Politics & Economics Bulletin

22.04.2016



NATO chief warns about complacency on migrants

Hurriyet Daily News, 22.04.2016



There has been a dramatic reduction in the number of migrants and refugees illegally crossing the Aegean Sea from Turkey into Europe, but authorities must not let down their guard as people smugglers can rapidly change routes, the head of NATO has cautioned.

The migrant crisis has shown the urgent need for a peaceful solution in Syria and the country's fragile cease-fire remains the best way forward, NATO Secretary-General Jens Stoltenberg said in Ankara on the last day of a two-day visit to the Turkish capital for talks with President Erdoğan, PM Davutoğlu, FM Çavuşoğlu and Defense Minister İsmet Yılmaz.

"Based on information NATO has provided, Turkey is taking action to break the business model of human traffickers. And figures from different international organizations confirm that the numbers of migrants and refugees crossing the Aegean Sea are now going significantly down," Stoltenberg said at a joint press conference with Turkey's foreign minister while wrapping up his visit. "It confirms that our collective efforts are making a difference. We need to remain flexible because the people smugglers can shift their routes very rapidly," he said, sounding a note of warning.

Greece has been returning migrants from Lesbos to Turkey under a landmark European Union deal signed March 18 to stop the uncontrollable influx of refugees into Europe. NATO ships have been patrolling the Aegean Sea, conducting reconnaissance, monitoring and surveillance activities as directed, while the alliance has been sharing information with Turkish and Greek authorities and the European Union's border agency, FRONTEX, to assist in the international efforts to counter human trafficking and criminal networks in the region.

"We recognize the progress that has been made, the significant reduction in the number of illegal crossings. Of course, that is not only caused by the NATO presence; it is part of a broader collective effort. We are aware of the sensitivities in these waters for both Turkey and Greece. But we have made very clear that the NATO presence in the Aegean Sea shall in no way prejudice any national positions on the issues in the Aegean Sea.

So we are able to be there without prejudicing any of the sensitive issues which we are all aware of in relations between Turkey and Greece in this area," Stoltenberg said in an exclusive interview with Hürriyet, referring to the lack of bilateral conformity between Athens and Ankara regarding the boundaries of their territorial waters and airspace in the Aegean due to the peculiar geography of the Aegean Sea, where some Greek islands abut Turkey's western coasts. "NATO ships have been concentrating their presence in the area where we have seen the highest number of crossings, especially around Lesbos where, without comparison, most of the illegal crossings have taken place, and Chios. And we have seen, as I said, a dramatic reduction.



We monitor, we conduct surveillance on the area, and then we share that information in real time with the Turkish coastguard, the Greek coastguard, the EU border agency, and we have seen that, for instance, the Turkish coastguard and the Turkish navy have taken action upon the information they receive from NATO. So in that way, we contribute to managing the situation in the Aegean Sea. The aim is to cut the lines of illegal migration of the criminal networks and then to be able to take refugees in a legal and orderly and in a safe way from Turkey to Europe.

This is part of the agreement with the European Union. So our aim is to be part of the efforts to stop the dangerous, illegal and disorderly flow of people from Turkey to Europe and then facilitate ... a legal and safe movement of people," Stoltenberg said.

"I welcome all efforts by the Muslim world and Muslim countries to do even more, to step up their efforts to fight ISIL [the Islamic State of Iraq and the Levant] because the fight against radical, violent Islamic groups or ISIL is not a fight between the West and the Muslim world. It is a fight which is about fighting criminals, terrorists and actually in the frontline of this fight, you find Muslims and most of the victims are Muslims.

So we have to make it very clear that it is not a fight between the Western world and the Muslim world. It is a fight against extremists, violent people who are responsible for horrendous attacks, and I welcome that Muslim countries are committed to do more in that fight," the head of the alliance said, when asked to comment on Saudi Arabia's recently established 34-state Islamic military alliance to fight terrorism in Syria.

"Exactly how these increased efforts are organized, I will leave to the countries concerned. But we are ready to cooperate for instance with the Gulf Cooperation Council [GCC] which is a council organizing the countries in the Gulf region. We are working with other Muslim countries in North Africa, in the Middle East and NATO is ready to help and support efforts to fight ISIL, but exactly how this is going to be organized, I leave that to Saudi Arabia and the other countries concerned," he said.



Turkey to cancel agreements with EU on migrants if visa-free travel promise broken

Hurriyet Daily News, 19.04.2016



The Turkish government has warned the EU that it will cancel its agreements on the migration crisis if the bloc fails to keep its word on a deal to provide visa-free travel to Turkish citizens by June.

The warning came as EU bodies have been set to review the implementation of the plan a month after Turkey and the EU sealed a controversial deal to halt illegal migration flows to Europe in return for financial and political rewards. "Turkey is a serious interlocutor. It does what promised and will permit no concessions on the implementation of what it has been promised," PM Davutoğlu said.

"This is a mutual commitment. If the EU cannot take the necessary steps required of it, then of course it cannot be expected of Turkey to take these steps," Davutoğlu said at a press conference when asked about reports suggesting that the EU was set to bring in limitations to the deal with Turkey in regards to the prospects of visa-free travel.

A March 18 accord outlined measures to reduce Europe's worst migration crisis since World War II, including stepped-up checks by Turkey and the return of migrants who land on Greek islands to Turkey. In return, Turkey is slated to receive benefits, including visa-free travel for its citizens to Europe by June "at the latest."

But the prospect of visa-free travel for Turks has been hugely controversial in some EU countries, where leaders have been accused of bending over to fulfill Turkey's demands. The European Commission is scheduled to present its findings on the EU-Turkey agreement, while the European Parliament's Committee on Civil Liberties, Justice and Home Affairs will debate the European Commission's report on Turkey's progress toward meeting the EU's requirements for visa liberalization.

Parliament, as well as the council, would need to approve any proposal to exempt people in Turkey from needing to acquire a visa when traveling to Europe. "I maintain my belief that, God willing, we will have the visa exemption in June. In the absence of that, then of course no one can expect Turkey to adhere to its commitments," Davutoğlu said before his departure for Strasbourg where he was set to address the Parliamentary Assembly of the Council of Europe (PACE) during its spring session.

Foreign Minister Mevlüt Çavuşoğlu echoed the stance displayed by Davutoğlu, as he said Turkey would not abide by its commitments under the deal if the EU does not stick to its promise of visafree travel."The deal we struck with the EU is very clear.



We want this human tragedy to end, our citizens to travel visa-free, and the Customs Union to be updated," Çavuşoğlu said in response to opposition criticism over the government's Syria policies, which include the deal with the EU. "If the EU doesn't keep its word, including the migrant deal, we will cancel all agreements," he said.

Turkish PM responds to Obama, Putin over Syrian border remarks

Hurriyet Daily News, 19.04.2016



Other countries' statements about Turkey's border with Syria "have no meaning," Turkish Prime Minister Ahmet Davutoğlu has said, in response to Russian President Vladimir Putin's call to U.S. President Barack Obama regarding the sealing of the Turkey-Syria border.

Speaking at a press conference before departing for Strasbourg, Davutoğlu said that Obama and Putin talking about the Syrian-Turkish border – behind closed doors and in the absence of Turkey - was meaningless. Turkey is the only authority "to decide on the final decision about its borders," he said.

Putin and Obama talked on the phone early, during which Putin urged the closure of the border between Syria and Turkey where "supplies of arms for extremists" were making their way in, the Kremlin said in a written statement. Russia and Turkey are on opposite sides of the more-than-five-year-long war in Syria. While Russia is one of the main supporters of Syrian President Bashar al-Assad, Turkey and the U.S. oppose al-Assad staying in power.

Davutoğlu said Turkey's borders have "only been open to migrants" over the course of the five years. "Considering the migrants that Turkey is hosting, the world only owes a thank you to Turkey. It is nobody's right to bring Turkey to account," said Davutoğlu. The Kremlin's statement also said Obama and Putin agreed on the phone to strengthen a Syrian cease-fire brokered by their two nations.

"The leaders discussed in detail the situation in Syria, confirming in particular their intention to facilitate the strengthening of a Russian-U.S. initiated ceasefire in this country as well as access for humanitarian aid," it said. Putin also stressed the need for "moderate" rebels to distance themselves from the Islamic State of Iraq and the Levant (ISIL) and jihadists of the al-Nusra Front. A landmark partial ceasefire, which was negotiated by the United States and Russia and which took effect on Feb. 27, dramatically curtailed violence across much of Syria and raised hopes that a lasting deal could be struck in Geneva to end the bloodshed. But fighting has surged around Syria's Aleppo over the last week, prompting tens of thousands of people to flee, leading the opposition to question Assad's commitment to a political solution to a conflict that has displaced half of the population and killed more than 270,000 people.



White House spokesman Josh Earnest said the phone call provided "an opportunity for the president to, once again, make the case to President Putin that he should use his influence with the Assad regime to live up to the commitments that they've made in the context of the cessation of hostilities." "Unfortunately, we've seen that the cessation of hostilities continues to be fragile and increasingly threatened due to continued violations by the regime," Earnest added.

Iran, Turkey see no harm in opinion split

Anadolu Agency, 16.04.2016



Turkey and Iran have said they see no harm in "naturally" having varying opinions on topics that are of concern to the region, while also stressing that both sides are open to more cooperation during Iranian President Hassan Rouhani's official visit to Ankara.

"It is a fact that there are some differences of opinions on regional matters between Turkey and Iran," said Turkish President Recep Tayyip Erdoğan alongside Rouhani during a joint press conference in Ankara. "But I gladly express that we agree that the bloodshed in the region must be stopped," Erdoğan added.

"We both agree that approaching developments in our region from a sectarian basis will not benefit [anyone]. On the contrary this will have devastating effects. What is defining for us is that we are together [with Iran] under the title of Islam [and we] walk together in solidarity to the future," he said. For his part, Rouhani said it was "natural" for there to be "small differences" between Iran and Turkey, but they are open for more consultation and cooperation.

"There may be narrow differences [with Turkey]. We may think differently, which is very natural. But we are always ready for more consultation and cooperation with regional countries, especially in fight against terrorism and presenting Islam correctly to the world," said Rouhani. Erdoğan said it was for the advantage of both of the countries to decrease differences of opinions by enhancing political dialogue and increasing the common areas among the countries to the utmost.

"This way I believe we can get results right away, especially if we provide solutions from inside this region and not from outside," the Turkish president said, stressing that an "important responsibility" lay on Turkey and Iran as "two prominent countries" of the region.

Rouhani was in Turkey to attend the 13th Organization of Islamic Cooperation (OIC) summit in Istanbul. From there, Rouhani traveled to Ankara, where he first met with Turkish Prime Minister Ahmet Davutoğlu. Rouhani's meeting with Erdoğan and Davutoğlu came a day after the OIC summit communique criticized Iran for "supporting terrorism." Rouhani said the meeting with "my brother Mr. Erdoğan" saw a comprehensive discussion of bilateral relations.



"The economies of Iran and Turkey are complementary," said Rouhani, adding that his country and Turkey should take swift action to boost trade between the two countries in the wake of the lifting of sanctions over Tehran's nuclear program.

"How happy it is that this session took place in a time [after] the embargo was lifted, preparing an environment and foundation for improving cooperation between our two countries in various domains," he said. "To reach this aim, we have to accelerate [cooperation] and remove all hurdles in the path."

Following the Turkish-Iranian High-Level Cooperation Council meeting, the two leaders issued a joint statement stressing the importance of maintaining political dialogue on bilateral and regional issues. "The talks took place in a warm, friendly atmosphere," the statement said. The two leaders also agreed that the region is being harmed by extremism, terrorism, and sectarianism, according to the statement.

Minister: Turkish technical delegation to visit Russia to discuss trade upon invitation

Hurriyet Daily News, 22.04.2016



Turkish Agriculture Minister Faruk Çelik has said Russia wanted to host a technical delegation to discuss fresh fruit and vegetable imports from Turkey in a written note, adding Turkey has accepted the offer.

He added Russia had invited a technical delegation to discuss the agricultural trade issues. "We have accepted this invitation and prepared a technical delegation. This delegation will be in Moscow in the next couple of days to make a series of meetings there. I hope these meetings will bring good results," Turkish Agriculture Minister Faruk Çelik said.

He said that he did not know which issues would be discussed, but the delegation members would let them know about the topics and developments. "We hope these talks will make a positive contribution on the road to resolving the problems between the two countries," he added.

The Russian government imposed a raft of economic and trade sanctions against Turkey after the jet crisis between the two countries erupted in November 2015. The ban applies to a range of Turkish products, including fruits and vegetables — such as tomatoes, cucumbers and apples — poultry products and salt, according to the list published on the Russian government's website in December 2015.



Turkey's budget deficit at \$2.4 billion in March

Anadolu Agency, 15.04.2016



Turkey's government ran a 6.6 billion-Turkish Lira (\$2.4 billion) budget deficit in March, the country's finance minister said. The deficit was 200 million liras lower compared to the 6.8 billion-lira deficit recorded in March last year, Naci Ağbal said.

Government revenue in March stood at 46.8 billion liras – an 11.4 percent increase year-on-year. Budget expenditure totaled 40.3 billion liras, up 22.3 percent from a year earlier. "The budget performance in the first three months clearly indicates the government's determination to maintain fiscal discipline," Ağbal said.

The central government budget showed a surplus of 46 million liras in the first three months of the year. According to the ministry, the Turkish government's budget revenue reached 131.7 billion liras in the first three months of the year, a 16.4 percent increase compared with the same period last year. Tax revenue also increased by 12.7 percent within the period to 108.5 billion liras. Budget expenditures between January and March rose to 131.7 billion liras, marking an 11 percent increase year-on-year.

Interest expenses stood at 16.5 billion liras in the period, a decrease of 9 percent. In 2016, the Finance Ministry estimated that budget expenses for the fiscal year would reach 570.5 billion liras, while budget income would reach 540.8 billion liras, resulting in a budget deficit of 29.7 billion liras.



Turkey's new Central Bank chief faces first test on interest rates

Hurriyet Daily News, 19.04.2016



The new Central Bank Governor Murat Çetinkaya's first major test in his new position, when the Bank will make its decision on interest rates – a controversial issue in Turkey.

The Central Bank kept its main rate on hold for the 13th consecutive month in March but cut its overnight lending rate by 25 percentage points to 10.5 percent. The repo rate was held at 7.5 percent and the borrowing rate was also left at 7.25 percent. The previous administration's reluctance to cut interest rates had frustrated some in the government, who argue that Turkey needs lower borrowing costs to fuel economic growth and investments.

But investors have been unnerved about political influence over monetary policy amid high inflation pressure. With inflation at around 7.5 percent according to the latest data, the Central Bank has consistently missed its inflation target of 5 percent over the last five years.

The Bank's monetary policy, mainly its interest rate policy, has been criticized by figures close to President Recep Tayyip Erdoğan. Although some leading economy ministers have occasionally underlined the importance of the Central Bank's independence, Erdoğan's allies have continued to harshly criticize the Bank's rate policies.

Çetinkaya, who was officially appointed as the Central Bank's new governor through an announcement in the Official Gazette and who is scheduled to formally take office in a ceremony, will chair the first interest rate meeting and will probably make his first public appearance as governor on April 26 to announce the Bank's quarterly inflation report.

A majority of market players expect a rate cut of between 25 percent and 75 percent, mainly by 50 points in the upper band of the interest rate corridor. They warn that any higher cut would trigger even deeper concerns about the independence of the Central Bank. İş Portfolio Chief Economist Nilüfer Zengin said they expect a 50-point cut in the upper band.

"When the short-term downward risks regarding the inflation rate are considered, the Central Bank could be expected to make a bigger cut. If the newly-appointed central banker accelerates the rate cut immediately in the first rate meeting, just one month after a 25-point cut by the Bank, it will mean some cloudy messages are being given. So we don't believe the Bank will choose this way," Zengin said, as quoted by Reuters last week. A steeper-than-expected cut to the upper band would make the Turkish currency less attractive for traders who borrow in low-yielding currencies, according to most analysts.



Belgium wants deal with Turkey to stop foreign fighters

Anadolu Agency, 22.04.2016



Belgium has requested an agreement between Turkey and European Union to monitor the movement of foreign fighters, the Belgian interior minister said.

Belgian Interior Minister Jan Jambon made a statement following a meeting of the European Council of ministers. Jambon said those deported should be sent back to their countries, referring to Ibrahim el-Bakraoui, one of the bombers of the Brussels attacks last month, who had been deported from Turkey in June 2015 after he was caught near the Turkey-Syria border. An EU citizen, Bakraoui had been then sent to Netherlands instead of Belgium.

A day after the Brussels bombings, Turkish President Recep Tayyip Erdoğan said Turkey had deported one of the attackers involved in the attacks in June 2015. "Belgium ignored our warning that this person is a foreign fighter," Turkish President Recep Tayyip Erdoğan said. At least 35 people were killed and more than 100 others were injured in multiple explosions at the Zaventem airport and the Maalbeek metro station in Brussels.

A news agency linked to the Islamic State of Iraq and the Levant (ISIL) claimed responsibility for the Brussels attack. Following the attacks in March, Jambon and Justice Minister Koen Geens had offered to resign. However, Prime Minister Charles Michel refused their resignation requests. The attacks showed how exposed Europe has become to threats from jihadists, four months after 130 people were killed in a night of violent attacks in the French capital.



Turkey freezes president Saleh

assets of Yemeni ex-

Hurriyet Daily News, 21.04.2016



Turkey freezes assets of Yemeni ex-president Saleh, while the U.N.-backed peace talks to solve the armed clashes in Yemen, scheduled to start after an initial postponement, was postponed once again. Turkey has frozen the assets of former Saleh, in line with a decision by the U.N. Security Council, the government said in its Official Gazette.

All of Saleh's assets in Turkish institutions were frozen, it said. It did not say how much money Saleh was believed to hold. U.N. investigators have told the Security Council they suspect Saleh of amassing as much as \$60 billion during his rule, and colluding in a takeover by the Houthi militia in 2014.

Most of this wealth was believed to have been transferred abroad under false names or the names of others holding the assets on his behalf, the investigators have said. The assets were in the form of property, cash, shares, gold and other valuable commodities, and were believed to spread across at least 20 countries.

Saleh, who is head of Yemen's largest party, the General People's Congress, enjoys the loyalty of sections of the armed forces despite having stepped down from office nearly four years ago after months of protests. He later emerged as ally of the Iran-backed Houthi Shiite fighters. Majority Sunni Turkey is allied with Saudi Arabia in Yemen, where forces loyal to Yemen's Saudi-backed president are fighting the Houthis.

Meanwhile, peace talks between Yemen's warring factions were on hold pending the arrival of rebel representatives to the U.N.-backed negotiations in Kuwait, diplomats told AFP. The talks were initially scheduled to start, and any further delay could dash hopes of ending Yemen's war after the government delegation threatened to pull out if meetings did not begin immediately. "According to the latest information, the rebel delegation should arrive in Kuwait by the end of the day," said one diplomat close to the talks.

"As a result, the talks could be delayed further until April 22," another diplomat said. U.N. spokesman Stephane Dujarric said negotiations would begin in Kuwait. The rebels only agreed to join the talks after they said they received assurances from the United Nations that pro-government forces would respect a ceasefire which has been violated by warring parties since it came into effect.



Minister on rare EU visit: Syria will continue peace talks

AFP, 22.04.2016



Syrian Deputy Foreign Minister Faisal Mekdad said that his government will continue with UN-mediated peace negotiations in Geneva until they "reach a solution", despite an opposition walk-out.

He was speaking in the Czech capital Prague during the first visit by a high-ranking Syrian official to an EU member since the beginning of the five-year conflict. "I assure you once again that we shall respect the cessation of hostilities requested by the United Nations," Mekdad told reporters after talks with Czech counterpart Martin Tlapa and Foreign Minister Lubomir Zaoralek.

"We shall send the humanitarian assistance to the people of Syria wherever they need it, and we shall continue with the discussions in Geneva until we reach a solution," added Mekdad, who got his doctorate in English literature from Charles University in Prague. The Czech Republic is the only EU member to have kept open its embassy in Syria, where it now also represents the interests of other EU countries as well as the United States.

Established in 1955 by then-Communist Czechoslovakia -- which split into the Czech Republic and Slovakia in 1993 -- the embassy once mediated hefty weapons sales to Damascus, especially in the 1970s and 1980s. That long history appears to have put President Bashar al-Assad's regime at ease in dealing with the Czechs. "We've always said that a political solution should be the basis for solving the Syrian conflict," Tlapa told reporters. "The current ceasefire is fragile but it works and it is in our interest that it be extended to all of Syria."



Al-Sadr appeals for solution to Iraq's political crisis

AP, 21.04.2016



An influential Iraqi Shiite cleric called on the United Nations and the Organization of Islamic Cooperation to help find a solution to the country's simmering political crisis "even through holding early elections."

Muqtada al-Sadr's statement came after lawmakers failed to hold to vote on whether to keep or oust the parliament speaker, al-Jabouri, threatening to prolong Iraq's paralyzing political crisis amid the fight against the ISIL group that controls key areas in country's north and west. Al-Sadr ordered Sadrist lawmakers to withdraw from a parliament sitin that demands the country's top leadership step down.

But al-Sadr called on his followers to continue rallying in Bagdad's Tahrir Square to pressure the parliament to vote on a new government after a recent Cabinet reshuffle. "We call upon the Organization of Islamic Cooperation and the United Nations to interfere to get the Iraqi people out of their ordeal and to correct the political process even through holding early elections," al-Sadr said in a handwritten statement issued online.

It is still unclear how the withdrawal of Sadrist lawmakers will affect the parliament sit-in which was started last week by dozens of lawmakers following delay on the vote on the Cabinet reshuffle. They chose eldest lawmaker, Adnan al-Janabi, as an interim speaker, but the move was rejected by the other camp, which argues the move was illegal because the needed quorum was not achieved.

The session was supposed to vote on whether or not to remove al-Jabouri, but it was adjourned when major political blocks walked away because they objected to al-Janabi presiding over the session. Iraq is weathering its worst crisis in years with the Sunni extremist ISIL group still controlling key areas in the country's north and west, including the second-largest city of Mosul. The country is also undergoing an acute economic crisis due to plummeting oil prices on the international market.



Obama: US, Gulf states united in goal to 'destroy' ISIL

Hurriyet Daily News, 21.04.2016



U.S. President Barack Obama said April 21 that Washington and the Arab monarchies of the Gulf were united in their commitment to defeating the Islamic State of Iraq and the Levant (ISIL).

"We remain united in our fight to destroy [ISIL]," Obama was quoted as saying by AFP in Riyadh at the close of a Gulf Cooperation Council summit. "Given the ongoing threats in the region, the United States will continue to increase our security cooperation with our GCC partners including helping them improve their own capacity to defend themselves," Obama added.

Obama's visit to Saudi Arabia came at a time when the U.S. Air Force started using its hulking B-52 bombers against ISIL in Iraq and Syria, but the enormous aircraft are only conducting precision strikes, a military spokesman said. The B-52 Stratofortress – originally designed in the 1950s – became a symbol of U.S. might during the Cold War and the plane was used to conduct carpet bombing in Vietnam.

U.S. Colonel Steve Warren, a Baghdad-based spokesman, said a B-52 was sent to destroy an ISIL weapons storage facility in the Iraqi town of Qayyarah, about 60 kilometers south of Mosul. He said use of B-52s would not lead to a greater risk of civilian casualties because the aircraft are only being armed with guided bombs.

"There are memories in the collective unconscious of B-52s, decades ago, doing ... arguably indiscriminate bombing," Warren said. "Those days are long gone. The B-52 is a precision strike weapons platform and it will conduct the same type of precision strikes that we have seen for the last 20 months." The B-52s are replacing B-1 bombers that had been operating in the region for the past year.

The U.N. envoy for Syria Staffan de Mistura is pointing to "real but modest progress" in the country's humanitarian situation, even as doubts linger about the future of peace talks in Geneva. De Mistura told reporters that 515 people were medically evacuated a day earlier from four Syrian municipalities: Zabadani, Madaya, Kafraya and Foua.

He also announced a "fact-finding" mission is seeking to arrange deliveries of humanitarian aid to the besieged Damascus suburb of Daraya, something Obama has publicly called for. De Mistura credits Russia for "arguing in favor" of the convoy. De Mistura said he planned to nominate an unspecified "very effective person" to focus on the critical question of the thousands of detainees held Syria – a major issue for the opposition.



Meanwhile, Syrian opposition negotiator Mohammad Alloush, representing Jaish al-Islam, a major rebel group, said peace talks in Geneva could only resume if the government stopped massacres and released thousands of prisoners.

"We say to [government negotiator Bashar] Ja'afari, if he wants a real national unity government, first he must release the 10,000 women in his prisons, and the tens of thousands more there," Alloush said before leaving the Geneva talks. "And [he must] stop the massacres he is committing every day, so he can be a human with an ounce of nationalism. Then maybe the negotiations will resume," he said.

Ben Rhodes, deputy national security adviser to Obama, said that the U.S. was concerned about reports that Russia was moving more military materiel into Syria. A U.S. official said on the same day that Russia was repositioning artillery to northern Syria, including near the city of Aleppo, in a move that is stoking U.S. concern about what Russian-backed Syrian forces intend to do next.

Although Russia pulled out about half of its fixed-wing aircraft in mid-March, it broadly preserved its capabilities within Syria and remains a potent military force in support of Syrian President Bashar al-Assad, U.S. officials said. At least 40 pro-Syrian government fighters surrendered to Kurdish forces in the city of Qamishli in mostly Kurdish-controlled Hasaka province April 21, a Reuters witness said.

The pro-government forces had been holed up in a prison that is now under the control of the Kurdish security forces. Gunfire could still be heard in the city after rare violence erupted between the two sides late the day before. The Syrian Observatory for Human Rights, a British-based group tracking violence across the country, said dozens of pro-government fighters had handed themselves over to the Kurds at the prison.

It said clashes had resumed after a pause in the fighting in Qamishli, and reported an explosion that was likely to have been from a car bomb. Violence erupted between Kurdish groups and government forces, killing several people, the observatory reported.



Greece says Turkish demands obstructing NATO mission in Aegean

Reuters, 21.04.2016



Turkish demands are posing obstacles to a NATO mission in the Aegean Sea aimed at countering the smuggling of migrants and refugees into Europe, Greek PM Tsipras said, after a meeting with NATO Secretary-General Stoltenberg.

NATO sent its ships into Greek and Turkish waters. Stoltenberg said the number of migrants and refugees crossing the sea from Turkey was falling significantly, but smugglers can rapidly change routes and authorities must not reduce security efforts prematurely. Speaking after a meeting with Stoltenberg, Tsipras said obstacles included not having full operational access in the region.

"Greece will undertake every effort so that NATO's mission contributes to the solution of the crisis," Tsipras said. "Unfortunately it's clear that the obstacles .. arise from Turkey's unilateral demands and positions. Demands and positions which unfortunately are also expressed through a rise in activities which violate our airspace."

Europe signed an agreement with Turkey last month to close off the main route into Europe for more than a million people, most fleeing war and poverty in the Middle East, Asia and Africa. "Our collective efforts are making a real difference. There's been a significant reduction in the number of people crossing the Aegean from Turkey to Greece," Stoltenberg said. "... We need to stay engaged." Meanwhile, the International Organization for Migration (IOM) was not as optimistic as NATO.

It said that migrants in boats are landing in Greece at the rate of about 150 a day from Turkey after a hiatus, indicating that the "hermetic sealing" of this route to Europe appears to be over. "The arrivals in Greece which were down to literally zero this month are beginning to creep back up. In the last three days we had 150 people arriving each day... It does show that route might be picking back up," IOM spokesman Joel Millman told a Geneva news briefing. "It could be the weather, it could be any number of things, it could be that smugglers are getting more creative."



Britain hails queen at 90, a constant in years of turmoil

AFP, 21.04.2016



Britain celebrated the 90th birthday of Queen Elizabeth II with tributes to a popular monarch who has steered it through the decline of empire and a wave of scandals to the Internet age. The sovereign, who has been on the throne since 1953, emerged from Windsor Castle dressed in a lime green outfit and matching hat to accept presents and flowers from hundreds of well-wishers.

Prime Minister David Cameron hailed her as "a rock of strength for our nation" while her son and heir Prince Charles marked the occasion by reading Shakespeare in a special broadcast on BBC radio.

Later on, the monarch, who last year overtook her great-great grandmother queen Victoria to become Britain's longest-reigning monarch, will host a family dinner to celebrate. She will also light a beacon, the first in a chain of a thousand which will be lit around the country and the world, symbolizing the length of her life and her reign.

In an address to the House of Commons to mark the occasion, Cameron said she had been "steadfast, a rock of strength for our nation, for our Commonwealth and on many occasions for the whole world". He said Britain was "uniquely blessed" to have her and praised the queen's "unshakeable sense of duty" while noting she was now "starting to take things a little easier."

While still an active monarch, the queen has scaled back her duties in recent years as Prince Charles and grandson Prince William plus wife Kate take a more prominent role. The royals remain popular but some analysts question what will happen when the queen - who is in good health, enjoying regular rides on her favorite pony and walking her corgis - reaches the end of her life.

In an editorial, The Times newspaper praised her as "a symbol of continuity and the best embodiment we have of a complex national identity." But it warned the monarchy "will not long retain its popularity" if Charles, who often writes to ministers about issues close to his heart like the environment, is seen to breach constitutional convention by interfering in politics as king.

To mark the queen's birthday, there were two military gun salutes at London's Hyde Park and the Tower of London, and parliament will be lit up in the red, white and blue of the British flag. Buckingham Palace also released new official pictures of the queen taken by U.S. celebrity photographer Annie Leibovitz. They were shot at Windsor Castle, where she will host U.S. President Barack Obama and First Lady Michelle Obama. In one photograph, the monarch is pictured with four of her beloved dogs outside the mediaeval castle west of London, and in another she is surrounded by some of the youngest members of her family, including a great-granddaughter clutching one of the queen's trademark handbags.



Prince Charles read an extract from William Shakespeare's "Henry VIII" about the future Elizabeth I in tribute to his mother on the BBC World Service. "She shall be, to the happiness of England/ An aged princess," read the text, which also described her as "a pattern to all princes living with her/ And all that shall succeed."

Kerry in Japan for landmark Hiroshima visit

AFP, 10.04.2016



G7 foreign ministers began two days of talks in Hiroshima, with John Kerry's visit to the atom-bombed city -- the first-ever by a US secretary of state -- overshadowing the broader agenda.

Kerry's landmark trip is seen as possibly paving the way for Barack Obama to become the first serving US president to visit the thriving metropolis next month, when he comes to Japan for the Group of Seven summit. The meeting which started Sunday also includes top diplomats from nuclear-armed Britain and France, as well as Canada, Germany, Italy, host Japan and the European Union.

It is part of the run-up to the G7's rotating annual summit, scheduled this year from May 26-27 in another part of Japan. The ministers were discussing issues including the Middle East, the refugee crisis, the conflict in Ukraine and global terrorism.

Japan also hopes to highlight rising territorial tensions in the South China Sea, where Beijing and some Southeast Asian nations have clashed, and North Korea's nuclear sabre-rattling. Ministers have so far said little about the content of the meetings, though Kerry tweeted that they had a "big foreign policy agenda to cover" -- mentioning topics such as the Islamic State group as well as "Asia regional issues and global threats".

But it is the location of the talks that has captured the imagination of the Japanese public. Many hope it will promote greater understanding of Japan's staunch anti-nuclear stance as the only country to suffer atomic attack. Japanese foreign minister Fumio Kishida, who represents Hiroshima in parliament, also hopes to issue a "Hiroshima Declaration" at the meeting to promote nuclear disarmament.

"On this occasion I want to send a strong message for peace and to realise a world free of nuclear weapons," Kishida said at a welcome reception. Kerry and his counterparts are on Monday scheduled to visit the Hiroshima Peace Memorial Park, which houses the ruins of the iconic domed building gutted by the blast, and an accompanying museum. They engaged in some sightseeing that highlighted Japan's rich cultural history, paying a visit to one of its most famous sites, the seaside Itsukushima shrine that dates to the late sixth century.



The first American bomb on August 6, 1945, killed 140,000 people in Hiroshima, including survivors of the explosion who died afterwards from severe radiation exposure. Three days later another blast killed some 74,000 people in Nagasaki.

Japan gave up the fight six days after Nagasaki, forswearing militarism and reinventing itself as an economic dynamo -- protected, ironically, by the nuclear-armed United States. When asked about its place under Washington's nuclear umbrella, Kishida said ahead of the meeting that Japan was mindful of global security realities, citing North Korea as a key threat.

Washington hopes to use Kerry's visit -- he will be the highest-ranking US official in Hiroshima since then-Speaker of the House Nancy Pelosi in 2008 -- to highlight Obama's anti-nuclear stance. "Progress on nuclear disarmament must be made in a way that reduces nuclear and security risks for ourselves, our allies and all humankind," Kerry said in a written interview with the Hiroshima-based Chugoku Shimbun newspaper.

American tourist James Huddleston, visiting the memorial park with his wife and three children, said the top American diplomat's visit was good for both the US and Japan. "It's important," said the 36-year-old sales manager from Detroit. "(This is) is a big part of the history of both countries." Hiroshima resident Tatsumi Yamasaki, 78, said a visit by Obama would speak volumes. "That act itself would mean a lot for people in Hiroshima," he said.

However, a small group of about 30 protesters gathered in front of the atomic dome to condemn the G7's attitude and any Obama visit. "They came all the way to Hiroshima to say they would get rid of nuclear weapons -- it's all lies," said Kyoko Taniguchi, one of the organisers.

Cruz wins Wyoming Republican presidential nominating contest

Reuters, 17.04.2016



Republican U.S. presidential hopeful Ted Cruz won all 14 delegates at stake on April 16 in Wyoming, besting rival Donald Trump, who made little effort to win the rural state, and further narrowing the gap in the race for the party's nomination.

Cruz is trying to prevent Trump from obtaining the 1,237 delegates needed to secure the Republican nomination at the July convention in Cleveland. By continuing to rack up small wins, Cruz is gaining ground on the New York real estate mogul, who has thus far failed to shift his focus on the local-level campaigning necessary to win delegates.



Trump has been critical of the process, again calling it "rigged" while speaking at a rally in Syracuse, New York. He has repeatedly complained about Colorado, which awarded all 34 of its delegates to Cruz despite not holding a popular vote. Trump said his supporters are becoming increasingly angry with states such as Wyoming and Colorado.

"They're going nuts out there; they're angry," Trump said in Syracuse. "The bosses took away their vote, and I wasn't going to send big teams of people three, four months ago, have them out there." While Trump has won 21 state nominating contests to Cruz's 10, the billionaire leads the Texas senator by only 196 delegates (755-559). That means he must win nearly 60 percent of those remaining before the party's political convention in July.

Wyoming does not hold a primary vote. Instead, 475 party activists convened in Casper to hold a state convention and award 14 delegates. Previously, 12 other delegates had been designated at county-level conventions. Cruz won 10 of those, with one going to Trump and another being elected as "unbound."

Cruz spoke at the convention, capping off a months-long effort to organize support in the state. Trump had originally planned to send former Alaska Governor Sarah Palin, who remains popular among conservatives, as a surrogate, but she canceled at the last minute. Cruz spoke about local issues in Wyoming, the largest coal-producing state. He discussed the Democratic "attack" on the fossil fuel, saying U.S. President Barack Obama has tried to put the coal industry out of business through government regulations targeting air pollution.

"America is the Saudi Arabia of coal, and we are going to develop our industry," Cruz said. At the same time, Trump was speaking at a rally in Syracuse, New York, ahead of the state's Republican primary.



Announcements & Reports

► How to Reform EU Fiscal Rules

Source: Bruegel

Weblink : http://bruegel.org/2016/04/how-to-reform-eu-fiscal-rules/

▶ A Proposal to Revive the European Fiscal Framework

Source : Bruegel

Weblink : http://bruegel.org/2016/03/a-proposal-to-revive-the-european-fiscal-framework/

► Barriers to Bankable Infrastructure

Source : CSIS

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

Upcoming Events

► The Search for Europe

Date : 19 April 2016

Place : Brussels - Belgium

Website : http://bruegel.org/events/the-search-for-europe/

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

Date : 23 April 2016 Place : London - UK

Website : https://www.chathamhouse.org/event/uk-and-eu-managing-euro-and-single-market

► Competitive Gains in the Economic and Monetary Union

Date : 24 April 2016 Place : Brussels - Belgium

Website : http://www.bruegel.org/nc/events/event-detail/event/534-competitive-gains-in-the-economic-and-monetary-union/

▶ The Future of Capitalist Democracy: UK-Japan Perspectives

Date : 24 April 2016 Place : London - UK

Website : http://www.chathamhouse.org/event/future-capitalist-democracy-uk-japan-perspectives



► Emerging Markets and Europe: Time for Different Relationships?

Date : 30 April 2016 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 : 30 April 2016 Place : Brussels - Belgium

Website : http://www.bruegel.org/nc/events/event-detail/event/526-what-future-for-europes-social-models/

► Challenges for Growth in Europe

Date : 30 April 2016 Place : Brussels - Belgium

Website : http://www.bruegel.org/nc/events/event-detail/event/521-challenges-for-growth-in-europe/

▶ Global Governance of Public Goods: Asian and European Perspectives

Date :30 April 2016 Place : Paris - France

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

▶ The Future of the Welfare State

Date : 30 April 2016 Place : Berlin - Germany

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

► Energy Trading Central and South Eastern Europe 2016

Date : 15 – 16 June 2016
Place : Bucharest – Romania
Website : http://www.energytradingcsee.com/

► Eurasian Natural Gas Infrastructure

Date : 22 – 23 June 2016 Place : Athens – Greece

Website : http://www.engi-conference.com/