

**JANUARY 2013**

**3 January 2013**

**THIS WEEK:**

**FOREIGN POLICY**

- Turkey hits back at EU criticism over membership bid
- Patriot missile parts arrive in Turkey
- Israel to join NATO activities amidst Turkey tension

**ECONOMY / ENERGY**

- Turkey trade deficit exceeds estimates as imports grow
- Turkey inks \$12 billion energy project with UAE

**DOMESTIC POLITICS**

- Turkey and PKK's Öcalan in talks 'on disarmament'

**FOREIGN POLICY**

**Turkey hits back at EU criticism over membership bid**

Turkey accused the European Union of bias and bigoted attitudes towards the EU candidate country on December 31 and blamed it for undermining the Turkish public's trust in the bloc. The Turkish criticism came in a 270-page report on its membership bid, the first "EU progress report" by Ankara. The report was not prepared as a reaction to EU's progress report, but to share Turkey's determination, EU Minister Egemen Bağış said. He added that the EU had failed to give due weight to Turkey's reforms. "Today there is no government in Europe which is more reformist than our government," he said.

Earlier in the month, Bağış had stated that Turkey is hopeful France will unblock talks over EU membership on at least two policy chapters in the coming months ahead of a visit by President Francois Hollande.

Meanwhile, German Foreign Minister Guido Westerwelle said the current stand-still in negotiations over Turkey's bid to join the European Union was unsatisfactory and the new year offered an opportunity to tackle outstanding issues with renewed vigor. "The membership talks with Turkey have been treading water for too long, the stand-still is unsatisfactory for both sides," Westerwelle told Reuters.

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Reuters, 18 December 2012, [Turkey sees France unblocking two EU chapters](#)

Reuters, 21 December 2012, [Germany calls for renewed vigour in Turkey EU membership talks](#)

Reuters, 31 December 2012, [Turkey accuses EU of bigotry, says its reforms are ignored](#)

Hurriyet Daily News, 31 December 2012, [Turkey prepares its own EU progress report for first time](#)

BBC News, 1 January 2013, [Turkey hits back at EU criticism over membership bid](#)

### **Patriot missile parts arrive in Turkey**

Parts for the Patriot missiles started arriving in Turkey in mid-December. Turkish Prime Minister Recep Tayyip Erdoğan announced the location of the missiles on December 21: Germany will deploy at Kahramanmaraş; the Netherlands at Adana; and the United States at Gaziantep.

Meanwhile, Deputy Prime Minister Beşir Atalay announced that the number of Syrian refugees in Turkey has exceeded 145,000.

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Hurriyet Daily News, 18 December 2012, [German soldiers arrive in Turkey to set up Patriots](#)  
US News, 18 December 2012, [Patriot missile parts arrive in Turkey](#)  
Reuters, 21 December 2012, [Turkey names sites for NATO Patriot missiles near Syria](#)  
Hurriyet Daily News, 23 December 2012, [Deputy PM: Syrian refugees in Turkey exceed 145,000](#)

### **Israel to join NATO activities amidst Turkey tension**

Turkey has given approval for Israel to participate in non-military NATO activities in 2013, withdrawing an earlier objection driven by an ongoing dispute, a Turkish official said on December 24. The approval came as Turkey's request that NATO station Patriot missile batteries along its border with Syria was granted.

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The Jerusalem Post, 23 December 2012, [Israel to join NATO activities amidst Turkey tension](#)  
Reuters, 24 December 2012, [Turkey lifts objection to NATO cooperation with Israel](#)

## **ECONOMY / ENERGY**

### **Turkey's inflation rate drops, but challenges await Central Bank**

Turkey's annual inflation rate nearly halved in 2012 due to weak domestic demand, a stronger lira and benign domestic food inflation, but still rose to 6.2% annually. In addition, Turkey's trade deficit narrowed less than expected in November as imports increased for the first time since May. The gap was \$7.16 billion. Imports rose 13% to \$21 billion, the biggest since October 2011, and exports rose 25% to \$13.8 billion. Turkish Economy Minister Zafer Çağlayan said on January 3 that the exports rose by 12.6% in 2012 to hit \$151.9 billion.

In an annual assessment of the country's economic policy released in December, the IMF staff stated that Turkey's Central Bank should be more focused on meeting its inflation target because its multiple monetary policy tools are "blurring signals." While the monetary policy framework put into place by Central Bank Governor Erdem Başçı aims to achieve both price and financial stability, inflation has remained "well above target," IMF economists said, recommending a return to "a more conventional framework."

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Bloomberg News, 21 December 2012, [IMF says Turkey's Central Bank should focus on inflation control](#)

Bloomberg, 28 December 2012, [Turkey trade deficit exceeds estimates as imports grow](#)

Shanghai Daily, 2 January 2013, [Turkey's exports hit record-high in 2012](#)

Wall Street Journal, 3 January 2013, [Turkey's inflation rate drops, but challenges await Central Bank](#)

### **Turkey inks \$12 billion energy project with UAE**

Turkey signed an agreement with the United Arab Emirates on January 3 for the development of coal fields in southern Turkey to generate electricity. The agreement between Abu Dhabi-based TAQA and Turkey's state-run power company EUAS marks the biggest Arab investment in the Turkish energy sector, a senior energy ministry official stated.

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Hurriyet Daily News, 3 January 2013, [Turkey inks \\$12 billion energy project with UAE: official says](#)

### **DOMESTIC POLITICS**

#### **Turkey and PKK's Öcalan in talks 'on disarmament'**

Turkey is holding talks with the jailed head of the PKK Kurdish militant group, Abdullah Öcalan, to push for its disarmament, officials say. Öcalan, who has been found guilty of treason, is being held in solitary confinement on a remote island prison. The Turkish prime minister's top political adviser said the government would not be able to bring the conflict to an end by military means alone. Last year saw a surge in violence in the three-decades-old insurgency.

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BBC News, 1 January 2013, [Turkey and PKK's Öcalan in talks 'on disarmament'](#)

### **7 January 2013**

#### **THIS WEEK:**

##### **FOREIGN POLICY**

- U.S. troops arrive in Turkey; rebels battle for airport in Syria
- Erdoğan goes on a five-day Africa tour
- Turkey, Sweden and Brazil form new body

##### **ECONOMY / ENERGY**

- Turkey to clarify capital markets law to quell concern
- Turkey seeks partnership with Qatar to build third LNG terminal
- Survey: Property investors keen on U.S., Turkey; China stumbles

##### **DOMESTIC POLITICS**

- Turkey's former army chief detained over 1997 "post-modern coup"
- Turkey's Erdoğan rules out amnesty for Kurdish militants

## **FOREIGN POLICY**

### **U.S. troops arrive in Turkey**

NATO troops started arriving in Turkey on January 4 to man Patriot missile defense batteries. A statement from the U.S. European Command on Friday said that more troops and equipment are scheduled to arrive in southern Turkey over the next few days. Navy Vice Admiral Charles Martoglio, deputy commander of the U.S. European Command, says the Patriot-missile batteries should be operational by the end of January.

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CNN, 4 January 2013, [U.S. troops arrive in Turkey; rebels battle for airport in Syria](#)

Voice of America, 4 January 2013, [NATO deploys missiles to Turkey-Syria border](#)

The Local, 5 January 2013, [Germany deploys Patriot missiles to Turkey](#)

ABC News, 7 January 2013, [Dutch Patriot missiles shipped out to Turkey](#)

### **Erdoğan goes on a five-day Africa tour**

Prime Minister Recep Tayyip Erdoğan started a five-day tour of Africa including Gabon, Niger and Senegal on January 6. During the visit, Turkish businessmen will join business forums in three countries and some cooperation agreements will be signed.

Turkey aims to increase its trade volume with African countries to \$50 billion by 2015, Erdoğan told journalists at Istanbul Ataturk Airport before his departure to Gabon. Stating that Turkey considers Gabon a “gateway to boost relations with the African continent, Erdoğan explained “We are doing 2013’s first visit to Gabon. This is the sign that we are taking our relationship one step further. Our government’s primary goal is to prepare the necessary legal framework for our entrepreneurs and to foster them for trade and investment.

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Turkish Press Review, 4 January 2013, [Erdoğan goes for five day Africa expedition](#)

Turkish Press Review, 7 January 2013, [Turkish PM Erdoğan sees \\$50 billion in African trade](#)

Anadolu Agency, 7 January 2013, [Gabon gateway for Africa, Turkish premier says](#)

### **Turkey, Sweden and Brazil form new body**

Turkey, Sweden and Brazil have established the Trilateral Solidarity for Building Peace, a new consultation mechanism to seek solutions to international challenges. Stressing that the international stage is currently characterized by a host of key changes and challenges that affect them all, the foreign ministers of the three nations drew attention to developments in the Middle East in particular, including the Arab awakening and the question of Palestine, the global economic crisis with its political ramifications and other global issues such as terrorism, poverty eradication, climate change, internet freedom and nuclear proliferation in an official statement on the Trilateral Solidarity for Building Peace. Speaking at a joint press conference, Turkish Foreign Minister Ahmet Davutoğlu said although Turkey, Sweden and Brazil were not geographically close, the three countries shared similar perspectives on

international policy.

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Hurriyet Daily News, 7 January 2013, [Turkey, Sweden and Brazil form new body](#)

## **ECONOMY / ENERGY**

### **Turkey to clarify capital markets law to quell concern**

Turkey plans to clarify what is considered criminal under legislation that provides for imprisonment for certain financial commentary, HaberTurk reported, citing Capital Markets' Board Chairman Vahdettin Ertaş. Turkey's Capital Markets Law, enacted Dec. 31, stipulates punishment for "those who provide untruthful, wrong or misleading information, start rumors, or provide news, commentary, or prepare reports with the intention of influencing prices, values of capital markets instruments or investor decisions." Ertaş stated "We were planning to make secondary legislation concerning this article within six months. Bank of America Merrill Lynch and Commerzbank AG said they were reviewing how the new law will affect their business in Turkey.

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Bloomberg, 5 January 2013, [Turkey to clarify capital markets law to quell concern, HT says](#)  
Wall Street Journal, 7 January 2013, [Turkey leaves banks scrambling to understand new rules](#)

### **Turkey seeks partnership with Qatar to build third LNG terminal**

Turkey is seeking investment from Qatar to build the country's third liquid natural-gas terminal, which may be located close to the country's borders with Greece and Bulgaria, Turkish Energy Minister Taner Yıldız said. "It will help meet the needs of Greece and Bulgaria and reduce shipments through the straits" of the Bosphorus and the Dardanelles, Yıldız told reporters while flying to Algeria. The terminal would handle at least 5 billion to 6 billion cubic meters, he said. Qatar, the world's biggest LNG producer, may carry out a feasibility study for the project and private Turkish companies will probably be involved in its development, according to the minister.

Meanwhile, Algeria and Turkey have decided to renew for 10 years from 2014 an agreement for Algeria to deliver four billion cubic meters of gas annually to Turkey.

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Bloomberg, 5 January 2013, [Turkey seeks partnership with Qatar to build third LNG terminal](#)  
Channel News Asia, 6 January 2013, [Algeria, Turkey renew gas deal for 10 years](#)

### **Survey: Property investors keen on U.S., Turkey; China stumbles**

The United States dominates the list of places that global commercial real estate investors would prefer to put their money this year, while China has lost some luster and Turkey has added sparkle, according to a survey of international investors. For the first time since 2001, four of the top five cities that investors said they favor were in the United States, according to an annual survey that the Association of Foreign Investors in Real Estate (AFIRE) released on January 7.

Among emerging markets, Brazil once again was ranked No. 1. China repeated in No. 2. However, Turkey moved up to No. 3 from No. 7 last year. India, which had been third, slipped to No. 4 to tie with Mexico, which moved up from fifth.

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Reuters, 7 January 2013, [Exclusive: Property investors keen on U.S., Turkey; China stumbles: survey](#)

## **DOMESTIC POLITICS**

### **Turkey's former army chief detained over 1997 "post-modern coup"**

Turkey's former armed forces chief Gen. Ismail Hakkı Karadayı was detained on January 3 in an investigation into the military's role in the 1997 "post-modern" coup. Karadayı was released from custody pending trial the next day after he was questioned by prosecutors over his alleged role in forcing the resignation in 1997 of former Prime Minister Necmettin Erbakan. No trial date has been set.

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Yahoo News, 3 January 2013, [Turkey's ex-army chief detained over 1997 "post-modern coup"](#)

Washington Post, 4 January 2013, [Report: Turkey's former army chief freed pending trial over role in ousting government in 1997](#)

### **Turkey's Erdoğan rules out amnesty for Kurdish militants**

Turkish Prime Minister Tayyip Erdoğan ruled out a general amnesty for Kurdish militants on January 5 but said intelligence agents would continue to talk to the rebels' jailed leader in a bid to end a near three-decade insurgency. Erdoğan's chief adviser said last week that Turkish officials had been discussing disarmament with the Kurdistan Workers Party (PKK) and on Thursday two Kurdish lawmakers paid a rare visit to the militant group's leader in his island prison. Erdoğan said Turkey was taking a two-pronged approach, with the state intelligence agency talking to the imprisoned PKK leader Abdullah Öcalan and the government talking to Kurdish politicians.

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Reuters, 6 January 2013, [Turkey's Erdoğan rules out amnesty for Kurdish militants](#)

Turkish Press Review, 7 January 2013, [Barzani very hopeful and optimistic over government and PKK talks](#)

## **15 January 2013**

### **THIS WEEK:**

#### **TOP STORY**

- Turkey's PKK talks

#### **FOREIGN POLICY**

- Turkey, U.S. to hold intensified Iraq talks
- Turkey postpones order for its first two F-35 fighters
- Turkey strikes PKK targets in Iraq

#### **ECONOMY / ENERGY**



- Economy seen growing 4% or more in 2013
- Turkey beating Norway as biggest regional oil driller
- S&P says no longer has deal with Turkey but will rate it

## TOP STORY

### Turkey's PKK talks

Since the Turkish Prime Minister Recep Tayyip Erdoğan made public on December 28 that National Intelligence Agency (MIT) Chief Hakan Fidan had been holding talks with Kurdistan Workers Party (PKK) leader Abdullah Öcalan and later a pair of pro-Kurdish deputies were granted their wish to meet Öcalan, there has been talk of a ceasefire agreement between the government and the PKK. The goal, Prime Minister Erdoğan declared, was to persuade the PKK to disarm; but under exactly what conditions continues to be a matter of frenzied speculation.

According to an article on Radikal daily published last week, the two sides agreed on a four-stage plan to halt the conflict. The "roadmap" would involve releasing from custody thousands of people accused of PKK links. It would also lead to constitutional reforms removing obstacles to Kurdish language education, strengthening local administrations and an ethnically neutral definition of citizenship, describing people as citizens of Turkey rather than Turkish citizens.

However, the nascent talks were overshadowed last week by the execution-style killings of three Kurdish women activists in Paris, which Erdoğan has suggested could be the result of an internal feud in the PKK or a bid to derail the peace talks. Investigations continue into the details of the killings.

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Reuters, 8 January 2013, [Turkey, Öcalan map out steps to end Kurdish conflict](#)

Foreign Policy, 8 January 2013, [Turkey's PKK talks](#)

Reuters, 10 January 2013, [UPDATE 6-Founder of Kurdish PKK among three women slain in Paris](#)

BBC News, 11 January 2013, [PKK Paris deaths: Turkey PM Erdoğan blames 'internal feud'](#)

CNN, 11 January 2013, [Kurds rally in Turkey over murder of 3 women activists in Paris](#)

ABC News, 12 January 2013, [Kurd protest in Paris demands justice in killings](#)

## FOREIGN POLICY

### Turkey, U.S. to hold intensified Iraq talks

Turkey and the United States are to hold intensified talks on Turkish energy companies' involvement in northern Iraq, which has drawn Washington's annoyance and concerns that the rapprochement between Ankara and Erbil could further push Baghdad toward Tehran. Undersecretary of the Foreign Ministry Feridun Sinirlioğlu is visiting Washington this week to hold talks with his counterpart, Deputy Secretary William Burns, and other senior diplomats.

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Hurriyet Daily News, 8 January 2013, [Turkey, U.S. to hold intensified Iraq talks](#)

### **Turkey postpones order for its first two F-35 fighters**

Turkey announced on January 11 it has postponed an order to purchase its first two US-made F-35 fighter jets due to technical problems and rising costs, but said it still intends to buy 100 more in the long run. "Due to the current state of the JSF (Joint Strike Fighter) and the rising cost it was decided to postpone the order placed on Jan 5, 2012 for the two aircraft," the Undersecretariat for Defense Industry (SSM) said in a statement.

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Hurriyet Daily News, 11 January 2013, [Turkey postpones order for its first two F-35 fighters](#)

### **Turkey strikes PKK targets in Iraq**

Turkish jets have struck suspected PKK targets in a cross-border raid in northern Iraq on January 14, Turkish and Kurdish media reported, even as Turkey started peace talks with the rebels' imprisoned leader.

The Doğan news agency, citing unnamed sources, said four F-16 jets fired at 12 targets of the PKK on Mount Qandil, on the Iraqi-Iranian border. It did not report any casualties. There was no official confirmation of the raid, which was also reported by Firat news.

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ABC News, 15 January 2013, [Report: Turkey strikes Kurd rebel targets in Iraq](#)

## **ECONOMY / ENERGY**

### **Economy seen growing 4% or more in 2013**

Finance Minister Mehmet Şimşek told a news conference on Tuesday that economic growth will pick up this year to 4 percent or more and inflation will fall. The World Bank, however, warned that the country was facing a wider current account deficit. In an economic note on Turkey published twice yearly, the World Bank said it expected the Turkish economy to grow 4 percent this year and 4.5 percent in 2014. Turkey's current account deficit, a measure of a country's competitiveness and fiscal stability, is expected to widen to 7 percent of national output this year from 6.8 percent in 2012. It is seen narrowing again to 6.8 percent in 2014.

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Reuters, 15 January 2013, [UPDATE 1-Turkey economy seen growing 4 percent or more in 2013](#)

### **Turkey beating Norway as biggest regional oil driller**

Turkey is drilling for oil and natural gas with more rigs than any European country and plans new rules in 2013 to speed exploration of energy supplies. The country fielded 26 rigs at Dec. 31, according to data compiled by Bloomberg, and the number has since risen to 34, Energy Ministry officials stated. Turkey has leapfrogged Norway as offshore drilling increased in the Black and Mediterranean seas. Spending on exploration jumped to \$610 million last year from \$42 million a decade earlier.



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Bloomberg, 10 January 2013, [Turkey beating Norway as biggest regional oil driller: energy](#)

### **S&P says no longer has deal with Turkey but will rate it**

Credit-rating agency Standard & Poor's said on January 14 that it no longer has a ratings deal with Turkey's government but it will still offer assessments on the fast-growing economy to meet market interest. "We are converting our issuer credit ratings on Turkey to 'unsolicited' as we no longer have a rating agreement with this sovereign," S&P said in a statement.

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Reuters, 14 January 2013, [S&P says no longer has deal with Turkey but will rate it](#)

## **22 January 2013**

### **THIS WEEK:**

#### **TUSIAD HIGHLIGHTS**

- TUSIAD elects new Board in 43rd General Assembly meeting

#### **DOMESTIC POLITICS**

- Dozens arrested in police raids
- Man charged in deaths of 3 Kurds in Paris

#### **FOREIGN POLICY**

- German, Dutch Patriot missiles arrive in Turkey
- Iraq plans tough steps against KRG, Turkey-based Genel Energy
- Sinirlioğlu wraps up visit to Washington
- Canada to welcome 5,000 refugees from Turkey
- U.S. government delegation to travel to Turkey
- German Chancellor Merkel to visit Turkey

#### **ECONOMY / ENERGY**

- Turkey boosts arms exports by 43 percent
- Azerbaijan approves law on TANAP agreement with Turkey
- Turkey discusses nuclear energy with France

### **TUSIAD HIGHLIGHTS**

#### **TUSIAD elects new Board in 43rd General Assembly meeting**

TUSIAD held its 43rd General Assembly meeting on January 17, 2013. Members for the 2013-14 term of TUSIAD [Board of Directors](#), [High Advisory Council](#), [Auditing Board](#), and [Discipline Committee](#) were elected.

Muharrem Yılmaz was elected as the President of the Board of Directors. Haluk Dinçer, Tayfun Bayazıt, and Memduh Boydak were elected as Vice Presidents.

## **DOMESTIC POLITICS**

### **Dozens arrested in police raids**

The police have arrested 85 people, including leftist lawyers, musicians and human rights activists, in raids against people suspected of having links to an outlawed militant group, Turkish news media reported Friday. A Turkish newspaper, Radikal, reported that those arrested in raids in seven cities were suspected of links to the banned Revolutionary People's Liberation Party Front (DHKP/C). Many of the 15 lawyers arrested work with the Progressive Lawyers' Association, which works with victims of torture and leftist prisoners, according its Web site.

With many of the detained lawyers being well-known human rights defenders, several human rights groups around the world have voiced alarm.

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New York Times, 18 January 2013, [Turkey: Dozens Arrested in Police Raids](#)

Voice of America, 18 January 2013, [Turkey Rounds Up Human Rights Lawyers](#)

### **Man charged in deaths of 3 Kurds in Paris**

Tens of thousands of people gathered last Thursday in the southern city of Diyarbakır to mourn the deaths of three Kurds murdered in Paris last week, an outpouring that some said amounted to the largest political gathering that the Turkish authorities had ever allowed the Kurds to stage.

The reason for the killings remains unclear, but they were widely perceived as an effort to derail the talks, which for the first time involve Abdullah Öcalan, the founder of PKK, who has been held in an isolated island prison since his capture in 1999.

A man who had served as an occasional driver for a prominent Kurdish separatist was charged on Jan. 21 with the killings. The Paris prosecutor's office gave the driver's name as Ömer Güney, 30, and said he had been born in Turkey. It said that he was under investigation over whether he had carried out the killings as part of a terrorist group, and that he was likely to be detained pending trial.

Prime Minister Recep Tayyip Erdoğan told lawmakers in Ankara that groups hostile to the talks shouldn't be able to "dynamite the process." "The public and the media should act in a patient and responsible way," he said.

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Wall Street Journal, 15 January 2013, [Leaders Support Turkey-Kurdish Talks](#)

Voice of America, 17 January 2013, [Debate Roils in Turkey Over Responsibility for Paris Triple-Homicide](#)

New York Times, 17 January 2013, [Crowds Gather in Turkey to Honor 3 Kurds Killed in Paris](#)

New York Times, 21 January 2013, [Man Charged in Deaths of 3 Kurds in Paris](#)

## **FOREIGN POLICY**

### **German, Dutch Patriot missiles arrive in Turkey**

Four batteries of Patriot missiles arrived in Turkey on Jan. 21 as part of a NATO mission to protect the Turkish border from any spillover of the conflict in neighboring Syria. Two of the batteries arrived from Germany while the other two arrived from the Netherlands. The U.S. Patriots “are in Incirlik still,” Peter Woodmansee, missile defense chief of the U.S. European Command, stated. “They will move to Gaziantep once the Turkish military finishes preparing the site. I estimate in another five to seven days or so,” he added.

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Reuters, 21 January 2013, [NATO Patriot missiles arrive in Turkey to counter Syria risks](#)  
Defense News, 21 January 2013, [NATO: German, Dutch Patriot missiles arrive in Turkey](#)

### **Iraq plans tough steps against KRG, Turkey-based Genel Energy**

Turkey is concerned with the security conditions and political tensions in Iraq after attacks on Kurdish party bureaus following an assassination of a deputy. “We fiercely condemn terror attacks on different targets, including the bureaus of the KDP and KYB,” the Foreign Ministry said in a written statement yesterday.

Iraq plans tough measures against the country’s Kurdistan Regional Government (KRG) region and foreign oil companies working there, including Turkey-based Genel Energy, to stop “illegal” crude exports in an escalation of its standoff with the autonomous enclave, the oil minister said in an interview on Jan.16. Abdul Kareem Luaibi said Baghdad intends to sue Genel Energy – the first company to export oil directly from the KRG territory – and may slash the government’s allocated budget to the region unless it halts what he rejected as smuggling.

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Hurriyet Daily News, 17 January 2013, [Iraq plans tough steps against KRG, Turkey-based Genel](#)  
Hurriyet Daily News, 17 January 2013, [Turkey concerned with security and political tension in Iraq](#)

### **Sinirlioğlu wraps up visit to Washington**

Department of State spokesperson Victoria Nuland summarized the January 14 meeting between Undersecretary for Foreign Affairs Feridun Sinirlioğlu and Deputy Secretary Bill Burns. Nuland stated “Syria, Iraq, the importance of international solidarity in Iran and efforts to promote Middle East peace process were discussed. They also discussed U.S. continuing support for Turkey’s efforts to combat terrorism and to deepen justice and rule of law in Turkey and to bolster U.S.-Turkish economic ties.”

Sinirlioğlu also had a chance to meet Secretary of State Hillary Clinton, Assistant Secretary for Europe and Eurasian Affairs Phil Gordon, Assistant Secretary for Near East Affairs Beth Jones, and Special Envoy for Energy Affairs Carlos Pascual.

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Department of State, [Daily Press Briefing: January 15, 2013](#)

### **Canada to welcome 5,000 refugees from Turkey**

Canada will resettle up to 5,000 refugees currently in Turkey by 2018, the country's Citizenship, Immigration and Multiculturalism Minister Jason Kenney has announced during his visit to Turkey.

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Hurriyet Daily News, 16 January 2013, [Canada to welcome 5,000 refugees from Turkey](#)

### **U.S. government delegation to travel to Turkey**

On January 23-31, 2013, the U.S. Department of State and U.S. Agency for International Development will send a delegation of senior U.S. officials to Turkey and Jordan. Throughout the trip, the delegation will meet with senior government and humanitarian officials, the Syrian Opposition Council and others to discuss the humanitarian situation in and around Syria and ways the United States can provide additional support. The delegation includes: Assistant Secretary for the Bureau of Population, Refugees, and Migration, Anne C. Richard; USAID Assistant Administrator for Democracy, Conflict, and Humanitarian Assistance, Nancy Lindborg; and Ambassador Robert Ford.

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Department of State, 22 January 2013, [U.S. Government Delegation to Travel to Turkey and Jordan](#)

### **German Chancellor Merkel to visit Turkey**

German Chancellor Angela Merkel will pay a one-day official visit to Ankara on Feb. 25. Prior to her visit German Interior Minister Hans-Peter Friedrich will have discussions in Turkey Feb. 5 to 7, a visit scheduled recently, according to diplomatic sources. Turkey-European Union relations, visa liberalization for Turkish nationals, bilateral economic relations and Syria are expected to top the agenda.

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Hurriyet Daily News, 18 January 2013, [German Chancellor Merkel to visit Turkey](#)

## **ECONOMY / ENERGY**

### **Turkey boosts arms exports by 43 percent**

Turkish defense companies increased their exports to a strong \$1.3 billion dollars last year, a 43 percent increase over 2011, according to new figures. Most of the exported products were spare parts for airplanes and helicopters, turbojets and armored war vehicles. The United States topped the list of buyers by purchasing a massive \$490 million worth of defense exports from Turkey over the year. The United Arab Emirates followed the U.S. at \$101 million, while Saudi Arabia came third with \$99 million in purchases.

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Hurriyet Daily News, 21 January 2013, [Turkey boosts arms exports by 43 percent](#)

### **Azerbaijan approves law on TANAP agreement with Turkey**

The Azerbaijani government approved on Jan. 18 a law regarding the agreement with Turkey on the Trans-Anatolian natural-gas pipeline project (TANAP).

It is expected that TANAP will begin its work in 2018. The yearly volume of gas supplied as part of stage two of the Shah Deniz gas field project will be 16 billion cubic meters, 6 billion cubic meters of which will be supplied to Turkey and 10 billion cubic meters to Europe. At a later stage it is expected that TANAP capacity will be gradually increased to 31 billion cubic meters a year by 2026.

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Fox Business, 18 January 2013, [Azerbaijan Approves Law on TANAP Agreement with Turkey](#)

### **Turkey discusses nuclear energy with France**

Turkish Energy and Natural Resources Minister Taner Yıldız said that French Minister of Foreign Trade Nicole Bricq and he discussed nuclear power plants in their meeting in Istanbul. Following his meeting with Bricq last week, Yıldız said that Bricq and he took up energy issues. "We are aware of technological developments in France. We shared energy productivity and road maps of Turkey with him. We also know about nuclear technologies in France," he said.

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Anadolu Agency, 16 January 2013, [Turkey discusses nuclear energy with France](#)

## **29 January 2013**

### **THIS WEEK:**

#### **FOREIGN POLICY**

- NATO says 1st missile defense battery deployed to Turkey is operational
- Turkey scrambles to avoid international financial blacklist
- Turkey will help northern Iraq to establish a housing administration

#### **DOMESTIC POLITICS**

- Turkey now over 75 million in population
- Turkey cabinet shuffle supports Kurdish peace talks
- Turkey allows Kurdish language in courts

#### **ECONOMY / ENERGY**

- Turkey is planning to build the world's biggest airport
- Turkey to explore fuel with Shell in Black Sea
- Turkey abandons USD 4 billion T-Loramids SAM system buy

## **FOREIGN POLICY**

### **NATO says 1st missile defense battery deployed to Turkey is operational**

The first of six Patriot missile batteries being deployed to Turkey to protect against attack from Syria was declared operational and placed under NATO command, the international organization said on January 26. The battery, provided by the Netherlands, is meant to protect the city of Adana by shooting down missiles that could come over the Syrian border. The other five Patriot batteries are expected to be in place and operational in the coming days in Adana, Kahramanmaraş and Gaziantep.

“This is a clear demonstration of the agility and flexibility of NATO forces and of our willingness to defend Allies who face threats in an unstable world,” Admiral James Stavridis, NATO’s Supreme Allied Commander for Europe, said in a statement.

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Washington Post, 26 January 2013, [NATO says 1st missile defense battery deployed to Turkey is operational](#)

### **Turkey scrambles to avoid international financial blacklist**

Turkey is scrambling to push through a long-awaited anti-terrorism financing law before a deadline next month to avoid being expelled from an international watchdog and placed on its blacklist alongside Iran and North Korea. Turkey is already on a “grey list” of countries drawn up by the Organization for Economic Cooperation and Development’s Financial Action Task Force (FATF), a money-laundering watchdog, for not implementing the legislation required by its members despite pressing Ankara for years. The FATF has warned Turkey if it does not pass the necessary legislation, which would allow alleged “terrorist” accounts to be frozen without a court order, by Feb. 22, it will be expelled as a member of the group and blacklisted.

Hakkı Koçlu, deputy chairman of the parliament’s Justice Committee, expressed that if the new rules do not satisfy international demands, “It could cause problems in money transfers; foreign countries may increase scrutiny for transfers from Turkey and delay the process.” Turkey may also face hurdles in “cash flow and credits, which could lead to higher interest rates and inflation. The economy may face a complete deterioration.”

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Bloomberg Businessweek, 24 January 2014, [Turkey concerned terror-finance law may not satisfy OECD](#)  
Reuters, 25 January 2013, [Turkey scrambles to avoid international financial blacklist](#)

### **Turkey will help northern Iraq to establish a housing administration**

Turkey will help the semi-autonomous region of Iraq, Kurdistan, to establish a housing institution similar to the Housing Development Administration of Turkey (TOKİ), local media reported Friday. Turkey’s Science, Industry and Technology Minister Nihat Ergün said that TOKİ will be used as a model by the regional government of northern Iraq after a meeting he held with Kurdish Regional Government (KRG)



in Ankara. KRG Industry and Trade Minister Sinan Çelebi said Turkey was their role model, pointing out that they would examine the structure of TOKİ in order to have a similar institution within the KRG and they have already advanced in the process, reported Anatolia news agency. Çelebi also said they would conduct research on industrial zones in Turkey, adding that they realized the poverty of the country after the collapse of late President Saddam Hussein's regime in 2003. Turkish construction firms have taken a large part in northern Iraq's restructuration, according to Çelebi.

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Al Arabiya, 27 January 2013, [Turkey will help northern Iraq to establish a housing administration](#)

## **DOMESTIC POLITICS**

### **Turkey now over 75 million in population**

Turkey now has 75,627,384 people residing in the country, according to official numbers revealed by the Turkish Statistical Institute. A 903,115-person increase was seen over the previous year, with the male population nearing 50.2 percent, and female population accounting for around 49.8 percent. The population's overall increase rate was 12 in 1,000, slower than last year's rate of 13.5 in 1,000. Eighteen percent of the country's population resides in Istanbul, which has as an official population of 13.8 million. The average age of the country increased up to 30, with the working age group also increasing in numbers, official numbers show.

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Hurriyet Daily News, 28 January 2013, [Turkey now over 75 million in population](#)

### **Turkey cabinet shuffle supports Kurdish peace talks**

Turkey sent yet another strong signal of its desire to end a three-decade Kurdish insurgency on Thursday when Prime Minister Recep Tayyip Erdogan picked a moderate interior minister to replace a hawkish predecessor in a cabinet shuffle. Muammer Guler, a lawmaker and former governor of Istanbul, took over the Interior Ministry from Idris Naim Sahin, who made headlines with his gaffes and nationalist outbursts during his one-and-a-half-year stint.

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Wall Street Journal, 25 January 2013, [Turkey cabinet shuffle supports Kurdish peace talks](#)

### **Turkey allows Kurdish language in courts**

Turkey's parliament has voted to allow Kurds to use their own language in court. The move long demanded by Turkey's minority could break a deadlock at trials of hundreds of Kurds suspected of having links to rebels.

Turkey's parliament voted 238-41 late Thursday with support coming from Prime Minister Recep Tayyip Erdoğan's ruling AK Party and the pro-Kurdish Peace and Democracy Party (BDP).

During a heated debate, the BDP was, however, critical of a requirement in the legislation that defendants speaking Kurdish pay for translators.

Meanwhile, the European Court of Human Rights (ECHR) has fined Turkey over 60,000 euros in the case of several politicians who were all tried and convicted by Turkish courts for speaking Kurdish during election rallies. The court decided unanimously that Turkey had violated freedom of expression by convicting the Kurdish politicians – Şükran Aydın, Ayşe Gökkan, Ayhan Erkmen, Orhan Miroğlu and Mesut Bektaş – who had been fined and even sentenced to prison under a now-amended law that banned speaking any language other than Turkish during election campaigns.

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Hurriyet Daily News, 22 January 2013, [European court fines Turkey over Kurdish-speaking politicians](#)  
DW, 25 January 2013, [Turkey allows Kurdish language in courts](#)

## **ECONOMY / ENERGY**

### **Turkey is planning to build the world's biggest airport**

Turkey is planning to build the world's biggest airport in Istanbul, the country's Transportation Minister Binali Yıldırım stated on Jan. 22. To be built on a 828 million-square-foot plot of land on the European side of the city, it will be able to serve 150 million annual passengers, making it the busiest airport in the world.

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Business Insider, 23 January 2013, [Turkey is planning to build the world's biggest airport](#)

### **Turkey to explore fuel with Shell in Black Sea**

Turkey's state-run oil researcher TPAO prepares to search for oil in the Black Sea with the Anglo-Dutch Shell, after failed attempts by international energy companies, according to sources. The contract date has been determined to be Feb. 14, when the two companies will reveal their search and production deal to the public, sources said.

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Hurriyet Daily News, 28 January 2013, [Turkey to explore fuel with Shell in Black Sea](#)

### **Turkey abandons USD 4 billion T-Loramids SAM system buy**

Turkey has decided to abandon its plans to buy an off-the-shelf system for its T-Loramids surface-to-air missile (SAM) program and is now seeking to co-develop a SAM system instead. Local and foreign defense industry sources have informed IHS Jane's that Turkish Prime Minister Recep Tayyip Erdoğan used his influence on the Executive Committee (EC) of the Undersecretariat for Defense Industries (SSM) during its 3 January meeting to abandon the USD4 billion purchase of 12 SAM systems in favor of the development of an advanced SAM system between Turkey and one of the bidding companies.

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IHS Jane's, 24 January 2013, [Turkey abandons USD4 billion T-Loramids SAM system buy](#)