Politics & Economics Bulletin



Ankara hopes to meet remaining five criteria for EU visa liberalization within weeks

Hurriyet Daily News, 04.05.2016



A senior Turkish official has expressed confidence that Turkey will fulfill the final five criteria after the EU's executive arm said that Turkey has met most of the 72 criteria needed for a visa waiver, inviting member states and EU lawmakers to endorse the move by June 30.

"The remaining five criteria are a completion of flaws in relation with a new data protection law, which has already come into force in early April; operational cooperation with Europe's police agency Europol; amendments to the Anti-Terror Law and making judicial cooperation with all EU member states," a Turkish Foreign Ministry official said.

The official cited upgrading the existing biometric passports so as to include security features in line with the EU standards as an additional requirement to be fulfilled besides these five criteria. "We have met 31 criteria within two months, so there is no reason for not being able to meet the remaining five criteria on time," the official, speaking under customary condition of anonymity, added.

As an interim solution, as of June 2016, Turkey will issue short-term biometric passports including both a facial image and fingerprints of passport holders who wish to make use of visa-free travel to the EU, the official said. They will be encrypted according to International Civil Aviation Organization standards.

By the end of 2016, Turkey will issue EU standard passports. Only Turkish citizens carrying a biometric passport will be able to enter the EU without a visa, he said. However, Turks will still be able to use their current passports for travelling to non-Schengen countries, the Foreign Ministry official added.



Turkey hopeful of overcoming EP's possible resistance on visa waiver

Hurriyet Daily News, 06.05.2016



Turkey's EU Minister Volkan Bozkır has voiced optimism for overcoming possible resistance at the European Parliament over approval of lifting visa requirements for Turkish citizens, after the European Commission said that Ankara has met most of the necessary 72 criteria, inviting member states and EU lawmakers to endorse the move by June 30.

"The most difficult leg of this affair will be the European Parliament. The Commission's proposal will first go to the Committee on Civil Liberties, Justice and Home Affairs. After their approval, it will go to the plenary. Every moment will require great effort.

Perceptions at the parliament, which we don't deserve, will have to be broken," Bozkır told reporters in Ankara. He also recalled that he will be visiting Brussels and Strasbourg next week. "We will meet with European Parliament President [Martin Schulz], some group leaders and influential parliamentarians. If we can explain some things to them by establishing a mechanism for the flow of information, then answers to questions that may arise will also be shaped. I believe there is no point that we cannot overcome," Bozkır said.

Telephone contacts between Ankara and Brussels focused on differences of opinion over the definition of "terrorism" in Turkish legislation, the minister has also said, as amendments to the Anti-Terror Law is one of the final five criteria that the government needs to fulfill in order to obtain the visa waiver for its citizens from the European Union.

Meanwhile, the Law on International Judicial Cooperation in Criminal Matters has gone into force after being published in the Official Gazette, reducing the number of remaining criteria that Turkey has to meet to four.

Also, Turkish Interior Minister Efkan Ala and neighboring Bulgaria's visiting Deputy Prime Minister and Interior Minister Rumyana Bachvarova inked a bilateral protocol between the governments of Bulgaria and Turkey regarding implementation of the EU-Turkey agreement on readmission of individuals who have illegally overstayed.



Turkey dismisses Russian spokeswoman's 'Ottoman' comment

Anadolu Agency, 06.05.2016



A senior Turkish official dismissed Russian spokeswoman's comments regarding what she called the "destructive role of the Turkish government" on various issues. Maria Zakharova, the spokeswoman for the Russian Foreign Ministry, told Turkey was "striving to restore the previous might of the Ottoman Empire in one way or another."

"Everybody knows how the Ottoman Empire ended," she is quoted as saying by the TASS news agency. "Unfortunately, we can see an absolutely destructive role of the Turkish government in [everything], be it Crimea, Syria, refugees, terrorism, ethnic problems, and so on."

Turkish Foreign Ministry spokesman Tanju Bilgiç said that comments from those "who do not respect the territorial integrity of their neighbors" and "try to camouflage their own internal problems with adventures in foreign policy, have no value in our eyes." Bilgiç said it was a very strange situation when "the spokesperson of a country that has experienced three [governance] experiences [Russian Empire, Soviet Union and Russian Federation] in the 20th century gives lessons to the others about the collapse of states."

"The Turkish Republic has conducted an honorable, peaceful and friendly policy since 1923," he added. Turkey and Russia for years have had different policies on Syria and Ukraine. Turkey did not recognize the Russian annexation of Ukraine's autonomous republic of Crimea in 2014 and has repeatedly accused Moscow of supporting the Bashar al-Assad government in Syria. Relations between the two countries hit a new low on Nov. 24, 2015, when Turkish jets downed a Sukhoi-24M bomber along the Syrian border for allegedly violating its airspace.



Turkey's Çavuşoğlu discusses anti-ISIL fight with Trump's possible vice presidential pick

Hurriyet Daily News, 05.05.2016



Turkish Foreign Minister Mevlüt Çavuşoğlu held a meeting with visiting U.S. Senator for Florida Marco Rubio, also a former Republican presidential candidate, focused on regional issues and the U.S.-led coalition's fight against jihadists from the Islamic State of Iraq and the Levant (ISIL).

Rubio is a member of the U.S. Senate Select Committee on Intelligence dedicated to overseeing the U.S. intelligence community - the federal agencies and bureaus that provide information and analysis for leaders of the executive and legislative branches, as well as of the Senate Committee on Foreign Relations.

During the meeting, Çavuşoğlu and Rubio "exchanged views on regional developments - Syria, Iraq and Russia being in the first place - and the fight against DEASH [ISIL]," Turkish diplomatic sources, speaking under customary condition of anonymity, told Hürriyet Daily News.

Rubio's meeting with Çavuşoğlu was one of the "regular" contacts between the Turkish Foreign Ministry and the U.S. Senate, reliable sources separately told the Daily News. Rubio was scheduled to hold "internal meetings with Americans and U.S. Embassy officials while in Ankara," the same sources said, without elaborating.

As of May 4 night, presumptive Republican presidential nominee Donald Trump said he was considering "a bunch of people" to be his choice for a running mate, a day after he swept the Indiana primary and saw two of his rivals suspend their campaigns. Speaking on Fox News' Bill O'Reilly on "The O'Reilly Factor," Trump was asked if he would consider former rival Sen. Marco Rubio of Florida, whom he targeted with personal attacks before the Florida primary.

"I would certainly consider him but we do have a lot of candidates I think would be very good," Trump responded, noting that he has gotten along "very well" with Rubio since he got out of the presidential race. Back in January, Çavuşoğlu said some of U.S. presidential contenders' anti-Islamic messages were a matter of concern for Turkey.

"We are unsettled because of statements of some candidates that fuel [anti-Islamic sentiments] and that target Muslims. We don't want the disease of Islamophobia to pass from Europe to the U.S.," Çavuşoğlu said, while evaluating bilateral relations between Ankara and Washington in a keynote address at an ambassadorial conference. The minister was apparently referring to Trump, though he did not reference the candidate by name.



Turkish FM in hectic phone diplomacy on Syria as truce takes hold in Aleppo

Hurriyet Daily News, 05.05.2016



Turkish FM Çavuşoğlu has apparently been involved in hectic telephone diplomacy on the Syrian conflict as the Syrian army has, under pressure from Russia and the US, agreed to respect a two-day truce in the war-ravaged city of Aleppo.

Çavuşoğlu held separate telephone conversations with his counterparts from Saudi Arabia and the U.K. late, Turkish diplomatic sources have said. It was not yet clear which side initiated the telephone conversation between Çavuşoğlu and Saudi Foreign Minister Adel Jubair, but officials have confirmed that the Turkish side requested a telephone conversation with British Foreign Secretary Philip Hammond.

"The meeting schedule in the forthcoming period and regional developments, Syria being in the first place, came on agenda of the conversation between Mr. Çavuşoğlu and Mr. Jubair," the same diplomatic sources told Hürriyet Daily News.

"Updated developments in Syria and the meeting schedule regarding Syria for the forthcoming period have been dealt with during the conversation between Mr. Çavuşoğlu and Mr. Hammond," the sources, speaking under customary condition of anonymity, said.

The diplomatic sources could not elaborate on whether a "regime of calm" in the Syrian city of Aleppo that came into effect at 1 a.m. for 48 hours were subject to the phone calls held between Çavuşoğlu and his Saudi and British counterparts.

As of May 5, relative calm prevailed in Aleppo following a U.S.-Russian agreement to extend a cessation of hostilities that had crumbled after nearly two weeks of violence between rebels and government forces killed dozens, as Syrian state media said the army would abide by the "regime of calm," Reuters reported.

A spokesman for the mainstream Syrian opposition said the Saudi-based High Negotiations Committee (HNC) supported the deal but wanted a cessation of hostilities that would cover all of Syria, not just Aleppo. It also blamed the government for violating the truce. Russian Foreign Minister Sergei Lavrov suggested that Turkey exercises a "decisive influence" on the HNC, which has been involved in peace talks led by the U.N. with the Damascus government.

"In order to come to terms over six months, it is necessary not to slam the door and dig heels in," Lavrov said, adding that "it's no secret" that Turkey has a "decisive influence" on the organization. Lavrov's remarks came as a weakening of the truce led to a crisis in intra-Syrian negotiations in Geneva, brokered by the United Nations, where opposition leadership walked out in protest in mid-April amid government air strikes on hospitals and marketplaces.



"So one should not come for talks with ultimatums but should sit down at the negotiating table and reach an agreement," Lavrov added, noting that the situation at the U.N.-brokered talks could have been better if the HNC had not left the negotiating table.

Senior IMF official praises 'versatile' business community in Turkey

Hurriyet Daily News, 06.05.2016



A senior IMF official has praised Turkey's versatile business community and underlined their contribution to the country's growth in an interview with daily Hürriyet.

"Turkey is poised and able to do business with Western Europe, with Central Europe, with Russia, with the Middle East, with the Caucasus, with North Africa. Turkey has a very versatile business community. And that served you well because when Western Europe is slower, Turkey can gain elsewhere; when Russia is slower you can gain elsewhere... So I think that Turkey should work towards making itself an attractive investment and business center.

And I think it can do that," said IMF First Deputy Managing Director David Lipton. The International Monetary Fund has recently increased its 2016 growth estimate for Turkey from 3.2 percent to 3.8 percent. Lipton said it was good that Turkey's growth has held up under all of the circumstances in its neighborhood and in the world.

"We made suggestions for some years on how to make sure Turkey's growth was higher but also stronger and more sustainable. And that includes making sure that Turkey's current account deficit is kept under control and Turkey's finances and financing requirements are kept under control.

I think that raising savings, raising labor productivity that would improve competitiveness of exports, having a more open economy, more receptive to foreign direct investment, would in the long run strengthen the country's competitiveness.

These are not new issues; they've been issues for decades. But they are important issues," he noted. Turkey has long needed to promote savings and also needs to be working to increase labor productivity, said Lipton.

"To make sure that wages don't grow excessively, as if they do, they're going to be cutting into the competitiveness of exports. These are long standing challenges. Turkey has made progress but I think those are the variables to be looking at. I think Turkey can sustain strong growth with the right policy approaches and with the dynamism and versatility of your business community," he added. Talking about the 2.7 million "mostly young" refugees in Turkey, Lipton said they could become an asset in line with a number of conditions.



"Many countries with demographic problems would be happy to have young refugees and migrants rather than older ones. Because they'll have a long lifetime of contribution to the economy. But, of course, with the young, depending on where they come from and what their circumstances are, there is the need to educate and train.

Our analyses suggest that from the standpoint of labor force and productivity, from the standpoint of the public finances, they would be the tax payers through entire working lifetime. Migrants can be a strength. Depending on the composition of the pool of migrants. The details matter," he noted.

Bad loans, bankruptcies sound the alarm for Turkey's economy

Reuters, 04.05.2016



After years of growth fueled by credit and domestic consumption, bad debts and bankruptcies are rising in Turkey, squeezing banks and exposing a fragile real economy. Economic growth is expected to cool to 3.5 percent this year, the World Bank said last week, well below peaks of near double digits in the early AKP years.

A sharp drop in tourism after a spate of bombings this year and unrest in the country's southeast are also taking their toll. Foreign investors are wary and banks are increasingly reluctant to extend new credit, squeezing the most indebted firms.

So far in 2016, 240 companies have requested temporary relief from creditors, almost as many as in the whole of last year, according to sirketnews.com, which compiled the data. Istanbul-based pulses producer Sezon Pirinç filed for bankruptcy postponement at the end of last year, hit by souring consumer sentiment at home and difficulties in some Middle East export markets.

"The main reason behind our bankruptcy postponement was banks calling their loans earlier than their maturities," Mehmet Erdoğan, the company's chairman, told Reuters. "2016 will be another tough year," he added. The government has vowed reforms to boost productivity and investment in industry as the economic headwinds build. But many economists say they are too slow coming.

"The decline in companies' profits indicates we have to take new steps. It cannot only be explained by circumstantial factors but also by structural ones," Finance Minister Naci Ağbal said in a meeting with industrialists late last month.

Dairy firm Aynes Gıda, a household name for two decades, went to court in January for bankruptcy postponement after defaulting on payment of its 50 million-Turkish-Lira (\$18 million) bond, it said in a stock exchange filing. Earlier this year supermarket chain Beğendik was bidding to buy 10 stores from the Turkish unit of Britain's Tesco.



It not only failed to do the deal, but later applied for bankruptcy postponement. And in April, a century-old clothing retailer, Atalar Giyim, applied for bankruptcy. Smaller firms, long the engine of the Turkish economy, are also struggling to cope after the government hiked the minimum wage by 30 percent this year. In January, the number of registered workers dropped by 379,000 or 2.7 percent, according to think tank TEPAV, with two-thirds of that decline at small and medium-sized companies.

Iron and steel companies as well as food and technology retailers are at particular risk, said Özlem Özüner, chief executive of credit insurance firm Euler Hermes Turkey, citing the impact of low commodity prices and recent over investment.

Özüner believes around 14,800 companies will go bankrupt this year, an 8 percent increase on last year. That will take its toll on the banking system, as rising non-performing loans (NPLs) erode the lending appetite required to boost growth in an economy with low savings.

The average NPL ratio rose to 3.3 percent in the first quarter from 2.8 percent a year ago, regulatory data showed, while the biggest jump in bad loans was those to small and medium-sized businesses, which rose to 4.4 percent. Fahrettin Yahşi, chief executive of Islamic lender Albaraka Turk, said he expects the sector average could rise to up to 4.8 percent this year.

But some bankers and analysts think the actual rate of NPLs could be double that, as banks sell some of their bad portfolios, restructure loans and lengthen the maturities of some debt to keep the loans alive. "My calculations show that the NPL ratio is more than 6 percent," said one banking analyst, who declined to be named. "That creates a profitability problem for banks and reduces their appetite for new loans," the analyst added.

Hilmi Güvener, CEO of Turkasset, which buys distressed debt from banks, said he expects sales of bad loan portfolios to triple to 6 billion liras this year. NPLs rose mainly in construction and tourism, he said. While no one is expecting a deep crisis in the financial sector, analysts said the debt problems will slow growth, as the economy has largely relied on domestic demand since 2012. "I don't expect a financial crisis. The economy will not get cancer but it will have to put up with an ulcer," said Atilla Yeşilada, an analyst at Global Source Partners who advises foreign investors.



EU 'unsure' what Davutoğlu exit means for Turkey migrant deal

Reuters, 06.05.2016



The European Union is "unsure" how the departure of Turkey's prime minister will affect the deal he struck with the EU to curb migration, the EU's foreign affairs chief said, as Brussels watched events in Ankara with unease.

"It's a bit too early to define if it will have implications and in that case of what kind," Federica Mogherini said. "We will obviously discuss this first of all with the Turkish authorities and define together how to move forward." Other senior European officials were reluctant to be drawn on the departure of Davutoğlu, whom many found more engaged and flexible in negotiating on the migrant crisis.

"This is up to the Turks," an EU official said, echoing others who were anxious not to be seen to meddle in others' affairs. "We lived up to our end of the deal," a third EU official said, noting the European Commission had delivered on May 4 on a key part of its bargain struck with Davutoğlu in March.

The EU executive has asked EU states to lift visa requirements for Turks by July, something Davutoğlu portrayed to Turkish voters as a key achievement in return for Turkey taking back any migrant or refugee reaching the Greek islands. Other parts of the deal have yet to be implemented, however.

A fourth senior EU official stressed to Reuters that although Davutoğlu, widely seen in Brussels as a more amenable, moderate negotiating partner than Erdoğan, had clearly taken the lead role on the migration deal, the president also backed it. "The agreement was with Turkey, not Davutoğlu," the official said. "Erdoğan was also involved."

In recent weeks, arrivals in Greece have fallen to the dozens a day, from thousands last year. Nearly a million people, many of them refugees from the Syrian war on Turkey's border, made the short crossing in 2015 on their way to Germany - a movement that has set EU states against each other and the Union into a crisis that it is still far from resolving.

Turkey has warned that it could walk away from its agreement if Europeans do not make good on promises. Visa liberalisation is still subject to approval by governments and EU lawmakers who take a dim view of Turkey's human rights record.

Promised EU funds to help Turkey care for 2.7 million Syrian refugees are not all in place yet. Europeans have yet to agree to take in significant numbers of refugees direct from Turkey. And a pledge to open new elements of Ankara's long-stalled EU membership negotiations is also still to be fulfilled.



Nonetheless, NATO member Ankara and its European neighbours have few options but to maintain close relations. "The Europeans have no alternative but Turkey to try to deal with the refugee crisis," said Wolfango Piccoli, head of research at Teneo Intelligence.

European leaders have been divided lately in their approach to Turkey, with some critical of German Chancellor Angela Merkel for seeking Erdoğan's help to stem the flow of migrants. Others argue that even without Turkish help, the EU can control migration by better organising affairs in Greece.

By the same token, some European leaders believe that for all his insistence on his ability to forgo help from Europe, Erdoğan too has a strong interest in closer ties at a time when Turkey faces major problems with its regional neighbours and tense relations with both the United States and Russia.

UN: 400,000 more Syrians may rush to Turkey

Hurriyet Daily News, 04.05.2016



The United Nations' special envoy for Syria, Staffan de Mistura, made a plea for a halt in fighting in the second city of Aleppo, warning that failure to do so could lead to a "catastrophic" outcome that could send 400,000 people rushing to the border with Turkey.

"The alternative is truly quite catastrophic, because we could see 400,000 people moving toward the Turkish border," de Mistura was quoted as saying by AFP after talks in Berlin with France and Germany's foreign ministers. De Mistura stressed that a return to peace talks hinged on a cease-fire. "The test is Aleppo now," he said.

The Berlin talks, which also included Syria's main opposition leader, Riad Hijab, is part of a week of whirlwind diplomacy as negotiators battle to salvage a collapsing truce, especially in Aleppo, where fierce fighting for two weeks have killed around 289 civilians on both sides of the fight. A 48-hour cease-fire took hold in Aleppo after Syrian President Bashar al-Assad's regime and rebel forces gave in to mounting diplomatic pressure.

The Syrian army said that it had agreed to calls from Russia and the United States for a two-day truce in Aleppo that would begin. The agreement followed an intense diplomatic push by Moscow and Washington – the co-sponsors of a Feb. 27 cease-fire agreement that had begun to fall apart – to salvage peace efforts.

Relieved residents returned to the streets after two weeks of heavy fighting in the divided metropolis, a key battleground in Syria's five-year civil war. An AFP correspondent in the city said there had been no signs of fresh air raids since the cease-fire took effect.



The Syrian Observatory for Human Rights, a monitoring group, confirmed there had been no bombing in the city, though it said a civilian had died in a western district from rebel shelling that came minutes after the cease-fire took effect. After a whirlwind of talks involving diplomats from top world powers and the U.N., U.S. Secretary of State John Kerry announced the truce had taken effect and that violence had already fallen off.

"We've seen an overall decrease in violence in those areas even though there are some reports of continued fighting in some locations," Kerry said. The Russian Defense Ministry said its cease-fire monitors had agreed with their U.S. counterparts to oversee this truce until midnight.

In Aleppo, the head of the local branch of the powerful Jaish al-Islam (Army of Islam) rebel force, Ahmad Sanada, said the group would respect the cease-fire. "We are in favor of any initiative that relieves the suffering of civilians and avoids bloodshed and we will respect" the cease-fire, he told AFP.

Though calm mostly prevailed in Aleppo, a double bomb attack in central Syria killed at least 10 civilians and wounded 40 others, according to the Observatory. State television reported that at least six people were killed and 28 seriously wounded in the suicide attack and car bombing in a square in Mukharram al-Fawqani in Homs province.

The area, controlled by the government, is located between the cities of Homs and Palmyra, which was recaptured by the Syrian army from jihadists last month. The blasts come just after the Islamic State of Iraq and the Levant (ISIL) group seized the nearby Shaer gas field, one of the biggest in Homs, in an attack that killed at least 16 government troops.

The Syrian government controls most of Homs, the country's largest province, except for certain areas held by rebels or ISIL. Meanwhile, Iraqi army forces recaptured five areas in the western city of Fallujah from ISIL, a top Iraqi official told state-run Anadolu Agency. "Iraqi forces and tribal fighters have liberated five areas [in Fallujah] from Daesh and imposed their control over them," Anbar Operations Commander Major-General Ismail Mahlawi said, using an Arabic acronym for ISIL.



Israel air raids wound 4 in Gaza as border violence flares

AFP, 05.05.2016



Israeli air strikes hit four targets in Gaza overnight, wounding four people, three of them children, medical and security sources said, as violence surged on the border. It was the biggest flare-up in months and raised concerns for a ceasefire between Israel and Gaza's Hamas rulers that has held since the last round of major hostilities in the territory ended in summer 2014.

The Israeli army said that a major target of the strikes was suspected infiltration tunnels under the border like those whose destruction it cited as one of the principal achievements of the 2014 conflict.

"Overnight, in response to the ongoing attacks against Israeli forces, an Israel Air Force aircraft targeted four Hamas terrorist infrastructure sites in the northern Gaza Strip," the Israeli military said in a statement. It gave no word on casualties but medical sources in Gaza said a raid on the Al-Zeitoun district wounded four members of the same family -- three children and a 65-year-old man.

The raid hit a garage, its owner Hasan Hasaneen told AFP, saying the vehicles that caught fire were not used by security forces but only for "reconstruction works." Gaza has been devastated by three conflicts between Israel and its Hamas rulers and other Palestinian factions since 2008, and reconstruction has been painstakingly slow amid an Israeli blockade on all imports that could have military purposes. The army said the overnight strikes targeted facilities run by Hamas.

But the Hamas-run interior ministry said two raids targeted a base of the military wing of its smaller Islamist rival, Islamic Jihad, causing damage but no casualties. Over the past two days, Israeli soldiers operating along the fence that tightly encloses the territory have been repeatedly targeted from inside Gaza, the army said. The army said it hit five Hamas-run sites in the south of the territory in response to mortar fire across the border.

Those strikes hit around Gaza's derelict international airport near the southern city of Rafah and in nearby farmland, the Hamas-run interior ministry said. The army also established a closed military zone around the small Israeli border town of Nahal Oz, saying troops had been fired on in the area. There was no claim of responsibility for the mortar fire that hit Israel.

But both Hamas and Islamic Jihad released statements warning Israel against any escalation. Hamas's armed wing, the Ezzedine al-Qassam Brigades, said it was ready to respond to Israeli strikes. "We will not permit this aggression to continue and the enemy should not invoke any reason and leave the Strip immediately," the group said. The border region has remained relatively quiet since the 2014 conflict, despite allegations by the army that Hamas is building new tunnels from the enclave that could reach into Israel.



Israel cited the destruction of such tunnels as a major achievement of the 50-day conflict in 2014, which killed 2,251 Palestinians, mostly civilians, and 73 Israelis, including 67 soldiers, according to the United Nations. "Our efforts to locate and destroy the Hamas terror tunnel network are our main priority due to the serious threat to the lives and wellbeing of Israeli civilians," army spokesman Lieutenant Colonel Peter Lerner said.

Most of the sporadic rocket fire from Gaza has been attributed to fringe Islamist groups challenging Hamas's authority, although Israel holds Hamas responsible for all fire from the territory and routinely responds with attacks on its positions.

The UN special coordinator for the Middle East peace process, Nickolay Mladenov, said he was "concerned" about the flare-up on the Gaza border. "It is critical that peace be maintained to ensure the safety and security of Israelis and Palestinians alike," he said.

During a visit to the Gaza border, Prime Minister Benjamin Netanyahu had hailed its calmest period in years, according to comments reported by Israeli media. "We are nearing the end of close to two years since Operation Protective Edge," he said, referring to the 2014 conflict.

"These have been the quietest two years we can recall since Hamas came to power." Daniel Nisman, founder of the Levantine analysis group, said the Netanyahu visit could have triggered a reaction. "Maybe for Hamas that lit one fuse too many," he told AFP.

Visa-free travel for Turkish citizens not possible in short-term, says EP's Piri

Hurriyet Daily News, 05.05.2016



Kati Piri, the rapporteur for Turkey at the European Parliament, has said she does not believe visa-free travel for Turkish citizens will be realized in the short term as Turkey will not be able to fulfill the remaining criteria by a July deadline, BBC Turkish has reported.

Piri's remarks came one day after the EC released a decision recommending the EP and the European Council add Turkey to the list of countries whose citizens are exempt from requiring a visa. The commission took the decision by putting forth conditions that Turkey fulfill the remaining five benchmarks out of a total of 72 by July.

Speaking to a Dutch TV program, Piri said Turkey would not be able to fulfill the rest of the criteria by July, stating that Turkey's current anti-terror laws were an obstacle to its democratization process. European Commission Vice President Frans Timmermans announced after the commission decision that Turkey needed to fulfill the remaining five benchmarks "urgently," which included the anti-terror law.



The remaining five criteria are the completion of flaws in relation with a new data protection law, which already came into force in early April; operational cooperation with Europe's police agency Europol; amendments to the anti-terror law; Turkey implementation of the Group of States against Corruption's (GRECO) recommendations to combat corruption, as well as effecting judicial cooperation with all EU member states.

Talking to the press in Berlin alongside Japanese Prime Minister Shinzo Abe, German Chancellor Angela Merkel said she was hopeful that Turkey would soon realize the remaining benchmarks to obtain the right for its citizens to travel inside the EU without a visa. The European Commission's decision came within the scope of a Turkey-EU deal reached in mid-March in order to curb the influx of migrants into the bloc.

Poll: UK voters fear Scottish independence more than leaving EU

Reuters, 03.05.2016



Britons are more worried about the prospect of Scotland gaining independence than of the UK leaving the EU, a poll found. A BMG poll found that 68 percent of voters cited Scottish secession from the UK as their least preferred option when compared to Britain leaving the EU.

The survey canvassed 1,512 people across the UK. The Scottish National Party, expected to easily win elections for Scotland's devolved parliament, has pledged another independence vote if Scotland is forced out of the EU "against its will" through a referendum on Britain's membership of the bloc.

Scots voted 55-45 percent against independence in a referendum in 2014, but the SNP then took all but three of Scotland's 59 seats at the Westminster parliament in a British election in 2015. The number of Britons who want to stay in the European Union has risen over the past four weeks, an online poll by market research company Opinium Research for the Observer newspaper showed.



Germany says to host fresh Ukraine talks

AFP, 01.05.2016



German Foreign Minister Frank-Walter Steinmeier said he had invited his Russian, Ukrainian and French counterparts to talks in Berlin intended to smooth differences between Moscow and Kyiv, after relations have been tense since Russia's 2014 annexation of the Crimean peninsula from Kyiv and its support for separatist rebels in eastern Ukraine.

"It is necessary to give new momentum [to efforts] to surmount obstacles between Kyiv and Moscow," Steinmeier said and several other European newspapers. "That is why I have sent out an invitation for a meeting of foreign ministers in Berlin," said Steinmeier.

Around 9,300 people have died and more than 21,000 have been injured since the revolt against Ukraine's pro-Western leadership erupted two years ago in the predominantly Russian-speaking east. Despite a series of truce agreements the two sides have been unable to reach a political reconciliation agreement.

Steinmeier said the Berlin talks would look to the preparation of local elections in eastern Ukraine with "concrete proposals now on the table" alongside "interesting re-stabilization proposals" from the Organisation for the Security and Co-operation in Europe (OECD). But Steinmeier also warned that with the truce still proving fragile there was no time to be lost in seeking a diplomatic solution.

Kyiv said two Ukrainian soldiers were killed in fresh fighting between government forces and pro-Russian rebels even as the latest truce took effect. "As a result of hostilities, over the past 24 hours two Ukrainian soldiers have been killed and four others wounded," Ukraine's military spokesman Andriy Lysenko told journalists. The latest killings came just hours after a new truce agreed in the Belarussian capital Minsk came into effect.



UN slams N. Korea missile launch, Obama rejects test offer

AFP, 27.04.2016



The UN Security Council echoed international condemnation of a submarine-launched ballistic missile (SLBM) test by North Korea, while US President Barack Obama dismissed Pyongyang's offer of a nuclear moratorium.

The test, personally monitored by supreme leader Kim Jong-Un, was the latest in a series of provocative moves by Pyongyang that have further fuelled tensions on the divided Korean peninsula following the North's fourth nuclear test back in January. There are growing concerns that Pyongyang is building up to a fifth nuclear test ahead of a key political gathering early next month.

The Security Council said the SLBM launch marked a "serious" violation of UN resolutions aimed at curbing the North's nuclear drive, and urged Pyongyang to refrain from any further provocations. A proven SLBM capability would take North Korea's nuclear strike threat to a new level, allowing deployment far beyond the Korean peninsula and the potential to retaliate in the event of a nuclear attack.

Kim Jong-Un hailed the test as an "eye-opening success" that underlined the country's ability to strike South Korean or US targets "anytime". South Korea's defense ministry said the missile, fired from a submarine in the Sea of Japan (East Sea), flew around 19 miles (30 kilometers) and demonstrated clear technological progress from previous tests. Deployment could begin in three to four years if Pyongyang dedicates enough resources to the project, ministry spokesman Moon Sang-Gyun told reporters.

Hours after the launch, North Korean Foreign Minister Ri Su-Yong, speaking in New York, said Pyongyang would be willing to halt further nuclear tests if Washington announced an end to its joint military exercises with Seoul. The annual drills always raise tensions on the Korean peninsula, with the North condemning them as provocative rehearsals for invasion The United States had flatly rejected the same moratorium offer made by the North in January last year, and Obama, currently on a visit to Germany, was equally dismissive this time around.

"We don't take seriously a promise to simply halt until the next time they decide to do a test," the president said during a joint press briefing with German Chancellor Angela Merkel. "They're going to have to do better than that," he added. South Korea also waved off what it described as a "ridiculous attempt" to link sanctions-violating nuclear tests with regular military exercises. At the same time, Obama warned of the very real dangers posed by North Korea's continued weapons testing, including the recent SLBM launch. "Although, more often than not, they fail in many of these tests, they gain knowledge each time," he said. "We take it very seriously, so do our allies and so does the entire world," he added.



North Korea's state television showed pictures of the missile, emblazoned with the name "North Star," trailing a large plume of smoke as it soared out of the water. It also showed what it claimed were underwater images of the missile being ejected from the submarine, using key "cold launch" technology. Experts have suggested that the North's previous SLBM tests were conducted from a submerged platform.

North Korea is currently gearing up for a rare and much-hyped ruling party congress -- the first in 36 years -- at which Kim is expected to take credit for pushing the country's nuclear and missile weapons program to new heights. In recent months, the North has claimed a series of significant technical breakthroughs, including success in miniaturising a nuclear warhead to fit on a missile and testing an engine designed for an inter-continental ballistic missile that could reach the U.S. mainland.

Trump 'presumptive' White House nominee as Cruz crashes out

AFP, 25.04.2016



Donald Trump seized the mantle of Republican standardbearer for the 2016 presidential election, sending his only serious challenger Ted Cruz crashing out of the White House race.

After charging to victory in Indiana, the unorthodox, antiestablishment candidate embraced the role of de facto nominee and trained his sights on the Democrat most likely to face him in the battle for the White House. "We're going after Hillary Clinton," the billionaire real estate mogul told jubilant supporters gathered at Trump Tower in New York to celebrate the victory.

"We're going to win in November, and we're going to win big." The contest in the mid-western state was the final firewall thrown up by Republican heavyweights to keep their brash, name-calling antagonist from locking in the party's nomination.

But as the race was called overwhelmingly in Trump's favor, Cruz conceded to supporters in Indianapolis that he no longer had a viable path forward. "We left it all on the field in Indiana," Cruz said as he announced he was suspending his campaign. "We gave it everything we've got, but the voters chose another path."

It was a stunning denouement for the arch-conservative Texas senator who had insisted he would press on to the final day of the Republican race. His departure leaves the low-polling Ohio Governor John Kasich as Trump's only other challenger for the nomination - making it a virtual certainty that Trump will go head to head in a general election matchup with Clinton.



Clinton, meanwhile, suffered a shock upset in Indiana as her Democratic rival Bernie Sanders mounted a come-from-behind victory, denying the former secretary of state a feather in her cap as she seeks to claim her party's nomination.

The self-declared democratic socialist beat Clinton 52.5 percent to 47.5 percent, providing a shot in the arm to the Sanders campaign and further justification for staying in a race that team Clinton and many pundits have said is all but finished. "The Clinton campaign thinks this campaign is over. They're wrong," Sanders said in a statement.

"We are in this campaign to win and we're going to fight until the last vote is cast," he added. "There is nothing I would like more than to take on and defeat Donald Trump, someone who must never become president of this country." Cruz had been hoping to use the mid-western state to block Trump from gaining the 1,237 delegates needed to secure the nomination ahead of the Republican convention in Cleveland in July.

But the bombastic tycoon - who has thus far defied all political logic to lead the Republican race - swept Cruz aside. Trump thumped Cruz by about 53.3 percent to 36.6, with Kasich an Indiana footnote at 7.6 percent.

With 1,002 delegates to his name, Trump was already in a favorable position to reach the magic number needed to avoid a contested party convention. With Cruz out of the race, crossing the threshold is a foregone conclusion for Trump. Even before the Indiana results, Trump and Clinton had pivoted toward one another.

"I'm really focused on moving into the general election," Clinton said confidently in West Virginia. "That's where we have to be because we are going to have a tough campaign against a candidate who'll literally say or do anything," she said of Trump. "We're going to take him on at every turn."



Announcements & Reports

► Financial risks and opportunities in the time of climate change

Source	1	Bruegel
Weblink	1	http://bruegel.org/2016/04/financial-risks-and-opportunities-in-the-time-of-climate-change/

► Barriers to Bankable Infrastructure

Source	:	CSIS
Weblink	;	http://csis.org/publication/barriers-bankable-infrastructure

Military Health Engagement

 Source
 : CSIS

 Weblink
 : http://csis.org/publication/military-health-engagement

Upcoming Events

► The Search for Europe

Date: 08 May 2016Place: Brussels - BelgiumWebsite: http://bruegel.org/events/the-search-for-europe/

► The UK and the EU: Managing the Euro and the Single Market

Date	: 09 May 2016
Place	: London - UK
Website	https://www.chathamhouse.org/event/uk-and-eu-managing-euro-and-single-market

► Competitive Gains in the Economic and Monetary Union

Date	: 10 May 2016
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	: 11 May 2016
Place	: London - UK
Website	http://www.chathamhouse.org/event/future-capitalist-democracy-uk-japan-perspectives



► Emerging Markets and Europe: Time for Different Relationships?

 Date
 : 11 May 2016

 Place
 : Brussels - Belgium

 Website
 : http://www.bruegel.org/nc/events/event/524-emerging-markets-and-europe-time-for-different-relationships/

► What future for Europe's Social Models?

Date	: 12 May 2016
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
 : 12 May 2016

 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	: 13 May 2016
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	: 14 May 2016
Place	: Berlin - Germany
Website	http://www.bruegel.org/nc/events/event-detail/event/541-the-future-of-the-welfare-state/