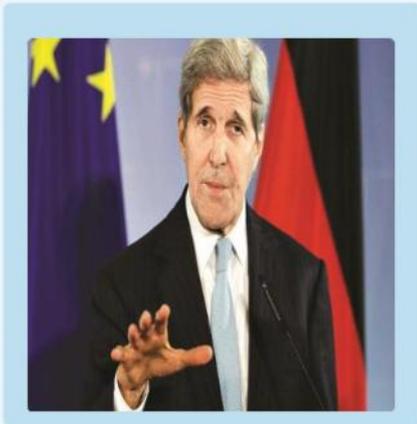


Turkish FM to join Lavrov, Kerry in Syria summit

Hurriyet Daily News, 23.10.2015



Turkish Foreign Minister Feridun Sinirlioğlu flew to Vienna in order to take part in a key summit on Syria, which will be attended by U.S. Secretary of State John Kerry and his Russian Foreign Minister Sergei Lavrov. Sinirlioğlu met with Austrian President Heinz Fischer on the first day of his visit.

Lavrov and Kerry will meet in Vienna to discuss the Syrian conflict together with their counterparts from Turkey and Saudi Arabia, Moscow stated. Russia's Foreign Ministry made the announcement after a phone call between Lavrov and Kerry and after the surprise visit by Syrian President Bashar al-Assad to Moscow.

Lavrov stated that Iran, Egypt, Jordan, Qatar, and the United Arab Emirates should be part of talks to solve the crisis in Syria, Russian news agencies reported. He also said that Moscow "does not see the point" in such a meeting without the participation of Iran. Moscow also said - that Lavrov proposed that a meeting of the "Quartet" of Middle East mediators -- Russia, the United States, the European Union and United Nations - be held on the same day, given the "extremely tense situation" in the region.

Kremlin: Putin briefed Erdoğan on Assad's visit to Moscow

Hurriyet Daily News, 21.10.2015



Russian President Vladimir Putin and his Turkish counterpart, Recep Tayyip Erdoğan, discussed the surprise visit to Moscow by embattled Syrian President Bashar al-Assad by telephone after the latter made his first official international trip since the civil war broke out in Syria over four years ago.

"The situation in Syria was discussed," Kremlin spokesman Dmitry Peskov was quoted as saying by Russian news agencies. "In this context, the leader of Russia informed his Turkish counterpart about the results of Syrian President al-Assad's visit to Moscow."

Erdoğan expressed his concerns over the Syrian military's recent strikes in Aleppo and its environs, which he said could trigger a new wave of refugees, according to Turkish sources. He also stressed the importance of "fighting all terrorist groups," underlining the link between the People's Protection Units (YPG), the military wing of the Kurdish PYD in northern Syria, and the outlawed Kurdistan Workers' Party (PKK).

Prime Minister Ahmet Davutoğlu said a peaceful transition could have started in Syria if al-Assad had "stayed in Moscow," where he flew evening to personally thank Russian President Putin for his military support. "What can I say? If only he would stay longer in Moscow, so the Syrian people could be at ease, or if only he could stay there permanently so that a real transition period could begin," he said. Speaking after a plenum of the Turkish Pensioners' Association in Ankara, Davutoğlu commented on al-Assad's surprise visit to Moscow after Russia had launched a campaign of air strikes against Islamist militants in Syria in support for the Syrian government's forces.

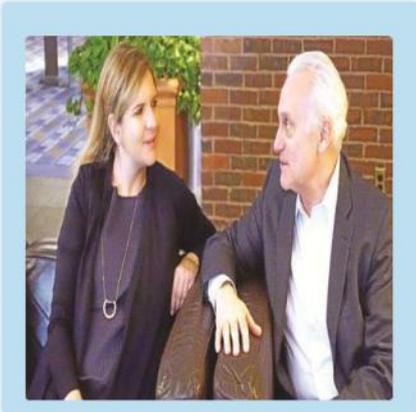
He wished the Syrian leader would have stayed in Russia and leave his people in peace, Davutoğlu added. A transition was needed in Syria which guaranteed the departure of al-Assad, adding there was no change in Turkey's position that his government had lost legitimacy. "We think the Syrian government has no legitimacy left and our thoughts on this subject have not changed ... There must be a transition in Syria which ensures al-Assad's departure," Davutoğlu said, adding that Turkey would only support a transition process accepted by the Syrian people.

"Russia has already openly displayed its support with its intervention," he said, when asked about al-Assad's Moscow trip. "It doesn't matter what is now being discussed behind closed doors. What matters is ensuring a transition period during which the Syrian people will have confidence that peace has come to this country. Even if everybody agrees and offers a proposal, as long as more than 5 million Syrian refugees, 2,200,000 of whom migrated to Turkey, are inclined to return their country as saying 'Peace is coming to my country,' that peace, that transition period cannot possibly be a transition period in real terms," Davutoğlu said.

He was responding to questions from reporters after senior government officials said that Ankara was ready to accept a political transition in which al-Assad remains in symbolic power for six months before leaving office. Davutoğlu's remarks come as Foreign Minister Feridun Sinirlioğlu is expected to participate in a possible meeting in Vienna with the foreign ministers of Russia, Saudi Arabia, Jordan and the U.S. to discuss the crisis in Syria and the need for a political transition to end the conflict.

Former US Ambassador: US to treat PYD as PKK in case of a threat

AFP, 16.10.2015



A former U.S. ambassador to Turkey has made clear the U.S. would treat Syria's Democratic Union Party (PYD) the same as it does the outlawed Kurdistan Workers' Party (PKK) in case of a threat to Turkey, while speaking to daily Hürriyet.

Francis Ricciardone, a former U.S. ambassador to Turkey and current deputy head of the Atlantic Council, said the PYD has shown its difference by declaring they would not engage in clashes with the Turkish state, highlighting that to preserve such a line was important. However, Ricciardone vowed the U.S. would respond the same way it does to the PKK in case of a threat from the PYD.

"If the PYD cooperates with the PKK against Turkey and becomes a threat for the country, we would treat them the same way we do to the PKK," Ricciardone said, vowing that the U.S.' distinction of the PYD would be lifted in such an occasion. He also expressed his appreciation for the PKK's ceasefire declaration.

Turkish Prime Minister Ahmet Davutoğlu lashed out at both the United States and Russia for supplying weapons and support to the People's Protection Units (YPG), the military wing of the PYD, in its bid to fight extremist jihadists, raising concerns that the arms could be used against Turkey by the PKK. "At the moment, nobody can assure us that these weapons delivered to the PYD will not go to the PKK. If we find out that these weapons are taken into northern Iraq and used there, we will destroy them wherever they are," Davutoğlu said. Turkish Foreign Minister Feridun Sinirlioğlu also advised the PYD to watch their step, making clear that any move aimed at Turkey would not remain unreciprocated.

IKV chief: Problems in democratization, media freedom hinder Turkey's EU talks

Dogan News Agency, 20.10.2015



Among the most significant obstacles to rekindling talks on Turkey's EU membership are restrictions on democratization, media freedom, freedom of expression, and human rights, Economic Development Foundation (IKV) Secretary General Çiğdem Nas has said, following German Chancellor Angela Merkel's high-profile recent visit to Turkey.

Merkel's remarks on cooperation with Turkey in solving refugee crisis and accelerating EU talks were the headlines of the visit, but Nas expressed skepticism about progress being made without relying on the pillars of democracy and human rights.

"It is not a hopeful picture unless Turkey 'wins the EU's favor' in terms of democracy and human rights," she said. Nas expressed doubts that Turkish demands for more support on the issue of migrants would be met in the short term, questioning how the 3 billion-euro aid would be given by Brussels. "It is unclear whether or not this amount will be met from a different fund. Perhaps ... an additional fund could be discussed because the EU's funds allocated to countries such as Turkey are already obvious," she said.

Nas also touched on Merkel's expressed will to open six negotiation chapters, saying the easiest one to be opened related to "economic and fiscal policy." She added that Turkey favored the opening of such "softer" chapters on unionization, public aid and competition. "It will be good for Turkey if the 23rd chapter [Judicial and Fundamental Rights] and 24th chapter [Justice, Freedom, Security] are opened because they are preliminaries for political criteria ahead of visa liberation," Nas said, adding that she does not expect visa liberation without all 72 criterias being met.

"Perhaps Turkey's sensibility on the visa issue has been exploited by the EU. But unless Turkey determinedly meets the necessities, the EU cannot meet expectations in the migration problem," she said, suggesting that she could see no resolution of the refugee crisis "within the next two years."

The IKV head also stressed the importance of resolving the Cyprus issue for Turkey's EU accession process. "There is an ongoing process in Cyprus. International efforts could be increased to stimulate it. We cannot say 'if the Cyprus issue is resolved, Turkey will be an EU member,' but it would ease the process," Nas said. She was also highly critical of German Chancellor Merkel's visit to Turkey, describing her signals to open accession chapters without giving the green light to Turkey's EU membership as "illegal wrestling."

“It is unfair to relate the EU talks to the refugee crisis. It is already an ongoing process. It is wrong to use the refugee problem as a bargain tool,” Nas said. As for the Turkish side, Nas urged Ankara to solve issues in democratization, human rights, and finding a political resolution to the issue of terrorism, which are all “bleeding wounds.” “If political criteria are met then we could face the EU and thus prove that all kinds of restrictions are political and malevolent ... [The process] might then move forward more easily than right now,” she said.

Merkel shifts EU-Turkey stance upon migrant crisis

Hurriyet Daily News, 18.10.2015



German Chancellor Angela Merkel has pledged to give support to four Turkish demands on which Ankara has insisted in return for agreeing to a migrant action plan with the EU. “There are four elements. Germany is ready to give support on these issues,” Merkel said during a joint press conference with her Turkish counterpart, Davutoğlu.

Merkel made the trip to Turkey amid increasing pressure at home after hundreds of thousands of refugees poured into Germany over the summer. Davutoğlu said Turkey was ready to work with Germany and the EU on the migration crisis and would take all measures to prevent human trafficking.

However, Ankara is focused on four issues, the prime minister said: the opening of negotiation chapters, visa liberalization, the transfer of 3 billion euros from the EU to Turkey for migrant support and the invitation of Turkish leaders to EU summits. Davutoğlu stressed the “fair share of the burden” on the migration problem and welcomed Merkel’s approach on the issue, while noting that the figures were of secondary importance. Davutoğlu expressed Turkey’s expectation for the implementation of visa privileges for Turkish nationals by 2016, in return for a readmission agreement which would pave the way for the EU to send migrants back to Turkey.

“In terms of the migration crisis, we seek to contribute a new vision to relations between the EU and Turkey and get out of its frozen situation,” he said. “We agreed on accelerating the opening of negotiation chapters 17, 23, 24,” he said. Turkey and Germany will continue cooperation through “working groups” which will convene this week, Davutoğlu said. Expressing support for the Turkish demands, Merkel especially highlighted that they would work to open Chapter 17, and said they would “discuss” details on Chapters 23 and 24.

The German chancellor also reiterated her country’s longstanding hesitations about Turkey’s prospective membership in the union and said, “Turkey’s full membership is an open-ended issue.” “How can we organize the accession process more dynamically?” Merkel asked. Working groups will study the “share of burden,” Merkel said, noting that the invitation of Turkish leaders to EU summits would be evaluated by the union.

Ahead of her visit to Turkey, Merkel stated that Turkey's help was needed to stem the flow of refugees to Europe but that this had not changed her view that Ankara should not become a member of the European Union. "I have always been against EU membership, President [Recep Tayyip] Erdogan knows this, and I still am," Merkel told a talk show on German public broadcaster ARD.

Turkey and European Union agreed to a "draft" agreement on migrants last week which will be implemented after Ankara's political demands are met by Brussels. The EU has suddenly rediscovered Turkey, Turkish Foreign Minister Feridun Sinirlioğlu told reporters. The minister identified the draft agreement on migrant action plan as an "ad referendum" which is for further consideration by one having the authority to make a final decision.

The two leaders also discussed Syria, with Turkey informing the German chancellor about violations of Turkish airspace and the change of the power balance in the country, Davutoğlu said, adding that he delivered some intelligence information. Despite Germany's withdrawal of Patriot batteries from Turkey, the two countries will step up for closer military cooperation, Merkel said. Davutoğlu also condemned an attack on the independent candidate for mayor of Cologne, Henriette Reker. The German and Turkish foreign, defense and economy ministers will also meet in January 2016 in Berlin, Davutoğlu said. Merkel also met with Erdoğan. Making a joint statement, Erdoğan stated that the two countries recommended an "action plan against terror."

Turkey awaits political demands before implementation of migration deal with EU

Hurriyet Daily News, 17.10.2015



Turkey and EU have agreed to a "draft" agreement on migrants which will be implemented only after Ankara's political demands are met by Brussels, Turkish officials said.

Turkey's conditions, which EU has agreed to in principle, include the opening of negotiation chapters, visa liberalization, the payment of 3 billion euros in financial support by the EU for migrants in Turkey and invitation of Turkish leaders to EU summits, diplomatic sources told. The deal comes ahead of German Chancellor Merkel's visit to Istanbul for talks with Turkish leaders.

Turkey and EU has agreed on a "draft agreement" on a migrant action plan and the union will provide a 3 billion-euro financial package for an initial year, Turkish Foreign Minister Feridun Sinirlioğlu told reporters. The minister identified the draft agreement as an "ad referendum" which is for further consideration by one having the authority to make a final decision. Sinirlioğlu slammed the EU's earlier proposal to give 500 million euros from pre-accession funds out of the budget allocated for Turkey, saying Ankara rejected the offer.

The issue is not aid to Turkey but help Syrians, he said. “We have spent \$8 billion [on refugees], and our gross national product is around \$800 billion. Their [GNP] is \$18 trillion. Three billion euro versus \$18 trillion is funny, but it is much better than the 500 million that they had delivered.” He also criticized the EU’s initial proposal on migration, saying it was too security-focused.

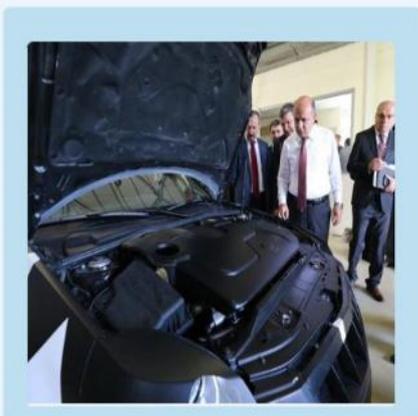
The EU has suddenly rediscovered Turkey, he added. Sinirlioğlu’s comments came after a high-ranking EU delegation, including EU Migration Commissioner Dimitris Avramopoulos and EU Commission Vice President Frans Timmermans, visited Turkey this week in search of a deal on the migrant issue. The draft text has been finalized, but the plan will be put into effect only after the EU meets Turkey’s conditions, Turkish diplomatic sources told the Hürriyet Daily News.

The demands of Turkey are not written up in the text, but the parties have reached a consensus in principle, according to sources. The demands include the delivery of 3 billion euros in a financial package to Turkey. A working group will be established between Turkey and the EU to determine how to spend the money for refugees. A deal between Turkey and the EU regarding visa liberalization in return for a readmission agreement was earlier scheduled for October 2017. The EU will now bring plans for visa liberalization ahead as Turkey starts implementing the readmission agreement simultaneously, sources told the Daily News.

By that time, Turkey will not accept the return of thousands of migrants who traveled to the EU from Turkey, sources said. Another condition laid out by Ankara is the opening of negotiation chapters with the EU. Turkey expects five chapters to be opened in the near future. The last demand from Ankara is the invitation of Turkish leaders to EU summits, which was highlighted by President Recep Tayyip Erdoğan. The EU’s offer to become involved in the border security of Turkey and return around 160,000 migrants, which were components of a previous migrant action plan proposed by the union, were eliminated in the last round of talks, sources said.

Company: Turkey’s ‘national car’ project not connected to Saab

Hurriyet Daily News, 23.10.2015



Swedish aviation and defense giant Saab has said China’s National Electric Vehicle Sweden (NEVS), which has signed a deal with Turkey to help produce the country’s first “national car,” does not represent the Saab brand, but only owns the company’s car production plant.

“We do not have any deal with Turkey for the production of the country’s national car. We do not understand why Turkish Minister Fikri Işık has insistently voiced the ‘Saab’ brand when talking about the project,” said group spokesperson Sebastian Carlsson, in an interview with American journalist Kenny Lama on behalf of daily Hürriyet.



“We bought the Saab 9-3’s intellectual property rights, but not its name,” Işık said in a televised interview. “The brand [of the car to be developed] will be a Turkish brand, it will not be Saab. We’ll develop the technology in Turkey,” he added, as quoted by Anadolu Agency. Carlsson said NEVS, with which Turkey has signed the deal, does not represent the Saab brand. Carlsson noted the Saab Group does not produce cars or have any activities in car development.

“It does not make any sense for us to see the minister talking about any cooperation with Saab,” he said, adding the company was no longer in the automotive sector in car development. General Motors (GM) created the Saab 9-3 model and sold some of Saab’s facilities to China’s NEVS as the main shareholder four years ago. “The sale did not cover the transfer of Saab’s brand rights in our deal, which was inked four years ago. Our deal with NEVS only covers the sale of some of the Saab facilities in Sweden and the sale of the patterns and the intellectual property rights of the 9-3 model, which was created by us. The Saab brand is still owned by the Saab Aviation and Defense Company,” said GM spokesperson Jim Cain.

NEVS Communications Director Mikael Östlund said in an email interview that the company and the Scientific and Technological Research Council of Turkey (TÜBİTAK) had signed a confidentiality agreement that prevented them from divulging how much Turkey paid for the project. “The development of Turkey’s first national car will take around three years. All test vehicles and prototypes as well as pre-produced vehicles will be made by us. We’ll make the production until a production facility is established in Turkey.

NEVS will continue to support the initiative with a potential industrial partner in Turkey by sharing the know-how it has. The mass production will not be undertaken by NEVS,” he said. He noted TÜBİTAK did not buy all the rights, but only the intellectual property rights of the 9-3 sedan platform. “NEVS produced a total of 450 Saab 9-3 MY14 model cars so far. It is not clear whether we’ll continue our production under the Saab brand. Saab is in talks with the European Union, and the details will be clear by next year,” he said.

Minister: Turkey to increase supervision of retail practices to probe unfair trade, sale of counterfeit goods

Anadolu Agency, 22.10.2015



The government will establish a “Retail Council of Turkey” with regulatory and oversight responsibility for the retail trade, the Turkish Customs and Trade Ministry said. Cenap Aşçı said the council would investigate unfair trade practices and the sale of counterfeit goods. “The council will be very important for the country.”

Aşçı said the government continued to receive complaints about unwanted telephone calls and messaging. The Turkish government has received 109,185 complaints regarding unwanted commercial text messages, voice calls and emails since July 15, according to the minister.

The minister said 90 percent of complaints were for unwanted commercial SMSs, 7 percent were for unwanted emails and 3 percent for unwanted voice calls. According to the regulation which was introduced on July 15, in order to promote or advertise their products and services by email, SMS and voice calls, companies are required to first obtain permission from consumers.

Touching upon Turkish trade with neighboring countries such as Iraq and Syria, Aşçı said Turkish exports had been particularly affected by the economic decline in neighboring countries caused by the sharp drop in the price of oil. “Turkey exported more than \$12 billion in goods to Iraq in 2014. This year, it seems unlikely that we will reach that number,” he added. To improve commercial traffic with Turkey’s neighbors, the minister said the number of border gates would be increased. “Ten of the existing gates have already been upgraded with new technology,” the minister added.

Aşçı also said Turkish and EU officials were working to revise conditions in the Turkey-EU Customs Union, which is a stepping stone to eventual EU membership for Turkey. Turkey is the only non-EU country which has a customs union agreement with the EU, allowing non-tariff imports and exports in many sectors.

No age restrictions for worshippers at Al-Aqsa Friday

AFP, 23.10.2015



Israeli police said they have lifted age restrictions for the main weekly prayers at Jerusalem's Al-Aqsa mosque compound, for the first time in weeks. The restrictions on male worshippers have been imposed on Fridays since mid-September when repeated clashes between Palestinian protesters and Israeli police erupted at the flashpoint site.

“For the moment, no age limitations on worshippers' entry,” a police spokeswoman said in a statement. The restrictions had meant only men over the age of 40, 45, or 50, depending on the decision taken, were allowed to enter the mosque compound in east Jerusalem that is Islam's third-holiest site.

The compound was seized by Israel during the 1967 Six Day War, and later annexed in a move never internationally recognised, and is currently managed by an Islamic foundation under the auspices of Jordan. However Israel controls access. The compound is also the holiest site for Jews who call it the Temple Mount. But under longstanding rules governing the site, Jews are allowed to visit but not pray.

Clashes erupted during a series of Jewish religious holidays in September as an increase in visits by Jews raised fears among Muslims that Israel was planning to change the rules. Israeli Prime Minister Benjamin Netanyahu has said repeatedly that there are no such plans, something he reiterated after talks with US Secretary of State John Kerry in Berlin. The talks were part of a flurry of diplomatic activity aimed at defusing tensions between Israelis and Palestinians which have led to a flare-up of deadly violence. The protests at Al-Aqsa triggered a wave of lone-wolf knife attacks, shootings and car-rammings against Israeli soldiers, police or civilians. Since October 1, at least 49 Palestinians and one Israeli Arab have been killed, including alleged attackers. Eight Israelis have been killed in attacks. One Israeli Jew and one Eritrean have also been killed after being mistaken for attackers.

UN chief ‘not optimistic’ about Israeli-Palestinian crisis

AFP, 22.10.2015



UN Secretary-General Ban Ki-moon told the Security Council that he was “not optimistic” following his talks with Israeli and Palestinian leaders to urge them to defuse tensions, diplomats said. Ban addressed a closed-door emergency session of the council by video-conference from Amman, the latest stop on his mission to put an end to spiraling violence.

The UN chief traveled to region to urge Israelis and Palestinians to pull back from a “dangerous escalation” that could lead to full-scale Palestinian uprising. After meeting PM Netanyahu and Palestinian leader Abbas, Ban delivered a assessment of the prospects, according to diplomats.

“We were struck by the pessimistic tone which he gave us,” British Ambassador Matthew Rycroft told reporters after the meeting. “There is a wide gap” between the leaders, said Rycroft, “both on the short term on how to de-escalate and on the longer term, on how to get back to a genuine political process.” Ban told the council that addressing the situation at the holy sites was key to quelling tensions, and that he was very concerned by incitement from both sides.

Stating bluntly that he had emerged from his meetings “not optimistic,” he said there was no time to waste to press for a de-escalation and pull the sides back from the brink. At least 47 Palestinians and an Arab Israeli have been killed in the upsurge in violence that began at the start of the month, including alleged attackers. Eight Israelis have also died. The UN chief also presented a report prepared by his legal experts on international protection after the Palestinians called for the deployment of an observer force in east Jerusalem.

The report, seen by AFP, outlines 17 cases - from Trieste after World War II to Kosovo in 1999 - when the Security Council stepped in and set up special regimes to guarantee the protection of civilians. In a letter to the council, Ban said the report should not be seen as an “options paper” for addressing the current crisis but could be useful in “informing future work on this subject.” The 42-page summary of precedents was prepared last year, but it has been the focus of recent interest following an appeal from the Palestinians for international protection, beginning with an observer force at the Al-Aqsa compound.

Clashes between Israeli security forces and Palestinian protesters at the Al-Aqsa mosque in September sparked the current wave of violence. Israel flatly rejected any suggestion that an international presence could be deployed at Al-Aqsa, saying it would violate the status quo. Ban’s report comes on the eve of a ministerial-level Security Council debate on the way forward in the Middle East amid growing fears that the violence could spiral out of control.

Study: ISIL not alone in looting Syria cultural heritage

AFP, 21.10.2015



ISIL may dominate headlines about the destruction of heritage sites in Syria, but it is far from the only culprit, new US research warned. The Syrian regime, Kurdish and other opposition forces are also major players in the destruction, according to the in Dartmouth University.

The findings, published in *Near Eastern Archaeology*, are based on analysis of satellite imagery from nearly 1,300 out of Syria's estimated 8,000 archaeological sites. Media attention "has led to a widespread misunderstanding that ISIL is the main culprit when it comes to looting," said Jesse Casana, associate professor at Dartmouth.

"Using satellite imagery, our research is able to demonstrate that looting is actually very common across all parts of Syria." The research found that more than 26 percent of sites were looted in regions held by Kurdish or other opposition groups. Around 21.4 percent of sites were looted in ISIL-controlled areas and 16.5 percent in Syrian regime areas. But while minor looting was most common in Kurdish and opposition-held areas, ISIL dominated when it came to heavy destruction, the study found.

The study classified 42.7 percent of looting in ISIL-held areas as heavy, 22.9 percent in Syrian regime areas, 14.3 percent in opposition force-held areas, and 9.4 percent Kurdish areas. "To the best of our knowledge, the sites that were within ISIS-held areas now have a much higher incidence of moderate or severe looting than sites we have sampled in other places, and a much lower incidence of looting overall," Casana told AFP. "ISIS is terrible, awful," he said. "On the other hand, looting on an equally large scale is taking place at a large number of sites all across Syria."

Episodes of severe looting have been perpetrated under the direct watch or perhaps by the Syrian regime military and not been widely reported, Casana told AFP. ISIL has carried out a sustained campaign of destruction of heritage sites in Syria and Iraq, most notoriously dismantling the ancient ruins of Palmyra since capturing the area in May. In September, CBS News reported on smugglers selling looted artifacts to help fund ISIL, including a mosaic purportedly dug up in the Roman city of Apamea in western Syria. But Casana said Apamea was first looted by the regime military.

Satellite images indicate that the looting began in 2012 after Syrian forces moved in, and that the most extreme phase took place in the government-administered portion of the site. "The US military could wipe all of ISIS off of the map, but it will not stop looting," Casana told AFP. "It's a war problem, not an ISIS-specific problem." Casana said he worked in Syria on excavations before the war, and embarked on the research just over a year ago using a US State Department grant. He now plans to widen the focus of his research to other sites in Syria and extend it to northern Iraq.

“I think that knowing about what’s going on in the course of this conflict is important,” he said. “I just really wanted to do something. I worked in Syria a long time, I know many people there -- using imagery to monitor it I feel at least it’s not susceptible to propaganda.”

Moscow: Lavrov, Kerry to hold Syria talks Oct 23 with Saudi, Turkish counterparts

AFP, 21.10.2015



Russian FM Lavrov and US Secretary of State Kerry will meet in Vienna to discuss the Syrian conflict together with their counterparts from Turkey and Saudi Arabia, Moscow said.

Russia’s foreign ministry made the announcement after a phone call between Lavrov and Kerry and following the surprise visit by Syrian President Assad to Moscow. “The main focus was the situation in Syria in the context of preparations for the meeting between the minister and Secretary of State in Vienna where they will be joined by Saudi and Turkish foreign ministers,” the ministry said in a statement.

Moscow also said that Lavrov proposed that a meeting of the “Quartet” of Middle East peace mediators -- Russia, the United States, the European Union and United Nations -- be held the same day, given the “extremely tense situation” in the Middle East. More than 40 Palestinians have been killed in an upsurge in violence that began at the start of the month, including a number of alleged attackers. Eight Israelis have died. Violent protests have also erupted in annexed east Jerusalem, the occupied West Bank and the Gaza Strip. The attacks and unrest have raised fears of a third, full-scale Palestinian uprising.

France's Hollande 'wants French firms to invest more in Greece'

Reuters, 22.10.2015



France's President François Hollande said in a newspaper interview released hours before a visit to Athens on Oct. 22 that he will encourage French firms to build up their operations in Greece to help the country overcome its financial crisis.

France's President François Hollande said he will meet representatives of French companies in Greece on his official two-day visit to show his support for the left-wing government of Alexis Tsipras which is struggling to meet the terms of a new international bailout.

Hollande is trying to mend his relationship with the radical wing of his Socialist Party and with other left-wing political groups as he pursues pro-business reforms at home. A divided left would face heavy losses at the hands of the right and extreme right in regional elections due in December. He has strongly supported Greece's place in the euro and the dramatic efforts of its new left-wing government to seal a new bailout deal with its lenders despite acrimonious negotiations.

"I am coming to Athens to show France's support and to give a message to everyone but more specifically to French businesses: come invest in Greece," he said in the interview with Kathimerini newspaper. Greece needs to enact a set of reforms to conclude its first bailout review and recapitalize its banks by the end of the year to start debt relief talks. "The schedule is busy, the deadlines are tight but it's time for Greece to overcome the crisis once and for all," Hollande told the newspaper. "I'll be there to help, as I have always done at the European Council's table."

Asked whether he could rule out a Greek exit from the euro, Hollande said: "Yes. This discussion belongs to the past." He said Greek people have already made big sacrifices but growth will return to the country if it sticks to reforms. French companies have showed interest in Greek privatizations, a major part of the country's strategy to meet the bailout terms. A unit of France's state railway, SNCF Participations, was shortlisted in a tender for the sale of Greek railways operator Trainose in 2013. Alstom has also expressed interest in buying Greece's railways rolling stock operator. Greece has set a December deadline for the submission of binding bids for both companies.

US slams Assad's 'red-carpet' welcome in Moscow

AFP, 22.10.2015



The White House issued attack on Russia's "red carpet" welcome for Assad, accusing Moscow of impeding progress towards political transition by propping up strongman.

Assad met Putin in Moscow and thanked for launching airstrikes against his opponents in Syria, with both leaders also agreeing that political steps must follow military operations. White House Deputy Press Secretary Eric Schultz told the US viewed "the red carpet welcome for Assad, who has used chemical weapons against his own people, as at odds with the stated goal by the Russians for a political transition in Syria."

Moscow's actions in the war-torn Middle-Eastern state were "counterproductive", he added. Putin had emphasised during Assad's visit that Syrians should decide their country's fate, a thinly veiled jab at the US and other opposition backers who insist Assad must go in any peaceful settlement. "Based on positive results in military operations at the end of the day a long-term settlement can be achieved on the basis of a political process with the participation of all political forces, ethnic and religious groups," the Russian president said.

Russia later announced that Foreign Minister Sergei Lavrov would meet with US Secretary of State John Kerry and their Turkish and Saudi counterparts to discuss Syria. Assad, who last visited Russia in 2008, had told Putin that the three-week-old Russian air war -- which has prompted an outcry in the West -- had helped to stop the spread of "terrorism" in his country.

The strikes are reported to have killed 370 people so far, a third of them civilians. Russia says the campaign targets the extremist Islamic State of Iraq and the Levant (ISIL) group and others it describes as "terrorists". But rebels and the West accuse Moscow of seeking to keep Assad in power and of striking moderate and Islamist opposition forces rather than just ISIL jihadists. Putin said Russia was ready to do all it could to help secure peace in Syria, which has been ravaged by the conflict that began with anti-government protests in March 2011.

"We are ready to make our contribution not only during armed hostilities in the fight against terrorism but also during a political process," Putin said. Putin's spokesman Dmitry Peskov said Assad's "working visit" was at the invitation of the Kremlin. The Syrian presidency said that Assad had returned to Damascus. Putin discussed his talks with Assad in a string of phone conversations with Turkish leader Recep Tayyip Erdoğan, Saudi King Salman, Egyptian President Abdel Fattah al-Sisi and Jordan's King Abdullah. More than 250,000 people have been killed and millions forced from their homes in the four-year Syrian war, sparking a mass migration of around four million refugees.

The Syrian Observatory for Human Rights said at least 12 people including medical staff were killed when Russian warplanes struck a field hospital in the northwestern province of Idlib. The clinic was run by the Syrian-American Medical Society, whose staff confirmed Tuesday's strikes had "severely damaged" the facility.

Saudi Arabia, Turkey and the US are all key backers of the Syrian opposition and have criticised Moscow's military intervention in support of Assad's regime. They have also long insisted Assad cannot be part of Syria's future, though some experts see a softening of the international line on whether the embattled leader could stay on during a political transition.

One of Assad's key allies, Iran, appeared less than resolute in backing him up, with deputy foreign minister Hossein Amir-Abdollahian saying it would not work to keep Assad in power "forever". Iran has stood by Assad since the 2011 uprising against his regime, but has played down the extent of its on-the-ground support. French President Francois Hollande has warned Russia against strengthening the position of Assad, "who is the problem, and cannot therefore be the solution". Russia has carried out more than 500 air raids in Syria since its campaign began. The Russian defence ministry said its forces had hit 83 targets in Syria in the past 24 hours. The strikes have been accompanied by a series of Syrian government ground offensives, in some places reportedly backed by an influx of Iranian forces, as well as Lebanon's Shiite Hezbollah movement.

UK nuclear plant deal hinges on ambitions of London, Beijing and EDF

AFP, 15.10.2015



Plans to build two next-generation nuclear reactors at Hinkley Point in southwest England are stalled at the crossroads of ambitions by Britain, China and French electricity giant EDF. A consortium led by EDF (Electricite de France) is expected to make a final decision this year on whether to invest in the gigantic project, estimated to cost 25 billion (\$38.6 billion, 34 billion euros), which would be the first new nuclear power station in Britain in decades.

The decision could hinge on China's role in the consortium through its state-run firms China General Nuclear Corporation (CGN) and China National Nuclear Corporation.

London is looking to the visit this week of Chinese President Xi Jinping as an opportunity to finalise the deal for Hinkley Point, two years after it first gave the green light for the project. Hinkley Point would feature the European Pressurised Reactor (EPR), a third-generation reactor design considered the most advanced and safest in the world. Britain pledged 2 billion for the nuclear plant, which it sees as necessary to meet the country's energy needs as older coal and nuclear plants are retired, and also as oil reserves decline in the North Sea.



The Chinese companies are expected to largely finance and get a stake of around 40 percent in the nuclear plant that authorities hope will generate seven percent of Britain's electricity. "Britain is also hoping to revive its faded industrial sector and create high-paying jobs," said Christophe Bonnery, head of an association of energy economists. Aiming for 25,000 new jobs, the British government hopes that the agreement on Hinkley Point will be the first of many, he added.

In all, around 10 reactors are envisioned to be built in Britain, all by foreign companies. "The idea is to get the Chinese with this first reactor in the frame of mind to co-finance the others that follow," said Arnaud Leroi, of consultants Bain & Company. China's booming nuclear industry wants to take advantage of the favourable attitude in Britain toward nuclear energy to establish credibility for its technology and assure it access to the international market, analysts say.

"Beijing is looking for alliances and investments in Europe to acquire an expertise" to help develop its key national industries, said analyst Christine Lambert-Goue, Asia director at Invest Securities. "If the cost of the EPR (reactor) drops, the Chinese will have a foothold in a technology of the future," added Francois Pouzeratte of Eurogroup Consulting. Like London, EDF is counting on the Chinese to agree to the investment as the French company does not have the means to back a huge project like Hinkley Point on its own.

"My hope is that our Chinese partners can take the right decision and will seize the day. The ball is in their court," Vincent de Rivaz, who heads up the UK division of EDF, told the Financial Times. Hinkley Point would not be the first time EDF has worked with the Chinese. It already has a long-standing partnership with CGN in building two EPR reactors at Taishan, and the French group hopes to open wider the doors to the huge Chinese market.

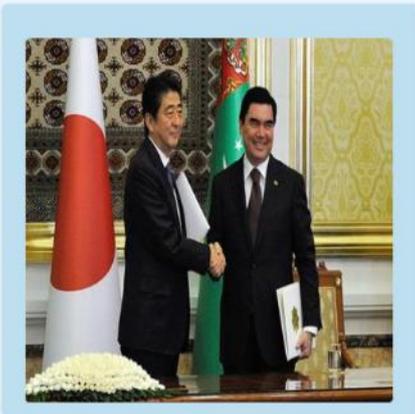
"Nuclear energy is an option that cannot be overlooked. The country (China) has 50 reactors of which 25 are under construction, representing the majority of nuclear plants being built in the world," said Herve Machenaud, an EDF representative in China. "The future of the sector is taking place for a big part over there," he said. EDF also needs its ties with Chinese firms to maintain its know-how, an advantage which surpasses the risk involved in the transfer of technologies, experts say.

"The Chinese are no longer copiers. They have become more and more the motor" of industrial development, said Cyril Crocq-Gaillard, consultant at Sia Partners. But clouds hang over the prospects for Hinkley Point. EDF has had to push back four times the launch of its EPR reactor project at Flamanville in northwest France, now set for late 2018, causing increased cost overruns. Another EPR project in Finland involving Areva, the French atomic energy giant together with German engineering group Siemens, has also been plagued with a string of technical and safety setbacks. It plans to launch a testing phase next year.

On the legal front, the Austrian government has filed a complaint with the European Court of Justice against state subsidies for the planned nuclear plant in Britain, on the grounds they distort the market. Seen as a major boost to the nuclear industry four years after the disaster at Japan's Fukushima plant, some environmentalists view Hinkley Point as an unnecessary support for nuclear energy just as renewable energy technologies begin to take hold.

Japan, Turkmenistan sign deals worth over \$18 bln in chemicals, energy

Reuters, 22.10.2015



Japan and Turkmenistan on Oct. 23 signed deals worth over \$18 billion on a package of projects in the energy-rich central Asian nation, which has become an important supplier of natural gas to China. Turkmenistan, a reclusive nation of 5.5 million, holds the world's fourth-largest reserves of natural gas. Since independence in 1991, it has launched ambitious projects to process the commodity at home and find new export routes.

Japanese Prime Minister Shinzo Abe was starting a tour of the five post-Soviet Central Asian nations where former imperial master Russia and China are vying for clout.

"We planned to sign documents on a number of projects in the chemicals sector and power station construction for a total sum of more than \$18 billion. These documents have just been signed," Abe told reporters in the presence of Turkmen President Gurbanguly Berdimuhamedov. "Japanese companies have now gained one more big business opportunity. And I will be happy if President Berdimuhamedov assists the implementation of these projects." He gave no further detail. "Turkmenistan is interested in acquiring Japan's experience in creating and using new technologies," said Berdimuhamedov. He mentioned cooperation with Japanese firms in oil and gas processing, chemical industry and power engineering, but did not elaborate.

Japanese companies are already actively involved in large-scale projects in Turkmenistan, building plants to process natural gas into fertilisers, ethylene, polyethylene and polypropylene, as well as into liquid fuel. China has supplanted Russia as the main buyer of Turkmen gas in recent years, annually importing 30-35 billion cubic meters (bcm) of the fuel. Moscow angered Ashgabat this year with plans to cut its imports to 4 bcm from 11 bcm in 2014. Next-door Iran also imports small volumes of Turkmen gas.



Announcements & Reports

► *Filling The Gap: Open Economy Considerations for More Reliable Potential Output Estimates*

Source : Bruegel

Weblink : <http://bruegel.org/2015/10/filling-the-gap-open-economy-considerations-for-more-reliable-potential-output-estimates/>

► *Southeast Asia from Scott Circle: Washington Debut: A Strategic Jokowi?*

Source : CSIS

Weblink : <http://csis.org/publication/southeast-asia-scott-circle-washington-debut-strategic-jokowi>

► *Enhancing Financial Stability in Developing Asia*

Source : Bruegel

Weblink : <http://bruegel.org/2015/10/enhancing-financial-stability-in-developing-asia/>

Upcoming Events

► *TATRA Summit 2015*

Date : 05 November 2015

Place : Brussels - Belgium

Website : <http://bruegel.org/events/tatra-summit-2015/>

► *Secular Stagnation in Europe and Japan*

Date : 17 November 2015

Place : Brussels - Belgium

Website : <http://bruegel.org/events/secular-stagnation-in-europe-and-japan/>

► *The Role of The Nordic Social Model in The Future*

Date : 18 November 2015

Place : Brussels - Belgium

Website : <http://bruegel.org/events/the-role-of-the-nordic-social-model-in-the-future/>



► *Lebanon's Deepening Domestic Crisis*

Date : 19 November 2015
Place : Washington DC – The USA
Website : <http://www.brookings.edu/events/2015/10/12-lebanon-domestic-crisis>

► *The Politics of The Fed: Past, Present and Future*

Date : 22 November 2015
Place : Washington DC – The USA
Website : <http://www.brookings.edu/events/2015/10/22-politics-of-the-fed-past-present-and-future>

► *Supporting Military Families and Veterans, Sustaining The All-Volunteer Force*

Date : 29 November 2015
Place : Washington – The USA
Website : <http://www.brookings.edu/events/2015/10/29-military-families-veterans-lifestyle-survey>

► *Competitive Gains in the Economic and Monetary Union*

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

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

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

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

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

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

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

► *Challenges for Growth in Europe*

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



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

Date : 28 December 2015

Place : Paris - France

Website : <http://www.bruegel.org/nc/events/event-detail/event/529-global-governance-of-public-goods-asian-and-european-perspectives/>

► *The Future of the Welfare State*

Date : 29 December 2015

Place : Berlin - Germany

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