



İKVM NİTİLY



ISSUE: 81 FEBRUARY 2022

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PRESIDENT ERDOĞAN: "TURKEY SURELY IS COMMITTED TO ITS GOAL OF FULL EU MEMBERSHIP"

Addressing the ambassadors of EU countries, President Erdoğan underscored that the goal of EU membership continues to be a strategic priority for Turkey.

President Recep Tayyip Erdoğan came together with the ambassadors of EU countries to Turkey at the Çankaya Presidential Palace in Ankara on 13 January 2022. The last time President Recep Tayyip Erdoğan hosted the ambassadors of EU countries in Ankara was on 12 January 2021, where he emphasized the importance of updating the 18 March Turkey-EU Statement, promotion of cooperation in the field of security and counter-terrorism, resumption of Turkey-EU summits and high-level dialogue meetings. At the meeting on 13 January 2022, President Erdoğan gave important messages on Turkey's continued commitment to the full EU membership goal, the global impact of the COVID-19 pandemic, cooperation on the root causes of migration to Europe and Turkey, the modernisation of the Customs Union and the Cyprus issue.

Commencing his speech by greeting the ambassadors, President Erdoğan expressed his condolences to the ambassadors on the loss of European Parliament President David Sassoli who passed away on 11 January. President Erdoğan stated that partly due to the impact of the COVID-19 pandemic, the perception of security in the world has changed, threats have diversified, and the power struggle between countries was on the rise. President Erdoğan criticised the countries that witnessed the biggest health crisis of the century who turned inwards instead of choosing cooperation and solidarity, propounded that the current injustices increase every day in terms of fair access to vaccines and shouldering the economic burden of the pandemic.



Turkey Is in Favour of Dialogue

President Erdoğan highlighted that Turkey, as a candidate country negotiating EU accession, has a problem-solving role in important issues such as supply chains, terrorism, migration, security, defence, ethnocentrism, health, and energy supply security. Moreover, President Erdoğan emphasized Turkey's readiness to take forward Turkey-EU relations in all areas at a critical time. President Erdoğan stressed that Turkey was in favour of dialogue and diplomacy to implement a positive agenda based on the accession perspective, but despite that the expected response from the EU had not come. President Erdoğan also expressed the hope for the EU to act more bravely in advancing relations with Turkey in 2022. Erdoğan mentioned that to achieve this, some Member States should abandon the tactic of solving the existing problems with Turkey in the corridors of the Union.

The Migration Problem Continues to Deepen

President Erdoğan underlined that

it was unrealistic to expect migratory pressures to Europe and Turkey to decrease unless the current crises were resolved, and that the migration problem would continue to worsen if new crises were added to the existing ones. Erdoğan indicated that Turkey was striving to solve the main problems in the countries that are the source of irregular migration, and that it had prevented the northern part of Syria from turning into a terrorist centre that exports terrorists to the whole world, with cross-border operations. Erdoğan also mentioned the success story of Turkey, which has enabled nearly 500,000 Syrians to return to their homes safely and voluntarily. In addition, Erdoğan expressed that the necessary support was not received from the EU in this process, and that Turkey was trying to cope with this with extraordinary efforts. He also criticised the EU for not implementing the Voluntary Humanitarian Admission Scheme.

Customs Union, Visa Liberalisation, and the Cyprus Issue

Modernisation of the Customs Union, which would be to the

advantage of both the EU and Turkey, was also among the key issues President Erdoğan referred to in his address. Stressing that the process was frustrated by political motives which resulted in a damage for both sides, Erdoğan underscored that some Member States voted against some aspects of the positive agenda, modernisation of the Customs Union in particular, and therefore applied a delaying tactic against Turkey to prevent the realisation of the positive agenda between Turkey and the EU. President Erdoğan also noted that some members exploited the rights emanating from EU membership and sacrificed the EU's collective interests for political motives.

Erdoğan stated that progress should be made particularly on visa liberalisation and the modernisation of the Customs Union in the coming days, saying that Turkey has made significant progress in meeting the remaining six of the 72 benchmarks specified under the visa liberalisation dialogue.

Concerning the Cyprus issue and the Eastern Mediterranean,

President Erdoğan said that Turkey was operating the dialogue mechanism with Greece and was making great efforts for the de-escalation of tensions in the region. Stating that the problems could be solved through direct constructive dialogue with Greece, President Erdoğan also stressed that Turkey's stance on the Cyprus issue was clear. Highlighting that the rights of the Turkish Cypriots should not be ignored, Erdoğan expressed that acknowledging the sovereign equality and equal international status of the Turkish Cypriots would also contribute to the emergence of a more cooperative environment in the Eastern Mediterranean. President Erdoğan also called on the EU to deliver on the promises it had made to the Turkish Cypriots in 2004 to ensure these conditions.

The EU Remains Turkey's Strategic Priority

Pointing out to the developments in Turkey and EU's shared neighbourhood, President Erdoğan emphasized that cooperation with the EU in the field of foreign and security policy should be strengthened. Noting that Turkey belongs to the European continent geographically, historically and socially, he said that Turkey has been aspiring for EU membership for more than 50 years. President Erdoğan stated that despite all the injustices that were done to Turkey on the way to full membership, Ankara was fully committed to the goal of EU membership which remains its strategic priority. "It is in our common interest to act with a long-term perspective rather than with prejudice or fear," Erdoğan said. President Erdoğan also stated that he expected the ambassadors attending the meeting to support the opening of a new page in Turkey-EU relations.



TOBB PRESIDENT HİSARCIKLIOĞLU ATTENDED THE EUROCHAMBRES BOARD MEETING



The Board of Directors of the European Chamber of Commerce and Industry (EUROCHAMBRES), which was attended by President of the Union of Chambers and Commodity Exchanges of Turkey (TOBB) and

EUROCHAMBRES Vice President M. Rifat Hisarcıklioğlu, convened virtually on 19 January 2022. The economic agenda for 2022 and the new projects of EUROCHAMBRES were discussed during the virtual meeting.

PUBLIC ANNOUNCEMENT BY TOBB

The Union of Chambers and Commodity Exchanges of Turkey (TOBB) has always taken an active role in paving the way for Turkey's trade relations, developing them and supporting Turkey's lobbying activities abroad. In this context, international events have been held and will continue to be held in many countries of the world, especially the European Union, USA. With the positive opinion of relevant Ministries, these activities are organized and cooperation is also carried out with organizations with high lobbying power and the possibility of influencing public opinion abroad.

A number of programs have also been held between TOBB and the German Marshall Fund (GMF). In these programs, which are held publicly in Brussels, Paris, Berlin, Washington, Turkey's economic potential and our country's theses are explained to the circles of governments, business and think tanks in the United States and Europe. Officials and public officials from public institutions and organizations from Turkey also took part in the programs and



had the opportunity to convey the views of our country to all these circles.

At a time when anti-Turkey lobbies are taking action against our country and information pollution is increasing, we are in a period where our activities in the international arena should increase in order to protect the rights and interests of our country and to prevent the negative

public perception that is being created.

However, while the situation facing our country abroad in recent years is obvious, we are astonished and saddened by the irrational accusations and smear efforts with the idea of "mud-slinging" to TOBB's lobbying activities abroad with the German Marshall Fund (GMF) in favour of our country.

IKV CHAIRMAN ZEYTİNOĞLU COMMENTED ON PRESIDENT ERDOĞAN'S STATEMENTS REGARDING TURKEY'S EU MEMBERSHIP

IKV Chairman Ayhan Zeytinoğlu evaluated President Recep Tayyip Erdoğan's messages to the ambassadors of EU countries in a statement issued on 14 January 2022. IKV Chairman Zeytinoğlu pointed out that President Erdoğan's statements that EU membership continues to be a strategic priority for Turkey was important and made the following remarks:

"Our President's statements to the EU ambassadors were very important. Despite the recent problems in the relations, our President gave a positive message by emphasizing Turkey's commitment to the EU goal. Referring to the effects of COVID-19 and the structural problems in the international system, Mr. President drew attention to the need to strengthen the relationship between Turkey and the EU in this new period. In addition, it is extremely important that the commitment to the goal of full EU membership has been confirmed at the highest level at a time when some circles are looking for alternatives to EU membership. Especially, the statement 'Turkey, which is a part of the continent of Europe geographically,



historically and socially, surely is committed to its goal of full EU membership' demonstrates that Turkey's determination regarding the EU has continued since 1959, when the application for associate membership to the then European Economic Community was made."

IKV Chairman Zeytinoğlu touched upon the EU-related work which was mentioned by President Erdoğan. Noting that Turkey has

gained an advantageous position in terms of alignment to the European Green Deal by ratifying the Paris Climate Agreement, Zeytinoğlu emphasized that compliance with EU values and standards in the fields of democracy, rule of law and economy was extremely important for the EU membership goal. IKV Chairman Zeytinoğlu pointed out that fulfilling 66 of the 72 benchmarks for visa liberalisation

was an important success and taking swift action to meet the remaining benchmarks would mean overcoming a psychological barrier. He drew attention to the need to continue the reforms in line with the membership goal, without giving credit to the unfair and prejudiced approaches of certain Member States and circles in the EU. Stating that it is also Turkey's right to expect 'sincere, fair and committed' behaviour from the EU, IKV Chairman Zeytinoğlu stressed that the problems, security risks and conflict areas all over the world and especially in Europe's immediate neighbourhood make cooperation between Turkey and the EU in foreign policy and security domains indispensable. IKV Chairman Zeytinoğlu concluded his remarks as follows:

"We are going through an era of rapid change. In addition to the efforts aimed at post-COVID-19 economic recovery, digitalisation and the green transition force all sectors and countries including structures such as the EU to transform. At the same time, the number of hotspots in the immediate vicinity is growing from Ukraine to Kazakhstan, from

Libya to Bosnia. Security threats manifest themselves in different ways such as cyber security threats, disinformation and terrorism. Migratory movements, triggered by internal conflicts, poverty and the climate crisis, continue to increase. In such an environment, it is an inevitable necessity for the EU to work together with Turkey. The formula for this is advancing Turkey's integration process to the EU. The proposals such as privileged partnership, which have been raised from time to time, remained devoid of substance. The fact that the accession negotiations have come to a halt negatively affected the whole range of relations and caused a significant regression. Therefore, it is crucial that the goal of full membership is maintained and relations are advanced on the basis of common interests and shared values until this aim is achieved. President Erdoğan's positive message is of great importance at a time when a new government has come to power in Germany and critical elections are approaching in France. We hope that the EU will respond positively to this and that the two sides will take steps towards each other."

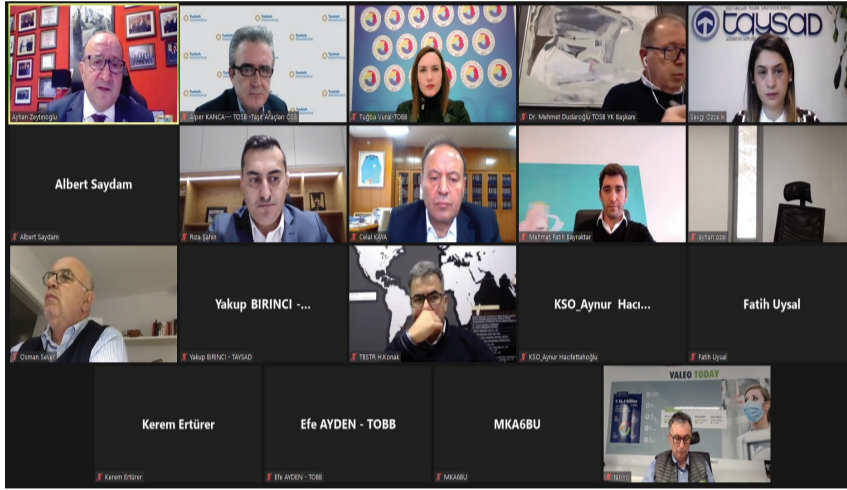
İKv AGENDA

İKv CHAIRMAN ZEYTİNOĞLU ATTENDED TOBB TURKEY AUTOMOTIVE SUPPLY INDUSTRY COUNCIL MEETING

TOBB Turkey Automotive Supply Industry Council meeting was held on 14 January 2022 under the chairmanship of Council President Alper Kanca with the participation of İKv Chairman and TOBB Vice President Ayhan Zeytinoğlu.

Zeytinoğlu stated that he had recently held talks with Treasury and Finance Minister Nureddin Nebati and Trade Minister Mehmet Muş. The increase in raw material prices, the sale of 25% of the export price to the Central Bank on the same day, the problems of the sectors related to freight and inflation support expectations to countries outside the EU were communicated one-on-one.

Council President Alper Kanca informed Council Members about the business results related to the



sector, including the realisation and forecasts of production in the world and Turkey, the total export amount of the automotive sector, the amount of automotive supply industry exports. Kanca informed that the suppliers that received the most share in automotive exports with a ratio of 40% based on product groups in 2021, aiming to be the pioneer of the sector in 2022, with

a target of nearly 13% increase in automotive exports in 2022, while the supplier informed that this figure was close to 20%.

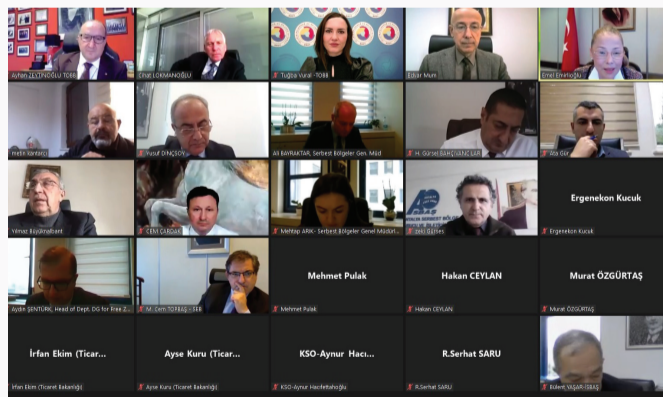
Also discussed at the meeting were issues relating to the chip crisis, exchange rates, commodity increases, freight, conversion to electric vehicles, sustainability, Paris Climate Agreement and European Green Deal.

İKv CHAIRMAN ZEYTİNOĞLU PARTICIPATED IN THE WEBINAR ESTABLISHING THE FREE ZONES PROMOTION GROUP

On 14 January 2022, the Free Zones Promotion Group was established within TOBB Turkish Free Zones Council. The Promotion Group, established by the combination of 18 free zone founders and operating companies, aims to take part in the promotion of free zones in target markets and to lead the realization of Turkey's production-based export targets.

TOBB Turkey Free Zones Council Promotion Group announced its activity plan at the meeting attended by İKv Chairman and TOBB Vice President Ayhan Zeytinoğlu, General Manager of Free Zones of the Ministry of Commerce Emel Emirlioğlu, TOBB Board Member M. Cihat Lokmanoğlu and TOBB Turkey Free Zones Council President Edvar Mum.

In the information given by the Promotion Group at the meeting, it was stated that 70%



of the total trade volume of the free zones is in the form of production-based exports. It was emphasized that cooperation with NGOs would be increased to more accurately position the free zones and the added value created within the country. It was explained that activities such as accelerator clustering studies, seminars, regular visits of foreign representatives and foreign trade

consultants will be carried out even more.

Among the planned activities are the creation of a website in different languages for investors who want to invest in free zones in Turkey and the realisation of comprehensive and one-to-one promotional activities, mainly for the European, Middle Eastern and African markets referred to as EMEA.

TIMELINE JANUARY 2022

France took over the Presidency of the EU Council from Slovenia.	1	
Mass protests broke out in Kazakhstan after a sharp increase in energy prices.	2	
	3	“The European Union Encyclopaedia” (in Turkish) was published by İKv.
	4	
Turkey's first indigenous car TOGG made its international debut in Las Vegas.	5	
	6	
Foreign Minister Çavuşoğlu attended the virtual NATO Foreign Ministerial.	7	
	8	
	9	
EP President David Sassoli's sudden loss shocked EU policy circles.	10	
NATO-Russia Council convened in Brussels to discuss the situation in Ukraine.	11	
President Erdoğan came together with the ambassadors of EU countries.	12	
	13	
The first round of normalisation talks between Turkey and Armenia was held in Moscow.	14	İKv Chairman Zeytinoğlu commented on President Erdoğan's messages to EU ambassadors.
	15	
	16	
President Erdoğan paid an official visit to Albania.	17	
Serbian President Vučić visited Turkey for the Turkey-Serbia High Level Cooperation Council meeting.	18	
	19	
Estonian Foreign Minister Liimets visited Turkey.	20	İKv Chairman Zeytinoğlu issued a statement on news regarding TOBB's support to GMF.
The week-long virtual Davos Agenda meeting featuring many prominent leaders concluded.	21	İKv Chairman Zeytinoğlu released a statement on Turkey's importance for EU supply chains.
	22	
	23	
	24	İKv Secretary General Nas attended the webinar on “The New Government in Germany, Turkey and the EU” hosted by the Istanbul Policy Center.
NATO and the US delivered written responses to Russia's security demands.	25	
	26	İKv Secretary General Nas spoke at International Academy of Politics and History (USTA) webinar.
	27	
	28	
	29	
Former Justice Minister Bekir Bozdağ was appointed as Turkey's new Justice Minister following the resignation of Abdulhamit Gül.	30	
	31	

“TURKEY’S POSITION IN EUROPEAN SUPPLY CHAINS IS ITS GREATEST ADVANTAGE”

In a statement issued on 21 January 2022, IKV Chairman Ayhan Zeytinoğlu noted that economic recovery efforts were of critical importance for the business community in the current period when the pandemic was on the rise again. Stating that Turkey’s export revenues were more important than ever, Zeytinoğlu drew attention to the need to maintain and advance Turkey’s place in the supply chains for the EU market, due to its primary position in Turkey’s exports. IKV Chairman Zeytinoğlu made the following remarks:

“We are going through a difficult period in which post-pandemic economic recovery is on the agenda all over the world. In such a period, especially Turkey’s relations with the EU should be highlighted. Thanks to the Customs Union, Turkey has an important position in European supply chains. About 40% of our exports go to the EU. In addition to our export revenues, the EU has a very significant

position in terms of foreign direct investment. Launching the modernisation of the Customs Union will allow further development of our economic and trade relations. In this way, it will be possible to develop the trade in goods and services, which are becoming more and more complex, to overcome the obstacles encountered in services sectors such as logistics, to adapt faster to EU’s FTAs and to increase agricultural trade. However, political obstacles and objections by some Member States still prevent the modernisation of the Customs Union. Turkey’s increasing its share in EU supply chains and boosting its high value-added production in the coming period primarily depend on its success in green transformation and digitalisation. In addition, the EU’s objective of diversifying its supply chains by moving production from China to closer geographies within the scope of its new trade strategy provides an advantage for Turkey.



However, making the most of this advantage also depends on a well-functioning legal and an independent judiciary system, and the implementation of transparent

and good governance principles. In this respect, President Erdoğan reiterating the EU as a strategic goal is very important. Revitalising political and economic reforms

in line with this strategic goal will contribute to the development of economic relations and the modernisation of the Customs Union to come to the agenda.”

IKV SECRETARY GENERAL NAS SPOKE AT ONLINE EVENTS



IKV Secretary General Assoc. Prof. Çiğdem Nas spoke in two webinars throughout January. On 25 January 2022, IKV Secretary General Assoc. Prof. Nas attended the webinar titled “New Government in Germany, Turkey and the EU” organised by the Istanbul Policy Center (IPC) within the scope of “Pandemic and Society” webinar series. In her speech at the webinar, IKV Secretary General Nas stated that the

German coalition government formed by the social democrats, greens and liberals shared a common approach especially in the areas of combating the climate crisis, digitalisation, social justice, multilateralism and a value-based foreign policy. Drawing attention to the importance of this change for Turkey, Assoc. Prof. Nas emphasized that the new government’s attitude would also have an impact on Turkey’s EU membership

process. The other speakers of the webinar, which was moderated by IPC Research and Academic Affairs Coordinator Prof. Senem Aydın Düzgüt, were TEPAV Founding Director Prof. Güven Sak, IPC Senior Researcher Prof. Atila Eralp and TEPAV European Studies Director Nilgün Arisan Eralp.

On 27 January, IKV Secretary General Nas gave a seminar on “Turkey-EU Relations” at the webinar organised by the International Academy of Politics and History (USTA) which is an initiative established by students from Istanbul University carrying out research and informational activities on recent developments in the fields of international relations, politics and economy. Touching upon the history of Turkey-EU relations, Assoc. Prof. Nas talked about how relations have evolved to date. Nas stated that efforts to revive Turkey-EU relations were ongoing within the scope of the “positive agenda” which was put forward in the wake of the disputes in the Eastern Mediterranean in 2019 and 2020. Highlighting that the negotiations between Turkey and the EU on the modernisation of the Customs Union constituted the most important aspect in this context, Nas indicated that trade barriers and problems along with political disagreements continued to hamper the process.



NEW IKV PUBLICATION: THE EUROPEAN UNION ENCYCLOPAEDIA

The European Union Encyclopaedia (in Turkish) was published by IKV in January. The European Union Encyclopaedia, which is the joint work of IKV and the Ankara University European Union Research and Application Center (ATAUM), was prepared by 48 authors and contains around 900 articles. The study aims to provide an easily accessible first reference source in Turkish on the issues related to the EU. Prepared for both the academia and curious readers in terms of narration and terminology, the study strives to be informative and enlightening through the determined topics.

HIGH-LEVEL EXCHANGES

DIPLOMATIC TRAFFIC BETWEEN TURKEY AND THE BALKANS INTENSIFIED IN JANUARY



In the second half of January, high level contacts between Turkey and Balkan countries gained pace with Turkey's President Recep Tayyip Erdoğan visiting Albania to attend the handover ceremony of the housing units for Albanian earthquake victims and Serbian President Aleksandar Vučić visiting Ankara for the Turkey-Serbia High Level Cooperation

Council meeting. Visiting Albania upon the invitation of Prime Minister Edi Rama on 17 January 2022, President Erdoğan held a tête-à-tête and inter-delegation meetings with Albanian Prime Minister Rama in which all aspects of bilateral relations, the ways to deepen the strategic partnership between the two countries as well as regional

and international matters were discussed. Speaking at the joint press conference held after the meetings, President Erdoğan indicated that the bilateral trade volume between Turkey and Albania has reached 853 million dollars in 2021, recording a 68% growth and announced the goal of achieving a 1-billion-dollar trade volume. President Erdoğan also voiced

Turkey's expectation for swifter and more concrete steps against FETÖ structures in Albania and highlighted the importance that Ankara attaches to the peace and stability in the Balkans. In the context of the visit, cooperation agreements were signed between Turkey and Albania in numerous areas including disaster and emergency management, the media, state archives, culture and art, security, and youth and sports.

President Erdoğan also participated in the handover ceremony of the 552 housing units built by Turkey in the northwestern city of Laç in the wake of the deadly earthquake which struck Albania in November 2019. During the handover ceremony, President Erdoğan was granted honorary citizenship of the Kurbin municipality. President Erdoğan also inaugurated the 18th century Hajji Et'hem Bey Mosque in Tirana renovated by the Turkish Cooperation and Coordination Agency (TİKA) and addressed the Albanian Parliament. In his address to Albanian MPs, President Erdoğan underscored that creating an environment of lasting peace, security

and stability along with ensuring good neighbourliness and regional cooperation in the Balkans were among the top priorities of Turkish foreign policy.

A day after visiting Albania, President Erdoğan hosted Serbian President Aleksandar Vučić in Ankara. The two presidents co-chaired the 3rd meeting of the Turkey-Serbia High Level Cooperation Council and exchanged views on all dimensions of bilateral relations as well as regional and international issues. Speaking at the joint press conference with his Serbian counterpart, President Erdoğan said that the trade volume between the two countries reached 2 billion dollars last year while setting the next target to 5 billion dollars. The ongoing political crisis in Bosnia and Herzegovina was among the top items on the agenda of the two leaders. President Erdoğan underlined the need for the international community to act together to overcome the crisis in the country and announced that they agreed to bring together Serb, Croat and Bosnian leaders to resolve the crisis in Bosnia.

FOREIGN MINISTER ÇAVUŞOĞLU DISCUSSED KEY REGIONAL ISSUES WITH HIS COUNTERPARTS



Bilateral relations and regional issues were at the top of Foreign Minister and Chief Negotiator Mevlüt Çavuşoğlu's agenda during the month of January.

On 20 January 2022, Foreign Minister Çavuşoğlu came together with Estonian Foreign Minister Eva-Maria Liimets who was on a three-day official visit to Turkey and discussed bilateral relations, and transatlantic security along with regional developments. Recalling that Turkish pilots took on the task of guarding the Baltic airspace a couple of years ago, Estonian Foreign Minister Liimets expressed her gratitude to Turkey and hailed Turkey's position as a key NATO ally with great capabilities. Liimets also voiced Estonia's

support for Turkey's EU membership bid. Concerning the latest episode of tension along the Russia-Ukraine border, the two ministers also focused on the ways to strengthen the defensive and deterrent role of NATO in the face of current security threats.

Ahead of the meeting of the NATO-Russia Council scheduled for 12 January, Foreign Minister Çavuşoğlu participated in the virtual extraordinary NATO Foreign Ministers Meeting on the Russia-Ukraine crisis. Russia's military build-up along the Ukrainian border and the neighbourhood, and its impact on European security were on the agenda of the virtual meeting held on 7 January.

US WITHDREW SUPPORT FROM THE EASTMED PIPELINE PROJECT

According to reports, the US has withdrawn its support from the EastMed pipeline project aiming to transport natural gas from the Eastern Mediterranean to Greece via the Greek Cypriot Administration and then to Italy. It was reported that Washington conveyed its concerns regarding the initiative to Athens through an unofficial note.

The EastMed pipeline accord foreseeing the construction of a 1,900 km long pipeline which would carry 10 bcm gas per year to Europe was signed by the leaders of Greece, Israel and the Greek Cypriot Administration at a ceremony in Athens in January 2020. The withdrawal of US' support has created question marks regarding the future of the project. Most experts view this development as a U-turn for Washington as the former US administration led by Donald J. Trump was supportive of the pipeline project. Washington has based the change in its stance on concerns over the economic viability and sustainability of the project, and its possible impact on the environment.

Commenting on the change in US' stance, Turkey's President Recep Tayyip Erdoğan stated that the US government saw that the project was not economically viable and profitable. President Erdoğan added that "if natural gas will go to Europe from Eastern Mediterranean, it should be through Turkey". Experts state that along with economic reasons, the idea of not further isolating Turkey and the recent Russia-Ukraine tension were decisive in the



US' decision. More importantly, highlighting that the project created political instability and tension in the Eastern Mediterranean region, experts argue that the tension in the region may decrease with the withdrawal of the US support.

The EastMed pipeline project has angered Ankara for excluding Turkey from the energy equation in the region and disregarding the rights of the Turkish Cypriots. Ankara has been stating that the EastMed project was not profitable and feasible, and instead Eastern Mediterranean and Israeli gas should be transported to Europe via Turkish soil. After this development, the possibility of a rapprochement between Turkey and Israel, and the Turkish route gaining importance may be on the table. President Erdoğan also pointed out that Turkey is in talks with Israel regarding transportation of Israeli gas and announced that Israeli President Isaac Herzog may visit Turkey.

TURKEY RECORDED ALL-TIME PEAK IN EXPORTS AND M&A TRANSACTIONS IN 2021

The closure stats for the 2021 reveal that Turkey's performance in exports and M&A transactions has been remarkable in 2021, breaking all-time records in both sectors.



Recovering from the negative effects of the COVID-19 pandemic and struggling against the pressures on currency and inflation, Turkey has made important accomplishments in multiple sectors particularly in export and mergers and acquisitions (M&A).

President Recep Tayyip Erdoğan announced on 3 January 2022 that Turkey's yearly exports reached 225.4 billion dollars in 2021 which is the highest rate in the history of the Turkish Republic. This amount represents an increase of 32.4%

compared to last year's figures. On the other hand, Turkey's exports reached 22.3 billion dollars in December, registering a 24.9% increase year-on-year. President Erdoğan also noted that Turkey's foreign trade deficit narrowed by 7.8% and came down to 45.9 billion dollars. These figures indicate that Turkey's trade volume reached 496.7 billion dollars in 2021, up from 87.6 billion dollars in 2002. In 2021, Turkey's exports to the EU, which is its top trading partner, rose by 33% reaching 93.1 billion dollars.

Meanwhile, Turkey also continued to develop trade partnerships outside the EU. For instance, exports to South America have risen by 86.6%, to Near and Middle Eastern countries by 22.6% and to North Africa by 44.8%.

A similar achievement has been acquired in the M&A transactions. According to the "Mergers and Acquisitions Outlook Report" published by the Turkish Competition Authority, 309 M&A transactions were made in 2021. The figures are very promising. 118 out of these targeted Turkish companies while seven were privatisations, which amounted to 137.6 billion liras in total. With this development, the total deal value to GDP has reached 1.6%, up from 1.3% in 2020. Technology, manufacturing, gaming, e-commerce, energy, financial service and consumer good sectors stood out regarding deal volume. According to the Presidency of the Republic of Turkey Investment Office, information and communication technologies, automotive, logistics and life sciences sectors are expected to rise to prominence in terms of M&A in 2022.



"HELLO TÜRKİYE" CAMPAIGN TO BOOST COUNTRY'S GLOBAL BRAND

Turkey's Directorate of Communications launched the "Hello Türkiye" campaign on 13 January 2022 to strengthen the Turkish brand and promote the use of the country's national and international name Türkiye in the international arena. The presidential circular on the use of "Türkiye" as a brand for export products and all official international correspondence was signed by President Recep Tayyip Erdoğan on 3 December 2021 and published in the Official Gazette the next day. According to news reports, Turkey is planning to submit an official notification to register the name change with the UN in the coming weeks.

Director of Communications Prof. Fahrettin Altun stated that the campaign which involves sharing of promotional videos on social media accounts and various activities carried out by foreign press consultants operating under the Directorate of Communications is "an important step towards strengthening the Turkish brand in the global arena" on the path to strengthening "its self and identity in language and communication." It is also announced that, as part of the campaign, a Turkey Brand Office will be established to carry out activities to strengthen the Turkish image and global brand value.

TURKEY BEGAN ROLL OUT OF ITS COVID-19 JAB TURKOVAC

Turkey's first domestically generated vaccine against COVID-19, developed in collaboration with Erciyes University in the Kayseri province and the Health Ministry's Health Institutes of Turkey (TÜSEB) and named "Turkovac" by President Recep Tayyip Erdoğan, received approval for emergency use across Turkey on 22 December 2021, making Turkey one of the nine countries to produce a COVID-19 vaccine.

President Erdoğan said the fact that Turkovac is now at the stage of production and available to use is "a symbol of efforts to protect our nation against the pandemic in the most effective way." During the ceremony marking the serial production of the domestic vaccine which he attended



via video, President Erdoğan followed on from his previous vow to make the vaccine available globally and said it will be "a pleasure to share this vaccine with all humanity". Turkey has now started administering Turkovac as a third vaccine besides Pfizer-BioNTech and CoronaVac in hospitals across the country. This is considered welcome news since the number of cases reached an unprecedented level as a result of the recent Omicron wave.

On 12 January 2022, a second good news relating to Turkovac came in the form of the interim results of a new study carried out by Hacettepe University. Comparing the efficacy and safety of Turkovac with CoronaVac, the results indicated that Turkovac is 49.29% more successful in the prevention of infections among the vaccinated than CoronaVac and that there were no serious side effects with either of the vaccines.

TURKEY-ARMENIA NORMALISATION TALKS HAILED BY THE EU



Turkish and Armenian special representatives came together in the Russian capital, Moscow on 14 January 2022 for the first round of talks aimed at normalising the ties between the two countries. According to a statement issued by Turkey's Foreign Ministry, the meeting between Turkish Special Representative Ambassador Serdar Kılıç and Armenian Special Representative Ruben Rubinyan took place in a positive and constructive atmosphere, and the parties agreed to continue negotiations "without preconditions aiming at full normalisation." The announcement regarding the launch of round trip flights

on 2 February between Turkey and Armenia came less than a week after the normalisation talks.

The EU welcomed the launch of the talks for the normalisation of the relations between Turkey and Armenia in a statement issued by the EEAS Lead Spokesperson Peter Stano on the same day. Hailing the meeting as an important step forward, in the statement, the EU encouraged the parties to make further efforts in this regard. The statement went on to say that any further concrete steps that serve the normalisation of relations would benefit regional stability and prospects for reconciliation and economic development. Stating that the EU had provided more than 4.5 million euros to projects aiming to prepare the ground for normalisation of relations in areas such as education, communication exchange, economy, and culture, the statement expressed the EU's readiness to provide further support for possible additional steps towards normalisation.

TURKEY-EU WATCH

TURKEY RESCUED THOUSANDS OF MIGRANTS IN AEGEAN SEA IN 2021



According to the data provided by the Turkish Coast Guard Command, in 2021 Turkey rescued 15,174 irregular migrants pushed back by Greece into Turkish territorial waters in the Aegean Sea.

Turkey's five Aegean provinces namely, Aydın, Balıkesir, Çanakkale, İzmir and Muğla are the main spots for migrants leaving Turkey for the entrance into the EU, through the Greek islands located in close proximity to the Turkish coast. That is why, a total of 6,595 irregular migrants were rescued in İzmir, 2,945 in Muğla, 2,909 in Aydın, 1,570 in Çanakkale, 1,126 in Balıkesir and 29 in Antalya. In addition, the bodies of 15 irregular migrants who died trying to make the dangerous journey to the other side were found in 2021.

At least 629 cases of migrants being illegally pushed back around the Greek islands were reported in 2021, the Aegean Boat Report, which monitors arrivals and rights abuses in the Aegean. Ankara recently stated that between 28 February 2020 and 21 December 2021, a total number of

1,430 incidents involving migrants were recorded as a result of the pushbacks while 42,879 migrants were saved from death.

Greece's illegal practice of pushing back migrants has come under fire by both international organisations and Turkey. Ankara and international organisations have condemned pushbacks by Greece, underlining that this constituted a violation of humanitarian values and international law by endangering the lives of vulnerable migrants, including women and children. Athens has denied the allegations with the Greek Minister for Immigration and Asylum Notis Mitarachi claiming that the allegations against his country were unfounded.

Pushbacks are considered contrary to international refugee protection agreements, which dictate that people should not be expelled or returned to a country where their life and safety might be in danger due to their race, religion, nationality or membership in a social or political group.

TURKEY'S FIRST INDIGENOUS CAR TOGG MADE ITS INTERNATIONAL DEBUT

Turkey's first domestically produced car, named after Turkey's Automobile Initiative Group (TOGG), made its public debut on 5 January 2022 at the Consumer Electronics Show (CES), the world's largest consumer electronics show held in Las Vegas. TOGG's C-SUV model was previously unveiled. On this occasion of TOGG's first international presentation, its C-Sedan model was introduced to the public.



During a press conference at the event, TOGG's CEO Gürcan Karakaş stated that TOGG defines itself as a technology company, not a traditional automotive manufacturer. TOGG's participation at CES, the fair for the latest technological innovations fits this purpose. Gürcan Karakaş said "we defined our C-SUV smart device as user-centric, smart, empathetic, connected, autonomous, shared and electric." Noting the automotive industry's rapid transformation into a mobility ecosystem, Gürcan Karakaş indicated that the race in this transformation was just a beginning, and TOGG has a substantial advantage compared to its competitors.

Highlighting that TOGG aimed at producing one million vehicles in five different segments by 2030, Gürcan Karakaş stated that the first mass-production vehicle would be

launched by the end of 2022, and the first vehicle in the C segment, which is the first electric SUV in continental Europe by a non-traditional manufacturer, would be launched in the first quarter of 2023.

Referring to the smart energy solutions included in TOGG's portfolio, Gürcan Karakaş noted that TOGG planned to produce its batteries in-house through Siro Silk Road Clean Energy Solutions, a joint venture with Farasis Energy. He also added that TOGG aimed to supply batteries for all types of electric vehicles and to establish a presence in non-automotive sectors as a battery and energy storage systems provider.

TOGG, which became the first Turkish brand to receive an iF Design Award in 2021 with its C SUV model, was founded in 2018 by TOBB, the Anadolu Group, BMC, Kök Group, Turkcell and Zorlu Holding.



TURKEY'S MINI SATELLITE GRIZU-263A LAUNCHED INTO SPACE

Turkey's first mini satellite Grizu-263A has been launched into space on SpaceX's Falcon 9 rocket in Cape Canaveral, Florida on 13 January 2022.

Designed by the Grizu-263 Space Team made up of students from Bülent Ecevit University in Zonguldak, the mini satellite is named after a firebomb, "grizu" in Turkish, explosion that killed 263 miners in the Kozlu district in 1992.

The Grizu-263 team have been working on this 5x5x5 cm mini satellite for five years. It is now successfully located

on a low earth orbit of 525 km and is to operate for four years and eight months. The mission of the satellite, the first signals of which were received showing that the satellite was alive, is to take photos of the earth.

Sponsored by the leading steel manufacturer Erdemir, the Grizu-263 team, who are known for their efforts on space and satellite technologies, have produced many projects that achieved various trophies in national and international contests since 2016.

MEP PROPOSED BIONTECH FOUNDERS APPEAR ON EURO NOTES

German MEP from the Renew Europe Group Moritz Körner suggested that BioNTech founders Özlem Türeci and Uğur Şahin be depicted on the new euro banknotes. The suggestion comes in response to European Central Bank's (ECB) initiative to redesign the euro banknotes 20 years after their introduction on 1 January 2002 as the official currency of the Eurozone which currently includes 19 of the EU's 27 Member States.

Stating that the founders of BioNTech saved millions of lives during the pandemic, Körner justified his position by adding that the couple's life story is an impressive account of integration, progress, entrepreneurship, scientific excellence and the potential of an open immigration society.

As it is very well known by now, both Özlem Türeci and Uğur Şahin, who come from Turkish families that immigrated to Germany in the 1960s, went to medical school and became very successful in



their fields. The married couple eventually established BioNTech in Mainz in 2009. In partnership with the US pharmaceutical company Pfizer, BioNTech developed at the first mRNA-based COVID-19 vaccine which became the symbol of hope that it is actually possible for the pandemic to come to an end.

Although it is not yet clear when the new banknotes will be released to the market, European citizens and a carefully balanced advisory group formed with members from each of the 19 Eurozone states will survey all the suggestions put forth by the European public. Once the decision is made on the issue of the redesigning of the euro banknotes, it is expected that the ECB Executive Board gives the signal to begin the production and introduction of new banknotes in 2024.



HELI-SKIING SEASON OPENED IN KAÇKAR MOUNTAINS

The 2022 heli-skiing season opened on 17 January in the Kaçkar Mountains located in Turkey's Black Sea coast. Thus, Turkey's northeastern province of Rize has drawn major interest for adrenaline enthusiasts both from Turkey and around the world.

The Kaçkar Mountains have hosted snowboarders and heli-skiing lovers from all over the world for the three-month long winter season since 2005. Although the experience of the first group of this season, consisting of 16 skiers from France and Switzerland, was short-lived due to heavy fog, the Kaçkar Mountains present many more opportunities for tourists.

Skiers or heli-skiing enthusiasts are transported with helicopters onto the steep mountain slopes which are higher than any ski lift could ever reach. Then, skiers jump from helicopters to experience an adrenaline-filled skiing pleasure. Despite being a very dangerous sport, heli-skiing is performed as safe as possible with an airbag that functions as a tent in case of a possible avalanche danger, a backpack with GPS device and a helicopter that will respond in case of an emergency.

The heli-skiing season on the Kaçkar Mountains is expected to last until the end of March and attract around 370 adventurous skiers.

WORLD LEADERS REFLECT ON THE “STATE OF THE WORLD”: KEY TAKEAWAYS FROM WEF’S LANDMARK DAVOS AGENDA MEETING

World’s economy and political elite convened virtually at the Davos Agenda meeting hosted by the World Economic Forum (WEF) to discuss their visions for the year ahead.

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The 2022 edition of the Davos Agenda meeting took place between 17-21 January. Like last year, the event was held online due to the pandemic. The second edition of the Davos Agenda brought together heads of state and government, CEOs, and other leaders in a bid to provide solutions to the world’s most pressing concerns. The COVID-19 pandemic response, global economic recovery, climate action, technological innovation and global collaboration topped the agenda of the global economy and political elite.

COVID-19 Pandemic Response

“The future of COVID-19” panel participants voiced scepticism about the pandemic coming to an end. Professor of Emerging Infectious Diseases Annelies Wilder-Smith emphasized that Omicron will not be the last variant. Meanwhile, Chief Medical Adviser to the US President Dr. Anthony Fauci stated that in the best-case scenario, COVID-19 might become an epidemic meaning it would not be completely eradicated, but would no longer pose problems for the whole society. Executive Director of the WHO Health Emergencies Programme Mike Ryan underlined the necessity of equal distribution of vaccinations to end the public health emergency due to COVID-19. Nigeria’s Vice-President Yemi Osinbajo warned that with just 10% of Africa’s population completely vaccinated, the continent’s economic recovery was dependent on managing the pandemic through mass vaccination.



Economic Recovery

The COVID-19 pandemic has lowered incomes, caused a global decrease in GDP, hampered development and halted progress in reducing poverty. Regarding these issues, IMF Managing Director Kristalina Georgieva stated that both central banks and finance authorities, in a highly coordinated manner, have prevented the world from falling into yet another great depression by responding to the pandemic crisis with unorthodox instruments.

Although ECB President Christine Lagarde stated that the recovery has been “stronger than expected”, other leaders including Chinese President Xi Jinping emphasized that in 2022 the main focus should be on ensuring a strong economic recovery.

For his part, UN Secretary General António Guterres warned against the dangers of uneven economic recovery varying across countries and made the case for reforming the global financial system in a way that works for all countries without being biased. US Secretary of the Treasury Janet Yellen contributed to the subject by stating that the world needed an economic recovery that is inclusive and green.

Climate Action

After COP26, a momentum on the energy transition and emission reduction was expected. Concerning climate targets, recalling that currently 80% of the world’s energy comes from fossil fuels, the Executive Director of the International Energy Agency Fatih Birol stressed that reaching net zero targets by 2050 required a tremendous devotion and sacrifice from the countries beside facing extra costs in the short-term.

Germany’s new Federal Chancellor Olaf Scholz explained their climate strategy by stressing that being climate-friendly will no longer be a cost factor but a competitive advantage under the EU’s leadership on climate change, referring to the European Green Deal.

Technological Innovation

With the COVID-19 pandemic, using technology on a daily basis has become essential. Touching upon this, Australian Prime Minister Scott Morrison explained how the pandemic increased the use of tech and the digital economy in his country. He emphasized that the pandemic pushed Australia five years ahead in digital adaptation in almost in the blink of an eye.

Stressing that Europe’s need for chips would double in the next decade, European Commission President Ursula von der Leyen announced a new European Chips Act which aims to reduce EU’s dependency on suppliers from outside Europe.

Global Collaboration

Global trade and supply chains experienced major issues in 2021. The COVID-19 pandemic has caused labour shortages which have lowered global production capacity, as well as demand distortions due to changes in customer buying behaviour. The fact that manufacturing and logistical systems were operated at or near maximum capacity has constrained the available space for responses. In 2022, stakeholders from the public, private, and civil society sectors will need to act together to restore trust in global trade and supply chains. The importance of global collaboration was at the centre of all discussions during the Davos Agenda 2022.

In her speech, the Director-General of the World Trade Organization Ngozi Okonjo-Iweala specified that the international community must work together to reform the trading system and make it appropriate for the future of trade, which is less restrictive and

more inclusive.

WEF’s Stakeholder Capitalism Metrics programme, which was signed by more than 140 companies could be a promising indication of such global collaboration. The programme is a worldwide public-private effort toward Environmental, Social and Governance (ESG) metrics.

The Stakeholder Capitalism Metrics promote alignment between existing ESG standards and provide a set of data points which make comparison across organisations regardless of industry or area possible. Non-financial disclosures are centred on four pillars, namely people, planet, prosperity, and governance principles which include measurements such as greenhouse gas emissions, pay equality, and board diversity, among others.

Global Risks 2022: Worlds Apart

The World Economic Forum released the 2022 edition of its Global Risks Report 2022 ahead of the Davos Agenda week. The 2022 Global Risks Report presents an analysis of key risks emanating from current economic, social, environmental and technological tensions.

In this year’s global risks report survey, environmental issues are featured among the top three long-term concerns. Climate action failure, extreme weather conditions and biodiversity loss are the leading risks on a global scale over the next 10 years in the survey. “Societal” concerns follow next with social cohesion erosion, livelihood crises and infectious diseases. There are no technological concerns reported to be on the top 10 list, and only “debt crises” from the economic category occupies the 9th place, which could be seen as optimistic. The vaccination rate in the poorest 52 countries (6%), the public debt-to-GDP in 2020 (97%), and the increase in extreme poverty projections (51 million) reveal that the risks highlighted by the survey are also being supported by numbers.