

in the reporting period, notably in light of the conclusion of the agreement with the United Kingdom after the completion of the EU-UK new agreement. Turkey's large deviation from the Common Customs Tariff remained with a wide scope of additional customs duties, and divergence from the EU Generalised Scheme of Preferences remained in place infringing on the EU-Turkey Customs Union. The recommendations from last year were not implemented.

In the coming year, Turkey should in particular:

- urgently re-align the customs tariff with the Common Customs Tariff;
- complete alignment with the EU's Generalised Scheme of Preferences and dual-use export control regime.

There was no progress on the **common commercial policy**. The additional duties applied on a large number of imported products remained in place and were further expanded to additional product categories. The imposition of additional duties significantly impaired Turkey's once good level of alignment with the EU common commercial policy. In addition, Turkey did not converge to the EU's Generalised Scheme of Preferences in terms of either countries or products. New investigations initiated on the basis of weak evidence, and the use of safeguards where more targeted trade defence measures - such as the anti-dumping instrument - would have been more appropriate, remained a cause of concern. There is a need for closer coordination between the EU and Turkey within the World Trade Organisation, in particular on the Doha Development Agenda, in the OECD and the G-20.

On export controls on **dual-use goods**, Turkey did not align with the EU position on certain multilateral export control arrangements, such as the Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies, and the Missile Technology Control Regime. There is still no alignment with the EU position on medium- and long-term export credits.

Regarding **bilateral agreements with third countries**, Turkey concluded a free trade agreement with the United Kingdom following the entry into force of the EU-UK Trade and Cooperation Agreement, aiming for trade continuity after the withdrawal of the UK from the EU. Turkey continued to implement its free trade agreement with Malaysia, although the EU has no such agreement with that country. In addition, Turkey concluded and implemented an agreement with Venezuela.

As for **development policy** and **humanitarian aid**, official development assistance (ODA) granted by Turkey stood at EUR 7 billion, equivalent to 1.12 % of its gross national income (GNI) in 2020, thus further exceeding the 0.7 % target enshrined in the Sustainable Development Goal 17. This assistance was largely directed towards humanitarian support for the Syria-related activities on Turkey's own territory.

Chapter 31: Foreign, security and defence policy

Member States must be able to conduct political dialogue under EU foreign, security and defence policy, to align with EU statements, to take part in EU actions and to apply agreed sanctions and restrictive measures.

Turkey has **some level of preparation** in the area of foreign, security and defence policy. There was **backsliding** in the framework of political dialogue on Common Foreign and Security Policy (CFSP) as **Turkey's increasingly assertive foreign policy continued to collide with the EU priorities under CFSP, notably due to its support for military actions in the Caucasus, Syria and Iraq.** While the institutional framework enabling Turkey's participation in CFSP and the Common Security and Defence Policy (CSDP) is in place, Turkey

maintained a very low alignment rate of around 14 %. Turkey's military support in Libya, including the deployment of foreign fighters on the ground, and its persistent criticism of, and lack of cooperation with Operation IRINI, are detrimental to the EU's effective contribution to the UN arms embargo implementation, and have led to conflicting approaches on Libya. Turkey wants to see a stable and prosperous Syria, an objective it shares with the EU. The recommendations from last year were addressed only to a very limited extent.

In the coming year, Turkey should in particular:

- take decisive steps to significantly improve alignment with EU declarations and Council decisions on the Common Foreign and Security Policy;
- enhance further the political dialogue on foreign and security policy with the EU.

The high level **political dialogue** between the EU and Turkey on foreign and security policy issues did not take place. The political dialogue took place only at senior official level. In December 2020 and in June 2021, the President of the European Council and the President of Turkey held a telephone call discussing outcomes of European Council debates on Turkey; Contacts at Presidential and Ministerial level continued, notably in the framework of the April 2021 meeting of the Presidents of the European Council and the European Commission with the President of Turkey in Ankara. In August 2021, the President of the European Council and the President of Turkey held a telephone call on the situation in and around Afghanistan. The High Representative/Vice President met his Turkish counterpart on several occasions. Turkey attended a number of events organised or supported by the EU, including the Brussels V Syria Conference in March 2021. Discussions focused on regional conflicts, in particular Syria, Libya, Iraq, Afghanistan, Eastern Europe and the South Caucasus.

(See Political criteria – Regional issues and international obligations - for more information on developments on bilateral relations with other enlargement countries and EU Member States.)

The institutional framework enabling Turkey's participation in **the common foreign and security policy** (CFSP) and **the common security and defence policy** (CSDP) is in place both at the Ministry of Foreign Affairs and the Ministry of Defence. CFSP alignment remained at very low levels reaching 14 % as of August 2021 compared to 11 % in 2020 and 21 % in 2019. Turkey in particular never aligns with EU restrictive measures, including that of economic sanctions. Regarding CSDP, Turkey participated in Operation EUFOR ALTHEA as the biggest non-EU troop contributor.

Turkey continued to seek its involvement in EU defence initiatives (PESCO, EDF). Turkey's narrow interpretation of the EU-NATO cooperation framework continued to pose an obstacle to building a genuine organisation-to-organisation relationship, in particular by limiting the exchange of information and blocking the inclusive participation of all Member States in joint activities of the two organisations.

The Turkish Ministry of Foreign Affairs' annual strategic document "Enterprising and Humanitarian Foreign Policy" is regularly updated and presented to the Parliament for approval. Turkey posits foreign policy narratives such as "local and national", "strong in the ground, strong at the table" or "the world is bigger than five". Turkey's foreign policy dialogues with non-EU actors increasingly focused on trade and defence cooperation. Turkey stressed the importance of global cooperation in the fight against the COVID-19 pandemic.

As a supporter of multilateralism, Turkey was contributing to nine international (UN, NATO and EU-led) peace support and observer missions. Turkey participated at the virtual UN General Assembly in September 2020, making a strong plea for multilateralism, and

continued to voice support for the reforming of the UN Security Council. It reiterated its dedication to the 2030 Agenda of the Sustainable Development Goals. Turkey participated at the virtual **G20 Riyadh Summit** in November 2020 and the virtual **OSCE Ministerial Council** in December 2020.

Turkey participates in, and complies with, the different international regimes/instruments concerning the **non-proliferation** of weapons of mass destruction. However, it obstructs participation of the Republic of Cyprus in the Conference on Disarmament.

With regard to **hybrid threats**, in the context of international conflicts and crises, the circulation of false information on social media and in mainstream media has been observed also in the Turkish information environment. Access to factual information, while guaranteeing the full respect for freedom of media, is crucial to mitigate the deepening of existing tensions and to facilitate peace building as well as conflict prevention.

Despite a number of challenges in bilateral U.S.-Turkish relations, Turkey remains an important partner and NATO ally for the **United States**. The Turkish purchase of Russian S-400 air defence missiles has led to Turkey being subjected to US Countering America's Adversaries through Sanctions Act (CAATSA) sanctions, in force since April 2021. Notwithstanding the imposed sanctions, Turkey kept refusing to part with its military investment. The competent US appeals court's decision was pending over Turkey's state-owned Halkbank's role in helping Iran evading US sanctions. Turkey continued to demand the US to extradite Fetullah Gulen for having orchestrated the 2016 coup attempt in Turkey. US support to the Syrian Democratic Forces (SDF) was a major grievance of Turkey. However, the engagement of the new US administration with Turkey, including at the Leaders' level was constructive. The US administration expressed its intention to engage closely with Turkey on regional issues, including Afghanistan, humanitarian access to Syria, and counterterrorism activities. **Canada** cancelled export permits for military goods and technology to Turkey following the results of an investigation into allegations that Canadian technology was being used by the Azerbaijani military forces in the Nagorno-Karabakh conflict.

Turkey maintained its contacts with the countries of **Latin America** through its humanitarian diplomacy, providing medical supplies and equipment to Paraguay, Brazil and Venezuela.

Turkey continued to pay a particular attention towards **Africa**. The Third Turkey-Africa Economic and Business Forum was organised online in October 2020, in collaboration with the African Union Commission. Turkish interests and businesses are particularly active in Somalia, not without risks as often illustrated by al-Shabaab attacks on Turkish contractors.

Turkey improved its rhetoric and made repeated outreach towards **Egypt**. Respective positions were still divergent on many issues, notably Libya, energy cooperation in the Eastern Mediterranean and the Muslim Brotherhood. Turkey also softened its tone towards Israel, however, it continued to criticise its settlement policy and intervened in defence of Palestinian interests, in particular during the flare-up of violence in May 2021.

Regarding relations with **Libya**, Turkey repeatedly expressed that it favours an agreement in the framework of the Libyan political process. Turkey quickly contacted the new Libyan interim administration under the leadership of interim Prime Minister Dbeibah and the Head of the Presidential Council Menfi. Turkey continued to assert the validity of the Turkish-Libyan maritime delimitation and military agreements of 2019 which the EU considers an infringement upon the sovereign rights of third States, not complying with the Law of the Sea and having no legal consequences for third States. In April 2021, the first Turkey-Libya High Level Strategic Cooperation Council was held, focusing on political and economic aspects.

Both sides signed five Memoranda of Understanding, mainly in the construction sector.

The persistent foreign interference in Libya continued to challenge seriously the implementation of the UN-led Berlin process. Turkey claimed that the UN embargo provisions, the articles on withdrawal of foreign elements and the suspension of military training in the cease-fire agreement are not applicable to the legitimate government. On a regular basis, the Turkish Ministry of Defence issued statements on ongoing training with Libyan forces and the legitimate presence of Turkish military forces. The presence of mercenary forces was a complicating factor. Turkey maintained its unjustified opinion that Operation IRINI is not balanced and that it disproportionately targets the Government of National Accord. After the incident with the interception of the Turkish vessel by Operation IRINI, the EU and Turkey established a clear line of communication to prevent potential miscommunication.

The EU listed a Turkish shipping company in the framework of violations of the Libya weapons embargo.

Turkey remained committed to the political process in **Syria** and engaged with Russia and Iran in the framework of the Astana Process, complementing the Geneva Process. Turkey actively supported the work of the Constitutional Committee and continued to lend support and assistance to the opposition. One year after the Syrian regime's latest large-scale offensive on Idlib, the cease-fire agreed in March 2020 between Turkey and Russia held during the reporting period, although cease-fire violations and military flare-ups regularly took place. Turkish troops significantly reinforced their military presence in the region. Turkey started dismantling certain military observation posts, which were encircled by Syrian regime forces. Since August 2020, joint Turkish-Russian patrols in Idlib on the M4 highway no longer took place due to Russian safety concerns for its troops. The presence of radical elements in Idlib made for a complex picture on the ground.

Since Operation Peace Spring in October 2019, Turkey and the opposition forces it backs kept control of the area between Tel Abyad and Ras al-Ayn, going 30 kilometres deep into the Syrian territory. The situation in this region remained fragile. Turkish forces engaged in "retaliation operations" in northeast Syria, in a claimed reaction against infiltration attempts by Syrian Democratic Forces (SDF). Turkey attached no credibility to the intra-Kurdish dialogue in northeast Syria.

Governors in Turkish provinces adjacent to Syria played a central role in building administrative capacities in Turkish-controlled northern Syria. Turkey developed housing and infrastructure in the regions it controlled, linking them to those of Turkey; it also provided basic services to the local population. However, the human rights situation in northern Syria under the control of Turkish forces and Turkey-affiliated armed groups remained a matter of concern. The Turkish authorities supported activities conducted by the Syrian Interim Government to bring back stability and create administrative structures on the ground. Despite efforts being made, as an occupying power Turkey needs to continue to address the human rights issue. Turkey cooperated with the United Nations High Commissioner for Refugees.

Turkey maintained close relations with **Iraq** and various high-level meetings took place. Turkey also maintained good relations with the authorities of the Kurdistan Region of Iraq. Turkey continued its anti-terrorism operations in the Iraqi territory, in particular against the PKK groups and entities involved in acts of terrorism. The recrudescence of such operations in April and May 2021 was criticised by the government of Iraq. Turkey welcomed the Al Ula Declaration ending the dispute among the members of the Gulf Cooperation Council. Turkey had an intensive cooperation, including a military base with **Qatar**, which is also

engaged financially in Turkey. The relations with the **Kingdom of South Arabia** improved, despite the case of the Kashoggi murder, while the relations with the **United Arab Emirates** remained tense.

Turkey supported the safeguarding of the Joint Comprehensive Plan of Action on **Iran** and acknowledged the EU initiatives on the matter. Turkey maintained a high-level dialogue with Iran. Some tensions with Iran could be noticed in the context of the Syrian and north-Iraqi theatres.

Turkey and **Russia** further developed their bilateral cooperation in a range of areas, including cooperation on defence, economy, energy, tourism and culture. They maintained an intensive involvement in, and coordination on regional conflicts in Syria, Libya and Nagorno-Karabakh, despite providing political and military support to opposing parties. Turkish and Russian leaders spoke regularly. Turkey also coordinated with Russia to water down the NATO response to the forced diversion of an EU plane over Belarus.

Relations with **Ukraine** further developed, with the Ukrainian President's visit in Turkey in April 2021, notably in the areas of defence and aerospace as well as tourism. Turkey continued to stand on Ukraine's side regarding Russia's illegal annexation of Crimea and support to the "rebels" in the Donbass region.

Regarding the South Caucasus countries, Turkey focused its cooperation on energy, including TANAP and the Baku-Tbilisi-Ceyhan pipeline, as well as connectivity. The Vice Prime Minister and Minister of Foreign Affairs of **Georgia** visited Turkey in March 2021. Turkey considered that bilateral issues between Georgia and Russia could be better addressed in a multilateral platform. Turkey took a leading role in supporting **Azerbaijan** military efforts in Nagorno-Karabakh, providing military assistance, intelligence and weapons, and reportedly support through foreign fighters. As a consequence, relations with **Armenia** did not improve.

The "Asia Anew" initiative announced by Turkey's Foreign Minister in August 2019 seeks to diversify Turkey's diplomatic relations and enhance its ties with the continent. Joint projects with ASEAN were further developed, including on tourism, science and technology, higher education, disaster response and demining.

Turkey and **China** continued working together to align Turkey's Middle Corridor infrastructure strategy with China's Belt and Road Initiative. Chinese financial investments into Turkey increased. A direct train link between the two countries was inaugurated. In December 2020, China ratified the bilateral extradition agreement with Turkey. The ratification of the agreement by Turkey was pending. Turkey further developed its cooperation with **Indonesia** in the defence industry area. Turkey and **Japan** made no progress in negotiations for an economic partnership deal. Turkey's Foreign Minister visited **Pakistan** in January 2021 and inaugurated a new Consulate General in Karachi. He visited **Bangladesh** and **Indonesia** in December 2020, aiming to increase cooperation in the fields of economy and defence industry.

Turkey invested further into the relations with the Turkic-speaking **Kazakhstan**, **Uzbekistan**, **Turkmenistan**, and **Kyrgyzstan** focusing on trade, connectivity and energy. The Turkish Foreign Minister visited **Tajikistan** in March 2021 to attend the 9th Ministerial Conference of the Heart of Asia-Istanbul Process. The latter platform focuses on **Afghanistan**, where Turkey seeks to play a key role in the Taliban-led country and maintain its presence in Kabul.