DECEMBER EUROPEAN COUNCIL: WHAT TO EXPECT FOR TURKEY-EU RELATIONS

Statements ahead of the December European Council signal that the EU would want to send a message of warning to Turkey. Meanwhile, Turkey could affect the EU’s approach by restarting reforms.

Asst. Prof. Çiğdem NAS
IKV Secretary General

The European Council is scheduled to meet on 10 and 11 December 2020 with a busy agenda including efforts to tackle COVID-19 and Turkey and Poland’s efforts to prevent rule of law criteria to be applied to EU funds, trade policy, climate change, security and external relations. The issue to be taken up also includes Turkey-EU relations. It is no secret that relations between Turkey and the EU are going through a new period of division. Turkey has been a candidate to join the EU since the Helsinki European Council of 1999 and negotiating accession since 2005. Although the candidacy status is still valid, no new chapters in the negotiations could be opened since June 2016. Moreover, the EU decided to implement sanctions against Turkey starting with the suspension of comprehensive air transport agreement negotiations, cuts in IPA funds and calling off the Turkey-EU Association Council meetings as well as high level dialogue meetings. In addition to problems in the fulfillment of political criteria for EU accession, foreign policy issues began to undermine Turkey-EU relations. As they were placed at the forefront, members of the EU expressed criticism by the EU over hydrocarbon explorations in Eastern Mediterranean and maritime delimitation issues. Recently the European Council, meeting on 1 October, extended an offer of a positive political agenda on the condition that Turkey would cease its activities in Eastern Mediterranean. The conditional offer of a positive political agenda included a revitalisation of Turkey-EU relations by way of Customs Union modernisation, trade facilitation, people-to-people contacts, high level dialogues and cooperation on migration based on the 2016 Turkey-EU Statement.

The conclusions of 1 October also added that “the EU will use all the instruments and the options at its disposal, including in accordance with Article 29 TEU and Article 215 TFEU, in order to defend its interests and those of its Member States” in case Turkey continues its unilateral actions in Eastern Mediterranean. Those instruments and options noted in the above-mentioned articles of TEU and TFEU make it possible for the EU to apply sanctions and restrictive measures up to 31.5 dignity points where the Union adoption a decision under Chapter 2 of Title V of the TEU regarding “the interruption or reduction, in part or completely, of economic and financial relations with one or more third countries”, the Council can adopt the necessary measures by qualified majority voting.

Developments following the Proposal for a Positive Political Agenda

Following the proposal for a positive political agenda, Turkish officials mostly objected to this offer being tied to a condition regarding Turkey’s foreign policy actions. The Ministry of Foreign Affairs criticised the European Council conclusions to be based on “narrow-minded interests and blindly-extended membership solidarity.” The press release regarding the 1 October conclusions started with the following statement: “Conclusions adopted at the Special European Council Meeting yesterday (1 October) regarding Turkey, even with certain positive elements, are far from reality in most aspects. The text is an evidence of how certain EU countries aim to further relations with Turkey on the one hand and how the Greek-Cypriot Cypriotros takes Turkey-EU relations hostage on the other.” The Ministry also added that Turkey remained committed to the rule of law and the European Union membership perspective and open to all initiatives based on de-escalation, dialogue and diplomacy.

Following the 1 October Summit, Turkey continued to declare NAVTEX alerts in the Eastern Mediterranean and Aegean, i.e. 5 new NAVTEX alerts for the seismic exploration vessel Oruç Reis until 4 November and two more alerts for Barbaros Hayreddin Paşa, the vessel named after a historical commander of Ottoman marine forces who lived in the 15th-16th centuries. Turkish officials saw the area where explorations would be made as legitimately falling under Turkey’s national zone which was contested by Greece and the Greek Cypriot Administration of Southern Cyprus (ECAS). While Turkey’s actions were deemed as “provocative” by the EU, Greece also engaged in a similar type of action when on 10 October, it declared two new NAVTEX alerts also concerning the contested maritime zones. The exploratory talks between Greece and Turkey regarding questions of territorial waters, continental shelf and related issues over the Aegean could not be restarted due to lack of agreement on the agenda regarding the specific issues to be addressed. The opening of the contested zone of Varosha is considered as a violation of the UN resolutions (TRNC), the dispute with France starting after the murder of history teacher leading to a response by the Turkish side starting a boycott of French products and Turkey’s stance and role regarding the Nagorno-Karabakh conflict did not help with a re-engagement between Turkey and the EU. Hence, the window of opportunity created by the 1 October European Council could not provide for a re-energising of the relations.

Member State and Institutional Positions prior to the December European Council

Statements by Greece and France prior to the December European Council have indicated that the December European Council could result in quite worrying developments regarding the future of Turkey-EU relations including the application of sanctions towards Turkey. Greek Foreign Minister Nikos Dendias sent a letter to the European Commissioner for Enlargement Olav Nolvik regarding the situation of the Turkey-EU Customs Union due to what he considered as the AKP’s continued policies. In addition, he also complained about extra tariffs implemented by Turkey and saw these as a violation of Customs Union commitments.

President Erdogan called for a ban on French products as a protest against French President Macron’s statements following the murder of a history teacher in France. Such a ban regarding goods which should be in circulation according to the rules of the Customs Union was also criticised. The disagreement between President Macron and President Erdogan regarding Islam and radicalism also attested to a conflict over the question of religion, secularism and integration of Muslims in Europe. France’s European Affairs Minister Clement Beaune stated that individual or sectoral economic sanctions could be debated in the December European Council and added that France changed the position which German President declared a few days ago that “we have to understand that the EU is not in a position to impose sanctions on Turkey. Even Germany’s Chancellor Angela Merkel, who is one of the parties prior to the October European Council, changed her approach and said that current developments will be observed until the European Council meeting, but also added that “most recent developments were not like what the EU has wished to see in the region.”

High Representative for Foreign and Security Policy Josep Borrell, spoke during the EU Foreign Affairs Ministers Council meeting saying that “the recent actions and a statement by Turkey related to Cyprus, were considered to be contrary to UN resolutions and further lifting of tensions” He criticised Turkey’s behaviour and said that this unchanging attitude is leading to a separation on the EU and makes it impossible to implement the positive agenda. "We recognise also that it is important that Turkey understands that its behaviour is widening its separation from the EU in order to return to a positive agenda, as we wish, we will require a fundamental change of the attitude on the Turkish side." Regarding the European Council in December when the question of “what to do about Turkey” will again be taken up by the EU leaders, he drew attention to a “watershed moment” in Turkey-EU relations where the future direction would also be shaped. “European Council will provide crucial direction on this, next month ‘time is running, and we are approaching a watershed moment in our relationship with Turkey’” He also added that the opening of the contested zone was considered as a violation by EU foreign affairs ministers.

Anna-Michelle Asimakopoulou, Vice-Chair of the European Parliament’s International Trade Committee (ITRE) for the EPP, also called for the suspension of the Customs Union. She said: “We are not going to trade with someone who blackmails us and boycotts us.” She called for a meeting of the ITRE Committee to discuss Turkey’s violation of trade commitments vis-a-vis the EU. Such a suspension of the Customs Union seems to be unlikely given the large-scale investments by European firms in Turkey and the degree of interdependence between the parties. Chair of the ITRE Committee, German MEP Bernd Lange said that he did not favour such sanctions against Turkey since he did not believe that sanctions would lead to the anticipated outcome. He also said that due to the scale of economic relations between Turkey and the EU, it would not be in the EU’s interest to suspend the Customs Union. “It is not appropriate for us to force relations with Turkey including many car manufacturers that are on site. We would be shooting ourselves in the foot.” The European Council meeting in December would definitely like to send a message of warning to Turkey. This message could take the form of sectoral measures or protective measures such as anti-dumping duties.

In the meantime, steps that could be taken by Turkey regarding a restart of reforms, embodying improvements in rule of law, judicial independence, autonomy of regulatory bodies, freedom of expression and media could affect the EU’s approach towards Turkey. Statements by President Erdogan and Ministry of Justice Abdülhamit Gül in recent days regarding the importance of rule of law and a new strategy of anti-corruption and fight against corruption within the ERK of membership give reason to be hopeful about a U-turn in the EU process. In order for Turkey efforts to mend its relations with the EU to be credible and solicit a positive response by the EU, they have to be accompanied by concrete steps aiming at amelioration of the democratic, legal and human rights situation backed up by a comprehensive political, legal and administrative reform strategy.
IKV MARKED ITS 55TH ANNIVERSARY

On 26 November 2020, IKV Chairman Ayhan Zeytinoğlu issued a statement on the occasion of the 55th anniversary of the establishment of IKV, indicating that IKV’s establishment two years after the signature of the Ankara Agreement demonstrated the importance attributed to relations with Europe by the Turkish business community. IKV Chairman Zeytinoğlu made the following statement:

"Today is an important day for IKV and Turkey’s EU journey. 55 years ago, Turkey’s visionary business people founded IKV as a research and a civil society organisation with the aim to steer relations with Europe by the Turkish business community and has made significant contributions to the process. IKV has been Turkey’s door opening to the EU during the negotiations on the Additional Protocol, the reinstatement of the relations in the aftermath of the 1980 coup, the EIC membership application, the decision establishing the Customs Union, declaration of Turkey’s EU candidacy and the launch of accession negotiations. IKV has contributed to the relations by way of research, publications, seminars and projects. Increasing Turkey’s awareness of the EU and EU’s awareness of Turkey have been among IKV’s priorities. Today, IKV continues its work with the same determination and dedication. IKV has maintained its focus regardless of the ebbs and flows in the relations and without being affected by conjectural shifts. We have always said the following: ‘When relations with the EU are good, everyone turns pro-EU. The main thing is to take ownership of the process when the relations are not going well and to produce ideas and make efforts for restoring them.’ We are happy and honoured to be able to do this. Today, we are monitoring closely the revitalisation of the accession process, the modernisation of the Customs Union, visa liberalisation and cooperation on refugees along with EU’s priorities in the new era such as the European Green Deal, and we are carrying our mission of informing and alerting the public about their effects on Turkey. We believe in a Turkey which is European and a Europe which is Turkish, and we are working towards this goal.”

IKV CHAIRMAN ZEYTİNOĞLU ATTENDED THE CUSTOMS UNION DIGITAL FORUM

IKV Chairman Ayhan Zeytinoğlu participated in the Digital Forum on “Customs Union: A Business Perspective” organised under the coordination of TOBB and the German-Turkish Chamber of Commerce and Industry (AHK) with contributions from EU Bilateral Chambers of Commerce, the Konrad Adenauer Foundation, IKV, and the Economic Policy Research Foundation of Turkey (TEPAV) on 19 November 2020. The opening speeches of the meeting were delivered by Deputy Minister of Trade Gonca Yılmaz Batur and IKV Chairman and TOBB Vice President Ayhan Zeytinoglu. In the panel, held following the presentation of a report prepared by TEPAV, IKV Secretary General Assoc. Prof. Çiğdem Nas delivered a speech. During the panel, the participants highlighted the need for the modernisation of the Customs Union and stressed the crucial importance for the negotiations to kick off as soon as possible.

IKV EU INFORMATION CENTER ORGANISED A WEBINAR ON CLIMATE CHANGE AND THE EUROPEAN GREEN DEAL

On 9 November 2020, IKV Istanbul EU Information Center, the EU Delegation to Turkey and UNDP jointly hosted a webinar entitled “Climate Change and European Green Deal” on the occasion of Climate Diplomacy Week which was marked with numerous events between 2 and 13 November 2020. IKV Chairman Ayhan Zeytinoğlu delivered the opening speech at the webinar which was moderated by IKV Deputy Secretary General M. Gökhan Kilit. Emphasising the need for Turkey to align with the policies envisaged by the European Green Deal as a candidate country, IKV Chairman stated that environmentalist ideas and policies were gaining importance within the EU and especially the latest developments in Germany and Sweden were setting an example for the others.

The webinar continued with presentations by Alper Acar, Climate Change and Sustainable Development Sector Manager at the EU Delegation to Turkey, IKV Secretary General Assoc. Prof. Çiğdem Nas and Assoc. Prof. Sevval Acar from Boğaziçi University. Speakers focused on different aspects of the European Green Deal and its possible impact on Turkey as well as the actions to be taken by Turkey to align its sectors with the EU’s green transformation.
IKV SECRETARY GENERAL NAS ATTENDED THE 29TH QUALITY CONGRESS

IKV Secretary General Assoc. Prof. Çiğdem Nas participated in the 29th Quality Congress held online on 17-18 November 2020 by Turkey Quality Association (KALDER) with the theme “New Directions, New Horizons”. IKV Secretary General Assoc. Prof. Nas moderated the special session on “Turkey-EU Relations” which included as speakers Deputy Foreign Minister and Director for EU Affairs Ambassador Furuk Kaymaktsal, Head of the EU Delegation to Turkey Ambassador Nikolaus Meyer-Landrut and President of the German-Turkish Chamber of Commerce and Industry Dr. Markus C. Stevogt.

The global order in the post-pandemic era and new horizons for Turkey was the main theme of the Quality Congress which addressed a variety of issues including Turkey-EU relations, Turkey-UK relations in the post-Brexit period, information economy, energy and health sector.

A new policy brief titled “EU-Turkey Relations After the Council Summit: A Chance for Reengagement or Facing A Complete Breakdown?” jointly prepared by IKV, Istanbul Policy Center (IPC) and TEPAV was published in November. The policy brief, which was written by IKV Secretary General Assoc. Prof. Çiğdem Nas, IPC Director Prof. Fuat Keyman, IPC Research and Academic Affairs Coordinator Prof. Semer Aydın-Diizge, 2019-20 Mercator-IPC Senior Fellow Prof. Atilla Eralp and TEPAV EU Studies Centre Director Nilgün Arsan Eralp, discusses the steps to be taken to revitalise Turkey-EU relations while emphasizing the need to overcome the current stagnation, resolve outstanding issues and advance cooperation in areas of mutual interest.

JOINT POLICY BRIEF BY IKV, IPC AND TEPAV

The European Commission released its Autumn 2020 Economic Forecast Report. EU extended the sanctions framework for Turkey’s East Med drilling activities by one year. Joe Biden was elected the 46th US President. Azerbaijan and Armenia signed a ceasefire agreement ending war in Nagorno-Karabakh.

Turkey and Russia signed a memorandum establishing a joint centre for monitoring the Nagorno-Karabakh ceasefire. The European Commission presented the first-ever EU LGBTIQ Equality Strategy. Turkish President Recep Tayyip Erdogan paid an official visit to the TRNC.

Hungary and Poland vetoed the EU budget and the COVID-19 recovery plan over rule of law clause. Bulgaria blocked the start of accession talks with North Macedonia.

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IKV Agenda

IKV Secretary General Nas Spoke at the KCI Assembly Meeting

IKV, in cooperation with the Kocaeli Chamber of Industry (KCI), organised a webinar entitled “Key Elements of the European Green Deal: Expectations for the Turkish Business Community” on 12 November 2020.

The opening speech of the webinar was delivered by IKV and KCI Chairman Ayhan Zeytinoglu. In his speech, IKV Chairman Zeytinoglu stressed that the Green Deal, which was among European Commission’s priorities, also held importance for Turkey. Chairman Zeytinoglu emphasized that practices such as the shifting production and manufacturing standards in line with circular economy principles and the carbon border adjustment mechanism aiming to prevent carbon leakage were elements that needed to be closely monitored and aligned with especially for sectors exporting to the EU.

The webinar continued with a panel session which was moderated by KCI Secretary General Nihat Tural. In the panel sessions, IKV Secretary General Assoc. Prof. Çiğdem Nas made a presentation on the European Green Deal and its potential effects on the Turkish business community. Describing the basic principles and objectives of the European Green Deal, IKV Secretary General Nas stated that the Green Deal, which promises to radically change the manufacturing and consumption patterns within the EU, will impact on all international manufacturing and trade balances. IKV Secretary General Nas underlined that Turkey should prepare for the potential effects of the Green Deal.

IKV and Kocaeli Chamber of Industry Held a Joint Event on the European Green Deal

IKV Secretary General Nas Participated in Various Online Events

In November, IKV Secretary General Assoc. Prof. Çiğdem Nas discussed EU policies and Turkey-EU relations in various online events. On 12 November 2020, IKV Secretary General Nas attended the kick-off meeting of the Jean Monnet Chair “EU and Emerging Powers in the Evolving Multilateralism” held by Marmara University faculty member Assoc. Prof. Emel Parlar Dal and talked about the EU’s priorities and strategies in the post-pandemic era.

On 13 November, Assoc. Prof. Nas participated in the webinar entitled “Opportunities in Tackling Climate Change and the Effects of European Green Deal on Industry” organised on the occasion of Climate Diplomacy Week by the Dernaz EU Information Center in association with the EU Delegation to Turkey and UNDP Turkey where she delivered a presentation on the effects of the European Green Deal on industry.

On 17 November, Nas assessed the future prospects for Turkey-EU relations at the seminar series organised within the scope of Turkish-German University’s European and International Relations Graduate Program. On 18 November, she discussed the effects of the European Green Deal on businesses at an information seminar hosted by Izmir Chamber of Commerce.

Nas delivered a presentation on the European Green Deal in the 121st EU certificate program hosted by TANDEM and Kocaeli University with the support of Konrad Adenauer Foundation on 19 November. On the same day, she also spoke at the SME workshop on EU Trade Policy hosted by Erzurum Commodity Exchange within the scope of the Turkey-EU Business Dialogue Project carried out by TOBB and EUROCHAMBRES. On 22 November, Nas discussed Turkey-EU relations ahead of the upcoming European Council meeting in December on Medyascope TV.
RECENT COVID-19 VACCINE NEWS RAISE HOPE FOR END OF PANDEMIC

Recent announcements by global pharma companies have raised hope for the much-awaited COVID-19 vaccine.

The world has been waiting for a safe and effective COVID-19 vaccine for almost a year now. There are some hopes for a new era, especially since the latest results of the COVID-19 vaccine studies show that the efficiency rate of the vaccine studies has increased by far in the last weeks. However, the biggest breakthrough came along on 9 November 2020 with the results of the vaccine developed by Pfizer and BioNTech as it became the first effective vaccine. The vaccine is stated to be more than 90% effective. What is more interesting about the vaccine is that the co-developer of the vaccine, BioNTech, is a company established by a Turkish-German couple: Dr. Uğur Şahin and Dr. Özlem Türeci. The success of the renowned scientists, who are specialised in oncology and immunology in Germany, received widespread media attention all over the world. The vaccine is expected to be produced up to 100 million doses by the end of 2020, and more than 1.3 billion doses by the end of 2021, if regulatory approval is granted.

There have been some promising developments concerning other COVID-19 vaccine candidates as well. While the US biotech company Moderna declared that its coronavirus vaccine was more than 90% effective; Oxford University and AstraZeneca announced that their vaccine has shown a strong immune response among older people. Finally, the Russian vaccine “Sputnik V” is estimated to be 95% efficient.

CHANGES IN TURKEY’S ECONOMY ADMINISTRATION SIGNAL A NEW ERA OF REFORMS

Turkey’s economy has been going through a period of change consisting of new appointments and the promise of a new era of economic and judiciary reforms.

Turkey’s economy has been facing various challenges at a time when a second peak of the COVID-19 pandemic continues to impact all sectors negatively. The depreciation of the Turkish Lira against the dollar and euro has hit record lows in recent months. The Turkish Lira’s loss of value against foreign currencies and the deterioration of the economy in general have been exacerbated by the destructive effects of the coronavirus pandemic around the globe.

November started with winds of change in Turkey’s top economy administration as Naci Ağbal, who was Finance Minister during the 2015-2018 period, was appointed as the new Governor of the Central Bank of the Republic of Turkey (CBRT) on 7 November 2020. This was followed on 10 November with the appointment of Lütfi Elvan, who served as Transportation, Maritime and Infrastructure Minister during the 2013-2015 period and Development Minister until 2018, as the new Treasury and Finance Minister following the resignation of Treasury and Finance Minister Berak Albayrak due to his health problems on 8 November 2020.

Prior to their appointment, Naci Ağbal was the Head of Strategy and Budget Presidency and Lütfi Elvan was serving as the Chairman of the Planning and Budget Committee. Upon his appointment, Minister Elvan indicated that Turkey’s economy would have a market-friendly transformation phase based on lower inflation and enhanced macroeconomic stability.

President Recep Tayyip Erdoğan announced that Turkey would embark on a new era of economic and judiciary reforms. Within the scope of the planned reforms, President Erdoğan underlined the aim of lowering inflation to single-digit levels in addition to stabilising the legal situation and the rule of law in order to attract more investments to Turkey by enhancing investor confidence. Similarly, democracy and freedoms were implied between the lines of Erdoğan’s statement, which emphasised the importance of creating an investment-friendly climate in Turkey. Last but not least, the CBRT under its new administration raised the key interest rate by 425 basis points to 15% on 19 November. All of these changes in Turkey’s economy seem to influence the basic parameters in a positive way such that the Turkish Lira has gained value against foreign currencies by more than 2%. It is hoped that the positive developments in the Turkish economy will be long lasting.
EU EXTENDED THE EAST MED SANCTIONS FRAMEWORK BY ONE YEAR

On 6 November 2020, the EU Council adopted a decision extending the sanctions framework regarding Turkey’s drilling activities in the Eastern Mediterranean until 12 November 2021. The sanctions framework consists of an EU-wide travel ban and an asset freeze for persons and entities involved in hydrocarbon drilling activities which the EU considers unauthorized. In addition, EU persons and entities have been barred from disbursing funds to the persons and entities included in the list. The extension of the sanctions framework implies that EU could add new persons or entities into the sanctions list. The sanctions framework was agreed by EU foreign ministers on 11 November 2019 as a follow up to the EU Council Conclusions of 14 October 2019. On 27 February 2020, two senior officials from the Turkish Petroleum Corporation (TPAO) were added to the sanctions list. Vice-President and member of the Board of Directors of TPAO, Mehmet Ferhun Akalin and the Deputy Director of the Exploration Department of TPAO, Ali Çoğun Namoğlu have been placed under EU restrictive measures consisting of an asset freeze and an EU-wide travel ban.

THE EUROPEAN COMMISSION CUT THE GROWTH FORECAST FOR 2021 DUE TO SECOND COVID WAVE

The European Commission downgraded its economic growth projections due to the recent surge in COVID-19. In the Summer 2020 Forecast Report released in July, the Commission had projected a 6.1% growth rate for the Euro Area in 2021. However, according to the Commission’s Autumn Forecast Report, the Euro Area is projected to contract by 7.8% in 2020 then grow by 4.2% in 2021 and by 3% in 2022. It is expected that the EU economy would contract by 7.4% in 2020 before recovering with a growth of 4.1% in 2021 and 3% in 2022. Compared to the Summer 2020 Economic Forecast, growth projections in the Autumn 2020 Economic Forecast for both the Euro Area and the EU are slightly higher for 2020 and lower for 2021. Unemployment rate as one of the main indicators of the European Economic Forecast report is expected to climb to 9.4% in 2021 but decline to 8.9% in 2022. The unemployment rate in the EU is forecast to rise to 7.7% in 2020 and 8.6% in 2021, before declining to 8.0% in 2022.

EUROPE AND THE FUTURE OF THE SCHENGEN ZONE

Recent terrorist attacks in Europe and the future of the Schengen Zone

In recent weeks, Europe has been hit by deadly terrorist attacks occurring in France and later in Austria. On 29 October 2020, three people were killed and many were injured in the knife attack in and around a church in Nice, southern France. The French newspaper Le Monde reported that the attack was investigated as a potential terrorist act. The attack in Nice happened just two weeks after a French teacher named Samuel Paty was beheaded after using Mohammed in a class discussion about freedom of speech.

After the attack in France, a total of four civilians, two women and two men, were killed and 22 were injured in armed attacks targeting three different points in the Austrian capital Vienna on 3 November 2020. Three days of mourning was declared in the country in memory of those who lost their lives in the attack. Following these grave developments, French President Emmanuel Macron stated on 5 November 2020 that the number of police and soldiers on the borders of France was doubled and that he would support the re-arrangement of the Schengen Agreement in order to implement new security controls in Europe. Therefore, leaders of France, Germany, Austria, the Netherlands and senior officials of EU institutions held a joint video conference and discussed the latest developments. The joint decisions agreed include the rapid elimination of terrorist propaganda and hate speech on the internet, reform of the Schengen Area, tighter control over entry and exit, and the creation of a new institution to train imams in Europe. With these measures, the EU aims to increase security at its internal borders and to avoid terrorist attacks suffered by many Member States over the past five years.

HUNGARY AND POLAND TO BLOCK EU’S COVID RECOVERY PLAN OVER RULE OF LAW CLAUSE

On 5 November 2020, the EP and Council negotiators reached a deal on the rule of conditionality for the use of the EU budget which was put forward by the European Commission’s multiannual financial framework on 3 May 2018. Albeit provisional, the deal between the Parliament and the German Presidency of the Council of the EU was an important step, signalling that a final decision on the 2021-2027 EU budget and Next Generation EU, aimed at overcoming the economic effects of the coronavirus pandemic, would be soon finalized.

Since the draft proposal in 2018, Hungary and Poland have been expressing their displeasure over the “rule of law clause” by stating that this would give the European Commission power to punish countries with which it is in conflict. The two countries stressed that the clause did not offer unbiased conditionality but was put forward in the first place for taking an aim at the two. On 16 November, Budapest and Warsaw sent clear signals that they would veto the rule of conditionality. Even though the proposal needs to have final approval in the EP and in the European Council, the fact that clear objections are being voiced risks delaying the final decision on the EU budget. This time a qualified majority will be necessary for the approval of rule of law clause, which is based on cuts in budgetary spending of an EU member if it breaches rule of law principles stipulated in the Treaty on the EU and the Treaty on Functioning of the EU. Recently, Slovenia backed the two countries, showing that during the vote in the Council more countries could support Hungary and Poland in viewing the conditionality as “subjective criteria of the Commission” which could risk obtaining a qualified majority for the clause.

TURKEY-EU WATCH
GLOBAL SOLIDARITY MESSAGE FROM THE G20 RIYADH SUMMIT

On 21-22 November 2020, the 15th G20 Leaders’ Summit took place via video conference under the Saudi Arabian Presidency. At the summit, the leaders of the world’s largest economies and senior representatives of EU institutions came together virtually, Turkey was represented by President Recep Tayyip Erdoğan. During his address at the G20 Summit, President Recep Tayyip Erdoğan underlined Turkey’s delivery of medical equipment and health infrastructure to more than 150 countries along with a number of international organisations.

Although the G20 Riyadh Summit was subject to boycott calls due to alleged violations of human rights and the assassination of Jamal Khashoggi, and most leaders were sent letters urging them not to attend the summit, all G20 leaders including German Chancellor Angela Merkel, French President Emmanuel Macron, European Commission President Ursula von der Leyen and European Council President Charles Michel participated in the summit. The G20 Leaders’ Summit was of symbolic importance for being the last G20 Summit to be attended by US President Donald Trump.

Leaders of the world’s 20 largest economies discussed numerous prominent issues and adopted a 12-page Leaders’ Declaration. The Global fight against the COVID-19 pandemic, recent developments regarding vaccine and recovery in the post-pandemic era topped the agenda of the virtual summit. EU representatives called for all G20 countries to provide 4.5 billion dollars for procurement and delivery of COVID-19 tools. G20 leaders committed to ensure equitable universal access to the COVID-19 vaccine. They also agreed to suspend the debts of the most fragile and vulnerable countries until June 2021 due to the pandemic. The fight against climate change and green transition, cooperation on global trade and investment, digital economy and inequalities were among the other topics addressed at the G20 Riyadh Summit.

AZERBAIJAN AND ARMENIA CALLED A CEASEFIRE IN NAGORNO-KARABAKH

On 10 November 2020, a ceasefire was called in Nagorno-Karabakh between the forces of Azerbaijan and Armenia, following a meeting in Moscow between the leaders of the two countries and Russian Foreign Minister Sergey Lavrov. The war between Azerbaijan and Armenia started on 27 September in Nagorno-Karabakh, which is an autonomous region partly with undecided status, as the parties had never reached a peace treaty following the two-year war that started in 1991. Despite several conflicts having been sparked over the years, and negotiations under OSCE were aiming to seal the deal, the issue of Nagorno-Karabakh has remained unresolved between the countries until now.

Turkey, while expressing its solidarity with Azerbaijan due to its legitimate rights in Nagorno-Karabakh, has asserted its willingness to guarantee peace and security in the region. In line with this stance, the Turkish Grand National Assembly has approved a bill to deploy Turkish troops to monitor the implementation of the ceasefire. President Erdoğan underlined that Turkish soldiers would work in coordination with Russian troops as soon as a joint peacekeeping centre is established with Russia. The parties signed a memorandum of understanding on 11 November, in a bid to work together in monitoring the ceasefire process in the Nagorno-Karabakh region and pave the way to a permanent peace treaty. President Recep Tayyip Erdoğan, while congratulating Azerbaijan for taking back its territories after 28 years, underlined that Turkey, “is ready to do whatever is needed for the region’s peace and security.”

PRESIDENT ERDOĞAN PAID AN OFFICIAL VISIT TO THE TURKISH REPUBLIC OF NORTHERN CYPRUS

On 15 November 2020, Turkish President Recep Tayyip Erdoğan paid an official visit to the Turkish Republic of Northern Cyprus (TRNC) upon the invitation of TRNC President Ersin Tatar on the occasion of the 37th foundation anniversary of the TRNC. Speaking at TRNC’s 15 November Republic Day ceremony, President Erdoğan highlighted that no equation excluding Turkey and the TRNC could produce peace and stability in the Eastern Mediterranean and reiterated Turkey’s determination to protect its rights in the region.

In the context of the visit, President Erdoğan travelled to Varosha, which has recently begun to be gradually re-opened after 46 years of closure. Referring to the international perspective’s failure to acknowledge TRNC as an interlocutor in fair sharing, President Erdoğan criticised the EU for admitting the Greek Cypriot Administration as a member despite its unconstructive stance. President Erdoğan hailed the move to open Varosha as a start of a new process and underlining that the real owners of Varosha were clear, he urged Greek Cypriot land owners to apply to the Immovable Property Commission for compensation. President Erdoğan held a tête-à-tête meeting with President Tatar and attended the opening ceremony of the Lefkoşa Emergency Hospital which he hailed as the most important sign of Turkey’s solidarity with the TRNC.

EU High Representative for Foreign Affairs and Security Policy, Josep Borrell, issued a statement expressing regret over the developments and statements concerning the opening of the closed off area of Varosha claiming that they were in contradiction with the UN principles for a settlement. On 16 November, the Turkish Foreign Ministry released a statement criticising Borrell’s statement for disregarding the realities on the ground and ignoring the rights and interests of Turkish Cypriots.

Earlier in November, TRNC President Ersin Tatar and Greek Cypriot Leader Nikos Anastasiades held their first informal meetings. The meeting, which took place on 3 November under the auspices of UN Secretary General’s Special Representative and Deputy-Special Adviser on Cyprus Elizabeth Spehar in the UN Buffer zone, lasted around two hours. According to the statement released by the UN, the two leaders expressed their determination to positively respond to the UN Secretary General’s commitment to explore the possibility to convene an informal five-party conference at an appropriate stage. As it can be recalled, the latest round of Cyprus settlement talks collapsed at a critical stage in the Swiss town of Ciasa-Montana in July 2017 due to the intransigence and maximalist demands of the Greek Cypriot side.

In a written statement following the meeting, TRNC President Tatar stated that he conveyed to Anastasiades that the parties had to reflect on the failure of the talks aimed at a federal solution and start thinking outside the box in line with the new realities on the ground and stressed the principle of sovereign equality. Moreover, he expressed TRNC’s views concerning the isolations, Varosha and hydrocarbons.
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After a tumultuous presidential election campaign, more than two weeks of uncertainty and chaos dominated the US political landscape. The US Presidential Election on 3 November 2020. The world had to wait for two weeks before Emily Murphy, the Trump-appointed Head of the General Services Administration (GSA), the federal agency responsible for declaring the winner of the election and ensuring the transition period between the outgoing and incoming administrations decided to do so and declared the official election results.

US Presidential Election Results

On 7 November 2020, Joe Biden declared the unofficial winner of the 2020 US Presidential Election. The period after the election witnessed Trump and his team challenge the election results through lawsuits based on allegations of voter fraud and legal challenges. Trump refused to concede and the Trump administration unprecedentedly denied all cooperation with the incoming group of Biden administration at all levels, contrary to the tradition to do so during the transition period between the election results and the inauguration day in order for a smooth takeover to take place. As the results of the recounts and lawsuits come to a conclusion one by one, however, it became more evident that the tide was turning against Trump. On 23 November, having secured 306 Electoral College votes compared to 214 votes won by Donald J. Trump, Biden was acknowledged by the GSA to be the winner of the election. The House of Representatives is still dominated by the Democrats with 222 to 206 seats. The numbers in the Senate will become definitive after the state of Georgia chooses its two senators in an election scheduled to take place just two weeks before the inauguration on 20 January 2021. Biden’s team, in the meantime, have started working past the challenges posed and already established a COVID-19 Task Force and started hiring staff and contacting former federal employees who worked for President Barack Obama.

Historical Transatlantic Relations under Attack by Trump

The last four years under the Trump administration have changed a lot not only domestically but also with respect to the US presence in the world, upset its transatlantic relationships with its allies and created confusion among countries and multilateral organisations with which the USA had ties and commitments traditionally. As a result of the shrinking role of the USA on the world scene, trade wars between the USA and China and the conflicting perspectives and confrontations on a range of issues from trade and climate change to new technologies, military arrangements and security between the USA and the EU during the Trump Presidency, the EU started realising that the USA may not be the reliable ally it has been since the end of World War II. Faced with the recent international developments, the European political scene and the EU’s global role is also in the process of transformation. Although struggling to face the world with a consolidated foreign and defense policy, the EU has volunteered increasingly to take on responsibilities as a geopolitical actor in Europe as well as in the neighbouring regions. In line with all these developments, the idea of strategic autonomy both with respect to economy and security has found its proponents among some of the EU Member States.

Towards Revitalisation of the Transatlantic Alliances under the Biden Administration

Therefore, the change of presidency in favour of Joe Biden put the transatlantic relations under the limelight, and rightly so. As the Vice President during the Obama administration and a familiar personality with huge experience in foreign relations, Biden is hailed and welcomed by, not only, all the EU leaders. The Biden team has announced to have made its first calls to Germany, France, Ireland and the UK, although the order is not made public. Biden’s win can be considered an opportunity to revitalise the transatlantic ties. Yet it is the general conviction that there is no vacuum to fill before 2021. Still, the fact that Biden is expected to nominate Antony Blinken, “a defender of global alliances”, and the Deputy Secretary of State under Obama, as his Secretary of State is evidence that there will be a continuation of policies from the Obama administration on the foreign policy front. This is an indication that calmer waters are ahead and Biden is indeed willing to revitalise the transatlantic alliances. But that the areas of cooperation will increase and that more dialogue and compromise will be the dominant tone of the relationship between the EU and the USA.

The UK under Boris Johnson government is not expected to be the focus of Biden’s agenda regarding the transatlantic relations despite the “special relationship” between the UK and the USA for a number of reasons. First reason is the close ties Johnson had with Trump. Second is the fact that Biden is not a supporter of Brexit; on the contrary he is very sensitive because of his Irish roots about the issue of Ireland after Brexit and the Good Friday Agreement as a result of the internal divisions between Ireland and Johnson in the case of a no deal Brexit. Last, and maybe most critical for the UK, is the decline of the importance of the UK as a result of Brexit. What shape the nature of this relationship will take remains to be seen.

The chances are that Biden will want to put the UK at the centre of relations with Europe as before. It seems the feelings are mutual as German Chancellor Angela Merkel was one of the first leaders to congratulate and praise Biden after the elections, much relieved after a troubled relationship with Trump. She believes that Germany, for economic and security reasons, depends on a well-functioning transatlantic relationship and that only when the USA and Germany, as part of the EU, work together is it possible to overcome the current challenges posed by the COVID-19 crisis, climate change, terrorism and unfair practices and unilateral sanctions regarding free trade, among others.

Together with Merkel, Macron will be one of the European leaders at the forefront in the transatlantic relations. Biden Presidency resulting in the US re-involvement in the Iran nuclear deal, the Paris Agreement on climate change and Biden’s commitment to reforming of the multilateral organisations such as the WTO, the WHO and NATO may prove beneficial for strengthening Macron’s position regarding its global ambitions and thus will support him in the 2022 French presidential election. French President Emmanuel Macron, being the flag-bearer of the view that Europe has to become more independent both militarily and economically and that the EU should aim for strategic autonomy, is holding tightly to this conviction. The German Defence Minister Annegret Kramp-Karrenbauer’s view which she publicly and quite vocally shared recently paints a different picture. Her words saying that the defence of Europe is not possible without the support of the USA, that Europe cannot replace the USA in providing security and referring to “European strategic autonomy” have infuriated Macron. It is said that Biden’s Presidency has brought to the surface the old divisions between France and Germany regarding security issues and the US involvement in Europe.

In a speech he made after the Multilateral Affairs Council meeting on 19 November 2020, EU High Representative for Foreign Affairs and Security Policy Josep Borrell, referring to the need for a common approach to a new era of relations with the United States, made the distinction between strategic autonomy in general and in relation to the transatlantic relations specifically. High Representative Borrell said that although the two are related, the strategic autonomy is not limited to defense and the transatlantic relations but is also relevant with respect to technology, value chains and medicine among others. Strategic autonomy regarding defense and security rather than in the field of economy is where the difference of opinion lies between Germany and France. Regarding strategic autonomy in relation to the transatlantic ties, Borrell said that there is a need for a common approach by the EU as to “how to engage in a stronger friendship and a better partnership with the United States” and that this will be the main agenda on the Council meeting on 7 December 2020. “A capable and strategically aware European Union is the best partner for the United States – and it is also what we need ourselves,” Borrell said. On 21 November, Ursula von der Leyen conveyed a similar message in a tweet referring to “a new beginning for the EU-US global partnership” and said that a strong EU and a strong USA working together can shape the global agenda based on cooperation, multilateralism, solidarity and shared values.”

On the whole, it looks as if both sides of the Atlantic are keen to cooperate to work towards a new and stronger partnership based on shared values and renewed multilateralism in the face of global challenges.

Under Biden, the transatlantic relations seem to be heading towards calmer waters.