

Obama, Erdoğan speak by phone, vow cooperation against terrorism

Reuters, 20.01.2016



U.S. President Barack Obama and Turkish President Recep Tayyip Erdoğan pledged continued cooperation in the fight against militants, including the Islamic State of Iraq and the Levant (ISIL) and the outlawed Kurdistan Workers' Party (PKK), the White House and Turkish presidential sources said.

During his phone call to President Recep Tayyip Erdoğan, President Obama offered his condolences for last week's bombing in Istanbul, when 10 German tourists were killed in a suicide attack blamed on ISIL, the White House and Turkish presidential sources said.

Obama also condemned a recent string of attacks by the PKK against Turkish security forces, and he stressed the need for de-escalation, the White House said in a statement. The two leaders said the fight against terrorism would be among a number of topics on the agenda when U.S. Vice President Joe Biden visits Turkey.

NATO member Turkey, a member of the U.S.-led coalition battling ISIL in Syria and Iraq, has increasingly become a target for the Sunni Muslim militants. Prime Minister Ahmet Davutoğlu blamed ISIL for the bombing in Istanbul's historic Sultanahmet Square. The suicide bomber is thought to have crossed recently from Syria.

ISIL is also believed to be behind other attacks last year in Turkey, including one in the capital Ankara in which more than 100 people were killed. Turkey's predominantly Kurdish southeast is currently engulfed in the worst violence since the 1990s after the collapse last July of a two-year-long ceasefire with PKK militants.

The PKK, deemed a terrorist organization by the United States and the European Union as well as by Turkey, attacked a police station in a Diyarbakir district with a truck bomb, killing six people including a baby and two toddlers.

Turkey welcomes Iran nuclear deal, hopes for ‘constructive contribution’ on regional conflict

Hurriyet Daily News, 18.01.2016



Turkish PM Ahmet Davutoğlu has welcomed the lifting of sanctions imposed on Iran over its disputed nuclear program, suggesting that the development will also serve as a “significant impetus” for bilateral relations between Ankara and Tehran.

Speaking to reporters in Istanbul ahead of his departure for a visit to the UK, Davutoğlu voiced hopes that the development would pave the way for “a perspective for joint efforts aimed at ending destruction and violence” in the region. “We believe that constricting embargoes in our region negatively influence regional development and do not produce results.

In this context, we welcome both developments in the conduct of nuclear agreement step by step and the lifting of embargoes. We believe that Turkish-Iranian relations will gain a significant impetus with the lifting of these embargoes,” Davutoğlu said.

“Meanwhile, the matter to which the world, Turkey, Iran and neighboring countries should attach importance is the conduct of joint efforts to the destruction and violence in our region with constructive contributions to be made by all countries in the Middle East region. We hope that this development will pave the way for such a perspective,” he added.

In a previous statement, the Turkish Foreign Ministry also underlined the need for “a responsible conduct that does not promote dissociation” in order to help “re-establish security and stability in the region.” “Turkey warmly welcomes the announcement made on the accomplishment of the ‘Implementation Day’ of the Joint Comprehensive Plan of Action (JCPOA) regarding the Iranian nuclear program. Turkey has always considered diplomacy and negotiations as the only option in the resolution of the Iranian nuclear dossier,” the Foreign Ministry said in a written statement.

“We expect the uninterrupted and full implementation of the JCPOA in full transparency under the supervision of the International Atomic Energy Agency [IAEA]. In this context, we would like to strongly emphasize the need for all parties concerned to demonstrate conduct that is responsible and does not promote dissociation in the period ahead of us, to help re-establish security and stability in the region,” the ministry said.

The IAEA confirmed that Tehran had complied with its obligations under last summer’s accord, leading the United States and the European Union to lift sanctions imposed over Iran’s disputed nuclear program that crippled its economy for a decade.

Davutoğlu voiced hope that the latest progress would have “positive contributions on the political talks process” which is expected to begin in the Syrian conflict in the near future. “Otherwise, none of us would approve of the emergence of new tensions upon this [development],” he said.

Turkey hopes to review ties with Iran through senior level visits

Hurriyet Daily News, 15.01.2016



Turkish officials have expressed hope to revive bilateral relations with neighboring Iran stalled amid Syrian conflict via high-level visits expected to take place within the next few months.

A visit by a delegation from the Turkish Industry and Business Association (TÜSİAD) to Tehran is likely to take place “in the coming days,” a senior Turkish official said. The visit by TÜSİAD will be followed by a visit to Ankara by an Iranian deputy foreign minister, the same official said, speaking under the customary condition of anonymity. “As the two neighboring countries, we need each other.

Despite the fact that we fall foul of each other on some issues, we have managed to carry on our relations at a certain level as a requirement of our interests. This will grow particularly when sanctions are lifted,” the official said. Having confirmed that they have been planning to send a delegation to Tehran, executives from TÜSİAD, however, told Hürriyet Daily News that no exact date has yet been set.

Back in August 2015, a scheduled visit to Turkey by Iranian Foreign Minister Javad Zarif was postponed at last minute. At the time, Turkish officials said the visit was postponed due to a “change in program,” without elaborating on which side requested the delay and on what grounds. Turkish officials expect that the visit by the deputy foreign minister, which they said will take place “within a few weeks,” will lay the ground for Zarif’s delayed visit.

The postponement last summer followed a senior Iranian official’s harsh criticism of Ankara over its Syria policy, which accused superpowers of using the Islamic State of Iraq and the Levant (ISIL) and other terror organizations as a tool. “Now Turkey is experiencing the same as radical groups it supported have now emerged as trouble for it,” Mehr News Agency quoted Mujtaba Amani, a former Iranian official in Cairo, as saying at the time.

While acknowledging the Syrian conflict as the main source of disagreement between Ankara and Tehran, the same senior official didn’t withhold Turkey’s constant criticism of Iran’s policies, which it defined as “sectarian.” “Iran wants to build clout in the region and is using sectarianism. Iran has legitimate concerns too. It is a minority country in the Muslim world as Shiites are a smaller group.

Since the Islamic revolution, there have been some reactions against Iran and Iran considers these reactions as threats and shapes its policy accordingly. This turns into an element that nourishes a lack of confidence between Sunnis and Shiites. Iran's resorting to sectarianism especially in regional issues is a source of uneasiness," the official said.

Taking all of these facts on the ground into consideration, Turkey doesn't expect a rapid progress in ties with Iran, the official added. Ankara's approach in bilateral relations with Tehran should be defined as "strategic patience," he said, adding: "Not much should be expected from Iran within a very short time. Patience is needed."

Chair questions male CEOs' role in childrearing at Davos

Hurriyet Daily News, 21.01.2016



Gender gap has become a leading issue at the World Economic Forum meetings in Davos, as a report published stated that the deficit between the salaries of men and women could level out after 118 years.

"What are the male CEOs at this meeting doing at home," questioned Doğan Online Founding Chair Hanzade Doğan Boyner at a session, where the Mercer Group's report was discussed in Davos. According to the report, the higher the position in the company, the lower the percentage of women in that position. In middle management, women make up around 33 percent.

In senior management, specifically the level of the department heads, women make up just 26 percent. Only 20 percent of executives are women, according to the study in which 3.2 million employees participated from 583 companies in 42 countries. "This huge inequality couldn't be resolved by leveling wages. We need to dig deep into the core of the problem," she said.

"Why do women give up at some point?" she asked. "Because it's very difficult to rise to the CEO level and raise two kids. So we need to change the culture," she noted. "How many male CEOs here pick their children up from the school or take them to swimming or tennis classes or help them with their homework...? Male CEOs who want to see their wives rise in their careers need to support them," she added.

Sabancı Holding chairwoman Güler Sabancı also highlighted in a separate session that companies with more women in senior levels are more successful in the long run. "Studies have showed that companies with more women in senior positions are much more successful in the long term perspective," said Sabancı.

Turkey ‘becomes third largest country exposure for World Bank’s lending arm’

Hurriyet Daily News, 21.01.2016



Turkey was in 2015 the third largest partner of the World Bank Group’s International Finance Corporation (IFC) unit, which made investments worth around \$4.3 billion in the country, said IFC Turkey Manager Aisha Williams in a meeting hosted by the Foreign Economic Relations Board (DEİK).

“Turkey remains a priority country for IFC and for the World Bank Group. The IFC made investments worth around \$18 billion last year globally. With a portfolio of around \$4.3 billion as of 2015, Turkey became the third largest country exposure for IFC globally.

The IFC has made record-high investments worth over \$1.8 billion on energy sector in Turkey, where the unit has mainly focused on energy and infrastructure development, improve municipal services, develop public-private partnerships [PPPs], promote local capital markets, and help Turkish companies increase competitiveness and impact,” said Williams.

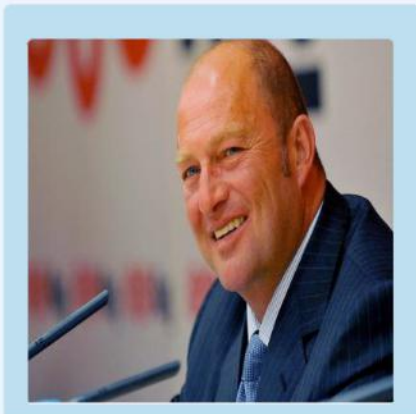
She noted that Turkish companies have accelerated their outward direct investments heavily for the last couple of years, increasing the volume of such transactions from around \$1.3 billion to \$6 billion. She added that the IFC has recently offered financing to outward investments of TAV, Şişecam and Anadolu Group for the last three years.

The meeting with Williams in Istanbul was organized in cooperation with Allen&Overy and IFC, the World Bank’s private sector lender. Turkish companies’ foreign assets have exceeded \$50 billion with the acceleration in such transactions, said DEİK Foreign Investments Business Council President Ender Arslan.

“Turkish companies recently acquired a number of leading foreign companies, such as Belgium’s Godiva, Britain’s United Biscuits, Mexx from the Netherlands, Germany’s Grundig, Russia’s Trader Media East, Iran’s Razi Petrochemicals, South Africa’s DEFY and Italy’s FinCuoghi. They have also made various greenfield investments across the world. Their foreign assets now exceed \$50 billion,” Arslan added.

Mustafa Koc, head of Turkey's largest group of companies, dies

Bloomberg, 21.01.2016



Mustafa Vehbi Koc, chairman of Turkey's biggest group of companies, died at a hospital in Istanbul after a heart attack. He was 55.

Koc, the grandson of Vehbi Koc, led the group, whose 2014 sales of \$31.3 billion accounted for about 5 percent of Turkey's gdp, for about 13 years after taking over from his father. He is survived by his wife Caroline and two daughters. He has two brothers, Ali and Omer. "Mustafa was an outstanding business leader, a man of true integrity and a loyal friend and partner to Ford over many decades," Bill Ford, executive chairman of Ford Motor Co., said.

Ford and Koc Holding have been partners for more than 80 years in motor-vehicle production in Turkey. Mustafa Koc's term as chairman saw landmark deals to expand the group, including the takeover of 51 percent of Tupras Turkiye Petrol Rafinerileri AS, the country's sole crude-oil refiner, from the government for \$4.1 billion in 2005. He also bought 57 percent of Inder Yapi Kredi Bankasi AS from Cukurova Holding AS for \$1.5 billion, a deal it undertook in partnership with Italy's Unicredit SpA in 2004.

"He was a pioneer for us and for all the business community with his exemplary personality," Tusiad, the country's top business community grouping, said in an e-mailed statement. "He contributed a lot of value to Turkey's economy, support to Turkish private enterprise, efforts for social development and loyalty to universal democratic values ."

The Istanbul-based conglomerate, founded in 1926 in Ankara, has joint ventures with Fiat SpA and with Ford. The group owns many other companies including Turkey's biggest home-appliances maker Arcelik AS, heavy and military vehicles manufacturer Otokar Otomotiv ve Savunma Sanayi AS, liquefied gas producer Aygaz AS, and food producer Tat Gida Sanayi AS.

Mustafa Koc completed his high school at the Lyceum Alpinum Zuoz in Switzerland. He graduated from the business school at George Washington University in Washington D.C. in 1984. He worked at several Koc Holding companies including Tofas and Ram Foreign Trade before joining the holding company. "His passing away is a big loss not only for his family and Koc Group, but also for our business community and our country," Bulent Eczacibasi, chairman of Eczacibasi Holding AS and a close friend of Koc, said in an e-mailed statement.

US VP Joe Biden arrives in Turkey with full agenda for a two-day visit

Daily Sabah, 21.01.2016



Vice President Joe Biden arrived in Istanbul's Atatürk Airport late Thursday for a two-day official visit in which he will have talks on the growing terror problem in the region with President Recep Tayyip Erdoğan and Prime Minister Ahmet Davutoğlu.

Upon his arrival, extensive security measures have been taken. Jammer-equipped vehicles also escorted his convoy from the airport to the Conrad Hotel in Istanbul's central Beşiktaş district where the official will stay. Counter-terrorism efforts against Daesh will be the key topic of discussion during his visit.

Regarding the Turkish military's presence at the Bashiqa camp in north of Mosul, Biden is expected to re-emphasize U.S. President Barack Obama's call for "the necessity to have respect for Iraq's sovereignty and the importance of full-withdrawal of Turkish troops."

Following Biden's arrival in Istanbul, the White House released a statement about a meeting between Biden and Iraqi PM Haider al-Abadi in Davos, Switzerland, "US Vice President Biden, in meetings with Iraq's Abadi, encouraged continued talks between Iraq and Turkey to resolve concerns about Turkish troops in northern Iraq," it said in the statement, further adding that the two officials also discussed counter-Daesh campaign and "urgency of stabilization efforts in Ramadi."

Turkish officials and Biden will share their opinions on ways to foster regional stability. They are also expected to discuss the Syrian-Arab groups that Ankara suggested the U.S. to train to repel Daesh terrorists from the Syrian-Turkish border.

Ankara will also reiterate its concerns over terrorist organization PKK's Syrian wing, the Democratic Union Party (PYD). While Washington understands Ankara's concerns regarding Turkey's national security and the Chairman of the U.S. Joint Chiefs of Staff Gen. Joseph Dunford gave several commitments to Ankara to prevent the PYD's armed People's Protection Units (YPG) from crossing the west of the Euphrates, Washington also wants PYD's role to be taken into account in the fight against Daesh.

The recent developments in the Cyprus reunification talks, which Biden closely follows, will also be discussed in meetings with Erdoğan and Davutoğlu. In addition to meetings with Davutoğlu and Erdoğan, Biden will also meet with civil society organizations and political party representatives.

Merkel: Turkey has a long way to go before EU membership

Dogan News Agency, 17.01.2016



Turkey still has a long way to go in its bid to become a full member of the European Union, German Chancellor Angela Merkel stated in a weekly Q&A video exchange published.

“The negotiations are open-ended for both sides. We have opened a new chapter in this process and new chapters are possible too. There is a long way ahead, but I see the frequent meetings as positive. I am also hoping to see progress in the Cyprus issue in the next few months,” Merkel said, responding to a question on whether Turkey should expect to be an EU member state within 10 years. She added that it was “not realistic” to give a time frame at the moment.

Merkel’s remarks came ahead of Turkish Prime Minister Ahmet Davutoğlu’s official visit to Germany for a Turkey-Germany High-Level Cooperation Council meeting. The German chancellor also said this week’s meeting was independent from the Jan. 12 terror attack in Istanbul’s historic Sultanahmet neighborhood, which killed 10 German citizens.

“We must not let the terrorists change our agenda,” Merkel said, stressing that the meeting was scheduled long before the Sultanahmet attack. On whether Ankara will receive any financial aid other than the 3 billion euros recently agreed as a fund to help keep refugees from Syria in Turkey, Merkel said the current arrangement was a “good start.”

“We want to fix the refugees’ situation. Turkey has opened its doors to 2.5 million refugees, 900,000 of whom are children who need a proper education. Turkey has so far received very limited assistance on this issue,” she said. “It is also for Europe’s benefit that these people are in a good condition and do not want to leave Turkey. So this is a good start and we will see how it will continue,” she added, stressing that Germany was working for peace in Syria so people can eventually return home.

“The refugees will not always live in Turkey. Maybe we can give them their country back. This would be the best outcome for them.” Merkel said. Meanwhile, the German chancellor said the Kurdish issue and the issue of press freedom would also be on the agenda of her meeting with Davutoğlu and a team of minister from both sides.

“We were pleased with Turkey’s peace negotiations with the Kurds in the past, and we always say that military operations should be proportional. In the meeting we want to discuss what can be done politically. Of course Turkey should take precautions against the [outlawed Kurdistan Workers’ Party] PKK’s terrorist operations, but the Kurds should also be given a reasonable chance,” Merkel added.

PM expresses appreciation for global business interest in Turkey at Davos

Anadolu Agency, 22.01.2016



Turkish Prime Minister Ahmet Davutoğlu met with heads of the world's largest companies at the World Economic Forum in Davos, Switzerland.

Turkish Prime Minister Ahmet Davutoğlu expressed his appreciation for international companies' interests and their connections with Turkey. Turkish Prime Minister Davutoğlu and CEOs from around the world discussed projects worth more than \$3 billion value in the sectors of finance, infrastructure, logistics and industry. Sources said meetings with investors will continue as there is much interest from international firms.

According to Turkish Prime Ministry sources, after the November 2015 election, international companies, which have more than \$4 trillion market value, are eager to invest more in Turkish markets. The sources said investors from Japan, China, Malaysia as well as the U.S. and Europe were to meet with the prime minister in Davos.

The Turkish government on Dec. 11 unveiled "the 2016 action plan" to further improve the country's investment environment with a series of reforms designed to attract international investors. The plan includes new measures ranging from reducing costs in organized industrial zones to easing of licensing procedures for investors.

The sources stated that the "high demand of the prime minister" indicated that the government's financial action plan, which includes incentives for investing international companies, was welcomed by foreign investors. More than 40 political and 1,500 business leaders from over 100 countries are attending the four-day World Economic Forum, which kicked off Jan. 20 in Davos, Switzerland.

Growth strategy of Turkey's TAV becomes case study at Harvard

Hurriyet Daily News, 20.01.2016



The operating model and growth strategy of Turkey's TAV, one of the world's largest airport constructors and management companies, has now become a case study at Harvard Business School, said the company.

The case study is on TAV's transformation to being an important global brand and emphasizes how it differentiated from its counterparts through its integrated business model, it added. One of the world's most prestigious business schools, Harvard Business School published a case study on how TAV became a global brand from its humble beginnings in Istanbul.

Prof. Juan Alcacer, a faculty member of Harvard Business School, and Esel Çekin, HBS Istanbul Research Center's executive director, co-authored in writing a case study on how a Turkish company that had started from ground zero with a build-operate-transfer model project and a wide target and vision became one of the globe's largest airport management companies, said the company.

"At Harvard Business School we are committed to provide teaching materials that help our students to become leaders that make a change in the world. To achieve this goal, we are looking constantly for firms and organizations around the world that provide interesting and important lessons in management. When I visited Turkey a couple of years ago I had the chance to learn about TAV, its managers and its strategic challenges. I thought that it provided a great setting where students could explore good managerial practices, so we wrote the case," said Alcacer.

Within the scope of this case study, Sani Sener, the CEO of TAV group, will meet Harvard Business School's MBA students in Boston on Feb. 18. "Since the very beginning, we established a business model that is based on innovation and smart growth. We started a three-year, eight-month, 20-day project. We had only 10 million passengers in Istanbul in 2000. Today, we are welcoming 102 million passengers in 14 airports in seven countries. TAV's wide variety of products and services from ground handling, to food and beverages, duty free, security and IT, are provided in 70 airports and 16 countries.

We are in number one in airport construction. We achieved this success not through our physical assets, but through intellectual and social assets that are our 54,000 employees from 39 different countries. We are proud that TAV's flexible business model which endures the market shocks and its global brand name born out of Turkey are now being discussed by the leaders of the future at Harvard," Şener said. Together with its affiliates and subsidiaries, TAV Airports, one of the world's leading airport operators, operates the Istanbul Atatürk, Ankara Esenboğa, İzmir Adnan Menderes, Milas-Bodrum and Alanya-Gazipaşa airports in Turkey.

The Tbilisi and Batumi airports in Georgia, Monastir and Enfidha-Hammamet airports in Tunisia, Skopje and Ohrid airports in Macedonia, Madinah Airport in Saudi Arabia and Zagreb Airport in Croatia are also operated by TAV.

Israeli PM 'hopeful' of normalization with Turkey

Hurriyet Daily News, 22.01.2016



Israeli Prime Minister Benjamin Netanyahu has expressed hope towards the normalization of relations with Turkey, saying they were in talks with Turkey to restore ties.

Speaking to Anadolu Agency on the side lines of World Economic Forum meetings in the Swiss resort of Davos, Netanyahu said, "We are talking to them [Turkish officials], and they are talking to us and if we succeed, that will be good for both countries." Relations with Israel have been tense since May 31, 2010, when Israeli forces raided a Gaza-bound flotilla of mainly Turkish activists, killing 10 people aboard the Mavi Marmara, the largest of the six vessels in the flotilla.

More than five years later, Turkey and Israel have begun talks to normalize relations, Turkish diplomatic sources confirmed last month. In order to restore ties, Turkey has demanded an apology from Israel, compensation for the families of those killed in the attack and the lifting of Israel's eight-year blockade of Gaza.

Presidential spokesperson İbrahim Kalın told a press briefing late December 2015 that only the fulfilment of these three conditions would lead to normalization of relations with Israel. In response to a question on whether he was hopeful that ties would be restored, the Israeli prime minister said: "We are always hopeful."

President Recep Tayyip Erdoğan had said Turkey and Israel were two countries in the Middle East that need each other. "Israel is in need of a country like Turkey in the region. We have to admit that we also need Israel," Erdoğan had said while returning from an official trip to Saudi Arabia.

US gives troops broader order to strike ISIL in Afghanistan

Reuters, 10.01.2016



U.S. military commanders have been given the authority to target the Islamic State of Iraq and the Levant (ISIL) militants in Afghanistan, the Pentagon said, the first such order beyond Iraq and Syria, where the militants control parts of both countries.

The U.S. State Department said that it had designated the Islamic State of Iraq and the Levant (ISIL)'s offshoot in Afghanistan, known as ISIL-Khorasan, as a foreign terrorist organization. U.S. forces could previously strike ISIL in Afghanistan but it was under more narrow circumstances, such as for protection of troops.

Senator John McCain of Arizona, a Republican who chairs the Senate Armed Services Committee, said the administration of President Barack Obama, a Democrat, "seems to be waking up to the fact that more than a year into the U.S. military campaign, ISIL's reach is global and growing."

McCain told a hearing that the authorization given by the White House was much needed and "many of us may be interested to know that we confined our attacks on ISIL to Iraq and Syria." ISIL has supporters and sympathizers around the world who have carried out bombings and gun attacks on civilians, notably in Paris in November and San Bernardino, California, in December.

A Pentagon spokesman, Capt. Jeff Davis, said there had been an adjustment to the authorization for U.S. forces in Afghanistan, but he did not give details on when exactly it was given. "As part of this mission, we will take action against any terrorist group that poses a threat to U.S. interests or the homeland, including members of ISIL-Khorasan," Davis said. Davis said there had been "some" strikes on the group in recent days.

The change in the authorization was first reported by the Wall Street Journal. The White House did not immediately respond to a request for comment. According to the State Department, ISIL-Khorasan was formed in January 2015, based in the Afghanistan-Pakistan region, made up of former members of the Pakistani Taliban and Afghan Taliban.

U.S. Army General John Campbell, who leads international forces in Afghanistan, has said ISIL had coalesced over the last five or six months in Nangarhar and Kunar provinces and had been fighting the Taliban for several months.

Rouhani enters Iran election row over barred candidates

AFP, 21.01.2016



Iran's president entered a row over thousands of disqualified election candidates, taking a barely veiled swipe at a powerful committee that chooses who can run for parliament.

Hassan Rouhani's intervention came days after it emerged that only one percent of reformists seeking to become lawmakers had been deemed eligible to contest the ballot on February 26. Reformists have been largely sidelined since the disputed 2009 re-election of hardline conservative president Mahmoud Ahmadinejad, when the movement alleged widespread ballot fraud.

In a sign of their discontent, few politicians from the reformist camp stood in Iran's last parliamentary election in 2012. But the movement has regrouped since Rouhani, a moderate cleric, took office in 2013, raising hopes of a comeback.

The vast rejection of reformist candidates, however -- only 30 of 3,000 seeking a seat in parliament were reportedly approved -- led to claims next month's vote would not be credible. Rouhani, speaking in Tehran to an audience of provincial governors, appeared to criticise the Guardian Council, the committee that so far has barred around 60 percent of candidates in total.

"It is called the House of the Nation, not the house of one faction," he said to loud applause, implying that not only conservatives should contest the election. "We must create hope, enthusiasm, competition. If there is one faction and the other is not there, they don't need the February 26 elections, they go to the parliament," Rouhani added, laughing. "No official without the vote of the people would be legitimate."

The vetting procedure has been contentious for months, as the poll is an opportunity for reformists and moderates to make gains against a dominant conservative camp in parliament. Rouhani's remarks underscored tension in Iran about the elections following the country's recent nuclear deal with the United States and five other major world powers.

Rouhani, pledging to end the nuclear crisis, was elected in a landslide in a reaction to the rule of Ahmadinejad, under whom sanctions had bitten ever deeper, crippling Iran's economy. The nuclear deal lifted those sanctions and Rouhani is now seeking to bring some domestic reforms, a prospect more likely if there are fewer hardline conservative MPs to block his legislation. Those seeking to run in next month's vote can appeal. The Guardian Council will publish a final list of approved candidates on February 4. "The executors and observers should pay attention that the framework of law is respected," Rouhani said, drawing a contrast between minority representation and the exclusion of larger groups. "How many people, how many thousands follow the religion of Moses in this country?" he said, referring to the one seat allocated in Iran's parliament for Jews.

Seats are also allocated for Christians, Armenians and Zoroastrians. “They are 10,000, 20,000,” Rouhani said. “Yet there is a faction in this country with seven or 10 million,” he added, again alluding to reformists and receiving wide applause.

Kerry set to meet Russian FM amid concerns over Syria talk

The AP, 20.01.2016



Secretary of State John Kerry is hoping to move aside obstacles that threaten to delay the start of peace talks to end Syria’s war, seeking compromise with Russia’s foreign minister on which Syrian opposition groups should be eligible to participate.

Kerry will meet with Russian Foreign Minister Sergey Lavrov in Zurich. After attending the World Economic Forum in Davos, Kerry will head to Riyadh to discuss the same issue with top Saudi officials. Last weekend he was in Austria sealing the implementation of a landmark nuclear deal with Iran.

Russia and Iran, which back Syrian President Bashar Assad, have severe differences with Saudi Arabia, other Arab states, the United States and Europe over which opposition groups should be considered terrorists and not allowed to be part of an 18-month political transition process that the U.N. has endorsed. One dispute is over the groups Ahrar-as-Sham and Jaish al-Islam, which Russia and Syria consider “terrorists” but Saudi Arabia, the United States and others view as legitimate opposition groups. The dispute is threatening to delay the planned Jan. 25 start of U.N.-mediated peace talks.

“We’re not unmindful of the fact that there still remains differences of opinion, and that this is a complicated process and that there is still quite a bit of work that needs to be done to get the meeting to occur,” State Department spokesman John Kirby said Tuesday. “But it’s our hope that this can continue to move forward, and that we can have this meeting on the 25th.”

U.N. chief Ban Ki-moon urged countries supporting opposing sides in the Syrian conflict to redouble efforts to reach agreement on the list of eligible opposition groups. Ban’s appeal came as the U.N. special envoy for Syria, Staffan de Mistura, briefed the Security Council on his efforts to get the talks started and the leaders of Russia and Qatar met in Moscow to try to narrow their differences.

U.N. officials say they remain focused on starting the talks on Jan. 25 as planned, but they say they can’t send out invitations until the key countries agree on an opposition list and have hinted at a possible delay. In Washington, U.S. officials echoed those sentiments. One official said the talks had not yet been delayed, but that it was possible they could slip by a week or more.

In Moscow, meanwhile, a top Russian diplomat said he hoped the Lavrov-Kerry meeting would produce an agreement on the list. The conflict in Syria, which began nearly five years ago with protests against Assad, has morphed into an all-out war that has killed more than 250,000 people. The push for negotiations to end the conflict has accelerated with an estimated 4 million Syrians fleeing the country, overwhelming its neighbors and heading to Europe - and the plight of some 400,000 people trapped in besieged areas where an unknown number have starved to death. Hopes for a quick end to the conflict are dim, however, with Assad's forces scoring a series of battlefield gains which could make the government less inclined to negotiate a compromise. The issue of Assad's future also remains a serious stumbling block.

UK opposition leader invites Trump to visit London mosque

Reuters, 17.01.2016



Britain's opposition leader invited U.S. Republican presidential candidate Donald Trump, who sparked an outcry by calling for a ban on Muslims from entering the United States, to join him on a visit to a London mosque.

The comments from Labour leader Jeremy Corbyn, a socialist who represents a multi-ethnic district of north London, come a day before the British parliament debates a motion calling for a ban on half-Scottish Trump from visiting the country. "I decided to invite Donald Trump on his visit to Britain to come with me to my constituency because he has problems with Mexicans and he has problems with Muslims," Corbyn told.

"As you know my wife is Mexican and my constituency is very, very multi-cultural so what I was going to do was go down to the mosque with him and let him talk to people there," he said. The billionaire frontrunner for the Republican presidential nomination called for a ban on Muslims entering the U.S. following a shooting spree by two Muslims who the FBI said had been radicalised, and has made xenophobic comments about Latinos.

British lawmakers are due to debate on Monday a petition signed by more than half a million people calling for Trump to be barred from Britain, although the debate will not be followed by a vote. Trump has threatened to cancel over 700 million pounds of investments in golf courses in Scotland if Britain slaps him with a travel ban.

He has also been involved in a spat with the Scottish government over plans they approved for an offshore wind farm project near one of his golf courses, calling former first minister Alec Salmond "an embarrassment to Scotland." Salmond, who sits as a lawmaker in the British parliament, told the BBC he would likely support barring Trump from the country. "He wants to ban all Muslims from the United States. I want to ban all Donald Trumps from Scotland," he said.

France says EU must avoid British exit, not at any price

AFP, 21.01.2016



France said a British exit from the EU would be a tragedy, but warned that Britain's demands for reform could not be met at any price. British PM Cameron has said he wants a deal on his EU reform demands by February so that he can campaign to stay in the bloc ahead of a referendum on membership, which he has promised to hold by the end of 2017.

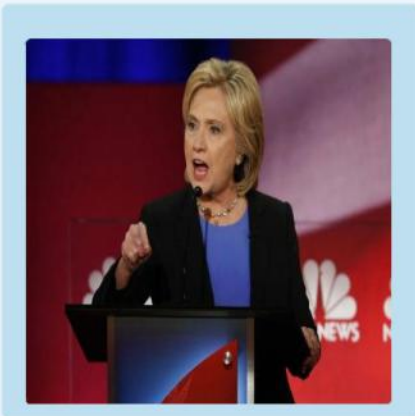
A British EU exit would be "a very bad thing," French PM Valls told at an annual gathering of billionaires and political leaders in the snow-blanketed Swiss ski resort of Davos, where discussions have turned to the specter of a so-called Brexit.

"There needs to be a deal, but not at any price," the French prime minister said. "Anything that allows us to simplify the organization of Europe, yes. Anything that throws into doubt the foundations of the European project or the eurozone, no." Valls' rather downbeat assessment contrasted with more positive noises from his German and Dutch counterparts in Davos. Cameron's most hotly contested proposal is a four-year ban on top-up benefits for EU migrants working in Britain, which critics say is discriminatory and threatens freedom of movement in the EU.

The British leader also wants the EU to give Britain safeguards against more political integration, to protect countries that do not use the euro currency and to boost economic competitiveness. The French premier said the EU faced multiple pressures including from terrorism, refugee flows and the risk of a British exit, "which could lead to a fracturing of the European project, and not in a few years or decades, but in the next few months." Valls said the British leader is unlikely to win over fellow EU leaders by the time of their Feb. 18-19 summit in Brussels, at which France will be represented by President Francois Hollande.

Clinton, countering Sanders 'revolution,' cites experience

AFP, 18.01.2016



Democratic presidential candidates clashed in final debate, with Hillary Clinton presenting herself as best qualified as she parried attacks from pugnacious rival Bernie Sanders.

The pair, along with former Maryland governor Martin O'Malley, took the stage in Charleston, as frontrunner Clinton feels the heat from challenger Sanders in a tightening nomination race. All three are aware that their performance could be the best opportunity to reshape the race ahead of Iowa, which votes two weeks from. Sanders and Clinton sparred, sometimes intensely, over plans for universal health care, guns, battling ISIL extremists and reining in Wall Street.

Clinton raced out of the gate touting her vast experience as former secretary of state, senator and point-woman for her husband Bill Clinton's efforts to reform health care, saying Americans need a president who can do "all aspects of the job" and signaling that her rivals were not up to the task. "I understand that this is the hardest job in the world. I'm prepared and ready to take it on," she said.

Clinton, whose campaign has been surprised by the resilience of what Sanders called his "political revolution," said she was best qualified to "bring our country together" during polarizing times. Sanders, who polls show is nearly even with Clinton in Iowa, sent shockwaves hours before the debate when he unveiled his "Medicare for All" proposal, which he said would save average American families thousands of dollars per year.

But the plan would raise taxes across the board and require a 6.2 percent health care payroll tax on businesses, while slapping taxpayers with a 2.2 percent "premium" based on income. Sanders, an independent US senator and self-described democratic socialist, said his plan would save \$6 trillion over 10 years compared to the current system.

Clinton has assailed Sanders for peddling a government-run single-payer system that would be too expensive. She added that the plan would shred President Barack Obama's Affordable Care Act, which has helped 19 million new people get health insurance.

"To tear it up and start over again... I think is the wrong direction," Clinton said at the debate broadcast by NBC News. Clinton also criticized Sanders for his positions on gun control. "He has voted with the NRA (National Rifle Association), with the gun lobby numerous times," she said, highlighting his votes against legislation mandating background checks for gun sales. And Clinton wryly congratulated Sanders for flip-flopping on a proposal she has advanced to end gun makers' immunity from lawsuits. In 2005 Sanders voted for legislation that gave gun manufacturers legal immunity.



“This should not be a political issue,” Sanders said, noting the tragedy that befell Charleston when a “crazed person” shot nine African Americans in a church last year. “What we should be doing is working together.”

O’Malley has made little headway with voters despite considerable debate stage time. He squeezed into the conversation, indicting the Clinton political juggernaut by stressing that it was time for voters to “let go of the past and move forward.” However it is Sanders’s success that has jostled team Clinton.

Sanders accused the former first lady of cozying up to billionaires, and claimed that she would not be tough enough on Wall Street banks. “We have an economy that’s rigged,” Sanders said as he drew a sharp contrast with Clinton. “I don’t take money from big banks. I don’t get personal speaking fees from Goldman Sachs,” he said, noting that Clinton has accepted hundreds of thousands of dollars for addressing the bank.

Establishment Democrats are wary of a repeat of 2008, when Clinton was ahead in the polls but lost in Iowa to little-known senator Barack Obama, who eventually won the nomination and the White House. Clinton is again the presumptive favorite. But last year’s scandal about her use of private email while secretary of state has battered her favorability ratings, which are below Sanders’s.

The Republican National Committee blasted the Democrats for failing to focus enough on foreign issues. “At a time when concerns over terrorism are at their highest point in years, all three candidates omitted any mention of national security or foreign policy from their top three priorities,” read the RNC statement.

“Democrats doubled down on the extreme and failed policies of the current administration.” Republican front runner Donald Trump had no immediate reaction, but in a sign of how personal the race has become, his rival Ted Cruz posted a short video of old interviews in which Trump praises Clinton.

Announcements & Reports

► *Belarus at A Crossroads*

Source : Bruegel
Weblink : <http://bruegel.org/2016/01/belarus-at-a-crossroads/>

► *Matching Research and Innovation Policies in EU Countries*

Source : Bruegel
Weblink : <http://bruegel.org/2015/12/matching-research-and-innovation-policies-in-eu-countries/>

► *Asia-Pacific Rebalance 2025*

Source : CSIS
Weblink : <http://csis.org/publication/asia-pacific-rebalance-2025>

Upcoming Events

► *Central Banking After The Great Recession*

Date : 22 January 2015
Place : Brussels - Belgium
Website : <http://bruegel.org/events/monetary-policy-after-the-great-recession/>

► *The New Silk Road: What is in it For Europe*

Date : 22 January 2015
Place : Shanghai - China
Website : <http://bruegel.org/events/the-new-silk-road-what-is-in-it-for-europe/>

► *Competitive Gains in the Economic and Monetary Union*

Date : 23 January 2015
Place : Brussels - Belgium
Website : <http://www.bruegel.org/nc/events/event-detail/event/534-competitive-gains-in-the-economic-and-monetary-union/>

► *The Future of Capitalist Democracy: UK-Japan Perspectives*

Date : 24 January 2015
Place : London - UK
Website : <http://www.chathamhouse.org/event/future-capitalist-democracy-uk-japan-perspectives>



► *Emerging Markets and Europe: Time for Different Relationships?*

Date : 26 January 2015
Place : Brussels - Belgium
Website : <http://www.bruegel.org/nc/events/event-detail/event/524-emerging-markets-and-europe-time-for-different-relationships/>

► *What future for Europe's Social Models?*

Date : 27 January 2015
Place : Brussels - Belgium
Website : <http://www.bruegel.org/nc/events/event-detail/event/526-what-future-for-europes-social-models/>

► *Challenges for Growth in Europe*

Date : 28 January 2015
Place : Brussels - Belgium
Website : <http://www.bruegel.org/nc/events/event-detail/event/521-challenges-for-growth-in-europe/>

► *Global Governance of Public Goods: Asian and European Perspectives*

Date : 28 January 2015
Place : Paris - France
Website : <http://www.bruegel.org/nc/events/event-detail/event/529-global-governance-of-public-goods-asian-and-european-perspectives/>

► *The Future of the Welfare State*

Date : 29 January 2015
Place : Berlin - Germany
Website : <http://www.bruegel.org/nc/events/event-detail/event/541-the-future-of-the-welfare-state/>