



Watch List 2023 for the EU

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By the International Crisis Group

# Building Momentum in EU-Türkiye Relations

*Relations between Ankara and Brussels have been warming despite democratic backsliding in Türkiye. In this excerpt from the [Watch List 2023 – Autumn Update](#), Crisis Group explains how the EU and its member states can deepen this trend, cooperating with Türkiye in areas of mutual interest.*

**A**n opportunity has arisen to make durable improvements to ties between Türkiye and the European Union, which have been frayed for years. There remain multiple sources of tension between Brussels and Ankara, which have hampered both the latter's bid to join the bloc, pending since 1999, and other forms of cooperation. Thorny issues include matters of domestic policy (notably Türkiye's track record on human rights and democracy) and foreign affairs (including the need for a political settlement on the divided island of Cyprus). While Europeans were pleased that Ankara lifted its objections to Finland's accession to NATO in March, they see its continued delay of Swedish membership in the organisation as another irritant.

Despite these problems, however, following Turkish elections in May, when President Recep Tayyip Erdoğan secured a third term in office, and his subsequent appointment of a more moderate and professional cabinet, relations with Brussels have got better. Hopes of a rapprochement have accordingly risen. There are limits to how far the improvement is likely to go in the near term. Certainly, Ankara's EU membership bid is unlikely to move forward absent measures to strengthen the rule of law

and open a path to resolving the Cyprus issue, neither of which is likely in the near term. But progress in certain areas is possible. If the EU and its member states work more closely with Ankara in areas of shared interest, like trade and migration, they may be able to overcome deep-running mistrust and open space to work toward mutual peace and security goals, while keeping open the prospect of Türkiye's eventual membership in the bloc.

## **To further improve relations with Ankara, the EU and its member states should:**

- Engage Türkiye in regular high-level meetings, including by inviting the Turkish foreign minister to the next Gymnich meeting, an informal gathering of the EU member states' top diplomats, and by putting on the table concrete proposals for fostering cooperation at by-annual European Political Community (EPC) summits.
- Aim to launch negotiations to modernise the Türkiye-EU customs union, address trade barriers and disagreements about sanctions on Russia.
- Grant more and longer-term visas to Turkish businesspeople and investors to boost trade.

Doing so would be a managed step in the direction of full visa liberalisation to Turkish citizens, which is contingent on Ankara meeting the remaining criteria.

- Revive a 2020 proposal for a conference to sustain de-escalation in the eastern Mediterranean. This step could further strengthen Türkiye-Greece ties and perhaps encourage

dialogue between Greek and Turkish Cypriots, even as prospects for restarting formal negotiations on the divided island look dim.

- Continue financial aid for over four million refugees in Türkiye and for sustainable rebuilding in earthquake-hit Turkish provinces.

## State of Play

The summer months saw a thaw in Turkish-EU relations. It helped that Ankara cleared the path for Finland to join NATO in March, a step that it had been blocking. While the Turkish parliament has yet to ratify Sweden's NATO bid, President Erdoğan announced in July that Türkiye would reverse its opposition to Stockholm joining, provided that there is progress on Ankara's own EU accession, a process that had seemed irrevocably stalled for years. High-level Turkish-EU meetings ensued, including a promising early September visit to Ankara by Olivér Várhelyi, the EU's commissioner for neighbourhood and enlargement. The visit took place at a time when the EU is exploring a way forward with Türkiye. In addition to the annual progress report that will come out in October, the European Commission is working on a separate report assessing the "state of play" in relations with Türkiye, due for publication by the end of 2023.

As Erdoğan made clear over the summer, EU membership remains an important (if long-term) aspiration for Ankara, but it is not Ankara's only goal with respect to Brussels. Türkiye's new cabinet, formed after the May elections in which Erdoğan secured a third term in office, is composed of experienced hands in ministerial positions who see better ties with the EU as a factor in fixing the country's mounting economic troubles. Pending meaningful progress on membership, they are interested in stronger links with the bloc and are willing to explore avenues of engagement to that end.

The Turkish economy, which has been in

dire straits for years, suffered another major blow with the devastating February earthquakes that killed at least 50,000 people and displaced millions. This disaster came on top of the socio-economic strains accumulating with the influx of millions of refugees following the Syrian war. Annual inflation was running at over 60 per cent in August and unemployment at around 10 per cent. Erdoğan has returned to orthodox economic policies, after a spell of eccentric interest-rate adventurism when policymakers had gradually reduced interest rates in hopes of lowering inflation and strengthening the Turkish lira. After the elections, Erdoğan appointed internationally respected figures to helm the economy, notably Mehmet Şimşek as finance minister. While its EU membership bid remains stuck, Türkiye hopes to attract more Western investors and to secure better EU trade terms and more assistance for migrants and earthquake-hit provinces.

Although Ankara is far from ready to fully trust the EU, some Turkish officials hope progress in areas of shared interest could substantially improve ties. "This is a new window of opportunity", one seasoned official said. "If we can take steps to advance files of mutual interest, more progress could follow, including in Türkiye's membership process". Turkish officials looking to strengthen links with the EU are particularly eager to see steps toward negotiations on revamping the EU-Türkiye customs union. But others doubt the EU is sincere about offering what one official called "meaningful carrots" to put relations on a more constructive

path; they complain of contradictions and double standards in the bloc's treatment of Türkiye in comparison to other EU candidate countries and external partners. Some Turkish officials see an additional obstacle in the rise of right-wing populist parties in Europe opposed to Turkish EU membership. Ankara also continues to be wary of what it perceives as European leniency with groups it considers security threats, notably the Kurdistan Workers' Party, which it has listed as a terrorist organisation, as have the U.S. and the EU.

For their part, many European officials and diplomats welcome Ankara's apparent interest in improving ties, but are also sceptical about Ankara's commitment to moving in this direction. "This is not the first time we hear talk in Ankara of turning a new page with the EU", one said. With Türkiye's membership bid languishing for so long, and key accession criteria unfulfilled, many officials in Brussels and member state capitals have come to see Türkiye more as a security partner and a bulwark against migration than a country that could one day join their club.

Europeans have a host of concerns. Ankara's democratic backsliding has raised concerns in Europe about where Türkiye is headed, as has its non-compliance with European Court of Human Rights (ECHR) rulings ordering the release of individuals whose arrests the court said were "politically motivated", most prominently businessman and human rights advocate Osman Kavala. Many also worry that to mobilise his conservative-nationalist base, Erdoğan may whip up anti-Western rhetoric ahead of March 2024 local elections, when his party will try to retake Istanbul, Ankara and other big cities that it lost to opposition control in 2019. The window to make progress may thus be narrow.

EU officials also fret about Ankara's foreign policy, which they see as insufficiently aligned with their own. On one hand, Russia's all-out invasion of Ukraine has transformed views about European security and reaffirmed Türkiye's importance as a key NATO ally. Ankara has supported Ukraine politically and with

weapons, including drones. It played a key role in brokering the now-lapsed Black Sea grain deal, which created an opening for Ukraine to export some of its grain stocks. But it has also been less confrontational toward Moscow than Europe would like, for example not getting fully behind Western sanctions. Indeed, its trade with Russia has increased. For Europeans, Ankara's delay in backing Finland and Sweden's NATO bids has similarly deepened mistrust. "Türkiye has focused on advancing its own interests during a war in Europe that is existential for us", a European official said.

The unresolved Cyprus question also bedevils relations. Türkiye does not recognise the Republic of Cyprus (RoC), the Greek Cypriot-run state that joined the EU in 2004 despite Greek Cypriots' rejection of a UN-brokered plan to reunify the island, which Turkish Cypriots had approved. Subsequent diplomacy has come to naught, most recently in 2017 when talks intended to pave the way to federation failed. Tensions at sea followed, with Türkiye sending naval vessels to waters claimed by the RoC to obstruct offshore energy exploration that excluded Turkish Cypriots. For this reason, among others, the EU suspended high-level dialogue with Ankara, cut pre-accession funds in 2019 and imposed limited sanctions in 2020. Recently, in mid-August, [violent skirmishes](#) erupted on the island when the de facto Turkish Cypriot authorities began constructing a new road to connect the majority-Turkish Cypriot town of Pile/Pyla, located in the UN-administered buffer zone, to the north. Three UN peacekeepers and eight Turkish Cypriot security personnel were injured in the incident.

Meantime, initiatives to relaunch formal negotiations are [stuck](#). The RoC insists on talks aimed at creating a bizonal, bicommunal federation. Ankara and the de facto Turkish Cypriot government in the island's north prefer a two-state solution that would involve recognition of a Turkish Cypriot state. With no obvious way forward to relaunch negotiations, the RoC has used its member state veto to stymie many

EU efforts at repairing ties with Türkiye. European diplomats to whom Crisis Group spoke say positive signals on Cyprus, such as Ankara's blessing for [appointing a new UN envoy](#), might go some way to dissuade the RoC from impeding efforts to bring about a rapprochement between Türkiye and the EU.

Still, while Cyprus presents an enduring challenge in the eastern Mediterranean, there are reasons for hope, thanks in part to Türkiye's warming relations with old rival Greece, an EU member since 1981. [Ankara's ties with Athens](#) have got much better since 2020, when the neighbours almost came to blows in the Aegean Sea. Both had put their navies on high alert after Ankara sent ships to escort a hydrocarbon research ship in disputed waters. Those

tensions also drew in a number of EU member states, notably France, souring Türkiye's relations with them. But in the course of 2023 Athens and Ankara have helped each other when disaster struck, as it did with wildfires and flooding in Greece and the earthquakes in Türkiye. Greece's foreign minister, Giorgos Gerapetritis, visited Ankara in early September, and the two countries' foreign ministers met again on the sidelines of the UN General Assembly in New York a few weeks later. Ankara has also intensified diplomacy to normalise its confrontational relations with Israel, Egypt and the United Arab Emirates, which "bodes well for keeping a lid on tensions in the eastern Mediterranean", a European official said.

## Seizing the Moment

Fraught relations between Türkiye and the EU are nothing new. But in a volatile security environment, a little easing of tensions could go a long way, benefiting both parties and the region as a whole. If Ankara and Brussels begin to rebuild their relationship, even as they recognise the many differences between them, they will be better able to sustain de-escalation in the eastern Mediterranean, respond to the challenges of refugee flows, support Ukraine and constrain Russian aggression. They may even be able to help lay the groundwork for peace in the bloody war caused by Moscow's invasion. They will also help ensure that the evolving European security order is based on cooperation and coordination with Türkiye as a key NATO ally. But both sides will need to make a conscious decision to pursue engagement and keep it going through the disagreements that will remain inevitable. Brussels need not turn its back on its values, of course, but it may need to manage its expectations with regard to Ankara, even as Ankara recognises that EU concerns will remain a critical part of its agenda.

As long as Ankara remains willing, the EU and its member states should continue

re-engaging with it. They should consider taking steps in the following areas:

First, it would be useful to reopen high-level dialogues with Türkiye suspended since 2019. A good place to start would be to invite Turkish Foreign Minister Hakan Fidan to the next Gymnich meeting – an informal semi-annual get-together of European foreign ministers planned for January 2024. It has been almost five years since a Turkish foreign minister attended one of these meetings. Ankara had hoped to be invited in August, but several EU member states said no. "For a while now, we have not been able to enter into meaningful contacts with the EU", a Turkish official said. "A push from the highest levels would help". Türkiye's inclusion in the Gymnich gathering could pave the way for renewed high-level dialogues in areas of mutual interest such as counter-terrorism, energy, transport and justice sector cooperation.

Secondly, the EU should put on the table concrete proposals for inching ahead in modernising its customs union with Türkiye. The EPC meetings could present an opportunity to move in this direction. Established in 1995, the union covers industrial products only, but it has significantly

boosted trade nonetheless. EU officials asked member states for a mandate to launch talks with Türkiye on upgrading the union in December 2016, but they abandoned the project after that year's failed coup in Türkiye and the government's subsequent crackdown.

Both sides see the value of expanding the customs union to cover services and agriculture and adding innovations such as a more effective dispute resolution mechanism. Turkish officials want to revise agreements reached in technical talks in 2014-2015 to reflect the state of global trade and the EU's Green Deal, a plan to make the EU climate-neutral by 2050. European officials are not opposed, but they also expect Ankara to remove trade barriers, such as additional levies and taxes imposed on products they say are already covered by the customs union. Ankara, meanwhile, wants a say in the EU's free trade agreements with third countries that can have adverse effects on Turkish industries.

Although it is not a formal condition for expanding the customs union, Europeans also want more alignment from Ankara on sanctions against Russia. They worry about the flow of sanctioned goods and materials to Russia through Türkiye. Ankara says it is trying to block such transactions circumventing sanctions, adding that it is working with the European Commission and Western capitals to do so. "We are doing what we can", a Turkish official said, "but there is a limit to how far we can go given our delicate relations with Russia and economic dependencies". In March, Ankara handed Turkish companies a list of foreign goods under sanctions that are proscribed from transfer to Russia. To explore further alignment, the EU and its member states should advance talks with Ankara bilaterally as well as through their year-old sanctions working group.

Thirdly, EU member states should grant Turkish investors and businesspeople more and longer-term visas. Doing so would boost trade, and it might also foster progress toward granting visa-free travel to all Turkish citizens.

Facilitating more visas is not the same as full visa liberalisation – ie, the lifting of visa requirements for Turkish citizens – which would require Ankara to fulfil six more of the EU's list of 72 criteria. (The outstanding issues include the EU's demand for Ankara to reform its broadly worded anti-terror laws, which Brussels says create too much room for politicised prosecutions.) EU officials are concerned that granting more visas could fuel westward migration of Turkish citizens. Already, a surge in Turkish asylum seekers in Europe has seen applications in Germany, for instance, triple in the first eight months of 2023 compared to the year before. But focusing on the facilitation of visas for investors and businesspeople would represent a positive step for more interaction between Türkiye and the bloc that would not increase the likelihood that more Turkish citizens will emigrate.

Fourthly, the EU should revive a 2020 plan (initially proposed by President Erdoğan and later taken up by European Council President Charles Michel) to organise a multilateral conference on the [eastern Mediterranean](#) aimed at further de-escalation. Back-channel discussions about this subject went nowhere in 2021 when tensions were high. But now, with an opening in Türkiye-Greece relations and less ill-will among other parties, it makes sense. Such a conference could help address Ankara's fears about being isolated in the region, which have been compounded by its exclusion from the East Mediterranean Gas Forum (a U.S. and EU-backed platform established in early 2020 bringing together Egypt, Israel, Cyprus, Greece, Jordan, the Palestinian Authority, Italy and France). A conference would need careful preparation, but it would be worth the effort given the prospect of advancing discussions about improving collaboration, including on oil and gas. If the parties could find a formula that also includes Turkish Cypriots, they might even help forge a path back to formal negotiations over Cyprus – or at least stop things from getting worse.

Finally, the EU should continue sending aid to lift Ankara's burden in caring for the over four million refugees (including 3.3 million Syrians) whom Türkiye has been generously hosting, as well as to help rebuild the earthquake-hit areas of the country where many of these refugees live. Cooperation in managing migration is what has kept Türkiye-EU relations afloat over the last several years. Now millions of Syrians living in Türkiye as well as Turkish citizens have been badly affected by the earthquakes. A 2016 EU-Türkiye migration statement remains the main framework for helping refugees. Within this framework, the EU committed €6 billion (more than €5 billion

of which has been disbursed) to refugees in Türkiye. At a June conference, donors pledged an additional €5.6 billion for those displaced in Syria as well as refugees in Türkiye, Jordan and Lebanon. In March, the EU, its member states and a host of other international donors promised another €6 billion for earthquake relief in Türkiye. The EU-Türkiye Investment Platform and the European Investment Bank should also carry on and, where possible, expand investment initiatives including, but not limited to, help for earthquake-hit areas. ■