

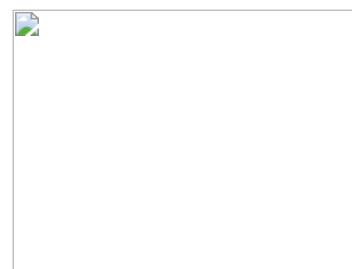
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Kosovo-Serbia Customs Issue: A Continuation of War by Other Means

LSE Ideas

By Maja Šoštarić.

Since 1999, Serbia inhibited Kosovo's independence in many ways: it issued Serbian passports for Serbs from the North; it deprived Prishtina from access to local land registers and other documents removed to Belgrade; it limited telecommunication services and electricity to Kosovo. Finally, following Kosovo's independence in 2008, Serbia banned entrance to goods from Kosovo. All these acts had political consequences, for between daily technical issues and politics there is often only a moot distinction. Yet the import ban issue eventually turned into a political dispute par excellence. Trade, custom stamps and checkpoint control arguments are being (ab)used as alibi to cover for the real geopolitical interest of both sides: the North of Kosovo, a region populated by some 60,000 Serbs constantly rejecting Prishtina's authority.



Stop - Customs

Embargoing the embargo

For more than three years, Prishtina tolerated the embargo imposed by Serbia while Kosovo continued to import from Serbia without any restrictions. However, in July 2011, the Kosovo authorities decided to apply reciprocity measures banning import of goods from Serbia. The government in Prishtina is well within its rights to apply custom reciprocity according to the CEFTA rules. In attempt to fortify its decision, Kosovo seized control over the two custom checkpoints in Northern Kosovo: Jarinje and Brnjak. However, the problem is that according to the 2008 Six Point Plan sponsored by the UN, only the EULEX has the mandate to administer these two border points. Not surprisingly, Prishtina's action triggered a serious reaction of the Serbs. The situation deteriorated once the local Serbian population erected barriers and blocked the main roads in northern Kosovo. The overall crisis escalated once the Serbs first clashed with Kosovo's special police unit ROSI, and later with the KFOR as well.

Ever since Kosovo declared its independence in 2008, Prishtina's control over Northern Kosovo is weak at best. The Kosovo authorities often accuse Belgrade of supporting the work of what they call 'parallel institutions'. As a consequence of such dual sovereignty conflict, the Serb-dominated communities have become a no-man's land, with flourishing levels of organized crime, non-existent judiciary and cronyism. Furthermore, according to the [Serbian Chamber of Commerce](#), Kosovo's ban on Serbian imports cost the country 50 million dollars per month. It is a serious blow for the Serbian economy. Kosovo's ban seems to have been additionally motivated by the annual [loss of approximately €30-40 million](#) that may be collected on the check points in Northern Kosovo.

The September agreement

So, why did Serbia impose the embargo on goods coming from Kosovo? Was there a justification to take such action? Serbia insisted it was the custom stamps its government had issues with. For Belgrade, the problem was that the custom stamps read "Republic of Kosovo", along with Kosovo's official emblems. On September 2, 2011, fearing escalation of violence on Kosovo, the EU representative Robert Cooper, mediated an agreement between Serbia and Kosovo on new custom stamps. By means of a wording compromise, the [agreement](#) specified that Prishtina had to give up its state emblems as well as the contested word 'Republic'; in turn, the Kosovo stamps were accepted by the Serbian authorities.

However, the issue of who would control the border checkpoints in Northern Kosovo was not resolved. In mid-September 2011, the government in Prishtina decided to send Kosovar custom representatives as observers to the contested custom checkpoints. Such action was perceived as a provocation by Serbia and clear violation of the September agreement. The local Serbian population mobilized to protests, which eventually led to a violent clash with the Kosovo police and the KFOR.

Serbia and Kosovo: in chase of votes, in chase of the EU

At the end, the September customs agreement did not improve relations between Kosovo and Serbia. Ever since Kosovo lifted the ban for Serbian goods, the government in Prishtina has complained that [Belgrade does not honor the agreement](#). The local Serbs saw the presence of Kosovo Albanian custom officers at Jarinje and Brnjak as a casus belli. Furthermore, they perceived EULEX and KFOR as being too lenient toward the Albanian population. To make things even more complex, Kosovo Serbs feel unprotected by Serbia, too. The ties with Belgrade are strained since Serbia's political elite presently in power is a fierce opponent to the party currently in power in Mitrovica.

For its part, Belgrade is in a rather difficult position. Facing serious economic problems, Belgrade does not seem to be able to focus on controlling the situation in Northern Kosovo. Furthermore, Serbia is entering a new election period. Despite the efforts of the pro-European government led by President Boris Tadić, the country's EU bid is being questioned [yet again](#). On October 12, 2011, the European Commission [recommended granting a candidate status to Serbia](#), without offering a concrete date for the start of accession talks. The Commission maintained that Serbia's future accession to the EU was a subject of resolution of the Kosovo issue. Such position of the European Commission caused serious problems for the Serbian policy makers. It left little space for them to negotiate their EU aspiration policies with the direction they took upon vis-à-vis Kosovo.

The prospect of EU accession is a card that EU diplomats use with Kosovo as well, by promising it the long-awaited talks for [visa liberalization](#). This might be good news for the Kosovo Prime Minister Taçi. Taçi's prime minister seat seemed [staggered](#) only several months ago, due to a very thin majority in the parliament. The Serbian imports ban added to his popularity among the nationalists. In any case, incumbent Kosovar government achieved a political victory without losing too much economically. Kosovo's exports are modest anyway, so for the government, the cost of coping with an import ban imposed by Serbia is less significant than the cost of losing political credibility by failing to hinder partition. The problem is that Kosovo cannot deploy a sufficient number of security forces to impose control over the customs checkpoint in Northern Kosovo. Therefore, Kosovar cooperation with the 'internationals' is inevitable.

The critical role of the international community

The international factors should bear in mind that technical dialogue on issues like those related to customs procedures can postpone, but not circumvent, a discussion on the future of Northern Kosovo. Given the three different standpoints with a disagreement on almost everything, it is very improbable that the outcome of the present dialogue will be to everyone's taste. Prishtina's aim is to obtain international recognition and control over northern Kosovo. Therefore, the Kosovo Albanians are willing to participate in dialogue on technical issues, but not on issues related to the status or partition of Kosovo. The US and the EU, on the other hand, focus on technical dialogue only, avoiding any status- or North-related discussion. Finally, Belgrade stands in the opposing corner. In other words, convincing Serbia to constructively discuss matters that would actually facilitate North's re-integration with the rest of Kosovo seems very unlikely.

Until political and legal mechanisms vital for reconciliation are in place, little can be achieved by dealing with issues like the [custom stamps only](#). Even if the parties eventually agree on a seemingly trivial matter, like on the design of the customs stamps, the question of who controls the checkpoints will remain open. Therefore, the EU should encourage further Belgrade-Prishtina dialogue in two-axial direction: technical issues and more contextual questions like the one on Northern Kosovo. One possible solution is forming a [transparent working group](#) that would take into account both Prishtina and Belgrade's demands in that context.

Déjà vu?

If the international community fails to engage the two sides in a dialogue the possibility of new conflict is obvious. Forceful mediation is not the right way to go in the case of the Serbian-Kosovo dispute. A powerful lesson of the 1998 Kosovo-Serbia dialogue should not be overlooked. Back then, Richard Holbrooke attempted to forge an agreement between Slobodan Milošević and Ibrahim Rugova. Ironically, Rugova was in a position similar to that of today's Kosovo Serbs, when he was representing the 'parallel institutions' at least in the eyes of Serbs.

Unfortunately, the dialogue ended before it even started with the 1999 NATO intervention. The only achievement of the 1998 dialogue was a first-ever official meeting of the Serbian and Albanian leaders. However, the meeting did not bring a solution to the problem. Similarly, the agreement of the Serb and Albanian leaders upon technicalities such as the customs stamps, electricity and land registers, by no means implies that essential political differences are resolved.

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