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HUNGARY'S TURN IN THE EU COUNCIL PRESIDENCY AND RELATIONS WITH TÜRKİYE

Hungary's Presidency of the Council of the EU, given its notably strong relations with Türkiye compared to other EU Member States, holds significant potential to impact Türkiye-EU relations.

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Hungary took over the Presidency of the Council of the EU from Belgium on 1 July 2024. The potential impact of Hungary's presidency on Türkiye-EU relations is a subject of considerable interest. Notably, Hungary's EU Council Presidency programme includes a significant paragraph concerning Türkiye.

Increasing Momentum of Türkiye-Hungary Relations

Hungary is one of the countries with which Türkiye has developed the friendliest relations in the EU. Türkiye maintains close cooperation with Hungary within the framework of various international and regional organisations, including the EU, NATO, the Council of Europe and the Organisation of Turkic States.

The Türkiye-Hungary relations trace their origins back to the Türkiye-Hungary Friendship Treaty, signed on 18 December 1923. However, bilateral relations experienced a significant boost in 2011 with Hungary's introduction of the "Eastern Opening" policy, aimed at diversifying its economic relations and enhancing trade and investment activities with non-EU countries. The visit of President Recep Tayyip Erdoğan to Budapest in 2013 marked a pivotal moment, fostering a strong friendship between President Erdoğan and Hungarian Prime Minister Viktor Orbán. This visit also led to the elevation of bilateral relations to the level of a strategic partnership and the establishment of the Türkiye-Hungary High-Level Strategic Cooperation Council (HLSCC). Hungary demonstrated strong solidarity with Türkiye following the failed coup attempt



on 15 July 2016. Hungarian Foreign Minister Péter Szijjártó was among the first high-level officials to visit Türkiye in the aftermath of the attempt. When Türkiye launched "Operation Peace Spring" in Syria in 2019, Hungary was the only EU Member State to support Türkiye. At the 2018 Summit of the Organisation of Turkic States held in Kyrgyzstan, Hungary participated as an observer member. It is important to note that in 2022, the Turkish Republic of Northern Cyprus (TRNC) attained membership in the organisation with the same status. This development is particularly significant given the ongoing unresolved Cyprus issue, which has severely impacted Türkiye-EU relations. Finally, on the 100th anniversary of the Türkiye-Hungary Friendship Treaty, in December 2023, President Erdoğan visited Hungary and bilateral relations were upgraded from strategic partnership to "enhanced strategic partnership".

Not surprisingly, Hungary actively supports Türkiye's EU accession process. Stating previously that "whatever anti-Türkiye statements are made in important EU Member States, Hungary will never agree with them and will stand by Türkiye",

Prime Minister Orbán has repeatedly stated that he is in favour of Türkiye's EU membership. Furthermore, Prime Minister Orbán has affirmed that Hungary will make every effort to update the Türkiye-EU Customs Union and support Türkiye's visa liberalisation during the Presidency of the Council of the EU.

Hungary's programme for the Hungarian Presidency of the Council of the EU includes a special paragraph about Türkiye. It is emphasised that Türkiye is an indispensable partner of the EU in many areas, such as energy security, regional security and the fight against illegal migration. It is recognised that the EU has a strategic interest in a stable and secure environment in the Eastern Mediterranean as well as a cooperative and mutually beneficial relationship with Türkiye. It is underlined that Hungary pays great attention to the resumption and progress of comprehensive settlement negotiations with the GCASC. Stating that it aims to support Türkiye's rapprochement to the EU, Hungary stresses the need for the resumption of Association Council meetings and high-level negotiations to promote dialogue. The most important statement in the

paragraph is Hungary's declaration that it will "seek to advance the Türkiye-EU political dialogue on Türkiye's status as a candidate country".

Developments During The Presidency

Following Hungary's assumption of the EU presidency, Prime Minister Orbán embarked on a diplomatic tour, which he described as a "peace mission", visiting Ukraine, Russia and China. During this period, Prime Minister Orbán also met with President Recep Tayyip Erdoğan at the NATO Leaders' Summit in Washington on 10 July 2024. During the meeting, bilateral relations between Türkiye and Hungary, Türkiye's EU accession process and regional and global issues were discussed. President Erdoğan expressed his hope for support in revitalising Türkiye's EU accession process and improving relations during Hungary's presidency. In contrast, in a video he posted on the social media platform X, Prime Minister Orbán made the following remarks regarding the meeting: "Türkiye has already proved during the war that it is an indispensable player in peace-making. President Erdoğan was the only successful statesman who was able to conclude a Russian-Ukrainian agreement regarding grain shipments in the Black Sea". Furthermore, in a letter to the EU leaders, Prime Minister Orbán emphasised that Türkiye, as a regional actor, was the only successful mediator in the crisis between Russia and Ukraine.

Trade Minister Ömer Bolat met with the ambassadors of EU Member States in Ankara on 11 July 2024. Minister Bolat outlined that the meeting addressed key strategic issues, including the modernisation of the Customs Union with the EU, trade in services, digitalisation,

green transformation, resolution of visa issues, and increased transport quotas. It is noteworthy that the meeting was hosted by Viktor Matis, the Hungarian Ambassador to Ankara.

Conclusion

Given Türkiye's particularly close relations with Hungary compared to other Member States and the inclusion of a special paragraph for Türkiye in the Hungarian presidency programme, it is pertinent to assess the potential effects of the Hungarian presidency on Türkiye-EU relations. This relation, which has recently been characterised by significant tension, appears to be entering a phase of détente. Over the past year, high-level EU officials have called for steps towards cooperation with Türkiye on critical issues such as the modernisation of the Customs Union and visa liberalisation. Furthermore, the current conjuncture, marked by multiple crises and geopolitical competition in the international arena, necessitates cooperation between the parties. However, despite this positive atmosphere, the EU, prioritising the Russian-Ukrainian war and the issue of enlargement, has largely excluded Türkiye from this process. In such an environment, Hungary's assumption of the presidency, which places special emphasis on Türkiye, represents a significant opportunity for Türkiye. By expressing its intention to advance the Türkiye-EU political dialogue regarding Türkiye's candidacy, Hungary has reminded other EU Member States of Türkiye's status after many years. It is crucial that the détente process progresses beyond issues such as the Customs Union or visa liberalisation and centres on Türkiye's EU membership. This shift is essential to move relations from their current pragmatic and interest-based, transactional dimension back to a value-based foundation.



IKV CHAIRPERSON ZEYTİNOĞLU: "URSULA VON DER LEYEN'S RE-ELECTION AND RELEVANCE FOR TÜRKİYE"



IKV Chairperson Ayhan Zeytinoğlu made statements about Ursula von der Leyen's re-election as President of the European Commission for the second time. Chairperson Zeytinoğlu commented on the issues that von der Leyen will focus on in her new term and highlighted their importance for Türkiye:

"President of the European Commission Ursula von der Leyen was re-elected as Commission President for a second term with 401 votes in the European Parliament elections. President Ursula von der Leyen played a significant role in the EU's active stance during the COVID-19 period, the implementation of the European Green Deal, and the adoption of the new migration and asylum pact. In this respect, von der Leyen's re-election with the support of central groups as the European People's Party candidate is meaningful, especially for the continuation of the Green Deal. Von der Leyen announced

that she will propose the 'Clean Industrial Deal' within the first 100 days of her tenure. Investments will be prioritised to transform the industry towards the decarbonisation agenda. Additionally, the reform of the internal market, competitiveness, and defence will be among the key issues. In her speech at the European Parliament, Ursula von der Leyen repeated her support for Ukraine, called for a ceasefire in Gaza, and emphasised a two-state solution. In this regard, we see a shift from her previous stance of giving Israel a blank check to a more balanced position. An important development for Türkiye is that Ursula von der Leyen will appoint a Commissioner responsible for the Mediterranean Region. It will be a period to closely monitor as the EU becomes more active in a region where Türkiye has strategic priorities. The EU strategy for the agriculture and food sector, safer borders,

the protection of democracy, and the rule of law are also among the issues Ursula von der Leyen will focus on. Regarding enlargement, von der Leyen stated that the Western Balkans, Ukraine, Moldova, and Georgia have chosen freedom and that enlargement will be handled based on merit. In terms of Türkiye-EU relations, the EU internal market, the Green Deal, clean industry, agricultural policy, and developments in defence present new areas of cooperation. However, von der Leyen's omission of Türkiye when mentioning candidate countries reveals her discriminatory approach towards Türkiye. It is important to ensure Türkiye's place on the EU agenda through diplomatic efforts and reforms. Furthermore, it is necessary to participate in platforms such as the European Political Community Summit, the fourth of which was recently held in the United Kingdom, as much as possible."

IKV CHAIRPERSON ZEYTİNOĞLU: "EU'S FIRST DIGITAL AGREEMENT WITH SINGAPORE IS A MILESTONE IN EU TRADE POLICY"

IKV Chairperson Ayhan Zeytinoğlu made a statement highlighting the importance of the agreement with Singapore, which is the EU's first digital trade agreement. Chairperson Zeytinoğlu said:

"With the completion of negotiations between the EU and Singapore, the EU is signing its first digital trade agreement with Singapore. This is a significant development for the direction of global trade and also demonstrates the course of the EU's digital agenda. Global data shows that digital services trade has increased fourfold between 2005-2022, surpassing 3.3 trillion dollars. This rapidly growing area now constitutes 12% of world trade and is increasing faster than goods trade, accounting for 54% of services trade. By digital trade, we mean all international trade ordered and/or delivered digitally. In addition to emphasising digital connections, it also provides new opportunities, especially for SMEs and small producers. An important aspect of digital trade lies in the rules of digital data exchange. Until now, there has not been a global set of rules regulating this issue; therefore, these rules have been addressed within bilateral or regional trade agreements. By the end of 2022, there were 116 trade agreements with digital trade provisions, with about 44% of all agreements containing a section or article related to digital trade or e-commerce. The agreement



with Singapore, which has completed negotiations, will complement the FTA dated 2019. The next step will be the signing and approval procedure. The aim is to connect the two economies better, provide new opportunities for businesses, establish rules that protect consumers, and ensure predictability and legal certainty. This way, it is expected to open up digital trade further, make it more secure, and remove unnecessary barriers. The EU attaches importance to integrating digital trade into its agreements with global partners. Besides this first digital agreement, FTAs with the United Kingdom, Chile, and New Zealand include digital trade chapters. Additionally, there is a cross-border data flow agreement with Japan. The EU is the world's largest importer and exporter of digitally delivered services. According

to 2022 data, 55% of the EU's service trade was conducted digitally, creating a value of 1.3 trillion euros within EU trade. More than half of the trade between the EU and Singapore is being conducted digitally. The modernisation of the Customs Union with the EU is becoming more urgent for Türkiye day by day. Digital trade is also a subject that is not currently regulated in our trade relationship. Although Türkiye has complied with the EU's data protection regulation during the visa liberalisation process, the need for reform arises again as the rules in the EU change. As of 17 February 2024, the Digital Services Act regulating digital services in the EU has come into force. Türkiye-EU relations have dragged behind these developments. The relations need to be updated to include regulatory alignment, starting with trade. We have been discussing the modernisation of the Customs Union since 2014, but it has still not been initiated due to political obstacles. In addition to a new Customs Union, the commercial relationship should include green and digital alliances, add sections on digital services trade to the agreement, or be supported by a separate agreement or a decision by the Association Council, as in the case of Singapore. Otherwise, as long as Türkiye-EU relations are not updated, the Customs Union will be an outdated agreement falling behind the developments in international trade."

IKV CHAIRPERSON ZEYTİNOĞLU: "HIGH-LEVEL TRADE DIALOGUE IS A POSITIVE STEP"



IKV Chairperson Ayhan Zeytinoğlu highlighted the significance of the Türkiye-EU High-Level Dialogue on Trade meeting held in Brussels on 8 July 2024, considering it a positive step for the development of Türkiye-EU relations. IKV Chairperson Zeytinoğlu made the following remarks:

"For the first time, a high-level dialogue meeting on trade between Türkiye and the EU was held. We consider the implementation of one of the recommendations from last year's report, which proposed revitalising Türkiye-EU relations, as a positive step. Prior to the dialogue meeting between our Minister of Trade Ömer Bolat and the European

Commission's Vice-President for Trade Valdis Dombrovskis, we, as IKV, participated in a roundtable meeting with business representatives from Europe. It is crucial that the trade dialogue progresses with the involvement of business organisations. The development of Türkiye-EU trade relations and the modernisation of the Customs Union are supported by business organisations representing Türkiye and the EU. However, negotiations addressing the resolution of issues within the Customs Union and the addition of new areas have not started due to political obstacles. We hope that the initial High-Level Trade Dialogue will accelerate this process. Recent developments and changes in the EU market necessitate the adaptation of the Customs Union to these changes. The European Green Deal and the Carbon Border Adjustment Mechanism, particularly, are set the agenda regarding product standards, decarbonisation, and transition to renewable energies."

İKv AGENDA

İKv PARTICIPATED IN THE BUSINESS ROUNDTABLE AS PART OF THE TÜRKİYE-EU HIGH-LEVEL TRADE DIALOGUE



The first Türkiye-EU High-Level Trade Dialogue meeting was held in Brussels on 8 July 2024 with the participation of the Minister of Trade Prof. Ömer Bolat and the European Commissioner for Trade Valdis Dombrovkis. During the meeting, the development of Türkiye-EU

trade and the removal of trade barriers were discussed. The meeting was preceded by a business roundtable with the participation of representative organisations of the business world from Türkiye and the EU. Brussels Representative Haluk Nuray attended the meeting on

behalf of İKV. In the meeting, İKV emphasised the importance of the Türkiye-EU Customs Union and the significance of the initiation of the updating process in terms of compliance with the green and digital transformations that change the structure of the EU internal market.

İKv HELD ITS 62ND GENERAL ASSEMBLY



The 62nd General Assembly of İKV was held in Istanbul on 11 July 2024 with the participation of the presidents of the Foundation's Founding and Trustee Institutions, representatives of Supporting Organisations and delegates. Kocaeli Chamber of Industry (KCI) Assembly President Hasan Tahsin Tuğrul served as the Chairman of the General Assembly, Istanbul Chamber of Industry (ICI) Council Member and Professional Committee Chairman Mehmet Nuri Görenoğlu served as the Vice President of the Council, and İKV Secretary General Assoc. Prof. Çiğdem Nas served as the clerk. The opening speeches of the General Assembly were given by İKV Chairperson Ayhan Zeytinoğlu, ICI Vice President İrfan Özhamaratlı, Union of Chambers and Commodity Exchanges of Türkiye (TOBB) Vice President Tamer Kıran and

Türkiye's Deputy Minister of Foreign Affairs and Director for EU Affairs Ambassador Mehmet Kemal Bozay.

In his speech, Chairperson Zeytinoğlu stated that revitalising Türkiye's candidacy process with the EU will increase the living standards of Turkish citizens and increase the gains of the Turkish business world, while noting that the delays and obstructions experienced in the visa processes of Turkish citizens weaken the dialogue between the Turkish society and the EU communities and thus have a negative impact on the accession process of Türkiye.

Vice President of ICI İrfan Özhamaratlı said that İKV, of which ICI is one of the founders, is a source of pride for the Turkish private sector as it has developed Türkiye-EU relations since the day it was founded, and that İKV has involved in various agendas

such as establishing Additional Protocol and the Customs Union and it took role in promoting Türkiye. TOBB Vice President Tamer Kıran started his speech by sharing a brief history of Türkiye-EU relations and he stated that İKV, which has a salient presence in the economic field, is the representative of Türkiye-EU business circles' integration.

Deputy Minister of Foreign Affairs and Director for EU Affairs Ambassador Mehmet Kemal Bozay began his speech by stating that the international system is trying to reintegrate itself and is struggling with handling the problems created by an irregularity. Stating that İKV is needed more than before in this period when uncertainties increase and, protectionism as well as reshaping moves continue, Bozay concluded that İKV guides policymaking on handling the international developments regarding how they might affect Türkiye and that İKV will continue to serve as an accompanying partner to the Ministry of Foreign Affairs in the future as it did in the past. The meeting ended with İKV Chairperson Ayhan Zeytinoğlu's expressing his gratitude to the delegates on behalf of the İKV Board of Directors.

TIMELINE JULY 2024

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4	President Erdoğan attended the 24 th Summit of Heads of State of the Shanghai Cooperation Organisation in Astana.
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8	İKv participated in the Business World Meeting as part of the Türkiye-EU High-Level Trade Dialogue.
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10	President Erdoğan attended the Meeting of the North Atlantic Council at the level of Heads of State and Government.
11	İKv held its 62 nd General Assembly.
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18	President Erdoğan came together with Irish Chairperson of the Parliament Seán Ó Fearghail.
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PRESIDENT ERDOĞAN ATTENDED NATO'S 75TH ANNIVERSARY SUMMIT IN WASHINGTON

NATO Heads of State and Government gathered in Washington, the birthplace of the Alliance, on 9-11 July 2024 to celebrate NATO's 75th anniversary. In a security environment marked by challenges to global peace, from Ukraine to the Israeli-Hamas conflict, NATO leaders sought to present a picture of unity and solidarity. In addition to marking NATO's 75th anniversary, the Summit was also important as it was the last Summit chaired by Jens Stoltenberg, who has been NATO's Secretary General for the last 10 years.

The Summit focused on "increasing defence-security spending and investment, enhancing NATO's collective defence and deterrence, continued support for Ukraine and the creation of a new NATO mission, readiness to counter China's unreliable capabilities, a call to end all support for Russia, and the growing importance of the Indo-Pacific region for NATO." At the end of the Summit, the Washington Summit Declaration set out a NATO framework on these issues.

President Recep Tayyip Erdoğan also attended the Summit. Türkiye's most important agenda items were Israel's actions in Gaza,



NATO's suspension of its partnership with the Israeli government in the context of Alliance values and the purchase of the F-16s from the US. In his speech, President Erdoğan reiterated

Türkiye's support for Ukraine's territorial integrity. President Erdoğan also had bilateral meetings with the US President Joe Biden and participating heads of state and government

on the margins of the Summit. Moreover, the decision to hold the NATO Summit of Heads of Government and State Summit in Türkiye in 2026 was of critical importance.

FIRST TÜRKİYE-EU HIGH-LEVEL TRADE DIALOGUE WAS HELD IN BRUSSELS



The first Türkiye-EU High-Level Trade Dialogue was held in Brussels, co-chaired by the Minister of Trade of the Republic of Türkiye Ömer Bolat, and the Executive Vice-President and Commissioner for Trade Valdis Dombrovskis. After the meeting, which took place on 8 July 2024, the statement was made to the press. In the statement, it was underlined that economic and commercial relations would be deepened.

Minister of Trade Bolat stated that owing to sincere ties and cooperation-oriented efforts, progress has been made in overcoming trade barriers and in cooperation in the twin transition areas. Minister Bolat stressed

that Türkiye is close to the EU's supply chains and added that Türkiye's integration to the EU ensures the EU's competitiveness on a global scale. Bolat said that modernising the Customs Union between Türkiye and the EU is advantageous for both parties as it promotes economic growth and increases efficiency. Bolat highlighted that the challenges faced by Turkish citizens regarding visas was discussed during the meeting. Minister Bolat said that high-level meetings would take place once a year and added that the EU officials and Dombrovskis were invited to a second meeting.

For his part, the Commissioner underlined that the meeting was

successful, and he added that both parties decided to hold bilateral trade dialogues on an annual basis. In his statement on X, Dombrovskis underscored that Türkiye is a key partner for the EU, particularly on trade. Dombrovskis stated that it was good moment to rekindle Türkiye-EU trade relations, improve bilateral interaction and build basis for the future. The Commissioner also added that both parties promising step to strengthening trade relations by removing more trade barriers in the Customs Union, focusing on new areas of cooperation and collaborating on anti-circumvention of EU sanctions.

TRADE MINISTER ÖMER BOLAT ATTENDED THE TRADE MINISTERS' MEETING IN ITALY

Minister of Trade Ömer Bolat arrived in Villa San Giovanni on 16 July 2024 to meet various high-level officials at the Trade Ministers' Meeting in Italy upon invitation of the Italy G7 Presidency. Within the scope of the relevant meeting, Minister Bolat met Export Promotion, International Trade and Economic Development Minister Mary Ng, World Trade Organisation (WTO) Director-General Ngozi Okonjo Iweala and Italy's Deputy Prime Minister and Minister of Foreign Affairs and International Cooperation Antonio Tajani.

Regarding the course of the meeting, Bolat passed his remarks: "We shared our country's perspectives on global economy and trade trends, supply chains and recently increasing global risks. In the name of Türkiye, we delivered the message that we are ready to increase cooperation with our counterparts in terms of strengthening the global supply chain and preserving a fair and competitive, rules-based trade system. We will continue our work on every platform to ensure that our country, whose position in the global economy is constantly strengthening, would become one of the countries that leads international trade."

Bolat also shared information on the bilateral talks he held with the high-level



officials. Regarding the interview with Minister Ng, he shared that the meeting included the issues such as conducting second meeting of Türkiye-Canadian Business Council and increasing trade cooperation between the two countries. On his meeting with WTO Director-General Ngozi Iweala, Bolat expressed that he communicated the need for the reformation of global trade system to make the global trade system fairer and more rule based to help the solve problems faced in international trade area. Lastly, Bolat shared information regarding the meeting held with Italy's Deputy Prime Minister and Minister of Foreign Affairs and International Cooperation Tajani, and he stated that they exchanged views on the increase of trade capacity to 30 billion dollars and organising Economy and Trade Joint Commission (JETCO) in İstanbul within the shortest time.

THREE TURKISH PRODUCTS GOT EU RECOGNITION

European Commission announced that the EU approved the Osmaniye Peanut, Bingöl Honey and Bursa Peach from Türkiye as Protected Geographical Indication.



July was an important and exciting month for Turkish products as three of them got EU recognition. An application was made on 5 January 2023 by Osmaniye Commodity Exchange, Bingöl University and Beekeepers Association in Bingöl for the registration of Osmaniye Peanut being the 22nd and Bingöl Honey being the 23rd registered products in the EU. In addition, Bingöl Honey was awarded first place in the European honey championship held in Switzerland in 2023. The examination and announcement processes of the applications made were successfully completed by the European Commission and these products were entitled to be registered in the EU.

The 24th product to receive geographical indication registration from the EU was Bursa Peach. President of TOBB Rifat Hisarcıkloğlu

stated that Türkiye has a product diversity that very few geographies in the world have the chance to have. Hisarcıkloğlu added that TOBB and the chambers of commerce and chambers of industry are making great efforts for local and geographically indicated products. In addition, he stated that work is ongoing regarding 53 geographical indications and five traditional product names, which are in the EU process. The increase in the number of geographically indicated products of Türkiye is an important development in terms of the recognition of the country's rich gastronomic culture and local production traditions in the international arena. The protection and promotion of these products will contribute to both the development of local economies and the strengthening of Türkiye's cultural identity.

PRESIDENT ERDOĞAN STRESSES NEED FOR NEW FOREIGN POLICY EQUATIONS FOR TÜRKİYE



Following the Cabinet meeting Turkish President Recep Tayyip Erdoğan declared that "creating new equations in foreign policy" is not an option, but an "essential". President Erdoğan emphasised the importance of Türkiye reinforcing cooperation not only with the West but also with Asia, Africa, and Latin America. Over the past 22 years, Türkiye has expanded its influence, starting with its neighbours, through a "360-degree" foreign policy perspective aligned with its national interests.

President Erdoğan mentioned that a recent assassination attempt on former US President and presidential candidate Donald Trump underscored the world's current fragility. He noted that new crises are emerging almost daily in the region and beyond, with mounting uncertainties in areas from the economy and trade to security. He said the search

for a "new balance" in the global system continues to intensify. Highlighting NATO Summit in Washington, President Erdoğan pointed out that the Summit reaffirmed Türkiye's indispensable role within NATO. Additionally, he expressed Ankara's expectations from its allies on crucial matters such as the defence industry and combating terrorism.

President Erdoğan characterised his meetings with Chinese President Xi Jinping and Russian President Vladimir Putin at the Shanghai Cooperation Summit in Astana as "fruitful." He highlighted Türkiye's openness to value-adding investments based on a win-win approach. Erdoğan cited a 1 billion dollars of investment agreement with Chinese automaker BYD as an example of cooperation. Ankara's goal with such partnerships is to attain a more balanced and sustainable bilateral trade.

TÜRKİYE AND THE EU TO STRENGTHEN THE COOPERATION FOR DISASTERS

The updated agreement, which will prolong Türkiye's participation in the EU Civil Protection Mechanism, was signed at a ceremony held in Ankara on 9 July 2024. Deputy Minister of Foreign Affairs and Director for EU Affairs Ambassador Mehmet Kemal Bozay, Commissioner for Crisis Management Janez Lenarcic, Deputy Minister of the Interior Münir Karaloğlu and AFAD President Governor Okay Memiş attended the ceremony. The updated agreement aims to enhance Türkiye's disaster response capacity and strengthen cooperation with the EU. Since 2016, Türkiye has been an active member of the EU Civil Protection Mechanism and has benefited from the support of this mechanism in various disasters. In particular, after the 6 February

earthquakes, a total of 38 million euros of emergency aid was provided to Türkiye through this mechanism.

Within the scope of the mechanism, AFAD assumes the role of national coordinator in Türkiye and provides financial support to civil protection authorities in the field of disaster risk management. This support is provided through annual calls for proposals to various actors such as civil society organisations, universities and relevant public institutions. The budget of the mechanism for the period 2021-2027 is set at 3.3 billion euros. With the signing of the updated agreement, Türkiye's cooperation with the EU in the field of civil protection will deepen, and capacity will be increased in disaster preparedness, response and information sharing.

In addition, Türkiye's role in the EU Civil Protection Mechanism will be further strengthened and regional cooperation opportunities will increase. Regarding the update of the agreement, Deputy Minister of Foreign Affairs and Director for EU Affairs Ambassador Bozay stated that Türkiye received significant support after the earthquake within the scope of this mechanism and that cooperation between Türkiye and the EU in the fields of prevention and intervention before and after disasters will continue in the coming years. European Commissioner Janez Lenarcic emphasised that this agreement forms the basis for solidarity and assistance between the parties against disasters and that Türkiye can always count on the support of the mechanism.



TÜRKİYE ACHIEVES NEW HEIGHTS IN RENEWABLE ENERGY

Türkiye has marked a significant milestone in its renewable energy sector during the first half of 2024. Clean electricity generation increased by more than 25% compared to the same period last year, while fossil fuel-fired output decreased by 9%, leading to the highest-ever share of clean power in Türkiye's electricity mix. Data from the energy think-tank Ember reveals that clean power supplied 53% of Türkiye's total electricity from January to June 2024, up from 44% in the same months of 2023. This achievement underscores Türkiye's commitment to transitioning towards a more



sustainable energy future. Additionally, the overall electricity output climbed by nearly 7% from a year ago, reaching its highest level in at least six years, ensuring that total electricity supplies for households

and businesses expanded despite reducing fossil fuel use. In contrast to the broader trends across Europe, where total electricity output remains below previous peaks in several countries due to subdued

industrial demand and increased regional energy efficiency, Türkiye's electricity generation rise is expected to put downward pressure on electricity prices. Additionally, wind and solar farms have contributed significantly to the clean energy surge, with wind generation hitting a record 17.58 TWh and solar output reaching an all-time high of 11.75 TWh during the first half of 2024. Despite the impressive gains in renewable energy, coal-fired generation remained essentially flat at 53.6 TWh, while gas-fired output contracted by 26%, reaching its lowest level in four years. The

decline in fossil fuel-fired generation has led to a 5% reduction in the power sector's emissions, totalling 68.3 million metric tons during the year's first half. Lower fossil fuel use has also reduced Türkiye's import needs for power generation fuels. Thermal coal imports fell by 5% to 9.5 million metric tons, and LNG imports dropped by 28% to 13.6 million tons, the lowest for the first half of the year since 2019. However, seasonal factors could increase fossil fuel use in the coming months, as hydropower generation typically declines sharply from July onwards due to lower rainfall.

GREEK PRIME MINISTER MITSOTAKIS HIGHLIGHTS IMPROVED TÜRKİYE-GREECE RELATIONS



Greek Prime Minister Kyriakos Mitsotakis attended public debate held by a Washington-based think tank Council on Foreign Relations and expressed that Turkish-Greek relations have

improved significantly after three years of deadlock. While noting that the parties' views on Eastern Mediterranean remain intact, Mitsotakis stated that the cooperation has extended to other

fields such as tackling irregular immigration. He added that the visa facilitation scheme provided by Greece to Turkish citizens has been one of the positive steps so far. Greece launched visas on arrival procedure on 1 April 2024, after an agreement was made between Türkiye and Greece in 2023.

Turkish-Greek relations have experienced a thaw in 2023 following the Kahramanmaraş earthquakes after Greece offered help and that also caused a spark in then stagnant relations, as once happened after 1999 Gökçuk earthquakes and Athens earthquakes, which brought forth what came to be called "earthquake diplomacy".

TÜRKSAT 6A SATELLITE LAUNCHED SUCCESSFULLY

Türkiye's first domestically produced communications satellite, Türksat 6A, was successfully launched from Florida, using SpaceX's Falcon 9 rocket. Weighing 4.25 tons, the satellite will be stationed at the 42 degrees East orbital position and is expected to have an operational lifespan of 15 years. It will provide TV, radio, and emergency communication services to Türkiye, Europe, North Africa, the Middle East and Asia, reaching an audience of 4.5 billion people. The Türksat 6A project has been in development for approximately 10 years.

The official commencement of the Türksat 6A project took place on 15 December 2014, marked by the inauguration of the Space



Systems Assembly Integration and Test Center at Turkish Aerospace Industries' facilities. This project was a collaborative effort involving Türksat, Türkiye's Defence Industry Agency, Turkish-based defence firms, the Turkish Space Agency, Aselsan, C2TECH, Turkish Aerospace Industries and the Space Technologies Research Institute of the Scientific and Technological Research Council of Türkiye.

HUNGARY'S PRESIDENCY OF THE EU COUNCIL WAS CELEBRATED WITH A GALA IN ANKARA



A cultural opening programme was organised by the Hungarian Embassy to mark Hungary's Presidency of the EU Council, which commenced on the 1 July 2024. The event took place on the 7 July 2024 at Ankara Painting and Sculpture Museum. This year coincides with the 2024 Hungarian-Turkish Cultural

Year, creating many opportunities for cultural exchange between the two countries. An exhibition featuring Hungarian collector Gabor Kovacs' private collection of paintings titled "Clear Skies, Stormy Times" was also displayed at the event. Visitors can view the exhibition, which consists of 19th century and 20th century

paintings by Hungarian artists, until the 26 August 2024.

In his speech, Gabor Kovacs' highlighted the objectives of the Hungarian Presidency, which include promoting global economic ties, competitiveness, agricultural policy, enlargement policy, combating irregular migration, defence policy and addressing demographic challenges. Ambassador Viktor Mátis highlighted the focus on facilitating the dialogue between Türkiye and the EU and supporting high-level dialogues, visa liberalisation and modernisation of the Customs Union. In the second part of the cultural opening programme, operetta, dance and orchestra artists from the Budapest Operetta Theatre performed and were highly appreciated by art enthusiasts.

TURKISH STUDENTS' INNOVATIVE PROJECT TOOK HUGE ATTENTION



Eight Turkish university students from various Turkish universities, which are Başkent University, Bilkent University, Boğaziçi University, Gazi University, Hacettepe University, Karabük University, Middle East Technical University and TED University have worked together and developed an innovative project aiming to detect issues in large livestock farms at an early phase.

The project is based on constant monitoring of the animals in a farm

by using camera systems and noticing the minor changes in feeding patterns of the animals there which can be a source for further problems if not realised. The project intends to decrease the costs by responding the problems as early as possible.

The project passed Huawei Türkiye's preselection stages and gained a place in the European segment of the "Seeds for the Future Program" which took place in Italy's capital, Rome between 1 July to 5 July 2024. Director of Public and Corporate Relations at Huawei Türkiye Ömer Faruk Şahin said that these students represented Türkiye, and in Rome, they had a chance to train in a variety of topics such as cloud computing, green energy, 5G and artificial intelligence.

31ST İSTANBUL JAZZ FESTIVAL STRIKES A CHORD WITH GLOBAL AUDIENCES



The 31st İstanbul Jazz Festival, a highly awaited event organised by the İstanbul Foundation for Culture and Arts (İKSVA), was held between 3-18 July 2024, leaving audiences enthralled with captivating performances. Boasting a rich variety of musical genres and a lineup showcasing more than 200 exceptionally talented artists, the festival has garnered significant acclaim and interest from music aficionados across the globe. The event was held in various places such as Şişli, Beyoğlu, Pera and ferries that transport passengers through Bosphorus.

While the festival has made a deliberate effort to feature accomplished international musicians, it has also placed special emphasis on fostering an environment conducive to young artists, encouraging their participation to infuse the event with dynamism. Moreover, the festival has taken a progressive approach by moving beyond exclusively catering to marginalised jazz enthusiasts and instead aims to resonate with all strata of society. At the end of the festival, Jerusalem-based producer, composer and musician Nino Varon and Türkiye's first female jazz pianist, composer and arranger Nilüfer Verdi won the lifetime achievement award.

A 2700-YEAR-OLD ANCIENT ROMAN HARBOUR WAS DISCOVERED IN THE BİGA DISTRICT OF ÇANAKKALE



This year marked the first underwater excavations in the Ancient City of Parion. Archaeologists discovered a second ancient harbour in the 2,700-year-old Roman port city of Parion in the Kemer village of Türkiye's Biga district. A team of 25 people, including 17 foreign experts, is participating in the excavation, which is the first underwater research in Parion and is carried out under the direction of Prof. Vedat Keleş, Dean of the Faculty of Humanities and Social Sciences and Head of the Department of Archaeology at Ondokuz Mayıs University. Prof. Keleş stated that they knew from ancient sources that there was a southern port before, but they always questioned the possibility of there being a northern port.

The fact that the new port is smaller than the known southern commercial port and its interior is full of river alluviums passing through the city indicates that this harbour is potentially used for military purposes, Prof. Keleş reported. He also stated they will obtain more detailed information about this new port with the studies they will carry out in the coming period. This discovery is part of the 20th anniversary excavations supported by the Ministry of Culture and Tourism and İÇDAŞ Inc. Excavations also focus on the heavily damaged theatre and agora sections, and restoration work continues. Prof. Keleş emphasised that more resources and effort are needed to fully reveal and restore Parion.

KOP MOUNTAIN UNVEILS GEOLOGICAL WONDERS AND BOTANICAL TREASURES



One of the less-known points of biodiversity is located in the northeastern part of Türkiye. Kop Mountains which extend between Turkish provinces of Bayburt and Erzurum serve as a home for 134 species of butterflies aside from many endemic plants. Therefore, it hosts academic researchers and nature enthusiasts each year.

The area where the Kop Mountains are laid is actually a passage between the Black Sea and Eastern Anatolia regions, differing

greatly in terms of geography, flora and fauna, climate and humidity. Thus, this area of intersection is rich in biodiversity as 150 endemic plants among total 1000 plant species can be found on Kop Mountains according to Assoc. Prof. Abdurrahman Sefalı from Bayburt University. He also stresses the high number of species of plants, butterflies, insects and birds living in the area and adds that thanks to Kop Mountains, Bayburt is one of the hot spots for butterfly diversity in Türkiye.

TURKISH SWIMMER BROKE THE WORLD RECORD AT THE EUROPEAN JUNIOR CHAMPIONSHIPS

Turkish swimmer Kuzey Tunçelli finished first in the 1500 freestyle final at the European Junior Championships with a time of 14:41.89 becoming the Champion. Tunçelli broke both the World Junior and European Junior records surpassing the previous mark of 14:46.09 set by Franko Grgić at the 2019 World Junior Championships. Tunçelli broke the World Junior Record and European Junior Record of 14:46.09 set by Franko Grgić at the 2019 World Junior Championships.

Sixteen-year-old Tunçelli had previously achieved a time of 14:54.16 in July 2023, but in this race, he improved his lifetime record and the Turkish Record by 12 seconds. Additionally, Tunçelli broke his own European Junior Championship Record of 14:58.89, which he set last year, by 17 seconds. In 2023, Tunçelli became the first fifteen-year-old to break the 15:00 mark in the 1500m freestyle. He will be participating in the Olympics for the first time in Paris and has risen to fourth place in the world rankings this season.



CUSTOMS UNION 2.0: A NEW ERA FOR TÜRKİYE-EU TRADE RELATIONS

The Türkiye-EU trade relationship needs modernisation to reflect current economic realities and enhance bilateral trade prospects.

Laura BATALLA ADAM
Analyst

The trade relationship between the European Union and Türkiye dates back to 1963, when the Association Agreement was signed, paving the way for the creation of the Customs Union (CU) in December 1995. This milestone marked a historic turning point in economic integration and regulatory alignment, symbolising a mutual commitment to tighter economic bonds. Despite significant development over the years, the CU's framework has become outdated, necessitating a comprehensive update to reflect today's economic realities. Although calls for modernisation have been made, progress has been slow. The first High-Level Trade Dialogue, held last July, laid the groundwork for strengthened trade cooperation, reigniting hopes for the long-awaited upgrade of the Customs Union. A key outcome of this dialogue was the mutual recognition of the need to modernise the CU and a shared commitment to enhancing bilateral trade relations.

A Strong Trade Partnership

Since its inception, the CU has significantly boosted trade between the EU and Türkiye, with trade volumes rising from around 23 billion euros in 1995 to a remarkable 206 billion euros in 2023. Türkiye now ranks as the EU's 5th largest trading partner, accounting for 4.1% of total goods trade. This expansion has increasingly entwined supply chains, making the free movement of goods and services heavily reliant on the CU's provisions. However, the current CU's scope is limited, covering only industrial goods and processed agricultural products, while excluding critical sectors such as agriculture and services.

Upgrading the CU offers substantial benefits for both parties. For the EU, it means gaining access to a more diversified market and enhancing competitiveness through improved regulatory alignment and reduced non-tariff barriers. This modernisation would allow EU



businesses to benefit from expanded market access and the elimination of redundant compliance procedures. As new directives and regulations come into effect, maintaining smooth trade with Türkiye will become increasingly complex. Enrico Letta's report, "Much More Than a Market," highlights the necessity of deeper economic integration and cooperation with Türkiye to strengthen the resilience of the Single Market. Moreover, the active call from the European business community underscores the urgency of this modernisation, recognising that a strengthened Türkiye-EU partnership is crucial for addressing global challenges such as sustainability and security.

The Case For Modernisation

The current CU framework, designed before significant advances in technology and globalisation, is ill-equipped to handle today's economic landscape. The rapid evolution of global trade dynamics, driven by the digital economy, e-commerce expansion, and the pressing need for sustainable practices, has rendered the old framework obsolete. A modernised CU would align with the digital revolution, facilitating smoother and more efficient cross-border transactions, reducing administrative burdens, and fostering

innovation. Moreover, updating the CU to incorporate green policies would support the transition to a sustainable economy, addressing environmental challenges while unlocking new economic opportunities. The World Bank and the European Commission highlight that such modernisation could drive substantial economic benefits for both Türkiye and the EU, ensuring their competitiveness in an increasingly interconnected and environmentally conscious global market.

Expanding the CU to include agriculture, services, and public procurement is crucial for lowering non-tariff barriers and promoting deeper economic integration. For the EU, this expansion means greater access to Turkish agricultural products and services, enhancing the variety and competitiveness of goods and services available within the EU market. Improved regulatory cooperation is also essential, as the lack of mutual recognition in sectors such as pharmaceuticals and chemicals create trade barriers. A modernised CU should address these issues while incorporating elements of the European Green Deal, including provisions for managing digital economy challenges, cybersecurity, and data protection.

Visa Challenges

Visa-related barriers present significant challenges for Turkish businesspeople and hauliers, limiting their ability to conduct effective trade within the EU. Streamlining the visa application process, perhaps through special categories or expedited procedures for frequent travellers, is critical. Issuing multiple-entry visas with extended validity could minimise business disruptions. Additionally, promoting mutual recognition of visas and creating tailored visa programs for Turkish hauliers would facilitate smoother business operations and address the logistics sector's unique needs. For the EU, this could lead to more efficient supply chains and reduced logistics and transportation costs.

Political Hurdles

Political constraints have delayed the CU's modernisation. The European Commission's proposal from December 2016 has faced setbacks due to concerns about democratic backsliding in Türkiye. Recent European Parliament reports emphasise that progress on the CU should be linked to improvements in democracy, human rights, and the rule of law. Modernisation requires Türkiye's full implementation of the

Additional Protocol on extending the Ankara Agreement to all EU Member States without reserve and in a non-discriminatory manner. The Parliament has made it clear that it will not approve the final agreement unless there is tangible progress on these democratic conditions. Consequently, the current CU will not achieve its full potential until Türkiye addresses these requirements comprehensively. Nonetheless, continued political engagement remains crucial. In November 2023, the EU High Representative Josep Borrell and the European Commission issued a joint communication emphasising the significance of continuing collaboration with Türkiye in areas of mutual interest. The recent High-Level Trade Dialogue is a promising step toward advancing the trade agenda and addressing bilateral trade issues.

Updating the Türkiye-EU CU is critical for deepening economic integration, aligning with European standards, and achieving regulatory harmonisation. A modernised CU can serve as a platform for achieving shared sustainability goals and addressing climate challenges. By resolving structural imbalances and visa-related issues, the EU and Türkiye can enhance their strategic partnership and trade prospects.

Ultimately, harmonising Türkiye with EU legislation and upgrading the CU are essential for functional and beneficial trade cooperation. Closer trade and investment relations depend on constructive dialogue and ensuring Türkiye's adherence to the rule of law. The new political cycle provides an opportunity to reenergise the modernisation of the Türkiye-EU Customs Union, fostering a more integrated and prosperous economic future for both sides. By addressing these political and regulatory challenges together, the EU and Türkiye can unlock their economic potential and increase competitiveness, while also building the framework for a strong cooperation that can face future challenges and capitalise on emerging opportunities.