

# CPS

Corporate & Public Strategy  
Advisory Group



## EU Corridors

January  
2010

- **Editorial**

In this edition of EU Corridors' editorial we analyze the course of Turkey-EU relations and the anticipated negotiation process for 2010...

- **News**

This month's significant events concerning the EU agenda...

- **Agenda**

Crucial dates and milestones along Turkey's EU journey...

## Editorial

### **A Challenging Year Ahead for Turkey**

Turkey's accession process to the European Union (EU) has entered a painful term even though Spain – a supporter of Turkey's accession – currently holds the EU presidency. Although Spain indicated that the negotiations should continue full-speed ahead, the process has been deadlocked on the Cyprus issue. Meanwhile Southern Cyprus has issued a unilateral statement that it will veto the opening of six pending negotiation chapters, greatly reducing the number of chapters Turkey can open this term.

### **All Eyes on Four Upcoming Chapters**

During a press conference on the policy priorities of the new EU Presidency, Foreign Affairs Minister of Spain, Miguel Angel Moratinos expressed his intention to open negotiations with Turkey on a few more chapters and underlined that the negotiation process should be conducted with consistency. Spain sees Turkey as indispensable for forging peaceful dialogue in the region and counts on Turkey's help to promote dialogue with the Muslim world. However, the political will of Spain is not adequate to clear Ankara's path to the EU.

Croatia meanwhile, which opened negotiations in 2005 – at the same time as Turkey -- is expected to conclude the technical process this year. In contrast, Turkey was able to open only one chapter (on environment) during the previous EU Presidency, which was held by Sweden. Turkey seems to encounter a slowed-down accession process this term as well with certain political issues holding the country back from opening more than four negotiation chapters. Nevertheless, Ankara is determined to take legal measures in order to open the four chapters, which cover competition, food safety, public procurement and social policies. The competition chapter is likely to be opened first.

### **Two Possible Paths for Turkey**

The progress of Turkey's EU accession process is totally connected to the ongoing peace process in Cyprus. Following Southern Cyprus' firm declaration to veto certain chapters, the number of suspended chapters in Turkey's accession history thus far increased to 18. Meanwhile, EU insiders believe there are two possible paths Turkey can take to eliminate the obstacles to accession. The first path would be to forge a peaceful resolution on the island prior to upcoming presidential elections to be held in Northern Cyprus in April. The other path would mean opening Turkey's sea and airports to vessels and planes from Southern Cyprus. The clock is ticking...

**Duygu Leloğlu**  
**Brussels**

## News

### **Environment Chapter Opened**

The environment chapter opened as part of Turkey's accession negotiation at an intergovernmental conference in Brussels. The 12th chapter, out of a total of 35 negotiation chapters, was opened during meetings with the Minister of Foreign Affairs Ahmet Davutoğlu, Minister of Environment and Forestry Veysel Eroğlu, Minister of State and Chief Negotiator Egemen Bağış and Minister of Foreign Affairs of Sweden Carl Bildt who holds the rotating presidency of the EU. The environment chapter is known to be the most expensive. In order to comply with EU environmental standards, Turkey will spend an estimated 58 billion Euro. The opening of the chapter signaled that the accession process continues despite difficulties. On the other hand, during the meeting, Ankara emphasized the "double-standard treatment" of the EU towards Turkish citizens concerning visa-free entry. The signing of a return agreement between the EU and Turkey is seen as the most crucial step for a deal on visa-free entry. However, Ankara must allocate necessary financial sources before it can sign the agreement. Talks for visa-free entry to the EU are expected to commence this month; experts think the case will be a challenge for Turkey. Although Turkey may fulfill the necessary technical obligations, the EU's primary concerns center around the country's vast population and visa exemption agreements Turkey has with other countries (Syria, Libya etc.), which complicates the process.

### **Spain Takes Over EU Presidency**

As of January 1, the EU six-month presidency passed from Sweden to Spain. Last month, Sweden opened just one chapter, on environment, between Turkey and the EU. Spain, on the other hand, expressed its intention to open a few chapters. Just four chapters remain to be opened for negotiations. However, Ankara is required to fulfill certain legal obligations for all of these chapters before their opening.

### **EU's Grant Agreement to TRNC Completed**

The European Commission has completed the agreement process concerning the use of a 259 million Euro grant it allocated for various projects in Northern Cyprus (880 signed agreements will enable the funding of the accepted projects). The projects, some of which will continue through 2011, consists of Turkish Cypriot civil society organizations, villages, schools and SMEs related projects (35 million Euros); reconciliation and confidence building projects (10 million Euros); projects on sea water purification systems and waste water treatment plants in Northern Cyprus (73 million Euros) and harmonization with the EU acquis (14.5 million Euros).

### **EU Grant for Turkey's Agriculture and Fisheries Project**

The EU will distribute grants worth 2.2 million Euros to agriculture and fisheries non-profit organizations in Turkey. Non-governmental organizations, universities, municipalities, special provincial administrations, chambers and exchange commodities, professional organizations, unions and consumer organizations may apply to the program, which will fund projects between 50 thousand and 175 thousand Euros. Organizations are required to apply by March 22 to benefit from the grant.

## **EU Unemployment Rate Raises**

According to the European Commission's unemployment rate declaration, the EU's unemployment ratio will rise this year and is not predicted to recover until 2011. According to research, which covers 27 EU countries, the unemployment rate will be 10.3% (28 million people) by the end of 2010. However, Europe highlighted that this ratio is better than previously anticipated unemployment, which warned that it would be 11% or higher for the same period. This anticipated recovery in the unemployment rate is attributed to the Union's economic recovery program implemented last year.

## **EU Strengthens Patent System**

The EU's decision-making body, the Council, aims to strengthen the EU's patent system by implementing a single consolidated patent application process and the establishment of a new EU patent court. The EU new application process is expected to be less expensive for European businesses looking to protect new technologies.

## **Decisions on Global Warming Unsatisfactory**

Decisions made during a Conference on global warming in Copenhagen last month, in which 192 countries participated, were generally unbinding and unsatisfactory for the EU. The Union's presidency highlighted that the decisions are only a first step towards binding agreements. European Environment Commissioner Stavros Dimas said that despite the fact that the Copenhagen Accord is not as assertive as was expected, it does contain some of the EU's objectives such as that states are expected to take necessary measures to limit the global temperature rise to 2 degrees Celsius above pre-industrial levels, by 2050. A 30 billion dollar budget was set forth for the next three years and 100 billion was allocated to developing countries to fight global warming until 2050.

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### **5 January**

- Coreper I
- Coreper II
- Political and Security Committee (PSC)

### **7 January**

- Coreper II

### **8 January**

- Coreper I
- Political and Security Committee (PSC)

### **11 January**

- Council of Agriculture and Fisheries

### **12 January**

- Informal Meeting of Directors-General for EU Affairs (12-14 January)
- Political and Security Committee (PSC)

### **13 January**

- Coreper II
- Breakfast Policy Briefing, William E. Kennard, United States Ambassador to the EU, EPC, [www.epc.eu](http://www.epc.eu)

### **14 January**

- Informal meeting of Ministers of Energy and Environment (14-17 January)
- EPC Conference on Employment and economic Growth in Europe in 2010

### **15 January**

- Political and Security Committee (PSC)

### **18 January**

- Council of Economic and Financial Affairs Ministers from Eurozone Member States
- Agriculture and Fisheries Council
- European Parliament plenary session - Strasbourg, France (18 - 21 January)

### **19 January**

- Council of Economy and Finances (ECOFIN)
- Political and Security Committee (PSC)

### **20 January**

- Informal Meeting of Ministers for Justice and Home Affairs (20-22 January)
- Coreper I
- Political and Security Committee (PSC)
- Conference on "Democracy's Plight in the European Neighborhood", CEPS, [www.ceps.eu](http://www.ceps.eu)

**25 January**

-General Affairs and External Relations Council

**26 January**

-Appearance of the second Vice President and Minister of Economy of Spain Elena Salgado, in EP.  
-Political and Security Committee (PSC)

**27 January**

-Informal Meeting of Employment and Social Policy Ministers (27-29 January)  
-Coreper I  
-Coreper II  
-Conference: "Implementation of the Lisbon Treaty Conference", EPC, [www.epc.eu](http://www.epc.eu)

**29 January**

-Political and Security Committee (PSC)

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