



CURRENT DEVELOPMENTS IN TURKEY - EU REFUGEE AGREEMENT AND SCHENGEN DISPUTE

Since the beginning of the civil war in Syria, the European Union (EU) countries started suffering from massive illegal migrant influx to Europe. To date over 1.4 million asylum seekers have arrived to the EU searching for better life conditions causing Europe's migration crisis. The largest numbers of migrants (more than 50%) come from Syria followed by Eritrea, Afghanistan, Kosovo, Nigeria, Iraq, and several West African states including Senegal, Gambia, and Mali.

Despite the fact that Greece and Italy are frontline countries faced with overwhelming number of arrivals those countries are used by flows of illegal migrants as a gateway to Germany and others wealthier EU states. For instance, in 2015 Germany received nearly 50% of all asylum requests applied to the EU. It should be noted that the majority of refugees reached the EU through the Turkey-Greece route. As a result, the irregular migrants coming from the Middle East flood Turkey as well as Jordan and Lebanon, which have common border with Syria. According to the UN estimations, over 4 million of the Syrian refugees migrated to the neighboring countries, of which almost 2.7 million are residing in Turkey.

Under these critically important circumstances, Turkey and the EU has agreed to cooperate with each other in order to regulate the illegal migration flow and identify the refugees who really requires an asylum. Therefore, Turkey and the EU has signed the Refugee Agreement on March 20, 2016. Refugee agreement has based on the "one in – one out" rule meaning all refugees arriving in Greece through Turkey will be send back to Turkey if they do not apply for asylum or if their asylum application has been denied. In return, for each returned refugee EU countries will permanently accept one Syrian who lives in refugee camps in Turkey. According to Turkey – EU deal, both sides agreed on halting the deal if the number of refugees exceeds the maximum limit of 72,000 people until the end of 2016.

During the negotiation phase, the EU has agreed to provide Turkey with €6 billion in order to support the projects aiming to cover the needs of Syrian migrants in the country. The first tranche of €3 billion will be send to Turkey during 2016 and the second tranche will be sent until 2018. Both sides also have agreed that citizens of Turkey would have a right for the visa-free travel in the Schengen zone of the European Union if Turkey could manage to fulfill necessary 72 requirements of the Visa Liberalization Roadmap. Moreover, Turkey requested from the EU to open negotiations on five chapters critical for Turkey's full membership to the EU.

Despite the negative predictions, cooperation between Turkey and the EU on exchange of refugees has successfully started according to the schedule on April 4, 2016. The first reports indicate that 325 irregular migrants who reached the EU by crossing the Turkey – Greece border have been returned to Turkey while 102 Syrians have been settled in different EU countries.

In order to coordinate the support programs established by the EU for Syrian refugees, Brussels launched a Refugee Facility for Turkey in November 2015. Since the Refugee Facility is responsible for distribution of the first €3 billion assistance to Ankara, Turkey's Disaster and Emergency Management Authority has already forwarded projects aimed at covering the immediate humanitarian and educational needs of Syrians for its consideration. As a result, starting from early March 2016 the Refugee Facility has released €95 million in order to deliver efficient and complementary support to Syrians. Therefore, it can be concluded that the exchange of refugees is going smoothly and gradually increasing its operational capacity.

Although Turkey and the EU are strengthening cooperation on the topic of improving border control, optimizing the asylum processing, implementation of the support programs and arranging logistic capabilities, the issue of permitting Turkish citizens to travel without a

visa in the Schengen area remains unsolved. On May 4, 2016, the EU Commission has proposed to the European Parliament and Council of the European Union to lift the visa requirements for the citizens of Turkey if the remaining 5 benchmarks listed in the Visa Roadmap, namely combat with corruption, protection of data, judicial cooperation, close cooperation with European Union's police organization Europol and changes in counter-terrorism laws, are fulfilled. However, since Ankara refused to make any changes requested by the EU to the Anti-Terror Law, the approving process for lifting visa requirements for the citizens of Turkey the EU Parliament has been halted for now.

Actually, from the very beginning the provision on lifting visa restrictions for Turkish nationals approved in the Turkey – EU Refugee Agreement was the most debated topic among the EU countries. The current dispute over the changes in the Anti-Terror Law might endanger the whole refugee agreement since the delay in implementation of this particular term of the Turkey – EU deal opens doors to revise the schedule of execution of the other ones.

In conclusion, the current dispute over the Schengen issue might negatively affect the cooperation between Turkey and the EU, who had worked so hard to achieve implementation of the support programs and exchange process of refugees. Therefore, collapse of the Refugee Agreement is not in the interest of Turkey and the EU. However, in these circumstances Turkey has priority to fight against terrorism and provide the security. In order to ease the tensions on current dispute both sides' needs to work on a new roadmap to find a possible solution through diplomatic channels. On this point, Minister for EU Affairs and Chief Negotiator Ambassador of Turkey, Volkan Bozkır, will meet with his counterparts in Brussels at the end of May 2016.

Politics, Foreign Affairs and Security

- According to the Head of the Central Commission for Elections and Referendum of Tajikistan, Bakhtiyor Khudoyorzoda, the turnout of the Constitution Referendum amounted to 66.6%, which make it possible to declare the referendum valid. There were 41 proposed amendments and changes presented as a package including lifting presidential term limits, lowering the eligible age to run for presidency, banning creation of faith-based political parties. The results of the referendum will be announced no later than ten days after the end of the voting.
- During his official visit to Baku, the Special Envoy of the President of China, Meng Jianzhu, and the President of the Republic of Azerbaijan, Ilham Aliyev, discussed the issues of expansion of bilateral cooperation in the fields of security, law-enforcement, fight against terrorism, transnational economic crimes, cybercrimes, as well as ensuring security along the Great Silk Road.
- On the sidelines of the 44th Session of the Interparliamentary Assembly of the Commonwealth of Independent States held in St. Petersburg, the Speaker of the Parliament of Kyrgyzstan, Chynybai Tursunbekov, and his Azerbaijani counterpart, Ogtay Asadov Sabir oglu, discussed issues of further strengthening bilateral cooperation in many fields such as economy, trade and culture.
- During the Vienna meeting with participation of the President of Azerbaijan, Ilham Aliyev, the President of Armenia, Serzh Sargsyan, the U.S. Secretary of State, John Kerry, the Minister of Foreign Affairs of Russia, Sergey Lavrov, the Minister of State for European Affairs of France, Harlem Desir, and special representative of the OSCE chairperson-in-office, Andrzej Kasprzyk, the parties discussed the opportunity to launch measures on investigation of accidents on the Nagorno-Karabakh border.
- The Minister of Defense of Azerbaijan, Zakir Hasanov, announced that the country is planning to hold trilateral joint military exercises with Turkey and Georgia in order to improve combat readiness and mutual vigilance of the three countries.
- The Chief of the Federal Service for Military-Technical Cooperation of Russia, Alexander Fomin, reported about Russia's plans to receive \$14 billion from export of military hard-

ware in 2016, while the overall portfolio of sales abroad exceeds \$50 billion.

Economy, Finance and Energy

- According to the Statistics Committee of the Ministry of National Economy of Kazakhstan, oil production in Kazakhstan in terms of value amounted \$6.5 billion in first 4 month of 2016, which is 14% more than in the same period of 2015. However, oil production in real terms decreased by 2.2% and reached 22.1 million tons in the same period.
- Uzbekistan's state-owned oil and gas production company, Uzbekneftegaz, reported about its plans to increase investments for the development and modernization of the country's oil and gas field to \$2.798 billion in 2016, which is 8% more in 2015.
- Azerbaijan's state-owned oil company, SOCAR, announced its plans to additionally produce around 29.2 million cubic meters of gas and 27,380 tons of oil per year, since commissioning of the new well at the Gunashli offshore field located in the Azerbaijani sector of the Caspian Sea.
- Russia's oil company Lukoil reported that it started to build a new lubricant manufacturing plant in Kazakhstan's Almaty province. The project's cost nears \$85 million. The plant's capacity will be over 100,000 tons of lubricants per year with the possibility of reaching 130,000 tons per year. The plan will be built in the vicinity of the Western Europe – Western China transportation corridor.
- During his visit to Tashkent, the President of SOCAR, Rovnag Abdullayev, and the First Deputy Prime Minister of Uzbekistan, Gulomzhon Ibrahimov, discussed further prospects for bilateral cooperation in the energy sphere. Moreover, during the meeting, the heads of SOCAR and Uzbekneftegaz signed a Memorandum of Understanding.
- The deal on the construction of a 50-megawatt wind power plant in Kazakhstan's Caspian Sea shores to generate electricity was signed between the Iranian Power and Water Equipment & Services Export Company and the Kazakh Eurasia Invest Group.
- During his official visit to Tashkent, the Prime Minister of South Korean, Hwang Kyo-ahn, and the Prime Minister of Uzbekistan, Shavkat Mirziyoyev, attended to the opening ceremony of the Ustyurt Gas Chemi-

cal Complex (GCC). The Ustyurt GCC project was launched by Uzbekneftegaz and a consortium of the South Korean companies Kor-Uz Gas Chemical Investment in 2008.

- During the meeting of the Trans Caspian International Transport Route (TITR) member states in Baku, the President of the Kazakhstan Temir Zholy, Askar Mamin, the Chairman of the Azerbaijan Railways, Javid Gurbanov, and the CEO of the Georgian Railway, Mamuka Bakhtadze, agreed to increase the volume of cargo traffic via the TITR.
- The State Statistics Committee of Azerbaijani report that total volume of country's GDP amounted to 16.87 billion manat in January-April 2016, which is 4.5% less than in the same period of 2015. It was stated that the main reason for the GDP decline is the decrease of production of goods and services in the construction and transport sectors by 35.5% and 14.2% respectively. The economy's non-oil sector decreased by 6.8% compared to January-April 2015 and its share in the country's GDP stood at 64.85%.
- The International Monetary Fund improved its outlook on Russia's GDP decline from -1.8% to -1.5% in 2016 and on GDP growth from 0.8% to 1% in 2017.

Society and Culture

- The State Civil Aviation Administration of Azerbaijan reported that the bodies of seven crewmembers of the AN-12 cargo aircraft of Azerbaijan's Silk Way crashed in Afghanistan's Dwyer airport have been delivered to Baku.
- The President of Azerbaijan, Ilham Aliyev, ratified the Agreement between the government of Azerbaijan and the government of Turkey on mutual recognition and replacement of driver's license.
- Turkmenistan celebrated the Day of Constitution and Magtymguly's Poetry, and held large-scale festive. Different governmental officials along with the President of Turkmenistan, Gurbanguly Berdimuhamedov, attended the ceremony.
- The First Deputy Minister of Foreign Affairs of Kyrgyzstan, Dinara Kemelova, announced that the country decided to "freeze" its participation in the activities of International Fund for Saving the Aral Sea. According to the Kyrgyz side, the Fund does not take into account aspects of hydropower and water needs of the individual countries of the region.