

THE BALKAN PEACE INDEX 2024

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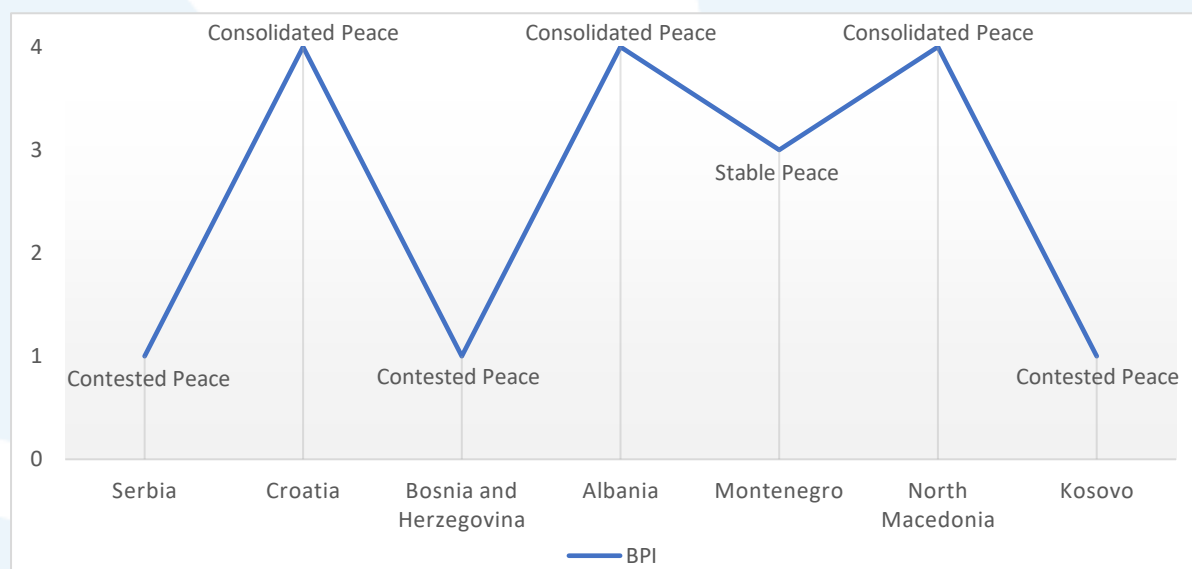
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THE STATE OF PEACE IN THE WESTERN BALKANS

In comparison to the previous year, the overall level of peacefulness in the Western Balkan region experienced a modest increase in 2024. North Macedonia, which had previously been classified under stable peace, has now advanced to the category of consolidated peace, joining Croatia and Albania, both of which maintained their positions from 2023. Conversely, Serbia, Kosovo, and Bosnia and Herzegovina continued to be classified in the contested peace category, showing only minimal or no progress. Montenegro has remained in the stable peace category. This trend observed in 2024 suggests that the region is moving toward a significant polarisation between those at the positive end of the Balkan Peace Index scale and those at the negative end.



In the global context, the Western Balkans region is characterised by relatively high levels of peace. There have been no full-scale or limited wars for over two decades, allowing the region to make significant progress despite the lasting impacts of the conflicts from the 1990s and ongoing political and ethnic tensions. While political violence does exist, it remains at low levels. Most conflicts in the region, including the highly polarised situation in Bosnia and Herzegovina, are classified as political disputes or non-violent crises. Only Kosovo and Serbia can be categorised as experiencing violent crises. Consequently, Croatia, Montenegro, and North Macedonia are classified as countries with a high level of peace on the Global Peace Index map, while Bosnia and Herzegovina, Serbia, and Kosovo are ranked as having a medium level of peace.

The issues surrounding Kosovo and Bosnia remain highly sensitive topics in the region. Both have experienced ongoing political turmoil, with Kosovo's sovereignty being contested externally and Bosnia's being disputed internally. The root of instability in the area lies in conflicts between the Albanian majority and Serbian minority in Kosovo, as well

as disputes between the Serbian and Kosovo governments, Republika Srpska and the central government in Bosnia and Herzegovina, and Croatian and Bosniak representatives in the Federation of Bosnia and Herzegovina. Despite the longstanding nature of these conflicts, they have not yet reached the critical point of limited or full-scale war due to the presence of international peacekeeping forces that can contain the potential spread of violence.

In 2024, regional and international relations in the Western Balkans (WB) were generally fair, marked by interventions from both regional actors and great powers. Ethnopolitics still play a significant role, rooted in unresolved territorial disputes from Yugoslavia's breakup. Key issues include the ongoing secession of Kosovo, ethnic tensions in Bosnia and Herzegovina, aspirations for Greater Albania, and disputes over the rights of ethnic groups. Kosovo remains central to regional peace; crises there often affect Bosnia and Herzegovina, where Serbs push for similar principles to apply to Republika Srpska. Therefore, demands for Greater Albania or increased Kosovo-related activity can destabilise not just Kosovo but also central Serbia, Bosnia and Herzegovina, and Croatia. Ethnically motivated actions in one WB country often led to heightened regional tensions.

State capacity in the Western Balkans ranges from low to high, with Croatia being the only country with high state capacity. This is largely due to conflicts in the 1990s and the transition from socialist to capitalist economies. Croatia has made significant progress through EU accession reforms, improving its health score from medium to high this year. Serbia, Montenegro, and North Macedonia have made some progress but still face unresolved issues. In contrast, Albania and Bosnia and Herzegovina have low state capacities due to past conflicts and unsuccessful transitions. Kosovo has the lowest state capacity due to its sovereignty being contested both internally and externally.

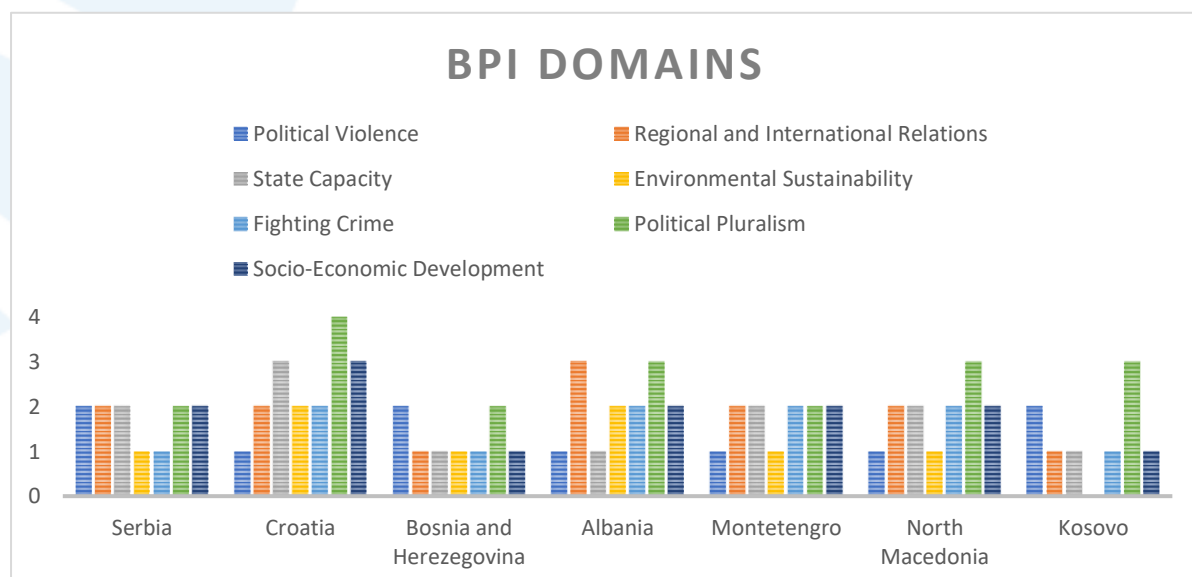
The environmental sustainability of the Western Balkans is alarmingly poor. Our assessment of this domain reveals significant weaknesses. The summer of 2024 set new temperature records, resulting in intense heatwaves and sudden flash floods. In October 2024, landslides in Bosnia and Herzegovina claimed over 20 lives, highlighting the dangers posed by mismanagement of resources, such as illegal stone mining and widespread corruption. The region also suffers from inadequate wastewater treatment, slow conservation policies, and deforestation, often at the expense of biodiversity in protected areas. Recent protests, including those in Serbia against lithium mining, indicate that natural resource issues could be as destabilising to regional peace as air quality problems.

Addressing crime in the Western Balkans significantly challenges regional stability and development. As of 2023, three of the seven regional economies are rated poorly in crime-fighting efforts, while the others show moderate success. Conventional crime rates remain moderate, with most violent crime at or below the European average, though domestic and gender-based violence is widespread. The region is highly vulnerable to

organised crime and state-linked offences, with transnational organized crime exploiting historical trafficking routes. Despite optimistic government statements, there has been little progress in tackling drug, arms, or human trafficking, or in reducing money laundering, with the war in Ukraine exacerbating these issues. The involvement of state actors in criminal networks remains common. Anti-corruption initiatives are weak and often fail to hold high-ranking politicians accountable. While Croatia is progressing, Albania, Montenegro, and North Macedonia have improved their legislative frameworks by 2024. In contrast, Kosovo, Bosnia and Herzegovina, and Serbia face ongoing challenges.

Political pluralism in the region has improved slightly over the past year, but polarisation is still high in three of the seven countries. Political discourse is generally harsh, with Croatia as the only exception. Serbia and Bosnia and Herzegovina struggle with low pluralism, declining stability, free elections, and individual freedoms. Montenegro maintains a sufficient level of civil liberties and free elections, although it experiences significant polarisation. In contrast, Albania and Kosovo demonstrate stability and slight improvements. Most countries maintain medium to high civil liberties, with Croatia rated highly. While the rights to assemble and associate are respected, freedom of expression faces significant pressure. Media political interference leads to biased outlets, and journalists experience insecurity, especially in Serbia, Bosnia and Herzegovina, and Montenegro. Croatia is the only country that has fully free media.

The region's economies face several structural challenges, including low levels of economic development, deindustrialisation, inflexible labour markets, a dysfunctional social protection system, a significant share of the informal economy in GDP, and high rates of corruption. Notably, the region has experienced exceptionally high unemployment rates, reaching 25 per cent or more, although this trend is declining. This level of unemployment has been observed in several areas, including Bosnia and Herzegovina, Kosovo, North Macedonia, and Serbia. Additionally, there is a concern about unemployment among



young people and women. Overall, the region's level of socio-economic development is considered medium. This assessment is based on the average socio-economic performance of four regional actors: Albania, Montenegro, North Macedonia, and Serbia. However, two economies, Bosnia and Herzegovina and Kosovo, have shown poor outcomes, while Croatia stands out with a high level of socio-economic development.

POLITICAL VIOLENCE

State/Territory	Political Violence (low/medium/high)
Serbia	Medium intensity
Croatia	Low intensity
Bosnia and Herzegovina	Medium intensity
Albania	Low intensity
Montenegro	Low intensity
North Macedonia	Low intensity
Kosovo	Medium intensity

In 2024, the level of political violence in the region has increased slightly compared to the previous year. Out of seven cases analysed, Kosovo, Serbia, and Bosnia and Herzegovina are classified as having medium-intensity political violence, while all other entities fall into the low-intensity category. This indicates that Kosovo and Serbia are experiencing a violent political crisis, while the other entities are facing political disputes or non-violent crises. Bosnia and Herzegovina is a unique case due to its protracted conflict, which has led to a medium level of violence, even though the country did not experience any form of mass political violence in 2024. Importantly, there are no limited or full-scale wars (high intensity of violence) occurring in this region.

According to the Global Peace Index (GPI), all countries and territories in the Western Balkan region are ranked as peaceful, classified into either a high or medium state of peace. Croatia is ranked 15th and remains in the highly ranked category, although it has decreased from the group of countries with a very high state of peace to one with a high state of peace. Montenegro is ranked 35th, North Macedonia 38th, and Albania 42nd, all belonging to the high state of peace group. Meanwhile, Serbia is ranked 54th, Kosovo 56th, and Bosnia and Herzegovina 61st, placing them in the medium state of peace category. Notably, Bosnia's position worsened in 2024, as it dropped from the 'high state of peace' group to the 'medium state of peace' group.

The region is still considered generally peaceful. However, each country and territory, apart from Croatia, has a medium potential for conflict. This indicates that existing nonviolent disputes could potentially escalate into violence, while ongoing violent crises could escalate further. All this highlights the need for caution. The two main types of disputes in this region are political and ethnic conflicts, with struggles over political power and identity/territory as the primary sources of contention. Serbia is currently facing a secessionist conflict regarding Kosovo, as well as tensions between the government and the opposition. North Macedonia and Montenegro are grappling with both ethnic and political struggles. Albania, while free from ethnic conflicts, is divided between the ruling regime and the opposition. Bosnia and Herzegovina has a unique institutional design that

includes two entities, three constitutive peoples, and a consociational democracy. It represents a textbook case of 'frozen conflict'. On the other hand, Croatia has a low potential for ethnic conflict with its Serbian minority, which constitutes only 3% of the population.

Our evaluation of the impact of radicalisation and extremism in Croatia indicates that it is of medium intensity and significantly affects society. Discrimination against the Serbian minority has been a long-standing issue since the 1990s and the onset of the Yugoslav wars. In addition to Croatia, we have also identified a medium level of radicalisation impact in Bosnia and Herzegovina, Montenegro, Serbia, and Kosovo. In contrast, Albania and North Macedonia are regarded as low-impact countries.

The only three cases classified as experiencing medium-intensity political terror (insecure polities) are Serbia, Kosovo, and Bosnia and Herzegovina. The Serbian government exhibits typical characteristics of an authoritarian regime, including the use of terror and oppression against the opposition, civil society organisations, and the media. In Kosovo, the situation is somewhat different; while the government is not as oppressive toward the political opposition, it does exert significant pressure on the Serbian minority and their representatives. In Bosnia and Herzegovina, the Federation of Bosnia and Herzegovina is viewed as a more democratic entity, characterised by regular changes in government. In contrast, the Republic of Srpska has been ruled by the same regime for nearly twenty years.

SERBIA

Political violence in Serbia has remained at a **medium intensity** for the second consecutive year. The country did not experience any armed conflicts, either internally or externally. However, the ongoing conflict with its seceded province of Kosovo persists at the same level of tension, continuing the violent crisis that began in 2023. The risk of further escalation in this crisis is relatively low, thanks to the presence of NATO, the EU, and the UN in the region.

In addition to the conflict in Kosovo, Serbia is currently facing an ongoing struggle between the government and the opposition. The society is deeply divided, with strong factions supporting both the ruling regime and its opponents. Widespread protests against the government, which began last year, have continued into 2024. These protests were ignited by allegations of election fraud, the government's decision to restart lithium mining in Serbia, and the collapse of the canopy at the Novi Sad railway station, which highlighted the pervasive corruption and incompetence within the government. This conflict has a significant potential for further escalation and possible violence.

Serbia faces significant human rights challenges, including credible reports of serious issues such as problems with the independence of the judiciary; restrictions on free expression and the press, which include instances of violence, threats against journalists,

and unjustified legal actions taken against them; widespread government corruption; human trafficking; violent crimes targeting individuals from sexual minorities. Additionally, state-backed extremist groups pose a risk of violence in Serbia.

The Global Peace Index (GPI) has ranked Serbia as a medium state of peace for the second consecutive year, with a position of 54 out of 163 countries. The assessment of organised conflict intensity has remained unchanged from 2023, rating at 3 out of 5. Conflict Barometer (CB) has classified both conflicts in Serbia, namely the one with Kosovo and the one between the government and opposition, as violent crises (3/5). Although political instability in Serbia slightly decreased in 2024, scoring 2.375 out of 5, there has been a slight increase in the levels of group grievance (7.9 out of 10, according to the Fragile States Index), elite fractionalisation (8.9 out of 10), and external intervention (7.2 out of 10). Consequently, Serbia's conflict potential is estimated to be medium.

Both the Political Terror Scale (PTS) and GPI rate political terror in Serbia at 2 out of 5, positioning it on the borderline between partially secure and insecure conditions. However, high levels of political polarisation, group grievance, and repression of the opposition, media, and civil society keep Serbia categorised as an insecure state. Additionally, the number of extremist groups in Serbia has been increasing over the past few years, further placing Serbia among countries with a medium level of impact.

ROATIA

In 2024, Croatia maintained **the lowest level** of political violence in the region. The country has not been engaged in any armed conflicts and exhibits a very low potential for conflict, both internally and externally. However, the effects of the war in the 1990s remain evident in Croatian society, particularly through discrimination against the Serbian minority. Hate speech directed at Serbs has become widespread in public discourse.

In 2024, the Serbian National Council in Croatia reported that intolerance, discrimination, human rights violations, anti-Serb sentiment, and hate speech continue to be pervasive in Croatian society. Additionally, the UN Committee on the Elimination of Racial Discrimination urged Croatia to implement specific measures to eliminate the structural discrimination affecting the Roma and Serb minority groups. The committee also called for the removal of obstacles that hinder these groups from enjoying their economic, social, and cultural rights. Furthermore, there have been documented instances of violence against other groups, including migrants and Roma.

On a more positive note, representatives from the Serbian community participated in the Croatian government between 2020 and 2024, fostering improved relations between the state and the Serbian minority. This engagement has also opened up opportunities for enhancing bilateral relations between Croatia and Serbia. As a result, the potential for

conflict escalation remains low, given that Croatia is a very homogeneous state, with 91.6% of the population identifying as Croats, while Serbs make up only 3.2%.

Croatia ranks 15th on the Global Peace Index (GPI) and is classified as having a 'high state of peace,' performing better than Germany, the Netherlands, and Norway. Therefore, Croatia's conflict intensity is low. Discrimination against the Serbian minority in Croatia is recognized as a dispute by the Conflict Barometer, which scores it 1 out of 5. The potential for conflict is also low, as political instability is minimal, scoring 1.625 out of 5 on the GPI. The levels of elite fractionalization score 4.4 out of 10 on the Fragile States Index (FSI), while group grievance scores 4 out of 10, indicating limited potential for escalation.

Political terror in Croatia is categorised as either full or limited security, with the Peace and Terrorism Index (PTS) and GPI both assigning a score of 1.5 out of 5 for political terror. Although there is no significant impact of terrorism in Croatia (scoring 0 out of 10 on the Global Terrorism Index), the indicators for radicalisation and extremism are evaluated as medium. This is largely due to the presence of far-right groups and their discriminatory rhetoric and hate speech directed at ethnic Serbs and Roma, both online and offline.

B OSNIA AND HERZEGOVINA

In 2024, there were no significant changes in Bosnia and Herzegovina concerning political violence. The country did not experience armed conflicts or other forms of mass political violence during the year. However, the ongoing political crisis and deep ethnic and political divisions within society have lowered the status of Bosnia and Herzegovina to **medium intensity** regarding political violence. The country has been viewed as experiencing a 'frozen conflict' for over two decades, with post-war reconstruction often described as 'war by other means.'

Internal conflicts persisted, particularly between the central government and the Republic of Srpska entity, as well as among Croat and Bosniak political elites in the Federation of Bosnia and Herzegovina. In fact, these tensions may have even intensified in 2024. Although Bosnia has the highest potential for conflict in the region, the presence of EUFOR and external intervention by the EU and NATO have helped to de-escalate the situation. Nonetheless, this external involvement raises concerns about the sustainability of the state, as it creates a dependency on the international community. Additionally, the unlimited 'Bonn powers' of the High Representative have contributed to internal conflicts within Bosnia and Herzegovina. The current High Representative is regarded as *persona non grata* by the government of the Republic of Srpska.

National minorities in Bosnia face institutional discrimination, and there are reports of repression against political opposition, media, and civil society organisations. Documented instances of ethnic violence and discrimination persist, along with widespread and mutually exclusive extremist narratives between different groups. In 2024,

a terrorist attack occurred, resulting in the death of one police officer and injuries to another.

According to the Global Peace Index (GPI), Bosnia is ranked 61st as a state with a medium level of peace. Although the Conflict Barometer (CB) categorises the conflict in Bosnia and Herzegovina as primarily a political dispute (rated 1 out of 5), the GPI assigns a value of 3 out of 5 to the internal conflict within the country. This indicates that the situation in Bosnia is complex and is characterised by various forms of indirect violence despite the absence of overt conflict. Additional indicators support this view: political instability is rated at 3.5 out of 5 by the GPI, political elite fractionalisation receives a score of 8.7 out of 10 according to the Fragile States Index (FSI), group grievances are rated at 7.5 out of 10 (FSI), and external intervention is assessed at 7 out of 10 (FSI). The Political Terror Scale (PTS) and GPI evaluate political terror in Bosnia at 2 out of 5, which remains unchanged from 2023. Consequently, Bosnia is regarded as an insecure state. The country has experienced a terrorist attack, and when combined with its ethnic divisions and indirect violence, this contributes to a medium level of radicalisation and extremism in Bosnia.

A **LBANIA** The situation regarding political violence in Albania remained largely unchanged in 2024 compared to the previous year. The struggle between the government and opposition parties persisted in a non-violent manner, resulting in a **low level** of political violence but a medium potential for political conflict. Several opposition politicians were arrested and prosecuted for corruption, while their parties organised mass anti-government demonstrations and instigated incidents in parliament. The upcoming parliamentary elections in 2025 will further polarise political relations in Albania.

In 2024, the Albanian parliament ratified an agreement with Italy to host migrants and asylum seekers who are attempting to reach Italy until 2029. The plan commits Italy to establish two detention centres in Albania, with a total capacity of 3,000 people. These centres will accommodate adult men, including asylum seekers rescued at sea by the Italian Coast Guard and military ships. The individuals will be sent to these centres for identification, asylum processing, and potential repatriation. However, the agreement's lack of legal certainty may undermine important human rights protections, leading to significant suffering and harm. In addition to migrants, reports of discrimination against the Roma and Balkan-Egyptian communities have been documented. Furthermore, instances of violence and intimidation against media personnel have also been reported, while women and LGBTQ individuals continue to experience discrimination and harassment.

According to the Global Peace Index (GPI), Albania is a highly peaceful country, ranked 42nd globally. The Conflict Barometer (CB) evaluated the situation between the

Albanian government and the opposition as a non-violent crisis, rated at 2 out of 5, marking the second consecutive year of this assessment. Compared to 2023, the GPI indicates a consistent level of political instability in Albania, scoring 2.625 out of 5. There has been a slight increase in group grievance, now rated at 4 out of 10, and external intervention, now at 6 out of 10. However, the fractionalisation of elites has remained the same, scoring 6.2 out of 10.

The region's lowest group grievance score reaffirms that Albania's potential for ethnic conflict is very low. Despite this, the level of elite fractionalisation and the recent history of clashes between the government and the opposition suggest a medium potential for conflict in the country. The Political Terror Scale (PTS) and the GPI rate Albania at 1.5 out of 5 for political terror, placing it within the 'full or limited security' category. Albania is completely free of terrorist acts, receiving a score of 0 out of 10 on the Global Terrorism Index (GTI), and incidents of violence against minorities are rare. As a result, Albania experiences a low impact from radicalization and extremism.

MONTENEGRO

In 2023, Montenegro resolved a political crisis that began in 2020 with the defeat of the previous authoritarian regime in parliamentary and presidential elections. This positive trend continued into 2024, although there were occasional incidents between different branches of government and between the government and the opposition. The decrease in political violence during 2024 solidified Montenegro's status as a **low-intensity** conflict country. However, ethnic polarisation remains a challenge, particularly between Montenegrin and Serb groups, as well as between the Serbian Orthodox and Montenegrin Orthodox churches. Additionally, there continues to be a division between members of the former and current regimes, with ethnically charged inflammatory language persisting in Montenegro's public discourse.

Montenegro was committed to upholding fundamental human rights in 2024, as established by international laws and regulations. However, challenges remain in the implementation of these laws, particularly for the most vulnerable members of society. It is concerning that the number of femicides and cases of gender-based violence continues to rise. Although there has been some improvement in the protection of journalists and media workers, many cases of past attacks remain unresolved.

Civil society plays a crucial role that is both recognised and encouraged. However, the legal and institutional framework governing cooperation between state institutions and civil society requires improvement. Regrettably, politicians, including those in high positions, often undervalue the contributions of civil society organisations. In some instances, there have been reported verbal attacks against these organisations, resulting in their isolation.

Montenegro is classified as a highly peaceful state, currently ranked 35th in the world according to the Global Peace Index (GPI). The GPI and Conflict Barometer (CB) assign a score of 2 out of 5 for internal conflict, categorising it as a non-violent crisis. During the period of 2023-2024, the nature of conflict in Montenegro has shifted towards a non-violent resolution, indicating low conflict intensity. According to the GPI, political instability has decreased to 2 out of 5. However, certain indicators remain concerning, such as the fractionalisation of elites (6.5 out of 10 on the Fragile States Index or FSI), external intervention (6 out of 10 on the FSI), and particularly the level of group grievance, which remains very high at 9 out of 10 on the FSI. This contributes to a medium potential for conflict in Montenegro.

Both the Political Terror Scale (PTS) and the GPI evaluate the intensity of political terror in Montenegro as relatively low, with scores of 1.5 out of 5 and 2 out of 5, respectively. This places Montenegro in a category of limited or full security. The country is currently free from the impact of terrorism (0 out of 10 on the Global Terrorism Index or GTI), but the very high level of group grievance — one of the highest in the world according to the FSI — makes it vulnerable to radicalisation and extremism, posing a medium risk.

NORTH MACEDONIA

In 2024, a political crisis between the government and the opposition in North Macedonia was resolved. Following the parliamentary and presidential elections held in April and May, a new leadership took over and stabilised the country. The elections were competitive, and fundamental freedoms were upheld. However, one issue that contributed to the political crisis—the constitutional status of the Bulgarian national minority in North Macedonia—remained unresolved. Despite various attempts, no progress was made in adopting constitutional changes to recognise citizens who are part of other national groups, such as Bulgarians, within the country's constitution.

The competition for dominance between the Albanian minority and ethnic Macedonians continued, yet their interethnic relations remained stable. The Ohrid Framework Agreement was effectively implemented, and there were no violent incidents between various ethnic and political groups in 2024. This stability positioned North Macedonia as an example of **low-intensity** political violence.

North Macedonia is generally regarded as a country that upholds media freedom, fostering an environment where journalists can critically report on current events. However, despite this positive outlook, there have been several incidents in which journalists faced attacks, threats, and intimidating behaviour. Such incidents can instil fear and uncertainty among journalists, potentially hindering their ability to report accurately and effectively. Additionally, significant human rights issues have emerged, including

credible reports of serious government corruption and crimes involving violence and threats against individuals who identify as sexual minorities.

According to the Global Peace Index (GPI), North Macedonia is classified as a highly peaceful state, ranking 38th overall. In its 2023 report, the Conflict Barometer (CB) described the ethnic and political conflicts in Macedonia as a non-violent struggle, with a rating of 2 out of 5. This indicates a de-escalation of violence compared to the previous year. The Fragile States Index (FSI) assigned medium scores for group grievances and external interventionism in North Macedonia, with ratings of 5.1 out of 10 and 4.6 out of 10, respectively. This reflects a slight decrease from the prior year. However, the fragmentation of elites remained unchanged, scoring 7.3 out of 10, suggesting a moderate potential for internal and external conflicts.

Additionally, the Political Terror Scale and GPI rated Macedonia 1.5 out of 5 points for political terror, with violent demonstrations receiving a score of 1.25 out of 5 and political instability rated at 2.625 out of 5. Despite the presence of political instability, all other indicators are considered low, categorising North Macedonia as a state of either full or limited security. The country is also assessed to have no impact from terrorism (0 out of 10 on the GTI) and exhibits a low level of minority discrimination, with rare incidents of violence. As a result, North Macedonia experiences a low level of radicalisation and extremism.

KOSOVO

In 2024, the situation in Kosovo remained unchanged. Kosovo is still an internationally disputed territory, with Serbia and more than half of UN member states not recognizing its independence. This ambiguous status has been the primary cause of political violence between Kosovo and Serbia for over two decades. Although 2023 saw an EU-mediated agreement aimed at normalizing relations between the two, the year also experienced heightened violence following the Serb boycott of local elections in North Kosovo. Incidents between Kosovo police and the Serbian minority persisted into 2024. As a result, political violence in Kosovo is assessed to be of medium intensity.

The reluctance of the government in Pristina to fully implement previous agreements from the Belgrade-Pristina dialogue, such as establishing the Community of Serbian Municipalities (CSM), only contributes to the escalation of violence. The Serbian minority in Kosovo, feeling discriminated against and subjected to ongoing violence, is increasingly concerned about its security and existence, and is seeking additional guarantees, with the CSM being a primary request.

The Office for Kosovo and Metohija reported 124 ethnically motivated attacks on members of the Serbian minority and their properties in 2024, a slight decrease from 179 in 2023. The perpetrators of these attacks included both members of Kosovo's security forces

and civilians. The presence of KFOR and EULEX has been crucial in preventing this conflict from escalating into high-intensity violence. Moreover, individuals from other minorities and journalists have faced threats, indirect pressure, obstruction, online violence, and physical attacks.

According to the Global Peace Index (GPI), Kosovo is ranked 56th and falls into a medium state of peace category. In 2023, the Conflict Barometer (CB) categorised the Kosovo conflict as a non-violent crisis (2/5), but a series of violent incidents have escalated it into a medium-intensity conflict. The GPI supports this assessment, assigning Kosovo a score of 3/5 for organised internal conflict and 4/5 for political instability.

Further escalation of the conflict seems unlikely due to the presence of international peacekeeping forces, which results in a medium evaluation of conflict potential. Although both the GPI and the Political Terror Scale (PTS) assign low scores for the intensity of political terror in Kosovo (1/5 and 1.5/5, respectively), state-supported repression of minorities, especially Serbs, contributes to Kosovo being viewed as an insecure entity. Additionally, intense ethnic polarisation and ethnically motivated violence result in a medium impact from radicalisation and extremism in Kosovo.

REGIONAL AND INTERNATIONAL RELATIONS

State/Territory	Regional and International Relations (poor/fair/good/harmonic)
Serbia	Fair
Croatia	Fair
Bosnia and Herzegovina	Poor
Albania	Good
Montenegro	Fair
North Macedonia	Fair
Kosovo	Poor

External relations in the WB region in 2024 were fair overall. Both regional actors and great powers conducted interventions through proxies and foreign policy pressures. As for regional relations, the WB highly depends on ethnopolitics. This means the unresolved territorial disputes from the breakup of Yugoslavia are based on either a demand that ethnic and political units should be congruent or on a demand that the ethnic principle should not be the sole criteria for establishing political units. We relate a couple of processes to this issue: the ongoing secession of Kosovo, mutual ethnic antagonisms in Bosnia and Herzegovina, the tendency to promote territorial pretensions toward the neighbouring states (e.g., Greater Albania), disputes about the rights of institutions related to a certain ethnic group. Kosovo remains the single most important issue for peace in the WB and each crisis in Kosovo immediately spills over to Bosnia and Herzegovina, where Serbs then demand, the same ethno-territorial principle be applied to Republika Srpska and Kosovo. Therefore, whenever there were requests for Greater Albania or there were increased activities related to Kosovo, the fragility of the situation immediately involved central Serbia, Bosnia and Herzegovina, and Croatia. Whenever there was an ethnically motivated action in one WB country, it triggered the system of communicating vessels that exacerbated the already antagonised ethnic politics.

In 2024, we have also seen increased bilateral tensions between Serbia and Croatia, and Montenegro and Croatia, where Croatia is constantly threatening to block the two countries' paths towards the EU if these do not act in accordance with the will of Zagreb. The tensions between North Macedonia and Greece revived, as the newly elected political establishment in Skopje flirts with the idea of not respecting the previous name change deal between the two countries. Overall, regional cooperation remains on a medium level, with an obvious increase in ad hoc tensions and a decrease in cooperation.

Finally, the war in Ukraine significantly influenced the complicated ethnoterritorial dynamics in the region, as great powers perceived the entire WB through the potential for proxy conflict with each other. Therefore, there were foreign policy pressures by the EU and the US to impose sanctions against Russia (on Serbia and Bosnia and Herzegovina), and there were also constant attempts to discredit Serbian (or Serbian proxy) politics in Kosovo,

Montenegro, and Bosnia and Herzegovina as being pro-Russian. Also, the ethnic instability was a chance for Russia to influence the politics in the region and divert attention from the intervention in Ukraine. As long as there is a reason for a broader confrontation of great powers, the WB will see an increase in mutual ethnic antagonization and an increase in foreign interventions.

SERBIA

The external relations of the Republic of Serbia in 2024 were overall **fair**, which is the third consecutive year with such an assessment. Serbia was subject to both regional and great powers' non-armed intervention. On the regional level, two processes (prolonged and inadequate normalization of relations with Kosovo and the war in Ukraine) resulted in Serbia being subject to foreign policy and proxies' pressure and conducting regional foreign policy pressure with the help of its proxies. Great powers' non-armed intervention in Serbia was also a constant in 2024, either through foreign policy pressure or pressure through proxies. While regional cooperation highly depended on the events related to Kosovo and Ukraine, Serbia maintained a medium level of cooperation by being involved in the Berlin process and the remnants of the Open Balkans Initiative.

Serbia was subject to regional and great powers' non-armed intervention in 2024. We could see regional intervention in foreign policy and intervention through proxies in relation to the secession efforts of Kosovo. In February 2024, Kosovo forbid using currencies other than euro, which is a policy that directly aims the economic security of Serbs in North Kosovo due to their salaries being paid in dinars. Regular police actions in the North by Pristina, aimed at intimidation of the local population, forced closure of the Serbian Postal Bank and Post Office branches, and other premeditated incidents, contributed to the overwhelming sense of insecurity of Serbs in the North. Banjska case (see BPI 2023) was also dragged throughout 2024 without the actual judicial outcome and was emphasized by the politicians in Pristina as an example of Serbian premeditated actions that endangered the extremely fragile negative peace in the region. Finally, there was a terrorist incident in November when someone activated explosives that damaged the entity's critical water supply infrastructure. Accusations of who did it were heard on both sides, contributing to the heated atmosphere prior to Kosovo's 2025 parliamentary elections in February. While Kosovo lifted a ban on goods of Serbian origin in August, it still seems that one such gesture does not influence the overall trend of instability between Belgrade and Pristina. Bosnia and Herzegovina remains the only Western Balkans country that does not recognize Kosovo, due to the influence of the representatives of the Serbian people in Bosnia and Herzegovina. However, Albin Kurti visited Sarajevo in 2024 for the first time, and met with Bosniak political representatives, which is a precedent that also contributed to heightened rhetoric between Belgrade, Pristina and Sarajevo.

Great powers' non-armed intervention remains related to the consistent linkage (by the EU, the USA, and Russia) between Kosovo's disputed independence and the ongoing war in Ukraine. The EU and NATO exerted their foreign policy pressure through acts that required Serbia to align its

foreign policy with the EU by adopting economic and political sanctions against Russia. This pressure has been consistent since 2022 with Serbian president Vučić emphasizing that the beginning of 2025 will bring US sanctions on NIS, key Serbian energy supplier owned by a Russian parent company. Because of non-aligning its foreign policy with the EU, in late 2024, Serbia was denied progress towards the EU by eight countries, including its neighbours Croatia and Bulgaria. Serbia still depends on Russian and Chinese foreign policy support in the OUN to keep Kosovo outside that international organization. Serbia also got help from these countries in its effort to reduce the number of countries that would accept the recognition of July 11 as the “International Day of Reflection and Commemoration of the 1995 Genocide in Srebrenica”.

As for regional cooperation, Serbia’s activities remain on a medium level. Unlike in 2024, when there was a noticeable reduction in hostile public rhetoric between Serbian and Croatian officials, 2024 brought about prior habit of mutual ad hoc attacks. In 2024, we have seen Serbia still being invested in both the Berlin Process and the remnants of the Open Balkan Initiative, but with reduced intensity.

ROATIA

The external relations of the Republic of Croatia in 2023 were overall **fair**. Its score was reduced in comparison to 2023 due to the inability to maintain positive trends from the previous year, mainly because of the tensions with Serbia and Montenegro over the countries’ EU accession processes. Croatia’s regional cooperation thus changes from strong to medium. Croatia is involved in a non-armed regional intervention as it is practicing public propaganda pressure towards Bosnia and Herzegovina, Serbia, and Montenegro, and is being an object of such pressure in terms of memory politics related to the War in the 1990s. By being both a NATO and an EU member, Croatia itself is a part of the great powers’ bloc, meaning there was no intervention in Croatia by the great powers.

On the regional level, Croatia was not subject to foreign policy pressure or pressure through proxies. Its relations with neighbouring countries, Montenegro and Serbia, deteriorated in 2024, while maintaining fair relations with Bosnia and Herzegovina. In 2024, Croatia mostly withheld its posture formulated in 2023 that the electoral law formulation (which was a problem between the two countries in 2022) is Bosnia and Herzegovina’s internal issue. As per usual, public propaganda pressure was mutually exchanged between Serbia and Croatia during the summer months as the anniversary of Operation Storm was approaching. Serbia perceives this Operation as the biggest ethnic cleansing in Europe after WWII, while Croatia celebrates it as the biggest national victory. In late 2024, Croatia was also among eight countries that blocked opening a new cluster for Serbia in its accession negotiations with the EU, mainly because of Serbia’s unwillingness to impose sanctions on Russia. Croatia also declared three high officials from Montenegro as *persona non grata* because the three were the main supporters of a resolution in Montenegro’s parliament related to the genocide in Jasenovac, a WWII concentration camp led by the Croatian nazi puppet regime. This

resolution was a reaction to the initiative in the UN to commemorate Srebrenica, which only proves the overall conclusion about the communicating vessels system in the Balkans (see Comparative Perspective). Croatia is the only EU member in the assessed region. EU membership is the strategic goal of all WB countries, which is why Croatia maintained its dominant position in terms of regional cooperation and used this leverage not necessarily in a positive manner.

Croatia was not subject to great powers' intervention since all its foreign policies are aligned with EU and NATO goals. Croatia could be seen as the only country in the WB region that is a full member of the great powers' bloc.

BOSNIA AND HERZEGOVINA

The external relations of Bosnia and Herzegovina in 2023 were overall **poor**. The country still hosts a military mission but was also subjected to regional and great powers' non-armed intervention. Bosnia and Herzegovina's multi-ethnic composition and attached ethnopolitics render it susceptible to foreign influences, alongside the already existing foreign influence embodied in the Office of the High Representative. Bosnia and Herzegovina was subject to Croatian, Serbian, UK, and USA foreign policy and proxy pressure, which was embodied in a continuing struggle over the electoral law negotiations in the Federation of Bosnia and Herzegovina and Republic of Srpska, but also in various grievances related to the 1990s war. The level of its regional cooperation is continuously weak due to the inability of the political elites to construct a single foreign policy on which the three dominant peoples would agree. In late 2024, Bosnia and Herzegovina adopted two laws that were necessary for starting the EU accession negotiations that were approved by the EU in March 2024.

Bosnia and Herzegovina was subject to regional and great powers' non-armed intervention. The country hosts a military mission led by the European Union that oversees the implementation of the Dayton Agreement. The mission did not use arms in 2024. However, the overlapping regional and great powers' non-armed interventions have been constant in Bosnia and Herzegovina politics, which were emphasized in 2024 by two processes. The first one is related to the negotiations about the new Bosnia and Herzegovina electoral law. The OHR imposed technical changes to the country's electoral law in March 2024, to which Republika Srpska reacted by adopting its new electoral law at the entity level. However, the law was proclaimed unconstitutional by the Bosnia and Herzegovina's Constitutional Court in September 2024. Both events generated dissatisfaction among different political elites in Bosnia and Herzegovina, mainly because these were deemed as cases of foreign and imperial control over the country, as the OHR, but also three judges of the Constitutional Court, are foreigners. Both Serbs and Bosniaks viewed the meddling in the legislative procedure as an example of foreign policy pressure

by the great powers (mainly the USA, the UK and Germany), which used the OHR as their proxy.

The second significant process is embodied in the enduring antagonisms between the three constitutive ethnic identities. The antagonism in 2024 peaked during the UN vote about establishing July 11 as the “International Day of Reflection and Commemoration of the 1995 Genocide in Srebrenica”. While there were international diplomatic campaigns conducted by both Bosniak and Serbian politicians from Bosnia and Herzegovina, representatives from Serbia also led international campaign aimed at lowering the number of votes in favour of the initiative. In fact, Serbia reacted to the process by gathering relevant Serbian politicians from the region and adopting a “Declaration on the Protection of National and Political Rights and the Common Future of the Serbian People” in its National Assembly. The Declaration itself, and the joint initiatives of Serbian politicians from different countries, generated fears related to the Greater Serbia ambitions. Montenegro further reacted to the UN initiative by adopting the resolution which condemned genocide in Jasenovac concentration camp (see Croatia), which only emphasizes once again the necessity of perceiving the regional dynamics as a system of communicating vessels.

Bosnia and Herzegovina is highly dependent on Serbia’s and Croatia’s foreign policies because it is a multi-ethnic state composed also of Serbs and Croats. Therefore, the conflict in Ukraine still influences the degree of Bosnia and Herzegovina’s and EU’s foreign policy alignment as much as it influenced Serbia. While the government in Sarajevo still claims to have imposed sanctions against Russia, one entity, the Republika Srpska, still rejects such an idea. Bosnia and Herzegovina’s internal and foreign policy both depended on the conundrum that included the process of Kosovo’s secession from Serbia and the linked secessionist aspirations of the RS. Thus, besides the pressure from Croatia, the EU, the UK, and the USA, Bosnia and Herzegovina also depended on Serbia’s foreign policy and its proxies in Bosnia and Herzegovina. Bosnia and Herzegovina still rejects membership in the “Open Balkan” initiative, although Republika Srpska would like to join, which is also the consequence of the divergent voices that stem directly from the numerous proxy and foreign policy influences. The destiny of BOSNIA AND HERZEGOVINA is directly attached to regional foreign policy dynamics which is why the country maintained a poor level of regional cooperation.

A **LBANIA**

In 2024, Albania's external relations were **good**. There has been a positive change in comparison to 2022 and 2023, mainly because of the country's ability to advance its foreign policy goals without endangering the regional stability. Mainly, in 2024, its EU accession path has been decoupled from North Macedonia's without significant bilateral consequences for the two countries. While Albanian officials publicly claim not to support the idea of a Greater Albania, Serbian

political representatives talked about Albania being a promoter of this idea through its support for Kosovo's recognition as a sovereign state. Thus, Albania might be considered as a player engaged in a non-military regional intervention through foreign policy pressure and influence through proxies. Albania pursued a somewhat ambivalent regional foreign policy, remaining a part of the Berlin process while maintaining a very low or no support for the Open Balkan Initiative.

Albania is ethnically one of the most homogeneous countries in the Western Balkans (WB) region, which limits neighbouring countries' ability to pressure Albania into making foreign policy decisions against its will. Regional intervention in Albania and by Albania primarily took the form of relatively mild public propaganda related to the Greater Albania project (although not explicitly). Albania is being represented, particularly in Serbian media, as the main proponent of the idea alongside Albin Kurti, Kosovo's prime minister. Although Edi Rama, the Albanian prime minister, stated in 2024 that Greater Albania is a nonsense if there is a broader European unification project ongoing, Serbian officials believe that Albanian diplomatic actions and engagements with Albanian diaspora speak otherwise. However, Rama continued to emphasize that his vision of unification is different from Kurti's, meaning that Rama relies more on the EU integration process as a means to an end. Still, Albania remains one of the key promoters of Kosovo's secession campaign. Cumulatively, Albania was conducting foreign policy pressure and pressure through proxies which we assess as a non-armed regional intervention. Rama also stated that when he announced in 2023 that the Open Balkan Initiative "fulfilled and should not exist anymore" he was misinterpreted. However, we have witnessed the lack of Albania's dedication to the Open Balkan Initiative in 2024, at the expense of the Berlin process. Thus, an ambivalent Albanian regional policy led to the medium level of regional cooperation.

As for the intervention of the great powers, we can say Albania now faces frequent cyberattacks that are being attributed to Iran ever since 2022. The attacks were aimed at Albanian Statistical Institute in 2024, just like the Albanian parliament, a cell phone provider, and Air Albania were targeted in 2023 by the same groups close to the Iranian government. A network of Iranian hackers now regularly conducts attacks due to Albania hosting a large Iranian exiled opposition group, MEK. Diplomatic ties between Albania and Iran continue to be severed. On the other hand, Albania is entirely aligned with the EU's foreign policy and is a NATO member. In 2024, the country managed to open new negotiations chapter in talks with the EU, after decoupling its accession process from the North Macedonian one.

MONTENEGRO

The external relations of Montenegro in 2024 were **fair**, which is a lower assessment than in 2023. In 2024, we witnessed a non-armed regional intervention in the country as there were doubts that Montenegro was exposed to proxies' pressure. Some countries in the region persevered in conducting public propaganda in which they linked a complex ethnoreligious political interplay in Montenegro with the

narrative about the pro-Russian influence. In 2024, Montenegro's regional cooperation was medium, mainly because it was involved in a regional dispute regarding the exchange of declarations related to the wars in the 1940s and 1990s with Croatia, Bosnia and Serbia. Although Montenegro is a NATO member that aligned its foreign policy with the EU, the country was exposed to great powers' non-armed intervention.

External relations of Montenegro in 2024 were influenced by events and ongoing processes that started in 2023. The government elected in 2023 has been continuously under pressure because of the assumption of officials of some of the great powers and of the countries from the region that the government is pro-Russian. This generated meddling efforts by the great powers and the regional actors in terms of public propaganda pressure and pressure through proxies. The war in Ukraine affected the country in such a way that some elites from within and outside Montenegro framed the events in Montenegro as being significantly dictated by Russia. More specifically, there were pressures, both from the region and the great powers, to exclude some politicians from government formation negotiations, as they have been labelled either as Russian or Serbian proxies. In general, the country was subject to a non-armed regional intervention, while certain elites from Montenegro resorted to public propaganda that might affect the countries in the region as well. Secondly, Croatia also declared three high officials from Montenegro as *persona non grata* because the three were the main supporters of a resolution in Montenegro's parliament related to the genocide in Jasenovac, a WWII concentration camp led by the Croatian nazi puppet regime. This resolution was a reaction to the initiative of the UN to commemorate the Srebrenica genocide. Since the main victims in the Jasenovac concentration camp were Serbs, and politicians from Montenegro who initiated the declaration were also Serbs, the entire endeavour has been interpreted in Croatia and Bosnia as Greater Serbian aspirations and coordinated regional destabilization. On the other hand, Montenegrin Serbs and Serbian politicians from Serbia claimed the destabilization was initiated by Bosniaks and their allied main powers, namely Germany.

The country has not been participating in the "Open Balkan" initiative, but it remained dedicated to regional integration through the Berlin process. Montenegro improved its bilateral relations with Serbia but worsened its relations with Croatia. Regardless of the which side is to blame, this deterioration cumulatively contributed to assessing Montenegro's regional cooperation as medium, unlike in 2023, when it was assessed as strong. Montenegro is a NATO member and is aligned with the EU foreign policy in terms of its sanctions against Russia, but this does not stop the great powers from seeing Montenegro as potentially pro-Russian due to the highly complex ethnoreligious power plays in the country.

NORTH MACEDONIA

The external relations of the Republic of North Macedonia in 2023 were overall **fair**. While North Macedonia has demonstrated willingness to implement hard decisions to unblock its strategic foreign policy goals throughout the 2022 and 2023, in 2024 we are witnessing consequences of domestic frustrations with constant foreign policy blackmails by its neighbours. We assess its level of regional cooperation with other WB countries as medium. North Macedonia was subject to a non-armed regional intervention through foreign policy pressures and pressures through proxies due to Bulgaria's continued actions to extract privileges for Bulgarian national interests in North Macedonia, which is why there was a non-armed intervention by a great power (EU) in 2023.

North Macedonia continued its cooperation with Serbia within the "Open Balkan" initiative and continued promoting good neighbourly relations and cooperation with Albania. The country maintained a positive trend in resolving long-disputed issues with its neighbours, which is the reason its regional cooperation level was assessed as strong in the previous years. However, this year we are grading its regional cooperation as medium due to external obstacles and pressures from its neighbours that are structural. Namely, due to revived dispute with Greece and prolonged dispute with Bulgaria.

North Macedonia faced foreign policy pressures and pressures through proxies, which resulted in a non-armed regional intervention. Despite delivering different concessions related to its name change and inclusion of different Bulgarian requirements in its political system, North Macedonia remains practically blocked in its EU accession process. North Macedonia is a NATO member, and the EU considers it fully aligned with its foreign policy and stances on the war in Ukraine. North Macedonia is also negotiating membership with the EU. However, the negotiations are directly attached to the North Macedonia-Bulgaria relations. While the talks were initially approved only after Bulgaria conditionally lifted its veto, asking North Macedonia to treat the Bulgarian minority as a constitutional category, in 2023, we witnessed Bulgaria has endured in pressuring its neighbour with a never-ending set of conditions related to the language and minority issues. North Macedonia remained cooperative but constant pressure from its EU neighbour led to fatigue and dissatisfaction with the EU accession process in large parts of North Macedonia's public. Although the condition that led to the starting of negotiations was fulfilled, how it was done and the consequences it left on public opinion created an impression that there was a non-armed intervention by a great power (EU). The political frustrations led to the formation of a new government and the election of a new president who is practically promising the country's citizens not to respect the previous name change agreement, which restarted the dispute with Greece. The window of opportunity for the EU and great powers to get the concessions from North Macedonia while providing something in return is steadily closing. Especially after the EU decoupled Albanian accession from North Macedonia's, signalling that the latter might be stalling.

KOSOVO

The external relations related to the territory of Kosovo in 2024 were overall **poor**. The territory was subject to regional foreign policy pressures and proxy pressures. The ongoing secession means that there is constant foreign policy and proxy pressure the government in Pristina is applying to Serbia, and vice versa. All this led to a series of incidents in the North of Kosovo. Since the entire peace structure in the WB was repeatedly endangered by the events in Kosovo, its regional cooperation level is poor. Kosovo is a place of international military and civilian missions, while the entire negotiation mediation process depends on the involvement of great powers (mainly the EU and the US). Since the military mission did not have to use arms in 2024, the intervention of great powers remains non-armed. Kosovo remains the place with the highest risk of armed confrontation in the WB in 2025.

Kosovo is a disputed territory with an ongoing secession process that is the most pressing issue in the WB region. The fact that the entire fragile peace in the WB depends on foreign policy events related to Kosovo leads us to assess the territory's score as overall poor. Serbia and Bosnia and Herzegovina are the two WB countries that do not perceive secession as legal, while of all other WB countries, Albania is the most active proponent of Kosovo's independence. Thus, the territory of Kosovo was a place of constant foreign policy and proxy pressure in 2024, and the secession act is a continuous foreign policy and proxy pressure on Serbia's territorial integrity and sovereignty. In February 2024, Kosovo forbade using currencies other than the euro, which is a policy that directly aims the economic security of Serbs in North Kosovo due to their salaries being paid in Serbian dinars. Regular police actions in the North by Pristina, aimed at intimidation of the local population, forced closure of the Serbian Postal Bank and Post Office branches and other incidents premeditated by the government in Pristina, contributed to the overwhelming sense of insecurity of Serbs in the North. Banjska case (see BPI 2023) was also dragged throughout 2024 without the actual judicial outcome and was emphasized by the politicians in Pristina as an example of Serbian premeditated actions that endangered the extremely fragile negative peace in the region. Finally, there was a terrorist incident in November, when someone activated explosives that damaged the entity's critical water supply infrastructure. Accusations of who did it were heard on both sides, contributing to the heated atmosphere prior to Kosovo's 2025 parliamentary elections in February.

With the help of the EU/US mediators, Belgrade and Pristina tend to agree from time to time on certain concessions. E.g. Belgrade agreed to accept each other's official car license plates in December 2023, while Kosovo agreed to implement a court's ruling to retribute 24 hectares of land to Decani monastery in March 2024. Kosovo also lifted a ban on goods of Serbian origin in August 2024. However, these gestures do not influence the overall trend of instability between Belgrade and Pristina where the previous agreements

are not respected. Mainly, Kosovo's prime minister continued stalling with the establishment of the "Community of Serbian Municipalities" agreed in 2013, and confirmed in 2015, and 2023. Overall, Since the events in Kosovo are periodically endangering the peace dynamics in the region, we assess the regional cooperation in Kosovo as poor.

Kosovo was also a place with great powers' non-armed intervention in 2024. NATO has a presence in Kosovo through its KFOR military mission but did not significantly use arms in 2024, while the EU leads a civilian mission, EULEX. In general, the EU and the USA will probably dictate the future of the region's peace through their politics in Kosovo.

STATE CAPACITY

State/Territory	State Capacity (low/medium/high)
Serbia	Medium
Croatia	High
Bosnia and Herzegovina	Low
Albania	Low
Montenegro	Medium
North Macedonia	Medium
Kosovo	Low

Overall, the state capacity in the Western Balkan typically ranges from low to high, with Croatia being the only one with a high state capacity. The main reasons for this are conflicts that took place in the 1990s and early 2000s and the transition from socialist to capitalist economies that took place at the same time.

Regarding state capacity, Croatia has shown the biggest progress in the region largely due to its reforms related to EU accession, ultimately securing a high score in state capacity. This year, it has managed to increase its health score from medium to high. However, there are areas where Croatia can still make major improvements, one of which is resolving border disputes with most of the surrounding countries, as well as support for the Roma population.

Serbia, Montenegro, and North Macedonia are following Croatia's trend with limited success. These countries perform well on many indicators but also have problems that remain unaddressed. When it comes to Serbia, the biggest issue is Kosovo, where Serbia does not have any effective control. This is followed by border issues with other countries and internal contestation of its sovereignty in the south of Serbia. Serbia also has issues with wealth inequality and does not possess instruments to address this issue. Similarly, to Serbia, Montenegro still needs to resolve its border issues, although to a lesser extent. Fortunately for Montenegro, it has managed to increase its capabilities for wealth redistribution. The same applies to North Macedonia, which has a moderate score in most of the indicators and sub-indicators. North Macedonia, however, has had some changes. It

has managed to increase its state control from medium to high, albeit its managing of wealth inequality has remained stagnant in comparison with the region, receiving a low score.

Albania and Bosnia and Herzegovina are countries with low state capacities. This can be attributed to violent conflicts and failed transitions. In the case of Bosnia and Herzegovina, the score is highly correlated with the presence of foreign troops, the border demarcation issues, and internal state contestation. Like many other countries in the region, it also needs to improve its capacity for redistribution and support for vulnerable groups. In the case of Albania, while it has managed to maintain its score in wealth redistribution, the biggest problem represents the lack of ability of the state to provide adequate healthcare and education to its citizens.

Due to its internally and externally contested sovereignty, Kosovo has the lowest state capacity. Kosovo has managed to slightly increase its state control during the strengthening of the central government in 2024. This, however, is insufficient as the overall state capacity of Kosovo remains low. This is reflected in various sectors, such as education and health, where Kosovo scores low on the state-capacity scale. Although the process of recognition seems to be the most important for Kosovo, it is clear that reforms in other sectors also need to be significantly addressed.

SERBIA

Serbia has a history of involvement in conflicts within Bosnia and Herzegovina and Croatia stemming from the dissolution of Yugoslavia. Additionally, it faced conflict with NATO in 1999, leading to the presence of NATO troops in Kosovo and Kosovo's subsequent declaration of independence in 2008, which Serbia does not recognize. These conflicts have hindered Serbia's full membership in regional security organizations like NATO, but it has regained its membership in the United Nations and other international and regional bodies since 2000. Serbia also attained candidate status for EU membership in 2012.

Prolonged conflicts have had a detrimental effect on several state capacities that were present during the socialist era. However, remnants of a robust welfare state are still evident, particularly in the healthcare and education sectors, where progress has been made over the last two decades. Nonetheless, Serbia has encountered challenges in wealth redistribution and support for socially vulnerable groups. Compared to the last year, Serbia has not had any major improvements not declines. As such, Serbia's state capacity is once again considered **medium**.

In terms of territorial control, Serbia's rating is once again low due to border demarcation disputes with Croatia and Bosnia and Herzegovina. The situation is especially complicated in Kosovo, where Serbian sovereignty is contested, and foreign troops are

stationed. This issue has been even further exacerbated by violent events and strengthening of Kosovo's central government during the 2024. There are also territorial claims from internal groups in the Preševo, Medveđa, and Bujanovac municipalities.

Regarding state provision, Serbia falls into the medium category. The country ranks poorly in wealth redistribution due to a still high Gini coefficient (32 in 2022, down from 35 in 2020) and a lack of progressive taxation that could tackle the rising inequality. In healthcare, Serbia receives a high score because of high governmental investments in the sector (5.32% of GDP) and broad access to universal healthcare, as well as its comprehensiveness. In education, Serbia scores at a medium level, considering the percentage of GDP allocated to education (3.2%) and completion rates for primary (98.7%), secondary (76.1%), and higher education (35.3%).

Support for vulnerable groups in for 2024 in Serbia is again rated as medium. This assessment is based on the low percentage of GDP spent on social assistance (averaging 1.2% of GDP from 2019 to 2020, a significant drop in comparison with the previous period), limited support for the elderly population as rated by experts, challenges in Roma inclusion (evidenced by high unemployment, lower educational attainment, and increased poverty rates among the Roma population), and relatively better support for vulnerable children, especially those in alternative care (with 88.9% of such children placed in foster homes).

ROATIA

Croatia went through a period of violent conflict from 1991 to 1995. Since the cessation of hostilities, Croatia has made substantial advancements in rebuilding, development, and institutional reforms. By 2013, Croatia had become a member of the 26 European Union, NATO, and other significant international and regional organizations. Consequently, it is viewed as the most developed country in the region. Croatia possesses the capacity to enforce laws within its borders, but it still faces various border demarcation issues with neighbouring nations. Croatia has spent several decades establishing robust state capabilities to cater to its citizens and support vulnerable groups. Nonetheless, challenges such as improving the integration of the Roma population remain unresolved. However, Croatia has increased its investments in the health sector. As a result, Croatia is now again assessed as having a **high** level of state capacity.

In terms of territorial control, Croatia regains a high rating. Although it has border demarcation disputes with Serbia, Bosnia and Herzegovina, and Montenegro, Croatia does not face internal sovereignty disputes, nor does it host foreign troops on its territory.

Regarding state provision, Croatia's overall assessment has remained high. Croatia excels in wealth redistribution due to its low, albeit slightly increased Gini coefficient (29.7) and progressive taxation policies. In healthcare, Croatia is rated at a high level based on the level of investment in the sector (6.54% of GDP) and the widespread and comprehensive

coverage of universal healthcare. In the education sector, Croatia has kept its score as high due to the lesser but still significant enough percentage of GDP allocated to education (4.1% compared with 5.2% according to the previous data) and even better completion rates for primary (99.3%), secondary (80%), and higher education (38.8%).

Croatia's support for vulnerable groups is also considered medium and is unchanged from the 2023 analysis. This evaluation is derived from the percentage of GDP allocated to social assistance (averaging 3.23% of GDP from 2012 to 2017), the quality and coverage of assistance provided to the elderly population (rated as moderate by experts), major challenges related to Roma inclusion (with high unemployment rates and less than 50% of the Roma population completing compulsory education), and strong support for vulnerable children, especially those in alternative care (with 73% of such children living in foster homes).

B OSNIA AND HERZEGOVINA

Bosnia and Herzegovina endured a violent conflict lasting from 1992 to 1995, resulting in around 100,000 casualties. As a consequence of this conflict, foreign troops have been stationed in the country since 1995, and Bosnia and Herzegovina remains ethnically divided. Unlike Croatia, Bosnia and Herzegovina has faced numerous challenges in its post-war development. Its constitutional and legal framework hinders comprehensive reforms in the state sector. While Bosnia and Herzegovina holds candidate status for EU membership and is a member of relevant international and regional organizations, it has not yet become a NATO member. Like many other countries in the region, Bosnia and Herzegovina grapples with border demarcation issues with its neighbouring nations.

Given these circumstances, Bosnia and Herzegovina exhibits weak state capacity, particularly evident in its support for vulnerable groups, including the elderly, children, and the Roma population. These challenges also extend to the management of its healthcare and higher education sectors. As long as structural issues persist, it is unlikely that Bosnia and Herzegovina will significantly improve its provision of services to its citizens. In general, the overall assessment of Bosnia and Herzegovina's state capacity as **low**.

In terms of territorial control, Bosnia and Herzegovina maintains a low rating. The country faces border demarcation issues with Serbia and Croatia, and foreign troops have been present on its territory since the conclusion of hostilities in 1995. Regarding disputed sovereignty from internal groups, Bosnia and Herzegovina is rated as moderate due to its constitutional structure, claims by the Croatian ethnic group for federal state reforms, and calls for independence from Republika Srpska

Concerning state provision, Bosnia and Herzegovina's overall ranking is once again low. The country performs poorly in wealth redistribution due to a high Gini coefficient (32.7) and the absence of progressive taxation. In terms of healthcare, Bosnia and

Herzegovina is rated at a moderate level due to slightly decreased but still substantial investments in the sector (6.2% of GDP) and a relatively low rate of universal healthcare coverage and its comprehensiveness. In the education sector, Bosnia and Herzegovina has not managed to bounce back from the low level, despite the slight increase of the percentage of GDP allocated to education (4.1%, up from 3.8% in the last index), as well as the completion rates for primary (91.4%), secondary (72%), and higher education (28.8%).

Bosnia and Herzegovina's support for vulnerable groups retains its low rating. This assessment is based on the percentage of GDP allocated to social assistance (averaging 2.79% of GDP from 2014 to 2017), the quality and extent of assistance provided to the elderly population (characterized by experts as low), challenges related to Roma inclusion (with high unemployment rates and less than 43% of the Roma population completing compulsory education), and support for vulnerable children, with only 30% of those in alternative care residing in foster homes.

A **LBANIA**

In contrast to other Balkan countries, Albania was not part of the former Yugoslavia and did not undergo violent conflicts during the 1990s. However, its transition from communism and a command economy was prolonged and marked by significant disruptions. The most critical period was in 1997 when Albania experienced a state collapse. Since then, some progress has been made in re-establishing state provisions and services. Albania is currently an active participant in all relevant regional and international organizations, having been a NATO member since 2009 and a candidate country for the EU.

While Albania does not face state control issues, it lags in providing adequate support to the most vulnerable segments of society. This deficiency is a direct consequence of the earlier state collapse and the protracted transition period. A similar situation is observed in the education and healthcare sectors, where substantial room for improvement exists. While Albania has managed to somewhat tackle the wealth inequality, this is not significant enough to affect the overall state capacity making the overall assessment of Albania's state capacity rated as **low**.

Regarding territorial control, Albania maintains its high score. The country does not have border demarcation issues with neighbouring nations. Moreover, Albania does not contend with disputes over its sovereignty from internal groups, nor does it host foreign troops on its territory.

Concerning state provision, Albania's overall ranking is low. Albania has maintained a high rating for a wealth redistribution due the combination of lowered Gini coefficient (29.4) alongside the existence of the progressive taxation. In terms of the state's ability to provide healthcare, Albania is rated low due to low governmental investments in the sector

(2.88% of GDP) and limited universal healthcare coverage and its comprehensiveness. In the education sector, Albania scores low due to its low, and now lower percentage of GDP allocated to education than in last year's data (2.7%, down from 3.3% in the previous index) and the completion rates for primary (97.9%), secondary (53.3%), and higher education (32.3%).

Albania's support for vulnerable groups is again rated as low. This assessment is based on the percentage of GDP allocated to social assistance (averaging 1.9% of GDP from 2018 to 2020), the quality and extent of support for the elderly population (characterized as low by experts), and the challenges related to Roma inclusion (including a high unemployment rate of 54%, less than 44% of the population completing compulsory education, and 22% more Roma living in absolute poverty than others). Unfortunately, the level of support for vulnerable children could not be assessed due to a lack of data for this indicator.

MONTENEGRO

Following the dissolution of the Socialist Federal Republic of Yugoslavia, Montenegro became part of the Federal Republic of Yugoslavia and later the State Union of Serbia and Montenegro. It declared its independence in 2006, a decision that Serbia accepted. Since then, Montenegro has gained international and regional recognition, becoming a full member of all relevant international and regional organizations, including NATO in 2020. Additionally, it achieved candidate status for EU membership in 2010.

Montenegro does not host foreign troops on its territory, but it does have unresolved border demarcation issues with some neighbouring countries. While making progress in various areas, notably in education and redistribution, as part of its EU accession process and reforms, and, as of recently, even the support for vulnerable groups through increases in social assistance, Montenegro still needs to enhance its state capacities, particularly ensuring a more equitable distribution of wealth among its citizens. Montenegro's overall state capacity is considered **medium**.

Montenegro retains a high rating for territorial control, with only minor border demarcation issues concerning the Prevlaka peninsula in relation to Croatia. The country faces no internal disputes over sovereignty, and there are no foreign troops stationed within its borders.

In terms of state provision, Montenegro's overall ranking is medium. It scores low in wealth redistribution, primarily due to a much lower Gini coefficient (29.4 compared to 36.8 in the previous index), and the progressive taxation that has been introduced to sufficiently tackle the issue of the wealth inequality. Montenegro's ability to provide healthcare has remained high, with substantial governmental investments in the sector (5.09% of its GDP)

and improved coverage and comprehensiveness of the universal healthcare. In the education sector, Montenegro has not managed to rebound from the medium score due to the percentage of GDP allocated to education (4%) and decent completion rates for primary (93.7%), secondary (59.3%), and higher education (38.4%).

Montenegro's support for vulnerable groups has remained the same as in the last index and the country thus receives a rank of medium. This assessment is based on the greatly increased percentage of GDP allocated to social assistance (averaging only 1.8% of its GDP from 2018 to 2020, a three-fold increase compared to the 2010-2018 period), the quality and extent of support for the elderly population, which is described as low, the challenges related to Roma inclusion (including a 23% unemployment rate, 31% of the population completing compulsory education, and 28% more Roma living in absolute poverty than others), and support for vulnerable children, which is scored as medium because 46.3% of children in alternative care are placed in foster homes.

NORTH MACEDONIA

North Macedonia has largely avoided conflicts that have taken place in the countries of former Yugoslavia. However, it experienced internal violent conflict between Macedonian and Albanian ethnic groups in 2001, resulting in the new constitutional and power-sharing agreement. It has also experienced a bitter dispute with Greece over its name, which has led to delays in membership within international and regional organisations until the name change in 2019. Since then, North Macedonia became a member of NATO in 2020 and received the status of candidate for EU membership in 2022.

Notwithstanding all these negative developments, North Macedonia performs moderately with regard to most indicators related to state capacity, with improvements in . The areas where the most considerable improvement could be made relate to support for the elderly population and welfare sector reform. North Macedonia's overall score in state capacity is **medium**.

When it comes to the control of its territory, North Macedonia has risen to a high rating. North Macedonia has no border demarcation issues and no presence of foreign troops on its territory, and while it does have internal problems regarding power-sharing between Macedonian and Albanian ethnic groups, these problems have lessened with time and internal sovereignty is not as much contested.

With regards to state provision, North Macedonia's overall rank is medium. North Macedonia rates low in redistribution due to the Gini score (31.4) and the fact that, despite speculation, it has not yet adopted progressive taxation, unlike many other countries in the region. When it comes to the state's capacity to provide healthcare, North Macedonia rates as medium due to the medium governmental investments in the sector (4.27% of its GDP)

and the medium rate and coverage and comprehensiveness of universal healthcare. In the sector of education, North Macedonia scores medium due to the percentage of GDP invested in education (3.9%) and the completion rate of primary (94.9%), secondary (72%) and higher education (39.7%).

North Macedonia's support for vulnerable groups is again rated as medium. This score comes from the percentage of GDP spent on social assistance (1.80% of its GDP on average in the period 2018-2020), the quality and coverage of support for the elderly population which, in experts' opinion, is rated low, the limited degree of Roma inclusion (unemployment of 49%; 69% of the population with completed compulsory education; and 24% more Roma live in absolute poverty than others), and the support for vulnerable children which is scored as medium due to the fact that 66% of children who live in alternative care, live in foster homes.

KOSOVO

Kosovo declared its independence in 2008 following a two-decade-long conflict with Serbia. This conflict led to the presence of NATO troops on Kosovo's territory and a protracted state recognition process. Despite not becoming a UN member and facing limitations in participating in various international and regional organizations due to objections from Serbia and some UN Security Council permanent members, Kosovo has encountered internal challenges, particularly related to its Serbian population disputing sovereignty in their respective areas.

Historically, Kosovo has been the least developed part of the former Socialist Federal Republic of Yugoslavia. The material destruction during conflicts, along with prolonged instability, significantly hindered Kosovo's state capacity. Currently, Kosovo scores very low in various critical state capacity areas, particularly in healthcare and education. Although some progress has been made in terms of equitable growth and social inclusion, significant advancements are still needed. Kosovo's overall state capacity is rated as **low**.

In terms of territorial control, due to strengthening of the central government, Kosovo's rank has increased to medium. Serbia disputes Kosovo's sovereignty, and many countries worldwide do not recognize it. Kosovo is not a member of the UN or other relevant international organizations. Foreign troops have maintained a strong presence in Kosovo since the end of hostilities in 1999. Additionally, internal disputes persist in the northern region, where the Serbian population opposes the central government. However, recently, Kosovo has increased the power of the central government and diminished the contestation by internal groups.

Regarding state provision, Kosovo's overall ranking remains low. While Kosovo demonstrates medium wealth redistribution due to a low Gini coefficient (29) and limited progressive taxation, its capacity to provide healthcare is rated as low. This is due to still

insufficient governmental investments in the sector (2.83% of GDP) and low rates of universal healthcare coverage, given Kosovo's significant lack of. In the education sector, Kosovo receives a low score due to the low percentage of GDP allocated to education (4.4%) and completion rates for primary (97%), secondary (considered low by estimates) and higher education (22%).

Kosovo's support for vulnerable groups is again rated as medium. This assessment is based on the percentage of GDP allocated to social assistance (averaging 4.6% of GDP from 2017 to 2018), the quality and extent of support for the elderly population, which experts describe as low, the challenges related to Roma inclusion (including a 49% unemployment rate and 60% of the population completing compulsory education), and low support for vulnerable children, which is rated as low because 41% of children in alternative care reside in foster homes.

ENVIRONMENTAL SUSTAINABILITY

State/Territory	Environmental Sustainability (low/medium/high)
Serbia	Low
Croatia	Medium
Bosnia and Herzegovina	Low
Albania	Medium
Montenegro	Low
North Macedonia	Low
Kosovo	n/a

A new World Bank report on the Western Balkans reveals concerning findings: our region is emerging as one of the world's hottest hotspots experiencing more frequent heatwaves that could account for up to 80% of summer months in a world that is 4°C warmer. The average summer temperature in the Western Balkans could rise by as much as 7.5°C above pre-industrial levels, surpassing even the most extreme previous predictions. Since the region includes interconnected ecosystems that transcend the geopolitical borders established by the Dayton Peace Accord, countries will inevitably face negative spillover effects from one area to another. If one of them lacks the capacity to address the growing impacts of climate change, its neighbours will also experience these adverse externalities. In order to ensure positive peace for their citizens in the future, these countries must strengthen cross-border cooperation and initiate joint efforts to mitigate and adapt to the imminent challenges ahead.

Against this backdrop, the current state of environmental sustainability in our region is deeply concerning. We have assessed the BPI domain as **poor**, both overall and for each individual indicator. First, the summer of 2024 surpassed the temperature records set in 2023, bringing one of the most intense and prolonged heatwaves to the Western Balkans for the second consecutive year. These temperature extremes lead to prolonged dry spells, which are then followed by sudden, intense flash floods. The deadly landslides in Bosnia and Herzegovina, which claimed over 20 lives in October 2024, follow this pattern and are further aggravated by poor management of shared resources, such as the illegal operation of stone mines, and high levels of corruption. The region also faces critically low levels of wastewater treatment, slow and ineffective policies for nature conservation and restoration, and widespread deforestation, which is increasingly in direct contrast to inappropriate urbanization in highly protected areas of significant biodiversity. In recent years, protests related to the natural resources resilience indicator (such as those in Serbia against lithium mining) suggest that this indicator may have even greater potential than air quality to undermine peace in the region.

Second, Air quality has reached an all-time low, and citizens of the Western Balkans continue to face severely unhealthy air quality far more than those in other parts of Europe.

The region's over-reliance on outdated, inefficient coal industries and individual combustion plants contributes to over 30,000 premature deaths annually. The situation is particularly dire in Serbia, Bosnia and Herzegovina, North Macedonia, and Montenegro, where political elites often avoid addressing pollution. If air quality remains neglected political issue and continues to deteriorate, it holds significant potential to provoke mass protests and threaten peace.

Third, the energy system performance indicator recorded a major power outage at the beginning of July 2024, affecting Montenegro, Bosnia and Herzegovina, Albania, and much of Croatia's coast. This disruption, occurring during the peak tourist season, impacted businesses, shut down electricity, and left people struggling without air conditioning during a dangerous heatwave. Such episodes are becoming an escalating concern and are expected to be one of the most pressing challenges for the regional energy sectors in the years ahead, driven by rising temperatures. As noted in our previous evaluation, energy supply sufficiency remains a critical national and geostrategic priority for the countries of the region. In 2024, governments in the Western Balkans placed energy security—just one aspect of the energy system performance indicator—far above any other component of the broader environmental sustainability domain. Energy system performance was poor in Bosnia and Herzegovina, North Macedonia, and Montenegro, moderate in Serbia and Albania, and high only in Croatia.

S ERBIA

In 2024, Serbia's overall environmental sustainability remains **poor**. Nationwide protests against lithium mining in the Jadar Valley, inadequate water treatment, and political neglect of disaster preparedness efforts have hindered the country's ability to achieve positive peace and improve the quality of life for its citizens. The country also struggles to meet recommended air quality standards, particularly in terms of outdoor air pollution, which ranks among the worst in Europe. Compared to our previous report, the energy system has shown improvement, primarily due to stronger energy security levels than some neighbouring countries, leading us to assess it as moderate for 2023. However, this sector continues to be one of Europe's laggards in terms of environmental sustainability.

First, the resilience of natural resources in Serbia continues to be a cause for concern even though some international indices (e.g. Ecological Threat Report 2024) showed a decrease in overall water-related risks compared to the year 2023. The Species Protection Index revealed a notable decline in the country's ability to conserve critical habitats. But this trend was widespread across the Western Balkans, with Serbia maintaining its position as the second-best performer, following Croatia. In other words, when it comes to safeguarding its life-support systems, including protecting species and biodiversity hotspots and reducing tree cover loss, Serbia's performance in 2024 was largely consistent with 2022 and 2023, showing little improvement. A key development in the natural

resources indicator for 2024 is the massive protests against government initiatives and negotiations with the European Commission concerning the exploitation of lithium in Western Serbia by Rio Tinto company. The protests highlighted tensions between the government's prioritization of economic development and citizens' demands for environmental protection. The tensions escalated to a point where they permeated many aspects of society, particularly when President Vučić demanded that academic institutions take a firm stance on the issue. In response, many university departments across Serbia, particularly those with strong environmental expertise, voiced their concerns about the potentially devastating impact of lithium mining and recommended that the entire project be halted. The growing academic opposition further fuelled the discourse surrounding the government's neglect of the resilience of natural habitats, leading us to evaluate this indicator as poor.

Second, according to the Environmental Performance Index (EPI) by Yale University, Serbia ranks 5th in the region in terms of how close it is to reach a target of zero emissions per capita (based on the growth rate of greenhouse gas (GHG) emissions adjusted for per capita emissions). In other words, Serbia, following Montenegro, is among the least likely to meet its 2050 Paris Agreement commitments. This highlights the significant challenges the country faces in reducing emissions and transitioning to a more sustainable future. In terms of outdoor air pollution, Bosnia and Herzegovina, North Macedonia, and Montenegro recorded slightly higher annual average PM_{2.5} concentrations ($\mu\text{g}/\text{m}^3$) than Serbia when compared to 2022 and 2023. However, all of these countries fall into the same category, as they exceed the recommended annual average concentrations by 3 to 7 times. This highlights the widespread issue of poor air quality across the region, with all these nations struggling to meet international air quality standards. Serbia continues to be a low performer in this regard, resulting in the air quality indicator being assessed as poor.

Third, in comparison to our previous report, Serbia has shown a slightly better performance in energy security than its regional neighbours, according to the World Energy Trilemma Index. This improvement has placed Serbia second in the region, behind Croatia, which led us to upgrade the energy system performance rating from poor in 2023 to moderate in 2024. However, it is important to note that this does not automatically mean Serbia has made significant progress in the overall performance of its energy system. It still ranks 5th in the region in terms of how environmentally responsible provides electricity to its citizens and occupies 3rd place in both the share of renewables in total final energy consumption (27.2%) and the share of clean fuels and technologies used for cooking (82%). During devastating heat wave in July 2024, the country reached a record-high daily power consumption of 108 GWh. This surge in electricity demand highlights the growing pressure on the energy system, as climate change pushes weather patterns to extremes. In this regard, decision-makers in Serbia lack firm and robust ambitions to pursue climate-friendly energy policies.

CROATIA

We assessed the overall environmental sustainability of Croatia as **moderate**. Compared to its WB neighbours, the country performed moderate both in securing resilience of its natural resources and air quality, and high in energy system performance. The natural resources resilience indicator highlighted that Croatia has the highest protection of species in the region and stronger wastewater treatment practices than its neighbours. However, it faces significant challenges, including a high risk of flooding and ongoing massive tree-cover loss. Regarding air quality, Croatia performs the best in the region but still falls short of the EU average, struggling to meet the minimum standards. The country already tops the region in energy security. Moreover, robust commitments to expand renewable energy sources, such as wind and solar, have played a key role in positioning Croatia as a leader in the region in terms of building a more resilient and environmentally responsible energy system.

First, the natural resources resilience indicator in Croatia improved from poor to moderate in 2024. Croatia significantly outperforms other countries in the region when it comes to species protection, with a notable Species Protection (SP) index score of 83.73. The high species protection score reflects the country's commitments to conservation efforts. However, despite Croatia's achievements in species protection, there has been limited progress in the domain of wastewater treatment. This area remains politically neglected, with the proportion of safely treated domestic wastewater flows remaining well below the EU average for years, despite being among the best in the region. It is particularly important to strengthen policies in this area, given that Croatia experienced the highest sea temperature in recorded history in July 2024 (29.7°C), which significantly stressed already pressured ecosystems. This unprecedented rise in sea temperature exacerbates the impacts of climate change on marine life and biodiversity. Moreover, ongoing deforestation and land-use changes are contributing to the degradation of ecosystems, which in turn affects species habitats and disrupts the balance of natural processes. In October, dangerous water levels affected many parts of Croatia, but strong disaster measures and protections were put in place to mitigate the impact. These efforts helped prevent major damage and loss of life, showcasing the country's better-than-before preparedness and resilience in the face of extreme weather events. Even the international Ecological Threat Report 2024 suggests that the risk of floods in Croatia has decreased compared to the previous few years.

Second, compared to other Western Balkan countries, Croatia has the lowest annual average PM2.5 concentration (13.8 µg/m³) and ranks 2nd, after Albania, in terms of its international obligations regarding greenhouse gas emissions per capita. While air quality in Croatia is relatively better than in many neighbouring countries, it still lags behind the EU27 with pollution levels up to three times above the safe standard. As a result, we rated this indicator as moderate, reflecting the ongoing challenges in meeting recommended air quality thresholds. However, Croatia displayed significant progress in 2023 and 2024 in lowering PM2.5 levels, with the annual average dropping by more than 40 percent compared to 2022. This achievement was largely driven by the country's increased use of

renewables, which now account for 34 percent of the total final energy consumption. The strong policy orientation toward cleaner energy sources has played a key role in improving air quality and demonstrates Croatia's commitment to enhancing environmental sustainability.

Third, the energy system performance indicator remained high in 2024, with Croatia leading the region in energy security, as reflected by its World Energy Trilemma energy security score of 68.44. The country also stands out for having 100% of its population relying on clean fuels and technology for cooking, heating, and lighting, both in urban and rural areas. With its continued investments and strategic ambitions, Croatia has set its sights since 2023 on becoming the next strategic regional energy hub for Hungary, Slovenia, and Austria. In 2024, Croatia continued to build on the success of 2023 by further advancing its efforts to meet the goals of the Green Agenda. The share of domestic green energy in electricity production exceeded 59 percent, with 41 percent coming from hydropower plants alone. Through enhancing its energy infrastructure and increasing the share of renewable energy, Croatia aims to strengthen its position as a key player in the regional energy market.

B OSNIA AND HERZEGOVINA

We assessed the environmental sustainability of Bosnia and Herzegovina as **low**, with poor scores across all indicators. The natural resources resilience indicator was primarily assessed based on Bosnia and Herzegovina's lowest score on the international species protection index, further compounded by a key event in October 2024. The catastrophic floods and landslides during this period pushed the resilience of natural resources to its breaking point, resulting in more than 20 fatalities. The second indicator reflects the country's limited ability to meet recommended air quality standards, particularly regarding outdoor air pollution and greenhouse gas emissions. Additionally, the energy system performance indicator is primarily influenced by Bosnia and Herzegovina's ranking as the weakest in the region for energy security and fourth in terms of environmental sustainability.

First, the Natural Resources Resilience indicator remains low in 2024. The international Species Protection index highlights the country's consistently alarming lack of conservation efforts. While Bosnia and Herzegovina performs slightly better than its neighbours in terms of tree-cover loss, its biodiversity hotspots are facing significant threats. Like Serbia and Croatia, Bosnia and Herzegovina has reduced flood risk according to international indices. However, the severe floods and unstable weather conditions that affected Slovenia, Croatia, and especially Bosnia and Herzegovina in October 2024 revealed the country's inadequate preparedness for natural disasters, showing the lowest levels of readiness in the region. The impact of the heavy rainfall was further exacerbated by severe mismanagement of common resources, particularly the illegally operated stone mine, which triggered a deadly landslide in the village of Donja Jablanica. The landslide killed more than 20 people and blocked the entire area with massive piles of mud and large stones. Against this backdrop, the latest Ecological Threat Report 2024 highlights that water risks are more closely

correlated to weak governance and inadequate infrastructure than to levels of rainfall. Furthermore, the floods, which followed a prolonged summer drought, affected settlements situated at the base of steep slopes with an incline of more than 60 degrees. These events should also be viewed in the context of the significant fluctuations brought about by climate change.

Second, Bosnia and Herzegovina demonstrated a very low capacity to meet recommended air quality standards and reduce the impact of air pollution on human health, which is why we rated the air quality indicator as poor. The annual average PM_{2.5} concentration in Bosnia and Herzegovina was 27.5 µg/m³, the worst in the region, causing dangerous pollution levels to be exceeded consistently 5 to 7 times throughout the year. On December 20th, Sarajevo became notorious for its heavy blanket of smog, officially ranking as the third most polluted city in the world on that day. The capital, situated in a valley surrounded by mountains, is particularly vulnerable to suffocating air pollution during the winter months. Contributing factors include poor urban planning, continuous over construction, inadequate heating options due to poverty, and traffic congestion, all of which have exacerbated the issue. Citizens have expressed their frustrations about this major health problem for years, yet there are no willing decision-makers taking action to address it.

Third, the energy system performance indicator remained low. Since the start of our BPI monitoring and evaluation, Bosnia and Herzegovina has made no improvements in one of the key parameters of its energy system performance. Specifically, the percentage of the population using clean fuels and technology for cooking, heating, and lighting (SDG 7.1.2) remains at 41.1% across both urban and rural areas, the lowest in the Western Balkans region by a wide margin. This non-improved consistency has dragged the overall result of the indicator down. Bosnia and Herzegovina ranks 4th in the region in terms of environmental sustainability of its energy sector (WET score 64.1), and 3rd in terms of energy security (WET score 61.3). Compared to other Western Balkan countries, Bosnia and Herzegovina performs moderately in terms of renewable energy share in total final energy consumption (SDG 7.2.1), standing at 36.6%.

A **LBANIA** We assessed Albania's overall environmental sustainability as **moderate**, due to its moderate air quality and energy system performance and low capacity to ensure the resilience of natural resources. The resilience of natural resources is critically impacted by widespread deforestation, inadequate urbanization, and low levels of wastewater treatment. We evaluated the air quality in Albania as moderate because the country has the best chances in the region to fulfil its international obligations as per Paris Agreement in terms of reaching a target of zero emissions per capita. Also, it has lower annual average PM_{2.5} concentration (µg/m³) than most of its neighbours. The country scored moderate in energy system performance, being the second best-performer on the indicator. The result worsened compared to the previous report (from high to moderate) due to a significant decline in Albania's energy security, as reflected in international indices.

First, the Natural Resources Resilience indicator remained low. Albania's wastewater treatment increased from 13% to 19.46%, but it still lags significantly behind the region, with only North Macedonia having a smaller proportion of safely treated domestic wastewater flows. Additionally, the country continues to struggle with ongoing deforestation, having lost over 6.5% of its total tree cover in the past 20 years. The country has made a slight improvement in its ranking on the international Species Protection Index, now holding 3rd place in the Western Balkans for its conservation efforts. However, deforestation continues to affect regions of critical biodiversity importance, including the habitats of the critically endangered Balkan lynx. Moreover, Albania faces the highest flood risk in the region, with the Ecological Threat Report 2024 revealing that the country's flood risk is double that of its Western Balkans neighbours.

Albania performed moderately in meeting recommended air quality levels and reducing the impact of air pollution on human health in the region. It has the lowest greenhouse gas emissions (GGE) per capita in the region, largely due to its heavy reliance on hydropower. One significant event last year unintentionally contributed to a decrease in agricultural GGE, driven by an external factor rather than policy. According to the Environmental Performance Index executive summary, supply chain disruptions led to higher costs for animal feed, resulting in a sharp reduction in the number of cows and, consequently, lower emissions of nitrous oxide and methane. In terms of outdoor air pollution, Albania recorded an annual average PM2.5 concentration of 16.7 µg/m³, ranking 2nd in the region, just behind Croatia, in its ability to achieve recommended air quality standards for its citizens. However, this result does not suggest that Albania has excellent air quality, as harmful PM2.5 concentration levels consistently exceed recommended limits by 2 to 3 times throughout the year. It mostly reflects the higher percentage of renewables in the country's final energy mix.

Third, compared to other Western Balkans countries, Albania's energy system performance dropped from high in 2023 to moderate in 2024. According to the World Energy Trilemma Index, Albania experienced a significant decline in its energy security, becoming the worst-performing country in the region based on this indicator (WET score 47.3). This sudden and sharp decline impacted our final score on the indicator, despite Albania remaining a regional leader in terms of the environmental sustainability of its energy sector. For example, Albania's WET environmental sustainability score stands at 83.43, significantly higher than Croatia's 75.5 and Montenegro's 67.7. Additionally, the percentage of the population using clean fuels and technology for cooking, heating, and lighting has slightly increased since the last UNSDG monitoring, now standing at 84.6%.

MONTENEGRO

We assessed Montenegro's overall environmental sustainability as **low**. The country received a moderate score for both natural resources resilience and energy system performance. However, it showed a limited capacity to achieve recommended air quality levels and reduce the impact of air pollution on human health, particularly concerning outdoor air pollution. The moderate score for energy system performance reflects Montenegro's position in the middle of

regional countries in terms of energy sustainability and security, despite ranking second-best for renewable energy share in total final energy consumption.

Firstly, the natural resources indicator remains moderate in 2024, consistent with its status in 2023. The country demonstrated moderate performance compared to its neighbours in safeguarding the resilience of its natural resources against the impacts of climate change. On one hand, Montenegro boasts the highest percentage (55.28%) of safely treated domestic and industrial wastewater. On the other, it ranks among the lowest in nature conservation, with its Species Protection Index score decreasing to 44.25 in 2024. Furthermore, according to a new World Risk Poll report, Montenegro, followed by Kosovo* and Albania, are among the top ten countries worldwide with the fewest households reporting the separation of their waste. The country even has a slightly higher water-related risk rating than, for example, Serbia and Bosnia and Herzegovina. Building on its progressive regulations regarding “investment fires” in 2023, Montenegro has implemented bans and restrictions on the use of plastic bags and disposable plastic packaging. The law prohibits the use of thin bags with a thickness of 15 to 50 microns, while a fee is imposed on thicker plastic bags (over 50 microns). The funds collected from this fee are deposited into the Environmental Protection Fund, where they can only be used to finance activities aimed at raising public awareness about the environmental harm caused by plastic bags. Whether these initiatives will eventually prove useful in strengthening the resilience of natural resources remains to be seen, but they currently represent an additional factor of political will that many other countries in the region have yet to demonstrate in this area.

Second, Montenegro showed slightly better results on the outdoor air pollution sub-indicator, with an annual average PM_{2.5} concentration of 21.3 µg/m³, compared to North Macedonia and Bosnia and Herzegovina. However, we assessed its capacity to achieve the recommended air quality levels as low. According to the Environmental Performance Index, the country has the least potential in the region to achieve a zero GGE emissions per capita target by 2050, with a GHG growth rate adjusted for per capita emissions at 38.8. Nevertheless, unhealthy ambient air pollution remained a dominant factor in the final indicator score. The UNECE Committee on Environmental Policy, in its fourth Environmental Performance Review (EPR) of Montenegro, emphasized the need to strengthen air quality monitoring and management systems, promote zero-emission alternatives for residential heating (such as heat pumps and electric radiators), and implement energy efficiency measures in residential housing. The review also recommends considering a ban on coal and waste fuels for residential heating, starting with public buildings. Additionally, the EPR suggests integrating indoor air quality into public policies, particularly for vulnerable populations, and developing targeted actions to improve it, while raising public awareness about the harmful effects of air pollution and climate change on health and the environment.

Third, we evaluated the energy system performance indicator as low because, according to the WET scoring system, Montenegro ranks fourth in energy security in the region, with a WET score of 55. The share of the population primarily relying on clean fuels and technology is only 62% (SDG

7.1.2), which is significantly lower than the regional average. Although Montenegro ranks 3rd in terms of the environmental sustainability of its energy sector (WET score of 67.7) and closely follows Albania on the SDG 7.2.1 indicator for the share of renewable energy in total final energy consumption at 39.5%, its energy security influenced the overall decline in the BPI energy system performance indicator. The energy system experienced a major power outage (not just in Montenegro, but Bosnia and Herzegovina, Albania, and much of Croatia's coast at the beginning of July), during the peak tourist season, disrupting businesses, shutting down traffic lights, and leaving people struggling without air conditioning amid a heatwave. These types of episodes are becoming an increasing concern and are expected to emerge as one of the most pressing challenges in the coming years, driven by rising temperatures.

NORTH MACEDONIA

We evaluated the overall environmental sustainability of North Macedonia as **low**. The country scored low on all three indicators: natural resources resilience, air quality, and energy system performance. Compared to the previous year, we assessed North Macedonia's natural resources resilience as low, as the country saw a significant decline in points on international indices for nature conservation in 2024. It also remains the regional laggard in wastewater treatment, despite the severe impact of climate change on its water reserves. The policy neglect in this critical area contributed to the low score on the first indicator. Not much has changed in the area of air quality, with North Macedonia continuing to be one of the worst performers on the outdoor air pollution sub-indicator in the region. Lastly, the energy system performance scored low because the country has the lowest percentage of renewable energy in total final energy consumption and significantly lags behind other countries in the region in terms of energy security, sustainability, and the use of clean fuels and technology.

First, we rated the resilience of natural resources as low, primarily because the country's performance on the Species Protection Index (51.44) worsened compared to previous years. It even lost its 3rd place ranking to Albania. Flood risks decreased according to Ecological Threat Report 2024, but the proportion of safely treated domestic wastewater flows fell alarmingly low (4.86%). The overall resilience has only worsened due to prolonged deforestation, which this year has been further exacerbated by severe wildfires. According to the European Forest Fire Information System (EFFIS), a component of the Copernicus Emergency Management Service, over 85,000 hectares have burned in the country, with an additional 11,000 hectares threatened during the summer of 2024. These wildfires not only cause immediate damage but also have long-term effects on biodiversity, air quality, and the overall resilience of natural resources in the country. Climate change is expected to further amplify these risks in the coming years. The World Bank Group has released a new Country Climate and Development Report (CCDR) for North Macedonia, highlighting the urgent need for the country to invest US\$6.4 billion over the next decade. This investment is essential to effectively protect people and property from the escalating impacts of climate change.

Second, North Macedonia faces exceptionally harmful outdoor air pollution, with an annual average PM_{2.5} concentration of 25.2 µg/m³, which is detrimental to the health of many citizens. European air quality data shows that the capital, Skopje, is home to three of the most polluted districts in Europe, with air pollution levels that significantly exceed recommended limits. This chronic pollution poses serious health risks to residents, contributing to respiratory and cardiovascular issues. Furthermore, political commitment to facilitate the transition to cleaner fuels and reduce pollution is notably weak, with insufficient policies or incentives in place to encourage citizens to adopt cleaner energy sources. Compared to its neighbours, North Macedonia shows moderate results for the GGE per capita sub-indicator, with an EPI score of 43.5 and a growth rate of GGE adjusted by per capita emissions. However, consistently high levels of domestic outdoor air pollution significantly impact the final low score of the indicator, overshadowing the country's performance in meeting international obligations related to air quality.

Third, we evaluated the energy system performance indicator as low because North Macedonia ranks fifth in energy security (54.9), sixth in energy sustainability (WET score of 63), and performs the worst in the region in terms of renewable energy share in total final energy consumption (19.5%). However, the country has some of the most ambitious climate plans in the region. It has committed to phasing out coal by 2027, but this goal currently appears highly unlikely, given that the country still relies on burning lignite for more than 50% of its energy production. Additionally, the country has pledged to significantly increase the share of renewable energy in total energy consumption to 38% and diversify its energy sector by developing infrastructure for wind and solar energy sources.

KOSOVO
Most data from international indices that we systematically used throughout the comparative study of WB countries were not available for the territory of Kosovo for 2024.

FIGHTING CRIME

State/Territory	Fighting Crime (poor/moderate/strong)
Serbia	Poor
Croatia	Moderate
Bosnia and Herzegovina	Poor
Albania	Moderate
Montenegro	Moderate
North Macedonia	Moderate
Kosovo	Poor

Addressing crime in the Western Balkans remains a significant challenge to achieving regional stability, security, and development. As of 2023, crime-fighting efforts and results have been rated as poor in three of the seven regional economies, while the remaining have demonstrated moderate success levels. The rates of conventional crime in the Western Balkans, as in previous years, remain relatively moderate, with most forms of violent crime remaining at or even below the European average. Exceptions include widespread domestic and gender-based violence, which persists throughout the region. The region, however, remains vulnerable to various forms of organised crime and state-linked offences. The prevalence and dynamics of transnational organized crime, leveraging historical trafficking routes, remain a significant concern for the region. Despite optimistic declarations, no government has made substantial progress in curbing drug, arms, or human trafficking or reducing money laundering activities, and the ongoing war in Ukraine has further exacerbated these challenges. Additionally, the involvement of state actors and politicians in criminal networks continues to be evident across all countries. Anti-corruption and organized crime initiatives remain weak and sporadic and rarely result in holding high-ranking politicians accountable. Croatia continues to stand out for its progress, while Albania, Montenegro, and North Macedonia have made some important strides in improving their legislative and institutional frameworks during 2024. However, the situation in Kosovo, Bosnia and Herzegovina, and Serbia remains bleak.

Systemic weaknesses further hinder the regional fight against crime, particularly the lack of a robust, effective, and independent judiciary. Political and business interference continues to undermine judicial independence. Many trials remain unresolved or yield unsatisfactory outcomes. Corruption within the judiciary, prosecution and public sector limits the potential to utilize available human and material resources. Democratic backsliding in the region has further eroded the capacity to combat crime, as law enforcement and security institutions increasingly fall under political control. Challenges to democracy continue to hinder efforts to combat crime, with elements of state capture prevalent throughout the region. Improvements are uneven across the region. Due to international incentives, the situation in Croatia, Montenegro, Albania, and North Macedonia has improved in 2024, albeit marginally and slowly. In Serbia, frequent mass protests have added pressure to the

government, while the expanding authority and undemocratic behaviour of police and security services remain significant concerns.

Despite these challenges, citizens in the Western Balkans report feeling relatively safe. Public opinion reflects dissatisfaction with political elites and the influence of organized crime over law enforcement, with only minor improvements noted in some countries in 2024. Trust in the judiciary and prosecutors remains low, while confidence in the police remains relatively solid. Traditional political cultures and increasing political polarization in most societies continue to shape perceptions of safety and trust in law enforcement. In ethnically divided societies, the situation becomes even more complex.

SERBIA

Crime-fighting efforts in Serbia are evaluated as **poor**, with no significant progress across key indicators. Although there is no official evidence indicating an increase in crime rates – primarily due to the lack of comprehensive data for 2024 – the reduction in crime-fighting capacity and the perceived decline in public safety have contributed to Serbia being regarded as a negative example in regional crime-fighting trends.

Crime rates in Serbia remain high, with the involvement of minors and young people as both perpetrators and victims amplifying public alarm. While there has been a gradual decline in conventional crimes, such as homicides, property crimes, and vehicle theft, certain violent crimes—particularly domestic and gender-based violence—persist at alarming levels. The lack of comprehensive official data undermines effective monitoring, with femicide statistics often reliant on media reports. Organized crime remains Serbia's most significant challenge, ranking the country among the worst in Europe and the region. This issue is compounded by ongoing conflicts in Ukraine and the Middle East. As a source, transit, and destination country, Serbia faces persistent challenges from human, drug, and cigarette trafficking along the Balkan route. Illicit firearms trafficking is also a critical concern, with handguns easily accessible to both criminals and the public, while organized groups profit from weapons trade and transit through the Western Balkans. Cybercrime has seen a notable rise in 2024, particularly in cases involving the online sexual exploitation of children and cryptocurrency-related offenses. State-related crimes such as corruption, political influence, and financial misconduct tied to infrastructure projects and foreign investments remain pervasive. The tragic collapse of the Novi Sad railway station canopy, resulting in 15 deaths and two severe injuries, underscored the dangers of mismanagement and lack of accountability in major projects.

Fighting crime capacity remains poor as judicial and law enforcement capacities remain inadequate. Political interference in judicial appointments and decision-making compromises judicial independence, limiting the prosecution of high-profile corruption and organized crime cases. The slow pace of prosecutions and the lack of accountability for powerful individuals involved in corruption were highlighted in the European Commission's 2024 report. Frequent leadership changes in law enforcement, driven by political loyalty, widespread corruption, and insufficient

oversight mechanisms, further hinder crime-fighting efforts. The lack of a police director for another consecutive year and the involvement of state-embedded actors with criminal networks illustrate the blurred lines between state and criminal activities. Corruption remains deeply rooted, with politically connected private businesses dominating public procurement processes and state resources being misused for intimidation. Democratic governance is also a significant limiting factor in combating crime. The erosion of political rights, press freedom, and civil society space has created an environment of impunity and reduced accountability. The ruling party's media control and pressures on independent journalists and NGOs weaken democratic institutions critical for combating organized crime. In December, it was revealed that Serbian intelligence and police used spyware to hack activists' and journalists' phones, further exacerbating concerns about state overreach. The draft of the new Law on Police has raised alarms. Instances of citizens being detained during protests highlight the growing concerns about state surveillance and repression, particularly regarding expanded powers granted to the Civilian Intelligence Agency (BIA).

Perceptions of safety are moderate but declining. According to the Balkan Barometer 2024, only 35% of Serbians trust the judiciary, and 50% trust the police, reflecting ongoing concerns about corruption, inefficiency, and political influence. Despite this, approximately 70% of citizens still feel safe in their communities. However, events such as the Novi Sad canopy collapse and the government's response to environmental protests against lithium mining have significantly impacted public trust. Increased surveillance and suppression of civil society activities have heightened concerns about state repression and safety, fuelling widespread demands for government transparency and accountability.

ROATIA

Fighting crime in Croatia is evaluated as **moderate**, yet it remains the most successful effort in the region. While the scale of crime remains a concern, notable progress has been made in strengthening state capacities and demonstrating government willingness to tackle high-level corruption. Although citizens' confidence in the authorities is limited, they generally feel very safe in Croatia.

In 2024, Croatia's crime rate is considered medium, with a continued decline in major conventional crimes. Homicide rates are decreasing and are typically resolved efficiently. Property crime levels remain steady and are comparable to the European average. However, family-related violence persists as a significant issue, with women and children being the most vulnerable. While sexual assault rates have slightly declined, they remain alarmingly high. Additionally, there has been an increase in hate crime, accompanied by a growing trend of societal radicalization, raising concerns about the potential emergence of isolated radicalized individuals. Organized crime in Croatia is largely fuelled by its role as a transit hub for drug and human trafficking routes leading to Western Europe. Human trafficking, primarily linked to irregular migration routes through Croatia, remains prevalent, while drug trafficking continues to pose a serious challenge. In the realm of cybercrime,

recorded offenses have increased, reflecting growing concerns about online security. Despite recent corruption cases and financial misconduct involving government-linked individuals highlighting systemic corruption, Croatia's state crime levels remain lower than those in most countries in the region.

Croatia's capacity to fight crime is assessed as moderate, showcasing both progress and persistent challenges. Legislative reforms and international cooperation reflect a commitment to improvement, yet issues such as corruption and ensuring judicial independence remain pressing. Efforts to combat corruption have shown progress, with measures aimed at improving the efficiency of investigations and prosecutions supported by the European Public Prosecutor's Office. The detention of Health Minister Beroš on bribery charges in November related to public procurement irregularities underscores this progress. The government has also demonstrated an increased commitment to addressing gender-based violence and domestic abuse. Recent proposals to amend the Criminal Code, Criminal Procedure Act, and Domestic Violence Protection Act include harsher penalties for rape, the abolition of statutes of limitations for severe sexual crimes against children, and the criminalization of femicide, in line with the Istanbul Convention. Despite certain limitations and weaknesses, exacerbated by increasing political polarization and democratic backsliding, Croatia maintains the most robust system for security sector oversight in the region.

The overall perception of safety in Croatia remains high, driven by citizens' strong sense of personal security, which has ranked among the highest in Europe and globally for several years. However, the tragic incident at an elementary school in Zagreb in December 2024 may impact this perception. Despite this, a notable gap persists between citizens' feelings of safety and their trust in institutions. Confidence in the Croatian judiciary remains the lowest among EU member states, a concern echoed by both the public and the business community. Similarly, trust in the police, while steady, is only marginally above the regional average, reflecting broader institutional challenges.

B OSNIA AND HERZEGOVINA

Fighting crime in Bosnia and Herzegovina remains **poor**. While the country has made some progress in addressing violent crime and corruption, issues such as political fragmentation, slow judicial processes, and weak institutional capacities continue to undermine its overall efforts.

In 2024, Bosnia and Herzegovina experienced a moderate rate of violent crime, with its homicide rate indicating a relatively safe environment compared to global averages. Domestic violence has been identified as a significant concern, with a slight increase in reported cases during the year. Occasional interethnic violence also persists, particularly in ethnically diverse regions where political and social tensions occasionally escalate. Other forms of conventional crime, including property crime and theft, remain moderate and at the regional level. Bosnia and Herzegovina continue to serve as a key transit point for organized crime, particularly drug trafficking and human smuggling, with rural and border areas especially vulnerable due to weaker state control. In 2024,

Bosnia and Herzegovina authorities, in collaboration with international law enforcement agencies, made some progress in dismantling organized crime rings. For example, a major operation in July 2024 resulted in the seizure of 500 kilograms of heroin and the arrest of several members of an international drug trafficking syndicate. Corruption, financial crime, embezzlement, and abuse of office also remain significant challenges. In 2024, several local government officials from both entities were arrested for allegedly diverting public funds through corrupt contracts. While these investigations demonstrate some effort to address corruption, the slow pace of legal proceedings and the lack of follow-through on high-profile cases continue to undermine public confidence.

The state's capacity to fight crime remains poor. The judicial system is one of the country's most significant weaknesses. A new judicial reform strategy remains unimplemented. Slow court procedures, political interference, and a backlog of cases have eroded the rule of law and public trust in the judiciary. In 2024, the European Commission heavily criticized the judiciary for its inefficiency in prosecuting high-profile corruption and organized crime cases. The Bosnia and Herzegovina Court and Prosecutor's Office have made some progress in handling war crimes and corruption cases, but their ability to manage organized crime cases is still limited. A new anti-corruption strategy for 2024–2028 has been prepared, but implementation remains inconsistent across the country. High-profile corruption prosecutions are rare, with experts arguing that political elites resist meaningful change. The decentralization of authority between the Federation of Bosnia and Herzegovina, Republika Srpska, and the Brčko District exacerbates inefficiencies in resource distribution and complicates coordinated law enforcement efforts. Additionally, a lack of coordination between police agencies frequently hampers investigations, especially in organized crime cases. Political and administrative fragmentation, coupled with the absence of a unified legal framework, continues to obstruct the country's ability to tackle crime effectively, as political infighting often takes precedence over legal reforms.

The public's sense of safety is moderate. Surveys suggest that approximately 65% of Bosnians feel safe in their daily lives. Bigger cities are generally considered safe, but rural areas and regions with higher ethnic tensions sometimes report greater insecurity. Public trust in institutions, particularly the judiciary and police, remains among the lowest in the region. According to the Balkan Barometer, only 31% of the population expressed confidence in the judiciary, while trust in the police stands at 47%. Transparency International's 2024 Corruption Perceptions Index ranks Bosnia and Herzegovina near the bottom among European countries, with systemic corruption widespread in public procurement, political appointments, and public services. These issues perpetuate concerns about the government's readiness and capacity to effectively combat corruption and organized crime, further undermining citizens' sense of safety.

ALBANIA

Albania's combat against crime in 2024 is evaluated as **moderate**. Despite international support, a relatively high sense of personal safety among citizens, and ongoing legal reforms, systemic issues such as corruption, organized crime, and institutional inefficiencies persist.

While violent crime levels in Albania remain medium, the country is generally safe for residents and tourists. Petty crimes, such as pickpocketing and minor theft, occur in urban centres and tourist hotspots but are less frequent compared to many European countries. However, isolated incidents of severe violence, including murder and armed assaults, occasionally undermine public confidence, particularly when linked to organized criminal activities. Domestic violence remains an alarming concern, with women and girls facing various forms of violence exacerbated by stigma, discrimination, and limited access to support services. GREVIO, which monitors the Istanbul Convention, calls for significant efforts in this regard. Organized crime remains one of Albania's most pressing security threats. Although the number of irregular crossings recorded on this route slightly declined compared to previous years, Albania continues to serve as a transit zone for smuggled individuals, asylum seekers, and refugees in the region, particularly for those originating from the Middle East and North Africa who pass through Greece and Montenegro on route to Western or Northern Europe. Despite reductions caused by state efforts and international support, Albania continues to serve as a major source country for cannabis trafficking to the EU via sea and land routes. Additionally, Albania is a key transit country for heroin trafficked through the Balkan route from Turkey, Iran, Afghanistan, and Pakistan, facilitated by organized criminal networks collaborating along the heroin supply chain. Albania's criminal landscape remains deeply influenced by state-embedded actors, with members of criminal groups reportedly holding political positions and operating within local and regional structures.

The state's capacity to combat crime is evaluated as moderate. Despite positive outcomes from judicial reforms to combat corruption over the last few years, significant challenges persist within the judiciary. Recent reforms, such as restructuring courts into 13 First Instance District Courts and a consolidated Court of Appeal, aim to improve efficiency. Projects like the EU-funded EU4LEA aim to professionalize the State Police and the Ministry of Interior. Collaboration with INTERPOL and EUROPOL has focused on combating organized crime and enhancing border security in 2024. Notable achievements include stricter anti-money laundering laws adopted in 2023 and increased scrutiny at key transit points like the Port of Durrës, which have led to significant narcotics seizures. Additionally, UNDP initiatives have improved firearms evidence management and investigative capacities. However, systemic issues like political interference, corruption, and case processing delays persist, and high-profile crime and corruption cases remain unresolved in 2024. Corruption remains a significant obstacle within Albania's state institutions. Transparency International consistently again ranked Albania as one of Europe's more corrupt countries, with bribery and nepotism frequently reported in law enforcement, public procurement, and the judiciary. Finally, the ongoing centralization of power raised concerns about the erosion of democratic governance over the

security sector, with EU, OSCE and civil society calling for greater transparency, accountability, and adherence to democratic norms to ensure meaningful and sustainable reforms.

The feeling of safety is evaluated as moderate. As in other countries in the region, public trust in Albania's institutions, particularly the judiciary and law enforcement, remains moderate. Interestingly, compared to last year, the Balkan Barometer recorded a notable increase in public trust in the judiciary and a decrease in trust in the police. However, surveys indicate that citizens continue to view these bodies as vulnerable to political influence and corruption, undermining their credibility. Despite these institutional challenges, Albanians report a strong sense of personal safety. Over 65% express confidence in their daily security and tourists generally perceive the country as a safe destination.

MONTENEGRO

Montenegro's fight against crime in 2024 is evaluated as **moderate**, representing progress compared to the previous year. While some qualitative and quantitative improvements, primarily in the judiciary system, have contributed to the overall state capacity to fight crime during this period, significant and continuous efforts are required to address long-standing systemic issues such as corruption, organized crime, and weak judicial institutions. Despite a solid sense of safety among the public, low trust in key law enforcement actors persists, confirming the challenges that remain.

Montenegro experiences moderate levels of crime. Robbery and petty crimes, such as theft and traffic-related offences, are prevalent but do not pose a significant threat to public safety. However, isolated incidents of violence linked to organized crime and clashes between clans, such as targeted killings or assaults, continue to disrupt the relatively peaceful environment, exemplified by a double homicide in November 2024 in Podgorica. Organized crime remains a critical issue. Montenegro continues to serve as a transit country for heroin destined for Serbia, Croatia, and Bosnia and Herzegovina and as a major entry point for cocaine trafficked from Latin America through the Balkans into the EU. Cannabis is the most seized and consumed drug in Montenegro, with rising consumption rates and increased outdoor cultivation in recent years. Organized crime groups also engage in related activities such as money laundering and arms smuggling, further destabilizing the rule of law. Financial crimes, particularly those linked to privatization, tax fraud, and land misappropriation, are common, often involving high-ranking politicians and public officials. Tax evasion remains widespread due to insufficiently trained inspectors. Corruption within state institutions continues to be a significant challenge. The Group of States against Corruption (GRECO) has noted Montenegro's limited progress in implementing recommendations to prevent corruption within law enforcement agencies.

Despite these efforts, the unstable political situation and resource constraints limit the state's capacity to respond effectively to complex crimes, which is evaluated as moderate. The judiciary is one of the most vulnerable sectors in Montenegro's fight against crime. Institutional inefficiencies,

political interference, and inadequate human and material resources have hindered judicial effectiveness and the prosecution of high-profile crimes. However, some improvements occurred over the year. A new Judicial Reform Strategy (2024–2027) and its action plan were adopted in May 2024 in line with European standards. After years of deadlock, in January 2024, Parliament appointed, by a qualified majority, a new permanent Supreme State Prosecutor and three lay members of the Judicial Council through a transparent and merit-based selection procedure. A permanent President of the Supreme Court was also finally appointed after eight consecutive failed attempts. The Special Prosecutor's Office for Organized Crime and High-Level Corruption has increased staffing but remains hampered by poor working conditions, weak interagency collaboration, corruption, and political influence. The European Commission has acknowledged Montenegro's progress in combating organized crime and managing migration and asylum, assessing that Montenegro fulfilled the interim benchmarks for Chapter 24 in June 2024. In February 2024, the government established a new National Council for the Fight against Corruption, and in May, Montenegro adopted a new 2024–2028 Anti-Corruption Strategy and its action plan. The track record on preventing corruption improved in quantitative terms as well. Finally, democratic governance in Montenegro shows mixed results. While the military and security services are under civilian control, the judiciary and other key institutions often face undue political pressure. Recent international assessments, including those by Freedom House, highlight the need for greater transparency, accountability, and institutional reform to strengthen democratic processes and governance structures.

The feeling of safety remains moderate. Public trust in institutions, particularly the judiciary and law enforcement, remains low. The judiciary is widely perceived as being susceptible to political influence, corruption, and inefficiency, which erodes confidence in its ability to deliver justice. Citizens also expressed scepticism about the integrity and impartiality of law enforcement institutions, with only half of the public expressing confidence in the police. Despite these institutional weaknesses, Montenegrins report a relatively high perception of safety, suggesting that, as in the rest of the region, the sense of safety does not stem from confidence in the broader system of governance and crime prevention. Surveys indicate that over 70% of citizens believe Montenegro is generally safe. However, while instances of organized crime spilling over into violence on the streets are more limited in scope than in earlier times, they continue to have a disproportionately high impact on public discourse and perceptions of safety in 2024.

NORTH MACEDONIA

North Macedonia's efforts to combat crime in 2024 are evaluated as **moderate**, reflecting a mix of progress and persistent challenges. While violent crime remains relatively low and international cooperation has strengthened law enforcement, systemic issues such as corruption, organized crime, and weak confidence in institutions continue to hinder overall effectiveness.

North Macedonia has maintained a medium crime rate compared to global standards. With a homicide rate of 0.67 per 100,000 inhabitants in 2024, the country is among the safer nations in terms of violent crime. While robbery, petty crimes, theft, and car thefts remain prevalent, though they are not on the rise. Gender-based violence against women remains a significant and escalating issue in North Macedonia, encompassing psychological, physical, economic, and domestic violence, as well as sexual harassment and assault. Although the country has made strides in addressing GBV by ratifying and beginning to implement the Istanbul Convention, critical challenges persist, such as insufficient enforcement of laws and limited availability of support services for survivors. North Macedonia's geographic location along key Balkan routes makes it vulnerable to organized crime, particularly drug trafficking, human smuggling, and the arms trade. According to the 2024 Trafficking in Persons Report, human trafficking remains a critical challenge, with the country serving as both a transit point and a destination. In early 2024, a joint operation between North Macedonia and Europol dismantled a major drug trafficking network, resulting in multiple arrests and the seizure of significant quantities of narcotics. Corruption remains prevalent in many areas and is an issue of serious concern. The European Commission's 2024 progress report highlighted the country's ongoing struggle to develop a robust track record in prosecuting state-linked corruption cases. In a notable 2024 example, a senior municipal official was implicated in a corruption scandal involving land permits. While the case received significant media attention and prompted swift legal action, public scepticism remained high due to a perceived culture of impunity for high-ranking officials.

State capacities for combating crime remain moderate, with some significant improvements in the legislative and strategic framework. Judicial independence and efficiency remain key concerns. The country adopted a new Strategy for Judicial Reform (2024-2028). However, delays in implementing some measures indicate the need for greater political will and resource allocation. The new government's announcements of plans to dissolve the Judicial and Prosecution Councils remain a matter of serious concern, as such actions would undermine the independence of the judiciary. Some progress was made in the area of asset confiscation by further aligning legislation on the Asset Recovery Office and the management of confiscated property with the EU legal framework. In 2024, North Macedonia intensified efforts to combat corruption through legislative reforms and international cooperation. The newly composed State Commission for the Prevention of Corruption (SCPC) began its mandate on February 8, 2024. To enhance the performance of the SCPC, the Public Prosecutor's Office, investigative centres, and law enforcement units should all receive additional human resources and financial support. The establishment of an anti-corruption training academy for public officials marked a significant step toward fostering ethical governance. The government has also taken steps to address violence, especially domestic and gender-based violence. A national strategy for preventing domestic violence was expanded in 2024, incorporating training programs for law enforcement and awareness campaigns targeting vulnerable communities. Collaborations with international partners have significantly enhanced North Macedonia's crime-fighting capacities, with joint operations achieving notable successes in

combating drug trafficking and human smuggling. The country's democratic institutions have shown resilience, but challenges persist in curbing political interference in the judiciary and law enforcement.

The feeling of safety is evaluated as moderate. Public trust in institutions, particularly the judiciary and police, remains low in 2024. A survey conducted by the European Barometer revealed that only 28% of citizens trust the judiciary, while trust in the police stands at 42%. These figures reflect lingering concerns about corruption, inefficiency, and lack of accountability. The government has launched campaigns to rebuild public confidence, including community policing initiatives and open-door sessions in courts to improve transparency. Despite institutional challenges and rising public fears about organized crime and state corruption, citizens still report a moderate sense of personal safety.

KOSOVO

Kosovo's efforts to combat crime in 2024 have been assessed as **poor**. While certain legal and institutional reforms have shown promise, systemic issues such as organized crime, corruption, judicial inefficiency, and political interference continue to undermine overall effectiveness.

Kosovo's violent crime rate remains high. The reported homicide rate in 2024 is slightly above the regional average. Domestic violence remains a serious concern, with the Kosovo Police documenting over 1,800 cases during the year. This reflects both an increase in reporting and ongoing challenges in preventing such crimes. Interethnic tensions occasionally contribute to isolated incidents of violence, particularly in the northern parts. As a transit hub on the Balkan route, Kosovo continues to face challenges with organized crime, particularly in drug trafficking, human smuggling, and the illicit arms trade. Europol flagged Kosovo in 2024 as a critical transit point for heroin and synthetic drugs moving from Asia to Western Europe. Human trafficking also persists, with both local and foreign victims identified. Corruption remains a significant issue in Kosovo's public sector, eroding trust in institutions. Despite recent efforts to enhance accountability, Transparency International's 2024 Corruption Perceptions Index ranked Kosovo near the bottom among European countries. High-profile corruption cases have exposed systemic problems.

Kosovo's capacity to combat crime is assessed as poor. The judiciary remains one of Kosovo's weakest links in addressing crime. A backlog of cases and allegations of political influence continues to undermine public trust. Although the Ministry of Justice introduced reforms in 2024 aimed at streamlining case management and reducing delays, implementation has been slow. The functioning of the Kosovo Judicial Council (KJC) improved in terms of communication and transparency, and the Assembly successfully elected all three lay members of the Kosovo Prosecutorial Council. Additionally, the Assembly adopted the Law on the Special Prosecution Office to strengthen the criminal

justice response to high-level corruption cases. Some progress has been made in adjudicating corruption cases, resulting in an increased number of final court decisions and convictions. For instance, in mid-2024, the Secretariat of the Prosecution Council of Kosovo suspended an official of the Basic Prosecution in Pristina who was arrested on suspicion of bribery. Nevertheless, prosecutions of high-ranking individuals remain rare and systemic issues persist, including resource shortages, capacity limitations, and a lack of impartiality and accountability in the prosecution service and judiciary. Efforts to strengthen the Anti-Corruption Agency, including expanding its mandate and budget, are ongoing but face resistance from entrenched interests. The Kosovo Police has improved its investigative capacities, particularly in cybercrime and financial crime. In collaboration with INTERPOL and EULEX, the KP dismantled several trafficking networks in 2024. One notable operation in April led to the arrest of 15 individuals linked to a human trafficking ring exploiting women for sexual purposes. Specialized units, such as the Financial Intelligence Unit, have also shown progress. A new war crimes strategy is pending adoption. Although the number of prosecutors assigned to the SPO's war crimes department was increased, the department continues to struggle with a significant backlog of cases. War crimes processing is further hindered by a lack of mutual legal assistance between Kosovo and Serbia.

The overall feeling of safety is challenging to assess due to ethnic divisions but was rated as poor in 2024. Public trust in institutions, particularly the judiciary and political leadership, remains low. According to a Balkan Barometer survey, only 25% of Kosovars expressed trust in the judiciary, while trust in the police stood higher at 52%. Among the Albanian community, the Kosovo Police enjoys relatively high confidence, attributed to its visible presence and community policing efforts. Despite institutional challenges, Kosovars generally report a moderate sense of personal safety. Urban centres are perceived as relatively safe, although concerns about property crimes and interethnic tensions persist in specific regions. In contrast, the Serbian community expresses low confidence in Kosovo's institutions and a heightened sense of insecurity. Security conditions in northern Kosovo remained disrupted in 2024 by continued violent incidents.

POLITICAL PLURALISM

State/Territory	Political Pluralism (bad/problematic/fairly good/good)
Serbia	Problematic
Croatia	Good
Bosnia and Herzegovina	Problematic
Albania	Fairly Good
Montenegro	Problematic
North Macedonia	Fairly Good
Kosovo	Fairly Good

Political pluralism in the region has improved slightly compared to the previous year. However, polarisation is high in three out of seven countries. Political discourse is harsh throughout the region, the only exception being Croatia. Serbia and Bosnia and Herzegovina remain countries with a problematic level of pluralism, experiencing a further deterioration in stability, free elections, and freedoms. Although Montenegro has free elections and an adequate level of civil liberties, its alarmingly high polarisation makes it a case of problematic political pluralism as well. Albania and Kosovo remain stable and slightly improving across the indicators. Most countries have civil liberties at a medium-high level, with Croatia still being at a high level. The freedoms to assemble and associate are generally respected, however the freedom of expression has been under pressure. Political interference in the media sphere is present in the region, with outlets being politically biased. Journalists still face insecurity, and media outlets generally face financial insecurity or receive untransparent subsidies from the government. Serbia, Bosnia and Herzegovina, and Montenegro face this more than the other countries, with Croatia being the only one in the region with a completely free media space. Overall, the level of protection for civil liberties declined in the region compared to last year, and the level of political polarisation present in the media has increased.

Most countries in the region have free elections. However, they are not always fair. The ruling party in Serbia has an unfair advantage over the opposition, and misuses state resources to repress political opponents. In Bosnia and Herzegovina, the elections suffer from ethnic fragmentation and domination of a few parties. In both countries, there is high political instability, with elections being conducted in an untransparent manner and with many irregularities. Biased and selective media coverage, a mistrust of public institutions, and increased polarisation, all contributed to the elections in these two countries being questioned by large segments of the populations. In Montenegro and North Macedonia, there has been a continuation of the consolidation of democracy and free elections, with minor flaws in the electoral system coming from years of authoritarianism and clientelism. In Albania and Kosovo electoral democracy is consolidating as well, with Kosovo having the

problem of the Serb minority in the north boycotting democratic institutions, which is also the main cause of polarisation in it.

The situation declined as far as polarisation is concerned, with all states having an increased political and media polarisation. The situation in North Macedonia has improved from last year, although the rhetoric is still harsh between the government and the opposition. Montenegro's polarisation worsened, whereas free and fair elections failed to remove the identity-based divide in the country. In Serbia polarisation is at a very high level, creating post-electoral instability and leading to regular protests. It has seen violence in the National Assembly as well as in the streets. Albania also has high media polarisation but, overall, has a medium level of polarisation in general. Croatia is the only country with low polarisation and consistently good protection of human rights, as well as free and fair elections and media.

SERBIA

Political Pluralism in Serbia has declined over the past year, with democratic backsliding and a narrowing of political freedoms (**problematic**). It underwent public unrest and protest, followed by government repression and intolerant rhetoric. There has been a decline in free expression, and a narrowing of the media space through political interference. Elections had numerous irregularities, and the ruling party had an unfair advantage over the opposition, especially in access to the media. Polarisation has increased, with the media becoming increasingly biased, political institutions being home to hate speech and verbal conflict, and civil society being repressed.

The Serbian media scene is caught between political pressure and propaganda, with the market being fragmented and the most influential outlets being controlled by the government. Kremlin propaganda is openly broadcast, and there are problems with free expression and self-censorship. Most media outlets receive revenue from advertising and untransparent government subsidies, which are controlled by the ruling elite. Media freedom is limited, as pro-government channels have institutional advantages and pro-opposition channels, while independent channels are repressed and marginalised. The president has unparalleled public exposure, and the ruling party has effective control of both state-owned enterprises and an array of private outlets that are dependent on government funding. The state of media pluralism is declining due to government pressure and its increased ownership of media. The rights to assembly and association are not considerably infringed upon, although protesters sometimes face government violence and intolerant rhetoric.

The political system has been described as a hybrid regime, and as an electoral autocracy, and it is in a state of democratic decline and backsliding. Electoral conditions are not improving and are still hampered by institutional problems. The opposition contests the regularity of the results as campaigns are characterised by media bias and misuse of public resources. Elections are free but are not fair or truly competitive, as the ruling party has unfair advantages. There are credible reports of

electoral irregularities, which led to mass protests after the elections. These problems cause the democracy to become weaker, and political stability to decline. The electoral irregularities were criticised internationally, as the government is becoming increasingly authoritarian, leading to a medium risk of electoral violence. The parliament is constrained by a lack of effectiveness and transparency and is regularly marked by incidents and conflict.

Political polarisation remains has deepened. Debates in Parliament were marked by strong tension between the ruling coalition and the opposition, which led to the opposition protesting in the streets. The space for CSOs is obstructed, and the judicial system is not independent. Hate speech and dangerous rhetoric are constant, leading to widespread dissatisfaction and media polarisation. The government tries to limit civic participation, and the tolerated glorification of convicted war criminals remains a polarising issue. There is a lack of public consensus, and an increase of harsh and intolerant language in political debates and in the media. A lack of confidence in the electoral process and the institutions is regularly expressed, leading to increased tensions.

ROATIA

Croatia has remained a positive example of a stable democratic country in the region, being the only one with a **good** level of political pluralism, with free and fair elections, and a high level of civil liberties. Croatia is a free country, where citizens are free to express themselves politically and to participate in elections, which are internationally praised, and which has a peaceful and stable post-election environment. As elsewhere in the region, it has problems with polarisation, however it is at a lower level, and as it has high respect for human rights, the mild polarisation does not undermine its democracy.

The media sector is diverse and open, with limited state interference in the market. Political pressures on the media exist but are small, and the media are generally free. Political rights and freedoms are respected, especially the freedom of expression. The government gives support for pluralism of the media and promotes inclusion. Citizens freely organise and participate in political activities, and the country ranks high in all aspects of democracy and political rights. Doubts over media freedom and objectivity are rare, and journalists rarely suffer threats. Civil society has an active role and exists in an enabling environment and influences government decisions. Overall, the overall legal and organisational environment of the media space in Croatia is positive and improving.

Croatia is a consolidated democracy, with democratic governance and a free and fair electoral process, with elections being conducted in a calm and legal environment. The elections are regular and praised by the international community, with the citizens able to freely express their political choices without undue external influence or pressure. The electoral process is well managed, peaceful and transparent, and electoral integrity is high. The situation after elections is stable, and results are not challenged, leading to a functioning democracy with a legitimate government, free political parties, and high civic engagement. Croatia has good democratic representation, scores highly on electoral participation, and its system is widely regarded as credible and transparent. Rule

of law is stable, and politicians are accountable to the citizens. Elections are competitive and the media follow the campaigns impartially.

Croatia has a tense political competition, but it has generally remained political and not identity based. Civil rights are respected, and people are free to engage in sensitive or political discussions without fearing retribution. The media are polarised, but not on discriminatory grounds, while political and human rights are highly respected. The political culture in Croatia is the best in the region but has flaws. Civil society is free and human and minority rights are protected.

There is an equal treatment of citizens and absence of discrimination, with high civic participation and inclusion in the public sphere. There are some concerns over intolerant and polarising rhetoric. Elites are moderately factionalised, and group grievance is low. Due to a high level of political and social integration, and the respect for human rights, polarisation is lower in Croatia than in the region.

BOSNIA AND HERZEGOVINA

The state of political pluralism in Bosnia and Herzegovina continues to be **problematic**, and the situation is deteriorating. Freedom of speech is limited, and media outlets are widely pressured by the dominant political parties, which monopolise political power in their ethnic communities. Elections are flawed and inherently discriminatory, creating wide displeasure with the functioning of the political system. Identity-based polarisation is high and permeates every level of the political structure, with incendiary rhetoric from the political sphere extending to the media sphere.

Press freedom varies across the country, being worst in the Serb entity, where the public media broadcaster RTRS is under state control, and which has recriminalized defamation, encouraging more self-censorship. Journalism is threatened and obstructed at the national level by political and economic pressures, and the country has a very fragmented media landscape without true pluralism of information and opinion. Political actors have influence on editorial policies, and outlets are often biased or tied to political parties, suffering also from malign foreign influence. The Serb entity has the most severe limitations on the freedoms of expression and peaceful assembly, with journalists being intimidated. Political freedoms are obstructed and restricted, especially free expression.

Bosnia and Herzegovina is a hybrid regime, with weak democracy, inadequate democratic governance, and a questionable electoral process. The consociational model in has not produced liberal democracy, rather a process of autocratisation is taking place in the three parallel societies. Institutions are weak, while theocratic influences are strong. Elections are not fully free or transparent, with obstruction at the federal level and a low level of accountability. Federal institutions are largely dysfunctional, owing to obstructionist activities by Serb secessionist parties. The election process is subject to significant interference by political parties, which have vast patronage networks. The country remains politically unstable, and its fundamental reforms are stalling, leading to constant

political crises and a decline of institutional and electoral credibility. Democratic participation is low and hampered by a lack of transparency, and the citizens do not trust the electoral processes or system.

Media in Bosnia and Herzegovina suffer from divisions along ethnic lines and competition from media outlets of neighbouring countries that belong to the same language area. With its past marked by war, Bosnian society suffers from many divisions, while questions of ethnic and religious identity overshadow issues of individual freedoms. The rule of three autocratic, ethno-nationalist leaders has led to a communitarian model of democracy through populist mobilization. These processes have effectively established three parallel societies in one state, with deep divisions and mistrust, with voting and elections having clear ethno-religious divides. Political affairs are characterized by gridlock between nationalist leaders, with increased segmentation along ethnic lines and divergent views on the future of the country. There is a low level of tolerance in the political culture, and a high amount of divisive rhetoric and hate speech. The political and media spheres are highly polarised and include disinformation and intolerance. Fundamental human rights are threatened in Bosnia, especially in the Serb entity, which heavily represses civil society.

A **LBANIA**

Albania continues to have **fairly good** political pluralism. Its civil liberties are at a medium high level, however, there has been some restriction to the freedom of speech and media independence. Elections are free and conducted in a calm and competent manner, although they include media polarisation and intolerance between the main parties. Political polarisation is at a medium level, however, there has been an increase of tensions, and political culture is at a low level. This is due to the democratic system being flawed and non-consolidated.

Albania has a moderate level of freedom of expression, and limited progress has been made, although systemic problems remain. Media freedom is generally good, but media outlets have concentrated ownership and suffer political pressure, and media pluralism remains at a risk. The most influential Albanian private-sector media are owned by a handful of companies that have links to the political world, and state funding of media is not transparent. Other civil liberties are generally respected. Media independence is limited by the intermingling of political and business interests, leading to bias and favouritism. Media literacy is an ongoing problem, and there is a lack of journalistic professionalism, however access to information is good.

Albania's electoral process is reliable and adequate, and its elections are competitive. Its flawed democracy has numerous challenges and a lower level of liberalism. Many of its political leaders remain hostile to liberal democratic values and rule of law and most parties are clientelistic and dominated by strong leaders. Albania is not a fully free country, and its elections, while competently done, include irregularities and a biased media scene. The participation of the citizens and the democratic competition are high, although elections include some political pressure on citizens and a misuse of state resources. Albania is politically stable, including after elections, which

are not disputed. Even with the ruling party having an unfair advantage, and there is post-electoral stability. Albania's democracy is unconsolidated, but it has moderately good governance and political transformation, and the state is considered legitimate.

Albania has strong political polarization, including between political parties, which include personality-driven rivalry. This is exacerbated during election campaigns but remains within levels that do not undermine the democracy. The public discourse and the media focus more on political dynamics than on the social and economic problems facing the country, and divisions are highly politicised. The media landscape is polarised and focused on political enmity instead of issues of interest to the voters, and there is persistent inflammatory rhetoric in the public debate. Deep political polarisation has had a negative impact on the effectiveness of parliamentary work and other institutions. Albania is generally a peaceful country, and human and minority rights are respected. Corruption is present, organised crime is a constant issue, and officials often act with impunity. Polarisation however remains political and not based on religion or ethnicity. There is political fractionalisation between elites, but identity grievances are low, and different segments of society are integrated.

MONTENEGRO

Montenegro continues its democratic consolidation and reform, although its political pluralism is estimated as **problematic**. Its levels of polarisation, which were decreased by its free elections, are again rising as unsolved identity-based problems continue to undermine the democratic system. It has a medium high level of civil liberties, and limited freedoms, with the media sphere being highly polarised. The elections are free and legitimate, stabilising the country after decades of autocratic rule. Human and civil rights are respected, but the level of political culture is still inadequate, and identity-based polarisation remains.

Montenegro is home to dynamic media and civil society sectors. Civil liberties and political freedoms are generally respected, and citizens are free to engage in public discussions, and to associate and assemble freely. However, freedom of expression continues to be threatened by political interference, unpunished attacks on journalists and economic pressure. The media sphere is diverse and pluralistic, yet under political pressure. The government is going through large reforms, and media transparency is improving. Media plurality and social inclusion are at risk, and the respect for ethical and professional norms is not on a satisfactory level. Rules on media ownership transparency are not fully implemented.

Montenegro's democracy has been steadily improving and after competitive elections were restored, and it is now politically stable. Historical political instability still undermines the legitimacy of key institutions, preventing the full consolidation of democracy. Its elections are competitive, transparent, and credible, and there are significantly improved opportunities for the opposition to gain power. However, Serbia exerts a strong influence on the Serb community, undermining democratic consolidation and stability. The democracy is still flawed, however political participation

is increasing, and electoral fairness is improving, stabilising the political environment. Participation and voter turnout are high, and international observers consider the elections well-run. Political parties are free to act, and even though there is a protracted institutional crisis, voters are offered a wide choice, and there is a positive political transformation.

Montenegrin society has deep ethnic, religious and political divisions, in addition to the authoritarian political culture inherited from the past, with media outlets being accused of betraying the nation or the church. Some television networks owned by Serbia influence editorial policies to serve the interests of its government. This prevents the reaching of consensus on key issues of public interest. Montenegro's national identity and views of historical relations with neighbouring Serbia continued to be polarizing issues. Media coverage is partisan and combative on certain issues, and it includes divisive narratives and hate speech. Political actors are characterised by confrontational positions, tensions are high, and there is little effective political dialogue. The Serb community has strong religious interference in politics that contributes to social polarisation. Political instability is threatened by high group grievance, and fractionalisation within elites, and social tensions are increasing on topics of ethnic and religious identity. The media environment is polarised, and deep division mirrors the political polarisation, although civil society is free and civic engagement is high.

NORTH MACEDONIA

Political pluralism has slightly improved in North Macedonia, being scored as **fairly good** in the index, however the government and opposition are still strongly divided on fundamental issues. The country enjoys a stable and medium high level of civil liberties, its elections are free, and polarisation is not high. Its democracy has continued to develop, and inter-ethnic problems are adequately addressed through a stable political compromise. Recent competitive and transparent elections increased the trust of the citizens in the political system and helped decreased polarisation.

Press freedom has improved, and journalists work in a safe environment, however government officials tend to have demeaning attitudes towards them. Independent media rely heavily on donors, state funding is limited and non-transparent, and the most watched stations are the least objective. The media sphere is free and independent, but fragmented and strongly influenced by politics and business. Political rights and civil liberties are generally secure, and free expression is protected. There is a history of clientelist behaviour in politics and media like elsewhere in the region, however the environment is favourable to allow for critical media reporting. The media sphere is diverse and competitive, although there is media polarisation, especially during election campaigns. Media outlets generally follow a political option or cater to an ethnic group; however, the system is pluralistic enough to prevent overt media polarisation.

Macedonia is a developing electoral democracy, but it is still somewhat unstable and unconsolidated. Its most recent elections were free and fair, as well as calm and competitive. Elections are inclusive, and voters are free to make political decisions and to hold politicians to

account, even though corruption is present. Political participation and democratic integrity are improving, and the post-election political situation is stable and well regulated. Parliamentary work is at times blocked due to a lack of dialogue and compromise; however, voters are able to hold politicians to account. The political transformation over recent years has been positive, and the political system is seen as legitimate, even though there are still some flaws due to the undemocratic past. The democracy is not vulnerable, and the electoral process is seen as credible, contributing to the inclusion of wide segments of society.

Like elsewhere in the region, there is an increased level of political polarisation in North Macedonia, and this is especially evident in the media where the largest parties have created parallel media systems. The largest polarisation is seen between the government and the opposition, and there is election-related polarisation in the media, which are divided along political and ethnic lines. Political participation is high across all segments of the population, civil society operates in an enabling atmosphere, and minorities are comparatively well integrated into the political system. Political elites are more polarised than the general population, and political culture is at a low level, undermining the political system. Identity-based tensions exist but are not centre stage in the media or political discourse, and they do not undermine democratic functioning.

KOSOVO

Kosovo's political pluralism level remains **fairly good**, and the democratic system in the country is developing positively. Notwithstanding the boycotts of the institutions by the Serb majority in the north, the rest of the country is functioning reasonably well, and institutions are stable. Civil liberties are at a medium high level, and it is a strategic objective of the government to emulate western models. Elections are free and regular, and polarisation is at a medium level, with the notable exception being polarisation between the Serb majority in the north and the rest of the country.

Kosovo has a diverse media market; however, journalists are pressured by politicians, newsrooms are subject to political and business interference, and media outlets are threatened by politicised regulation. Media freedom is increasingly challenged as outlets continue to move away from government-critical coverage. Overall, the media framework in Kosovo is in line with European standards, but implementation and monitoring remain a challenge. Freedom of expression is at a decent level, however the media space is small and vulnerable to political and business interests. The right of association and assembly are respected, although all freedoms are lacking when it comes to the non-cooperative Serb minority in the north. The rest of the country has an enabling environment for citizens and the media are not repressed.

Kosovo is a flawed but stable electoral democracy, and its democratic practice is improving. Its democratisation has been continuous over several years, albeit slowly. There is an improvement to the liberal character of the institutions, and there is enthusiasm for participation. The elections are credible, peaceful and relatively well-administered, although corruption remains a problem. It is not

a fully free country; however political parties can operate freely for the most part. The Serb community in the north boycotts the central government, has no democracy, and is under direct pressure by Serbia. The political system in Kosovo is functioning decently well, and it is stable and improving, however it suffers from deep disagreements between major parties. The atmosphere is generally peaceful, and democracy is consolidating, however there is still a certain mistrust in electoral integrity and government transparency. The democratic and political system is positively transforming.

Kosovo's media space development is limited by ethnic divisions with the Serb minority. Interethnic polarisation and incendiary language are widely present in the political and media sphere. Apart from that, human rights are respected, and the civic sector remains active and generally free, as the government has increased its capacity and willingness to improve the situation. Progress has been made on inclusion and the political empowerment of various socio-economic groups, however the ethnic tensions in the north undermine this progress and bring polarisation into every sphere. The dialogue with Serbia creates an element of inter-ethnic instability, and outside of that polarisation between the majority population is low.

SOCIO-ECONOMIC DEVELOPMENT

State/Territory	Socio-Economic Development (low/medium/high)
Serbia	Medium
Croatia	High
Bosnia and Herzegovina	Low
Albania	Medium
Montenegro	Medium
North Macedonia	Medium
Kosovo	Low

The structural problems of almost all the economies of the region are the low level of economic development, deindustrialization, inflexible labour markets, a dysfunctional social protection system, a significant share of the informal economy in GDP, and significant rates of corruption. Particularly remarkable has been the (rarely present) high unemployment rate of 25 per cent or more (which shows a decreasing trend), which was recorded in several regional entities (Bosnia and Herzegovina, Kosovo, North Macedonia, Serbia). An additional problem is the unemployment of young people and women.

The level of socio-economic development of the region is rated as medium. This represents the expected result considering the average values of socio-economic development for four regional actors (Albania, Montenegro, North Macedonia, and Serbia), two poor results (Bosnia and Herzegovina and Kosovo), and only one high outcome (Croatia).

The economic outlook of regional economies is mostly rated as intermediate, with one bad result (Kosovo) and only one good (Croatia). Nevertheless, the overall results should also be interpreted through the different contexts in which individual actors exist and operate, from Croatia, which has achieved a high degree of international economic integration (as a member of the European Union and the Eurozone), to actors that are not sufficiently integrated into regional and global financial markets (such as Bosnia and Herzegovina and Kosovo). When predicting prospects, one should also consider the exposure of regional actors to external events such as the deterioration of global financial conditions leading to increased financing costs, a decrease in foreign demand, the war in Ukraine, and the energy crisis.

The inequality-adjusted Human Development Index of economies in the region can be understood as high, globally. However, it should be kept in mind that regional actors (except Croatia) have an IHDI that is among the lowest in Europe.

As for Economic Equity, none of the actors from the region meet the conditions for winning a high value of this sub-indicator. This data is not surprising when considering the significant unemployment rates and poverty levels in them. However, we should not ignore the fact that during 2022 and 2023, unemployment in the observed entities declined to a

historic minimum, according to World Bank data, which led to significant labour shortages in certain sectors.

According to the used sources, corruption in the region is widespread. Except for Croatia and Montenegro, the level of corruption in the region ranges from medium to high and represents an important issue that has an impact on various aspects of people's daily lives. Based on the Corruption Perception Index for 2023, Bosnia and Herzegovina and Serbia have the lowest scores in the region.

Bearing in mind the thesis that economic development and peace are often mutually reinforcing, improving the level of socio-economic development in the observed entities strengthens the resistance of societies to internal and external crises, increases the density of social cohesion among citizens, and positively affects their attitudes about the standard of living and happiness, which certainly improves the conditions for the establishment of positive peace in the region.

S **ERBIA**
Serbia's socio-economic development is rated as **medium**. This rating was determined by the average values of almost all used indicators and sub-indicators (economic outlook, equity (economic equity and social equity)), with a high indicator value related to the level of corruption.

Bearing in mind the sensitivity of the economic system in Serbia to external shocks, the intermediate value of the economic outlook represents a good score. As for social equity observed through the IHDI, a medium result was recorded. The sub-indicator related to economic equity also gave a medium result due to the medium level of unemployment (observed concerning entities in the region) and the average level of wealth inequality. However, in Serbia, a significant number of poor people has been recorded (concerning the national poverty line), which negatively affects the general assessment in this domain. A special problem is the level of corruption noted in various reports and relevant indexes. Thus, e.g. according to the level of perception of corruption, Serbia is in the second half of the list out of 180 countries and territories. Another problem is Serbia's negative or stagnating trend on this scale, which fundamentally affected the value of this indicator. Also, Serbia's poor result in this field is visible in the Control of Corruption indicator created by the World Bank and in the indicator based on low levels of corruption in the Positive Peace Report.

C **ROATIA**
The level of socio-economic development in Croatia is estimated as **good**. This rating was determined by the above-average values of almost all used indicators and sub-indicators (economic outlook, equity (economic equity and social equity)), with a low value of indicator related to the level of corruption.

A good value of the economic outlook represents a positive value, bearing in mind the relatively high GDP per capita, the good value of the trade balance, and next to the second worst value of the debt/GDP ratio compared to other entities in the region. However, since Croatia is a member of the EU, has joined the Eurozone, and is also a beneficiary of significant grants from EU structural and investment funds, especially from the Next Generation instrument, it is in a more favourable economic position compared to other economies in the region. A high value of the IHDI meant a high value of the Social Equity sub-indicator, while the average values of poverty (below the national poverty line) and wealth inequality led to a medium value of the Economic Equity sub-indicator, although the unemployment rate, compared to other entities, is low. The level of corruption was assessed as low due to Croatia's good results in the CPI, Global risk index, V-dem, and the Control of Corruption indicator created by the World Bank.

B OSNIA AND HERZEGOVINA

The level of socio-economic development in Bosnia and Herzegovina is rated as **low**. This rating was determined by the medium and low values of almost all used indicators and sub-indicators (economic outlook, equity (economic equity and social equity)), with a medium value of indicator related to the level of corruption.

The intermediate value of the economic outlook represents an understandable value considering (in relative terms) the average value of GDP per capita, the average value of the trade balance, and the second-best value of the debt/GDP ratio of other entities in the region. However, it should be borne in mind that the country's low external debt indicates insufficient integration into global financial flows. In relative terms, a low value of IHDI meant a low value of the Social Equity sub-indicator, while the medium values of poverty rate (below the national poverty line) and unemployment rate led to a low value of the Economic Equity sub-indicator, despite the average value of wealth inequality. Because of this, the medium value of the Equity indicator has been reached. The level of corruption was assessed as high due to Bosnia and Herzegovina's poor score in the Corruption Perceptions Index, Global Risk Index, V-dem, and the Control of Corruption indicator created by the World Bank.

A LBANIA

The level of socio-economic development in Albania is rated as **medium**. This rating was determined by average values of almost all used indicators and sub-indicators (economic outlook, equity (economic equity and social equity)), and level of corruption.

The intermediate value of the economic outlook represents an acceptable value, bearing in mind the relatively low GDP per capita, the average value of the trade balance, and the third worst debt/GDP ratio compared to other entities in the region. The average value of IHDI meant the medium value of the Social Equity sub-indicator. In contrast, the high value of unemployment and the average value of wealth inequality led to the medium value of the Economic Equity sub-indicator.

However, the poverty rate (below the national poverty line) has been very high. The level of corruption was assessed as medium due to Albania's improved results in the Global Risk Index, Index of Public Integrity, TRACE Bribery Risk Matrix, and the Control of Corruption indicator created by the World Bank.

MONTENEGRO

The level of socio-economic development in Montenegro is rated as **medium**. This rating was determined by the combination of average and low values of used indicators and sub-indicators (economic outlook and the level of corruption), with a low value of indicator related to equity.

The intermediate value of the economic outlook represents a positive score, considering in relative terms the second highest GDP per capita in the region, the second worst value of the trade balance, and the worst value of debt/GDP ratio compared to other entities in the region. A special problem is the significant value of Montenegro's external debt, which has a decreasing value, which contributed substantially to the adopted value of this indicator. Nevertheless, it should be mentioned that Montenegro is exposed to additional challenges of political instability due to significant political polarization in the country, as well as possible fiscal risks. A high value of the IHDI meant a high value of the Social Equity sub-indicator, while a medium value of poverty rate (below the national poverty line) and high unemployment rate led to a medium value of the Economic Equity sub-indicator. The level of corruption was assessed as low due to Croatia's good results in the Corruption Perception Index, Global Risk Index, V-dem, and the Control of Corruption indicator created by the World Bank. During the last three years, the results of the newly appointed prosecutorial and judicial actors in the field of investigating cases of high-level corruption have been noticeable, but it remains to be seen what their judicial epilogue will be.

NORTH MACEDONIA

Solving the structural problems of the North Macedonian economy implies building new and improving existing institutional capacities in the field of creating and implementing adequate economic policies. Key economic problems in the country are the low level of economic development, significant structural unemployment (especially among women and young people), low productivity, informal economy, etc. The rise in energy and food prices due to the Ukrainian crisis further complicates the position of the most vulnerable groups of the population, while growth prospects remain modest.

The level of socio-economic development in North Macedonia is estimated as **medium**. This rating was determined by the average and low values of almost all used indicators and sub-indicators (economic outlook, equity (economic equity and social equity)), with a medium value of indicator related to the level of corruption.

The intermediate value of the economic outlook represents a positive score, the third worst GDP per capita in the region, the average value of the trade balance, and the third best value of debt/GDP ratio compared to other economies in the region. In relative terms, a low value of the IHDI meant a low value of the Social Equity sub-indicator, while high values of poverty (below the national poverty line) and unemployment rates led to a low value of the Economic Equity sub-indicator, despite the average value of wealth inequality. Because of this, the low value of the Equity indicator has been reached. The level of corruption is rated as medium due to North Macedonia's average score in the Corruption Perceptions Index, Global Risk Index, V-dem, and the Control of Corruption indicator created by the World Bank.

KOSOVO

The structural problems of Kosovo's economy have been low economic development, high unemployment (especially among young people), low productivity, poor infrastructure, a large share of the informal economy, significant poverty, etc. However, the Ukrainian crisis produced additional negative consequences, with imported inflation becoming a significant problem due to the reduction in the purchasing power of the domestic population and the distortion of the competitiveness of domestic enterprises due to the rise in food and energy prices. Kosovo's high dependence on international trade points to its sensitivity to external shocks.

The level of socio-economic development in Kosovo is assessed as **low**. This rating was determined by the low and medium values of almost all used indicators and sub-indicators (economic outlook, equity (economic equity and social equity)), with a medium value of indicator related to the level of corruption.

The bad value of the economic outlook represents the expected result, considering the worst value of GDP per capita in the region, the worst value of the trade balance, and the best value of the debt/GDP ratio concerning other economies in the region. However, it should be remembered that the country's low external debt also indicates insufficient integration of the entity into global financial markets. There is no data for the value of IHDI, but considering the relatively low value of HDI, it can be concluded that it is certainly not high, so it does not decisively affect the overall value of the indicator. The high value of the poverty rate (below the national poverty line) and the medium unemployment rate led to a medium value of the Economic Equity sub-indicator despite the average value of wealth inequality. Therefore, a medium value of the Equity indicator was reached. The level of corruption is assessed as low, considering the results of Kosovo in the indices for which there are data.

