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HIGH-LEVEL ECONOMIC DIALOGUE: THE WAY TO DEEPER INTEGRATION?

The message given during high-level economic dialogue meeting which was held in a moderate and sincere atmosphere was extremely clear: "Both the EU and Turkey need each other."

A high-level economic dialogue meeting took place on 7-8 December between Turkey and the EU. This was the second high-level economic dialogue meeting following the first one which took place in Istanbul on 25-26 April 2016. As it can be remembered, Turkey and the EU officials decided to start a high-level dialogue process on economy at a Summit meeting held on 29 November 2015. The high-level dialogue meeting took off with a reception given by the European Commission Vice-President Jyrki Katainen at the prestigious Solvay Library in Brussels. Vice-President Katainen and Turkey's Deputy Prime Minister Mehmet Şimşek delivered short speeches in this reception which was attended by relevant public officials as well as members of the business community.

The high-level dialogue meeting took place the next day in the European Commission's Berlaymont building. During the morning session, Turkey-EU Business Dialogue took place, chaired by Vice-President Katainen and Deputy Prime Minister Şimşek. Turkey's Minister of the Economy, Nihat Zeybekci and Minister of Customs and Trade, Bülent Tüfenkci also attended the meeting and delivered opening speeches. The session continued with interventions from representatives of business organizations on the business environment, investment and access to finance, SMEs, innovation and skills, and service and industry sectors.

The following business organizations were represented in the meeting and thereby had a chance to express their views (listed in order of place in the program): Eurochambers, Union of Chambers and Commodity Exchanges of Turkey (TOBB), Foreign Economic Relations Board (DEİK), Turkish Confederation of Employers' Unions (TISK), European Bank for Reconstruction and Development



(EBRD), Business Europe, Turkish Industry and Business Association (TÜSİAD), International Investors Association (YASED), Private Industrialists and Businessmen Organization (MÜSİAD), European Investment Bank (EIB), Confederation of Turkish Tradesmen and Craftsmen (TESK), Turkish Enterprise and Business Confederation (TÜRKNÖFED), Women Entrepreneurs Association of Turkey (KAGİDER), Council of Europe Development Bank (CEB) European Services Forum (ESF), Turkish Exporters Assembly (TİM), Economic Development Foundation (IKV) and the Economic Policy Research Foundation of Turkey (TEPAV). Following the intervention of business organizations, representative of companies from Turkey and the EU also made speeches concerning their experiences of working or investing in Turkey.

Following the lunch hosted by Vice President Katainen, the afternoon session was devoted to intergovernmental deliberations attended by government officials including Vice-President Katainen, Deputy Prime Minister Şimşek, Ministers Zeybekci ve Tüfenkci and Commissioner Pierre Moscovici.

On behalf of the Turkish business community TOBB President and Eurochambers Vice-President M. Rifat Hisarcıklıoğlu delivered opening remarks outlining Trade and economic relations between Turkey and the EU. He stressed the importance of deepening Turkey and EU relations by revitalising the accession process, starting negotiations for a modernized customs union, completing the visa liberalisation dialogue and continuing the cooperation regarding Syrian refugees. Other participants also noted the close relationship between Turkey and the EU regarding trade, investment and production. They underlined that Turkey had already been integrated into the European market by way of the customs union and a modernization of the customs union would make further integration possible by way of including services, agriculture and public procurement to the remit of the bilateral commercial framework.

The high-level dialogue meeting was concluded in a very amicable and moderate atmosphere. The messages were also clearly outlined: Both sides need each other. Further

progressing on the road of Turkey's integration to the EU will produce a win-win situation. Despite the current stalemate and backtracking in the accession process and political tension in bilateral relations, starting talks on the modernization of the customs union with a view to improving its operation and extending it to new areas of the economy promises deepening of Turkey-EU ties.

IKV Chairman Ayhan Zeytinoğlu also made a speech at the meeting regarding Turkey and EU relations from the point of view of industry and services integration. IKV Chairman underlined that while the EU is Turkey's number one trade partner, Turkey ranks as the 5th country in the EU's imports and 4th in its exports. He also mentioned that around two thirds of the investments to Turkey originate from EU Member States. Chairman Zeytinoğlu noted that the customs union and also Turkey's accession talks to the EU positively affected the business environment in Turkey, contributed to competitiveness of Turkish industry and quality of Turkish products. He also stressed that EU companies that have invested in

Turkey and engaged in production of the EU market also achieved quite high rates of profit.

Chairman Zeytinoğlu underlined that the modernization of the customs union promised to upgrade Turkey's integration into the EU market. He also added that while Turkey's aim remains as full integration as a member of the EU, customs union modernization could serve as an immediate aim that could revitalize and recalibrate Turkey and EU relations in the short to medium term. Chairman Zeytinoğlu announced the results of a public opinion survey conducted by the IKV in November 2017. He said that the survey conducted in 18 provinces of Turkey with 1311 respondents revealed that 78.9 percent of the public continue to support Turkey's membership goal while only 31.2 percent actually believe that it is going to happen in the foreseeable future. Chairman of IKV concluded that the high level of support in Turkey regarding EU membership should be evaluated as a sign of the European vocation of the Turkish people and should be taken into account in the EU's policies towards Turkey. **PAGE 2**



HIGH-LEVEL ECONOMIC DIALOGUE: THE WAY TO DEEPER INTEGRATION?

FROM THE FIRST PAGE

From Dialogue to Deepening?

The holding of the high-level dialogue meeting in itself after an intermission of one and a half years may be viewed as a sign of progress in itself. After all, it may be interpreted as an improvement considering the political tensions of the last couple of months that prevented any sort of dialogue between the two sides. The fact that the economic dialogue is not limited to the governmental level but also includes representative of the business community is also an added factor that contributes to the importance of the mechanism. However Turkey and the EU cannot achieve progress in the relations just by dialogue mechanisms. Although continuing dialogue is a pre-condition for further progress, real progress can only be achieved by concrete commitments and contractual obligations that would bring Turkey closer to the EU in terms of legislative alignment, market integration and value attachment. Hence, what would be needed following the high-level dialogue mechanisms would be igniting Turkey-EU relations by revitalizing accession, starting talks of customs union modernization, and liberalising free movement by lifting visa barrier and overall strengthening the EU anchor for liberalisation and democratisation in Turkey.

APPLICATIONS FOR JEAN MONNET SCHOLARSHIP PROGRAMME HAS STARTED

The applications for the 2018-2019 academic year Jean Monnet Scholarship Programme has started on 25 December and the application deadline is 23 February 2018. Individuals currently working in public sector and private sector, graduate students (master or Ph.D.) may apply to the Programme. It is planned that 180 scholarships will be granted for the 2018-2019 academic year. Scholars can conduct academic studies at graduate or research level for periods of minimum 3, maximum 12 months.

Within the framework of Turkey's negotiation process for the full membership to the EU, the Jean Monnet Scholarship Programme aims at increasing the number of people specialized on the fields related to the EU acquis hence supporting Turkey's administrative capacity building efforts for the effective implementation of the EU acquis.

ACCORDING TO IKV'S RESEARCH, SUPPORT FOR TURKEY'S EU MEMBERSHIP IS 78.9 PERCENT

IKV Chairman Ayhan Zeytinoğlu announced the results of 2017 opinion survey measuring the EU perception among the Turkish public opinion in Brussels.

At the Turkey-EU High Level Economic Dialogue meeting, IKV Chairman shared the results of the public opinion survey conducted on 18-19 November 2017 in 18 provinces of Turkey, with 1.311 persons via face-to-face interviews. The opinion research revealed that Turkey's support for the EU membership is at a high level, 78.9 percent. Notwithstanding, the belief in Turkey's EU membership in the near future is less than this ratio. While 31.2 percent of the respondents believe in Turkey's EU membership in the foreseeable future, 68.6 percent of participants think that Turkey is unlikely to become a member of the EU in the near future.

IKV Chairman Ayhan Zeytinoğlu continued to evaluate the results as follows:

"The results proved that Turkish citizens still support Turkey's EU membership goal on a large scale. This stems from the expectations of welfare and stability. However, whereas the rate of support has increased by 3 percent since the previous year and reached to 78.9 percent, the ratio decreases to 31 percent who believe that Turkey would become an EU Member State in the near future. In other words, there exists a decline of faith and reliance towards the EU objective. All parties should revitalise and realise the EU objective of a country with a population of 80 million.

Moreover, IKV Chairman Ayhan Zeytinoğlu interpreted some other significant results of the research:

"Our research that measures the public's EU perception contains noticeable hints. For instance, Turkish citizens' support for the EU membership results from some desires and expectations such as free movement, democratisation and prosperity. Besides, respondents underlined economic reasons, double standards of the EU and prejudices along with the cultural differences as main obstacles towards Turkey's EU membership goal.

Furthermore, the opinion research clarifies some of the unclear issues including the mistakes in the EU's attitude towards Turkey and badly-going sides of the process. Although accession negotiations had to come first when the most important topics in Turkey-EU



relationship were asked, participants mentioned visa issue, the Customs Union and refugee cooperation instead. That is to say, the process of accession negotiations which has to be the main mechanism for Turkey's familiarisation with the EU does not work properly. The public is well aware of this situation. Another important finding of the research is that although Turkish citizens perceives the EU as Turkey's primary economic partner, the EU comes second after Russia and Turkic Republics in case of political alliance and partnership. This demonstrates the facts that despite Turkish citizens are aware of the EU's economic significance for Turkey, they do not perceive the EU at Turkey's side politically."

Additionally, IKV Chairman Zeytinoğlu emphasised the importance of the announcement of the results of the research at the Turkey-EU High Level Economic Dialogue meeting in Brussels:

"We have announced the results of 2017 public opinion research at the Turkey-EU High Level Economic Dialogue meeting in Brussels. In this way, we gave important messages to our partners at the European Commission and other European institutions. In spite of all problems in Turkey-EU relationship, it is remarkable that Turkish citizens continue to support Turkey's EU membership. At this point, the EU

needs to do its duty and take the necessary steps in order to fulfil the right expectations of Turkish citizens. Therefore, instead of hindering Turkey's EU process with political considerations, the EU should take concrete steps by opening new chapters without any delay, starting the modernisation process of the Customs Union and abolishing the visas."

The other interesting findings of the survey that was carried out by IKV and Realta Research Company are as following:

- The main motives behind Turkey's support for the EU membership are the expectation of prosperity and economic development by 48.3 percent, visa-free travel, settlement and education opportunities by 38.1 percent and enhanced democracy and human rights by 34.5 percent.

- The main reasons of opposing Turkey's EU membership are concern for a possible damage of membership to Turkish identity and culture by 25.2 percent, doubts regarding the EU's future by 24.6 percent, belief that the EU applies double standards towards Turkey by 23.5 percent and the view of losing sovereignty and independence due to the membership by 17.2 percent.

- According to the research findings, the main impediments to Turkey's EU membership are economic reasons (46.6 percent),

double standards policy (44.3 percent), prejudices and perceptions in the EU's public opinion (25.3 percent), religious and cultural differences (23.6 percent).

- What the meanings of the EU for Turkish people are development and prosperity (41.4 percent), democracy and freedom (30.8 percent), free movement without restrictions (26.5 percent), culture and civilisation (26.2 percent).

- While the EU is still regarded as Turkey's primary economic partner by 27.8 percent, it is the second political ally of Turkey following Russia and Turkic Republics with its share of 24.1 percent. Concerning economic partners, the EU is followed by Russia and Turkic Republics by 19.3 percent, developing countries such as China and India by 18.9 percent and Central Asian Republics by 18.6 percent. Regarding political partners and allies as afore-mentioned, Russia and Turkic Republics are followed by the EU. Then, the Middle Eastern countries and the USA come by 23.6 percent and 4.3 percent, respectively.

- Visa liberalisation is perceived as the most significant subject of Turkey-EU relationship with its share of 32.8 percent. The modernisation of the Customs Union, refugee cooperation and accession negotiations come afterwards by 31.3 percent, 27.9 percent and 6.1 percent, respectively.

AUSTRIAN GOVERNMENT'S APPROACH TO TURKEY RAISES CONCERN

Austria's new coalition, which was formed between centre-right Austrian People's Party (ÖVP) and the far-right Freedom Party (FPÖ), has put ending Turkey's accession process into its government program and for this purpose has been searching allies within the EU circles. This worrying situation is a prime example of the increasing short-sightedness and the lack of vision in the EU. We observe the strengthening of the far-right and shift of the centre-right to far right in Austria as we have seen in other EU member countries before. These xenophobic, anti-immigrant and anti-EU movements make the EU introverted and move away from becoming a source of inspiration for its closest neighbourhood.



It is extremely saddening that a country such as Austria, which forms one of the most important roots of the European culture, could not have a grasp on the importance of Turkey for the future of the Europe and the only proposal they come up with is ending the accession negotiations.

Although we do not speculate that the proposal of the newly established government in Austria could muster up many supporters, we would like to highlight the need for the EU to develop policies with a more innovative and visionary approach towards Turkey.

IKV PARTICIPATED IN THE TURKEY-EU HIGH LEVEL ECONOMIC DIALOGUE MEETING

IKV Chairman Ayhan Zeytinoğlu participated the Turkey-EU High Level Economic Dialogue meeting in Brussels on 8 December. The meeting was organised under the co-presidency of Turkey's Deputy Prime Minister Mehmet Şimşek and European Commission Vice-President for Jobs, Growth, Investment and Competitiveness Jyrki Katainen. Turkey's Minister of Customs and Trade Bülent Tüfenkci and Minister of Economy Nihat Zeybekci came together with European Commissioner for Economic and Financial Affairs, Taxation and Customs Pierre Moscovici.

During the session on the business world dialogue, together with IKV, umbrella organisations from Turkey and the EU (TOBB, TUSIAD,



TİM, TESK, DEİK, MUSIAD, YASED, TURKONFED, TISK, KAGIDER, TEPAV, EUROCHAMBRES, Business Europe, UEAPME and the European Services Forum), representatives of the private sector, ministers from Turkish cabinet, Commission members, representatives of international financial organisations based in the EU (European Investment Bank, European Bank for Reconstruction and Development, Council of

Europe Development Bank) exchanged their views regarding the enhancement of economic interaction and collaboration along with the improvement of workplace environment. After having emphasised the significance of the modernisation of the Customs Union between Turkey and the EU, IKV Chairman Ayhan Zeytinoğlu shared the results of 2017 opinion survey conducted by IKV.

THE PASSING OF ISTANBUL CHAMBER OF COMMERCE CHAIRMAN İBRAHİM ÇAĞLAR

We deeply regret the passing of the Chairman of one of the founders of our foundation, Istanbul Chamber of Commerce and Vice-Chairman of Turkish Union

of Chambers and Commodity Exchanges (TOBB) İbrahim Çağlar. We offer our deepest condolences to his family, his loved ones and TOBB community.



THE PASSING OF FORMER IKV BRUSSELS REPRESENTATIVE HAYRI ÜRGÜPLÜ

Dr Hayri Ürgüplü, who had carried out the IKV Brussels Representation duty since the

day it was founded in 1984 for 10 years, has passed away in Belgium on 1 December. As the IKV

community, we offer our deepest condolences to his family and the loved ones.

TIMELINE DECEMBER 2017

- 1 - Minister for EU Affairs and Chief Negotiator Ömer Çelik paid a visit to Sofia for official meetings
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- 3 - Turkish Minister of Foreign Affairs Mevlüt Çavuşoğlu, Minister of EU Affairs and Chief Negotiator Ömer Çelik, Minister of Justice Abdülhamit Gül and Minister of Interior Süleyman Soylu decided upon the steps to revitalize Turkey-EU visa liberalisation dialogue in Ankara
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- 5 - Foreign Minister Mevlüt Çavuşoğlu paid a visit to Belgium to attend the NATO Foreign Ministers Meeting
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- 7 - President Recep Tayyip Erdoğan visited Athens upon the invitation of Greek President Prokopis Pavlopoulos
- 8 - IKV Chairman Ayhan Zeytinoğlu made a speech at the High Level Economic Dialogue meeting held in Brussels
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- 12 - The EU-Turkey co-funded project to support migration management in Turkey has started
- 13 - IKV organised a meeting entitled "Turkey's European Perspective during the Estonian EU Presidency" in cooperation with Estonian Business School in Tallinn
- 14 - The last European Council meeting of the year was held
- 15 - The European Council decided to close the first-phase of Brexit talks and move onto the second phase
- 16
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- 19 - IKV organised a seminar entitled "Turkey's EU Agenda: Changing Face of Production and Trade" in Sakarya
- 20
- 21 - Minister of Foreign Affairs Mevlüt Çavuşoğlu went to New York to attend the UN General Assembly Emergency Special Session on Jerusalem
- 22 - IKV hosted a panel entitled "Discussions of Populism, Euroscepticism and Future of Europe" with collaboration of Friedrich Naumann Foundation at IKV EU Information Center
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- 25 - Applications for Jean Monnet Scholarship Programme has started
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IKV ORGANISED “POPULISM, EUROSCEPTICISM AND FUTURE OF EUROPE” PANEL

IKV hosted a panel entitled “Discussions of Populism, Euroscepticism and Future of Europe” with the collaboration of Friedrich Naumann Foundation on 22 December at IKV EU Information Center. The panellists were Prof. Ayhan Kaya, Jean Monnet Chair of European Politics of Interculturalism, Assoc. Prof. Selcen Öner, lecturer at Bahçeşehir University, Assoc. Prof. Özlem Kaygusuz, lecturer at Ankara University and Assoc. Prof. Çiğdem Nas, IKV Secretary General. The moderator was Prof. Gül Günver Turan, President of TURABDER (Turkey-EU Association).

In the panel, Prof. Ayhan Kaya made a presentation entitled “The Use of Populist Rhetoric and the Past in the EU”. Prof. Kaya shared several results of his field studies in European cities which can be described as “castle of populism”. According to the field research, whose main objective was to describe motivations which feed populist ideas, several common features of populist views have been discovered such as anti-elitist views, politically inappropriate



behaviours and emphasis on mediocrity.

The second speaker Assoc. Prof. Selcen Öner analysed populist and Eurosceptic rhetoric through the examples of two political parties, Austrian Freedom Party (FPÖ) and Alternative for Germany (AfD). Expressing that economic crisis and refugee crisis triggered the rise of populist rhetoric; Assoc. Prof. Öner added that the populist leaders imposed the view on Europeans

that they are “an alternative to regaining what Europeans have lost”. The last speaker of the panel Assoc. Prof. Özlem Kaygusuz focused on the question whether the EU is in an existential crisis as declared by the President of the European Commission Jean-Claude Juncker in his “State of the Union” speech on September 13. Emphasizing that the neoliberalism is in a structural crisis, Assoc. Prof. Kaygusuz stated that the policies

implemented and proposed to get out of the crisis are not so different from those that caused the crisis in the first place.

At the end of the panel, IKV Secretary General Assoc. Prof. Çiğdem Nas took the floor and shared the statistics of research published by Chatham House on elite and public approaches to EU policies proving the lack of consensus among the Europeans over the future of EU integration.

Emphasising that the difficulty to find a common objective has reduced the confidence to the EU, IKV Secretary General said that Russia's influence, political instability after Arab Spring, terrorist attacks has pushed the EU to act with a sense of security. IKV Secretary General ended her speech by sharing her optimistic views about the future of Europe and its power in post-national politics.

IKV DISCUSSED MODERNISATION OF THE CUSTOMS UNION IN SAKARYA



IKV organised a seminar entitled “Turkey's EU Agenda: Changing Face of Production and Trade” that was hosted by Sakarya Commodity Exchange on 19 December. The opening speech of the meeting was delivered by Speaker of Sakarya Commodity Exchange, Recep Pulat.

In the seminar, IKV Secretary General Assoc. Prof. Çiğdem Nas made a presentation on

Turkey's EU Perspective. IKV Strategy and Business Development Director M. Gökhan Kilit delivered a speech on the modernisation of the Customs Union and its effects on the business world. Then, IKV Research Director Çișel İleri revealed information on the EU funds that the business world can benefit. At the end, IKV publications were given to participants following the Q&A session.

IKV DELIBERATED TURKEY-EU RELATIONS IN ESTONIA

IKV organised a meeting entitled “Turkey's European Perspective During the Estonian EU Presidency” in cooperation with Estonian Business School in Tallinn on 13 December. The meeting was conducted within the scope of IKV's EU Presidencies Project which has been carried out since 2010. The opening remarks were delivered by IKV Chairman Ayhan Zeytinoğlu, Turkey's Ambassador to Estonia

Hayriye Kumaşçioğlu and Assoc. Prof. Meelis Kitsing from Estonian Business School.

During the first panel of the meeting, IKV Vice-Chairperson Prof. Halûk Kabaalioğlu, Turkey's Desk Officer at Estonian Ministry of Foreign Affairs Lilian Kasevali and the Director of EU Studies Center at the Economic Policy Research Foundation of Turkey (Türkiye Ekonomi Politikaları

Araştırma Vakfı – TEPAV) Nilgün Arısan Eralp addressed the current developments and the issues in Turkey-EU relations. The panellists of the second round in which the effects of modernisation of the Turkey-EU Customs Union were touched upon were IKV Secretary General Assoc. Prof. Çiğdem Nas and the retired Judge of the Court of Justice of the EU Prof. Vilenas Vadapalas.



EU-FUNDED PROJECT ON MIGRATION MANAGEMENT IN TURKEY IS LAUNCHED

EU-funded project on migration management in Turkey was launched on 12 December. The project brings together the Directorate General for Migration Management (DGMM) and International Organisation for Migration (IOM) with intent to support the legal and institutional reforms in migration management of Turkish authorities. Directorate General for Migration Management was established under the Ministry of Interior in 2013 with the adoption of Law on Foreigners and International Protection, that's purpose is to implement policies and strategies related to migration and ensure

coordination between the related agencies and organisations. Turkey hosts over 3.4 million refugees of who 3 million are Syrians, making Turkey the largest refugee host country in the world. However, 90 percent of refugees live under very challenging circumstances including poor access to public services, education and healthcare. The main objective of the Law on Foreigners and International Protection is to provide assurance for the rights of migrants and international protection seekers by basing an effective asylum and migration management on a strong legal ground in Turkey.

In this context, the EU-Turkey co-

funded project is designed to provide comprehensive capacity of DGMM and other migration institutions with the view to develop of work processes, referral mechanisms and also to accelerate the integration of migrants into the society. The 5.5 million euro-project will continue 3 years with close cooperation of DGMM and IOM in order to decrease challenges of hosting over 3.4 billion refugees. Given its geopolitical position, Turkey is the main partner of the EU in the management of migratory flow which is why the EU has launched in total 3 billion euros to deliver efficient and complementary support to Syrian and other refugees in 2016-2017.



TURKEY'S STEPS TO REVITALISE VISA LIBERALISATION DIALOGUE

On 3 December Turkish ministers decided upon the steps to revitalize Turkey-EU visa liberalisation dialogue in Ankara. During the joint consultation meeting; Turkish Minister of Foreign Affairs Mevlüt Çavuşoğlu, Minister of EU Affairs and Chief Negotiator Ömer Çelik, Minister of Justice Abdülhamit Gül and Minister of Interior Süleyman Soylu put forth a position paper

describing the possible actions towards fulfilling the remaining seven criteria of the Turkey-EU Visa Liberalisation Roadmap.

Turkey and the EU have agreed to initiate the visa liberalisation dialogue in conjunction with the signing of Turkey-EU Readmission Agreement in late 2013. To be able to finalise the visa liberalisation dialogue, Turkish

public authorities had to fulfil 72 technical criteria. After an intense reform period since 2015; recently there remained seven criteria left before the issue would be brought up in front of the EP and the Council. The one regarding the alignment of Turkish counter-terrorism law with the EU *acquis* stands as the most controversial of all seven benchmarks.

CALL FOR PROPOSALS SUPPORTING CIVIL SOCIETY DIALOGUE BETWEEN EU AND TURKEY

Civil Society Dialogue Programme between Turkey and the EU has implemented by the Ministry for EU Affairs as part of Instrument for Pre-Accession Assistance (IPA) since 2008 with the aim of developing dialogue and cooperation between civil society organisations from Turkey and EU Member States. The call for Proposals for the fifth phase of the Civil Society Dialogue Programme was published on 20th November 2017. With projects implemented within the grant scheme it is intended to bring together civil society organisations around common matters; thus for communities to familiarise with each other, exchange information and building permanent dialogue. Furthermore, as part of the fifth period of "Civil Society Dialogue Program between Turkey and the EU" it is aimed to develop projects that are jointly carried out by CSOs



from Turkey and the EU on issues related to all the chapters of the EU negotiation process. Proposals for the grant scheme, of which total budget is 6 million euros, must be submitted to Central Finance and Contracts Unit (CFCU) until 16 February 2018 17:00

hrs (local time). In this light a meeting was organised in Ankara on 14 December 2017 in order to share the experiences from the fourth phase of the Civil Society Dialogue Programme and to introduce the

fifth phase opportunities for CSOs. Furthermore, information meetings were held in Adana, Istanbul, Izmir and Antalya with high attendance and additional meetings will be organised in Ankara, Gaziantep, Van and Samsun in following days.

In order to reach more information about the grant scheme, information meetings and application documents please visit the web site of the Ministry for EU Affairs. (<https://www.ab.gov.tr/50997.html>)

PRESIDENT ERDOĞAN'S VISIT TO GREECE

Upon the invitation of Greek President Prokopis Pavlopoulos, President Recep Tayyip Erdoğan visited Athens on December 7-8. Erdoğan is the first Turkish President to visit Greece in 65 years, marking the date as a turning point in the Turkish-Greek relations.

The two heads of state have exploited this opportunity to consolidate bilateral ties and to exchange views about the disputes that have been plaguing their relationship for years. Athens has signalled its satisfaction with the EU-Turkey Refugee Deal reached in March

2016, which diminished the flow of refugees and migrants substantially, but also demonstrated its wish to continue the progress towards readmission of illegal migrants, whom are currently flooded in Greek islands. President Erdoğan shared his own concerns about the latest progress on the Cyprus issue; the escalation of airspace violations in the Aegean, which have reached 3 thousand in a year and the Greek court's decision about the extradition of 8 Turkish officers, who are accused of orchestrating the failed coup attempt in Turkey on

July 15 2016. During his visit President Erdoğan also met with Prime Minister Alexis Tsipras and the main opposition leader, Kyriakos Mitsotakis.

On the second day of his visit President Erdoğan visited the region of Thrace where minorities of Turkish descents reside. President Erdoğan urged the need for a more egalitarian economic and social policy towards this community. Despite the recent problems in the bilateral relations, President Erdoğan's visit paves the way for more united neighbours.



MEVLÜT ÇAVUŞOĞLU'S VISIT TO BELGIUM TO ATTEND THE NATO FOREIGN MINISTERS MEETING



Foreign Minister Mevlüt Çavuşoğlu paid a visit to Belgium to attend the NATO Foreign Ministers Meeting on 5-6 December. At the Foreign Ministerial, contributions of NATO to the security and stability of the Euro-Atlantic region as well as its response to the global security challenges were discussed. Furthermore, the open door policy of NATO, the position of the alliance in relation to the aspirant countries, its role in the fight against terrorism, NATO-Russia relations and cooperation with the EU was also on the agenda of the

meeting. On December 6, the allies also met with the Georgian Foreign Minister Mikheil Janelidze within the framework of the NATO-Georgia Commission where Turkey's strong support for Georgia which has covered substantial ground to attain NATO standards was reiterated.

Within the margins of the NATO Foreign Ministerial, Minister Çavuşoğlu and NATO Secretary General Jens Stoltenberg held a meeting and discussed common security issues. Minister Çavuşoğlu also had bilateral

talks with his counterparts from US, Norway, Germany, Hungary and Greece and had a trilateral meeting with Polish and Romanian Foreign Ministers in order to discuss the bilateral as well as regional security issues and possible channels of cooperation. At the bilateral meeting with US Secretary of State Rex Tillerson, Minister Çavuşoğlu stated that moving the US Embassy from Tel Aviv to Jerusalem would be a grave mistake and would bring chaos instead of stability to the region.

BREXIT NEGOTIATIONS MOVE ONTO THE SECOND PHASE

The UK and the EU have reached a settlement in the first phase of the ongoing Brexit negotiations.

The European Council decided on 15 December that 'sufficient progress' had been achieved on the first-phase of Brexit talks, and that negotiations could move on to the second phase which will involve discussions over future relations and trade. As it can be remembered, the UK voted to exit the EU at the June 2016 referendum and started the official process by invoking Article 50 of the Lisbon Treaty on 29 March 2017. Thereafter, on 22 May the EU Council finalised its negotiating objectives for the starting phase of negotiations. Following that the EU chief Brexit negotiator Michel Barnier and UK Brexit secretary David Davis, agreed on an initial calendar and a structure for the

negotiations. It was decided that the Brexit talks will largely follow the EU's conditions and will centre on the two sides' new relationship only once sufficient progress has been made on the withdrawal issues such as a deal for citizens living in each other's territory, border arrangements between Ireland and the UK and the amount that Britain will pay to get out of previous EU commitments. Talks between the two sides have been taking place once a month since June. The first round of talks was held in June, the second round in July and the third in August, fourth in September, fifth in October and last one in November.

Initially, the second phase of Brexit talks will be dominated by

discussions over the transition period and the future EU-UK relationship. The UK has to clarify its position on the type of trade deal it seeks with the EU. For the transitional period, the European Parliament and the European Council have made clear that all existing Union regulatory, budgetary, and supervisory, judiciary and enforcement instruments and structures must apply, including the competence of the Court of Justice of the European Union, but with no UK participation in decision-making, since it would no longer be a member of the EU. Exploratory discussions on the framework for the future relationship will begin only after the adoption by the European Council of additional guidelines in March 2018.



MINISTER OF FOREIGN AFFAIRS ÇAVUŞOĞLU PAID AN OFFICIAL VISIT TO NEW YORK

Minister of Foreign Affairs Mevlüt Çavuşoğlu went to New York to attend the UN General Assembly (UNGA) Emergency Special Session on Jerusalem on 21 December 2017. The session had been decided to be held following the US veto on draft resolution that was submitted to the UN Security Council (UNSC) to rescind US President Donald Trump's recognition of Jerusalem instead of Tel Aviv as Israel's capital. To explain, Israel occupied East Jerusalem in 1967 and announced the whole city as the country's capital in 1980. Following this, UNSC adopted resolution 476 which has approved invalidity of all legislative and administrative measures along with actions that aim to alter the characteristics and status of Jerusalem that is regarded a holy city for all three

monotheistic religions; Islam, Christianity and Judaism. To date, none of the countries or leaders had recognised Jerusalem as Israel's capital until the 45th US President Donald Trump.

Foreign Minister Mevlüt Çavuşoğlu began his speech at the UNGA Emergency Special Session by expressing his and Turkey's deepest feelings towards Palestine and Palestinian people. Subsequent to this, Minister Çavuşoğlu expressed that Trump administration's decision is an obvious violation of international law and all of the relevant UN resolutions. After having emphasised the threat of such unilateral decisions to damage multi-ethnic characteristics of the holy city and peace prospects in the Middle East, Mevlüt Çavuşoğlu concluded his speech by reiterating that the world is bigger than five which was an explicit attribution to



President Recep Tayyip Erdoğan's statement regarding the veto power of five permanent members of the UNSC in 2014. At the end

of the voting, the resolution that had been submitted to the UNGA by Turkey as the Summit Chair of the Organisation of the Islamic

Cooperation along with Yemen as Arab Group Chair was adopted by 128 nations in favour, 9 against and 35 abstaining.



MALTA'S MINISTER OF FOREIGN AFFAIRS AND TRADE PROMOTION VISITED TURKEY

Minister of Foreign Affairs and Trade Promotion of Malta Carmelo Abela paid a visit to Turkey on 13-14 December. During his visit to Ankara, Minister Abela met with his counterpart Minister Çavuşoğlu. Turkish-Maltese bilateral relations, issues related to the EU, cooperation opportunities and common challenges in the Mediterranean region as well as current regional and international issues were discussed at the meetings between the two Ministers. Minister Abela met also with Minister for EU Affairs

and Chief Negotiator Ömer Çelik. The opportunities for bilateral trade, commercial ties and the Mediterranean migration crisis were on the agenda of the meeting.

Minister Abela together with his counterpart Minister Çavuşoğlu officially inaugurated Malta's new Embassy in Ankara on 14 December. The appointment of a resident Ambassador in Ankara coincides with the 50th anniversary of diplomatic relations between the two countries which were established in 1967, shortly after Malta's independence.

EU MINISTER AND CHIEF NEGOTIATOR ÖMER ÇELİK PAID A VISIT TO SOFIA

On December 1, Minister for EU Affairs and Chief Negotiator Ömer Çelik paid a visit to Sofia for official meetings. During his visit, Minister Çelik met with Bulgarian Prime Minister Boyko Borisov, Bulgaria's Deputy Premier and Minister of Foreign Affairs Ekaterina Zaharieva and Minister of Bulgarian EU Presidency Lilyana Pavlova.

During his meetings in Bulgaria, Minister Çelik pointed out the importance

of the relationship between Turkey and Bulgaria and stated that Bulgaria, which will be assuming the EU Presidency after Estonia, is especially important for introducing the Balkan perspective to Europe. Migration issue was also on the agenda. Minister Çelik pointed out that migration was a common issue for both countries and that it would continue to increase in view of current developments therefore, reasonable solutions

should be found for this issue. He also indicated that as Bulgaria is carrying out preparations for its EU Presidency, issues of security and economy should be addressed. He pointed out Turkey's importance as a key country for Europe by saying: "If we are to speak about the stability of Europe, the key country is Turkey. If we are to speak about the security and economy of Europe, again the key country is Turkey."



EU LEADERS MEET TO DISCUSS DEFENCE, MIGRATION AND BREXIT

During the last European Council meeting of the year, migration, defence and Brexit topped EU leaders' agenda.

Yeliz ŞAHİN,
IKV Senior Researcher

On 14-15 December 2017, EU leaders came together for the last European Council meeting of the year to discuss a plethora of subjects ranging from compulsory migrant quotas and the future of the Economic and Monetary Union on the one hand, to defence cooperation and Brexit negotiations on the other. On the first day of the summit, leaders adopted conclusions on security and defence, social issues, education and culture, climate change and Jerusalem. The official launch of Permanent Structured Cooperation (PESCO) in defence marked a historic occasion in EU defence cooperation whereas discussions over the relocation scheme exposed the existing deep divisions between Member States concerning the viability of migrant quotas. The fact that education and culture were discussed at the leaders' level marked another first in the summit.

Meeting in the EU27 format on the second day of the summit, EU leaders assessed the progress achieved in the Brexit negotiations and as expected, gave a greenlight for moving to the next phase of the negotiations.

Divisions over Migrant Quotas Dominate the Summit

EU leaders began their discussions on migration at the working dinner on the first day of the summit. The debate on migration was overshadowed by European Council President Donald Tusk's controversial comments regarding migrant quotas. In a letter addressed to the leaders ahead of the summit, describing migrant quotas as both "divisive" and "ineffective", Tusk had suggested that they should be scrapped. Migrant quotas have divided the Member States in the east-west axis since their introduction in September 2015. Migrant quotas have been met with increasing resistance from Visegrád countries which went as far as taking the issue to the European Court of Justice. However the Court had dismissed Slovakia and Hungary's objections to the compulsory



quota scheme. Tusk's controversial comments and his implication that the primary responsibility for irregular migrants should fall on frontline states such as Italy, Spain and Greece have angered many EU capitals. German Chancellor Angela Merkel, who paid a huge price in the latest Bundestag elections for taking in over one million migrants, criticized Tusk's comments by underscoring that the EU needed solidarity and that it could not be selective. Tusk's proposal also revealed the intra-institutional divide between the Council and the Commission. European Commissioner responsible for migration, Dimitris Avramopoulos, labelled Tusk's comments as "anti-European" and indicated that the proposal put forward by Tusk undermined one of the main pillars of the European project namely, the principle of solidarity.

During the summit, the debate on migrant quotas continued albeit at a lower tone. The leaders are expected to take up the issue in March 2018, with a view to reach an agreement on the reform of the asylum system by June. The leaders have six months to reconcile their diametrically opposed views on migrant quotas. According to the statement by Tusk, a compromise seems very difficult to reach.

'The Sleeping Beauty of the Lisbon Treaty' Awakens

The launch of Permanent Structured Cooperation (PESCO) among 25 Member States was the highlight of the summit. PESCO is regarded as the most ambitious step in defence cooperation after the failed attempt to create a European Defence Community over sixty years ago. First introduced by the Lisbon Treaty, PESCO's potential has remained untapped due to the lack of political will among Member States and fears that Member States with lower capabilities would be left out. The deteriorating geopolitical environment around Europe has once again brought PESCO under the spotlight. Moreover, the UK's decision to leave the EU and the election of Donald Trump as US President have further highlighted the need for increased cooperation in defence. With one of its two largest military powers in the process of leaving the EU and a highly unpredictable US administration -raising questions about the US' commitment to NATO's famous Article 5- in power, as suggested by Chancellor Merkel, the EU has no choice but to take its own fate into its own hands. The momentum created by the presentation of the EU Global Strategy in June 2016 has continued with the "Winter Package

on Security and Defence" adopted last December. Together with initiatives such as the European Defence Fund which foresees defence research to be directly funded by the EU budget and the coordinated annual review on defence (CARD) aimed at synchronizing defence planning among Member States, PESCO is perceived to be central to the EU's efforts aimed at creating a European Defence Union.

PESCO will allow member states to jointly develop military capabilities and invest in shared projects. 25 Member States have signed off on the joint notification for PESCO. Those which have chosen not to participate in PESCO are the Malta, which has cited concerns about its constitutional neutrality, Denmark which has a special 'opt-out' on defence matters, and the UK which is set to leave the bloc in March 2019. An initial number of 17 joint projects including the establishment of a pan-European military training centre and introduction of common standards for military radio communication have been identified.

PESCO was inaugurated with a ceremony attended by EU leaders and military personnel. During the ceremony, referring to the fact that the strongest argument against PESCO had been the fear that it would

weaken NATO, Tusk underscored that strong European defence was equivalent to a strong NATO. Therefore, he regarded PESCO as good news not only for the Europeans, but also for NATO allies.

UK Receives a Green Light for the Second Phase of Brexit Talks

On the second day of the summit, EU leaders agreed that the sufficient progress had been made in the first phase of the Brexit negotiations governing the matters related to the UK's withdrawal from EU membership also known as the so-called "divorce issues" namely; the future of the Irish border, citizens' rights and the so-called "divorce bill" to allow talks to proceed to the next phase. The second phase of the talks will deal with transitional arrangements and the framework for the future relationship between the UK and the EU. UK's obligations during the transition period, the future trade deal between the UK and the EU as well as the future of the border between Ireland and Northern Ireland are seen by many as potentially problematic areas on which agreement could prove difficult. Given the fact that reaching the common denominator on divorce issues took the two sides 9 months, it would not be wrong to assume that Brussels and London will be engaged in hard bargaining in the next 15 months.