

Testimony of Mr. Kyle Scott
Ambassadorial Nominee to the Republic of Serbia
December 2, 2015
Senate Foreign Relations Committee

Chairman Johnson, Ranking Member Shaheen, and Members of the Committee, it is an honor and privilege to appear before you today as the President's nominee to be the Ambassador to the Republic of Serbia. I deeply appreciate the confidence that President Obama and Secretary Kerry have placed in me through this nomination. I hope the Committee and the Senate will share that confidence and confirm me.

I am accompanied today by my two sons, Mark and Kristian, and by my wife, Nena, who have been my rock and inspiration throughout my career as a U.S. diplomat. They have stood by me through more than three decades in the Foreign Service, including 16 moves and eight overseas postings. The family members of the Foreign Service often bear the brunt of personal sacrifice and hardship. They are living testimony to public service on behalf of the American people, and I couldn't be prouder of them than I am today.

In 35 years as a member of the Foreign Service, I have dedicated my career to improving America's security and our position in the world. Much of that time has been focused on transatlantic relations, including seven overseas assignments spanning Western, Central and Eastern Europe. During this period, we have made great strides in forging a Europe whole, free, prosperous, and at peace, but that vision is not yet complete. As Deputy Chief of Mission at the U.S. Mission to the OSCE, I witnessed first-hand the struggles of countries seeking to transform their societies and the role that outside actors and multilateral organizations can play in helping them better adhere to the values and principles that underpin the transatlantic relationship. As Principal Officer in the U.S. Consulate in Milan, I have seen the invaluable role of our allies in addressing shared challenges in the region. I have also seen the immense benefit that investment by American firms contributes to reaching our goal in forging a prosperous Europe. My recent position as a Senior Fellow at the German Marshall Fund of the U.S. has offered me an invaluable opportunity to participate in debates on U.S. foreign policy in Europe, the crisis in Ukraine, the EU's financial difficulties, and the latest challenges posed by the unprecedented migration crisis. As a former Director of the Office of Russian Affairs, I am fully aware of the regional challenges posed by Russian attempts to influence its European neighbors and by Russian aggression in Europe, including Russia's recent actions that have violated Ukrainian sovereignty

and territorial integrity and sought to destabilize Ukraine. I believe the confluence of these experiences has prepared me well to serve as Chief of Mission in Serbia.

Euro-Atlantic Integration

Serbia is a linchpin for stability and progress in the Western Balkans. In recent years, it has made considerable progress on its path toward Euro-Atlantic integration. Now it stands at a critical inflection point. Political leaders in Belgrade face difficult decisions that will indelibly forge Serbia's domestic development, will help shape relations with its neighbors for generations to come, and can contribute to broader peace and stability in the region. It is in the interest of the United States that Serbia develops as a modern, prosperous European nation at peace with itself and its neighbors, demonstrating full respect for the rule of law and the rights of all of its citizens.

Over the past several years, with our strong support, Serbia has made concrete steps toward defining its Euro-Atlantic future. Serbian leaders are pursuing a broad agenda aimed at acceding to the European Union. This includes enacting legislative, fiscal, and regulatory reforms that can stimulate the transformation that we strongly support. Reforms such as cutting public wages and pensions and privatizing state-owned businesses are difficult. With U.S. technical assistance, the Government of Serbia is pursuing business-enabling environment reforms that should help better align Serbia's fiscal practices with EU and international standards. More important, making the right choices, tough as they may be, will place the country on a path toward more sustainable growth and development.

Regional Relations

Mr. Chairman, the challenge of strengthening ties among the countries of the Western Balkans remains a significant hurdle in pursuit of our Euro-Atlantic vision. Normalization of the Kosovo-Serbia relationship is a fundamental requirement for long-term regional stability and progress. In line with its EU accession process, Serbia has made significant progress in the EU-facilitated Dialogue with Kosovo over the past year. We have strongly supported the Dialogue and encouraged both parties to fully implement all elements of the April 2013 "Brussels Agreement" on normalization of relations, a landmark diplomatic achievement in the Balkans. This August, we saw significant progress on implementing remaining elements of the Brussels Agreement – a major step toward opening Serbia's first chapters of the EU *acquis*. Credit for these successes goes to the political leaders of Serbia and Kosovo, who have reaffirmed their

commitment to the process, and to the principled mediators of the EU. The U.S. Embassies in Serbia and Kosovo also played an important role as behind-the-scenes mediators and impartial advisors on the process. I would also like to acknowledge the dedication and hard work Ambassador Michael Kirby has shown to facilitating relations between the two countries. If confirmed, I am committed to continuing this work in support of the Dialogue. Together with our European partners, I will work to help ensure that the parties remain at the table in good faith, implement all Dialogue agreements through timely and concrete results, and sustain progress toward a comprehensive normalization of relations.

Serbia's relations with its other neighbors generally have improved over the past three years, but they, too, require continued focus. This will remain an important aspect of our diplomacy in the region. If confirmed, I will work to build strong channels of communication between Serbia and its neighbors – including Bosnia and Herzegovina and Croatia – so that outstanding issues can be resolved and the region as a whole can move toward Euro-Atlantic integration.

Finally, Serbia is bearing a major brunt of the recent migration crisis afflicting much of Europe. Serbia deserves to be commended for its humanitarian approach, but can also use everyone's help in managing the added burdens associated with this wave of migrants.

Democracy and Rule of Law

An important element in Serbia's European integration will be strengthening its ability to promote and defend shared democratic values, support human rights, and protect fundamental freedoms. If I am confirmed for this position, I am committed to continuing America's support for strengthening institutions and procedures that support the rights of individuals from minority communities, help combat corruption, and foster a democratic society. A vibrant civil society, free media environment, and empowered independent institutions are critical to achieving these goals. Strengthening our long-standing support for these components of democracy will be a crucial part of my mission. Only by creating an environment underpinned by rule of law – one that allows each individual the opportunity to develop to his or her full potential – will Serbia succeed in attracting more investment, combat the debilitating outflow of its youngest and brightest, and strengthen the public's faith in government institutions. The lead in these efforts must come from Serbian political leaders and the Serbian people, but our programs to strengthen the administration of criminal justice, advance judicial reform, improve investigation and prosecution of crimes, and train judges, prosecutors, and

police can be an important part of this effort. Working closely with U.S. technical experts, civil society, and international organizations, the Serbian government is taking measures to implement serious reforms – such as putting the recently passed whistleblower law to the test and bringing due process to those accused of corruption through transparent, thorough court trials.

Economic Development

Alongside rule of law measures, more dynamic economic development and reform will be vital to Serbia's Euro-Atlantic aspirations. Although there are initial signs that Serbia is finally emerging from a decade of anemic economic performance that has eroded national confidence, more needs to be done. I am committed to supporting American businesses as part of an effort to help Serbia embark on the road toward greater prosperity. Our economic ties continue to grow, with U.S. investment since 2002 exceeding \$3.6 billion dollars. American companies employ more than 15,500 people in Serbia. Serbia has enormous economic potential, including an educated and talented workforce and a geography that positions the country in an important trading crossroads for Europe. All this makes Serbia an attractive destination for investment from U.S. companies. To make the most of its potential, however, much work remains to be done to streamline the process of doing business, reduce bureaucratic impediments, improve small and medium-sized enterprise (SME) competitiveness and innovation, and combat the corrosive consequences of corruption.

Peacekeeping and Military Relations

Last November, Serbia signed an Individual Partnership Action Plan (IPAP) with NATO reflecting the country's increasing aspiration to be a source for stability and security not only in the Western Balkans, but in the broader region as well.

Over the last five years, Serbia has become an increasingly important contributor to regional and international stability through peacekeeping operations. Serbian soldiers today are deployed as peacekeepers on six UN missions on three continents and as observers on two EU missions. The once confrontational military-to-military relationship between Serbia and the United States has evolved into a full and comprehensive partnership, and, as mentioned before, Serbia has committed to a pragmatic partnership with NATO. Through our Global Peace Operations Initiative (GPOI), the United States is supporting the development of South Base, a Serbian military facility that offers state-of-the-art training opportunities for units preparing to deploy overseas in support of UN and EU

peacekeeping missions. The Serbian military's partnership program with the Ohio National Guard is among the most successful in Europe. Both the civilian leadership and senior ranks of the uniformed military have embraced these and other programs as part of a comprehensive program for building skills and promoting interoperability.

Bilateral Concerns

If confirmed, I will continue to seek resolution of two important challenges to our bilateral relationship. Those responsible for the murder of the three American citizen Bytyqi brothers, New York residents executed by Serbian security forces in 1999, have never been prosecuted. The American people cannot allow the murderers of three of our citizens to escape justice. Likewise, those who allowed the mob attacks on the U.S. and other Western embassies in February 2008 to take place have never been brought to justice. While we welcome the fact that six current and former police officials are under investigation for ordering the police to stand aside while our embassy was under attack, we are dismayed that the rioters who were convicted were only given light, suspended sentences. For these cases – the murder of the Bytyqi brothers and the attack on our embassy – I am committed to unwavering efforts to press the Serbian government to complete thorough investigations and ensure that all who were involved in these crimes are brought to justice, regardless of their rank or position.

Closing

This is a challenging agenda, but it is also achievable. From my experience in the Foreign Service, I know I will not have to pursue it alone. Drawing on the experience of the talented team of Americans and locally employed staff at Embassy Belgrade, our partners from multiple agencies in Washington, and continued support from the Legislative Branch, I am committed to doing my utmost to promote our shared goal – a democratic Serbia providing growth and security for its citizens, at peace with all of its neighbors, and firmly set on a path of European integration.

Thank you once again for granting me the opportunity to appear before this committee today. I look forward to your questions.