



# IKV MONTHLY

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## KEY TAKEAWAYS FROM PRESIDENT ERDOĞAN'S PARTICIPATION IN THE EUROPEAN POLITICAL COMMUNITY MEETING

Türkiye's success in mediating between Russia and Ukraine and being a part of the solution to Europe's common problems as well as its strategic importance within Europe secured a place at the EPC meeting.

Over the past two and half years, the world and Europe have been trying to come to terms first with the COVID-19 pandemic and its aftermaths and then with the war in Ukraine and the threat of Russia in Europe. Therefore, at a time when Europe's stability and security are being threatened by a war for the first time since the end of World War II, the EU held the first meeting of the European Political Community (EPC) under the Czech Presidency of the European Council on 6 October 2022.

First proposed by French President Emmanuel Macron on Europe Day on 9 May as a concept for future Europe, the EPC is intended as a broad platform to bring leaders across the continent "on an equal footing" to "foster political dialogue and cooperation to address issues of common interest" and to "strengthen the security, stability and prosperity of the continent of Europe." While stressing the need for political collaboration and solidarity not only within the EU but also between the countries in Europe in its statement, the EU made a point of the fact that the EPC platform is intended solely for political coordination and not for replacing any existing organisation, structure, or process by creating new ones at this stage.

### The Top Issues on the Agenda Addressed by the Participating Countries

27 EU Member States and 17 European countries were invited to the meeting. Although it took some convincing, Türkiye and the UK, the two countries whose relations with the EU are rather stalled due to different reasons, were also amongst the invitees, along with the two countries in conflict with each other, Armenia and Azerbaijan.



President Recep Tayyip Erdoğan was amongst the 44 leaders who attended the meeting hosted by the Czech Prime Minister Petr Fiala at Prague Castle in Prague. Other countries which participated in the EPC meeting included Albania, Bosnia and Herzegovina, Georgia, Iceland, Kosovo, Lichtenstein, Moldova, Montenegro, North Macedonia, Norway, Serbia, Switzerland, and Ukraine. The meeting started with an opening session followed by roundtable discussions on topics of common interest and bilateral talks between leaders and ended with a closing session. The issues discussed during the meeting focused on two main areas: the Russia-Ukraine war and the peace and security issues arising thereof and the energy crisis.

### Türkiye in the EPC

The changing geopolitical circumstances in Europe due to the Russia-Ukraine war and the threats it poses for the critical issues around

security, energy crisis, migration, and climate change as well as the economic challenges do not affect the EU Member States but all European countries. Therefore, there is a need for more cooperation and solidarity amongst these countries in a broader context. Not only as a candidate country to the EU but also as a country having strong trade and strategic relations with Europe, Türkiye has a well-earned place at the first meeting of the EPC.

Representing Türkiye at the EPC, President Erdoğan held bilateral talks with a number of leaders on the sidelines of the meeting, expressing Türkiye's views, contributions, and assessments on the challenges Europe is currently facing to its peace and security, energy, climate, and economic situation during these talks. One of the highlights of the EPC meeting for Türkiye was when President Erdoğan had a talk with both Azerbaijani President İlham Aliyev and Armenian Prime Minister Nikol Pashinyan as part of

the efforts to bring the two countries together as well as the efforts for the normalisation of relations between Türkiye and Armenia. Hungarian Prime Minister Viktor Orbán, French President Emmanuel Macron, Spanish Prime Minister Pedro Sánchez, then UK Prime Minister Liz Truss and Dutch Prime Minister Mark Rutte were amongst the other leaders he met during the event. President Erdoğan also participated in a trilateral meeting with Czech Prime Minister Petr Fiala, European Commission President Ursula von der Leyen and Bulgarian Prime Minister Rumen Radev.

Ambassador of the Republic of Türkiye to the Czech Republic Egemen Bağış stated that Türkiye's participation in the first EPC meeting in Prague represented an important opportunity. Referring to Türkiye's mediation role between Russia and Ukraine since the start of the war and praising it as a "tremendous performance", Ambassador Bağış described Türkiye as "the most

Western country in the East and the most Eastern country in the West" and stated that it has demonstrated that it can "solve problems that other countries cannot" with its skilful approach and as "the only country that can establish a dialogue with both sides".

Underlining its support for Ukraine's territorial integrity and sovereignty since the beginning of the war, Türkiye also closed its straits to prevent some Russian vessels from crossing through even though it has opposed international sanctions designed to isolate Moscow. Türkiye has mediated between the two sides on a number of occasions including bringing together the foreign ministers of Russia and Ukraine, signing of the most important and crucial Istanbul grain corridor deal together with the UN as well as enabling a prisoner swap recently. The high demand by the other leaders to meet with President Erdoğan during the EPC meeting was seen by the Ambassador as a sign showing that Türkiye has come a long way in terms of raising its profile and reputation for tackling problems.

### What is Next?

As in the recent past, Türkiye continues to be a part of the solution to the challenges Europe has been facing in the security, economic, and social realms as a result of the changing geopolitical context on the continent. While Türkiye's ambition to be a member of the EU remains to be the ultimate goal, Türkiye is no doubt a part of broader Europe in a strategic and political sense. Therefore, Türkiye continues to be an indispensable country for the EPC project which will continue as a bi-annual informal platform, starting with the next one due to take place in Moldova.



## IKV DISCUSSED TÜRKİYE-EU RELATIONS IN THE CZECH REPUBLIC



IKV organised a panel on "Türkiye-EU Relations" in association with the Prague Institute of International Relations in Prague on 24 October 2022, on the occasion of the Czech Presidency of the EU. The opening speeches of the event were delivered by Director of the Prague Institute of International Relations Jakub Eberle, IKV Chairman Ayhan Zeytinoğlu, Türkiye's Ambassador to the Czech Republic Egemen Bağış and Deputy

Minister of Foreign Affairs of the Czech Republic Martin Košťatka.

Highlighting the strategic importance of Türkiye for the EU in their opening remarks, the speakers referred to the need for cooperation on crucial issues such as security, energy, migration and climate change. The importance of Türkiye-EU rapprochement in terms of European security was underlined, particularly in the changing geopolitical

environment in the wake of Russia's assault on Ukraine. Highlighting that the ultimate goal continues to be Türkiye's EU membership, IKV Chairman Zeytinoğlu called for accelerating the process towards this goal and revitalising the positive agenda.

Constantly emphasising the importance of the communication strategy in Türkiye's EU accession process, IKV continues its efforts to better communicate Türkiye's EU accession negotiations process and raise awareness among EU citizens on the subject, by expanding its Brussels-based activities and organising events which make an impact in other EU Member States. In this context, under the EU Presidencies Project, which has been implemented since 2010, meetings have been held in the EU country assuming the Presidency of the Council of the EU.

## IKV ORGANISED A PANEL ON "THE FUTURE OF EUROPE AND TÜRKİYE" IN COOPERATION WITH GLOBAL ACADEMY



IKV organised a panel in cooperation with Global Academy entitled "The Future of Europe and Türkiye" on 20 October 2022 at TOBB Plaza İbrahim Çağlar Meeting Hall, where the study entitled "Public Perceptions on Europe and the European Union in Türkiye", was presented. The opening speeches of the event were delivered by IKV Vice Chairman Prof. Halûk Kabaalioğlu and the Permanent Representative of the Friedrich Naumann Foundation in Türkiye Beate Apelt.

Presenting the results of the public opinion, the Coordinator of Global Academy and International Relations Professor at Kadir Has University Mustafa Aydın stated that Turkish people perceive Europe and

the EU differently from one another and that the majority of them embrace the values of both. He also stressed that 54% of the respondents believe that EU membership will contribute to Türkiye and 50.9% are hopeful about the future of the EU.

Speaking in the evaluation part of the panel, Deputy Foreign Minister and Director for EU Affairs Ambassador Faruk Kaymakcı stated that Türkiye's further progress in line with the Copenhagen Criteria will positively change the perceptions of Türkiye within the EU. He emphasised that Türkiye would like to cooperate more with the EU in the fight against terrorism, visa liberalisation and supporting the safe return of Syrian migrants. He also

expressed Türkiye's willingness to participate in EU programmes such as Digital Europe, Creative Europe and the Mediterranean Cross-Border Cooperation Programme.

The event continued with a panel discussion on "The Future of Europe and Türkiye" which was facilitated by Prof. Sinem Akgül Açıkmeşe from Kadir Has University Department of International Relations. The speakers of the panel were Chairman of the Executive Committee of the Global Relations Forum Ambassador (R) Selim Yonel, Director of EU Studies Center at TEPAV Nilgün Arısan Eralp and IKV Secretary General Assoc. Prof. Çiğdem Nas.

IKV Secretary General Assoc. Prof. Çiğdem Nas started her speech with an overview of Türkiye-EU relations. She underlined that the need for Türkiye may increase due to the existence of a Europe that is experiencing security concerns in the global system and is being reshaped in this context. Finally, Assoc. Prof. Nas concluded by stating that the steps to be taken within the scope of Green Transformation and Digital Transformation will also reflect positively on the EU membership process.

## IKV CHAIRMAN ZEYTİNOĞLU HELD TALKS IN PRAGUE



IKV Chairman Ayhan Zeytinoğlu and the IKV delegation visited Prague on 24-25 October 2022 in the framework of the meeting on "Türkiye-EU Relations" organised by IKV in cooperation with the Institute of International Relations Prague. Following the conference, Chairman Zeytinoğlu and the accompanying delegation were hosted by Türkiye's Ambassador to the Czech Republic Egemen Bağış and his wife Beyhan N. Bağış at the official residence of the embassy.

On the second day of their visit, IKV Chairman Zeytinoğlu and the IKV delegation visited the President of the Institute for Politics and

Society Jan Macháček, the Director of the Institute Dr. Šárka Shoup, and Analyst Jan Havlíček. During the meeting, Türkiye-EU relations and inter-institutional cooperation were discussed. After that, the delegation met with the Director of the Prague Center for Middle East Relations Tomáš Kaválek, and discussed Türkiye-EU relations in the context of the parties' Middle East policies.

IKV Chairman Ayhan Zeytinoğlu was accompanied by Secretary General Assoc. Prof. Çiğdem Nas, Deputy Secretary General M. Gökhan Kilit, Research Director Çișel İleri and Media Advisor Mehmet Poyrazlı.

## IKV CHAIRMAN ZEYTİNOĞLU AND SECRETARY GENERAL NAS PARTICIPATED IN THE TWIN TRANSFORMATION PANEL



The panel on "Twin Transformation and Green Deal" was held on 5 October 2022 at the Kocaeli Chamber of Industry Conference Hall. IKV Chairman Ayhan Zeytinoğlu delivered the opening speech at the panel organised in cooperation with Kocaeli Chamber of Industry and *Dünya* Newspaper, while IKV Secretary General Assoc. Prof. Çiğdem Nas discussed the effects of the European Green Deal, the digital agenda, and Türkiye-EU relations in the panel session. The other speakers of the panel, moderated by

*Dünya* Newspaper's Chairman of the Board of Directors Hakan Güludağ, were the Director-General for Financial Cooperation and Project Implementation at the Ministry of Foreign Affairs Directorate for EU Affairs Bülent Özcan, the Director General of Incentive Implementation and Foreign Capital at the Ministry of Industry and Technology Mehmet Yurdal Şahin, and Trade Specialist at the Ministry of Trade Directorate General for International Agreements and EU Demet İliş Karakurt.

İKv AGENDA

## TÜRKİYE-EU HIGH-LEVEL BUSINESS DIALOGUE MEETING HELD IN İSTANBUL



İKv Chairman Ayhan Zeytinoğlu attended the Türkiye-EU High-Level Business Dialogue meeting, which was hosted by the Union of Chambers and Commodity Exchanges of Türkiye (TOBB) President and European Chamber of Commerce and Industry (EUROCHAMBRES) Vice President M. Rifat Hisarcıkloğlu and EUROCHAMBRES President Luc Frieden in İstanbul on 26 October 2022.

The meeting was attended by Trade Minister Mehmet Muş, European Commission Member for

Neighbourhood and Enlargement Olivier Várhelyi, Deputy Minister of Foreign Affairs Faruk Kaymakcı and representatives of the business world from Türkiye and the EU.

TOBB President and EUROCHAMBRES Vice President M. Rifat Hisarcıkloğlu, in his speech at the opening of the meeting, pointed out that Türkiye's exports to the EU are around 63 billion euros, Hisarcıkloğlu said, "These exports consist mainly of machinery and transportation vehicles, clothing, agriculture and raw materials. EU exports to Türkiye amounted to

70 billion euros. These exports are dominated by machinery and transportation equipment, chemicals, fuel and mining products." EUROCHAMBRES President Luc Frieden, in his speech at the meeting, which he attended via video conference, stated that there is nothing better than establishing a dialogue between business circles to strengthen the relationship between Türkiye and the EU, noting that this high-level business dialogue takes place at a time of unprecedented geopolitical and macroeconomic challenges.

## İKv SECRETARY GENERAL NAS PARTICIPATED IN VARIOUS PROGRAMMES AND EVENTS

In October 2022, İKv Secretary General Assoc. Prof. Çiğdem Nas discussed Türkiye-EU relations and crucial foreign policy issues at various events and programmes.

Assoc. Prof. Çiğdem Nas gave a seminar on "The New Term Priorities of the EU and the European Green Deal" within the scope of the EU certificate programme held at Karadeniz Technical University on 18 October 2022 organised by the Konrad Adenauer Foundation and TANDEM (Turkish-German Solidarity and Integration Association). Assoc. Prof. Nas discussed the priority issues adopted by the EU after 2019 and pointed out to the Green Deal and the Digital Agenda also known the twin transformation as primary themes amongst these. Focusing on the Green Deal, Assoc. Prof. Nas indicated that the energy crisis resulting from the war in Ukraine required some urgent measures.

On 27-28 October 2022, Assoc. Prof. Çiğdem Nas attended the annual consultation meeting of the Center for Applied Turkey Studies in Berlin (CATS). The annual meeting of the CATS, which was established



under the umbrella of the think tank *Stiftung Wissenschaft und Politik* (German Institute for International and Security Affairs), brought together representatives and experts from partner organisations of the Center. During the meeting, the latest developments in Türkiye were discussed in the context of Türkiye-EU and Türkiye-Germany relations.

Assoc. Prof. Çiğdem Nas also gave a seminar on "The European Green Deal and Its Effects" on

21 October 2022, as part of the "Green Economy and Sustainable Development" seminars hosted by the EU Information Center operating under the Mersin Chamber of Commerce and Industry on the occasion of Climate Diplomacy Week. In the seminar organised particularly for the business community and SMEs, Assoc. Prof. Nas talked about the development, key elements and roadmap of the European Green Deal and focused on its effects on Türkiye.

## TIMELINE OCTOBER 2022

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5	İKv Chairman Zeytinoğlu and Secretary General Nas participated in the "Twin Transformation and Green Deal" panel.
6	President Erdoğan participated in the European Political Community meeting.
7	Commissioner for Financial Services, Financial Stability and Capital Markets Union McGuinness visited Türkiye.
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9	Foreign Minister Çavuşoğlu attended the PACE Meeting.
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12	The European Commission published the Türkiye Report 2022.
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14	İKv İstanbul EU Information Center participated in the EU4Youth Days event.
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18	İKv Secretary General Nas discussed the EU's priorities in the new term at KTU.
19	İKv organised a panel in cooperation with Global Academy entitled "The Future of Europe and Türkiye".
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21	İKv Secretary General Nas addressed the European Green Deal and its effects at Mersin Chamber of Commerce and Industry.
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23	İKv discussed Türkiye-EU relations in the Czech Republic. İKv Chairman Zeytinoğlu held talks in Prague.
24	Deputy Foreign Minister and Director for EU Affairs Ambassador Kaymakcı met with Commissioner for Crisis Management Lenarčič.
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26	İKv Chairman participated in the Türkiye-EU High-Level Business Dialogue meeting.
27	İKv Secretary General Nas attended the annual consultation meeting of the Center for Applied Turkey Studies.
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## IKV CHAIRMAN ZEYTİNOĞLU: "THE 2022 EU ENLARGEMENT STRATEGY AND THE TÜRKİYE REPORT ARE OF CRITICAL IMPORTANCE FOR REVIVING OUR CANDIDACY PROCESS"



The European Commission's regular reports on candidate countries have been published within the scope of the 2022 EU Enlargement Strategy. Stating that the Commission has been preparing reports for Türkiye since 1998, IKV

Chairman Ayhan Zeytinoğlu touched upon the importance of the process of advancing towards the goal of full membership. In an international environment characterised by tensions and crises caused by the post-COVID-19 and the war in Ukraine, Chairman Zeytinoğlu stressed the importance of developing Türkiye-EU relations in line with common interests. Chairman Zeytinoğlu evaluated the report as follows:

"This year's report reflects a similar approach to previous ones. Türkiye is criticised especially regarding the political criteria and there are some question marks regarding the macroeconomic indicators

and economic governance. Taking these criticisms seriously and taking appropriate steps are highly important for reviving the reform process. The report points out that Türkiye is a key partner and emphasises its role in mediating between Russia and Ukraine especially regarding the grain deal and migration management. Besides that, it is underlined that Türkiye's alignment with the EU's foreign, security and defence policy is limited and there is a lack of alignment with EU restrictive measures on Russia. Despite indicating that security and stability in the Eastern Mediterranean is strategically in the interest of Europe we cannot see any appropriate approach that will fulfil what is necessary, as the EU

maintains its biased stance on the relations between Türkiye and Greece and on the Cyprus issue. We know that Türkiye's accession process was partially suspended in 2006 due to the Cyprus issue, and it was decided that the eight chapters related to the Customs Union could not be opened and no chapter could be closed. If Türkiye's accession process had not been interrupted in various ways, we could have seen a different Türkiye-EU relationship today. The opening of chapters is not a reward for Türkiye. On the contrary, the implementation of the EU acquis in a country like Türkiye will enable the EU to expand its area of governance. It is never too late for anything. Türkiye is a Western-oriented

country. In addition to our economic and trade relations, we continue to pursue our European choice as a political and social system. In this respect, encouraging and supporting Türkiye in the reform process is of great importance for developing Türkiye-EU relations. It is essential to accelerate and align relations with initiatives such as updating the Customs Union and reviving the visa liberalisation process while maintaining the goal of full membership. The EU needs to develop cooperation and coordination with Türkiye against the threat from Russia. Developing relations in areas such as energy, climate, and trade will also facilitate coming together on shared values."

## IKV İSTANBUL EUIC PARTICIPATED IN THE EU4YOUTH DAYS EVENT



IKV Istanbul EU Information Center (EUIC) participated in the "EU4Youth Days" event live-streamed from Brussels within the scope of the European Year of Youth on 11 October 2022. At the event, prominent experts delivered speeches on the effects of global

problems on young people and their consequences, and the resilience of young people.

Experts and participants also had a comprehensive discussion on the subject.

During the EU4Youth Days, youth workers and practitioners,

policy makers and researchers from the Eastern Partnership region, the Western Balkans and Türkiye and the Southern Neighbourhood shared their experiences on how to partner with young people in addressing the challenges that affect them.

## IKV PARTICIPATED IN THE MAJOR INDUSTRIAL ACCIDENT POLICIES WORKSHOP ORGANISED BY ETİ MADEN

IKV Deputy Secretary General M. Gökhan Kilit and IKV Researcher N. Melis Bostanoğlu participated in the Major Industrial Accident Policies Workshop held on 18 October 2022 in Ankara Bor Campus by the Eti Maden Operations General Directorate.

The speakers of the first session of the workshop entitled "Major Industrial Accidents" moderated by IKV Deputy Secretary General M. Gökhan Kilit were Dr. Nehir Varol from Ankara University, IKV Researcher N. Melis Bostanoğlu and Labour Inspector from T.C. Ministry of Labour and Social Security Abdurrahman Akman.



During her speech, IKV Researcher N. Melis Bostanoğlu discussed the pioneering environmental policies of the EU and the evolution of the SEVESO Directive, which aims at preventing and controlling industrial accidents.

National policies, process safety management, environment and society were also tackled in the other sessions. The participants also had the opportunity to participate in a forum and a fair through out the day.

## IKV CHAIRMAN ZEYTİNOĞLU ATTENDED THE 17TH ICC TÜRKİYE ARBITRATION DAY CONFERENCE HELD IN İSTANBUL



TOBB Vice President and IKV Chairman Ayhan Zeytinoğlu, stating that nine arbitrators from Türkiye have been appointed to the International Court of Arbitration of the International Chamber of Commerce (ICC), said, "We expect and want the ICC to give more space to our country's lawyers in the appointment of arbitrators."

The "17th ICC Türkiye Arbitration Day Conference", was organised in cooperation with TOBB and the ICC International Court of Arbitration, brought together expert arbitrators, legal advisors of public, private sector and chambers of commerce, members of the Court of Cassation, judges, lawyers and academics.

Speaking at the opening of the meeting, Ayhan Zeytinoğlu noted that the ICC is the largest business organisation working to increase trade and investments in the world and stated that in the 102

years since its establishment, it has become capable of representing more than 45 million companies and more than 1 billion employees in more than 100 countries.

Stating that the ICC has undertaken many different formations for the development of global trade since its establishment, Zeytinoğlu quoted "The Turkish National Committee of the ICC was established in 1934 and operates under TOBB's roof. The Turkish National Committee, as a strong and well-established national committee, has been putting ICC activities at the service of the Turkish business world for many years."

Zeytinoğlu noted that the ICC International Court of Arbitration is one of the most important organs of this formation and that the Court is one of the leading centres of the world in terms of resolving international commercial disputes.

## HIGH-LEVEL EXCHANGES

# ENLARGEMENT COMMISSIONER VÁRHELYI VISITED TÜRKİYE

European Commissioner for Neighbourhood and Enlargement Olivier Várhelyi paid a working visit to Türkiye on 26-27 October 2022. On the first day of his visit, Commissioner Várhelyi participated in the High-Level Business Dialogue jointly organised by TOBB and EUROCHAMBRES, presented the Türkiye Investment Platform (TIP), and held meetings with senior Turkish officials including Trade Minister Dr. Mehmet Muş and Industry and Technology Minister Mustafa Varank in İstanbul. Várhelyi also participated in the signature ceremony of the EU-financed ENHANCER project, which aims to contribute to the inclusion of Syrians under temporary protection to the local host communities through livelihood and employment opportunities.

Speaking at the High-Level Business Dialogue meeting hosted by TOBB President and EUROCHAMBRES Vice-President M. Rifat Hisarcıklıoğlu and EUROCHAMBRES President Luc Frieden, Commissioner Várhelyi praised Türkiye's role as a major economic partner, a candidate country, and a key NATO ally, and pointed out to the huge untapped potential in the relations. Referring to recent trade and investment figures between Türkiye and the EU, the Commissioner underscored the



importance of a well-functioning trade partnership between the two actors. The High-Level Business Dialogue meeting, which is the first such meeting to take place since the last Türkiye-EU High-Level Economic Dialogue meeting held in February 2019, was also attended by Trade Minister Dr. Mehmet Muş, Deputy Foreign Minister and Director for EU Affairs Ambassador Faruk Kaymakcı along with representatives of the Turkish business community including IKV Chairman Ayhan Zeytinoğlu.

Following the High-Level Business Dialogue Meeting, Várhelyi came together with representatives of the public and private sector, business community and financial institutions at the High-Level Introduction Meeting on the TIP initiative. Established on the grounds of the Commission Implementing Decision of 31 March 2022, TIP aims to enable Türkiye to

benefit from the European Fund for Sustainable Development+ (EFSD+). Designed to support Türkiye in the green and digital transformation, TIP offers EU guarantees to investments in the areas of decarbonisation, digitalisation, innovation, and green investments.

On the second day of his visit, Commissioner Várhelyi travelled to the Van province with Interior Minister Süleyman Soylu where they visited Türkiye's eastern border with Iran. Speaking at the joint press conference with Interior Minister Soylu, Várhelyi expressed the EU's gratitude for the efforts Türkiye has undertaken in hosting Syrian refugees and protecting its borders. Indicating that it is a common challenge, Várhelyi talked about the EU's contribution to border protection and the fight against smugglers and conveyed the message that Türkiye could continue to count on the EU as the EU has been counting on Türkiye in this regard.

# NATIONAL DEFENCE MINISTER AKAR ATTENDED THE NATO DEFENCE MINISTERIAL

National Defence Minister Hulusi Akar participated in the NATO Defence Ministers Meeting held in Brussels on 12-13 October 2022. During the two-day meeting, NATO defence ministers focused on stepping up support for Ukraine and reinforcing Allied defences. In the margins of the NATO Defence Ministerial, National Defence Minister Akar held bilateral meetings with his counterparts from the US, UK, Germany, France, Spain, Greece, Finland, Sweden, Croatia, Ukraine, and Georgia. At his meeting with Finnish Defence Minister Antti Kaikkonen, Akar reiterated Ankara's expectation that Helsinki fulfils its commitments under the Trilateral Memorandum signed in Madrid in June 2022.

Bilateral and regional security and defence matters as well as cooperation in the defence industry were the main topics addressed at the meetings between Minister Akar and his interlocutors. During his meetings, Akar underscored Türkiye's long-standing contributions to Euro-Atlantic security as the second largest army of the Alliance and emphasised that export restrictions on Türkiye



undermined Euro-Atlantic security. In addition, Akar repeated Ankara's call for solidarity in the fight against terrorism, particularly against the PKK/YPG terrorist organisation. Minister Akar also reiterated Türkiye's support for Ukraine and the efforts for a ceasefire while stressing the importance of diplomacy as regards the Russia-Ukraine war. Meanwhile, Akar's counterparts thanked Ankara for its active role in brokering the grain corridor deal and ensuring the prisoner exchange between Russia and Ukraine.

# MINISTER ÇAVUŞOĞLU ATTENDED THE PACE MEETING

Foreign Minister and Chief Negotiator Mevlüt Çavuşoğlu went to Strasbourg, France on 9 October 2022 in order to attend the meeting with the past presidents of the Parliamentary Assembly of the Council of Europe (PACE). Çavuşoğlu, who also chaired the PACE for two years, inaugurated the Türkiye's Consulate General and Permanent Representative Office in 2019.

At the meeting to be organised at the invitation of PACE President Tiny Kox and with the participation of past PACE Presidents, an informal exchange of views is envisaged to be held on current challenges facing Europe and the future of the Council of Europe. Later, Minister Çavuşoğlu met with the members of the Turkish delegation of the PACE in Strasbourg. During this meeting, the work of the Turkish



delegation and relations with the Council of Europe were discussed.

Çavuşoğlu also paid a visit to the Turkish Consulate General in Strasbourg and met with Turkish citizens and NGO representatives. Expressing in his speech that they are pleased that the Turkish community is involved in every field in France, Çavuşoğlu underlined that Türkiye was the most active country in the political process in the Russia-Ukraine war. Noting that Türkiye also plays an active role in the prisoner swap between Ukraine and Russia and

the situation of the nuclear power plant in Zaporizhzhia, Çavuşoğlu stated that the international community wants Türkiye to keep and continue this role.

In his speech, Minister Çavuşoğlu stated that developments such as the COVID-19 pandemic, climate change and the Russia-Ukraine war that have been experienced in the world for the last three years affected everyone and mentioned the increasing role of Türkiye in the international system. Çavuşoğlu ended his speech with these words: "When France cooperates with us, it will see that we are not competing with anyone, in Africa or elsewhere. Likewise, we openly say to the EU, which excludes us. If we had done what we have done so far together with the EU, the EU would have been applauded as a key actor in the world today."



# COMMISSIONER FOR FINANCIAL SERVICES, FINANCIAL STABILITY AND CAPITAL MARKETS UNION MCGUINNESS VISITED TÜRKİYE

Commissioner for Financial Services, Financial Stability and Capital Markets Union Mairead McGuinness visited Türkiye on 6-7 October 2022. During her visit, Commissioner McGuinness met with Treasury and Finance Minister Nureddin Nebati and Trade Minister Mehmet Muş, and the Governor of the Central Bank Şahap Kavcıoğlu. Furthermore, Commissioner McGuinness also had dinner with major business organisations' representatives in Türkiye.

Minister Nureddin Nebati shared the details of their meeting with Commissioner McGuinness on his social media account and stated that they discussed the economic relations between Türkiye and the EU. Minister Nebati also stated that they exchanged ideas on how to strengthen cooperation in the face of global challenges. McGuinness' visit was followed by the European Commissioner for Neighbourhood and Enlargement Olivier Várhelyi.

## PACE APPROVED THE TURKISH DELEGATION'S CALL FOR SIMPLIFICATION OF THE VISA PROCESS

PACE approved the Turkish delegation's report to facilitate the Schengen visa process by having "certain and clear rules" and to abolish mistreatment against Turkish citizens.



Following the report entitled "Abuse of the Schengen Information System as a Politically Driven Sanction by the Member States of the Council of Europe" prepared by a member of the Grand National Assembly of Türkiye Ziya Altunyalız, the Parliamentary Assembly of the Council of Europe (PACE) approved the resolution call of the Turkish delegation, enunciating that Schengen visa must be granted according to "certain and clear rules" and that the mistreatment against Turkish people by using visa as a "politically driven sanction" should be abolished as of 11 October 2022.

The non-binding decision indicates that the personal data registered in the Schengen Information System (SIS) should be arranged in a way that does not violate the private life law of the person and family. Moreover, it is primarily recommended that SIS should be standardised for all countries when put into practice. PACE emphasises that "the use of alerts should not lead to any misuse of the system", further measures should be taken to avoid misuse of the SIS and the SIS should not be used as a sanctioning tool to violate human rights.

This measure came after Türkiye's calls for Schengen countries to adopt standardised, uniform, and clear rules for obtaining Schengen visas. The restriction of Turkish citizens' freedoms due to the increasing number of visa denials, the costs arising from visa procedures, and the mistreatment by the official authorities of the Member States in Türkiye was not only covered by the PACE report but was also repeatedly voiced by key Turkish officials. As a result of the non-binding decision, Turkish authorities hope that the Schengen visa process will be more transparent, fairer, and more inclusive.

## THE COMMISSION PUBLISHED ITS CCEQ REPORT FOR THE 3<sup>RD</sup> QUARTER



The economic performances of the EU candidate and potential candidate countries are quarterly evaluated and published by the European Commission under the title "EU Candidate Countries' & Potential Candidates' Economic Quarterly (CCEQ) – Western Balkans and Türkiye". The latest of the series on the third quarter of 2022, published on 18 October 2022, notes that the economic rebound in Türkiye continues with real GDP expanding by 7.6% in the second quarter of 2022, which is driven mostly by domestic demand and exports.

As regards Türkiye's performance to meet economic criteria for achieving the existence of a functioning market economy as well as the capacity to cope with competitive pressure and market forces within the Union, the Commission report evaluates that the Turkish economy is well advanced but has made no progress over the last reporting period.

The report refers to the Medium-Term Economic Programme (2023-2025) of Türkiye for the forecasts on growth and inflation rates. In accordance with the data provided by the Medium-Term Economic Programme, the report reiterates the expectation that the Turkish economy will grow by 5.5% while the inflation rate will reach 65% by the end of 2022. The Commission also hails the Turkish economy for remaining strong despite the uncertainties brought about by the Russian aggression against Ukraine. The report specifically mentions the increase in financial and insurance activities, retail trade, transportation, and accommodation. It reveals that the engine behind the high growth rate lies in the increase in household consumption at 22.5% and exports at 16.4%.

However, the report also draws attention to Moody's downgrading of Türkiye's sovereign rating by one notch to B3 and the S&P's lowering of Türkiye's rating from B+ to B.

Additionally, the report notes that the decline in the real sector confidence index continues. The report states that the real sector confidence fell to a record level (100.2) in September 2022 due to the decline in stocks and orders, and that consumer confidence started to recover (72.4) in the same month from its record low level in June (63.4).

The Commission's report also stresses the success that Türkiye achieved in lowering the unemployment rate to 9.6%, which has been at its lowest level since 2014, after the COVID-19 pandemic. On the other hand, it points out that the data on labour market slack and labour force participation is still not quite enough.

Another warning issued by the Commission is the deficit on the current account balance. According to the comparative analysis made by the report, the current account deficit has increased by 27.3 billion dollars from 2021 to 2022. The latest amount of the deficit equates to 4.9% of GDP.

Finally, the report highlights the threat posed by the annual inflation rate reaching 83.45% as of September 2022, the depreciation of the Turkish lira by 11% against the dollar, and the five-year sovereign risk premium peaking at 908.4 in July 2022 despite the decline in the monthly inflation rate average by 2.3% in the third quarter.



## EBRD TO LOAN 75 MILLION EUROS TO THE İSTANBUL METRO LINE PROJECT

European Bank for Reconstruction and Development (EBRD) President Odile Renaud-Basso paid a three-day visit to Türkiye on 6 October 2022 to hold high-level meetings with senior officials, private sector clients, civil society organisations as well as foreign policy experts. During her stay in Türkiye, EBRD President Renaud-Basso not only came together with key officials such as Minister of Treasury and Finance Nurettin Nebati and EBRD Governor for Türkiye and Minister of Energy and Natural Resources Fatih Dönmez but also with İstanbul Metropolitan Municipality Mayor Ekrem İmamoğlu.

A couple of days after the visit, on 14 October 2022, EBRD announced that it would provide a loan worth 75 million euros to İstanbul Metropolitan Municipality to support the construction of the Göztepe-Ataşehir-Ümraniye metro line. The construction of the Göztepe-Ataşehir-Ümraniye metro line project is deemed to be a "trigger" initiative under the EBRD Green Cities programme, which İstanbul has also been a part of since 2021. It is a programme that aims to support city investments in green and sustainable solutions that advance the decarbonisation. EBRD has invested 17.2 billion euros in 385 projects in Türkiye, EBRD's largest market, since its first operations in the country in 2009.

## TÜRKİYE INAUGURATES ITS FIRST NATIONAL CAR PLANT IN GEMLİK



Starting after the vehicles' preview done by President Erdoğan on 27 December 2019, the countdown for the mass production of TOGG, has ended. The opening ceremony of the Gemlik Campus, where the serial production of TOGG will be carried out, has started with the aim of creating a global brand to form the core of the Turkish mobility ecosystem.

The plant will oversee the mass roll out of the country's first domestically-produced car, TOGG. Türkiye inaugurated its first national car manufacturing plant, Gemlik

Campus in the country's northwest province of Bursa. The massive campus, built on an area of 1.2 million square metres, brought Türkiye's long-held dream of building a domestic automobile to reality.

The 200-horsepower engine is boasted to go from zero to 100 kilometres per hour in 7.6 seconds, whereas the 400-horsepower engine can go from zero to 100 kilometres per hour in just 4.8 seconds. The car will feature advanced lithium-ion battery technology, which the company indicates will reach an 80% charge in

under 30 minutes. In the first phase, TOGG plans to produce five different models by 2030.

Furthermore, the consortium aims to produce at least one million vehicles in the next eight years. TOGG is the latest addition to Bursa, which is often dubbed the automotive capital of many foreign brands. The first TOGG is likely to be made available on the market by the first quarter of 2023 and the prices of the vehicles are expected to be announced close to their launch.

## THE POPULARITY OF THE TURKISH SERIES INCREASES WORLDWIDE



Nearly 100 Turkish series are currently featured in at least 150 countries around the world. By this way, according to a recent assessment by the Istanbul Chamber of Commerce (ITO), Türkiye is overtaking the US to become the second most popular TV series exporter overseas.

Before the pandemic, the total sales of a successful Turkish series episode to the world were 650

thousand dollars and now a Turkish series that cost about 5 million Turkish liras per episode can be sold for around 400 thousand dollars depending on its success. However, with the rising demand, Türkiye's TV series exports are expected to exceed 600 million dollars by the end of 2022.

One of the places where Turkish TV series demand is growing the fastest is Latin America. Turkish

production firms have also seen excellent rating gains in Spain, and Italian audiences are also quite interested in Turkish drama series. According to the research, the Turkish cinema industry has advanced with the release of several critically acclaimed blockbusters, box office successes, and series with international appeal. Digital channels have helped Türkiye to gain visibility in certain regions where it was previously underrated, like Germany and the Netherlands.

The series' additional value for export, which is the primary driver of Turkish-made content, was emphasised by ITO Chairman Şekib Avdagiç. Additionally, he emphasised how valuable TV shows are since so many companies and industries follow them as well as how Turkish culture is being promoted throughout the world is equally as significant as its commercial interest.



## TURKISH NATIONAL AMPUTEE FOOTBALL TEAM WON THE WORLD CUP

Türkish national amputee team faced Angola in the finals of the Amputee World Cup hosted in Istanbul. Türkiye defeated Angola with 4-1 score in the final and became the world champion for the first time in its history. The final match was watched by approximately 15.000 Turkish football fans in Istanbul and the Turkish amputee national team performed at a high level. After the final whistle of the match, the players of the team experienced great joy on the field, and they shared their joy with the fans. President Recep Tayyip Erdoğan also attended the award ceremony of the world champion and presented the

medals and the championship cup to the Türkiye's amputee national team.

The amputee national football team was established in 2003 within the body of the Turkish Sports Federation for the Physically Disabled, which the Turkish Football Federation supported within the scope of the project titled "Türkiye Plays Football".

Türkiye Amputee National Football Team had historic success in the European Championship as well by winning the championship twice in a row in 2017 and 2021. With the win against Angola, it became world champions after winning the European championship twice.

## R&D EXPENDITURES IN TÜRKİYE INCREASED BY 26.9 BILLION LIRAS



Türkish Statistical Institute has announced the results of the 2021 R&D Activities Research. According to the data, Türkiye's GDP increased on R&D expenditures by 26.9 billion liras in 2021 compared to the previous year. With an increase of 26.9 billion liras, R&D expenditures exceeded 4.4 billion dollars. The share of expenditures in GDP was 1.13%. Companies ranked first in R&D financing in 2021.

In 2021, the number of personnel working in the R&D department was 221,811, while the labour force potential of women also constituted 32.1%. Approximately 31% of all R&D personnel hold a doctorate and 24.3% have a master's degree. On the other hand, Ankara was the city

with the highest R&D expenditure in Türkiye, followed by Istanbul and its neighbouring provinces Kocaeli, Sakarya, Düzce, Bolu and Yalova.

Looking at the largest share of all R&D expenditures, 70.7% was from financial and non-financial companies. Higher education ranked second, with a 5.6% share of the general government's R&D spending, including private not-for-profit organisations.

Most of the R&D expenditures took place in businesses that perform high-tech activities. R&D expenditures of companies engaged in high-tech activities in the manufacturing industry were 47.5% of all expenditures in the sector.

# HOW MANY MORE REPORTS ARE NEEDED FOR TÜRKİYE TO BECOME AN EU MEMBER?

The European Commission's Türkiye Report 2022 is no departure from previous years, despite the developments that have revitalised Türkiye-EU relations.

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Since the last Türkiye Report published in October 2022, Türkiye-EU relations advanced on the basis of the "positive agenda", thanks to which areas of cooperation were expanded, and tensions eased on some aspects. These efforts were expected to contribute to Türkiye-EU relations and Türkiye's accession negotiations with the EU. However, the European Commission's Türkiye Report 2022, published on 12 October 2022 as part of the 2022 Enlargement Policy and Country Reports, revealed that this was not the case.

The country reports, published under the title of "progress report" until 2015, have been analysing Türkiye's progress in its EU process and the current state of alignment with each chapter since 1998. Longer than the last year's report, comprising 136 pages, the 2022 Türkiye Report reiterates the problems related to Türkiye's harmonisation process, similar to the country reports published in previous years. The most striking point in this year's report is the emphasis on overall "backsliding" rather than "progress."

Although the content and language of the report contain no surprises for those who have been closely following Türkiye-EU relations in recent years, it is clear that the report has been influenced by the Russia-Ukraine war since the word "Russia" is mentioned 37 times in the report. While Türkiye's role in the Black Sea Grain Deal is hailed in the report, Türkiye's non-participation in EU sanctions against Russia and its 7% alignment with EU foreign policy are criticised. The report underlines that backsliding in political criteria, problems in economic governance, difficulties in foreign policy and neighbourhood relations in the Aegean and the Cyprus issue persist. However, it does not only contain



criticisms. Cooperation with Türkiye and its importance as a partner on issues such as security, energy and climate are also highlighted in the report.

## Political Criteria

The report highlights that the Turkish political authorities have reiterated their commitment to the EU accession bid, expressing this commitment at every opportunity. However, it also notes that Türkiye has not taken any concrete steps in this regard and has not advanced its reform agenda. The report, as has become customary in recent years, criticises the political criteria most strongly and points out it as the area with the most backsliding. In this context, the report indicates that Türkiye has not complied with last year's Commission recommendations related to democracy, rule of law, fundamental rights, and independence of the judiciary.

## Economic Criteria

The chapter related to the Economic Criteria is one of the chapters where the EU adopts a more balanced language compared to others. As in recent years, the report states that Türkiye's compliance with the economic criteria is at an advanced level, but as in many other areas, no progress has been made in terms of harmonisation with the EU in the last year. It is observed that criticisms such as the preference for loose monetary policy, decreased policy credibility and transparency, and direct intervention of the state in price determination are continues in particular.

## Foreign Policy and Neighbourhood Relations

As in previous years, criticisms persist in the areas of security, defence, and foreign policy. These criticisms emphasise that the steps taken in Turkish foreign policy

continue to contradict EU priorities. The report remarks that although no drilling activity was carried out by Türkiye during the reporting period, tensions in the Eastern Mediterranean and with the Greek Administration of Southern Cyprus are continued. To add, it can be seen that last year's criticism over Türkiye's Eastern Mediterranean policy is shifted to the Aegean dispute in this year's report due to the increased tensions in the Aegean.

## Türkiye's Reaction

Responding to the criticisms included in the Türkiye Report 2022 promptly, the Turkish Ministry of Foreign Affairs published a statement that had its own criticisms of the EU's approach to Türkiye. The statement issued by the Ministry of Foreign Affairs emphasises that the Türkiye Report 2022 lacks a strategic approach and vision towards Türkiye and points out that the report displays a double-standard and

biased approach to Türkiye while ignoring the responsibilities of the EU. It also criticises that the spirit of solidarity that prevailed in the European Political Community, held with the participation of President Recep Tayyip Erdoğan on behalf of Türkiye, was not reflected in the report. The Ministry of Foreign Affairs also deems the criticisms over the Eastern Mediterranean, Aegean and Cyprus issues as "unlawful" and "maximalist" views.

## The Future of Türkiye-EU Relations

The relations between Türkiye and the EU are of vital importance for both sides to develop close relations in line with common interests and concerns. While the relations between both sides advanced on the "positive agenda" in the last year, which intensified the diplomatic traffic and brought parties together to act on their common interests, the ongoing war in Ukraine also revealed Türkiye's importance for the EU once again. Türkiye's exemplary role as a mediator in the negotiations between Russia and Ukraine, such as the Black Sea Grain Deal signed in Istanbul and the recent prisoner swap deal has shown that Türkiye is an important actor in European security.

In the shadow of all these crises and tensions, it should be underlined that Türkiye's membership perspective and its efforts for harmonisation with the EU continue. However, it is also worth noting that accession negotiations have come to a standstill, and the opening or closing of any chapters has not been possible since June 2018. Therefore, the significance of the report and the push to advance its reform agenda remain limited for Türkiye. Unless the content and language of the report and the EU's biased perspective change, we can say that Türkiye, which has been kept waiting on the brink of EU membership for years, will continue to wait for EU membership.