieutenant General Alkiviadis Stefanis, and Hellenic Navy Commander Admiral Nikos Tsounis. Later, during a visit to a military outpost on Leros, a small island in the southeast Aegean, Kammenos later warned Ankara that if it makes *“the slightest move, we will crush them.”* *“We want peace, we want to live in peace and harmony, but we are not prepared to concede a single centimeter,”* Kammenos said. *“Those making these provocations had better stick to verbal challenges only,”* he said. For his part, Tsipras on Thursday urged Turkey to abide by international law in the Aegean and the Eastern Mediterranean and respect Cyprus’s right over its Exclusive Economic Zone, during a joint summit with the leaders of Cyprus and Israel. *“We stressed the need for a fair and viable solution to the Cyprus issue for the benefit of the Cypriot people, by abolishing guarantees and the withdrawal of the occupation army,”* he said. *“We noted the need to respect international law in the Eastern Mediterranean and the Aegean, particularly Cyprus’s right to exercise its sovereign rights in its Exclusive Economic Zone,”* he added. (www.ekathimerini.com)

- December 22nd, Greece will not seek to imitate Turkey’s escalating rhetoric and provocations, Alternate Foreign Minister Giorgos Katrougalos said after chairing a meeting of the National Council for Foreign Affairs to discuss deteriorating relations with Ankara. According to sources, Katrougalos voiced concern over the recent spike in airspace violations and overflights

by Turkish fighter jets as well as the rhetoric emanating from Ankara. After the meeting, Katrougalos expressed the Government’s *“absolute alignment”* with the Chief of the Hellenic National Defense General Staff (GEETHA), Admiral Evangelos Apostolakis, who earlier this week drew a *“red line”* regarding Turkish activities in the Aegean, saying that in the event Turkish troops land on any Greek islet it will be *“flattened.”* *“We have no interest in a spike in the rhetoric, but, on the other hand, the GEETHA chief sent a clear message about the preventive power of the Armed Forces, as he should have done,”* Katrougalos said. Greece’s national rights, he said, are *“anchored in international law”* so there is no reason to invest in an escalation in incendiary rhetoric, he added. Turkey on the other hand, he insisted, is pursuing a revisionist policy toward international law and has a need to resort *“to rhetorical outbursts and vacuous provocations.”* Meanwhile sources reaffirmed that the Government is still in discussions with Turkey to set up a meeting next month in Istanbul between Prime Minister Alexis Tsipras and Turkish President Recep Tayyip Erdogan. For his part, New Democracy (Nέα Δημοκρατία – ND) shadow foreign minister Giorgos Koumoutsakos said that any challenge to international law and the existing situation in the Aegean and the Eastern Mediterranean *“cannot be tolerated.”* *“Ankara should not think that by cultivating the current tension it can create conditions that will force Greece to any form of negotiation. We seek dialogue, but dialogue cannot be the product of a political escalation of tension,”* he added. (www.ekathimerini.gr)

COUNTRY ASSESSMENT  :

The country has entered in full pre-electoral period and parties are prepared for snap elections. Ruling coalition of SYRIZA – ANEL intensifies its efforts to reverse political atmosphere addressed to their special electoral audience. ANEL leader Kammenos hardens his rhetoric against the name deal with FYROM threatening to topple the Government if the agreement will come to the Parliament for ratification. It is a fact, that ANEL as an ultra right-wing party with nationalist rhetoric has been trapped in the agreement with FYROM, which touches a sensitive issue for Greek society namely the Macedonian question. The burden of Prespa Agreement may be detrimental for political existence of ANEL and the party tries to eliminate it. On the other hand SYRIZA tries to gain political time planning to relief society with social care measures. Under these circumstances it is assessed that early election may be called in May 2019 together with local and European election. However, it is rumored another scenario; ANEL may topple the Government earlier, in the end of January 2019 or beginning of February 2019 when the Prespa Agreement will come to the Parliament for ratification. By this action, ANEL keeps a “patriotic” stance and SYRIZA leaves the burden of ratification to New Democracy which is expected to be the winner of next election (according to the polls) and its leader Mitsotakis has publically stated that his party will not ratify the agreement. Of course there is always the alternative scenario of parliamentary election in autumn 2019 when actually mandate of current Government expires, but with few possibilities under the current political situation. Internal terrorism showed up again by putting a bomb in a TV station proving that it remains a major unresolved problem of national security undermining stability of the

state. Name agreement with F.Y.R.O.M is under question after provocative statements of the Prime Minister Zaev who openly raised the issue of “Macedonian” language in Greece and expressed irredentist ideas of “Macedonia of the Aegean.” Strategic dialogue between Greece and the US including defense, security, and energy matters strengthen geopolitical position of the state in the fragile region of East Mediterranean Sea and sending strong messages to Turkey. Tension between Greece and Turkey has been raised during last week in rhetoric level. Chief of National Defense General Staff made an unusual harsh statement which backed by the Government showing coordination between them. In parallel, the National Council for Foreign Affairs held a session regarding the Turkish provocative stance. It is assessed that Greece is taking measures to deter any further escalation by the Turkish side showing determination and readiness to protect national interests. Next period will be critical to see if Turkey keeps maintaining a war of words or it will escalate situation taking in advantage an accidental or preplanned incident.



KOSOVO: December 19th, the NATO Secretary General Jens Stoltenberg had a phone call today with the Kosovo Prime Minister, Ramush Haradinaj. He informed him that the North Atlantic Council had an initial discussion on the recently adopted laws on the transition of the Kosovo Security Force (KSF). The Secretary General informed Haradinaj that, as the mandate of the KSF is evolving, the North Atlantic Council will re-examine NATO’s level of engagement with the KSF in the new year. “NATO will continue its KFOR mission to ensure a safe and secure environment in Kosovo. KFOR operates under a UN mandate and will not be

affected by the laws on the transition of KSF. The Secretary General will continue his engagement with all actors relevant for regional stability,” the statement concluded. (www.nato.int)

- December 19th, the EU Commissioner for Migration, Home Affairs and Citizenship, Dimitris Avramopoulos, confirmed that Kosovo has fulfilled all visa liberalization benchmarks. During the conference “EU policy on visas” Avramopoulos, urged Kosovo to do more on fighting organized crime and corruption. *“I can confirm that Kosovo has fulfilled visa liberalization benchmarks. After vote of the European Parliament now it is with the EU member countries to decide,”* Avramopoulos said. The EU Foreign Policy Chief, Federica Mogherini, is expected to meet today in Brussels leaders of the Western Balkans, including Presidents Hashim Thaci of Kosovo and Aleksandar Vucic of Serbia. (www.gazetaexpress.com)

- December 21st, a rights group in Kosovo, the Council for the Defense of Human Rights and Freedoms, CDHRF demanded the dismissal of Kosovo's Deputy Prime and Foreign Minister, Behgjet Pacolli, for using *“sexist and racist”* language in a report to Parliament on the country's failure to join Interpol. Reporting to Parliament's Foreign Affairs Committee on Wednesday, Pacolli claimed Serbia had deployed a number of *“well dressed”* women at the Interpol summit to hug *“black”* members of Interpol member countries, as a way to lobby against Kosovo's membership of the global police body. *“They had around 10 well dressed women and each went to a black man's table and said: 'Excuse me, how are you?', hugged him and left an envelope,”* Pacolli was quoted as saying. The organization

called the statement racist and offensive, and said the use of such language *“makes him inadequate to exercise the duty of Foreign Minister or undertake any representation on behalf of Kosovo.”* Pacolli had been trying to justify Kosovo's failure to get enough votes to join Interpol in November, explaining that Serbia had lobbied against Kosovo with full force. *“We saw what kind of lobbying they did inside the hall,”* Pacolli said. Kosovo failed to join Interpol on November 20th, 2018 after it did not get enough supporting votes at the international criminal cooperation organization's General Assembly in Dubai. (www.balkaninsight.com)

COUNTRY ASSESSMENT :

Kosovo has reached a critical point where 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, and arresting Serbs it is created a climate which does not facilitate dialogue and the establishment of confidence between the two parties. It should be also underlined that at the moment Kosovo's political power are divided regarding negotiation process and goals. The Prime Minister Haradinaj and the Government are not in harmony with the President Thaci who is the chief negotiator of the state. There is even a matter of legitimacy within the state regarding who is authorized to represent the country in dialogue with Serbia. The EU and the Foreign Policy High Representative rejected Haradinaj's unilateral actions accusing him of

undermining dialogue. The question of border exchange or simply change continues to divide Kosovo political forces and population. However, it could be estimated that if Kosovo keeps on acting in such way it may be isolated on the table of international negotiations. 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. Kosovo announced the establishment of its army; what is strange (and impressive simultaneously) is that the US administration (and the UK) is against the NATO and EU point of view. While the US and UK Ambassadors expressed support in KSF transformation into an army Stoltenberg and Mogherini expressed their regret. The army issue may provoke rapid reaction by the Serbian side including military and Police power. 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: December 17th, the Dignity and Truth Platform Party (Partidul Platforma Demnitate și Adevăr - PPDA) and the Party of Action and Solidarity (Partidul Acțiune și Solidaritate - PAS) signed the agreement to set up the “ACUM DA-PAS Platform” for the parliamentary elections of February 24th, 2019. The President of PPDA Andrei Nastase said that the establishment of the electoral bloc is carried out in strict accordance with the legislation of Moldova and the Constitution and “*in strict conformity with the desire of a very significant*

part of the citizens.” “Our unity and the way in which we have so far presented and acted in the two important elections; the 2016 presidential term and the 2018 municipal Government allow us to say that absolutely nothing can stand in a path to our great desire for freedom and democracy, building a state of law with a functional justice, a functional economy, good and decent living conditions for everyone,” Nastase said. The PPDA President admitted that “*the current regime will try to divide the two parties by discrediting them.*” In his turn, PAS Chairman Maia Sandu mentioned that the two parties unite the desire to put Moldova on the path of normality, to give the honest people a decent home, and to create conditions for those who left to come back. “*We unite our commitment to building a rule of law that protects us from all sorts of thieves, usurpers and corrupts. We unite our commitment to promote economic policies that create conditions for those who can work, to secure their well-being, and those who cannot do it, are protected, including economically, by the state,*” Sandu said. Moreover, the Liberal Party (Partidul Liberal - PL), too, decided to take part in the February 24th, 2018 elections in the bloc ACUM, the President of the PL Dorin Chirtoaca announced on December 16th, 2018, after the session of the Political Council of the party. “*In these elections we should have a single pro-European and unionist bloc in order to be able to topple the dictatorship already established in the Republic of Moldova,*” the ex Chisinau Mayor declared. (www.moldova.org)

- December 20th, the leader of the Democratic Party of Moldova (Partidul Democrat din Moldova – PDM), Vlad Plahotniuc, and Head of the OSCE Mission in Moldova Claus Neukirch have discussed ways of settling the Transnistrian

at a meeting in Chisinau. The PDM leader made a short analysis of the situation in Moldova, referring to the results of the Democrats' governance in the last three years, as well as to the present political realities. As for the situation in Moldova's eastern region, the PDM leader reaffirmed the present governance's wish to settle the Transnistrian conflict by peaceful means, to reunify the country and for the withdrawal of the foreign troops from the national territory. Plahotniuc said that the protocols between Chisinau and Tiraspol, signed one year ago, had yielded results in 2018, bringing benefits to Moldova's citizens from both banks of Dniester. The Democrats' leader also touched upon the fact that Moldova was presently keeping control of the state border, including on the Transnistrian segment, which represents a strengthening of the national security. Neukirch praised the efforts of the governance to bring close the citizens from both banks of Dniester, including through the protocols signed in late 2017. He specified that the small steps of rapprochement between citizens were beneficial. Neukirch was appointed head of the OSCE Mission in Chisinau in last September. (www.moldpres.md)

- December 20th, the European Commission addressed to several Western European and Eastern European non-EU countries, including Moldova, that in order to continue to benefit from the visa waiver regime for their citizens traveling to the EU, they need to make more efforts to combat corruption, organized crime and illegal migration. Citizens from Albania, Bosnia, Georgia, F.Y.R.O.M, Montenegro, Moldova, Serbia and Ukraine can travel without a visa to the European Union. These countries are largely in line with the EU's conditions for visa liberalization, but the European Commission

mentions in its annual report that “*immediate*” action is needed in order to maintain this regime. The document draws attention to the fact that all eight states have to do more to fight organized crime and Moldova and Ukraine are being asked to take “*immediate action*” against corruption. Moldova is the only country among the eight that the European Commission asks it to take urgent measures against money laundering and corruption. (www.moldova.org)

COUNTRY ASSESSMENT ■■■:

Political life is “hostage” of the pro-Russian President Igor Dodon and pro-Western Government rivalry which undermines the institutional function of the country. In the wider framework 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. Coming parliamentary elections scheduled for February 24th, 2019 will be closely monitored by the international community and especially the US and EU as a “democratic stress test.” Moreover the US express concerns over a possible Russian interference in the elections. The Government is sliding 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. By autumn the state has entered in pre-election period although elections are scheduled for February 24th, 2019. Opposition parties try to establish a single united bloc against the ruling coalition accused of nepotism and corruption. 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. One should keep an eye on current political (and public) trend on reunification with Romania. The "Transnistria case" is always a "running sore" for the country working as a potential factor of destabilization.



MONTENEGRO: December 19th,

Ministers of Foreign Affairs of the US - Adriatic Charter Member States said, during the meeting in Podgorica, that Montenegro had successfully finished one-year chairmanship over the Charter. Ministers stated that this year had brought new energy into the Euro-Atlantic and European perspective of the region. Montenegrin Foreign Minister Srdan Darmanovic pointed out that the US - Adriatic Charter is one of the most important regional mechanisms for cooperation in the field of security and integration. *"One of the most important events during our chairmanship was the invitation to Macedonia [F.Y.R.O.M] to start negotiations on the NATO accession at the Summit held in July,"* said Darmanovic. He pointed out that Montenegro had been dedicated to the promotion of Euro-Atlantic aspirations of the countries in the region and it had helped actively in the implementation of reforms and meeting the criteria for their NATO membership. The joint declaration confirmed the commitment to strengthening mutual cooperation and promotion of the further progress of South-East Europe in the processes of European and Euro-Atlantic integration. Meeting of the Ministers of Foreign of the US -Adriatic Charter is a finishing event, organized by the Ministry of Foreign Affairs within one-year long chairmanship of

Montenegro that will be taken over by Albania, starting from January 1st, 2019. (www.cdm.me)

- December 21st, the President of Montenegro, Milo Djukanovic, said that the Serbian Orthodox Church (SOC) is constantly intervening into the political life of Montenegro. *"We're witnesses of some attitudes and statements that offend Montenegro, Montenegrin nation and Montenegrin Orthodox Church. This role of SOC is destructive,"* said Djukanovic in the TV show, "Živa istina". Speaking of the actual political situation in Montenegro, Djukanovic said that Democratic Party of Socialists of Montenegro (Demokratska Partija Socijalista Crne Gore - DPS) had no interest in mining parliamentary dialogue of the Government and the opposition. He added that one part of the opposition is not ready to face their mistakes as well as that some of the members of the opposition are constantly saying lies. He said that MPs could not have that privilege to mire other people and then to refuse to testify about to what they had said. *"All this indicates that more coordination among state policy subjects is necessary so that we can brighten what appears to be an important aspect of the state policy,"* Djukanovic said. According to the President, invitation of Democratic Front (Demokratski Front - DF) to the rest of the opposition to organize protest and bring the Government down that way is a stupid idea. *"I'm surprised that somebody is ready to repeat the same loser scenario in such a short period of time,"* he said. Djukanovic said that in recent years, relations between Serbia with neighbors had tightened. *"Specific circles in Serbia really tried hard to sharpen the relationship with Montenegro,"* he claimed. He added that one part of the Serbian public denies the right of Montenegro to render

decisions in its own interest. *“Our decisions are not anti-Serbian. We just bring decisions that are in our interest,”* said Djukanovic. He is not surprised about the behavior of the leaders of pro-Serbian opposition. They are supposed to take part in creating state policy but they had chosen to behave as if they were endangered minority. Djukanovic said that today Montenegro had much more immunity and ability to protect itself than it was the case in the past. *“Our interest is to complete the reform process and become part of the EU. However, I notice that institutions are not engaged enough. I am particularly dissatisfied with the lack of engagement of people who are knowledgeable and have skills that allow them to interpret specific events.”* Djukanovic said. (www.cdm.me)

- December 23rd, the Ministry of Defense plans to spend 215 million euro for procurement of equipment by 2028, while defense investments will increase by 82% and in 2028 will amount to 145 million euro, suggests the Defense Long-term Development Plan 2019-2028. Moreover, the infrastructural projects will require around 30 million euro, while during the period from 2019 to 2024, the defense expenditures are projected at 1.73% in 2020, i.e. 2% in 2024. *“Based on the current estimations of GDP growth, it’s planned to gradually increase the volume of funds for defense purposes, which means the defense spending by 2024 will amount to around 40 million euro,”* the Plan reveals. The Ministry plans to keep the level of investments at 2% for the period 2024-2028. (www.cdm.me)

COUNTRY ASSESSMENT :

Although the country enjoys a period of “euphoria”, major reforms should be

implemented in order the country to come closer to the EU. The EP assessment is positive praising the state’s efforts to implement major reforms, but on the other hand it underlines the problems of the rule of law, media freedom, corruption, money laundering, and organized crime. However, the EP expressly states that Montenegro under certain conditions may be able to access the EU by 2025. 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. Although the state fulfills its obligations as a full member of the Alliance questions are raised for such initiatives due to their impact in Montenegro’s society but also in country’s foreign relations. A significant number of people is opposed in NATO and maintains pro-Russian stance while Montenegro’s presence in Kosovo may harm relations with Serbia.



ROMANIA: December 17th, the ruling party, Social Democratic Party (Partidul Social Democrat - PSD) has convened for the National Council meeting at the Parliament on December 16th, 2018. At the end of the meeting, the party chairman Liviu Dragnea tackled all the topics debated by the Social Democrats in the past two years of ruling, he has given precise orders to

Ministers and other PSD leaders, and has slammed his foes namely the President Klaus Iohannis, Prosecutor General Augustin Lazar, the “undercover” mass media, the “unpatriotic” intelligence community, multinational companies, Soros, Europe, concluding that PSD will not give up. Dragnea said that there have been voices at the PSD National Council who asked for an emergency ordinance on amnesty and pardon that should be adopted by mid-January, arguing it would be “an amnesty” on Centennial. At the same time, one of the PSD Chairman’s orders to the party has been to file a criminal complaint against the President Iohannis for high treason. The National Council meeting of PSD has also validated former Defense Minister Mihai Fifor for the position of National Council Head and elected the Chiefs of the specialized departments of the Social-Democrats. Sources told media that the emergency ordinance would have already been drafted by the Justice Minister and would refer to sentences up to ten years in prison. PSD Chair accused the Head of state that he wants to evade investigation in the case of his houses. “*The Romanian Constitution says that the President cannot be sent to court, he can only for high treason. But the Constitution doesn’t say that the Romanian President cannot be investigated. And there is a simple question. Why is President Iohannis not summoned to be heard in the investigation? For, as I far as I recall, he is charged in that criminal complaint (...) For we talk about some nabbed houses, meaning through forgery and the Iohannis family won’t give some hundreds of thousands of euro that are supposed to reach the state. But he observes the rule of law,*” Dragnea has ironically commented. He also accused that the Head of state has a double speech in the country and abroad. He further continued by attacking the banks and multinational

companies, adding that it is unfair that CVM is still maintained against Romania and that Romania is not accepted into Schengen. He mocked the sentences and corruption cases investigated against such officials as Olguta Vasilescu, former Craiova Mayor and Labour Minister, against ex-PSD Premier Adrian Nastase, or against former constitutional Judge Toni Grebla, claiming there is a different kind of corruption in Romania. “*Instead, there is corruption....indeed in Romania, we have to admit, but it is a different kind of corruption. The corruption of power, which is mentioned neither in the CVM reports nor in Mr. Timmermans’ reviews, who is our Social Democrat colleague and comrade, nor within the concern voiced by some Ambassadors, by some lecturers who are coming to teach us anti-corruption lessons and who are telling us what to do or not to do. So, it is about the corruption of power, which, it is at its highest level in Romania, among all democratic states in the world,*” Dragnea stated. (www.romaniajournal.ro)

- December 20th, Romania’s ruling coalition of Social Democratic Party (Partidul Social Democrat - PSD) and Alliance of Liberals and Democrats (Alianța Liberalilor și Democraților - ALDE), led by the Prime Minister **Viorica Dancila**, survived the no-confidence motion vote, the second one this year, as the opposition only gathered 161 votes to support their motion. They needed a total of 233 votes for the motion to pass and the Government to be dismissed. The number of votes for the motion was even lower than the number of MPs who initially signed it (163), which shows the opposition’s weakness. The Hungarian minority’s party Democratic Alliance of Hungarians in Romania (Uniunea Democrată Maghiară din România - UDMR) abstained from

the vote but said it would join a future initiative of this kind if the main opposition parties, the National Liberal Party (Partidul Național Liberal - PNL) and Save Romania Union (Uniunea Salvați România - USR)), come up with an alternative, even better, one headed by UDMR. However, even with UDMR's votes, the motion would have still been short of the necessary support without convincing MPs of the ruling coalition, PSD-ALDE, to join the initiative. Thus, the opposition action turned into another occasion for Prime Minister Viorica Dancila to list the achievements of her cabinet, which was instated in January this year. (www.romania-insider.com)

- December 21st, Romania's Defense Minister Gabriel Les announced that he would not prolong the mandate of General Nicolae Ciuca as Chief of the Romanian Defense Staff. Ciuca started his assignment in January 2015 and his mandate expires at the end of this year. Les said he found only one case in the past in which the mandate of a Chief of Defense Staff was renewed and that he wanted to keep the tradition. However, the leader of the ruling Social Democratic Party (Partidul Social Democrat - PSD) Liviu Dragnea apparently insisted that Ciuca should be replaced, after he opposed some of the acquisitions planned by the Government for the endowment of the Romanian Armed Forces, according to sources quoted by G4Media.ro. One such contract was that for the endowment of the Romanian Navy, according to the same sources. (www.romania-insider.com)

COUNTRY ASSESSMENT :

Non-confidence motion against the Government failed and in fact brought the opposite results weakening the opposition. Ruling PSD-ALDE got

life extension, but political abnormality will continue. In the meanwhile, political struggle between the President Klaus Iohannis and Government has been transformed into an "open battle" leading the political functionality in a deadlock. The President rejects the Government's plans for amnesty and pardon laws, while he strongly criticizes statements and actions by governmental officials. Iohannis directly asked for toppling the Government calling them "an accident of the Romanian democracy." The Prime Minister Dancila requested by the Constitutional Court to solve the problem since Iohannis rejected the appointment of certain Ministers. Leader of the ruling PDM moved a step further stating that his party will file a criminal complaint against Iohannis for high treason. One should also take into consideration that the ruling coalition has lost majority in the Chamber of deputies which makes things more complex. Apart from that the EU released reports strongly criticizing the Government over rule of law and justice. 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. As a conclusion, the state faces political abnormality in many levels which at the moment only by early parliamentary elections could be resolved. 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. Current crisis between Russia and Ukraine may affect Romania's security situation as a forward NATO base.



SERBIA: December 18th,

Aleksandar Vucic expressed his satisfaction with the results of Monday's UN Security Council session on Pristina's decision to start forming an army in Kosovo; a move Serbia strongly opposes. The Serbian President said Serbia has *"informed everyone about the situation in Kosovo."* In his address, he informed the Security Council that Serbia fulfilled all the obligations from the Brussels Agreement, while, as he said, *"Pristina did not fulfill anything."* He also informed the Council about the daily attacks on Serbs (in Kosovo), the arrest of Director of the Office for Kosovo and Metohija Marko Djuric, the taxes on Serbian goods, with the aim to show the countries that advocated for Kosovo's independence *"what they have created."* Vucic also met after the session with the UN Secretary-General Antony Guterres, with whom he discussed Pristina's unilateral moves and the situation in the region. Vucic thanked Guterres for expressing concern over Pristina's decision to form armed forces and stressed that Pristina's moves put regional stability at risk. Vucic pointed out that Serbia continues to advocate a continuation of the dialogue, after Pristina withdraws its irrational decision. The President said that Serbia attaches special importance to the presence and operation of UNMIK (UN mission) in Kosovo, bearing in mind that the political and security situation in Kosovo remains unstable. *"The presence and operation of UNMIK in Kosovo is of crucial for the Republic of Serbia, since the UN framework, based on this resolution (1244), guarantees the status neutrality of the international presence in the province,"* Vucic said, and asked for greater UN involvement in the Kosovo issue. Vucic said that he is worried and afraid for the future not only of the Serb people and Serbia, but for the

entire region. Vucic warned about Pristina's efforts to impose legal and political violence, economic pressure and unilateral moves, such as imposing taxes and forming the Kosovo army, creating a new situation on the ground and extorting recognition from Serbia. At the session, held at the request of Serbia and the Russian Federation on the occasion of Pristina's decision to form an army, he stressed that Pristina did not fulfill its obligations under the agreement that it signed in Brussels, and that it violated the CEFTA (regional free trade) agreement and the SAA. Serbia, as he said, did almost everything to implement what has been agreed so far. *"As you know, we signed the first deal of Belgrade and Pristina, and Serbia has fulfilled all its obligations. We made a lot of concessions and it was very difficult for our public to accept it, but we did it."* He stressed that, on the other hand, the only obligation Pristina had to fulfill relates to the establishment of the Community of Serb Municipalities. The President pointed out that Kosovo is officially the territory with the lowest returnee (people expelled from their homes) rate in the world, standing at only 1.5%. Vucic recalled that UNSC Resolution 1244 establishes a legal framework for continuing the international presence in Kosovo, as well as a mandate for a safe environment for everyone in that regard. According to Vucic, Serbia has always done everything to maintain stability and peace throughout the region. Vucic also said that Pristina chose a new negotiating team with people from the former Kosovo Liberation Army (KLA) who are under investigation for crimes against Serb civilians. He said that Serbia is ready to continue the dialogue process and that it wants to call on the UN to take a bigger role in the future. *"We have nothing against the dialogue being under the auspices of the EU, but we want*

the UN to be more involved in the process. Pristina must withdraw those terrible tariffs and must make other moves and we will find ways to ensure the security of our people,” concluded Vucic. Representatives of the US and the UK in the Security Council supported transformation of the Kosovo Security Force into an army, while Russia opposed it, describing the move as “*a threat to peace.*” China's representative also supported Serbia. (www.b92.net)

- December 19th, the President Aleksandar Vucic said in Brussels the only way for the dialogue on normalization of relations to continue is if Pristina revokes its extremely unreasonable decisions. Vucic talked with President of the European Council Donald Tusk about the situation in the region, Pristina's unlawful measures, and Serbia's EU integration, and on that occasion stressed that the only way to continue the dialogue is for Pristina to revoke its “*extremely unreasonable decisions.*” Vucic pointed out that Serbia firmly supports the dialogue on normalization of relations with Pristina and believes that talks are the only way to resolve open issues and preserve regional stability. However, as the President emphasized, Pristina's decision to drastically increase taxes (on goods from central Serbia) by 100% contrary to the CEFTA (free trade) agreement, then the attempt to seize the electrical power system and adopt laws that allow the transformation of the Kosovo Security Force into an army, contrary to UN Security Council Resolution 1244, the Brussels agreement, the position of the Serbian community in Kosovo and Metohija, as well as so-called Kosovo's own legal regulations - all prevent further negotiations. “*Serbia is committed to improving regional cooperation and committed to contributing to that goal. The precondition for successful*

implementation and improvement of regional cooperation is strict observance of the reached agreements and of the agreed framework of cooperation by all participants in the region. The only way to create conditions in which further discussion is possible is for Pristina to withdraw its unlawful and utterly unreasonable decisions,” Vucic said, according to the presidential press service. Donald Tusk “*welcomed Serbia's reasonable moves in relations with Pristina.*” Serbian Prime Minister Ana Brnabic was present at the meeting. (www.b92.net)

- December 21st, the President Aleksandar Vucic announced that the Russian President Vladimir Putin will visit Serbia on January 17th, 2019. Vucic said that he did not see any problems from the “*Russian side*” after the US President Donald Trump sent him a letter, and that he will speak about everything openly with Putin, “*as always*” including Trump's letter. “*As for the Russian reactions, I did not see them. I'm awaiting Putin's arrival on January 17 with joy. I never had a problem talking to him openly. But I've seen no problems from the Russian side,*” Vucic said, replying to a journalist's question about “*media reports about the negative reaction to Trump's letter in a part of the Russian public and, possibly, in certain political circles.*” Vucic said that, if the reaction of the media is to be considered, it is easier to him to see what was in the Serbian media, “*by the way, much harder and worse than in the Russian - and I don't see why I would commented on the Russian media.*” He also pointed out that Trump's letter was “*rational, as can be expected from a US President, since the United States recognizes Kosovo. But for us, the good news is that the role of Belgrade is required, while Pristina is told that it has to negotiate with Belgrade,*” Vucic said. Vucic reiterated that an

agreement between Belgrade and Pristina is not close at hand, but that he will not give up on seeking a compromise solution for the Kosovo and Metohija issue “because that is his fight for peace, stability and the future of Serbia.” “We are not close to any agreement, and I am not saying that to justify myself to anyone, but because I'm dissatisfied and unhappy that it is that way,” Vucic said in response to journalists after his meeting with Greek Prime Minister Alexis Tsipras. For Serbia, Vucic underlined, it would good to have some agreement, but, he repeated, we are very far from any “although Trump believes we are close.” “When everyone is saying that we will easily achieve some goals with weapons, and I know the state of the military and the police better than anybody else in the country... And since I know that my question is who will be guilty tomorrow or who will be resented if your father, brother or child is returned in a casket. And then Vucic will be responsible,” he said. That is why, said the President, he is “fighting for peace, stability and for compromise, and not for war and conflict.” (www.b92.net)

COUNTRY ASSESSMENT :

Serbian President presented the state's positions and arguments regarding latest Kosovo unilateral actions and especially the establishment of its Army at an extraordinary UN Security Council session and in the EU. It is assessed that Serbia followed a successful diplomatic strategy achieving to be appeared in the international community as a reasonable voice seeking a compromise resolution via dialogue. Apart from that Serbia took in advantage that it is a member of the UN, while Kosovo it is not. In this context, Serbia pushed the UNSC for a more active role in

resolution process sending a message to the EU that its dialogue process has reached a deadlock. 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. It is assessed that a possible Kosovo Police operation in the north or security forces deployment may provoke Serbia's security forces engagement for the protection of Serbian population. Serbia received support from Russia and China in the UN Security Council and Putin's visit to Belgrade on January 17th, 2019 is of high interest. 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. Russia is getting involved in Kosovo case by supporting actively Serbian stance.



SLOVENIA: December 18th, If and when Croatia would join the EU's passport-free travel Schengen area will depend on the EU's Evaluation Commission and not on Slovenia, Slovenian Prime Minister Marjan Sarec told state television. Sarec added that regarding the border dispute with Croatia his Government will maintain the same position of the previous Cabinet led by Miro Cerar, who now serves as Foreign Minister. Sarec said that Slovenian Police were doing a good job of monitoring the EU's external Schengen border towards Croatia, but that his Government also called for a stronger role of EU's external border protection agency FRONTEX on Croatia's eastern borders towards Bosnia and Serbia, where a large number of potential migrants want to reach the Schengen area by travelling through Croatia and Slovenia. The number of illegal migrants caught in Slovenia in 2018 has quadrupled from 2017, Sarec said, although their numbers are still far lower compared to the peak of the migrant crisis in 2015 when some 500,000 migrants passed through Slovenia on their way towards Austria and other western European countries. However, Sarec said, unlike the 2015 wave which mainly consisted of refugees fleeing the civil war in Syria, the migrants arriving to Slovenia's border today are mainly illegal migrants from Afghanistan and African countries. Asked to comment on bilateral relations with neighboring Croatia, Sarec said that the two countries' relations are burdened with the issue of the border arbitration ruling, which awarded Slovenia most of the Piran Bay in the northern Adriatic and a maritime corridor giving it access to international waters. Slovenia recognizes the 2017 international arbitration ruling as the final say on the matter, whereas Zagreb had earlier pulled out of the process in

2015 on account of leaked tapes proving improper contacts between the Slovenian representative and an arbitration judge. Although the judges were later replaced, Croatia's officials insist that the arbitration and its ruling were irrevocably "*contaminated*" and therefore invalid. Croatia now wants a fresh round of bilateral talks on the almost 30-year dispute, whereas Slovenia insists this is a matter of respecting EU rules and international law, and former Prime Minister Miro Cerar's Government had even filed a lawsuit against Croatia in July 2017 at the Court of Justice of the European Union (CJEU). The stalemate has led to a slight chill in the relations between the two otherwise friendly countries, with 2018 becoming the first year since both nations' independence from Yugoslavia in 1991 in which there was a single bilateral meeting neither of Prime Ministers, nor of Foreign Ministers. (www.n1info.com)

- December 21st, the opposition parties of Slovenian Democratic Party (Slovenska demokratska stranka - SDS) and Slovenian National Party (Slovenska Nacionalna Stranka - SNS) launched an impeachment motion against the Prime Minister, Marjan Sarec. The parties decided for the move after the SDS's latest attempt to secure more funds for private schools failed in the Parliament yesterday. SDS MPs defeated in a 44 to 31 vote for legislative amendment designed to implement full Government funding of publically approved curricula at private primary schools as mandated by the Constitutional Court in 2014. It was the fifth time SDS attempted to get the motion through. The Constitutional Court ruled in December 2014 that the current 85% state financing of publically approved curricula at private schools was not in compliance with the

Constitution. The issue is an ideological - religious one considering that two primaries in the country are operated by the Catholic Church. The previous Government sought to enact the ruling, but the legislative process was stalled by the Social Democrat led initiative to amend the Constitution, which eventually failed. Sarec's Government opposes the SDS sponsored legislative changes arguing they tackle the issue of financing private schools only partially. This was repeated by the Education Minister Jernej Pikalo yesterday in the Parliament. He announced a comprehensive solution would be sought at the beginning of next year and definitely before the start of the next school year. The SDS, New Slovenia – Christian Democrats (Nova Slovenija – Krščanski demokrati - NSi), and SNS MPs were considering of impeaching Sarec at the beginning of the month, but they decided to wait for the parliamentary session. The SDS announced the move yesterday and NSi was also to join the campaign but eventually opted out. NSi explained its decision on social media "After Minister Jernej Pikalo announced the Constitutional Court's decision will be implemented by the beginning of next school year, the impeachment motion no longer enjoys the support of the necessary 46 MPs." Noting that impeachment is "a strong tool of the opposition" the NSi said that if it were to stay this way it should only be used on sufficient support. Initiators of the motion claims that Sarec as Prime Minister insists on discriminating children who attend the obligatory primary school program at private schools. During yesterday's debate MPs of the ruling coalition pointed the different interpretations of the Constitutional Court's decision and labeled the impeachment motion a "populist gesture." This is the forth impeachment motion against a Prime Minister of Slovenia. In order the Constitutional Court to

decide on the motion it would need to be backed by 46 out of 90 MPs, which seems very unlikely. (www.sta.si)

COUNTRY ASSESSMENT :

Slovenia enjoys a relative political stability. The Government has to address several internal social issues (increase of minimum wage, health care, pensions etc) which may test governmental cohesion. Opposition attempt to impeach the Prime Minister is of minor importance without threatening the ruling coalition coherence and stability. 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: December 20th, Turkey will continue to stand by Iran in the face of "unjust" U.S. sanctions which jeopardize regional stability and security, President Recep Tayyip Erdogan said in a joint press conference with his Iranian counterpart Hassan Rouhani. "There are so many steps that Turkey and Iran can take together to end the clashes in our region and ensure a peaceful environment," Erdogan said at a news conference with his Iranian counterpart

Hassan Rouhani in the capital Ankara. Erdogan said Turkey did not allow any entities seeking to harm the security of the country and the region, adding that it would not all allow them in the future. Ankara and Tehran have a strong will to increase cooperation in this regard, he stressed. The President also said Turkey does not approve the U.S. sanctions on Iran since it leads to destabilization of the region. *"We will continue to be in solidarity with brotherly Iran at a time when we find pressures against Iran as unjust,"* Erdogan added. Erdogan said Turkey aims to increase bilateral trade with Iran to 30 billion dollars from the current 11 billion. In August, the U.S. re-imposed the first round of sanctions that mainly targeted Iran's banking sector. The second phase of sanctions -- targeting Iran's energy sector -- came into effect on November 5th, 2018 although Washington granted a 180 day reprieve to the eight largest buyers of Iranian oil, including Turkey. Speaking after Erdogan, Iranian President Hassan Rouhani said Tehran and Ankara agree on protecting Syria's territorial integrity. He also said the next trilateral meeting on Syria between Ankara, Tehran and Moscow would be held in Russia. (www.dailysabah.com)

- December 21st, Foreign Minister Mevlut Cavusoglu said Turkey is content about the U.S. decision to withdraw soldiers from Syria, speaking at a press conference with his Maltese counterpart Carmelo Abela. Cavusoglu called the decision an important step for a political resolution in Syria, and emphasized that it is necessary to focus on a political resolution that would solve the tragedy in the country. *"With regards to withdrawal decision of the U.S. ... from Syria, we welcome the decision,"* Cavusoglu said. *"We believe that DAESH is defeated but still we should be very vigilant because DAESH and other*

radical groups are still on the ground," he said. Cavusoglu also said he and other Turkish officials have already been in touch with U.S. officials *"at different levels"* on the issue. On Wednesday, Washington announced it will be withdrawing all of its troops from Syria, following a conversation between President Recep Tayyip Erdogan and his U.S. counterpart Donald Trump over an imminent Turkish cross-border operation to eliminate Kurdish Syrian People's Protection Units (YPG) from northern Syria. It has been reported that the U.S. still has about 2,000 troops in Syria, many of whom are working in close cooperation with Syrian Democratic Forces (SDF). Almost all the territory in the east of the Euphrates River comprising some one-third of the territory of Syria, except for the Assad regime-controlled area near Deir el-Zour and the DAESH-held area near the Iraqi border, is controlled by the SDF. The SDF also controls the districts of Manbij and Tabqah on the right bank of the river. Due to the group's links with the PKK, Ankara has called the YPG-held areas a "terror corridor" and said repeatedly it will not allow the region to turn into an autonomous region administered by a terrorist group. (www.dailysabah.com)

- December 23rd, Turkey is sending reinforcements to its border with Syria, Demiroren News Agency (DHA) reported on Sunday, adding that some 100 vehicles including mounted pickup trucks and weaponry had made their way to the area. The heightened military activity comes days after President Recep Tayyip Erdogan said Turkey would postpone a planned military operation against the Syrian Kurdish People Protection Units (YPG) in northern Syria after the United States decided to withdraw from Syria. DHA said the Turkish convoy, headed toward the border district of Kilis, located in the

southern province of Hatay, included tanks, howitzers, machine guns and buses carrying Special Forces personnel. Part of the military equipment and personnel are to be positioned in posts along the border while some had crossed into Syria via the district of Elbeyli, DHA said. Elbeyli is located 45 kilometres from the northern Syrian town of Manbij, which has been a major flashpoint between Ankara and Washington. In June, the NATO allies reached an agreement that would see the YPG ousted from the area but Turkey has said the roadmap has been delayed. Erdogan said that Turkey will take over the fight against DAESH in Syria as the United States withdraws its troops, adding that the planned operation would target the YPG, as well as DAESH. A possible mission east of the Euphrates, which Turkey's leadership has been suggesting for months, would follow two successful cross-border Turkish operations into Syria since 2016 – Operation Euphrates Shield and Operation Olive Branch – both meant to eradicate the presence of YPG and DAESH near Turkey's borders.(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 re-examines its relations with the EU in an effort to avoid international and regional isolation, the EU sends messages of terminating 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. Trump and the US offered a gift to Turkey by their military withdrawal from Syria. Turkey is free to intervene in Kurdish Syria eliminating YPG far from east bank of Euphrates river. Although Erdogan announced that Turkey will not conduct a new military operation against Syrian Kurds, it reinforces its military presence in the area. It is assessed that the Turkish armed forces plan an imminent military operation in cooperation with Syrian Democratic Forces (SDF). At the moment, Turkey is engaged in 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 state tries to show a leading role regarding Syria's "next day" claiming that developments in neighboring country are related to its national security mainly because of the Kurds. 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 it seems that they are reaching a critical point since Cypriots have already started hydrocarbon drills in their Exclusive Economic Zone via the US energy giant ExxonMobil. Is Turkey ready to move from rhetoric to action? It is rather difficult to see a direct harassment against the drill ship (which is monitored by 4 U.S vessels), but none could exclude a "hot" incident in the Aegean Sea. The Turkish President and high state's officials express Turkey's determination to protect its


interests no matter what. It seems that strengthened multilateral cooperation between Greece, Israel, Cyprus and Greece, Cyprus, and Egypt raises its concerns of regional isolation in a region (Eastern Mediterranean Sea) where Turkey considers it as a preferential field of action.


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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