

Erdoğan: Allies warming to no-fly zone in Syria

Hurriyet Daily News, 11.11.2015



Turkish President Recep Tayyip Erdoğan said the West is coming around to Turkey's plan for a safe zone inside Syrian territory.

“More realistic steps need to be taken for a solution including our proposal in particular to establish a safe zone cleared of terror,” Erdoğan said addressing a meeting with business council chiefs from the Foreign Economic Relations Board (DEİK) and ambassadors. Erdoğan called on world leaders to rally behind Turkey's plan for a safe zone inside Syrian territory, days before it hosts the G-20 Summit. He proposed three-point measures in order to tackle refugee crisis.

“Let's make the train equip [program]. Declare a terror free zone. Declare a no-fly zone and resolve this issue. Therefore, those from Syria will not travel to Europe or other places. We'll place those [Syrian refugees] here in housing that will be set up in that region,” he stated.

He implied that the area would be cleared of both the Islamic State of Iraq and the Levant and Syrian Kurdish fighters, whom Ankara accuses of being a Syrian offshoot of the outlawed Kurdistan Workers' Party (PKK), which is involved in heavy fighting with Turkish security forces in Turkey's southeast.

Turkey has repeatedly pressed for a safe zone inside Syria stretching down from Azaz and Jarablus in the north, which could house some of the 2.2 million Syrian refugees currently hosted by Turkey and act as a buffer to protect Turkish territory. The idea has met with only a lukewarm response from world powers but there have been indications from Ankara in the last few days that the West is coming closer to its point of view.

“We are constantly face to face with this crisis and having troubles everyday while many countries follow it over media and many foreign leaders try to find solutions to it just on paper,” Erdoğan said, elaborating on recent refugee crisis.

Ankara is holding talks with EU leaders to deal with the migrant crisis, which has seen hundreds of thousands of people land on Europe's shores this year, most of them making risky sea crossings from Turkey.

EU's 'indecent proposal' angers Turkish minister

Hurriyet Daily News, 12.11.2015



Turkish EU Minister Beril Dedeoğlu has been left apoplectic after Brussels suggested “an inappropriate proposal” to Ankara that linked Turkey’s EU accession process with a solution to the refugee crisis.

Dedeoğlu, nonetheless, also said criticism directed at Turkey in the European Commission’s latest progress report indicated “a breaking point in a positive sense.” “During the meetings, we were grappling with the refugee issue and chapters. We didn’t have a progress report on our agenda. During a dinner ... a young person from the commission attempted to match the progress report to refugee issue.

Something like ‘We could soften the content of this progress report if we sort out the refugee issue,’ was said. I swear I can’t even remember how I chided him; I guess I took advantage of being a non-diplomat. I behaved like saying: ‘Release it, who’s afraid? We are what we are.’ Mr. Commissioner told me ‘I guess you were a tough professor,’” Dedeoğlu told daily Hürriyet after the release of the report.

“That issue has never come up again; I want to underline that,” she said. Acknowledging that she found the report “weighty,” Dedeoğlu, an academic who is acting as the EU minister in the interim government, said: “Yes, one feels sorry when reading some things. You don’t want to hear them. It is not very difficult to see the motive behind some of the [findings] which are truly exaggerated. We know, but in the end we, as citizens, want to live in a better country. Between the lines of the report, there are methods for being able to do this.”

Dedeoğlu cited the criticism concerning appointments involving the Supreme Council of Judges and Prosecutors (HSYK) as an example of “unfair criticism.” Although more replacements took place along 2012 and 2013 when compared to this year, those were not documented by the EU in a progress report at the time, she said. In its report, the EU criticized Turkey about the dramatic curtailing of press freedoms, as well as significant shortcomings affecting the independence of the judiciary. Turkey should become engaged in a reform process that would lessen such criticisms, the minister said. “I believe that the criticisms in the progress report indicate a significant breaking point in regards to Turkey’s future – in the positive sense,” she said.

The European Commission also called on the Turkish government to resume a long-stalled process aimed at ending the three-decade conflict between security forces and militants of the outlawed Kurdistan Workers’ Party (PKK). “I consider it as a well-intended initiative. I regard this as a nice warning,” Dedeoğlu said regarding the call by the EU. “The way to get out of an environment of violence is this and similar processes of dialogue. This reform process cannot be realized without language that will ease conflict. Such a way will probably be followed,” she said.

EU vice president visits Turkey after EU progress report

Hurriyet Daily News, 12.11.2015



One day after the European Union released its progress report on Turkey for 2015, European Commission Vice President Frans Timmermans paid a visit to the Turkish capital.

Timmermans first met with Turkish Foreign Minister Feridun Sinirlioğlu and discussed a prospective joint action plan to tackle the refugee crisis in Europe and speed up Turkey's accession process to the European Union. Sinirlioğlu was reported to have told Timmermans that Turkey was ready to open chapters 17, 23, 24, 26 and 31 in the EU accession process.

He added Turkey expected the Schengen visa liberation process to begin in July 2016, rather than the planned 2017, while this would also make the readmission agreement enter into force at the same time.

Timmermans then attended the "EU-Turkey Joint Action Plan" meeting, which Sinirlioğlu, Turkish EU Minister Beril Dedeoğlu and European Neighborhood Policy & Enlargement Negotiations Commissioner Johannes Hahn also attended. Timmermans also met with Turkish Prime Minister Ahmet Davutoğlu in Ankara. The meeting was conducted behind closed doors and lasted around 50 minutes.

Turkish FM's hectic schedule in Vienna for Syrian crisis

Hurriyet Daily News, 28.10.2015



FM Feridun Sinirlioğlu has kicked off a day-long series of meetings in Vienna in effort to maintain momentum for renewed diplomacy towards a political settlement of the conflict in Syria. Sinirlioğlu will separately meet U.S. Secretary General John Kerry and UN Special Envoy on the crisis Staffan de Mistura.

The Turkish FM will have a meeting with counterparts from Saudi Arabia and Qatar, before extended talks including China, Egypt, France, Germany, Iran, Iraq, Lebanon, Oman, Qatar, Russia, Saudi Arabia, the UAE, Arab League, the EU and the US aimed at brokering an end to Syria's conflict.

Meeting in Vienna on Oct. 30; China, Egypt, the EU, France, Germany, Iran, Iraq, Italy, Jordan, Lebanon, Oman, Qatar, Russia, Saudi Arabia, Turkey, United Arab Emirates, the United Kingdom, the United Nations and the U.S. came together to remove differences for a settlement on the Syrian crisis, particularly on the fate of al-Assad.

In a joint statement, participants said state institutions of Syria will remain intact and a political process will be Syrian-led and Syrian-owned, with the Syrian people deciding the future of Syria. Turkey is in favor of al-Assad leaving office after a temporary process in which he stays in office in symbolic power for six months at most, a Turkish diplomat told Hürriyet Daily News.

Saudi Arabia, which considers Iran its main regional rival, also insists that al-Assad must be forced out immediately, although the U.S. seems to have softened its stance. Russia says his fate should be decided by the Syrian people in an election.

EU progress report slams Turkey over rule of law, free speech

Hurriyet Daily News, 10.11.2015



The European Union accused Turkey of backsliding on the rule of law, rights and the media, calling on the new government to take urgent action in a sensitive report that Brussels held back until after elections.

The scathing report on Ankara's EU candidacy, originally due for release before the vote that returned the AKP to power, praised Turkey for housing Syrian refugees and for cooperating on the migration crisis. But it was severely critical of the domestic situation in Turkey, saying that there had been "serious backsliding" on freedom of expression and that the judiciary had been undermined.

"The report emphasizes an overall negative trend in the respect for the rule of law and fundamental rights," said a summary of the report's key findings by the European Commission, the EU's powerful executive arm. Turkey's commitment to joining the 28-nation bloc was "offset" by domestic actions that "ran against European standards," it added.

"The new government formed after the repeat election on Nov. 1 will need to address these urgent priorities," the summary said. The report highlighted criminal cases against journalists and writers, intimidation of media outlets and changes to Internet law. "After several years of progress on freedom of expression, serious backsliding was seen over the past two years," it said.

It added that the "independence of the judiciary and the principle of separation of powers have been undermined since 2014 and judges and prosecutors have been under strong political pressure." Turkey had meanwhile seen a "severe deterioration of its security situation." The harsh report had been expected to be released in October but was held back until after the elections, in which the AKP stormed back to a majority.

Its release comes just over a month after the EU announced a refugee cooperation deal with Turkey, the main launching point for migrants coming to Europe, including a possible three billion euros (\$3.3 billion) in aid. The deal included pushing forward Turkey's long-stalled accession process and speeding up visa liberalization for Turks travelling to the EU. Turkey applied for EU membership in 1987 and accession talks began in 2005, but Ankara has since completed just one of the 33 "chapters" needed to join the bloc.

Turkish president Erdoğan, UN chief discuss climate change

Anadolu Agency, 04.11.2015



UN Secretary-General Ban Ki-moon and Turkish President Erdoğan discussed climate change in a conference call. The call focused on how to achieve a successful outcome at next month's climate change conference in Paris, UN spokesman Stephane Dujarric told.

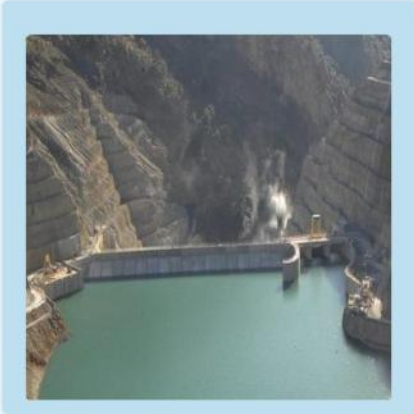
During his attendance to the call, Erdoğan stressed the importance of the G-20 Summit in Antalya, ahead of the conference in Paris. Stressing there were “great expectations” from the Antalya meeting, Erdoğan said: “As G-20 countries, we are in agreement to send a strong and constructive message from Antalya to Paris.”

Turkey currently holds the presidency of the G-20 group. Financial means in fight against climate change should be enhanced, Erdoğan said, adding that a post-2020 climate change fund sponsored by developed countries must emerge for this purpose. Nearly 200 governments are expected to descend on the French capital to agree on a deal to tackle global warming.

Included in Nov 6's call were French President François Hollande, German Chancellor Angela Merkel, Peru's President Ollanta Humala and Malta's Prime Minister Joseph Muscat via video-conference, Dujarric said. The U.N. chief “received an update from President Hollande on the preparations of the Paris Climate Change Conference,” he added.

PM calls for more Japanese companies to invest in Turkey's mega projects

Hurriyet Daily News, 28.10.2015



Turkish PM Ahmet Davutoğlu said he will discuss infrastructure development with Japanese PM Shinzo Abe, who will visit Turkey for the upcoming Group of 20 summit.

“I want to see more Japanese investments in megaprojects, like a third nuclear power plant,” Davutoğlu said. China’s State Nuclear Power Technology Co. and Toshiba unit Westinghouse have expressed interest in this phase of Turkey’s nuclear power buildup. The Russians won the contract for the first nuclear plant, while a Franco-Japanese consortium co-led by Mitsubishi Heavy Industries was chosen to build the second.

He also cited expanding the Afşin-Elbistan coal-fired power plant complex, and spanning the Dardanelles with one of the world’s longest suspension bridges, as opportunities for Japanese cooperation. More than 2 million refugees from Syria have entered Turkey, placing a “huge burden on our shoulders,” Davutoğlu also said.

He called the refugee crisis the “the most important humanitarian issue” and said it is sure to be on the agenda for G-20 leaders at the summit starting on Nov. 15. A proposed 3 billion euros (\$3.22 billion) in aid to Turkey, in exchange for keeping refugees from heading across the Mediterranean, “is still on the table, but it is just a starting point,” Davutoğlu said. “For us, the issue is not only money,” he added. “For us, it is a humanitarian issue.”

Turkey ‘strongly condemns’ lethal ISIL attack in Lebanon

Hurriyet Daily News, 13.11.2015



Turkey has “strongly condemned” a twin bombing by the ISIL that claimed the lives of 43 people in South Beirut, while pledging to continue its support for people and Lebanon for maintaining peace, stability, security in the country.

“We strongly condemn the terrorist attacks in Beirut that led to many casualties and injuries,” the Turkish Foreign Ministry said. “We believe that the Lebanese people and all their segments will behave with common sense and act in full solidarity as nation, always paying regard to the unity and integrity of the country, throughout this sensitive period that the region is passing through,” the ministry said.

The attack in Beirut was the largest attack ever claimed by ISIL in Lebanon, and among the deadliest bombings to hit the country since the end of the 1975-1990 civil war. The Red Cross stated that in addition to the 43 people killed, at least 239 people were also wounded, with several in a critical condition. The blasts hit a busy shopping street in the Burj al-Barajneh neighborhood, where the Shiite Hezbollah movement is popular.

EU denies ‘indecent proposal’ over Turkey’s Progress Report

Hurriyet Daily News, 13.11.2015



A diplomatic source from the EC has categorically denied that the EU proposed to “soften” the content of the Progress Report if Turkey cooperated more closely over the refugee issue, as recently alleged by Turkish EU Minister Dedeoğlu. “This is untrue,” said the source, adding there was “no link” between the report and talks on the refugee issue.

Another source stressed that EU Commissioner Hahn and Dedeoğlu had never even had dinner, contrary to the latter’s claims that this is when the proposal was made. After the EC’s latest report on Turkey’s EU membership bid was published, Dedeoğlu said criticism in the report indicated “a breaking point in a positive sense.”

“During the meetings, we were grappling with the refugee issue and chapters. We didn’t have the progress report on our agenda. But during one dinner ... a young person from the commission attempted to match the progress report to refugee issue. They said something like ‘We could soften the content of this progress report if we sort out the refugee issue.’ I supposed I took advantage of being a non-diplomat. I said ‘Release it. Who’s afraid? We are what we are.’ The commissioner responded, ‘I guess you were a tough professor,’” she stated.

Turkey, EU agree on refugee plan amid expectations of leaders’ consent

Hurriyet Daily News, 13.11.2015



Turkey and the EU Commission have agreed on a refugee action plan that will include short- and medium-term measures following necessary approval by political leaders, a high-level EU official has said.

The initial agreement was secured during lengthy meetings conducted by EU Vice President Frans Timmermans and Turkish senior officials in Ankara as a result of nearly three months of negotiations. Turkey and the EU have been engaged in detailed talks since September after European countries witnessed a massive increase in the number of immigrants coming from Syria and Iraq.

The influx precipitated an intensified dialogue between Ankara and Brussels on a resolution to the issue through an action plan that was first drafted in early September but later amended upon Turkey’s request. According to the official, as a result of comprehensive talks conducted between the two parties, a mechanism for its implementation in the short and medium term has been outlined. The blueprint must first be endorsed by the political leaders of EU countries, the official said.

Timmermans will present a report to the upcoming EU Council in December where unanimous approval will be sought. At the same time, EU President Jean-Claude Juncker will discuss developments with President Recep Tayyip Erdoğan on the sidelines of the G-20 Summit to be held in the southern province of Antalya on Nov. 15 and 16.

Erdoğan and Juncker will also conduct talks over a potential Turkey-EU Summit that will be held in December where the refugee agreement will be the focal issue. Officials, however, said a decision to regularly invite Turkey to EU Council meetings should be given by EU leaders. According to the plan, Turkey will continue to provide shelter to refugees on its territory but will receive financial assistance from the EU. The deal also envisages the revitalization of Turkey’s accession talks by opening more chapters and providing visa-free travel to Turkish citizens to the Schengen zone. In return, Turkey will start to implement a readmission agreement for migrants.

Turkey's housing sector expects to surpass 1.2 mln units sale target

Reuters, 13.11.2015



Turkey's housing sector representatives expect to close the year surpassing their year-end target at 1.2 million units due to a sharp rise in property sales after the Nov. 1 elections after seeing a decline in sales in the previous months.

Housing investors chose to wait ahead of the elections due to dramatic fluctuations in foreign exchange rates and a steep increase in interest rates, but have created a sharp demand for the last two weeks, according to sector representatives. According to data from the TÜİK, the number of property sales decreased in September by 20.1 percent compared to the 2014, marking the steepest decline since July 2014.

"We actually took our construction permit one month before the elections, but we preferred to launch the project after the elections as there was strong pessimism among consumers before the polls," said the head of the EYG Group, Ömer Faruk Çelik.

"Potential investors got confused about their property investments amid political and economic uncertainties after the June elections. They adopted a wait-and-see tendency about their potential investments amid a rise in interest rates and fluctuations in foreign currencies. We have now seen an obvious revival in the housing sales for the last two weeks after the November elections," he added.

There has also been an increase in the launch of new property projects across the country since the Nov. 1 elections, especially in Turkey's biggest cities. For instance, an \$800 million project, dubbed Piyalepaşa Istanbul, in the touristic district of Beyoğlu was launched just one week after the elections.

With the spreading optimism among consumers which has been fueled by political certainty after the elections, the sector will most probably surpass its year-end target of 1.2 million units, said Çelik, who is also the head of the Property Developers and Investors Association (Konutder). "Especially the Gulf investors seem to accelerate their property acquisitions in Turkey. We expect to see more foreigners in the market by 2016," he added. According to the TÜİK data, a total of 936,615 properties were sold in Turkey in the first nine months of the year.

Obama, Netanyahu try to move past rows

AFP, 10.11.2015



President Barack Obama and Prime Minister Benjamin Netanyahu stressed close US-Israeli ties, during a tightly choreographed White House appearance designed to quiet disputes over Iran and Middle East peace.

Speaking in the Oval Office, Obama admitted it was “no secret” the two men disagreed on how to deal with Iran’s nuclear program, but both sought to end bitter public rancor and focus on areas of cooperation, including a military deal worth more than \$30 billion. Obama offered the combative Israeli prime minister a lengthy handshake and hailed the “extraordinary bond” between the two countries.

The designed-for-television display of cordiality signaled a willingness on the part of both men to avoid unnecessary drama in the last 12 months of working together. Obama said Israel’s security was a “top” foreign policy priority for his White House. Officials told AFP the bumper security deal will include the sale of advanced US weapon systems, perhaps including hi-tech F-35 jets, precision munitions and V-22 Ospreys. The deal will only come into effect after a current accord expires in 2017.

“We have closer military and intelligence cooperation than any two administrations in history,” Obama said. Netanyahu reciprocated by trying to bury suggestions -- fueled by his own re-election campaign comments -- that he does not support the creation of a Palestinian state. For decades, the prospect of a two-state solution has been the bedrock of peace efforts. Netanyahu had infuriated the White House by suggesting that prospect was dead.

US officials feared such comments would only fuel Palestinians’ sense of skepticism about the political process and the type of violence that has engulfed Jerusalem. “I want to make it clear that we have not given up our hope for peace. We’ll never give up our hope for peace,” Netanyahu said. “I remain committed to a vision of peace of two states for two peoples, a demilitarized Palestinian state that recognizes the Jewish state.”

Senior US officials admit that a peace deal will not come during Obama’s final year in office, but they wanted Netanyahu to lay the groundwork for a return to the negotiating table. The White House later described Netanyahu’s comments as “encouraging,” but said follow-through was necessary. The White House summit was the first meeting between Obama and Netanyahu in over a year.

There was no joint press conference or statements after roughly two hours of meetings. Nonetheless, White House spokesman Josh Earnest said the meeting showed the two leaders could work together. “It doesn’t mean that they have agreed on every issue and it doesn’t mean that they are the best of friends, but it does mean that they are able to work effectively together to advance the interests of the citizens of their countries.”

Netanyahu described the meeting as one of the best he had with the US president. During his last trip to Washington in March, the Israeli prime minister found the door of the White House slammed firmly shut, with Obama refusing to meet him. Obama waited days before phoning Netanyahu to congratulate him on his reelection.

The White House had been infuriated by Netanyahu's decision to appear in Congress at Republicans' invitation and urge US lawmakers to vote against a deal to curb Iran's nuclear program. Obama views the deal as a signature achievement that will close down Tehran's pathway to getting a bomb. The Israeli leader publicly and stridently opposed a deal, describing it as a "stunning, historic mistake."

That stance softened slightly following the meeting, with Netanyahu saying "we have a common interest in preventing Iran violating the deal that was signed." Israel could still be a help or hindrance to Obama in keeping the agreement on track, ratcheting up domestic pressure on the White House should Iran stall or falter on implementation.

Some commentators have called for Israel and the United States to set up a formal joint implementation mechanism, a move that would infuriate Tehran. Obama did not go into specifics, but said that the two countries "don't have a disagreement on the need to making sure that Iran does not get a nuclear weapon."

Rouhani: Syria solution should not only be about Assad

Hurriyet Daily News, 12.11.2015



Iran's president said that any resolution of the Syrian conflict must focus on the need for strong government in Damascus, and not only on the fate of President Bashar Assad, while the foreign ministers of Russia and the United States have talked on the phone ahead of the Vienna peace talks.

It is "not a question of a person, it is a question of security and stability," President Hassan Rouhani said in an interview with French media, according to the France 2 television channel, though he did not mention Assad by name, according to Agence France-Press.

"We must all make efforts to eradicate terrorism in Syria and ensure that peace and stability return," he said in the interview, also broadcast on Europe 1 radio. As for who should run the country, "it is all in the hands of the Syrians. It is for them to decide who is their leader," said Rouhani. Iran is the main regional ally of Syria and provides Assad with financial and military aid, including military advisers on the ground. On the same day, Russian Foreign Minister Sergei Lavrov and U.S. Secretary of State John Kerry discussed by phone preparations for international peace talks on Syria, Reuters reported.

Lavrov's ministry said in a statement that key aims of such talks was included promoting dialogue between Syrians with the engagement of all influential international players. Syrian opposition figures and Gulf commentators dismissed a Russian draft proposal for a process to solve the Syrian crisis, saying Moscow's aim was to keep President Assad in power and marginalize dissenting voices. The document called for drafting a new constitution within 18 months that would be put to a popular referendum and then be followed by an early presidential election.

An official Syrian newspaper, al-Baath, said any talk about a transitional period, amending the constitution or early presidential elections was "premature." Al-Baath, which is the mouthpiece of the ruling Baath party, said that the prospects to achieve progress in the second round of talks in Vienna this weekend over Syria's crisis are dim due to the failure to reach a clear definition of the moderate opposition.

The Syrian government calls all insurgent groups terrorist organizations and says opposition groups outside the country are foreign-paid agents. Meanwhile, Britain's UN envoy Matthew Rycroft said that the Russian plan for political reform in Syria will not be a focal point of the upcoming Vienna talks, Agence France-Presse reported.

Minister: Iran to receive Russian air defense missiles by end of 2015

AFP, 28.10.2015



Iran will receive the bulk of the S-300 air defense missile systems it ordered from Russia by the end of the year, Tehran's defense minister has said.

"We signed a contract with Russia. It is being done. We will acquire a large portion of the systems by the end of this year," Iranian Minister of Defense Hossein Dehghan told state television. He said Iranian troops were being trained in Russia to operate the surface-to-air missile systems. The state-run Russian Technologies corporation (Rostec) announced the signing of a delivery contract in Tehran for S-300 missiles.

Moscow in April lifted a ban dating from 2010 on selling the missile systems to Iran, ahead of Tehran sealing a final historic deal with world powers in July to curb its nuclear program. Russia will provide Iran with a "modernized and updated" version of the missile systems, following up on an initial contract signed in 2007, Rostec Director General Sergey Chemezov had said in a statement.

Once the first part of the contract is fulfilled, Moscow expects Iran to drop its lawsuit at a court in Geneva seeking damages for the suspension of the original deal, Chemezov said. The decision sparked condemnation from Israel and concern from Washington, as it came before the lifting of the sanctions by the UN Security Council.

Arieh Herzog, a former head of Israel's Missile Defense Program, had said he didn't expect the shipment to set off a regional arms race and that as far as Israel was concerned its main impact was to complicate any potential Israeli airstrike against Iran.

Greek government races for compromise with creditors

Anadolu Agency, 12.11.2015



The Greek government is racing to draft measures intended to achieve a compromise with the country's European creditors, so that much-needed bailout funds may be released. But the government has to work fast, as the Eurogroup has set a deadline of Nov. 16 for an agreement that would provide the next 2 billion euros (\$2.17 billion) in bailout funds.

An agreement could also lead to the provision of 10 billion euros (\$10.71 billion) to recapitalize Greece's major banks. The challenge for the Greek government is that much of what creditors want to see is not popular.

The thorny issues in question include a bill for the protection of persons having difficulties paying their mortgages; a tax on private education; tougher conditions for tax and social security debtors; and the establishment of a minimum consumer price for generic drugs. One of the most difficult challenges for the government is to reach an agreement with creditors on bad mortgages.

Athens is now preparing a new proposal concerning the protection from foreclosure of households struggling with mortgage repayments, as a compromise to meet creditor demands on faster repayment. It is based on two criteria: The debtors' income and the value of their residence. In this proposal, leaked to the Greek press, the appraised value of the debtor's residence must be no more than 180,000 euros (\$192,875). That amount increases by 50,000 euros (\$53,639) for a married couple and by another 25,000 euros (\$26,817) for each child in a family, of up to three maximum.

But this proposal protects only about 55 percent of the households in debt compared with the 99 percent protected under the previous rules. The measures being drafted also fix tougher conditions for individuals who owe tax and social security payments. These debtors are permitted to catch up on payments in installments.

The creditors had requested that a debtor who has missed an installment payment be given less time to make it up before losing the right to pay in installments altogether. Currently a debtor has 26 days to make up a missed payment; the creditors want that reduced to one day. The Greek government is proposing a gradual reduction of the grace period. The Greek government also wants to scrap the proposal to tax private education.

It proposes to make up the funds with a 0.05 euro tax on each ticket in the national lottery. The government proposed to raise social security contributions by three percent to fund pensions, in line with creditor proposals for pension reform.

These measures have drawn harsh criticism from opposition parties. Prime Minister Alexis Tsipras, however, told the press after a cabinet meeting that the government has a “parallel program” aimed at easing the impact of austerity measures.

Russia sees possible ‘terror’ link in Egypt plane crash

AFP, 10.11.2015



Moscow acknowledged for the first time a terrorist attack could have caused the Oct. 31 Russian plane crash in Egypt, as thousands more tourists were evacuated from the country.

“The possibility of an act of terror is of course there as the reason for what happened,” Russia’s Prime Minister Medvedev admitted in an interview with Rossiyskaya Gazeta state newspaper. Britain and the US, as well as international investigators, suspect a bomb exploded on board the Metrojet A-321 plane, but Egyptian officials insist there is no evidence yet of an attack on the aircraft which jihadists claim to have downed.

Russia had also refrained from blaming the crash, which killed all 224 people on board, on terrorists, although President Vladimir Putin suspended all flights to Egypt. Israel, which has strong intelligence links to the neighbouring Sinai where the Airbus came down while en route from Egypt’s resort of Sharm el-Sheikh to Saint Petersburg, also sided with the attack theory.

“There is a strong probability that this is an attack,” Defence Minister Moshe Yaalon told Israeli reporters. “From what we know and what we understand, I would be surprised if it turns out that it was not an attack.” And the head of Airbus said no technical fault has yet been detected for the crash of the A-321.

“I can say that so far, what we got from the investigation didn’t trigger any action, technical action on our side, regarding the A-321 fleet,” said Fabrice Bregier, the European manufacturer’s chief executive officer. “But we need to wait for the conclusion of the investigations,” Bregier said at the Dubai Airshow. Amid the tourist exodus from Egypt, a senior operative of the Islamic State of Iraq and the Levant (ISIL) jihadist group, Ashraf Ali Ali Hassanein al-Gharabli, was shot dead in an exchange of fire in Cairo after police tried to arrest him, the interior ministry said. The ISIL group’s branch in the Sinai claimed responsibility after the Russian plane crash. Tens of thousands of foreign tourists, including some 80,000 Russians and 20,000 Britons, were stranded in the resort after flights were cancelled over security fears.



Moscow said that about 25,000 Russian tourists had so far returned, on more than 100 flights, while Prime Minister David Cameron's office said some 5,000 Britons had returned home. British Foreign Secretary Philip Hammond said he hoped flights to Sharm could resume soon, once "robust" security arrangements are in place. "We've got a peak season coming up over Christmas. We very much hope that it will be possible to resume normal air operations soon," he told reporters.

Flight numbers have been limited because both Russia and Britain have banned tourists from bringing their check-in luggage, which will be flown home separately. That restriction has prompted Egypt to limit the number of daily repatriation flights because it says there is only so much baggage its airports can accommodate.

The crash has led to calls for greater security at airports in regions near where jihadists operate. It has also raised fears for Egypt's vital tourism industry, which had already been suffering from years of unrest. Derek Moore, chairman of the Association of Independent Tour Operators, told AFP that concerns over a bomb could dissuade British tourists from visiting during the peak season.

"Even offering rock-bottom prices will not achieve that if there is a feeling that a trip to Sharm might result in death," he said. The head of Egypt's investigative committee said of the crash was still not clear. "Initial observations... do not allow for identifying the origin of the in-flight break-up" of the aircraft 23 minutes and 14 seconds after it departed, Ayman el-Mokkadem said.

Egypt has pushed back against mounting international concerns that a bomb brought down the plane, with Foreign Minister Sameh Shoukry saying it was too early to form a "hypothesis". Sources close to the probe have told AFP that experts involved in the investigation, with the exception of the Egyptians, "strongly favour" the theory of a bomb on board.

ISIL said it downed the plane in retaliation for Russian air strikes in Syria, but has not said how. The ISIL affiliate in Egypt is waging a bloody insurgency in north Sinai that has killed hundreds of policemen and soldiers.

Cameron lays out demands for Britain to stay in EU

AFP, 10.11.2015



Prime Minister David Cameron warned that Britain could leave the EU if it does not get the reforms it wants before a “once-in-a-generation” referendum to settle its troubled relationship with Europe. In a major speech outlining Britain’s demands for change following pressure from EU leaders, Cameron warned he was ready to “think again” about Britain’s membership if he could not strike a deal with Brussels and the bloc’s 27 other member states.

But in a sign of the British premier’s looming tussle, the EC immediately responded, saying it deemed parts of Cameron’s EU renegotiation objectives “highly problematic”.

Cameron’s comments came as he sends a long-awaited letter to EU president Donald Tusk laying out Britain’s shopping list for change to avert a “Brexit” in a vote due to be held by 2017 at the latest. “The referendum... will be a once-in-a-generation choice,” Cameron said. “This is a huge decision for our country -- perhaps the biggest we’ll make in our lifetime.” He said he had “every confidence” of securing an agreement but added that he would not rule out campaigning for a “Brexit”.

“If we can’t reach an agreement and if Britain’s concerns were to be met with a deaf ear, which I do not believe will happen, then we will have to think again about whether this European Union is right for us,” he said. “I rule nothing out.” The speech came nearly three years after Cameron first pledged a referendum on whether Britain should remain in the EU under pressure from eurosceptics in his Conservative Party and the anti-EU UK Independence Party.

Britain’s turbulent ties with Brussels go back far further than the Cameron era, though. The country joined what was then the European Economic Community in 1973 but has remained removed from the heart of Europe under successive prime ministers. One of Cameron’s Conservative predecessors, Margaret Thatcher, became an icon for eurosceptics in 1984 by securing an annual budget rebate for Britain, banging the table and demanding: “I want my money back”.

Britain also notably stayed out of the euro when it was launched in 2002. After Cameron won May’s general election, his promise of a referendum became reality. Senior Conservatives and experts predict it will actually be held as early as next year.

Next month sees a crunch European summit in Brussels at which Britain’s demands will be discussed but Cameron’s Europe Minister David Lidington has played down the likelihood of getting a deal at that stage. Cameron has said he will campaign to stay in the EU unless he cannot secure a deal which meets his demands. Ruling out a second referendum if Britain does vote to leave the EU, he said this would be the country’s “final decision” on the issue.



While Cameron's speech did not contain substantial new details about Britain's demands, it is his clearest statement yet of what he is likely to push hardest on during the negotiations. He has long identified four broad areas where he wants to see reforms. These include improving competitiveness, greater "fairness" between eurozone and non-eurozone nations and sovereignty issues including an exemption from the aspiration of ever-closer union.

Most controversial is the demand to ban EU migrants to Britain from claiming some state benefits for four years after arriving. In the speech, Cameron explicitly spoke against the central European tenet of ever-closer union, saying it was "not a commitment that should apply any longer to Britain".

He stressed that he would not be pushing for individual national parliaments to be able to veto EU measures but wants groups of national parliaments to be able to club together to do so. On his push to restrict benefits for EU migrants for the first four years of their time in Britain, he insisted he did not want to "destroy" the principle of freedom of movement which is at the heart of the European project.

Downing Street has highlighted figures which show that 43 per cent of EU migrants rely on the support of Britain's benefits system during their first four years in the country. Cameron's speech was greeted with scepticism by those who want Britain to leave the EU.

UKIP leader Nigel Farage said it was "clear that Mr Cameron is not aiming for any substantial renegotiation." He added: "His speech was an attempt to portray a new 'third way' relationship with Brussels that is simply not on offer."

Announcements & Reports

► *The Limitations of Policy Coordination in The Euro Area Under The European Semester*

Source : Bruegel

Weblink : <http://bruegel.org/2015/11/the-limitations-of-policy-coordination-in-the-euro-area-under-the-european-semester/>

► *Israel and the Palestinians: The Issues that the Obama-Netanyahu Meeting Failed to Address*

Source : CSIS

Weblink : <http://csis.org/publication/israel-and-palestinians-issues-obama-netanyahu-meeting-failed-address>

► *Enhancing Financial Stability in Developing Asia*

Source : Bruegel

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

Upcoming Events

► *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/>