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**Hermes Institute of
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SOUTHEASTERN EUROPE

AT A GLANCE



SOUTHEAST EUROPE DIRECTORATE

PROVIDING KNOWLEDGE TO THOSE WHO SHAPE THE FUTURE

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

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

“HERMES” I.I.A.S.GE

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ALBANIA: December 11th, President of Montenegro, Filip Vujanovic paid an official visit to Albania where he met with the Albanian President Ilir Meta, Prime Minister Edi Rama, and Parliament's Speaker Gramoz Ruci. During the meetings both sides confirmed the excellent relations between Albania and Montenegro. However maritime borders are still an unresolved issue but both Presidents agreed that this is a technical matter that will not influence the relations between the two countries. Another sensitive issue is the Kosovo – Montenegro demarcation; According to Vujanovic this is an issue considered as closed, but his country is watching all Kosovo internal disputes over the case with patience. President Meta said that Albania wishes to see good will in Kosovo between all political actors to find a solution on this matter, which is for the best of both countries, but especially for Kosovo, since it is related with the visa liberalization. Regarding Albanian - Montenegrin relations Meta said *“Despite the fact that the two countries enjoy very good relations there is always spare room for further improvement. The Murriqan – Sukobine joint border crossing point is a clear example of this excellent cooperation. However there is room for improvement in infrastructure, to further facilitate the passage of citizens and tourists...”* Finally Meta underlined the constructive role of Albanian minority in Montenegro's Euro-Atlantic integration. (www.albaniannews.com, www.top-channel.tv)

- December 15th, the first ever joint session of Albanian – F.Y.R.O.M Governments was held in Pogradec marking a new chapter in their bilateral relations. Albanian Prime Minister, Edi Rama stated *“As two neighboring countries we have the obligation to work for more development and*

prosperity of our citizens by improving the infrastructure interconnectivity.” Talks included infrastructure projects and more specifically transport projects (railway, roads etc). Apart from that Rama underlined that the newly elected Prime Minister of F.Y.R.O.M, Zoran Zaev changed positively its policy towards neighboring countries bringing his state in a new era. Rama expressed his appreciation towards Zaev's commitment to declare Albanian language as the second official one in F.Y.R.O.M. Albanian Prime Minister paid special attention to the new state law regarding ethnic minorities saying that his country has made major steps in respecting and protecting their rights and the “Macedonian” minority in Albania is a typical example of respecting and guaranteeing its rights in the country. Finally Rama expressed Albania's support in F.Y.R.O.M's accession in NATO. F.Y.R.O.M's Prime Minister highlighted that both countries send a strong message of regional cooperation while they share the common challenge of opening the accession negotiations with the EU. (www.albaniannews.com, www.top-channel.tv)

- December 16th, the Democratic Party (Partia Demokratike e Shqipërisë – PD) and the Socialist Movement for Integration (Lëvizja Socialiste për Integrim – LSI) will hold a protest on December 18th, 2017 in front of the Parliament. The protest will take place during the parliamentary session for the voting of the new Provisional Prosecutor General. The opposition refused to take part in the process, considering it as unconstitutional. (www.top-channel.tv)

BOSNIA & HERZEGOVINA:

December 15th, Republika Srpska (RS) President, Milorad Dodik said that Bosnia's Serb-dominated

entity will not get involved in any activities to implement Bosnia & Herzegovina's NATO Membership Action Plan (MAP). He added that this is in accordance with Republika Srpska's declaration on military neutrality, and insisted that all representatives of the entity must abide by it. He also claimed that NATO only supports Bosnian Muslims in the country. *"We support the policies of military neutrality that are being carried out by Serbia. The RS Parliament has also adopted a declaration on military neutrality and at this time we are trying to develop models to apply this declaration, and we have the right to do so, no matter what they say, because that is our position within Bosnia & Herzegovina"* Dodik said. Russia has also been urging military neutrality for Bosnia & Herzegovina. However, Bosnian state-level officials believe that Dodik does not have the authority to block activities within the MAP, which the country requested in 2009 but has not yet activated. (www.balkaninsight.com)

BULGARIA: December 11th, the Defense Ministry has opened a public procurement procedure for awarding a contract for integrated logistical support for 15 Soviet-era MiG-29 fighter jets for a period of four years. The projected cost is up to 81,294,416 Leva (40 million Euros), excluding VAT. However, the Ministry of Defense intends to invite only the Russian RSK MiG Corporation which is the manufacturing company and holds the licenses for the fighters' repairs. The procurement procedure concerns 12 MiG-29As and 3 MiG-29UBs. The integrated logistical support must restore the aircrafts' airworthiness and extend the service life of their engines, ensuring a total flight time of no less than 1,450 hours (1,000 hours for the twelve MiG-29As and 450 hours for the three MiG-

29UBs) at a fixed price per hour. No less than two-thirds of all the aircraft must be in a state of constant airworthiness. Deadline for the Russian company to respond is December 18th, 2017. The single-source tender is aimed at allowing the Bulgarian Air Force to continue its quick-reaction alert mission from Graf Ignatievo Air Base, near Plovdiv, until Bulgaria acquires a new fighter jet, which under the most optimistic scenario will happen in 2020–22. (www.bta.bg, www.janes.com)

- December 13th, the Chief of Defense, Lieutenant General Andrey Botsev demanded an increase in the retirement age for soldiers to end the dangerous tendency of them leaving the Armed Forces. The current vacant places are exactly 5400 or about 20% of the staff. The shortage of officers is 19%, of non-commissioned officers 17%, and of soldiers 20%. The largest is the personnel crisis in the land forces. In the Military University, 180 students were admitted, but in order to solve the problem, it is proposed to increase the retirement age in the army from three to five years, as is the case in the other security sector structures. The starting salary for a soldier is about 650 Leva (330 Euros approximately), with allowances for duty and disaster action. Vacancies in the 101st Alpine Battalion, which since the beginning of December 2017 has been converted into a Regiment, are for 73 soldiers. The Chief of Defense strongly promotes a wages escalation according to responsibilities of each position. It also suggests that wages in the Armed Forces should be set against the minimum wage. 20 million Levas (10 million Euros) of the Armed Forces budget is dedicated to recruiting new personnel. Gradually the funds for personnel recruitment will be increased by 100 million

Levas (50 million Euros) each year.
(www.novinite.com)



The Chief of Defense, Lieutenant General

Andrey Botsev

(Photo source: www.md.government.bg)

- December 13th, the Bulgarian Socialist Party (Българска социалистическа партия - BSP) and the Movement for Rights and Freedoms (Движение за права и свободи - DPS) will table a vote of no-confidence against Boiko Borissov Government on January 17th, 2018. This was stated by the leaders of the two parties in the Parliament. The vote will be moved over widespread corruption in various areas. A working group from the two political parties will work on the motives for the vote with concrete examples. Asked how Bulgaria's European partners will perceive a vote of no-confidence against the Government during the Bulgarian Presidency of the EU Council, DPS leader Mustafa Karadayi said: "Quite positively."
(www.bta.bg)

CROATIA: December 15th, the Central Bureau of Statistics released the latest data on natural population movements in the period from October 2016 to October 2017. Data show that Croatia experienced the most substantial population decline in the last 20 years. In those twelve months there were 40,320 births while number of deaths was 59,254. At the same time number of people leaving Croatia is getting worse without accurate data since the Central Bureau of Statistics receive data from the Ministry of Interior only for those who officially registered as moving abroad. (www.total-croatia-news.com, www.dzs.hr, www.index.hr)

- December 17th, Ivan Vrdoljak was elected again as the President of the Croatian People's Party – Liberal Democrats (Hrvatska Narodna Stranka – Liberalni Demokrati – HNS) six months after his resignation of its leadership due to the party's initial decision to refuse to enter into a coalition with the Croatian Democratic Union (Hrvatska Demokratska Zajednica –HDZ). Vrdoljak was the only candidate. Deputy Prime Minister and until now acting President, Predrag Stromar was elected as Deputy President while Marija Puh and Ivan Gulam were elected as Vice Presidents.
(www.total-croatia-news.com)

CYPRUS: December 12th, Egyptian Defense Minister, Sedki Sobhi paid an official visit in Cyprus where he met his counterpart, Christoforos Fokaides. Cypriot Minister said that Egypt plays a key role as regards security not only in the Middle East, but also in the Arab world and in Africa, stressing that the two Ministries will continue to enhance their cooperation in 2018. The two Ministers signed a Memorandum of Cooperation on aeronautical research and rescue.

Sobhi said the two countries' Defense Ministries aim to continue their cooperation, coordination and deliberations, stating their talks focused on the strategic security situation in the Middle East given the multiple crises, tensions and armed conflicts in the region and the subsequent increase of challenges and threats to the two countries' security and stability. (www.cyprus-mail.com)

- December 14th, Cypriot Defense Minister, Christoforos Fokaides, along with the Defense Ministers of Greece and Egypt, Panos Kammenos and Sedki Sobhy respectively, had a tripartite meeting in Larnaca at the Zenon Coordinating Centre where they discussed regional cooperation on security issues in the Eastern Mediterranean region, particularly maritime and energy security issues, countering terrorism, illegal immigration and new asymmetric threats. They also decided on a joint military cooperation program for exercises and joint training while they also agreed to hold a tripartite meeting at least once a year, and to create a coordination committee. Fokaides said that tripartite cooperation between Cyprus, Egypt and Greece is an extremely important regional initiative that has already yielded results in a number of areas, ranging from economy, energy and tourism to health and agriculture. The Egyptian Minister said that the meeting had confirmed the "deep and common military relations of the three countries that have been established for several decades as a result of the continuous efforts of the leaders of Cyprus, Greece and Egypt" adding that it is necessary to prevent the movement of terrorists and to freeze their sources of funding and equipment. Kammenos said that an energy policy requires security underlying Cyprus is a node joining Africa and the Middle East with Europe, and Greece, a node joining southeast with central

Europe. Greek Minister claimed *"The defense cooperation between our countries, and after the designation of the Exclusive Economic Zone, will make possible to secure a zone within this very sensitive sea region between Suez, Cyprus, Crete and Malta, where there will be no trafficking of drugs and weapons that fund terrorism."* He added that the first military drills that took place in the last two years, such as the "Medusa" drill a few days ago in Rhodes, which included a sea invasion and involved a large naval force from Egypt, the close cooperation of the Hellenic Armed Forces and Air Force with those of Egypt and the participation of observers from Cyprus, the US, Italy and other countries, *"demonstrated that we can have a common military behavior where necessary."* (www.cyprus-mail.com, www.mod.gov.cy)



Trilateral meeting of Cyprus, Egypt, and Greece
Defense Ministers

(Photo source: www.mod.gov.cy)

F.Y.R.O.M: December 11th, Defense Minister, Radmila Shekerinska announced that defense budget for next year accounts for 6.4 billion Denars (104 million Euros), an increase of 15%. Shekerinska said that a political decision has been made on the pace of F.Y.R.O.M's approach to the goal declared by the NATO member states to allocate 2% of the Gross

Domestic Product for defense. According to the Minister with this draft budget for 2018, the state pays real attention to the Ministry of Defense and primarily to the Army of F.Y.R.O.M after whole 8 years. Shekerinska said that everyone in the state is well aware and agreed that the Army must get the place it really deserves, in accordance with its constitutional function and the expectations from this organization. One of the main priorities of the defense budget is the increase of salaries of all those serving in the Armed Forces by 10%. Part of the budget will be spent in rejuvenating and strengthening the Armed Forces and towards this direction 375 new professional soldiers and about 50 officers are planned to be recruited in 2018 improving the manning level of the Army. There is also an increase in the purchase of boots, uniforms, spare parts and equipment, as well as an improvement of the combat readiness of the Army through the purchase of new equipment. Finally the Minister claimed that budget increases include money to support the process of F.Y.R.O.M's accession to NATO and money for equipment repairs and servicing, as well as for improvement of the working conditions in the military facilities. (www.mia.mk, www.morm.gov.mk)

- December 11th, Skopje and Athens are rebooting UN-sponsored talks on their dispute over F.Y.R.O.M's name, which has been holding up the country's Euro-Atlantic integration process. The fresh round of talks in Brussels on the long-standing name dispute comes amid a recent improvement of relations between neighboring Greece and F.Y.R.O.M, which has sparked increased optimism in Brussels and Washington for an early breakthrough. It is not yet clear whether the UN mediator in the dispute, Matthew Nimetz will immediately come out with a fresh name proposal for F.Y.R.O.M during the

new talks or revive some old proposals. These could include geographical references like Northern Macedonia, Upper Macedonia or the Republic of Macedonia (Skopje) in order to make a distinction between the country and the Greek geographical region. (www.balkaninsight.com)

- December 15th, resignation of Minister without portfolio charged with implementation of strategy for improvement of state of Roma in F.Y.R.O.M, Samka Ibraimovski is yet another announcement over a Government reshuffle. At the moment the Government faces three vacant posts; the Minister of Health, Deputy Minister of Education, and Ibraimovski's post. However it is said that the Government will proceed in a more general reshuffle while the Alliance of Albanians (Aleanca për Shqiptarët) will probably withdraw from the coalition Government and the ruling Social Democratic Union of Macedonia (Социјалдемократски сојуз на Македонија – SDSM) will take over the health sector. The new Government members will be appointed next week. Ibraimovski returns in the Parliament replacing SDSM's MP Vasko Kovacevski who has resigned from his MP post. Ibraimovski said that he left his ministerial post for a MP seat in because Roma did not have any representative in the Parliament. (www.mia.mk)

GREECE: December 14th, according to the Prime Minister, Alexis Tsipras proposal by the European Council President, Donald Tusk to scrap mandatory quotas on relocating asylum seekers across the European Union is “unfortunate, untimely and unnecessary.” He added that Greece will not accept any changes in the current agreement and that the proposal “has little chance of being adopted” by EU leaders at a summit in Brussels. He also pointed out that in

2015 Greece has faced with the largest migration wave since World War II. (www.thenationalherald.com)

KOSOVO: December 12th, F.Y.R.O.M's Prime Minister, Zoran Zaev paid an official visit to Kosovo where he met the President Hashim Thaci, Prime Minister Ramush Haradinaj, and Parliament's Speaker Kadri Veseli. F.Y.R.O.M's delegation included Minister of the Economy Kresnik Bektesi, Minister of Transport and Communications Goran Sugareski, Minister of Culture Robert Aladjozovski and Minister without portfolio, in charge of the F.Y.R.O.M's expatriate community, Edmond Ademi. Zaev announced there will be an international investigation regarding the 2015 two-day shootout known as the "Kumanovo case"; *"This is a sensitive issue... We agreed that there will be an international investigation so that the citizens can get true answers. This issue should not be an obstacle between our two countries"* Zaev said. He further



Prime Ministers of Kosovo and F.Y.R.O.M,
Ramush Haradinaj and Zoran Zaev
(Photo source: www. <http://www.kryeministri-ks.net>)

said that the trade exchange between the two countries has reached 160 million Euros, and added that it should surpass 200 million Euros. He said that F.Y.R.O.M could import coal from

Kosovo in order to increase its industrial capacities. According to Zaev this would balance out the trade relation between the two countries. Haradinaj said that *"life, fate, and future prospects connect us to Macedonia [F.Y.R.O.M]."* To this, Zaev added that F.Y.R.O.M and Kosovo are *"friendly countries,"* and that F.Y.R.O.M will support Kosovo's membership bid to UNESCO.

(www.gazetaexpress.com, www.prishtinainsight.com)

- December 13th, Kosovo Government and the US Company Contour Global reached an agreement of over 1 billion Euros, on construction of new power plant. Kosovo Prime Minister, Ramush Haradinaj held a meeting with the Steering Committee on construction of the power plant "Kosova e Re" (New Kosova). During the meeting which was attended also representatives of the US company "Contour Global" was signed the agreement on construction of the new power plant. The commercial agreement is expected to be signed in coming days and according to the plan more than one billion Euros will be invested in Kosovo, which is one of the biggest investments in Kosovo. After finalization, the project will guarantee energetic independence for Kosovo. Construction work will begin in 2018 and the new power plant will become operational in 2023. According to the Government the new coal power plant will be built based on modern technology taking care of reducing air pollution and protection of the environment. (www.gazetaexpress.com)

- December 14th, main opposition party "Self-Determination" (Vetevendosje) faces major internal disputes which may lead to split. After a private conversation leaked to the media last

week, in which MP Aida Derguti insulted the party's Prime Minister candidate Albin Kurti the party seems to be in disarray. Meanwhile, Kurti is currently in detention for failing to appear in court regarding his charges for throwing tear gas in the Assembly. After public pressure, Derguti, the most voted woman in "Self-Determination" resigned her party presidency membership and as the chair of the party's branch in Vushtrri. (www.prishtinainsight.com)

MOLDOVA: December 11th, the Constitutional Court of Moldova green lighted the draft law on modifying the Constitution, introducing the orientation towards "*the European democratic values space*" and setting "*European Integration*" as a strategic objective. The Constitutional initiative also stipulates that the procedure of joining the European Union would be established by organic law by the Parliament. President Igor Dodon declared that he would do "*anything possible*" to not allow this Constitutional amendment get passed. Moreover, Dodon claimed the Constitutional Court serves the interests of the Government, whose amendment about the European Integration would violate the political pluralism principle. (www.moldova.org)

- December 12th, President Igor Dodon announced that he will leave again in Moscow at the invitation of Kremlin leader Vladimir Putin. The Russian President invited Igor Dodon to attend the informal summit of the heads of the Commonwealth of Independent States (CIS) members, to be held in Moscow on December 26th, 2017. (www.moldova.org)

MONTENEGRO: December 15th, according to MEP David Martin, the Chair of the

Delegation to the EU-Montenegro Stabilization and Association Parliamentary Committee if Montenegro wants to accelerate its accession process, it should act as a modern and mature democracy and put an end to this internal conflict as soon as possible. He said that "*steady progress has been made on the Montenegro side*" and out of 35 chapters, 30 have been opened and 3 are to be closed imminently. Opening of 2 important chapters – on freedom of movement for workers and on the right of establishment and freedom to provide services – has actually just been announced this week. "*It is no surprise that the EU expects Montenegro to make significant progress on essential areas such as the rule of law, including the fight against corruption and organized crime, and media freedom,*" said Martin. (www.cdm.me)

ROMANIA: December 14th, Defense Minister Mihai Fifor said in Parliament, that "*today the payment for the first Patriot missile system has been completed. These systems are among the few tested in the battle, which is very important for the military.*" The letter of offer and acceptance for the acquisition of Patriot Missile Systems was signed on November 29th, 2017. The Patriot systems will endow the Romanian Army's Land and Air Force in the second half of 2019; the first system is to be operational by mid-2020. (www.romaniajournal.ro)

SERBIA: December 14th, Serbia's First Deputy Prime Minister and Foreign Minister Ivica Dacic met with Russian Ambassador in Belgrade Aleksandr Chepurin. According to a statement of the Ministry of Foreign Affairs "*they summarized the results of a successful cooperation between the two countries in 2017.*" Moreover the

forthcoming visit of a Serbian delegation led by the President Aleksandar Vucic represents "a confirmation of the mutual determination that in the forthcoming period, the joint work will continue to deepen the overall bilateral relations." (www.b92.net)



Deputy Prime Minister and Foreign Minister Ivica Dacic with Russian Ambassador in Belgrade Aleksandr Chepurin
(Photo source: www.mfa.gov.rs)

- December 14th, Serbia is "*preparing measures*" in case F.Y.R.O.M supports Pristina in international institutions. The report of the daily Vecernje Novosti claims that Serbia could decide to "*change*" the decision to recognize the name of the neighboring country [to recognize it as "the Republic of Macedonia"]. Serbia will resort to radical moves if F.Y.R.O.M's Prime Minister Zoran Zaev lives up to his statement towards Kosovo officials to vote in favor of Kosovo's membership in UNESCO. (www.b92.net)

SLOVENIA: December 12th, Slovenia has confirmed interest in principle in participating in two projects as part of the Permanent Structured Cooperation on Security and Defense (PESCO); cross-border military mobility and the creation of a logistics hub - as the program was officially launched in Brussels. The new, permanent form of defense cooperation, which is being labeled in Brussels as "*history*" and which is considered as

the key step towards a defense union, was launched today by 25 member states, including Slovenia. The notification of Slovenia's intention to join PESCO was signed on November 13th, 2017 by Foreign Minister Karl Erjavec and Defense Minister Andreja Katic. (www.sloveniatimes.com, www.sta.si)

- December 15th, Government representatives met with people living along the border with Croatia and with fishermen who have been impacted by the arbitration ruling. Slovenia recently adopted a package of legislation granting these people certain rights, in order to mitigate the consequences that implementation of the arbitration ruling will have on their lives. The Secretary-General of the Slovenian Government, Lilijana Kozlovic, therefore took a team into the field to explain to people how they can exercise the rights accorded to them in the new legislation, and what enactment of the legislation will actually mean for them. Deadline for putting in place everything necessary for implementation of the arbitration ruling will expire on December 29th, 2017. Slovenia has adopted all the legislation that it is able to adopt without the participation of Croatia, and has thereby also fulfilled its commitments under the arbitration agreement. "*Our guiding principle is still to conduct dialogue with the neighboring country*" stressed the Secretary-General during the meetings with local residents. (www.vlada.si)

TURKEY: December 12th, Turkish Foreign Minister Mevlut Cavusoglu said that Turkey could imminently carry out a military operation in northern Syria's Afrin to tackle existing threats against the country. The Kurdistan Workers' Party (PKK) group's Syrian offshoot, the Democratic Union Party (PYD), and its armed

wing, the People's Protection Units (YPG), took control of Afrin earlier last year. The city is now considered one of the major strongholds of the PKK. Cavusoglu said the Turkish military would enter Afrin if it faced any armed escalation, regardless of the source. *“Our target could be the Assad regime if they pose a threat to us. Currently, the main threat is coming from the PYD”* he said. (www.dailysabah.com)

- December 13th, according to “JANE’S” Turkey’s Special Forces have received a first batch of loitering munitions (known also as Kamikaze drones). The two types of loitering munitions, both developed by the country’s STM, were delivered two months ago for training purposes. They will be followed by a larger batch for fielding in early 2018. The first of the two loitering munitions types is the ALPAGU, a fixed-wing, pneumatically tube-launched design similar in appearance to the AeroVironment SWITCHBLADE tactical missile system. The second is the KARGU, a quadcopter design. Both use a fragmentation high explosive charge, but representatives of STM told Jane’s that feedback from users has prompted the development of a thermobaric warhead. Additionally, the two UAVs share a common computer imaging-based targeting system, designed to use machine learning to optimize target classification, tracking, and attack capabilities without the requirement for a GPS connection. Both have a range of 5 km, an endurance of approximately 10 minutes, and a deployment time of 45 seconds. (www.janes.com)

- December 15th, chief of Turkish Armed Forces General Staff General Hulusi Akar held a meeting with his Russian counterpart General Valery Gerasimov in Ankara. The Generals discussed the situation in Iraq and Syria, the fight against

terrorist groups and the S-400 anti-aircraft missile defense system Turkey has approved to buy from Russia. With the purchase of the S-400's, Ankara aims to build Turkey's first long-range air and anti-missile defense system to guard against threats in the region. Moreover, Turkey seeks to build its own missile defense systems as the S-400 deal also involves the transfer of technology and know-how. (www.dailysabah.com)

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