SERBIA – NATO DEFENCE COOPERATION
Serbia – NATO defence cooperation

Belgrade and Prishtina
2015
ABSTRACT

Serbia has entirely ruled out joining NATO thus far, but it has joined the PfP initiative and established permanent relations with the alliance. This study analyses the “exceptionality” of Serbia’s relations with NATO, both from a broad perspective concerning Serbia’s society and political landscape, and from a more specific perspective related to defence.

Serbia’s political set-up remains highly influenced by public aversion to NATO, caused by memories of the 1999 bombing campaign, as well as by NATO’s support for the independence of Kosovo. This has inhibited the building of a national consensus on key security issues and the development of adequate strategies, meaning that defence cooperation between Serbia and NATO has remained at an underdeveloped stage. Nevertheless, there are several areas of Serbia’s defence sector which have benefited to various degrees from cooperation with NATO, such as: defence reform, defence planning, personnel management, military education and training and the disposal of excessive and obsolete ammunition and weapons. While this cooperation has been somewhat overstated by both sides, a more pragmatic approach should be applied to further progress, better supported by cost-benefit analysis. In addition, it should be better presented to Serbian society.

ACKNOWLEDGEMENTS

I would like to thank many people whose support and encouragement have been crucial for the finalization of this study. I am really grateful to the defence attachés of Norway, the Netherlands and Sweden, resident in Belgrade, respectively Col. Esben, Col. Verbrugh and Ltc. Klementsson, who have been very open in sharing their professional opinions with me. Working with the NATO Military Liaison Office (MLO) within the Serbian Ministry of Defence was especially fruitful. MLO head BG Batta, his deputy Col. Kostidis and their staff have been very helpful in providing information and interesting observations related to defence reform in Serbia and the country’s relations with NATO. BCSP Executive Director Sonja Stojanović-Gajić provided valuable information and insightful comments for this study, while BCSP researcher Isidora Stakić, in addition to her thoughtful suggestions, handled the coordination and facilitation of meetings with interviewees. Filip Ej dus, Assistant Professor at the University of Belgrade, was also very helpful thanks to his in-depth knowledge of overall security issues in Serbia and Serbia-NATO relations in particular.

INTRODUCTION

The 1999 NATO bombing campaign against the Federal Republic of Yugoslavia (FRY) is the event which has exerted the greatest influence over Serbia’s relations with NATO since that date. Consequently, Serbia’s relationship with NATO is exceptional among the region’s countries. It has continually stressed its decision not to join NATO, but rather to be “a reliable and responsible partner” through the mechanisms of the Partnership for Peace (PfP).1

The normalization of relations was significantly enhanced in 2002 when the FRY was given observer status within the NATO Parliamentary Assembly. This was followed by the signing of an air transit agreement with NATO. In June 2003, the FRY officially requested PfP membership, but this status was not formally attained until December 2006. In September 2007, Serbia adopted a PfP document detailing areas of cooperation with NATO; however, this did not envisage Serbia’s participation in the Membership Action Plan.2

Serbia’s Mission to NATO was officially opened in December 2009. The first Individual Part-

---

Atlantic integration, and "Eurosceptics". Pro-
Europeans support a more modern security
approach, with security institutions (military
in particular) built after Euro-Atlantic models,
tasked with a broad spectrum of missions,
smaller in number but more mobile and flexi-
ble, also suitable for "expeditionary missions"
abroad. Eurosceptics, also known as "sover-
eignists", support more traditional forms of
security, supported by relatively large and
heavily equipped armed forces, focused on
national defence missions.

This division (both political and cultural) and the lack of
domestic consensus were best expressed in
2006, when the President and Prime Minister
of Serbia, taking contrasting positions, each
produced their own National Security Strate-
gies (NSS), which differed in several aspects.

Serbia's evident alignment with the dominant
security discourse of the EU and NATO began
in 2009, with the new NSS [2009], followed by
other security documents. Based on these, "it
is obvious that no country is able to indepen-
dently solve complex problems of preserving
and strengthening national security".

Serbia's post-Milošević constitution was
adopted in December 2006. The Ministry of
Defence prepared a Strategic Defence Review
(SDR) in June 2006, but its official approval
by parliament was postponed until the new
constitution had been adopted at the end of
the year. The SDR was followed by the NSS
at the end of 2009. Also in 2009, a revised
SDR provided a detailed projection of military
reforms until 2015, stating that "the uniting
factor [for all of the region's countries in their
drive for security] is their common orienta-
tion towards the Euro-Atlantic community".

PART I.
THE SERBIAN CONTEXT

Since defence matters are directly linked to
and influenced by politics, it is hard to cap-
ture and understand the features of Serbia-
NATO defence cooperation without viewing
them in the broader context of Serbia's politi-
cal landscape and public perception of NATO,
in the recent past and today.

Serbia's set of security concepts

The long and traumatic period of Yugoslavia's
disintegration has prevented Serbia from fol-
lowing the path taken by the other former
Eastern Bloc countries in developing their
strategic security thinking and policies. The
overall security situation in Serbia "[remains]
significantly affected by the consequences
of many years of civil war, [...] international
isolation [...] and NATO bombing, as well as
the problems of transition". Due to these de-
velopments, "it has been difficult to achieve
national consensus on the key national secu-
riety issues. This resulted in a big delay [...] and
the concept of security [could be considered]
still in the making". In this context, there has
been a permanent dualism between "pro-Eu-
opeans", who argue for European and Euro-

Atlantic integration, and "Eurosceptics". Pro-
Europeans support a more modern security
approach, with security institutions (military
in particular) built after Euro-Atlantic models,
tasked with a broad spectrum of missions,
smaller in number but more mobile and flexi-
ble, also suitable for "expeditionary missions"
abroad. Eurosceptics, also known as "sover-
eignists", support more traditional forms of
security, supported by relatively large and
heavily equipped armed forces, focused on
national defence missions. This division
[both political and cultural] and the lack of
domestic consensus were best expressed in
2006, when the President and Prime Minister
of Serbia, taking contrasting positions, each
produced their own National Security Strate-
gies (NSS), which differed in several aspects.

Serbia's evident alignment with the dominant
security discourse of the EU and NATO began
in 2009, with the new NSS [2009], followed by
other security documents. Based on these, "it
is obvious that no country is able to indepen-
dently solve complex problems of preserving
and strengthening national security".

Serbia's post-Milošević constitution was
adopted in December 2006. The Ministry of
Defence prepared a Strategic Defence Review
(SDR) in June 2006, but its official approval
by parliament was postponed until the new
constitution had been adopted at the end of
the year. The SDR was followed by the NSS
at the end of 2009. Also in 2009, a revised
SDR provided a detailed projection of military
reforms until 2015, stating that "the uniting
factor [for all of the region's countries in their
drive for security] is their common orienta-
tion towards the Euro-Atlantic community".

6 Interviews with Filip Ejdus and some defence attach-
es of NATO countries, resident in Belgrade.
7 A deeper analysis of these two NSSs can be found in
Ejdus and Savković, 2013. "Emergent Concept of National
Security Policy in Republic of Serbia".
9 S. Stojanović-Gajić, "Study on the Assessment of Re-
gional Security Threats and Challenges in the Western
Balkans – View from Serbia", in Gyarmati and Stančić
[eds.], Study on the Assessment of Regional Security
Threats and Challenges in the Western Balkans, DCAF,
10 Ejdus and Savković, 2013. p. 15.
However, following Kosovo’s unilateral declaration of independence in February 2008, Serbia abandoned the “Atlantic part of the equation”.

In December 2007, the Serbian parliament adopted a Resolution on the Protection of the Sovereignty, Territorial Integrity and Constitutional Order of the Republic of Serbia. One of the major provisions strongly underscored in this document was the “military neutrality”, by which Serbia declared that it would not engage with any existing military alliance unless a referendum decided otherwise. Although the resolution did not refer explicitly to NATO, it was introduced precisely with the intention of precluding any application for NATO membership in the foreseeable future. Serbia’s political and military leadership refer to this document as a legal barrier whenever NATO membership is discussed.

The National Security Strategy (NSS) and the Defence Strategy (both adopted in 2009) have avoided further elaborating or amending the “military neutrality” of the resolution. On the other hand, the NSS recognizes the inability of a single state to handle new security threats by itself. In this aspect, the NSS deviates from the concept of neutrality, highlighting the need for cooperation in the field of security.

Both the NSS and the Defence Strategy considered Kosovo’s February 2008 declaration of independence to be the “main threat to security”. The recognition and support for Kosovo’s independence provided by most NATO countries caused a new downturn in Serbia-NATO relations. However, although avoiding direct reference to NATO, Serbia’s NSS accepts the alliance’s contribution to peace and stability in the region: “the continuity of international support and military and security presence with the UN mandate in the region can contribute to stabilization and prevent the occurrence of conflicts and their turn into large-scale conflict”.

The political landscape in relation to NATO membership

Three major developments have had the greatest effect on Serbia’s political posture towards NATO. These are: first, NATO’s intervention against the Bosnian Serbs in 1995; second, NATO’s 1999 bombing campaign; and third, support by NATO members for Kosovo’s independence since 2008. The last two of these are the most crucial factors. NATO’s 1999 bombing campaign contributed to the political changes which occurred in Serbia’s 2000 parliamentary election, leading to the democratic developments which have followed. Nevertheless, this fact is not enough to mitigate (let alone eliminate) the resentment which the people and political circles of Serbia feel towards NATO. Serbia’s political stance towards NATO has fluctuated over time. It worsened just before Kosovo’s proclamation of independence in February 2008, which actually led to the adoption of the above mentioned resolution providing for “military neutrality”. Relations gradually improved in 2011–2012, with President Tadić playing a supportive role in this process. Tadić’s defence minister Dragan Šutanovac was more outspoken in public, explaining that “Serbia and NATO are no longer enemies, but partners who seek the best models of cooperation”.

When a new government came to power in mid-2012, it was generally expected that the quietly pursued drive for closer relations with NATO would be put into reverse. This did not happen, and in fact a huge breakthrough was made regarding Kosovo. Facilitated by the EU, and alongside tough conditional- ity for starting EU accession talks, the Dačić

---

11 Ibid.
13 Ibid.
14 Interview conducted with Filip Ejdus.
16 Ibid., p. 8.
17 Ibid., p. 7.
government made huge progress in building political dialogue with Kosovo, while seeking security guarantees from NATO for the gradual integration into Kosovo’s structures of four Serb-dominated municipalities. Still, Serbia’s position regarding NATO features some reluctance. As President Nikolić recently stressed, “[Serbia] prefers to keep political distance from the Alliance”. With the victory by a large margin of the centre right SNS in Serbia’s March 2014 elections, the direction in which relations between Serbia and NATO will evolve and how far they will develop remains to be seen.

Despite fluctuations in Serbia’s position concerning NATO, there has always been some coherence, which can be briefly put as, “yes to membership in the EU; yes to an active status in the PfP; no to NATO”. This was reaffirmed recently by Serbian Foreign Minister Ivan Mrkić, who in a meeting with NATO countries’ ambassadors to Serbia declared that “Serbia will not join NATO but it will be a reliable and responsible partner”. The Serbian public’s prevailing negative image of NATO has frequently served as an excuse for the domestic leadership to rule out joining NATO and to choose not to speak clearly on the issue. On the other hand, the Serbian political establishment does not deny NATO’s role as the main global security actor.

Serbia’s policies regarding the country’s relations with NATO and the EU differ in many ways, while the commonality of the values of the two bodies is accepted. As the Serbian MFA website states: “[participation in the PfP and EU membership] are compatible since NATO and the EU have close value systems, standards and procedures”. Some field experts argue that “the silent placing of NATO in a package with the EU, under the umbrella of ‘Europeanization’ is a deliberate strategy employed to overcome the extremely unpopular standing of NATO within the Serbian public”.

This may be true for at least some segments of Serbia’s “body politic”, but the “Europeanization umbrella” could also potentially have the opposite effect. “EU and NATO commonality”, “placing the EU and NATO in one package” may in fact be aimed at disarming the proponents of NATO in Serbia, robbing them of their pro-NATO arguments and eventually making NATO membership and its related discourse redundant, eclipsed by the EU integration agenda and thus ultimately unnecessary.

The clear inertia that Serbia has exhibited in establishing relations with NATO is evident from the fact that once the decision was taken to open a mission at NATO’s Headquarters in Brussels, it took almost two years before this was done in September 2010. In addition, ever since the tragic death of Serbia’s ambassador to NATO in December 2012 the post has been vacant, and all the responsibilities of the role are carried out by the chargé d’affaires. Nevertheless, there is another more pragmatic reason, linked to the presence of NATO troops in the region and more specifically in Kosovo. On many occasions, Serbia has expressed its disapproval of any potential reduction in the numbers of KFOR troops, under the so called “GATE 3” approach. As Serbian Foreign Minister Mrkić recently put it, “it is necessary for KFOR [...] to remain in the province in ‘an unreduced

---

21 Ejdus and Savković, 2013, p. 5.
24 Ibid., p. 17.
27 GATE-3 is the code name for the third and last phase of KFOR presence in Kosovo, which reduces its troops from about 5 thousand to less than 2500.
number’ as a guarantee of safety for Serb and other non-Albanian citizens”.28

Also interesting is the fact that despite the ambivalence of Serbia–NATO relations, Serbia has developed multifaceted bilateral cooperation in the field of security and defence policy with many NATO members. However, the level of bilateral cooperation with NATO members is “greatly determined by their position regarding Kosovo’s unilaterally declared independence”.29

An element of NATO policy in recent times has always been to offer an “open door”.30 However, in large part due to current progress in democratic reforms in the Western Balkans, which has led to the reduction of tensions, it seems that the Western Balkans [Serbia included] will not be high on the Alliance’s agenda in the forthcoming period, since NATO’s attention and resources will be devoted to more problematic regions. Nevertheless, recent developments in Ukraine and the soured relations between NATO and Russia are perceived by NATO as creating “a new strategic reality in Europe […] [to which] NATO must respond”.31 More support is expected “for new countries to join [the] Alliance, making clear that no outside power can have a veto [over the process]”.32 As such, some more dynamic moves are expected from NATO and Russia at various points in the European theatre, including the Western Balkans. In this regard, NATO can count on the whole Western Balkans, including Serbia and of course Kosovo, as its “playground”. Russia, on the other hand, has much less space for manoeuvre in this region, being restricted to Serbia [to some extent] and Montenegro [much less].

When analyzing the political landscape in Serbia vis-à-vis NATO, it is impossible to ignore the Russian factor and its influence in this respect. Serbia’s membership of NATO “is the red line that in no way suits Russia. […] When [Russian] Defence Minister Sergei Shoigu was in Belgrade [in November 2013], he received confirmation in all meetings that Serbia will not join NATO”.33

In general, any political decision has a cost, and the cost of strategic decisions related to the nation’s security is higher still. During research for this study, it was noted that that no cost-benefit analysis has apparently been carried out which compares the options of NATO membership and neutrality. Such research would be very helpful for Serbian politicians in making decisions regarding NATO.

**Public opinion of NATO membership**

Available data from public opinion polls carried out since 2003 show that the key factor influencing the public’s attitude to NATO is the bombing campaign against the FRY.34 Another factor is that Serbian public opinion sees NATO as working in the interest of Kosovo’s independence.35 Recent public opinion surveys in Serbia show that only 13% of respondents support the idea of Serbia joining NATO [against over 50% who support EU membership].36 Joining NATO is mainly supported by those aged under 30 and highly

---

30  NATO Strategic Concept, 2010.
32  Ibid.
PART II – DEFENCE COOPERATION

Although the influence of politics over defence is largely accepted, cooperation between Serbia’s defence establishment and NATO exhibits particular features, which derive both from the very nature of defence matters and from the (sometimes implicit) latitude which politics allows. Six areas of defence cooperation between Serbia and NATO have been established so far. These are defence reform, human resource management, defence resource management, operations, training and the destruction of obsolete or excess ammunition.

Another area of defence cooperation which is currently undeveloped but which has much potential for the future is the defence industry.

1. Defence reform

As part of the process through which Serbia joined the PfP program in 2006, NATO initiated various mechanisms to support military reform in the country. Of these, the Defence Reform Group (DRG), created the same year, is the most prominent. The DRG was suspended following Kosovo’s declaration of independence in February 2008, but it was re-established in 2010. DRG meetings are facilitated by NATO’s Military Liaison Office (MLO), which was established in December 2006 in Belgrade.

While the general perception of the Serbian public regarding NATO membership can be categorized as sceptical or even opposed, there are some voices which offer significantly contrasting opinions. These are mostly expressed by scholars, members of think tanks and academics who articulate the need to “re-examine, or even abandon […] military neutrality”, while some others argue that “Serbia would have a chance to [better] protect its interests if through better policies it […] chose [NATO] membership”. In this respect the “media [remains] […] a limited change agent”.

37 Ibid.
38 Ibid.
40 Nič and Cingel, 2014.
43 Watkins, Balkan Series, 10/09, p. 16.

44 NATO MLO, Belgrade, briefing and interview, March 2014.
45 Watkins, Balkan Series, 10/09, p. 9.
troops passing through Serbian territory.\textsuperscript{46} It emerged during interviews conducted with MLO personnel for this study that the MLO has never served that purpose, but rather functions as a permanent body which provides advice on reform of the Serbian Armed Forces [SAF] as well as monitoring the SAF and providing Brussels with regular information and reports.

The level of participation in DRG meetings, which are co-chaired by the Serbian Deputy Minister for Defence Policy and NATO’s Force Planning Director and attended by other top officials from both sides, as well as the importance of the issues dealt with at the meetings, has led to them being considered “one of the more positive experiences in Serbia’s [Security Sector] [...] effort”.\textsuperscript{47} Although there may be some merit in this statement, anonymous statements provided in our interviews with defence attachés of some NATO countries and MLO representatives imply that, despite positive effects, DRG meetings do not fully live up to the claims. This is largely due to the fact that although the PIP process offers some support to participating countries in defence reforms, it is the Membership Action Plan (MAP) process that provides the fundamental vision and practices for defence reform, in accordance with NATO’s defence and operational planning processes, as well as the required standards. The NATO membership process is linked to measurable objectives for the ‘aspirant/MAP country’ in terms of the direction and pace of progress in defence reform. Meetings between NATO and candidate countries during the pre-accession phase are very demanding, taking place twice yearly at NATO headquarters and in the candidate country. Typically, meetings in the candidate country last two to three days and every aspect of defence reform is scrutinized in detail by NATO experts. In contrast, DRG meetings in Serbia – as confirmed by MLO representatives – last about two or three hours and are much less demanding. This process is completed with a final report which is mutually agreed and closes the cycle for that year. In the case of Serbia, the only report drafted to date passed back and forth between Brussels and Belgrade without final approval for an extended period until 7 June 2013, due to the inability of the two sides to find a common form of words on several points.

Despite this, NATO has influenced defence reform in Serbia in various ways. In mid-2007, NATO and the Serbian General Staff [GS] initiated a comprehensive assessment of Serbia’s national security and defence strategies aimed at a smaller, professional force. This was later opposed\textsuperscript{48} because of Kosovo’s anticipated declaration of independence. This “was a turning point of the discourse from ‘integration’ towards ‘protection of state territorial integrity and sovereignty’”.\textsuperscript{49} Although not officially aspiring for membership, the Serbian military leadership is referring to NATO as a referent to the best military standards according to which military reform in Serbia could be conducted.\textsuperscript{50}

Currently, assistance from NATO is mainly focused on some aspects of defence reform related to “technical capabilities and interoperability rather than strengthening of commanding institutions and their democratically controlled code of conduct”.\textsuperscript{51} Research for this study found a tendency to provide statistics on bilateral activities without much elaboration on their actual significance.\textsuperscript{52}

\begin{thebibliography}{9}
\bibitem{47} Watkins, Balkan Series, 10/09, p. 26.
\bibitem{49} Milić, 2012, p. 3.
\bibitem{50} Radoman, 2012, p. 17.
\bibitem{51} Milić, 2012, pp. 4–5.
\end{thebibliography}
2. Human resource management

Despite some positive steps having been made in the area of restructuring and downsizing the Serbian Armed Forces, the Human Resource Management (HRM) system still lacks the necessary transparency, while politicians circumvent the military leadership, causing deep rifts in their reciprocal relations. Thus, in 2008 Chief of General Staff General Zdravko Ponoš accused the minister of defence of budget mismanagement: “the defence financing is shared by 19,500 soldiers and 10,000 bureaucrats”. He also alleged that “the military is deteriorating” and “divided in loyalty”, claiming that even though he had highlighted these problems to the MoD, the ministry was not the place “to solve problems but a place to share compliments”.\textsuperscript{53} Despite evidence provided by Ponoš in support of his accusations about the “incompetence” and “arrogance” of the MoD, the president dismissed the general a few days after his accusations became public. No official explanation was given for his dismissal.\textsuperscript{54} On 17 January 2014, Deputy Prime Minister Aleksandar Vučić removed four high-ranking Serbian military officials from their positions.\textsuperscript{55} Again, no reason was given for the action, but some hypothesized that this action was being taken in order to deepen the control of Vučić and the Security Intelligence Agency over military affairs.\textsuperscript{56}

When even top level officers are treated in this way, it is hard for other military personnel to believe that the HRM system is fair and that their career will develop only on the basis of personal performance. In addition, it makes it much harder to convince young civilians to join the armed forces as a “life profession”. Considering similar cases in some other countries in the region – some of which are already NATO members – it seems that the NATO factor is unfortunately unable to do any more to accelerate the establishment of healthy civil-military relations and efficient human resources management in accordance with democratic standards.

In fact NATO has contributed significantly to easing the pain of downsizing the SAF. Between 2005 and 2011, NATO launched two PfP trust fund projects in Serbia in order to develop alternative livelihoods for retired SAF personnel. These projects, worth a total of around €10 million, were funded by 18 donor countries, most of which were NATO members, and helped about 6000 people reintegrate into civilian life. 78.6% of the fund was spent on business start-ups, 10% on employment subsidy, 11.2% on specific courses and 0.2% on business expansion.\textsuperscript{57} The Universities of Belgrade and Niš provided university level training for 602 and 351 retired officers respectively as part of two projects funded by the UK and the Netherlands.\textsuperscript{58} Another training centre was designated for retired non-commissioned officers. Between March 2007 and December 2012, about 830 NCOs were retrained on 11 retraining courses.\textsuperscript{59}

Unfortunately, NATO’s contribution in this regard achieved little visibility.

3. Defence resource management system

There is a tendency in NATO today to unify the defence planning process in order to achieve better and “smarter” outputs, as well as to foster higher interoperability among member forces. In that respect, the so called PPBES [Planning-Programming-Budgeting-Execution System] – originally introduced in the USA in the early 1960s – is applied by

---


\textsuperscript{55} Director of the Military Security Agency; Director of the Military Intelligence Agency; Deputy Minister of Defence for Human Resources; MoD Inspector General.


\textsuperscript{57} Milković and Korica, 2012, p.72-80

\textsuperscript{58} Ibid.

\textsuperscript{59} Ibid.
most NATO members. NATO also encourages common defence planning procedures for partners.

The Serbian MoD introduced the PPBES in 2010, thus effecting “the transition from the cash-accounting, Soviet-legacy [...] to a multi-year, program-oriented budget system [...] linking expenditures to desired outcomes [...] [bringing] transparency and accountability to the use of public funds”.

Several countries have embraced PPBES in the defence sector, but so far the results have not justified their efforts. This is mainly due to the lack of skilled and trained managers capable of running the PPBES efficiently.

In this respect Serbia is not an exception:

There is a “magic circle” [in Serbia] whereby managers lack the trust to delegate important issues lower down as they [...] have a personal desire not to lose control, which is deemed crucial. In [...] the lower levels of managers and team leaders, this leads to a very low incentive to initiate or promote anything perceived as risky. As a result they will be looking to secure “top cover” by referring all issues deemed sensitive higher up, thus only aiding the already bureaucratic system.

A close look at each of the components of the PPBES will highlight some characteristic features of defence resource management in Serbia.

3.1. Planning

Being related to strategic objectives, the “planning” component of the PPBES in Serbia suffers from a lack of decision making on core issues. As mentioned above, ambiguity and frequent alterations in strategic positions [most often related to the type of security being dealt with and the armed forces being built] cause other components of the PPBES to remain underdeveloped. As was observed by some foreign military experts involved in defence reforms in Serbia, the strategic planning function of the current Serbian MoD is not sufficiently developed to support the implementation of program budgeting. According to one author, this is due to several reasons: “First, [...] plans remain focused on service-specific objectives rather than on the desired capabilities or outcomes. Second, there does not appear to be a specific organization within the MoD responsible for the development and implementation of program budgeting. This has led to decentralized efforts to design, develop, and implement the proposed budget reforms”.

3.2. Programming

“Programming”, as a process, and “defence programs”, as its products, were introduced in the USA in the early 1960s as a way of linking the visions [objectives, ambitions] of “planning” with the resources available to be used during “execution” and “budgeting”. In the case of Serbia, based on the observations of some experts, there remains a disconnection between the MoD’s strategic missions and strategic resources on the one hand and the proposed program structure on the other. This is largely because “there is no central coordinating function to ensure that the method of developing and using program elements is consistent amongst the subordinate commands [...] Performance indicators remain a challenge [...] almost all of the development metrics are aligned with resource usage and inputs rather than activities, outputs, or outcomes”.

---

60 McNab, 2011, pp. 1–2.
61 Interview with a representative of the US CUBIC Company assisting the Albanian MoD.
62 Watkins, Balkan Series, 10/09, p. 18.
63 Interview with NATO MLO representatives, Belgrade, March 2014.
3.3. Budgeting and Execution

A multi-year budgeting system was introduced by the Serbian MoD in 2010, representing a significant positive step in defence resource management. Despite this, one of the most problematic issues identified so far in this respect is the lack of “a centrally coordinated effort to implement program budgeting; this leads to significant disparities in comprehension, organization, and implementation amongst the subordinate commands.”68

4. Operations

As elaborated earlier in this study, the “military neutrality” principle precludes any Serbian contribution to NATO-led operations. While Serbia is participating with 226 different militaries in eight multinational peace missions abroad led by the UN or EU (of which two are EU-led, with 21 personnel)69 it does not contribute to NATO-led missions.

Another issue that hinders cooperation is the already known suspicion, or even reluctance of Serbia concerning any assistance provided by KFOR to the Kosovo Security Force (KSF). Despite this, some limited cooperation occurs between Serbia and NATO in the area of operations. On the basis of UN Security Council Resolution 1244, KFOR is mandated to ensure a safe and secure environment, along with the freedom of movement for all citizens living in Kosovo. In fact, this means the protection of the ethnic Serb minority and religious places in the enclaves located south of the Ibar River. Because of this, not only is it in Serbia’s interest to cooperate with KFOR [regarding exchange of information and joint patrols along the border between Serbia and Kosovo] but, as mentioned above, Serbia has expressed its dissatisfaction with any intention by NATO to reduce its troops in Kosovo, under the “GATE-3” approach. Serbia has even used diplomatic channels to oppose such moves. In July 2005, Serbia signed a “transit agreement” with NATO to allow Allied forces serving within KFOR to pass through Serbian territory. A NATO MLO was established in Belgrade to coordinate these cases, although, as explained above, the MLO has never acted in this capacity, as KFOR troops have never passed through Serbian territory.70

The “Partnership Goals” (PGs) process has the potential for greater cooperation between Serbia and NATO concerning operations. The process consists of several SAF operational capabilities to be built according to NATO models and standards. According to MLO staff, there are 41 PGs planned by the SAF for such purposes, covering almost all areas, such as operational, combat support, combat service support, education and training, legal framework, personnel etc. Even though “neutrality” precludes participation in NATO led missions at least for the time being, the adoption of the PG-package is still a smart decision by both sides. Political decisions, based on specific geopolitical conjunctures, can change overnight, while building adequate operational capabilities to deal with them needs time and resources.

Two major factors can act as the greatest hindrances to PG building. First, austerity has led to the Serbian defence budget, actually declared at around 1.5% of GDP, being subject to reductions, while the amount allocated for equipment is around 2% of the whole defence budget (much less than the pre-planned level of 20%).71 Second, a robust and mature defence resource management system is required. As elaborated earlier, the actual PPBES in Serbia, with its design and implementation problems, can hardly support the smooth implementation of the PG package.

---

68 Ibid, p.2.
69 Briefing delivered by NATO MLO, Belgrade, March 2014.
70 This emerged during several interviews conducted for this study.
71 NATO MLO, Belgrade, briefing and interview, March 2014.
5. Training

Military education and training [E&T] is developing faster than other areas of defence cooperation between Serbia and NATO. While E&T cooperation is relatively neutral from a political standpoint, positive opinions of NATO’s capacities also favour this type of cooperation. Familiarization visits by mid-to-high level Serbian military personnel to NATO education institutions, as mentioned above, as well as the translation and adoption by Serbian military academies of the main NATO capstone doctrinal documents for use in the education process are some of the specific steps that have been taken in this direction.72

A particularity of military E&T cooperation between Serbia and NATO is the fact that, even though participation by Serbian troops in NATO led operations is not an option, at least for the time being, Serbia has decided to implement NATO operational standards when preparing its units for UN/EU led missions.73

For this purpose, the NATO Operational Capabilities Concept Evaluation and Feedback Programme [OCC–E&F] has been in use since 2010.74 The programme is organized in four phases, of which the SAF has so far completed the two self-evaluations, in November 2011 and November 2013, and the first phase of NATO evaluation, the so called “NEL-1”.75 NEL-1 was conducted in September 2012 by a team of 26 NATO evaluators in a field exercise involving over 250 Serbian soldiers from infantry, military police and Chemical, Biological, Radiological and Nuclear [CBRN] units allocated to EU and UN peacekeeping missions. An operation scenario was simulated for that purpose, applying NATO tactical procedures. The last phase, NEL-2, is planned to be completed by October 2014.76

In 2013, Serbia offered its CBRN Training Centre in Kruševac for the training of troops from NATO and PfP countries, an offer which was accepted by NATO.77

6. Destruction of excess/obsolete ammunitions

Another area of defence reform in Serbia in which NATO has been very supportive is the destruction of surplus ammunitions and weaponry. Three trust funds have been set up by NATO [or NATO member countries] to support this endeavour which – despite other consequences – is also assessed as a security problem in Serbia.78 The first trust fund was dedicated to the destruction of around 25,000 small arms and light weapons [SALW] in Serbia and Montenegro. This was led by the Netherlands along with participation by five other nations [in addition to Serbia and Montenegro] at a cost of around €375,000 and lasted from September to December 2003.79 The second trust fund ran from 2005 to 2007. Due to its financial support, all anti-personnel mines in the inventory of Serbia and Montenegro (about 1.3 million) were disposed of, at a cost of around €1.7 million.80 The third trust fund was launched in July 2013. With an estimated budget of €3.7 million, the project will

72 This was confirmed during interviews conducted for this study with defense attachés of some NATO countries as well as with MLO staff, but no further specific information was given.
73 Serbia has applied this process to one motorized infantry company, one military police platoon and one NBC platoon.
74 OCC has been used to develop and train partner forces that are made available for NATO-led operations. This process often takes several years, but it ensures that partner forces are effective and interoperable with Allied forces once deployed. Some partners use the OCC as a strategic tool to transform their defence forces. Available at: http://www.nato.int cps/en/natolive/topics_80925.htm
75 NATO Evaluation Level-1
improve the Kragujevac factory's technical capability for decommissioning ammunition, as well as funding the industrial demilitarization of around 2000 tons of surplus munitions (bullets, mortars, rockets and missiles) over the next two years.81

Again unfortunately, this contribution made by NATO is unknown to the Serbian public. It seems that even NATO has reconciled itself to Serbia's apathy over advertising the contributions made by the alliance, and is doing little itself to publicize them.

7. Serbia's Defence industry

Serbia’s defence industry could be a strong factor pushing for a more pro-NATO agenda. It is more developed than those of other countries in the Western Balkans, enabling “Serbia to be the largest arms exporter in South Eastern Europe, selling its products from Malaysia to Canada and the USA. In 2008, the arms industry made a profit of $400 million, its highest margin since 1991”.82 In fact, no evidence was found during the research period that Serbia’s defence industry plays a pro-NATO role, even though NATO could offer huge business opportunities for the sector. This can be explained by the fact that Serbia’s defence industry is state owned, with the top managers being assigned as part of public administration. This reduces the likelihood that any of them will go “against the tide” by strongly advocating closer cooperation with NATO.

CONCLUSIONS

The Serbian public’s aversion to NATO – because of the 1999 bombing campaign and its support for Kosovo’s independence – is a considerable factor in Serbia’s ambivalent stance towards NATO. It is expected that this feeling will continue, thus giving Serbia-NATO relations a distinct exceptionality. On the other hand, the silent placing of NATO in a package with the EU under the umbrella of “Europeanization”, as happens time after time in Serbian political discourse, rather than serving to overcome NATO’s negative image and “sell” it more easily to the Serbian public, may serve to downplay the NATO agenda and lead to it being overrun by the EU integration process.

Despite the persistence in Serbia of the common political position of “yes to membership in the EU; yes to active PfP status; no to NATO”, which almost all political actors endorse, there has always been a characteristic inertia in the development of security concepts. Among other consequences, this has caused Serbia’s defence cooperation with NATO to remain underdeveloped and unable to exploit all the available potentials.

Although not officially aspiring to membership, Serbia’s military leadership refers to NATO as the model for the best military standards according to which military reform in Serbia should be conducted. Thus, despite the prudence of Serbian politicians in their declarations about and actions towards NATO, some positive steps have been taken towards NATO in the area of defence, such as the adoption of NATO doctrines and standards for military training and education, and to a lesser extent with defence and operational planning processes.

Serbia has benefited from NATO in various areas of defence, but so far this has gone almost unnoticed by public opinion. Serbia and NATO, as well as other interested actors, such as the Atlantic Council of Serbia, could do more to popularize these achievements.

81 “Helping Serbia dispose of Stocks of Surplus Munitions”, op. cit.
Despite the ambivalence of its relations with NATO, Serbia has developed good bilateral cooperation in security with many NATO members. Bilateral cooperation with NATO countries can compensate Serbia’s tepid attitude towards NATO.

Considering the recent confrontation between NATO and Russia over developments in Ukraine, renewed interest in the Western Balkans is expected from both of these actors. Serbia seems to remain almost the only ground for competition for these actors, since all the other countries are either NATO members or aspire to NATO membership. As such, it is expected that Serbia-NATO relations will take new forms in the near future.

A cost-benefit analysis, which could add weight to the debate over NATO membership versus neutrality in Serbia, has so far been missing. In the future, these techniques should be widely applied in order to make clear the cost of any security reform path Serbia chooses to take.
BIBLIOGRAPHY

• Amadeo Watkins, “Security Sector Reform and donors assistance in Serbia”, Defence Academy of the United Kingdom, Balkan Series, 10/09
cific_Regional_Model.pdf Accessed: April 2014

Interviews

• Esben Aass, Colonel, Norwegian Defence Attaché in Belgrade, March 12, 2014
• Filip Ejduš, PhD, Professor, Faculty of Political Sciences, University of Belgrade, March 13, 2014.
• Georgious Kostidis, Colonel, Deputy Chief of the NATO Military Liaison Office in Belgrade, March 11, 2014.
• Lucio Batta, Brigadier General, Head of the NATO Military Liaison Office in Belgrade, March 11, 2014.
• Robbert Verbrugh, Lieutenant Colonel, Dutch Defence Attaché in Belgrade, March 7, 2014.
• Thomas Klementsson, Lieutenant Colonel, Swedish Defence Attaché in Belgrade, March 6, 2014.
ABOUT AUTHOR

Colonel [Retired] Foto Duro, PhD, jointed the Albanian Armed Forces in 1981. He completed his military education in Albania and abroad (in USA, Germany, UK and Switzerland). During more than 30 years of his military career Mr. Duro served in different positions, where he was involved in preparation of a number of strategic documents as well as the process of Albania’s NATO membership. He currently works for the Institute for Democracy and Mediation, Tirana, where he is involved in several projects focused on democratization and Europeanization of the Security Sector in Albania.

ABOUT ORGANISATIONS

BELGRADE CENTRE FOR SECURITY POLICY (BCSP) 
Serbia

The Belgrade Centre for Security Policy (BCSP) is an independent think tank founded in 1997 to publicly advocate national and human security based on democracy and respect for human rights. The BCSP works towards consolidation of security sector reform (SSR) and security integration of Western Balkan states into the Euro-Atlantic community by creating an inclusive and knowledge-based security policy environment. It achieves these goals through research, public advocacy, education, bringing together relevant stakeholders and creation of networking opportunities.

THE INSTITUTE FOR DEMOCRACY AND MEDIATION (IDM) 
Albania

The Institute for Democracy and Mediation (IDM) is an independent non-governmental organization founded in November 1999 in Tirana, Albania. IDM aims at strengthening the Albanian civil society through monitoring, analyzing and facilitating the Albania’s Euro-Atlantic integration processes and helping the consolidation of good governance, especially in the security sector. IDM’s expertise and services are employed by a broad range of actors, such as decision makers, central and local state actors, foreign assistance missions and international organizations, civil society, media and academia.

ABOUT PROJECT

The Security Research Forum is a joint project of three independent think tanks from Belgrade (BCSP), Prishtina (KCSS) and Tirana (IDM) specialized in research of security issues. The Security Research Forum is meant to foster balanced debate among think-tank community, academia, public policy and media in order to provide research-based alternative solutions to ongoing challenges of cooperation among Serbia, Kosovo and Albania.
SERBIA – NATO DEFENCE COOPERATION

Belgrade Centre for Security Policy