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# Cyprus

## Is one of the oldest conflicts about to be resolved?

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**Eleven years after the failure of the Annan Plan, the chances for a resolution of the Cyprus dispute appear to be better than ever before. Reunification talks have gained momentum as a result of good understanding between the leaders of the two communities on Cyprus, due to consensus among the guarantor powers of 1960 – Greece, Turkey and the United Kingdom – as well as by a favourable regional environment and the tangible prospect of high peace dividends. Difficult issues must nevertheless still be resolved.**

A mere one hundred kilometres from the chaos of the Syria conflict and the raging of terrorist militias, signs of a thaw are appearing in one of the longest and most complicated conflicts of the post-World War II era. In 1974, Turkey staged a military intervention on Cyprus in order to counter enosis, namely efforts of the Greek military junta at that time to incorporate Cyprus into Greece. The occupation of over one third of the island led to massive displacements of people. In 1983, the declaration of the Turkish Republic of Northern Cyprus sealed the de facto division of Cyprus. After over forty years of partition and numerous unsuccessful negotiations, the two communities – Greek Cypriot in the south and Turkish Cypriot in the north – now appear to be closer than ever to reunification.

This is above all due to the good personal understanding between the new leaders of the two communities, the Cypriot president Nico Anastasiades and the Turkish-Cypriot leader Mustafa Akıncı. In addition, a favourable political environment in Europe and a growing awareness of economic necessities and opportunities have made progress possible. Thanks to the “good services” of the Special Advisor of the UN Secretary General on Cyprus, Espen Barth Eide, the two leaders have meanwhile met over twenty times for in-depth talks on the prerequisites of reunification. They have demonstrated their understanding through joint public appearances such as their visit in December 2015 to a research laboratory of the Committee on Missing Persons in Cyprus. For the first time ever, even the United Nations is seeing more agreement than differences in the seven chapters of the inner-Cypriot negotiation process.

The international community is supporting the negotiation process above all through frequent diplomatic visits. In recent weeks the island has been visited by the German Foreign Minister Frank-Walter Steinmeier, the Russian Foreign Minister Sergey Lavrov, the US Secretary of State John Kerry, the British Foreign Secretary Philip Hammond as a representative of the former colonial power, and the Chinese Foreign Minister Wang Yi. In addition to political talks, the international community is endeavouring to involve the leaders of the two religious communities, the Greek Orthodox archbishop and the grand mufti for Northern Cyprus, who in the past frequently stood in the way of reconciliation. Although the EU has chosen not to play an

active role in the negotiation process, a working group has been established which, in close cooperation with the UN and with the approval of the Republic of Cyprus, is to prepare the northern part of the island for adoption of the EU acquis.

## **Remaining issues**

Difficult issues remain for the negotiation partners. Efforts at persuading the general public will also have to be made. In both communities, approximately one third of the population supports the negotiation process, a further third is currently opposed to the process, and the remaining third is undecided. A comprehensive arrangement that has been announced for this year by the leaders of both communities will be subject to a referendum in both parts of the island.

Although there is general agreement between the negotiation partners on the establishment of a federation consisting of two regions, a number of important issues remain unresolved. These include the issue of citizenship and whether the original population ratio of four to one can be maintained (when Cyprus declared independence in 1960, around 77 percent of the population were of Greek origin and around 18 percent of Turkish origin). Public acceptance of the arrangement will largely depend on the resolution of a number of property-related issues, in particular the question of compensation for expropriations during the division in 1974. For Greek Cypriots, there is also the question of Turkish settlers who arrived in the north after 1974. For Turkish Cypriots, there is the question of property purchases in the north during the transitional phase. A core issue in the chapter on governance in the negotiation process is the way in which a future head of state will be chosen. Whereas the Turkish-Cypriot side would prefer to see a rotating presidency, the Greek-Cypriot side favours a directly elected president.

In addition to these domestic questions, there are also a number of difficult international issues which are to be dealt with at the end of the negotiation process. When it comes to the future security architecture of Cyprus, a key role will be played by Turkey. It has still stationed over 30,000 soldiers in Northern Cyprus, and conditions will have to be negotiated for their withdrawal. The security of Cyprus is still subject to the 1960 treaty between the Republic of Cyprus and the three guarantor powers Greece, Turkey and the United Kingdom. Should the two communities agree to reunification, this treaty can only be repealed or declared obsolete with the approval of the three guarantor powers. Whereas the Greek-Cypriot side would be satisfied with security guarantees in the framework of the EU, the Turkish Cypriots and Turkey continue to insist that the Treaty of Guarantee remain in force. Here too the outcome will depend on whether Turkey feels that the interests of the Turkish-Cypriot community are sufficiently safeguarded after the integration of Northern Cyprus.

## **Economic and alliance policy prospects**

The current momentum must be maintained for the latter and more difficult part of the negotiation process. The present environment is, however, favourable. The guarantor powers Greece and Turkey share the two community leaders' optimistic attitude. On the whole, relations between Greece and Turkey have tangibly improved in recent years. Pragmatism now characterises the approach on both sides, and Turkey has become one of the three most important trade partners of Greece. From the perspective of the EU, the current refugee crisis has led to a favourable political situation in Europe: Accession talks between the EU and Ankara can be resumed without the strain of the Cyprus problem as long as the prospects of reunification remain tangible.

Although the Republic of Cyprus surprised observers with its quick recovery from the financial and banking crisis of 2012–2013, the economy is nevertheless weak and the predicted national debt of 107 percent in 2015 remains extremely high. Tourism, one of the most important sources of revenue, has collapsed on account of the conflicts in the eastern Mediterranean, and the likely prospect of large numbers of Russian tourists who are steering clear of Egypt and Turkey promises only limited compensation. The Turkish-Cypriot side is fully aware of the fact that support from Ankara will no longer be possible to the same extent as a result of the difficult economic situation in Turkey. The prospect of “peace dividends” after reunification and increased subsidies from the EU are thus keeping both sides at the negotiation table.

Further prospects are offered by the large Aphrodite gas field in the southeast Mediterranean in the economic zone of Cyprus. The discovery of this gas field in 2011 triggered a major dispute between the two communities. Reunification would offer the best prospects for the lucrative development of this resource. Speculations are already mounting about a pipeline to Turkey and on to Europe. In addition, the proximity of this gas field to gas deposits in the Israeli economic zone is advantageous.

A 2014 study by the Cyprus Centre of the Peace Research Institute Oslo (PRIO) quantified the possible peace dividends of a reunited Cyprus. According to this study, the gross national product would more than double from 20 billion US dollars in 2012 to almost 45 billion dollars by 2035.

From a strategic perspective, Cyprus is like an unsinkable aircraft carrier and thus is extremely important in the southeast Mediterranean. The island is currently a launching site for military operations against the so-called Islamic State. Royal Air Force “Tornado” aircraft operate from the British air base Akrotiri. In addition, Nicosia has opened its airspace for Russian aircraft. Cyprus is hoping for economic benefits from this concession.

From a security perspective, the reunification of Cyprus would mean that the island republic could become a member of NATO. In this case, however, internal opposition would first have to be overcome. The formerly communist Progressive Party of Working People (AKEL), one of the four main parties in the Republic of Cyprus, supports a non-aligned Cyprus. In a September 2015 survey published by the newspaper “Sime-rini”, only one third of the respondents were happy with the idea of NATO guarantees for the security of Cyprus. The fact that both Greece and Turkey are NATO members could, however, be an incentive for the accession of Cyprus to the Atlantic Alliance. By strengthening its southwestern flank, NATO could help dispel fears of a growing Russian military presence in Syria. At the same time, this would clear the way for closer cooperation between NATO and EU, something Greece and Turkey have always opposed on account of the Cyprus problem.

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This article reflects the personal opinion of the author.*