At a glance

March 2016



Serbia and Kosovo: Normalisation of relations

Resolving their deep-seated rivalries has been one of the conditions placed on Serbia and Kosovo for achieving their shared goal of EU entry. Since 2011, an EU-mediated dialogue has sought to strike a balance between their past conflicts and present aspirations. Although tensions persist, the goal is to translate the deals signed by both sides into reality, and to keep their dialogue going.

Context of the bilateral conflicts

The Belgrade-Pristina bilateral conflicts <u>are part</u> of Yugoslavia's history and disintegration. Kosovo's final status, Serbia's non-recognition of its independence, and the status of ethnic Serb municipalities in northern Kosovo are among the region's most <u>contentious issues</u>. In 1974, Kosovo was an 'autonomous province', but constitutional <u>amendments</u> stripped it of its autonomy in 1989, in an effort to preserve Yugoslavia's integrity. The large-scale <u>protests</u> of the 1980s, the <u>non-violent movement</u> of the 1990s, the armed <u>conflict</u> of 1998 and the NATO <u>air strikes</u> of 1999 all relate to Kosovo's struggle for independence. When the conflict ended in 1999, the United Nations adopted <u>Security Council Resolution 1244</u> and set up an interim administration (<u>UNMIK</u>) in Kosovo, while NATO deployed its multinational Kosovo Force (KFOR). After <u>talks on its final status</u>, ongoing since 1999, reached a dead end, Kosovo declared independence in early 2008. At the same time, the EU set up its Rule of Law Mission (<u>EULEX</u>) to assist Kosovo in the rule of law area. Serbia, whose constitution stipulates that Kosovo is an 'integral part' of its territory, did not recognise it and maintained <u>parallel structures</u> in the Serb-populated north, which added to the complex administrative setup. In 2010, the International Court of Justice issued an advisory <u>opinion</u> stating that Kosovo's declaration had not violated international law, thereby indicating that the issue was <u>political rather than legal</u>.

EU perspective: directly proportional to the normalisation of relations

The EU considers that Serbia and Kosovo's EU accession processes and the normalisation of their relations 'should run parallel', until a 'legally binding agreement' is reached, allowing both sides to fully exercise their rights and fulfil their responsibilities. In 2008, the Council of the EU declared that each Member State would decide alone on its relations with Kosovo. As five Member States have not recognised Kosovo's independence, the EU has not been able to adopt a common position. Instead, it adopted a so-called 'status neutrality' approach and tied both sides' EU accession to 'a visible and sustainable improvement' in their relations, rather than to the formal recognition of Kosovo. The EU has been responding positively to progress in this respect, for instance by granting Serbia candidate status in 2012, after it signed a regional cooperation agreement with Kosovo. In 2015, after signing four new agreements, both Serbia and Kosovo advanced in their relations with the EU: in October, Kosovo signed its Stabilisation and Association Agreement (SAA) with the EU; in December, Serbia opened its first two negotiation chapters, including Chapter 35 on Kosovo.

EU-facilitated high-level dialogue: phases and achievements

In March 2011, the EU launched a high-level <u>dialogue</u> between Belgrade and Pristina, which has resulted in some 17 agreements so far. The dialogue has <u>evolved</u> from 'technical' to 'political' in terms of the level and content of the talks, but has been interrupted during government changes in both Serbia and Kosovo. In April 2013 and August 2015, it reached 'historic' highs with the signing of important agreements.

The 'technical' dialogue: March 2011 – May 2012

The initial talks focused on solving <u>practical issues</u> without involving the highest political level. They included freedom of movement, recognition of travel documents, car registrations, university diplomas, exchange of civil registry and cadastre records, and customs and trade relations. The <u>customs stamps</u> agreement (September 2011) spurred a serious crisis, while those on <u>integrated border management</u> (IBM) (December 2011) and <u>regional representation</u> of Kosovo (February 2012) were considered the <u>top</u> achievements during



this phase. Upon their conclusion, the EU launched a feasibility study on an SAA with Kosovo and granted Serbia candidate status. The first deal foresaw setting up joint border posts to be managed with the help of EULEX, while the second allowed Kosovo to participate in regional fora without an UNMIK representative. Since then, 'Kosovo' appears in official texts with a footnote stating 'This designation is without prejudice to positions on status, and is in line with UNSC Resolution 1244 and the ICJ Opinion on the Kosovo Declaration of Independence'.

The 'political' dialogue since October 2012

The dialogue, interrupted by parliamentary and presidential elections in Serbia, resumed at a higher level in October 2012. It was facilitated by EU High Representative Catherine Ashton and brought the two prime ministers together for the first time. The most important 'First Agreement of Principles Governing the Normalisation of Relations', referred to as the 'Brussels agreement', was signed in April 2013. Its 15-point text focuses on two goals: creating an Association/Community of Serb majority municipalities (ASM) in the north of Kosovo, vested with autonomy as regards economic development, education, health, urban and rural planning; and removing the parallel Serbian structures, while also integrating the police and judiciary in the Kosovo system. The agreement also states that neither side would block the other's entry into the EU. It is seen as a 'monumental shift' in Serbia's policy toward Kosovo, as some analysts consider it a de facto recognition of Kosovo, something that Serbia has denied. By all means, the implementation of the agreement would require both sides to amend their relevant legislation and/or their constitution, and is bound to be a lengthy process. In August 2015, Belgrade and Pristina concluded yet another round of 'landmark' agreements. They signed four new deals: on the establishment of an Association/Community of Serbian Municipalities, on energy and telecoms, and on the opening of the Mitrovica Bridge. In practical terms, the agreements allow Serbs in Kosovo to have their own supplier and vendor of electricity, and for Kosovo to obtain a new country phone code by 1 March 2016. Mitrovica Bridge is to be opened for all traffic by June 2016. Although the goal at that stage was to address more sensitive issues, such as finding a solution for northern Kosovo, technical issues prevailed. Both sides worked on finalising the border management deal and other agreements. They also agreed to send 'liaison officers' to their respective capitals to resolve unsettled issues related to the implementation of all the earlier agreements.

Implementation state of play and future prospects

In a recent <u>report</u> to the European External Action Service (EEAS), Kosovo claimed that implementation of most agreements is either 'ambiguous' or delayed, that Serbia's parallel structures are still active and Kosovo Serbs are not yet sufficiently <u>integrated</u> into Kosovo's system. While the justice and IBM agreements are still pending implementation, positive developments have been noted in the area of police integration, customs, and vehicle insurance. The 2015 energy deal has been delayed and the granting of a country phone code has also been put back. The 2015 deal on the Association/Community of Serb Municipalities has been <u>denounced</u> by the Kosovo opposition amidst violent protests. In December 2015, Kosovo's Constitutional Court put it on hold for being <u>partially non-compliant</u> with the constitution. At the latest bilateral meeting of 27 January 2016, talks over special powers for the Serb minority remained <u>at a standstill</u>. Other topics discussed included diploma recognition, expected to enter into force in 2016, freedom of movement and starting talks on direct air and rail connections between the two sides.

Serbia kept its parallel institutions active and campaigned against Kosovo's Unesco membership in 2015, in line with its <u>non-recognition policy</u>. Kosovo insists on the effective removal of these parallel structures as a condition for creating the Association/Community of Serb Municipalities. As for the EU's approach, researchers claim that if it wants to prevent a new <u>'Cyprus issue'</u>, it needs to address Kosovo's status. It may be <u>increasingly difficult</u> to remain 'status neutral' in the long term, however, considering that the process of EU accession 'entails an acceptance of de facto international borders'.

The European Parliament has adopted multiple resolutions on the European integration process of Kosovo and the role of the EU, and has repeatedly urged, including in its latest, 2016 resolution on Kosovo's progress report, all Member States which have not recognised Kosovo's independence (Greece, Spain, Romania, Slovakia and Cyprus) to do so, and the EU to 'step up [its] common approach towards Kosovo'. In its 2016 resolution, it also called on the Kosovo opposition to stop protesting against the EU-brokered deal to give special powers to the Serb minority. MEPs welcomed the progress in normalising relations between Serbia and Kosovo achieved so far and called for full and timely implementation of the agreements, as a condition for EU accession.

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