

*JULY 22 - 28, 2019 – VOL. 2 - ISSUE 40*



**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.

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**ALBANIA:** July 23<sup>rd</sup>, Albanian Prime Minister, Edi Rama declared at today's meeting of the Socialist Party of Albania (Partia Socialiste e Shqipërisë – PS) national Assembly that he is ready to work with the opposition outside the Parliament, seeking a solution, but it should be done for Albania, not for their personal gains. *“The electoral reform, based on the OSCE/ODIHR recommendations, remains a joint challenge with the parliamentary opposition, which has its seat at the reform Commission, with the right to veto. This is the difference between us and them. They throw Molotov bombs and I gave them the right to veto us, and we are very proud that we are different on this point,”* Rama said. He added that the judicial reform will neither be discussed nor be negotiated. It can only be supported. As for the political agreement, Rama said that he is not willing to approve any agreement that can remove the ability of the judicial reform to investigate anyone. Rama admitted that within PS there are different voices, and the party's internal elections will start in September and will be finalized in January, with the Chairman of the Congress. According to Rama, the June 30<sup>th</sup> local elections were a victory of hope, civility, and the defeat went to the anti-state, chaos and mud-throwing forces. However, he admitted that the opposition's path during the first semester of this year is a wound for the country, and it is now a responsibility of the Socialists to heal it. (www.top-channel.tv)

- July 27<sup>th</sup>, French Ambassador, Christine Vasac, said that the political crisis in Albania cannot be resolved by foreign diplomats. However, she also mentioned the phone call between the French

President Emmanuel Macron and Prime Minister Edi Rama. *“You are right because it is the heated image that is being viewed by entire Europe. I cannot hide it that situation is that of a political crisis. I have no doubt that there are reasonable people from all levels, who are looking for a solution. You know pretty well that this situation cannot be resolved by foreign diplomats. The phone call between President Macron and Prime Minister Rama is also positive,”* she said. The Ambassador has commented about the stance of the Netherlands and Germany for bringing back the visa regime for Albanians. *“This is not completely finalized, because there is still time in October, and a lot of things can happen in October. You know and I am reiterating it. Albania, same as other countries in the region, has its place in the EU,”* she said. (www.top-channel.tv)

- July 27<sup>th</sup>, the President, Ilir Meta has returned the Government's law for territory planning and development, while he decreed three other laws passed by the Parliament. Meta decreed the law for protecting the fauna, after an agreement between the Ministry of Finances and the Albanian Development Fund with KfW Frankfurt Am Main, for supplying water to rural areas, and also the law for territory planning and development, since, according to him, has not been consulted with the other Ministries that have direct connections. (www.top-channel.tv)

## COUNTRY ASSESSMENT   :

*Political crisis remain active in Albania since the Government and opposition cannot start a dialogue for deescalating tension. Moreover, the President Ilir Meta and the Government are in an*

open confrontation seeking to undermine one another. Local elections held on June 30<sup>th</sup>, 2019 are rejected by the opposition maintaining a tense situation. President Ilir Meta proposed presidential and local elections on October 13<sup>th</sup>, 2019 in an effort to resolve current political crisis, but Prime Minister Edi Rama has rejected the date. The country has entered in an endless crisis undermining its democratic function according to the European values and standards. In other words, Albania is under a political and constitutional chaos. Such situation strongly affected Albania's EU perspective. Combination of political instability, ties between politics and organized crime, and corruption made the EU to postpone the opening of accession negotiations for Albania for the near future. According to the Enlargement Commissioner, situation will be re-examined by October 2019. Rama's Government collapse and snap elections is a possible scenario. The Government is accused of having links with organized crime and current situation raises questions over the power of "Albanian mafia" in the country and its influence in state's politics. Undoubtedly, corruption and organized crime remains the most significant state's problem undermining its strategic goal of opening accession negotiations with the EU. The EU closely monitors progress of reforms especially in justice sector. Albania monitors Kosovo – Serbia negotiations and definitely has a role as a "mother nation." The state maintains its leading role in the Albanian world providing guarantees and support to Albanian population in the region namely Kosovo, Serbia, Montenegro, and North Macedonia. In this context, the Albanian Prime Minister and his Government work on promoting

Kosovo interests in international community using any forum they have access.



## **BOSNIA & HERZEGOVINA:**

July 25<sup>th</sup>, Bosnia still not having a new Government since the October 2018 election is a "handicap" which puts the breaks on many of the country's processes, EU Special Representative, Lars-Gunnar Wigemark, told N1 on Thursday. Bosnia does not have a Government mostly because its newly elected leaders keep arguing whether the country should be joining NATO or not. "The handicap is that the Council of Ministers and the Government at the FBiH [Federation, one of Bosnia's two semi-autonomous regions] level are not formed, so it is difficult to pass decisions. Only technical decisions can be made," he said. He argued that the longer this goes on, the longer Bosnia will need to take the necessary steps forward. It is up to Bosnia's political leaders to find a consensus, he said. "My suggestion is to focus on what they agree on, which, at least, is the EU integration process," he pointed out. Wigemark emphasized that the entire infrastructure in Bosnia needs to be improved, especially regarding transit, since the roads are bad and that takes its toll on the economy. He also spoke about excise taxes, which Bosnia's authorities raised last year, saying that citizens have the right to demand transparent disclosure of the data on how much was gathered from institutions. "About 30 million Bosnian Marks are being collected, they are kept in a special sub-account as stipulated by law," he revealed, adding that the EU is monitoring how that money is being spent. Wigemark also commented on the state of Bosnia's judiciary,

saying that it needs to be strengthened, as well as the rule of law. Bosnia's top judicial institution, the High Judicial and Prosecutorial Council (HJPC), should be independent, he said. But he also explained that it is *"a problem to find an institution deprived of any political influence,"* as *"politics have entered the entire system."* The first thing Bosnia needs to do is to finally form a Government, he said. (www.ba.n1info.com)

- July 26<sup>th</sup>, the Chairman of the Presidency of Bosnia and Herzegovina Zeljko Komsic met with Representatives in the Parliament of Croatia and President of the Party New Politics (Nova Politika) Vlaho Orepic on Thursday. Interlocutors talked about a series of open issues between Bosnia and Herzegovina and Croatia, among which the need to renew talks between members of the Presidency of Bosnia and Herzegovina, as an institution with the constitutional powers to conduct foreign policy, and high officials of Croatia in order to address the open issues of the two countries, with a focus on resolving demarcation at sea. The need for dialogue and agreed solution of this, as well as all other open issues in the relations between BiH and Croatia, was highlighted. During the meeting, it was agreed that Croatia has undisputable right to build Peljesac Bridge, but with the necessity of demarcation of the sea between two sovereign and friendly states, respecting sovereignty and territorial integrity of Bosnia and Herzegovina without threatening all rights under the UN Convention on the Law of the Sea that it has. In addition, they also discussed other open issues between the two countries, such as the border issue at the river Una, the use of the reservoir of Busko Lake, the question eventual disposal of

radioactive waste along the border of Bosnia and Herzegovina at the location of Trgovska Gora in the Republic of Croatia, and the question of the undisclosed property of BiH in Croatia. In addition, they also talked about NATO perspectives of Bosnia and Herzegovina, as well as the need for cooperation on security issues for Bosnia and Herzegovina and Croatia, such as the migration crisis. (www.sarajevotimes.com)

- July 26<sup>th</sup>, President of Croatian Democratic Union of Bosnia and Herzegovina (Hrvatska Demokratska Zajednica Bosne i Hercegovine - HDZ BiH) party Dragan Covic, after the session of the HDZ Presidency, spoke about the formation of Government at the state, entity and cantonal level. *"We have all the prerequisites for the formation of the Council of Ministers since last five months, but nothing will be done until September 14<sup>th</sup>, when the SDA Congress will be held,"* Covic said, adding that the SDA would speak more transparent about the Government. When it comes to the Federal Government, he gave Prime Minister Fadil Novalic and Deputy Jelka Milicevic to make a program of the future Government and to put the Electoral Law as the first item. *"They will not deal with the Election Law because it is not their job, but it is the first point of this package of reforms to establish the Federal Government. They have worked together for four years, it is reasonable for them to come up with the most credible and more meaningful program for the next four years,"* he said adding that nothing would happen before September when it comes to establishing a Government, News Agency Patria reports. (www.sarajevotimes.com)

**COUNTRY ASSESSMENT**  :

**ISSN: 2654-0304**

*Political instability and uncertainty continues in Bosnia because it has not formed a Government since October 7<sup>th</sup>, 2018 general elections. The three main parties representing the three constituent entities (Bosniaks, Serbs, Croats); HDZ (Bosnian Croatian party), SDA (Bosnian Muslim or Bosniak party), and SNSD (Bosnian Serbian party) although they have reached an agreement to cooperate in forming a Government, it seems that they still cannot overcome Bosnia's accession process towards NATO. Country faces several functional and institutional problems. Consequently political fragility maintains permanent uncertainty and institutional mistrust blocking any attempt for economic growth and major reforms. Croatia and Serbia keep on intervening in Bosnia's internal affairs destabilizing the state. Of course, both entities (Croats and Serbs) take in advantage "Dayton Peace Agreement" weaknesses and malfunctions. Russia pays special attention in Serbia and Bosnia in order to maintain an influence in the region. Bulgaria, Romania, Croatia, Slovenia, Albania, and Montenegro have already entered NATO, while North Macedonia would join the Alliance within 2019. These two countries (Serbia and Bosnia) are the only "vehicles" for Russia to maintain a narrow influence in Southeastern Europe. Apart from external influence and intervention the country has to confront several internal "threats" which undermine its sovereignty, cohesion, and viability. EU path is too far for Bosnia and only for geopolitical interests it could have chances entering the EU. Election of ultra nationalist pro-Russian Serb Milorad Dodik in the tripartite Presidency is a strong sign of more nationalistic rhetoric and more obstacles towards Bosnia's EU and NATO*

*(mostly) integration. Dodik is a person who does not actually believe in B&H viability and is expected to promote (actually, he has already started) his own political agenda. Bosnia faces a significant problem of illegal migration which may lead in new disputes between state's ethnicities. Saudi Arabia, Iran, Turkey, and other Muslim countries approach the country mainly through "investments" and/or funding ethnic or religious groups according to their interests.*



**BULGARIA:** July 26<sup>th</sup>, Clarity is awaited on what the split in ultra-nationalist coalition the United Patriots means – if anything – for the future of Bulgaria's ruling majority. On July 25<sup>th</sup>, 2019 two of the parties in the United Patriots voted to expel Ataka (Attack) leader Volen Siderov and two of his closest party allies from the parliamentary group, a move that came after months of open bitter infighting. When Citizens for European Development of Bulgaria (Граждани за европейско развитие на България – GERB) party leader Boyko Borissov formed his third Government in 2017, the number of seats won by the United Patriots provided the number – 122 out of 240 MPs – to secure a ruling majority. The coalition Government agreement of the time provided that the third Borissov Government should, unlike his first two, serve out a full term in office. Notably, the move against Ataka saw four of the MPs from its quota in the United Patriots group not expelled. One question is whether the remaining four will leave in solidarity with Siderov. Another question is whether Siderov and his MPs will continue – generally – voting with the Government (on some issues, Ataka has opposed the Government; a

prominent recent example being their rejection of the F-16 deal). ([www.sofiaglobe.com](http://www.sofiaglobe.com))

- July 26<sup>th</sup>, the National Assembly rejected the presidential veto on the F-16 fighter jets contract. After two hours of debate, with 128 votes, Parliament rejected the President's objections to the ratification of the treaty. At the beginning of the debate Rumen Gechev of the Bulgarian Socialist Party (Bulgarska Sotsialisticheska Partiya - BSP) suggested that the President's veto has been supported and that the purchase of the fighter jets has been discussed again. He commented once again on the cost of fighter jets, pointing out that it is extremely high, and that the deal has hidden costs. Prepayment of aircraft is a very serious expense for a country like Bulgaria, pointed out Gechev. The deal for the purchase of US F-16 aircrafts has been finally voted by Parliament after President Rumen Radev vetoed it, but the Defense Commission overcame it. The four contracts for the purchase of new fighters and ammunition needed for them were ratified by Parliament at first and second readings on July 19<sup>th</sup>, 2019 after nearly 5 hour debates. The purchase of the new aircraft split the United Patriots, and so IMRO – Bulgarian National Movement (VMRO - Bulgarsko Natsionalno Dvizhenie) together with GERB and Movement for Rights and Freedoms (Dvizhenie za Prava i Svobodi – DPS) backed the deal, and the National Front for the Salvation of Bulgaria (Natsionalen Front za Spasenie na Bulgaria - NFSB) and ATAKA (Attack) plus Volya (Воля) declared themselves against the state to make that expense now. Radev vetoed the ratification of the contracts for the purchase of the new fighters last week. In his

motives, the Head of state pointed out that there is lack of consensus on the subject and there are sharp disputes in the National Assembly. The President also specified a sharp increase in the budget deficit as a result of the deal, as well as the fact that the law was adopted “*on the fast track*.” MPs will have the final say in accepting the deal for US aircraft. ([www.novinite.com](http://www.novinite.com))

- July 27<sup>th</sup>, Bulgaria's Parliament adopted on July 26<sup>th</sup>, 2019 at second reading the amendments to the Military Intelligence Act that provide for either a civilian or a military officer to hold the post of Head of Military Intelligence, reports BNT. The draft law provided for the Director of the Military Information Service, the oldest Bulgarian intelligence service, to be a civilian person. At first reading, the Government was sharply criticized for tailoring the law to benefit a particular person. President Rumen Radev, who believes that the military intelligence Chief must necessarily be military and have the necessary expertise, experience and professional training, was also against the decision. Before changes, the law required that the person in this post should have military service and a senior rank. ([www.novinite.com](http://www.novinite.com))

## COUNTRY ASSESSMENT :

*Junior partner of the ruling coalition, United Patriots proved once again that it is the vulnerable and unpredictable piece of the inter-governmental stability. Announcement that the ultra-nationalist coalition has split expelling Ataka party and its leader Volen Siderov raises questions for Government's majority and ruling coalition viability. It is assessed that the Government will remain “alive” enjoying support*



*of Ataka MPs, however there is concern for the Government's future. Thus, Bulgaria has entered in a period of fragile political situation. After European elections, opposition BSP appears weakened facing internal problems. The country strengthened its efforts towards entering the Eurozone achieving a positive decision of the Eurogroup. However, the EC made clear that Bulgaria could not enter the Eurozone before 2022. Apart from that the European Parliament adopted a resolution for the accession of Bulgaria (and Romania) in Schengen Zone. However, it is questioned if the European Council will receive a unanimous final decision for Bulgaria under the current migration pressure. Corruption and organized crime remain significant obstacles and should be addressed decisively. Although modernization of Armed Forces is a top priority for Bulgaria and huge armament projects are ongoing (fighter jets, armored vehicles, vessels etc) military operational capability of the state is questioned especially in the Air Force. Bulgarian Armed Forces are far from NATO standards. The latest report on defense situation confirmed the major problems the Bulgarian Armed Forces are facing. Security situation stable; no major threats.*



**CROATIA:** July 22<sup>nd</sup>, following the significant cabinet reshuffle that took place late last week, five new Government Ministers officially took control over their respective Ministries. Vesna Bedekovic was among the first on Monday to take control over the Ministry of Demographics, Family, Youth and Social Policy, from outgoing Minister Nada Murganic, and she said she would continue with the plan set out by her predecessor. Also taking up their new

positions were Agriculture Minister Marija Vuckovic, State Assets Minister Mario Banozic, Regional Development and EU Funds Minister Marko Pavic, and Labour and Pension System Minister Josip Aladrovic. Foreign and European Affairs Minister Gordan Grlic Radman and Public Administration Minister Ivan Malenica had earlier taken up their new positions. Prime Minister Andrej Plenkovic said the cabinet reshuffle would intensify the Government's program of achieving economic growth, social solidarity, legal security and the strengthening of Croatia's international position. ([www.glashrvatske.hrt.hr](http://www.glashrvatske.hrt.hr))

- July 27<sup>th</sup>, Croatia has received unofficial information from the European Commission (EC) that it has met all technical requirements for accession to the Schengen area, Vecernji List newspaper said on Saturday, citing diplomatic sources. Zagreb has received signals from the EC that the evaluation of the last of the eight chapters of the Schengen acquis will pass well, the newspaper said. An official confirmation of Croatia's readiness is expected most likely in the second half of September, after the Commission's summer recess. In order for Croatia to actually join the passport-free travel area, the decision needs to be approved by the Council of the EU that is all the member states. Membership of the Schengen area is one of Croatia's foreign policy priorities. Prime Minister Andrej Plenkovic has set his Government the target for Croatia to join the area by 2020, when the country assumes the rotating six-month presidency of the EU. Vecernji List noted that the path to Schengen membership may not be easy despite the green light from the Commission, as shown by the cases of Romania

and Bulgaria which have met the criteria but are still kept out for political reasons. Croatia could face obstacles from Slovenia, which has hinted on several occasions that it may make its consent conditional on Croatia's acceptance and implementation of the border arbitration ruling. The newspaper said that Schengen would also be one of the topics discussed by Prime Minister Andrej Plenkovic and the new European Commission President Ursula von der Leyen during her visit to Zagreb on Tuesday. (www.hr.n1info.com)

- July 27<sup>th</sup>, new Foreign Minister Gordan Grlic Radman said Croatia is a friend to all the countries on their journey to the EU and that it should encourage the solving of all outstanding issues with its neighbors, both those with a European perspective and with Slovenia concerning the border arbitration. Speaking of outstanding issues between Croatia and Slovenia, he said on national radio that both countries joined the EU without resolving the border dispute. *"I have a feeling we could put it on the agenda again, bilaterally, so that both countries have a win-win situation,"* he said. Asked if Croatia should push for resolving the bilateral issues with its neighbors before they were invited to join the EU, the Minister said it is in Croatia's *"interest to close all bilateral issues, notably because of our past."* He said it is necessary to resolve with Serbia the issue of those who went missing during the war. *"We cannot expect it to resolve itself, we need dialogue,"* he underlined. Speaking of Bosnia and Herzegovina, the Minister said the *"principle under which the Bosnian, Croat and Serb people are equal and constituent must be retained and reflected in the*

*election of the Presidency."* He said that as a member of NATO and the EU and in the context of its chairmanship of the Council of the EU next year, Croatia had a responsible role in encouraging the solving of all outstanding issues. *"Croatia is the biggest supporter of enlargement and a friend to all the countries on the journey to the EU,"* he reiterated, adding that it is necessary they meet all the requirements. The Minister went on to say that the recent death of Croatian soldier Josip Briski in Afghanistan would not change Croatia's NATO policy. He said Croatian interests does not end only at physical borders, and that *"Croatia is not somewhere on the side but is involved in international obligations."* As for the new European Commission President Ursula von der Leyen's visit to Croatia next week, the Minister said Croatia *"must not be indifferent to that but emphasize it and say that it is among the top three EU countries."* He said the visit is also a sign of respect for Prime Minister Andrej Plenkovic, who was an EPP negotiator on leading positions in the EU. (www.hr.n1info.com)

## COUNTRY ASSESSMENT :

*The country enjoys political stability and support from EU towards its Eurozone goal. Prime Minister, Andrej Plenkovic reshuffled his Government aiming at giving some "fresh air" in the cabinet. Croatia follows a tough regional policy with neighboring countries, but its new Foreign Minister Gordan Grlic Radman claimed that Croatia seeks resolution of all problems with its neighbors. Unofficial sources claim that the country has fulfilled all Schengen zone criteria and it is a matter of time (during September 2019) to officially announced. It implements a policy of*

*Armed Forces' modernization trying to form a reliable and well equipped force according to NATO standards. Failure to complete successfully the purchase of a modern fighter jet maintains a long period of an ineffective and weak Croatian Air Force. Needless to say, that Croatia mourned the loss of a soldier in NATO military mission in Afghanistan.*



**CYPRUS:** July 23<sup>rd</sup>, President Nicos Anastasiades has offered additional assurances to the Turkish Cypriots on safeguarding their share of the proceeds from hydrocarbons when Cyprus talks are in their final stage, it emerged on Tuesday. Assurances were contained in his response to Turkish Cypriot leader Mustafa Akinci's proposal for a joint committee to handle the issue of hydrocarbons so as to reduce tensions due to Ankara's drilling in Cyprus's Exclusive Economic Zone (EEZ). The response was sent to Akinci, the UN Chief and the EU leadership. The response was handed over through the UN, he said, adding that Akinci would raise the issue again when the leaders meet on August 9<sup>th</sup>, 2019. In the meantime, Government Spokesman Prodromos Prodromou said later on Tuesday that UN special envoy Jane Holl Lute wished Anastasiades during a telephone conversation good luck on his meeting with Akinci and wished him a speedy recovery. They agreed to be in contact after the meeting, Prodromou said. Turkish Cypriot "presidential spokesman" Baris Burcu said Anastasiades' arguments against Akinci's proposal, were unconvincing. He cited the reminder from Anastasiades that the convergence between former leaders Mehmet Ali Talat and Demetris Christofias that hydrocarbon

activities would be a federal competence after a comprehensive solution and would then be handled jointly, and also that the Turkish Cypriots' rights to hydrocarbons and joint management had been accepted by the Greek Cypriots as a given post-solution. But Burcu said the convergence itself was incompatible with Akinci's current proposal. *"There is still no agreement on a comprehensive solution to the Cyprus problem, nor a federal structure or a joint federal administration so there is no mechanism for centrally managing hydrocarbons and other natural resources,"* he said. Burcu also referred to Anastasiades' reference that legislation has already been passed by Parliament for the creation of the hydrocarbons' fund that takes into account the rights of the Turkish Cypriots. *"This is not convincing,"* said Burcu. *"We want it to be understood that Turkish Cypriots should participate in all phases of hydrocarbons' operations and have a say in the procedures. If a fund is created, this is something that should be decided together,"* he added. *"One-sided decisions and creating funds by excluding the Turkish Cypriot side do not give us a sense of guarantee because our rights cannot be left to the mercy of the Greek Cypriots,"* he added. Akinci, he said, would discuss all of this at the informal meeting of the two leaders on August 9<sup>th</sup>, 2019. *"We believe that it is a priority for all to eliminate the climate of tension that exists and open the door to actions that will benefit all sides in Cyprus,"* Burcu said. Later in the day, CNA, citing sources, said the Greek Cypriot side was ready to provide additional assurances as regards the proceeds Cyprus talks entered their final stage. ([www.cyprus-mail.com](http://www.cyprus-mail.com))

- July 26<sup>th</sup>, the Foreign Ministry on Friday welcomed the renewal of UNFICYP's mandate, a statement said about the resolution adopted on Thursday night. The Ministry said that the resolution made reference to all the past resolutions on the island, and the Cyprus problem. The Ministry added that resolution also makes note of the military infringements taking place in the buffer zone. Commenting on the issues in Strovilia, where the Turkish Army has encroached the buffer zone, the Ministry said that the UN had requested in the resolution that the status quo be restored in the area as it was on June 30<sup>th</sup>, 2000. Nicosia is satisfied with the renewal of the UNFICYP mandate for another six months, Cyprus' UN Permanent Representative Andreas Mavroyiannis said on Thursday night, after the UN Security Council approved the relevant resolution. The UN Security Council unanimously adopted resolution 2483 renewing until January 31<sup>st</sup>, 2020, the mandate of the United Nations Peacekeeping Force in Cyprus. (www.cyprus-mail.com)

- July 28<sup>th</sup>, Nicosia aims to use all diplomatic means at its disposal so that Turkey can be convinced that situation it is creating by drilling in Cyprus' Exclusive Economic Zone (EEZ) is not sustainable, Government Spokesman Prodromos Prodromou said. Speaking at a memorial service for an EOKA hero, Prodromou said the focus of Monday's visit by Greek Prime Minister Kyriacos Mitsotakis, would be reaffirming Nicosia and Athens common course on the Cyprus issue. It was particularly important as it would be Mitsotakis' first visit as Prime Minister and coincides with a critical period when it comes to the challenges Cyprus and Greece are

both facing, he said. The Greek Prime Minister will be accompanied by the Foreign, Energy Ministers, and the Spokesperson. Prodromou said it was no coincidence that President Nicos Anastasiades was seeking to resume talks, *"unfortunately without any response from the Turkish side, for two years now."* Asked about possible timetables for a new process, the Spokesman said it was not an issue of timetables but of political will. *"If there is a political will from Turkey, the time will be shortened. What is constantly lacking is Turkey's political will,"* he said. Prodromou said the period from August 9<sup>th</sup>, 2019 until the UN General Assembly in September in New York when the leaders are expected to meet UN Secretary-General Antonio Guterres, *"will be decisive."* Asked whether Guterres' Special Envoy Jane Holl Lute would visit Cyprus during this period, Prodromou said *"most likely."* *"We hear daily from the Turkish side and from the occupied areas, unfortunately, that negotiations cannot start from where we left off [in Crans-Montana]. This is because they are pursuing another solution and they are not saying it,"* Prodromou said. *"Our aim is to use all the diplomatic means by which Turkey can be persuaded to realize that this state of affairs, which it tries to create arbitrarily, is no longer sustainable and that is finding itself in deeper isolation in the region,"* he added. (www.cyprus-mail.com)

## COUNTRY ASSESSMENT :

*Cyprus has reached a deadlock in the ongoing crisis with Turkish invasion of drillship Fatih (while the second one Yavuz is also ready to start drills) within its EEZ. Fatih is there almost five*

months, while Turkish administration declares that offshore drilling will continue until an agreement between Greek Cypriot and Turkish Cypriot communities will be reached regarding exploration and exploitation of gas. In other words, Turkey's objective goal is to force (by the presence and activity of drill ships) Cyprus to compromise reaching an agreement with the occupied north part. Cypriot party leaders unanimously rejected leader of the Turkish Cypriot community Mustafa Akinci's proposal for co-management of hydrocarbons to the Cypriot administration and the UN. On the contrary, President Nikos Anastasiades offered more assurances to the Turkish Cypriots on safeguarding their share of the proceeds from hydrocarbons when Cyprus talks are in their final stage. Despite international calls to Turkey for abandoning its plans of violating the Cypriot EEZ and its sovereign rights, Turkish actions remain "unanswered." Cyprus is trapped failing to act decisively and effectively for protecting its sovereignty. Actually, Cyprus is trapped because it does not have a mechanism of power (military, diplomatic, economic etc) to force Turkey to withdraw its ships. Cyprus lacks of naval and air forces which could deter Turkey of violating Cypriot sovereign rights, while Greece appears reluctant in sending naval units in the region showing presence and exercising deterrence. The EU prepared a draft with sanctions against Turkey but the latter rejected them claiming that it will continue its activity. Turkish message is very clear; we are present in Cyprus, we are present in the energy "game" and nothing works leaving Turkey aside. In other words, energy security includes Turkey; otherwise eastern Mediterranean is not a stable and secure sea. A

"hot" incident cannot be excluded. Despite current situation, Cyprus works systematically in order to become a major part of the East Mediterranean energy hub. It is favored not only by its natural gas deposits, but also by its strategic position in the "heart" of East Mediterranean Sea and of course of being an EU member state. The strategy of multilateral cooperation seems to be fruitful. Cyprus seeks to negotiate and reach agreements with its neighboring countries regarding their EEZ expanding maritime cooperation and energy security. Turkey looks like being isolated from the energy game and its current aggressive reaction is attributed to this situation. It is certain that Turkey will not accept "fait accompli" in a region considered as part of its strategic interests. Cyprus improved its bilateral relations with the US, strengthened its defense cooperation with France, UK, and lately develops its defense and security relations with Germany. One could say that Cyprus strengthens defense cooperation with NATO leading countries. The US senate voted on the abolishment of the arms embargo in Cyprus but the term of forbidding Russians vessels from using Cypriot ports may create more problems than it would solve. 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:** July 22<sup>nd</sup>, speaking ahead of a vote of confidence in Parliament on Monday, Foreign Minister Nikos Dendias sought to send a message to Turkey over its increasingly



aggressive tactics in the region. “*Greece does not tolerate threats of war,*” Dendias said. “*It is guide is respect for international law,*” he said. “*For us, it is self-evident that there should be a stop to the drilling,*” he said, referring to Turkey's illegal prospecting for hydrocarbons in Cyprus's Exclusive Economic Zone. Greece is closely cooperating with the Cypriot Government on the matter, Dendias said, adding that Prime Minister Kyriakos Mitsotakis is to travel to Nicosia next week. (www.ekathimerini.com)

- July 22<sup>nd</sup>, Prime Minister Kyriakos Mitsotakis' conservative Government won a vote of confidence Monday following a three-day debate on the administration's policy statements. A total of 158 MPs backed his Government while 142 voted against it. Mitsotakis' New Democracy (Νέα Δημοκρατία – ND) party comfortably won a snap general election on July 7<sup>th</sup>, 2019 capturing 39.9% of the vote to 31.5% for the Alexis Tsipras' Coalition of Radical Left (Συνασπισμός Ριζοσπαστικής Αριστεράς – SYRIZA) party. (www.ekathimerini.com)

- July 28<sup>th</sup>, Athens is observing with concern as Turkey continues to plan to prospect for hydrocarbons south of the Greek island of Kastellorizo despite warnings from the EU of sanctions over its drilling off Cyprus. The Turkish Petroleum Corporation, known by its acronym TPAO, has lodged a request with the leadership of the Turkish Navy to conduct seismic research in an area stretching from the south of Rhodes to beyond Kastellorizo after August 15<sup>th</sup>, 2019. By then, the mission of the Turkish Oruc Reis research vessel in the Sea of Marmara will have been completed and it is deemed likely that it will move to the Eastern Mediterranean toward the

end of next month, as Ankara has already indicated. Greek defense and diplomatic officials are observing Turkey's maneuvering in the Eastern Mediterranean with growing concern, though the Government has repeatedly issued warnings to Ankara, stressing that it is more than ready to defend its territorial integrity. However, the sense among diplomatic and defense circles in Athens is that Ankara will proceed with plans to dispatch a fourth vessel to the region. Apart from the Yavuz and Fatih drillships, the Barbaros seismic research vessel is also operating in the area. The arrival of the Oruc Reis would be seen as an additional step in Ankara's attempt to corner Cyprus and prevent it from its own plans to drill for hydrocarbons in its Exclusive Economic Zone. The big question for Greek diplomats is to whom Athens can turn to in the event that Ankara decides to escalate tensions. Despite a clear statement by the US Secretary of State Mike Pompeo to Dendias that lines of communication between Athens and Washington are open, the precarious state of current ties between the US and Turkey are anything but reassuring. This instability has prompted Greece to seek to strengthen ties with other key players in the region, such as Israel, which Dendias visited over the weekend. (www.ekathimerini.com)

## COUNTRY ASSESSMENT :

*The new conservative Government looks well prepared for taking over power in the country. Ministers have presented immediate responses to sensitive fields such as security, healthcare, foreign affairs, and education. The new majority Government ensures political stability in a “strange” time period that security, diplomatic,*

*and economic issues challenge Greek administration. Greek – Turkish relations are in a critical point due to Turkey's decision to violate Cypriot Exclusive Economic Zone (EEZ) aiming at conducting oil and gas drills. Moreover, Turkey maintains a hard rhetoric against Greece regarding its territorial and maritime sovereign rights. Greece is concerned due to Turkish intention to search for hydrocarbons within its EEZ near to Kastelorizo region. The critical question is "how Greece would react if a Turkish drillship would appear in its territorial waters." It should be noted that situation may be escalated rapidly especially after the touristic season (end of September – mid October). Moreover, a crisis to Cyprus means a crisis to Greece forcing Armed Forces to deploy military, naval, and air units. Taking into consideration that Cyprus lacks of naval and air power it is Greece which will support the small and vulnerable island located in the East Mediterranean heart. Turkish fighter jets keep on violating Greek airspace. Strengthening of military cooperation between Greece and the US upgrades Greece's strategic role in Eastern Mediterranean and Middle East as a western (US, EU, NATO) forward military base. Furthermore, Greece seeks to modernize its Armed Forces by receiving US military aid. It is a fact that Greek military force has been affected by the long economic crisis threatening the balance of power with Turkey. Security situation is of high risk due to an accidental or preplanned incident by Turkey and the complicated current situation in Cypriot EEZ (not likely within the summer touristic period).*



**KOSOVO:** July 22<sup>nd</sup>, early elections will be held in Kosovo on September 8<sup>th</sup>, 2019 the KoSSev news portal said quoting sources in the Kosovo Presidency. Unnamed presidency sources told the Kosovo state TV (RTK) that President Hashim Thaci decided to call the elections for early September following the resignation of Prime Minister Ramush Haradinaj. The Prime Minister resigned late last week after being summoned to appear before the UN war crimes tribunal in the Hague as a suspect. Haradinaj told Radio Free Europe that holding elections within the two month deadline set by law is important. He said he was drafting letters of resignation to be sent to President Hashim Thaci and Parliament speaker Kadri Veseli. Haradinaj said the 100% tariffs on Serbian goods should not be revoked before Kosovo and Serbia recognize each other. (www.rs.n1info.com)

- July 25<sup>th</sup>, Kosovo's President Hashim Thaci will begin consultations next week to overcome situation created by resignation of Prime Minister Ramush Haradinaj. The President will take all necessary actions in accordance with his competencies, as established by the Constitution of Kosovo, the Kosovo Presidency has said. "The president assures all citizens that any action will be in accordance with the Constitution of Kosovo. Beginning next week, consultations with political parties and coalitions will begin to take further steps that will overcome situation created by the resignation of the Prime Minister," the statement said. It was added that "the constitutional mandate of the President of Kosovo is paramount in ensuring respect of the principle of separation of powers and in safeguarding security of

*constitutional and legal order in the country.”*  
(www.balkans.aljazeera.net)

- July 26<sup>th</sup>, Kosovo Prime Minister Ramush Haradinaj, who returned from The Hague on Thursday evening to Pristina, has scheduled a session of the Kosovo Government today, Fena reported, citing RTK2. As soon as he returned, he wrote to social media that his innocence cannot put into question and that no abuse could undermine Kosovo's sovereign right. *“Kosovo’s borders should not concern anyone. Dodik’s Republic cannot be imposed on Kosovo. Recognition of market means recognition fee. Unconditional dialogue, immediately,”* Haradinaj wrote. He also added that he would not allow a vacuum in power because Kosovo cannot bear such consequences. *“I urge parties which think otherwise to address the Constitutional Court. Whatever the decision of the Constitutional Court is, I will respect it,”* Haradinaj added. Haradinaj resigned last Friday, following a call for an interrogation as a suspect by Prosecutors at the Specialist Chambers for war crimes in The Hague. He asked the President of Kosovo, Hashim Thaci to set a date for early elections. All major parliamentary parties in Kosovo have already declared themselves in favor of early elections. (www.balkans.aljazeera.net)

## **COUNTRY ASSESSMENT** :

*Rapid political developments in Kosovo due to Prime Minister Ramush Haradinaj’s resignation. Haradinaj has been summoned before the Kosovo Specialist Chamber based in Hague. It is widely spread that early parliamentary elections will be announced for September 8<sup>th</sup>, 2019. President Hashim Thaci will start next week consultations*

*with parliamentary parties. Kosovo keeps tension with Serbia in high levels excluding any chance for restarting Belgrade – Pristina talks. Ban of Serbian officials to enter north Kosovo populated mostly by Serbs, Police operation in the north arresting Serbs, 100% tax on Serbian and Bosnian products, Kosovo Assembly resolution that Serbs committed genocide during 1998-1999 war, establishment of Kosovo Army, request for a special Court for Serbs undermining any possibility of negotiations with Serbia. As long as the EU (namely Germany) and US “spoil” Kosovo allowing it to act beyond accepted rules and international laws and agreements there is no chance of a peaceful mutual accepted resolution of the Kosovo case. There is a sense that the EU does not actually seek progress in the dialogue process between Serbia and Kosovo. Pristina does not hesitate to escalate tension even with an armed conflict. Kosovo President, Hashim Thaci stated that his state could be unified with Albania including parts of south Serbia (Presevo, Bujanovac and Medveja). Such statements are not only immature, but also put under risk peace and stability in the region. Thaci openly speaks for border change and more specific violent change. Only through normalization of relations with Serbia, Kosovo will be able to move forward namely to enter the UN, NATO, EU and to achieve a normal status of a state. Kosovo lacks determination over its critical reforms which will establish in the country rule of law and modern functional administration. Path towards the EU and NATO will be long and hard. Kosovo seeks its Army to be operating all over the country pushing NATO towards such direction. The presence of Kosovo Army in the north it is*



*assessed of high security risk which may lead in armed violence.*



**MOLDOVA:** July 24<sup>th</sup>,

implementation of concrete environmental and water protection projects, education, culture, healthcare, internal affairs and cross – border cooperation, public finances, energy interconnection, and telecommunications, including the implementation of the 100 million euro assistance program provided by Romania to Moldova, were the subjects of the discussions of the delegations of Moldova and Romania at the meeting of the inter-ministerial working group, which carried out its work in Bucharest, the MAEIE's public diplomacy, strategic communication and media interaction service has reported. Starting with the priorities of Moldova and in accordance with common objective of Romania's support of Moldova's European path, the participants in the working group meeting carried out a thorough analysis of the ongoing projects as well as the modalities for launching new projects, in order to generate direct benefits for improving lives of all citizens of Moldova. In this context, it was agreed that, in near future, the support of Romania should focus on exact projects in the fields of environment and water protection, education, culture, healthcare, internal affairs and cross – border cooperation, public finances, energy interconnection, and telecommunications. In distinct terms, there were mentioned construction of the Iasi – Ungheni gas pipeline and renovation of bridge across the Prut from Ungheni. It was also highlighted the importance of implementation of the Agreement between the Government of Romania and the

Government of Moldova on implementation of the technical and financial assistance program on the basis of a grant worth 100 million euro provided by Romania to Moldova and implementation of the official assistance projects for development with direct impact on quality of life of the citizens of Moldova. (www.moldpres.md)

- July 25<sup>th</sup>, a new agreement will be concluded between the Party of Socialists of the Republic of Moldova (Partidul Socialiştilor din Republica Moldova – PSRM) and ACUM [Dignity and Truth Platform Party (Partidul Platforma Demnitate şi Adevăr - PPDA) and Party of Action and Solidarity (Partidul Acţiune şi Solidaritate - PAS)] block before the end of July, Moldova President Igor Dodon stated in his interview with the noi.md portal. *“The main items of that first agenda have been fulfilled by now. Most servants to the ruling system created by the Democratic Party have already been dismissed from their posts. By the end of August we will complete the dismantling of that old system, and will appoint new people. It was easier to get united against a common enemy. Now we are entering in the second stage, which is more complicated and more responsible. It will require a greater wisdom from us to agree upon our further team work. Now we are supposed to get united not against somebody but for the sake of something,”* said Dodon. According to him, the drafting of the new Agreement between the parliamentary majority parties is approaching completion, and the document will be signed next week. *“It will contain commitments, and political questions, and a foreign political agenda, East - West relationship, participation in the local elections,*

*an agenda of the reforms to be implemented by the Government and by the parliamentary majority, and many other things. This will be a program not for a few months but for a year and a half or two years,”* said the President. Asked how long he believes the current parliamentary majority and Government will last, Dodon said there are three possible variants; firstly, as some observers presume, this coalition will split up after the October 20 local elections; secondly, there are people who believe that the Sandu Government will step down before the presidential election [due at the end of 2020] so that to hold the presidential election simultaneously with a parliamentary election; and finally coalition will withhold all the 4 years of the incumbent Parliament’s mandate. *“Of course, I stand for the 3rd variant. The longer this majority and Government remains the better for the country. Politicians had been splitting Moldovan society and dividing people last 28 years. Now, for the first time ever, a chance has appeared to unite society, and our coalition works as a catalyst to the process. People now breathe easier, and there is no hard confrontation,”* Dodon said. (www.infotag.md)

- July 26<sup>th</sup>, Democratic Party of Moldova (Partidul Democrat din Moldova - PDM) parliamentary group proposed a legislative initiative on dismissing Finance Minister Natalia Gavrilita. The draft resolution on expressing the vote of no confidence to the Minister was presented by Deputy Chairman of the group Vladimir Cebotari. Presenting the draft from the Parliament rostrum he explained the need of dismissing Gavrilita with the Ministry’s inefficiency. *“The Ministry of Finance could not*

*find other solutions for conducting budget policy, except by means of going into citizens’ pockets. Among Ministry’s initiatives we can emphasize the canceling, while then the proposal to tax meal tickets, which in fact means the suspension of the project, from which over 150 thousand people receive benefits. Also, the Ministry decided to double the VAT for hotel, restaurant, and catering segment. The initiative was approved hastily, without consultations and we have already found out about the reaction of business people who are working in this sector. In fact this step of authorities will lead to closure of businesses,”* PDM maintains. Also, Cebotari sees no logic in raising the tax for citizens with high revenues. *“In this connection we demand to urgently take necessary measures to dismiss Minister of Finance. Also, we demand to suspend these initiatives of tax policy and the publication of all the commitments the Government took before the International Monetary Fund. We call on country leadership to conduct the tax policy exclusively for raising the number of jobs and the revenues to budget, as well as for development of business sphere. We call to continue the previous Government’s policy which was serving citizens’ interests,”* Cebotari said. Parliament Speaker Zinaida Greceanii said that it would be more reasonable to come with such a resolution after the Head of the Finance Ministry presents draft amendments to budget [which is planned for mid-August]. The draft resolution was signed by 21 out of 30 PDM Deputies.. According to the legislation, for initiating the procedure of Minister dismissal signatures of at least 15 MPs are necessary. In this case, the legislative initiative must be considered within 14 working days. The

date of consideration will be set by the Parliament Permanent Bureau. ([www.infotag.md](http://www.infotag.md))

## COUNTRY ASSESSMENT :

*The “unconventional” ruling coalition of PSRM and ACUM block seeks to strengthen its cooperation focusing on eliminating their common opponent, namely PDM. In this context, both parties are ready to sign a new agreement for cooperation towards state’s major reforms and a united common foreign policy. Both parties look determined to continue cooperation seeking to establish their power. It is interesting to follow PSRM and ACUM agreement on country’s foreign orientation taking into consideration Socialists are pro-Russians and ACUM is a pro-western party. It should be noted that Russia closely follows political developments in Moldova, but it will not allow any overcome of its “red lines” such as Moldova’s integration in NATO or EU. Moldova is considered as a pivotal country for Russian national security. Sandu has characterized her country as “a state in transition” implying that it has a democratic deficit which will be restored by the new Government. EU seeks to improve cooperation with the new Government by restarting micro-economic assistance. The ongoing crisis between Russia and Ukraine may affect Moldova, especially after Prime Minister Maia Sandu’s clear intention to strengthen cooperation with Ukraine. It should be underlined that Russia maintains military forces in Transnistrian ground and secondly Moldova shares common borders with Ukraine which cannot be unnoticed by international stakeholders. The “Transnistria*

*case” is always a “running sore” for the country working as a potential factor of destabilization.*



**MONTENEGRO:** July 23<sup>rd</sup>, the Parliament of Montenegro discussed the proposal for amendments to the Law on Defense, which stipulates that the President of the state shall issue action order to partner countries’ planes, which protect the Montenegrin airspace. The Democratic Party of Socialists (Demokratska Partija Socijalista - DPS) says that NATO membership does not represent partial or complete loss of sovereignty, while the opposition claims the opposite. The novelty is that, within the military obligation, citizens can be engaged in peace, in the event of a disaster, such as fire, floods, etc. The competences between the Council for Defense of the Parliament and the Government, especially in the event of a need, are specified. “On the proposal of the Council for Defense, the Parliament of Montenegro makes a decision on inviting and activating the Armed Forces of NATO member states in the territory of Montenegro,” the amendment to the law proposes. “Unlike the current law, secret data collection, using special means and methods, can be carried out not only against employees in the Ministry of Defense, but also against citizens connected with them,” State Secretary in the Ministry of Defense Slobodan Filipovic said in the Assembly. ([www.rtcg.me](http://www.rtcg.me))

- July 28<sup>th</sup>, in case the Bosniak Party (Бошњачка странка - BS), opts for a coalition, it is going to take into consideration only those parties that fight for an independent Montenegro, cherish the multi-ethnic and multi-religious society, support Montenegro’s NATO membership, its European

path, and that openly admit the Srebrenica genocide, Ervin Ibrahimovic, the BS official, told Dan daily. He said that his party has been strongly committed to the implementation of the election program. *“We are talking with the members and supporters of the BS on a daily basis, as well as to other citizens, and we can say that we are about to implement the BS program,”* Ibrahimovic said. In previous elections held in October 2016 BS took part independently. In autumn 2016, the Democratic Party of Socialists (Demokratska Partija Socijalista - DPS) signed the agreement on establishing the Government with its coalition partners; the BS, Social Democrats (Socijaldemokrate Crne Gore - SD), Croatian Civic Initiative (Hrvatska Građanska Inicijativa - HGI, coalition Albanians (Albanska Koalicija) and Liberal Party of Montenegro (Liberalna Partija Crne Gore - LPCG). Based on this document Dusko Markovic, the DPS Vice-President, was elected as the Montenegro's Prime Minister. (www.cdm.me)

- July 28<sup>th</sup>, Democratic Party of Socialists (Demokratska Partija Socijalista - DPS), reportedly agreed on 5 to 4 decisions in the Parliament's Election Reform Committee, instead of voting by a two-thirds majority, as was the case until now, the daily Dan wrote. The DPS finally accepted this after the international representatives interfered in the matter. In return, representatives of the Democratic Montenegro (Demokratska Crna Gora - DCG) and the Civic Movement United Reform Action (Građanski Pokret Ujedinjena Reformska Akcija - GP URA), who also talked to the diplomatic representatives, agreed to delegate two members in the Election Reform Committee. This all is supposed to

diminish political crisis in Montenegro and contribute to the reform of election legislation (the final deadline for amendments is December 31<sup>st</sup>, 2019, as it is prohibited to amend election legislation in the election year; regular parliamentary elections are supposed to be held in mid-October 2020. During a range of meetings held in the past 10 days, the main topic was the plan that the leaders of the Democrats and URA, Aleksa Becic and Dritan Abazovic, already presented in Brussels to the EU Commissioner for European Neighborhood and Enlargement Negotiations, Johannes Hahn. *“I would not comment on the information you have. The election legislation must be amended by the end of the year,”* Becic clarified for Dan daily. Prime Minister Dusko Markovic, according to Dan, is supposed to announce more about the details of the agreement that has been reached thanks to the international representatives. The decision should be made public in the next few days so that the Parliament of Montenegro can elect new members of the Election Reform Committee by the end of its summer session. (www.cdm.me)

## COUNTRY ASSESSMENT :

*Although EC Progress Report is assessed as a positive one, it raises specific concerns over media freedom, corruption and organized crime. Report is elaborating on specific cases signaling detailed research. Montenegro enters in a crucial crossroad regarding its EU future and specific reforms and actions should be implemented if it remains committed in its goal to access the EU by 2025. Political stability is re-establishing again since opposition has weakened its stance and ruling DPS rejected any idea of a technical*

*Government claiming that elections will be held on time. Moreover, ruling DPS in an effort to deescalate the ongoing political crisis promoted a compromise in the reform of election legislation and the establishment of the Election Reform Committee. Nevertheless, opposition insists on demanding establishment of a technical Government and early parliamentary elections. The Government promotes state's political and economic stability which creates an almost ideal investment environment; However, the state 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. Montenegro shows activity within NATO trying to prove that it is an equal partner of the alliance with military capacity according to NATO standards. Moreover, it tries to modernize and strengthen its operational capabilities and in this context it raised its defense budget aiming at purchasing new assets such as armored vehicles.*



**NORTH MACEDONIA:** July 25<sup>th</sup>, the EU Enlargement Commissioner Johannes Hahn arrived to North Macedonia on an official visit. Hahn and Prime Minister Zoran Zaev held a joint press conference where they discussed the implementation of reforms, current events in the country, North Macedonia's date for accession negotiations in October, etc. *"The Republic of North Macedonia deserves the expected green light for opening accession negotiations in October this year for everything it had accomplished in the last years in implementation*

*of reforms, the Prespa Agreement, bilateral agreement with Bulgaria. In order to achieve this, further implementation of the reforms is needed, especially to adopt the law on public prosecution, which provides important guarantees for the rule of law and an uncompromising fight against corruption and crime,"* EU Enlargement Commissioner Johannes Hahn said during the joint press conference with Zaev. The EU Commissioner regrets that EU member states did not decide on opening accession negotiations in June, because the country achieved and delivered on everything, which was agreed. *"I am confident that on the basis of the EU leaders statement this decision will be taken in October. North Macedonia has worked hard for it and now it is time for EU leaders to deliver. It is necessary to continue to implement reform measures,"* Hahn underlined. Zaev said that the country deserves to receive a date to open EU accession negotiations, because it has worked hard for the past two years. *"I am confident that in October, finally, after 15 years, we will get the long-awaited date to launch negotiations,"* he said. ([www.nezavisen.mk](http://www.nezavisen.mk))

- July 26<sup>th</sup>, the US Senate Foreign Relations Committee ratified North Macedonia's NATO Accession Protocol. Ratification of the Accession Protocol was announced on social media by the Minister of Foreign Affairs Nikola Dimitrov and the Acting Assistant Secretary Philip T. Reeker who was on an official visit to the country. Next step to the full ratification is passing the Protocol in the Senate. ([www.meta.mk](http://www.meta.mk))

- July 26<sup>th</sup>, *"it is time for things to move forward. The US wants to work with all political parties in North Macedonia and we have to see some reasonable efforts. The adoption of the Public*

*Prosecution Law has to pass and I am calling upon the opposition to move in that direction,”* the Acting Assistant Secretary of European and Eurasian Affairs, Philip Reeker said at the press conference with Prime Minister Zoran Zaev.



The Acting Assistant Secretary of European and Eurasian Affairs, Philip Reeker during his meeting with North Macedonia Prime Minister Zoran Zaev

(Photo source: [www.vlada.mk](http://www.vlada.mk))

He said that the rule of law is important for North Macedonia's future *“because citizens expect investigations to continue showing that rule of law is applied and that no one is above the laws.”* According to him, the role of opposition is crucial, just like in any other real democracy, and it has to be constructive. *“The Public Prosecution Law has to move forward and its adoption now means it will not be an issue and the EU could open the accession negotiations this autumn,”* Reeker said. He also said that with the Prespa Agreement North Macedonia showed courage for brave solutions and ability to move forward towards a positive and bright future. He expects that soon, at the NATO's Summit in London the country will become its 30th member, while this autumn North Macedonia will get the starting date for the accession negotiations with the EU. The

USA, as he said, even though it is not part of the EU, constantly provides support for North Macedonia in that direction through bilateral meetings with the EU member states. ([www.meta.mk](http://www.meta.mk))

## COUNTRY ASSESSMENT ■ :

*The country slides slowly in a “political recession” which may end by early parliamentary elections. VMRO-DPMNE hardens its rhetoric demanding snap elections, while Prime Minister Zoran Zaev tries to play the “golden card” of opening EU accession negotiations. It is estimated that latest visits of the US high official Philip Reeker and EU Commissioner of the enlargement Johannes Hahn were having the task to offer support to Zaev. Following the European “cold shower” citizens have started to focus on Government's failures in fight against corruption and organized crime, social care measures, and foreign policy. In other words, domestic politics are not in favor of ruling SDSM and Zaev. He based his political survival and dominance in the triptych “resolution of name issue with Greece – NATO accession – opening of EU accession talks.” Although the first one was successfully accomplished and the second is proceeding rapidly the third one has stuck. Consequently, VMRO-DPMNE is increasing its pressure for a caretaker Government and snap elections. The threats of nationalism and political instability are covering North Macedonia's sky. The country should focus on its economy and major administrative and judicial reforms, fight against corruption and impunity aiming at reaching the EU standards.*





**ROMANIA:** July 23<sup>rd</sup>, President Klaus Iohannis has retorted to the recent Constitutional Court's (CCR) ruling that rejected initiatives to amend the Constitution through which amnesty and pardon for corruption deeds should be banned, arguing that the question asked at the referendum on May 26<sup>th</sup>, 2019 has not been about banning amnesty and pardon through Constitution, but through the laws adopted in the Parliament. Iohannis said that the CCR ruling is not changing at all the need to transpose the referendum's results in concrete actions. *"Romanians expect the will they voiced at the referendum of May 26 to be transposed in concrete actions. We need the harm done in the past two years to be repaired. The road to implement the goals of this pact is not an easy one and it is still young. A few days ago, the Constitutional Court has established that it is no need to amend the Constitution to ban amnesty and pardon of the corrupt people. At the referendum on May 26, I did not ask if this interdiction must be enforced in the Fundamental Law. To implement the results of the referendum a political will is needed first,"* Iohannis pointed out. *"It is no tragedy that certain proposals in the drafts amending the Constitution have been invalidated by CCR, as certain voices have claimed in the public space. Parties will just have to come up now with other versions to amend legislation leading to the same result; to transpose the will of people in law as soon as possible,"* the Head of state added. Iohannis has also slammed the ruling Social Democratic Party (Partidul Social Democrat - PSD) - Alliance of Liberals and Democrats (Alianța Liberalilor și Democraților - ALDE) coalition once again.

*"After consultations in June, I launched an invitation to all political parties to be part of this project for the Romanians. The only parties that did not sign this pact are PSD and ALDE, which continue to move away from the citizens' interests,"* Iohannis said. *"Through its passivity, PSD - ALDE majority is against the Romanians' will. When citizens have expressed their sovereign will in a certain sense, the immediate consequence for the decision maker is to act in tune with this will (...) PSD's political will to protect exclusively corrupt people, a will invalidated by the referendum, is the one that prompted the amputation of criminal and justice laws (...) The will of people, clearly expressed by 6.4 million Romanians by voting yes at the referendum of May 26 must be compulsorily observed. This is unquestionable,"* the President concluded. Chairman of the National Liberal Party (Partidul Național Liberal - PNL), Ludovic Orban has announced on Monday that the draft law amending the Constitution would go in Parliament without the provisions the CCR has declared unconstitutional.

([www.romaniajournal.ro](http://www.romaniajournal.ro))

- July 25<sup>th</sup>, Romanian President Klaus Iohannis signed on July 24<sup>th</sup>, 2019 the appointment of Nicolae Moga as Minister of Internal Affairs and Ramona Manescu as Minister of Foreign Affairs, the Presidency announced. The two replaced Carmen Dan and Teodor Melescanu respectively, whose resignation had been requested by the President after the May 26<sup>th</sup>, 2019 elections. The new Ministers are controversial people as well, Radio Free Europe commented. Manescu has been the subject of several investigations by the Rise Project about

her impressive fortune built in only few years by buying litigating rights from people who had lost hope that they would still be compensated by the state for properties confiscated by the Communists. Subsequently, Manescu reportedly recovered the land and sold it for millions of euro. About Nicolae Moga, a businessman from the Black Sea city of Constanta, who owns a 35 million euro luxury complex north of Mamaia resort, the press wrote that he was close business partner of Radu Mazare (former Constanta Mayor, indicted for corruption) and Nicusor Constantinescu (former Head of Constanta county local administration, also sentenced for corruption). By another decree, president Iohannis appointed Mihai Fifor as Deputy Prime Minister in charge of Romania's strategic partnerships. (www.romania-insider.com)

- July 26<sup>th</sup>, Romania has blocked a transport of military vehicles, namely tanks and armored vehicles, from Russia to Serbia, a Belgrade official reported, accusing Romania of violating the Convention on the Navigation on the Danube. Romania has prevented a transport of 30 T-72B3 tanks and 30 BRDM-2 armored vehicles from Russia to Serbia on the Danube, balkanist.ru wrote citing RIA agency "Novi Deni," local Adevarul reported. The information was confirmed by Miroslav Lazanki, a well-known military journalist from Belgrade and a member of the Serbian Parliament. Earlier in 2017, Romania and Bulgaria banned the transit of MIG fighters given by Russia to Serbia, under the provisions of NATO Treaty. Russia had, at that time, to break down into pieces the jet fighters and reassemble them in Serbia. Serbia is a traditional ally of Russia, and Moscow wants to

expand its influence in the Balkans to counter the expansion of the North Atlantic Alliance. Serbia has signaled that it seeks integration into the European EU but has not declared its willingness to join NATO. (www.romania-insider.com)

## COUNTRY ASSESSMENT :

*President Klaus Iohannis surprisingly approved nomination of two new Ministers of Prime Minister Viorica Dancila's Government, although they both carry a controversial past. It seems that Iohannis and Dancila share a "moratorium" on their political struggle. Political parties have started to announce their candidates for the coming presidential elections scheduled for November 2019 (November 10<sup>th</sup>, 2019 the first round and November 24<sup>th</sup>, 2019 the second one). Announcement of Dancila's candidacy became a source of problems for the coalition (PSD – ALDE) since leader of ALDE announced also his candidacy expressing his disappointment for PSD's unilateral action and raising questions for cooperation between the two parties. President Iohannis tried to downsize Constitutional Court's decision to declare unconstitutional the draft laws promoted by the ruling coalition and opposition to ban amnesty and pardoning for corruption crimes. Romania according to NATO strategic and operational planning has become an advanced base close to Russia. Its strategic importance and role has been upgraded and high level NATO exercises take place in its territory. Consequently, Russia reacts mainly against the NATO military base in Deveselu where anti-missile defense systems have been deployed. Temporarily deployment of THAAD system, a modern high-capability system, may raise tension*



*in the region. In this context, Romania, acting as a “loyal” NATO member state prohibited a transport of military vehicles from Russia to Serbia through Danube river. Romania keeps strengthening its Armed Forces seeking to achieve NATO standards.*



**SERBIA:** July 22<sup>nd</sup>, Serbian Parliament Speaker Maja Gojkovic made a fresh attempt to bring opposition MPs back to Parliament sessions saying that they should all work together to draft new rules of behavior to prevent inappropriate acts and insults by MPs. She spoke a week after the ultra-nationalist Serbian Radical Party (Srpska Radikalna Stranka - SRS) leader Vojislav Seselj insulted a (female) journalist of Belgrade daily Danas. *“I am convinced that opposition MPs have every reason to come back to Parliament to work on two important bills which will prevent this kind of behavior. I do not want a bill adopted by ruling majority MPs alone,”* she said. Current rules of Parliament do not allow MPs to voice insults, several opposition MPs said. (www.rs.n1info.com)

- July 23<sup>rd</sup>, *“He made this move in order to eliminate (President of Kosovo Hashim) Thaci and the others on the political scene, and to return as a victim of the Court for the so-called KLA,”* the Serbian Foreign Minister Ivica Dacic said for Prva. *“This is a tactical move, we will see whether he will be indicted or convicted,”* he added. As for the resumption of Belgrade - Pristina dialogue, Dacic claimed that it is necessary that international community exerts pressure on Pristina, however he stated that the West has a different perspective on Kosovo issue.

*“Brussels awaits for the new Chief of Foreign Affairs, France is certain that US is obstructing further dialogue, by supporting Haradinaj, while US deems that Germany favors Haradinaj. There are mutual accusations, while dialogue is on hold as the tariffs had not been lifted,”* Dacic said. *“This is about constant introduction of unilateral acts, instead of dealing with the crucial issues, such as establishing the Community of Serbian Municipalities,”* he concluded. Dacic also pointed out that there is an obvious change in the US Administration stance; *“they try now to find solution, while so far they regarded Kosovo issue as resolved and closed. I am confident that new negotiation cycle will commence in September, but how successful those talks would be we shall see,”* Dacic said. (www.b92.net)

- July 27<sup>th</sup>, the Alliance for Serbia said on Saturday that the correction of voter registration lists the President has announced is a *“special kind of fraud by Aleksandar Vucic”* aimed at *“reducing the effectiveness of a potential election boycott.”* The Alliance dismissed the *“false guarantees by Aleksandar Vucic that the election will not be stolen”* and voiced doubts about the truthfulness of his announcement that international organizations will be allowed to monitor the election process in Serbia six months before the vote. Corrections of the voter list is just one of the six conclusions and 45 recommendations made by the Expert Team of the *“1 of 5 million”* protest which should be met for free media and fair elections. *“Without meeting these recommendations, the Alliance for Serbia will boycott the elections,”* their statement said. The last deadline for meeting the demands is September, it said, adding that it is *“pointless to*

*take part in elections if media are not free for at least six months so people can hear different opinions and see a real debate between Government and opposition.”*  
(www.rs.n1info.com)

## **COUNTRY ASSESSMENT** :

*The country has entered in a period of fragile political stability due to citizens' reactions against governmental practices regarding human rights, media freedom, and elections transparency. Although protesters insist on organizing protests, it seems that opposition reactions have lost momentum. President Alexandar Vucic announced that elections (parliamentary and local) will be held on March or April 2020. Opposition said that if its requests will not be fulfilled, elections will be boycotted. Apart from that Vucic said that he will withdraw from his party (SNS) leadership next year. Regarding Belgrade – Pristina dialogue there is nothing to be expected in the near future; the whole process has reached a deadlock. It is announced that next Belgrade – Pristina meeting will be held on September. Armed Forces are in high operational readiness without any deployment of units across Serbia – Kosovo border. Serbia strengthens its relations with Russia (and China) seeking stronger support regarding Kosovo case. Security situation is complex and uncertain. None could predict Serbia's reaction in a possible accidental or pre-planned (provocation including) incident in Northern Kosovo against local Serbs. One should have in mind that top state officials have said repeatedly in public that Serbia will protect Kosovo Serbs by any mean including security and*

*military force. At the moment, Serbia looks like acting in accordance with the international law aiming at reducing tension in the region. In other words state's leadership is acting in a “reasonable” and “wise” way avoiding mistakes of the past which have isolated Serbia from the international community. Serbia pays special attention in improving operational capabilities of its Armed Forces declaring towards all sides that they are the power of the state.*



**SLOVENIA:** July 22<sup>nd</sup>, the Slovenian Armed Forces deployed an additional 35 soldiers to assist Police protecting the border. The reinforcements will work with the Koper Police department, with the soldiers using surveillance equipment as well as armored vehicles. Slovenian Armed Forces representative Miha Kuhar told the press that this put the total number of troops on the southern border to 130 people. The main task of the soldiers is participating in mixed patrols with the Police, but they also conduct independent patrols and monitoring tasks, as well as maintain the border fence, Kuhar explained. The soldiers are also allowed to protect Police officers in case the latter are being attacked. Kuhar said additional powers for the Army, which have for instance been urged by Ilirska Bistrica Mayor Emil Rojec, would only be possible if the Government decides to activate again article 37a of the defense act. “We are also ready for that option,” he said about the additional tasks, such as helping Police control and guide groups of immigrants and refugees, which were in force between February and May 2016. Koper's Police has been overstretched in coping with an increase in illegal border crossings this year and has asked the Army for assistance, the Slovenian Armed Forces said.

Deployment of additional troops comes just weeks after the Prime Minister Marjan Sarec said security on Slovenia's southern border would be beefed up, including additional soldiers and new equipment such as drones. The Army may exert limited Police powers on the border since the passage of legislation to this effect in October 2015, while soldiers have been helping Police patrol the border since February 2016. Since then, soldiers have been part of almost 51,000 patrols. Soldiers are mostly sent to strengthen patrols, but they also help with setting up and maintaining temporary barriers and conducting surveillance. (www.sta.si, www.reporer.si)

- July 24<sup>th</sup>, Economy Minister Zdravko Pocivalsek is tipped as the most plausible candidate to succeed Miro Cerar as the leader of the Modern Center Party (Stranka Modernega Centra - SMC). He is yet to take a final decision on whether to bid for the post at the October congress, but he has already been endorsed by the party's top echelons. Visiting the town of Sevnica, Pocivalsek said that he had been endorsed to bid by the party's ten MPs and Executive Committee. *"I am happy and honoured that they see me as a uniting figure,"* he said. (www.sta.si)

- July 26<sup>th</sup>, Janez Lenarcic, Slovenia's candidate for EU Commissioner, was endorsed by the EU Affairs Committee after a hearing Thursday that lasted two and a half hours. The vote, which is not binding on the Government, was eight in favor and two against. *"Debate was useful for me, and I am also happy about the final outcome,"* Lenarcic said after the vote. Prime Minister Marjan Sarec wrote on social media that the endorsement was *"a good decision for Slovenia."* The Government

is expected to take note of the Committee's opinion tomorrow, when it formally nominates him for the post, well before the August 26<sup>th</sup>, 2019 deadline for candidacies. Lenarcic told the Committee that he would strive for equal treatment of citizens from all member states, consistent observance of EU law, and strengthening of the rule of law. While there was a general agreement among Committee members that he is qualified for the job, some argued he lacked political experience. The Social Democrats (Socialni Demokrati – SD), Slovene abbreviation: SD), angry at Prime Minister Marjan Sarec not consulting the coalition before announcing his pick, also reiterated its claim that he lacks democratic legitimacy because he did not contest the EU election. Several MPs wanted to know whether he will protect the interests of Slovenia or the EU, to which he replied that Commissioners are committed to pursuing shared interests, but that is not a problem since Slovenia's interests are mostly aligned with the EU's. Asked about what he can do as Commissioner so that Croatia respects the border arbitration tribunal's ruling, Lenarcic said that he will constantly warn that court decisions need to be respected. Lenarcic does not plan to become a member of any party, but he plans to participate in political meetings of the liberal group, of which the Slovenian Prime Minister is a member. He said this is *"sensible and useful."* One Left (Levica) MP, Tadej Tasner Vatovec, and one SD voted against Lenarcic, the former because he thinks Lenarcic is not ambitious enough and would not be capable of advocating strong positions on the Commission, and the latter because of the party's long-standing opposition to how Lenarcic was picked. Slovenian Democratic

Party (Slovenska Demokratska Stranka – SDS) the biggest opposition party, abstained because they were not consulted about the candidacy, but SDS Deputy group leader Danijel Krivec said Lenarcic shared many of the SDS's views, in particular when it came to migrations and asylum policy. “We warned him that he will probably have to align with the current Government since his statements are in opposition to [Government] views. I hope the Government listens,” Krivec said after the session. (www.sta.si)

## COUNTRY ASSESSMENT :

*Although Slovenia enjoys a relative political stability, the minority Government of Marjan Sarec has entered in a period of fragile balance due to the Left party announcement that it will re-assessed its support towards the ruling coalition. Left party is the key factor for Government's stability and viability by supporting it in the Parliament. Without the Left's support the Government would be toppled and early elections should be called. Apart from that, the Prime Minister has addressed the strong criticism of his ruling coalition partner SD which reacts in Sarec's unilateral decision for the European Commissioner candidate. Under these circumstances Prime Minister Marjan Sarec does not exclude a confidence vote together with the 2020 – 2021 budget adoption by the Parliament. Sarec seeks to bear his partners responsibilities towards the Government's support and either to stabilize his ruling coalition or to call early elections. At the moment it is assessed that none of the ruling coalition parties wish snap elections, however political developments in coming autumn could not be excluded. Sarec has been proved of*

*being flexible in Slovenia's politics so far achieving to balance adequately between different political trends. Looking in the future and next parliamentary elections he seeks to unify political forces belong to the ALDE family against SDS which keeps on being the most powerful political force in the country. The Government has to address several internal social issues (increase of minimum wage, health care, pensions etc). Border dispute between Slovenia and Croatia remains active with low scale skirmishes not excluded periodically. Slovenia implies that the ongoing border dispute may affect its decision regarding Croatia's membership candidacy in Schengen Zone. European Court of Justice (ECJ) has started its hearing for the case and both countries presented their arguments. It is stressed that relations between Croatia and Slovenia are in low level and an “underworld war” is ongoing (at political, diplomatic and intelligence context). The issue of illegal migrants entering Slovenia mainly from Croatia is high in the agenda lately. The Government deployed military force to support Police tasks. Announcement of the Italian Minister of Interior that he plans to build a fence in the Italian – Slovenian borders has brought several reactions. The Slovenian Armed Forces face problems mainly in the field of modern equipment and manning. The annual report on the Armed Forces operational readiness released by the Armed Forces Chief of Staff is disappointing since it assessed that the Armed Forces have limited operational capabilities in war time namely they cannot accomplish their mission. The med-term 2018 – 2023 defense program it could improve situation, but under current political situation it is doubtful if it will be implemented to the end.*



## **TURKEY:** July 22<sup>nd</sup>, US Central

Command's General Kenneth McKenzie met with the top Commander of the Syrian Kurd People's Protection Units (YPG). Mustafa Bali, the Spokesperson for the Syrian Democratic Forces (SDF), which is dominated by the YPG, announced on social media yesterday that McKenzie visited the northern Syrian territories that are under the control of the organization. A representative of the US-led coalition, William Roebuck, accompanied McKenzie during his visit. In the photos, the US officials can be seen with YPG Commander Mazloum Abdi — also known as Ferhat Abdi Şahin or Şahin Cilo, who is on Turkey's most-wanted list. *“General Kenneth McKenzie and Ambassador William Roebuck are holding talks with SDF Commander-in-Chief General Mazlum Abdi to discuss developments, steps to improve relations and joint campaign against ISIS in NE Syria,”* wrote on social media the “so-called” Press Office of YPG-controlled SDF, using another acronym for DAESH. The statement itself contradicted the official US and YPG position for over a year that DAESH has been defeated completely, prompting speculation about the real content and intent of the meetings. Meanwhile, US special envoy on Syria James Jeffrey arrived in Ankara on Monday for a two-day visit to discuss counterterrorism and security. *“Turkey's concerns regarding the meeting between high-ranking US officials and YPG terrorists have been conveyed to Ambassador Jeffrey by Minister Akar,”* National Defense Ministry said later on the same day in a statement. The activities of the YPG group have been a major security concern for Ankara, while the US views the group as a “reliable partner” in the

fight against DAESH. During the fight against DAESH, the US opted to partner with the YPG, despite its NATO ally's security concerns, they also provided truckloads of weapons to the group. Some 22,000 truckloads of arms and ammunition have been given to YPG, so far. Some of the arms include cruise missiles, anti-tank guided missiles (ATGM) and shoulder-launched surface-to-air missiles (MANPADS). The delivery of arms and equipment to the YPG, which is still poisoning bilateral relations between Turkey and US, began in 2014 and intensified in the subsequent years. The presence of these weapons has been a cause of concern for Ankara, threatening the stability of northern Syrian areas that were liberated from DAESH during Operation “*Euphrates Shield*” and Operation “*Olive Branch*.” There are also other serious possible threats to Turkey, including the possibility of the transfer of these US-made weapons to southeast Turkey through the border controlled by the YPG to be used against the Turkish army by PKK. ([www.dailysabah.com](http://www.dailysabah.com))

- July 25<sup>th</sup>, Turkey's Central Bank delivered a massive interest rate cut Thursday in a bid to jump-start the country's recession-hit economy. Policymakers - including newly installed Central Bank Chief Murat Uysal - slashed Turkey's key interest rate from 24% to 19.75%. The rate cut was bigger than most analysts had expected, and marked a dramatic step back from an emergency monetary policy stance adopted during last year's currency crisis, when a collapse in the Turkish lira pushed inflation above 25% prompting aggressive rate hikes. Inflation has since dropped to below 16%, leaving Turkey with the highest real interest rate adjusted for inflation in any emerging market. This has opened the door for policymakers to

lower borrowing costs for the first time in four and a half years in the Middle East's largest economy. The Central Bank cited improving inflation for its Thursday decision and said its stance remained cautious even after it delivered the biggest rate cut since at least 2003. The lira, which has been volatile this year after a nearly 30 percent drop in 2018, tumbled immediately after the policy announcement. But it quickly bounced back and stood at 5.68 against the United States dollar. Credibility of Turkey's Central Bank has been questioned by investors, most recently this month after Turkish President Recep Tayyip Erdogan sacked Central Bank Chief Murat Cetinkaya, saying he had failed to follow the Government's policy instructions. Lower borrowing costs could help lift Turkey's economy out of recession, reduce its 13% unemployment rate, and bring relief to borrowers whose real interest rates, when adjusted for inflation, were roughly halved to four percent on Thursday. But that is still higher than the average for emerging markets. (www.aljazeera.com)

- July 26<sup>th</sup>, Turkish President Recep Tayyip Erdogan has said that Turkey will turn elsewhere for fighter jets if the United States does not sell it the F-35 aircraft, adding that Ankara planned to start using the Russian S-400 missile defense system in April 2020. The US said last week it was removing NATO ally Turkey from the F-35 program, as long threatened, after Ankara purchased and received Russian S-400 missile defense systems that Washington sees as a threat. The US has also threatened to impose sanctions on Turkey, although Ankara has dismissed the warnings. Speaking publicly about strained ties with the US for the first time in 11 days, Erdogan

said on Friday that a decision by Washington to cut Ankara from the F-35 program would not deter it from meeting its needs. Erdogan said he hoped US officials would be “reasonable” on the question of sanctions, adding that Turkey may also reconsider its purchase of Boeing aircraft from the US. “Even if we are not getting F-35s, we are buying 100 advanced Boeing aircraft, the agreement is signed ... At the moment, one of the Boeing planes has arrived and we are making the payments, we are good customers,” he said. “But, if things continue like this, we will have to reconsider this,” he added. Russia's Rostec state conglomerate said Russia would be ready to supply its SU-35 jets to Turkey if Ankara requested them. But Turkish officials said on Thursday there were no talks with Moscow on alternatives to the F-35 jets for now. (www.aljazeera.com)

## COUNTRY ASSESSMENT :

*Turkish – US relations has entered in a new phase after the start of S-400 advanced air defense system deliveries by Russia. The US closely follows situation expelling Turkey from the F-35 fighter jet program.. The threat of sanctions is still on the table, although the US President looks reluctant to impose them. However, taking into consideration that Turkey is a pivotal country enjoying geopolitical importance and having one of the largest militaries (the 2<sup>nd</sup> within NATO) it is hard to assess that the US seek a full rift with its NATO ally. On the contrary, there are still open official and unofficial channels of communication working on a mutual accepted compromise. The US needs Turkey and the opposite, especially in a period where Middle East is in turbulence.*



*Economic recession does not help the Turkish President to strengthen his position internally undermining his political power. Turkey is heading in a major economic crisis, although the new Central Bank Governor takes initiatives to restart Turkish economy after a long period of recession. Turkey faces several restrictions in freedom of expression and human rights. Elected MPs and journalists are in custody or convicted by the state Courts. Local and international observers claim the country moves towards an authoritarian regime with thousands of citizens being persecuted. EC Progress Report on Turkey was disappointing “freezing” any further development regarding its accession process. Moreover, the EU has presented a draft of imposing sanctions to Turkey due to illegal drilling for gas and oil off Cyprus. Turkish Armed Forces declares its readiness to intervene militarily in Syria, eastern of Euphrates river reinforcing their troops. According to information the invasion and attack against Syrian Kurd YPG is imminent. Such an operation without the US “green light” may further deteriorate relations of the two countries. Operation “Claw” against PKK in north Iraq has entered in a new phase inaugurating operation “Claw 2”. The state demonstrates decisively its leading role in the wider region of the Middle East, Southeast Europe, and East Mediterranean implementing its doctrine for a diligent capability development effort to be able to fight two multi-front, inter-state armed conflicts while being able to simultaneously carry on large-scale counterterrorism operations at home and beyond borders. Kurdish question is a major security threat for Turkey affecting stability, peace and even unity of the state. In Eastern Mediterranean*





*Turkey continues its drilling operations with two ships (Fatih and Yavuz) maintaining a tense situation. Turkey is determined to react even with violence if its interests are harmed. The cost so far, for Turkey, is zero achieving simultaneously to question Cypriot sovereign rights. EU declaration for imposing sanctions against Turkey seems not enough to force Turkey to back down. It is assessed that Turkey is fully determined to escalate tension in the region including armed violence (if it is necessary) aiming at securing its interests. Taking into consideration that Cyprus and Greece act in coordination and the latter guarantees defense and security of Cyprus it cannot be excluded an accidental or pre-planned “hot incident” in Cyprus or the Aegean Sea (not likely scenario during summer).*

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## NOTE

-  Stable situation. No security risk.
-  Rather stable situation. Security risk is monitored.
-  Major concerns over stability and security. significant security risk in specific regions. 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.