



POLICY BRIEFS

KOSOVO



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KOSOVO AFTER THE BRUSSELS AGREEMENT:

FROM STATUS QUO TO AN INTERNALLY ETHNICALLY DIVIDED STATE

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1. Introduction

More than five years after the declaration of independence, and a year after its supervised independence ended, Kosovo faces two distinct realities regarding its statehood and foreign relations: that of an independent entity and the one of a sovereign and independent state. It is treated as an independent entity in its relations with Euro-Atlantic institutions and majority of states which have not recognized Kosovo, while Serbia treats it as both a separate territory governed by United Nations (UN) Security Council (SC) Resolution 1244 a part of itself. On the other hand, Kosovo is treated as a sovereign state only at bilateral level by the states which have recognized its independence. But, there is a disbalance between the scope and intensity of bilateral and multilateral relations that reflect the weakness of the current international legitimacy of Kosovo and the Western accommodation to "status neutral" policy. The Brussels First Agreement on Normalization of Relations in essence surrendered to the concept of mono-ethnic based solutions. It goes far beyond the now forgotten Ahtisaari's Comprehensive Status Proposal (CSP), and lays the foundation for a new – bi-national character of the young state.

The implementation of the Agreement will not lead to integration of the Kosovo Serbs in the new state. Rather, the new institutions and powers of the Community of Serb Municipalities (ZSO) will deepen the inter-ethnic divide, this time strengthened through an institutional separation. With an overall acceptance of the legal jurisdiction of Serbia over the Kosovo Serb settlements and municipalities, as long as Serbia does not recognize Kosovo's independence, and as long as the latter remains outside the United Nations, it is more likely that the Brussels brokered agreement will be a new status quo and another attempt to a peaceful partition rather than an attempt to strengthen Kosovo's ability to function as a fully internationally uncontested independent state.

The municipal elections on 3 November and the runoff on 1 December have significantly changed the political landscape of Kosovo. The citizen turnout was high, where voters used the international community's guarantees for free and fair

elections and punished political parties and their client networks. The defeat of client networks marks the beginning of a dramatic political transformation of Kosovo and voting behaviors.

The Western view of the Prishtina-Belgrade end-game lies in an unsubstantiated hope that Kosovo will one day be recognized by Serbia. This Western policy is fundamentally flawed. It locks Kosovo in a long-term unfinished statehood, and a process of continuous internal rearrangements to make the independence of Kosovo acceptable to Serbia, while smoothing Belgrade's EU accession. This policy disbalance places Kosovo in a worse situation than that of Bosnia. Kosovo is placed in a situation where on one hand its statehood is disputed internationally, while internally accepts gradual bosnianization, paying the price for Serbia's acceptance of it as an independent entity – not a state – and contractual relations with the European Union (EU).

The current parameters of this dialogue freeze the status quo by legalizing the situation on the ground -Kosovo's internal partition; Serbia's strategic goal for partition; EU's "status neutrality" - and making it unsustainable in the short and mid-term with a possibility for a potential conflict in the long-term period. Therefore, current process of dialogue should change significantly in 2014, in order to create conditions for true normalization of relations between Kosovo and Serbia, and diminish the potential for destabilization.

I. Impact of municipal elections

The municipal elections on 3 November and the runoff on 1 December have significantly changed the political landscape of Kosovo. The citizen turnout was high, where voters used the international community's guarantees for free and fair elections and punished political parties and their client networks. The defeat of client networks marks the beginning of a dramatic political transformation of Kosovo and voting behaviors. The most voted parties on 3 November were the Democratic Party of Kosovo (PDK) with 27.11%; the Democratic League of Kosovo (LDK) with 25.62%; the Alliance for Future of Kosovo (AAK) with 14.03%; Self-Determination Movement (VV)

with 8.16% and Alliance for New Kosovo (AKR) with 4.94%. The Kosovo Serb political scene resulted in an overwhelming dominance of Belgrade sponsored Civic Initiative "Srpska" (GIS) with 49.42%; the Kosovo Serb Independent Liberal Party (SLS) with 19.49%; and the SLS splinters Alliance of Kosovo Serbs (SKS) with 6.00% of Kosovo Serb votes. Other smaller parties gathered the rest of the Kosovo Serb civic initiatives. But these overall party votes changed with the rerun on 1 December, which have produced the end of the overall dominance of the well established political parties in Kosovo.

The ruling Democratic Party of Kosovo (PDK) lost most of its strongholds – Mitrovica, Ferizaj, Gji-lan, Viti, Lipjan, Malishevo but retained the second largest urban centre – Prizren and gained Rahovec and Kamenica – ruling in total 10 out of 38 municipalities. The main opposition party – the Democratic League of Kosovo (LDK) returned to power in most urban centers – Peja, Ferizaj, Gji-lan but lost the capital Prishtina, winning in total 9 municipalities. The Alliance of Future of Kosovo (AAK) lost all of its important strongholds – Peja, Gjakova, Suhareke, Rahovec – becoming a party ruling in 3 minor rural municipalities – Decan, Junik and Obiliq. The Alliance for New Kosovo (AKR) won in Gjakova and Mitrovica South; while Self-Determination Movement (VV) won spectacularly the capital Prishtina, while fairsing very poorly in the rest of the country.

The changes of 1 December to large extent canceled the popular vote of parties received on 3 November by shattering PDK, LDK and AAK strongholds, placing them in a very difficult and uncertain position in the eve of national elections of 2014. The PDK is in internal disarray with increased party in-fighting between the party leader prime minister Hashim Thaci and his deputy Kadri Veseli (former head of illegal party intelligence Kosovo Information Service - SHIK). Furthermore, the PDK is facing a possible split being led by the former deputy of the party Fatmir Limaj and the former secretary general and currently the speaker of the Assembly Jakup Krasniqi.

For LDK the loss of Prishtina has weakened the party's growth momentum and the position of its leader and the former mayor of Prishtina Isa Mustafa. The LDK has shown to be a party with very strong local structures but faces a

demoralized central party leadership. The AAK faces political marginalization and severe crisis of leadership given its leader's personalization of the party's elections campaign. The AKR – although the single winner in comparison with the previous municipal elections in 2009 – does not have a promising outlook for passing the 5% threshold for the upcoming national elections. The VV is in the most difficult situation. It has been handed the capital Prishtina, but lost popular vote in all other municipalities, leading to a crisis of leadership and the political concept and ideology of the movement. Furthermore, the VV is facing a major test of governance capabilities and the possibility for rebranding for the upcoming national elections.

The crises of leadership in all political parties, the defeat of clientelism and the overall change of voter behavior make the results of national elections highly unpredictable. This in turn will make the stakes high for all political parties because all of them face lack of capability to operate in the new political environment created by the free and fair vote of Kosovo's citizens.

The Kosovo Serb political scene has had the most dramatic political change. The Belgrade created, sponsored and financed Civic Initiative "Srpska" (GIS) which gathers the Belgrade governing parties based in Kosovo has won in 9 out of 10 Serb majority municipalities. This victory has completely marginalized the Kosovo Serb based Independent Liberal Party (SLS) and all other Serb political forces. As a consequence of the Brussels First Agreement on Principles of Normalization of Relations of 19 April, Belgrade has become a direct political actor and a governing stakeholder in Kosovo's domestic politics through "Srpska". This list will become the dominant political force of Kosovo Serbs in the 2014 national elections and most likely the third political force represented in Kosovo Assembly (through the guaranteed minority seats) and the next Serb party in the future government of Kosovo. This will make Serbia a de-facto governing partner of the next government of Kosovo.

II. The end of Ahtisaari's plan

On 19 April, 2013, after 10 rounds of political dialogue in Brussels under the auspices of the European Union (EU) High Representative of Foreign and Security Policy Catherine Ashton, Kosovo's and Serbia's prime ministers Hashim Thaci and Ivica Dacic initialed the "First Agreement of Principles Governing the Normalization of Relations" between the two countries. The First Agreement is surrendered to the concept of mono-ethnic based solutions. It creates an institutional ethnic separation between the Kosovo Serbs and others, and poses a blow to fourteen years of attempts of the international community to build Kosovo as a multi-ethnic society and state. It goes far beyond the Ahtisaari's Comprehensive Status Proposal (CSP) – by creatively interpreting it, and lays the foundation for a new character of the young state. While the CSP provided the foundation for a multi-ethnic society and state, the Brussels First Agreement has transformed the character of Kosovo to a bi-national unfinished state.

The Agreement creates a de-facto Kosovo Serb government (the Association/Community of Serb municipalities) with conflicting legal guarantees by Kosovo applicable law and Serbia's constitutional law¹. In a situation where Serbia does not recognize Kosovo's independence, Serbia's legal guarantees will make the Association/Community an institutional and administrative body loyal to Belgrade and functional within Prishtina's authority. This new governing body will function in a hybrid status framework, deriving its legal legitimacy and functioning from two contradicting Constitutions. This means a shared sovereignty and co-governance of Kosovo and Serbia over the Kosovo Serbs.

This First Agreement has also showed the inability of the central Kosovo institutions to build a true partnership with the Kosovo Serbs south of the Ibar river, penalized them for the incomplete process of decentralization, and directly reflected on the inability and/or lack of will of both the Kosovo Albanian leadership and the international presence to initiate building true multi-ethnic institutions. Ultimately, it has surrendered to Belgrade's tutelage and Serbia's

14 year investment to maintain the separation of Kosovo Serbs from Prishtina.

The Chapter 10 of Constitution of Kosovo, article 124 incorporates two distinct and mutually separate forms of municipal cooperation deriving from Ahtisaari's Plan². The first is through an *association of municipalities*, and the second through *municipal partnerships*. The association of municipalities can be created by municipalities to offer training, capacity building, technical assistance, policy research and policy recommendations to municipalities.³ The association is a non-profit organization.⁴ Therefore, the association offers services, organizes and coordinates the activities of members of the association, while promoting inter-municipal cooperation. The second - municipal partnerships - can be formed between two or more municipalities to provide joint services.⁵ Through partnerships municipalities can cooperate in their *own* and *enhanced* competencies, but not on *delegated* ones.⁶ Therefore, through partnerships municipalities can jointly execute their competencies and provide joint services, but not through an association of municipalities. The First Agreement merged the two forms of municipal cooperation – the association and partnerships, by explicitly allowing the Kosovo Serb municipalities to collectively exercise joint governance through the Community of Serb municipalities in own, enhanced and delegated competencies.

The First Agreement lists five distinct executive competencies of the Community of Serb Municipalities in economic development, education, health, urban and rural planning. It will have a decisive role in nomination of the regional commander for a new region of northern Kosovo - composed of four Kosovo Serb majority municipalities north of Ibar river – where the four mayors will provide a list in the name of the CSM. The CSM will be governed by the Statute of the CSM; will have a President, Vice-President,

² Constitution of the Republic of Kosovo, Chapter X, article 124 (Local Government and territorial organization)

³ Law on Local Self-government, No. 03/L-040; Article 32.3

⁴ The Statute of Kosovo Association of Municipalities, Article 2.1

⁵ Law on Local Self-government, No. 03/L-040, Article 29

⁶ Law on Inter-Municipal Cooperation, No. 04/L-010, Chapter 1, Articles 2, 3.

¹ Point 2 of the "Principles Governing the Normalization of Relations"

Assembly and a Council (representatives of these structures will be elected after municipal government elections in northern Kosovo); the CSM may dissolve only after the approval of the participating municipalities.⁷

In addition to these powers, the CSM will also have a representative role as a separate entity to Kosovo central institutions and in this purpose have a separate seat at the President's Consultative Council for Communities, including a monitoring function. Also, the CSM will operate with the "Fund for the North", jointly with the EU and the GoK; will receive separate funding from Serbia; will receive additional competencies by Serbia after Belgrade enacts its constitutional law. Furthermore, in North of Kosovo there will be a new electricity company⁸ that will supply electricity, provide distribution services to customers in the four northern Serb majority municipalities, and will be able to buy and sell power in the open market - independently from the KEDS in Prishtina. In telecom, the entire territory of future CSM and other Kosovo Serb settlements will be covered by separate companies – subsidiaries of Serbia – in fixed and mobile telephony.⁹

In judiciary the Agreement requires the creation of a division of the Appellate court, with a permanent seat in Mitrovica North composed by judges and administrative staff. The Appellate Court in Prishtina will establish a panel composed of a majority of Kosovo Serb judges to deal exclusively and explicitly with all 10 Serb majority municipalities. The second instance judiciary separation creates a de-facto Kosovo Serb Appellate court.

In police the Agreement creates an ethnic Serb dominated northern police region composed of four municipalities: Mitrovica North, Zvecan, Zubin Potok and Leposavic; with a Kosovo Serb regional police commander in northern Kosovo. Unlike the other regional commanders, the Kosovo Serb regional commander will be proposed by the four mayors on behalf of the CSM

and will be nominated by the Ministry of Internal Affairs, not in compliance with the current Law on Police that stipulates that the territorial jurisdictions to police regions are created by the Director General of the Kosovo Police (DG) who also selects regional commanders.¹⁰

Given the new institutional arrangements the first agreement provides, it is unlikely that its implementation will lead to integration of the Kosovo Serbs in the new state. Rather, the new institutions will deepen the inter-ethnic divide, this time strengthened through an institutional separation. With a legal jurisdiction of Serbia over the Kosovo Serb settlements and municipalities, as long as Serbia does not recognize Kosovo's independence, and as long as the latter remains outside the United Nations, it is more likely that the Brussels brokered agreement will be a new status quo and another attempt to a peaceful partition rather than an attempt to strengthen Kosovo's ability to function as an independent and multi-ethnic state. This is fully in line with Serbia's cohesive policy of partition of Kosovo, strengthening Belgrade's new attitude of changing means to achieve its long-term goal.

III. International context of Kosovo's statehood

Since the end of supervised independence in September 2012, Kosovo has received 13 new recognitions, bringing the total number of recognitions to 104. Also, Kosovo became a member of the European Bank for Reconstruction and Development (EBRD) in November 2012; and became a member the Council of Europe Development Bank (CEB) in June 2013. Nevertheless, the prospects for Kosovo's membership in the most important international organizations, such as the United Nations (UN), the Organization of Security and Cooperation in Europe (OSCE), the North-Atlantic Treaty Organization (NATO) and the EU remain bleak. The premature end of the supervised independence showed the lack of commitment of the sponsors of Kosovo's independence to see the full international legitimacy of Kosovo's statehood successfully completed. Instead, the hopes for achieving this

⁷ Differently the Association of Kosovo Municipalities can be dissolved by 2/3 of the Associations Assembly or by the state institution that has registered the Association in case when the members of the Association are not active for a year or more.

⁸ See *Arrangements regarding Energy*, points 4,5

⁹ See *Arrangements regarding Telecommunications*, points 3, 4.

¹⁰ *Law on Police*, Nr. 03/L-035, articles 32,33.

aim were placed on Kosovo's dialogue with Serbia.

The EU "facilitated" Prishtina-Belgrade Dialogue, regardless of the Brussels Agreement, has not changed the position of EU non-recognizers, although it was widely expected to achieve this. The five Member States most likely will not change their position towards Kosovo's independence in the near future.

Five years after the declaration of independence, Kosovo is faces two distinct realities regarding its statehood and foreign relations: that of an independent entity and the one of a sovereign and independent state. Kosovo is treated as an independent entity in its relations with Euro-Atlantic institutions and majority of states which have not recognized Kosovo, while Serbia while Serbia treats it as both a separate territory governed by UNSC Resolution 1244 a part of itself. This is a result of a concrete accommodation of a "status neutral" position of these institutions, including the United Nations. Apart of international organizations where Kosovo has membership as an independent state (the World Bank, the International Monetary Fund, the EBRD), all other multilateral organizations view Kosovo as an independent entity, most of them not allowing membership for Prishtina. Moreover, through "status neutrality" Kosovo has joined a number of limited South Eastern Europe regional organizations and networks. Kosovo is treated as a sovereign state only at bilateral level by the states which have recognized its independence.

Nevertheless, the bulk of relations of Prishtina with others is concentrated at a multilateral level, mainly with the EU while the bilateral relations are at a much lower level. Even the recognizing states tend to adapt to "status neutral policy" of the multilateral agenda – mainly reinforcing this policy in Kosovo's dialogue with Serbia, hence resulting in an unspecified long-term hope that Kosovo will one day be recognized by Serbia, this way concluding its international legitimacy. This Western policy is fundamentally flawed. It locks Kosovo in a long-term unfinished statehood, and a process of continuous internal rearrangements to make the independence of Kosovo acceptable to Serbia, while smoothing Belgrade's EU accession. This policy disbalance places Kosovo in a worse situation than Bosnia. Bosnia's international legitimacy is not questioned. Rather, the state

is dysfunctional mainly because of its internal institutional setup brought by the internal division of the Dayton Agreement. Kosovo is placed in a situation where on one hand its statehood is disputed internationally, while internally accepts gradual bosnianization, paying the price for Serbia's acceptance as an independent entity – not a state – and contractual relations with the EU.

In 2008 the sponsors of Kosovo's independence, and Prime Minister Hashim Thaci, have created a false hope that the new state within months would obtain more than 100 international recognitions, and within mostly 5 years Kosovo would become a full member of the United Nations. Until 2011, this was the direction of actions of both sponsors of the independence and Prishtina itself. It was with the beginning of Kosovo-Serbia dialogue that shifted the direction of the sponsors towards accommodation towards Kosovo as an "independent entity" as a result of incapability to obtain full international support for Kosovo's recognition as an independent and sovereign state.

The shock of this change is still being kept out of domestic public and political discourse in Kosovo. This is best viewed in how the Government of Kosovo has carried itself in dialogue with Belgrade, producing false expectations and accepting co-governance with Serbia over Kosovo Serbs, without a clear resolution of bilateral relations with Belgrade. Further, the impunity and alarming corruption and crime at highest political levels of governance in Prishtina, and the economic desperation, has resulted in a dramatic decline of faith in statehood by the Kosovars themselves. These circumstances have created an environment that if there is no mid-term change in international status of Kosovo - UN membership, the demands for dissolution of the state and unification with Albania will become a general political discourse, not limited only to Self-Determination Movement (VV).

IV. The parameters of Brussels facilitated Dialogue

The European Union is on the eve of approving the beginning of accession negotiations with Republic of Serbia. This is a result of the appearance of beginning normalization of relations

between Serbia and Kosovo, a process facilitated by the EU, mainly the acceptance of the "The First Agreement on Principles of Normalization of Relations" reached in April, 2013. This provisional agreement does not guarantee a state sovereignty framework for a conclusive integration of Kosovo's northern part within Republic of Kosovo; nor does it define the "normal" relations between Kosovo and Serbia in absence of mutual recognition. Furthermore, it has not paved the way for Kosovo's inclusion in international organizations, including the United Nations (UN).

Kosovo is a deeply unstable state, both internally and externally. Internally, it faces serious pressing internal challenges: 1) state capture, organized crime and corruption; 2) ruined prospects for economic development under the current leadership. Externally, is still facing a questioned viability of its statehood.

Serbia's long term policy remains that of the regional hegemony which "stabilizes" Bosnia and Kosovo – by directly controlling Republika Srpska in BiH and the future entity "Community of Serb Municipalities" (ZSO) in Kosovo. In reality, Belgrade is continuing its destabilizing role by dictating developments both in Bosnia and Kosovo. Serbia aims to create conditions on the ground which will favor – in a different international constellation – both that the RS and the ZSO (mainly northern part of Kosovo) would join Serbia. In this strategic long-term policy goal, Belgrade has the full backing of Moscow; and is also motivated by the ambivalence of Paris and Rome, and the fatigue in Washington DC with Bosnia and Kosovo.

The implementation of the Brussels First Agreement on Principles on Normalization of Relations will *not* lead to integration of the Kosovo Serbs in the new state. Rather, the new institutions and powers of the Community of Serb Municipalities (ZSO) will deepen the inter-ethnic divide, this time strengthened through an institutional separation.

The Agreements provides for an extension of the legal jurisdiction of Serbia over the Kosovo Serb settlements and municipalities for an interim unspecified period. But, as long as Serbia does not recognize Kosovo's independence, and as long as the latter remains outside the United Nations, it is more likely that the Brussels brokered agreement will create a new status quo

and another attempt to a peaceful partition rather than an attempt to strengthen Kosovo's ability to function as a fully internationally uncontested independent state.

In order to ensure further "normalization of relations", Brussels has placed Kosovo as the 35th Chapter of accession talks with Belgrade. Hence, Serbia is on the way of securing both the accession negotiations with Brussels and sufficient time to achieve its strategic goals of:

a) Partition of Kosovo (the desired outcome in Belgrade); or

b) The creation of a de-facto federal Kosovo with a shared sovereignty, governance and control over a strong Serbian political and institutional entity.

Linking normalization of relations for Serbia's accession negotiations in Chapter 35, Kosovo becomes a hostage of Belgrade's political priorities rather than the need for an early normalization of relations.

The priority of the EU, on the other side, is firstly to open Chapters 35, 23 and 24 and close them the last at the end of accession talks, which may last for a decade. This places Kosovo in a 10 year process of normalization of relations with Serbia which does not depend directly on Prishtina, becoming practically a non-player in deciding its future.

The Brussels First Agreement gives space to Serbia to use the ZSO as her own expository in Kosovo rather than allow for integration of Kosovo Serbs within Republic of Kosovo. Through ZSO Belgrade will detach Kosovo Serbs from Prishtina and will block decision making at Kosovo's national level.

Serbia will create facts on the ground that will practically make the Brussels Agreement obsolete; while using it at the same time as a bargaining card for further concessions from Prishtina. Belgrade will further this objective by using the current parameters of the Brussels dialogue and the ambiguities of the First Agreement. Furthermore, the parameters of the Brussels Dialogue are set in a way that for each acceptance of Kosovo's legal subjectivity by Belgrade, Prishtina has to make compromises in its internal functioning and institutional

architecture to meet Belgrade's demands. Following these parameters, the pace by which Kosovo is compromising on its internal functioning - on behalf of short term peace and stability - will doom Kosovo to be dysfunctional, and all the hopes that Kosovo will not become the next BeH in the Western Balkans will be shattered - threatening the regional long term peace and stability.

The Western view of the Prishtina-Belgrade endgame lies in an unsubstantiated hope that Kosovo will one day be recognized by Serbia. This Western policy is fundamentally flawed. It locks Kosovo in a long-term unfinished statehood, and a process of continuous internal rearrangements to make the independence of Kosovo acceptable to Serbia, while smoothing Belgrade's EU accession.

This policy disbalance places Kosovo in a worse situation than that of Bosnia. Kosovo is placed in a situation where on one hand its statehood is disputed internationally, while internally accepts gradual bosnianization, paying the price for Serbia's acceptance of it as an independent entity - not a state - and contractual relations with the EU.

The current parameters of this dialogue freeze the status quo by legalizing the situation on the ground (Kosovo's internal partition; Serbia's strategic goal for partition; EU's "status neutrality") and making it unsustainable in the short and mid-term with a possibility for a potential conflict in the long-term period. Therefore, current process of dialogue should change significantly in 2014, in order to create conditions for true normalization of relations between Kosovo and Serbia, and diminish the potential for destabilization.

V. Risks in 2014

Most of 2014 will be an electoral year in Kosovo, Serbia and EU. Both Kosovo and Serbia will hold fresh national elections, and there are regular elections for the EU Parliament, which will later on elect the new EU Commission. It is evident that there will be a vacuum in dialogue, but also a change of the "address" of the facilitator - from the High Representative (HR) to Directorate General (DG) Enlargement. The shift of the current dialogue from a high political level to an

"enlargement" technical level of normalization is untimely, given the lack of a comprehensive agreement on normalization between Kosovo and Serbia. Such a change is more likely to cause instability and tensions instead of improving of relations between Prishtina and Belgrade. Furthermore, the prevalent general behavior of Ashton and her team has been to overlook problems, minimize them, short-term focused, thus undermining the stability and functionality of Kosovo and the real challenges that Prishtina will face with the implementation of the agreements of dialogue with Serbia. If this mindset in facilitating the process of normalization of relations continues, it will be a challenge in itself.

Serbia will most likely hold extraordinary elections during spring 2014. These elections will produce a strong government led by the Serbian Progressive Party (SNS) and its leader Aleksandar Vucic. This new government will have a political stability until 2018, will negotiate on accession with the EU, and will have a firm hand in Kosovo's internal matters and governance through GIS and ZSO.

Kosovo's elections to be held during the summer of 2014 will most likely bring a change of leadership and governing parties with a new president, prime minister, and a new coalition government. However, the expected democratic change of Kosovo will produce a fragile and unstable government. This fragility will derive from an unavoidable coalition with of several Albanian political parties with GIS, which will be directed by Belgrade, including the functioning of ZSO. This will give Belgrade a de-facto veto power over the creation, existence and stability of the new government as well as relations of ZSO with both Belgrade and Prishtina. Practically, Kosovo will become a bi-national, institutionally segregated state at both local and central level.

The acceptance or rejection of both ZSO and GIS of independence of Kosovo will be crucial in determining Kosovo's mid-term overall functioning. This will directly impact on the inter-ethnic relations in Kosovo and if Belgrade and GIS remain antagonistic will open the possibility for conflict. Such a fragile Kosovo will be unable to carry on any internal reforms and will be unable to have a firm position in dialogue with Belgrade.



Kosovo does not have a real EU perspective. The possible conclusion of SAA by mid 2014 will not lead to Kosovo's next step in EU accession – the application for candidate status. This next step is a hostage of the 5 EU non-recognizing states impacting EU's lack of position of what Kosovo is – a state or not. At the end of 2014 Kosovo may find itself internally institutionally ethnically divided, dysfunctional, stuck without an EU accession, and without full international legitimacy and UN membership. Such an overall circumstances will diminish the trust of people of Kosovo in the viability of their own state, and the demands for dissolution of the state and unification with Albania will become a general political and popular discourse.

The views expressed in the paper are the author's personal points of view and they do not necessarily represent the views of the Konrad-Adenauer-Stiftung.

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