

## The Last Chance in Cyprus Negotiations and the Turkey-EU Relationship



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#### Introduction

The negotiations in Cyprus are at a critical juncture. The present negotiations on the island offer an important opportunity, probably the last chance, to solve the problem. Recent public surveys on the island show that there is still a conducive environment for a compromise solution, but these surveys also indicate that there are strong tendencies towards a two-state solution in the North and a unitary state in the South. Whilst there is still a possibility for a solution, time is running short for a settlement on the island. All actors should realize at this point that time is not on their side; they need to focus more wisely on the time factor and not waste it again.

The Cyprus problem has become a major factor negatively affecting the Turkey-EU relationship. The Turkey-EU relationship is increasingly linked to the settlement of the Cyprus problem. There have been too few efforts to reduce the impact of the Cyprus problem on the Turkey-EU relationship, much less to solve it. As a result, there has been renewed talk of a possible “train wreck” in the Turkey-EU relationship several times in the last years because of the Cyprus problem. The Turkey-EU relationship shows that the relationship was able to proceed more smoothly, when the Cyprus problem did not affect the relationship negatively. In the long-lasting Turkey-EU relationship, the ups and downs of the relationship seem to be remarkably associated with the Cyprus problem. The non-settlement of the Cyprus problem creates difficulties not only in the Turkey-EU relationship, but also for the NATO-EU cooperation, especially in the field of strategic cooperation. The bilateral problems between Cyprus and Turkey are increasingly transferred both to the EU-Turkey and EU-NATO agenda. In the changing international climate there is an increasing need for collaboration between the USA and Europe in the context of NATO and ESDP, but the non-settlement of the Cyprus problem affects the creation of better mechanisms of collaboration between NATO and ESDP. The non-settlement of the Cyprus problem affects not only the Turkey-EU relationship and Turkey-Greece relationship, but wider international issues such as the relationship between NATO and the EU. Therefore, the solution of the Cyprus problem gains urgency not only on the island, but also in the region and internationally.

#### Helsinki turn and aftermath

The examination of the period after the EU Helsinki Summit in December 1999 clearly shows the increasing role of the EU in Cyprus and the evolving linkage between the Cyprus problem and the Turkey-EU relationship. The EU Helsinki Summit provided a major turning point in the Turkey-Greece-Cyprus triangle. Along with a positive turn in the attitude of Greece towards Turkey's membership aspirations, the Helsinki Summit stipulated the resolution of conflicts with Greece as a precondition for Turkey's accession. More importantly, it solidified the linkage developed between the Cyprus problem and Turkey's relationship with the EU, as the EU committed itself to the accession of Cyprus independent of the Cyprus dispute in return for Turkey's candidacy at the Summit. As a result of these decisions, the EU increasingly became an actor in the Cyprus dispute, an actor which was characterized as

potentially being able to “catalyze” a peaceful solution on the island. According to these analysts, the EU had hoped that the incentive of EU membership both to Cyprus and Turkey would work as a “catalyst” for a solution. Whilst the Helsinki conclusions had made it clear that the EU could take into account all the relevant factors when making a final decision on the Cypriot membership, the prevailing view was that the Greek Cypriots should not be punished and they were regarded as the victims of the situation. With historical hindsight, one could say that there was an imbalanced structure of incentives/conditionality provided for Turkey and the Turkish Cypriots on the one hand and Greek Cypriots on the other. While there was a strong element of conditionality in the Turkish context linking Turkey's accession to the solution of the Cyprus problem, the same linkage did not exist for the Greek Cypriots, since

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the resolution of the conflict was no longer a precondition for their accession. Therefore, while the EU process certainly had a decisive effect on the political changes both in Turkey and Northern Cyprus in this period, it is difficult to state the same about the Greek Cypriot side. After losing a lot of valuable time, Turkish and Turkish Cypriot leaders belatedly realized in 2003 and 2004 that the settlement of the Cyprus problem was linked to Turkey's membership aspirations; the solution of the problem would make Turkish Cypriots members of the EU and would create a more conducive environment in the process of accession of Turkey. Both Turkish and Turkish Cypriot leaders took a decisive turn and strongly supported the UN Plan. However, the Greek Cypriots believed that time was on their side: they could become members of the EU without the settlement of the problem. As Nathalie Tocci clearly put it, they had the best alternative to a negotiated agreement (BATNA). In this context, the Greek Cypriots rejected the Annan Plan with an overwhelming majority (75.83 %), while Turkish Cypriots accepted the settlement of the Cyprus problem as well as the possibility of joining the EU with a clear majority (64.91 %).

The membership of Cyprus in the EU in 2004 without settlement of the problem and the continuity of the Cyprus dispute aggravated the already difficult relationship between Turkey and the EU. Unable to solve the Cyprus problem, the EU underlined the implementation of the Additional Protocol which extended Turkey's customs union with the EU to the newly acceding members, including the Republic of Cyprus. The Turkish government retaliated for the EU's approach with a declaration and the EU issued a counter-declaration in 2005. In these statements, the EU asked for the opening of airports and seaports to the vessels of the Republic of Cyprus, while the Turkish government insisted on the simultaneous lifting of all restrictions on Cyprus, including the movement of goods, services and people from the Northern part of the island. As the Turkish government criticized the EU for not meeting its promises and commitments regarding the implementation of trade and aid protocols to Turkish Cypriots, the EU focused its attention on the legal commitment of Turkey regarding the implementation of the Additional Protocol. The dispute regarding the implementation of the Additional Protocol between the EU and Turkey reached such levels that there was an increasing possibility of a "train wreck" in the relationship. The Finnish Presidency in the second half of 2006 worked hard to overcome this possibility. It was finally overcome at the EU Summit of December 2006, when it was decided to freeze negotiations on eight chapters and not even provisionally close any chapter until the Turkish government met its commitments regarding the Additional Protocol. The state of affairs also was to be

reviewed annually until the end of 2009. While the decision prevented a potential "train wreck", it further slowed down the already slow negotiating process and put a deadline on the Turkish government in meeting its commitments regarding the implementation of the Additional Protocol. The recent December 2009 EU Summit, which reviewed the Turkey-EU relationship in this context, despite making a reference to the adverse situation created by the failure of Turkey to implement the Additional Protocol postponed the decision on this issue to the end of 2010 and underlined the importance of the contribution of Turkey to the ongoing process of negotiations in Cyprus.

In addition to the negative developments in Cyprus, an unfortunate downturn occurred in the process of European integration as Turkey was preparing to start negotiations after a long waiting period in 2005. The EU was immersed in prolonged institutional problems, augmented by the non-ratification of the Constitutional Treaty in the referenda in France and the Netherlands. The negative outlook on the Constitutional Treaty and the continuing stalemate on institutional problems deeply affected the process of enlargement and led to the questioning of one of the most successful policies of the EU. In this climate, enlargement policy became the scapegoat and victim of the EU's institutional stalemate. As attention was turned to the enlargement issue, Turkey became an easy target, as it was one of the remaining two countries and the more problematic one at the negotiation table. These developments reinforced skeptical attitudes in Europe towards Turkey's accession which had been previously dormant, resulting in a negative interaction between the EU and Turkey. As the EU became immersed in its own problems, it became difficult to focus on Turkey's accession process. Therefore, the process slowed down further after 2005, rather than accelerating. As the divergence between the dynamics of European integration and developments in Turkey increased, Turkey started to lose valuable time in the reform process. The government announced several years as reform years, but the record showed a poor rate of achievement. In this climate, it became politically unfeasible to implement the Additional Protocol as it acquired political symbolism. The Turkey-EU relationship enters yet another challenging year in 2010: at the end of the year, the relationship will be reviewed by the EU Summit based on the implementation of the Additional Protocol.

#### **The state of negotiations**

The continuing negotiations in Cyprus provide an important opportunity to solve the long-lasting Cyprus problem and move ahead on the Turkey-EU relationship. A change of leadership on the Greek Cypriot side has brought to the table two leaders who have had a long

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personal relationship and have derived important lessons from past failures. The two leaders decided to work on a solution; they have met more than sixty times in the last eighteen months and their teams are working hard on the settlement of the Cyprus problem. Reports from the island indicate that there has been substantial progress in the negotiations during this time. The leaders and their teams have agreed on a negotiation strategy to start with the issues for which compromise solutions might easily be found, and then proceed to more thorny issues, such as property, settlers, security and territory. As a result, the negotiations focused on “governance” issues in the beginning, on which there was a substantial degree of accumulated wisdom and the possibility of a compromise solution, and issues related to “economy” and to the “EU framework”. There was an exchange of position papers on these matters which reflected an important area of agreement. The recent two rounds of “condensed negotiations” on the island revolved around “governance” issues, and reports indicate that there were concrete achievements on the specifics of “governance”. After the negotiations, there was the expectation that the achievements of the negotiations could be made public in order to give a positive signal for the continuation of the negotiations; however, the leaders refrained from making a joint declaration. Nevertheless, the visit of UN Secretary General Ban Ki-moon (which occurred right after the condensed negotiations) and his statements reflect a substantial progress in the negotiations on governance issues. With the acceleration of the negotiations through the “condensed” framework, the idea was to proceed with the other two issues related to “economy” and “EU framework” as quickly as possible to achieve substantial progress before the elections in the North in April. The Turkish Cypriot leadership was quite keen to accomplish substantial progress in the negotiations, if not a “breakthrough”, before the elections. It seems that whilst the Turkish Cypriot leadership is rather sensitive on the time factor, it is difficult to say the same thing about the Greek Cypriot leadership. The Turkish Cypriot side believes that there should be a clear time-table of negotiations so that the problem could be solved as soon as possible; the Greek Cypriot leadership, on the other hand, still thinks that time is on their side and refrains from setting clear time-tables. As a result, it is not clear when and how the negotiations on issues related to economy and “EU framework” will start, or how and when the negotiations will proceed to more difficult issues such as property, security and territory. This picture shows that whilst there is some convergence on the “strategy” of negotiations among the two sides, there is still marked divergence in the conception of time-tables to carry out the negotiations.

It should be emphasized that time is running short for a settlement on the island. The present “favorable context” for the negotiations as underlined by

Costa Carras (ELIAMEP Thesis, October 2009) cannot go on for a long time; in fact it may come to an end sooner than later. All actors should realize at this point that time is not on their side; unfortunately a lot of valuable time has been lost on the long-lasting Cyprus problem, and now they need to focus more wisely on the time factor and not waste it again. While there is still a possibility for a compromise solution, recent surveys indicate that there are strong tendencies towards a two-state solution in the North and a unitary state in the South. Among all the actors, the Turkish Cypriot leadership is quite keen on the time factor; they realize that time is not on their side and that the problem needs to be solved as soon as possible. They believe that negotiations should proceed until the elections in the North, and that they should lead to substantial progress, so that the election outcome will not adversely affect the settlement of the problem. Ankara also realizes that the Cyprus problem should be solved as soon as possible, because the non-settlement of the Cyprus dispute has become a major impediment to its aspirations of EU membership and has complicated its relationship with NATO and ESDP. Ankara realizes that, unfortunately, the Turkey-EU relationship is linked to the settlement of the Cyprus problem; either this linkage should lead to a positive outcome by solving the Cyprus problem or the two issues should be de-coupled. Ankara no longer thinks that Turkish Cypriots should become members of the EU simultaneously with Turkey. While there is a growing ambivalence in the Turkey-EU relationship, Ankara strongly supports the settlement of the Cyprus problem and the prior inclusion of Turkish Cypriots in the EU.

The time is ripe as the changing international context creates a more conducive environment for the solution of the Cyprus problem. The renewed emphasis on multilateralism by the present American administration requires not only cooperation between the USA and Europe but also increasing collaboration between NATO and the EU. It seems it will be difficult to reinvigorate the NATO-EU (ESDP) relationship without the settlement of the Cyprus problem. In this context, the solution of the Cyprus problem gains urgency as the need for NATO-EU collaboration becomes more salient. Within the EU, there are increasing numbers of EU member states which realize that a divided Cyprus within the EU harms the process of European integration. There is also a growing feeling that the EU needs a success story as the European integration process has faced major institutional problems, economic crisis and a falling sense of solidarity which has led to the loss of the EU's power of attraction in the wider Europe and the turbulent international system. The settlement of the Cyprus problem could provide the EU with a success story and help to revitalize the process of European integration in one of the turbulent regions of the world, the eastern

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Mediterranean. The solution of the Cyprus problem could help to create a zone of stability between Turkey, Greece and Cyprus and set an example to others. The Greek-Turkish relationship, which has improved remarkably in recent years will benefit immensely from the settlement of the Cyprus problem. Among all the concerned actors, the Greek Cypriot leadership and public may think that time is on their side. However, they should realize that if a settlement is not found to the long-lasting problem, they would live in a divided island with an increasing risk of a two-state solution.

For the time being, there is still a favorable outlook for Cyprus. However, if the two leaders who have a long-standing personal relationship are unable to solve the problem, it will be difficult to try again. All of the

actors are exhausted from negotiating. The main parameters of the settlement are well-known; what is needed is the political commitment of the involved actors as well as international actors and a sense of timing. In addition to the efforts of the UN, it is essential that all international actors should do their utmost to promote a settlement on the island. The United Kingdom, Greece and Turkey should step up their efforts as “guarantor” powers and meet with the two community leaders to help in the settlement of the Cyprus problem and work on the security framework which is one of the thorniest issues of the settlement. It is in the interest of all actors to provide a settlement of the Cyprus problem with a sense of a time frame, since it will be more difficult to find a better context for the solution of the problem in the future.

#### Suggested Readings:

- A. Eralp, “Temporality, Cyprus Problem and Turkey-EU Relationship” (EDAM: Discussion Paper Series-2009/02)
- A. Eralp, “The Role of Temporality and Interaction in the Turkey-EU Relationship” (New Perspectives on Turkey, no. 40, Spring 2009)
- A. Lordos, E. Kaymak, N. Tocci, A People’s Peace in Cyprus (Brussels: CEPS, 2009)
- E. Kaymak, A. Lordos, N. Tocci, Building Confidence in Peace: Public Opinion and the Cyprus Peace Process (Brussels: CEPS, 2008)
- International Crisis Group, “Reunifying Cyprus: The Best Chance Yet” (Europe Report, 2008)
- International Crisis Group, “Cyprus: Reunification or Partition?” (Europe Report, 2009)
- J. Ker-Lindsay, “The Deceiving Shadow of the EU? Contradictory Perceptions of ‘European Solution’ for Cyprus” in O. Anastasakis, Othon, K. Nicolaidis and K. Öktem eds., In the long shadow of Europe: Greeks and Turks in the era of postnationalism (Leiden: Martinus Nijhoff Publishers, 2009), pp. 219-238.
- N. Tocci, EU Accession Dynamics and Conflict Resolution: Catalysing Peace or Consolidating Partition in Cyprus? (London: Ashgate, 2004)

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