



Henley & Partners • Kochenov

**QNI** Quality of  
Nationality  
Index

2<sup>nd</sup> Edition • 2016

**EXPERT COMMENTARY**

Post-Yugoslav Nationalities

By: Elena Basheska

---

**HP** Henley & Partners

*Dimitry Kochenov*

## Post-Yugoslav Nationalities



**Elena Basheska**  
Henley & Partners,  
UK



The citizenship law of Yugoslavia evolved along with the federation<sup>1</sup> serving different purposes. These have been well captured by Igor Štiks: from a tool of integration in the Kingdom of Yugoslavia, to a tool of re-unification and cooperation in the Federal People's Republic of Yugoslavia (FPRY) / Socialist Federal Republic of Yugoslavia (SFRY), the citizenship law became a tool of fragmentation in post-Yugoslav states in 1990s.<sup>2</sup> Indeed, the first citizenship law of Yugoslavia, which was enacted in 1928, although applied retroactively from 1918, aimed at national unity and creation of the Yugoslav nation. Yugoslav citizens were all persons who had citizenship of the Kingdom of Serbia, Kingdom of Montenegro or the Kingdom of Croatia and Slavonia on the day of unification (1 December 1918). Every citizen must have had ties (home belonging) to one of the municipalities. As in the majority of other Federations of the world at the time, the dual character of the FPRY/SFRY nationality was visibly pronounced with all Yugoslav citizens being registered as republican citizens at republican level. Every citizen of a republic was automatically a citizen of the federation. The 1976 Law on Citizenship regulated the acquisition and termination of citizenship but transferred important competencies for implementation of the citizenship legislation from federal to republican level including registration of citizens and termination of the federal citizenship as well as competency of republican supreme courts in citizenship matters.<sup>3</sup>



- <sup>1</sup> The history of Yugoslavia started with the redrawing of the borders of Europe in 1918 as the Kingdom of Serbs, Croats and Slovenes, renamed as the 'Kingdom of Yugoslavia' in 1923. In 1941, the Kingdom was invaded by the Axis powers and in 1943 the Partisan resistance proclaimed the Democratic Federal Yugoslavia, which was recognized by the King in 1944, only to see the monarchy abolished in 1945. In 1946 Yugoslavia became the FPRY (which included Istria, Rijeka and Zadar, newly acquired from Italy). In 1963 the state was renamed again, to become SFRY. The last form of Yugoslavia was the 'Federal Republic of Yugoslavia' (FRY) as a post-SFRY federation between Serbia and Montenegro. It existed under that name until 2003 when it was renamed 'State Union of Serbia and Montenegro', which ceased to exist in 2006 after Montenegro's referendum and formal declaration of independence.
- <sup>2</sup> See Igor Štiks, *A Laboratory of Citizenship: Shifting Conceptions of Citizenship in Yugoslavia and its Successor States* CITSEE Working Paper Series 2010/02
- <sup>3</sup> Ibid.

The dual character of the SFRY citizenship had hardly any practical meaning for Yugoslavs as they had full access to all the republics and could in principle choose their republican citizenship depending on their residency. Furthermore, the SFRY passport has been described 'one of the most convenient in the world, as it was one of the few with which a person could travel freely through both the East and West' during the Cold War.<sup>4</sup>

The post-SFRY period, especially the immediate years after the dissolution of Yugoslavia, has been rather a stage of building ethnic citizenship in independent post-Yugoslavian states with numerous problematic aspects for citizens of other former-Yugoslav countries who found themselves caught in alien states almost overnight.<sup>5</sup>

After the dissolution of Yugoslavia, a number of nationalities emerged from the newly independent states. Currently, there are seven nationalities from the post-Yugoslav countries: the six of the former socialist republics and the seventh the nationality of Kosovo. The status of Kosovo, which proclaimed its independence in 2008, is still disputed by a number of states and primarily by Serbia.

Unlike within Yugoslavia, where possessing the citizenship of a particular republic had no significance at all for the people living in the different republics, given the federative character of the Yugoslav citizenship as a strong protector of citizens' rights, the seven nationalities of the post-Yugoslav countries are of a different quality. These can be generally divided into two groups: post-Yugoslav EU nationalities (Croatian and Slovenian nationalities) and post-Yugoslav non-EU nationalities (Bosnian and Herzegovinian, Kosovan, Macedonian, Montenegrin and Serbian nationalities).



4 See Ruud Van Dijk, et al. (eds.), *Encyclopaedia of the Cold War* (Rotledge, London 2008), p898

5 See *Kurić and others v Slovenia* App No. 26828/06 (ECtHR, 26 June 2012)

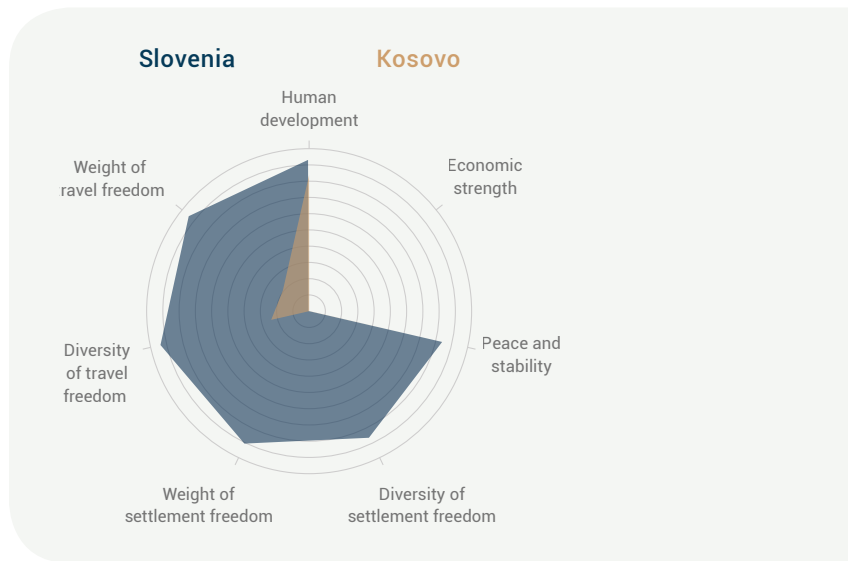
	Nationality	Value 2016	Rank 2016
1	Slovenia	77.1	17
2	Croatia	68.6	30
3	Serbia	39.0	66
4	Montenegro	38.1	69
5	Macedonia	36.5	74
6	Bosnia and Herzegovina	36.2	77
7	Kosovo	23.3	133

Both Slovenia and Croatia have benefitted from strong nationalities due to their EU memberships. In other words, the supranational entity, if not federative, significantly boosted Slovenia's and Croatia's nationalities. In terms of the QNI, Slovenian nationality is of Extremely High Quality, while Croatian nationality is of Very High Quality. Both nationalities have strong external value due to their exceptional performance in both Settlement Freedom and Travel Freedom. Thus Slovenians can feel equally at home in 38 countries and territories outside Slovenia (Slovenian nationality shared the 13<sup>th</sup> place with Maltese nationality in the Settlement Freedom Ranking) and can travel visa-free or by visa-on-arrival to 164 destinations (Slovenian nationality shared 20<sup>th</sup> place with three other nationalities in the Travel Freedom Ranking), while Croats have full access in 32 countries outside their home country (nationality ranked 16<sup>th</sup> in the Settlement Freedom Ranking) and can travel visa-free or by visa-on-arrival to 152 destinations (nationality ranked 32<sup>nd</sup> in the Travel Freedom Ranking). At the time of writing, the US has neither removed visa restrictions for Croats nor taken any genuine step towards visa liberalization, in violation of US–EU reciprocity.<sup>6</sup>

The nationalities of non-EU post-Yugoslav countries are of High Quality except for Kosovan nationality, which is of Medium Quality. In general, non-EU post Yugoslav countries have weak economies and are fragile in terms of Peace and Stability due to the numerous inter – (inter-) and intra-ethnic tensions in the region and political instability. Furthermore, none of these nationalities allows full access to more than one other state: Bosnians, Montenegrins and Serbians can only freely settle in Georgia, while Kosovans and Macedonians cannot freely settle in any other country at all. Thus, the first three nationalities are ranked second last (45<sup>th</sup>) in the Settlement Freedom Ranking along with 36 other nationalities, while Kosovan and Macedonian nationalities were ranked last (46<sup>th</sup>) along with 68 other nationalities. That said, it should be noted that three of the five non-EU post-Yugoslav countries (Macedonia, Montenegro and Serbia) are EU candidate countries. Albeit moving at a different speed (Montenegro moving faster than Serbia and the latter moving faster than the very slow moving Macedonia towards the EU), all three countries should see improvement of the value of their nationalities once they join the EU in the future.

<sup>6</sup> On 3 March 2017, the European Parliament voted to end visa-free travel for US citizens within the EU after the US failed to agree to visa-free travel for the citizens of five EU Member States: Bulgaria, Croatia, Cyprus, Poland and Romania

All non-EU post-Yugoslav nationalities, except for the Kosovan nationality, allow visa-free travel to the Schengen Area, which makes Kosovan nationality the worst among all the nationalities of post-Yugoslav countries. In 2016, the European Parliament recommended visa liberalization for Kosovo but not before the country fulfils two remaining criteria: ratification of its border agreement with Montenegro and improving its record in the fight against organized crime and corruption. As seen, for instance, with a number of Caribbean countries in 2016, the value of Kosovan nationality will significantly increase once Schengen visa restrictions are removed.



Except for the possible removal of Schengen visa restrictions for Kosovan nationals and the improvement of Kosovan nationality, 2017 should not bring significant changes in the value of post-Yugoslav nationalities. The Croatian nationality may further improve with the removal of settlement restrictions by Austria, Malta, the Netherlands, Slovenia and the UK by the end of the second stage of the seven-year transitional period in 2018.<sup>7</sup>

In summary, since the days of the 'Red Passport', which was considered valuable both in the 'East' and in the 'West', the quality of the nationalities of post-Yugoslav countries have come to differ significantly: the Slovenian and Croatian nationalities benefitting from their EU membership, while non-EU post-Yugoslav nationalities achieving less impressive values. Once enjoying great privileges as Yugoslav nationals, Kosovans today have the worst nationality among all post-Yugoslav countries.

This teaches us an important lesson: enjoying the same starting position (Yugoslav nationality in this case), nationalities of the countries following the deterioration of federations can differ drastically, diverging to a great degree.

<sup>7</sup> The overall transitional period for which EU Member States can restrict the access of Croatian workers lasts seven years and is divided into three phases: 2+3+2. The first two-year stage ended on 30 June 2015 when eight Member States lifted the restrictions for Croatian citizens, allowing them full access to their labor markets. Austria, Malta, the Netherlands, Slovenia and the UK are maintaining the restrictions for another three years. This period ends on 30 June 2018 when they can decide to either allow full access to Croatian citizens or to keep the restrictions for another two years, i.e. until 30 June 2020 at the latest. Fourteen Member States allowed Croatians full access upon accession on 1 July 2013

**Henley & Partners** is the global leader in residence and citizenship planning. Each year, hundreds of wealthy individuals, families and their advisors rely on our expertise and experience in this area. Our highly qualified professionals work together as one team in over 25 offices worldwide.

The concept of residence and citizenship planning was created by Henley & Partners in the 1990s. As globalization has expanded, residence and citizenship have become topics of significant interest among the increasing number of internationally mobile entrepreneurs and investors whom we proudly serve every day.

The firm also runs a leading government advisory practice which has raised more than USD 6 billion in foreign direct investment. We have been involved in strategic consulting and the design, set-up and operation of the world's most successful residence and citizenship programs.

**Antigua and Barbuda**  
+1 869 465 6220  
antigua@henleyglobal.com

**Australia**  
+61 3 8658 5994  
australia@henleyglobal.com

**Austria**  
+43 1361 6110  
austria@henleyglobal.com

**Canada**  
+1 514 288 1997  
canada@henleyglobal.com

**Croatia**  
+385 21 321 027  
croatia@henleyglobal.com

**Cyprus**  
+357 2531 1844  
cyprus@henleyglobal.com

**Dubai (UAE)**  
+971 4 392 77 22  
dubai@henleyglobal.com

**Grenada**  
+1 473 443 4000  
grenada@henleyglobal.com

**Hong Kong**  
+852 3101 4100  
hongkong@henleyglobal.com

**Jersey/British Isles**  
+44 1534 514 888  
jersey@henleyglobal.com

**Latvia**  
+371 66 05 1009  
latvia@henleyglobal.com

**Lebanon**  
+961 76 834 632  
lebanon@henleyglobal.com

**Malaysia**  
+603 2731 9340  
malaysia@henleyglobal.com

**Malta**  
+356 2138 7400  
malta@henleyglobal.com

**Philippines**  
+632 669 27 71  
philippines@henleyglobal.com

**Portugal**  
+351 213 970 977  
portugal@henleyglobal.com

**Singapore**  
+65 6438 7117  
singapore@henleyglobal.com

**South Africa**  
+27 21 850 0524  
southafrica@henleyglobal.com

**South Korea**  
+82 10 5147 2300  
korea@henleyglobal.com

**St. Kitts and Nevis**  
+1 869 465 6220  
stkitts@henleyglobal.com

**St. Lucia**  
+1 758 458 9777  
stlucia@henleyglobal.com

**Switzerland**  
+41 44 266 22 22  
switzerland@henleyglobal.com

**Thailand**  
+662 041 4628  
thailand@henleyglobal.com

**Turkey**  
+90 212 373 9588  
turkey@henleyglobal.com

**United Kingdom**  
+44 207 823 10 10  
uk@henleyglobal.com

**Vietnam**  
T +848 3911 1667  
vietnam@henleyglobal.com