



Weekly Briefing

**Serbia External Relations briefing:
Foreign policy Outlook for Serbia in 2018
IIPE**

China-CEE Institute

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The year ahead will be marked by growing disproportion between so-called pillars of Serbia's foreign policy. According to Serbian Minister of Foreign Affairs Ivica Dacic, Republic of Serbia has set the following key foreign policy priorities for year 2018: a principled struggle for the preservation of its territorial integrity and sovereignty, continuation of the negotiation process with the European Union, development of good neighborly relations, stronger economic links with key countries in the world and military neutrality. In effort to achieve these goals, in 2018, Serbia will rely less on the western “pillars” of its foreign policy, and will rely more on cooperation with Russia and China.

Regarding Kosovo - it will continue to be a burning issue of Serbian foreign policy in 2018 as well. Aleksandar Vucic announced that he will come out with a proposal for Kosovo status resolution in March 2018. If that happens it is certain that Serbian side will not present a plan for the final/ comprehensive solution of Kosovo issue. More likely, that will be just proposal for numerous mutual concessions, which in the future can create structural conditions for a potentially mutually acceptable solution. Last year, Serbia has led a successful diplomatic fight to prevent membership of so-called “Kosovo” in numerous international organizations. During 2017, Belgrade managed to prevent attempt of “Kosovo” membership in UNESCO and Interpol, and especially engaged itself in challenging “Kosovo” admission to the World Customs Organization (WCO) in which the status of this self-proclaimed state remains frivolous and frozen for the time being. In 2017, the process of international recognition of the unilaterally proclaimed independence of “Kosovo” has been slowed down, and two countries also withdrew their previously granted recognition (Suriname and Guinea Bissau). Therefore, we can expect Serbia to offer “Kosovo” greater possibility to certain international organizations in the future, but in return to request full implementation of the Agreement on setting up an autonomous Association of Serbian municipalities, the preservation of the undiminished role of KFOR in Kosovo under the UNSC Resolution 1244 and continuing and

uninterrupted work of the Special Court for KLA crimes. If such agreement cannot be reached, Serbia will continue its diplomatic offensive and continue to block access of so-called “Kosovo” to the aforementioned international organizations (UNESCO, WCO and Interpol) and other organizations in which “Kosovo” announced that it would seek admission in 2018 (for example, the Council of Europe).

Relations between Serbia and the EU will continue to take place in the shadow of chapter 35, which demands for a comprehensive normalization of relations between Belgrade and Pristina. A recent statement by the European Commission President Jean-Claude Juncker that Serbia could become a member of the EU by 2025, gave Belgrade additional hope that member states could close accession negotiations with Serbia in 2023, followed by the signing of the Accession Treaty in 2024, and its ratification by member states by the end of 2025. In order for the presented accession plan to be successfully implemented, the European Commission requires significant progress in the dialogue between Belgrade and Pristina. Therefore, it's to be expected that in 2018 Serbia will continue to support the participation of the “Kosovo” in initiatives dedicated to regional cooperation such as the Regional Cooperation Council (RCC), the South East Europe Cooperation Process (SEECPP) and the Regional Initiative for Migration, Asylum and Refugees (MARRI).

In 2018, Serbia will open at least 4 new accession chapters - chapter 18 on statistics, chapter 33 on financial and budgetary provisions, chapter 9 on financial services and chapter 13 on fisheries. When it comes to Chapter 31 (dedicated to the Common Foreign, Defense and Security Policy), Serbia has not yet received a screening report, although the screening was completed in 2015. With the announced European Western Balkans Enlargement Strategy (which should be presented on February 6), it can be expected that 2018. will be year when this report will finally see the light of day, but it is quite certain that it will be amended and revised in accordance with new regional developments. In the meantime, Serbia will continue to demonstrate its commitment to a common

foreign and security policy through participation in EU military and police peacekeeping missions, by strengthening its own capacity to participate in civilian peacekeeping operations, cooperating in the fight against terrorism, and cooperating with the EU in order to harmonize their migratory politics.

To that end, Serbia will continue revision of its strategic documents in the field of security and defense, using as guide EU Global Strategy and other EU strategic documents. However, there is a justifiable fear that opening of chapter 31 may be conditioned by EU's demand for Serbia to introduce sanctions to Russia, as it was pointed out in last year's statement by Hoyt Brian Yee (statement on the inability of Serbia to “sit on two chairs”, and the necessity to choose Euro -integration instead of cooperation with Russia). Belgrade's position on this topic is clear: Serbia is for progressive alignment with EU foreign policy, but full adoption of the EU's foreign policy positions is not a commitment of Serbia until its full membership. Therefore, imposing sanctions on Russia for Serbia is not an acceptable option, and Belgrade will not accept such a kind of pressure from Brussels, or any individual EU members.

Cooperation with Russia in the next year will continue to be “colored” by the need of Serbian side to retain Moscow's support in preventing international legalization of the self-proclaimed independence of “Kosovo”. Especially when it comes to Hashim Thaci last year's initiative - that United States should take stronger participation in the dialogue on normalization of relations between Belgrade and Pristina, which President of Serbia Aleksandar Vucic opposed with statement that Serbia, in that case, could ask for Russia to take part in the negotiation process too. As the change in the format of the negotiations is possible only with the consent of Serbia, the stronger interference of Moscow in resolving Kosovo issue would be inevitable response to the (potential) stronger interference of America. After Vucic's visit to Moscow, in late December 2017, it became clear that Serbia can count on this kind of help, and that Belgrade has a strong bargaining “card” to play in the “poker game” with Pristina and western supporters of Kosovo independence. Therefore, fear expressed by Hashim Thaci

that Kosovo can become “the new Syria around which all global players would be engaged” can easily become a new regional reality. This new reality is hinted in Vucic's statement (published in October 2017, in Belgrade newspaper “Novosti”) that Serbian proposal on the solution of the Kosovo issue will take into account interests of both Serbs and Albanians, but that will, also, show the respect for the opinion of the US, Russia, China and the EU.

Cooperation between Serbia and China will continue to grow, and Serbia will continue to be Balkan’s pivot of 16 + 1 initiative. The strategic partnership will be further developed with the maintenance of dialogue at all levels. Official Belgrade will seek to continue attracting Chinese investors, which, in the past years, already becomes the leading infrastructure contractors in Serbia. Japanese Prime Minister Shinzo Abe's recent visit to Belgrade has also signaled the intensification of economic cooperation between Serbia and Japan, but this cooperation will remain relatively modest, and will stay in the shadow of the great advantage which Serbia gives to China and its “One Belt One Road” initiative.

In 2018, Serbia will intensify cooperation with another very important country, Turkey, whose influence on the Balkans has increased significantly over the past year. Aleksandra Vucic's current visit to Turkish President Recep Tayyip Erdogan is the third meeting of these two leaders in the past year. The relations between two countries are accelerating on the upward path. The matching of regional interests and excellent personal relations between Erdogan and Vucic has been proclaimed as the basis for the promotion of cooperation. It is expected that Serbia and Turkey will work together on two key regional projects: the Belgrade-Sarajevo highway and the Serbian section of the Turkish Stream pipeline. As the realization of these projects requires a high degree of regional stability, Turkey is expected to contribute to calming ethnic and religious tensions between Serbs and Bosniaks, both in Bosnia and Serbia (Sandzak). The presence of Bakir Izetbegovic, Bosniak member of the Presidency of BiH and the leader of the Party of Democratic Action (SDA), at

the current meeting in Istanbul should be understood exactly in that context. After Izetbegovic's statement in November 2017 that he believes that BiH should recognize Kosovo and that he is not satisfied with the position of Bosniaks in Sandzak, Belgrade expects Ankara to put pressure on him to give up this kind of rhetoric. During the visit of the Turkish President to Belgrade (when 15 interstate-agreements were signed) and Novi Pazar, in November 2017, Erdogan urged Bosniaks from Sandzak to support Alexander Vucic as their president, and to build their future and prosperity in peace and cooperation with the Serbs. On the other hand, Vucic promised to bring as many Turkish investors to Serbia as possible, stressing that Sandzak, as underdeveloped part of Serbia, with the youngest population and the highest unemployment rate, will benefit greatly from the projects contracted between this two countries.

Such regional developments, especially the growing presence of China, rise of Russian influence in Serbia, and Serbian-Turkish rapprochement, have provoked a greater US interest for Serbia and its foreign policy, so in 2018 we should expect that US will try to play a more active role in the region. It is also expected that (at the moment) this greater engagement will be more verbal than “tangible”, and that Washington will carefully monitor further regional developments, leaving the struggle for influence in the area to its Brussels allies. Regarding Serbia and NATO relations, Serbia remains committed to the policies of military neutrality, but this will not be an obstacle for cooperation through NATO’s “Partnership for Peace” framework, on which Serbia pays great attention.