



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

SOUTHEASTERN EUROPE

AT A GLANCE



SOUTHEAST EUROPE DIRECTORATE

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

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

“HERMES” I.I.A.S.GE

“HERMES” Institute of International Affairs, Security & Geoeconomy (“HERMES” I.I.A.S.GE) is an independent, non – governmental, non – profit organization, consisting of scholars dedicated in the research and analysis of international affairs in regional and global level. The Institute aims at providing objective, scientific, and reliable research analysis through a variety of studies contributing effectively and constructively in the public dialogue and the evolution of scientific knowledge.

Copyright © 2020

“HERMES” Institute for Foreign Affairs, Security & Geoeconomy

All rights reserved



ALBANIA: February 11th, Kosovo and Albania Prime Ministers expressed differing positions on the Western Balkans “Mini-Schengen” initiative at a news conference today in Tirana. Albin Kurti, on his first official foreign visit as Prime Minister of Kosovo, addressed the media in Tirana during a joint press conference with his counterpart, Edi Rama, saying that today’s meeting was more about an “*Albanian macro-Schengen*,” instead of the “*mini-Schengen*” defended by Rama.



Joint press conference by Prime Minister Edi Rama and Kosovo Prime Minister Albin Kurti
(Photo source: www.kryeministria.al)

Kosovo political leaders including Kurti are reluctant to the idea supported by Rama and Serbian President Aleksandar Vucic of creating a “*Mini-Schengen*” in Balkans. Kosovo leaders have boycotted three consecutive meetings of the so-called “*Balkans Mini-Schengen*” held in Serbia, North Macedonia, and Albania. Despite disagreements Kurti thanked Albania for helping Kosovo during and after the war which ended in 1999. “*Kosovo would not have confronted Serbia in war and peace, without Albania’s help*,” Kurti said. He also pledged to advance relations with his Albanian counterpart. “*This is our first meeting and we will deal with a lot of issues*,” Kurti said. Rama disagreed with Kurti’s priorities.

“*No Albanian ‘macro-Schengen’ without Balkans ‘mini-Schengen’*,” he stated. “*With our interaction, we have opened roads of cooperation which were closed all these years between the two countries. This was beyond any imagination until yesterday, and not only because of Serbia*,” Albanian Prime Minister said. The two Prime Ministers also discussed organizing a joint meeting of the two Governments in Shkodra and agreed to establish a joint commission which will be tasked to implement all agreements the two countries have reached over the years. (www.top-channel.tv)

- February 13th, the opposition Democratic Party of Albania (Partia Demokratike e Shqipërisë – PD) said it did not want a deal like 2017 based on power sharing, as this time they reject co-ruling with the Socialists for the interim Government. “*We want to make it clear that there will be no co-governing between the united opposition and the Government. The caretaker Government will be neutral and implement the best practices. It will not intervene as to not disrupt the elections. It should not be led by Edi Rama as he is not the Prime Minister. It should consist of figures with moral and professional integrity so as to guarantee the vote of the Albanians*,” DP’s former lawmaker Oerd Bylykbashi stated. The caretaker Government came up as an idea at the political table of electoral reform, but got the Socialists’ stubborn refusal. Nevertheless the democrats do not lose hope for their criterion. “*I do not expect the majority to say yes, as it has done the same in other instances. That they did with decriminalization. But in the end he was obliged to accept what was the public interest*,” Bylykbashi added. (www.top-channel.tv)

- February 13th, Turkish Minister of Foreign Affairs Mevlut Cavusoglu visited Tirana, where during a press conference with Albanian acting Foreign Minister Gent Cakaj he thanked the Government for its efforts against the “*Gulen Movement*” and urged it to hand in more of its members, who are considered as terrorists by the Turkish authorities. At the conclusion of his meeting with Cakaj, the Turkish diplomat repeatedly stressed that the “*Fethullah terrorist organization*” (FETO) is not only a threat to Turkey, but to any place where its members are residing. He stated that he had explained this to the Albanian authorities and would do so in his meeting with the Prime Minister Edi Rama, underlining that Turkey does not want Albania to be a security port for FETO members. Cavusoglu said there were no exact figures for the numbers of FETO members in Albania, but that there should be several hundred, for whom Turkey expects their return. In this context, Cavusoglu, expressed his gratitude to Albania for what it has done and although understandably not easy, he said more steps need to be taken for the future. He said he had also made the same request to Rama, to whom he referred to as a “*brother.*” Earlier this year, Albanian authorities expelled, within hours, a Turkish national who was considered part of the “*Gulen Movement.*” As soon as he got out of prison, Harun Celik was transported to the airport, without even having time to appeal the deportation decision, as required by Albanian law. Another Turkish national, arrested under the same conditions as Celik, has already made a written request for asylum in Albania, as he says he is considered a part of the “*Gulen movement*” in Turkey and consequently “*there he may be subject to abusive actions.*” The Turkish Government welcomed the

operation against its nationals, although Albania’s official stand was that the two Turkish nationals were expelled because they failed to respect aliens’ laws and procedures, and not because of their alleged association with FETO. Cavusoglu and Cakaj also signed three agreements; on the mutual recognition of driving licenses, exchange of young diplomats, and on aligning the work in international organizations regarding war against organized crime and terrorism. Cavusoglu said that cooperation has increased in a number of other fields as well, such as education, and that they expect Albania’s contribution to strengthening cooperation too, while also saying that Turkish President Recep Tayyip Erdogan will also be visiting the country soon. In an interview for Istanbul media a few weeks earlier, Cavusoglu reportedly warned that FETO and its members affect not just Albanian education – as they are associated with a number of educational institutions operating in the country – but also politics. “*We have told you that FETO is very powerful in Albania and has a certain influence on politics. We see this. The same thing happens in Kosovo. We have communicated our thoughts on this to both brotherly states,*” he told “*Anadolu Agency*” in an interview. During the same press conference on Wednesday, Cavusoglu also mentioned that Turkey is expecting the shutting down of all FETO-related educational institutions in Albania and everywhere else in the world. (www.tiranatimes.com)

COUNTRY ASSESSMENT :

Albania has slipped since 2019 into a deep political, institutional, constitutional and social crisis. Without an independent and functional justice system the country is incompetent to provide the basic constitutional rights to its

citizens; they are not able to address the state's top Courts, the Constitutional and High Court. Apart from that there are serious concerns over judicial independence in the country since the "vetting process" has become more or less a measure of pressure against judges. Opposition MPs have resigned from the Parliament since February 2019, while opposition refused to join the June 30th, 2019 local elections. As a result ruling Socialists elected 60 Mayors out of 61 in the country. Under these circumstances, the opposition pushes the Government to be resigned and an interim Government to be established guaranteeing fair and free elections. Corruption, smuggling (weapons, drugs, people etc), money laundering and link between organized crime and politics are dominating in the country and the state's authorities are not very keen on fighting them. On October 18th, 2019 the EU rejected the opening of accession negotiations of Albania (and North Macedonia) which actually shocked the Albanian Government and society. But if Albania seeks to get a positive recommendation in 2020 (March or May 2020) it should work intensively to restore a transparent and credible justice system, to establish rule of law and to strengthen fight against corruption and organized crime. Albania was the first official destination of the newly elected Kosovo Prime Minister, Albin Kurti confirming that the country is acting as the center of Albanians all over the region. However, a distance of opinion was noticed between the Albanian Prime Minister, Edi Rama and Kurti mainly in the "mini Balkan Schengen" zone project.



BOSNIA & HERZEGOVINA:

February 13th, we will enter into a new crisis if we

have to, but we will not succumb to pressure from the Republika Srpska (RS) entity, Bosniak (Muslim Bosnian) leader Bakir Izetbegovic said Thursday commenting the announced boycott of the decision-making process at the state level after the Constitutional Court found two laws from this entity unconstitutional. *"We will not succumb under this pressure. Politicians in the tried to usurp the land (that belongs to the State of Bosnia and Herzegovina) and following our appeal, the Constitutional Court defended that land, and now they want us to weaken this Court so their future decisions would not be rejected by the Court. We will not allow that,"* Deputy Speaker of the House of Peoples, Bakir Izetbegovic said. He said that the authorities in this Serb-dominated semi-autonomous entity are trying only to take what they like, from the Government and the rule of law. What they do not like, Izetbegovic noted, they try to get rid of so they would achieve domination of one entity over the state. *"We will not allow that and we will enter a new crisis if we have to. The Constitution and the rule of law will be respected in this country. We lost a whole year in attacks against the rule of law - for nothing,"* Izetbegovic stressed. He concluded that those causing crises in the country are also harming their own people and those voting for them. On Wednesday, the RS leadership announced they would not take part in the decision-making process at the state level. The whole thing began after several Bosniak MPs in the RS Parliament filed an appeal to the Constitutional Court against the RS Law on Agricultural Land and the RS Law on Inland Navigation, stating that the RS is usurping state competencies and taking the land which belongs to the state. The Court ruled in favor of the Bosniak MPs' motion, declaring

several articles from those laws unconstitutional. (www.ba.n1info.com)

- February 16th, unable to personally buy land in Bosnia as there is no bilateral agreement with their countries, citizens of middle-eastern and northern African countries have still managed to purchase millions of square meters of land in the Sarajevo Canton thanks to hundreds of companies they have registered, investigative journalists revealed last week. About 160 companies, founded by citizens of Saudi Arabia, Kuwait, the UAE, Qatar, Jordan, Syria, Egypt, Libya and other countries, whose citizens cannot purchase land in Bosnia, have since 2012 bought 15,3 millions of square meters of land around the capital thanks to Bosnian citizens these firms hired to represent them. Who exactly bought that land and whether it was bought with “clean” money is in a lot of cases unknown. Many have started construction on that land but have then abandoned the construction sites. “Investors intended to continue construction of resorts, buildings, hotels, and individual objects. However, things did not go as they planned and they concluded they should leave,” Mirjana Popovic, from the Center for Investigative Reporting, told N1. “Many of them are now in a difficult situation because they lack the paperwork needed to legalize continuing construction,” she said. Amarildo Gutic, a reporter from Zurnal, investigated the purchases and made the film “Arab Spring in the Golden Valley.” “We still do not know whether this land and property was bought with ‘clean’ money or if it is an attempt to launder money, (we do not know) who is behind those companies, who the owners are (...) and if you go to those places today and try to contact the owners - it will be

very difficult,” Gutic said. In most cases, finding the owners of the land is impossible, and a large number of the companies owning it cannot be found at the addresses where they are registered, according to the results of checks the Service for Foreigner’s Affairs made. Of the 692 companies CIN checked, 469 were not at the addresses mentioned in their registration papers. The owners of 158 such companies did not have their residence status regulated and 113 founders or co-founders of companies were never registered as entering the country. “We found several foreign nationals and their companies which owe the state millions in taxes. Then we included the tax authority and then security agencies, primarily the State Investigation and Protection Agency,” said the Head of the Foreigner’s Affairs Service, Slobodan Ujic. According to the academic Esad Durakovic, the problem could have far-reaching consequences. “Those are not investments, as many refer to them, it is not tourism either - but the land under our feet is being sold off. Meanwhile, there is an invasion of migrants from Asian and African countries into Bosnia. At the same time, tens of thousands of young people are leaving Bosnia for Europe, while we sell off land and accommodate migrants here,” Durakovic said. “The result of it will, if not today, be fatal in the future without a doubt,” he said. (www.ba.n1info.com)

- February 16th, there is a way to solve the emerging political crisis in Bosnia through state institutions, but Bosnia's Serb-majority will nevertheless become independent sometime in the future and can then find a way to enter a union with Serbia, Bosnian Serb leader Milorad Dodik said on Sunday. Dodik’s statement comes at the end of a turbulent week. Bosnian Serb leadership

announced that representatives of the RS semi-autonomous entity would not participate in the decision-making processes until a law removing foreign judges from Bosnia's Constitutional Court is passed. The decision, which would block state institutions, is to be discussed by the RS National Assembly on Monday. The move came after the Constitutional Court declared an RS property law unconstitutional. Dodik, who is the Serb member of Bosnia's tripartite Presidency and the leader of the strongest Bosnian Serb party, has been accusing the foreign Judges of the Constitutional Court of siding with Bosniaks (Muslim Bosnians) too often and working against Bosnian Serb interests. He has also been advocating for the RS to secede and join neighboring Serbia for years. "There is no place for Serbs in Bosnia and Herzegovina, where they do not want a Republika Srpska," Dodik said. "Republika Srpska is a wonderful and big national idea of the Serb people and is the only place of our survival here," he said. But he stressed that RS will not defend itself using force, guns and tanks, but with the will of its people and its institutions which should be built up through unity in the Parliament of the RS and through activities in the institutions of Bosnia and Herzegovina. "I am no war leader, I will not lead people into war and there will be no war, but I will surely be capable and ready to fight for political rights, as I want our children to not have to fight our battle, but to enter the stability of a loved and accepted Republika Srpska, integrated with Serbia, primarily," Dodik said. "I will stay and do this work exclusively so that Serbs are never again expelled from their homes and so we stay on our own territory," he said. Although he said that an institutional solution to the crisis is possible if the Constitutional Court regulated by a new law,

Dodik stressed that Republika Srpska will be independent in a matter of decades and that it could find a way to unite with Serbia after some time. He announced Serb and Croat representatives will propose together a law on the Constitutional Court in the Parliament. (www.ba.n1info.com)

COUNTRY ASSESSMENT :

Bosnia has entered in a structural and institutional crisis confirming "HERMES" assessment that at the moment Bosnia is considered as a potential source of instability in the whole region of Southeast Europe. Announcement of Republika Srpska's member of the tripartite Presidency, Milorad Dodik that RS will forward procedures for secession brought on the surface a problem already known. Dodik is well known supporter of RS secession and union with Serbia. He counts on Dayton peace agreement drawbacks and the complicated political system of Bosnia to push further his opponents. Decision-making process could easily be blocked by an entity paralyzing the country. Taking into consideration the current crisis it is time to start the process of amending the Dayton peace agreement resolving such problems. One could claim that "Bosnia is a captured state due to Dayton peace agreement." It should be underlined that Russia, Serbia and Croatia will play a crucial role in current crisis enjoying the power of influencing situation. Taking this into consideration, situation is sensitive threatening not only Bosnia's peace and stability but of the whole region. Political instability, poor economic performances, entities' rivalries, and problematic framework of state's structure (due to Dayton Accord) have left Bosnia far behind other Western

Balkan countries towards the EU. NATO is a feasible goal but only due to geopolitical and geostrategic reasons (mainly because of the Russian threat of penetration in the region) and not because of achieving the Alliance's standards. Nevertheless, Bosnian Serbs strongly reject the idea of NATO accession and this is a significant obstacle towards Bosnia's full accession in the Alliance. Furthermore, nationalistic rhetoric and actions from the three entities creates certain conditions of mutual mistrust and work as a factor of potential destabilization. At Neighboring Croatia and Serbia keep on intervening in Bosnia's internal affairs, while Muslim countries such as Turkey, Saudi Arabia, Qatar, and Iran maintain a permanent presence through financial donations and investments.



BULGARIA: February 10th,

“Bulgaria and the US are allies and strategic partners. Our cooperation is very broad, with a tendency to deepen further, not only on a bilateral basis, but also within NATO and the EU-US,” the Prime Minister Boyko Borissov said during a meeting with Matthew Palmer, Deputy Assistant Secretary at US Department of State - Bureau of European and Eurasian Affairs, the Government press office reported. Security and defense were among the main dimensions of the dialogue between the two countries, Prime Minister Borissov noted. *“Our Armed Forces participate in a number of joint exercises, including within NATO. Acquisition of the F-16 Block 70 fighter jets is a significant step forward in the modernization of the Bulgarian Air Force, and further strengthens the relationship between the two countries,”* Borissov said. Another focus of the meeting was the further promotion of the

economic exchange between Bulgaria and the US. The steady upward trend indicated by the trade data was highlighted. It had increased by 3.7% for the period January - September 2019 compared to the same period of 2018. *“It is also important for us to attract direct American investments in leading sectors of the Bulgarian economy,”* Borisov added. During the meeting, the energy partnership with the US was identified as having the potential to contribute to Bulgaria's energy security and diversification of sources and routes of supply, including import of LNG at competitive prices. Borissov and Palmer also discussed European and Euro-Atlantic integration of the Western Balkans. *“The reliable prospect of joining the EU and NATO remains a key driver for a positive transformation in the region,”* Borisov said. *“NATO and the EU must cooperate closely to achieve better cooperation in their communication with the countries in the region,”* the Prime Minister stressed. (www.novinite.com)

- February 13th, Bulgaria's President Rumen Radev met Governor of the Bulgarian National Bank (BNB) Dimitar Radev on February 13th, 2020. The focus of the meeting was Bulgaria's announced intention to join the Exchange Rate Mechanism II (ERM II), which is the first mandatory step for joining the euro area, BNT reported. The Head of State called for strict implementation of the guarantees of financial stability, undertaken by the Parliament, for full and constant public awareness and transparency in the work of the relevant institutions involved in the process of Bulgaria's accession to the euro area. Radev stressed that the Bulgarian National Bank will continue to participate actively in this process within the framework of its mandate to maintain price stability through a fixed exchange

rate regime with the current BGN / EUR rate. (www.novinite.com)

- February 14th, Bulgaria's annual consumer price index (CPI) recorded 4.2% inflation in January, data released by the National Statistical Institute (NSI). This was the highest year-on-year increase in consumer prices since January 2013, when the figure was 4.4%, exceeding the 3.8% annual inflation figure recorded in December. Monthly CPI inflation in January was 0.9%. It was the tenth time that the monthly CPI figure showed an increase during the previous 12 months, with deflation recorded in June and September 2019. Food prices were 2.6% higher compared to December, while non-food prices fell by 0.3% and services prices were up 0.7%. Compared to January 2019, food prices were 7.8% higher, while non-food and services prices rose by 1.9% and 2.4%, respectively. The harmonized CPI figure, calculated by NSI for comparison with EU data, recorded 0.5% inflation in January, while the annual harmonized CPI was up 3.4%. Food and beverage prices were 7.5% up, on an annual basis, while the price of utilities and housing increased by 2.2% and transportation costs were 3.9% higher compared to a year earlier. The three categories account for about 48.3% of the harmonized CPI basket. (www.sofiaglobe.com)

COUNTRY ASSESSMENT ■ :

Bulgaria enjoys political stability despite political struggle between the President, Rumen Radev and the Prime Minister, Boyko Borissov. Corruption and organized crime remain significant obstacles for the country's development and should be addressed decisively. The country pays special attention to energy security developing several projects. Modernization of Armed Forces is a top

priority for Bulgaria and huge armament projects are ongoing (fighter jets, armored vehicles, vessels etc). However, military operational capability of the state is questioned especially in the Air Force. Bulgarian Armed Forces are far from NATO standards.



CROATIA: February 11th, the Croatian Democratic Union (Hrvatska Demokratska Zajednica – HDZ), which is the senior member of the incumbent coalition Government, is preparing for intra-party elections on March 15th, 2020. If a second round is needed it will be held on March 22nd, 2020. The incumbent HDZ party Chairman and current Prime Minister, Andrej Plenkovic, is facing strong opposition from more conservative elements within the HDZ. On Tuesday members of his cabinet tried to downplay the growing tensions within the HDZ. One of Plenkovic's harshest critics is HDZ Vice-President Milijan Brkic, who recently claimed that he was opposed to forming a coalition Government with the HDZ's first coalition partner, Bridge of Independent Lists (Most Nezavisnih Lista - Most), as well as with its current partner, the Croatian People's Party – Liberal Democrats (Hrvatska Narodna Stranka – Liberalni Demokrati - HNS–LD), which is traditionally left on the political spectrum. Brkic claims that he had favored reaching a deal with the Croatian Peasant Party (Hrvatska Seljačka Stranka - HSS) instead, given that the HSS is a traditionally right party. Plenkovic has rejected this assessment, saying that Brkic was openly in favor of partnering with the HNS. (www.glashrvatske.hrt.hr)

- February 12th, after the General Urban Plan for the capital Zagreb was not adopted at the city

assembly yesterday, in which the Croatian Democratic Union (Hrvatska Demokratska Zajednica – HDZ) representatives voted against, possible consequences to the Government at the national level, were commented on today. The governing majority claims that the coalition is functioning normally, while the opposition also does not believe in a breakdown of the majority that they say is based on political interests. Even though members of the HDZ did not raise their hands for the General Urban Plan, Prime Minister Andrej Plenkovic does not expect Zagreb Mayor Milan Bandic to withdraw his political support for the majority. Speaking for Radio Sljeme today, Bandic said that completely new changes to the plan will be made and a public debate on the plan will be held before the summer. Bandic was asked if his coalition partner, the HDZ had betrayed him and if they had intense negotiations yesterday. *“I withdrew my own amendments and I then could not accept the amendments from my coalition partner. Secondly I wanted changes to the General Urban Plan to be adopted so that the development of the city is not halted. There was no understanding, what happened, happened,”* Bandic said. The Head of the HDZ MPs group, Branko Bacic, claims that this has nothing to do with a possible loss of support from the Bandic club of representatives. He said that voting was postponed due to official travels by numerous representatives from the majority, adding that the coalition is not in question. The Head of the Croatian People's Party – Liberal Democrats (Hrvatska Narodna Stranka – Liberalni Demokrati - HNS-LD) parliamentary group, Milorad Batinic also said that there is no problem with the governing majority. (www.glashrvatske.hrt.hr)

- February 13th, Croatia's Air Force Commander Brigadier General Michael Krizanec said that defects identified on four Mi-171SH transport helicopters had been removed and that a fifth helicopter out of the ten 171SH overhauled helicopters, which is now located on the island of Krk, would be repaired on Friday. Addressing an extraordinary news conference, Krizanevic admitted that experts had identified defects on all the ten helicopters that had been overhauled in Russia. *“The defects on four helicopters have been removed and they are usable. The fifth will be repaired tomorrow. Another five helicopters are undergoing regular overhauls,”* Krizanec said. The rest of the fleet of transport helicopters is ready for all missions and training. *“So far we have conducted 1,100 flight hours and we did not have any indication of any hazard existing. Helicopters have been grounded before. Those checks are conducted every 300 flight hours and we only have 200 hours so far. If they had not warned us, we would have identified the defects ourselves,”* Krizanec told the press conference in the Defense Ministry. He added that the *“Russian Helicopters”* company had last night already admitted that it was their responsibility and that all the works and all the material would be charged to the company. Krizanec ordered that the 10 helicopters be grounded and told the press conference that situation was not that alarming. Last week, the Defense Ministry said that the overhaul of the helicopters concerned was performed in a professional manner by the Aeronautical Technical Centre (ZTC) in Velika Gorica and by the *“Russian Helicopters”* company from Russia. The Dnevnik.hr news portal reported that 10 Mi-17SH helicopters had been grounded due to frequent defects however Krizanec explained that the helicopters were not

actually grounded but were undergoing regular technical checks and are out of use. “Yesterday we were informed of a technical defect that went unnoticed during the overhaul. We contacted the Russian manufacturer and then made some conclusions and took the necessary steps,” Krizanec explained. (www.hr.n1info.com)

COUNTRY ASSESSMENT ■ :

Ruling coalition remains stable in the country ensuring political stability. The main ruling party, HDZ faces internal struggles due to party's elections but it is assessed that the Prime Minister and HDZ leader, Andrej Plenkovic fully controls his party. Croatia currently holds the EU Presidency seeking among other to bolster Western Balkans European perspective. Croatia – Slovenia border dispute remains active and it should be noticed that Croatia needs Slovenia's support regarding its accession in the Schengen Zone and OECD. Under these circumstances, Croatia is forced to start thinking of dialogue and compromise since its stance has repercussions in state's national interests. Croatia implements a hard-line foreign policy with its neighboring countries maintaining open disputes with Bosnia, Slovenia, and Serbia. Top officials do not hesitate to openly interfere in Bosnian domestic affairs in the name of Bosnian Croats. Croatia implements a policy of Armed Forces' modernization trying to form a reliable and well equipped force according to NATO standards. Currently, the Ministry of Defense has restarted its efforts for acquiring 12 modern fighter jets since Croatia is a NATO member without operational Air Force.



CYPRUS: February 10th, Defense Minister Savvas Angelides was in Tel Aviv on

Monday for talks with his Israeli counterpart Naftali Bennett on enhancing bilateral security and defense cooperation, while Nicosia signaled its intention to beef up its military capabilities. Angelides met with Bennett to discuss “ways to further enhance bilateral ties between Cyprus and Israel, regional issues and issues related to energy security, as well as ways to tackle asymmetric threats,” read an earlier Defense Ministry press release. Shortly before getting on a plane, Angelides was telling a local television station his trip to Israel is part of a broader policy by Nicosia of military and defense cooperation with the neighboring country. “Our cooperation with Israel is well known, with joint air force, special forces, naval and cyber-defense exercises. The added value to the National Guard's operational capability is immense, due to this relationship with Israel, and we are continuously upgrading it,” the Minister said. Angelides noted that Cyprus “can learn a great deal” from Israel in the areas of research and innovation. He said Cyprus expected positive results in the immediate future in relation to “developing defense industry products, in relation to high tech, smart weapons, surveillance systems and others.” More broadly, the Defense Minister said upgrading the military's deterrence capability “is a one-way street.” He referred to the acquisition of weapons systems or technology from other countries as being part of forging alliances with these nations – namely Israel, France and the US. “These are markets that need to be assessed in order that we boost our own operational capability,” he added. A day earlier, Angelides said the recent lifting of the decades-long US embargo on arms sales to Cyprus paved the way for the purchase of US-made weapons and military materiel. “Of course we are interested in the purchase of armaments

and equipment from the US. That is why we have set up a committee with a mandate to draw up a framework process to assess the American market as an additional option.” His remarks seemed to be at odds with the Foreign Minister Nikos Christodoulides who in late December was stressing that Cyprus had no intention on of procuring American arms. Rather, Christodoulides said at the time, the lifting of the US arms embargo held more political and symbolic value. Asked about the potential of creating a local arms manufacturing industry, Angelides said “*We are considering heavy weapons as well as matters related to technology, research and development of specific products.*” He said public - private partnerships with research centers and academia, local industry and businesses could spur the development of a homegrown armaments industry. In addition, cooperation with countries like Israel and France could soon yield results in terms of Cyprus developing its own products. “*We are looking at surveillance systems, smart weapons, intelligence, personnel management, armaments management, software – yes, all this can be accomplished,*” Angelides said. Last week, on the back of reports in foreign media, the Defense Ministry confirmed an order of French surface-to-air MISTRAL missiles as well as EXOCET anti-ship missiles worth some 240 million euro. The weapons sale comes at a time of rising tensions in the eastern Mediterranean as Turkey carries out illegal drilling operations in Cypriot waters. Nicosia meantime has reiterated that Turkish activity in the sea will not deter it from pursuing its own energy program as scheduled. According to reports, the consortium of TOTAL and ENI are planning to drill for natural gas in block 8, in late March or early April. On this, Angelides declined

to confirm the date of the drill, but said Cyprus is taking all necessary steps to ensure the operation is not interfered with. He also appealed to the media not to divulge information in the interim that could harm the island’s energy program. (www.cyprus-mail.com)

- February 12th, Cyprus was called on Wednesday to shore up weaknesses in several areas of the economy that still leave the island vulnerable to money laundering such as banking, the real-estate sector and shortcomings among administrative service providers (ASP). The Council of Europe’s anti-money laundering watchdog, MONEYVAL, also called on Cyprus to pursue more aggressively money laundering from criminal proceeds generated outside of Cyprus “*which pose the highest threat to the Cypriot financial system,*” and take a more proactive approach to the freezing and confiscation of foreign proceeds at their own initiative. The sectors with the main weaknesses named in the MONEYVAL report, in order of vulnerability were; banking, ASPs – such as accountants and lawyers who manage and administrate trusts and companies – the real estate market, Cyprus’ expanding casino business, and money transfer companies (MSB). The top three risk sectors cited serve to produce a lethal combination when married with the island’s citizenship by investment scheme, which MONEYVAL said had not been assessed comprehensively in terms of the risks. “*The Cyprus Investment Program is inherently vulnerable to abuse for money laundering purposes, as is real estate, both in general and as the apparent preferred investment to acquire citizenship,*” the report said. While the banking sector had become more effective in mitigating risks, largely due to the “*increasingly sound*

supervisory practices” of the Central Bank, *“the risk in the real estate sector has increased exponentially,”* the report said. *“These risks have not properly been mitigated – the implementation of preventive measures by and the supervisory framework of the sector display significant weaknesses,”* the report said. As for ASPs, MONEYVAL said there were shortcomings in the implementation of preventive measures by the trust and corporate services sector as a whole which has *“major implications”* for finding information on who the real owners of a company are. ASPs in Cyprus did not demonstrate a uniform level of understanding of the risks of terrorist financing evasion. *“Given Cyprus’ status as an international financial centre and the role played by administrative service providers as gatekeepers, the fact that some service providers may not always be in a position to identify individuals or entities who may seek to conceal their identity behind complex structures to evade sanctions constitutes a significant vulnerability,”* the report said. On top of that, Cyprus has not conducted a formal assessment of risks posed by legal entities despite having a developed company formation and administration into a huge economic sector. *“This has reduced the authorities’ ability to implement more targeted mitigating measures to ensure the transparency of legal persons,”* according to MONEYVAL. For instance, it said that basic information for around 63,000 registered companies out of 215,346 *“remains inaccurate and outdated.”* *“While significant strides have been made by Cyprus to implement a comprehensive supervisory framework for trust and corporate services providers, further progress is required, with certain areas requiring major improvement,”* MONEYVAL said. *“The low level of reporting by*

ASPs and the real estate sector raises concern... real estate agents have not demonstrated that they apply enhanced measures appropriately,” it added. The report concludes that Cyprus understands the money laundering and terrorist financing risks that it faces to a large extent, albeit the understanding of terrorist financing risk is less comprehensive. On the other hand, it said, several measures have been deployed to mitigate some of the main risks effectively. The country has developed mechanisms which are capable of delivering constructive and timely assistance to other countries both on a formal and informal basis. The reported review was conducted in May 2019. The next one will be in 2021. The Ministry of Finance and the Government welcomed the report. *“It reflects the progress and the measures adopted by Cyprus to combat money laundering in recent years and identifies areas where further improvements are needed,”* it said. (www.cyprus-mail.com)

- February 16th, President Nikos Anastasiades said on Sunday he would strive to find a solution to the Cyprus problem that would allow people to return to Famagusta and other occupied areas of the island, saying the Government would not remain with its *“hands tied.”* *“Yesterday’s provocative actions of the Turks in the enclosed area of Famagusta are not and will not be accepted,”* he said referring to a meeting of Turkish and Turkish Cypriot officials in Varosha on Saturday to discuss reopening it. He described the meeting and its intent as *“unacceptable,”* adding that *“violation of the sovereign rights of the Republic of Cyprus either on land or in its EEZ is unacceptable.”* Anastasiades said any solution should be based on UN resolutions and the values of the EU. He

underlined that such a solution would ensure political equality for Turkish Cypriots. “*We have given written examples of how much we respect our compatriots,*” he said, speaking at a ceremony to honor Famagusta Bishop Vasileos for his 60 years of service to the Church. But he warned he would “*not accept and tolerate the political inequality that Ankara wants to impose on our country. What we claim is nothing less than the rest of Europeans enjoy.*” Speaking on Saturday night after an extraordinary meeting of the Famagusta council to discuss measures to be taken after the meeting held in Varosha, with the participation of Turkey’s Vice President Fuat Oktay and Turkey’s Justice Minister Abdulhamit Gul, Famagusta Mayor Simos Ioannou said if the area is settled it would be “*the gravestone of the Cyprus problem.*” The Municipal Council issued a resolution condemning the “*unacceptable actions*” of Turkish occupying authorities. After the meeting, the Municipal Council’s members and MPs marched to the Deryneia crosspoint in a symbolic protest “*as an immediate reaction on Turkey’s illegal actions.*” Ioannou said it was unanimously agreed that the main aim will be to avoid the creation of “*faits-accomplis*” with the settling of the fenced-off area. He added that handing Varosha over before the solution of the Cyprus problem would not focus the issue only on Famagusta but would show good will. “*Foreign minister*” in the north Kudret Ozersay said in August that he would gradually open the city. In a statement on Sunday the Movement for Social Democracy (Κίνημα Σοσιαλδημοκρατών - EDEK) said that when the Dherynia checkpoint was opened it had warned that settlement of Famagusta would follow. At the same time it called for the area to be handed back to its legal residents before negotiations were entered into.

Those who invested in the ‘goodwill’ of the occupier have one once again been denied, it added. (www.cyprus-mail.com)

COUNTRY ASSESSMENT ■ ■ :

Turkish provocations continue in Cyprus. Apart from the ongoing violation of Cypriot sovereign rights by research vessels within its Exclusive Economic Zone (EEZ), Turkish top officials joined Turkish Cypriots in a conference on the “ghost” city of Varosha in the occupied part of Famagusta province in Cyprus. For Cypriot administration reopening of the fenced off city is unacceptable. Lately, Cyprus is trying to promote the “hard power” perspective of the country. In other words, Cyprus is paying attention to strengthen its military capabilities not only through defense agreements with neighboring countries but also with armament sales. Cypriot administration claims that upgrade of defense capabilities is a top priority of the country. The Cypriot Defense Minister said that the state seeks to purchase weapons from France, Israel and the US. However, it should be noted that the US lift of arms embargo is not unconditional; on the contrary it is up to the US President decision after evaluating several preconditions which actually raises questions even for Cypriot sovereign rights. For instance, the National Defense Authorization Act on the issue foresees “the Government of the Republic of Cyprus has made and is continuing to take the steps necessary to deny Russian military vessels access to ports for refueling and servicing.” Violation of Cypriot sovereign rights by Turkish research vessels has become “normality” and nobody speaks about it; it is a routine. Only France seeks to get a more active role by sending its aircraft carrier “Charles de

Gaulle” but it is rather unlikely to see the French Navy blocking the Turkish drillships from the Cypriot waters. The Turkish goal is to deter international energy giants from investing in Cypriot fields and starting research activities. End of March or beginning of April the ENI – TOTAL consortium schedules a drill in block 6 and this will be a strong test for Cypriot energy plans. Turkey is determined to establish its presence in the region and especially within Cypriot Exclusive Economic Zone (EEZ) claiming the Turkish Cypriot community rights. It maintains a significant military force on the island (Army Corps seize) and it reinforce it with modern systems such as UAVs. As long as tension remains in eastern Mediterranean, there is always a high risk of an armed “hot” incident or a conflict. It is certain that Turkey will not accept “fait accompli” in a region considered as part of its strategic interests. As long as part of Cyprus remains under Turkish occupation and Turkish troops (equipped with heavy weapons) are deployed in the island, Cyprus faces an existing direct threat against its national security and sovereignty.



GREECE: February 12th, Washington is reportedly examining ways of making further use of the military air base in Greece’s northern port city of Alexandroupoli, while sources say American officials will arrive in the country over the next few days to explore areas that could be used by US military aviation helicopters. Meanwhile, Defense Minister Nikos Panagiotopoulos will attend a meeting of NATO Ministers in Brussels but he is not expected to meet with Turkey’s Hulusi Akar. During the Brussels meeting, Panagiotopoulos is expected to

explain Athens' concerns to his counterparts about the recent developments in the Eastern Mediterranean. For his part, Foreign Minister Nikos Dendias will travel to Algeria on Thursday to discuss the situation in Libya and Athens' opposition to the maritime border deal signed by the Tripoli-based Government and Turkey. He will also attend the Munich Security Conference on Friday. (www.ekathimerini.com)

- February 14th, despite the positive rhetoric emanating from the recent meeting between Greek and Turkish Defense Ministers Nikos Panagiotopoulos and Hulusi Akar in Brussels, Ankara has not backed down from its policy of exercising constant military pressure and raising diplomatic hurdles to the efforts for the launch of a dialogue between the two countries or even to improve channels of communication with Athens. On diplomatic level, Ankara has insisted that a moratorium on drilling in Cyprus’ continental shelf must be imposed before any progress is made on the front of Greek - Turkish relations. On the military front, up until Thursday, Turkey had conducted 92 overflights over Greek islands since the beginning of the year. If the current rate of overflights persists, a 20-year record will be set. Last year was the worst with 124 overflights, while the figures in all previous years were significantly lower – 47 in 2018, 39 in 2017, 57 in 2016 and 36 in 2015. To make matters worse, the moratorium on Cypriot energy drilling that Turkey has demanded, and which was announced two weeks ago by Turkish Foreign Ministry Spokesman Hami Aksoy, is seen as untenable as it concerns Cyprus, and cannot, by default, be a subject of negotiation between Greece and Turkey. Moreover, the gridlock has further tightened due

to the rapid progress of Cyprus' energy program, as well as the absence from developments, at this phase, of the United Kingdom – one of the island's three guarantor powers along with Greece and Turkey – due to Brexit. Tellingly, the barrage of overflights has taken place as teams from both countries prepare to hold technical talks on confidence building measures (CBMs) between February 17th and 21st, 2020 in Athens. Under these circumstances, it has been deemed extremely difficult for Foreign Minister Nikos Dendias to meet with his counterpart Mevlut Cavusoglu, not only Friday, on the sidelines of the Munich Security Conference, but even at the Antalya Diplomatic Forum on March 27th – 29th, 2020 to which he has been invited. If the debate on CBMs proceeds smoothly and is followed by another round of contacts at the level of the two general secretaries of their respective Foreign Ministries, conditions could be created for substantive contacts at a higher level. At the same time, Dendias visited Algiers Thursday, where he met with his Algerian counterpart, Sabri Boukadoum. After the meeting he said that both Greece and Algeria agreed that any foreign intervention in Libya should be stopped. He also stressed that the deals signed by the Tripoli-based Government and Turkey are moving in the opposite direction. (www.ekathimerini.com)

- February 15th, Greek authorities have managed to slash the time needed to process asylum applications down to 24 days, Migration Minister Notis Mitarakis said on Saturday, adding that easing the pressure on the Aegean islands hosting camps was the Government's top priority. "Early data show that the decision for those [applicants] who entered the country in 2020 are now being issued within 24 days," Mitarakis said, adding that

the Government was stepping up efforts to send rejected applicants back to Turkey. Authorities have organized nine returns operations since the beginning of the year, the minister said, adding that although numbers are relatively small returns are taking place in a systematic manner. Meanwhile, municipal officials and residents on the island of Lesbos dumped thousands of life jackets and rubber boats – discarded by refugees and migrants who made the crossing from Turkey – as an act of protest on the plot of land where the Government plans to build a new closed migrant center, on Saturday. "They can use them to decorate the new center," West Lesbos Mayor Taxiarchis Verros said, urging residents to join the protest. (www.ekathimerini.com)

COUNTRY ASSESSMENT :

Greece enjoys political stability while the Government focuses on fight against organized crime and citizens' security, strengthening economy and resolving refugee crisis. Migrant flows continue to push Greece and especially the islands in eastern Aegean Sea. Migration has become a national security issue and the Government is trying to address the problem with closed centers and acceleration of asylum procedures. Tension with Turkey is maintained in high levels due to Turkish provocative rhetoric. Turkish fighter jets continue to violate Greek airspace overflying islets in the Aegean. Turkish statements that Turkey will conduct hydrocarbon researches in Kastelorizo sea region raises concerns of escalation but it is assessed that it is a scenario that has already been analyzed in diplomatic and military level. Due to latest tension with Turkey, Greece has activated its diplomatic and military reflexes promoting a very

active presence in both fields. However, a “hot” incident is always in the forefront of Greek – Turkish relations. It is assessed that it is more possible a narrow incident in an islet (Greece has thousands of them) instead of an excessive war. Besides, the armed conflict will take place in limited time (no more than 72 to 96 hours) engaging a large number of land, naval and air forces and weapons in a rather narrow operational field. It is assessed that Turkey will avoid engaging troops in big Greek islands for several civil-military reasons. Under the current situation in Eastern Mediterranean and Aegean Sea Greece is obliged to strengthen and modernize its Armed Forces operational capability. Currently, Greece focuses on naval units, upgrade of fighter jets, UAVs and follow on support agreements. Taking into consideration the ongoing provocations in the Aegean Sea and the complicated current situation in Cypriot EEZ and eastern Mediterranean in general, security situation is of high risk due to an accidental or preplanned incident by Turkey.



KOSOVO: February 10th, the US Special Envoy for Kosovo Ambassador Richard Grenell does not support Kosovo Prime Minister Albin Kurti’s idea of revoking the 100% tariffs on Serbian goods and introducing reciprocal measures, the Ambassador’s Spokesman Dick Custin told Radio Free Europe on Monday. Custin said that Kosovo needs to revoke the tariffs on goods from Serbia without introducing reciprocal measures. “Not just suspend the tariffs but revoke them completely,” he said. Radio Free Europe said it contact Kurti’s Cabinet for a comment on the American diplomat’s words but got no reply. Grenell told Kurti in Pristina earlier this month

that the tariffs on goods from Serbia and Bosnia-Herzegovina have to be revoked. Kurti recently wrote on social media that the Kosovo Customs Service was preparing to have the tariffs revoked, but he told the Voice of America that Serbia has to end its campaign to deny Kosovo’s independence. (www.rs.n1info.com)

- February 14th, Prime Minister Albin Kurti said the two US-brokered deals on restoring railway and highway links between Kosovo and Serbia signed Friday were not transparent and officials signing the two letters of intent on behalf of Pristina were not authorized by his Government. The agreement, signed Friday on the sidelines of the Munich Security Conference, was brokered by US President Donald Trump’s Special Envoy for the Belgrade - Pristina talks, Ambassador Richard Grenell. The ceremony was attended also by presidents of Kosovo and Serbia, Hashim Thaci and Aleksandar Vucic respectively. Kurti who is also attending the Munich Security Conference travelled on Friday to Germany, after the ceremony took place in Munich. Grenell said the deal represented “*historic progress on economic development. Agreements on air, rail and highway connections will facilitate the flow of people and goods between Kosovo and Serbia.*” Kurti reacting late on Friday in social media said the two agreements were signed by officials authorized by former Government and the entire negotiation process was done before his Government was formed. “*Therefore, these officials were not authorized by the new Government either to negotiate or sign any agreement. Furthermore, the text of the agreement has not been published. Various non-official drafts have circulated,*” Kurti wrote on social media. Kurti said that despite importance of

regional cooperation and good neighborhood relations, the process needs to be transparent, and in full respect with the sovereignty of Kosovo, its applicable laws, economic priorities and in line with the obligations deriving from the Stabilization - Association Agreement (SAA) signed between Kosovo and the EU. *“Furthermore, if we focus at one version of the agreement, and analyze the economic importance, the railway link in Lesak is more important and favorable than the one in Merdare,”* Kurti said. After the signing ceremony on Friday Thaci, writing on social media, called the agreement *“another milestone! First, the deal on air traffic and today we signed the deal on railways and highways between Kosovo and Serbia. A great step towards reaching a final peace agreement between two countries.”* Vucic said that the deal *“will create a better future and ensure peace for the coming decades.”* (www.gazetaexpress.com)

- February 15th, the US Secretary of State Mike Pompeo and President Donald Trump’s Special Envoy on Kosovo - Serbia Dialogue Richard Grenell, refused meeting Kosovo Prime Minister Albin Kurti in Munich after he contested the two US-brokered deals on restoring rail and road links. The US is also against Kurti’s plans to replace tariffs on Serbian imports with full economic, trade and political reciprocity with Bosnia and Serbia. A source told Gazeta Express that no US senior official will meet Kurti until he rescinds the 100% tariffs on Serbian goods. Kurti seemed to be on a collision course with the US after contesting the two US-brokered agreements on restoring rail and highway lines between Kosovo and Serbia reached on Friday during an international security conference in Munich, Germany. Kurti remained silent until late on

Friday, but attending a roundtable at the Munich Security Forum, he disputed the deals, whereas later he confirmed his position posting a statement on social media. Kurti said the agreements were signed without his authorization after on behalf of Kosovo signed two officials of former Government. He also said that as Prime Minister of Kosovo he was not informed on the contents of the agreements. Reliable sources told Gazeta Express that Washington deems as unacceptable Kurti’s approach towards EU-brokered deals between Pristina and Belgrade and his protracted stance on rescinding tariffs against Serbia. The same source said Kurti asked a meeting with the US Secretary of State, Mike Pompeo, and Ambassador Richard Grenell, but their answer was clear *“No. That is it,”* a source told Gazeta Express. Reportedly his recent statements on agreements reached with Serbia, and his persistence to replace tariffs with reciprocity, are leading Kurti towards a direct collision course with the US. *“No one can undermine dialogue process”* a source told Gazeta Express. The source even stated that Grenell or any other senior US official will not meet Kurti until he decides to drop 100% tariffs on Serbian imports. *“No senior US state official will meet Kurti until he drops tariffs. Kurti will meet only low level officials,”* the source specified. Kurti seemed opposing reaching of the agreement with Serbia, his coalition partner – Democratic League of Kosovo (Lidhja Demokratike e Kosovës - LDK) - welcomed the deals. Kurti’s Deputy in Government coming from the LDK, Avdullah Hoti, met on Saturday Grenell, after the latter refused to meet Kurti on Friday. Hoti confirmed the meeting in a social media post saying that he assured Grenell Kosovo remains a reliable partner in normalization of relations with Serbia. *“I*

assure [Grenell] that new Government will not avoid responsibilities in this process, and we remain fully committed to dialogue,” Hoti said. Dialogue between Kosovo and Serbia became more dynamic after Trump appointed Grenell as his envoy in this process. Under Grenell’s mediation Kosovo and Serbia reached three agreements and new deals have been announced. Kurti after assuming his office at the beginning of February said he would initially scan all the agreements reached so far with Serbia during the EU-facilitated dialogue in Brussels. He told Radio Free Europe on Friday that dialogue with Belgrade can resume only after Serbia gets new Government, considering that Serbia is set to hold general elections in April. Attending a panel of discussions in Munich Kurti reiterated his already known position on dialogue stating that that there can be no agreement without dialogue; no talks with maps; and no Presidents negotiating around these maps; a clear reference of an initiative which was supported by Thaci on “land swap” between Kosovo and Serbia. (www.gazetaexpress.com)

COUNTRY ASSESSMENT :

Kosovo has a new Government but it seems that political establishment strongly reacts in “fresh air” of Prime Minister, Albin Kurti. In other words, it is assessed that Kurti’s main political problem is internal and has a name; the President Hashim Thaci. Moreover, Kurti has to address the US factor which strongly is involved in the Kosovo – Serbia dispute. It seems that the US is cooperating with the “old friend” Thaci refusing to accept Kurti who still expresses opinions not welcomed by the US administration. Apart from that it is concluded that the Serbian President,

Aleksandar Vucic and Thaci have reached common place sponsored by the US. The US officials refused to meet Kurti which is interpreted as a strong message towards the new Prime Minister to abandon his ideas for the future of Belgrade – Pristina dialogue. On the other hand, Kurti seeks to restore constitutional order by exercising his legal competencies restricting the President in his duties, mostly ceremonial. This will be the real challenge Kurti has to deal with. The Prime Minister should take into consideration that his coalition partner (LDK) “plays” its own political game seeking to get the US approval and favor. Kurti has not unveiled his real political intentions yet although he has expressed so far radical views regarding dispute with Serbia (reciprocity measures instead of 100% tariffs, to sue Serbia for genocide etc). Even his visit to Tirana confirmed that relations with Albania are not 100% warm showing some distance between Pristina and Tirana. However, expectations for a spectacular progress on Kosovo – Serbia dialogue should not be expected. Besides, Serbia is entering in pre-electoral campaign and elections are scheduled for April, 26th, 2020. Fight against corruption, organized crime, money laundering and trafficking, establishment of rule of law, accountable and transparent state institutions, and functional public administration are the main challenges for Kosovo towards its European path.



MOLDOVA: February 11th, today President Igor Dodon attended an enlarged meeting of the College of the Ministry of Foreign Affairs and European Integration, saying that the main goals of foreign policy should be based on three priorities; promoting a balanced foreign

policy, professionalism and discipline in the activity of the Moldovan diplomatic missions and pragmatic and efficient approaches by the Moldovan Ambassadors. *“Moldova’s national interest requires both the implementation of the Association Agreement with the European Union and development of strategic partnerships signed with Western and Eastern states. We expect professionalism and discipline from the diplomatic staff and non-involvement in political statements. Moldovan Ambassadors should not be the Spokesman for political parties, they are the voice of national interest abroad,”* Dodon said. The President underlined the importance of Moldova’s relations with the neighbors, and recalled that in April 2020 it is 10 years since the signing of the Strategic Partnership with Romania. He noted that the Moldovan state *“has no divergence with the Romanian state.”* For his part, Minister of Foreign Affairs and European Integration Aureliu Ciocoi said that this year the Ministry’s activity will be realistic and pragmatic, based on a pro-Moldova vision. *“We hope that in 2020 we will boost implementation of the provisions of the Association Agreement with the European Union and develop new strategic partnerships. We want to deepen dialogue with the US to become eligible for the Millenium Challenge 2. At the same time, we want to develop pragmatic relations with the Russian Federation and to sign new strategic partnerships,”* he said. Ciocoi announced a visit to Chisinau in March by Hungarian Prime Minister Victor Orban and Secretary General of the Council of Europe, Marija Pejcinovic-Buric who will participate together with the Moldovan authorities in celebrating the 25th anniversary of Moldova’s presence in the international organization. (www.moldpres.md)

- February 11th, Minister of Foreign Affairs and European Integration Aureliu Ciocoi maintains that during negotiations on settling the Transnistrian conflict it is necessary to start discussing the political status of the Transnistrian region. *“The political status of the Transnistrian region as part of the Republic of Moldova should be put for discussion in settlement negotiations in the 5+2 format,”* the Minister said. He reminded that in 2019, the Ministry of Finance also continued efforts on resolving the Transnistrian problem, including by means of international organizations. *“At the sitting of the OSCE Ministerial Council in Bratislava on December, the Political Declaration, aimed at contributing to Transnistrian conflict settlement, was adopted for the 7th consecutive time. These efforts will be continued. Also, we will be seeking the complete fulfillment of provisions of the 1999 OSCE Summit in Istanbul [on removing Russian troops from the territory of Moldova],”* Ciocoi said. (www.infotag.md)

- February 13th, today ACUM [Dignity and Truth Platform Party (Partidul Platforma Demnitate și Adevăr - PPDA) and Party of Action and Solidarity (Partidul Acțiune și Solidaritate - PAS)] block bloc MPs submitted a simple motion on policies promoted by the Ministry of Foreign Affairs and European Integration. The motion was read by MP Chiril Motpan and refers to the policies promoted by the Moldovan Foreign Minister and the institution he leads. According to the MPs of ACUM bloc, Moldova’s foreign policy was affected by the political factor, which derailed it from the European integration path. *“Unfortunately, Moldovan diplomacy is hostage of these regrettable political processes leading to the isolation of the country. All these deviations*

occur because the country's foreign policy is in the interest of foreign interests to those of Moldova,” Motpan said. The simple motion was submitted by the Speaker, and within 14 days it will be subject to debate in Parliament. The simple motion shall be debated accompanied by the opinion of standing Committee. The approval will be made within 7 working days from the submission of the motion. (www.moldpres.md)

COUNTRY ASSESSMENT ■ :

The country enjoys relative political stability since the President Igor Dodon achieved to establish his own Government putting aside the pro-western ACUM block. The country definitely follows a pro-Russian orientation, although it declares that it seeks to join the EU. Due to its strategic geographic position, Moldova has become a field of rivalry between Russia and the US and NATO. The country lacks economic growth, while corruption is in high rates. Russia maintains troops in Transnistria which are considered by pro-western forces as violating Moldovan sovereignty. The frozen conflict of Transnistria is always a “running sore” for the country working as a potential factor of destabilization.



MONTENEGRO: February 11th, economic and trade relations appear set to grow between Turkey and Montenegro after Turkish Foreign Minister Mevlut Cavusoglu visited Podgorica on Monday and Tuesday, showing Turkey’s increasing interest in the tiny Adriatic country. At a joint press conference, Cavusoglu and his Montenegrin counterpart Srdjan Darmanovic announced that their countries pledged to boost trade volumes from the current

140 million to 250 million US dollars in the near future. They also announced the opening of a Montenegrin consulate in Istanbul and that Turkey has appointed an honorary consul in the northern Montenegrin city of Bijelo Polje, where a significant number of Muslim Bosnians (Bosniaks) live. “*Turkey and Montenegro have excellent political relations and we want to improve our relations in every field,*” Cavusoglu told a press conference in Podgorica with his Montenegrin counterpart Srdjan Darmanovic.



Montenegrin Minister of Foreign Affairs, Srdjan Darmanovic with his Turkish counterpart, Mevlut Cavusoglu

(Photo source: www.mvpei.gov.me)

Cavusoglu added that Turkish companies are increasingly investing in Montenegro. “*Investments will continue. We are happy that major Turkish companies invest in Montenegro; we support them,*” Cavusoglu said. There are now more than 2,000 registered Turkish businesses in Montenegro, outnumbering both Russian and Serbian firms, according to tax administration data. Montenegrin Foreign Minister Darmanovic also said that Turkey -Montenegro relations are improving in every field and thanked Turkey for agreeing to represent Montenegro in countries where Podgorica has no diplomatic missions. The Turkish and Montenegrin Governments

previously agreed that Turkish Embassies will represent Montenegro in 23 countries, mostly in Africa and Asia. *“We are happy to represent Montenegro in countries in which Montenegro has no diplomatic missions,”* Cavusoglu said. According to the agreement, Turkish Embassies will offer consular service to Montenegrin citizens and issue Montenegrin visas for visitors. Montenegrin law allows a third country to represent Montenegro in countries in which it has no diplomatic missions. With 239 diplomatic missions worldwide, Turkey has the fifth largest diplomatic network in the world. According to the Turkish Foreign Minister, Montenegro is a very important country for stability and peace in the Balkans. *“We supported Montenegro in its NATO membership and our cooperation in NATO and the defense sector will continue. Montenegro deserves EU membership and if there will be no political barriers, we believe that Montenegro will be an EU member very soon,”* Cavusoglu said. Turkey recently donated 15 million euro to Montenegro for the purchase of arms and ammunition. According to the agreement, the money can only be used for purchasing Turkish domestic defense products, further boosting Turkey’s influence over Montenegro. Turkey’s interests in Montenegro have increased in recent years in many fields including culture, education, economy and defense, with a special attention being paid the country’s Muslims, who make up a quarter of the Montenegrin population. Cavusoglu arrived in Montenegro on Monday evening and before his official meetings, he met Muslim representatives, alumni of Turkish universities and Turkish citizens living in Montenegro. Cavusoglu visited Mehmet Fatih Islamic Theological High School, which is financed by Turkey, and met Rifat Fejzic, the Head of the

Islamic Community of Montenegro. Together they visited an Ottoman-era mosque in Tuzi which was renovated by the Turkish aid agency, TIKA. *“The comfort of our Muslim brothers in Montenegro is also our comfort. Every Montenegrin Muslim has relatives in Turkey. Muslims and our kin societies are one of our foreign policy priorities,”* Cavusoglu said. (www.balkaninsight.com)

- February 14th, in the first such meeting since the country’s Parliament adopted a new law on religion in December 2019, Metropolitan Amfilohije, the Serbian Orthodox Church’s top Bishop in Montenegro, has met the Prime Minister, Dusko Markovic, and submitted a list of proposed changes. It was the first time the Montenegrin Government had met representatives of the biggest faith group in the country since street protests against the new law began in December. The Serbian Church, SPC, urged the Government to retract that part of the law which calls for a directorate to compile a register of all religious sites in Montenegro. Under the new law, any faith groups unable to provide evidence of ownership risk losing these sites. The Church – which relations with the Government are poor – claims this could allow the state to rob it of its property. *“The Government has taken note of this initiative, assessing that a comprehensive review of the law and other possibilities offered by the legal system is required to answer this question. Talks will continue at expert level,”* both sides said in a conciliatory joint press release issued after the meeting. The Government says that through dialogue and building mutual trust, as well as by providing additional and appropriate guarantees, the law can be applied and is in line with the Constitution and European standards.

The Church disagrees. *“The Church maintains that it is necessary to speak about amendments to the Law, not about its implementation, because in the Church’s view, the Law is not in accordance with the Constitution or international standards,”* the joint statement noted. However, President Milo Djukanovic sounded less conciliatory when he accused the Serbian Orthodox Church of putting unacceptable pressure on the state. In an interview with Agence France-Presse on Thursday, he said that Montenegro needed its own Orthodox Church in order to consolidate its national identity and deal with interference from neighboring Serbia. *“The SPC is trying to use believers as a way to pressure the state to give up the law, or to force it to capitulate. That is unacceptable,”* Djukanovic said. The President and the Church have a long history of clashes. Djukanovic oversaw Montenegro’s transition from a state union with Serbia to independence, which the SPC fiercely opposed. Since the Podgorica Parliament passed the law on December 27th, 2019 tens of thousands of Serbian Orthodox Church priests, believers and supporters have been protesting twice-weekly across the country, demanding its withdrawal. Opposition pro-Russian and pro-Serbian political movements that generally support the SPC are also regular participants in the rallies and marches. The disputed law calls for the creation of a register of all religious buildings and sites that authorities say were owned by the independent kingdom of Montenegro before it became part of the Serb-dominated Kingdom of Serbs, Croats and Slovenes in 1918, later renamed Yugoslavia. (www.balkaninsight.com)

- February 14th, Montenegro needs to have its own Orthodox Church so that it can reinforce its

national identity and counter Serbia’s meddling, Milo Djukanovic said for AFP. Djukanovic, who has been ruling his country for three decades, talked about the law on freedom of religion which prompted many believers to take it to streets. Serbian Orthodox Church is one *“of the important instruments used by the ideologists of nationalism of the Great Serbia against Montenegro, against its independence, its national, cultural and religious identity,”* Djukanovic said. The law adopted at the end of December stipulates that the country should take control over the property for which there is no evidence that it belonged to religious communities before 1918. The text of the law could refer to most churches and monasteries in Montenegro. Serbian Orthodox Church is accusing Government of trying to seize that property. Mass protests request withdrawal of the law. *“Serbian Orthodox Church is trying to use believers as a way to inflict pressure on the state to withdraw the law. That is absolutely unacceptable,”* Montenegro’s President said. In his opinion, Montenegro should have its own Church and confirm its own national identity. *“We are guided by the need to improve spiritual, social and state infrastructure so that we can strengthen citizens’ awareness of their own identity,”* Djukanovic said. For 30 years, the small Orthodox Church of Montenegro has been trying to revive. It is not recognized in the Orthodox world. As parliamentary elections are approaching, critics keep accusing Djukanovic of using controversy to divert attention from economic problems, mass emigration or corruption. Djukanovic has also been denounced as an obstacle to democracy. He says that his opponents have always been bad at losing. (www.cdm.me)

COUNTRY ASSESSMENT :

The “hybrid threats hysteria” continues in Montenegro legitimizing Government and state’s authorities’ violation of human rights, media freedom and democratic order. The controversial law on religious freedom has provoked massive protests by the Serbian Orthodox Church believers who are the religious majority in the country. The Montenegrin President, Milos Djukanovic has admitted that the motives of the law are political; to restrict the power of the Orthodox Church in his country as it is considered as the “Trojan Horse” of Serbia against Montenegro. According to Djukanovic, the state should establish its own Montenegrin Orthodox Church in an effort to develop its own religious and national identity. It is true that Serbia interferes in the Montenegrin politics using the Serbian population in Montenegro and the Serbian Orthodox Church influence. It is assessed that Serbia has never gave up the idea that Montenegro is the “natural extension of Serbia” and its (smooth) independence is nothing more than an abnormality. Besides, Serbia enjoys support in Montenegro by a strong pro-Serbian opposition. In this context, the Serbian factor could be under certain conditions to act destabilizing. The complicated relation between Montenegro and Serbia and the Russian factor which is favored in the latter attract the NATO attention in the region. Corruption, smuggling (especially cigarettes) and money laundering are dominated in the country setting significant obstacles and risks for every investor. Such situation has strongly affected progress of accession negotiations with the EU. Montenegro needs more concrete reforms in the field of justice, rule of law, fight against corruption,

money laundering, and organized crime, public administration transparency and accountability in order to become a stable and attractive investment environment. The coming elections in the country should be seen as a democratic stress test. The country focuses on strengthening its Armed Forces by purchasing modern equipment and reducing the average age of its military personnel (currently 37 years old).



NORTH MACEDONIA:

February 11th, North Macedonia’s Parliament unanimously ratified an agreement to make their country a member of the North Atlantic Treaty Organization (NATO). All 114 lawmakers present in the 120-seat Parliament voted in favor, with none against or abstaining. “By joining this Alliance, we are not simply joining an international organization,” the President Stevo Pendarovski told lawmakers ahead of the vote. “Membership of the world’s most powerful military-political Alliance is a privilege, but also a huge responsibility,” he stressed. A NATO flag was raised in front of the Parliament building during the short ceremony. The accession protocol must be ratified by all 29 NATO members. Spain is the only one that has yet to signal its approval. A ratification vote is expected to be held in the Spanish Parliament next month. (www.mia.mk)

- February 16th, after a year of unsuccessful talks with the opposition and after a week of tense efforts to secure a majority in Parliament, the ruling Social Democratic Union of Macedonia’s (Socijaldemokratski Sojuz na Makedonija - SDSM) narrowly shepherded an important law through Parliament amid loud objections from the opposition about the regularity of the vote.

Exactly 80 of the 120 MPs in Parliament voted for the law on the Prosecution – the minimum needed for its adoption. Six voted against while none abstained. Voting proceeded amid high tension in the Chamber after the Speaker annulled the first vote, in which only 74 MPs supported the bill, saying he had omitted to give the word to two MPs who previously asked to submit procedural remarks. The second, successful vote caused uproar among opposition Internal Macedonian Revolutionary Organization – Democratic Party for Macedonian National Unity (Внатрешна македонска револуционерна организација – Демократска партија за македонско национално единство - VMRO-DPMNE) party MPs. They insisted that the first vote should have been enough and that the second vote was illegitimate and done under pressure from the ruling Social Democrats. “Criminals, criminals... shame! That is the only thing I can say,” VMRO DPMNE MP Nikola Micevski shouted, joined by his opposition colleagues. The Social Democrats had pushed strongly for adoption of the law on the prosecution, which the EU and the US also support, hoping it will persuade Brussels to finally set a date for the start of EU accession talks. The EU failed to set an expected date late last autumn, which prompted the Social Democrats to call for early elections on April 12th, 2020. The vote took place at the last minute, just as Parliament was about to dissolve on Sunday to pave the way for the early elections. Before that happens, MPs also convened to pass a key law on defense, which aligns the country’s legislation with that of NATO, incorporating its collective security principles. Eighty MPs voted for the changes. Opposition was against this law as well, insisting that the name of the Army should not be changed to Army of North Macedonia, in

reflection of the historic “name” agreement with Greece that it also opposed. (www.balkaninsight.com)

- February 16th, a decision to hold the elections on April 12th, 2020 was officially signed by the Parliament’s Speaker, Talat Xhaferi this evening, after the Parliament voted to be dissolved. Due to pressure from the ruling Social Democratic Union of Macedonia’s (Socijaldemokratski Sojuz na Makedonija - SDSM) party, the Parliament dissolved four days late, intruding into the 60 days deadline provided in the Constitution, which may affect the conduct of the elections if anything goes wrong. (www.republika.mk)

COUNTRY ASSESSMENT ■ :

The Parliament was dissolved finally and early parliamentary election was called officially for April 12th, 2020 ensuring political calmness in the country. Opposition VMRO-DPMNE appeared frustrated due to four days delay on Parliament’s dissolution. SDSM achieved to pass the law on public Prosecutor and to ratify NATO accession literally in the very last moment before the Parliament is dissolved. It is considered of great success for SDSM since the adoption of Public Prosecutor law may facilitate North Macedonia’s opening of accession talks with the EU. It should be noted that SDSM shows political maturity promoting state’s national interests. On the contrary opposition VMRO-DPMNE follows a non-constructive nationalist and populist rhetoric aiming only to get citizens’ votes. Dismissal of Labor and Social Policy Minister, Rasela Mizrahi because she appeared at two news conferences in front of a large wall sign bearing the country’s old name, “Republic of Macedonia” and refused to change it is another sign of political

responsibility and maturity showing that the country respects bilateral agreements. Political situation in the country could easily be escalated and polarized. At the moment, North Macedonia has political uncertainty and next day of election it needs a strong Government to proceed with necessary reforms and securing opening of accession negotiations with the EU within 2020. The country should focus on reforms regarding justice, rule of law, fight against corruption and money laundering, administration, and respect of human rights in order to accelerate its European integration process.



ROMANIA: February 10th, the alliance formed by Romania's reformist parties Save Romania Union (Uniunea Salvați România - USR) and Freedom, Unity and Solidarity Party (Partidul Libertății, Unității și Solidarității - PLUS) announced that the two parties are heading towards merger. Next steps were decided on Saturday, February 8th, 2020. Preparation of the process and the terms of merger will be approved in a joint congress of the two parties. *"USR and PLUS are heading towards the merger. USR and PLUS today decided on the steps towards merger. The Political Committee of the USR and the PLUS National Council have mandated the national offices to start the preparation of the merger process and conditions, which will be approved in the joint congresses of the two parties,"* the USR-PLUS Alliance announced in a press release, local Hotnews.ro reported. According to USR sources, the congresses in which the merger terms will be established could take place after the early elections. Earlier, PLUS announced that it had decided, in its National Council meeting on Saturday, to start discussions

on a merger with USR, respectively to elaborate the conditions of the merger and organize a Congress in this regard in July. (www.romania-insider.com)

- February 10th, Liberal leader Ludovic Orban, who was dismissed in a no-confidence vote but then designated by President Klaus Iohannis for the same position, wants to keep the old Ministers in the new Cabinet. Orban said that the National Liberal Party's (Partidul Național Liberal - PNL) leadership unanimously approved the new Cabinet and the governing program, local News.ro reported. In fact, the new governing program is an updated version of the old one, based on which the Orban Government was initially invested in early November 2019. The PNL leadership took out the objectives that the Orban Cabinet managed to achieve before being dismissed, and added other objectives related to European funds, public works and internal affairs. Orban is expected to submit the list of Ministers and the governing program to the Parliament today, February 10th, 2020. Following this step, according to the Regulations of the joint sessions of the two Chambers of the Romanian Parliament, the Permanent Bureaus will have 15 days to set the date of the joint meeting for the new Government's investment, News.ro said. The Orban Government was dismissed in a no-confidence vote on February 5th, 2020. The following day, President Klaus Iohannis nominated Orban for Prime Minister once again. Both Iohannis and Orban made it clear that their goal is to organize early elections, which requires that the Parliament rejects two designated Prime Ministers within 60 days. However, the Social Democratic Party (Partidul Social Democrat - PSD) considers boycotting the vote for the

appointment of the new Government. Marcel Ciolacu, who also serves as the President of the Chamber of Deputies, said that his party might instruct its MPs not to attend the joint sitting of the Parliament when the new Orban cabinet should be invested, which would make void the meeting thus blocking the process that leads to early elections. (www.romania-insider.com)

- February 12th, the joint permanent bureaus of the Romanian Parliament's two Chambers decided the schedule for the appointment of the second Cabinet led by the Prime Minister designate Ludovic Orban (the would-be Orban 2nd Government). Hearings of the Ministers in the Special Committees will take place on February 17th, 18th and 19th, 2020 and the plenary vote on February 24th, 2020 local G4media.ro reported. These are the longest delays allowed by the regulations. Reportedly, the Social Democratic Party (Partidul Social Democrat - PSD), which controls the legislative process given their majority in the Parliament's permanent bureaus, will delay as much as possible the appointment of a new Government - although some of the Social Democrat leaders are increasingly adhering to the early elections scenario promoted by President Klaus Iohannis and the National Liberal Party's (Partidul Național Liberal - PNL). According to the regulatory provisions, the permanent bureaus should establish the date of the joint meeting for voting a Prime Minister's program no later than 15 days after receiving the document and the Government list. (www.romania-insider.com)

COUNTRY ASSESSMENT :

Romanian politics has entered in a period of instability and uncertainty due to struggle for

power and parties' tactics to gain benefits necessary for the fierce political rivalry. President, Klaus Iohannis gave a new mandate to the former Prime Minister, Ludovic Orban to form a new Government. The plenary vote for the new Government will take place on February 24th, 2020. Opposition and main political force PSD seeks to block the process of early elections which is PNL's main goal. In fact, the President Klaus Iohannis and PNL do not want to form a new Government; they only seek to follow procedures for calling early parliamentary elections. These tactics and political struggle deprive the country from a stable and functional Government working to boost reforms regarding fight against corruption and modernizing public administration. The country enjoys advanced upgrade in US and NATO strategic plans due to its geographical position located close to Russia. Consequently, Russia reacts in this close military cooperation between the two countries and the Alliance perceiving it as a threat against its national security. Romania keeps strengthening its Armed Forces seeking to achieve NATO standards.



SERBIA: February 14th, in the last local elections in Serbia in 2016, opposition took power in one town and three municipalities in the country, and four years after were not willing to keep a promise given to people and boycott the vote at that level. The general, provincial and local elections are due on April 26th, 2020. The main opposition group, the Alliance for Serbia (Savez za Srbiju - SzS) and some other parties have announced they will boycott the forthcoming ballot at all levels. However, some leaders in power on the local level have changed

their mind and consider participation in their Municipalities. The Mayor of the western town of Sabac Nebojsa Zelenovic justifies the participation claiming that *“people of Sabac will consider a treason if we hand over power to [a man Zelenovic said was the head of a criminal group and who, according to him, the ruling Serbian Progressive Party (Srpska Napredna Stranka - SNS) appointed its crucial member in Sabac] Sandokan.”* But, he said on Friday that the final decision would be made by the end of next week. Sasa Paunovic, the Head of the central Paracin Municipality, and a SzS member has not yet publically said whether will boycott the local vote as well. Leaders of SzS have reiterated that *“every member of the Alliance will boycott the election as a whole, or leave the group.”* Zelenovic did not comment on those statements but reiterated that Sabac authorities did not have the right to betray the citizens and that he was sure they would win this time as well. Bosko Obradovic, the Head of the nationalist Serbian Movement Dveri (Srpski Pokret Dveri) and a member of SzS has called on opposition municipal leaders to boycott local vote since, as many others have said, without free Serbia, there are no free towns and Municipalities. Leader of the Healthy Serbia (Zdrava Srbija), which is not a member of SzS, but is in power in the western Municipality of Cajetina, Milan Stamatovic is also against the boycott of local vote and called on all those who are in favor to register in Sabac, Cajetina, Paracin, or in Belgrade Municipalities of Satri Grad and Novi Beograd and *“vote for our lists.”* He added that would be a legal move and that the electoral roll closes two weeks ahead of the ballot. The Head of the Stari Grad Municipality Marko Bastac, a SzS leader, said he would boycott all elections, while the Novi

Beograd Municipality’s Head and the leader of the Serbian Patriotic Alliance (Srpski Patriotski Savez - SPAS), Aleksandar Sapic said he would take part. His party is not a member of SzS, and many see him getting close to SNS. Serbia has recently lowered the election threshold from 5 to 3% in an apparent attempt to soften the effect of the boycott. However, the experts and journalists say some of those encouraged by the new threshold may even fall below 3%. They also warned opposition leaders who would take part at the local level to be aware *“of what SNS and its leader President Aleksandar Vucic are ready to do”* and that they might face an embarrassing defeat. (www.rs.n1info.com)

- February 14th, Serbia’s Government adopted on Friday the Strategy to Prevent Money Laundering and Financing Terrorism of 2020 - 2024, Finance Minister Sinisa Mali said as quaked by the FoNet news agency reported. Mali said the Strategy was an essential step in empowering the country’s economic system. It is a result of the coordinated approach to the issue of money laundering and financing terrorism in the country, the Government statement said, adding it also reflected the commitment at the high political level to fight against it. (www.rs.n1info.com)

- February 15th, Serbia’s President Aleksandar Vucic urged on Saturday the Serbs in Bosnia to solve their problems at home through state institutions but Bosnian Serb leader Milorad Dodik said that a referendum will decide on whether Bosnia’s Serb-majority region will secede. Vucic had organized a meeting with Serb leaders from Bosnia and Montenegro in Belgrade, where he said he was concerned with situation in Bosnia after the latest ruling by the country’s Constitutional Court. The Constitutional Court

recently declared that an RS law, according to which agricultural land located in the entity formerly owned by Yugoslavia is the ownership of Republika Srpska, is unconstitutional. Such land must belong to the state of Bosnia and Herzegovina, the Court said. RS President Zeljka Cvijanovic, a member of Dodik's party, announced that RS representatives in state institutions will block all decision-making processes until a law that would remove the foreign judges from the Constitutional Court is passed. Dodik, who is the Serb member of Bosnia's tripartite Presidency, argued that the Court works against the interests of Serbs as the foreign judges too often side with the Bosniaks (Muslim Bosnians). This has created a dangerous political crisis in Bosnia, which Vucic argued should be handled with care. He asked Dodik to use Bosnia's institutions to solve the problems. "I asked him that whatever they may do, they should do it legally, democratically, institutionally, without causing any destabilization for the entire region," Vucic said. But Dodik stated he has had enough and that, as far as Serbs in Bosnia are concerned, "the red line was crossed" with the Constitutional Court's ruling. "People will decide," he declared after the meeting. Dodik, who has been advocating for Republika Srpska to secede and possibly join Serbia for years, said he heard Vucic's arguments for maintaining peace but stressed that "we will ask for the status of Republika Srpska to be determined through a referendum. Vucic's arguments are fine but the moment has come when Serbs cannot afford to be double-crossed. We support Serbia and its policy but we have our own, authentic policy." The final decision that could block Bosnia's state institutions will be officially discussed in the RS National Assembly next week. Dodik said that he

informed Vucic about the details of the ruling and the fact that it is ruining Republika Srpska as it is taking land and other property away from it. Western countries, he said, are supporting the Court's decision and insist it has to be implemented but he stressed that this is impossible, having in mind Bosnia's configuration. He said that Bosnia's Constitutional Court is a mechanism for the abolishment of Republika Srpska but Bosnian Serbs are not planning to do anything that could destabilize situation. Vucic stated that Serbia supports Bosnia's peace agreement. (www.rs.n1info.com)

COUNTRY ASSESSMENT :

Parliamentary and local elections will be held on April 26th, 2020 but opposition has already announced it will boycott them. However, it seems that there are splits within the opposition since local municipalities' candidates are not very keen on abstaining from the electoral procedure. It is assessed that the ruling SNS decision to downsize the threshold for entering the Parliament from 5 to 3% is attractive for small parties to join the elections. Besides, united opposition's (SzS) political goal is clearly to deprive legitimacy from a new SNS rule. Opposition does not offer an alternative political choice for citizens but only rejection of any political process in accordance with democratic rules and institutions. Political conditions in Serbia show that the country's transition towards a modern and stable democracy has not been completed. Such situation is responsibility of all political stakeholders following Milosevic regime. It is expected a polarized atmosphere during the pre-electoral campaign, while Europeans push

opposition to join elections. Of course the Government carries the burden and responsibility to improve electoral procedure, strengthen media freedom and ensure free and fair elections but it is assessed that from the very first moment the opposition did not actually seek to join the elections. Serbia needs political stability since it has a lot of diplomatic, security and economic challenges ahead. Kosovo new Government has a lot of internal problems to resolve before becomes ready for dialogue with Serbia. The US administration appears annoyed with the new Prime Minister, Albin Kurti favoring Serbian stance. It is assessed that Serbian President, Aleksandar Vucic and Kosovo President, Hashim Thaci have developed somekind of “under the table” communication and it seems that the US promotes dialogue between the two leaders. Nevertheless, no progress is expected until the Serbian elections in late April. Montenegro – Serbia relations are in low level lately due to the Montenegrin law on religious freedom which is considered by Belgrade as a direct attack on Serbian Orthodox Church and consequently on Serbian population in Montenegro. Serbia is considered by Montenegro as a direct threat of destabilizing the country. Finally, Serbia is engaged with one way or another to the latest crisis in Bosnia where Bosnian Serbs claim that secession may become a possible choice for the entity. Officially, Serbia has called Republika Srpska to follow the legitimate and institutional procedures but it is certain that Bosnian Serbs are in full coordination with Serbian administration. The country has developed very close relations with Russia, especially in the field of defense. Russia keeps supplying Serbia with weapons, while both countries conduct common military exercises. Serbia is trying to balance

between the west, namely the EU and the US on one side and Russia on the other implementing the doctrine of “neutrality.” The EU has raised serious concerns over Serbia’s effectiveness on independence and accountability of the judiciary, freedom of expression, prevention of corruption and the fight against organized crime. Serbia pays special attention in improving operational capabilities of its Armed Forces declaring towards all sides that they are the power of the state. It implements an ambitious armament program mainly supported by Russia.



SLOVENIA: February 11th, the Slovenian Democratic Party (Slovenska Demokratska Stranka - SDS) responded to speculation about a second round of coalition talks with the Modern Center Party (Stranka Modernega Centra - SMC), New Slovenia – Christian Democrats (Nova Slovenija – Krščanski Demokrati - NSi) and Democratic Party of Pensioners of Slovenia (Demokratska Stranka Upokojencev Slovenije - DeSUS) by saying talks had been under way since last Friday and would continue in the coming days. The SMC, NSi and DeSUS have been tight-lipped about talks. The SDS said it was not clear yet whether a third round of talks, which is to discuss responsibilities within a new Government, would be held or not. Meanwhile, outgoing Prime Minister Marjan Sarec has not given up the possibility of an alliance with the SMC in case of a snap election. (www.sta.si)

- February 11th, the public broadcaster TV Slovenija reported that the National Bureau of Investigation is investigating the funding of some media outlets close to the Slovenian Democratic

Party (Slovenska Demokratska Stranka - SDS). The media are suspected of having received funding from Hungarian business people with close ties to Fidesz – Hungarian Civic Alliance (Fidesz – Magyar Polgári Szövetség - FIDESZ), the party of Hungarian Prime Minister Viktor Orban. The web portal necenzurirano.si reported on Monday that 4 million euro had been transferred since August 2018 from accounts in the UK and Hungary to accounts in Slovenia. (www.sta.si)

- February 13th, the Slovenian Democratic Party (Slovenska Demokratska Stranka - SDS) Head Janez Jansa, who is trying to form a center-right coalition after resignation of Prime Minister Marjan Sarec, said a second round of talks was under way and that the potential partners shared a great deal priority-wise. In terms of content, a coalition able of tackling current issues and some delays is possible. Jansa said all potential partners, meaning the SDS, New Slovenia – Christian Democrats (Nova Slovenija – Krščanski Demokrati - NSi), Modern Center Party (Stranka Modernega Centra - SMC) and the Democratic Party of Pensioners of Slovenia (Demokratska Stranka Upokojencev Slovenije - DeSUS) had put forward their priorities. “It testifies to a certain maturity that all parties participating in the talks see some of Slovenia's key priorities or current problems in a very similar way,” SDS said. Meanwhile, Marko Bandelli, an MP of the Party of Alenka Bratusek (Stranka Alenke Bratušek - SAB) said that he was approached by SMC leader Zdravko Pocivalsek about the possibility of SAB joining the Jansa coalition. He and another SAB MP rejected rumors that they would defect from SAB, but Bandelli said he might vote in favor of a Jansa Government. (www.sta.si)

COUNTRY ASSESSMENT :

Consultations between parties continue in Slovenia but snap elections are close. Opposition SDS, the biggest political force in the Parliament is working hard to form a coalition Government. It is assessed that early elections will prevail finally. On Slovenia – Croatia dispute the latter has started on calling for dialogue but it is doubtful what Slovenia will finally decide to do. Besides, Slovenia could push Croatia on this case taking into consideration that Croatia needs Slovenia's support to enter the Schengen zone and OECD. The issue of illegal migrants entering Slovenia mainly from Croatia is high in the agenda lately. The Slovenian Armed Forces face problems mainly in the field of modern equipment and manning. The annual report on the Armed Forces operational readiness released by the Armed Forces Chief of Staff is disappointing since it assessed that the Armed Forces have limited operational capabilities in war time namely they cannot accomplish their mission. The White Book on Defense presented a rather ambitious program of improving operational capabilities of the Armed Forces. It foresees an 8,000-strong professional military force and a 2000-strong standing reserve by 2035, up from 6,400 and 700, respectively. Slovenia's defense budget will finally reach 2% of GDP (a NATO requirement) by 2035.



TURKEY: February 11th, pressure continues to pile on the Turkish lira, with the currency weakening some 0.6% against the dollar on Tuesday as investors grow increasingly concerned about an escalation of violence between Syrian Government forces and Turkish

forces in northwest Syria. An attack by Syrian Government forces killed five Turkish soldiers in northwest Syria on Monday, threatening further escalation in the region after another deadly artillery strike last week. Turkish defense officials on Tuesday said five other troops were wounded in “intense” shelling in Taftanaz in the northwestern province of Idlib, the last rebel-held stronghold in Syria. Concerns over Turkey's increased military involvement in Syria have been weighing on the lira, said Jason Tuvey, senior emerging markets economist at Capital Economics. *“The latest developments certainly raised concern that tensions will continue to flare up,”* said Tuvey. On Tuesday, the lira weakened as far as 6.04250 against the dollar from Monday's close of 6.0075. The Turkish currency had declined to 6.05 on Friday- its weakest point in regular trading since late May - but recovered briefly on Monday after Turkey's banking regulators imposed new limits on foreigners' ability to borrow lira and bet against it. Turkish state banks have sold tens of billions of US dollars over the last year to stabilize the lira, which lost some 36% of its value in the two years following a currency crisis in 2018. Bloomberg News, citing three traders with knowledge of the matter, reported on Tuesday that Government-backed lenders have sold around 500 million US dollars this week defending the lira. Such interventionist measures by authorities can buy a currency against market forces. But Capital Economics Tuvey believes such measures are not sustainable. *“The Turkish authorities have kept a tight grip on the lira in recent weeks but we do not think that this can continue for much longer and expect the currency to fall by 20% against the dollar by end-2020,”* Tuvey wrote in a research note to clients on Monday, adding that *“The*

longer that policymakers intervene to prop up the lira, the greater the risk of a disorderly adjustment.” Turkey's Central Bank has aggressively slashed its benchmark interest rate since last July. It now stands at 11.25% and inflation has been accelerating in recent months. Lower interest rates tend to weaken a currency and stoke inflation but such measure can spur economic growth by making it cheaper for consumers and businesses to borrow money to expand consumption and production. In December, Turkish President Recep Tayyip Erdogan told state broadcaster TRT Haber that the country would attain single-digit interest rates and inflation in 2020. (www.aljazeera.com)

- February 14th, the issue of Kashmir is as important to Turkey as it is to Pakistan, President Recep Tayyip Erdogan said on Friday, noting that Turkey has not forgotten the Pakistani people's help during the Turkish War of Independence. Addressing a joint session of the Pakistani Parliament, Erdogan thanked Pakistan for always standing beside Turkey in times of crisis. *“And now, we feel the same about Kashmir today. It was Canakkale yesterday and Kashmir today; there is no difference between the two,”* Erdogan said, adding that Turkey will continue to support Pakistan. Erdogan also mentioned how Turkey raised the Kashmir issue at the UN General Assembly last September, in the wake of a lockdown in Indian-administered Jammu and Kashmir. He said the suffering of the Kashmiri people had worsened in recent years due to the taking of *“unilateral steps. This approach, which aggravates the current situation and revokes the freedom and vested rights of the Kashmiri people, benefits no one. The Kashmir problem can be solved not by conflict or oppression, but on the*

basis of justice and equity. Turkey is in favor of resolving the Kashmir issue by taking into consideration the expectations of our Kashmiri brothers, through dialogue based on UN resolutions.” His remarks come some seven months into a lockdown on Jammu and Kashmir, the Indian-administered section of the disputed Kashmir region, a move widely decried by human rights groups as well as the global Islamic community. Jammu and Kashmir are held by India and Pakistan in parts and claimed by both in full. A small sliver of Kashmir is also held by China. The President also said Turkey appreciates Pakistan's contribution to the peace process in Afghanistan, as he noted that Turkey will continue to support Pakistan in its fight against terrorism. Erdogan also underlined that relations between Pakistan and Turkey are based on true brotherhood, solidarity and fraternity, and Pakistan has shown that it is a true friend of Turkey with its stance on Gulenist Terror Group (FETO) and support for the anti-terror operations in Syria. Praising Pakistan for standing beside Turkey in times of crisis, Erdogan said Pakistan has been a true friend of the country as it closed FETO-linked schools in the country and supported Turkey's anti-terror operations in northern Syria to secure its borders. Pakistan stands with Turkey's righteous cause, he said, referring to Turkey's anti-terror Operation “*Peace Spring*” launched last October in northern Syria, despite others who work to protect terrorists. In his record fourth address to Pakistan's Parliament, Erdogan also addressed the situation in Idlib, northwestern Syria, saying that Turkey is working to protect millions in the province's de-escalation zone from Assad regime barrel bombs. “*The goal of the steps we've taken in Idlib in recent days is to prevent 4 million oppressed people from dying*

under the barrel bombs of the (Assad) regime. Turkey's top priority is to stop the bloodshed, demolition, oppression and tears in all conflict zones from Libya to Yemen,” Erdogan said. He stressed no boundaries and no distance can drive a wedge between Muslims. “*Wherever they are in the world, it is our duty to share the grief of our Muslim brothers and sisters and stand by them if they are persecuted. Because oppression includes giving consent to oppression, regardless of its origin,”* he said. During its 2016-2019 presidency of the Organization of Islamic Cooperation (OIC), Turkey actively engaged in all matters concerning the Islamic community, he said. “*We showed a very honorable and stable stance against the attacks of Israel on Jerusalem,”* he added. Appreciating Pakistan's efforts to combat terrorism, the President said “*Pakistan is a country that has suffered from instability, terrorism and conflicts in its region. As a country that has been fighting separatist terrorist organizations including DAESH, the PKK and FETO for 35 years, we understand the challenges Pakistan faces and we will continue to support Pakistan in its efforts against terrorism.”* Pakistan's Prime Minister Imran Khan applauded Erdogan's speech at the joint session of Parliament in the capital Islamabad. “*Today, Mr. President [Erdogan] made a historic speech in the Pakistani Parliament and I can say you can win the next election in Pakistan after this address,”* Khan said in a lighter mood at the Pakistan - Turkey Business and Investment Forum. Later in the day, Khan thanked Erdogan for his support on the Kashmir issue, adding that nearly 8 million people are living in an open prison in Kashmir. “*There are currently attacks against Turkey in Syria, Pakistan will always*

stand with you on this issue,” he added. (www.dailysabah.com)

- February 15th, Turkey said it has fulfilled its responsibilities in Syria's Idlib region and warned it would take *“necessary steps”* if diplomatic efforts with Russia fail, amid a continuing Syrian Government offensive on the last rebel-held region in the country. Ankara, which backs several Syrian rebel groups, and Moscow, which supports the Syrian Government, agreed in September 2018 to set up a de-escalation zone in opposition-controlled northwestern Syria. Under the 2018 deal, Turkey has 12 observation posts in Idlib, with some of them now being in Syrian Government-controlled territory following gains by Damascus. Turkey's Vice President Fuat Oktay on Saturday insisted Ankara had enforced its side of the agreement. *“Observation posts were set up and the regime had to stay outside of this area. Russia and Iran were to ensure the regime stayed outside, Turkey had responsibilities too, Turkey fulfilled these,”* Oktay told the NTV broadcaster. *“Undertaking an extremely risky and difficult duty, Turkey took real initiative to stop the bloodshed of civilians, to prevent a new migration wave and to ensure it did not become a terror nest.”* Later on Saturday, the Turkish Presidency said in a statement that President Recep Tayyip Erdogan and his US counterpart, Donald Trump, discussed ways to end the crisis in Idlib and condemned the attacks by the Syrian Government in the region. *“Stressing that the regime's most recent attacks are unacceptable, the President and Trump exchanged views on ways to end the crisis in Idlib without further delay,”* the Presidency said in a statement after the two leaders spoke on the phone. Launched in April last year, the Syrian Government offensive has

disrupted fragile cooperation between Turkey and Russia. After several failed ceasefire attempts last summer, the Syrian Government intensified its assault on the region in December, killing hundreds of civilians and forcing hundreds of thousands to flee. Situation escalated further this month when 13 Turkish soldiers were killed. Ankara responded by hitting scores of Syrian Government targets. According to the United Nations, about one million Syrian refugees are living near the border with Turkey, with camps for internally displaced people (IDPs) already at capacity. The Russian Defense Ministry said earlier this week Turkey did not separate *“fighters from the moderate opposition from terrorists,”* referring to an agreed demilitarized zone within Idlib. On Saturday, Foreign Minister Mevlut Cavusoglu said a Turkish delegation would visit Russia on Monday to discuss the situation in northwestern Syria. Cavusoglu said Turkey wants to resolve matters with Russia over Idlib through diplomacy, but will take other steps if necessary. *“If it will not work through diplomatic channels, we will take the necessary steps,”* Cavusoglu told reporters at the Munich Security Conference, adding that he would meet Russian Foreign Minister Sergey Lavrov later on Saturday. Ankara says it wants to stop the Syrian Government's *“aggression”* in a bid to stop the deaths of civilians and to prevent a wave of refugees fleeing to Turkey. Turkey is already home to more than 3.6 million Syrian refugees. *“Turkey cannot withstand another migration wave,”* Oktay said. Erdogan warned the Syrian Government to withdraw from Turkish-manned posts by the end of February otherwise Ankara will *“take matters into its own hands.”* In recent days, Turkey has sent multiple military reinforcements to Idlib, and the Hurriyet daily newspaper on Saturday

reported that a 60-vehicle convoy carrying commandos and armored carriers was sent to beef up the Turkish posts. (www.aljazeera.com)

COUNTRY ASSESSMENT ■ :

Latest developments in Syrian Idlib have exercised pressure on Turkey threatening its security and national interests. The Syrian Army has advanced in northwest of the country aiming to eliminate the last bastion of opposition rebels backed by Turkish Armed Forces. Consequently, Turkish outposts were attacked by Syrian troops backed by Russian forces killing Turkish soldiers. It was an unexpected development which surprised Turkey. Turkish lines of communication and supply within the Syrian territory are threatened to be cut putting into danger the deployed troops. Turkey reinforces its troops in Idlib threatening to attack the Syrian forces, but it is assessed that it is unlikely to see a direct confrontation between the Syrian and Turkish Armed Forces. It is estimated that Turkey does not seek to escalate situation towards an armed conflict. The main Turkish objective is to push Russia and Syria to accept a cease fire securing current situation and the Turkish presence in Idlib. If not, it is very likely to see withdrawal of Turkish forces from the region. Furthermore, Turkey is threatened by almost a million of Syrian refugees to enter its territory; hosting already almost 3.6 million refugees Turkey will not afford more refugees in its soil. Consequently, it is claimed that Syrian front has become the main threat for Turkish security. Turkish President, Recep Tayyip Erdogan paid a visit in Pakistan confirming the close strategic relationship between the two countries. Turkey supports Pakistan in the Kashmir case while the latter offers its unconditional support in Turkish stance

regarding Greece, Libya and Syria. The continuous military campaigns in several fronts have a direct impact in the already “wounded” economy. Due to the latest situation in Idlib, Turkish Lira faces pressure and it has weakened while inflation is rising. In general, Turkey exercises a multilateral, multifaceted, dynamic external policy ensuring its national interests. Enjoying a pivotal geographic location is engaged in several regional challenges. Despite that, enjoys special relationship with great powers such as the US and Russia. Erdogan made clear publically that “Turkish security is beyond its borders.” This statement summarizes the security doctrine of Turkey; Turkey will be engaged in regional challenges, conflicts and cooperation to ensure its security. Turkish engagement in Syria, Libya, Cyprus, Somalia is explained by this doctrine. The country combines both diplomatic means and “hard” power aiming to achieve its goals. It has conducted hydrocarbon drills in Mediterranean Sea within Cypriot Exclusive Economic Zone (EEZ) and presents its aeronautical power against Greece and Cyprus questioning their sovereign rights. In the east Mediterranean front, Turkey will not accept “fait accompli” in the region and is expected to react violently if balance of power is jeopardized. The Turkish – Libyan agreement on delimitation of maritime zones gives to Turkey a central role in Eastern Mediterranean cutting the Greek, Cypriot and Egyptian EEZs in the middle. Tension will break out when Turkey will try to exercise its rights in the declared EEZ. Under these circumstances an armed conflict or a “hot” incident could not be excluded in the Aegean Sea, the Cypriot territorial waters or southeast of Crete. It is assessed that its relations with the US will never reach a “zero point” since Turkey is an


integral and critical part of the western security architecture. The country continues to face several restrictions in freedom of expression and human rights. Elected MPs, Mayors, journalists and thousands of citizens are in custody or convicted by the state Courts. Local and international observers claim the country moves towards an authoritarian regime with thousands of citizens being persecuted. Turkey develops an ambitious armament project aiming at becoming self-sufficient in defense sector; if it succeeds it will set the base to become a regional military super power. Without any question, Turkey has the characteristics of a regional superpower and it tries to act like one.


www.hermesresearch.eu


email: info@hermesresearch.eu


Editor in Chief: Ioannis Karampelas


NOTE

 *Stable situation. No security risk.*

 *Rather stable situation. Security risk is monitored.*

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

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

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