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Corporate & Public Strategy
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EU Corridors

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- **Editorial**

In this edition of EU Corridors' editorial we discuss the prospects of EU-Turkey relations in light of the appeal process filed with the French Constitution Council concerning the denial bill as well as the next Presidential election in France.

- **News**

This month's significant events concerning the EU agenda...

- **Agenda**

Crucial dates and milestones along Turkey's EU journey...

Editorial

A New Era with France

The dark clouds that loomed over the prospects of Turkish-French affairs scattered when the bill criminalizing the denial of genocide was appealed at the highest judicial authority in France, the Constitution Council (which corresponds to the Turkish Constitutional Court). This development not only relieves Ankara but also French businesses involved in Turkey. The appeal signed by 77 senators and 65 parliamentarians vindicates that the bill that sentences genocide's denial with one-year prison and 45 thousands Euro is not compatible with the French Constitution. The Constitution Council will pronounce its verdict by the end of this month. During our interview with Prof. Dr. Guy Carcassonne, who drafted the appeal text and who is among the foremost constitutional jurists in France, commented that the supporters of the bill indeed assumed a big risk. According to him, during the review of the bill, the Council will also examine the constitutionality of the law adopted in 2001, which recognizes the Armenian genocide. The Council did not examine this law thus far. Carcassonne is of the opinion that both laws are contrary to the Constitution. If the Council invalidates the adopted law and the new bill, the relations between Ankara and Paris will smooth out. The EU circles also back the unlawfulness of the recent French draft bill vis-à-vis the Constitution as well as the fundamental rights. In a written statement published in recent weeks to protest the bill, the Member of the European Parliament British Andrew Duff said the bill is against freedoms and "Voltaire must be spinning in his grave". Thus, Brussels is concerned that the bill will pass into law. This will further obscure the already complicated accession negotiations between the EU and Turkey.

Towards the Socialists rule in France

On the other hand, the progress in Ankara's relations with Paris in the coming period, independent from the Armenian issue, will accelerate the EU process. Since the latest polls held in France give little hope for victory of Sarkozy, who continues to actively work to impede Turkey's EU accession process. With 34% support, the socialist candidate François Hollande is 10 points ahead of Sarkozy. Furthermore, the popularity of Hollande is progressively increasing. The election of Hollande means commencement of a new era in Turkey-France relations; because the Socialists want to clear off the blockage that Sarkozy imposed on five negotiations chapters -- if the Armenian issue does not poison relations with France or the EU process...

Duygu Leloglu
Brussels

News

Financial Union in the EU

Upon a decision taken at last month's EU Summit, 25 EU member states except the UK and the Czech Republic agreed to build a financial union to combat the economic crisis. The agreement lays down a series of provisions for fiscal consolidation in order prevent further Greek cases in the EU. According to this, the parties to the agreement, whose budget deficit exceeds 3% of the GDP, will bear automatic sanctions. In this case, those countries will have to pay 0.1 percent of their GDP to Brussels as a penalty. The opponents of the agreement argue that the same provisions are already covered by the EU's Maastricht criteria; however, have been violated several times by the member states, especially by Germany and France. In the meantime, concerns have aroused whether France, Denmark and Ireland will be able to fulfill its commitment. The Socialist candidate François Hollande, who has the biggest chance to win the upcoming Presidential elections, announced he would renegotiate the financial contract if he comes to power. In Ireland, people call the government to vote the new agreement in a referendum.

Turkey has the worst reputation in ECHR

In 2011, Turkey was first among countries being sentenced by the European Court of Human Right (ECHR)'s judgments. According to ECHR data, Turkey was convicted in 159 cases last year, of violating at least one article of the European Convention on Human Rights (ECHR). The significant amount of the cases which doom Turkey concerns the complaints with regard to the length of the trials, violation of the right for a fair trial, prohibition of ill-treatment, violation of the right for effective investigation and protection of property rights in Turkey. On the other hand, Russia holds the second rank with 121 cases and Ukraine holds the third with 105 cases. The Chair of ECHR, Nicolas Bratza, called the member states to respect ECHR reminding the increasing number of files pending before the Court.

Roj TV Broadcast is under investigation

Following a 6-year investigation held upon a complaint by Turkey, the Danish jurisdiction gave the verdict not to close down Roj TV, which is based in Denmark and known to be close to the terrorist group, PKK. On the other hand, the Court acknowledged that Roj TV broadcasts the propaganda of the PKK. However, it underlined the lack of its authority to close the television station. Upon the Court's decision, Danish Supreme Board of Radio and Television enacted a process to annul the broadcasting permit given to Roj TV. The Board will examine the television's broadcasts. During the press conference held after the Board's meeting, the Board Chair Christian Scherfig stated they decided to reinvestigate Roj TV. The Board will decide whether to cancel the channel's permission to broadcast after reviewing the programs' contents and editing decisions.

Turkey Rapporteur: Verdict in Hrant Dink murder case is disappointing

The European Parliament (EP) criticized the Turkish Court's decision taken last week with regard to the five-year investigation of Hrant Dink's murder. EP's Turkey Rapporteur Ria Oomen-Ruijten underlined her disappointment of the court's verdict and added; "The Hrant Dink case could have been an example of how properly functioning judicial institutions deal with disruptive forces in society. This verdict makes clear the need for further judicial reform in Turkey."

Disappointment at Cyprus Trilateral Summit

Expected results could not be retrieved from the two-day Greentree summit held between Turkish and Greek Cypriots under the mediation of the Secretary General of United Nations (UN), Ban Ki-Moon in the US. Following the talks focused on the issues of governance, property and citizenship, Ban Ki-Moon revealed that limited progress was achieved. The UN asked both parties to complete the exchange of data about property in the next two weeks. UN special envoy to Cyprus, Alexander Downer will prepare a report on the latest situation until the end of March. Dependent on the report's outcome, the UN will convene a multilateral international conference in late April or early May. Concerning the last meeting, Downer expressed his disappointment with the result but added he is still optimistic.

Kosovo condition for Serbia's Candidacy to the EU

The EU is waiting for progress on the 'Kosovo' issue from Serbia, whose EU candidate status was rejected on December 9, 2011. Following his meeting with German Foreign Minister Guido Westerwelle, Serbia's Foreign Minister Vuk Jeremic stressed he would increase diplomatic efforts for the acceptance of his country's candidacy status at the next meeting of EU leaders in February. Meanwhile, German Foreign Minister said Serbia has to show progress on Kosovo to win EU candidate status. Westerwelle noted that the conflict between Kosovo and Belgrade should turn into cooperation. The EU wants Belgrad to resume dialogue with Pristina and reach an agreement on a regional representation of Kosovo.

EU in trouble with Hungary

The EU is in trouble with Hungary. The EU's executive body, the European Commission decided to start a legal procedure against Hungary on the grounds that the newly adopted national laws infringe the EU acquis. The EU gave one month to Hungary's Prime Minister Viktor Orban to submit his views on the issues. Hungary's new legislation is criticized for jeopardizing the independence of the national Central Bank. The scope of the regulatory changes induces limiting the authority and independence of the Hungarian Central Bank, the national data protection authority as well as the judiciary. In the meantime, the Commission is also set to impose some penalties due to the country's budget deficit. Orban's party, Fidesz, has a two-thirds majority in the Parliament. The country became an EU member state in 2004.

Ambitious kick-off from EP's new President

As a result of the compromise agreed between the Christian Democrats and Socialists, two major political groups in the European Parliament, the President of the German Socialist Group Martin Schulz is elected as the new EP President. Schulz, who will hold the presidential seat for two and a half years, said he wanted to undertake more political mission than his predecessors. Schulz declared his target to make the Parliament more powerful vis-à-vis the EU Commission and the Council.

More compromise demanded from private banks for Greece

The EU's finance ministers expect more compromise from the private financial institutions in the Euro zone to overcome the debt crisis in Greece which is on the brink of bankruptcy. The restructuring plan of the Greece's debts involves a 50% cut in the country's bonds' value. The ministers argue that the interest rates issued by the lending banks are as high as Athens cannot afford. Greece needs to make a new deal with those financial institutions without any delay. Otherwise, the next tranche of the financial assistance cannot be released by the Euro zone and the IMF.

Proposal to reduce the risks of chemicals in water

The European Commission proposed to make amendments in the list of priority substances in the EU Directives on Water and Environmental Quality Standards in order to control the chemical substances posing a risk to the aquatic environments. According to the draft law, the Commission recommends adding 15 other chemicals to the priority substances list which already include 33. The new substances cover plant protection substances, the substances used in biocides, industrial chemicals, combustion by-products and pharmaceutical substances. 6 out of those 15 are suggested to be included under the priority hazardous substances which are subject to a progressive ban in 20 years in terms of discharges to surface waters.

GDO producing companies withdraw from European market

Companies producing Genetically Modified Organisms (GDOs) withdrew from the EU market due to the unpopularity of GDOs. The German BASF announced the company would suspend operations of its research branch and would carry the operations to the US. On the other hand, Monsanto declared the firm with lay aside its plans to market insect-resistant corns. The GDO products which are widely accepted in the US create distrust in Europe. Environmental and consumer organizations conduct campaigns to restrict the sale of products and seeds with GDO.

Fraudulent Use of Pesticides in the EU

Europol, the EU's security agency, stated that fraudulent pesticides, which make up one quarter of the stocks in some European countries, threaten farmers, land and production. Europol spokesman Soren Pedersen said the forgery networks work very professionally and wholesalers could not even aware of purchasing fraudulent product.

IMF seeking money for Euro

The International Money Fund (IMF) is seeking an extra 500 billion fund in order to aid the Euro crisis. Directors of IMF, with the demand of President Christine Lagarde, decided to seek additional funds to reduce the global effects of the EU crisis. However, the place of derivation of the fund is not clear yet. IMF already has 300 billion Euro usable funds however, since there is a possibility of bankruptcy in Italy and Spain, the possessed fund remains considerably low.

China not paying ETS tax applied to airlines in the EU

China, decided not to pay the carbon tax which adopted in the framework of Emission Trade System (ETS) in the EU on January 1. Concerning the tax, which is opposed by USA, Canada, and India, China argues that their yearly aviation costs will increase by 125 million dollar. Underlying the trivial extra costs, the EU expects a 4 to 24 Euro increase per passenger in prices. In the meantime, the EU continues to seek financial support from China to come out of the debt crisis.

Iran to stop oil exports

While the conflict between Iran and the USA and Europe has increased since Iran's nuclear program, Iran announced that it would stop oil exportation to some EU member states. Iran's Minister of Oil Rustem Kasimi pointed out that they would not surrender to American demands, and the EU should reconsider their decision on an oil embargo. Greece and Italy are expected to be affected by the decision the most. The IMF warned that the decision of Iran will reflect oil prices as 20-30% increase.

Agenda

7 February

-Political and Security Committee

8 February

-Coreper I
-Coreper II

9 February

-Coreper I
-Coreper II

10 February

-Political and Security Committee

13 February

-The European Parliament Plenary Session, Strasbourg (13-16 February)
-Transport, Telecommunications and Energy Council
-Political and Security Committee

15 February

-Coreper I
-Coreper II

16 February

-Coreper I
-Coreper II
-E-Justice Seminar, Copenhagen, Danish Justice Ministry

17 February

-Political and Security Committee
-Meeting of Employment and Social Policies Ministers

20 February

-Competitiveness Council
-Meeting of Euro Group Ministers

21 February

-Meeting of Finance and Economy Ministers
-Meeting of Competitiveness Ministers
-Political and Security Committee

22 February

-Coreper I
-Coreper II
-Political and Security Committee

23 February

-Coreper II

27 February

-General Affairs Council

28 February

-General Affairs Council

-Political and Security Committee

29 February

-Coreper I

1 March

-Summit of EU Government and State Heads

2 March

-Summit of EU Government and State Heads

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The information in this document was compiled from various EU information sources.