



European Union Enlargement: A Status Report on Turkey's Accession Negotiations

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Summary

October 2010 marked the fifth anniversary of the European Union's decision to proceed with formal negotiations with Turkey toward full membership in the Union. It also marked the beginning of the annual period when all three European Union institutions, the Council, Commission, and Parliament provide their assessment of the progress Turkey had made or failed to accomplish in the accession process over the previous year and to issue recommendations on whether and how Turkey's accession process should proceed. The EU Commission released its assessment report on November 9, 2010.

Many "Turkey-skeptics" in Europe saw the end of 2009 as a deadline for significant Turkish action that would have marked a critical juncture for the future of Europe's relationship with Turkey. At issue was not only the domestic reforms many felt Turkey needed to achieve to meet the requirements of the EU's *acquis communautaire* but whether the lack of progress by Turkey with respect to its relations with Cyprus would force EU member states into a difficult debate pitting loyalty to one of its own member states, being shunned by the candidate for Union membership, versus Europe's long-term strategic interests in Turkey. In the end, however, no significant changes in the EU's approach toward Turkey materialized.

Throughout 2010 Turkey was the topic of a great deal of attention. Significant political and economic developments took place in Turkey, including the passage of the September 12 referendum to amend the Turkish constitution that many argued would strengthen Turkey as a more liberal and democratic country. In addition, an emerging activism in Turkey's foreign policy, driven by its Foreign Minister Ahmet Davutoglu, to establish Turkey as a more independent regional influence has raised questions in Europe and the United States about changes in Turkey's global orientation.

Despite changes taking place in Turkey, its EU accession process continued at a relatively slow pace. Only one additional chapter of the *acquis* was opened in 2010. The principal issues regarding Turkey's accession continue to be what the EU believes has been too slow of a pace for implementing critical reforms within Turkey; Turkey's failure to live up to its agreement to extend the benefits of its customs union with the EU to Cyprus, including the continued reluctance by Turkey to open its sea and air ports to Cypriot shipping and commerce until a political settlement has been achieved on Cyprus; a growing skepticism on the part of many Europeans whether Turkey should be embraced as a member of the European family fueled, in part, by the ongoing debate within parts of Europe over the implications of the growing Muslim population in Europe and the impact Turkey's admission into the Union would have on Europe's future, and a perceived ambivalence toward the EU by some in the current Turkish leadership and a large segment of its population. In fact, for the first time comments among Turks questioning Turkey's need to join the EU have begun to be heard on a more public and regular basis.

This report provides a brief overview of the EU's accession process; Turkey's path to EU membership; the impact of the Cyprus problem; and a review of United States' interest in Turkey's future in the European Union. The U.S. Congress has had a long-standing interest in Turkey and the impact of its EU accession process on political and economic reforms and Turkey's role as a regional influence and foreign policy partner of the West.

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The EU Accession Process¹

The European Union (EU) views enlargement as an historic opportunity to promote stability and prosperity throughout Europe. The criteria for EU membership require candidates to achieve “stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities; a functioning market economy, as well as the capacity to cope with competitive pressure and market forces within the Union.”²

Under Article 49 of the Treaty on the European Union, any European country may apply for membership if it meets a set of criteria established by the Treaty. In addition, the EU must be able to absorb new members, so the EU can decide when it is ready to accept a new member.

Applying for EU membership is the start of a long and rigorous process. The EU operates comprehensive approval procedures that ensure new members are admitted only when they have met all requirements, and only with the active consent of the EU institutions and the governments of the EU member states and of the applicant country. Basically, a country that wishes to join the EU submits an application for membership to the European Council, which then asks the EU Commission to assess the applicant's ability to meet the conditions of membership.

Accession talks begin with a screening process to determine to what extent an applicant meets the EU's approximately 80,000 pages of rules and regulations known as the *acquis communautaire*. The *acquis* is divided into 35 chapters that range from free movement of goods to agriculture to competition. Detailed negotiations at the ministerial level take place to establish the terms under which applicants will meet and implement the rules in each chapter. The European Commission proposes common negotiating positions for the EU on each chapter, which must be approved unanimously by the Council of Ministers. In all areas of the *acquis*, the candidate country must bring its institutions, management capacity, and administrative and judicial systems up to EU standards, both at national and regional levels. During negotiations, applicants may request transition periods for complying with certain EU rules. All candidates receive financial assistance from the EU, mainly to aid in the accession process. Chapters of the *acquis* can only be opened and closed with the approval of all member states, and chapters provisionally closed may be reopened. Periodically, the Commission issues “progress” reports to the Council (usually in October or November of each year) as well as to the European Parliament assessing the progress achieved by a candidate country. Once the Commission concludes negotiations on all 35 chapters with an applicant, a procedure that can take years, the agreements reached are incorporated into a draft accession treaty, which is submitted to the Council for approval and to the European Parliament for assent. After approval by the Council and Parliament, the accession treaty must be ratified by each EU member state and the candidate country. This process of ratification of the final accession treaty can take up to two years or longer.³

The largest expansion of the EU was accomplished in 2004 when the EU accepted 10 new member states. In January 2007, Romania and Bulgaria joined, bringing the Union to its current 27 member states. Since then, the EU has continued supporting the enlargement process.

¹ For more detailed information on EU accession see, “The Process of Joining the EU” on the European Commission's website at <http://ec.europa.eu/enlargement>.

² Conclusions of the European Council, Copenhagen, Denmark, June 1993.

³ CRS Report RS21344, *European Union Enlargement*, by Kristin Archick.

Currently, there are three candidate countries—Croatia (which has closed 33 chapters of the *aquis*), Iceland (which began the accession process in July 2010), and Turkey. The EU Commission recommended in 2009 to open accession negotiations with Macedonia but the EU Council has not yet taken a decision on this recommendation.

Prior to October 2009, in order for enlargement to continue, two barriers that existed had to be overcome. First, and although not explicitly stated, certain conditions established by the 2000 Treaty of Nice seemed to limit the EU to 27 members. In order for any other new country to be admitted to the Union, the Nice Treaty had to be amended or a new treaty ratified to allow further expansion of the Union. The Lisbon Treaty,⁴ was agreed to in 2007 by the EU leadership and placed on a ratification schedule in all 27 member states. The Treaty took effect on December 1, 2009 allowing, among other things, future enlargement of the Union to take place. A second barrier to the current accession structure involves any candidate country whose accession could have substantial financial consequences on the Union as a whole. Under this provision, admission of such a candidate can only be concluded after 2014, the scheduled date for the beginning of the EU's next budget framework.⁵ Currently, only Turkey's candidacy would fall under this restriction.

Turkey's Initial Path to European Union Accession

Turkey and the European Commission first concluded an Association Agreement (Ankara Agreement) aimed at developing closer economic ties in 1963. A key provision of that agreement was the commitment by Turkey to establish a customs union that would be applied to each EU member state. In 1987, Turkey's first application for full EU membership was deferred until 1993 on the grounds that the European Commission was not considering new members at the time. Although not technically a rejection of Turkey, the decision did add Turkey to a list, along with the United Kingdom, of nations to have been initially turned down for membership in the Union. In 1995, a Customs Union agreement between the EU and Turkey entered into force, setting a path for deeper integration of Turkey's economy with that of Europe's. In 1997, the Luxembourg EU summit confirmed Turkey's eligibility for accession to the EU but failed to put Turkey on a clear track to membership. The EU recognized Turkey formally as a candidate at the 1999 Helsinki Council summit but asserted that Turkey still needed to comply sufficiently with the EU's political and economic criteria before accession talks could begin.⁶

In February 2001, the EU formally adopted an "Accession Partnership" with Turkey, which set out the priorities Turkey needed to address in order to adopt and implement EU standards and legislation. Although Ankara had hoped the EU would set a firm date for initiating negotiations at the December 2002 EU Copenhagen Summit, no agreement was reached. Two years later, 10 new member states, including a divided Cyprus, were admitted into the Union. In December 2004, and despite the fact that Turkey had still not met its obligations regarding its customs union, the European Council stated unanimously that Turkey had made enough progress in legislative process, economic stability, and judicial reform to proceed with accession talks within a year. In

⁴ For additional information on the Lisbon Treaty and EU reform see, CRS Report RS21618, *The European Union's Reform Process: The Lisbon Treaty*, by Kristin Archick and Derek E. Mix.

⁵ "The Process of Joining the EU," *Op. cit.*

⁶ CRS Report RS21344, *European Union Enlargement*, *Op. cit.*

the aftermath of the Council's decision, the European Parliament voted overwhelmingly to support the Council's decision to move forward with Turkey.

Under a compromise formula agreed to by the Council, Turkey, before October 2005, would have to sign a protocol that would adapt the 1963 Ankara Agreement, including the customs union, to the 10 new member states of the Union, including the Republic of Cyprus. Turkey signed the Protocol in July 2005 but made the point that, by signing the Protocol, it was not granting diplomatic recognition to the Republic of Cyprus. Turkey insisted that recognition would only come when both the Greek and Turkish Cypriot communities on the island were reunited. The decision by Turkey to make such a declaration regarding Cyprus immediately served to sour attitudes of many within the EU. In September 2005, the EU Council issued a rebuttal to Turkey. In that declaration, the EU reminded Turkey that Cyprus was a full member of the EU, that recognition of all member states was a necessary component of the accession process, and that the EU and its member states "expect full, non-discriminatory implementation of the Additional Protocol to all EU member states ... and that failure to implement its obligations in full will affect the overall progress in the negotiations."⁷

On October 3, 2005, after a prolonged debate over the status of Cyprus and expressions of concern by some European member states over admitting Turkey at all, the EU Council agreed to a "Negotiating Framework," and opened formal accession talks with Turkey. However, the language of the Framework included an understanding that the negotiations would be open-ended, meaning an outcome (eventual full membership) could not be guaranteed. This language was to become a significant rallying point for some European governments which support a closer relationship with Turkey but one which falls short of full membership in the Union.

Current Status of Turkey's Accession

The relationship between Turkey and the European Union has vacillated between support for and doubt over future membership. In general, concerns regarding immigration, jobs, and uncertainties over its Muslim population have continued to cloud European attitudes about Turkey. Although projected by many to require 10 or more years to accomplish, the question of Turkey's membership in the Union became a debating point during consideration of the Treaty for a European Constitution in the spring of 2005. Many observers suggested that one of the factors contributing to the defeat of the Treaty in France and the Netherlands was voter concern over continued EU enlargement and specifically over the potential admission of Turkey, which was considered by many as too large and too culturally different to be admitted into the Union.

The controversy over Turkey's accession continued until the decision in October 2005 to begin accession negotiations. Expressions of concern by Germany, France, and Austria, which proposed that Turkey be given a "privileged partnership" instead of full membership, forced the Council to go to the 11th hour before agreeing to open accession talks.

For Turkey, 2006 became a more difficult year in its relations with the EU even as formal negotiations between Brussels and Ankara began. The membership of Cyprus in the Union, despite the Greek Cypriot rejection of a U.N.-sponsored unification plan, and Turkey's public

⁷ Enlargement: Turkey, Declaration by the European Community and Its Member States, Council of the European Union, September 21, 2005.

stance not to deal with the Greek Cypriot government, served to aggravate relations further and, in the opinion of some observers, may have contributed to changing attitudes within Turkey and the EU toward each other. At the outset, Cyprus expressed its opposition to formally opening and closing the first of 35 negotiation chapters unless Ankara met its obligations to recognize all 10 new EU member states, including Cyprus. On June 16, 2006, the EU Presidency issued a statement that referred implicitly to Turkey's continued refusal to open its ports to Greek Cyprus as required by Turkey's customs union with the EU. The EU again asserted that Turkey's failure to "implement its obligations fully will have an impact on the negotiating process."⁸

Ankara responded that Turkey would not open its seaports or airspace to Greek Cypriot vessels until the EU ended the "isolation" of the Turkish Cypriots by providing promised financial aid that at the time was being blocked by Cyprus and direct trade between the EU and the north. Then-EU Enlargement Commissioner Olli Rehn warned Ankara that the resolution of the Cyprus issue was a central stumbling block in the accession talks and that a "train crash" was coming later in the year if Turkey did not resume implementing reforms and honoring its commitments in the Accession Agreement and the additional Protocol.⁹

In Ankara, advocates for closer relations with the EU began to believe that European interest in Turkey was changing and that what should have been EU incentives to promote and encourage necessary reforms in Turkey had become conditions that many Turks felt were designed to discourage Turkey. As a consequence, many observers believe that the reform process in Turkey began to slow as a reassessment of the relationship began to take hold.¹⁰

In September 2006, the European Parliament joined in the criticism of Turkey when the Committee on Foreign Affairs issued a progress report on Turkey's accession. The Parliament's findings suggested that reforms in Turkey had slowed, especially in the implementation of freedom of expression, protection of religious and minority rights, reform in law enforcement, and support for the independence of the judiciary, and urged Turkey to move forward. The Parliament also stated that "recognition of all member states, including Cyprus, is a necessary component of the accession process and urged Turkey to fulfill the provisions of the Association Agreement and Additional Protocol."¹¹ On September 14, 2006, then-Cyprus Foreign Minister George Lillikas suggested that without Turkey's compliance with its obligations, Cyprus would likely object to opening any further chapters of the *acquis*.¹²

On November 29, 2006, the EU Commission issued its assessment of Turkey's accession negotiations. Although acknowledging that negotiations should move forward, the Commission noted that Turkey had not met its obligations toward Cyprus and recommended that the Council not take actions regarding the opening of any new chapters in the *acquis*. At the EU Summit in December 2006, a compromise was reached that averted the worst possible outcome but clearly enunciated a strong opinion against Turkey. Based on the recommendations of the EU

⁸ See Council of the European Union - 15/16 June (2006), Presidency Conclusions, at <http://www.consilium.europa.eu>.

⁹ Interview with Olli Rehn on EU Enlargement, *Reuters*, March 28, 2006.

¹⁰ A public opinion poll conducted by the German Marshall Fund in 2004 indicated that 75% of those Turks interviewed responded that being in the EU would be a good thing for Turkey. A similar poll in 2006 indicated that that number had declined to 54%. See *Transatlantic Trends*, German Marshall Fund, 2006.

¹¹ See "Turkey's Progress Towards Accession," Committee on Foreign Affairs, European Parliament, September 2006 at <http://www.europarl.europa.eu>.

¹² See "Cyprus FM: No More EU Chapters for Turkey Before Progress Report," Cyprus Embassy, September 2006.

Commission,¹³ the Council noted that Turkey had not fully implemented the additional Protocol to the Ankara Agreement and, more importantly, decided not to open negotiations on eight chapters of the *acquis*, or to provisionally close any chapters until the Commission had confirmed that Turkey had fully implemented its commitments under the Additional Protocol.¹⁴ The Council further required the Commission to report on Turkey's progress "in its forthcoming annual reports, in particular 2007, 2008, and 2009."¹⁵ While the compromise decision prevented any dramatic action against Turkey, it did portend a slowing of the accession negotiations and, in the eyes of some Turkey skeptics, presented a deadline of sorts for Turkey to implement the Additional Protocol by December 2009, the final year of the Barosso Commission's term.

The accession process entered 2007 with a mixed sense of direction. Turkey apparently felt its EU aspirations had been dealt a serious blow with the EU decision to condition negotiations on certain key chapters until the Cyprus issue was resolved. Matters were further complicated within Turkey as the ruling Justice and Development Party (AKP) came under fire from a determined opposition. The biggest issue involved Turkey's 2007 presidential election which became mired in controversy. Because AKP has Islamist roots, the prospect of its controlling the presidency as well as the parliament was seen as a threat to the military and secularists in the political opposition. The main opposition party, the Republican People's Party (CHP), boycotted the first round of the voting in the Parliament, in which Foreign Minister Abdullah Gul, stood as AKP's candidate for president. The boycott initially succeeded as the Constitutional Court nullified the first round of the election, which Gul won, on the grounds that a quorum had not been present. Prime Minister Erdogan then called early national elections for July 22. AKP won with almost 47% of the vote and 341 seats in the 550-seat parliament. With its parliamentary majority secure, AKP was able to elect Gul president in August in a first round of voting.

The EU was not an issue in the campaign but the drawn out process necessarily complicated the timing of the accession negotiations and slowed the reform process further. Nevertheless, the EU agreed to open three additional chapters of the *acquis* and identify the benchmarks necessary to open 14 additional chapters should Turkey meet the requirements for doing so. By the end of the year, the EU Commission, in its annual recommendations to the Council, noted some progress in the political reform process but also pointed out areas where additional progress was needed. These areas included freedom of expression, the fight against corruption, cultural rights, and civilian oversight of the security forces. In its December 2007 conclusions, the EU Council praised Turkey for the resolution of its political and constitutional crisis and the conduct of the presidential and parliamentary elections as signs that democratic standards and rule of law were sufficiently implemented and supported in Turkey. However, the Council also expressed regret that overall political reform had achieved limited progress and once again warned Turkey that it had not made any acceptable progress in establishing relations with Cyprus.¹⁶

¹³ See "Commission presents its recommendations on the continuation of Turkey's accession negotiations," European Commission, November 29, 2006.

¹⁴ This freeze on negotiations included chapters on the free movement of goods, right of establishment and freedom to provide services, financial services, agriculture and rural development, transport policy, and external relations, among others.

¹⁵ Conclusions of the European Council, December 11, 2006.

¹⁶ Conclusions of the European Council, December 11, 2007.

Finally, the issue of Turkey's membership entered France's 2007 presidential election campaign, during which conservative candidate and then-Interior Minister Nicholas Sarkozy, in a campaign speech, stated that he felt Turkey should never become a member of the Union.¹⁷

Throughout 2008, the Turkish government continued to deal with multiple political challenges, including the call for the dissolution of the AKP and for the banning of several prominent AKP politicians, and an investigation into an alleged conspiracy involving several retired military officers and others, to create chaos throughout Turkey in order to provoke the military to overthrow the government. In July 2008, the Constitutional Court found that the AKP was indeed a focus of "anti-secularist activity," but the vote fell one short of the 7 out of 11 justices required to dissolve the party. Despite ongoing internal political issues which polarized the political atmosphere in Turkey and the global economic crisis which began to consume the government's attention, six additional chapters of the *acquis* were formally opened by the EU. However, key chapters relating to energy, external relations, and security and defense matters had been held up by several EU member states, including France, although in the case of energy, France did propose to open this chapter during its 2008 Presidency of the Council.

Averting additional constitutional and political crisis was seen by the EU as a sign that democracy in Turkey was strong. Nevertheless, Turkey again became the target of the EU Council criticism when it reviewed the Commission's 2008 annual progress report. Although upbeat about the internal political situation in Turkey, the Council again stated that "Turkey has not yet fulfilled its obligations of full non-discriminatory implementation of the Additional Protocol to the Association Agreement and has not made progress towards normalization of its relations with the Republic of Cyprus"¹⁸ and stated that "progress is now urgently awaited."

In early 2009, Turkey in a sign of a renewed commitment to the accession process, announced the appointment of its first full-time EU accession negotiator, State Minister Egemen Bagis, a decision noted as a positive step by the EU Council. However, in March 2009 Turkey's accession process hit a political bump in the European Parliament which adopted three resolutions based on enlargement reports issued by special rapporteurs. In the resolution on Turkey, the Members of Parliament noted with concern the "continuous slowdown of the reform process" and called on Turkey "to prove its political will to continue the reform process." The resolution also stressed the need to reach a solution to the Cyprus question and called for Turkey to remove its military forces from the island. Finally, the Parliament noted that the customs union agreement, specifically with Cyprus, had not been fully implemented, and pointed out that "the non-fulfillment of Turkey's commitments by December 2009 will further seriously affect the process of negotiations."¹⁹

Despite the concerns expressed by the Parliament, in June the eleventh chapter of the *acquis* was opened suggesting that Turkey was making some progress meeting the reform criteria.

On October 15, 2009, the European Commission issued its annual "Progress Report on Turkey" along with its report on "Enlargement Strategy and Main Challenges 2009-2010." As expected, the Report on Turkey did not include anything new or dramatic and did not refer to any deadline for Turkey's accession process. The report did note progress Turkey had made in judicial reform,

¹⁷ "News Analysis: Sarkozy May Cause Global Ripple," *International Herald Tribune*, September 11, 2006.

¹⁸ Conclusions of the European Council, December 2008.

¹⁹ 2008 progress reports on Croatia, Turkey, and FYROM: EP sets out its views on enlargement. European Parliament Press Release, March 12, 2009.

relations with both the Kurds and Armenia, and its positive role in the Nabucco pipeline issue that will serve to provide an alternative source for natural gas for Europe. However, the report was also littered with phrases ranging from “some progress” to “little progress” to “no progress” and stated that significant efforts were still needed in areas such as freedom of expression and freedom of the press. The report also noted that while Turkey has expressed public support for negotiations regarding a Cyprus solution, the Commission expected Turkey to actively support the ongoing negotiations. Finally, as with its other assessments since 2006, the Commission again noted that Turkey had made no progress toward fully implementing the additional protocol regarding the use of its ports by Cyprus or in normalizing relations with the Republic of Cyprus.²⁰ The Commission, referencing the 2008 Council conclusions, stated that “it was urgent that Turkey fulfills its obligations.”

Since the 2006 Council conclusions specifically listed 2009 as a possible deadline for certain progress to be made as part of the accession talks, many Turkey skeptics in Europe had begun to suggest that the accession process for Turkey may have to be significantly altered. For instance, in an interview with Spanish news media, French Secretary of State for European Matters Pierre Lellouche reiterated his government's position that if Turkey failed to satisfy the requirements for membership or if the European Union's capacity for absorption did not permit it, alternatives should be considered. Although not specifically stating that the EU needed to prepare such alternatives by the end of 2009, Lellouche did state that “we wonder whether it is not the time to begin reflecting on alternative paths [for Turkey] without interrupting the negotiations.”²¹ This statement reflected France's (and perhaps others') continued opposition to full membership in the Union for Turkey and support for a then-to-be defined “special relationship” or “privileged partnership,” which Turkey stated it would reject. Similarly, on September 11, 2009, Cypriot Foreign Minister Markos Kyprianou stated that while Cyprus was “a genuine supporter of Turkey's EU course,” Cyprus was “one of the strictest supporters who are not prepared to compromise the principles and values that the EU is founded upon just for the sake of a speedier accession of our neighbor.”²²

On November 23, 2009 the European Parliament, after concluding its debate on the Commission's 2009 enlargement report (which also included comments on Croatia and Iceland), adopted its own resolution regarding enlargement.²³ With respect to Turkey, the resolution noted positive progress in judicial reform, internal dealings with the Kurdish minority, relations with Armenia, and Turkey's support for the Nabucco gas pipeline project. The resolution, however, was more negative towards Turkey's lack of progress on freedom of expression, freedom of the press, and religious freedom. The Parliament also “deplored” the continued refusal of Turkey to implement the provisions of the Additional Protocol with Cyprus. In what was viewed as an interesting comment by some, the Parliament expressed “regret” that NATO-EU strategic cooperation continued to be blocked by Turkey. The Parliament then indicated that it would issue its own assessment of Turkey's accession progress in early 2010.

²⁰ For more information see “Turkey: 2009 Progress Report,” prepared by the European Commission, October 14, 2009.

²¹ “France Seeks alternative to Turkey's EU membership,” *TurkishNY.com*, September 3, 2009.

²² “Cyprus, one of a few genuine supporters of Turkey's EU Course,” *Cyprus News Agency*, September 11, 2009.

²³ European Parliament resolution on the Commission's 2009 enlargement strategy paper concerning the Western Balkan countries, Iceland, and Turkey, B7-0185/2009, November 23, 2009.

On December 8, 2009 the EU Council, after reviewing the Commission's assessment and adding its own review, issued its annual "Council conclusions on enlargement."²⁴ The report, like the Commission's October progress report, was viewed as balanced, emphasizing the positive aspects of the negotiation process and lacking any particularly critical assessment of Turkey's shortcomings. The Council welcomed Turkey's continued commitment to the negotiation process and, along with the Commission and Parliament, noted positive developments in judicial reform, civil-military relations, and cultural rights. The report also noted successful steps taken by Turkey toward the Kurds, Armenia, and the Nabucco pipeline project. And, like its partner institutions, the Council noted Turkey's shortcomings in the areas of freedom of expression and freedom of the press, respect for property rights, and in other areas. In what was considered its toughest assessment of Turkey's actions, the Council "noted with deep regret that Turkey, despite reported calls, continues refusing to fulfill its obligations regarding the Additional Protocol and normalization of its relations with the Republic of Cyprus."²⁵ The Council concluded its assessment of Turkey by stating that "progress is now expected [on the above issue] without further delay."²⁶

Some observers believed that the 2009 Commission and Council decisions could have been the subject of very difficult internal debate due to a lack of consensus among the member states on how to respond to Turkey's shortcomings in the reform process and its continued failure after four years to meet its customs union obligations toward Cyprus.²⁷ However, it did not appear that the debate in either institution was very difficult after all and both the Commission and Council, perhaps for the sake of the ongoing negotiations on Cyprus, were able to issue a balanced report giving credit to the Turks for some positive developments and offering criticisms where there were noted shortcomings, deferring any negative actions on the negotiation process until a later point in time.

On February 10, 2010, in a follow-up to earlier actions on the accession process, the European Parliament issued its report on Turkey's accession progress, which differed little with the 2009 reports of the Commission and Council. However, in what was considered its strongest statement to date, the Parliament adopted a resolution again "deploring" Turkey's non-compliance with the additional protocol for the fourth consecutive year and warned that failure to implement it without delay could seriously affect future accession negotiations. The resolution also called on Ankara to begin the immediate withdrawal of all Turkish troops from Cyprus. The Parliament did, however, acknowledge Turkey's progress with its Kurdish population and with Armenia, and in response to Turkey's energy role in support of the EU's Nabucco pipeline initiative, suggested that the EU open the Energy Chapter of the *acquis*.

In May 2010, the EU-Turkey Association Council, led by EU Enlargement Commissioner Stefan Füle and Turkey's chief negotiator for EU Affairs, Egemen Bagis, met to discuss EU-Turkey relations. The EU welcomed the effort underway at the time to amend Turkey's constitution to strengthen democracy and rule of law but noted that more reform was needed in areas such as the fight against corruption, freedom of expression and of religion, and continued judicial reform. The EU reaffirmed that the pace of the negotiations depended notably on Turkey's progress in

²⁴ See "Council conclusions on Enlargement/stabilization and association process," General Affairs Council meeting, December 8, 2009.

²⁵ Ibid. EU Council, December 8, 2009.

²⁶ Council conclusion, op. cit.

²⁷ Observations made by the author during discussions with EU and other officials.

meeting established conditions for the benchmarks for each of the chapters of the *acquis* currently open. The EU also restated its concern over the unfulfilled commitments regarding the application of the customs union to all EU member states.²⁸ On July 12, 2010, the EU-Turkey High Level Political Dialogue, led by EU High Representative for Foreign Affairs and Security Policy, Catherine Ashton met in Istanbul with Turkey's Foreign Minister Ahmet Davutoglu to discuss EU-Turkey political and foreign policy cooperation. Commissioner Füle again expressed the EU's support for the constitutional reforms Turkey was attempting to achieve and reaffirmed continuation of the accession process.

On a trip to Cyprus in October 2010, Jerzy Buzek, President of the European Parliament reminded Ankara that it had obligations to the EU and urged Turkey to implement the Ankara Protocol and open its ports to Cyprus.

On October 26, 2010, EU Commissioner Füle told a EU-Turkey Joint Parliamentary Committee meeting in Brussels that the outcome of Turkey's September constitutional reform referendum was a step towards EU accession.²⁹ Füle said the EU's 2010 progress report on Turkey would mention positive steps taken by Turkey such as lifting restrictions on broadcasting in other languages than Turkish, furthering judicial reform, and improving fundamental rights, but it would also voice concern about Turkey's difficulties in guaranteeing freedom of expression, press, and religion.

Commissioner Füle also stated that Ankara should apply the EU-Turkey association agreement's additional protocol in full to all EU Member States, including Cyprus, adding that resolving the Cyprus issue was a "credibility test" for both sides. On the other hand, Turkey's EU Affairs Minister Egemen Bağış, told the same Joint Parliamentary Committee meeting that it was difficult to explain to the Turkish public why the EU was still "delaying the accession process," despite Turkey's efforts to comply with EU requests and recommendations. He hoped that Turkey could open the competition chapter of Turkey's EU accession negotiations before the end of 2010, and added that the fact that the energy chapter had not yet been opened demonstrated that the EU was not always acting in its own interests. The concerns about the lack of press freedom, imprisonment of conscientious objectors, and the treatment of Turkey's Kurdish minority were also voiced at a European Parliament Human Rights Committee hearing on October 25, 2010.

On November 9, 2010, the European Commission published its annual progress report on Turkey's accession negotiations.³⁰ The report noted that the recent constitutional reforms adopted in Turkey served to create conditions for progress in several areas of interest to the EU. However, the Commission noted continued shortcomings in freedom of speech and religion, called on Turkey to resolve disputes with its neighbors, particularly Armenia, and again noted Turkey's failure to open its ports to Cyprus. Despite this less than ringing endorsement of Turkey's progress, which read much like previous Commission assessments, Egemen Bağış, Turkey's chief EU negotiator called the report the "most positive and encouraging" Turkey had ever received.³¹

²⁸ Press Report, EU-Turkey Association Council, Council of the European Union, May 10, 2010.

²⁹ Press Release, "EU Enlargement: Turkey must do more to protect basic freedoms," European Parliament, October 27, 2010.

³⁰ See the Communication from the Commission to the Council and the European Parliament "Enlargement Strategy and Main Challenges 2010-2011", European Commission, November 9, 2010.

³¹ "EU Scolds Turkey on Border Issues", *Wall Street Journal*, November 10, 2010.

The Commission's assessment will be discussed by the European Council and the Parliament in December.

The Cyprus Dilemma³²

Although Turkey's eventual membership in the EU will depend on its ability and willingness to meet the requirements established in the 35 chapters of the *acquis communautaire*, the one issue that has plagued Turkey's accession progress has been the stalemate over a solution to the Cyprus problem. In December 2002, in advance of the conclusion of the EU's accession negotiations with Cyprus, then-U.N. Secretary General Kofi Annan presented a comprehensive plan to resolve the political division on Cyprus and to reunite the island. Although the decision to admit Cyprus into the Union was taken several years before, the EU had hoped to admit a unified Cyprus by May 2004 and quickly endorsed the Annan Plan. Over the next 18 months, the U.N. worked to negotiate the Annan Plan so that both the Greek and Turkish Cypriots could accept a final settlement. On March 29, 2004, Annan presented his final revised plan. Neither side was fully satisfied with the proposal but agreed to put it to referenda in the North and the South on April 24. The Plan was accepted by the Turkish Cypriots but rejected by the Greek Cypriots.

The EU expressed regret over the rejection of the Annan Plan but agreed in May 2004 to include the divided island of Cyprus as one of 10 new EU members. At the same time, EU leaders indicated that they were determined to facilitate the reunification of Cyprus by encouraging the economic development of the Turkish Cypriot community even as the Greek Cypriot part of the island began to enjoy the benefits of membership in the Union, including the ability to approve or veto future applicant states.

On July 7, 2004, the EU Commission proposed several measures designed to help eliminate the economic disparities between the two communities on the island. In addition to a package of financial assistance, the EU proposed to allow direct trade between northern Cyprus and the EU member states. The Greek Cypriot government agreed to the aid if it were to be administered by the government of Cyprus but rejected the trade measure as something close to international recognition of a Turkish Cypriot state. The Greek Cypriots also insisted that all trade between the north and Europe be conducted via the south.

The four years that followed the rejection of the Annan Plan saw the two sides on the island exchange ideas and proposals but not engage in substantive negotiations. In February 2008, Dimitris Christofias, a Greek Cypriot, was elected President of the Republic of Cyprus on a campaign pledge of renewing serious negotiations for a settlement, saying that he hoped to achieve a "just, viable, and functional solution" to the Cyprus issue. In March 2008, Christofias met with Turkish Cypriot leader Mehmet Ali Talat, and agreed to establish working groups and technical committees to lay the foundation for resuming negotiations. On May 23, the two leaders reaffirmed their commitment to the U.N. Security Council's principles for a settlement: a bizonal, bicommunal federation characterized by the political equality of Greek and Turkish Cypriots.

Negotiations began in September 2008 and continued through the early part of 2010. Christofias and Talat held close to 80 meetings on core issues—governance and power-sharing, property,

³² For more information on Cyprus, see CRS Report RL33497, *Cyprus: Status of U.N. Negotiations and Related Issues*, by Carol Migdalovitz, and CRS Report R41136, *Cyprus: Reunification Proving Elusive*, by Vincent Morelli.

European Union affairs, security and guarantees, economy, and territory—in order to identify areas of convergence and divergence. They reported some initial progress on governance, European Union affairs, and the economy but little on property and security guarantees, which are particularly difficult and sensitive for Turkey.

After two years and despite the strong commitment, good intentions, and warm relations between the two leaders, progress in the talks fell victim to the harsh realities of almost four decades of separation, mistrust, misunderstanding, and in some cases, indifference to the need for a final settlement and unification of the island. Even a possible change in leadership in the north through elections held in 2010, and thus perhaps a different negotiating strategy and more uncertainty for the future, did not appear to be enough of an incentive to overcome the differences and find a final solution.

On April 18, 2010, Turkish Cypriot leader Talat lost his reelection bid to his rival Dervis Eroglu of the National Unity Party (UBP). Observers believe Talat's defeat was due to a combination of his failure to secure a settlement of the Cyprus problem after almost two years and his inability to convince the EU and others to help end what the Turkish Cypriots believed was the economic isolation of the north.

New talks between Christofias and Eroglu Cypriots began on May 26, 2010, and technical committees and working groups with representatives from both sides have met regularly since then. Christofias and Eroglu have met 15 times focusing entirely on the difficult issue of property rights where both sides have had long held and hugely different positions. Although the negotiations continue, they appear to have produced little progress and have increasingly exposed differences between the two leaders. In September, Eroglu expressed his frustration with the process and accused the Greek Cypriots of treating Turkish Cypriot positions with contempt. In October it was reported that Eroglu had become so fed up that he may have suggested that Turkish Cypriots no longer believed in the possibility of a mutually agreeable settlement. For his part, in September 2010, Christofias told United Nations Secretary-General Ban Ki-moon that both sides were not coming closer to a settlement. On October 21, 2010, Ban apparently called both Christofias and Eroglu to express his concerns over the slow pace of the negotiations and lack of any progress.

Pressure on both Christofias and Eroglu to achieve significant progress toward an agreement has come from both internal and external sources. While Christofias and Eroglu have repeated their desire to reach a solution, Eroglu has stated that such an agreement must be achieved by the end of 2010. Christofias has rejected any such timetable. At the end of November 2010 the United Nations Secretary-General issued a status report on the progress of the negotiations noting that little progress had been achieved and that further lack of progress could determine the future role of the U.N. in the negotiating process. In addition, Greek Cyprus and Turkey face national elections in the spring of 2011 and many who had called for a settlement by the end of 2010 now say a solution should be found before those elections. By the end of 2010 Turkey will also have received the next set of progress reports on its EU accession negotiations which will likely include disappointing assessments of Turkey's role in trying to promote a Cyprus solution. In a September 2010 meeting with U.N. Secretary-General Ban, Cyprus President Christofias stated that Turkey's role in forging a settlement on Cyprus was a decisive one but that he believed Turkey was not ready to solve the problem.³³

³³ "Time for Turkey to turn words into deeds," Cyprus-Mail, September 22, 2010.

During the summer of 2010, a problematic issue rose unexpectedly for the Greek Cypriot side which not only affected the pace of the Cyprus negotiations but also raised problems for Turkey. In March 2010, the EU Commission, under the new provisions of the Lisbon Treaty requiring the EU Parliament to act on international trade provisions, resurrected the proposal initially put forward by the EU in 2004 to help end what some claimed was the isolation of the north and to stimulate the north's economy. The Commission asked the Parliament for consideration of a Direct Trade Regulation (DTR), between the EU member states and north Cyprus. The regulation proposed to address trade with north Cyprus as an issue of international trade with a third party. It would thus avoid a potential Greek Cypriot veto in the EU Council as had happened in 2004.

The direct trade issue became a difficult legal and political matter in the Parliament where the Parliament's leadership determined that the issue would be considered by the Legal Committee which would decide whether the legal basis underlying the Commission's proposal was the correct basis for the Parliament to act on the DTR. On October 18, 2010, the Legal Committee, by a vote of 18-5, ruled that the Commission could not bypass the Government of Cyprus to implement direct trade with north Cyprus and thus the Commission's proposal would not be taken up by the Parliament. After the vote, President Christofias sent a letter to EU Commission President Barroso asking him to withdraw the regulation and allow the negotiations to resolve the issue.

Some observers believe the direct trade issue had more to do with Turkey's EU accession status than with opening economic opportunities for northern Cyprus. Turkey continues to refuse to open its air and sea ports to Cypriot commercial operations as required under the Additional Protocol to Turkey's accession agreement with the EU. Turkey has continuously tried to change the terms of the debate between itself and the EU on this issue by suggesting that Turkey's compliance with the Protocol could only take place if direct trade between the EU and north Cyprus were agreed to, a condition not included in the Protocol and one rejected by the EU in 2005. In proposing the direct trade regulation, the Commission appears to have wanted to take an initiative that would allow Turkey to respond positively and thus avoid another year in which the EU would remind Turkey that it had failed to comply with EU rules. However, when the Commission released its assessment of Turkey's accession progress noting again Turkey's failure to comply with the Protocol, Egemen Bagis, was quoted as saying, "Turkey doesn't want EU membership badly enough to make unilateral gestures to unlock negotiations frozen over Turkey's refusal to meet a pledge to open its ports to the Greek Cypriot part of Cyprus."³⁴ Some believe the EU missed a golden opportunity to help move the Cyprus negotiations forward and at the same time overcome a barrier to Turkey's accession negotiations.³⁵

U.S. Perspectives

Although the United States does not have a direct role in the EU accession process, successive U.S. Administrations and Congresses have continued to support EU enlargement, believing that it serves U.S. interests by spreading stability and economic opportunities throughout Europe. During the Bush Administration, the United States had been a strong and vocal proponent of Turkish membership in the European Union. The Obama Administration and the 111th Congress

³⁴ Wall Street Journal, November 10, 2010, op. cit.

³⁵ Nathalie Tocci, "The Baffling Short-sightedness in the EU-Turkey-Cyprus Triangle," Istituto Affari Internazionali, October 2010.

continued to support Turkey's EU membership aspirations. President Obama's statements in support of Turkey during his April 2009 visit to Ankara and his assertion that Turkey's accession would send an important signal to the Muslim world reaffirmed the U.S. position.

However, robust U.S. support for Turkey's EU membership has caused some displeasure for some EU member states who feel that the United States does not fully understand the long and detailed process involved in accession negotiations, does not appreciate the debate within Europe over the long-term impact the admission of Turkey could have on Europe, and defines the importance of Turkey in too-narrow a set of terms, generally related to geopolitical and security issues of the region. This latter view seems to be one held by countries such as France, and perhaps Germany and Austria. Some Europeans also feel that putting Turkey's accession in terms related to the Muslim world suggests that anything short of full EU membership for Turkey would represent a rejection of Turkey by the West, and by association, a rejection of the Muslim world. Many in Europe have been somewhat relieved that the United States has recently scaled back its rhetoric and hope the U.S. will use its relationship with Turkey in more constructive ways for the EU. For instance, some Europeans seem to feel that when the United States interjects itself into the EU's business of who should join the Union by promoting Turkey's EU membership, the United States should also be more helpful in encouraging Turkey to move more rapidly on reforms and to comply with the Additional Protocol regarding Turkey's customs union. When asked in an interview in June 2009 whether the United States could be more helpful on this point, Assistant Secretary of State for Europe and Eurasia Philip Gordon demurred, saying that "ultimately, this is an EU issue; we're not directly involved in it.... This is between the EU and Turkey."³⁶ The United States believes that Turkey's membership in NATO has demonstrated that Turkey can interact constructively with an organization dominated by most of the same European countries that belong to the EU and play a positive role in foreign policy matters that impact Europe, whether it is the Europe of the EU or the Europe of NATO. The United States has also tried to use its influence to help shape a more constructive EU-Turkey relationship in an attempt to promote closer NATO-EU relations.

Assessment

Throughout 2010, Turkey was the topic of a great deal of attention. Major political and economic developments took place in Turkey, including a hard-fought political campaign to secure the passage of the September 12 referendum to amend 26 articles of the Turkish constitution that many argued would strengthen Turkey as a more liberal and democratic country. In addition, an emerging activism in Turkey's foreign policy, driven by its Foreign Minister Ahmet Davutoglu, and intended to establish Turkey as a more independent regional influence raised questions in Europe and the United States about Turkey's long-term global orientation.

There is little doubt among most observers that over the past five years, the EU accession process has had a major influence on Turkey's internal march toward reform and democratization. It has also been a factor in helping transform Turkey's economy, its political and military institutions, leadership, and political culture.

³⁶ See Assistant Secretary Gordon's interview with Tom Ellis of *Kathimerini*, June 27, 2009, Corfu, Greece.

However, despite what some have categorized as dynamic changes taking place in Turkey, its EU accession process continued at a relatively slow pace (a pace some have called comatose). Only one additional chapter of the *acquis* was opened in 2010 although there has been talk that an additional chapter could be opened before the end of the year. And although 2010 did not produce any significant new problems for Turkey's accession bid, some lingering issues continued to be part of the dialogue. The principal issues regarding Turkey's accession continue to be what the EU believes has been too slow a pace for implementing critical reforms within Turkey; Turkey's failure to live up to its agreement to extend the benefits of its customs union with the EU to Cyprus, including the continued reluctance by Turkey to open its sea and air ports to Cypriot shipping and commerce until a political settlement has been achieved on Cyprus; a continued skepticism on the part of many Europeans about whether Turkey should be embraced as a member of the European family fueled, in part, by an ongoing debate in parts of Europe over the implications of the growing Muslim population in Europe and the impact Turkey's admission into the Union would have on Europe's future; and a perceived ambivalence toward the EU by the current Turkish leadership. The increasing skepticism towards Turkey's EU membership prospects has led some observers to suggest that Turkey-EU relations are at one of the lowest points in years.³⁷

These characterizations have also led some to suggest that Europe's skepticism has raised questions in Turkey about its future in the EU, and may even have helped alter the very rationale for the reforms being undertaken by Ankara. For instance, some have suggested that the AK Party's embrace of the reforms required under the EU accession process has helped transform and legitimize the AK as a post-Islamist party whose goals are more about solidifying its own power than the "Europeanization" of Turkey.³⁸ Others have suggested that after five years of accession negotiations and various iterations of reform, Turkey's citizenry have accepted an unprecedented amount of change and that for some, EU membership may no longer be the desirable end point for Turkey.³⁹ This point was highlighted in a recent speech given by Turkish President Gul at the Chatham House where it was reported that he suggested that "perhaps the Turkish public will say 'let's not become a member' despite having successfully concluded negotiations."⁴⁰

In addition, some have suggested that both domestic and foreign policy developments in Turkey are likely to become increasingly detached from the EU.⁴¹ Some point to the Turkey-Brazil effort with respect to Iran's nuclear program as an example. Others point to the September constitutional referendum as a case in point. Despite early statements by Prime Minister Erdogan and others that the proposed constitutional reforms would help bring Turkey into line with European norms, some observers believe that Turkey's EU aspirations were not central to any of the Turkish political parties' messages during the referendum campaign.⁴² These views, in part, seem to have been borne out by public opinion attitudes in Turkey with respect to membership in the EU. In the latest publication of the German Marshall Fund's *Transatlantic Trends*, [only] 30% of Turks polled believed Turkey had enough common values with the West to be part of the West. The poll also indicated that Turkish support for EU membership since 2004 has fallen from 73%

³⁷ Emiliano Alessandri, "Democratization and Europeanization in Turkey After the September 12 Referendum," *Insight Turkey*, Vol.12, October 2010.

³⁸ Alessandri, op. cit.

³⁹ "Getting to Zero: Turkey, Its Neighbors and the West," Transatlantic Academy, 2010.

⁴⁰ Wall Street Journal, November 10, 2010, op. cit.

⁴¹ Tocci, op. cit.

⁴² Alessandri, *ibid.*

to 38%.⁴³ These observations may be somewhat exaggerated, given other examples of EU accession negotiations (how often does one hear of Croatia's or Iceland's status?). Nevertheless, it seems clear to some that Turkey's march toward EU membership appears to have slowed considerably.

Despite these observations and speculations on internal developments in Turkey, neither Turkey nor the EU appear to be prepared to end the accession process. All three institutions of the European Union have recently praised Ankara for passage of the September constitutional reforms as a step in the right direction, a point noted in the EU Commission's November 2010 assessment report. However, the EU Council and the Parliament in their assessments of Turkey's progress, like the Commission, will likely express concern that Turkey's efforts to enact and implement critical political reforms remain slow and insufficient and will call on Turkey to consider additional measures needed to be taken to address areas such as freedom of expression and of religion.⁴⁴ The EU will also likely insist that the implementation of any reforms should involve all political parties as well as civil society. Ankara for its part will continue to insist on fair treatment by the EU, will express frustration over the pace of the membership negotiations, and will again reject any option other than full membership in the Union.

Turkey's failure to open its ports and airspace to the Republic of Cyprus, in accordance with its Protocol agreement will continue to adversely impact the EU's attitudes toward the accession negotiations as well. Greek Cypriots, along with most EU member states will again remind Turkey that recognition of the Republic of Cyprus is a legal condition set by the Union that cannot be compromised indefinitely and cannot be tied, as Turkey has tried to do, to a final settlement of the Cyprus issue or the opening of direct trade between the EU and north Cyprus even if domestic politics have already made it difficult for Ankara to compromise on the Protocol issue without winning concessions for the Turkish Cypriots, a problem that will only magnify as Turkey enters its national election period early in 2011.

For most observers, a best-case scenario for moving forward would be for Turkey to open its ports to Greek Cypriot ships and aircraft regardless of the status of the Cyprus negotiations. In return, the Council would unfreeze the eight chapters of the *acquis*, allowing the accession process to continue on a normal course. A worse-case scenario for Turkey would be if the Cyprus talks collapsed and Turkey was partially blamed for not doing enough. This could be followed by a decision by the EU Council to call a temporary suspension of all accession negotiations on those chapters of the *acquis* already in progress and a veto of any proposals to open additional chapters until Turkey complies with the Protocol. It has been suggested that other EU member states may sympathize with such a suggested course of action if requested by the Greek Cypriots.

Supporters and opponents of Turkey's EU membership for now will continue to argue from two different sets of talking points. Turkey and its supporters, such as the United States, will continue to argue that the EU can benefit from Turkey's position as a key regional actor with respect to relations with Iraq, Iran, Russia, and the Black Sea region. Turkey and its supporters will argue that Turkey continues to play a growing energy role for Europe as a gateway to the Caspian and

⁴³ See *Transatlantic Trends: Key Findings 2010*, published by the German Marshall Fund, September 2010, at <http://www.transatlantictrends.org>.

⁴⁴ Statement by Commissioner Stefan Füle on the result of the referendum in Turkey, European Commission, September 13, 2010.

Central Asian oil and gas supply system and remain miffed that the EU does not appear to appreciate or place a greater importance on those issues when considering Turkey.

Many Europeans, on the other hand, point out that while energy security and foreign policy are important elements in the operations of the EU, those issues comprise only two or three of 35 chapters in the *acquis*, and Turkey must come into compliance with the requirements of the entire *acquis*. In addition, many Europeans argue that Turkey is already playing an important role on defense and foreign policy matters with Europe through its membership in NATO. Finally, growing numbers of Europeans have expressed concerns regarding what appears to some as a change in Turkey's political, economic, social, and religious orientation

Many European experts believe the EU-Turkey accession talks are likely to take ten or more years to complete and that the issue is receiving far more attention now than is necessary. They anticipate that different governments will come and go in both Ankara and throughout Europe before this process reaches a decisive point, that attitudes will vacillate, and that new problems will continue to arise along the way. However, unless both sides mutually agree to end the accession process, this annual debate will continue for the foreseeable future.

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