Watch List 2024 for the EU

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By the International Crisis Group

Toward Normal Relations between Kosovo and Serbia

Tensions between Kosovo and Serbia have soared since 2021, with protests in Kosovo's northern municipalities at Pristina's assertions of authority. In this excerpt from the Watch List 2024, Crisis Group encourages the EU to foster bilateral dialogue aimed at normalising relations.

ince taking office in 2021, the government of Kosovo's Prime Minister Albin Kurti has been turning up the heat on the four northern municipalities where ethnic Serbs are in the majority. Kosovo's refusal to grant greater autonomy to its ethnic Serbian population has been one of the two primary issues that keeps it at odds with neighbouring Serbia, from which it formally declared independence in 2008. The other is Serbia's refusal to recognise Kosovo's status as an independent state, which is essential to unlocking membership for the latter in international organisations like the European Union and UN.

As these disputes have lingered without resolution, Serbia and Kosovo have exercised a form of overlapping sovereignty in the north – with Serbia supplying education and health care to the residents, and Kosovo in charge of law enforcement and the courts – but Kurti has clearly lost patience with that arrangement. Among other things he has deployed heavily armed police to the region, placed an embargo on Serbian goods the residents need, evicted Serbian institutions and banned the use of Serbian currency. His government has justified these steps partly by citing security threats, most recently in the form of Serb paramilitaries whom it discovered bringing in military-grade weaponry from Serbia in September 2023.

Under this sustained pressure, over 10 per cent of Kosovo's Serbs have emigrated over the past year. The departures accelerate a preexisting trend: Crisis Group estimates that up to one third have left in the past eight years. The Kosovo Serbs' emigration is worrying both because of what it says about their levels of frustration, and because it undermines the most plausible pathway to normalisation, in which Kosovo would give its Serbs significant self-rule in exchange for de facto if not de jure recognition by Serbia.

To facilitate better dynamics between Kosovo and its Serb population, the EU should:

• Encourage Pristina to refocus policing in the northern municipalities on meeting community needs. Special militarised deployments should not be used for day-to-day policing and instead should focus on border security and searching for weapons caches. Pristina should send more Serbian-speaking officers to the region (in contrast to those who speak only Albanian) and engage in outreach to improve relations with residents.

- Work to ensure that the needs of Kosovo's northern Serb minority, especially in employment, health care and schooling, are met. If that cannot be done within the framework for partial autonomy that has been under discussion for Serb-majority municipalities (which the Serbs call a "community" and the Kosovars an "association") then the EU and member states should press the parties to develop alternative ways to achieve the same goal.
- Encourage Pristina to soften its harsh security measures in the north, including through the withdrawal of special police deployments, promising relief from sanctions and lesser measures in return.
- Press Serbia to cooperate fully with efforts, including those by KFOR, the NATO-led peacekeeping force in Kosovo, to seal the border to arms smuggling and to locate heavy weapons it has supplied to Kosovo Serb paramilitaries.

Echoes of Conflict

Since the 1999 conflict that saw Kosovo separate from Serbia, there has been an unresolved question about how the government in Pristina (which represents a majority Albanian population) will govern the four Serb-majority municipalities in Kosovo's north. Though Kosovo and Serbia had developed a modus vivendi for administering and supplying services to these communities, that has significantly unravelled since President Kurti took office in 2021.

Pursuant to the governance arrangements that emerged over the years prior to Kurti's election, Kosovo and Serbia were both able to exercise certain sovereign powers over the four Serb-majority northern municipalities. The municipalities had parallel municipal governments, one in each system, each with its own official website. Residents could get both Kosovo and Serbian personal documents. Under this modus vivendi, Belgrade and Pristina provided redundant services in some areas but divided responsibilities in others. Serbia had the bigger footprint, running schools and the health care system; Kosovo retained control of the police and courts.

After Kurti came to power, however, that started to change. In 2021, Pristina began enforcing its authority in northern Kosovo by deploying to the region a large, militarised special police force, which was greeted with predictable hostility by the population. Over the next two years, Pristina also banned goods and medicines from Serbia, expropriated land for special police bases, stopped construction of Serbian-funded housing, evicted Serbian institutions from office buildings, and demanded that drivers use Kosovo-issued licence plates (instead of Serbian ones) or face fines or confiscation of their vehicles. The measures prompted a boycott and mass resignations by ethnic Serbs from public roles and offices. Locals put up barricades and mobilised the population. Police and Serb outlaws began to exchange gunfire frequently. At the end of May, Pristina took control of municipal buildings in the four northern municipalities, sparking violent protests and leading KFOR, the U.S.-led NATO peacekeeping force, to intervene.

Things then went from bad to worse. In September, Kosovo police stumbled upon a group of Serb paramilitaries while they were sneaking in weapons near the northern village of Banjska. A police officer was killed when an anti-personnel mine laid by the paramilitaries exploded and at least three Serb fighters were shot dead in the ensuing firefight. Following a tense standoff, and with KFOR peacekeepers helping to prevent an escalation, the paramilitaries pulled back to the hills. Much remains a mystery about the paramilitaries and their goals. Many of the weapons they had smuggled in would have been useful for setting ambushes (mines and other explosives) and shooting at Kosovo forces from a distance (rocket-propelled grenades, mortars and sniper rifles). They may have planned a guerrilla campaign designed to push the Kosovars out of the Serb-majority areas – or to encourage KFOR to interpose itself along the de facto ethnic boundary separating northern from southern Kosovo.

Whatever their intentions, the battle at Banjska could well turn out to be a watershed moment. Pristina saw it as validation of its heavy-handed approach, while it cost Serbia and the northern Serbs most of the Western sympathy they had accumulated for having been seen as victims of Kurti's aggressive nationalism. More recently, Belgrade is on the back foot because President Aleksandar Vucic's party has been embroiled in an electoral scandal and finds itself under enormous domestic and EU pressure. With the wind at its back, Pristina brought back its ban on residents using Serbian licence plates for their cars. In 2021, Kosovo's attempt to impose the ban caused cross-border tension to spike and drew international attention until a compromise could be reached. This time, Belgrade hardly put up a fuss and is allowing Kosovo-plated cars to cross into Serbia. More recently, Kosovo announced a prohibition on the use of Serbian dinars on its territory, which if it goes into effect will make it very difficult for the Serbian parallel system to function.

An Overlooked Risk?

Kosovo's pressure tactics in the north could generate further violent pushback, and they also run another risk: they could undercut the most promising path toward resolution of the long-running disputes between Belgrade and Pristina. Crisis Group has argued that the best route to good Kosovo-Serbia relations is a compromise by which Serbia accepts Kosovo's independence in return for Kosovo granting its Serb minority substantial self-rule. Yet demographic changes driven by political tensions risk gradually sliding that deal off the table, as the Kosovo Serb population shrinks toward the point where autonomy may become impractical.

In 2015, the Kosovo Serb population was an estimated 145,000 strong; by 2023, it had dipped below 100,000. While exact numbers are unknown due to the Serbs' boycott of the last census, held in 2011, Serbian authorities say another 13 per cent of Serbs left Kosovo over the past year. Many of these departures are from central and southern Kosovo, where the Serbs live alongside the Albanian majority and are well integrated, with the population being rural and elderly, but some are from the four northern municipalities. It is not hard to imagine the trend accelerating in the north as Pristina asserts its sovereignty with an increasingly heavy hand.

The Kosovo Serb population is likely to decline in both absolute and relative terms no matter what happens in the Belgrade-Pristina dialogue, but the rate of change will almost surely depend on the level of tensions, on perceptions of safety and on policy. Pristina may welcome this demographic shift but should recognise that it comes at a cost: it is in Kosovo's best interest that its Serb minority stay in the country and have an opportunity for self-rule, because this is the easiest way to build good-will in Serbia and gain the concession that Pristina most wants – recognition.

How the EU Can Help

Since 2013, EU efforts to work out a settlement between Belgrade and Pristina have focused in part on the creation of a self-governing entity in the north that the Serbs call a "Community" and the Kosovars an "Association". Brussels has prepared a draft statute for the Community/Association that understandably focuses on what the two capitals can be persuaded to accept. But the EU and member states should shift its focus to addressing what people are asking for, thus giving them a reason to stay. Most of the Serb minority's needs can be met just as easily outside the framework of any Association or Community as within it. The EU's draft statute falls short of meeting many of these needs. Even if it moves forward, Brussels will have to supplement it with other measures if the Serbs are to remain a viable part of Kosovo's ethnic fabric.

The priority for the Serb minority is probably feeling safer in their own neighbourhoods. In conversations with Crisis Group, Serbs across northern Kosovo testify to a pervasive sense of insecurity that has got worse since Kurti launched his pressure campaign on the area in 2021. The Kosovo police contribute to their unease: many officers are ethnic Albanians who speak hardly a word of Serbian. Like the rest of Kosovo and the Western Balkans, the Serb-majority areas have little violent crime. Their policing needs are modest. Yet they are barely being met. Instead, the Kosovo police busy themselves with combating victimless crimes like smuggling milk and other dairy products from Serbia and taking over Serbianbuilt buildings. In their heavily fortified special police bases, the officers look to Serbs like an occupying force rather than public servants.

The EU should push Kosovo to refocus its policing in Serb areas. Special police deployments should be limited to levels needed to secure the border and track down arms caches, both tasks officers should carry out in coordination with KFOR and EULEX, the EU's rule of law mission. Regular police should be Serbian-speaking, to the extent possible, and redouble their efforts at community outreach. The internal affairs ministry should ensure that police stations in Serb areas offer the services citizens need.

Jobs are the next thing to tackle. Many, perhaps most Kosovo Serbs are on the Serbian government's payroll, often in the health and education sectors. Their jobs are strictly speaking illegal: they are paid in Serbian dinars and their employer pays no Kosovo taxes. Few ethnic Serbs have much prospect of finding legal work in Albanian-majority parts of Kosovo because of language barriers, disputes over the validity of Serbian qualifications and ethnic discrimination. The EU should push Pristina to assure the Serbs they can keep their current jobs regardless of questionable legal status until comparable positions are available in the Kosovan economy. For its part, Serbia should agree to register its institutions in Kosovo's system.

Alongside jobs come schools. Almost all Kosovo Serb children attend public schools illegally operated by Serbia on Kosovo territory, with Pristina's tacit acquiescence. These are the only game in town because Kosovo offers no Serbian-language education to speak of. Children in Serbian schools can transfer seamlessly to schools or universities in Serbia if their families move, and their degrees are recognised in Serbia - but not in Kosovo. Although Pristina has tolerated Serbia's schools and universities on its territory, that might not last. The best solution - which Brussels should advocate for is simply to register Serbian schools in Kosovo and to issue dual degrees. In theory, Serbmajority municipalities have the right to operate schools already, but they lack the capacity to do so and it is easy for the central government to gut this right by using its authority to regulate the curriculum (ie, insisting on Pristina's take on relations with Serbia, which would go down poorly with residents).

Health care is a further big piece of the puzzle. As with schools, most Serbs use clinics and hospitals operated illegally by Serbia, where doctors prescribe medications licensed by Belgrade and often spirited in across the border, notwithstanding Pristina's ban on the practice. Kosovo police raid Serb-run pharmacies and confiscate their stores. There is nothing wrong with medicine brought in from Serbia, and Pristina's efforts to block it does little but create friction with the Serb population. As with schools, Serb-majority municipalities have the right to operate their own health care facilities, but what the people really need is the existing Serbian system operating without undue interference from Kosovo authorities. The EU's draft

statute allows the Association to operate the Serbian facilities for an interim period of five years, which merely shifts the problem from the municipalities to a new institution. The EU should press for an arrangement that allows the existing, Serbian medical facilities to keep operating indefinitely while respecting Kosovo law.

Finally, an effective response to the situation in northern Kosovo must tackle both the threat posed by Serb paramilitaries and the excessive police presence that arguably provoked them to act. To counter the security risk, the EU should push Serbia to cooperate with Kosovo and KFOR in blocking further arms smuggling across the border and help KFOR neutralise any cache of military-grade weapons it may find already in the country. Brussels has leverage: if Belgrade does as it asks, the EU will have no reason to impose sanctions or lesser punitive measures like those it put in place (and still maintains) on Kosovo in June 2023 as a response to the Kurti administration's refusal to implement its commitments with respect to forming the Community/Association of Serb municipalities and its harsh actions toward the northern Serbs. The EU should also offer to lift those measures from Pristina if it in turn gradually withdraws its special police from Serbmajority areas and reorients the remaining officers from enforcing government authority to providing public safety as recommended above. 🔳

