

**SPEECH BY H.E. MR ALİ BABACAN
MINISTER OF STATE AND
CHIEF NEGOTIATOR
OF THE REPUBLIC OF TURKEY**

“The Process of Negotiations: Turkey on the way to EU Accession”

**Clingendael,
Netherlands Institute of International Relations
The Hague, 5 September 2006**

Excellencies,
Ladies and Gentlemen,

It is a great honour and pleasure for me to address such a distinguished audience.

I would like to thank, at the outset, Professor de Zwaan, Director of the Clingendael Institute, for having given me the opportunity to share with you my views on Turkey's accession process to the European Union.

The relatively long history of Turkish-EU relations indicates that Turkey's accession to the EU is not a subject that came out of the blue and all of sudden. It is the result of a long, laborious and protracted negotiations and preparation.

In my view, two main questions need to be answered when we talk of Turkey's aspiration to join the EU. "Why does Turkey want to join?" and "What has Turkey got to offer?"

The modernization movement, which has been continuing ever since the Ottoman times through the Republican period, is the clearest expression of Turkey's desire to be integrated into the modern world.

Turkey has never deviated from this goal.

In its attempts to become a part of the modern world, Turkey has never lost its confidence in its own social richness and in its own values and civilization.

More than fifty years of integration in Europe based on the principles of liberty, democracy, fundamental rights and freedoms and the rule of law proved that it generates stability and prosperity.

In Europe itself, in a very brief period of time, the nations of Europe have succeeded in turning war into peace, confrontation into cooperation and enmity into friendship. The EU is the most meaningful manifestation of this success.

The EU has not only ensured internal peace, but has also enshrined the democratic principles which have guaranteed fundamental rights and freedoms and created a single market.

In that sense, enlargement has been one of Europe's greatest achievements.

Therefore, the opening of accession negotiations with Turkey was a historic step, the positive effects of which are already being felt beyond the borders of the EU. Observers from across the globe have hailed this as a positive breakthrough. Turkey's prospective membership has a special significance as regards the pursuit of our common values.

Turkey is aware that negotiations will be tough, long and painstaking. More will be required from Turkey than from previous candidate countries, because of its size, economic structure and its cultural aspects.

Is Turkey an asset or a liability for the EU? Turkey believes that many points put forward as a liability are actually assets that could be utilized to the advantage of the EU.

I will mention some of the contributions that Turkey may make to the European Union.

From the EU perspective, Turkey's membership will help strengthen the EU's role as a global actor. If the EU wants to be one of the major players in the global scene, it will achieve this goal more easily with Turkey's contribution.

As a key regional actor and ally located in close proximity to many existing and potential hotspots that are high on the European and international agenda, Turkey can help enhance stability and promote welfare in the Balkans, the Caucasus, Central Asia and the Middle East. In fact, out of 15 hot spots identified by NATO as potential threat to the alliance, 12 are located in areas adjacent to Turkey or in areas where Turkey has cultural or historical ties. These areas are Middle East (including Palestine, Syria, Iraq and Iran), Caucasus, the Balkans and the Central Asia. I do not want to suggest that EU cannot carry out its goals in these areas without Turkey's contribution. However, I may say without undue modesty that these goals could be achieved more easily, with less effort and resources and with much less acrimony, if it is done in cooperation with Turkey.

Turkey contributes to the ongoing *rapprochement* between Europe and Asia and hence helps extend modern values in regions neighboring Turkey.

Furthermore, Turkey's membership in the European Union will surely be a symbol of harmonious co-existence of cultures, and enriching the spiritual fabric of the European Union. If the EU gives the impression that it is a Christian Club, this will give a pretext to the fundamentalist organizations to claim that the EU excludes non-Christians and that the world is divided on the basis of the religious fault lines. Such a scenario will look like a reconfirmation of the theory of the *Clash of the Civilizations* developed by Huntington. I believe that this theory is detrimental to peace and stability in the world. Experience of 9/11, Afghanistan and Iraq suggests that the *Clash of the Civilizations* does not make the world more secure.

Turkey is a country with a predominantly Muslim population. But it is also a secular country. Secularity in Turkey is not only a principle enshrined in the Constitution and forgotten there. It is properly grasped and digested by the Turkish people. Democratic institutions function properly, at least more satisfactorily than some of the existing member countries of the EU. These unique features of Turkey make it a special case in the Islamic world. Turkey's accession to the EU will give to the Islamic world the message that democracy and Islam are not incompatible and the EU is not closed to countries of others faiths as long as they comply with the required standards. On December 17th, 2004, when the decision was made for Turkey to start negotiations, there were 274 journalists in Brussels coming from Islamic countries. They were there to follow the decision about Turkey. The change process of Turkey will be closely monitored from a very wide geography. The reforms in Turkey will inspire a lot of nations in the neighborhood.

Once Turkey becomes a member of EU, it will be able to contribute much more to the Common Foreign and Security Policy. With its experience and capabilities in the military field, Turkey will definitely increase the weight of the EU in the global arena.

With Turkey as a full member, the Union will no doubt have a stronger voice. The prevention and settlement of conflicts that involve the western community of nations and other countries will be easier. The world will be safer. Above all, it will be a serious blow and an outright response to radical terrorism shaking the world today.

In the economic field, Turkey is located at the crossroad linking Asia to Europe and serves as a gate to the warm seas for the Black Sea basin countries, namely Bulgaria, Romania, Moldova, Ukraine, the Russian Federation and Georgia. On the other hand Turkey is located on the natural route between Europe and basins rich in oil and natural gas such as Iraq, Iran, Caspian Sea and Central Asia. The increasing role of Turkey as a new energy terminal, will contribute to future energy safety of Europe by creating alternative East-West and North-South energy routes.

Turkey has a young population, which will help future competitiveness of the EU.

Turkey has a customs' union with the EU since 1996. Industrial commodities circulate between Turkey and the EU countries free of customs duties. This demonstrates that Turkey's free market economy will be able to compete with the economies of the EU countries. Therefore Turkey's economy will not have major difficulty in adapting itself to the economies of the EU countries.

On the other hand Turkey's big population is a big labour market, but it is at the same time a big market for the consumption goods produced by the industries of the EU countries.

Distinguished Guests,

Throughout the negotiation process, Turkey shall spare no effort until the very end. All our authorities at every level are fully committed to the goal of fulfilling the criteria for membership in due time.

The screening process, which we are currently conducting with the Commission is, on the whole, progressing according to the foreseen calendar.

We have completed the screening of twenty-seven chapters so far. Over 2500 officials from all our related institutions have participated in these meetings and have increased their knowledge on our responsibilities regarding alignment with the acquis.

Our aim is to complete the screening process in mid-October.

We appreciate the Commission's efforts for the successful conduct of this process.

Another critical threshold was passed with the opening and provisional closure of negotiations in "Science and Research" chapter on 12 June 2006. Our performance in this process once again confirmed our will towards membership.

We have finalized our legislative alignment program for 2006 and 2007 in those chapters where screening is completed.

A similar exercise will be done for the remaining chapters as well. When screening is completed in mid-October, we will have a complete roadmap of priority issues in respect of legislative alignment.

In a wider framework, we intend to finalize the Third National Plan, which will be another important document to guide our future work very soon.

In short, we are conducting intensive and multi-dimensional efforts in the context of our accession process. In all this work, we uphold the principle of ownership at all levels, including civil society.

Distinguished Guests,

Turkey has been going through a remarkable process of reform and change since 2002. Very few countries have experienced a pace of change as rapid or comprehensive as Turkey has. Very few Governments have as solid a record of legislative achievement as ours. Within this perspective, one-third of the constitution has been amended, harmonization packages have been enacted, and many legal and administrative measures have been introduced.

The reforms put in place by our Government have brought major improvements to the lives of our citizens. Our reform process is a response to the aspirations and expectations of the Turkish people for the highest standards of democracy, the rule of law and well-being. Indeed, the strongest driving forces of the reforms are the sense of ownership and the broad-based support of our people for this process.

One of the most visible results of the reform process so far has been the new mood of openness and freedom in public debate. Rich and lively debates are taking place on all issues. Taboos are being broken one after the other. Civil society is getting stronger and more organized. Currently we have 269 TV channels in Turkey broadcasting in analogue technology. 23 national, 16 regional, and 230 local channels exist. In addition to this, 48 TV channels started to broadcast satellite. We have a total of 1110 radio channels. 5 million households out of 17 have satellite dishes. As of end of this year, there will be no primary school in Turkey without internet access and PC availability.

The assertions which are being made by some circles that the reform process has slowed down have no basis. I want to underline here very clearly that the reforms will continue with even more resolve.

That is why we continue to introduce new pieces of legislation and administrative measures to achieve the highest contemporary standards in the field of fundamental rights and freedoms.

Clearly, the task of ensuring the systematic and effective implementation of the reforms presents an even greater challenge. This is what we are now focused on. Our training and awareness-raising efforts in various fields aimed at ensuring the effective implementation of the reforms and guaranteeing the necessary change of mentality are continuing. However, like anywhere else, changing mentalities needs time.

All our institutions are working intensively to achieve the most effective implementation as early as possible. Our Government will continue to closely monitor this process and take all necessary measures accordingly.

Distinguished Guests,

We have entered a new stage in the economy with the beginning of the accession negotiations with the EU. As you are aware, the European Union acquis is almost 90 percent directly related with the economy. The more we align our legislation with the acquis the more we will feel its impact on the economy and social life.

The Turkish economy is now more confident in further opening itself to European investment and trade. We have completed comprehensive structural reforms in public sector, financial sector, social security and now working on reforms in labor market.

Bilateral trade between Turkey and EU countries is fast approaching one hundred billion US dollars, making Turkey one of the EU's largest trading partners. Total external trade volume of Turkey exceeded 190 billion dollars, which is more than 50 % of the GNP.

Our economy is rapidly integrating with the EU and the international economy. We are pleased to see that EU banks and companies are greatly stepping up their investments in Turkey. Turkey has become a centre of attraction for Foreign Direct Investment inflows. The foreign investment climate and legislation have been improved substantially. There is now no differentiation between domestic and foreign investors. Our large-scale privatisation initiatives, which attract the attention of the world's biggest companies, will continue in the period ahead. The average FDI in flow to Turkey was historically 1 billion dollars a year. In 2003 1.8, in 2004 2.8 billion dollars of FDI was made in Turkey. In 2005, the figure reached 9.7 billion dollars. First 6 months of 2006 it is already 9 billion dollars.

As a result of the strong monetary and fiscal policies which we have implemented in the last four years, inflation has been brought down to single digit figures for the first time in thirty-four years. This has taken place in a period of high growth. The average rate of growth for the last four years is 7.8 %. In the same period, the budget deficit has been reduced from 17 % of GNP in 2001 down to 2 % of GDP in 2005. Public net debt stock decreased from 91 % of GDP in 2001 down to 56 % of GDP at the end of 2005. We changed the composition of the budget spending items and put education to top of the list as number one spending area since 2003.

When all the indicators for the Turkish economy are analysed, it becomes clear that Turkey will meet the Maastricht Criteria even before becoming a full member of the EU. It is estimated that in the next decade, Turkey will become the sixth largest economy in Europe, with a total GDP of over one trillion US dollars.

The positive trend in our economy will be reinforced by our accession process to the EU.

By becoming a member of the European Union, Turkey will not only contribute to the economic, social and legal structure of Europe but will also become an important center of commerce and investment in its region.

Accession negotiations with Turkey will definitely take several years. The opening of negotiations for each one of the 35 chapters will be subject to benchmarks to be determined by the Commission. Furthermore the opening and temporary closure of negotiations on each of the 35 chapters will require the unanimous decision of the Intergovernmental Conference.

In other words every member country will have the right to block further progress in the negotiations. And finally, when the negotiations are closed on all of the chapters, each of the member countries will have to ratify Turkey's accession either through a parliamentary decision or a referendum.

We cannot foretell what will be the balance of powers in the world at that time, we cannot foresee what role Turkey could be asked to play together with EU in volatile regions of the world such as the Balkans, Middle-East or Caucasus. We do not know to what extent the worries expressed by some Turko-sceptics will materialize.

Distinguished Guests

We are acting with the understanding that our relations with the EU are a process conducted between partners. We are displaying in the strongest way the necessary political will with the sense of historic responsibility which this path requires. However, for EU enlargement to proceed successfully, all concerned parties must have strong political will.

We are determined to conclude this process which we have embarked on with the perspective of full membership.

I am confident that no effort should be spared to support this process.

We must work together to overcome the political difficulties of the accession process. All of us have serious responsibilities in this regard.

Thank you.