

AN ASSESSMENT OF THE EUROPEAN UNION'S IMPACT ON RESOLUTION OF THE KOSOVO IMPASSE

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Abstract

The Kosovo War of 1998-1999 while being the final nail in the coffin of Yugoslavia became the harbinger of an active and involved European Union (EU) foreign policy in the Western Balkans. The Union started the biggest and most expensive mission beyond its own borders in Kosovo which acquired a much more expansive character in December 2008 following the United Nations' transfer of responsibilities in the areas of police, customs and the judiciary. This article examines the political, legal/security and financial instruments used by the EU to not only strengthen the state capacity in Kosovo but also to end the disagreement between Serbia and Kosovo which still has the potential to explode and sweep the Western Balkans into another cycle of conflict, instability and migration.

Keywords: *European Union, Kosovo, conflict resolution, various instruments*

Kosovo Kördüğümü'nün Çözülmesinde Avrupa Birliği'nin Etkisi

Özet

1998-1999 Kosova Savaşı Yugoslavya'nın tabutundaki son çivi olurken Batı Balkanlar'da daha etkin ve ilgili bir Avrupa Birliği (AB) dış politikasının da habercisi oldu. Birlik, Kosova'da Aralık 2008'de Birleşmiş Milletler'in polis, gümrük ve yargı alanlarındaki sorumluluklarını devretmesiyle daha kapsamlı bir karakter kazanan sınırları ötesindeki en büyük ve en pahalı misyonunu başlattı. Bu makale AB'nin sadece Kosova'daki devlet kapasitesini güçlendirmek için değil fakat aynı zamanda hala patlama ve Batı Balkanlar'ı başka bir çatışma, istikrarsızlık ve göç sarmalına sürükleme potansiyeline sahip Sırbistan ve Kosova arasındaki

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anlaşmazlığı da sona erdirmek için kullandığı siyasal, hukuksal/güvenlikle ilgili ve mali araçları incelemektedir.

Anahtar Kelimeler: *Avrupa Birliği, Kosova, çatışma çözümü, çeşitli enstrümanlar*

Introduction

The unraveling of Yugoslavia which had started on 25 June 1991 with Croatia and Slovenia's declaration of secession from the Federation was completed on 17 February 2008 in the wake of Kosovo's proclamation of independence. Although the International Court of Justice's July 2010 decision which stated that announcement of sovereignty of the Kosovo state was in accordance with the general principles of international law strengthened the hands of Kosovar Albanians, neither Serbia nor the Serbian minority living in Kosovo have yet recognized the legitimacy of the independence decision. Moreover, they are backed up by 79 members of the United Nations that eschew from recognizing Kosovo's separation from Serbia.

The European Union (EU) emerged as a significant mediator between Kosovo and Serbia in the midst of this intense imbroglio. The Brussels Agreement facilitated by the EU High Representative Catherine Ashton and concluded between the respective premiers of Belgrade and Pristina on 19 April 2013 opened the way for normalization of relations between the two countries although the reconciliation process has been taking place in a slow and difficult fashion.

Kosovo seems to occupy a significant place in the foreign policy of Brussels. The EU, as a matter of fact, had regarded Kosovo issue as a milestone in concocting a more active and engaged foreign policy in the Balkan region in the early 2000s. On 10 June 1999, just one day before the end of the Kosovo War, the Union announced the Stability Pact for South-Eastern Europe which heralded the possibility of membership for regional countries with the commencement of the Stabilisation and Association Process (SAP) provided that they met the requisite political and economic conditions for membership.¹ In June 2000, at the end of the Santa Maria da Feira European Council meeting, the EU pledged to support the SAP through technical and economic aid.² Accordingly, in December 2000, one

¹ Bodo Hombach, "Stability Pact for South-Eastern Europe: A New Perspective for the Region," *Perceptions* 5 (2000): 5-21.

² "Santa Maria da Feira European Council 19 and 20 June 2000: Conclusions of the Presidency", European Parliament, Accessed: September 25, 2016, http://www.europarl.europa.eu/summits/fei1_en.htm#V.

month after the Zagreb Summit in which heads of state and government of the EU countries and the Western Balkan states³ came together for the first time, the Community Assistance for Reconstruction, Development and Stabilisation (CARDS) programme was introduced by the Council of the EU which ensured the transfer of financial assistance worth nearly five billion Euros from the EU budget to these countries between the years 2000 and 2006.⁴ Finally, in the course of the EU-Western Balkans Summit which took place on 21 June 2003 in Thessaloniki, the EU underlined that the future of the Balkan region was within the Union and called on the Western Balkan leaders to expedite political, economic and legal reforms in their countries to become eligible for candidate status.⁵

The EU took on an important operational role in the Balkans as well after the United Nations Interim Administration Mission in Kosovo (UNMIK) handed over responsibilities in the areas of police, customs and the judiciary to the European Union Rule of Law Mission in Kosovo (EULEX) in December 2008. The Union, since then has been investing in considerable time and effort both for building up of state capacity in Kosovo and also for ending the feud between the government in Kosovo and the Serbian authorities through utilization of many political, legal/security and economic means. This paper, while analyzing these various instruments adopted by the EU, aims also to examine the extent of their contribution to the untying of the knot that has been plaguing both Belgrade and Pristina for a long time.

I. The Political Instruments of the EU in Kosovo: The Special Representative, Belgrade-Pristina Dialogue and the SAP

The Special Representative who reports to the European Council via the High Representative of the Union for Foreign Affairs and Security Policy is the highest authority in Kosovo that acts for the EU. The Special Representative is the spokesperson of the Union in the country and is responsible for extending advice and support to the government of Kosovo in the political process. He/She also contributes to the development and consolidation of respect for human rights and fundamental freedoms in

³ Albania, Bosnia and Herzegovina, Croatia, Federal Republic of Yugoslavia, Macedonia, Slovenia.

⁴ Alistair J. K. Shepherd, "'A Milestone in the History of the EU': Kosovo and the EU's International Role," *International Affairs* 85 (2009): 523.

⁵ "EU-Western Balkans Summit, Thessaloniki, 21 June 2003", European Commission, Accessed: September 25, 2016, http://europa.eu/rapid/press-release_PRES-03-163_en.htm.

Kosovo.⁶ Other significant tasks of the Special Representative are to render assistance in the implementation of the Belgrade-Pristina dialogue facilitated by the Union as well as helping and monitoring the progress of Kosovo within the framework of the SAP.

The EU Special Representative in Kosovo played significant consulting role in enactment of legislation and establishment of political institutions in the country. There were also some serious efforts towards the protection of cultural and minority rights and expansion of quality and scope of freedom of expression. The Radio Television of Kosovo (RTK), the public broadcaster introduced a Serbian-language cable channel RTK 2 in June 2013 upon demand and insistence of the EU Special Representative Samuel Zbogar.⁷ Some improvement has been noted in healthcare, housing and education conditions of the Roma, Ashkali and Egyptian communities albeit the problems of discrimination by medical personnel, segregation at schools and informal settlements persisted.⁸ The Special Representative has been also promoting several projects since 2009 with regard to foundation of a broadcast monitoring system, strengthening of media-self regulation and enhancement of media freedom.⁹ Yet, there seemed to be a limited progress in this area as the latest Kosovo report published by the European Commission in November 2016 attested to the fact that threats and verbal and physical attacks against journalists have increased.¹⁰ Moreover, the shareholding structure of the RTK left it open to direct political pressure and influence and there was not much enthusiasm on behalf of the government of Kosovo to launch requisite legislation to remedy this situation.

Another significant political tool of the EU in Kosovo became the Belgrade-Pristina dialogue that took place under the aegis of Brussels and backed up by the Special Representative. The Kosovar and the Serbian parties decided to engage in dialogue because Brussels made it clear that having a workable if not amicable relationship with each other was a prerequisite for membership to the EU.¹¹ The process started in March 2011

⁶ “Council Decision (CFSP) 2015/2052 of 16 November 2015 Extending the Mandate of the European Union Special Representative in Kosovo*”, *Official Journal of the European Union* (2015): 23.

⁷ Lowell West, “Assessing the EU Special Representative Performance: Samuel Zbogar’s Performance through Two Mandates,” *Group for Legal and Political Studies* 7 (2016): 2.

⁸ Kosovo Education and Employment Network, *Towards a New Policy: Strategy for the Inclusion of Roma, Ashkali and Egyptian Communities in Kosovo 2016-2020* (Pristina: Kosova Education Center, 2016), 40.

⁹ Dinka Zivalj, “Without Freedom of Expression, A Democratic Society Cannot Exist,” *EU Information and Cultural Center*, October 31, 2016.

¹⁰ *Kosovo Report 2016* (Brussels: European Commission, 2016), 24-25.

¹¹ Ian Bancroft, “Serbia and Kosovo: Good Neighbours?,” *The Guardian*, March 30, 2010.

with discussion and negotiation of technical issues and resulted in signing of seven agreements regarding customs stamps, cadastral records, civil registry books, freedom of movement, mutual recognition of university diplomas, representation of Kosovo at regional cooperation meetings and Integrated Border/Boundary Management (IBM).¹²

It took some time to implement the 2011 agreements due to meager level of trust and goodwill between the two sides, slow functioning of the bureaucratic apparatus and insufficient financial resources. Some progress has been made in the field of cadastre. The scanning process of all original pre-1999 records was completed although they have yet to be delivered to the EU Special Representative.¹³ With an agreement hammered out in September 2016 reciprocity concerning license plates was ensured, removing one of the hurdles in the way of the freedom of movement.¹⁴ After lagging for a while the scope of the mutual recognition of higher education diploma agreement was expanded to encompass all education levels diplomas.¹⁵

Kosovo became member of few regional organizations such as the Regional Cooperation Council, South-East European Cooperation Process and the European Bank for Reconstruction and Development after Pristina accepted to carry an asterisk near its name in the official documents of these organizations which denoted a footnote that referred to its unresolved status.¹⁶ The problems with the IBM¹⁷ however, remained intact. The December 2011 agreement foresaw the construction of joint integrated posts at all common IBM crossing points between Kosovo and Serbia.¹⁸ However, although interim crossing points which were set up with the EU funding¹⁹

¹² "The Agreements Reached in Belgrade-Pristina Dialogue with EU Mediation", Government of the Republic of Serbia, Accessed: February 7, 2017, <http://www.srbija.gov.rs/kosovo-metohija/index.php?id=82315>.

¹³ *Kosovo Report 2016*, 33.

¹⁴ Republic of Kosovo Ministry for Dialogue, *Brussels Agreements Implementation State of Play 16 June-25 November 2016* (Pristina: Government of the Republic of Kosovo, 2016), 4.

¹⁵ Republic of Kosovo Ministry for Dialogue, *Brussels Agreements Implementation State of Play 16 June-25 November 2016*, 5.

¹⁶ Gezim Visoka and John Doyle, "Neo-Functional Peace: The European Union Way of Resolving Conflicts," *Journal of Common Market Studies* 54 (2016): 869-870.

¹⁷ Kosovo recognizes the line as a border whereas Serbia recognizes it as an administrative boundary.

¹⁸ "Agreed Conclusion 2 December 2011", The Republic of Kosovo the Office of the Prime Minister, Accessed: February 2, 2018, http://www.kryeministri-ks.net/repository/docs/agreement_0210_ibm.pdf.

¹⁹ Julian Bergmann and Arne Niemann, "Mediating International Conflicts: The European Union as an Effective Peacemaker?," *Journal of Common Market Studies* 53 (2015): 965.

became fully operational, Serbia showed reluctance towards establishing three permanent crossing points on its side. The uncertainty of the situation brought out illegal by-passes especially in the northern part of Kosovo which made it possible smuggling of substantial amounts of goods from Serbia to Kosovo.²⁰

The technical process between Belgrade and Pristina evolved into a political one when prime ministers of Kosovo and Serbia met up in Brussels in October 2012 under the auspices of the EU. The negotiations culminated in the signing of the First Agreement of Principles Governing the Normalization of Relations, also known as the Brussels Agreement on 19 April 2013. The agreement foresaw the establishment of the Association/Community of Municipalities which would incorporate the Serb-dominated municipalities and which would be responsible for economic development, education, health, urban and rural planning functions in these municipalities.²¹ In return all the Serbian security and judiciary structures would be integrated to the Kosovo's security and legal framework. Furthermore, the two sides pledged not to block each other's progress in their EU membership path and agreed on the organization of municipal elections in the northern municipalities in 2013.²²

There has been significant headway in dismantling the Serbian security and judicial structures in Kosovo. The Civil Protection units in the northern Kosovo municipalities of Leposavic, Northern Mitrovica, Zubin Potok and Zvecan were disbanded in accordance with the agreement signed between Belgrade and Pristina on 26 March 2015.²³ Former personnel of these units were employed in the Kosovo central institutions in January 2016.²⁴ Serbia announced on December 9, 2016, that it would end the employment of its judges, prosecutors and administrative staff in Kosovo as of January 10, 2017, thus paved the way for Kosovo's appointment of Serbian judicial and administrative staff to these vacant positions.²⁵

²⁰ *Kosovo Report 2016*, 33.

²¹ "Brussels Agreement - First Agreement of Principles Governing the Normalization of Relations", Government of the Republic of Serbia, Accessed: February 9, 2017, <http://www.srbija.gov.rs/vesti/specijal.php?id=120394>.

²² "Brussels Agreement".

²³ Isidora Stakic and Maja Bjelos, *The Future of Civil Protection in North Kosovo* (Belgrade and Pristina: Belgrade Centre for Security Policy, 2015), 16.

²⁴ Republic of Kosovo Ministry for Dialogue, *Brussels Agreements Implementation State of Play 16 June-25 November 2016*, 5.

²⁵ Valerie Hopkins, "EU: No Wall in Mitrovica, but Elevated Stairways," *Prishtina Insight*, December 12, 2016.

The municipal elections in the northern municipalities took place in November 2013 as foreseen in the Brussels Agreement and brought in new Serbian mayors and local councils in ten Serb-dominated municipalities in Kosovo.²⁶ A new agreement was also signed on 25 August 2015 for the foundation of the Association/Community of Serb-majority Municipalities in Kosovo. Yet this agreement could not be ratified in the Parliament of Kosovo as the opposition boycotted the Parliament and some members of it used physical impediments such as tear gas to hinder the Parliament's functioning. Furthermore, Kosovo's Constitutional Court voiced some concerns regarding the constitutionality of the agreement thus making things more difficult for the government of Kosovo.²⁷ The opposition is worried that granting wide autonomy to the Serbian minority via establishment of the Association/Community would equip them with the means to carve out a separate independent body within the Kosovo state which might demand secession in the future.²⁸

The EU is cognizant of the fact that integrating the northern Serbs into the Kosovo institutions is a daunting task. Brussels decided to use some financial inducements to speed up the process. The EU strengthened its presence in northern Kosovo after the foundation of a Special Representative Office in Northern Mitrovica in March 2010.²⁹ Since then it has been extending financial help to the four northern municipalities to develop infrastructure, agriculture, small and medium-sized enterprises as well as civil society.³⁰ Despite recording moderate results in economic development, the EU's aid to the businesses in northern Kosovo led these companies to register in the legal system of Kosovo and to open bank accounts in the commercial banks of Kosovo thus contributed positively to the integration efforts.³¹

²⁶ Gezim Krasniqi and Mehmet Musaj, "The EU's 'Limited Sovereignty-Strong Control' Approach in the Process of Member State Building in Kosovo," in *The EU and Member State Building: European Foreign Policy in the Western Balkans*, eds. Soeren Keil and Zeynep Arkan (Abingdon: Routledge, 2015), 154.

²⁷ Andrea Lorenzo Capussela, "Kosovo: Political Evolution and the Negotiations with Serbia," *IEMed. Mediterranean Yearbook* (2016): 184.

²⁸ Agron Bajrami, "Association of Serb Majority Municipalities in Kosovo (Association Impasse)," *Group for Legal and Political Studies* 1 (2017): 5-7.

²⁹ "EU Opens its Office in Northern Kosovo," *Xinhua*, March 27, 2010.

³⁰ "700,000 Euro Awarded to Two Projects in Northern Kosovo Municipalities from Development Fund", *European Union External Action Service*, July 22, 2016 and Jovana Jakovljevic, Sanja Sovrljic and Marija Milenkovic, *Do We Live Better? Effects of Financial Assistance to North Kosovo After the Brussels Agreement* (Belgrade: Institute for Territorial Economic Development, 2016), 24.

³¹ Jakovljevic, Sovrljic and Milenkovic, *Do We Live Better?*, 27.

The final political instrument employed by the EU to ensure reconciliation between Belgrade and Pristina became the SAP. The origins of the SAP in Kosovo dated back to the launching of the Stabilisation and Association Tracking Mechanism in November 2002, through which Kosovo participated in meetings with the EU experts and gained knowledge about the European standards.³² In August 2006, Kosovo signed the Action Plan for the Implementation of European Partnership that intended to become an overall framework of measures whose implementation would contribute to progress in the European Integration agenda for Kosovo.³³ One year later Extended Tracking Mechanisms of Stabilisation-Association were established and they were upgraded to a Political Dialogue of Stabilisation-Association in 2009. The commencement of the technical and political negotiations with Belgrade and clinching of the Brussels Agreement became a facilitating factor for the SAP. On 28 June 2013, the European Council decided to open negotiations on a Stabilisation and Association Agreement (SAA) with Kosovo.³⁴ The EU and Kosovo initiated the SAA on 25 July 2014 and signed it on 27 October 2015, two months after the hammering out of the Association/Community agreement between Belgrade and Pristina. The agreement entered into force on 1 April 2016 and started Kosovo's long journey towards the EU membership.

The rapprochement process with Pristina became rewarding for Belgrade's EU drive as well. It was granted with the status of candidate country in March 2012. The 28th of June 2013 marked a significant day for Serbia too, as on that day the European Council announced that accession negotiations with Serbia would be opened latest by January 2014 subject to the full implementation of the Brussels Agreement.³⁵ The SAA between Serbia and the EU came into force in September 2013 and the formal accession negotiations started on 21 January 2014.³⁶ In order to keep Belgrade on the reconciliation path with Pristina, the EU set normalization of relations with Kosovo as one of the criteria that needed to be met by Serbia in the accession process.³⁷

³² Augustin Palokaj, *Kosovo-EU Relations: The History of Unfulfilled Aspirations?* (Pristina: Kosovo Foundation for Open Society, 2015), 9.

³³ *Kosovo Action Plan for the Implementation of European Partnership* (Pristina: UNMIK Office of European Integration, 2006), 9.

³⁴ "Conclusions of the European Council 27-28 June 2013", European Council, Accessed: February 11, 2017, <http://www.europa.rs/upload/Jun%202013.pdf>.

³⁵ "Conclusions of the European Council 27-28 June 2013".

³⁶ *Serbia Report 2016* (Brussels: European Commission, 2016), 4.

³⁷ *Serbia Report 2016*.

The top-down approach adopted by the EU in its endeavor to enhance the democratic credentials of the Kosovo state and the political tools it has utilized to realize this goal were not received well by some segments of the Kosovar society. The sharpest and the most vocal criticisms came from the Vetevendosje (Self-Determination) party which viewed the EU actors such as the Special Representative in Kosovo as overwhelming, patronizing, even neo-colonial that did not respect independence, sovereignty and territorial integrity of the country.³⁸ The Vetevendosje had stood against the Belgrade-Pristina dialogue on the grounds that Serbia had yet to apologize for the war crimes it had committed during the War of 1998-1999. Furthermore, Kosovo's trade deficit with Serbia and the close ties between Belgrade and the Serbian municipalities were other significant concerns for the party.³⁹ The Vetevendosje objected to the SAA as well as it would oblige Kosovo to implement the agreements clinched with Serbia during the dialogue process.⁴⁰

The views of Vetevendosje seem to find resonance among the Kosovar society as the party has continuously expanded its voter base since the 2010 elections and become the most-voted single party in the 2017 elections. This is disturbing news for the EU as the party does not shy away from displaying its strong anti-EU stance through violent demonstrations staged both within and outside the parliament. The growing prominence of Vetevendosje in the Kosovar politics therefore, might also be the indication of decreasing enthusiasm and commitment for the EU membership which might frustrate the EU efforts in Kosovo.

The EU also made use of legal/security instruments to contribute to the consolidation of rule of law, democracy and human rights in Kosovo. The EULEX in Kosovo which became operational in April 2009 became the chief mechanism through which the EU helped the Kosovar judicial authorities and law enforcement agencies to strengthen sustainability and accountability, to create a multi-ethnic justice system and multi-ethnic police and customs service and to attain internationally recognized standards along

³⁸ Natalya Wallin, "Albin Kurti: Leader of 'Self-Determination' Party, on the Future of Kosovo," *Chicago Policy Review*, September 30, 2014.

³⁹ Hana Marku, "Vetevendosje and the Democratic Potential for Protest in Kosovo," in *The Democratic Potential of Emerging Social Movements in Southeastern Europe*, ed. Jasmin Mujanovic (Sarajevo: Dialog Südosteuropa, 2017), 44-45.

⁴⁰ Mu Xuequan, "Kosovo Ratifies Stabilization & Association Agreement with EU," *Xinhua*, November 3, 2015.

with European best practices.⁴¹ This part of the study will examine the functioning of the EULEX in the areas of judiciary, police and customs and will assess its performance vis-à-vis its initial goals.

II. The Legal/Security Instrument of the EU in Kosovo: The EULEX

The EULEX carries out its mandate via non-executive/monitoring, mentoring and advising (MMA) and executive objectives in Kosovo. The MMA objective encompasses the strengthening of rule of law institutions in Kosovo in terms of sustainability, accountability and independence. In order to fulfill this task, the EULEX monitors corruption, organized crime, inter-ethnic crime and war crime cases and supports the Belgrade-Pristina dialogue by lending a hand to the implementation of remaining dialogue agreements in the sphere of rule of law.⁴²

The executive objective includes adjudication and prosecution of constitutional, civil justice and highly sensitive criminal cases by the EULEX judges and prosecutors both exclusively and jointly with their Kosovar counterparts. As part of the executive duties of the EULEX, EULEX police deals with limited public disorder incidents, helps Kosovo's Crowd and Riot Control Police, maintains a Witness Protection Programme and liaises between the Kosovo Police and regional and international law enforcement agencies such as EUROPOL and INTERPOL. Forensic staff of the EULEX on the other hand, assists in solving the cases of missing persons in Kosovo.⁴³

The executive tasks of the EULEX have diminished throughout the years in a gradual fashion and are expected to decrease further in the coming years as the EU sticks strictly to the principle of local ownership in Kosovo which anticipates the transfer of responsibility to the local rule of law institutions once they are deemed ready to assume such a role. In line with this reasoning, the EULEX Police and Customs units eschew from using their corrective powers, notwithstanding intervening to prevent violence against the minorities or to hinder political interference.⁴⁴ Furthermore, the

⁴¹ "Council Joint Action 2008/124/CFSP of 4 February 2008 on the European Union Rule of Law Mission in Kosovo, EULEX KOSOVO", *Official Journal of the European Union* (2008), 93.

⁴² "The Strengthening Division: Monitoring, Mentoring and Advising", European Union External Action, Accessed: February 26, 2017, <http://www.eulex-kosovo.eu/?page=2,3>.

⁴³ "Executive Division", European Union External Action, Accessed: February 26, 2017, <http://www.eulex-kosovo.eu/?page=2,2>.

⁴⁴ Bilge Yabancı, "The (II)legitimacy of EU State Building: Local Support and Contention in Kosovo," *Southeast European and Black Sea Studies* 16 (2016): 359.

EU curtailed budget and personnel earmarked for the EULEX over the years. While the EULEX was equipped with 265 million Euro budget and 2,700 personnel in December 2009⁴⁵, its budget was reduced to 63.6 million Euros⁴⁶ and its personnel was diminished to 800 people in June 2016 which became another indication of decreasing executive role of the mission in Kosovo.

The EULEX extended advisory support to Kosovo in adoption of legislation such as the Law on Courts, the Law on the Kosovo Judicial Council, the Law on the State Prosecutor, and the Law on the Kosovo Prosecutorial Council.⁴⁷ The EU judges have delivered over 625 verdicts, including 465 verdicts in criminal cases of corruption, human trafficking, money laundering, organized crime and war crimes since the beginning of the mission⁴⁸ after dealing with backlog of 1,800 open cases left by UNMIK.⁴⁹ The EULEX had been criticized for lacking the will and determination to investigate war crime and corruption and organized crime cases that might have the potential to put on the spot current political leadership in Kosovo thus, to undermine reconciliation process spearheaded by the EU.⁵⁰

Investigation of war crimes in Kosovo became a challenging matter for the EULEX as some Albanian and Serbian suspects who were accused of criminal acts directed against the civilians during the War of 1998-1999 retained wide support among large segments of the Kosovar society. Some of them even succeeded in holding political offices in the post-war period. The EULEX had to grapple not only with political pressure but also with public outcry while trying these figures.

The prosecution of Fatmir Limaj, one of the former commanders of the Kosovo Liberation Army (KLA) who served as Minister of Transport and

⁴⁵ "EULEX KOSOVO: EU Rule of Law Mission in Kosovo", European Union-European Security and Defence Policy, Accessed: February 26, 2017, https://www.consilium.europa.eu/uedocs/cms_data/docs/missionPress/files/091214%20FACTSHEET%20EULEX%20Kosovo%20-%20version%209_EN.pdf.

⁴⁶ "Council Decision (CFSP) 2016/947 of 14 June 2016 Amending Joint Action on the European Union Rule of Law Mission in Kosovo*", EULEX KOSOVO", *Official Journal of the European Union* (2016): 26.

⁴⁷ Nikolaos Tzifakis, "The European Union in Kosovo: Reflecting on the Credibility and Efficiency Deficit," *Problems of Post-Communism* 60 (2013): 49.

⁴⁸ "Interview with the Deputy Head of EULEX Kosovo," *US-EU World Affairs*, January 13, 2017.

⁴⁹ Hylke Dijkstra, "The Planning and Implementation of the Rule of Law Mission of the European Union in Kosovo," *Journal of Intervention and Statebuilding* 5 (2011): 207.

⁵⁰ Julian Borger, "EU Accused over its Kosovo Mission: 'Corruption Has Grown Exponentially'," *The Guardian*, November 6, 2014.

Telecommunication in the government of Kosovo, was a good example in this context. He was charged with the torture and death of seven Serbs and a Kosovar in his capacity as a KLA headman.⁵¹ His trial became a huge event in the country because of the fact that he was accepted as one of the war-time heroes and a successful politician.⁵² Limaj was acquitted in May 2012 after a key witness who had been brought to Germany for protection, committed suicide in September 2011. In a similar vein, the arrest of former Serbian head of police in Northern Kosovo Dragoljub Delibasic⁵³ and the leader of the Citizens' Initiative Freedom, Democracy, Justice (SDP) Oliver Ivanovic on charges of war-time murders and attempted murders provoked opposition among Serbian community in Kosovo.⁵⁴

Another pressing matter which was bequeathed to the EULEX from UNMIK became the investigation of sexual violence cases inherited from the War of 1998-1999. It has been estimated that more than 10,000 Kosovar women suffered rape at the hands of the Serbian paramilitary and security forces as well as the KLA units and the prosecution rate of these cases has been extremely low till to this day.⁵⁵ The victims' unwillingness to testify owing to fear and trauma they had undergone in addition to the heavy social pressure weighed upon them to keep quiet in order not to inflict 'shame' on their families was the main underlying reason of this failure. Yet, delays in inquiry procedures along with absence of qualified experts on crimes of sexual violence among the UNMIK police and international prosecutors made things worse. Upon growing criticisms and complaints coming from the victims, the Ministry of Justice of Kosovo created a working group in 2015 which encompassed the EULEX and the Special Prosecutor's Office and ten judges were assigned to deal with these sexual violence cases.⁵⁶

The EULEX judges were also accused of failing to avert political influence, interference and intimidation while probing corruption and

⁵¹ Christopher Sultan (trans.), "We Have Achieved Almost Nothing: An Insider's View of EU Efforts in Kosovo," *Spiegel Online*, November 7, 2012.

⁵² Matthew Brunwasser, "Death of War Crimes Witness Casts Cloud on Kosovo," *The New York Times*, October 6, 2011.

⁵³ Bahri Cani, "Kosovo and the Future of the EULEX Mission," *Deutsche Welle*, March 23, 2014.

⁵⁴ "Oliver Ivanovic, Dragoljub Delibasic Placed in House Arrest," *InSerbia*, September 18, 2015.

⁵⁵ Amnesty International, *Time for EULEX to Prioritize War Crimes* (London: Amnesty International, 2012), 36-37.

⁵⁶ "Country Reports on Human Rights Practices for 2015, Kosovo", USA Secretary of State, Bureau of Democracy, Human Rights and Labor, Accessed: February 27, 2017, <https://www.state.gov/j/drl/rls/hrrpt/humanrightsreport/#wrapper>.

organized crime cases. The long-term objective of establishing an effective and fair judicial system that would treat all the citizens of Kosovo equally was sacrificed to ensure short-term security and stability in the country. This situation granted some kind of impunity to the political leadership and/or to the ones that had close affinity with the political leaders. Although the EULEX has filed several corruption and organized crime indictments such as misusing official position, granting economic authorization in an uncompetitive manner, accepting bribes and engaging in drug, organ and human trafficking against many ministers and members of the Parliament since 2010, they hardly yielded any results.⁵⁷

The scarcity of judiciary personnel with knowledge of local languages and exposure to local legal codes has been uttered as the chief deficiency of the EULEX since its early inception because it was difficult to investigate crimes, get along with key witnesses and comprehend the political culture in a tightly-knitted society like Kosovo without local language competency. Furthermore, the reputation of the mission was tarnished considerably after the release of insider information which revealed that some members of the EULEX accepted bribes to block corruption investigations and to absolve suspects charged with murder.⁵⁸

Another area in which Kosovo continues to need advice and support of the EULEX is public order. The EULEX Police lends assistance to the Kosovo Police in strengthening institutional capacity through organizational restructuring, more efficient allocation of resources, enhanced cooperation with the judiciary and development of an intelligence-gathering culture.⁵⁹ It also undertakes executive tasks such as participating in search, arrest, patrolling operations with the Kosovo Police on a joint basis.⁶⁰ Yet, some problems persist. According to the latest research conducted by the United Nations Development Programme (UNDP) in Kosovo in October 2016, perception of the prevalence of large-scale corruption among the EULEX

⁵⁷ "Country Reports on Human Rights Practices for 2015, Kosovo"; Andrew Radin, "Analysis of Current Events: 'Towards the Rule of Law in Kosovo: EULEX Should Go'," *Nationalities Papers* 42 (2014): 187, European Parliament, *Trafficking in Human Organs* (Belgium: Directorate-General for External Policies Policy Department, 2015), 38-39 and "Police Raids the Home of Former KLA Leader and MP Azem Syla," *Prishtina Insight*, April 27, 2016.

⁵⁸ Salvador Llaudes and Francisco Sanchez Andrada, "EULEX: A Mission in Need of Reform and with No End in Sight," *Elcano Royal Institute Strategic and International Studies*, July 27, 2015.

⁵⁹ Tzifakis, "The European Union in Kosovo," 48.

⁶⁰ "Interview with the Deputy Head of EULEX Kosovo".

Police is 34.1 percent in Kosovar society.⁶¹ This situation could be attributed to the fact that some members of the EULEX police were caught smuggling cigarettes and alcoholic drinks by the border guards.⁶² Moreover, in the same study it was reported that 36 percent of the Kosovo citizens did not feel safe while out in the streets which was another alarming indicator regarding the credibility of the security staff in the country.⁶³

The EULEX Police encountered serious problems while trying to maintain order and security in northern Kosovo. In September 2013 a Lithuanian EULEX police officer was shot dead in Zvecan.⁶⁴ Four Czech members and one German member of the EULEX police force were attacked by an unidentified gunman in northern Kosovo in May 2015 as well.⁶⁵ These events brought out less EULEX involvement in the northern part of the country. The EULEX security personnel were deployed mostly in the south of the river Ibar in order not to experience similar incidents which might jeopardize their well-being. Apart from difficulties on the ground, the EULEX police also came under the close scrutiny of the non-recognizing members of the EU⁶⁶ that monitored strictly the work of the security forces in Kosovo in order to make sure that the EULEX maintained its neutral-status⁶⁷ and did not take any sides in times of tension and conflict in the country.

The last Kosovar institution which benefited from EULEX's backing became the Kosovo Customs. As of August 2016, the EULEX has finalized its executive responsibilities in this division and has been providing only strategic advice since then.⁶⁸ The Kosovo Customs is accepted as one of the most important institutions of Kosovo because of the fact that it is a significant source of income for the country's budget.⁶⁹ The money coming

⁶¹ UNDP in Kosovo, *Public Pulse XII* (Prishtina: UNDP Kosovo Programme, 2016), 13.

⁶² Andrea Lorenzo Capussela, *State-Building in Kosovo: Democracy, Corruption and the EU in the Balkans* (London: I.B. Tauris, 2015), 129.

⁶³ UNDP in Kosovo, *Public Pulse XII*, 6.

⁶⁴ Stanislas Douçot-Rubigny, "Western Balkan Security within the EU Enlargement Perspective and the Kosovo-Bosnia and Herzegovina Cases Issues," *Eurolimes* 18 (2014): 159.

⁶⁵ "Czech Police Attacked in Northern Kosovo," *TRT World*, May 25, 2015.

⁶⁶ These countries are Cyprus, Greece, Romania, Slovakia and Spain.

⁶⁷ Steffen Eckhard, "Political Guidance or Autonomy in Peacebuilding? EU Police Reform in Afghanistan and Kosovo," *International Peacekeeping* 23 (2016): 379.

⁶⁸ "Kosovo Customs Marks Substantial Development Towards EU Recognized Standards," *European Union External Action*, August 11, 2016.

⁶⁹ Customs revenues make up nearly two-thirds of the annual budget of Kosovo. See Elton Skendaj, "International Insulation from Politics and the Challenge of State Building: Learning from Kosovo," *Global Governance* 20 (2014): 467.

from this unit is used to provide services for the people of Kosovo in other domains. The EULEX's contribution to the Kosovo Customs came through introduction of improved procedures and compliance, development and implementation of joint cooperation measures with relevant institutions of Kosovo and extension of material donations.

The EULEX assisted Kosovo Customs in adopting a Customs Code in accordance with the European standards. The Customs division recorded some progress in collaborating with the Kosovo Police, the Kosovo Intelligence Agency and the State Prosecutor's Office.⁷⁰ The EULEX also handed over vehicles to the Ministry of Finance of Kosovo to be regarded as a donation for Kosovo Customs.⁷¹ There is however still room for improvement in Kosovo Customs similar to the cases of the Kosovo Judiciary and the Kosovo Police despite the various efforts of the EULEX. One of the major deficiencies is the poor coordination between the Customs and the Public Prosecutor's Office which encumbers the effectiveness of the investigation and prosecution of cases of serious crime.⁷² Secondly, the Kosovo Customs is perceived as one of the most corrupt institutions in Kosovo by the large segments of the population as proven by the UNDP Kosovo report of October 2016 which stated that perception of the occurrence of large-scale corruption among the Kosovo Customs is 45.2 percent in Kosovar society.⁷³ Lastly, implementation of customs services is still a challenging task in northern Kosovo as the Serbs living in the region drag foot to the establishment of authority of Kosovo Customs in Brnjak and Jarinje checkpoints which will seal their separation from Serbia by international borders.⁷⁴

The EULEX played important role in adoption of new legal codes by the Kosovar judiciary and the customs which became instrumental in bringing the Kosovo legislation in line with the European standards. It also helped to build organizational capacity, strengthen key institutions and train public officials in the nascent state. Yet, structural imperfections of Kosovo which revealed themselves in the existence of a judiciary which was far away from transparency and was open to political influence, perceived corrupt public order and customs services units along with slow integration

⁷⁰ Tzifakis, "The European Union in Kosovo," 50.

⁷¹ "EULEX Donates Vehicles to Kosovo Customs", *European Union External Action*, July 7, 2015.

⁷² European Court of Auditors, *European Union Assistance to Kosovo Related to the Rule of Law, Special Report No 18* (Luxembourg: European Court of Auditors, 2012), 20.

⁷³ UNDP in Kosovo, *Public Pulse XII*, 13.

⁷⁴ Tzifakis, "The European Union in Kosovo," 50.

of personnel from minority communities especially Serbs to the state institutions demonstrated that the EULEX lagged far behind its initial goals regarding Kosovo. On top of these, serious allegations of incompetence, negligence and malpractice directed against some of the EULEX personnel came as a huge blow to the reputation and standing of the mission in the country.

The EU has loomed large in economic reconstruction and development of Kosovo as well. It has contributed 2.3 billion Euros to the Kosovar economy between 1999 and 2008 through the administration of UNMIK's Pillar IV (Reconstruction and Economic Development).⁷⁵ The EU also allocated nearly 300 million Euros for Kosovo under the Instrument for Pre-Accession Assistance (IPA) programme between 2009 and 2013⁷⁶ and made further arrangements to grant 645.5 million Euros for the period 2014-2020.⁷⁷ The final part of the article will dwell on the details of the EU's support to the establishment of a sustainable economy in Kosovo within the framework of the IPA by analyzing the Union's activities and projects in three key areas such as education, agriculture and energy.

III. The Economic Instruments of the EU in Kosovo

Kosovo lagged behind other Western Balkan countries in most of the economic performance indicators. It had the lowest GDP (17,524 Euros) after Montenegro in the region in 2016.⁷⁸ Kosovo had the lowest GDP per

⁷⁵ Krasniqi and Musaj, "The EU's 'Limited Sovereignty-Strong Control' Approach," 144.

⁷⁶ "2009 Annual Report on the Implementation of the Instrument for Pre-Accession Assistance (IPA), 1 December 2010", European Commission, 65, Accessed: April 19, 2017, https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/press_corner/key-documents/financial_assistance/2009/annex_working_document_en.pdf, "2011 Annual Report on Financial Assistance for Enlargement, 20 November 2012", European Commission, 11, Accessed: April 19, 2017, <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52012DC0678&from=en>, "2012 Annual Report on Financial Assistance for Enlargement", European Commission, 18, Accessed: April 19, 2017, https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/key_documents/2013/2012_ipa_annual_report_with_annexnew_en_0.pdf and "2013 Annual Report on Financial Assistance for Enlargement", European Commission, 10, Accessed: April 19, 2017, https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/key_documents/2013/ipa-2013-annual-report-printed-version_en.pdf.

⁷⁷ "Stabilisation and Association Agreement (SAA) between the European Union and Kosovo Signed", Council of the European Union, Accessed: April 19, 2017, <http://www.consilium.europa.eu/en/press/press-releases/2015/10/27-kosovo-eu-stabilisation-association-agreement/>.

⁷⁸ "Report for Selected Countries and Subjects", International Monetary Fund, Accessed: April 20, 2017,

capita (3,084 Euros)⁷⁹ and the highest unemployment rate (35%) as well.⁸⁰ The economy of Kosovo is small and undiversified. The majority of the exports are composed of raw materials, agricultural products and low-value added manufactured goods⁸¹ which do not contribute significantly to the economic growth of the country. Around 500 socially-owned enterprises (SOEs) were privatized in Kosovo under the guidance of the EU-administered Kosovo Trust Agency but the results were not promising as most of these enterprises were sold below their market values and very few of them exceeded their pre-privatization production level.⁸² Presently only a small number of these companies operate and they are too far away from generating sufficient employment opportunities to alleviate high unemployment level in the country.

Kosovo's economy continues to be dependent on diaspora remittances from Germany, Switzerland, the USA and Italy which account for around 15 percent of the GDP, on aid from international donors which makes up about 10 percent of the GDP and on public spending and investments.⁸³ The countries of the EU are also the main export and import partners of the country. 103 of 470 foreign-owned businesses in Kosovo belong to the EU members which makes the Union largest investor in Kosovo's economy.⁸⁴

This bleak and unsustainable nature of the economy which is mostly reliant on external financial resources makes things difficult for more than 20,000 young Kosovars that enter into the labor market each year.⁸⁵ The youth aged between 15 and 24 years constitutes 31 percent of the working

<http://www.imf.org/external/pubs/ft/weo/2014/02/weodata/weorept.aspx?sy=2014&ey=2016&scsm=1&ssd=1&sort=country&ds=.&br=1&pr1.x=82&pr1.y=10&c=967&s=NGDPD%2CPPP&grp=0&a=>

⁷⁹ Republic of Kosovo, *Statistical Yearbook of the Republic of Kosovo 2016* (Prishtina: Kosovo Agency of Statistics, 2016), 191.

⁸⁰ Republic of Kosovo, *Statistical Yearbook of the Republic of Kosovo 2016*, 218.

⁸¹ Republic of Kosovo, *Statistical Yearbook of the Republic of Kosovo 2016*, 171.

⁸² Arbereshe Loxha and Delfine Elshani, *Panic Selling: Assessing the Main Challenges and Deficiencies of Kosovo's Privatization Process* (Prishtina: Group for Legal and Political Studies and Balkan Investigative Reporting Network, 2016), 7.

⁸³ "Kosovo Economic Statistics and Indicators", Economy Watch, Accessed: April 20, 2017, <http://www.economywatch.com/economic-statistics/country/Kosovo/>.

⁸⁴ "Foreign Direct Investments in Kosovo", The Republic of Kosovo Ministry of Trade and Industry, Accessed: April 20, 2017, <http://www.invest-ks.org/en/foreign-direct-investments-in-kosovo>.

⁸⁵ "Kosovo Human Development Report 2016", UNDP, 13, Accessed: April 22, 2017, <http://www.ks.undp.org/content/kosovo/en/home/library/poverty/kosovo-human-development-report-2016.html>.

age population in the country⁸⁶ and more than 57 percent of these people are unemployed. Another exasperating issue is the high levels of female unemployment. 82 percent of working age women in Kosovo is neither employed nor looking for work.⁸⁷ Limited access to child care services, absence of flexible work arrangements, favoring of male candidates over female ones by the employers owing to the general perception of men as main breadwinners in the Kosovo society are the major reasons for lagging of female employment. Overwhelming majority of the employed people on the other hand, works in the informal economy which offers low wages without job security or social protection.⁸⁸

About 60 percent of the unemployed people in Kosovo⁸⁹ are devoid of requisite knowledge and skills to compete successfully in the contemporary business environment. This situation may be attributed to the poor quality of the education system in Kosovo at all levels. The higher education institutions especially, which play crucial role in equipping people with the required qualifications to match the demands of the competitive business world, do not meet the international standards in Kosovo. They also lack autonomy and independent decision-making.⁹⁰ Furthermore, citizens with disabilities and the people coming from minority groups such Roma, Ashkali and Egyptian encounter serious difficulties to receive even regular high school education.

The EU is aware of the fact that Kosovo needs to improve quality and accessibility of its education system at all levels in order to have a self-sufficient economy in the mid-to-long term. Therefore, the European Commission allotted 94.2 million Euros within the framework of the IPA programme for the period 2014-2020 for employment, social policies, education, promotion of gender equality, and human resources development in Kosovo.⁹¹ Within this context, a three-year project with budget of four million Euros was introduced on June 25, 2014, under the supervision of a Finnish public education organization to support the implementation of a

⁸⁶ “Indicative Strategy Paper for Kosovo* (2014-2020), Instrument for Pre-Accession Assistance (IPA II), 20 August 2014”, European Commission, 31, Accessed: April 22, 2017, http://www.jeanmonnetchair.info/file/3_1_IPA_II_kosovo.pdf.

⁸⁷ “Kosovo Human Development Report 2016”, UNDP, 5.

⁸⁸ Four-fifths of the labor force in Kosovo works in the informal economy. See Mariya Cheresheva, “‘Shadow’ Economy Thriving in Balkans, Study Shows,” *Balkan Insight*, September 5, 2016.

⁸⁹ “Indicative Strategy Paper for Kosovo (2014-2020),” 31.

⁹⁰ *Kosovo Report 2016*, 52.

⁹¹ “Indicative Strategy Paper for Kosovo (2014-2020),” 37.

new curriculum in Kosovo.⁹² However, the project is progressing slowly and new curriculum and new textbooks have not been launched yet.⁹³

The EU also offered education and development programs for the peoples of Kosovo. The Union initiated on-the-job training and entrepreneurship management projects for the young and unemployed segments of the country. About 3,500 unemployed people received three-to-six months of on-the-job training in which 2,800 businesses and organizations took part.⁹⁴ More than 800 people also completed the entrepreneurship courses which helped them to acquire necessary knowledge and skills to set up their own businesses, resulting in registration of 300 new businesses.⁹⁵ The EU has also extended support for the reform of the vocational education in Kosovo as around half of students in upper secondary level prefer this kind of education. Yet, progress in this area is staggering as well because of the weak link to the labor market and absence of applied courses.⁹⁶

Another sector to which the European Commission contributed with 79.7 million Euros within the framework of the IPA programme for the period 2014-2020 became agriculture.⁹⁷ The agricultural industry makes up 11 percent of the total GDP in Kosovo and 61 percent of the population live in the countryside.⁹⁸ The dissolution of state-owned agricultural enterprises led to a significant decrease in arable land and irrigation which in turn brought out a reduction in agricultural production by half.⁹⁹ Yet, 12 percent of total exports of Kosovo are still coming from this sector and it retains some economic potential.¹⁰⁰

The EU has supported the development and modernization of three agriculture sub-sectors (dairy, meat, and fruit and vegetable processing) via

⁹² "Finnish-led EU Twinning-project to Enhance the Standard Education in Kosovo Was Launched in Pristina," Embassy of Finland, Accessed: April 22, 2017, <http://www.finlandkosovo.org/public/default.aspx?contentid=308911&nodeid=42563&culture=en-US>.

⁹³ Besa Shahini, "Building a Scaffolding: Analysis of the Effects of the Instruments for Pre-Accession Assistance on Kosovo's Economy," *Kosovo Foundation for Open Society*, 14, Accessed: April 22, 2017, <http://kfos.org/wp-content/uploads/2016/11/Building-a-Scaffolding-IPA-in-Kosovo-9-November.pdf>.

⁹⁴ "2013 Annual Report on Financial Assistance for Enlargement", 19.

⁹⁵ "2013 Annual Report on Financial Assistance for Enlargement", 19.

⁹⁶ *Kosovo Report 2016*, 53.

⁹⁷ "Indicative Strategy Paper for Kosovo (2014-2020)," 37.

⁹⁸ "Kosovo-Agricultural Sector", *Export.gov*, August 15, 2016.

⁹⁹ *Investment in Kosovo* (Pristina: KPMG, 2016), 13.

¹⁰⁰ Republic of Kosovo, *Statistical Yearbook of the Republic of Kosovo 2016*, 171.

annual rural grant schemes in Kosovo. The program encompassed some measures such as improving the use of by-products, introducing higher-value-added products, creating cold storage facilities, updating food safety management systems and modernizing quality control equipment to bring Kosovo's agriculture sector in line with the EU standards.¹⁰¹ The EU also provided technical assistance to Kosovo in the form of aiding in the capacity building of the Food and Veterinary Agency, supplying equipment for animal health and funding some veterinary infrastructure projects.¹⁰² It has also pledged to extend enhanced access to credit for farmers and to introduce farm management and farm accounting education.¹⁰³ Moreover, following the coming into force of the SAA with Kosovo in April 2016, the EU opened its market to exports of more than 2,500 agricultural products from this country.¹⁰⁴

Energy sector of Kosovo has been heavily funded by the EU since 1999 to keep the coal mines and power plants operating in the country. Kosovo also signed the European Energy Community Treaty in 2006 which anticipated integration of Kosovo energy market into the wider European energy network by implementing the *acquis* concerning the energy sector and offering better opportunities for trading energy with the EU member states.¹⁰⁵

Kosovo is highly dependent on power production from two thermal plants burning lignite. One of these power plants, Kosovo A is too old and battered to meet the EU's environmental and emission standards. Therefore, the EU has dedicated 100 million Euros within the framework of the IPA programme for the period 2014-2020 to decommission this power plant which is source of severe pollution in the region.¹⁰⁶ The EU, along with the World Bank has also contributed to the launch of a project to build a new power plant running on coal in Kosovo. Once it commences operations, this power plant is expected to retain a workforce of 500 people, thus offering significant employment opportunities for the population of Pristina and nearby regions.¹⁰⁷

¹⁰¹ "2012 Annual Report on Financial Assistance for Enlargement," 7.

¹⁰² *EU & Kosovo: Overview of Key European Integration Policies* (Prishtina: European Union in Kosovo and Republic of Kosovo Ministry of European Integration, 2014), 45.

¹⁰³ "Indicative Strategy Paper for Kosovo (2014-2020)," 34.

¹⁰⁴ "Kosovo Agriculture in EU: Loves me... Loves me not," *AgroWeb*, April 27, 2016.

¹⁰⁵ *EU & Kosovo: Overview of Key European Integration Policies*, 27.

¹⁰⁶ "Indicative Strategy Paper for Kosovo (2014-2020)," 37.

¹⁰⁷ *Investment in Kosovo*, 14.

The EU has assumed remarkable responsibility for economic reconstruction and development of Kosovo since 1999. Investments carried out in education, agriculture and energy sectors have helped the young Republic to survive amid global economic crises, regional rivalry and internal political rifts. Yet, the country should also learn to stand on its own feet as it cannot count on external assistance forever. An education reform which takes into consideration global standards along with needs of the labor market of Kosovo will be an important starting point in creating a promising and self-reliant economy.

Conclusion

The disintegration of Yugoslavia had coincided with the culmination of integration efforts within the European Community. With the signing of the Maastricht Treaty in February 1992, the Community was transformed into a Union which ensured the free movement of goods, services, capital, and people within its borders. The travails of the transformation process, different foreign policy preferences of the member states, and the failure of creation of a common foreign policy line prevented the EU from intervening effectively in the Yugoslav crisis and conceiving a working resolution rapidly to reconcile the warring parties. The USA had to step in and take on a leadership role in order to stop the bloodshed in the Bosnian War.

The EU played second fiddle to the USA during the Kosovo War of 1998-1999 as well. Yet, immediately after the end of the military conflict, the Union decided to shoulder more responsibility in the political, administrative and financial realms in order to minimize the security, economic and human risks stemming from the volatile province. The EU's involvement in Kosovo became more evident when it took over the UNMIK's commitments in the areas of police, customs and judiciary in December 2008.

The EU is cognizant of the fact that Kosovo's survival as a stable, secure and sovereign state is dependent on its meeting of certain conditions. Pristina needs to find a way to integrate the Serbian population living in the northern parts of the country into its institutions. Strengthening of democracy, rule of law, and human rights and freedoms buttressed by an effective, fair and independent judicial system in the presence of assiduous and professional law enforcement structure will help the government of Kosovo to a considerable extent for the realization of this goal. Furthermore, a prosperous state with a thriving economy that presents satisfactory

employment opportunities for its citizens will also enhance their loyalty and attachment to its administration.

The EU has been employing many political, legal/security and economic instruments since December 2008 to assist Kosovo in realization of these objectives. The Special Representative of the EU supports the government of Kosovo in consolidation of democratic political institutions and expansion of human and minority rights. The Belgrade-Pristina Dialogue and the SAP, although progressing at slow pace, aim to establish a lasting rapprochement between Serbia and Kosovo which in turn is expected to facilitate the integration of the Serbian minority into the political, legal and economic structures of Kosovo while at the same time clearing the hurdles in the way of both states' journey to the EU membership. The EULEX in Kosovo has contributed to the harmonization of legislation of Kosovo with that of the EU's *acquis communautaire*. It also brought out measures to strengthen institutional capacity of the judiciary, police and customs units. Finally, the Union has been extending financial aid to Kosovo since 1999 especially in education, agriculture, and energy sectors to help the nascent state weather prospective financial difficulties.

It is for sure that the EU has been spending much time, effort and financial resources to sustain Kosovo as a functioning state. Yet, Kosovo's over-reliance on the backing of the EU brings out an obvious inertia on the side of the government. It is reluctant to demonstrate the strong will and political determination to initiate the necessary political, judicial, economic, and educational reforms that are crucial for future well-being of the country. Therefore, the EU should hasten its gradual delegation of authority to the local institutions in Kosovo and should urge the politicians and the bureaucrats to take more responsibility for the better governance of their country.

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