

REPUBLIC OF SERBIA



DEFENCE STRATEGY OF THE REPUBLIC OF SERBIA

Belgrade, October 2009

CONTENTS

INTRODUCTION.....	3
1. SECURITY ENVIRONMENT	4
1.1. Global environment.....	4
1.2. Regional environment	5
2. CHALLENGES, RISKS AND THREATS TO THE DEFENCE OF THE REPUBLIC OF SERBIA	7
3. DEFENCE INTERESTS OF THE REPUBLIC OF SERBIA	9
4. DEFENCE POLICY OF THE REPUBLIC OF SERBIA	9
4.1. Main defence policy decisions	10
4.2. Goals and objectives of the defence policy	12
4.3. Strategic concept of defence	12
5. DEFENCE SYSTEM OF THE REPUBLIC OF SERBIA	13
5.1. Structure of defence system.....	14
5.2. Defence system management.....	16
5.3. Principles of functioning of defence system	17
6. DEFENCE RESOURCES	17
7. DEFENCE PLANNING	18
8. DEFENCE FUNDING	19
CONCLUSION.....	13

INTRODUCTION

Defence strategy of the Republic of Serbia (hereinafter: defence strategy) is the main strategic document that guides the engagement of defence resources and development of normative, doctrinal and organizational solutions of the defence system of the Republic of Serbia.

Defence strategy is based upon the Constitution of the Republic of Serbia, National security strategy, as well as the orientation of the Republic of Serbia towards building and strengthening stability through peace and stability. Attitudes expressed in the defence strategy are based on an assessment of the situation and projection of the development of international relations, tendencies in the defence organization of modern states and development of international security integrations, analysis of social factors and nature of contemporary threats, risks and security challenges and defence of the Republic of Serbia.

Defence strategy expresses the commitment of the Republic of Serbia to build and strengthen its own capacities and capabilities for defence, as well as to work jointly with other countries through integration into European and other international security and defence structures, thus contributing to the strengthening of national, regional and global security.

Defence strategy is the confirmation of adherence of the Republic of Serbia to generally accepted standards of defence organization in modern democratic societies.

Defence strategy analyzes security environment; identifies challenges, risks and threats to security; establishes defence interests and defence policy of the Republic of Serbia; designs defence system and determines basic aspects of defence planning and funding.

Defence strategy is a public document that presents national and international public the strategic orientation of the Republic of Serbia in the field of defence.

1. SECURITY ENVIRONMENT

1.1. Global Environment

Global integration processes, complexity and dynamics of international relations, as well as the increase of instability and unpredictability in the world are basic determinants of security environment and key parameters in the process of finding an adequate model of security and defence organizing of modern societies.

The strong development of information and communication technologies and the intensification of economic integration flows accelerated globalization of almost all aspects of international relations. Intensification of political, economic and cultural cooperation and interdependence and integration processes in the field of security are important prerequisites for the promotion of peace and stability of the international community.

The increased interdependence of countries on the global level reduces the risk of traditional military threats. Despite this, the world is now faced with complex security situation which is characterized by fast changes difficult to predict, which still keeps war and armed conflicts the constant of international relations. Terrorism, organized crime, proliferation of weapons of mass destruction, ethnic and religious extremism, illegal migrations, as well as over-exploitation of energy resources and their growing deficit are the dynamic combination of causes of risks and security threats in many countries and regions of the world.

In terms of increased connectivity of globalised economy, the macroeconomic consequences of financial market disorder in the world will be increasingly reflected not only on the economic aspects of global stability, but largely on the state of global security. The effects of the economic crisis will reduce abilities of the states to independently provide adequate capacities and capabilities for defence.

The practice of intervention and interference in the internal affairs of sovereign states violates the international legal system and poses a serious threat to global peace and stability. The modern world faces new challenges imposed by the attempts of a part of the international community to give legitimacy to the creation of new states in the territories of sovereign states and members of the United Nations. Such acts undermine international legal order and facilitate the strengthening of secessionism and conflicts on ethnic basis and thus seriously threaten the general security situation in the world.

The dangers which the modern world faces suggest a deep interdependence of countries and regions and the indivisibility of international security. Inter-relationship of modern challenges, risks and threats, as well as their trans-national and asymmetric character imposed the need to strengthen the principles of cooperation and cooperative approach to defence and security of nation states. Dialogue, partnership and joint efforts of states and other entities in the international community to achieve, maintain and improve safety are the basis of cooperative approach. Such a concept involves coordinated activities in the areas of security, defence, politics and economy and is an important contribution to strengthening peace and stability in the international community.

The largest number of countries in the world is determined to solve the issue of its own security within the system of collective security of the United Nations, which still remains an important factor of global security. The system provides the international community's response in case of violation of international legal order and the threat to peace.

1.2. Regional environment

Intensifying the process of establishing democratic standards of political life and the processes of security and defence integrations is positively reflected on the security of the European area. The United Nations (UN), the Organization for Security and Cooperation in Europe (OSCE), the European Union (EU) and the North Atlantic Treaty Organization (NATO), as well as their ability to adapt and respond to modern challenges, risks and threats significantly affect the security situation in Europe.

The states of the Euro-Atlantic area are trying to build and improve their security and defence within the system of collective defence, bound by the joint efforts, coordinated use of defensive capacities and engagement of human and material resources of the NATO Member States in case of attack on any of them.

To strengthen European security, NATO Partnership for Peace Program is particularly important, as a wide framework of political, security and defence cooperation and joint action of the Member States. In achieving the goals of crisis management and stabilization, the role of the European Security and Defence Policy is highly important.

Despite the efforts made, positive trends and achievements, security in some regions of Europe has not been fully stabilized yet and the risks of the renewed crises and armed conflicts, as well as the outbreak of new ones have not been eliminated.

The problems of European security and defence are most pronounced in south-eastern Europe, whose geo-strategic and geopolitical importance may be the cause of regional and international crises. The problem that stands out by its seriousness and complexity is the attempt to impose illegal changes of internationally recognized borders of the Republic of Serbia through the process of resolving the status of the Autonomous Province of Kosovo and Metohija, which can lead to long-term instability and jeopardizing security in the region. Revision of the provisions of the Dayton agreement, contrary to the interests of any of the constituent peoples, could lead to deteriorating security situation in Bosnia and Herzegovina and the region.

Recognition of illegal unilateral declaration of independence of Kosovo by the states in the close vicinity of the Republic of Serbia, as well as the states in the wider region has a negative impact on the strengthening of measures of trust and cooperation, and slows down the process of stabilizing the security situation in the region.

Protection of sovereignty and territorial integrity of states in the region is further threatened by the presence of separatist aspirations, ethnic and religious tensions, terrorism, organized crime, particularly drug trafficking, human trafficking and corruption. Also, the security of countries in the region may be affected by the occurrence of natural disasters and the phenomenon of technical and technological disasters. Inadequate resolution of issues of return of refugees, displaced and internally displaced persons further slows down the process of stabilization in the Balkans.

Peace and stability are important preconditions for the involvement and participation of countries of Southeast Europe in the European and Euro-Atlantic integrations. They are supposed to make joint efforts in combating the negative processes that threaten their vital national interests.

Regional security initiatives have special importance for the consolidation of peace and stability in the region of Southeast Europe: The South East European Cooperation Process (SEECP), NATO's Southeast Europe Initiative (SEEI), the Regional Cooperation Council (RCC), the Southeast Europe Defence Ministerial (SEDM), the Adriatic-Ionian Initiative (AII), the US-Adriatic Charter (AC), Southeast European Cooperative Initiative (SECI) and the South East Europe Consultants (SEEC).

Involving the countries of South East Europe in the work of these initiatives, institutionalization of their action and the development of bilateral relations significantly contribute to building cooperation and trust, and thus the security in the region.

2. CHALLENGES, RISKS AND THREATS TO THE DEFENCE OF THE REPUBLIC OF SERBIA

Foreign policy orientation and reform processes in the Republic of Serbia have a positive impact on improving the policy of good neighbourliness and cooperation, participation in European and other international security structures, as well as strengthening its international position. European and Euro-Atlantic orientation of the countries in the region and the pursuit of common values of civilization contribute to strengthening mutual trust and cooperation, which reduces the possibility of new risks and threats to security of the Republic of Serbia.

Challenges, risks and threats to the defence of the Republic of Serbia have a complex character, and with similar content, extent and intensity can be manifested at the global, regional and national levels. Basic criteria in reviewing and specifying the challenges, risks and threats is the effect of the consequences on the security and defence of the Republic of Serbia, which might arise in the event of their manifestation.

Aggression on the Republic of Serbia is considered unlikely, and may occur as a result of global or regional armed conflicts caused, primarily, by conflicting interests of great powers or states in the region.

Security of the Republic of Serbia, in the field of defence, may also be endangered by *armed rebellion*, as a specific form of armed violence aimed at achieving the interests using non-constitutional and violent means. The armed rebellion that is based on separatist aspirations in order to change internationally recognized borders by force is a special threat.

The biggest threat to the national interests of the Republic of Serbia is *unlawful unilaterally proclaimed independence of Kosovo*. The solution that is not based on the Constitution of the Republic of Serbia, international law, UN Charter and the OSCE Final Act from Helsinki can contribute to the fact that crisis and potential escalation of violence in the area become a source of long-term instability in the region.

Terrorism represents a significant threat to national, regional and global security. Security situation in the immediate environment and those elements supporting terrorist organizations in the region indicate that the Republic of Serbia may be threatened by terrorist activities, both directly and through the use of its territory for the preparation and execution of

terrorist activities in other countries. The connection between terrorism and certain forms of organized crime is a particular danger to the security of the Republic of Serbia.

Separatist aspirations, especially represented by some nationalist and religious extremist groups, and stakeholder organizations, is a source of constant security risk and a direct threat to the territorial integrity of the Republic of Serbia.

National and religious extremism, as well as stirring up ethnic and religious hatred, intolerance and exclusion, which are rooted in the conflicts of ethnic and religious grounds, in the near and distant past, are a threat to national interests of the Republic of Serbia. Slow pace of political and economic reform processes can significantly contribute to increasing social and ethnic tensions and their potential growing into conflicts.

Organized crime in the territory of the Republic of Serbia is particularly apparent in the areas of narcotics trafficking, human trafficking and illegal migrations, as well as in economic and financial sphere and the proliferation of conventional weapons and weapons of mass destruction. By its nature and consequences for the functioning of the state and development of the society, organized crime is a real threat to the security of the Republic of Serbia.

Natural disasters and chemical, biological, nuclear, technical and technological incidents are a constant security threat to the Republic of Serbia, its population, material goods and the environment. The negative consequences of these phenomena can spread and threaten the territory of neighbouring countries, and also can extend from the territory of neighbouring states to the Republic of Serbia, and threaten its territory and population.

The development of modern information technologies that are an essential part of system regulation and implementation of the state functions have created new conditions for the operation of various groups and non-state actors in achieving their goals. So there may be a threat to the functioning of the essential elements of the defence system through *cyber threats*. It is therefore necessary to continuously develop the technological and procedural protection of the defence system elements at all levels of organization.

Security of the Republic of Serbia and its defence capabilities are also threatened by other risks and threats, with a different probability of identification and manifestation, primarily: transition problems, intelligence and misuse of scientific achievements in the fields of genetic engineering, medicine, meteorology and others. Responses to these types of security threats should be sought in the capacity building of competent state bodies, as well as in the intensification of cooperation at the regional and international levels.

Content, scope and likelihood of manifestation of the challenges, risks and threats to the defence of the Republic of Serbia directly affect establishing defence policy and building defence system capacities to protect the interests of defence.

3. DEFENCE INTERESTS OF THE REPUBLIC OF SERBIA

Defence interests express the highest values and general needs of the citizens of the Republic of Serbia for building and maintenance of security and stability as essential preconditions for a free and democratic development of the society. The defence interests spring from universal values of the civilized world, national values, capacities of the Republic of Serbia and its position in the international community. Pursue and fostering of defence interests is the general goal and the purpose of existence and operation of the defence system.

The vital defence interests of the Republic of Serbia are:

- Preservation of sovereignty, independence and territorial integrity of the Republic of Serbia and protection of its citizens and their safety;
- building of trust, enhancement of security and stability in the region; and
- cooperation and partnership with international security organizations and institutions of the democratic states.

Through its defence interests the Republic of Serbia confirms its commitment to peace and stability, seeing them as conditions for democratic development and prosperity. While protecting its defence interests, the Republic of Serbia at the same time creates necessary preconditions for protection of all other national interests, as well as for participation in protection of the common values with other states.

4. DEFENCE POLICY OF THE REPUBLIC OF SERBIA

Defence policy, as a synthesis of views expressed through the basic decisions, goals and objectives and strategic concept, is focused on the creation of appropriate internal and external political, economic, social, military and other conditions for the preservation and protection of the defence interests of the Republic of Serbia.

Defence policy of the Republic of Serbia is based on strengthening its own defence capacity, cooperation with democratic and peace-loving states, the European foreign policy orientation and ability to participate actively in the processes of cooperation and joint actions with other countries and entities of international relations in the construction of national, regional and global security.

Views of the defence policy are the basis for making normative and doctrinal documents. Putting these views into operation creates the conditions for their implementation in the process aimed at the achievement of the goals established by the defence policy.

4.1. Main defence policy decisions

The Republic of Serbia supports the positive processes in the modern world and stands for peace and diminishing of the risks of all types of conflict and violence and strengthening of mutual trust and cooperation as important prerequisites for improvement of international peace and security. Republic of Serbia does not consider any state or alliance as hostile and it is determined to contribute, together with other countries, to the strengthening of global, regional, and national security.

The Republic of Serbia is determined to use all available human and material resources to protect its sovereignty, territorial integrity and security. It is determined to consistently comply with the constitutional provision specifying that the Autonomous Province of Kosovo and Metohija is an inalienable part of Serbia, as it is determined to respect Resolution 1244. The Republic of Serbia does not recognize the unilaterally declared independence of Kosovo and is prepared to continue negotiations aimed at finding a mutually acceptable solution that would be based on the provisions of international law.

As a member of the UN, the Republic of Serbia reaffirms its willingness to respect the obligations arising from the UN Charter and international law that regulates the instruments in the field of human rights and other ratified international treaties and agreements. It advocates strengthening the UN role and the creation of the security mechanisms of collective security, stressing that stability and security of the international order can be achieved through cooperation, the preservation of democratic values and respect for international law. It is determined not to possess or develop weapons of mass destruction and to actively participate in preventing its spread.

The Republic of Serbia reaffirms its commitment to the Helsinki Final Document and other basic documents of the OSCE. It emphasizes its commitment to a timely fulfilment of its obligations in the area of arms control and prevention of weapons proliferation, and to take measures aimed at building confidence and security arising from the Vienna Document and other documents on the OSCE political and military aspects of security.

The Republic of Serbia is committed to active contribution to security and stability in the region, stressing that cooperation on fostering security is of particular importance in promoting peace, stability and prosperity in the Balkan region. As one of the signatories, it is committed to respect and fulfil the obligations under the Dayton Agreement.

The Republic of Serbia allows temporary stationing of foreign armed forces on its territory only within the framework of multinational operations, based on UN resolutions and international agreements, which have been confirmed by the Serbian Parliament. It is committed to deploying portions of its armed forces to the territories of foreign countries only within the framework of multinational operations, based on UN resolutions and international obligations, in accordance with the decision of the National Assembly of Serbia and in accordance with preferences and interests of the Republic of Serbia.

The Republic of Serbia is willing, through its involvement in the activities of the European security and defence policy and participation in the NATO Partnership for Peace programme, to strengthen its own security and, with dialogue and cooperation, to contribute to peace and stability in the region, strengthening of good neighbourly relations and resolving all unsettled issues through peaceful means. At the same time, it underlines its commitment to the vision of the indivisibility of security, as well as a willingness to accept standards for organizing defence in democratic societies.

The Republic of Serbia is committed to building and strengthening the mechanisms of democratic and civilian control of the Serbian Armed Forces, as an important precondition for an orderly democratic society. With strengthening of mechanisms of democratic and civilian control, the Armed Forces and defence system as a whole become the mainstay of the overall democratic development of Serbia.

Republic of Serbia is committed to employ its defence capacities according to the Constitution, the UN Charter and principles of international law governing the use of force.

4.2. Goals and objectives of the defence policy

In order to achieve the goals of the defence policy the efforts of state agencies and authorities are primarily focused on the development of an effective defence system, its stable operation and creation of conditions for its interoperability with the systems of defence of the states involved in the NATO Partnership for Peace programme.

The following goals are derived from the strategic decisions of defence policy of the Republic of Serbia:

- An effective system of defence,
- Peace and a favourable security environment, and
- Integration into European and other international security structures and participation in the NATO Partnership for Peace programme.

In order to achieve these goals, the following objectives of the defence policy have to be reached:

- Transformation and professionalisation of the Armed Forces of Serbia
- Building and development of the capacities of the Armed Forces of Serbia
- Reform and capacity building of the institutions of civil defence
- Efficient management of defence system,
- Participation in multinational operations,
- Involvement in the activities of the European Security and Defence Policy,
- Involvement in the NATO Partnership for Peace programme, and
- Achieving interoperability with the defence systems of the member state to the NATO Partnership for Peace programme.

The goals and objectives of defence policy are to be attained in accordance with the Constitution, law and provisions of international law, especially international law in armed conflict.

4.3. Strategic concept of defence

The strategic concept of defence expresses the basic attitudes of the Republic of Serbia on how to engage the available resources to preserve and protect its defence interests. It is determined by the orientation and goals of defence policy and assessment of the challenges, risks

and threats to security, as well as new social and international roles of the defence assets. It is developed according to the real possibilities.

The main strategic foundations of defence of the Republic of Serbia are based on the application of the concept of total defence, through the integral employment of all the involved entities and capacities of defence. A significant segment of the concept takes into account the need to promote partnership and multilateral cooperation with other countries and international organizations and institutions in the interest of preservation and protection of the defence interests of the Republic of Serbia.

Depending on the type and intensity of the security challenges, risks and threats, the Republic of Serbia protects its defence interests by: deterrence through deployment of a unique and efficient defence system; building a reliable partnership and cooperation in building a favourable security environment; a resolute defence of the country by its own forces and with the help of partners; participation in multinational operations for building and maintaining peace in the region and the world; and providing support to civil authorities in tackling internal armed and non-armed jeopardizing of security.

Strategic concept of defence provides the basis for the design of the defence system of the Republic of Serbia.

5. DEFENCE SYSTEM OF THE REPUBLIC OF SERBIA

Defence system is an element of the National security, representing a unique, structured and functional entity of the defence capacities and resources whose goal is to preserve the defence interests of the Republic of Serbia.

Preservation of the defence interests is an imperative function of the state realised through military and civilian defence. Serbian Armed Forces has the function of military defence while civilian defence is performed by the state institutions, institutions of the state government, autonomous provinces, local government, economies, public services and other entities of the defence system.

Defence system includes: citizens, state institutions, economies, legal bodies, entrepreneurs and the Serbian Armed Forces. Defence capacities are human and material resources of the Republic of Serbia, i.e. organised structures of the defence system.

Defence strategy appoints structure, management and rules of the defence system functioning.

5.1. Structure of defence system

Defence system structure, as part of the national security comprises legislative bodies and executive authorities of the Republic of Serbia, Serbian Armed Forces, civil defence and other relevant defence bodies.

Legislative bodies and executive authorities of the Republic of Serbia as part of its regular powers and responsibilities prescribed by the Constitution and the law governing the system of defence and provide conditions for the stable functioning of the defence of the Republic of Serbia, both in peacetime and in war and emergency.

Serbian Armed Forces shall defend the country from external armed threats and perform other missions and tasks in accordance with the Constitution, laws and principles of international law governing the use of force.

Army missions and tasks of the Serbian Armed Forces are defined by the National Assembly of the Republic of Serbia in accordance with the Constitution and based on the sovereign rights of the Republic of Serbia on the individual and collective defence, in accordance with Article 51 The UN Charter and fundamental principles of international law governing the use of force.

Mission of the Serbian Armed Forces is as follows:

- defence of the Republic of Serbia from armed threats from outside,
- participation in building and maintaining peace in the region and the world, and
- support to civil authorities in countering security threats.

Defence of the Republic of Serbia from armed threats from the outside is realised through the deterrence of armed threat, the defence of territory and airspace defence.

Participation in building and maintaining peace in the region and the world is realised by participating in international military cooperation and multinational operations.

Support to civil authorities in countering threats to security is implemented through assistance to civil authorities in opposing internal threats to security, terrorism, separatism and

organised crime, and through support in cases of natural, technical, technological and other kinds of disasters.

The army carries out other tasks, according to the decision of the National Assembly of the Republic of Serbia.

The army is organized on strategic, operational and tactical levels into commands, units and institutions. Fundamentals of organizational structure and the size of the Armed Forces are determined depending on the risk assessment for the security of the Republic of Serbia, missions and tasks assigned, resources available and standards adopted.

Serbian Armed Forces consists of permanent and reserve components. Serbian Armed Forces are developing their own systems of training and logistics and relies on the available resources of the state.

Civil defence is part of a unified defence system. It is organized at the level of the Republic of Serbia, autonomous provinces and local government.

Missions of the Civil defence are:

- providing conditions for the functioning of the defence system,
- defence and rescue, and
- participation in multinational operations of defence and rescue.

Providing conditions for the functioning of the defence system is realized through the following tasks: preparation of the state authorities and administration, autonomous bodies, bodies of local governments, companies and other entities to function in peace and in war and emergency; providing living and working conditions for the citizens in peace and in war and emergency; providing guidance and defence training of citizens and coordinating activities with other relevant defence institutions.

Defence and rescue are realized through early warning, protection and rescue of people, protection and preservation of material resources and environmental protection. Implementation of these tasks is carried out by the Civil defence. The activities of defence and rescue engage the Serbian Armed Forces under the conditions prescribed by law.

Participation in multinational defence and rescue operations is realised on the basis of international and bilateral treaties and agreements, as well as the need to eliminate the consequences of natural and technical and technological disasters.

Civil Defence also implements other tasks based on the decisions of legislative and executive authorities of the Republic of Serbia, autonomous provinces and local government.

Other relevant defence subjects are diplomatic, security, economy, educational, health and scientific institutions and media as well as legal persons whose areas of work contributes to the functioning of the defence system. Those performing activities and tasks relevant to the defence do so in coordination with the entities of the defence system, in accordance with the law

5.2. Defence system management

Defence system management is the process of directing the defence subjects in performing their missions and tasks. Defence system management provides action and efficient reaction of the defence system to challenges, risks and threats in the defence of the Republic of Serbia.

Defence system is managed by the National Assembly of the Republic of Serbia, President of the Republic, the Government and the Ministry of Defence.

Defence system governing bodies pass and adopted:

- laws, general regulations and other regulations in the field of defence,
- strategic-doctrinal documents,
- Plan of defence of the Republic of Serbia,
- Financial plan of defence,
- plans and programs of development and functioning of the defence system and
- other documents relevant for the defence system.

Serbian Parliament passes laws and other general acts in the defence having a democratic and civilian control of the Serbian Armed Forces and the defence system as a whole and decides on the amount of funding for the defence needs.

President commands the Armed Forces in both peace and war.

Government establishes and manages the policy of defence, adopts and proposes the National Assembly of the Republic of Serbia doctrinal and strategic-planning documents in the

field of defence, the financial plan of defence, laws and other general acts and makes decisions important to the country's defence.

Ministry of Defence deals with public administration related to: defence policy and strategic planning, international cooperation in the field of defence, defence planning, preparation of the Serbian Armed Forces, government agencies, companies, other legal persons and citizens for the tasks of defence and performs duties in accordance with the law.

General Staff of the Serbian Armed Forces, as the highest professional and staff organizational element of the Ministry of Defence for the preparation and engagement of the Serbian Army, carries out the preparation, engagement, command and control of commands and units of the Serbian Armed Forces, in accordance with the law, decisions, plans and orders of the competent authorities. It continuously upgrades operational and functional capabilities of the commands and units of the Serbian Armed Forces so as to provide successful execution of the established mission and tasks.

Governance and management of civil defence and other relevant defence subjects is part of a unified management system of defence and is being implemented in the state authorities and administration, institutions of autonomous provinces, bodies of local government, business associations and other legal entities, in accordance with the law.

5.3. Principles of functioning of defence system

The basic principles of functioning of the defence system are: unity, continuity, effectiveness, reliability, efficiency, professionalism, flexibility, thoroughness, cooperation, interoperability and transparency.

The principles of functioning of the defence system are based on the fundamental constitutional and legal provisions, the UN Charter, international law, particularly international humanitarian law, basic legal instruments in the field of human rights and other laws.

Creative application of these principles contributes to the successful functioning of the defence system and performing its mission and tasks.

6. DEFENCE RESOURCES

Basic defence resources of the Republic of Serbia are the human and material resources. They are based on the demographic and economic features of the society.

Defence resources significantly affect the operation of the defence system and its capacity to address the defence challenges, risks and threats to security and are in function of protecting the defence interests of the Republic of Serbia.

Human resources for the defence are the demographic stratum of the Republic of Serbia, which is subject to the obligation of defence and is capable and trained to join the defence system.

Material resources for the defence consist of natural, economic, financial, informational, technical, technological and other capacities of the Republic of Serbia that can be engaged for defence.

The engagement of human and material resources for the defence system is regulated by law. Resources reserve are planned and engaged accordingly.

Relevant authorities and institutions are obliged to provide efficient support to the defence system for its continuous upgrading.

Republic of Serbia, in accordance with its national interests, maintains and develops the capacities and resources in defence industry, individually and in cooperation with other countries.

Condition of the defence resources in accordance with the defence system demands is vital and requires continuous development, maintenance and improvement to the level of readiness that will guarantee the fulfilment of their duties and functions.

Defence resources are developed for the protection of the defence interests of the Republic of Serbia, conflict and crisis prevention and maintaining peace and stability in the region and the world.

7. DEFENCE PLANNING

Defence planning has a dominant role in the defence system management. Defence planning system provides the necessary capacity building, operation and development of defence systems, rational engagement of resources and transparency in management of defence funds for the defence.

Defence planning is based on realistic economic capacities of the Republic of Serbia, aims and tasks of defence, security assessment, priorities defined and commitments assumed.

The planning process clearly defines long-term, medium term and annual priorities and provides economical and efficient use of funds approved for the defence.

Defence planning is realised through the development of strategic-doctrinal documents, plans and programs of development of the defence system and planning of deployment.

The starting point for planning the defence is defining the strategic and doctrinal commitments in the Defence strategy, the Doctrine of the Serbian Armed Forces, doctrines at the operational level of command, functional doctrines and other doctrinal documents of lower level.

Based on strategic orientation and needs projection, planning, programming, budgeting and execution, through the development of plans and programmes, the defence resource management in the function of building capacity for the assigned missions and tasks is defined.

Engagement of the Armed Forces planning is achieved through the development of defence plans and plans for their engagement in solving specific conditions of various threats to security. Making plans for the defence includes establishing the procedures, activities and capacities for the operation of the defence system in both war and emergency and includes the development of the Plan of Defence of the Republic of Serbia and defence plans of state agencies, local governments, companies and other legal entities relevant for the defence. Defence plans of the state and local governments, businesses and other entities of relevant for defence are part of the Defence plan of the Republic of Serbia.

8. DEFENCE FUNDING

Defence funding is done on an annual basis from the budget of the Republic of Serbia. As an additional means of funding funds from the defence revenues can be used as well as other revenues as provided by the Budget Law.

In accordance with the instructions for the preparation of the budget of the Republic of Serbia, the Ministry of Defence prepares a budget proposal with the defence financial plan every year, making sure the plan is harmonised with the plans and programmes of the development and operation of the defence system.

Transparency in defence planning and financing is achieved through the process of budget planning, adaptation, implementation control and audit. Planning, drafting, adoption and execution of the financial plan of defence is based on a unitary budget classification.

Ministry of Defence will be responsible for its own accounting of budget transactions and reporting according to the methodology prescribed by the Ministry of Finance. Also, the Ministry of Defence shall submit reports on military expenditures towards the OSCE and other specialized international organizations according to the accepted international obligations based on the ratified international conventions.

Control and audit are carried out in all phases of planning and funding of defence as internal and external. Internal control and audit are performed by the competent bodies in charge of these affairs within the Ministry of Defence. External control and audit are performed by the competent bodies appointed and authorised by the Republic of Serbia.

CONCLUSION

The Defence Strategy is the most important strategic document of the Republic of Serbia, by which the Strategy of national security is elaborated in the part related to the area of defence and which provides basis for regulation and operation of defence functions of the state.

Strategic commitments stated in the Strategy of Defence are good basis for definition of the defence policy, production of normative, strategic, doctrinaire and other documents concerning the area of defence and long term planning and development of the defence system. It sets guidelines for development and continuous improvement of the defence system and transformation of the Armed Forces of Serbia, aiming at creation of the necessary conditions, provision of required resources and building and enhancement of the capabilities of defence system for accomplishment of their missions and tasks.

Implementation of the Strategy of Defence should provide basis for a full coordination of the structural elements of the defence system within the national framework, and for active cooperation at the international level, which will have an impact on strengthening of the defence capacities and protection of the national interests of the Republic of Serbia. Application of the views stated in this document should enable effective participation of the government agencies and state institutions involved in the defence issues. This will allow for a complete and integrated method of operation of the defence system of the Republic of Serbia.

The Defence Strategy is a document which takes into account the current and future needs of the defence of the Republic of Serbia. It is designed to enable all the citizens, state authorities, government agencies and other bodies of the defence system to carry out preparations and successfully defend the Republic of Serbia.

The Strategy of Defence may be reassessed and amended, depending on the security situation in the region of the Republic of Serbia, its interests, economic capabilities and changes in other determining factors.