



**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:** April 20<sup>th</sup>, soon after Prime Minister Edi Rama announced today the details of the initiative for the new fiscal amnesty for immigrants and Albanians within the country who have undeclared assets, former Democratic Party of Albania (Partia Demokratike e Shqipërisë – PD) MP Jorida Tabaku responded by calling it another money laundering machine to steal the Albanians. *“Liars do not care whether we are in the middle of a pandemic, or if businesses are closed and Albanians are unemployed and lack basic income. Liars do not even have a problem when they promise to the IMF that they will modify the Fiscal Amnesty strategy, as the IMF has already stated in its report,”* she said. Then, Tabaku accused directly the Prime Minister and his friends as *“oligarchs and thieves of Albanian public and private property.”* *“Rama has killed the economy slowly, day by day, skinning the skin of Albanians little by little,”* she wrote. *“For 7 years in a row, Rama’s friends, the oligarchs, have stolen the public and private property of Albanians. So much has been stolen that there was no money in the budget for rescue dogs (when the earthquake struck) and no funds for the economic package at the time of the pandemic. And now, amidst all this butchery and theft, as a typical liar who likes to play with freedoms while stealing Albanian money, he takes another initiative. These liars want to do Fiscal Amnesty for the incriminated people, precisely at a time when the country is included in the MONEYVAL gray list, when the EU has determined that one of the preconditions for Albania is to leave this list and fight money laundering. The future of the Albanians’ pockets is of little importance to the liars. For them it is important that all the power gained through the buying of votes, through*

*incriminated people who now seek their share, continues at all costs,”* Tabaku stated among other things. (www.top-channel.tv)

- April 21<sup>st</sup>, Albanian President Ilir Meta welcomed the approval of the new agreement between the Transmission and Electricity Market Operator of the Republic of Kosovo and ENTSO. *“The merger with the Albanian energy system will create the operation of the energy interconnection line Kosovo XK – Albania AL, enabling KOSTT to use the transmission network independently, at lower cost, with more secure and more profitable services, as well as being integrated in the European mechanisms of electricity transmission,”* Meta said. (www.top-channel.tv)

- April 23<sup>rd</sup>, as part of the “mini-Schengen” framework, Albania and North Macedonia will sign the Agreement on the Recognition of Phytosanitary Certificates, which will facilitate trade exchanges of agricultural products between the two countries. The Ministers of Agriculture of the two countries, Bledi Cuci and Trajan Dimkovski convened online to agree on the final version of the agreement which has been worked on for about 6 months since their last meeting in Tirana. *“Almost everything is ready now. We have the final version of the agreement on the recognition of phytosanitary certificates for each country. I am happy that we finally finalized something we had discussed six months ago,”* Cuci said. The signing of the agreement will take place after the respective Governments of both countries follow the relevant procedures. The Phytosanitary Agreement between Albania and North Macedonia enables the mutual recognition of the institutions and laboratory instruments, evaluators of the quality of the products with export-import destination between the two

countries. The Ministry of Agriculture announced that the two countries will work on two other agreements which involve cooperation in the field of veterinary medicine and food of animal origin, as well as the agreement on conservation, monitoring and management of fishing in the Prespa Lake. (www.tiranatimes.com)

## COUNTRY ASSESSMENT :

*The COVID-19 pandemic spread is losing its dynamics and protective measures are softened. Consequently, public interest is turning to economy and politics. Besides, political crisis in Albania has never ended; a crisis based on a deeper constitutional and institutional crisis. Opposition raised again a corruption issue claiming that the new initiative on fiscal amnesty for immigrants and Albanians within the country who have undeclared assets, is a nice “camouflage” for money laundering by the ruling officials. In this context, it should be emphasized that corruption, accountability and transparency in public administration, fight against organized crime and money laundering and establishment of the rule of law are the major challenges for the Albanian politics. Despite health conditions, geoeconomics is coming in the forefront. First of all, Albanian electricity provider signed an agreement with the Kosovo one seeking to facilitate independence of the latter from Serbian dependence in electrical power. Besides, such economic and energy agreements strengthen the Albania and Kosovo bonds. Moreover, Albania and North Macedonia promote the signing of the first bilateral agreement on agriculture field, in the context of the so-called “Balkan minischengen.” An important step towards the strengthening of regional cooperation and implementation of the ambitious (and*

*controversial) plan of Western Balkan countries. Sooner or later, political struggle between the ruling socialists and opposition will come in the forefront affecting state’s political stability and uncertainty. Judicial independence and media freedom are questioned in the country raising concerns for basic democratic values in the country.*



## **BOSNIA & HERZEGOVINA:**

April 22<sup>nd</sup>, the Council of Ministers of Bosnia and Herzegovina, during telephone emergency session held on Tuesday, did not adopt the decision on withdrawing funds from the International Monetary Fund (IMF) to finance the increased health sector needs and measures for economic stabilization. Minister of Foreign Affairs, Minister of Defense and Deputy Minister for Human Rights and Refugees have decided not to vote for the decision. The Council of Ministers of Bosnia and Herzegovina, at the proposal of the Ministry of Defense, adopted a Decision approving the repatriation of cadets and professional military personnel of the Armed Forces of Bosnia and Herzegovina who are attending studies in the Republic of Turkey. The Board of Directors of the International Monetary Fund approved a 330 million euro loan in Washington to combat the pandemic of the coronary virus that Bosnia and Herzegovina sought in a letter of intent, is confirmed to Srna news agency by the Chairman of Council of Ministers Zoran Tegeltija. “Funds are approved. The board of Directors session is over and they unanimously supported the decision to approve BiH funds,” said Tegeltija, who is also Chairman of the Fiscal Council. IMF funds will be used to finance the remediation and mitigation of adverse economic consequences. This decision

has been formally addressed to Bosnian Government representatives and members of the Fiscal Council. Alliance of Independent Social Democrats (Savez Nezavisnih Socijaldemokrata - SNSD) leaders Milorad Dodik, Croatian Democratic Union of Bosnia and Herzegovina (Hrvatska Demokratska Zajednica Bosne i Hercegovine - HDZ BiH) Dragan Covic and Party of Democratic Action (Stranka Demokratske Akcije - SDA) Bakir Izetbegovic on April 11<sup>th</sup>, 2020 met with EU and IMF officials and reached an agreement to unblock 330 million euro from the IMF for BiH, according to which Republika Srpska was owed 38% and the Federation of Bosnia and Herzegovina 62% of loans. Both entities will allocate 0.5% for the Brcko District. The Rapid Financing Instrument (RFI) provides rapid and low-access financial assistance to member countries facing an urgent balance of payments need, without the need for a full-fledged economic program or reviews. It can provide support to meet a broad range of urgent needs, including those arising from commodity price shocks, natural disasters, conflict and post-conflict situations. Financial assistance under the RFI is provided in the form of outright purchases. The near-term economic impact in BiH is expected to be substantial, generating a rapid deterioration of external accounts and urgent balance of payment needs. Economic growth is expected to decline by 5% in 2020 and recover to around 3.5 % in 2021. The RFI will support the authorities' efforts to increase spending for containing COVID-19 human costs and mitigating its economic impact. The BiH Governments are planning a significant fiscal expansion to ramp up health and social spending. This IMF financing will play a vital role in catalyzing emergency assistance from the

international community, in particular the EU's. The IMF will continue to monitor Bosnia and Herzegovina's situation closely and stands ready to provide policy advice. Following the Executive Board discussion, Tao Zhang, Deputy Managing Director and Acting Chair, issued the following statement "*Bosnia and Herzegovina's economy has been suffering from the COVID-19 pandemic, which has created an urgent balance of payments need. Given the large and rapid deterioration of external accounts, the Rapid Financing Instrument will help provide support for scaling up priority spending on health and social assistance, while preserving debt sustainability.*" (www.sarajevotimes.com)

- April 23<sup>rd</sup>, Bosnia's Security Ministry began preparations to start deporting illegal economic migrants to their countries of origin, Minister Fahrudin Radoncic said Thursday, adding that Bosnia will not serve as selection depot for EU's quality labour force. According to him, he already asked the Foreigners' Affairs Service to come with an exact number of migrants from Pakistan, Bangladesh, Algeria, Afghanistan, Morocco, Tunisia, Syria and Iraq, noting that they would treat migrants from Syria quite differently as this is still a war zone and these people need help. "*We want the Foreigners' Service to determine the identity of these people because an extremely large number of them do not want to show their passports, IDs or reveal their identities. With this kind of identity hiding, it is possible that these are terrorists or criminal groups that will wait here for a year or two, go to Europe, change their identities and hide their past, and play the role of a sleeper if they receive an arrest warrant for their terrorist acts. We also asked the Service to conduct a survey among migrants as to whether*

*there are those who would agree to voluntary deportation. We will take their written statements so we can enter the stage of diplomatic negotiations with their representatives in Bosnia, with the aim of securing funds for deportation flights,”* Radoncic said. He said the Ministry aims to achieve several effects with this, and the first is to remove the “ballast” from the country of some 8,000 - 9,000 people that it cannot economically support in a situation where 50,000 - 60,000 citizens will lose their jobs. They also want to discourage the arrival of new migrants once borders reopen. *“This is also a message to some EU countries – that we refuse to be a migrant depot where they will select their workforce leaving our citizens to live in fear and discomfort,”* Radoncic said. *“People who do not want to reveal their identities will not be allowed to go to accommodation centers and they will be kept in custody until we learn their identity. We will propose such legal solutions.”* In the end, he noted that he knows some countries would not want to cooperate on the deportations of migrants and that Pakistan was one of them. If this turns out to be true, he said he would ask the Government (the Council of Ministers as it is officially called) to declare the Pakistani Ambassador a persona non grata and send him back to his country. (www.ba.n1info.com)

- April 24<sup>th</sup>, Pakistan's Ambassador refused to cooperate with Bosnia and have their authorities check the fingerprints of illegal migrants in the country, even though Bosnia already uncovered two terrorists among the migrants based on their fingerprints, Security Minister Fahrudin Radoncic said. Radoncic's statement came after Bosnia's Bosniak (Muslim Bosnian) Presidency member Sefik Dzaferovic and Foreign Minister Bisera

Turkovic met with Ambassador Muhammad Khalid Rao. Dzaferovic criticized Radoncic's Wednesday statement in which he said the Ambassador of Pakistan could be declared persona non grata unless he cooperates with Bosnian authorities. *“We begged the Ambassador of Pakistan as well as Ambassadors of other states from which we have a large influx of migrants to go through their databases and send us identities of migrants who will be photographed and have their fingerprints taken once they enter one of our migrant centers. The Ambassador refused to reveal their identity based on those data and photographs. And I will say that based on the fingerprints we gathered; we uncovered two terrorists among the migrants. Their fingerprints were found on weapons cases in a third country. Our security service did a fantastic job,”* Radoncic said. According to the press release from the Presidency, Rao informed the Presidency Chairman that the Embassy of Pakistan is ready to fully cooperate with the Bosnian institutions in the fight against illegal migration and that this commitment never was and never will be brought into question. (www.ba.n1info.com)

## **COUNTRY ASSESSMENT**      :

*A 330 million euro loan by the IMF from the RFI mechanism to Bosnia due to the COVID -19 pandemic was blocked by the Bosnian Council of Ministers. A substantial economic aid amid a health disaster failed to come in the country for supporting its economic recovery due o COVID-19 consequences. Once again, it is proved that the decision-making system of the country is inadequate to provide vital state's decisions amid national emergency situation. The country is*

*“captured” by entities’ different interests and internal political games. However, such situation has a direct impact on state’s viability. Dayton peace agreement is a problematic one and it is time to be amended. Bosnia hardens its stance towards migration issue seeking to deport illegal migrants back to their origin countries. Nevertheless, it is not an easy issue since cooperation with the countries migrants come from is needed. Bosnia claims national security reasons since two terrorists were found among migrants. It should be underlined that Serbia and Croatia intervene with one way or another in Bosnia’s internal issues enjoying the power of influencing situations. 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. Furthermore, nationalistic rhetoric and actions from the three entities creates certain conditions of mutual mistrust and work as a factor of potential destabilization. Muslim countries such as Turkey, Saudi Arabia, Qatar, and Iran maintain a permanent presence through financial donations and investments.*



**BULGARIA:** April 24<sup>th</sup>, three people have been charged in connection with the March 17<sup>th</sup>, 2020 serious assault of Slavi Angelov, Editor-in-Chief of weekly 168 Chassa, Prosecutor-General Ivan Geshev told a briefing on April 24<sup>th</sup>. The three were held in a special operation on April 23<sup>rd</sup>. 2020 They face other charges, including participation in a crime group and possession of illegal narcotics. The three accused are those who carried out the physical assault on Angelov. Geshev said that those who

commissioned the assault, which left Angelov in hospital with serious injuries, were hiding abroad. He did not disclose the identities of the accused, but confirmed that they were involved in sports. One was found to be in possession of Adolf Hitler’s book Mein Kampf. Also found in the course of search-and-seizure during the special operation were bats and handcuffs. Geshev told the briefing that the leading theory about the assault of Angelov was that it was related to his work as a journalist. *“The main leading theory is that it is related to the work of his colleague and is the result of actions by people who want to destabilize the state; who are the subject of criminal prosecution and are located outside the borders of the country, where they are hiding from other pre-trial cases,”* he told reporters. An application for the three accused to be remanded in custody will be lodged in the Special Criminal Court at the weekend. Bulgarian media have published names of the alleged perpetrators and said that they were linked to Sofia West 1999, the most militant of fan clubs of football team Levski Sofia. ([www.sofiaglobe.com](http://www.sofiaglobe.com))

- April 25<sup>th</sup>, Fitch Ratings has re-affirmed Bulgaria’s sovereign long-term foreign and local currency Issuer Default Ratings (IDRs) at “*BBB*” but downgraded the outlook from positive to stable, as it expects Gross Domestic Product in the country to shrink by 5.1% in 2020, down from 3.2% grown in its previous forecast. The decline was due to the ongoing lockdown in response to COVID-19 pandemic, Fitch said, which prompted the agency to bring forward its review of Bulgaria’s credit rating. The travel and tourism sectors in particular were likely to record sharply negative growth in the first half of the year. *“While situation is likely to improve in 2H20, our*



forecasts are subject to significant downside risks, given the evolving situation,” the credit rating agency said. Fitch said that it expected growth to rebound to 4.2% in 2021, mainly due to consumption and investment. The agency said that the pandemic would have a negative impact on Bulgaria’s budgetary performance, due to the expected economic contraction and ongoing fiscal easing. “Following four years of primary and headline surpluses, Bulgaria is likely to post primary and headline deficits of 2.8% and 3.6% of GDP, respectively,” it said. Fitch also noted the increased 2020 borrowing limit in the revised Budget. “Bulgaria is expected to announce a eurobond issuance in May, although details are unavailable at present. Fitch assumes that two billion euro will be issued in 2020 with a further one billion euro in 2021 (cumulatively amounting to 4.9% of GDP). However, these assumptions are subject to inherent uncertainty, given the evolving economic outlook,” the agency said. As regards Bulgaria’s efforts to join the euro zone Exchange Rate Mechanism (ERM2) and the Banking Union, Fitch said that the pandemic “has increased uncertainty over the timeline,” but the agency did not believe that the process has been derailed. “Fitch believes Bulgaria is unlikely to meet the end of April deadline for completion of the capital buffer increase of Fibank, a requirement under the European Central Bank’s (ECB) Comprehensive Assessment. This in turn is a mandatory precursor for accession to ERM2 by 3Q20,” the agency said. Any delays in the process were unlikely to jeopardize Bulgaria’s simultaneous entry into the Banking Union and ERM2, according to Fitch, which also noted that the Government “appears to be more decisively favoring the euro accession process, compared with earlier this year when Prime Minister Boyko

Borissov expressed a willingness to slow the process, citing public opinion.” “At the same time, given that the COVID-19 pandemic response is taking up significant resources with regard to political engagement at the EU-wide level, facilitating the Bulgarian lev’s ERM2 accession may decline as a relative priority for European institutions. If concerns about risks ease and the process resumes, this would be supportive of the rating, as underlined by our view that all things being equal, we would upgrade Bulgaria’s Long-Term Foreign-Currency IDR by two notches between admission to the ERM2 and joining the euro,” the agency said. (www.sofiaglobe.com)

- April 26<sup>th</sup>, Bulgaria’s Prime Minister Boyko Borissov said that it was unlikely that the State of Emergency would be lifted before May 13<sup>th</sup>, 2020 – a reversal of a statement that he had made the day before. On April 25<sup>th</sup>, 2020, Borissov had said that the Government was considering lifting the State of Emergency – which had been voted by Parliament on March 13<sup>th</sup>, 2020 – ahead of the current end-date, while keeping in place anti-epidemic measures such as compulsory wearing of masks in public places. On Sunday, he said that it was unlikely that this would happen, adding that the Government’s main goal was to keep the pressure off medical professionals in hospitals. Borissov said that decision had been made to partially re-open public parks because a meeting on Sunday morning had assessed the risk from doing this as moderate. (www.sofiaglobe.com)

## COUNTRY ASSESSMENT  :

*Economic consequences of the COVID-19 pandemic may lead in recession. International organizations and agencies such as the IMF and FITCH raise concerns over Bulgarian economy.*

*Situation may affect Bulgarian effort to enter the ERM2 mechanism; the “waiting room” before the eurozone. Migration problem due to uncontrolled refugee and migrant flows from Turkey is closely monitored by Bulgarian authorities but currently there is no pressure in Bulgarian borders. 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:** April 20<sup>th</sup>, opposition Bridge of Independent Lists (Most Nezavisnih lista - MOST) is accusing the Croatian Government and the State Inspectorate of favoring big companies and corporations at the expense of small businesses, during the coronavirus pandemic. Most’s political secretary Nikola Grmoja called out the State Inspectorate for imposing a double standard, noting that while some food service companies are being allowed to continue operations, others are being forced to close their doors. He added that in the case of those businesses that have decided to keep their doors open and retain their employees, the State Inspectorate should serve in an advisory capacity, and not levy severe and draconian penalties because of minor technical issues. Grmoja further added that Government is buckling to banks as well, as it refuses to impose

a moratorium on all loan payments. *“The only law that has not yet come up for debate in Parliament is the moratorium on loans and interest, which MOST is demanding. We are asking the Government to show understanding, and recognize that all those who want to do business in Croatia at this time are heroes and that they need to make it easier for them to do business,”* Grmoja emphasized. His party colleague, Marko Sladoljev, also took aim at the largest opposition party, the Social Democratic Party of Croatia (Socijaldemokratska Partija Hrvatske - SDP), which yesterday opposed a MOST initiative to introduce electronic and mail-in voting. SDP MP Arsen Bauk said that the MOST proposal would give voters in the Croatian diaspora a bigger and unfair influence on the election process. Sladoljev reminded that it was a Croatian Democratic Union (Hrvatska Demokratska Zajednica – HDZ) and SDP agreement that had limited voting for the Croatian diaspora's three seats in Parliament to diplomatic missions. He slammed Bauk for his contempt for those who emigrated from Croatia. ([www.glashrvatske.hrt.hr](http://www.glashrvatske.hrt.hr))

- April 22<sup>nd</sup>, a number of other EU member states have also begun introducing plans to withdraw measures designed to slow the spread of COVID-19. After a meeting of his inner Cabinet late this afternoon, Prime Minister Andrej Plenkovic announced that COVID-19 restrictive measures would be withdrawn in three stages, with the first coming on April 27<sup>th</sup>, 2020. *“Our restrictive measures have produced results. The rate with which the virus is spreading is slow, with a relatively low death toll. When compared to other countries, we can say that the manner in which we have dealt with the pandemic is very good. In*

*this context, and taking into account that the gradual reactivation of economic and social activities does not jeopardize what we have achieved in the fight against the pandemic, we are going with a three stage reactivation plan that will take place on April 27<sup>th</sup>, May 4<sup>th</sup> and May 11<sup>th</sup>. When we adopt the package tomorrow, we will present the measures in detail and I will discuss them in person at a press conference. The goal is to achieve both economic activity and accordingly, revenues for the state budget,” he said. Plenkovc went on to note that the plan is based on concrete consultations with experts and assessments of the plan’s economic impact through comparison with other countries. Earlier in the day the Head of the National Civil Protection Crisis Headquarters, Deputy Prime Minister and Interior Minister Davor Bozinovic, confirmed that by the end of the week the Government would present its plan to further ease COVID-19 restriction measures. The proposal for withdrawing COVID-19 restriction measures has been prepared by epidemiologists, and after being addressed at tomorrow’s Cabinet session, it should become clear how and at what speed the measures will be eased. Among the first is to re-establish inter-city traffic. Education Minister Blazanka Divjak said she expects a decision on when kids will begin returning to schools after tomorrow’s Cabinet session. (www.glashrvatske.hrt.hr)*

- April 23<sup>rd</sup>, Croatian President Zoran Milanovic met on Thursday with Croatian Journalists’ Association (HND) President Hrvoje Zovko and the leader of the Trade Union of Croatian Journalists (SNH), Maja Sever, who informed him of their proposals for helping media outlets affected by the coronavirus crisis. According to a

statement released by the Office of the President, Milanovic supports the efforts of the two organizations in helping journalists and the media. The HND and the SNH propose that the Government adopt special measures for journalists and the media as they have not been covered by existing measures. As key measures, they point to the establishment of an emergency fund managed by the Agency for Electronic Media to help journalists from non-profit and local media outlets, as well as freelance journalists, photojournalists, cameramen, and other media workers. They further propose that media employees be protected by making state aid to publishers conditional on their not laying off employees or cutting their wages. The two organizations also propose that the state give financial help to freelancers and that local media outlets be eligible for Government benefits as well. (www.glashrvatske.hrt.hr)

## **COUNTRY ASSESSMENT**   :

*Croatian Government strengthens its efforts for ease of restrictions due to COVID-19 pandemic aiming to restart state’s economic activity. Croatian economy has been strongly hearted by the measures against the virus. Return to normality and ordinary life will be not an easy case. 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. Croatia implements a hard-line foreign policy with its neighboring countries maintaining open disputes with Bosnia, Slovenia, and Serbia. Croatia implements a policy of Armed Forces’ modernization trying to form a reliable and well equipped force according to NATO standards. However, the current COVID-*

19 pandemic may affect the ambitious modernization plans due the economic repercussions in the country. Croatian Air Force is far from NATO standards and actually the country lacks an operational air power.



**CYPRUS:** April 20<sup>th</sup>, a Turkish drillship was making its way towards the Cyprus Exclusive Economic Zone (EEZ) is a violation of the sovereign rights of the Republic, the presidency said on Monday. Turkey has issued a NAVTEX covering the area of block 6 and 7 of the island's EEZ from Monday April 20<sup>th</sup> until July 18<sup>th</sup>, 2020. Quoting a military source, the CNA said the Yavuz set off at 11.30 on Sunday night from the port of Tasucu and is expected to arrive in its destination later on Monday afternoon. Cyprus condemns in the strongest possible terms Turkey's new threatened illegal drilling within the EEZ, the presidency announcement said. The area to which the Turkish vessel is headed has been licensed to ENI and TOTAL. *"The exploration and exploitation of hydrocarbons within these plots are the exclusive sovereign rights of the Republic of Cyprus under the United Nations Convention on the Law of the Sea,"* the announcement said. The presidency said the planned Turkish drilling, the sixth in under a year, *"reveals the real intentions of Ankara, which continues to implement its illegal expansion plans, amid the unprecedented pandemic that plagues humanity."* *"This is another 'pirate' act that is a blatant violation of the sovereign rights and jurisdiction of the Republic of Cyprus, in violation of international law,"* the presidency announcement said. Spokesman of the Turkish Ministry of Defense Nadide Sebnem Aktop said on Monday that *"Turkish Armed Forces would*

*continue to protect the rights and interests of Turkey and the 'TRNC' in the Eastern Mediterranean ensuring peace and security within the framework of international guarantees in Cyprus."* She added that air security support is offered to the Barbaros, Oruç Reis, Fatih and Yavuz that *"continue their activities in the eastern Mediterranean in the framework of our legal rights as outline by international justice."* The Cyprus Government has issued an anti-NAVTEX. The High Representative of the EU Josep Borrell and his team are in contact with Cypriot and Greek authorities concerning the announced movements of the Yavuz and are following situation, Commission Spokesman Peter Stano told CNA. *"There have been contacts between the High Representative and his team, and also partners from other countries of the EU on this issue. This is something that is being discussed,"* Stano said. Part of block 7 lies in what Ankara claims is its own EEZ. Last week Turkish Foreign Minister Mevlut Cavusoglu said Ankara would continue drilling and even deploy a third drillship. (www.cyprus-mail.com)

- April 22<sup>nd</sup>, UN Security Council permanent members China and France, as well as Italy, voiced support for Cyprus on Wednesday, as Turkey has once more dispatched a drillship to explore for natural gas inside the island's Exclusive Economic Zone (EEZ). France said it was following situation in the Eastern Mediterranean closely, reiterating that its position, made clear on several occasions, is that Turkish drillings in Cyprus' EEZ constitute a violation of the sovereignty of the Republic of Cyprus and of international law. *"We are following closely situation in the Eastern Mediterranean, in particular after the recent arrival of Turkish*

*drillship Yavuz in the Cypriot EEZ,”* the French Embassy said in a statement to the Cyprus News Agency. *“As France made clear on several occasions, these drillings constitute a violation of the sovereignty of the Republic of Cyprus and of international law.”* The Embassy said restraint should prevail more than ever as everyone needed to focus their energy on fighting the COVID-19 pandemic. Yavuz intends to drill in an area that covers part of exploration blocks 6 and 7, which have been licensed to the ENI and TOTAL consortium. An Italian source told CNA that it was monitoring developments carefully but with concern. It said Rome was in close contact with ENI since the Turkish drillship planned on venturing in areas that overlapped concessions 6 and 7. The EU Foreign Ministers, who met on Wednesday by teleconference, also expressed concern over Turkey’s activity in the Eastern Mediterranean and reiterated their full solidarity with Cyprus, according to the EU High Representative for Foreign Affairs and Security Policy Josep Borrell. He said, however, that the issue was unlikely to be discussed at the EU leaders’ summit on Thursday. Chinese Ambassador Huang Xingyuan said his country understood and supported the efforts Cyprus was making to safeguard its territorial integrity. *“In light of the ongoing pandemic, we hope not to see actions that obstruct or distract attention from joint efforts to fight COVID-19,”* he said. He called on all parties to show self-restraint and cease all actions that could escalate situation further. (www.cyprus-mail.com)

- April 25<sup>th</sup>, Turkish Cypriot leader Mustafa Akinci has written to the World Health Organization (WHO) and asked them to include the occupied territories in their coronavirus

pandemic reports. According to reports in the Turkish-Cypriot press, Akinci wrote a letter to WHO leader Tedros Adhanom Ghebreyesus reminding him that the Turkish Cypriot people are fighting the virus too and are taking all the necessary precautionary measures. Akinci urged WHO to establish a direct line of communication between them and show solidarity. *“WHO has a major role to play in our battle against the virus, therefore the north needs a direct contact in order to communicate effectively,”* the letter concluded. (www.cyprus-mail.com)

## **COUNTRY ASSESSMENT**      :

*While COVID-19 spread is reducing, tension is raising again in the region. Turkish drillship Yavuz is on the way to Cypriot EEZ for new drills questioning the sovereign rights of the Republic of Cyprus. Turkish presence in Cypriot EEZ is a major problem for Cyprus since it is already known that Turkey would never allow exploitation of hydrocarbons in the region without its beneficial participation. It has shown so far that is determined to escalate tension into an armed conflict if it realizes that its interests are threatened. On the other hand, Cyprus lacks naval and air forces to deter any offensive action against its sovereign rights. It seems that Turkey has achieved its initial strategic goal to deter international energy giants from investing in Cypriot fields and starting research activities. EXXONMOBIL and ENI – TOTAL consortium have postponed their scheduled drills in Cypriot waters claiming the COVID-19 pandemic and drop of oil prices. But it is a common “secret” that these giant companies seek to invest and be activated in secure operational environments and Cyprus EEZ is not a stable and secure place for*



*drills. Turkey maintains a significant military force on the island (Army Corps seize) and it reinforce it with modern systems such as UAVs. 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:** April 20<sup>th</sup>, Greece remained on alert over the long Easter weekend with its Coast Guard and Navy on standby, due to concerns that Turkey may escalate tensions either in the Eastern Mediterranean, the Aegean or at the Evros land border in order to divert attention from the domestic problems faced by Recep Tayyip Erdogan’s Government. Athens’ state of alert is dictated by the transfer of migrants from inland Turkey to areas on the coast facing the Greek islands of Lesbos, Chios, Kos and Kastellorizo over the past two weeks, as well as Turkish aircraft flying over large inhabited Greek islands. Meanwhile, the Akinturk vessel, suspected of being part of plans to transfer migrants to Greece, has not yet moved to the Aegean area, despite the fact that it had initially announced a route from Tasucu (facing Turkish-occupied northern Cyprus) to Aliaga in Izmir. (www.ekathimerini.com)

- April 21<sup>st</sup>, Greece on Tuesday condemned Turkey’s announced intention to continue drilling inside Cyprus’ Exclusive Economic Zone (EEZ), saying it ignores calls by the international community to respect international law. In a statement posted Sunday on the Turkish Defense

Ministry website, the country said its drillships – the Fatih and the Yavuz – and research vessels Barbaros and Orucreis were continuing their activities in the Eastern Mediterranean. It said that the Turkish Navy is providing security from both the air and sea. “*We unequivocally condemn Turkey’s newly declared illegal drilling within the EEZ and continental shelf of the Republic of Cyprus; drilling that, in fact, Turkey plans to carry out in fields that have been licensed, via the proper legal procedures, to European energy companies,*” the Greek Foreign Ministry said in a statement in English. “*This is yet another provocation that ignores the calls of the EU and the international community for respect of international legality and of the sovereign rights of the Republic of Cyprus. It also confirms, once again, Turkey’s destabilizing role and its standing as the principal violator of international law in the region. We reiterate that repeated and persistent violations of international legality do not produce any legal effects or create accomplished facts,*” it said. “*We express our undivided support and complete solidarity with the Republic of Cyprus, and we again call on Turkey to respect international law and desist from actions that undermine security and stability in our common neighbourhood,*” it said. (www.ekathimerini.com)

- April 23<sup>rd</sup>, Greek Premier Kyriakos Mitsotakis will tell his EU counterparts on Thursday that member states need grants and not new loans to help their economies recover from the economic slump caused by the measures taken to respond to the coronavirus pandemic. “*In a European economy with high public and private debt, we know what we do not need. We do not need new loans, we need grants,*” Government Spokesman

Stelios Petsas said at a regular press conference explaining Greece's position which will be presented in a video conference later on Thursday. Mitsotakis will also say that member-states need a joint debt instrument to respond to the crisis, such as a "joint eurobond," Petsas said. EU leaders will discuss the scale and nature of the bloc's recovery package. Petsas also acknowledged the inefficiency of the Labor Ministry's distance training voucher programs for scientists and self-employed professionals, which was scrapped on Wednesday, amid widespread criticism from opposition parties and users that they were a makeshift and below par. "When so many measures are taken in such a short time, it is logical to make mistakes. What is important is that mistakes are corrected, which we did," he said. Asked whether Labour Minister Giannis Vrotsis still enjoys the Prime Minister's trust after the failure of the program, he simply responded "Yes." Vrotsis on Wednesday conceded that program's content was not up to par and did "not fully serve the purpose for which it was originally chosen by the Government." He clarified however that beneficiaries would receive the 600 euro for the month of April. (www.ekathimerini.com)

## COUNTRY ASSESSMENT :

*As COVID-19 spread is shrinking, the Government starts focusing on economic repercussions of the pandemic. The Prime Minister promotes (together with EU member states' leaders) the idea of the "Euro-bond" as a drastic solution for supporting the countries' economies which have strongly affected by the COVID-19. At the moment there is no clear view about the Greek economy and state's officials*

*avoid to provide data and assessments for the near future. However, it is assessed after the end of the tourist season it will be emerged the size of the problem. It is assessed that it is very possible Mitsotakis to call for early parliamentary elections in early autumn trying on one hand to capitalize his success to COVID-19 management and on the other, to catch the emerging economic recession. Greek security forces remain on high alert regarding possible new migrant waves in land borders or the Aegean Sea. Turkey insists on provoking the Greek forces in the Aegean Sea, both in the air and in the sea. There is always a significant possibility of an armed incident which could be escalated into a crisis. Under the current situation in Eastern Mediterranean and Aegean Sea Greece is obliged to strengthen and modernize its Armed Forces operational capability.*



**KOSOVO:** April 21<sup>st</sup>, Kosovo and Serbia have signed a wide range of agreements as part of the EU-facilitated dialogue in Brussels, however many of the deals were not implemented. The EU in addition to calls for fully implementation of agreements reached so far has done nothing to push forward Pristina and Belgrade to fully implement all the agreements, including an agreement on energy. Kosovo and Serbia signed an Agreement on energy in 2013, and it took seven years the EU countries to pressure and engage in implementation of such a deal, which gives Kosovo full independence over its energy sector. Germany and Chancellor Angela Merkel have played a crucial role in convincing Pristina and Belgrade implement the Agreement. Also French President Emmanuel macron took his credits for implementation of the

deal. In a post on social media French Embassy in Pristina said that the Government of France played an active role in creation of a technical solution enabling efficiency of energy and will facilitate development of economy in Kosovo. On Monday the European Network of Transmission System Operators for Electricity ENTSO-E voted with 22 votes in favor, four abstentions and three against to allow Kosovo's power grid and transmission operator KOSTT join the grid of operators in continental Europe. This would end Kosovo's dependence on Serbia and enables unification with the electricity zone with Albania. Kosovo leaders welcomed the vote on Tuesday. President Hashim Thaci said that this is a great step forward for Kosovo. *"Grateful to our allies for their unwavering support,"* Thaci wrote on social media. Whereas caretaker Prime Minister, Albin Kurti, said KOSTT became equal with its European counterparts. *"Today's voting in ENTSO-E enables access of KOSTT to the regional market & in the 400kV power line between Kosovo and Albania. I thank the German KfW for financing with over 75 million euro and European TSO representatives for their vote,"* Kurti wrote on social media. Former Kosovo chief negotiator in technical dialogue with Serbia, Edita Tahiri, said the Agreement on energy, signed in 2013, was not implemented by Serbia preventing Kosovo power grid to act on its own. Activation of Berlin and Paris on implementation of the agreements reached between Pristina and Belgrade comes after an active engagement of the US on mediating Kosovo - Serbia dialogue. It seems that the two European centers, Berlin and Paris, want to send messages to Washington, that they can also help Kosovo and Serbia solve their problems. (www.gazetaexpress.com)

- April 23<sup>rd</sup>, Kosovo President Hashim Thaci handed the Democratic League of Kosovo (Lidhja Demokratike e Kosovës - LDK) the mandate to form a new Government after no-confidence motion in Albin Kurti's Cabinet last month, Gazeta Express reports. Thaci met LDK leader Isa Mustafa on Wednesday afternoon and according to the President's Office Mustafa proved to Thaci that he has majority in Parliament. The President's Office said with Mustafa's confirmation, Thaci has sent a letter to the LDK asking them to propose a candidate for Prime Minister. Following this move, the LDK convened its Steering Committee and decided that former Deputy Prime Minister in Kurti's Cabinet, Avdullah Hoti, be proposed as candidate for Prime Minister. Addressing media after the LDK's meeting, Hoti speaking in his capacity as Prime Minister designate said his Government if voted by Parliament will focus in containing COVID-19 pandemic, economic recovery, and dialogue with Serbia. *"Dialogue is one of the main issues we have to work on. I believe that from the platform on dialogue approved in 2018 and the decision of the Constitutional Court on the Law on dialogue, we have already et the foundations on approaching the dialogue,"* Hoti said. He said the Dialogue should be headed by the Government and he will try to build a consensus aimed at concluding the dialogue with Serbia. Talking on reciprocity measures that Kurti's Government has imposed on Serbia, Hoti said that such measures can be efficient only if are coordinated with international partners. The LDK is aiming to create a coalition with Ramush Haradinaj's party Alliance for the Future of Kosovo (Aleanca për Ardhmërinë e Kosovës - AAK), Fatmir Limaj's Social Democratic Initiative (NISMA Social Demokrate - NISMA),



Behgjet Pacolli's New Kosovo Alliance (Aleanca Kosova e Re - AKR), and minorities. Mustafa met on Thursday Haradinaj to discuss creation of new Government headed by the LDK. Thaci received on Thursday Ambassadors of Quint (US, France, Germany, Italy, UK) and EU representatives, informing them on a meeting he held on Wednesday with representatives of political parties. Thaci told Ambassadors of Quint that majority of parties were in favor of creation of new Government without dissolution of the Parliament and he asked the LDK to propose a candidate to form new Government. (www.gazetaexpress.com)

- April 23<sup>rd</sup>, the Kosovo caretaker Government has decided to allocate 500,000 euro for Presevo, Bujanovac and Medvegja, inhabited mainly by Albanians. The Government announced in a press release that this fund was allocated to fight the spread of the coronavirus. "The Government of Kosovo has approved the decision on financial support for the municipalities of Presheva [Presevo], Bujanoc [Bujanovac] and Medvegje [Medvegja] in the amount of 500,000 euro that will be used to cope with situation created by the pandemic," the statement said. (www.gazetaexpress.com)

## COUNTRY ASSESSMENT :

*Political temperature is rising in Kosovo after the President's decision to give e new mandate to LDK leader, Isa Mustafa. The latter claims he has reached agreement with several parties to form a ruling coalition. It is assessed that Kurti's supporters will not accept easily situation and protests could not be excluded. The Constitutional Court may be engaged but it is fully controlled by Thaci. Kosovo faces political and constitutional*

*instability in a rather challenging period amid the COVID-19 pandemic. Moreover, the EU and US push for restart of Kosovo – Serbia dialogue but it seems impossible for the near future. Pristina has to solve its internal problems firstly and then to focus on bilateral relations with Serbia. Connection of Kosovo electric network with the European network ENTSO-E facilitated by France and Germany enables Kosovo to achieve energy independence from Serbia and to connect its electric network with the Albanian one. Such move has significant economic and political aspects. Kosovo leaders taking into advantage the COVID-19 spread keep highlighting that South Serbia's Albanians (Presevo, Medvegja and Bujanovac) are abandoned by the Serbian authorities. It is assessed that Kosovo tries to appeared as the caretaker of the Albanians in the Serbian territory aiming to intervene in Serbian affairs in the name of the so-called "COVID-19 soft diplomacy" (such kind of diplomacy has been developed by several countries and includes donation of medical equipment, sending doctors, funding etc). 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:** April 21<sup>st</sup>, the agreement on the Russian credit worth 200 million euro contains a number of provisions, which are dangerous for Moldova, maintains the Chairperson of the Party of Action and Solidarity (Partidul Acțiune și Solidaritate - PAS), Maia Sandu. She said at a press conference on Tuesday, that a number of liabilities in the

agreement are absent from other equivalent credit agreements between Russia and other countries, for example with Belarus. On these grounds, Sandu concluded that President Igor Dodon could not hold negotiations in the interest of his own country. *“The greatest danger represents the provision according to which if the overdue debt and/or the interest rate for the overdue debt are not covered within 180 calendar days since the appearance of the debt, the Russian side will consolidate the entire sum of the non-paid debt including the basic debt, interest rates on credit and interest rate on the debt. It is doubtful that the Government will have a correct and transparent approach to this guarantee,”* the ex-premier said. According to her, the agreement contains also other doubtful provisions. Sandu does not exclude that the agreement opens the door for Igor Dodon so that his brother to take credits in Russian banks, while the money will be returned at the expense of citizens. At the Government’s sitting on Tuesday, Deputy Premier for Reintegration Cristina Lesnic also asked about the point of the credits agreement, which implies state responsibility for other credits of economic agents. Answering to this question, Deputy Premier, Minister of Finance Sergiu Puscuta said that it is just about the credits, which were received by Moldovan economic agents in Russian banks under Moldovan state credits. (www.infotag.md)

- April 22<sup>nd</sup>, the foreign office of the unrecognized Transnistrian Moldovan republic (PMR) informed that Tiraspol and Moscow spoke against Chisinau’s proposal on holding a meeting in the 5+2 format. *“In a telephone talk, Minister Vitaly Ignatiev and President Putin’s Special Envoy at the Transnistria Negotiations, Russian*

*Foreign Ministry Ambassador-at-Large Sergey Gubarev agreed that it is too early to conduct a sitting in the 5+2 format on the Transnistrian settlement during the quarantine due to the threat of coronavirus. The interlocutors pointed at the absence of organizational prerequisites for conducting a new sitting until the quarantine activities are concluded,”* the sitting said. According to the document, Ignatiev and Gubarev agreed to put maximum efforts for the soonest meeting in the 5+2 format after the improvement of the situation in combating the coronavirus for returning to the planned work on fulfilling the entire volume of the earlier achieved agreements. As Infotag has already reported, Moldovan Deputy Premier for Reintegration Cristina Lesnic stated about the need of urgent convening of the sitting of the 5+2 negotiation process dedicated to the coronavirus. She stressed that Chisinau will be seeking the conducting of such a meeting, because Tiraspol refuses to cooperate in the issue of adopting joint efforts for preventing the spread of the Covid-19. (www.moldpres.md)

- April 23<sup>rd</sup>, the Judges of the Constitutional Court (CCM) suspended today the action of the agreement on loan worth 200 million euro with Russia. CCM today admitted an application by MP Serghei Sirbu on the contestation of the Law No 57 from April 23<sup>rd</sup>, 2020 on the ratification of the agreement between the Governments of Russia and Moldova. Following this action, the procedure of entrance into force of the Law No 57 from April 23<sup>rd</sup>, 2020 on the ratification of the agreement between the Governments of Russia and Moldova on the providing to the Moldovan Cabinet of a state financial loan was suspended till the notification is considered on the merits. Also today, Judge Vladimir Turcan was dismissed

from the office of President of the Constitutional Court, after he had given vote of no confidence on behalf of the CCM Magistrates. Judges Nicolae Rosca and Liuba Sova, who submitted a demarche on April 21<sup>st</sup>, 2020 demanded resignation of Judge Turcan from the position of CCM President. Following the procedure of dismissal from this office, Judge Domnica Manole was elected President of the Constitutional Court for a three-year mandate. (www.moldpres.md)

## COUNTRY ASSESSMENT :

*The Government received loans by the IMF worth 233 million US dollars which enables it to tackle current needs and stabilize economic situation in the country. However, a second loan from Russia has raised reactions and finally was suspended by the Constitutional Court although it had been ratified by the Parliament. It is true that the bilateral agreement between Moldova and Russia includes ambiguous provisions which threaten the country's national interests; even its sovereign rights. In fact, it was a loan that Moldova would have to co-decide with Russia how to spend it. The country enjoys relative political stability. However, corruption, lack of transparency and accountability reign in public administration and state's politics. Due to its strategic geographic position, Moldova has become a field of rivalry between Russia and the US and NATO. 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:** April 21<sup>st</sup>, it is expected that the fiscal position of Montenegro will deteriorate due to the coronavirus crisis, the EU enlargement Commissioner, Oliver Varhelyi, noted. On the question of the MEP, Dominique Bilde, concerning the 800 million euro debt of Montenegro for the construction of the motorway, Varhelyi responded that not so long time ago, repayment debt risks seemed rather low, as the Government used the last year's favorable market conditions to ensure deposits and thus cover the country's financing needs for the next two years, RTCG portal reported. *"However, it is expected that the financial position of Montenegro will significantly deteriorate due to the coronavirus crisis. Therefore, the Commission keeps monitoring closely this issue,"* he said. (www.cdm.me)

- April 22<sup>nd</sup>, Montenegrin President, Milo Djukanovic wrote on social media that he had a meaningful talk with Miroslav Lajcak, EU Special Representative for the Belgrade - Pristina Dialogue and other regional issues in the Western Balkans. Addressing open issues and full EU integration are the keys to stability and development of the entire region, and of utmost importance for the EU, Djukanovic said. *"Montenegro continues to be a constructive factor and will support dialogue and full mission of Special Representative Miroslav Lajcak,"* the President said. (www.vijesti.me)

- April 25<sup>th</sup>, according to the former Speaker of the Assembly and currently MP of the opposition Social Democratic Party of Montenegro (Socijaldemokratska Partija Crne Gore - SDP), Ranko Krivokapic the Montenegrin Parliament has been downgraded since 2016 and its role is

more or less decorative. Krivokapic stressed that the only role of the Parliament is to vote and validate the Government's decisions without any parliamentary control. As he emphasized *"this is the goal of every autocratic Government."* Krivokapic said that the European Parliament has recommended the strengthening of the Parliament's control and in his view current situation sets an obstacle towards Montenegro's European integration. More specific, strengthening of parliamentary control is one of the recommendations of the Committee on Foreign Affairs of the European Parliament, which adopted the Report on the Enlargement Recommendations of rapporteur Tonin Picula. During Krivokapic's term, the Assembly played a very active and controlling role, accusing the Democratic Party of Socialists of Montenegro (Demokratska Partija Socijalista Crne Gore - DPS) leader and then Prime Minister Milo Djukanovic of *"parliamentary dictatorship."* Parliament, he added, instead of being an institution that promotes democratic freedoms and develops a culture of dialogue, became the opposite, and the criminal code passed by the parliamentary majority without dialogue. One of the leaders of Democratic Front (Demokratski Front - DF) and a member of the Security Committee Nebojsa Medojevic agreed that the Assembly was a strong control mechanism during Krivokapic's term. Medojevic recalled that there has been a major weakening of parliamentary control since 2016 and a *"false coup"* and as EU and US pressure softens. Former Chairman of the Committee on Economy, Head of the Special Club of Deputies, Alexander Damjanovic, believes *"that the Assembly is absolutely marginalized in the current convocation and*

*without a supervisory and controlling mechanism."* (www.vijesti.me)

## COUNTRY ASSESSMENT  :

*Economic repercussions of the COVID-19 spread could be hard for Montenegro which is flirting with recession. Political crisis has never overcome and opposition complaints for restriction of democratic values and absence of active parliamentary control of executive power. 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.*



**NORTH MACEDONIA:** April 21<sup>st</sup>, with North Macedonia in a complete legislative limbo, after the elections were postponed but the Parliament was not re-called, the ruling Social Democratic Union of Macedonia (Socijal-demokratski Sojuz na Makedonija - SDSM) party is reportedly scouting members of Parliament asking them to demand they reconvene. The 360 Degrees site reported that SDSM is getting 20 members of Parliament to prepare a proposal to Speaker Talat Xhaferi to re-call the Parliament. So far, Xhaferi has resisted

the call, 360 Degrees reports. The Parliament dissolved in mid February and elections were supposed to take place on April 12<sup>th</sup>, 2020 but as the coronavirus spread, the electoral preparations were called off. But the main parties were unable to come up with a legal solution to cancel the elections so North Macedonia remains without a legislative body. President Stevo Pendarovski declared a state of emergency a month ago, giving the interim Government the right to rule by decree, and he recently extended this state for a month. (www.republika.mk)

- April 24<sup>th</sup>, the EU made a statement on Bulgaria's request that the start of North Macedonia's negotiations be conditioned with giving up the Macedonian language and minority. Peter Stano, EU Foreign Policy Spokesman told "Republika" that the Council had decided to open accession negotiations with North Macedonia, and that the statements of the member states could not change the decision, although they were included in the final conclusion. "The European Council unanimously adopted the decision to open accession talks with North Macedonia. The EU's position is expressed in these conclusions of the Council. Unilateral statements by member states do not change such conclusions," he told "Republika." (www.republika.mk)

- April 26<sup>th</sup>, Healthcare Minister Venko Filipce denied media reports that the the Social Democratic Union of Macedonia (Socijal-demokratski Sojuz na Makedonija - SDSM) led Government is preparing for speedy elections, even before the epidemic has been fought back. The push by SDSM to recall the dissolved Parliament has sparked speculations that the ruling party has decided to set a new date for the

elections unilaterally, and push it forward, before the full extent of the mishandling of the crisis and the economic blow have been felt. "We are flattening the epidemiological curve. We are still at a stage when all our medical capacities are prepared to handle the possible darkest scenarios. Situation remains the same. We have excellent results but it is far too early to talk about loosening the measures and holding an event such as elections. We cannot predict anything in that direction yet. We are focused on what measures we need to take in summer and autumn that is what we are working on," Filipce said. North Macedonia is without a Parliament and the elections set for April 12<sup>th</sup>, 2020 were called off. SDSM rejected a proposal from the opposition Internal Macedonian Revolutionary Organization – Democratic Party for Macedonian National Unity (Внатрешна македонска револуционерна организација – Демократска партија за македонско национално единство - VMRO-DPMNE) party to have a meeting of the main party leaders to discuss the political crisis that has developed. (www.republika.mk)

## COUNTRY ASSESSMENT ■ :

*The country lacks political stability since a caretaker Government is running the state affairs, while elections have not been rescheduled yet. SDSM seeks to reconvene the Parliament, but it is doubtful if it is a constitutional act since it has been dissolved since mid February. There are rumors for rescheduling of early elections quite soon upon SDSM plan. However, governmental officials from SDSM reject such ideas. Tension broke up lately with Bulgaria since it was revealed that the latter has imposed terms regarding accession negotiations between North*

*Macedonia and EU. Bulgaria has requested changes regarding the “Macedonian” minority in Bulgaria and the use of “Macedonian” language which have raised political complaints and reactions in North Macedonia. Especially during a pre-electoral period such cases strengthen nationalism and polarization of internal politics. North Macedonia should focus on reforms regarding justice, rule of law, fight against corruption and money laundering, public administration, and respect of human rights in order to accelerate its European integration process.*



**ROMANIA:** April 20<sup>th</sup>, 2,433 troops and 528 pieces of military hardware carried out missions to limit the spread of COVID-19, namely the fluidization of traffic at border checkpoints, guarding some objectives, patrolling and supporting Interior Ministry forces, transport of medical equipment and other materials, informs on Monday the Ministry of National Defense (MApN). *“Between April 19<sup>th</sup>, from 6:00 hrs – April 20<sup>th</sup>, 6:00 hrs, a number of 2,433 troops and 528 pieces of military hardware carried out in Bucharest and in the country 445 missions to strengthen the presence and ensure the fluidity of traffic at the border checkpoints, guarding some objectives taken over from the Romanian Gendarmerie, patrolling and supporting the Interior Ministry forces in public order activities in Bucharest and other localities in the country, transport of medical equipment and other materials, accompanying convoys of people transport,”* shows a release from the MApN. At the same time, 154 tests were processed at the “*Cantacuzino*” National Institute for Medical-Military Development for the

detection of SARS-CoV-2 infection, with 166 samples being finalized. Troops of the 49<sup>th</sup> “*Arges*” Battalion from Pitesti continue the mission started on April 15<sup>th</sup> to decontaminate and disinfect the roads in Suceava. According to the rules established by emergency Ordinance 1/1999, with subsequent amendments and completions, the national coordination of all the actions for the implementation of the measures imposed by the decree is the responsibility of the Ministry of Internal Affairs. The Ministry of National Defense has a supporting role and all measures have been taken to ensure the MApN forces in the situations in which their allocation will be required, on the types of missions for which there will be requests. The troops are ready to support the authorities in areas where the military’s intervention will be required. ([www.nineoclock.ro](http://www.nineoclock.ro))

- April 24<sup>th</sup>, Romania's main opposition party, the Social Democratic Party (Partidul Social Democrat, PSD), has created a “*sufficient majority*” in Parliament to promote a “*coherent economic program*,” PSD interim leader Marcel Ciolacu said on Thursday, local Agerpres reported. He noted that the Liberal Government, now in office, had not come up with “*anything concrete*” and disappointed the Romanians. PSD backed by a majority of lawmakers in the Chamber of Deputies has significantly changed the economic stimulus measures passed by the Government by emergency ordinances. In its turn, the Government has blamed the Parliament (and the Social Democrats) for endangering sustainability of public finances with the “*populist*” bills passed. “*We have created at this moment a sufficient majority to be able to come to the Parliament with a coherent economic*



*program. We consider that the Government has not come up with anything concrete,” Ciolacu said, suggesting that PNL is the only party that has different views than the rest of the parties in the Parliament. (www.romania-insider.com)*

*- April 24<sup>th</sup>, “the Government prepares support measures for the large companies, measures to guarantee working capital loans, as we did in the case of SMEs,” the Prime Minister Ludovic Orban stated on Tuesday evening. “We are currently assessing the impact of the epidemic on various economic sectors and also we are assessing the resources that we can use, both from the budget and from the EU resources from the institutional investors or Romanian and international creditors. We are also analyzing types of instruments that we can use to support an economic restart to be as fast as possible, in each field. There are some measures that we are already discussing and we also have some certainties, but we also need to wait for the decisions to be taken at the level of the European Union, in order to see what instruments they will use to be then applied in the member states and, clearly, we also have our own measures that we are discussing right now,” Orban told TVR 1 public television broadcaster when asked about the measures taken into account by the Government to be included in the package to be implemented after the end of the state of emergency. The Head of the Executive said the Government had consultations with the business environment, after which they made an inventory of the proposals received. “When we finish this assessment, we will for sure have the package of measures. On the other hand, I think it is too early now to announce the package of measures because we do not have the overall picture yet, we*

*do not know exactly what will be the support measures to be taken at European level,” Orban said. (www.nineoclock.ro)*

## **COUNTRY ASSESSMENT** :

*While state of emergency is still ongoing in Romania, the Government is considering the economic aspects of the pandemic seeking to implement measures to strengthen the state’s economy. On the other hand, PSD is very active as the leading opposition seeking to overturn political balances within the Parliament and a dynamic comeback. It has been already assessed that time is in favor of PSD and that is why PNL was seeking to call early elections. COVID-19 pandemic was an imponderable which cancelled the President’s Klaus Iohannis and PNL efforts for early elections, but now PSD is reorganizing its policy. Political developments should be expected starting from mid June. Romania 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:** April 23<sup>rd</sup>, a session of the UN Security Council is taking place tomorrow, presenting the UNMIK report on Kosovo, and when asked what the position of the great powers, especially America, is, the President Aleksandar Vucic said he intentionally did not want to speak about the European Network of Transmission System Operators (ENTSO) and many others. “We are dealing with it and we will deal with it

*publicly. Tomorrow I will talk to the European representatives. If anyone thinks that it is time for someone to physically take Valac and Gazivode, I ask them not to,”* the President said, adding that Kosovo showed that everything that the Western powers needed was to make a decision, and that this would be done without much binding on contract law and international agreements. *“On the other hand, they do not care about the Community of Serbian Municipalities, they only wanted to put the transmission systems in Kosovo under their control - and they did it at all costs. However, this is another lesson for us and we have known this for years,”* he said, adding *“We will continue to protect our people, and we will tell them in person what we think of their decisions.”* On April 21<sup>st</sup>, 2020 the Continental Regional Group of Kosovo approved the connection of the Kosovo Electricity Distribution Network (KOST) to the European Network of Transmission System Operators (ENTSO), and Kosovo officials say that by voting and signing a new agreement to follow, KOST is gaining energy independence. Late last year, representatives of the Kosovo and Albanian electricity distribution networks - KOST and OST, signed a contract in Tirana to establish a joint energy system. In doing so, the Kosovo system, as Pristina claims, ended its dependence on the Serbian power grid. The agreement was signed in December with the approval of ENTSO, with the announcement that it will enter into force in April this year. As for our hospitals at Kosovo, Vucic said Serbia invests large amounts of money to support a number of people. (www.b92.net)

- April 24<sup>th</sup>, Serbian Foreign Minister Ivica Dacic told Friday’s remote UN Security Council session that the authorities in Pristina are not ready to

continue dialogue with Belgrade. *“We are just one step by Pristina away from that – the lifting of the tariffs and so-called reciprocal measures which annul everything that we have achieved since 2012,”* he said and recalled that the Community of Serb Municipalities which was agreed under the 2012 Brussels Agreement has not been formed yet. *“Serbia has shown its strong commitment to finding a compromise solution for Kosovo to secure lasting peace and stability,”* he said and added that official Belgrade reacted with moderation to *“all unilateral acts by Pristina.”* According to Dacic, the authorities in Belgrade hoped that last October’s elections in Kosovo and the new Government would be an opportunity for Pristina to change its attitude towards dialogue and show readiness to talk. *“We met with even more extreme views and a complete lack of readiness for dialogue, best seen in the program and decisions of Albin Kurti’s Government,”* he said. Dacic said that the political atmosphere in Kosovo has created a situation in which aid from Serbia to fight the coronavirus pandemic is being used for political goals and inappropriate accusations. He said that Serbia has taken steps to help the Kosovo Serbs during the pandemic and has expressed readiness to cooperate with the Albanians. *“We sent medical equipment, doctors and nurses and we said from the start that we are prepared to fully cooperate with the Albanians and institutions in Pristina to fight the pandemic,”* he said and added that the coronavirus patients being treated in Serbia include both Serbs and Albanians from Kosovo. *“I want to stress that we will continue providing the necessary aid in this hard time,”* he said. (www.rs.n1info.com)

- April 25<sup>th</sup>, *“elections will take place in Serbia once the country overcomes the coronavirus*



*epidemic,” the President Aleksandar Vucic said on Saturday. He said he would discuss the topic of elections with all those who had earlier said they would not take part in the run, adding that he has nothing to object if there is someone else not willing to run in the elections. “It is completely possible that some wish to use the dissatisfaction of people who are forced to stay at their homes, to be more disciplined, in order to get incomparably stronger support than they used to have,” said Vucic, commenting on media reports about the possible participation of the Alliance for Serbia in the elections. Speaking about economic indicators, Vucic said Serbia would be either first or the second in Europe in terms of the growth rate. “They are already decreasing salaries for public officials and public sector in the region, and we are not thinking about that at this moment,” said Vucic, adding that Serbia has significant reserves in money and gold stored at the National Bank. (www.rs.n1info.com)*

## **COUNTRY ASSESSMENT** :

*Serbian elections will be scheduled for coming June; most possible date the June 28<sup>th</sup>, 2020. The President, Aleksandar Vucic said that he will consult all party leaders whose parties will join the election. It is obvious that Vucic tries to show compromise and good will in an effort to prove that elections are free and fair. However, there are opposition leaders who ask for elections in autumn. It is assessed that a big part of Serbian opposition including Alliance for Serbia will boycott the electoral procedure. Vucic and his Government face more and more accusations of establishing an autocratic regime which violates media freedom and human rights, and lacks transparency and accountability. Serbia is in the*

*“microscope” of Western powers (namely the US and EU) due to increased activity of China and Russia which are seeking to put the country under their own sphere of influence. It is a fact that Serbia and Russia have developed very close relations, especially in the defense sector which concerns the EU and US. Serbia and Bosnia are the “vulnerable” and “fragile” links in the “security chain” of Southeast Europe since they do not belong to the Euro-Atlantic structures. Restart of dialogue with Kosovo is far since its newly elected Government collapsed and political uncertainty reigns in Pristina. Although the EU and US push for dialogue restart it is assessed that it is very difficult to see tangible results within the 2020 due to Kosovo political uncertainty and Serbian electoral period. 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:** April 20<sup>th</sup>, Brigadier General Robert Glavas pledged to work to secure the Slovenian Armed Forces (SAF) staffing and material resources as he formally took over as the Chief of the General Staff by accepting the SAF battle standard from his predecessor. Glavas said he was aware financial sources would be limited during the coronavirus epidemic and potential economic slowdown coming in its wake. However, he is optimistic with plenty of work in other areas, such as attracting new staff. Defense

Minister Matej Tonin said that during the past month, when Glavas served as interim Chief of the General Staff, he proved himself as a conscientious and exceptionally professional soldier who understood the SAF's needs and challenges. (www.sta.si)

- April 23<sup>rd</sup>, the opposition List of Marjan Sarec (Lista Marjana Šarca - LMS) plans to initiate a vote of no-confidence in Economy Minister Zdravko Pocivalsek over his role in the purchases of protective personal equipment. "We were constructive at the beginning of this Government's term, but we have been cheated. After the latest events it is clear that we will file a motion of no-confidence," LMS leader Marjan Sarec announced on social media. However, it seems like the no-confidence vote will not get the needed support from other opposition parties. The only party has expressed support to the proposal is the Left (Levica). Pocivalsek responded in social media saying he saw the upcoming debate in Parliament as an opportunity to "lay out all the evidence," including about how the Sarec Government had handled the crisis. (www.sta.si)

- April 23<sup>rd</sup>, Mayors of 23 border Municipalities have called on the National Assembly to back the activation of an emergency clause that grants soldiers limited Police powers to patrol the border, citing a likely mass spread of COVID-19 among migrants as the main reason. The Mayors argue the Army "is the only institution left with a sufficient number of equipped and trained staff to protect the southern border." They fear a larger number of infected people could enter Slovenia, since the virus is already present among migrants and a major spread among them will be impossible to prevent given their accommodation situation in Europe and Turkey. (www.sta.si)

## COUNTRY ASSESSMENT  :

*Politics are coming back in the forefront of Slovenian life. Opposition LMS has filed a motion of no-confidence against the Economy Minister Zdravko Pocivalsek over his role in the purchases of protective personal equipment but it aims to extend its no-confidence against all the Government. However, the Jansa Government is stable and it is unlikely the motion to be adopted. Pressure from border Municipalities for Army deployment is increasing due to security concerns. People are afraid of a potential COVID-19 spread among the migrants. The political forces are divided and it is doubtful if the Army will get Police powers. The Government is determined to overcome constitutional and legal restrictions deploying military forces without Police competencies. 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 Slovenian Armed Forces face problems mainly in the field of modern equipment and manning. The new Chief of Armed Forces took office focusing on their main problems; manning and equipment. However, he acknowledged that financial resources for defense sector are limited and there is no much that could be done. 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:** April 20<sup>th</sup>, Turkey's peacekeeping and security operations in Syria, Libya and the Eastern Mediterranean are still ongoing, Defense Ministry stated. During the cross-border operations in Syria, 63 terrorists were neutralized in the last 15 days, the Defense Ministry said. Turkey's determination in Syria to ensure the safety of its own borders and the Syrian people proceeds at full steam, the Turkish Defense Ministry said in a written statement. In accordance with Turkey's cross-border anti-terror operations in the Operation "*Peace Spring*" area, 53 YPG/PKK terrorists who tried to seize the area were eliminated in the last 15 days, the statement stated. Furthermore, 10 YPG/PKK terrorists who tried to infiltrate and carry out an attack in the Operation "*Olive Branch*" and Operation "*Euphrates Shield*" areas that are under the control of Turkish Military Forces were neutralized by the Turkish Army. "*In the Operation 'Olive Branch' and 'Euphrates Shield' areas, destruction of mines and Improvised Explosive Devices (IED), controlling the checkpoints, securing infrastructure and giving support for daily life continues to be carried out by our troops in order to ensure security and stability in the region,*" the statement continued. Highlighting Turkey's aim for ongoing cross-border operations to ensure the safety of its own borders and securing the lives of Syrian people, "*In accordance with situation in Idlib and Adana,*

*Astana, Sochi and Moscow agreements' requirements, we continue to be on the ground in order to prevent violations, ensure the cease-fire and safeguard the humanitarian aid,"* the Ministry statement said. Meanwhile, Turkish and Russian militaries held a fourth joint patrol in Syria's Idlib region as of April 15<sup>th</sup>, the Ministry also reported. The patrol covered the M4 highway, which links the cities of Aleppo and Latakia, and is part of the two countries' efforts to uphold a cease-fire agreement in the region. The Ministry also stated that the Turkish Armed Forces (TSK) also continue to carry out activities in Libya in accordance with the UN recognized right to provide training and assistance to the Tripoli-based Government of National Accord (GNA) in order to ensure Libya's territorial integrity, sustainable peace and stability. On November 27<sup>th</sup>, 2020 Turkey and Libya's GNA signed a bilateral memorandum after a meeting between President Recep Tayyip Erdogan and GNA Head Fayeze al-Sarraj that took place in Istanbul. The deal enables Turkey to secure its rights in the Mediterranean while preventing any fait accompli maneuvers by other regional states. The memorandum asserts Turkey's rights in the Eastern Mediterranean in the face of unilateral drilling attempts by the Greek Cypriot administration, clarifying that the so-called "*Turkish Republic of Northern Cyprus (TRNC)*" also had rights to resources in the area. Meanwhile, Ankara is currently carrying out hydrocarbon exploration activities in the Eastern Mediterranean with two drilling vessels, Fatih and Yavuz, along with the seismic vessels Oruc Reis and Barbaros Hayrettin Pasa in the same region. The Defense Ministry also stated that the Turkish Armed Forces continue to ensure the security of Turkey's drilling activities in the Eastern

Mediterranean with determination, with air and sea support. Turkey has the longest shoreline in the Eastern Mediterranean, making it a natural candidate for seeking reserves in the region in accordance with international law. The presence of the Turkish Cypriot “*government*” in Northern Cyprus also strengthens Turkey's hand as the country defends the rights of the Turkish Cypriots in the region and insists that their consent is needed for any type of drilling activities. (www.dailysabah.com)

- April 24<sup>th</sup>, Turkey's economy faces growing risks as it enters a downturn with dwindling reserves and a fragile lira, financial markets signaled on Friday, as data showed factories slowing due to the coronavirus outbreak. For the first time since the worst day of a currency crisis in 2018, the Turkish lira on Wednesday briefly breached seven lira to the United States dollar after the Central Bank slashed rates twice as much as expected. It stood at 6.97 at 11:42 GMT on Friday. Traders have pushed up the odds of a default on Government debt in the next 12 months, reflecting unease with a drop in the central bank's net reserves below 26 billion US dollars last week from more than 40 billion US dollars at the beginning of the year. Turkey faces the combination of high external debt of some 170 billion US dollars this year, an inability so far to secure a foreign funding source, and the rising costs of girding the economy for fallout from the pandemic. Central Bank reserves have thinned in large part because of state banks' market interventions to stabilize the lira that began more than a year ago but ramped up in recent months. The lira has fallen 14% so far in 2020. State banks have sold nearly 20 billion US dollars in interventions this year through mid-April,

according to Central Bank data and bankers' calculations. One trader said there were signs of heavy resistance by state banks at seven versus the dollar this week. Turkey has the fiscal capacity to spend more to absorb shocks in the economy, David Hauner at Bank of America Merrill Lynch wrote in a note. But it “*remains vulnerable to market volatility and a stronger dollar in particular with high external financing needs. A lack of policy clarity further holds back the credit profile,*” he said. Business confidence among Turkish manufacturers tumbled to 66.8 points in April from 99.7 a month earlier, Central Bank data showed. The bearish view was reflected in the capacity utilization rate, which dropped to 61.6% in April from 75.3%. The majority of automotive and textiles factories have halted production in part due to cancelled orders from Europe, Minister of Industry and Technology Mustafa Varank told an auto industry meeting. Trade, spending and consumer confidence - which hit a record low this month - have also stumbled since measures taken to slow the spread of the coronavirus have pushed Turkey's economy towards its second recession in less than two years. To curb a surge in cases of the COVID-19 disease, the Government has imposed partial stay-at-home orders, closed restaurants, cafes and schools, largely shuttered borders and slowed domestic movement. Weekly bank and credit card spending was 15.2 billion lira (2.2 billion US dollars) as of mid-April, down from 19.6 billion lira (2.8 billion US dollars) a month earlier, separate data showed. The risk of a default in the next five years is at 600 basis points and near an all-time high touched earlier this month, while the 12-month CDS traded at 438 basis points. Turkey's “*large external financing requirements, low foreign exchange reserves and*

*weak monetary policy credibility ... make it vulnerable to market sentiment, [and] we are seeing some stresses,”* Douglas Winslow, Fitch Ratings head of European sovereigns, said on Thursday. Shorter-term gauges of lira volatility rose on Friday to near one-year highs even while they fell in energy-producing EM currencies, like Russia's ruble and Mexico's peso, after a modest rebound in oil prices over the last few days. (www.aljazeera.com)

- April 26<sup>th</sup>, the Turkish Navy carried out operational readiness training in the Aegean and Eastern Mediterranean seas from April 22<sup>nd</sup> to April 24<sup>th</sup>, 2020 the Defense Ministry said in a statement on Sunday. According to the statement, 27 warships, maritime patrol aircraft, helicopters and unmanned aerial vehicles (UAVs) participated in the training. Meanwhile, frigates of the Turkish and Italian Navies also conducted a joint training session in the Eastern Mediterranean on April 23<sup>rd</sup>, 2020. “*TCG Salihreis and Italian frigate ITS V. Fasan operating in NATO Standing Maritime Group-2 and Turkish Navy units TCG Gaziantep and TCG Ruzgar have conducted maritime training at Eastern Mediterranean on April 23 2020,*” the Defense Ministry said. Last May, Turkish-flagged drillships began offshore drilling operations in areas off the coast of Cyprus. The areas fall entirely within the Turkish continental shelf registered with the UN and in permit licenses the Turkish Government in previous years granted to Turkish Petroleum, the country's national oil company. Turkey has consistently contested the Greek Cypriot administration's drilling in the Eastern Mediterranean, asserting that the so-called “*Turkish Republic of Northern Cyprus (TRNC)*” also has rights to the resources in the area. Greek

Cyprus unilaterally declared its Exclusive Economic Zone (EEZ), which Turkey says violates part of its shelf, particularly in Blocks 1, 4, 5, 6 and 7. (www.dailysabah.com)

## **COUNTRY ASSESSMENT** ■ ■ :

*Turkey's economy collapses and the risk of a potential default is high. The high external debt, an inability so far to secure a foreign funding source and the rising costs due to the COVID-19 pandemic exercise pressure on the economy. Although the Turkish economy still has the ability to react in an economic shock but it remains vulnerable in market's instability. The Government is trying to cover (or hide) the economic situation of the country by an ambitious external policy which includes multiple deployment of military forces and operations. Ambitious also armament projects highlight a growing economy, but the “truth is much bitter.” At the moment, the main national challenge is the economy's survival. Currently, Turkey is military engaged in several fronts such as Syria, Libya, Southeast Turkey and Iraq. Moreover, the Turkish Navy operates in the Aegean and East Mediterranean Sea. It is assessed that Turkish turn on US relations may be connected with the economic vulnerability of the country. Turkey continues to support actively the UN recognized Libyan Government aiming to maintain a permanent influence and presence in the Mediterranean Sea. Turkish military support is crucial for Fayed Al-Sarraj who enjoys the UN recognition in his fight against Field Marshall, Halifa Haftar. It seems that Haftar is losing ground by the Sarraj forces. 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 widely developed lately the “diplomacy of COVID-19” by sending tones of medical equipment to several countries (Serbia, Bosnia, Montenegro, Turkmenistan, Poland, Somalia, UK, Azerbaijan, Ethiopia, Afghanistan) promoting its power amid a health crisis. In Eastern Mediterranean and the Aegean Sea Turkey 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 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 Karamelas


## 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.*