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EU27 LEADERS STRESS UNITY AT THE ROME SUMMIT

EU27 leaders, who gathered in Rome to mark the 60th Anniversary of the Treaties of Rome, sent a strong message of unity and renewed their commitment to the European project in light of UK's impending exit from the bloc.

On 25 March, leaders of EU Member States except the UK gathered in Rome to mark the 60th Anniversary of the signature of the Treaties of Rome which laid the foundations of the EU. The meeting of the 27 Heads of State and Government was perceived as an occasion not only to celebrate the accomplishments of the EU, but also to discuss the future trajectory of the European project. Just four days before the UK was set to invoke Article 50 of the Lisbon Treaty and start formal divorce proceedings from the EU, leaders of remaining Member States sent a strong signal of unity.

Leaders of EU27 signed the "Rome Declaration" which not only underscored the EU's unity, but also set the agenda for the next ten years. The declaration hailed the achievements of the European project as a "unique Union with common institutions and strong values, a community of peace, freedom, democracy, human rights and the rule of law, a major economic power with unparalleled levels of social protection and welfare".

Recognising the unprecedented global and domestic challenges that the EU is currently faced with, EU leaders in the so-called Rome Declaration, confirmed their determination to make the EU stronger and more resilient through even greater unity and solidarity, and respect for common rules. "Unity is both a necessity and our [EU's] free choice", leaders declared in the declaration. Aware of their inability to cope with global challenges individually, the leaders pledged to act together at "different paces and intensity where necessary, while moving in the same direction" and "keeping the door open to those who want to join later", a statement which signalled that the divisions among member states over the emergence of a multi-speed Europe were put aside.

In the declaration, leaders pledged to work in pursuit of the



objectives outlined in the Rome agenda which foresees "a safe and secure Europe", "a prosperous and sustainable Europe", "a social Europe" and "a stronger Europe on the global scene". Furthermore, the leaders also promised to address the concerns expressed by the citizens and engage with national parliaments, and promote a democratic, effective and transparent decision-making process and better delivery.

Five alternative trajectories for the future of EU integration after Brexit

In the run up to the landmark Rome Summit, European Commission President Jean-Claude Juncker unveiled the "White Paper on the Future of Europe". The white paper, which constitutes the Commission's input to the debate on the future of Europe, is intended to serve as basis for the EU-wide discussion concerning the future direction of EU integration. With the white paper, the Commission lays the foundations of an EU-wide debate to be launched at different levels, which would culminate at December's European Council meeting where EU leaders would decide on which path to follow. Moving from there, a course

of action would be prepared in the time for the European Parliament elections in 2019.

In the white paper, the Commission outlines five alternative futures for the EU after Brexit which in terms of ambition vary from the EU being reduced to the Single Market on the one hand, to the EU pushing forward with integration in all policy areas on the other. The scenarios are as follow: "carrying on", "nothing but the Single

Market", "those who want to do more do more", "doing less more efficiently", and "doing much more together" (See graph below). Based on each scenario the white paper glimpses into how the EU would look like in 2025.

The starting point for each scenario is that the remaining 27 Member States will move forward as a union. The first option would see the EU maintain the status quo with some progress on strengthening the

single currency and limited defence cooperation. Alternatively, as foreseen in the second scenario, EU integration could be scaled back to the Single Market which would see the EU pulling back from many policy areas. The third scenario would see the emergence of the coalitions of willing among like-minded countries doing more together in specific areas such as defence, internal security or social matters. **PAGE 2**

Five Scenarios for the Future of the EU by 2025

Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5
Carrying On	Nothing But The Single Market	Those Who Want To Do More Do More	Doing Less More Efficiently	Doing Much More Together
The EU27 focuses on delivering its positive reform agenda in the spirit of the Commission's New Start for Europe from 2014 and of the Bratislava Declaration agreed by all 27 Member States in 2016.	The EU27 is gradually recentered on the single market as the 27 Member States are not able to find common ground on an increasing number of policy areas.	The EU27 proceeds as today but allows willing Member States to do more together in specific areas such as defence, internal security or social matters. One or several "coalitions of the willing" emerge.	The EU27 focuses on delivering more and faster in selected policy areas, while doing less where it is perceived not to have an added value.	Member States decide to share more power, resources and decision-making across the board. Decisions are agreed faster at European level and rapidly enforced.

Source: European Commission



EU27 LEADERS STRESS UNITY AT THE ROME SUMMIT

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On the other hand, the fourth scenario would see the EU refocusing its attention on selected policy areas while reducing or entirely giving up its role in areas where collective action is perceived not to have an added value. Lastly, the fifth scenario would see the EU move forward with integration full steam ahead.

The scenario foreseeing the emergence of several "coalitions of the willing", which advocates the idea of a "multi-speed Europe", has been at the heart of debates across EU capitals. The Benelux countries, Malta which holds the rotating Presidency of the Council of Ministers and the four biggest economies of the Eurozone Germany, France, Italy and Spain have all conveyed a strong preference for a multi-speed Europe. It is important to note that there is strong resistance on part of the central and eastern European Member States to the emergence of a multi-speed Europe. The so-called Visegrád group (V4) consisting of Czechia, Slovakia, Poland, and Hungary in a joint statement released as an input to the Rome Summit on 2 March, voiced their concerns about this scenario.

While acknowledging that enhanced cooperation which already exists in the treaties could be utilised, the V4 have warned that any type of enhanced cooperation should be open to all Member States and strictly overrule any kind of disintegration of the Single Market, Schengen Area and the EU itself. The V4 have been joined by the youngest EU Member States namely Bulgaria, Romania and Croatia which fear that they will be left at the periphery and will not be let among the core nations. Leaders of the Benelux countries announced their decision to discuss the future of the EU with different regional groupings in the coming months. First of such meetings which is scheduled for 19 June, will take place between the Benelux group and the V4. The decision follows a disagreement between Poland and the remaining 27 Member States concerning Donald Tusk's reappointment for a second two and a half year term as the President of the European Council at the European Council meeting on 9 March, which Warsaw vehemently opposed.

IKV PRESS RELEASE REGARDING THE ROME DECLARATION

The 60th Anniversary of the Treaties of Rome, which created the European Economic Community (EEC) and the European Atomic Energy Community (EURATOM), thus forming the EU was celebrated in Rome by the 27 leaders of the EU, who signed a declaration with respect to the current situation and future prospects for the EU. In the declaration, the EU leaders indicated that in the next ten years, they vow to make the Union more secure, stronger and resilient, competitive, sustainable and with a social responsibility and upholding a key role in the world. Furthermore, the leaders stated that they are keeping the door open for European countries willing to join them which are respectful of EU values.

In this very special day for the EU, Turkey's EU Expert IKV assessed this issue. IKV Chairman Ayhan Zeytinoğlu stated that



regardless of all difficulties, the EU is a success story. IKV Chairman Zeytinoğlu indicated that in contrast with true successes in the field of economics and trade, the EU has not been as successful with respect to

forging a long lasting political union and highlighted the need for more reform in that respect. Nonetheless, IKV Chairman explained that an EU which can uphold with honesty its values and which is stronger and

more united in terms of foreign policy, defence and security can be more effective in the world. IKV Chairman also highlighted that it is of utmost importance for the EU and its Member States to show consistency and solidarity in order to effectively tackle such issues thoroughly whilst one takes a closer look at EU Member States at this particular moment and one can clearly see mounting anti-EU and populist movements, with notably some far-right parties increasing their presence among the respective political scenes.

Regarding Turkey-EU relations, IKV Chairman Zeytinoğlu stated that only an EU which upholds its values can constitute a vision for Turkey in its future. In addition, he underlined that Turkey's contribution regarding the migration crisis as well as security issues is of utmost importance for the EU.

GLOBAL GENDER GAP REPORT: "TURKEY RANKS AS 130TH AMONG 144 COUNTRIES"

IKV Chairman Ayhan Zeytinoğlu reacted to the 8th March International Women's Day and highlighted the critical importance of gender equality in Turkey's EU accession process and in further advancing in women's rights.

According to the Global Gender Gap Report 2016 published by the World Economic Forum in 2017, Turkey ranks as 130th among

144 countries with respect to gender equality. Furthermore, it is revealed that among 25 of the most advanced countries in the world regarding gender

equality, 13 are EU Member States. As such, and by giving some figures on gender equality in both the EU and Turkey, IKV Chairman Zeytinoğlu underscored that there is still a long path for Turkey in order to increase women's representation in politics and the economy. IKV Chairman Zeytinoğlu pursued his words by stating that "I hope that in the world and in Turkey, gender equality will be further advanced and issues such as violence against women, poverty and discrimination will be solved in the future."



	EU	Turkey
Women's employment rate	62.3%	33.1%
Gender representation on corporate board of directors	22.7%	14.2%
Rate of women executives	23%	12%
Proportion of seats held by women in parliaments	28.5%	14.5%
Proportion of seats held by women in governments	27.4%	3.7%

IKV'S CUSTOMS UNION TALKS IN GEBZE AND KOCAELİ

IKV organised seminars regarding the Customs Union in cooperation with Gebze Chamber of Commerce

on 2 March and Kocaeli Chamber of Commerce on 3 March. As a part of the IKV's project entitled "The

Effects of the Modernised Customs Union Upon the Business World" IKV delegation informed the audience

about the latest developments of the modernisation process of the Customs Union.

IKV EU INFORMATION CENTRE'S EVENTS IN MARCH

IKV EU Information Centre continued to organise events regarding the relations between Turkey and the EU. On 6-7 March,

IKV EU Information Centre opened a stand at Yıldız Technical University in Istanbul in order to inform the students about

the project entitled "Supporting Disadvantaged Students (DEZÖDES Projesi in Turkish). The Centre continued to act as a focal

point in Istanbul where citizens can turn to their quest for further information on the EU and Turkey-EU relations.

IKV PRESS RELEASE REGARDING THE WHITE PAPER ON THE FUTURE OF EUROPE

IKV Chairman Ayhan Zeytinoğlu reacted to the White Paper regarding the future of the EU published by the European Commission on 1 March. He assessed the respective scenarios indicated within the White Paper as follows:

"Scenarios 1, 2 and 5 do not seem to be possible at the moment. It is not possible for the EU to continue without any change and compliance, likewise it is not feasible to regress integration back to the internal market by throwing away several important achievements such as the euro and common foreign and security policy until today. Similarly, when we consider increasing scepticism about EU policies, economic problems and nationalist reactions in this period of mounting sovereigntist tendencies, it can't be said that it is probable for the EU to carry assertively their deep integration into new targets. In this case, the 3rd and 4th scenarios come to the forefront. In other words, it is important that the EU continues to pursue further integration not with all its Member States but with a group of willing countries, towards a common defence and fiscal policy, or, as in the 4th scenario, the EU aims to be more effective in selected policy areas while doing less or stops acting in some policies. My guess is that there will be a multi-layered European model formed from a more tightly integrated inner ring and a looser outer ring."

In an allusion to the 60th Anniversary of the Treaties of Rome and its historical importance at a critical time



for the EU, IKV Chairman Zeytinoğlu indicated that the 60th Anniversary of the Treaties of Rome was performed in a rather sour atmosphere. Indeed, one should recollect that the British people had voted last June in favour of leaving the EU. Along with the Brexit process, it is of utmost importance to highlight the challenge which growing far right and populist movements from the Netherlands to France and countries such as Poland and Hungary breaking away from EU values represents for the future of the EU."

Furthermore, Zeytinoğlu followed his words by highlighting that this period of transformation for the EU is also of critical concern for a candidate country such as Turkey:

"The EU has achieved a very rapid integration process in a short span of 25 years. Nevertheless trying to realise such ambitious goals in such a short time, has led to problems of digestion and compliance. Nowadays, nationalist and conservative reactions threaten

EU achievements. As a candidate country, Turkey should follow closely the developments in the EU. Turkey's EU Expert IKV continues to follow this process, fulfils its mission of disclosure by publishing its analyses and appreciations.

As IKV, we think that the EU will evolve into a two-layered structure. In this case, Turkey will need to look at its strategies to find a place in this renewed EU. When this multi-layered institutional structure of the EU emerges clearly, Turkey will also have to take steps to take part in this structure. Therefore, let's not get caught up in the illusion that relations with the EU are ending or that the goal of membership is disappearing. Let's not be despairing about the developments in the EU. As we have done so far, let's continue to improve compliance process with the EU with patience and determination. Let's make necessary preparations to take part in the emerging new Europe."

COMMISSION'S FIFTH PROGRESS REPORT CONCERNING TURKEY-EU STATEMENT

The European Commission published its Fifth Progress Report concerning the progress made in the implementation of the Turkey-EU Statement on 2 March.

Turkey-EU Statement is considered as the primary tool establishing the refugee management and migration control cooperation mechanism between Turkey and the EU.

Apparently, as reflected to the fifth report, the implementation of the EU-Turkey Statement of 18 March continues to deliver tangible results, despite the challenging circumstances. The report emphasises that daily crossings from Turkey to the Greek islands have gone down from 10,000 persons in a single day in October 2015 to 43 a day now; this making a 98 percent drop of total arrivals of irregular migrants from Turkey to Greece. The most critical

achievement of the mechanism is observed among the noticeable drop in the casualties. The number of casualties in the Aegean Sea since the Statement took effect has substantially fallen from 1.100 (during the same period in 2015-2016) to 70.

Another essential dimension of the mechanism is the humanitarian and non-humanitarian financial aids to directly support Syrian refugees and enhance the refugee integration mechanism towards Syrian refugees in Turkey. As expressed within the fifth report, the Commission continues to accelerate the delivery of funding under the Facility for Refugees in Turkey, for that matter 1.5 billion euros out of the already allocated 2.2



billion euros for the period of 2016-2017 has been contracted in record time, half of the total 3 billion euros budget for 2016-2017. Yet, during the reporting period, there has not been any acceleration concerning the third pillar of Turkey-EU Statement.

TIMELINE MARCH 2017

1		
2	IKV's visit to Gebze and Kocaeli (2-3 March)	Fifth report on progress made under the refugee deal
3	IKV Brief Note entitled "Damage Control in Visa Liberalisation Dialogue: Why is Visa-Free Europe not a Dream?" published	Hungarian Foreign Minister Szijjarto's visit to Turkey
4		
5		
6	IKV visited the Permanent Representative of Turkey to the EU and organised a seminar on Customs Union (6-7 March)	
7		Foreign Minister Mevlüt Çavuşoğlu's visit to Germany (7-8 March)
8	IKV's visit to Luxembourg	
9		
10		
11		
12		Foreign Minister Çavuşoğlu's visit to France
13		Venice Commission published its report on Constitutional amendments in Turkey
14	IKV and TURDER organised a seminar regarding the consumer rights in Turkey	
15	IKV Brief Note entitled "The Road to Rome Summit: What Future for EU After Brexit?" published	
16		
17	A Conference on Turkey-EU Relations in Brussels (16-17 March)	
18		
19		
20	IKV Brief entitled "Five Scenarios for the EU After Brexit: White Paper Regarding the Future of the EU" published	
21		TOBB President M. Rifat Hisarcıkloğlu attended ICC Board Meeting
22	IKV Press Release on terrorist attack in London	Terrorist attack in London
23	Foreign Minister Çavuşoğlu paid a visit to Switzerland	British Secretary of State for Foreign and Commonwealth Affairs Boris Johnson's visit to Turkey
24	IKV's visit to Konya Chamber of Industry	
25	The 60 th Anniversary of the Treaties of Rome	British Minister of State for Europe and the Americas Sir Alan Duncan's visit to Turkey
26		
27		
28	IKV's visit to Izmir Chamber of Commerce	Visas for Georgian citizens entering Schengen area lifted
29	IKV's visit to Afyonkarahisar Chamber of Commerce and Industry	UK triggered Article 50 of Lisbon Treaty starting Brexit process
30		US Secretary of State Rex Tillerson's visit to Turkey
31		Meetings of NATO Foreign Affairs in Brussels

IKV DELEGATION CAME TOGETHER WITH EU OFFICIALS IN BRUSSELS AND LUXEMBOURG

In March, IKV delegation had exchange of views with key officials from the European Commission and organised seminars regarding the future of Customs Union in Brussels and Luxembourg.

During the first visit to Brussels between 6 and 7 March, IKV Chairman Ayhan Zeytinoğlu and IKV delegation composed of IKV Vice-Chairman Prof. Halûk Kabaaloğlu, IKV Secretary-General Assoc. Prof. Çiğdem Nas, IKV Brussels Representative Haluk Nuray, IKV Research Director Çișel İleri and IKV Strategy and Business Development Director M. Gökhan Kilit paid a visit to the newly appointed Permanent Representative of Turkey to the EU H.E. Ambassador Faruk Kaymakçı. Later, IKV delegation had exchange of views with key officials from the European Commission such as European Commission Spokesperson Margaritis Schinas and Head of Cabinet of the Commissioner to European Neighbourhood Policy and Enlargement Negotiations Michael Karnitschnig. At the occasion of the meetings, the latest developments in Turkey-EU relations and the issue of the modernisation of the Customs Union were discussed.

IKV, in cooperation with the Friedrich Naumann Foundation, organised a seminar on the "Future of the Customs Union" in the Brussels representation of the TOBB and IKV. The seminar was attended by officials from EU institutions, representatives of think tanks, academics, experts and other interested parties. The opening speeches were conducted by IKV Chairman Ayhan Zeytinoğlu and Turkey's Permanent Representative to the EU Ambassador H.E. Kaymakçı. Chairman Zeytinoğlu emphasised that the Customs Union between Turkey and the EU is planned to be modernised as a result of negotiations which are set to start in the course of 2017. He said that these negotiations will provide a very important opportunity for the revision of some of the problematic aspects of the Customs Union such as Turkey's participation into the

shaping of EU trade policy, effective dispute settlement mechanisms and parallel negotiations of the EU's free trade agreements with Turkey. He also highlighted that these negotiations have the aim of extending the Customs Union to new areas such as agriculture, services and public procurement. He said that while Turkey's service sectors are in general competitive enough to withstand the increased competitive pressures from the EU firms, liberalisation of agriculture also carries the potential of modernisation of Turkish agriculture.

H.E. Ambassador Kaymakçı provided for a detailed account of Turkey-EU relations in his opening speech and emphasised the need for a revitalisation of the relations with a view to mutual benefits. He also noted some of the problems in the EU's approach to Turkey in the aftermath of the coup attempt and stressed the need for more solidarity on the part of the EU regarding Turkey's struggle against the multiple threats facing Turkey at the moment. Ambassador H.E. Kaymakçı also noted Turkey's efforts in hosting 3,5 million refugees, mostly Syrians fleeing the war in their countries and highlighted the need for more cooperation and burden-sharing on the part of the EU.

Following the opening speeches, the seminar was moderated by Prof. Halûk Kabaaloğlu, Vice-Chair of the IKV, Jean Monnet Chairholder on EU law, and a long-time pioneer of EU studies in Turkey. The speakers were Prof. Sanem Baykal, Director of Ankara University's EU Research Center, Michele Villani, official from the European Commission's European Neighborhood Policy and Enlargement Negotiations Directorate-General Assoc. Prof. Sait Akman, Director of TEPAV's G-20 Studies Center, and Dr. Erdal Yalçın, Senior Expert and Deputy Director



of the Ifo Center for International Economics. Speakers provided extensive information and analyses on the current situation of the Turkey-EU Customs Unions, reasons behind the need for the modernisation of the Customs Union, prospects concerning the negotiations for the modernisation of the Customs Union and the impact and repercussions of this process on overall Turkey-EU relations. The seminar was followed up by a lively Q&A session.

Following the meetings in Brussels, IKV delegation went to Luxembourg where IKV organised a seminar entitled "Turkey's European Perspective: Customs Union and Beyond" on 8 March. The seminar was realised in cooperation with the Turkey-Luxembourg Business Club and hosted by the Chamber of Commerce of Luxembourg and with the support of Turkey's Embassy in Luxembourg. The latest developments in Turkey-EU relations as well as in the EU were discussed at this occasion.

The opening remarks of the seminar were realised by IKV Chairman Zeytinoğlu, Turkey-Luxembourg Business Club Chairman Zeynep Aslan and Luxembourg Chamber of Commerce Director

Jeannot Erpelding. At the occasion of his opening remarks, IKV Chairman Zeytinoğlu indicated that both Turkey and the EU are in a difficult period. He stressed that there exists key areas of cooperation between the parties such as the joint response against the refugee crisis, fight against terrorism and future prospects as regards the modernisation of the Turkey-EU Customs Union. In that respect, Zeytinoğlu added that Turkey is an integral part of the European integration process and that the negotiations on the modernisation of the Customs Union offer important opportunities for both parties in terms of investment and further economic growth. He also highlighted that the issues that Turkey is facing with respect to its institutions and stability could be well overcome thanks to the help of a strong and credible EU anchor.

Following the opening remarks, the panel started under the moderation of IKV Vice Chairman Prof. Halûk Kabaaloğlu and with the participation of Ankara University ATAUM Director Prof. Sanem Baykal, TEPAV G-20 Studies Director Dr. Sait Akman and IKV Secretary-General Assoc. Prof. Çiğdem Nas. In the context of the panel, the current stalemate

in Turkey's EU accession process, the negotiations within the framework of the modernisation of the Customs Union, the latest developments in the Visa Liberalisation Dialogue and cooperation regarding the refugee crisis were discussed.

Furthermore, it was noted that the negotiations regarding the modernisation of the Customs Union between the parties should start in 2017. It was also highlighted that with the completion of these negotiations, the structural problems of the Customs Union would be solved as key areas such as agriculture, services and public procurements. With respect to visa liberalisation, the panellists indicated that Turkey has already accomplished 65 criteria out of the 72 included within the framework of the European Commission's Visa Liberalisation Roadmap and discussions and talks were continuing in order to tackle the remaining ones. Finally, regarding cooperation on the refugee crisis, it was underscored that the parties had reached a Joint Action Plan on 29 November 2015 and that they signed a *communiqué* sealing their cooperation in that area with the Turkey-EU Statement of 18 March 2016.

IKV DISCUSSED CUSTOMS UNION IN KONYA, İZMİR AND AFYON



IKV organised seminars in cooperation with Konya Chamber of Industry on 24 March, İzmir Chamber of Commerce on 28 March and Afyon Chamber of Commerce and Industry on 29 March as a part of IKV's project entitled "The Effects of the Modernised Customs Union Upon the Business World". The project was launched at the beginning of 2017 and aims to raise awareness of the possible effects of the modernisation of Turkey-EU Customs Union. So far, IKV has

organised 7 seminars in different provinces of Turkey and one in Brussels within the framework of the project.

In the aforementioned seminars, IKV Secretary-General Assoc. Prof. Çiğdem Nas gave a speech on the modernisation process of the Customs Union. Later, IKV Strategy and Business Development Director M. Gökhan Kilit made a presentation regarding the effects of the modernisation of the Customs Union upon the agricultural sector. Finally,

IKV Research Director Çișel İleri underscored the various EU funds of which the business world may benefit.

As it's well known that Turkish Minister of Economy Nihat Zeybekci and EU Commissioner for Trade Cecilia Malmström agreed to modernise the Turkey-EU Customs Union on May 2016. From that onwards both parties started their preparations and carried out impact analysis. The official negotiations is expected to start this year.

IKV ORGANISED A ROUNDTABLE MEETING ON TURKEY-EU RELATIONS IN BRUSSELS

IKV, in cooperation with Istanbul Policy Center (IPC) organised a roundtable meeting at IKV's Brussels Representation on 17 March.

In the meeting, the latest developments in Turkey-EU relations and future perspectives were discussed thoroughly by academicians from both Turkey and the EU as well as policymakers under a platform of dialogue, cooperation and cohesion with respect to exchanging views on the current and future prospects in Turkey-EU relations. In that respect, the latest developments the refugee crisis, issues pertaining to security and defence affairs, trade agreements along with the negotiations regarding the modernisation of the Customs Union were discussed thoroughly by the participants.

The opening speeches were realised by IKV Chairman Ayhan Zeytinoğlu and IPC Director Prof. Fuat Keyman. Later, researchers and experts shared their thoughts and assessments under the moderation of IKV Secretary-General Assoc. Prof. Çiğdem Nas and IPC Research and Academic Affairs Coordinator Assoc. Prof. Senem Aydın-Düzgün in two panels. In the panels, the need for



a new discourse and strategy in Turkey-EU relations was stressed.

Participants expressed their views concerning Turkey and EU relations, future prospects and ways of revitalising the relations. While the importance of the

membership perspective for Turkey was stressed during the deliberations, a special emphasis was put upon the importance of enhancing technical and short term cooperation. In the meeting where it was reminded

that economic cooperation and the rule of law constituted common values in the relations, it was also mentioned that civil society has a critical importance in keeping relations strong and also in further strengthening

cooperation between the parties. Moreover, the rise of populism along with recent elections in Turkey and EU Member States, the current debate on Brexit, the future of globalisation and the global trade system were tackled.

THE VENICE COMMISSION ADOPTED ITS OPINION ON THE CONSTITUTIONAL AMENDMENT IN TURKEY



The legal body of the Council of Europe known as the Venice Commission released its opinion with respect to the Constitutional Amendment in Turkey on 13 March 2017. The subsequent opinion had been requested by the Monitoring Committee of the Parliamentary Assembly of the Council of Europe. In the opinion, the Commission raised concerns with respect to the amendment insofar as it may lead to the establishment of a "personal

regime" if the necessary checks and balances are not properly provided. Furthermore, it added that the amendments would not follow the model of a democratic presidential system which is based on the strict separation of powers between the executive, the legislative and the judiciary and instead would face the risk of degenerating into an authoritarian presidential system.

Moreover, the opinion especially highlights the following points as sources of concern:

- The possibility that the new

President in exercise would have executive powers alone with no supervised authority with respect to the appointment and/or dismissal of ministers as well as all high officials on the mere basis of criteria determined by himself or herself;

- The fact that the President would remain member or even leader of his or her political party, which would give him extensive influence over the legislature;
- The possibility for the President to dissolve parliament on

any grounds whatsoever, which is perceived as being fundamentally alien to the classic democratic presidential systems;

- The risk of further weakening the already inadequate system of judicial oversight of the executive;
- The risk of further weakening the independence of the judiciary.

In its opinion, the Commission also raised some procedural concerns such as the fact that

whilst the Turkish Parliament had approved to amendments to be put to referendum, several deputies of the second largest opposition party were unable to take part to the vote. Moreover, the fact that the vote on approving the amendments had been realised openly is perceived by the Commission as a breach of secret ballot where the deputies' vote is supposed to be fully respected.

Another point of concern that the Commission underscored in its opinion is the fact that the referendum which will be held on 16 April would be conducted under a current state of emergency in Turkey, which is deemed as not provided the proper democratic setting for such an important vote. It is of utmost importance, nonetheless, to indicate that the Commission also underscored that each state is sovereign and has the right to choose its own political system for itself, whether it is a presidential, parliamentary or a mixed system.

IKV AND TÜRDER ORGANISED A SEMINAR ON CONSUMER RIGHTS IN TURKEY AND THE EU

IKV, in cooperation with Protection of Consumers and Competition Association (TÜRDER) organised a seminar entitled "International Conference for Protection of Consumers and Competition" in Istanbul on 14 March.

The seminar was supported by DMW International Diplomats Union and Turkish Northern Cyprus Turkish Chamber of Commerce (TNCTCC). During the event, detailed information was given regarding the Consumer Protection Law No: 6502 in force in Turkey and the improvement made to the legislation on consumers compared to the previous law.

The seminar started with the opening speech by President of TÜRDER and TNCTCC Assoc. Prof. Uğur Özgöker, IKV Secretary-General Assoc. Prof. Çiğdem Nas and President of Competition Authority Prof. Ömer Torlak.

At the opening speech, Assoc. Prof. Uğur Özgöker drew attention to the fact that the Turkish Government was given an official duty to protect consumers and competition under the 1982 Constitution. Assoc. Prof. Özgöker underlined the transformative role of the Customs Union during the 1990s on Turkey's consumer and competition law. In addition, Assoc. Prof. Özgöker stated that the Law of Competition and the Law of Consumer are complementary.

In her speech, IKV Secretary-General Assoc. Prof. Çiğdem Nas informed the audience about IKV's activities regarding the modernisation process of the Customs Union and seminar series which will be held in chambers of commerce and industry in Turkey in the upcoming months.

President of Competition Authority Prof. Ömer Torlak in his speech mentioned that except the state aids, Turkey is on track in terms of the alignment of Turkish legislation with EU *acquis*. In his speech, Prof. Torlak underlined the need for an effective market surveillance mechanism in Turkey in line with European standards. Prof. Torlak added that competition policy

should be seen as an essential tool in creating a well-functioning market. Regarding the global trends, he also addressed the importance of the role of intellectual property rights and patent-related issues in information technologies.

Following the opening remarks, the first session of the event was chaired by Chairman of Istanbul Branch of Competition Association Atty. Kemal Erol. As the first speaker of the session, Ministry for EU Affairs Specialist Fatma Özyurt Demir gave a speech on EU's key legislation related to the protection of consumers and competition. Demir stated that the framework of the Law No. 6502 was laid down by taking into account EU Directives. Demir also mentioned that Turkey's alignment with consumer protection is recently advanced. Demir also added that a draft legislation regarding food security is under consideration.

As the second speaker of the session, Deputy General Director for Protection of Consumers and Market Surveillance Mikayil Kılıç stressed that 23 regulations were published in the Official Gazette after the Law No. 6502 came into force. Kılıç further added that according to the Law, consumers have the right to withdraw from contracts within 14 days without giving any reasons. Under the Law, Kılıç said that consumers may exercise the right of requesting free of charge credit cards. Kılıç also gave information about the number of free of charge credit cards, which increased from 4.9 percent in 2014 to 7.4 percent in February 2016. Among the complaints received by the Arbitration Committees for consumer problems, the most complaint-intensive area is bank transactions (74.2 percent) followed by defective goods in the second position (18.9 percent)



rising from the application of the Law.

Deputy Director General at Prime Ministry Undersecretariat of Treasury Atilla Yardımcı in his speech drew attention to Article 39 of the Decision No. 1/95 of the EU-Turkey Association Council which is related to the legislation compatible with the EU in the field of competition rules. Under the Article, Turkey needs to fulfill the requirements of competition law with a view to achieving economic integration sought by the Customs Union. Deputy Director General Yardımcı informed the audience about the state aid under the Law No. 6015 on the Monitoring and Control of State Aid which does not cover agriculture, fisheries and service sectors. Deputy Director General Yardımcı stated that the Law basically aims to promote the economic development of areas where the standards of living is low compared to the EU and there is high unemployment rates; to promote

culture and heritage conservation; to promote the execution of an important projects of common interests and to accomplish structural adjustments between Turkey and the EU.

Following the first session of the seminar, the second session was chaired by Chairman of Consumers Association Levent Küçük. As the first speaker of the second session, Chairman of Federation of Consumer Organisations Fuat Engin criticised that most of complaints have not reached a solution in Turkey, even after the Law in force. To him, this is because consumer organisations cannot actively participate in the decision-making process and added that Turkey needs to create an information centre for enhancing the functionality of the Arbitration Committees. Engin also expressed concern over the lack of a monitoring mechanism for the banking sector. In this point, he said that 50 million

card holders are affected by the compounding rate in Turkey.

Chairman of Association of Consumer Protection Haşmet Atahan underlined that the most important issue in the field of consumer protection is finance-related problems. Atahan emphasised that consumer organisations should be institutionalised in Turkey.

Lastly, Honorary Chairman of Consumers Association Engin Başaran noted that consumers organisations had an active role in decision-making process in the period of 1990s. She stressed that the Consumer Council convenes once a year and the meetings under the Council take only one day, especially since 2006, whilst taking three days in the previous years. In addition, she highlighted that current legislation in Turkey cannot respond to global rules. "A strong consumer means a strong economy and increases level of trust in a market" Başaran said.

BRUSSELS HOSTED NATO FOREIGN MINISTERS

NATO Foreign Ministers had talks in Brussels on 31 March regarding NATO's response to the fight against terrorism, a common approach to Russia, the situation in the Western Balkans and regional stability in presence of NATO Secretary General Jens Stoltenberg, High Representative and Vice-President of the European Commission Federica Mogherini and Minister of Foreign Affairs Mevlüt Çavuşoğlu. Addressing the Foreign Ministers, NATO Secretary General Jens Stoltenberg

highlighted that their best tool in the fight against terrorism is to train local forces. In order to train these forces, Stoltenberg informed the Ministers about training programmes in Iraq with medicine courses and training to help maintain tanks and armoured fighting vehicles which are under consideration. In addition, Stoltenberg gave a speech about the meeting of Head of State and Government which is scheduled to take place on 25 May in Brussels. He underlined two main topics that they will

discuss during the meeting in May. As such, he underscored the necessity to further strengthen the transatlantic bond through fair burden sharing between the Member States. The other topic he indicated was NATO's response to terrorism, and the need to enhance cooperation in order to fight more adequately all forms of terrorism. Regarding the issue of Ukraine, Stoltenberg stated that NATO is providing strong support to Ukraine. In his speech, he also welcomed Montenegro's accession to the NATO.

In her speech, High Representative and Vice-President of the European Commission Federica Mogherini indicated that the EU is committed to strong bonds with NATO and to join efforts in forging an EU defence policy. She underscored that the EU has been consistently strengthening its cooperation with NATO on the basis of the Warsaw Declaration which had been published in July 2016. Stressing that both NATO and the EU are working hand in hand in a variety of projects, she also highlighted

that both organisations share the same security area, albeit with different instruments but in a spirit of complementarity. As for Minister of Foreign Affairs Mevlüt Çavuşoğlu, he underscored the strong bonds which exists between Turkey and the other NATO Member States and reiterated its commitment within the Alliance. In the margins of the meeting, Minister Çavuşoğlu also had the opportunity to hold bilateral talks with his counterparts from Denmark, Estonia, Germany, Hungary, Norway and Poland.

DIPLOMATIC CRISIS BETWEEN TURKEY AND THE NETHERLANDS IN THE SHADOW OF ELECTIONS

The reaction of Dutch Government to Turkish Ministers' attempts to rally expatriates for the constitutional referendum which will be held in Turkey on 16 April have created a diplomatic crisis between 400-year-old-allies.

The history of Turkey and the Netherlands, whose bilateral relations stretches back to the 17th century, have continued thus far with balanced political and economic exchanges. Even though the start of the relations was focused on trade, today apart from economic relations which include 6 billion euros of trade; there are a growing number of cultural and social ties. Two countries celebrated their 400th Anniversary of the diplomatic relations in 2012, with a wide range of activities including cultural, social and academic exchanges and events. The first major event in connection was the exhibition "Rembrandt and his contemporaries-The Golden Age of Dutch Art" in Istanbul's Sakıp Sabancı Museum.

The diplomatic dustup arose between old allies when the Dutch were about to go to the polls, on March 15, for a parliamentary election seen as a bellwether for Europe's political future. All eyes in Europe were on far-right, Eurosceptic, anti-Islam populist Geert Wilders and on his rising populist statements which well accepted by a large range of citizens. Meanwhile, Turkey will hold a referendum on constitutional revisions that would change the country's parliamentary system in favour of an executive presidency.

The row between two countries has started over a banned political rally by Turkish immigrants at first in German cities Gaggenau and Cologne, after that in Dutch city Rotterdam, has escalated into a diplomatic incident that threatens not only Turkish-Dutch relations but also EU-Turkey relations. The crisis has deepened after Family and Social Policies Minister Kaya was prevented from entering the Turkish Embassy in Rotterdam and eventually escorted to Germany, while Foreign Minister Çavuşoğlu was barred from landing in the Netherlands.

Rutte, who was running neck and neck with anti-Islam, anti-immigration politician Geert Wilders in Dutch elections were held on March 15, said the Netherlands needed to block Turkish rallies to secure the public order and prevent the all kind of problems before the elections that were already tensioned. However, Turkey argued that the Dutch Prime Minister, who was seeking to head off the challenge posed by Wilders, was pandering to bigotry. The crisis which also negatively influenced Turkey-EU relations and the image of the EU in Turkey, displayed the need for more dialogue and cooperation between Turkish and European politicians.

Dutch elections and Implications on European future

Dutch Prime Minister Mark Rutte's center-right party (VVD) remains the largest in the new parliament despite losing seats and far-right firebrand Geert Wilders, leader of PVV, failed to complete a populist hat-trick after Brexit and the election of Donald Trump.

The Dutch election was widely seen as the first major electoral test for the EU since Britain's Brexit referendum and US President Donald Trump's election victory in 2016. It is also the first major European election in 2017 that will also see voters in France choose a president and in Germany elect a new parliament. The results show that Pro-European parties made substantial gains in seat numbers such as GreenLeft and D66 which both ran openly pro-EU campaigns.

"Our message to the Netherlands worked. We want to continue keeping the country safe and stable in coming years," said Rutte at a post-election party in The Hague. "We're hearing the message from all across Europe: the Netherlands stopped the wrong sort of populism."

On the other hand, Wilder whose party ranked second with 20 seats, told reporters that his party was "one



of the winners". "That's a result to be proud of. We will continue our fight. I think our influence on the campaign and election programs has been significant" he said.

The influence of Wilders' populism had been for sure significant because the Prime Minister Rutte had increasingly run on the basis of anti-Muslim rhetoric, inciting the same reactionary prejudices as Wilders to divide the working class and shift the political atmosphere far to the right.

Such political populism reflect the broad shift far to the right in all shades of European politics, as France go into critical elections dominated by the rising Eurosceptic and xenophobe rhetoric represented by Marine Le Pen like Wilders in the Netherlands.

While the EU plans its future around 5 scenarios and celebrates the 60th Anniversary of the Treaties of Rome, next elections in France and in Germany will be another test against Eurosceptic and populist rhetoric.

FOREIGN MINISTER ÇAVUŞOĞLU'S VISITS TO GERMANY AND FRANCE

Minister of Foreign Affairs Çavuşoğlu paid visits to Germany and France in early March where his visits gathered the occasion to discuss bilateral relations and Turkey's EU accession process in lights of latest developments in the EU and Turkey.

Minister of Foreign Affairs Mevlüt Çavuşoğlu paid a visit to Germany on 7-8 March to meet Turkish citizens, to attend to ITB Berlin Tourism Fair and to have some bilateral contacts. After coming together with Turkish citizens in Hamburg on 7 March, Minister Çavuşoğlu met with Minister for Foreign Affairs of Germany, Sigmar Gabriel, in Berlin on the following day. Afterwards, Minister Çavuşoğlu opened the pavilion of Turkey and conducted visits to Turkish stands at ITB Berlin Tourism Fair together with Turkish Minister of Culture and Tourism, Nabi Avcı. Lastly, Minister Çavuşoğlu met with Consuls General of Turkey in Germany.

The meeting between two foreign ministers had a crucial significance for being the first high-

level visit after the cancellations of Turkish ministers' public meeting in Germany and the imprisonment of Die Welt's Turkish-German journalist, Deniz Yücel, in Turkey. At the meeting, both ministers clarified sensitive issues for their own countries and requested more respect towards them to fulfill their common desire to normalise the relations between Turkey and Germany. Minister Çavuşoğlu underlined the prevalence of the positive atmosphere during the meeting and stated that meetings with his German colleague will continue in Turkey the next time. Both ministers emphasised that Germany and Turkey have been supporting each other for years through long-established and well-rooted relations at all levels. After frequently repeating the

contributions of the Turkish people living in Germany to rebuilding the country, Minister Gabriel stated that the Turkish society is an integral part of Germany. Hence, there would not be any advantages for either country to have turbulent relations. Both ministers expressed their willingness to overcome the recent problematic issues and to create new opportunities for the continuation of bilateral relations at the desired level. Furthermore, different options on the coming referendum in Turkey and the role of the Turkish politicians in Germany for referendum campaigns were also addressed.

Following the visit to Germany on 12 March, Foreign Minister Mevlüt Çavuşoğlu paid a visit to Metz in France. After



replying to questions of media on current developments with the Netherlands upon his arrival, Minister Çavuşoğlu came together with some NGOs and Turkish citizens to talk over the current agenda on referendum in Turkey

and to listen to their demands and suggestions. Later, Minister Çavuşoğlu met with Consuls General of Turkey in France to discuss the ways to enhance services for Turkish citizens living in France.

THE UK HAS OFFICIALLY STARTED THE BREXIT PROCESS

UK Prime Minister Theresa May has triggered Article 50 informing the EU of the UK's intention to leave. So will the UK leave the EU on 29 March 2019?

Emre ATAÇ
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Prime Minister Theresa May sent a letter on 29 March 2017 formally notifying European Council President Donald Tusk of the UK's intention to leave the EU, after Parliament finally gave her permission to start the Brexit process. With this the Prime Minister has triggered Article 50 of the Treaty of the EU, the legal mechanism that allows the UK to formally leave the EU. But this separation doesn't take effect instantly. There is still a lot of work to be done to unpack decades of co-operation between the UK and the EU. Article 50 states that the treaties relating to EU membership will remain in force until a withdrawal agreement is negotiated and signed two years from the notification of intent to withdraw. For the next two years, there will be discussion, debate and most probably disagreements as EU and UK negotiators attempt to reach an agreement on the country's relationship with the bloc. Nevertheless, this in the end will go down in history as one of the most remarkable negotiation processes in world politics.

A Closer Look at the Negotiating Stances of Both the EU and the UK

While broad in principle, Theresa May's letter does offer some insights into the UK's position going in to exit negotiations. The European Council has also issued a draft of its guidelines for the separation proceedings, after May officially triggered Brexit. The draft text is set to be approved by the other 27 EU members in Brussels on 29 April. Both sides have said they are keen to resolve the status of more than three million European nationals living in Britain after Brexit, and one million British expats living in the EU. The two sides also want to ensure that Brexit does not exacerbate tensions in Northern Ireland, the once-troubled province that will become Britain's only hard border with the rest of the EU.

These two early texts however also seemingly hint at the key points of disagreement between London and other European capitals. May wants the negotiations to cover the UK's immediate separation agreement,



as well as a free trade agreement and security partnerships defining the UK's future relationship with the bloc. In other words, there will be two Brexit deals: one to set the terms of the UK's exit and another to outline the future relationship between the UK and the EU. As May indicates, her government wants the two deals to be worked out concurrently.

In Brussels and elsewhere on the continent, the desire is to agree each deal sequentially. They think the immediate terms should be handled first and future relations later. The EU believes that they must proceed according to a phased approach giving priority to an orderly withdrawal — that is, the terms of the separation must be finalised before discussing future UK-EU relations. According to the EU's stance a new trade agreement, for example, cannot be negotiated until after sufficient progress on the withdrawal is achieved. Another priority of the EU is settling UK's outstanding

obligations, estimated between 55 and 60 billion euros, also an early indication of disagreement that could impact rest of the negotiations. The Union's overall objective in these negotiations will be to preserve its interests, those of its Member States, its citizens and its businesses.

Will Brexit Negotiations be a Success?

In sum, it can be argued that the future of negotiations will depend on the nature of whatever trade deal emerges between the UK and the EU — one of the most difficult issues for negotiators to resolve. Many have pointed to the fact that prospect of UK leaving the EU without an agreement in place will lead to higher trade tariffs for most goods. If the UK and the EU cannot reach a withdrawal agreement by 29 March 2019, the UK will leave the EU and resort to World Trade Organisation (WTO) terms for trade. This means UK businesses would be paying an

average of 14.4 percent tariffs on agriculture and 4.3 percent on non-agricultural goods. As 44 per cent of all UK exports in goods and services went to the EU in 2015 (220 billion pounds out of 510 billion pounds of total exports) this could have a devastating impact on the UK economy.

One strategy that the UK will seek is security, reminding EU states of the importance of counter-terrorism and defence cooperation at a time when the threat level is acute. The word "security" was mentioned 11 times in May's letter, compared to just six references to "trade", for example. She warned in particular of the security implications, saying that our cooperation in the fight against crime and terrorism would be weakened. In particular, the reference to security cooperation, seemingly juxtaposed with trade, May in effect saying: a return to WTO terms would be a disaster for us, but just think of the security fallout for the rest of the union if we fail to strike a deal.

The loss of a major member is also destabilising for the EU, which is battling to contain a tide of nationalist and populist sentiment. It is even more tumultuous for Britain. Since the UK's vote to leave the EU on 23 June, Scotland has been courting the possibility of independence. As it can be remembered, around 62 percent of Scottish voters supported the UK remaining part of the EU in last year's Brexit vote. With the delivery of Theresa May's letter to Donald Tusk, the Scottish First Minister has now announced that she will trigger the formal process to begin a second independence referendum, to be held when Brexit negotiations are concluded. First Minister Nicola Sturgeon wants Scots to have a chance to hold the referendum before Brexit, so that they can possibly remain in the EU and not leave in annoyance and then be forced to appeal admittance to a Union they never wanted to leave in the first place.