

ENC ANALYSIS

Keep your friends close and Turkey closer: EU-Turkey relations in the midst of global and regional crisis

September 2020

Author: Samuel Doveri Vesterbye, Managing Director of the European Neighbourhood Council

ABOUT THE AUTHOR



Samuel Doveri Vesterbye is the Managing Director at the European Neighbourhood Council and specialises in Turkey and the Middle East. He oversees ENC research projects across the neighbourhood and Central Asia, including Academic Council Members and regional strategy. His research is focused on EU-MENA and EU-Turkey relations in trade, accession, energy, migration, and regional neighbourhood policy. He has worked with EU projects related to foreign affairs, strategic communication and research on Turkey since 2012 through partnerships and cooperation with think-tanks, the European External Action

Service, business associations, European Ministries of Foreign Affairs, production companies and international universities. Prior to that he was a journalist in Turkey and Belgium covering foreign affairs, energy and the Middle East. He graduated in Middle Eastern and Central Asian Security Studies with a focus on inter-regional trade and security from the University of St Andrews.

This article is the extended version of the author's Commentary which was first published by the *Royal United Services Institute (RUSI)* and is available in the following link:

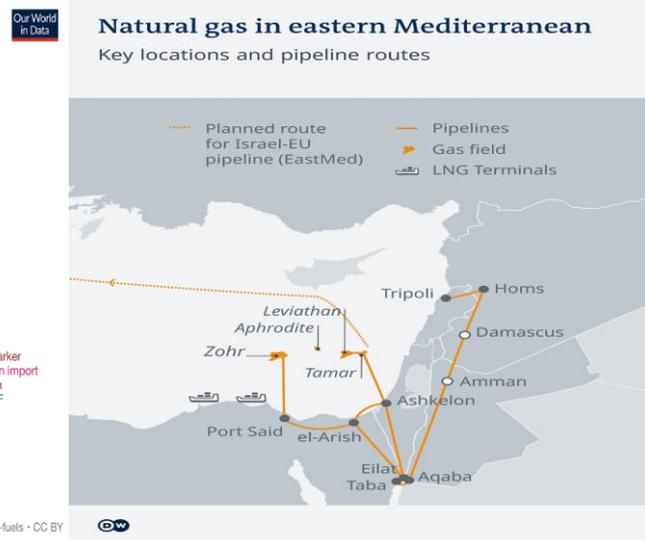
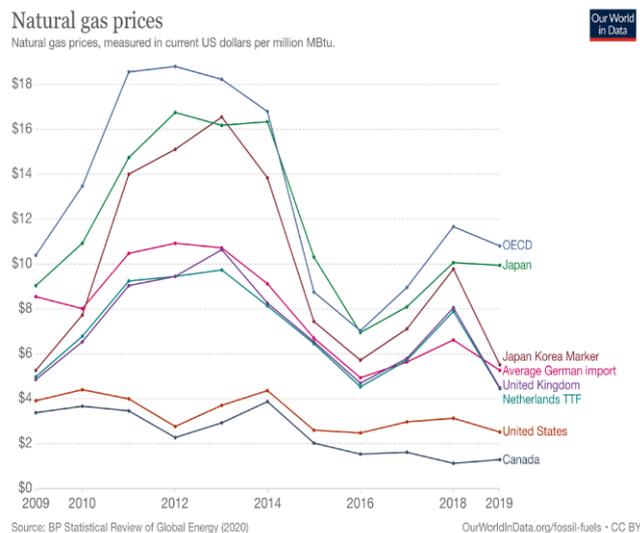
<https://rusi.org/commentary/keep-your-friends-close-and-turkey-closer-eu-turkey-relations>

Keep your friends close and Turkey closer: EU-Turkey relations in the midst of global and regional crisis

As European countries gear up for the [Special European Council on the 24th and 25th of September](#), relations between the European Union (EU) and Turkey have hit rock bottom. Ankara's decision to pull back the Oruç Reis for "maintenance" is positive, but the [risk of further punitive measures against Turkey](#) now depends on [internal EU negotiations](#).

While 2020 became the year of quasi-confrontation in the Eastern Mediterranean, 2019 could be remembered as the year of silent preparations. After signing commercial exploration and production contracts with Total, ENI and Novatek in 2018, [seven energy ministers from Cyprus, Egypt, Greece, Israel, Italy, Jordan and the Occupied Palestinian Territories signed the East Mediterranean \(Eastmed\) Gas Forum in 2019](#). Five gas fields in a radius of 150 km today contain around [90 trillion cubic feet](#) (tcf) of natural gas reserves, the equivalent of six times the annual consumption of the United States (US). The reserves are located in Cypriot, Egyptian and Israeli maritime exclusive economic zones (EEZ) with the Israeli and Egyptian discoveries already in production. This year, ExxonMobil, Total and ENI are conducting further exploration missions to find more gas in order to diminish high investment costs linked to drilling, processing, as well as export infrastructure and transportation. The expensive endeavours are needed to either pipeline gas to Europe or transport it to existing processing and liquidation plants in Egypt and Israel. This year, Cyprus joined the game of potential exporters when [signing a deal to build a Liquefied Natural Gas \(LNG\)-import terminal by 2022](#).

A [degree of uncertainty](#) remains about regional gas discoveries and their financial feasibility. This is fuelled by [ambiguity concerning international prices](#) (e.g. fluctuations and decline) and the viability of exportation to new markets.



Left image: Graph by Our World in Data based on natural gas price data from BP Statistical Review of Global Energy (2019).
 Right image: Map by Deutsche Welle covering Eastern Mediterranean existing and proposed pipelines and reserves (2020).

An emblematic example of uncertainty is seen in discussions about how to transport existing and new discoveries to consumers. On one side, [a proposed underwater Eastmed Pipeline](#) (e.g. From Cyprus through Crete to Italy) could transport future gas discoveries to Europe. On the other hand, an alternative option is to expand existing (or build new) regasification plants along littoral state(s) in the region. Both have their problems; the latter being very expensive, the former politically toxic. Aside from certain price advantages associated with the building of the Eastmed Pipeline, the project faces [ecological concerns](#), regularly expressed by domestic groups in Greece and Italy (e.g. civil society and political parties). It will also have to pass through non-delineated waters, which are disputed by Turkey. According to Article 87 of the United Nations Convention for the Law of the Sea (UNCLOS), the building of underwater pipelines in other counties EEZ is fundamentally acceptable. The article reads: “. . . in high seas, all states, coastal and land-locked, have freedom of navigation, overflight, lay sub cables . . .”. But despite this clear legal framework and several [neutral suggestions for better maritime delineation](#), the reality remains that Turkey isn't a signatory to UNCLOS and rejects international arbitration. In addition, Ankara continues to engage in seismic and drilling activities off the coast of Cyprus and Greek islands, which has convinced littoral states that Turkey won't accept international law if a pipeline were to be built. Turkey has responded to recent criticism by referring to the fact that Cypriot territorial waters belong to both sides of the divided Island (Greek and Turkish Cypriots). Ankara's argument is that the island's maritime borders and EEZ should be considered 'shared property' of both sides of the island until reunification is negotiated. It should therefore not be explored independently by Nicosia alone, the argument goes. On the other

hand, it's difficult to overlook the fact that Turkey illegally invaded and occupied Cyprus in 1974 and remains the only country in the world to recognise the northern part.

Question 1: Does this make the Turkish position entirely incompatible from a regional perspective?

The short answer is that; indeed, Turkey is acting aggressively and unilaterally. The long answer should take into account the past two decades of history, namely the failed 2004 Annan Plan, where Greek Cypriots voted against arguably the best shot at peace and Cypriot reunification (Turkish Cypriots voted in favour). When taking the historical perspective, it's also important to contextualise the Eastern Mediterranean with regards to Europe's energy plans in the late-2000s. The EU's flagship energy diversification project, known as [Southern Gas Corridor](#), was meant to increase the volume of natural gas from Azerbaijan, while adding extensions from [Iraq \(125,5 tcf reserves\)](#) and [Iran \(1127,7 tcf reserves\)](#). Later this policy became indirectly complementary with the Joint Comprehensive Plan of Action (JCPOA, 'Iran Deal') while improving Greek-Turkish-Italian relations, as all three would become major transit countries.



Map by BP showing Southern Gas Corridor, including TAP, TANAP and SCPX (2018).

Multiple factors derailed this 'grand-bargain' engineered in part by the Democratic Party under the Obama administration: **i)** the election of Republican President Donald Trump ([complications and uncertainty tied to the 2018 withdrawal from JCPOA](#)), **ii)** the sharp

decline in gas demand and prices (LNG switch since 2013) and **iii) [Turkey's increasingly revisionist policies](#)** with regards to its neighbours and a **[controversial policy of "Islamist support" to non-state actors \(e.g. Muslim Brotherhood and Hamas\)](#)**. This has been further aggravated by conflictual and aggressive sponsoring of diverging radical groups in Libya, Syria and Iraq by various Gulf countries, Iran and Turkey. The latter should also be seen within the important context of Israel, Egypt and other key Arab countries in the Gulf, all of whom see Ankara's new policy as being in direct contradiction with their regional interests. This led most of them to counter-balance Turkey, epitomised by the signing of the Eastmed Gas Forum last year, in addition to US-brokered peace agreements between Israel and various Gulf States. Turkey is likely to attempt regional re-balancing by reaching out to Israel and Egypt. Such choices are further conditioned by its rapidly changing and complex relations with Russia (e.g. Syria, Kurds, defence), China (e.g. BRI, investments), Qatar (e.g. military cooperation/base building, investments, credit swaps) and the US (e.g. Syria, Kurds, defence, Halkbank, Fethullah Gülen, tariffs, sanctions). In turn, each of these countries' policies will face further changes due to a web of intricate meetings and negotiations with and among other regional players, including Italy, Libya, France, Egypt, Greece, and the United Kingdom.

Question 2: And what does this mean for EU-Turkey relations?

It's a paradox, but the optimal escape route from this complex crisis necessitates 'tough love' in the form of Franco-German [deterrence](#) and deep re-engagement with Turkey. This careful balancing act shouldn't only present Turkey with criticism, deterrence and rejection. It should also offer equitable, institutionalised and innovative engagement options (beyond "EU limits") potentially replacing the outdated Turkish accession process. I outline the premise for such institutionalised re-engagement, based on four logical and non-partisan points:

- 'Geography and trade' are king. The EU (and especially Greece) are neighbours of Turkey. [Over 50% of Turkey's Foreign Direct Investment come from the EU and both remain deeply intertwined economically](#). Whatever happens in Europe's neighbourhood is bound to affect bordering EU countries (e.g. Greece) and Turkey alike. Turkey is part of European supply chains and is [cemented to the EU Customs Union](#), as one of the few non-EU countries in the world. [Trade volumes](#) and [intertwined banking systems](#) remain high, despite recent [restrictions on arms exports](#).

Geographically induced examples of shared issues which are practically unsolvable without EU-Turkey cooperation include illegal migration flows, regional conflicts (e.g. Iraq and Syria), security concerns linked to radicalisation and trade disputes. Both sides rely on one another for tourism and countries like the [Netherlands and Germany are home to millions of citizens with Turkish backgrounds](#).

- If the EU wants to provide a balancing role between Washington and Beijing to reduce tensions and [benefit from Asian trade](#) during the upcoming decades of multi-polarity, then serious policy cooperation with Turkey must be considered inevitable. Regional peace and stability will depend on the interconnection of trade, supply routes and energy. Turkey is among the only two countries connecting Western Europe and Asia via land, the other being Russia. This geographical reality implies that the EU needs to build relations with both countries. From a classical International Relations perspective, anything short of this reasoning would work against the EU and its Member States' interests.
- The Turkish accession policy is dysfunctional, unrealistic and breeds distrust on both sides. Publically few admit it, yet privately everyone talks about it. Beyond its inexistent pace (and negative precedent for the Balkans), the policy of Turkish accession is dysfunctional because the [European electorate has moved to the right politically](#), while [Turkey has turned more authoritarian](#), which is fundamentally incompatible with the Copenhagen criteria. Simultaneously, the EU's driving motor is composed of France and Germany, the former not wanting to enhance accession policies of the EU. This is abundantly clear from the [proposed EU Budget allocations for 2021-2027 on Pre-Accession Assistance](#) and numerous statements by French officials, as Paris prioritises 'deeper EU integration' over enlargement.
- Various EU members continue to support democratically elected moderate-Islamist parties and movements (Tunisia, Egypt etc.) across the Middle East and North Africa. Engaging with Turkey to moderate such movements should be a priority for the EU within the context of preventing radicalisation at home, while allowing space for post-Arab spring democratic governance. Major cities like Brussels, Paris and The Hague are home to large and growing Muslim populations, [representing between 10% and 20% of their populations](#). The rising importance of identity and moderate Islam for large portions of European Muslims remains an un-tackled (and understudied) policy question for Belgium, France, Germany and other European countries. A 'European Islam' will necessitate more Islamic scholars and Imams educated in Europe. The

need for a Muslim majority country with considerably international weight to support this process is needed to guarantee legitimacy among Muslim communities. The *realistic* contenders for such a position are limited to Saudi Arabia, a currently inexistent Egyptian opposition and Turkey.



Picture by AP at Turkish Ministry of Foreign Affairs with EU High Representative Josep Borrell Fontelles and Turkish Foreign Minister Mehmet Cavusoglu (2020).

Taking into account the above points, an improvement in EU-Turkey relations will necessitate concessions on both sides. Brussels and Ankara should aim to negotiate and institutionalise a long-term partnership, while adhering to strict checks and co-conditions along the way. The current German Presidency of the EU provides a correct starting point for such efforts, since Berlin has shown to be a trusted partner in negotiations with Ankara. The upcoming five presidencies of the EU (with the exception of France) are also likely to support Turkish reengagement along those same lines. France ([which holds the Presidency in 2022](#)) could support re-engagement, provided that the Accession Process is replaced with a new and institutionalised framework of equal and special Partnership, which [takes into account a broader security perspective](#).

The following points merit further investigation to support this Partnership:

- The EU and Turkey should open negotiations to fully liberalise the Customs Union, which must include services and agricultural goods. The conditions of such an economic reform process must include judicial independence, media freedom and the reinstatement of parliamentary immunities, including the release of notable political opposition figures. The question of visa liberalisation and transport policy should also be included;
- Key EU Member States and Turkey should set up working groups to discuss policy and co-dialogue with moderate elements of Islamic groups including the Muslim Brotherhood. Discussions regarding the removal of Hamas from the EU Terror List should be considered (European Court of Justice 2014 and 2017), if evidence-based improvements occur and transparency of funding and de-militarisation is demonstrated.
- The EU - through the External Action Service and DG for International Cooperation and Development - should allocate funding towards governmental cooperation and civil society and/or business projects tied to improving Turkic relations (e.g. Turkish Council) within the context of the EU's Connectivity and Central Asia Strategies (e.g. business, security, exchange). Coordination and support from the European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD) should also be considered complementary for infrastructure and transportation projects;
- The EU and Turkey should start preparing for the eventual replacement of the Accession Process. A new framework should start with Customs Union reform, drawing lessons from existing [studies](#), [exchanges](#) and [interviews](#) conducted by international institutions, think tanks and trade associations. Further research involving both EU and Turkish research groups and business associations will prove important to identify problems on each side. Cooperation on Customs Union reform could unleash momentum by increasing economic benefits (e.g. incentives for business to engage), technical coordination (institutionalisation of relations and dialogue) and political trust (among politicians and their electorates). A flexible framework based on Customs Union reform could allow for new thematic policies to be included (e.g. migration, conflict resolution, security and other priorities).

- EU Member States with serious willingness to engage with Turkey and de-escalate the current Eastmed crisis should allocate funds towards research and dialogue projects with universities, think tanks and energy companies in order to better analyse and understand the feasibility levels associated with the Eastmed Pipeline and LNG investments across the region as of 2020. New working groups could include think tanks and researchers to discuss possibly implications for Southern Gas Corridor in the eventual outcome of Democratic Party candidate Joe Biden winning the November elections in the US. This is vital since the [Democratic National Convention released its Party Platform](#) in 2020, which confirms the willingness of a Democratic President to return to the JCPOA. That could greatly increase the chances of Iranian economic and energy engagement with the EU and its private sector.
- The EU should increase funds for Turkish civil society and student exchange programs, as a new study by the European Neighbourhood Council (ENC) and the Centre for Public Policy and Democracy Studies (PODEM) recommends. This is based on interviews, in which Turkish students showcase high levels of appreciation for European democracy, mobility and prosperity. Diminishing cultural or educational ties between the EU and Turkey would be a loss of decades of youth investments, which are now showing positive results among new and urban generations.

As a closing point; I kindly ask readers to imagine how Greek borders, economic interests and national security *would* look like, if Turkey were to cement its revisionist policies and leave NATO? I'm doubtful that France nor Germany would carry the same burden as required of Ankara and Athens. For those that consider Turkey a partner, the message should be clear: engage, deter and always dialogue. For those who consider it an enemy; keep your friends close and Turkey closer.