

Serbia Today: The Road Ahead

Mary Burce Warlick

United States Ambassador to the Republic of Serbia

Today's Serbia is a country that has made significant progress since the wars that led to the disintegration of Yugoslavia at the end of the last century. Though more than a decade of isolation left it markedly behind many of its regional neighbors, Serbia has now returned to a position of regional leadership. Though many challenges remain, the country's European aspirations are now supported by more than 90 percent of the newly-elected Parliamentarians who will set the course for the coming years. The outgoing government deserves accolades for helping Serbia move closer to European Union membership but also left significant tasks for the new government to address. The road ahead will not be easy and our multi-faceted engagement is designed to help Serbia reach its European aspirations while steadfastly representing our interests in foreign policy and the economic arena.

The political hurdles that must be cleared if the country is to achieve its goal of EU membership include continued progress in developing a normal relationship with Kosovo and undertaking internal reforms, particularly in the crucial areas of judicial reform and fighting corruption. Progress in both areas is a requirement for Serbia to receive a start date for accession negotiations. The United States and the European Union share the view that real progress between Serbia and Kosovo toward normalization of relations will be essential in order to ensure long term stability in the region as well as the security of Serbs who live in Kosovo. As part of this process, the United States would like to see the EU-facilitated dialogue between Belgrade and Pristina resume as soon as possible. In addition, the United States would like to see full implementation of the agreements that have already been reached in the dialogue, including signing and moving forward with the Integrated Border Management agreement; ending regional fora walkouts and boycotts; and full compliance with the freedom of movement agreement, including the introduction of new vehicle license plates for Kosovo residents.

Serbia's prospects for EU membership and broader international integration depend in large measure on Serbia's efforts to strengthen the rule of law, reform its justice sector, and intensify its fight against organized crime and corruption. Indeed, progress in Serbia's ongoing judicial reform, which continues to be closely watched, was a central pillar upon which Serbia was granted EU candidacy status. Although judicial re-appointments have dominated the landscape recently, Serbia must seek progress in the numerous other aspects of justice sector reform, such as preservation and protection of human and minority rights, improving court efficiency, implementing strategic budget planning, and increasing investigation and litigation support, as well as war crimes prosecution. Notably, Serbia has made significant advances in apprehending war crimes fugitives, fighting organized crime and establishing anti-corruption mechanisms and institutions. The new Serbian government must consolidate these gains, and avoid allowing political and media allegations to overshadow the country's long-term goals of attaining true independence of judicial and regulatory bodies, successfully fighting organized crime and corruption, and

bringing war criminals to justice. In all of these areas, the United States is prepared to work with the new government to bring the concept of rule of law into practice.

US government assistance efforts in Serbia have broadly reached all justice sector institutions, including the judiciary, prosecutors, police, and other related, independent government bodies. Our assistance has advanced legislative reform, focusing on compliance with international and European legal standards, for example through the new Criminal Procedure Code. Through US government partnership and technical assistance programs, the judiciary adopted a strategic plan to strengthen its independence, increase openness and transparency, and build public confidence in Serbian courts. We have worked directly with Serbian criminal justice counterparts on complex and transnational crime, such as narcotics and human trafficking, improved both substantive and procedural laws, and strengthened law enforcement practice. We also have provided critical skills development and professional ethics training, and offered US expertise in establishing more effective structures and operations, including efficient case management and court administration.

Our military cooperation remains one of the strongest areas of mutual benefit. We have a robust partnership with hundreds of activities scheduled for the remainder of this year and 2013. We concentrate on providing opportunities for Serbian Ministry of Defense (MOD) officials and members of the Armed Forces to attend US professional military education courses at all levels. Last year, we sent over 60 Serbian non-commissioned officers (NCOs) and officers for training courses at our facilities in Germany and the United States to include a variety of tactical/specialist courses, as well as West Point, the Air Force Academy, and all of our Service War Colleges.

Another key focus has been to assist in the further development of Serbian peacekeeping capabilities for UN and EU missions. In this regard, we have an active program with the Ministry of Defense to help with the transformation of South Base near Bujanovac into an international peacekeeping training center, which in time would be open for all regional and European partners. Assisting the Serbian Armed Forces in becoming more interoperable with the US and other European militaries through NATO's Partnership for Peace also serves our common interests. Other important activities concentrate on strategic planning, budgeting, acquisition, and logistics capabilities development. We view our vibrant bilateral defense relationship as valuable, serving to increase collective knowledge and experience on both sides.

Part of the assistance we provide Serbia through USAID focuses on increasing government transparency and accountability through support for independent agencies like the Anti-Corruption Agency and the Fiscal Council. These agencies are recognized as leaders in the Balkans and help promote Serbia's financial stability. In addition, USAID assistance helped Serbia's Parliament increase its independence and accessibility by establishing a budget office and Web site with information available to the public.

USAID also helped develop a legislative framework for civil society organizations (CSOs) that help monitor and shape government action. USAID also supports innovative

initiatives from CSOs like this year's SHARE digital activism conference. This event attracted more than 2,500 activists and bloggers from 30 countries and put Belgrade on the map as the host of the region's largest social activism event.

USAID assistance also creates jobs in Serbia. In the economically disadvantaged south where unemployment is nearly double Serbia's national average, we united 12 small shoemakers and 135 jeans manufacturers so they can meet demand from foreign markets like Russia, Poland and Germany. We are in the process of organizing a halal food organization to export Serbian products to Muslim communities throughout Europe and Asia, and we have increased agribusiness exports by improving marketing and packaging and ensuring that foods meet EU standards. Another USAID project provided training to 600 rural women so they could launch or expand small businesses and increase local employment. The women with the best business plans received grants to launch their enterprises. I regularly visited projects like these throughout Serbia and could see the goodwill they generated along with the opportunities they provided. We undertake all of these activities because we know that economic stability will make Serbia a better partner in the future—a partner on whom we can depend when addressing the global challenges of terrorism and illegal trafficking in people, arms and drugs.

Our economic and commercial relations with Serbia continue to strengthen. The level of US investment in Serbia now stands at over \$2.5 billion, and is growing. There have been several significant investments in Serbia by US firms over the past year, including Sitel's and NCR's new customer service and technical support centers in New Belgrade, Cooper Tire's purchase of the Trayal tire factory in Kruševac, Ball Packaging's new production line in Zemun, and Molson Coors acquisition of Apatinska Brewery. Other American investors are pursuing additional investment projects—Johnson Controls will open a new factory in Kragujevac this year to supply automobile seats to the Fiat Zastava plant; Clean Earth Capital is investing in a major real estate project in Niš; and Continental Wind Partners expects to break ground on a wind energy farm in Vojvodina next year. Last December, I joined the Minister of Economy and Regional Development on a very successful trade and investment promotion mission to Chicago and Washington, DC to highlight the many advantages that Serbia offers to foreign investors—a strategic location, a highly-skilled labor force, and free trade agreements with important markets like the European Union, Central European Free Trade Agreement (CEFTA) nations, Russia, Turkey and others. As a result of the mission a number of new-to-market US firms are now exploring potential business deals here in Serbia.

Many economic challenges remain. We will continue to advocate for improvements in the business climate and for implementation of needed economic reforms. We look forward to working with Serbia's new government on such important issues as bringing across the finish line Serbia's accession to the World Trade Organization and significantly increasing the level of trade between Serbia and the United States.

Our exchanges and cultural programming continue to build strong ties between the people of Serbia and the people of the United States. Part of our yearly assistance funding is dedicated specifically to support important exchange programs that enable Serbian high

school and college students to study in the United States. These are incredibly valuable investments in the next generation of Serbian elites and these programs have a consistently positive impact on their attitudes towards the United States and the American people. Similarly, we use professional exchange programs to send mid-career professionals to the United States to study specific subjects ranging from alternative energy to advancing women's issues. All of these programs provide an opportunity for young Serbian leaders to visit the United States, form their own opinions, and begin to challenge the negative stereotypes that continue to persist since the 1999 NATO intervention and our recognition of Kosovo's independence in 2008. Our cultural programming also facilitates connections between Serbians and Americans on a personal level. When we showcase American artists, musicians and athletes, the bonds that are made help both sides move beyond the areas where we disagree. Since we now live in a digital age, everything we do with public diplomacy is shared through social media. With over 60,000 fans signed up on our Embassy's Facebook page, we have a strong following of thousands of Serbians looking each day to see what new item we have to offer.

With all of this critical and proactive engagement, our efforts to work with Serbia to achieve shared goals have yielded measurable and meaningful gains for both countries. I have been honored to represent the United States in Serbia and to work with a team that is committed to implementing the strategic goals of the US-Serbia partnership and facilitating Serbia's EU integration agenda. There is much more to be done to build public confidence in our partnership and good intentions, but every day brings us one step closer. While more challenges and much more work lies ahead, I am absolutely convinced that Serbia, in the not-too-distant future, will finally take its rightful place as a part of the European family that is prosperous, free and at peace.