Politics & Economics Bulletin

▶ 12.02.2016



Turkey presents own project for use of EU refugee fund to Brussels

Hurriyet Daily News, 12.02.2016



Voicing unease with calls on Turkey to open its border to take in tens of thousands more Syrian refugees fleeing regime advances around Aleppo, Deputy Prime Minister Yalçın Akdoğan has said Turkey has sent the EU a package of project plans for the 3 billion-euro refugee fund.

"Those who have been giving advice to Turkey. First you should open your hearts to these people. Look after these people. We are seeing countries getting involved in the issue only when the problem begins to hurt them. But international solidarity is a must," Akdoğan told during a visit to the refugee camp, named "Container City," in the border of Kilis.

"As Turkey, we have presented to the EU a package of investments to be funded by the 3 billion euros. This assistance will not be made to Turkey. It is for the Syrian refugees," he added. EU countries finally approved a fund of 3 billion euros for Turkey to improve living conditions for refugees in exchange for Ankara ensuring fewer of them migrate on to Europe. All 28 EU countries signed off on the proposal at a meeting in Brussels after Italy dropped its opposition to the plan, which was first agreed with Ankara in November 2015.

Speaking at a joint press conference with visiting German Chancellor Angela Merkel, Turkish Prime Minister Ahmet Davutoğlu had also said Ankara would inform Brussels this week on the initial projects it plans for the 3 billion euros.

In response to questions, Merkel refrained from presenting a clear timeframe for delivery of the EU funds. Akdoğan, meanwhile, said the refugees were being accommodated in nine camps just across the border with Syria.

"There are nine camps on the other side of the border accommodating 100,000 people, including up to 35,000 new arrivals," he said, noting that a tenth camp was being built three kilometers inside Syrian territory. Akdoğan said it was important to create a "civilian settlement area" on the Syrian side of the border but insisted that Turkey was maintaining its "open-door policy" towards refugees.

He said that in contrast with the early days of the regime offensive on Aleppo, there was no longer a major buildup of refugees on the frontier, with those in need now accommodated in the camps. "Right now there is no accumulation [of refugees] on the border. No big mass trying to cross the border," Akdoğan added. The United Nations and the European Union have both urged Turkey to let in refugees fleeing the government onslaught. But Turkey, already hosting 2.7 million Syrian refugees, has so far refused to let the new wave into the country, instead providing humanitarian assistance across the border.



Ankara, Tehran to improve dialogue, vows Turkish diplomat amid tension over Syria

Anadolu Agency, 12.02.2016



Turkey and Iran have reached a consensus on improving dialogue by increasing mutual high-level contacts and visits, said a senior Turkish diplomat after a recent visit by Iranian Deputy Foreign Minister Ibrahim Rahimpour to Ankara.

"During the meeting, we agreed to continue enhancing our dialogue in the upcoming period via increasing mutual high-level contacts and visits," said Foreign Ministry Deputy Undersecretary Ambassador Ümit Yalçın. Yalçın said Ankara and Tehran agreed on improving economic trade relations and cooperating in the energy sector, following the recent lifting of international economic sanctions against Iran.

Stating that the two sides had exchanged views on regional issues, especially over developments in Syria and Iraq, during Rahimpour's visit, Yalçın said they both agreed on "the importance of stopping the bloodshed in Syria." "We touched upon the need to initiate a political process for stopping the bloodshed in Syria and implementing a real transition process," he said.

"In this respect, we expect Iran's regional policies to be constructive and we hope it [Iran] will understand how much it is [acting] in a wrong manner by cooperating with the Russian Federation and supporting the [Syrian President Bashar al-Assad] regime," Yalçın added.

The Syrian government's backers, namely Russia and Iran, call for Bashar al-Assad to be part of any transition process. Turkey, which has taken in a large number of Syrian refugees, is deeply opposed to al-Assad remaining in power, accusing his regime of being responsible for the deaths of thousands of people.



Turkey praises planned Syria cessation of hostilities

Hurriyet Daily News, 12.02.2016



Turkey has praised an agreement between major powers to cease hostilities in Syria to provide humanitarian aid as "an important step" toward resolving the crisis, calling for the opportunity to be seized in order to pave the way for a political solution to the conflict.

The agreement by the 17 countries of the International Syria Support Group (ISSG) "is an important step on the way to finding a solution to the Syrian crisis," Turkish Foreign Minister Mevlüt Çavuşoğlu said. "This statement underlined the issues impairing the Geneva process and presented an opportunity to unblock stalemate before the political process.

What is important now is embracing this opportunity, stopping the airstrikes, ceasing targeting civilians and providing humanitarian access," Çavuşoğlu added. The United States, Russia and a more than a dozen other nations, including Turkey, reached a deal in Munich that is aimed at eventually paving a way for a political transition in Turkey's war-torn neighbor.

If implemented, a "cessation of hostilities" in Syria, to begin in a week, would allow humanitarian aid to reach besieged towns. It has the potential to be the first diplomatic breakthrough in a conflict that has fractured the Middle East, killed at least 250,000 people, made 11 million homeless and sent hundreds of thousands fleeing into Europe.

But by allowing fighting to rage on for at least another week, it gives the Damascus government and its Russian allies time to press on with an offensive that has transformed the conflict since the start of this month. Russian warplanes were continuing to bomb northern Syria, showing no sign of slowing the pace of attacks despite the agreement hammered out overnight.

The "cessation of hostilities" agreement reached by the world powers falls short of a formal ceasefire, since it was not signed by the two main warring parties: The opposition and government forces. It was announced after marathon talks in Munich aimed at resurrecting Geneva peace talks that collapsed last week.

The 17-nation ISSG also agreed that "sustained delivery" of humanitarian aid will begin "immediately," with a new U.N. task force scheduled to meet later in Geneva to start pushing for much greater access to "besieged and hard-to-reach areas."

U.S. Secretary of State John Kerry admitted there were "no illusions" about the difficulty of implementing a nationwide "cessation of hostilities" between regime forces and rebels as he announced the deal in Munich alongside Russian Foreign Minister Sergei Lavrov.



Implementation will now be the key, said Kerry. "What we need to see in the next few days are actions on the ground, in the field," he added. Lavrov said that peace talks should resume in Geneva as soon as possible, and that all opposition groups should participate. But he added that halting hostilities in Syria would be a "difficult task."

NATO Secretary General Jens Stoltenberg accused Russia of undermining efforts to reach a peaceful solution in Syria by targeting opposition groups instead of the Islamic State of Iraq and the Levant (ISIL) militants and said a lasting peace would only be achieved if this stopped.

"Russia has mainly targeted opposition groups and not ISIL. Air strikes of Russian planes against different opposition groups in Syria have actually undermined the efforts to reach a negotiated, peaceful solution," Stoltenberg said.

Paris condemns attack on Turkish consulate in SW France

Anadolu Agency, 10.02.2016



France has condemned a Feb. 9 attack by supporters of the outlawed Kurdistan Workers' Party (PKK) that targeted Turkey's consulate in Bordeaux, in southwestern France.

Some 50 protesters with pro-PKK signs gathered in front of the consulate on Feb. 8, with one demonstrator climbing the front of the building and raising a PKK flag. French police dispersed the crowd at around 11 a.m. local time. "France condemns with the utmost firmness the attack against the offices of the Consul General of Turkey [...] by undeclared demonstrators," the French Foreign Ministry said in a statement.

The PKK – listed as a terror organization by Turkey, the EU and the U.S. – resumed its 30-year armed campaign against the Turkish state in late July 2015. Since then, hundreds of security forces, PKK militants and civilians have been killed in violence that has enveloped Southeast Turkey.



Turkey, Germany takes migrant crisis to NATO

Hurriyet Daily News, 08.02.2016



Germany and Turkey have pledged to exert joint efforts to secure NATO's involvement in curbing the refugee flow to Europe, with the latter emphasizing that it should not be expected "to shoulder the refugee issue alone."

"Together, we will propose NATO's engagement concerning all results of the refugee flow from Syria as an agenda item to NATO," Turkish PM Davutoğlu announced with German Chancellor Merkel. "We will especially exert joint efforts for the effective use of NATO's observation and surveillance mechanisms on the border and in the Aegean," Davutoğlu said, referring to a meeting of NATO defense ministers.

The two leaders' meeting in the Turkish capital came as around 30,000 Syrians waited at the Turkish border after fleeing a Russia-backed regime offensive on the northern region of Aleppo. Speaking in Ankara, Davutoğlu, whose country is hosting 2.7 million Syrian refugees, voiced Turkey's readiness to take more refugees "if necessary."

"Obviously, as always, we will provide for our Syrian brothers and accept them when necessary," he said, while however, cautioning that "no one should assume that just because Turkey is taking in all the refugees that it should be expected to shoulder the refugee issue alone." For her part, Merkel said Germany is ready to fulfill its part in lending support to Turkey's efforts within the framework of "a joined task which needs to be defined."

Echoing Davutoğlu, Merkel said Turkey and Germany would ask NATO to help police the Turkish coast and stop traffickers from sending migrants on dangerous sea journeys. "We will use the NATO defense ministers' meeting to talk about the situation in Syria as well as whether and to what extent NATO can help in monitoring the situation at sea and lend support to Frontex and Turkish Coast Guards," she said.

In a Nov. 29, 2015, deal between Ankara and Brussels, the EU agreed to give Turkey 3 billion euros to keep Syrian refugees on its soil in return for an acceleration of the EU accession talks and speeded-up visa liberalization for Turks visiting Europe.

EU countries gave final approval to the 3 billion euro payment to Turkey, while the European Commission, the EU executive, is set to publish a report on Turkey's progress in implementing the migrant deal. Davutoğlu said he would take part next week in a mini-summit of European countries willing to join a voluntary resettlement for Syrians. The meeting of so-called "like-minded" countries led by Germany and Austria will take place in Brussels before the European Council later this month.



Davutoğlu also said Turkey would inform Brussels next week on the initial projects it plans after receiving 3 billion euros in funds from the EU. In response to questions, Merkel refrained from presenting a clear timeframe for delivery of the EU funds.

"We need a visible first project. It doesn't help a child from Syria that is a refugee here, or a Turkish class that has to share its room with Syrian refugees to say we have pledged 3 billion. They want to see a school in the city and fast," Merkel said.

"We need to work on this. We need to make sure there are not too many bureaucratic hurdles. Rather the refugees have to see the benefits quickly and without bureaucracy," she said, while calling for fast action from Ankara to improve the situation for refugees in Turkey.

In addition to steps involving political dimension such as pushing for NATO's involvement in curbing the refugee flow to Europe and accelerating further global action to ensure Russia's compliance with a U.N. Security Council resolution aimed at protecting civilians in war-torn Syria, Turkey and Germany will also take practical and technical steps.

Cooperation of the German Federal Agency for Technical Relief (THW) and Turkey's disaster agency, the Disaster and Emergency Management Directorate (AFAD), for refugees is one of those steps.

Turkey will also intensify efforts against human smuggling which it is prepared to legally treat as a terror crime. The chief of Turkey's Directorate General of Migration Management will pay a visit to Greece on Feb. 11 to discuss the arrival of refugees from Turkey and their readmission from Greece to Turkey.

Turkey condemns North Korea's longrange rocket launch

Anadolu Agency, 08.02.2016



Turkey has condemned the launch of a long-range rocket by North Korea, calling it a violation of international obligations, the Foreign Ministry said." As with the fourth nuclear test, this launch constitutes once again a total disregard to regional and international security and stability," the Turkish Foreign Ministry said. Turkey's reaction came after North Korea said it successfully blasted a satellite into orbit.

The official statement carried by Pyongyang's state-run media was backed up by a South Korean military official, who was quoted by local news agency Yonhap as admitting, "It's presumed that the projectile has entered into orbit."



The ministry statement said Ankara was "deeply concerned by the possible negative implications of this irresponsible step taken by North Korea despite all international warnings." "We urge North Korea to fully comply with its obligations under the relevant U.N. Security Council Resolutions without delay," the statement said.

The statement also said that Turkey attaches importance to the denuclearization of the Korean Peninsula and encourages the immediate resumption of the Six-Party Talks, held intermittently over the last decade by the U.S. Russia, China, Japan and the two Koreas.

The U.N. Security Council gathered in a closed-door meeting to discuss the issue at the request of South Korea, Japan and the U.S., strongly condemning the long-range rocket launch in a statement and vowing a new resolution for sanctions. U.N. resolutions bar the North from ballistic missile technology, but the authoritarian state is yet to be punished for its nuclear test last month.

A statement from Seoul's presidential office condemned the rocket launch as "an extreme provocation." The launch was also condemned by the U.S. administration, with National Security Advisor Susan Rice stressing that it violated multiple U.N. Security Council resolutions. China also expressed regret over the launch.

The Kremlin also strongly condemned North Korea's latest rocket launch, calling it a violation of international law, Reuters reported. Commenting on reports that Russian components had been used in the rocket launch by North Korea, Kremlin spokesman Dmitry Peskov said: "This is rather a technological question." He did not elaborate. "Our attitude to this launch... was unambiguously displayed in the full unity of the [United Nations] Security Council," Peskov told journalists in a conference call.

Turkish FM at EU meeting reaffirms 'open borders' for Syrian refugee

AFP, 06.02.2016



FM Mevlüt Çavuşoğlu said Turkey would keep its "open border policy" for refugees, but did not indicate when Syrians at the frontier could cross. "We still keep this open border policy for these people fleeing from the aggression from the regime as well as air strikes of Russia," he said as he left a meeting with his EU counterparts in Amsterdam.

"We have received already 5,000 of them, another 50,000 to 55,000 are on their way and we cannot leave them there alone because air strikes are ongoing and also regime forces supported by Iran Shia militias are attacking these civilians as well.



Iran urges Turkey over growing ties with Saudi Arabia

Hurriyet Daily News, 05.02.2016



Iran has warned Turkey over its growing relationship with Saudi Arabia, as it described Riyadh as one of the losing countries in the region because of its wrong policies in the Middle East.

"I believe Saudi Arabia has been left alone in its wrong move. That's what we tell our Turkish friends: Be cautious! Do not bet on the loser," Deputy FM Ibrahim Rahmanpour said. Deputy FM Ibrahim Rahmanpour held talks with senior Turkish Foreign Ministry officials in a bid to discuss both bilateral and regional issues with particular emphasis on Syria.

Turkey and Iran are completely on different pages on Syria as the former has further aligned its policies with oil-rich Gulf countries and Saudi Arabia and even boosted military ties. "We are not concerned about Turkey," Rahmanpour told the Hürriyet Daily News.

"I am sure that Turkey takes the Iranian stance and interests into account while undertaking such initiatives. But we should wait and see whether this cooperation [between Turkey and Saudi Arabia] will be really put in place or whether they are only news stories."

Another assertion that has been preoccupying the international media is the possible deployment of Saudi ground forces into Syria via Turkish territory. Recalling that almost all parts of the Turkish-Syrian border had been sealed, Rahmanpour said this was a very weak possibility.

"Saudi deployment to Syria is purely propaganda and show. They have no such military force. They can only send paid foreign soldiers as they have long been doing. It seems these terrorist forces in Syria have been weakened and are seeking to escape to Libya. This statement of Saudi Arabia is just to create an expectation among these fighters and not to leave Syria," he said.

Although Turkey and Iran think differently on Syria, they have never cut communication channels, the Iranian diplomat said. "Our vision on Turkey is different from Saudi Arabia's vision on Turkey. Syria has become more complicated in 2015 as more actors have entered the stage. Therefore, there is not just Turkey and Iran."

The Iranian miracle in resolving the nuclear problem through negotiations with the P5+1 countries could be used as a model in dealing with the Syrian issue, he also said. "We should let our diplomats deal with this issue and not our soldiers." On the Turkish leadership's criticisms that Iran has been pursuing sectarian policies in the region, Rahmanpour said it was in fact Saudi Arabia that was implementing such sectarian moves in the region.



"The press is free; criticisms can take place in the press. But what we emphasize is the need for more careful statement by leaders. And that they should not deepen differences by public statements," he said.

The Iranian deployment of troops in Syria occurred due to an invitation from Damascus, Rahmanpour said, answering a question on the presence of some high-level Iranian military officials in Syria, like Gen. Qasem Soleimani.

"Look, Saudi Arabia deployed troops to Bahrain and used military force in Yemen. Did you hear any criticisms about these? And if Bashar al-Assad wants military advisory assistance from Iran, would that be a violation of international norms? We are not without permission just like some other countries that are conducting military operations," he said.

The Iranian diplomat also responded to another question on how Tehran would see the establishment of an independent Kurdish state in line with Iraqi Kurdistan Regional Government leader Masoud Barzani's recent statement.

"Kurds are our historical friends. And we want them to continue their existence in prosperity and happiness within the states they live in. Our region is not strong enough to bear new crises. We hope Kurds in other countries will enjoy full citizenship rights as Kurds in Iran do. And if we defend the territorial integrity of Turkey and Iran, we do the same for Iraq and Syria as well."

State agency: Foreign investment in Turkey rises by third

Hurriyet Daily News, 12.02.2016



Foreign direct investment (FDI) to Turkey rose 32 percent last year on the previous year to \$16.6 billion, the largest sum since the 2008 financial crisis, according to the Investment Support and Promotion Agency.

"Some 51 percent of the country's current account gap was financed through the FDI inflow. We saw more than \$1 billion in FDI flow into Turkey on monthly basis in 2015, the largest amount since the global financial crisis," the agency said in a written statement. The service sector saw the greatest input of foreign capital at \$6.2 billion, followed by the manufacturing and energy sectors.



Spain, the United States and Luxembourg were the largest investors, followed by the Netherlands, Azerbaijan, Belgium, Russia, Britain, China and Germany. "Despite the long election process in the country and rising geopolitical risks, foreign investors have shown their long-term perspective about the Turkish economy by boosting their investments significantly," said the agency's president, Arda Ermut.

"The country's attractiveness in the eyes of foreign direct investors is expected to increase further in the forthcoming period with the realization of a number of reforms, which have been defined in the 64th Action Plan, and other measures to improve the investment climate," Ermut added.

Russia raises possibility of 'world war' if Syria talks fail

Reuters, 12.02.2016



Russian Prime Minister Dmitry Medvedev raised the specter of a possible "world war" if international powers fail to negotiate an end to the conflict in Syria, warning against any ground operations by U.S. and Arab forces.

Russian Prime Minister Dmitry Medvedev, speaking to Germany's Handelsblatt newspaper on the eve of talks between major powers on Syria in Munich, said the United States and Russia, and even Turkey, must exert pressure on all sides in the conflict to secure a ceasefire. "Our estimate is negative because all ground operations, as a rule, lead to permanent wars.

Look at what is going on in Afghanistan and a number of other countries," he said when asked about Saudi Arabia's offer last week to supply ground troops if a U.S.-led operation were mounted against the Islamic State of Iraq and the Levant (ISIL).

"The Americans must consider – both the U.S. president and our Arab partners – whether or not they want a permanent war," Medvedev said, according to the transcript of the interview published on the website of the Russian Prime Ministry.

"Are they hoping for a quick victory? This doesn't happen in reality, particularly in the Arab world. They have everyone fighting everyone," he added. Medvedev said everyone should "sit down at the negotiating table" to prevent a world war.

"We can do it by using, among other things, the harsh measures that are being implemented by Russia, the Americans, and even, with all reservations, the Turks, rather than start yet another war in the world," he said. "We know well what scenarios are followed in this context. Meanwhile, Syria's President Bashar al-Assad told AFP he saw a risk that Saudi Arabia or Turkey could launch a military intervention in his country.



Speaking in Damascus, he said he "doesn't rule out" such an intervention, but said that his armed forces "will certainly confront it." However, as Medvedev was issuing his warnings U.S. Defense Secretary Ashton Carter was saying that the United Arab Emirates had agreed to send special forces soldiers to Syria to assist in the development of local Sunni Arab fighters focused on recapturing Ragga, ISIL's self-proclaimed capital.

Carter made the comment after meeting at his Brussels hotel with his counterpart from the United Arab Emirates, the Associated Press reported. Carter declined to say how many Emirati special forces would go to Syria. He said they would be part of an effort led by the United States and bolstered by Saudi special forces to train and enable local Arab fighters who are motivated to recapture Raqqa.

The U.S. war plan for fighting ISIL in Syria and Iraq is designed to unseat the extremists in Raqqa and Mosul, which is the group's main stronghold in northern Iraq. Carter also told reporters that however the proposed suspension of Syrian civil war hostilities is implemented, as announced in Munich, the U.S. will continue combating ISIL in Syria. He vowed there will be "no let-up" in the war effort against ISIL.

Saudi Arabia warns UN, aid workers to leave rebel-held areas in Yemen

Reuters, 12.02.2016



Saudi Arabia, which is leading air strikes against rebels in neighboring Yemen, has warned the United Nations and international aid groups to protect staff by removing them from areas held by Yemen's Houthi rebels, according to a letter that was seen by Reuters.

The short note sent by the Saudi Embassy in London said the intention was to "protect the international organizations and their employees," presumably from coalition air strikes. The Saudi ambassador to the UN, Abdallah Al-Mouallimi, told that Riyadh sent the letter because, "We're just concerned for the safety of the U.N. staff and their humanitarian agencies."

"We want them to go away from areas that are obvious targets," he said. Saudi Arabia leads a coalition of nine Arab countries that began a military campaign in March to prevent Iran-allied Houthi rebels from taking complete control of Yemen.

U.N. aid chief Stephen O'Brien acknowledged receipt of the note seen by Reuters and said the humanitarian community would continue to deliver aid across Yemen impartially on the basis of need. He reminded Saudi Arabia of obligations under international humanitarian law to facilitate access for aid.



The Saudi mission to the United Nations responded that Riyadh would "do its utmost to continue to facilitate and support" humanitarian aid work in Yemen, while also repeating its request for U.N. and international aid workers to leave areas close to Houthi bases for military operations.

"The coalition's request is consistent with its obligations under international humanitarian law and, in no way, can be misinterpreted to indicate any hindrance to humanitarian access and the delivery of humanitarian assistance in Yemen," it said. The U.N. Security Council is due to discuss the humanitarian situation in Yemen on Feb. 16 at the request of Russia, diplomats said.

The Houthis and their allies, forces loyal to former Yemen President Ali Abdullah Saleh, accuse the coalition of launching a war of aggression. Nearly 6,000 people have been killed since the coalition entered the conflict last March, almost half of them civilians.

U.N. sanctions monitors said in a report last month that the Saudi-led coalition has targeted civilians with air strikes and some of the attacks could be crimes against humanity. The panel of experts documented 119 coalition sorties "relating to violations of international humanitarian law" and said that "many attacks involved multiple air strikes on multiple civilian objects."

CIA director says ISIL has used, can make chemical weapons

AFP, 12.02.2016



CIA director John Brennan has said that the Islamic State of Iraq and the Levant (ISIL) militants have used chemical weapons and have the capability to make small quantities of chlorine and mustard gas, CBS News reported.

"We have a number of instances where ISIL has used chemical munitions on the battlefield," Brennan told CBS News, which released excerpts of an interview to air in full on the "60 Minutes" news program. The network added that he told "60 Minutes" the CIA believes that the IS group has the ability to make small amounts of mustard or chlorine gas for weapons.

"There are reports that ISIL has access to chemical precursors and munitions that they can use," Brennan said. Brennan also warned of the possibility that ISIL could seek to export the weapons to the West for financial gain.

"I think there's always the potential for that. This is why it's so important to cut off the various transportation routes and smuggling routes that they have used," he said. When asked if there were "American assets on the ground" searching for possible chemical weapons caches or labs, Brennan replied: "US intelligence is actively involved in being a part of the efforts to destroy ISIL and to get as much insight into what they have on the ground inside of Syria and Iraq."



The release of the excerpts of Brennan's interview comes two days after similar comments from spy chief James Clapper before a congressional committee. "ISIL has also used toxic chemicals in Iraq and Syria, including the blister agent sulfur mustard," Clapper, the director of national intelligence, told lawmakers

He said it was the first time an extremist group had produced and used a chemical warfare agent in an attack since Japan's Aum Supreme Truth cult carried out a deadly sarin attack during rush hour in the Tokyo subway in 1995. Officials in the autonomous Iraqi region of Kurdistan said blood tests had shown that ISIL militants used mustard agent in an attack on Kurdish peshmerga forces in August.

Thirty-five peshmerga fighters were exposed and some taken abroad for treatment, officials said. At the time of the attack, The Wall Street Journal cited US officials as saying they believed ISIL had used mustard agent.

World powers agree 'cessation of hostilities' in Syria

AFP, 12.02.2016



World powers agreed an ambitious plan to cease hostilities in war-racked Syria within a week and dramatically ramp up humanitarian access at talks in Munich aimed at reviving the struggling peace process.

The 17 countries agreed "to implement a nationwide cessation of hostilities to begin in a target of one week's time," said US Secretary of State John Kerry after extended talks co-hosted by Russian Foreign Minister Sergei Lavrov. The International Syria Support Group also agreed "to accelerate and expand the delivery of humanitarian aid beginning immediately".

"Sustained delivery will begin, first to the areas where it is most urgently needed... and then to all the people in need throughout the country, particularly in the besieged and hard to reach areas," said Kerry. Peace talks collapsed earlier this month after troops loyal to Syrian President Bashar al-Assad, backed by Russian bombers and Iranian fighters, pressed an offensive on the key rebel stronghold of Aleppo.

The bombardments have forced 50,000 people to flee, left the opposition virtually encircled and killed an estimated 500 people since they began on February 1 -- the latest hellish twist in a war that has claimed more than 260,000 lives. Kerry said talks between rebels and the regime would resume as soon as possible, but warned that "what we have here are words on paper -- what we need to see in the next few days are actions on the ground."



Host German Foreign Minister Frank-Walter Steinmeier agreed, adding that "whether this really is a breakthrough we will see in the next few days". "When the whole world sees whether today's agreements are kept and implemented -- by the Assad regime and the Syrian opposition, by Hezbollah and opposition militias, and also by Russia," he said.

The atmosphere going into the talks had been gloomy, with Russian Prime Minister Dmitry Medvedev even warning of a "new world war" if Gulf nations sent in troops to support the rebel opposition. But the working group emerged with a document that showed a surprising level of cooperation between the key players, despite rising tensions over Moscow's bombing campaign.

Lavrov called "for direct contacts between the Russian and US military" in Syria and said negotiations on a political transition "have to start as soon as possible, without ultimatums and preconditions". Kerry said the cessation of hostilities -- an intentionally more tentative phrasing than a full ceasefire -- would apply to all groups apart from "the terrorist organisations" of the Islamic State of Iraq and the Levant (ISIL) and Al-Qaeda affiliate al-Nusra.

A UN task force, co-chaired by Russia and the US, will work over the coming week "to develop the modalities for a long-term, comprehensive and durable cessation of violence," Kerry said. Another task force will oversee the delivery of aid, including pressure on Syria to open routes, since only around a dozen of 116 UN access requests have been granted.

"This working group will meet tomorrow in Geneva," said Kerry. "It will report weekly on progress, or lack thereof, to ensure consistent and timely and approved access moving forward." Russia and the US remain starkly at odds on several issues, particularly the fate of Assad.

The two traded accusations, with the Pentagon claiming Russian air strikes had destroyed hospitals in Aleppo and denying Russian claims that US planes had struck the city. Syria is a crucial ally and military staging post for Russia and Iran, while observers say Moscow has benefited from the chaos created by the war, particularly the refugee crisis in Europe.

Washington, reluctant to involve itself in another complex war after the quagmires of Afghanistan and Iraq, has also faced criticism for not doing enough to help the rebels. Instead, it has sought to focus more on combating ISIL jihadists, which have taken over swathes of Syria and Iraq, than getting involved in the civil war between the regime and opposition forces.

"The US has given up the idea of toppling Assad," said Camille Grand, of the Foundation for Strategic Research in Paris. "Kerry seems willing to accept pretty much anything to resolve the crisis." The conflict has also strained relations between Turkey and its Western allies.

Turkish President Recep Tayyip Erdoğan has slammed Washington's increasingly close alliance with the Kurdish militias in the fight against ISIL, saying it was turning the region into "a pool of blood".



EU pushes Greece to improve conditions for migrants

AFP, 11.02.2016



The EU piled pressure on Greece over Europe's migrant crisis, telling Athens to improve conditions for refugees and to shore up its borders or risk a suspension of the bloc's passport-free zone.

Brussels said Athens must treat asylum seekers better so that other overstretched EU states can send back migrants who had originally landed in Greece, in line with EU rules. Greece is bearing the brunt of concerns the failure to deal properly with the biggest movement of migrants to Europe since WWII threatens the very fabric of the 28-nation bloc.

One million people entered Europe in 2015 and 3,500 died trying to reach it by sea. Another 70,000 have arrived so far this year, with more than 400 deaths. EU migration commissioner Dimitris Avramopoulos, unveiling a report on the crisis ahead of a summit next week, urged Greece and other states to do more before a new surge of refugees expected this summer.

"We have lost time already -- this is a fact. And this is not acceptable," Avramopoulos told a news conference at the European Commission, the executive arm of the EU. The EU's Dublin regulations on migration say people must apply for asylum in the country where they first land, but that system has been thrown into chaos by the conditions in Greece.

A ruling by the EU's top court in 2011 at the height of Greece's debt crisis said conditions for asylum seekers in Greece were degrading, meaning that other countries could not send them back. "There are still key areas in the asylum process that need to be improved before the Dublin regulation can be fully applied to Greece again, notably in the areas of reception capacity and conditions, access to the asylum procedure, appeals and legal aid," the Commission said.

EU states are due next month to debate changes to the Dublin rules. If Greece fails to comply with the recommendations, Brussels could authorise EU member countries to exceptionally extend border controls within the Schengen area -- including with Greece -- for up to two years.

Greece has been told to improve registration procedures, including making sure migrants are properly fingerprinted and their documents checked against security data bases. The envoys nodded through the plans, which must get final approval from EU ministers, European sources told AFP.

EU ambassadors in Brussels have, meanwhile, backed demands by the Commission for Greece to secure its sea and land border with Turkey, the access point for around 80 percent of migrants to Europe. Berlin, Athens and Ankara have asked NATO to begin surveillance of the Aegean sea to provide a "clear view" of how people-smugglers are operating on the Turkish coast.



"Germany, Greece and Turkey made a communal request for a surveillance mission in the Aegean sea," a German government source told AFP. The head of NATO has said he will give "very serious" consideration to the plan, which would be a first time the alliance has got involved in Europe's migrant crisis. But anger is growing in Greece too, with hundreds of people on the island of Kos protesting against plans to build a migrant registration facility voicing fears about its impact on tourism.

"No to the hotspot on our island," read the banner leading the demonstration by traders and tourism business owners, referring to the facilities the EU wants built on the island of 30,000 inhabitants. Avramopoulos, a former Greek minister, had earlier called on both Greece and Italy to "urgently" complete all the planned hotspots on their territory -- with Greece having completed just one of five.

The criticism is certain to anger Italian Prime Minister Matteo Renzi, who compared the EU to the orchestra playing on the deck of the ocean liner Titanic. Avramopoulos also hit out at European Union members for dragging their heels on easing the refugee burden for Greece and Italy. Just 479 out of a planned 160,000 people have been relocated to other states so far.

The migration crisis has pushed key tenets of European unity such as the Schengen free travel area and the Dublin migration agreements to the brink of collapse. The EU has pinned high hopes on the deal it signed in November with Turkey to cut migrant numbers in exchange for three billion euros (\$3.2 billion) in aid and faster EU membership talks.

PYD not a terrorist organization, US repeats

Hurriyet Daily News, 09.02.2016



The United States has reiterated that it does not perceive the Syrian Kurdish Democratic Union Party (PYD) as a terrorist organization, while adding that it understands ally Turkey's concerns regarding the organization, a few days after Turkish President Recep Tayyip Erdoğan asked the U.S. to either support Ankara or the PYD.

"We don't, as you know, recognize the PYD as a terrorist organization," said U.S. State Department spokesperson John Kirby during a daily press briefing, adding that they knew and understood that Turkey recognized the PYD as a terrorist organization.

"Even the best of friends aren't going to agree on everything. Kurdish fighters have been some of the most successful in going after Daesh inside Syria," said Kirby, using an Arabic acronym for ISIL. Erdoğan denounced a visit by the U.S. envoy to the coalition against ISIL, Brett McGurk, to Kurdish-controlled northern Syria, underlining the "mistrust" the visit has created in Ankara over the nature of Turkey's "partnership" with the U.S.



Look, [U.S. Vice President Joe] Biden arrived with an assistant. He is a national security official whose name has earlier ben cited with Mr. Obama too. Just during the meetings in Geneva, he travels to Kobane. He receives a plaque from a so-called general in Kobane. How will we trust? Am I your partner or are the terrorists in Kobane?" Erdoğan asked, while speaking with reporters en route from Dakar to Istanbul as he wrapped up a Latin America tour that covered Chile, Peru and Ecuador.

Kirby said they had provided support, mostly through the air, to the PYD, which he said would continue. "But it doesn't mean that we're – that we're not willing to continue to discuss the concerns that Turkey has raised, and we're going to do that. They are an ally. They are a friend. They are a partner. And as I said in my last answer, we're going to continue to work to improve that partnership," Kirby said.

Turkey considers the PYD and its military wing, the People's Defense Units (YPG), terrorist organizations that are offshoots of the outlawed Kurdistan Workers' Party (PKK). "Even though we understand they have concerns about support for Kurdish fighters in Syria ... they have been nothing but open and honest about their concerns with that," Kirby said. "We in turn have been open and forthright and honest about how we need to move forward as a coalition to go after this group [ISIL]," said Kirby, adding that Turkey's concerns were not new.

Trump, Sanders win big in New Hampshire

AFP, 10.02.2016



Donald Trump and Bernie Sanders resoundingly won Tuesday's presidential primaries in New Hampshire, riding a wave of anti-establishment anger in the second key test of the long, unpredictable race for the White House.

The runaway victory by Sanders, spelled a deflating if expected defeat for Hillary Clinton, who put a brave face on the loss and admitted she had some work to do. On the Republican side, Trump's visceral assault on American politics galvanized voters who brought him his debut victory in the fledgling race, keeping him in pole position despite his second-place showing in last week's lowa caucuses.

Ohio Governor John Kasich's uplifting and positive message of renewal catapulted him into second place, a potentially critical result for him as the Republican Party works out which mainstream candidate could successfully challenge the billionaire tycoon.

Disappointment befell Senator Marco Rubio, who hoped to match or better his third-place Iowa finish but stumbled to fifth in the Granite State, after he took a drubbing in Saturday's debate, where he robotically repeated his talking points.



Trump did what he had to do: secure a solid win after his embarrassing showing in lowa called into question his showmanship strategy and his brand as a winner. With 90 percent of precincts reporting, Trump swept 35 percent of the vote to Kasich's 16 percent, with lowa winner Ted Cruz at 12 percent, narrowly ahead of former Florida governor Jeb Bush and Rubio.

Sanders, a US senator from Vermont who essentially treats neighboring New Hampshire as his home turf, crushed Clinton by 60 percent to 38 percent, with 90 percent of precincts reporting. Officials predicted record voter turnout. Sanders addressed a raucous crowd of supporters at his victory party in Concord, saying his primary win signalled voters no longer wanted business as usual in US political life.

"What the people here have said is that given the enormous crises facing our country, it is just too late for the same old, same old establishment politics and establishment economics. The people want real change," he said. "Together, we have sent the message that will echo from Wall Street to Washington, from Maine to California." Over at Trump headquarters, the crowd chanted "U-S-A! U-S-A!"

"We are going now to South Carolina. We're going to win in South Carolina," Trump declared, looking down the campaign trail to the next stop. His win reinforced his position as the man to beat on the Republican side. "He seems to be speaking for the silent majority," said auto mechanic Chris Skora after voting for the real estate magnate.

"A lot of us feel that way and it seems like in this day and age we can't say these things with the PC police all around." Exit polls showed Sanders winning every demographic group -- a stunning result for an independent lawmaker and a potential warning sign for Clinton as she turns the campaign toward the next states that vote, Nevada and then South Carolina for the Democrats.

"I know I have some work to do, particularly with young people," Clinton conceded, as she recognized the American electorate's fury with establishment politics. "People have every right to be angry," she said. "But they're also hungry, they're hungry for solutions." Once every four years, the nation's eyes focus on New Hampshire, the small northeastern state home to just 1.3 million people that holds the first state primaries after the lowa caucuses kick off the US presidential nomination process.

New Hampshire could help whittle down a crowded Republican field, with those fairing poorly likely to see their campaign funding dry up as the race turns to multiple states where deep pockets are crucial.

Bush found himself fighting for his political life, but awkwardly insisted to supporters that "this campaign is not dead," and that he would roll on to South Carolina. New Jersey Governor Chris Christie, for whom a strong New Hampshire showing was critical, signalled the end of the line might be near after he finished sixth.

He said he was returning home to "take a deep breath" before making a decision about his political future. For the past 60 years or so, most of the candidates who ended up taking the White House won their party's primary in New Hampshire. But tellingly, the last three presidents -- Barack Obama, George W. Bush and Bill Clinton -- were all elected despite losing in New Hampshire.



Sanders and Trump led in polls in the run-up to the vote but everything had still been to play for in the state due to the high number of registered independents, who can choose to vote in either party, and the famous last-minute nature of voters here.

Exit polls conducted by CNN showed that nearly half of Republican voters did not make their final decision about whom to support until the last few days. Trump has energized broad swaths of blue-collar Americans, angry about economic difficulties and frustrated at what they see as their country losing its global stature. But the race could be upended yet again if former New York mayor Michael Bloomberg were to launch an independent bid. He told the Financial Times he was "looking at all options."



Announcements & Reports

► Should The 'Outs' Join The European Banking Union?

Source : Bruegel

Weblink : http://bruegel.org/2016/02/should-the-outs-join-the-european-banking-union/

► Analysis of Developments in EU Capital Flows in the Global Context

Source : Bruegel

Weblink : http://bruegel.org/2016/01/analysis-of-developments-in-eu-capital-flows-in-the-global-context-2/

► Asia-Pacific Rebalance 2025

Source : CSIS

Weblink : http://csis.org/publication/asia-pacific-rebalance-2025

Upcoming Events

► Central Banking After The Great Recession

Date : 13 February 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 : 13 February 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 : 13 February 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 : 14 February 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 : 16 February 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 : 24 February 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 : 25 February 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 : 25 February 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 : 27 February 2015
Place : Berlin - Germany

Website : http://www.bruegel.org/nc/events/event-detail/event/541-the-future-of-the-welfare-state/