

Key Quotes

EU High Representative for Foreign Affairs and Security Policy Catherine Ashton said at the end of dialogue between Belgrade and Priština that a new round of talks with Serbian Prime Minister Ivica Dačić and Kosovo Prime Minister Hasim Thaçi will be continued on September 8. Ashton said that both prime ministers **"reiterated their commitment to successful elections with the widest possible participation"** (Mediafax.ro, 28/8).

<http://www.mediafax.ro/externe/o-noua-reuniune-serbia-kosovo-la-bruxelles-s-a-incheiat-fara-un-acord-11276566>

Serbian First Deputy Prime Minister Aleksandar Vučić says more has to be done to attract investment into Serbia: **"If we don't do something regarding the rule of law or many other changes in different social spheres, we won't be successful in the future,"** with BBC Online observing: **"But if the government's new focus on EU membership can help international businesses see beyond that, it could help to bring about a much-needed economic revival"** (BBC Online, UK, 27/8)

<http://www.bbc.co.uk/news/business-23818060>

Summary

Serbia's economic future

When 29-year old Lazar Krstić takes over Serbia's finance ministry this week, he will need to find more courage than his predecessors to break news of spending cuts to two million pensioners and state employees. The two groups make up one third of Serbia's electorate and have never been the target of government austerity, even though the country has struggled to shore up its economy - the biggest of the ex-Yugoslav republics - and the state is running up debt. Krstić, a Yale graduate who has been working for the McKinsey consultancy in New York, has yet to detail his plans. But he has already said that **"belt tightening will be required"** and promised to cut the budget gap to four percent of economic output at most next year - hardly possible without job and spending cuts. He also wants a loan deal with the International Monetary Fund, which would require painful economic changes. Despite pressure from international lenders, no finance minister has tried to cut public sector jobs or pensions since Serbia emerged from international isolation and started market reforms in 2000 after strongman Slobodan Milošević was ousted. This year Serbia finally qualified for membership talks with the European Union, giving investors some reassurance (trust.org, UK, 26/8).

· trust.org, UK, 26/8, <http://www.trust.org/item/20130826125231-7r637>

Former Yugoslav Republic of Macedonia overcomes another political deadlock

The former Yugoslav Republic of Macedonia's government and opposition on Monday resolved a row over responsibility for a parliamentary brawl that had threatened to trigger a snap election and further damage the country's attempt to start European Union membership talks. Setting aside their differences, both sides signed up to a report drafted by an ad hoc commission tasked with investigating the incident in December when opposition legislators were ejected from parliament for brawling. Though largely inconclusive, the report nevertheless appears to apportion most of the blame to the government. Conservative Prime Minister Nikola Gruevski threatened on Saturday to force an election two years ahead of schedule rather than sign up to the findings, but backed down on Sunday. **"We decided that, in the interests of the state, and even if it costs us, we will vote and sign the commission's report the way the opposition wants"** Gruevski said late on Sunday. **"I'm happy that the interest of the citizens was put above that of the parties"** said commission president Borce Davidkovski, who was nominated to the post by the opposition. **"The hard work is finished and I would like to thank the European Union expert who gave everything for this report to be final"** (uk.news.yahoo.com, UK, 26/8).

· uk.news.yahoo.com, UK, 26/8, <http://uk.news.yahoo.com/macedonia-overcomes-political-impasse-averts-election-121828806.html#Edp92B>

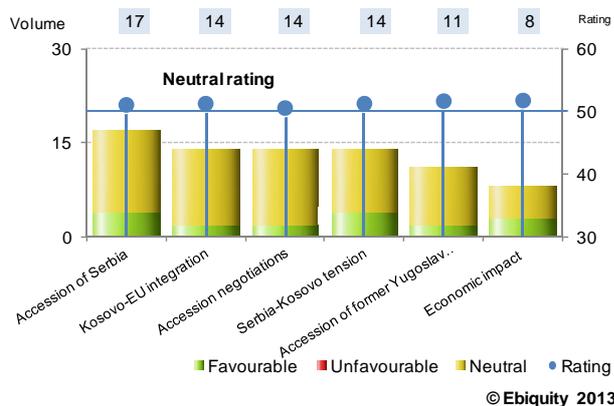
Step by step towards the EU

Newspaper Wirtschaftsblatt (AT, 27/8) has taken a closer look at the economic and political progress of potential EU accession candidates Serbia, Kosovo, Albania, Montenegro, former Yugoslav Republic of Macedonia and Bosnia and Herzegovina. Top priority on the agenda for Serbia and Kosovo has been the implementation of the agreement on Northern Kosovo. It is considered likely that Albania will be officially granted candidate status before the end of the year. While Montenegro has made progress as well, the former Yugoslav Republic of Macedonia and Bosnia and Herzegovina still face significant problems.

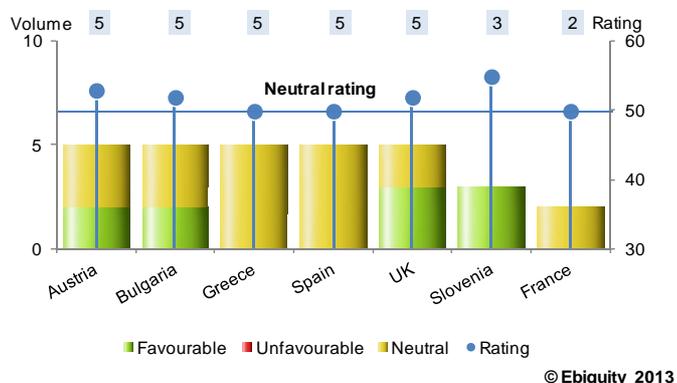
· Wirtschaftsblatt, AT, 27/8, http://193.178.140.110/delivery/20130827/mi/item_166927349.pdf

Charts

ELARG: Leading Daily Issues
by volume, favourability & rating



ELARG: Leading Daily Countries
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ELARG: Highlights
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Volume	33 items
Rating	51.5
Favourable %	30.3%
Unfavourable %	0%
Neutral %	69.7%

ELARG: Key Stakeholders & Sources
by volume, favourability & rating

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ELARG: Stakeholders & Sources	Number of mentions
Nikola Gruevski (President, former Yugoslav Republic of Macedonia)	9
Hashim Thaçi (Prime Minister, Kosovo)	7
Ivica Dačić (Prime Minister, Serbia)	7
Baroness Catherine Ashton, (High Representative for Foreign Affairs and Security Policy, EU)	6
Tomislav Nikolić (President, Serbia)	5
Borce Davidkovski (Chairman of December 24 commission, former Yugoslav Republic of Macedonia)	5
Štefan Füle (Enlargement Commissioner, EC)	4

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