SWP Comments

Stiftung Wissenschaft und Politik German Institute for International and Security Affairs



Turkey's Cyprus Policy in the Context of Nicosia's Presidency of the European Council

Turkey Intensifies Its Efforts to Create International Legitimation for the "Turkish Republic of Northern Cyprus", to Date Recognised Only by Ankara Günter Seufert

The Cypriot presidency of the EU Council has prompted Turkey to step up its efforts to boost international recognition for its self-administrated statelet in the north of the island, using the Organisation of Islamic Cooperation (OIC) as an instrument in its endeavours. Ankara is concomitantly reacting to the current constellation of fronts in the Mediterranean, which has formed as a result of the dispute over access to recently detected gas deposits. If developments continue in the direction pursued to date, the European Union is likely to rue its indecisive policy on Cyprus and Turkey, left in the cold as far as the newly-discovered resources are concerned, while Russia increases its Mediterranean influence.

From Turkey's perspective, Cyprus' EU Council presidency, which commenced on 1st July 2012, is as a red rag to a bull. This is not only because Nicosia is blocking the opening of six chapters in Ankara's accession negotiations with the EU, and Turkish accession appears likely to founder thanks to the conflict, which has been smouldering for nigh on sixty years. More pertinently, the EU Council presidency is boosting the international reputation of the Republic of Cyprus, thus threatening to negate the Turks' central argument in the Cyprus question.

This is because Turkey refuses to recognise the island's current Greek-Cypriot state. According to its version of events, the emergence of proportional representation in the Republic of Cyprus as stipulated in its 1960 constitution proved that the creation of a Cypriot nation was never the prime intention. On the contrary, the permanent autonomy of two ethnic groups or religious communities was assumed, which both retained their cultural identities and would not assimilate. Turkey holds that the destruction of the proportional representation regime by the island's Greek popula-

tion in 1963 effectively extinguished the state based on this principle. Moreover, as Cyprus' two major ethnic groups had been understood as political equals from the start, the creation of any new state on Cypriot soil consequently required the approval of both groups.

In addition, Ankara assumes that the island's proximity to the Turkish mainland – the distance is a mere 40 nautical miles – gives Turkey a justified security policyrelated interest in its foreign policy.

As a result, Turkey has never accepted the international view that the Republic of Cyprus, carried as it is by the Greek-Cypriot majority, represents the entire island. However, precisely this claim receives renewed international endorsement in the wake of Nicosia's takeover of the EU Council presidency.

As early as July 2011, Turkish Foreign Minister Ahmet Davutoğlu announced that his country would not participate in any meetings chaired by the Greek-Cypriot incumbents for the duration of the EU Council presidency, this in order to consolidate Turkey's position at international level. As far as the Cyprus problem itself, no one on the island is anticipating progress during this period in what can only be termed faltering negotiations between the two ethnic groups to overcome partition.

The discovery of major natural gas deposits in the Eastern Mediterranean lends this political constellation additional economic and strategic cause for conflict.

Eastern Mediterranean riches and disputes over Exclusive Economic Zones

By April 2012, 1.025 billion cubic metres of natural gas had been located in the so-called Levant Basin, which lies between Israel, Lebanon and Cyprus. Nine of the eleven fields discovered are located in Israel's Exclusive Economic Zone (EEZ), while the remainder falls within the boundaries of the EEZ of the Republic of Cyprus. But that is by no means the end of the story. The U.S.

Geological Survey (UGSG) is assuming that the Basin's total reserves amount to 3.45 billion cubic metres of gas and 1.7 billion barrels of natural oil. The Eastern Mediterranean is deemed a *terra incognita* as far as oil and gas are concerned. As a result, expectations regarding future discoveries are rife, and hopes that the sea region could develop into an alternative source of supply to the deposits in the former Soviet Union are running high.

The coastal states are demonstrating corresponding decisiveness when staking their claims. However, valid bilateral agreements regarding the reciprocal demarcation of EEZs have only been concluded between the Republic of Cyprus and Israel and between Nicosia and Cairo to date. Relations between Israel and Lebanon, Israel and Egypt, Lebanon and Syria and Syria and Turkey remain unclear.

The EEZs are a source of open conflict between the Republic of Cyprus and Turkey. In December 2010, Nicosia and Tel Aviv clinched a deal regarding the demarcation of their mutual EEZs, which served only to exacerbate the existing tension in Ankara's strained relations with both countries.

As Turkey refuses to recognise the government in Nicosia, it also denies it the authority to conclude international treaties, deeming the agreements made by Nicosia regarding the demarcation of Exclusive Economic Zones in the Mediterranean null and void. Ankara also denies Nicosia the right to exploit the natural gas deposits, referring to claims to this newfound wealth by Turkish Cypriots. In September 2011, Turkey concluded an agreement regarding the mutual EEZs with its protégé, the self-declared Turkish Republic of Northern Cyprus (TRNC), which only it recognises, after its protests fell on deaf ears in Nicosia. The same month, the TRNC commissioned the state-owned Turkish oil company TPAO with explorations north of the island, in waters considered by the Republic of Cyprus part of its EEZ. The stage was set for further escalations.

These duly developed, with Turkey demonstratively dispatching a research vessel to the Aphrodite gas field, to which Nicosia lays claim. This triggered military reactions from both the Republic of Cyprus and Israel, whose fighter jets besieged the ship, violating Turkish-Cypriot airspace and eliciting the deployment of military aircraft by Turkey in response. When Israel's Prime Minister, Benjamin Netanyahu, became his country's first premier to visit Nicosia in February 2012, Turkey reacted with a naval exercise which involved shooting in the area of block 12 of the natural gas fields, which had been claimed by the Republic of Cyprus, with live ammunition.

New "frontlines" in the Mediterranean

Nicosia and Tel Aviv have concluded cooperation agreements for the exploitation and safety of the natural gas fields and plan to collaborate on the issue of gas export. U.S. company Nobel Energy, in which Israel holds shares, operates in both countries. Greek-Cypriot and Israeli newspapers report an escalation in military cooperation between the two countries. According to press sources, Israel is interested in using Cyprus' Andreas Papandreou military airport, and is negotiating the establishment of an airbase on the island. The Israeli air force used Cypriot airspace for exercises as early as October 2011. In May 2012, Cypriot Foreign Minister Erato Kozakou-Markoulli declared that her country was indispensable to Israel's security ahead of the American Jewish Committee's annual global forum.

In the wake of its dispute with Turkey, Israel has been drawing nearer to Greece. The two countries signed a military cooperation agreement in Jerusalem in September 2011. In late March 2012, a Greek-Israeli-Cypriot investment summit took place in Athens with the involvement of the USA and Noble Energy. In early April, the three countries signed a memorandum of understanding to link Israel and the Republic of Cyprus to the European electricity grid via

Crete. During the same period, military units in the 6th fleet of the USA as well as units from Greece and Israel performed an air and naval exercise which tested, among other things, protective measures in place for oil rigs, and which was clearly intended to call Turkey's attention to the limits of its sphere of influence in the Eastern Mediterranean. When Nicosia's dispute with Ankara over the demarcation treaty for the mutual EEZs between Israel and the Republic of Cyprus hove into view, Washington and Brussels immediately affirmed Cyprus' right to conclude international treaties as the sole representative of the entire island.

Ankara's situation looks no better as far as international law is concerned. Tel Aviv and Nicosia drew up their agreement on the EEZs in accordance with the guidelines stipulated in the United Nations Convention on the Law of the Sea. Its standards have become international common law, and are, as a result, binding for those nations which, like Israel and Turkey, have not yet sanctioned the treaty.

With this, Turkey is currently largely isolated in the Eastern Mediterranean. Ankara is experiencing a discrepancy, unknown until now, between its claim to be a new leading, regulatory power and the reality of a front consisting of Israel, Greece and the Republic of Cyprus, which is bolstered by those major Western players, USA and EU. At the same time, Turkey remains embroiled in disputes with Syria and Iran, and its relations with Iraq are becoming increasingly conflict-ridden.

Turkey's Cyprus policy: A case of déjà-vu

From Ankara's perspective, the current situation in the Eastern Mediterranean appears to confirm the worst as far as the intrinsic assumptions of Turkey's Cyprus policy and the associated fears are concerned.

The Republic of Turkey did not concern itself with Cyprus, then part of the British colonial empire, during the initial decades

of its existence after its foundation in 1923. Ankara only became alarmed in 1955, at the prospect of the island uniting with Greece. In 1949, the Dodecanese were formally united with Greece, and on 15 January 1950, 96 per cent of Cypriot Greeks voted for "Enosis", or Cyprus' union with Greece, during a referendum organised by the Orthodox Church. In Ankara, where memories of the invasion by Greek troops from 1919-1922 were still fresh, these developments were regarded with suspicion and interpreted as signs of a new wave of Greek aggression, as an encirclement policy and as an attempt to cut Turkey off from the Mediterranean. At the London Conference on Cyprus in August 1955, Turkey's then Foreign Minister, Fatin Rüştü Zorlu, moved for the return of the island to Turkey in the event of British withdrawal. In the following months, the government in Ankara mitigated this demand, calling instead for a more realistic "partition" (Taksim) of the island into Greek and Turkish territories.

The protection of Turkish Cypriots, fear of Greek encirclement and the strategic significance of Cyprus for Turkey's influence in both the Mediterranean and the Middle East have, in the eyes of the Turks, been inseparable dimensions of a single conflict ever since. "The problem [in the Cyprus dispute, author's note] lies in the security of the 45 million Turks in the motherland, in the security of the Turks on the island and in maintaining the balance in the Mediterranean", declared Turan Güneş, Foreign Minister in Bülent Ecevit's 1974 government, which had ordered the invasion of Cyprus in the same year. At the time, Turkey was not only concerned with the rights of the Turkish Cypriots, but also with the use of the "unsinkable aircraft carrier" intended to prevent both the encirclement of Anatolia and secure Turkish access to the Eastern Mediterranean.

With Ahmet Davutoğlu's new foreign policy, directed as it is towards regional supremacy and global influence, each of the three dimensions of the Cyprus dispute is shifted into an even wider context. In Davutoğlu's much discussed standard work Strategic Depth, Cyprus is the "lynchpin of Turkey's regional and global naval strategy". In his eyes, Nicosia's 1998 attempt to station Russian S-300 missiles on the island, located just 67 kilometres away, demonstrates that the security of the Anatolian heartland is not guaranteed without Turkish involvement in Cyprus. In addition, Davutoğlu considers the Turks' situation on Cyprus a symbol and gauge of the extent to which Ankara is able to protect Turkish and Muslim minorities from Western Thrace to Bosnia and Azerbaijan. The Turkish military has always affirmed the island's indispensability, roundly rejecting concessions within the context of negotiations related to Cyprus. By contrast, liberal forces within Turkey have reproached the military for overstating Cyprus' strategic significance and instrumentalising the Cyprus conflict in order to thwart Turkey's EU accession process.

It is far more difficult to sustain this accusation today. For in the face of the Arab upheavals, geopolitical wrestling over the future of Syria and the conflict surrounding the distribution of natural gas deposits in the Eastern Mediterranean, the island has indeed assumed a new strategic importance. Tel Aviv is now also starting from this premise, even if other fears are being formulated there during strategic discussions. Influential Israeli circles regard the island as the chief bone of contention in the conflict regarding supremacy in the Eastern Mediterranean between an increasingly radicalised Islamism and the West.

Ankara's return to the traditional Cyprus policy

The island's increased significance may indeed be the reason why Turkish Prime Minister Recep Tayyip Erdoğan resorted to using Turkish military terminology for the first time in February 2011, referring to "Turkey's strategic interests in Cyprus". As late as 2004, however, Erdoğan had advocated the acceptance of former UN Secre-

tary-General Kofi Annan's reunification plan, this in the face of fierce resistance from military quarters. Annan's solution proposed a bicommunal, bizonal federation of two states on Cyprus. Its rejection by the Greek Cypriots, the EU's inability to meet its commitment regarding direct trade between the Turkish northern part of the island and the Union and a prestige gain for the Republic of Cyprus in the wake of its takeover of the EU Council Presidency, much feared in Turkish quarters, have, together with the island's new strategic significance, resulted in Erdoğan's reversion to Turkey's traditional Cyprus policy. As negotiations regarding the creation of a federal state are making no headway and the annexation of Northern Cyprus by Turkey does not constitute a realistic alternative, Ankara is now intensifying efforts to raise the area's status. Here, Erdoğan can build on decades of preliminary spadework by Turkish diplomacy. The chief international forum for this strand of Turkish Cyprus policy was and remains the Organisation of Islamic Cooperation (OIC), based in Jeddah, Saudi Arabia.

The OIC as an instrument within Turkish Cyprus policy

The OIC's inaugural summit, held in Rabat in 1969, was the first gathering of Islamic states with a political agenda attended by the Republic of Turkey in the wake of its establishment in 1923. In 1963, the Greek Cypriots had removed the foundations for a mutual Greek and Turkish island state via a unilateral constitutional amendment, leading Turkey to step up diplomatic efforts to propagate and justify its Cyprus policy from 1964 onwards. Turkey's initiatives were directed specifically at Islamic and other countries in what was then part of the Third World, and the OIC became its chief arena.

Turkey's interpretation of the Cyprus conflict emerged at that time, a stance which is once more setting the tone in Ankara today. Turkey's initial influence

in the OIC was extremely limited. It was and remains the only NATO state in a coalition strongly characterised by a non-aligned perspective, and its laicistic regime makes it an alien element within the organisation. However, Ankara gradually expanded its position. Turkey has been involved in financing the OIC budget since 1974. In 1978 and 1979, its proposals resulted in the opening of the Statistical, Economic and Social Training Centre for Islamic Countries (SESRIC) in Ankara and the Research Centre for Islamic History, Art and Culture (IRCICA) in Istanbul. In 1984, Turkey took over the chair of the Standing Committee for Economic and Commercial Cooperation (COMCEC) of the OIC, which is held by the Turkish President. In 2005, Ankara succeeded in securing the election of Turkish citizen Ekmeleddin Ihsanoglu as OIC Secretary-General. It was the first time that this office had been awarded by vote.

Turkey's growing influence in the organisation was reflected in OIC statements and declarations regarding the Cyprus problem and in the increasingly high standing of Turkish Cypriots within the association.

In 1975, for example, Turkish Cypriot leader Rauf Denktaş was asked to present his view of the Cyprus problem at the 6th Islamic Conference of Foreign Ministers. At the next meeting in 1976, the OIC foreign ministers recognised the "equal rights" of both ethnic groups on Cyprus and invited the Turkish Cypriots as "guests" to the ensuing conferences. In 1979, the "guests" were upgraded to "observers", and OIC member states urged to unite and challenge the economic embargo. Although Turkey was unable to push though full membership for the Turkish Cypriots at the 20th Islamic Conference of Foreign Ministers, held in Istanbul in 1991, the draft resolution drawn up at the conference, approved by the 6th Islamic Summit in Dakar in December of the same year, granted the "Turkish community of Cyprus" rights of representation in all OIC bodies in addition to the right to participate in all OIC activities. Member states were simultaneously urged to consolidate their relations with the Turkish Cypriots in all areas. Turkey greeted the results as "full membership in all but name". And indeed, the resolution ensured that the question of full membership for Northern Cyprus remained on the OIC agenda. The next major step occurred in 2004. In the wake of the rejection of the Annan Plan by the Greek Cypriots, the 31st Islamic Conference of Foreign Ministers decided that the "Cypriot Muslim community" should be referred to as the "Turkish-Cypriot state" within the OIC in future. The term is derived from the Annan Plan, where it refers to one of the two constitutive states on which the mutual federal Cypriot state would have been based.

Current initiatives designed to consolidate the TRNC's international legitimacy

Erdoğan and Davutoğlu were able to build on these foundations in 2010, when the current situation assumed clearer contours in the light of the deterioration in Turkish-Israeli relations, the discovery of natural gas in the Mediterranean, the dispute over Exclusive Economic Zones, the anticipated failure of the Cyprus negotiations and, finally, the Republic of Cyprus' assumption of the EU Council presidency. On 2 January 2010, the Turkish Foreign Minister paid a visit to the OIC Secretary-General. Both parties highlighted the necessity to strengthen OIC relations, and those of its member states, with the TRNC in the fields of trade and investment, tourism, education and culture, this in order to overcome the "inequitable isolation" experienced by the Turkish Cypriots. These proposals were implemented gradually over the following two years. OIC Chairman Ihsanoglu received several TRNC ministers and visited the northern part of the island twice, while the OIC hosted a trade fair for university education and an investment forum in Northern Cyprus.

These events went hand in hand with the continued acceptance of the Turkish stance by the organisation. Participants at the 38th Islamic Conference of Foreign Ministers, held in Astana in 2011, expressed their concern at "the unilateral claims by Greek Cypriots in the Eastern Mediterranean" and backed the Turkish Cypriot proposal to halt further explorations until a solution to the Cyprus problem is found. At their 7th official gathering in Palembang (Indonesia) in late January 2012, the OIC's Parliamentary Union condemned the agreement between the Republic of Cyprus and Israel regarding the demarcation of their mutual EEZs and declared their support for the reversal of the isolation of Northern Cyprus in the event that the Cyprus negotiations foundered once more.

The most recent step in this process occurred on 4 April 2012, during the official visit of Derviş Eroğlu, de facto "State President of the TRNC", to the OIC. During this encounter, Eroğlu requested the opening of a Permanent Representation for the TRNC at the OIC, a proposal which was received warmly by the organisation's Secretary-General. The Republic of Cyprus views this as a further step in the opposition's efforts to achieve recognition for the TRNC. Indeed, Eroğlu urged precisely this recognition at the meeting in the event of a breakdown of negotiations.

The balance in the OIC is tipped towards Ankara

Despite its wide acceptance of the Turkish stance and enhancement of the status enjoyed by Turkish Cypriots within the organisation, the OIC has not yet granted the TRNC full membership. Many OIC partner states back UN resolutions directed against Turkey's policies, and no member of the organisation has officially recognised Northern Cyprus to date.

However, some reasons for this reticence have disappeared in recent months and years, while others have lost much of their significance. These include, in particular,

the declining influence of Europe, America and Russia in the region, Turkey's erstwhile good relations with Israel, which have deteriorated, the prospect of a successful conclusion to the Cyprus negotiations, which has now dwindled, and the economic and political significance of both the Republic of Cyprus and Greece in the eyes of Arabic countries, which is also on the wane. Today, the stance adopted by the OIC in terms of the Cyprus dispute, the increasingly close cooperation between OIC institutions like the Islamic Development Bank (IDB) and TRNC establishments and the growing number of TRNC Permanent Representations in OIC member states are all helping to increase the standing of Northern Cyprus in the Islamic world, simultaneously confirming Ankara's policy. Although it is impossible to foresee whether the TRNC will be granted full membership of the OIC and if some OIC member states will officially recognise the Turkish "state" on the island, it is an undeniable fact that the likelihood of this occurring is now higher than ever before.

Debacle for the Brussels policy?

In recent years, Brussels has done little to prevent Ankara's reversion to its old Cyprus policy, influenced as it was by threat scenarios and fears of encirclement and which can now apparently be seamlessly combined with a policy of sabre-rattling in the Mediterranean. The EU unilaterally insisted on Turkey's implementation of the Ankara Protocol extending the customs union. Simultaneously, it was unable to establish direct trade between the Turkish northern part of Cyprus and the EU, as it had been promised after the failure of the Annan Plan. The EU accepted the unilateral blocking of central chapters in Turkey's accession negotiations by France and the Republic of Cyprus, and expressed immediate solidarity with Cyprus and Israel on the issue of the Exclusive Economic Zones. Although, according to EU logic, all these political steps were taken for the defence

of legal positions, this fails to alter the outcome, namely the undesirable creation of opposing fronts in the Eastern Mediterranean, in any way.

As a result, it is highly unlikely that the EU Enlargement Commissioner's hopes will come to fruition. Štefan Füle believes that the EU Council presidency will re-focus global attention on Cyprus, which could, in consequence, have some positive influence on the negotiations surrounding the Cyprus dispute.

According to the EU Commissioner, the newly-discovered wealth of resources in the Mediterranean could function as a catalyst, uniting the island's Greek south with its Turkish north. However, there is little to suggest this, and even the hope that Europe could reduce its energy dependence on Russia via the Mediterranean gas deposits is rather unrealistic.

It is certainly true that Nicosia has a vested interest in bringing part of the yield to the European market and that two states oriented towards Western Europe - the Republic of Cyprus and Israel - have the upper hand as far as the exploitation of Mediterranean gas reserves is concerned. However, the only profitable transport route for the gas would be a deep-sea pipeline via the Cypriot Karpass peninsula to the Turkish Mediterranean port of Ceyhan. The distance is short and the sea shallower in this area, making the transport route financially feasible and economically justifiable. By contrast, the two other alternatives are technically complex and disproportionately expensive: a pipeline leading from Cyprus to the Greek mainland via Rhodes possesses little financial appeal in the face of the length of the route and depth of the sea. And the transport of condensed gas via ship would incur high costs for both gas liquefaction and regasification. This makes this alternative unattractive and financially ineffective. As a result, the Cyprus problem will, in all probability, put paid to Europe's hopes of deriving benefit from the natural gas deposits.

Russia as winner of the Mediterranean chess game?

Russia may be the one to benefit most from the opposing fronts in the Mediterranean. Moscow is already an important player in Nicosia. Russian tourists are the main clients of the Greek-Cypriot tourism industry, and the property market is booming primarily as a result of Russian buyers. Russian capital flows back to the motherland via the island. In 2011, Cyprus was the largest direct investor in Russia, with a rate of twenty per cent. Cyprus' President and Head of Government Dimitris Christofias once studied in Russia, and likes to call himself Europe's "red sheep". He is critical of NATO, instead tending to defer to Moscow's wishes and taking account of its interests. The last instance of this occurred in January 2012, when a Russian ammunition-laden ship bound for Syria was permitted to land in Cyprus before continuing to the Syrian port of Latakia, this despite an EU embargo to the contrary.

In 2011, Russia granted the Republic of Cyprus a loan amounting to 2.5 billion euros, and Nicosia asked Moscow for more financial aid in July 2012. Publications including the British *Week* and American *New York Times* are not the only ones to fear that the injection of yet more Russian capital could give Moscow an increased say in both Cyprus and the Eastern Mediterranean. These fears are shared by Brussels-based diplomats.

In point of fact, it is highly likely that Russia's energy companies will not leave the second call for tenders initiated by the Republic of Cyprus for exploration assignments in their Exclusive Economic Zone empty-handed, as Russia's strategic support for Nicosia is once more essential in view of its conflict with Turkey. Little remains of the Western alliance between the EU and Turkey in the Eastern Mediterranean, cited so frequently, today.

© Stiftung Wissenschaft und Politik, 2012 All rights reserved

These Comments reflect solely the author's views.

SWP

Stiftung Wissenschaft und Politik German Institute for International and Security Affairs

Ludwigkirchplatz 3–4 10719 Berlin Telephone +49 30 880 07-0 Fax +49 30 880 07-100 www.swp-berlin.org swp@swp-berlin.org

ISSN 1861-1761

Translation by Harriet Spence

(English version of SWP-Aktuell 38/2012)