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www.ikv.org.tr / contact: ikv@ikv.org.tr

NEW YEAR BRINGS FRESH HOPE FOR TURKEY-EU RELATIONS AS DIPLOMATIC CONTACTS INTENSIFY

The diplomatic relations since the beginning of 2021 bring an atmosphere of hope for a more positive agenda in Turkey-EU relations.

Turkey-EU relations started the new year at a very high pace as a result of the increased number of diplomatic contacts between the two parties. By the end of the third week in January, there have already been numerous diplomatic meetings at the presidential and foreign ministerial level.

Key Messages by President Erdoğan Signal a New Page in Relations

First, there has been the video conference call that took place between President Erdoğan and the Commission President Ursula von der Leyen. In a statement by the Communications Directorate of the Presidency, it was said that during the video conference call ways of enhancing the relations between Turkey and the EU were discussed and regional developments were addressed. President Erdoğan sent a message by saying that the EU was high on Turkey's agenda and that they saw Turkey's future in Europe. He noted that the situation that evolved with respect to the future of the relations and the shared geography in 2020 as a result of "the caprices of some EU members and the artificial problems created by them" was not sustainable and that Turkey wanted to turn a new page in the new year. Emphasizing the fact that Turkey is a candidate country, much more than a neighbouring country, President Erdoğan underlined the need for an end to exclusionary and discriminatory acts and rhetoric against Turkey. He pointed out that mutual trust should be restored and the consultation mechanisms should be re-activated and stressed the importance of resuming regular Turkey-EU summits and high-level dialogue meetings. After stressing the importance of updating the 18 March 2016 Turkey-EU Statement known as the "refugee deal" for setting the first stage of a positive agenda, President Erdoğan said that the year "2021 offered a productive atmosphere in terms of new cooperation to be built in the field of migration". He further stated that modernisation of the Customs Union, visa liberalisation



for Turkish citizens and accession negotiations were other areas where progress should be made. For her part, Commission President von der Leyen referred to the meeting as a "good exchange" with Turkish President Erdoğan on the issues of COVID-19, the economic recovery and the implementation of tasking of the European Council of December 2020.

Next was President Erdoğan's meeting with the ambassadors of the EU countries in Ankara on 12 January 2021. President Erdoğan's message as regards Turkey's relations with the EU, was that Turkey sees its future together with Europe and that the strategic choice of becoming a full member still holds true even after 60 years of struggle towards achieving this ultimate goal despite all the challenges. He continued to say that "accepting Turkey as a full member will be an ontological choice in terms of the future of the Union" and that "the uncertainty that has heightened with Brexit will be dissipated with Turkey taking its rightful place in the European family." President Erdoğan referred to a number of problematic issues during his speech. With respect to the situation in the Eastern Mediterranean, President Erdoğan said that as a result of some EU members trying to resolve their bilateral problems, the Turkey-EU agenda was "exploited under the pretext of the Union solidarity." He continued to say that "this approach not only takes hostage our long-standing

ties but also undermines the Union's projection to be a regional and global power." Turkey favours "peace, cooperation, equity and justice in the Mediterranean, not tension" and yet is ready "to protect the legitimate interests of the country and nation regarding the region's hydrocarbon resources" was the message conveyed by President Erdoğan, objecting to the injustices and the maximalist initiatives to confine Turkey into its coasts regarding both the Eastern Mediterranean and Cyprus issues. He also touched upon the exploratory talks which were scheduled to begin on 25 January with Greece as a new era, pointed out that alternatives other than the two-state model will not produce a solution and called for new and realistic alternatives to the Cyprus issue. President Erdoğan criticised Europe for not standing with Turkey fighting the terrorist organisations in Syria, for not supporting Turkey enough during and after the 15 July coup attempt as regards the members of the FETÖ terrorist organisation living and organising protests in European countries against Turkey. President Erdoğan put forward Turkey's position on Libya and Nagorno-Karabakh which was deemed to be problematic and said that "they were not related to the essence of the relations with the EU and member countries". With respect to both the visa liberalisation and the Syrian refugees, President Erdoğan said that the EU did not fully deliver on its commitments to Turkey;

yet Turkey is still willing to work towards the joint management of migration, stressing the importance of working together to make 2021 a successful year with respect to Turkey-EU relations.

On 15 January, a telephone call took place between President Erdoğan and Italian Prime Minister Giuseppe Conte. President Erdoğan stated that Turkey valued its relations with Italy and made a point of organising the third intergovernmental summit with Italy in Turkey after the pandemic. President Erdoğan thanked Italy for the support it provided to Turkey regarding the EU and expressed his belief that Italy would lead the EU "towards adopting an attitude based on common sense and equity in the Eastern Mediterranean". He also praised Italy's attitude for cooperating with the Government of National Accord of Libya.

Foreign Minister Çavuşoğlu's Comprehensive Brussels Agenda

Finally, on 21 January, Turkish Foreign Minister Mevlüt Çavuşoğlu went on a two-day visit to Brussels. Foreign Minister Çavuşoğlu held meetings in the EP, came together with EU High Representative for Foreign Affairs and Security Policy and Vice-President of the European Commission Josep Borrell. The other meetings Çavuşoğlu had in Brussels were with European Council President Charles Michel, European Commission President Ursula von der Leyen, Commission Vice-President Margaritis Schinas, Commissioner for Neighbourhood and Enlargement Olivér Várhelyi and Commissioner for Home Affairs Ylva Johansson, and Belgian Foreign Minister Sophie Wilmes. During the meetings with his interlocutors from EU institutions, Foreign Minister Çavuşoğlu made the point that Turkey wishes to turn a new page with the EU and underscored Turkey's intention to work towards a positive agenda. He noted that the 18 March Turkey-EU Statement should be revised and drew attention to the need to revitalise the EU accession process, the modernisation of the Customs Union, the cooperation

to fight against terrorism, irregular migration, and racism and Islamophobia in Europe.

Foreign Minister Çavuşoğlu also met with NATO Secretary General Jens Stoltenberg and stressed the critical role of Turkey within NATO's deterrence and defence, talked of Turkey's continued support to the NATO missions in Iraq and Afghanistan. In his meeting with EP Turkey Rapporteur Nacho Sánchez Amor, Çavuşoğlu expressed that EP should play a more constructive role in developing the Turkey-EU relations and pointed out that the 2021 Turkey Report should be "fair and balanced" and emphasize "Turkey's candidate status".

As indicated by German Foreign Minister Heiko Maas' visit to Ankara a few days before Çavuşoğlu's visit to Brussels, although Turkey's intentions are seen as positive, if there are to be developments on issues of importance for Turkey such as modernisation of the Customs Union, and visa liberalisation for Turkish citizens, concrete actions along these intentions are expected from Turkey.

To conclude, the EU saying that the issues relating to Turkey and the Eastern Mediterranean will be coordinated with the incoming US administration and the European Council meeting due to take place on 25-26 March 2021 are important factors in Turkey's intensified efforts to establish diplomatic contacts to revitalise the relations since the beginning of 2021. They are signs that Turkey is determined to "create a positive agenda with a long-term perspective" and put Turkey-EU relations "back on track" prior to the crucial European Council meeting of 25-26 March 2021. EU High Representative Borrell, as tasked by the European Council on 10-11 December 2020, will present his report where relations with Turkey and possible options will be on the agenda once again and has the potential to determine the direction of Turkey-EU relations for the foreseeable future depending on the EU leaders' decision as to how to move forward with respect to Turkey-EU relations.



“LET NOT JUST 2021, BUT EVERY YEAR BE THE YEAR OF THE EU”



On 20 January 2021, IKV Chairman Ayhan Zeytinoğlu commented on the latest developments regarding the EU process on the occasion of Foreign Minister and Chief Negotiator Mevlüt Çavuşoğlu's visit to Brussels. Pointing out to President Recep Tayyip Erdoğan's meetings with European Commission President Ursula von der Leyen and ambassadors of EU countries, IKV Chairman Zeytinoğlu said that the efforts to accelerate and put Turkey-EU relations back on track should be appreciated. IKV Chairman Zeytinoğlu underscored that Turkey-EU relations, which have recently gone through a difficult period, were extremely important not only in strategic terms, but also in economic and trade terms. Indicating that relations should be put on a positive trajectory on the basis of mutual benefits, IKV Chairman Zeytinoğlu stressed that full membership to the EU should continue to be the ultimate goal.

Commenting on the developments in Germany, the leading country in the EU, IKV Chairman Zeytinoğlu assessed the election of Armin Laschet as the new leader of German Chancellor

Merkel's CDU party, who would continue Merkel's moderate line, as a positive development. Chairman Zeytinoğlu welcomed the visit by German Foreign Minister Heiko Maas on 18 January as a positive start for the development of mutual dialogue and made the following remarks:

“2021 started on a hopeful note for relations with the EU. President Erdoğan's meetings and statements that the EU remains a strategic objective, indicate that the EU is at the forefront as a priority again. Steps to reduce tension in the Eastern Mediterranean and the visit by German Foreign Minister Heiko Maas point out that diplomacy will be much more determining in relations with the EU this year. I say that 'let not just 2021, but every year following it be the year of the EU'. Recently, we have experienced significant loss of ground in the EU process. It is necessary to reclaim the lost ground and overcome the impasse in the relations starting with the modernisation of the Customs Union, visa liberalisation and cooperation on refugees. Obviously, these should not be considered as processes to replace

full membership, but rather as steps to facilitate the process leading to it. Turkey's EU orientation should be sustained through acceleration of reform steps in economic governance and political reforms in the areas of judiciary and democratisation. We have done this in the early 2000s. We can do it again. Particularly, the efforts to fulfil the remaining 6 of the 72 benchmarks in the visa liberalisation process should be accelerated. Concrete reform steps will also affect EU's approach towards Turkey positively. Armin Laschet, who has been elected as the new leader of Chancellor Merkel's CDU party in Germany, is a politician who will continue Merkel's line and prevent the party from moving further to the right. Laschet is known for his affinity to refugees and moderate stance, which is an opportunity for Turkey. Germany is Turkey's most important partner in the EU. In this respect, by keeping relations with Germany close and taking into consideration that this will also have positive reflections on the EU process, we hope that 2021 and every year after that will be the year of the EU.”

DEPUTY FOREIGN MINISTER AMBASSADOR KAYMAKCI VISITED THE IKV BRUSSELS REPRESENTATION

Turkey's Deputy Minister of Foreign Affairs and Director for EU Affairs Ambassador Faruk Kaymakcı visited IKV's Brussels Representation on 21 January 2021 within the scope of his visit to Brussels. Deputy Minister of Foreign Affairs Ambassador Kaymakcı met with TOBB and IKV Brussels Representative Haluk Nuray.

During the meeting, Deputy Minister of Foreign Affairs Ambassador Kaymakcı provided information on the latest developments regarding Turkey-EU relations and drew attention to the critical role of the Turkish business community and civil society in the EU process. Deputy Minister of Foreign Affairs Ambassador Kaymakcı also received information about the activities carried out by IKV.



JOINT POLICY BRIEF FROM IKV, IPC AND TEPAV

TURKEY-U.S. RELATIONS IN THE CHANGING TRANSATLANTIC CONTEXT

Nilgün Arısan-Eralp, Senem Aydın-Düzgüt, Atilla Eralp, E. Fuat Keyman, Çiğdem Nas



The policy brief titled “Turkey-U.S. Relations in the Changing Transatlantic Context” jointly prepared by IKV, the Istanbul Policy Center (IPC) and the Economic Research Policy Foundation of Turkey (TEPAV) was published on 2 February 2021. The policy brief, which was written by IKV Secretary General Assoc. Prof. Çiğdem Nas, IPC Director Prof. Fuat

Keyman, IPC Research and Academic Affairs Coordinator Prof. Senem Aydın-Düzgüt, 2019-20 Mercator-IPC Senior Fellow Prof. Atilla Eralp and TEPAV EU Studies Centre Director Nilgün Arısan-Eralp, provides an insight into the expectations regarding the Biden administration in the US and its impact on transatlantic relations and Turkey.

IKV AGENDA

IKV DISCUSSED THE RULE OF LAW IN THE EU AND TURKEY IN A WEBINAR

IKV organised a webinar entitled "Rule of Law in the EU and Turkey" on 15 January 2021. IKV Chairman Ayhan Zeytinoğlu delivered the opening speech in the webinar which was moderated by IKV Deputy Secretary General M. Gökhan Kilit and continued with a panel discussion chaired by IKV Vice-Chairman Prof. Halûk Kabaaloğlu. Stating that the rule of law is a concept frequently brought to the agenda by the EU, IKV Chairman Zeytinoğlu indicated that rule of law should be considered as the first area to implement reforms ahead of the European Council meeting scheduled for 25-26 March in which Turkey-EU relations would be discussed.

Chairing the panel discussion, IKV Vice-Chairman Prof. Kabaaloğlu pointed out to shortcomings regarding the rule of law and emphasized the significance of reforms in this area. In the panel session, Prof. Sanem Baykal from



TOBB University of Economics and Technology (ETU) talked about the significance of the rule of law as one of EU's founding values as well as an integral part of the political criteria for EU membership. Prof. Bertil Emrah Oder, the Dean of Koç University Law School, indicated that rule of law has become a prominent theme in the use of funds under EU's COVID-19 recovery fund called "Next Generation EU" and referred

to the extensive use of the term "backsliding" in the Commission's latest Turkey Report. Assoc. Prof. Fahri Gökçen Taner from Ankara University discussed the right to a fair trial in detail while the final speaker of the panel IKV Secretary General Assoc. Prof. Çiğdem Nas talked about global trends regarding rule of law and expressed hope about EU's new mechanisms for promoting this concept.

IKV ORGANISED A WEBINAR ON TRANSATLANTIC RELATIONS UNDER BIDEN AND TURKEY

On 27 January 2021, IKV organised a webinar entitled "Transatlantic Relations under Biden and Turkey". During the webinar, which was moderated by IKV Deputy Secretary General M. Gökhan Kilit, IKV Chairman Ayhan Zeytinoğlu delivered an opening speech emphasizing the hope to fix transatlantic relations which were damaged under Trump's presidency. In the panel discussion held after the opening remarks, distinguished scholars and experts held an in-depth discussion on multiple policy areas which are likely to be affected by the dynamics of the EU-US relations.

The first panellist, Prof. Kemal Kirişçi, Senior Fellow at Brookings Institution, spoke of domestic problems in the US that the Biden presidency needs to tackle urgently while considering multiple reforms in foreign relations. Dr. Pınar Artıran, WTO Chair Holder and Director of the Research Centre for International Trade Law and Arbitration at İstanbul Bilgi University, approached transatlantic relations from a trade perspective and pointed to the problems at the WTO concerning intellectual property and the trade barriers imposed by the US under Trump. Stating that the WTO is at an impasse in electing its next Director, Dr. Artıran indicated that reforming the WTO and regulating non-tariff barriers, which are on the rise in trade relations, should be among the first issues to be



reviewed by the EU and the US in the near future.

Assoc. Prof. Aylin Ünver Noi from Haliç University delivered a speech focusing on US sanctions, while depicting the general political and economic atmosphere of the Trump era as one that had a negative impact on bilateral relations with the EU as well as with Turkey. On the other hand, Prof. Sinem Akgül Açıkmeşe from Kadir Has University focused on the EU's expectations from the US under the Biden administration and referred to the priorities in the "New Transatlantic Agenda for Global Change" put forward by the European Commission in December 2020. Afterwards, Prof. H. Tarık Oğuzlu, lecturer and the director of the Center for Social, Economic and Political Research at Antalya Bilim University, assessed bilateral relations in a wider

context bringing Russia and China into the equation, defining them as an important dynamic in transatlantic relations. Underlining that Turkey's room for manoeuvre could be limited if it had to choose sides between the EU-US bloc and Russia-China bloc, Prof. Oğuzlu emphasized that the best strategy would be to adopt a pragmatic approach focusing on short- and medium-term alliances.

Lastly, IKV Secretary General Assoc. Prof. Çiğdem Nas delivered a general assessment of the observations made during the panel. Mentioning the pressure on Turkey, considering the multiple challenges facing the world and the prominence of green policies both within the EU and the US, IKV Secretary General Nas stated that credible reform steps could contribute to Turkey's relations with the EU and the US.

TIMELINE JANUARY 2021

Portugal assumed the rotating presidency of the EU Council.	1	
The Turkey-UK FTA entered into force.	2	
	3	
	4	
Hundreds of Trump supporters stormed the Capitol building in Washington DC.	5	
	6	IKV published a policy brief entitled "Where does Turkey Stand on the International Climate Regime?"
Foreign Minister Çavuşoğlu visited Portugal.	7	
	8	
Foreign Minister Çavuşoğlu paid an official visit to Spain.	8	
	9	IKV published a policy brief on "The Future of Plastics in the EU and Turkey" (in Turkish).
President Erdoğan held a video conference call with European Commission President von der Leyen.	9	
	10	
Foreign Minister Ertuğruloğlu of the Turkish Republic of Northern Cyprus visited Turkey.	11	IKV organised a webinar entitled "A New Era with the UK after Brexit and the EU".
	12	
President Erdoğan met with ambassadors of EU Member States.	12	
	13	IKV held a webinar on "Rule of Law in the EU and Turkey".
OECD revised up Turkey's growth forecast.	14	IKV published a policy brief examining e-commerce in the world, the EU and Turkey (in Turkish).
	15	
President Erdoğan spoke with Italian Prime Minister Conte over the phone.	15	
	16	
	17	IKV published a policy brief on the socioeconomic effects of the coronavirus pandemic on female labour force participation (in Turkish).
German Foreign Minister Maas paid a working visit to Turkey.	18	IKV Secretary General Nas discussed Turkey-EU relations on KRT TV.
	19	IKV Chairman Zeytinoğlu issued a statement on Foreign Minister Çavuşoğlu's visit to Brussels.
Joe Biden was inaugurated as 46th US President.	20	Deputy Foreign Minister Ambassador Kaymakçı visited the IKV Brussels Representation.
Foreign Minister Çavuşoğlu paid a two-day visit to Brussels and met with key EU officials.	21	
	22	
The OECD opened a regional centre in Istanbul.	22	
	23	
A Turkish cargo ship was attacked by pirates off the West African coast.	23	
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	25	
The 61st round of exploratory talks between Turkey and Greece was held in Istanbul.	25	
	26	IKV hosted a webinar entitled "Transatlantic Relations under Biden and Turkey".
Irish Foreign Affairs and Defence Minister Coveney paid an official visit to Turkey.	27	IKV Secretary General Nas discussed Turkey-EU relations on Arı TV.
	28	
The 8th Turkish-Dutch Bilateral (Wittenburg) Conference convened via video conference.	28	
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THE NEW ERA WITH THE UK AFTER BREXIT DISCUSSED AT IKV WEBINAR

On 11 January 2021, IKV hosted a webinar entitled "A New Era with the UK after Brexit and the EU". Delivering the opening speech at the webinar, which was moderated by IKV Deputy Secretary General M. Gökhan Kilit, IKV Chairman Ayhan Zeytinoğlu expressed his satisfaction with the UK-EU Trade and Cooperation Agreement for ending uncertainty and preventing a "hard Brexit". However, he said that despite the agreement the UK could still record a 6.4% GDP loss. IKV Chairman Zeytinoğlu pointed out that the Turkey-UK Free Trade Agreement (FTA) signed on 29 December 2020 was UK's fifth trade agreement and its first trade agreement after Brexit. Referring to the Turkey-UK FTA as an important opportunity for Turkey, Zeytinoğlu indicated that with the review foreseen within two years, the agreement could be expanded into new areas which would further increase bilateral economic cooperation. He also expressed hope about visa liberalisation and underscored the need for Turkey to take the necessary steps in this regard. IKV Chairman Zeytinoğlu concluded his remarks by stressing that the upcoming



European Council meeting scheduled for 25-26 March would be critical for the future of Turkey-EU relations.

The webinar continued with a panel discussion on the future of UK-EU relations and Turkey-UK relations. In the panel session, Head of the Directorate General for EU Affairs at the Ministry of Trade Elif Gürsoy

provided detailed information about the process leading to the Turkey-UK FTA. TOBB and IKV Brussels Representative Haluk Nuray analysed the implications of the UK-EU Trade and Cooperation Agreement on the modernisation of the Turkey-EU Customs Union. Prof. Sanem Baykal from TOBB ETU approached the UK-EU Agreement from

a legal point of view and talked about the problems which might arise in the implementation of the agreement. Finally, IKV Secretary General Assoc. Prof. Çiğdem Nas discussed the importance of the agreement ending the Brexit saga for the future of EU integration and the implications of Brexit on EU's external action.

IKV SECRETARY GENERAL NAS PARTICIPATED IN WEBINARS AND TV PROGRAMMES



IKV Secretary General Assoc. Prof. Çiğdem Nas delivered a speech on "Turkey-EU Relations and Expectations for 2021" at the webinar organised by Ege University's International Relations Society on 13 January 2021. IKV Secretary General Nas talked about the current developments in Turkey-EU relations and said that 2021 would be a critical year for the relations. Referring to the EU's proposal for a positive agenda, Assoc. Prof. Nas said that the disputes in the Eastern Mediterranean and the Aegean prevented progress and indicated that a discussion on Turkey-EU relations is foreseen for the March European Council meeting. Stating that there was an important opportunity for the improvement and development of relations with the EU in this context, she emphasized the importance of speeding up the reform process.

In January, IKV Secretary General Nas also discussed recent developments in Turkey-EU relations on various TV programmes. On 19 January, Assoc. Prof. Nas was Tülin Daloğlu's guest on KRT TV. Touching upon the increasing diplomatic traffic between Turkey and the EU, statements that Turkey sees its future in Europe, the resumption of exploratory talks between Turkey and Greece as well as Biden's inauguration as US President, Nas expressed her views on the future of Turkey-EU relations.

Participating in the programme called "Dünya ve Biz" presented by Aydın Selcen on Artı TV on 27 January, IKV Secretary General Nas talked about the future of Turkey-EU relations, concrete steps that could be taken for creating a positive agenda and possible developments ahead of the 25-26 March European Council meeting.



TWO NEW POLICY BRIEFS FROM IKV

Where does Turkey Stand on the International Climate Regime?

Climate change is projected to be one of the biggest challenges of the century. In the recent decade, temperatures have been rising steadily, glaciers are melting, sea levels are rising and rainfall patterns are shifting in the whole world. Correspondingly, the number of climate-related disasters increases each year, resulting in many casualties and economic losses.

As a country located in the Mediterranean Basin, Turkey is among the countries most vulnerable to climate change, and thus it is very important for Turkey to implement highly ambitious climate policies. While Turkey has been participating in the international negotiations on climate change for decades,

there have been some obstacles along the way, which could not be overcome.

In the policy brief published by IKV with the support of Friedrich Naumann Foundation, IKV Junior Researcher Melis Bostanoğlu analyses Turkey's climate policies and its position regarding the international climate negotiations, and makes some policy recommendations concerning the climate actions Turkey needs to take.

The Future of Plastics in the EU and Turkey (in Turkish)

In the policy brief published by IKV with the support of Friedrich Naumann Foundation, IKV Junior Researcher Melis Bostanoğlu focuses on the effects of increased plastic consumption in the EU and Turkey, and reviews the policy measures introduced to address this.

THE TURKEY-UK FREE TRADE AGREEMENT ENTERED INTO FORCE

The Turkey-UK FTA, which entered into force on 1 January 2021, is promising not only for bilateral trade between Turkey and the UK, but also for the modernisation of Turkey-EU Customs Union.



The Turkey-UK Free Trade Agreement (FTA), signed on 29 December 2020, entered into force following the end of the Brexit transition period on 1 January 2021. The signature ceremony

of the Turkey-UK FTA was held via video conference between Turkey's Minister of Trade Ruhsar Pekcan and the UK's International Trade Secretary Liz Truss. The FTA came right after the UK and the

EU reached a landmark deal on a Trade and Cooperation Agreement on 24 December 2020. The UK has been among Turkey's most important trade partners, as the second top destination for Turkish

exports after Germany. The volume of bilateral trade between Turkey and the UK was 18.6 billion pounds in 2019. The Turkey-UK FTA, which was welcomed by business circles, foresees the continuation of trade with no tariffs for industrial goods and industrial components of agricultural goods.

Moreover, it is envisaged that the FTA can be expanded into new areas such as services and all agricultural products within two years. In that case, the Turkey-UK FTA would turn into a deep and comprehensive agreement which is likely to enhance bilateral trade volume further. If the Turkey-UK FTA had not been signed, 75% of Turkish exports to the UK would have been affected and that would have resulted in an economic loss of 2.4 billion dollars. The UK, which is the sixth largest economy in the world,

has been an important market for Turkish exports particularly in the automotive, television, home appliances, clothing, machinery, iron and steel sectors. Having an intense fear of the possibility of a "no-deal Brexit", these sectors took a deep breath of relief thanks to both the EU-UK Trade and Cooperation Agreement and the Turkey-UK FTA. On the other hand, since the UK is no longer an EU member and thus not part of the Turkey-EU Customs Union anymore, trade between Turkey and the UK will be subject to the country of origin certificates, which is likely to raise trade costs. Lastly, the signature of the Turkey-UK FTA could stimulate the launch of the negotiations aimed at the modernisation of the Turkey-EU Customs Union which have been at an impasse due to political obstacles for years.

OECD OPENED A REGIONAL CENTRE IN ISTANBUL

On 22 January 2021, the Organisation for Economic Co-operation and Development (OECD) opened a regional centre in Istanbul, which is the Paris-based organisation's fifth regional centre in addition to the ones in Berlin, Mexico, Tokyo and Washington. The OECD is aiming to develop its ties across Eurasia, the Middle East and North Africa, Southeast Europe, and Southeast Asia with the Istanbul centre.

President Recep Tayyip Erdoğan participated in the opening ceremony of the centre via video conference and expressed that Turkey was one step closer to the goal of making Istanbul a centre for international organisations, including the UN. President Erdoğan also noted that through the new OECD centre, Turkey would be able to contribute more to the organisation's work across wider geographies.

Earlier in the month, the OECD released its report titled "Economic Survey of Turkey". In the latest economic survey published on 14 January, the OECD revised and upgraded its growth forecast for the Turkish economy. According



to the OECD report, the Turkish economy is estimated to contract by 0.2% in 2020 instead of 1.3% which was foreseen in the OECD economic forecast dated December 2020. In addition, while stating that the COVID-19 crisis has hit Turkey's people and economy hard, the report stresses that the country went into the pandemic crisis with sound public finances. The OECD foresees recovery in economic growth for the years ahead and the Turkish economy is projected to grow by 2.6% in 2021 and 3.5% in 2022.

It is mentioned that the recovery from the first wave of the pandemic was strong and Turkey managed to contain the number of COVID-19 cases in the first phase of the outbreak, thanks to a strong intensive care infrastructure and targeted lockdowns. But after the easing of containment measures

in summer the number of cases increased in fall, putting pressure on the country's health system, public resources, social cohesion and macroeconomic sustainability. Employment rate and aggregate demand contracted strongly in the tourism and hospitality sectors.

The economic survey report concludes by stating that a full recovery from the pandemic crisis will take time, considering the affected sectors, uncertainty over the future evolution of the pandemic, as well as Turkey's limited welfare provisions and high levels of corporate and household debt. It is hoped that targeted and well-designed support to households and firms that is aligned, sustainable macroeconomic policy and structural reforms will strengthen Turkey's economic recovery from the pandemic crisis.



GREECE REQUESTED RETURNING AROUND 1,500 REFUGEES TO TURKEY

On 14 January 2021, Greek Migration Minister Notis Mitarachi announced that Greece submitted a request to the European Commission and the EU's border agency - Frontex for the return of 1,450 irregular migrants in reception centres in Lesbos and other Aegean islands whose asylum requests were rejected. Greece is calling on Ankara to accept their return on the basis of the 18 March 2016 Turkey-EU Statement. The move comes ahead of a planned resumption of exploratory talks between Athens and Ankara after a five-year hiatus.

Hundreds of thousands of migrants and refugees used Greece as their entry point to the EU through Turkey in 2015 and 2016, until the 18 March 2016 Turkey-EU Statement dramatically stemmed the flow of refugees across the

Greek and Turkish land and sea borders. Turkey hosts over three million refugees and migrants, mainly from Syria, while tens of thousands are waiting in Greece for their asylum applications to be processed, mostly in camps where conditions have been described as serious. Turkey has called on the EU to renew the commitments and to find a common solution which will result in a fairer burden-sharing among Turkey and European countries as the current Turkey-EU Statement does not offer a sustainable solution to the migration crisis.

Due to the coronavirus pandemic, Turkey has suspended the return process. According to reports, Turkey is to reassess the situation regarding the return of irregular migrants once the pandemic is taken under control.

TURKEY STARTED ADMINISTERING NATIONWIDE VACCINATION AGAINST COVID-19

Turkey has made a quick start to vaccination against the coronavirus across the country since the middle of January, starting with health workers and the elderly.

Vaccination campaigns against the novel coronavirus have been launched in a number of countries starting from the last days of 2020. Although the EU countries were among the first ones to start mass vaccinations, they fell behind on vaccination race as the US pharma company Pfizer slowed down the deliveries of vaccines to the EU in the middle of January. On the other hand, Turkey has made a quick start in mass vaccination throughout the country on 13 January 2020. After the approval of emergency use for the CoronaVac vaccine developed by the Chinese pharma company Sinovac, Turkey's Health Minister Fahrettin Koca and



the members of the Coronavirus Scientific Advisory Board were the first people to receive the jab. Subsequently, starting from Turkey's

President Recep Tayyip Erdoğan on 14 January, a number of politicians got vaccinated on TV to put an end to anti-vaccination stream.

In accordance with the four-stage vaccination plan, health workers including pharmacists, dentists, nurses, pharmacy technicians along with doctors were among the first group to receive the first dose of the COVID-19 vaccine. Within the first two weeks of implementation, almost 1.3 million people consisting largely of health workers got vaccinated. Subsequent to health workers, people staying or working at crowded places such as nursing homes, shelters and disabled care centres and people older than 65 years of age are next to receive the first jab. After this group, people older than 50 and those working in critical sectors

such as the Ministry of Interior and Ministry of National Defence along with teachers, police and the ones important for supply chains such as drivers will be vaccinated. In the third group, people under 50 years of age having chronic diseases and young healthy adults are going to be vaccinated and in the fourth group, the rest of the population and those who missed their turns will be covered. The vaccination will be administered in two doses with the second dose being administered 28 days after the first dose.

As of 1 February, the number of people in Turkey receiving their first dose of the coronavirus vaccine has exceeded 2 million.

GREEK CYPRIOT ADMINISTRATION CRITICISED OVER DISCRIMINATORY VACCINE POLICY



The Greek Cypriot Administration has come under heavy criticism for implementing a discriminatory COVID-19 vaccination policy. The Turkish Cypriot side has indicated that the Greek Cypriot Administration was creating bureaucratic difficulties to prevent their access to the COVID-19 vaccine sent by the EU. The Turkish Cypriots were set to receive 2 thousand doses of the Pfizer-BioNTech vaccine via the Greek Cypriot Administration however; according to reports, the Greek Cypriot authorities have tried to limit the availability of the vaccine to Turkish Cypriots who also hold Greek Cypriot citizenship. Upon the initiative of the Turkish Republic of Northern Cyprus (TRNC) with the EU and the UN, the initial batch of 1,080 doses of the Pfizer-BioNTech vaccine sent by the EU were received on 18 January 2021 through the bicomunal Technical Committee on Health. The second batch is expected to arrive within a month. Meanwhile, Turkey has sent the TRNC 20 thousand doses of the

CoronaVac vaccine developed by the Chinese pharma company Sinovac.

As preparations for convening an informal 5+UN Cyprus meeting have gained impetus, TRNC President Ersin Tatar held a phone call with EU High Representative for Foreign Affairs and Security Policy Josep Borrell on 18 January. According to the statement issued by the TRNC Presidency, Tatar thanked for the vaccines and expressed the view that a fair solution could be possible if the sovereign equality and the international status of the two sides on the island were respected. Raising the hellim (halloumi) issue, TRNC President Tatar urged the Commission to appoint experts to inspect the hygiene standards in production of the hellim cheese together with the Turkish Cypriot Chamber of Commerce. He also called for the registration of hellim as a Protected Designation of Origin (PDO) and measures making it possible to be traded through the Green Line Regulation to be carried out simultaneously.

ANKARA AND ATHENS RESUMED EXPLORATORY TALKS AFTER FIVE-YEAR HIATUS



Turkish and Greek delegations met in Istanbul on 25 January 2021 for the 61st round of the exploratory talks after a five-year hiatus. The Turkish delegation was led by Deputy Foreign Minister Ambassador Sedat Önal, while the Greek delegation was led by retired Greek diplomat Ambassador Pavlos Apostolidis. The resumption of exploratory talks, which had been launched in 2002 as a mechanism aimed at reaching fair and equitable solutions to the outstanding issues in the Aegean, comes after a turbulent year marked by increasing tension over maritime jurisdiction areas in the Eastern Mediterranean. Turkish and Greek delegations had held 60 rounds of exploratory talks between 2002 and 2016, but the talks were suspended after Athens objected to their scope in March 2016.

The two sides have a different understanding regarding the scope of the talks. While Athens wants to keep the discussion limited to the issue of delimitation of maritime jurisdiction areas, Ankara views the exploratory talks as a broader framework to address all outstanding issues between the two sides including the demilitarised

status of the Aegean islands, the legal status of the islets in the Aegean and the airspace. Despite these differences, the resumption of talks between the parties is seen as a positive development. According to Turkish diplomatic sources, the Turkish and Greek delegations discussed recent developments and the possible steps that could be taken.

The resumption of the talks was hailed by EU officials as a positive development. European Council President Charles Michel welcomed the resumption of the talks according to a statement following his meeting with Turkish Foreign Minister Mevlüt Çavuşoğlu who was on a two-day official visit to Brussels. Furthermore, commenting on the issue in the press conference following the EU Foreign Affairs Council on 25 January, EU High Representative for Foreign Affairs and Security Policy Josep Borrell indicated that the resumption of the talks was an important step towards advancing and consolidating the dialogue between Turkey and the EU. The resumption of the exploratory talks between Turkey and Greece is expected to contribute positively to the recent rapprochement between Turkey and the EU.

HIGH-LEVEL EXCHANGES

WORLD LEADERS ADDRESSED DAVOS AGENDA AROUND THE THEME "GREAT RESET"



Following the devastating global impact of the coronavirus pandemic creating a negative fallout on economies, the World Economic Forum (WEF) has presented an initiative called the "Great Reset". Even though the initiative has evolved over the last few years, aiming at drawing attention to the fact that the world economy has been facing multiple challenges, WEF Executive Chairman Klaus Schwab stated that they were worsened with the

climate crisis and the pandemic. Accordingly, offering to "reset capitalism" and to rethink social, economic and political systems in a bid to getting over various challenges, the 51st WEF gathered thousands of stakeholders virtually around this new initiative.

The 2021 Davos Agenda, held between 25 and 29 January 2021, was designed in a hybrid format due to the pandemic which adds a unique characteristic to the summit taking place both in person and

virtually. Under the main theme of "Great Reset", seven sub-themes were presented in Davos Agenda, namely; "how to save the planet", "fairer economies", "tech for good", "society and future of work", "better business", "healthy futures" as well as "beyond geopolitics". Launching the new initiative in January, the Davos Agenda has also kicked off the preparations for the WEF Special Annual Meeting which will take place in Singapore in May.

European Commission President Ursula von der Leyen in her special address at the Davos Agenda Week on 26 January, praised the "Great Reset" initiative and underlined the strong link between biodiversity loss, climate change, and pandemics. Calling on improved solidarity in fighting the climate crisis by changing our way to produce, live, and consume to have a better future, European Commission President von der Leyen stated that the WEF takes a central role in bringing together all stakeholders around innovative and ambitious ideas.

FOREIGN MINISTER ÇAVUŞOĞLU VISITED PORTUGAL AND SPAIN



In the first week of the new year, Foreign Minister Mevlüt Çavuşoğlu paid official visits to Portugal and Spain to discuss bilateral relations, Turkey-EU relations, regional and international issues as well as the organisational phase of the intergovernmental summits that will be convened in 2021.

On 7 January 2021, Foreign Minister Çavuşoğlu paid an official visit to Portugal which assumed the rotating Presidency of the EU Council for a six-month period on 1 January. In the context of his

visit, Foreign Minister Çavuşoğlu was received by Portuguese Prime Minister António Costa and came together with Portuguese Foreign Minister Augusto Santos Silva to discuss relations between the two countries. Foreign Minister Çavuşoğlu also met with the Chairman of the Turkey-Portugal Interparliamentary Friendship Group Pedro Roque Oliveira. The preparations for the 2nd Turkey-Portugal Intergovernmental Summit, which is to be held this year in Turkey, were also discussed during the meeting. It was stated that the

Joint Economic and Trade Committee would be convened before the Summit. Lastly, Minister Çavuşoğlu conveyed Turkey's wish to turn a new page with the EU during the Portuguese Presidency of the EU.

Following his visit to Portugal, Foreign Minister Çavuşoğlu visited Spain on 8 January upon the invitation of Spanish Foreign Affairs, EU and Cooperation Minister Arancha González Laya. In Madrid, Foreign Minister Çavuşoğlu was received by Prime Minister Pedro Sánchez and then came together with Minister González Laya. Speaking at the joint press conference with his Spanish counterpart, Foreign Minister Çavuşoğlu underscored Turkey's willingness to further develop the already excellent relations with Spain in every field and stressed Spain's support for Turkey's EU membership process and its unprejudiced and wise position regarding Turkey-EU relations. It was also announced that the 7th Turkey-Spain Intergovernmental Summit would be convened in 2021 in Turkey.



GERMAN FOREIGN MINISTER MAAS AND IRISH FOREIGN MINISTER COVENEY VISITED TURKEY

In the second half of January, Germany's Foreign Affairs Minister Heiko Maas and Ireland's Foreign Affairs and Defence Minister Simon Coveney visited Turkey.

Visiting Ankara on 18 January 2021, German Foreign Minister Heiko Maas met with Turkish Foreign Minister Mevlüt Çavuşoğlu. In the joint press conference held with after the meeting, Maas expressed hope for the deepening of Turkey-EU ties. Following bilateral exchanges on migration, the economy, and the pandemic, Maas stressed that the EU was willing to be in a constructive dialogue with Turkey on these issues. German Foreign Minister Maas also welcomed the fact that the difficult discussions of last year were left behind.

Speaking at the joint press conference, Turkish Foreign Minister Mevlüt Çavuşoğlu stressed that ties between Turkey and the EU were currently in a better state. Foreign Minister Çavuşoğlu also mentioned that Turkey was not engaging in new initiatives toward the EU because of sanctions, but on the contrary, Turkey had decided to approach the EU because of their constructive stance towards Turkey during the European Council held on 10-11 December 2020.

Lastly, four topics are expected to dominate the common agenda affecting not only Turkish-German relations

but also the future of Turkey-EU relations: updating the 18 March 2016 Turkey-EU Statement, visa liberalisation for Turkish citizens, modernisation of the Customs Union, and Turkey's proposal for a multilateral conference on the Eastern Mediterranean.

On 27 January, Ireland's Foreign Affairs and Defence Minister Simon Coveney paid a two-day official visit to Turkey and met with Foreign Minister Çavuşoğlu in Ankara. Bilateral relations, Turkey-EU relations, and regional and international issues within the scope of Ireland's non-permanent UN Security Council membership in the 2021-22 term were the main items on the agenda of the meeting.

Speaking at the joint press conference after the meeting, Foreign Minister Çavuşoğlu referred to the deep historical ties between Turkey and Ireland and extended his thanks for Ireland's support for Turkey's EU membership process. For his part, highlighting the importance of Turkey-EU relations, Irish Foreign Minister Coveney stressed the importance of a constructive and cooperative partnership between Turkey and the EU, and welcomed the resumption of exploratory talks between Turkey and Greece.

In the context of the visit, Irish Foreign Minister Coveney also travelled to Hatay to observe the cross-border humanitarian aid to civilians in Syria.

BIDEN IN THE WHITE HOUSE: WHAT TO EXPECT FOR TURKEY-US RELATIONS?

Since the incoming Biden administration is likely to rely more on institutions rather than on personal relations in foreign-policy making, a prominent feature under Trump, it is clear that a new period awaits Turkey-US relations.

Bilge KIRCA
IKV Junior Researcher

With the official inauguration of Joe Biden on 20 January 2021 as the 46th President of the United States, a new era in Turkish-American relations is on the way. The S-400 issue, the Syrian crisis, the situation in the Eastern Mediterranean, the extradition of FETÖ leader Gülen and the Halkbank case as well as the incoming administration's focus on democracy and human rights are the current hot files expected to shape bilateral relations in the coming period.

From Ally to Adversary or the Other Way Around?

Recently, tensions in Turkey-US relations have taken on a new dimension with the sanctions package Donald Trump signed shortly before the end of his term as US President. Turkey's acquisition of the Russian made S-400 missile defence system despite the objections raised by the United States has been the reason for the sanctions targeting the Turkish defence industry which are based on the law "The Countering America's Adversaries Through Sanctions Act (CAATSA)". However, it is important to note that the departure point leading Turkey to purchase the S-400 missile system from Russia was the US' rejection of Turkey's attempts to procure the Patriot missile defence system under the Obama administration. Although the US has previously imposed such sanctions on its adversaries, the fact that for the first time Washington resorted to CAATSA sanctions against a NATO ally is seen as a critical turning point in the relations. Before the CAATSA sanctions, in July 2019, Turkey faced removal from the F-35 fighter jet programme designed to increase the military capabilities of US and its allies.

This tense atmosphere was further aggravated by recent statements of veteran diplomat



Antony Blinken who is Biden's nominee for Secretary of State. Blinken signalled that sanctions on Turkey could be expanded and regarded Turkey not as a strategic partner, but as a "so-called" strategic partner. Applying discourse analysis to Blinken's statements, it would not be wrong to claim that the statement raises serious questions about the future of Turkey-US ties. Therefore, the steps to be taken by the new US administration under President Biden towards Turkey would be of great importance. Importantly, it is noted that Biden prefers to take the opportunity for a constructive dialogue with Ankara. He assumes that Ankara could take concrete steps for the allied relationship. This expectation on part of Biden stems from an important foreign policy priority under his administration which is the goal of reviving the Western alliance and strengthening NATO further, the military wing of this alliance, by bringing its members together under common strategies. This goal is in line with his attempt to create a "united front" against perceived threats by the US from global and regional powers such as Russia, China and Iran. The question is whether Turkey will review its cooperation with these three countries it has been in close dialogue and cooperation in recent years, and whether it will take steps

in accordance with the expectations of the US.

When we examine initial reactions to Biden's election as US President, Turkish President Recep Tayyip Erdoğan sent a congratulatory message to Biden upon his election win. In his statements, President Erdoğan expressed his desire to open a new page in bilateral relations emphasizing the deep-rooted ties between Turkey and the US. In accordance with these developments, the answer to the question of whether Turkey-US relations are to shift towards a more positive trajectory is assumed to prevail during Biden's presidency.

Regional Issues to Stand Out

Regional issues such as the US policy on the Syrian crisis and the future of the nuclear deal with Iran will be defining for Turkey-US relations. Concerning the Syrian crisis, Washington's political and military support for the Syrian Democratic Forces (SDF) which is led by the PKK-affiliated terrorist group People's Protection Units (YPG) in northern Syria has been a major irritant which Ankara has described as a direct threat to its national security. The two are acknowledged by Turkey as the Syrian branches of the terrorist organisation PKK which has also been designated as a terrorist organisation by the EU and the US for decades.

Yet, the US claims that if there are elements associated with terrorism in the SDF, they should be separated. Furthermore, Washington regards SDF as an ally in its fight against the Islamic State of Iraq and Syria (ISIS) and sees it as a way to reduce Iran's influence in the region. This approach has been met with heavy criticism from Turkey. Turkish Foreign Minister Mevlüt Çavuşoğlu recalled that the policy of supporting the YPG against ISIS was adopted during the Obama era when Biden was Vice President and voiced that Ankara expected Biden to return from this grave mistake.

In addition, as one of the top priorities of Biden will be to review the nuclear deal with Iran, Turkey's position towards Iran will be an important topic that may push the US to be more agreeable. Although Biden may regard Turkey as a useful partner to put leverage on Iran, there is a possibility to assume Turkey to be closer to Iran regarding the allegations concerning Turkey's evasion of US sanctions on Iran. On the other hand, although tensions have currently eased in the Eastern Mediterranean, Biden's known support for the Greek and Greek Cypriot position could prove problematic. Beyond these issues, the fact that Turkey has maintained a close working relationship with Russia regarding regional matters despite having diverging interests, stands out as a significant issue that might occupy the agenda of the Biden administration.

Biden's Focus on Democratic Values and the Summit for Democracy

Derived from President Biden's inaugural speech, it is clear that the new US administration aims to make the issue of democracy a global matter and an important dimension of its foreign policy. Moreover, President Biden plans to host a Summit for Democracy in his first year in office. These indicate that human rights and democracy are set to become important aspects

of Turkey-US relations. During his official visit to Turkey in January 2016 as Vice President under the Obama administration, Biden had met with opposition journalists, academics and civil society activists and gave clear messages about human rights, democracy and freedom of expression which drew Ankara's reaction. Furthermore, early last year Biden's controversial remarks regarding President Erdoğan caused criticism from Turkey. Given Biden's renewed focus on democracy; the rule of law, judicial independence, freedom of the media and expression could be expected to become important elements in the new US administration's approach towards Turkey.

Other Ongoing Issues of Contention

A major area of concern for Turkey is the accusation brought on the state-owned Halkbank for allegedly violating the US sanctions on Iran. The trial, which is set to begin in New York on 1 March 2021, could further complicate the relations between Turkey and the US.

One of the main areas of contention in bilateral relations concerns the extradition of Fetullah Gülen who is the leader of the Gülenist terrorist organisation (FETÖ) responsible for the 15 July coup attempt. Turkey made multiple attempts to extradite Gülen along with other key FETÖ figures, however it has received no response from the US. Though it was then Vice President Biden visiting Turkey after the failed coup attempt to repair the relations, it is not expected to change the current stance of the US on this particular issue.

In the end, bilateral relations are multi-dimensional ranging from security to the economy, and can be re-shaped on the basis of common interests and the developments in transatlantic relations. Despite the challenges on multiple fronts, there is a four-year period ahead that could be used for reconciliation in Turkey-US relations.