

Kosovo–Serbia Dialogue: A Win-Win or a Lose-Lose?



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The European Union-facilitated Kosovo–Serbia normalization dialogue appears to have a sporting chance again after a prolonged period of stagnation and turmoil. The process matters greatly for both countries because it has the potential not only to produce practical solutions and long-term stability between them, but also to positively shape their relations with the European Union.

One of the dialogue’s main advantages is that it can easily become a win-win situation. If it moves forward, both countries stand to gain on multiple fronts and their citizens could see tangible improvements – without either side abandoning its strategic priorities. Even if only one side fully commits, it can still benefit through improved relations with the EU and progress toward major foreign policy goals. But the opposite is equally true. If both sides remain uncommitted, the situation quickly becomes a lose-lose scenario, again across multiple areas.

This article explores these two possibilities: what a positive scenario might bring over the next three to four years, and what a negative one might look like in the same period.

THE GOOD STUFF

Let us begin with the optimistic scenario. The early months of 2026 have brought signs that the dialogue may have life in it after all. A joint commission on missing persons was established in January, marking the first concrete implementation step of the 2023 Path to Normalization Agreement in quite some time. More recently, on 14 March, an arrangement was announced regarding the gradual implementation of Kosovo's laws on foreigners and vehicles, including a timeframe to address the sensitive issues of health and education for Kosovo Serbs.

If these steps are followed up in the same spirit, the dialogue could build real momentum and deliver solutions beneficial to both sides.

First, stability would be strengthened as Kosovo and Serbia gradually move toward a more settled and irreversible situation. Second, citizens and businesses would see enormous practical benefits. Traveling between and through the two countries could become quick and predictable, without constant administrative obstacles. Businesses could expand through increased trade and more secure investment conditions. Regional value chains – essential for attracting large foreign investors – would become easier to establish. This is no mere idea; the author of this text recently spoke to major British investors who painted a clear picture in this regard, including as it pertains to Kosovo and Serbia. These improvements would likely be reinforced by the Common Regional Market initiatives emerging from the Berlin Process, as well as by the economic benefits of easier transit across the other side.

Third, both countries would see clear gains in their European paths. Unlocking the dialogue would remove one of the biggest obstacles to EU integration, allowing reforms to proceed in a more stable environment and making both Kosovo and Serbia much more attractive candidates for membership. For Kosovo, there would certainly also be progress toward Council of Europe membership and that in other

international organizations, as well as a clearer trajectory toward NATO and quite likely movement among the remaining EU non-recognizing states.

Importantly, neither Kosovo nor Serbia would have to abandon their core objectives. Kosovo would retain firm guarantees that no dialogue solution can undermine its constitutional order, territorial integrity, or governance system. This is particularly relevant regarding the widely discussed Association/Community of Serb-majority Municipalities. Clear guarantees exist that any such mechanism must remain fully in line with Kosovo's laws and constitution, with constitutionality verified by Kosovo's own Constitutional Court. Moreover, implementation would be linked to Serbia fulfilling its own obligations from the 2023 agreement.

For Serbia, progress in the dialogue would gradually remove what many describe as the "Kosovo burden" from future governments and generations. The Serb community in Kosovo would gain a more stable and prosperous environment, reducing the long-term financial and political pressure on Belgrade. Additional guarantees for Kosovo Serbs and for Serbian interests could be anchored through various international frameworks – from CEFTA and the Common Regional Market to Council of Europe conventions and judicial mechanisms.

THE BAD STUFF

The negative scenario, however, is not simply the absence of progress. The past few years already show that stagnation can easily lead to deterioration. Without dialogue, citizens remain uncertain about their rights and safety when traveling or doing business across the border. Trade and investment continue below their potential. Regional economic integration stalls, making it harder to attract large foreign investments.

The security risks are also real. The deadly Banjska attack carried out by Serb paramilitaries is a reminder of how quickly tensions can escalate when political channels fail. At the same time, both Kosovo and Serbia have seen little movement on their EU paths. For Kosovo, other foreign policy goals – such as Council of Europe

membership and additional recognitions – have also stalled, with any alternative impetus in this direction nowhere on the horizon.

Another three or four years without dialogue would likely deepen these problems rather than simply prolong them. The risk of serious security incidents would grow, while the broader political climate could deteriorate. Without the anchor of EU integration and with the constant perception of threat from the other side, incentives for democratic reform and good governance weaken. In that sense, the costs of no dialogue go far beyond relations between Kosovo and Serbia – they also affect the quality of democracy in both societies.

WHICH ONE TO CHOOSE?

The conclusion is straightforward. The dialogue now has a window of opportunity. It is clearly needed, and obviously unavoidable. For these reasons, it is worth giving it a chance this year. After years of testing the negative scenario, perhaps it is time to try the positive one, give it some breathing space and then watch it deliver.