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# Germany's Foreign Policy towards Kosovo

- A policy perspective



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## Germany's Foreign Policy towards Kosovo. A Policy Perspective

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# THE GERMANY'S FOREIGN POLICY TOWARDS KOSOVO. A POLICY PERSPECTIVE

## I. BACKGROUND

Over the last decade and a half, Germany's role in Kosovo has transformed from one to "create peace" into a state-building role intended to ensure democratization and development. In addition to the United States, Germany's efforts in Kosovo have been crucial for bringing a timely end to the crisis in Kosovo, for Kosovo's pre-independence capacity building, and for Kosovo's post-independence state-building. Germany's bilateral relations with Kosovo remain strong in regards to Germany's contribution to security and rule of law structures in Kosovo, aid and development cooperation, political support vis-à-vis status recognition and relations with Serbia and the EU, and role within international organizations, particularly KFOR, EULEX, and the EU, which aim to bring security, rule of law and development to Kosovo and ready Kosovo for European integration. Germany's role in Kosovo, in addition to shaping its strategic importance within NATO and the EU, has spotlighted Germany as a leading figure in Kosovo and in the western Balkans.

## II. GERMANY AND THE KOSOVO WAR

Germany's involvement in the Kosovo War marked a turning point for Germany's foreign policy and role in international affairs and geopolitics, both security-related and humanitarian. By the 1990s, Germany's international humanitarian strategy had only consisted of development and post-conflict related humanitarian projects that fell short of a German military presence. While Germany contributed peacekeepers in Bosnia in the mid-90s, the autumn 1998 decision to involve Germany military in the Kosovo operation "was the turning point in German foreign policy."<sup>1</sup> Under the pretense of an "exclusively humanitarian" goal,<sup>2</sup> the German Bundeswehr contributed fourteen Tornado fighters which engaged in around 500 missions, some for reconnaissance and some against Yugoslav anti-aircraft stations.<sup>3</sup> This decision was made at a time when the center-left "Social Democratic Party" (SPD) still distinguished between measures to preserve peace, which were considered good, and measures to create peace, which many rejected."<sup>4</sup> Ready to normalize Germany's military role in geopolitics<sup>5</sup> and 'create peace' in Kosovo, the coalition government of the SPD and Greens pushed through a positive vote for German intervention in Kosovo in what Schroeder considered to be "really a social

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<sup>1</sup> Hoffman, Christiane; Neukirch, Ralf; Repinski, Gordon; Rohr, Mathieu von. (25 March 2013). "The tentative German" (*English translation*). Retrieved from <http://www.spiegel.de/spiegel/print/d-91675468.html>

<sup>2</sup> Gerhard Schroeder qtd in Spiegel Online International. (25 October 2006). "Schroeder on Kosovo: "The Goal Was Exclusively Humanitarian." Retrieved from <http://www.spiegel.de/international/schroeder-on-kosovo-the-goal-was-exclusively-humanitarian-a-444727.html>

<sup>3</sup> Werkhauser, Nina. (24 March 2004). "Kosovo: A Watershed for German Foreign Policy." Retrieved from <http://www.dw.de/kosovo-a-watershed-for-german-foreign-policy/a-1150294>

<sup>4</sup> Gerhard Schroeder qtd in Spiegel Online International. (1 April 2013). "Gerhard Schroeder: 'Germany Can Only Lead Europe the Way Porcupines Mate'. Retrieved from <http://www.spiegel.de/international/germany/interview-former-german-chancellor-gerhard-schroeder-on-foreign-policy-a-891839.html>

<sup>5</sup> KFOR official. (May 2013). Personal Communication.

breakthrough,” represented by both the Red-Green active collaboration and by the approval for German military intervention.

In addition to the military role that Germany played as part of NATO to end the atrocities in Kosovo, Germany played a valuable diplomatic role that arguably opened the door for the success of the NATO bombing campaign. Russia cast the “impression that it stood on the side of Belgrade out of a kind of pan-Slavic sentiment – an alliance that the Serbian President Milosevic could use as a trump card. It was to the great credit of the German foreign ministry that it finally persuaded a hesitant Russia that it was in its own interest to withdraw its support for Belgrade.”<sup>6</sup> However the Russians “obstructed legitimization of the Kosovo mission by the UN Security Council” which is why “the mission was not unproblematic from a legal standpoint.”<sup>7</sup> The absence of UN approval was unfortunate given that the bombing campaign during the Kosovo War was Germany’s first major military offensive since the mid-century; however, Russia’s obstruction of Security Council approval did not hinder the success of the NATO bombing campaign, and Germany’s military presence alongside the NATO alliance set Germany on its desired path of normalizing German military and security policy and Germany’s role in geopolitics.

## - The Kosovo Diaspora and Refugees

It is estimated that nearly one million people of Kosovar descent live abroad, around a third of all Kosovars. Emigration from Kosovo took place in three major phases, with many heading to Germany. Between the 1960s and 1980s, many Kosovars travelled to Germany and Switzerland as seasonal workers also known as “Gastarbeiter,” who were not just seasonal workers, but who also eventually received permanent residenceship in Germany. Families and society began to expect remittances which sustained a pattern of outsourcing workers and created a unique socialization between diaspora migrants and the home country population. In the 1990s, Kosovars emigrated again due to the dissolution of the former Yugoslavia. Another major wave of Kosovars emigrated during the war period in the late 1990s. During the war period, the Kosovo diaspora to Germany grew significantly. During the time that the German military was pursuing a bombing campaign with NATO in Kosovo and Serbia, many Kosovars were seeking asylum in Germany. Germany provided refuge for hundreds of thousands of refugees from Kosovo in 1998 and 1999.<sup>8</sup> Germany now hosts the largest Kosovo diaspora estimated at between 200,000 to 300,000 Kosovars living in Germany. However, there are no clear figures to date since some of the migrants, in particular the ones from the first wave of migration – are categorized as Yugoslavs, while some of them have become German nationals.

The Kosovo diaspora has played a prominent role in its home country, primarily via remittances. Kosovo’s economy is heavily reliant on the international community, with remittances accounting for around 14 percent of Kosovo GDP (and donor-funded activities

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<sup>6</sup> Gerhard Schroder qtd in Spiegel Online International. (25 October 2006). “Schroder on Kosovo: “The Goal Was Exclusively Humanitarian.” Retrieved from <http://www.spiegel.de/international/schroeder-on-kosovo-the-goal-was-exclusively-humanitarian-a-444727.html>

<sup>7</sup> Gerhard Schroder qtd in Spiegel Online International. (1 April 2013). “Gerhard Schroder: ‘Germany Can Only Lead Europe the Way Porcupines Mate’.” Retrieved from <http://www.spiegel.de/international/germany/interview-former-german-chancellor-gerhard-schroeder-on-foreign-policy-a-891839.html>

<sup>8</sup> German Federal Foreign Office Website. (updated April 2013). “Kosovo.” Retrieved from [http://www.auswaertiges-amt.de/EN/Aussenpolitik/Laender/Laenderinfos/01-Nodes/Kosovo\\_node.html](http://www.auswaertiges-amt.de/EN/Aussenpolitik/Laender/Laenderinfos/01-Nodes/Kosovo_node.html)

accounting for around 10 percent of Kosovo's GDP).<sup>9</sup>Of these remittances, over three-fifths come from Euro countries while the Kosovo Diaspora from Germany accounts for about 34 percent of remittances (as of September 2011).<sup>10,11</sup> As Kosovo's citizens are the poorest in Europe and experience roughly 45 percent unemployment,<sup>12</sup> remittances from the diaspora – primarily from Germany, Switzerland and Nordic countries – have had a stabilizing effect for many families and communities in Kosovo and, in part, on Kosovo's economy.

However, the effect of the Kosovo diaspora on its home country has not been all positive. Over time, the remittances that were thought to stabilize Kosovo's economy appear to have propped up the economy in lieu of lacking reforms and economic infrastructure. Remittances prevented social unrest and began to serve as a pacifying factor for communities suffering from underemployment and poverty, while the need for systematic reforms were less visible due to the superficial stabilizing effects of remittances. Remittances became a crutch for politicians and policy makers hesitant to enact substantive reforms. In this way, the political elite instrumentalized the diaspora as beneficiaries but did not make use of it in a productive sense.<sup>13</sup> Ultimately, a constant and significant flow of remittances over decades engendered long-term reliance and created superficial stability that allowed Kosovo to carry on without necessary reforms, infrastructure, or the means for self-sufficiency. Needless to say that remittances were used mainly for private consumption and less for investments. Private consumption in terms of reconstruction of destroyed houses was as a necessity during the first years after the war.

The role of the Kosovo diaspora has been largely limited to remittances. Some of the long-term reliance on remittances can be curbed by encouraging the diaspora to consider different forms of investment. While remittances – as a type of personal or familiar investment that can stabilize a family or community – breed superficial stability, and do not necessitate reforms, infrastructure, and self-sufficiency, foreign direct investment has a more comprehensive stabilizing effect in its ability to generate jobs, a livable income for a number of families and communities, and, in turn, a growing and sustainable domestic economy. FDI, however, necessitates infrastructure, reforms, and increasing self-sufficiency; therefore, any campaign to shift diaspora investment from remittances to direct investment must be coupled with increased domestic reforms and focus on infrastructure and training.

Diaspora communities in Germany should serve as a bridge for German investments in Kosovo. The Kosovo diaspora in Germany (as the largest Kosovo diaspora) is “a vital target group for Kosovo's trade and investment promotion.”<sup>14</sup> However, Germany and Kosovo have struggled to shift patterns of direct personal investment towards investment that could support entrepreneurship or economic development in Kosovo as a whole. Kosovo and the Kosovo diaspora itself need to promote a diaspora that looks beyond remittances, towards public diplomacy, trade and investment.

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<sup>9</sup>CIA World Factbook: Kosovo. Accessed at <https://www.cia.gov/library/publications/the-world-factbook/geos/kv.html>

<sup>10</sup>Embassy of Switzerland in Kosovo. *Economic report Kosovo 2013*. Retrieved from [http://www.switzerland-ge.com/en/filefield-private/files/42915/field\\_blog\\_public\\_files/9804](http://www.switzerland-ge.com/en/filefield-private/files/42915/field_blog_public_files/9804)

<sup>11</sup> Bertelsmann Stiftung's Transformation Index (BTI) 2012. *Kosovo Country Report*. Retrieved from <http://www.bti-project.de/fileadmin/Inhalte/reports/2012/pdf/BTI%202012%20Kosovo.pdf>

<sup>12</sup>Ibid

<sup>13</sup>Ibid.

<sup>14</sup>Embassy of Switzerland in Kosovo. *Economic report Kosovo 2013*. Retrieved from [http://www.switzerland-ge.com/en/filefield-private/files/42915/field\\_blog\\_public\\_files/9804](http://www.switzerland-ge.com/en/filefield-private/files/42915/field_blog_public_files/9804)

## - Shaping Kosovo's Pre-Statehood Capacities

Germany played a crucial role in shaping Kosovo's pre-statehood capacities, supporting Kosovo with reconstruction, emergency relief, and development cooperation during and after the conflict. On behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), GIZ and KfW began working in Kosovo in 1999 to support the establishment of democratic structures in Kosovo and to reconstruct the infrastructure. Up to the year 2013 the Federal Government through BMZ has committed approximately 400 Million Euros for development co-operation with Kosovo. Germany is, thus, after the EU and the USA the third largest donor. Further funds were disbursed through projects financed by the German Federal Foreign Office and to a smaller extent, by other Federal Ministries. In addition to the bilateral development work and aid, Germany contributed troops to NATO's peacekeeping mission Kosovo Force (KFOR) and personnel to the United Nations Interim Administration Mission in Kosovo (UNMIK) which both entered Kosovo in June 1999, acting under a UN mandate and Security Council Resolution 1244. Germany also contributed personnel to the OSCE Mission in Kosovo, which was set up in July 1999. Throughout the early 2000s, Germany continued to provide support for Kosovo's peace, security, and development via aid and development cooperation, KFOR, UNMIK, and OSCE. However, the situation had shifted by mid-decade. By 2007, peace was tangible, development work had taken place, KFOR continued to ensure security, UNMIK had run its course, and the European Union (with Germany as one of the key leaders) was ready to throw its hat in the ring. The European Rule of Law Mission in Kosovo was approved by the European Council in December 2007, and a joint action was approved on 4 February 2008. Directly after Kosovo declared independence on 17 February 2008, the International Steering Group (originally composed of Germany, France, Italy, Russia, United Kingdom, United States, the EU, the European Commission, and NATO but ultimately composed of 20 EU member-states and five non-EU countries) appointed and oversaw the International Civilian Representative for Kosovo (ICR), who originally functioned simultaneously as the European Union Special Representative (EUSR), as the final authority regarding the interpretation of the Ahtisaari Plan that was accepted into the Kosovo Constitution on April 19<sup>th</sup>.

Germany's role in ensuring a swift end to the Kosovo crisis created positive perceptions of Germany in Kosovo. Germany's role in the Kosovo war, aid-giving, development cooperation, KFOR, UNMIK, OSCE, and EULEX labeled Germany as a strategic partner for Kosovo; Germany played a crucial role in shaping Kosovo's pre-statehood capacities. And Germany's early recognition of Kosovo's independence and strict stance on Kosovo's status and territorial integrity has made Germany one of Kosovo's closest political allies since 2008.

### III. BILATERAL RELATIONS

This section analyses Germany-Kosovo relations regarding trade and the economies of Germany and Kosovo, military and security action and policy, and political diplomacy surrounding recognition, territorial integrity and relations with Serbia.

## - Germany's Trade & Economic Policy towards Kosovo

Germany is Kosovo's second largest trading partner behind Macedonia.<sup>15</sup> In 2012, Germany was the third largest importing market for Kosovo, accounting for 10.5 percent of imports.<sup>16</sup> In the same year, Germany accounted for 5.9 percent of Kosovo's total exports. Between 2005 and 2012, the total amount of imports from Germany to Kosovo was 1,722,450,000 euro, and the total amount of exports to Germany was 95,601,000 euro.<sup>17</sup> The following table illustrates Kosovo's trade with Germany between 2005 and 2012.<sup>18</sup>

Year	Imports from Germany to Kosovo (in 000 euro)	Exports from Kosovo to Germany (in 000 euro)
2005	123,763	5,965
2006	122,652	3,952
2007	155,031	16,190
2008	196,627	7,205
2009	246,120	7,563
2010	280,617	15,587
2011	293,441	24,144
2012	304,195	14,995

The main exports and imports that account for trade between Kosovo and Germany are as follows<sup>19</sup>:

Main exports
<ul style="list-style-type: none"> <li>• Steam turbines and other vapour turbines</li> <li>• Textile yarn</li> <li>• Non-ferrous base metal waste and scrap</li> <li>• Ferrous waste and scrap</li> <li>• Articles of rubber, n.e.s.</li> <li>• Alcoholic beverages</li> <li>• Articles, n.e.s., of plastics</li> </ul>

Main imports
<ul style="list-style-type: none"> <li>• Motor vehicles</li> <li>• Civil engineering and contractors' plant and equipment</li> <li>• Tobacco, manufactured</li> <li>• Monofilament</li> <li>• Veneers, plywood, particle board</li> <li>• Milk and cream, milk products</li> <li>• Parts and accessories of the motor vehicles</li> <li>• Medicaments (including veterinary)</li> </ul>

<sup>15</sup> German Federal Foreign Office Website. (updated April 2013). "Kosovo." Retrieved from [http://www.auswaertiges-amt.de/EN/Aussenpolitik/Laender/Laenderinfos/01-Nodes/Kosovo\\_node.html](http://www.auswaertiges-amt.de/EN/Aussenpolitik/Laender/Laenderinfos/01-Nodes/Kosovo_node.html)

<sup>16</sup> The Republic of Kosovo Ministry of Trade and Industry. Webpage: Trade in Kosovo. Retrieved from <http://www.mti-ks.org/en-us/Trade-in-Kosovo>

<sup>17</sup> Investment Promotion Agency of Kosovo (Ministry of Trade and Industry). *Trade and Investment Report: Germany*.

<sup>18</sup> *Ibid.*

<sup>19</sup> Investment Promotion Agency of Kosovo (Ministry of Trade and Industry). *Trade and Investment Report: Germany*.

As Germany is a valuable trading partner for Kosovo, the two states have already concluded bilateral economic agreement. In the summer of 2011 both governments agreed, through an exchange of notes that some of the treaties from Yugoslav times remain effective to date. In April 2012 the Kosovar German Business Association (KDWW) was founded, although it is not yet a member of the official network of German Chambers of Commerce and Industry abroad. However, the ratio between imports from Germany and exports to Germany is imbalanced. With around 25 percent of Kosovo's labor force working in agriculture and dairy being a key agriculture product in the country,<sup>20</sup> Kosovo should focus on limiting the need to import products that could be self-generated. Kosovo should aim to lower the ratio of imports to exports with Germany, while maintaining Germany as one of Kosovo's key trading partners in the long term. Kosovo has had equally poor luck translating its growing economy into a market for foreign investment. FDI dropped between 2007 and 2012, from 440 million in 2007 to 230 million in 2012.<sup>21</sup> While Germany is one of the main foreign direct investors in Kosovo, German investment has also dropped in recent years. In 2010, German was the main source (25 percent) of FDI in Kosovo; in 2011, German FDI dropped to around 17 percent of total FDI.<sup>22</sup> German investors and potential investors have turned away from investment in Kosovo for two reasons – other states in the region are more attractive to investors and investors are feeling obstructed in Kosovo.

Other states in the region are competing with Kosovo for German investment. For instance, Germany has over fifteen hundred companies based in Serbia and turns towards continued investment there over Kosovo; Germany has only 384 companies registered in Kosovo. The breakdown of these companies by industry is illustrated in the table below.<sup>23</sup>

Industry	Number of Companies	People Employed
Construction	66	291
Education	4	6
Banking and Finance	16	1174
Hotels and Tourism	17	40
Health	10	78
Production	78	1617
Services activity	76	304
Telecommunications	13	85
Trade	96	231
Transport	8	15
<b>Totals</b>	<b>384</b>	<b>3841</b>

While Germany maintains 384 companies in Kosovo (primarily in trade, production, services and construction) and has been an important investor with 374.9 million euro of German direct

<sup>20</sup> U.S. Central Intelligence Agency. *The World Factbook*. Retrieved from <https://www.cia.gov/library/publications/the-world-factbook/geos/kv.html>

<sup>21</sup> Koha.net. (June 2013). "Kosovo among least attractive for foreign investment." Retrieved from <http://koha.net/?page=1,3,150063>

<sup>22</sup> Central Bank of the Republic of Kosovo. (June 2012). *Annual Report 2011*. <http://www.bqk-kos.org/repository/docs/2012/Annual%20Report-2011.pdf>

<sup>23</sup> Investment Promotion Agency of Kosovo (Ministry of Trade and Industry). *Trade and Investment Report: Germany*.

invested in Kosovo between 2007 and 2012,<sup>24</sup> German investment favors other states in the region and has leveled out in Kosovo due to German investors and potential investors feeling obstructed. Kosovo remains largely unattractive to investors for a number of reasons. In a survey conducted by the German Chambers of Central and Eastern Europe and presented by the Kosovar German Business Association, Kosovo ranks 18<sup>th</sup> among 20 countries for investment, only ranking better than Belarus and Albania.<sup>25</sup> The survey elicited a number of negative perceptions surrounding Kosovo's investment climate – particularly, the struggle against corruption, lack of transparency in public procurement, lack of legal security, poor economic policy, underdeveloped infrastructure, and the quality of vocational education.<sup>26</sup> According to the survey, German companies looking to invest require greater improvement to rule of law, a stricter fight against corruption, greater transparency in the judicial system and public procurement. The Chamber of Commerce also provided recommendations to the government, including improving the education system and vocational training centers, in accordance with economic needs.<sup>27</sup>

To attract foreign investors, the Government of Kosovo must pursue certain internal reforms increase the fight against corruption, improve transparency in public procurement, improve rule of law and legal security for companies, improve economic policy, continue to develop infrastructure, and improve the education system and vocational training. However, there are a number of additional steps that can be taken with Germany specifically that could support investment and trade ties between the two countries. Additional measures should be centered on a number of actors that have been established specifically to help build economic and investment ties between Kosovo and Germany. The Kosovar German Business Association (KDWW) founded by Kosovar businesspersons with the assistance of the German Embassy has concluded bilateral economic agreements with Kosovo. Worth pointing out is that the Kosovo German-Business Association is the organization representative and promoter of German business in Kosovo and represents economic interests of both countries' businesses in the other.<sup>28</sup> The KDWW is a critical actor in helping reshape German perceptions of Kosovo's investment climate. For example, German has set up opportunities for Kosovo businesses to present themselves in Frankfurt, directly to potential investors. Increasing opportunities like these and connecting Kosovo businesses with German investors will improve chances of attracting investment and will help in reshaping Kosovo's economic identity in the eyes of German investors. Lastly, the Economic Initiative for Kosovo (EIKS) represents the Investment Promotion Agency of Kosovo (IPAK) in German speaking regions. This Office is groundbreaking for Kosovo and represents the economic significance of German-Kosovo relations, as this Office is the first official office representing Kosovo's economy abroad.<sup>29</sup>

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<sup>24</sup>Ibid.

<sup>25</sup>Koha.net. (June 2013). "Kosovo among least attractive for foreign investment." Retrieved from <http://koha.net/?page=1,3,150063>

<sup>26</sup>Ibid

<sup>27</sup>Ibid

<sup>28</sup> Kosovo International Trade Guide. "German-Kosovo Economic Association." Retrieved from <http://www.itg-rks.com/en-us/German-Kosovo-Economic-Association>

<sup>29</sup>Republic of Kosovo Ministry of Trade and Industry. Webpage: FAQ. Accessed at <http://www.mti-ks.org/en-us/FAQ>

## - Germany's Military and Security Policy

The Bundeswehr's involvement in NATO's IFOR operation in Bosnia in 1995 and 1996 "gave the Bundeswehr a chance to get experience in conflict resolution."<sup>30</sup> Kosovo, on the other hand, marks the first time since World War II that the Bundeswehr used offensive tactics, in the context of the NATO bombings, to end the atrocities that Serbian forces were committing against Albanians in Kosovo.<sup>31</sup> Germany's role in the Kosovo War laid the foundation for a new age of German military policy and "marked the acceptance of Germany's full participation in world affairs."<sup>32</sup>

However, the path to Germany's newfound military role in international affairs and humanitarian intervention triggered political conflict and divisions domestically. According to the German Chancellor at the time, Gerhard Schroder, "for many in the (Social Democrat) party – and in society in general – the idea that German soldiers, in this case fighter pilots, would intervene once again in a region that had suffered so much under German occupation during World War II was unbearable."<sup>33</sup> Similar concerns existed abroad. In lieu of the international concern in the early 1990s "about a newly reunited Germany and discomfort about the idea of German soldiers being deployed even on peace-keeping missions,"<sup>34</sup> involvement in Kosovo was Germany's opportunity to normalize its role in geopolitics and normalize its military. German Chancellor Gerhard Schroder evaluated the Kosovo case as an opportunity to set a new basis for German Foreign and Military Policy – that of deploying forces for crisis management and resolution. In late 1998, the German parliament voted in favor of Bundeswehr participation in the NATO offensive against the Yugoslav state. The "governing coalition of Schroder's center-left Social Democrats and the environmental, pacifist Greens, led Germany into its new era of international military engagement."<sup>35</sup> Germany contributed fourteen Tornado fighters which engaged in around 500 missions, some for reconnaissance and some against Yugoslav anti-aircraft stations.<sup>36</sup> NATO ended the bombing campaign on June 10, 1999 and the KFOR peacekeeping forces took over almost immediately.<sup>37</sup> While Germany's role in KFOR will be discussed extensively in the ensuing section on Germany's role in international organizations in Kosovo, it is important to note here that Germany maintains the largest national KFOR contingent and has maintained command of KFOR with the last four COMKFOR being German generals. Perhaps due to ground-breaking nature of Germany's early involvement in the Kosovo War – which after years of minimal intervention and absence of military intervention has set the tone for a future of German military intervention and security policy – Germany developed a sense of ownership over the security and

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<sup>30</sup> Werkhauser, Nina. (24 March 2004). "Kosovo: A Watershed for German Foreign Policy." Retrieved from <http://www.dw.de/kosovo-a-watershed-for-german-foreign-policy/a-1150294>

<sup>31</sup> Ibid

<sup>32</sup> Gerhard Schroder qtd in Spiegel Online International. (25 October 2006). "Schroder on Kosovo: "The Goal Was Exclusively Humanitarian." Retrieved from <http://www.spiegel.de/international/schroeder-on-kosovo-the-goal-was-exclusively-humanitarian-a-444727.html>

<sup>33</sup> Ibid

<sup>34</sup> Ibid

<sup>35</sup> Gerhard Schroder qtd in Spiegel Online International. (25 October 2006). "Schroder on Kosovo: "The Goal Was Exclusively Humanitarian." Retrieved from <http://www.spiegel.de/international/schroeder-on-kosovo-the-goal-was-exclusively-humanitarian-a-444727.html>

<sup>36</sup> Werkhauser, Nina. (24 March 2004). "Kosovo: A Watershed for German Foreign Policy." Retrieved from <http://www.dw.de/kosovo-a-watershed-for-german-foreign-policy/a-1150294>

<sup>37</sup> Germany's role in KFOR will be covered in the following section on Germany in international organizations (IOs).

success of Kosovo and has fortified its position as a military and diplomatic key leader in the country.

As opinions regarding the future of the KSF are diverse, Germany could play a critical role in positively shaping the KSF. There is already a bill in place in Kosovo for the development of the KSF, which establishes future posts for key personnel in guiding and supporting the future of the KSF. The US and Turkey are the biggest proponents of developing the KSF, while Germany has more reservations. Germany's wariness partly stems from Kosovo's pattern of building politicians out of war heroes, the presence of former UCK leaders in high ranking positions within KSF, and the corruption that is embedded in this crossover between military and politics.<sup>38</sup> Germany is not interested in developing the KSF as it stands – with low capacity and pervasive corruption. Germany is interested in ensuring that the KSF is a multi-ethnic force, in cleaning up the KSF, in making it more professional and penalizing and eradicating corruption. For this reason, Germany hosts training for members of the KSF, focusing on human resources, planning, logistics and NBC (nuclear, biological, chemical) weapon protection. If the US and Turkey support KSF growth as it stands, Germany has no interest in involving itself in this process.<sup>39</sup>

Additionally, Germany Government (through GIZ) is assisting the Assembly to draft a law on Parliamentary Ombudsman for the KSF and KP following the German model of a Commissioner for the German Armed Forces (“Wehrbeauftragter”) for better democratic control of the security sector.

## - Political Diplomacy, Status and Serbia

Germany recognized Kosovo's independence on 20 February 2008 and was the 11<sup>th</sup> country and 4<sup>th</sup> EU country to recognize the Republic of Kosovo. Since then, Germany has been an avid supporter of Kosovo's independence and territorial integrity. Germany's strategic importance lies not just in Germany's recognition of Kosovo's independence and territorial integrity but truly lies in Germany's willing to support and fight for this stance among other states and international actors, particularly in regards to Serbia and EU member states. Germany's role in the EU and its stance regarding Kosovo and Serbia's accession processes is analyzed in depth in the following section on Germany in the EU.

## - German Aid and Role in Kosovo's Development and Democratization

Germany is the second largest state donor for Kosovo behind the United States. Since 1999, Germany has provided Kosovo with over 400 million euro for relief measures, humanitarian projects, and technical and financial cooperation projects.<sup>40</sup> In September 2009, the government of Germany and government of Kosovo signed a cooperation protocol with which Germany would donate 42 million euros to be used towards infrastructure, energy, employment promotion, and public administration.<sup>41</sup> Germany has committed to providing another 28.3 million euro for 2013 – 20 million in financial cooperation and 8.3 million in technical cooperation. Additionally, 29,5 Million Euro and 8.0 Million Euro were finally committed at the Bilateral Negotiations on

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<sup>38</sup>KFOR official. (May 2013). Personal Communication.

<sup>39</sup>KFOR official. (May 2013). Personal Communication.

<sup>40</sup> German Federal Foreign Office Website. (updated April 2013). “Kosovo.” Retrieved from [http://www.auswaertiges-amt.de/EN/Aussenpolitik/Laender/Laenderinfos/01-Nodes/Kosovo\\_node.html](http://www.auswaertiges-amt.de/EN/Aussenpolitik/Laender/Laenderinfos/01-Nodes/Kosovo_node.html)

<sup>41</sup> BBC Worldwide Limited. (24 September 2009). “Kosovo, Germany sign deal on economic cooperation.” Retrieved from <http://search.proquest.com.ezproxy.cul.columbia.edu/docview/459537968>

Development Cooperation on 26 September 2013 for Financial Cooperation.<sup>42</sup> Development cooperation focuses on: public administration, democratization and civil society, basic education and training, infrastructural development, water management and power supply, economic development.<sup>43</sup>

The German Ministry of Foreign Affairs and German Federal Ministry for Economic Cooperation and Development implements aid projects via GIZ and KfW who implement aid projects through technical advice and consultancy and also – in particular by KfW – through large infrastructure projects. These implementing agencies are commissioned to implement projects that are based on the agreements between the governments. Many of these projects revolve around working with parliament and committees, and all projects should bring Kosovo closer to the EU. GIZ also works closely with organizations like the OSCE and Association of Kosovo municipalities.

GIZ began working in Kosovo in 1999 and supports the development of democratic structures based on rule of law. Today, GIZ has 19-seconded staff, four experts, and 90 local staff working in Kosovo to advise and support Kosovo in working towards political stability and democracy.<sup>44</sup> GIZ particularly focuses on supporting education, water supply, sustainable economic development and employment, and a decentralized and democratic public administration that can cooperate with civil society, can reform public finances and can work towards EU integration.<sup>45</sup>

## IV. GERMANY'S ROLE IN IO'S IN KOSOVO

### - Germany in the EU

While the EU is status-neutral regarding Kosovo, 23 of the 28 member states have recognized the Republic of Kosovo. In the face of the status discrepancies, the EU has faced challenges in playing the role of mediator between Kosovo and Serbia and in maintaining a unified front regarding Kosovo's EU future, territorial integrity, and the north of Kosovo. However, Germany has unwaveringly supported Kosovo's EU aspirations, territorial integrity and authority in the north of Kosovo while also playing a key diplomatic role in the relations between Kosovo and Serbia.

Both Kosovo's and Serbia's EU future are linked to, in addition to the traditional requirements for integration and accession, the EU-facilitated Kosovo-Serbia Dialogue, the situation in the north of Kosovo, and the issue of status and recognition of Kosovo (by Serbia and non-recognizing EU member states). Granting a start date for EU accession talks to Serbia is conditioned on Serbia's progress regarding Kosovo (the north of Kosovo in particular) and in the EU facilitated Kosovo-Serbia Dialogue. Germany has great influence over both Serbia's accession process and the Dialogue process, which are inextricably linked. German ex Foreign Minister Guido Westerwelle has been very clear that Germany would block Serbia from beginning EU accession talks unless Serbia concedes control of the north of Kosovo as part of the dialogue

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<sup>42</sup> German Federal Foreign Office Website. (updated April 2013). "Kosovo." Retrieved from [http://www.auswaertiges-amt.de/EN/Aussenpolitik/Laender/Laenderinfos/01-Nodes/Kosovo\\_node.html](http://www.auswaertiges-amt.de/EN/Aussenpolitik/Laender/Laenderinfos/01-Nodes/Kosovo_node.html)

<sup>43</sup> Ibid

<sup>44</sup> GIZ. "Kosovo." Retrieved from <http://www.giz.de/en/worldwide/298.html>

<sup>45</sup> Ibid

process. MPs from Germany's Christian Democratic Union of Germany (CDU) visited Belgrade in March 2013 and a joint delegation of French parliamentarians and members of the German Bundestag visited Serbia in April 2013. Serbian Deputy Prime Minister Suzana Grubjesic stated, "after the official visit to Germany, it is clear that agreements are made in Brussels but that Berlin makes decisions."<sup>46</sup> Serbian Prime Minister Dacic had expressed frustration that "Germany [was] imposing unnecessary conditions in addition to those that have been already placed."<sup>47</sup> However, Germany's steadfast focus on eliminating the parallel structures in the north of Kosovo, on enforcing the conditionality of striking a legally binding agreement for the normalization of relations between Kosovo and Serbia, and on bringing Serbia's First Deputy Prime Minister Aleksander Vucic changed the fate of the recent dialogue and played a key role in prompting the April 19<sup>th</sup> EU-facilitated northern deal between the Governments of Kosovo and Serbia.

On April 2<sup>nd</sup>, Brussels presented a deal on the Serb-run northern Kosovo that was rejected by Serbia on April 8. The plan was in line with demands from the EU and Kosovo for Serbia to dismantle parallel structures in the north and with Serbian demands for broad autonomy to be offered to Serb-populated areas in Kosovo.<sup>48</sup> However, Serbia argued that the deal did not ensure basic rights and security for Serbs in the northern Kosovo.<sup>49</sup> On April 8, Serbia again rejected a deal to remove parallel institutions in the Serbian-run north. Following the inability to negotiate an agreement on the north of Kosovo in February, March or early April 2013, the EU postponed a report on Serbia's progress towards the EU that was set to be released on April 16<sup>th</sup> with the aim to prompt Serbia to accept an agreement on the north at the April 19<sup>th</sup> round of negotiations.<sup>50</sup> Without an agreement, Germany would have almost undeniably led the European Commission away from recommending in the progress report that the EU opens accession negotiations with Serbia. However, the threat of withholding a positive recommendation for Serbia in the Commission's Report, Germany's unyielding stance on the legally binding normalization of relations between Serbia and Kosovo as a condition for opening accession talks, and the inclusion of First Deputy Prime Minister Aleksandar Vucic all likely contributed to the agreement that was negotiated on April 19<sup>th</sup>.

In the Commission's "Joint Report to the European Parliament and the Council on Serbia's progress in achieving the necessary degree of compliance with the membership criteria and notably the key priority of taking steps towards a visible and sustainable improvement of relations with Kosovo," which was released after the April agreement on April 22<sup>nd</sup>, the Commission saw sufficient Serbia making sufficient progress towards meeting the political criteria of the Copenhagen European Council and of the Stabilization and Association process, but recommended that "negotiations for accession to the European Union should be opened with Serbia as soon as it achieves further significant progress the meeting the following key priority of

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<sup>46</sup> B92. (23 February 2013). "Deputy PM: Germany will decide on EU talks date." Retrieved from [http://www.b92.net/eng/news/politics-article.php?2013&mm=02&dd=23&nav\\_id=84836](http://www.b92.net/eng/news/politics-article.php?2013&mm=02&dd=23&nav_id=84836)

<sup>47</sup> Qtd in Rettman, Andrew. (17 April 2013). "Germany sides with Kosovo against Serbia." *EU Observer*. Retrieved from <http://euobserver.com/enlargement/119833>

<sup>48</sup> Ristic, Marija. (17 April 2013). "Ashton Leads Ninth Serbia-Kosovo Talks." *Balkan Insight*. Retrieved from <http://www.balkaninsight.com/en/article/9th-round-of-belgrade-pristina-talks-on-going>

<sup>49</sup> Andric, Gordana. (16 April 2013). "Belgrade-Pristina Dialogue Continues in Brussels." *Balkan Insight*. Retrieved from <http://www.balkaninsight.com/en/article/belgrade-pristina-dialogue-continues-in-brussels/serbia-kosovo-relations-serbia-kosovo-negotiations-latest-headlines/2>

<sup>50</sup> Ristic, Marija. (17 April 2013). "Ashton Leads Ninth Serbia-Kosovo Talks." *Balkan Insight*. Retrieved from <http://www.balkaninsight.com/en/article/9th-round-of-belgrade-pristina-talks-on-going>

taking further steps to normalize relations with Kosovo in line with the conditions of the Stabilization and Association Process.”<sup>51</sup> However, the major challenge for the EU, Serbia, and Kosovo was how to prompt full implementation of the April agreement before June. On May 22, the prime ministers of Kosovo and Serbia agreement on an implementation plan for the EU-facilitated April agreement on removing Serbian state-run parallel institutions in the north of Kosovo, appointing a regional police commander for the north, and revising the make-up of public institutions in the north to reflect the ethnic reality on the ground.

Germany had continually warned that it would veto launching entry talks with Serbia at the EU summit in June if a deal of the north of Kosovo could not be facilitated and implemented. While the deal was struck, Serbia worried that Germany would stand in the way of opening accession talks if the April agreement is not fully implemented. On June 27<sup>th</sup>, the German Bundestag voted on whether to grant Serbia a date for beginning accession talks with the EU. The Bundestag recommended that Serbia begin the negotiation process in January 2014, as long as Serbia adheres to a number of key conditions and achieves normalization with Kosovo by the end of 2013. The Bundestag called for “total and permanent implementation of commitments.”<sup>52</sup> The Bundestag decision was shaped by conflicting views between parties. Andreas Schockenhoff, high representative of the Christian Democrats, presented seven demands last September 2012 on which Berlin’s decision would depend; “legally binding normalization of relations between Serbia and Kosovo [was] the key one.”<sup>53</sup> However, the social democrats and opposition was strongly in support of granting a date for the opening of accession talks without the strict hurdles that the CDU was pushing for. The SPD worried that agreeing to an accession date with overly strict pre-conditions would not be rewarding Serbia for the progress that has been made and would threaten the EU’s stick and carrot method moving forward. While the CDU has been more steadfast in ensuring that Serbia has made proper progress in regards to normalization with Kosovo and full implementation of the Association Agreement and more strict in their preference for the pre-conditions that Serbia would have to fulfill ahead of opening accession talks. The ruling German coalition CDU-CSU led by Andreas Schockenhoff had said that they would accept the recommendation of the Bundestag to open EU accession talks with Serbia “but will insist that Chancellor Angela Merkel at the European Council conditions the exact date with the implementations of the Brussels agreement.”<sup>54</sup> Ultimately, the Bundestag’s decision feel somewhere in the middle, approving the start of accession talks for Serbia in January but recommending approval by the EU summit again in December and calling for the total implementation of commitments before talks start in January.

The Bundestag decision was followed by the EU summit to decide on Serbia’s accession process. The EU summit conclusions specified that Serbia’s accession talks would start in January 2014 at the latest. It had been expected that the Council would officially issue a decision on June 28 that would “likely contain a clause that the date of the official start of negotiations

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<sup>51</sup> European Commission, High Representative of the European Union for Foreign Affairs and Security Policy. (22 April 2013). “Joint Report to the European Parliament and the Council on Serbia’s progress in achieving the necessary degree of compliance with the membership criteria and notably the key priority of taking steps towards a visible and sustainable improvement of relations with Kosovo.” Retrieved from [http://ec.europa.eu/enlargement/pdf/key\\_documents/2013/sr\\_spring\\_report\\_2013\\_en.pdf](http://ec.europa.eu/enlargement/pdf/key_documents/2013/sr_spring_report_2013_en.pdf)

<sup>52</sup>Milosevic, Steve. (June 2013). “News analysis: Bundestag opens door for Serbia’s long anticipated EU aspirations.” Retrieved from [http://news.xinhuanet.com/english/indepth/2013-06/28/c\\_132493040.htm](http://news.xinhuanet.com/english/indepth/2013-06/28/c_132493040.htm)

<sup>53</sup> Ibid

<sup>54</sup> B92. (5 June 2013). “Serbia to get EU date in October.” Retrieved from [http://www.b92.net/eng/news/politics.php?yyyy=2013&mm=06&dd=05&nav\\_id=86505](http://www.b92.net/eng/news/politics.php?yyyy=2013&mm=06&dd=05&nav_id=86505)

can be postponed, if it was estimated that the implementation of the agreement between Belgrade and Prishtina was not going at an expected pace.”<sup>55</sup> This clause was expected so that “different positions within the EU would be reconciled” and “Germany would also be satisfied, [as the] state that has the toughest and [most] decisive stance when it comes to Serbia’s EU integration.”<sup>56</sup> However, with the Bundestag’s decision falling short of the decisive and reserved stance that had been expected, the EU’s conclusions were also more liberal and more optimistic for Serbia. Initially, the summit concluded that the EU summit would need to reconfirm the negotiating framework in late-December, but this caveat was excluded from the final conclusions.<sup>57</sup> Diplomatic sources suggested that German pressure delayed the negotiations until January.<sup>58</sup> But, in comparison to the German Bundestag conclusions, the final EU summit conclusions do not include pre-conditions. However, Germany’s stance has pushed Serbia towards progress far beyond what was initially expected when the dialogue began in 2011. It is likely that Germany’s hard-hitting stance will ultimately push Kosovo-Serbia relations into groundbreaking territory, as it is commonly understood that Germany will not allow Serbia into the EU without recognizing Kosovo.

Germany has led the EU in facilitating normalization between Kosovo and Serbia and has made a name for itself in regards to the development work and progress that has been achieved in the Balkans. In regards to Kosovo’s EU future, Germany sees the whole of the Western Balkans as having a future in the EU. Germany continues to emphasize Kosovo’s NATO and EU future and focuses all development projects on bringing Kosovo closer to the EU. Germany’s support for Kosovo’s continued integration and conditionality for Serbia’s accession process has undoubtedly proven invaluable in forcing a normalization of relations between Serbia and Kosovo and in bringing both closer to the European Union.

## - Germany in EULEX

Germany is the strongest supporter of EULEX, bringing the most staff, which includes over one hundred police and also the current head of EULEX, German diplomat Bernd Borchardt. Borchardt, who formerly worked as deputy chief of OSCE throughout 1998 and 1999, has led the EULEX Mission since 1 February 2013. Head of EULEX mission is an important role for Germany.

Borchardt’s appointment comes after the German Defense Minister had been calling for a complete overhaul of the EULEX Mission. In late 2012, Germany Defense Minister Thomas de Maiziere stated that EULEX was “on the wrong track,” has failed to fulfill its mandate, is placing additional pressure on NATO forces, and needs to be completely overhauled with a “new start, a new name, a new structure, new people and a new mandate.”<sup>59</sup> Indeed, the EULEX mission has failed to properly deploy and establish rule of law in the north of Kosovo; EULEX’s failure in this regard represented its inability to understand and navigate the complexities of the situation in the north, which is something that German and Austrian forces from KFOR navigated

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<sup>55</sup> Ibid

<sup>56</sup> Ibid

<sup>57</sup> EurActiv. (28 June 2013). “Germany opens door for Serbia EU accession talks.” Retrieved from <http://www.euractiv.com/enlargement/germany-opens-eu-door-serbia-acc-news-528971>

<sup>58</sup> Ibid.

<sup>59</sup> Chicago Tribune News. (10 October 2012). “Germany says EU Kosovo police force failing, hurting NATO.” Retrieved from [http://articles.chicagotribune.com/2012-10-10/news/sns-rt-us-kosovo-germanybre8990qs-20121010\\_1\\_counter-insurgency-war-fatos-bytyci-eulex](http://articles.chicagotribune.com/2012-10-10/news/sns-rt-us-kosovo-germanybre8990qs-20121010_1_counter-insurgency-war-fatos-bytyci-eulex)

successfully. One hope is that the new German Head of EULEX will bring a new perspective to EULEX in regards to instating rule of law in the north of Kosovo.

Germany's call for an overhaul of the EULEX mission was rooted in EULEX's failure to uphold its mandate but also in the affect that this failure has on KFOR, of which Germany maintains the largest national contingent. Particularly, EULEX has been unable to meet its rule of law mandate in the north where it is not accepted by northern Kosovo Serbs as a neutral force. In this regard, KFOR, who has developed a relatively friendly repertoire with the northern citizens (largely thanks to the German and Austrian peacekeepers functioning in the north), and its peacekeeping mission has incurred additional challenges due to EULEX's inability to move freely and ensure rule of law in the north of Kosovo. Amidst the violence in the north in 2011 and a persistent strong mistrust of EULEX among northern citizens, "NATO reservists – in particular German, Italian and Austrian – were being forced to do work that should be done by the Kosovo police and EULEX."<sup>60</sup> Germany has been particularly sensitive about EULEX's failure because of their involvement in the rule of law mission, because of the undue pressure that EULEX's failure places on KFOR of which Germany is the largest contingent, and because EULEX's failure reflects poorly on the EU's European Security and Defense Policy.

## - Germany in KFOR

Germany has emerged as the key leader of KFOR, offering the largest national contingent to Kosovo Force, leading with a German general four years in a row, and hosting trainings for KFOR troops from all around the globe.

Post-war, Germany maintained their military presence in Kosovo via NATO's international peacekeeping Kosovo Force (KFOR), which was deployed to establish a secure environment in Kosovo. KFOR entered Kosovo in June 1999 under a UN mandate, only days after the adoption of UNSC Resolution 1244. KFOR has maintained a strong presence with over 5,000 troops still stationed in Kosovo. Throughout KFOR's fourteen years in Kosovo, Germany (alongside the United States) has emerged as a key leader. Germany maintains the largest national contingent of KFOR, the command of KFOR (COMKFOR) for the fourth time in a row, and host's trainings for KFOR troops from many national contingents.

The German Bundeswehr is (together with the US) the largest national force within KFOR. In anticipation of the elections in Serbia held on 6 and 20 of May 2012, Germany contributed an additional 550 troop from reserve ORF forces in late April 2012.<sup>61</sup> As of May 2012, 900 of the 5,700 troops were German.<sup>62</sup> And on 2 May 2012, the German government decided to extend the mandate of German forces as a part of UN authorized KFOR with the existing cap of 1,850 troops and an estimated cost of 68 million euro per year.<sup>63</sup> As of February 2013, KFOR retains around 800 German soldiers. Out of the 31 nations, which have provided troops for the KFOR mission, the German force remains the largest.<sup>64</sup>

Not only has Germany led KFOR in terms of quantity, but Germany has also commanded KFOR with four German generals in a row. Notably, the German General Klaus Reinhardt was the

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<sup>60</sup> Ibid

<sup>61</sup> Ibid

<sup>62</sup> Ibid

<sup>63</sup> Ibid

<sup>64</sup> The Federal Government of Germany, Federal Armed Forces Mission. (2 May 2012). "Troops still needed in Kosovo." Retrieved from <http://www.bundesregierung.de/Content/EN/Artikel/2012/05/2012-05-02-bundeswehr-in-kosovo.html>

first German to lead a NATO mission outside of the alliance's territory, and was the second to command KFOR between October 1999 and April 2000.<sup>65</sup> Since that time, Germany has held COMKFOR six times with seven KFOR commanders in total – more than any other contributing state. Since September 2009, Germany has permanently held command. In early September 2012, German General Volker Halbauer took command of NATO's KFOR, as the fourth German general in a row to lead KFOR.<sup>66</sup> Since September 2013: Brigade General Wagner was appointed Head of NLAT, a newly formed unit with the task to coordinate with KSF.

Outside of maintaining the largest national contingent and command of KFOR in recent years, Germany has been strategically important for the success of KFOR and KFOR in return has been important for Germany. The Bundeswehr's strategic importance has made manifest in the positive reception of Germany in KFOR and particularly in KFOR's success in the north of Kosovo. Germany's major role in Kosovo's development and security and particularly in pressuring Belgrade to meet conditions before allowing Serbia to move forward with accession has safeguarded the positive perception of Germany in Kosovo. However, even in the north and among Kosovo's ethnic Serbs, German KFOR soldiers have made strides towards greater security and progress. After a setback in November 2011, when 2 German KFOR soldiers were injured in Rudare, the reputation of KFOR's German contingent in the north of Kosovo was negatively affected and the contingent was forced to decrease its presence and visibility in the north of Kosovo. However, this incident forced the contingent to reevaluate its handling of roadblocks, and in 2012 the German contingent was operating consistently in the north of Kosovo. On one hand, part of the reason that Germans and Austrians were used to handle the situation in the north was because extra German and Austrian reserve forces were deployed in October 2012 and March 2013. Additionally, however, German and Austrian forces had a better understanding of the situation in the north. According to a German KFOR working in Kosovo, German and Austrian culture makes them well equipped to handle the situation in the north. German and Austrian KFOR soldiers in the north took a grassroots and human approach, which enhanced their capacity to handle the situation and the ethnic context in the north. This approach also helped KFOR to garner freedom of movement throughout the northern territory without forcibly removing roadblocks – a practice which had triggered backlash and violence.<sup>67</sup>

While Germany has played a vital role in KFOR and in enhancing security in Kosovo, the role that Germany will continue to play in upcoming years is unclear. German KFOR soldiers in Kosovo express that relying on operational reserve forces (ORF) is not the answer.<sup>68</sup> On one hand, academics and politicians tend to argue that the German military's involvement in Kosovo, which was both early and groundbreaking for Germany who had been largely absent in geopolitics (at least in terms of military and security related intervention), has engendered German accountability and ownership over the situation in Kosovo which will guarantee Germany's continued military support. On the other hand, German KFOR soldiers in Kosovo argue that while Germany was involved early on, Germany's historical role in Kosovo has little influence

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<sup>65</sup> Werkhauser, Nina. (24 March 2004). "Kosovo: A Watershed for German Foreign Policy." Retrieved from <http://www.dw.de/kosovo-a-watershed-for-german-foreign-policy/a-1150294>

<sup>66</sup> iOL news. (7 September 2012). "German general takes over Nato's Kosovo force." Retrieved from <http://www.iol.co.za/news/world/german-general-takes-over-nato-s-kosovo-force-1.1378400#UYpav7VHLYY>

<sup>67</sup> KFOR Official. (May 2013). Personal Communication.

<sup>68</sup> Ibid

over whether or how long Germany will maintain their military role in Kosovo – “it doesn’t have to be the first one in, the last one out.”<sup>69</sup>

Moving forward, Germany’s continued role in KFOR will depend purely on military politics.<sup>70</sup> Having COMKFOR will not change the interest of German foreign policy or military politics.<sup>71</sup> Germany’s military policy is not driven by strategic elements but driven by political policy.<sup>72</sup> Obviously, Germany’s stake in ESDP will keep Germany involved at least politically and with EULEX, but, at home, Germans are still against military involvement due to the situations in Afghanistan and Libya. Militarily in the next 2-3 years, Germany is not focused on Kosovo but on leaving Afghanistan.<sup>73</sup> However, Germany’s future in KFOR and Kosovo depends largely on the next elections and on who will become the next Minister of Defense. While the direction of KFOR and German troops depends on the next German government, Germany has played a vital role in KFOR and in ensuring security in Kosovo.

## V. CONCLUSION

The German role in Kosovo state-building has been one of the most important German FP successes. From Germany’s role in the Kosovo War which marked a shift towards the normalization of Germany’s military and security role in geopolitics, to offering asylum seekers a home in Germany, to the targeted aid granted to Kosovo and to contacted development programs working in Kosovo, to Germany’s prompting of the normalization of relations between Serbia and Kosovo, to Germany’s heightened role in KFOR and EULEX, Germany has been a key leader in guiding Kosovo towards sustainable progress, development and security since the turn of the century. Moving forward, there are a number of steps that both Germany and Kosovo can take to maintain Kosovo on the path of development and European integration and to make the bilateral relationship politically and economically fruitful.

## VI. POLICY RECOMMENDATIONS FOR ENHANCED COOPERATION

1. Germany has been strategically important in forcing a EU-/dialogue-induced normalization of relations between Kosovo and Serbia. Germany should remain steadfast and ensure that the implementation of the April agreement and normalization of relations with Kosovo is conditionality for the normal continuity of the accession talks with Serbia.
2. Given that remittances from the Kosovo diaspora in Germany accounts for such a large percentage of Kosovo’s GDP, Germany and Kosovo should work together with the Kosovo diaspora in Germany and entrepreneurs in Kosovo to find opportunities for those remittances to be invested in enterprises and SMEs that could multiply the effect of those remittances in Kosovo’s economy and in regards to Kosovo’s GDP.
3. The Kosovar German Business Association (KDWV), Economic Initiative for Kosovo (EIKS), German Chamber of Commerce in Kosovo, and Kosovo policy makers and political representatives should work together to improve the investment climate in Kosovo and open the door for German investors and Kosovar entrepreneurs.

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<sup>69</sup> Ibid

<sup>70</sup> Ibid

<sup>71</sup> Ibid

<sup>72</sup> Ibid

<sup>73</sup> Ibid

**3a.** The Government of Kosovo and businesses in Kosovo should heed findings of the German Chamber of Commerce survey.<sup>74</sup> The Government of Kosovo and companies hoping to attract FDI should work together to enforce rule of law in the business and economic sectors (i.e. Improve anti-corruption measures on both a policy and a corporate level, improve judicial transparency and transparency in public procurement, improve the output and post-grad employment rates of universities and vocational training centers by informing education centers and students on current economic needs, recommended/required training and skills for each profession and sector, and average number of available positions by profession and sector given current and future demand.

**3b.** The KDWW and ECIKS should organize additional forums in Germany and in Kosovo to bring together German investors and Kosovo entrepreneurs and officials. The KDWW and ECIKS should advise businesses on how to present themselves and how to target potential investors during these forums.

**3c.** The KDWW and ECIKS should help identify which German niche markets and business ventures could cut costs and find profitability by establishing themselves in Kosovo. These organizations should advise Kosovo businesses and representatives on how to highlight niche investment opportunities targeted towards German needs.

4. Kosovo should build upon the successful German ventures in Kosovo to attract additional German niche markets and investors.
5. Kosovo should continue to focus on eliminating nepotism and improve the management within the KSF. Germany should continue to emphasize this as a precondition for investing in and supporting the KSF's growth and development.
6. Germany should build upon the new Head of EULEX position to enhance EULEX's capacity, efficiency, improve public perception, and effectiveness.
7. Germany's role in KFOR has been crucial as both the largest national contingent and COMKFOR and has accelerated progress in the north of Kosovo. Germany should continue to offer support for KFOR, which will ensure continued progress for Kosovo's security, particularly in the north, and will safeguard Germany's NATO-based role in Kosovo, which is critical amidst Germany's Libya abstention and aim to maintain credibility as a serious NATO partner.

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<sup>74</sup> The survey elicited a number of negative perceptions surrounding Kosovo's investment climate – particularly, the struggle against corruption, lack of transparency in public procurement, lack of legal security, economic policy, infrastructure, and the quality of vocational education.



## POLICY REPORTS

Policy Reports are lengthy papers which provide a tool/forum for the thorough and systematic analysis of important policy issues, designed to offer well informed scientific and policy-based solutions for significant public policy problems. In general, Policy Reports aim to present value-oriented arguments, propose specific solutions in public policy – whereby influencing the policy debate on a particular issue – through the use of evidence as a means to push forward the comprehensive and consistent arguments of our organization. In particular, they identify key policy issues through reliable methodology which helps explore the implications on the design/structure of a policy. Policy Reports are very analytical in nature; hence, they not only offer facts or provide a description of events but also evaluate policies to develop questions for analysis, to provide arguments in response to certain policy implications and to offer policy choices/solutions in a more comprehensive perspective. Policy Reports serve as a tool for influencing decision-making and calling to action the concerned groups/stakeholders.