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Corporate & Public Strategy
Advisory Group



EU Corridors

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- **Editorial**

In this edition of EU Corridors' editorial we analyze Turkey's EU accession process in light of developments following the EU Foreign Affairs Council and EU Summit on 10-11 December.

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Editorial

All Ways to the EU Open to Cyprus

Technical negotiations Turkey has been holding with the EU over the past four years is about to come to a deadlock due to Cyprus. Most recently, Southern Cyprus tried to convince the EU member states to impose additional obligations on Ankara on the grounds that the given time limit for Turkey to open its sea and airports has elapsed. When the EU refused to do this, Southern Cyprus decided to make certain unilateral decisions about Turkey's obligations. The ports issue was expected to generate a crisis during the EU Summit on December 10-11. On the other hand, the EU did reveal its position at the meeting of EU Ministers for Foreign Affairs on December 8 and the Council did not include Turkey again on the meeting agenda. Believing the decision in 2006 to suspend eight negotiation chapters constituted a satisfactory obligation for Turkey's incompliance, 26 EU member states did not want to further strain relations with Ankara while peace negotiations continue in Cyprus. Nevertheless, according to certain sources, France, Malta, Greece and the Netherlands support Cyprus' unilateral obligations. Greek Cyprus did not present an explicit position concerning the character of its proposed obligations. Foreign Affairs Minister of Southern Cyprus, Marcos Kyprianou stated they would ask for opening criteria such as 'the opening of the ports' and 'normalization of relations between Turkey-Southern Cyprus' in order for the next six chapters (free movement of workers; judiciary and fundamental rights; Justice, freedom and security; education and culture; foreign, security and defense policy; and energy) to be opened. Southern Cyprus must persuade the 26 member states to impose an opening criterion on Turkey for the opening of these negotiation chapters. If Greek Cyprus fails to convince the states, Greek Cypriots are expected to veto and block the opening of the concerned chapters.

18 Chapters Currently Blocked

The position of Southern Cyprus caused 18 out of 35 available negotiation chapters to be totally blocked. Turkey and the EU have opened 11 chapters so far. Fourteen of the chapters were blocked due to the ports issue and France's opposition impeded four. In the end, Southern Cyprus did not receive the support it was seeking at the EU Summit on December 10-11 December. EU leaders merely reiterated their urge to Ankara to open its ports without delay. The Council also postponed the deadline for one year noting that it will review the ports issue in light of the European Commission's Progress Report next year.

How Will the Negotiation Process Be Affected?

EU representatives that were interviewed concerning the unilateral rise of the Greek Cypriots commented: "Southern Cyprus suspended the recently announced chapters at the Council for a long time due to political reasons. For this reason, the situation did not get worse. However, only five chapters may now open. Everything will be bound to Cyprus after that. If not resolved, the sea will gradually dry out."

Representatives dwell on two scenarios for a way out of this vicious cycle. The first possibility is peaceful resolution of negotiations between two communities in Cyprus. In this way, membership of Northern Cyprus to the EU will be guaranteed and obstacles to Ankara by Southern Cyprus will be eliminated. The second possibility is the resolution of the ports issue without delay. However, Ankara will only open its ports if the economic and trade sanctions on Northern Cyprus are lifted. Greek Cyprus has prevented this for so long. Thus, relations between Brussels and Ankara are currently not optimistic.

Duygu Leloğlu
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News

EU elects New President and Foreign Minister

Prime Minister of Belgium, Herman Van Rompuy, who opposes Turkey's EU membership, was elected as the EU's first president during the European Union (EU) Heads of State and Government Summit last month. Van Rompuy will serve two and a half years in his new position and will represent the EU internationally. In addition, the former post of EU presidency, which rotated every six months, was made defunct through certain changes brought about by the Lisbon Treaty, which took effect on December 1. The responsibility of the EU Term Presidency will be shared among three EU countries for a period of 18 months. Meanwhile, Catherine Ashton, British EU Commissioner in charge of trade, was appointed to the EU's second most important seat as the High Representative for Foreign Affairs and Security Policy. While Van Rompuy, during his speech in 2004, announced that Turkey will never be a part of Europe, Ashton, known for her strong allegiance to Britain's former Prime Minister Tony Blair, is a supporter of Turkey's EU process.

EP Report calls on Turkey to step up Democracy

European Parliament's Turkey rapporteur MEP Ria Oomen Ruijten's eight page report called on Turkey to raise its standards of democracy. The report, which will be voted on during the EP's General Assembly in February, will become a critical decision making tool. It does indicate that Turkey's democracy will be strengthened by the overthrow of the Ergenekon network. The report also calls PKK to capitulate, and demands the government increase the use of the Kurdish language in political and public life. The report outlines requests for the immediate opening of air and seaports to Southern Cyprus as well as Turkish support for peace negotiations in Cyprus for a comprehensive settlement. Ankara is required to increase cooperation with EU's foreign policy especially regarding Iran.

EU Criticizes Turkey for Closing Democratic Society Party

The European Union (EU) reacted to the Supreme (Constitutional) Court's decision to close the Democratic Society Party (DTP). The Swedish EU presidency, in a written statement, announced that the EU is concerned by the DTP's closure and the prohibition of political action among the party's democratically elected representatives. The EU term president pointed out that the EU strongly condemns violence and terrorism; however, he emphasized that the closure of political parties should be applied only in rare cases. The EU's executive organ, the Commission, also criticized the DTP for its inability to distance itself from the PKK. Commission spokesman Amadeu Altafaj Tardio in his statement yesterday said the Commission regrets that the DTP did not distance itself from the PKK and refused to condemn terror. On the other hand, Tardio uttered that the DTP is a political channel for the representation of a significant portion of the population and that the closure of the party could harm this representation and democratization efforts in the country.

Czech Minister Heads Up EU Enlargement Process

Czech Republic EU Affairs Minister, Stefan Füle, heads up the European Commission's enlargement process and will be in charge of Turkey's file for the next five years. The President of the European Commission Barroso recently announced the members of the new Commission which will present 27 portfolios.

Füle, a career diplomat from the European socialist society is known as a bureaucrat rather than a politician and is also known by his reconciliatory character. Füle served as a NATO permanent mission representative for the Czech Republic. In the 1980's he worked for the Czech Communist Party, and was educated in Moscow. In the new term, EU Commissioner for Enlargement will also be responsible from EU's Neighborhood Policy including Caucasus as well as neighboring countries.

Bildt Warns Not to Close EU Doors

European Union Term Presidency, Sweden's Foreign Minister, Carl Bildt, called on the EU not to close its doors to certain candidate countries, including Turkey. During the EP's General Assembly session of enlargement process, Bildt stated closing the doors to these countries would be a historical mistake on the part of the EU. Bildt continued that challenging reform processes await those countries and the EU shall keep its doors open, otherwise, alternative doors can open which might lead dangerous results. Furthermore, replying a question by extreme right-wing deputies who oppose Turkey's membership, Bildt said it is understandable that Turkey is found "too big" and "too Muslim"; however, Article 49 of the EU Treaty on membership does not provide any criteria about religion nor mentions internal problems or size of a candidate country. He added; excluding Muslim citizens solely because of their beliefs would be wrong.

EP Calls for "Enduring the Democratic Opening"

The enlargement report, which was approved during the EP's General Assembly, became a decision of recommendation. The report called on Turkey to endure the democratic opening. The report's paragraph about Turkey contains both positive and negative series of messages. The parliament calls on the opposition parties implicitly to "support the democratic opening". Cyprus is dissatisfied because of the EU's claim to open the energy chapter, which was blocked for a long time. The report, which calls on Ankara to open ports to Cyprus, invites all concerned parties to support the Cyprus peace process.

Three Expectations from European Parliament

Members of the European Parliament (EP) raised three expectations from Turkey regarding relations with Cyprus, Iran and its reform process, during the address of Egemen Bagis (Minister for EU Affairs and Chief Negotiator's). At the Committee on Foreign Affairs, MEPs requested that Turkey take reassuring precautions in Cyprus, implement democratic reforms in full and coordinate its foreign policy with the EU. Egemen Bagis replied that "it takes two to tango" regarding the Cyprus issue, and said it's impossible for Turkey to act unilaterally. His answer to those who want to reduce the number of Turkish soldiers in Northern Cyprus was; upon the removal of Greek and English armies from the island Turkey can also discuss the issue. Bagis promised those who criticized Turkey's slow reform process, to continue the reforms. He also emphasized that the government would try to find a conciliatory agreement with the opposition camp regarding the constitutional amendment. To members of the Parliament who commented on Turkey's relations with Iran, Bagis commented, Turkey knows how to speak to Iran. He added 'if Iran had the nuclear weapon, Turkey would be the first country to argue about that.'

European Union lifts Visa Requirement for Citizens of Three Countries

EU Ministers for Justice and Home Affairs gave permission to lift the visa requirement for citizens of Serbia, Montenegro and Macedonia. The visa exemptions, to take effect December 19, will be implemented for those citizens of the three countries who carry their biometric

passports. The EU did not lift visa requirements for Bosnia and Herzegovina which has not been able to adopt biometric passports. The EU Schengen area covers EU-23, excluding Romania, Bulgaria, Ireland and the United Kingdom, as well as three non-member states - Iceland, Norway, and Switzerland.

EU increases Parental Leave

Parental leave in the EU was increased to four months. According to a new arrangement each parent can take up to four months of parental leave. The extra one month leave for the father or the mother cannot be transmitted and added up to the total parental leave of the other spouse. Parental leave in the EU was previously three months.

R&D Investments Increase despite Economic Crisis

According to new figures published in the EU, investment in research and development worldwide (R&D) increased in 2008. The maximum increase was 8.1% in the EU, while the USA came second in at 5.7% and Japan dropped to third with 4.4%. Two EU companies featured in the top 10 in the list of the companies who made the most investments. The reports also show that the amount of money spent on R&D in developing countries exceeds EU countries.

Optimism of Business World in EU

The Business Climate Indicator (BCI) for the Euro Area improved in November. Industrial production growth, which was negative in October, remained the same in December. The rise in the BCI is due to an improvement in sentiment among managers of companies and also to positive opinion concerning the general economic climate. On the other hand, according to the last indicators, the Eurozone unemployment rate has remained 9.8% for the past two months. The Business Climate Indicator (BCI) consists of analyses of many economic indicators within the Euro zone.

Greece worries Eurozone

The Eurozone is worried about Greece, which is not able to pay its foreign debt of 300 billion Euro. During his speech in the EU Economic and Financial Affairs Council, Greece Prime Minister Yorgo Papandreu, affirmed that he was ready to implement all of the institutional arrangements for economic recovery of the country. Papandreu, who tried to boost confidence among the markets by his statements, actually drew attention to the fact that Greece has not maximized its potential in areas such as green energy and tourism.

EU pushes for reduced Climate Change

During the European Union's Heads of State and Government Summit, held in Brussels on 10-11 December, it was decided to push for greenhouse gas emissions reduction to %30 (compared to 1990 level) by 2020. According to this, the EU's proposition will be implemented if developed countries like the US and Canada can agree on the same figures during Copenhagen Climate Conference. On the other hand, the EU could not provide six billion Euros that it was to collect from member states in order help poor countries while they were combating climate change. The Prime Minister of Sweden, whose EU Presidency ends following the December Summit, announced that the EU would reserve 2.4 billion Euros each year.

Agenda

14 December

- UN Global Climate Warming Summit (7-18 December)
- EU Agriculture and Fisheries Council
- European Parliament Plenary, Strasbourg (14-17 December)

15 December

- EU Agriculture and Fisheries Council
- EU Political and Security Committee
- EU Enlargement Group meeting

16 December

- Address by Fredrik Reinfeldt, Prime Minister of Sweden, at the EP Plenary
- COREPER I
- EU – Russia Troika

17 December

- EU Transport and Telecom Council
- COREPER II

18 December

- EU Transport and Telecom Council
- EU Political and Security Committee

21 December

- Turkey-EU Intergovernmental Conference and Possible opening of Environment chapter
- COREPER I
- EU Military Committee Working Group

22 December

- Environment Council

23 December

- EU institutions closed until 4 January 2010

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The information in this document was compiled from various EU information sources.