



TURKISH INDUSTRIALISTS AND BUSINESSMEN'S ASSOCIATION

**Speech delivered by
the Chairman of the Board of TÜSİAD
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at the "Cyprus's Accession to the EU" Conference**

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Boğaziçi University**

Ladies and Gentlemen, good morning.

I am pleased to welcome you to the second day of this international conference on Cyprus that TÜSİAD jointly sponsored with Bosphorus University.

This meeting is taking place at a time when direct negotiations, under a more or less strict deadline, are being held in the island. We hope and expect that this conference will generate many fresh approaches and debate inspiring ideas that might prove useful for the parties.

In the autumn of their political lives, the two historical leaders of Greek and Turkish Cypriots face perhaps the final challenge of their long and distinguished careers as statesmen: how to finally bring a fair and lasting peace to the island. We wish them luck.

There are plenty of good reasons for wanting to finally solve the Cyprus problem. The people of the island deserve to have a final and lasting settlement and begin a new attempt at partnership. It is incumbent upon all the parties to this conflict to bring it to an end and to contribute to the project of European integration. The resolution of the Cyprus problem is also intimately related with Turkey's own process of accession to the EU. In fact both issues will have to move together.

A recent study argued that there are three possible outcomes under the current circumstances. Two are bad and one is good. A so-called win-win situation. If a divided Cyprus accedes, Turkey-EU relations will suffer seriously. If there is no accession decision on the part of the EU, Greece can block the entire enlargement process. If a unified Cyprus accedes all is supposed to be fine.

True as this assessment is, it needs to be taken further. For EU-Turkey relations to remain on track, the resolution of the Cyprus problem is an imperative. The accession of the island unified on the basis of the equality of the two sides is only a necessary condition.

There must also be progress on EU-Turkey relations proper. We are well aware of what Turkey needs to do in order to meet its obligations as outlined in the National Program. We voice our views on that matter on every possible occasion and call for further political liberalization and democratization.

But we also call on the EU not to apply double standards to Turkey. We expect that every time we move closer towards the next step in the accession process a newly invented term will not be thrown our way. We wish to further our economic integration and receive the funds that are necessary to carry most of the reforms out. As the businessmen of the only country that has a customs union with the EU that is not a member, we wish to talk in a more engaged fashion about investments and business opportunities.

It is heartening that the EU finally made a significant move on an issue that is very dear for Turks in all walks of life. We welcome the inclusion of PKK and DHKP-C in EU's terrorist organizations list. Still there will have to be more of a commitment on the part of the EU to Turkey's full membership. If by the Fall Turkey makes further progress in harmonization, on the death penalty and the other issues on the accession agenda, we and the public, will expect to have a date for starting accession negotiations.

I find it encouraging that in recent months serious scholars have written weighty articles about Cyprus. These are imaginative, even-handed and conducive to finding a balanced and applicable solution to the problem. In this context the Belgian model was mentioned as providing a possible guideline for devising a structure for Cyprus.

What must be kept in mind is the fact that the Cold War that provided the context for the Cyprus problem had long ended. The Soviet Union is no more and the non-aligned movement is devoid of purpose. Today's context for Cyprus is the EU enlargement process. This new context provides us with a multiplicity of possible solutions.

As the study by Emerson and Tocci concludes, "If in Cyprus the political will to succeed is sustained, the available tool kit seems to make a solution eminently feasible." I believe that this high-powered gathering will make significant contributions to the search for a politically and practically feasible solution to the Cyprus problem.

Thank you.