

Beyond Energy: Remarks about the Direction of Turkish-Russian Relations and Their Implications for the Cyprus Problem

by Ayla Gürel & Harry Tzimitras

In 2012 analysts were warning that the Syrian crisis could undermine the steadily improving relationship between Turkey and Russia.¹ Three years on, the expected erosion of the Turkish-Russian friendship has yet to occur. Despite their clashing positions over Syria, the two countries' economic ties have actually kept on growing, especially in the field of energy, with a new dramatic upswing more recently, irrespectively – or rather arguably because – of the widening rift between the West (the USA and the EU) and Russia over Ukraine.

Presently Russia is Turkey's second biggest trade partner (after Germany) and its chief supplier of natural gas, while Turkey is among Russia's top ten partners in trade and its second largest natural gas export market (after Germany).² Both prominent economic actors in Eurasia, the two countries say they aim to triple the volume of their mutual trade by the end of the decade (from around \$30 billion plus to \$100 billion per year).³

Bilateral relations between Turkey and Russia, the erstwhile Cold War adversaries, started improving following the dissolution of the Soviet Union in 1991 but have gained real momentum since the mid-2000s when trade, particularly in energy (mostly Turkish imports of Russian natural gas), boomed alongside increasing Turkish investments, especially in

the construction industry. While the volume of trade between Russia and Turkey increased from \$3.4 billion to only \$4.5 billion during 1996-2000, the change during 2001-2008 was from \$4.3 billion to \$38 billion.⁴

At the same time, and with Turkey striving to redefine its foreign policy strategies independently of the West,⁵ the political dialogue between the two governments continued to develop with Russian and Turkish officials consulting increasingly more regularly on regional questions. And although in 2008 the relationship was put under strain because of the Georgia war,⁶ it survived mainly thanks to the economic links, which have grown to bind the two countries inextricably. Two years later Turkey and Russia agreed to set up a High Level Cooperation Council (HLCC), an intergovernmental mechanism designed to oversee their mutual collaboration and to promote a more coherent practical framework for support and further enhancement of their political and economic networks.⁷ After its creation in 2010, the Russian-Turkish HLCC summits have been held annually, alternating between Russia and Turkey with attendance at the highest political level from both sides.⁸

4 Özdal et al., *Turkey-Russia Relations*.

5 Richard Falk, "Can the U.S. Government Accept an Independent Turkish Foreign Policy in the Middle East?", *Insight Turkey*, 16.1 (2014): 7-18; and Ahmet Evin et al., *Getting to Zero: Turkey, Its Neighbors and the West*, Transatlantic Academy, August 15, 2010, <http://www.transatlanticacademy.org/publications/getting-zero-turkey-its-neighbors-and-west>, accessed April 15, 2015.

6 Igor Torbakov, *The Georgia Crisis and Russia-Turkey Relations*, The Jamestown Foundation, November 26, 2008, <http://www.jamestown.org/uploads/media/GeorgiaCrisisTorbakov.pdf>, accessed March 29, 2015.

7 Özdal et al., *Turkey-Russia Relations*.

8 With the President from the Russian side and Prime Minister from the Turkish side, except for the last meeting of 2014 when Turkey

1 Yigal Schleifer, "Turkey: Syria Crisis Causes Russian Relations to Suffer", EurasiaNet, July 19, 2012, www.eurasianet.org/node/65684, accessed April 13, 2015.

2 Habibe Özdalet al., *Turkey-Russia Relations in the Post-Cold War Era: Current Dynamics, Future Prospects*, USAK Report 13-6, July 2013, http://usak.org.tr/images_upload/files/türkiye%20rusya%20ing%20nete.pdf, accessed, April 10, 2015.

3 This has been the two countries' often-expressed common target since 2009. Last December, the projected time for reaching it was pushed to 2023.

Developments following the formation of the HLCC so far confirm that Russia and Turkey – literally – mean business and are capable of practicing constructive engagement and pragmatism in the name of advancing common, especially economic, interests, notwithstanding their divergences over such important political issues as those raised by the Georgian war, the situation in Syria, and more recently the Russian annexation of Crimea.

At the first summit of the HLCC, held on 12 May 2010 in Ankara with the participation of President Medvedev and Prime Minister Erdoğan, numerous cooperation agreements were signed two of which were quite significant: one concerned the construction of a nuclear power plant in Mersin Akkuyu and the other visa-free travel. The latter was implemented in less than a year (on 16 April 2011), importantly further increasing the already flourishing tourism between Russia and Turkey.⁹ The former concerned a deal allowing a subsidiary of the Russian public company Rosatom to build, own (with the possibility of selling 49 per cent of shares to other investors), and operate (for 15 years) a nuclear plant at the Turkish southern coastal site of Mersin Akkuyu. With an estimated investment of \$20 billion, this would be the first of the three nuclear power stations included in Turkey's plans for 2023.¹⁰ The implementation

was represented by President Erdoğan. This latter fact can be seen as reflecting two things: Erdoğan's continuing single-handed political dominance in Turkey; and the close personal relationship between the Russian and the Turkish leaders.

⁹ "Visa-free travel between Turkey and Russia to begin on Saturday", *Sunday's Zaman*, April 15, 2011, http://www.todayszaman.com/latest-news_visa-free-travel-between-turkey-and-russia-to-begin-on-saturday_241113.html, accessed March 27, 2015.

¹⁰ According to the Turkish Ministry of Energy, the plan is to have two nuclear stations in operation and one under construction by 2023

of the project is now underway, though there have been serious delays in the timeline due to regulatory issues and Russia's economic difficulties resulting from the drop in oil prices, as well as Western sanctions over the Ukraine conflict.¹¹

The year 2011 saw further Turkey-Russia cooperation in the area of energy transport, more specifically in connection with the – now dropped (see below) – South Stream gas pipeline project. Having already allowed Russia to conduct feasibility studies for the project in its Black Sea exclusive economic zone (EEZ), in December 2011 Turkey also agreed to the building of the pipeline through the Turkish EEZ. This gave a boost not only to Russia's South Stream plans, designed to carry some 63 billion cubic metres of Russian gas to Europe through the Black Sea, bypassing Ukraine. At the same time, it confirmed to Russia that Turkey was a 'reliable partner'.¹²

(see <http://www.enerji.gov.tr/tr-TR/Sayfalar/Ulkemizde-Nukleer-Santraller>, accessed April 3, 2015). In May 2013 a \$22 billion contract was signed with a Japanese-French consortium (Japan's Mitsubishi Heavy Industries (MHE), Itochu Corp. and France's GDF Suez) for the second planned nuclear station (to be constructed at Sinop, on the Black Sea coast) (see <http://www.reuters.com/article/2014/10/14/nuclear-turkey-mitsubishi-idUSL6N0S931K20141014>, accessed April 3, 2015); while in November 2014 the state electricity generation company Elektrik Üretim AŞ (EÜAŞ) signed an agreement with the Chinese State Nuclear Power Technology Corporation (SNPTC) and American Westinghouse Electricity Company to begin exclusive negotiations regarding the construction of the third (<http://www.world-nuclear.org/info/Country-Profiles/Countries-T-Z/Turkey/>, accessed April 3, 2015).

¹¹ "Russian Nuclear Plants in Turkey 'Not Ready Before 2022'", *Moscow Times*, March 23, 2015, <http://www.themoscowtimes.com/opinion/business/article/russian-nuclear-plants-in-turkey-not-ready-before-2022/517868.html>, accessed April 3, 2015.

¹² "Turkish approval of South Stream gives huge boost to Russia", *Sunday's Zaman*, December 28, 2011, <http://www.todayszaman.com/business-turkish-approval-of-south-stream-gives-huge-boost-to-russia>

It was reported that Ankara was granted in return Russian concessions with regard to gas pricing and take-or-pay agreements that were costing BOTAŞ (Turkish state-owned pipeline company) more than it wished to pay.¹³

In the run-up to President Putin's visit to Turkey in December 2012 – after he cancelled one that was supposed to take place two months earlier – there was anticipation of a rupture between Russia and Turkey because of their differences over the fate of Syria. After the visit, however, commentators wrote about the 'cool pragmatism' ruling the two countries' relations. During the visit Putin and Erdoğan signed 11 agreements, and there were even suggestions from various Turkish analysts that Ankara and Moscow might be looking for ways to work together on a diplomatic solution to end the Syrian crisis.¹⁴

[boost-to-russia_266990.html](#), accessed April 3, 2015.
 13 Yigal Schleifer, "Turkey: In Pipeline Deal with Russia, Did Ankara Get a Bargain it Can't Afford?", *EurasiaNet*, January 11, 2012, <http://www.eurasianet.org/node/64823>, accessed April 3, 2015. The deal had attracted a lot of attention at that time, especially as regards its implications for another pipeline scheme for which the South Stream pipeline was seen as a direct competitor, namely, the EU-backed Southern Gas Corridor. The latter is aimed at supplying Europe with non-Russian gas from the Caspian basin and the Middle East, and is promoted by the EU as part of its quest to reduce its dependence on Russian gas. Turkey is a key participant and transit country, initially through its involvement in Nabucco, which faded in 2011, and now TANAP, an Azeri-Turkish initiative launched in 2011, shortly before Turkey signed the South Stream agreement with Russia.

14 Semih Idiz, "Turkey, Russia Will Not Risk Ties Over Syria", *Al-Monitor*, December 7, 2012, <http://www.al-monitor.com/pulse/originals/2012/al-monitor/turkey-russia-ties.html>, accessed April 5, 2015; and Ceylan Pinar, "They may disagree about Syria but Russia and Turkey keep close business relations", *The Economist*, December 8, 2012, <http://www.economist.com/news/europe/21567974-they-may-disagree-about-syria-russia-and-turkey-keep-close-business-relations-cool-pragmatism>, accessed April 5, 2015.

The latest test for Turkey-Russia ties has been the on-going Ukraine crisis, including particularly the Russian take-over of Crimea in March 2014, which has been fuelling tensions between Russia and the Western powers since the beginning of 2014. But here again, concerned about not upsetting its crucial trade and energy ties with Russia, Turkey maintained a rather moderate and cautious diplomatic approach and, distancing itself from Western efforts to 'punish' Moscow, did not join the US-EU campaign of economic sanctions. And of course this is notwithstanding Turkey's being a NATO member and its important position in the Western security and political alliance. In addition, one needs to bear in mind Turkey's unease about increased Russian assertiveness in their common neighbourhood, particularly in relation to Crimea – which is important for Turkey, not only because of its strategic location in the Black Sea, but also because of the kinship Turkey has with its Muslim Tatar population.¹⁵ In October 2014 the Turkish Ambassador to Russia was reported to have told a Russian media outlet that Turkish authorities did not intend to impose sanctions on Russia if asked to do so by the US or the EU.¹⁶ Earlier Turkey had joined a group of countries that offered to increase food exports to Russia after the latter banned the import

15 Paul J. Saunders, "Russia, Turkey inch toward improved relations", *Al-Monitor*, November 14, 2014, <http://www.al-monitor.com/pulse/originals/2014/11/russia-turkey-political-ties.html>, accessed April 10, 2015; and Deniz Arslan, "Turkey pushing diplomacy over sanctions in Crimea crisis", *Sunday's Zaman*, March 18, 2014, http://www.todayszaman.com/diplomacy_turkey_pushing-diplomacy-over-sanctions-in-crimea-crisis_342453.html, accessed April 10, 2015.

16 "Turkey to Refrain From Sanctioning Russia: Turkish Ambassador to Russia", *Sputnik*, October 24, 2014, <http://sputniknews.com/world/20141024/194534944.html>, accessed April 13, 2015.

of European foodstuffs in response to the sanctions.

More recently, at the fifth summit of their HLCC held in Ankara on 1 December 2014, the Russian president surprised the world by announcing that, given the obstacles created by the EU,¹⁷ Russia was abandoning the long-planned South Stream gas pipeline project. Instead, Putin revealed, Russia would redirect the pipeline to Turkey, with the possibility of linking it to a 'hub' to be built on Turkish territory near the border with Greece to supply gas to consumers in southeast Europe.¹⁸ Putin also noted that Turkey would receive a discount on gas and an additional 3 bcm of gas annually. On the same day, Turkey's BOTAŞ and Russian Gazprom signed a Memorandum of Understanding concerning the construction of a gas pipeline across the Black Sea to Turkey with 63 bcm annual capacity.¹⁹ In the days that followed, signs began appearing that, contrary to what some believed, Gazprom is

17 In no mood to make things easy for Russia's Gazprom, while it is in a serious standoff with the country and imposing sanctions on it to punish its interference in the conflict in eastern Ukraine, the EU has been making legal objections to the South Stream pipeline, which was to make its entry into EU territory in Bulgaria, on competition grounds. See Laurence Norman, "EU Tells Bulgaria to Stop Work on Gazprom's South Stream Project", *The Wall Street Journal*, June 3, 2014, <http://www.wsj.com/articles/eu-tells-bulgaria-to-stop-work-on-gazproms-south-stream-project-1401811829>, accessed April 2, 2015.

18 "News conference following state visit to Turkey", President of Russia, December 1, 2014, <http://en.kremlin.ru/events/president/news/47126>, accessed April 14, 2015; and "In Diplomatic Defeat, Putin Diverts Pipeline to Turkey", *The New York Times*, December 1, 2014, <http://www.nytimes.com/2014/12/02/world/europe/russian-gas-pipeline-turkey-south-stream.html>, accessed April 14, 2015.

19 "In Search of New Partners: Putin's Turkish Stream For Turkey", *Natural Gas Europe*, February 11, 2015, <http://www.naturalgaseurope.com/new-partners-putin-turkish-stream-turkey>, accessed April 14, 2015.

not bluffing but is serious about proceeding with what it now calls the Turkish Stream.²⁰ Last February, Gazprom's CEO Alexei Miller went to Ankara to meet with Turkish Energy Minister Taner Yıldız and work out further technical details of the Turkish Stream. It has since been revealed that the pipeline will have a capacity of 63 billion cubic meters (bcm) of gas, 15.75 bcm of which will be marketed in Turkey and the other 47.25 bcm is to be marketed to Europe through Greece, and that the project is scheduled to be incorporated into an inter-governmental agreement during the second quarter of this year.²¹ There is also a tentative agreement that the route for the onshore section of the pipeline will go through the Thrace region, with landfall on the Black Sea near the village of Kıyıköy, connecting to a gas delivery point at Lüleburgaz for the Turkish customers and further on to a hub at the Greek-Turkish border near Ipsala. This is to serve as the delivery point for the European customers. The total length of the pipeline in Turkey will be 180 km.²²

Meanwhile, Gazprom and BOTAŞ agreed on a discount on Russian gas supplied to Turkey, which Turkish Energy Minister Taner Yıldız said was 10.25 per cent, that is, higher than what was first announced back in December.²³

20 Stanley Reed and Sebnem Arsu, "Russia Presses Ahead With Plan for Gas Pipeline to Turkey", January 21, 2015, http://www.nytimes.com/2015/01/22/business/international/russia-presses-ahead-with-plan-for-gas-pipeline-to-turkey.html?_r=2, April 11, 2015.

21 "Russia Is Not Bluffing With Turkish Stream Project", *Oilprice.com*, February 25, 2015, <http://oilprice.com/Energy/Energy-General/Russia-Is-Not-Bluffing-With-Turkish-Stream-Project.html>, accessed April 12, 2015.

22 "Alexey Miller and Taner Yildiz overfly intended route of onshore gas pipeline", *Gazprom*, February 7, 2015, <http://www.gazprom.com/press/news/2015/february/article217568/>, accessed April 14, 2015.

23 "Moscow and Ankara agree 10.25% gas

Moreover, Turkey and Russia seem to have committed themselves to negotiating agreements on free trade, preferential trade, a schedule for eliminating trade barriers, for cooperation in banking and investment as well as for the use of domestic currencies in trade between the two countries. According to Turkish Economy Minister Nihat Zeybekçi, the aim here is 'to achieve the maximum free trade volume [that would be] possible between the two countries' in a way that is compatible with the fact that 'Russia is subject to the Eurasian Customs Union and Turkey is subject to the Customs Union with the European Union'.²⁴ Overall, these dramatic developments spanning the last decade clearly attest to a movement of the centre of gravity away from the West for both Turkey and Russia and to the fact that, partly as a result of this, the two countries are coming increasingly closer both in the economic as well as the political spheres. As a former US State Department senior

discount for Turkey", *Russia Today*, March 18, 2015, <http://rt.com/business/241949-russia-turkey-gas-discount/>, accessed April 15, 2015.

²⁴ "Turkey and Russia initial deals to further cultivate trade ties", *Daily Sabah*, December 1, 2014, <http://www.dailysabah.com/economy/2014/12/01/turkey-and-russia-initial-deals-to-further-cultivate-trade-ties>, accessed June 20, 2015. This move towards 'freer' bilateral trade has led to suggestions by some analysts that the debate over Turkey joining the Shanghai Cooperation Organization (SCO) – currently made up of China, Russia, Kazakhstan, Uzbekistan, Kyrgyzstan and Tajikistan – could be back on the agenda (see Laman Sadigova, "Turkey and Russia strengthen trade relations", *Azernews*, March 25, 2015, <http://www.azernews.az/analysis/79443.html>, accessed April 15, 2015). In the past, Erdoğan said he asked Putin to 'include us in the Shanghai Five and we will say farewell to the European Union' (see İhsan Dağı, "Turkey's quest for a Eurasian Union", *Sunday's Zaman*, January 27, 2013, http://www.todayszaman.com/columnist/ihsan-dagi/turkeys-quest-for-a-eurasian-union_305291.html, accessed April 15, 2015). Turkey became a 'dialogue partner' of the SCO in April 2013 (see <http://www.sectsc.org/EN123/show.asp?id=410>, accessed April 13, 2015).

advisor aptly put it:

For Russia, the advantages of an improving relationship with Turkey are powerful and multidimensional. The symbolism of Turkey's unwillingness to join the US-European effort to isolate Moscow and to impose costs for the Kremlin's conduct in Ukraine allows Russian leaders to assert (and to believe) that NATO is not quite as unified as some of its national leaders claim. Almost from NATO's founding, Moscow has sought to exacerbate tensions within the alliance, a sensible geopolitical strategy that works best when Moscow is not overly provocative in its foreign policy. Given how unfavorable the current environment is in this context, Russia's relative success with Turkey likely extends beyond mere active diplomacy to also reflect a gradual, underlying shift in Ankara's perception of its national interests and goals as its efforts to join the EU recede.²⁵

Needless to say, analysts vary in their characterisation of the growing Turkey-Russia rapport. Some have seen it as being 'founded on a sense of exclusion' by the US or EU rather than mutual interest,²⁶ while others have argued that it is 'more like a marriage of convenience' driven by pragmatism and overlapping interests, largely in the economic sphere.²⁷ There is also the 'realist' view that tends to emphasize the crucial role of the post-Cold War 'change of threat perceptions on both sides' in bringing about the current rapprochement between the two former

²⁵ Saunders, "Russia, Turkey".

²⁶ Fiona Hill and Omer Taspinar, "Turkey and Russia: Axis of the Excluded?", *Survival*, 48.1 (2006): 81-92, accessed April 7, 2015, doi:10.1080/00396330600594256; Mesut Özcan and Ali Resul Usul, "Understanding the 'New' Turkish Foreign Policy: Changes within Continuity, is Turkey Departing from the West?", *USAK Yearbook of International Politics and Law*, 4 (2011): 159-185, <http://www.usak.org.tr/dergiler.php?id=13&m=13&z=62#git>, accessed April 2, 2015.

²⁷ Dimitar Bechev, "Russia and Turkey: What does their partnership mean for the EU?", European Policy Centre Policy Brief, February 13, 2015, http://www.epc.eu/documents/uploads/pub_5304_russia_and_turkey.pdf, accessed April 2, 2015.

adversaries.²⁸ A common observation in all, however, concerns the oddness of this ‘pairing’ of Turkey and Russia, given their serious divergences in the Caucasus, the Balkans and, particularly, their seemingly competitive strivings for influence positions in the Eastern Mediterranean.

In the Levant, apart from being seriously at odds on the issue of Syria, Turkey and Russia also have Cyprus as a potential source of friction between them. In the latter’s age-old ethno-political conflict, Russia has generally been a staunch supporter at the UN Security Council of the Greek Cypriot positions against those of Turkey and the Turkish Cypriot side. Currently the island is split between the Greek Cypriots, in control of the internationally recognised Republic of Cyprus (RoC or Republic) which is also a member of the EU, and the Turkish Cypriots, in control of the *de facto* Turkish Republic of Northern Cyprus (TRNC).²⁹ Turkey, which does not recognise

28 Igor Torbakov, *Making Sense of the Current Phase of Turkish-Russian Relations*, The Jamestown Foundation, October 2007, <http://www.jamestown.org/uploads/media/Torbakov-OP.pdf>, accessed April 15, 2015.

29 The RoC was established in 1960 on a power-sharing basis between the Greek Cypriots and Turkish Cypriots, but this constitutional structure broke down in 1963 as a result of violent inter-communal strife. After that, the Greek Cypriot community assumed sole governance of the Republic, which has since functioned as a unitary state. Over time and without any formalities – such as a renegotiation of the relevant international treaties – having taken place, the Greek Cypriot government came to be internationally accepted as the legitimate RoC government. In 1974, in response to a coup by Greek and Greek Cypriot armed forces with the ultimate aim of effecting enosis (union of Cyprus with Greece), Turkey militarily intervened and divided the island. Since then, the Turkish Cypriots have been in charge of the northern part of the island, where Turkey keeps around 30,000 troops; and the Greek Cypriot-led Republic has administered the southern part. In 1983 Turkish Cypriots unilaterally declared independence and announced the establishment of the TRNC.

the RoC, is the only country that recognises the TRNC.

A question to look at here would be what implications – if any – the growing partnership between Turkey and Russia may have for the Cyprus problem and the efforts to solve it. This question has become rather relevant especially in view of recent developments in the RoC’s relations with Russia. The RoC government, though it has so far towed the EU line, has repeatedly expressed strong reservations about the US-EU-NATO policy of sanctions against Russia for the latter’s role in the Ukraine crisis.³⁰ In addition, apparently driven by its disappointment with the US, it has recently turned to Russia for even more upgraded relations between them.

Russia and the RoC already have quite strong ties, which date back to Soviet times, based on a Cold War history of non-alignment under Archbishop Makarios, President of the Republic from its inception in 1960 until 1976. Of course there is an important connection between them via Orthodox Christianity which is taken seriously by a great many of the Greek Cypriots and by an increasing number of Russians, since the collapse of the Soviet Union in 1991. More importantly than this spiritual link, however, is Russia’s strong economic presence in (especially in the southern, RoC-controlled part of) Cyprus, which is not only a favourite holiday destination for many

30 Andrew Higgins, “Greece Steps Back Into Line With European Union Policy on Russia Sanctions”, *The New York Times*, January 29, 2015, http://www.nytimes.com/2015/01/30/world/europe/european-union-russia-sanctions-greece.html?_r=0, accessed April 1, 2015; and “Russian sanctions create broader problems for entire EU–Cyprus president”, *Russia Today*, February 24, 2015, <http://rt.com/business/234959-cyprus-eu-russia-sanctions/>, accessed March 29, 2015. The RoC and Greece are among several members of the European Union that are against imposing sanctions on Russia, primarily for economic reasons.

Russians, but also receives a significant amount of Russian investment. The latter, presently at \$33 billion, accounts for more than 80 per cent of all foreign investment in the RoC; and the RoC ranks second in terms of investment in Russia with about \$65 billion.³¹ In 2011 Russia gave the RoC a \$2.5 billion loan on very favourable terms to help stabilise its ailing banking system.³² Also, Russia is one of the only two countries (France being the other one) that supply arms to the RoC.³³

As the RoC President recently said in an interview with TASS last February: “Cyprus is very closely connected with Russia ... Our economy and defense are highly dependent on our relations with Russia. Thousands of Russian companies work in Cyprus, we have large investments made by the citizens of Russia ... Our tourism also strongly depends on Russians”.³⁴

Politically, Russia is seen by many in Cyprus as a reliable and consistent supporter of the Greek Cypriot side in the Cyprus dispute.

31 <http://en.kremlin.ru/events/president/transcripts/47739>, accessed April 13, 2015. According to President Putin, most of this investment from Cyprus is ‘repatriated capital, but that it is coming via Cyprus is already not a bad thing. It is good when our money comes back to work in our economy.’ This of course refers to Russian oligarchs’ money that is parked in Cyprus returning to Russia as ‘foreign investment’.

32 “Russia ‘bails out’ cash-strapped Cyprus”, *Euractiv*, October 6, 2011, <http://www.euractiv.com/europes-east/russia-bails-cash-strapped-cypru-news-508182>, accessed April 2, 2015.

33 The RoC is a leading Mediterranean buyer of weapons from Russia; its air defence system and most of its tank regiments are Russian-manufactured. See Igor Delanoë, “Cyprus, a Russian Foothold in the Changing Eastern Mediterranean”, Rubin Center, August 4, 2013, <http://www.rubincenter.org/2013/08/cyprus-a-russian-foothold-in-the-changing-eastern-mediterranean/>, accessed April 5 2015; and “Russian warships allowed at ports of Cyprus for humanitarian purposes — president”, *Tass*, February 26, 2015, <http://tass.ru/en/russia/779803>, accessed March 12, 2015.

34 “Russian sanctions”, *Russia Today*, February 24, 2015.

Generally speaking, since 1964 it has supported the Greek Cypriot position at the UN Security Council. Notably in 2004, a few days before the referendums in Cyprus on the UN’s ‘Plan for a Comprehensive Settlement of the Cyprus Problem’, Russia vetoed at the UN Security Council a draft resolution aimed at establishing a new UN mission to monitor the implementation of the Plan and to provide security. This shooting down of the draft resolution was then welcomed by the Greek Cypriot opponents of the UN Plan. The Plan had strong backing from especially the Western powers, including the US, the EU, and Turkey. (Subsequently the Plan was overwhelmingly rejected by the Greek Cypriot community while it was upheld by the Turkish Cypriot community with quite a large margin.)

Cyprus is important for Russia too, especially as a port. Beyond the significant mutual economic ties, Russia values the Republic not only as a trusted friend in the EU but also because of what the island, an essential part of any security dynamic in the Eastern Mediterranean, could provide as regards helping Russian foreign policy goals in that region. In recent years Russian warships have made numerous stops in Cyprus.³⁵ Since 2011, Russia’s security interests in Cyprus have increased over concerns that the political instability in Syria could threaten Russia’s only Mediterranean port [Tartus]. Given its close security ties with NATO, it is unlikely that Cyprus has much it can offer to Russia in this realm. Still, Russian submarines routinely patrol in Cypriot waters without being harassed, giving Russia more access to the

35 “The Russian Military Has a Tiny New Friend”, *War is Boring*, April 19, 2014, <https://medium.com/war-is-boring/the-russian-military-has-a-tiny-new-friend-ea51967900d5>, accessed April 6, 2015.

Mediterranean than it would have otherwise.³⁶ In fact, Russia has been making requests to the RoC for military use of the Andreas Papandreou airbase in Paphos and Limassol port since at least mid-2013.³⁷ It is clear that the RoC cannot go very far in meeting such requests without serious damage to its relations with the US and its standing within the EU. Nevertheless, the various bi-lateral agreements signed between the two sides during the visit to Moscow by President Anastasiades last February included, much to the dismay of the Western powers, ‘a Memorandum of Understanding between the Ministries of Defense of the two countries for cooperation in the naval field’, and an ‘agreement ... on military cooperation’. Anastasiades was careful to play down the significance of these military agreements, saying that they were ‘to do with the renewal of an existing agreement which has been updated to include use of the Limassol port also for the additional purpose of the ‘fight against international terrorism, international piracy, the illegal movement of narcotic drugs, illegal trade and other similar practices’.³⁸ Of course this has been no comfort to those in the West who are concerned that with this move Russia may have moved closer to obtaining a ‘military foothold’ in Cyprus that would help its historic aspiration to have more influence in the Mediterranean.

Now, apart from their heavy reliance on Russia

in defence and economic matters, as already mentioned, the Greek Cypriots tend also to rely on Russia as their trusted supporter in the international arena with respect to the Cyprus problem. Usually this belief becomes stronger at times when they are disappointed by the US because they feel that the latter is not doing what it should to censure Turkey for actions that ‘violate the sovereignty’ of the Republic. President Anastasiades’s visit to Moscow with all the noise around the military agreements and renewed solidarity with Russia coinciding with the latest crisis with Turkey over the rights to the island’s exclusive economic zone (EEZ),³⁹ suggest that this is what has happened again.

In October 2014 Anastasiades suspended his participation as the Greek Cypriot leader in the UN-sponsored talks with the Turkish Cypriot side for a settlement of the Cyprus problem. This was after Turkey issued a notice

39 The Greek Cypriot-led, internationally recognised RoC government, maintains that *it* alone has the *sovereign right* to explore for and exploit the natural resources in Cyprus’ EEZ. Moreover, the RoC maintains that this right is “inalienable and non-negotiable” and *is not conditional on a Cyprus solution*; that is, it is not a bi-communal issue for discussion within the context of, or parallel to, the settlement negotiations. The Turkish Cypriots, together with Turkey, say that the Greek Cypriots alone cannot legitimately represent the genuine RoC, as this is contrary to the 1960 Cyprus Accords and Constitution. In their view, since the 1963 breakdown of the bi-communal power-sharing structures of the Republic, no single authority, constitutionally competent to represent Cyprus as a whole (i.e. Greek Cypriots and Turkish Cypriots together) has existed on the island. On this basis, they object to all Greek Cypriot actions relating to the EEZ. They regard such actions as involving the exercise of sovereign rights at the international level, which the two communities possess jointly, by virtue of their being the equal co-founders of the Republic. See Ayla Gürel, Fiona Mullen, and Harry Tzimitras, *Cyprus Hydrocarbons: Context, Positions and Scenarios* (Nicosia: PRIO Cyprus Centre, 2013), <http://cyprus.prio.org/Publications/Publication/?x=1172>, accessed April 2, 2015.

36 “Cyprus’ Strategic Importance”, Stratfor, June 28, 2012, <https://www.stratfor.com/video/cyprus-strategic-importance-dispatch>, accessed February 13, 2015.

37 Nathan Morley, “Russia eyeing Cyprus bases”, *Cyprus Mail*, June 30, 2013, <http://cyprus-mail.com/2013/06/30/russia-eyeing-cyprus-bases/>, accessed April 15, 2015.

38 <http://www.presidency.gov.cy/presidency/presidency.nsf/257dd326cd3d2743c22575150033e6a7/13013e2810dedb3bc2257df900368638?OpenDocument>, accessed April 13, 2015.

to mariners, or NAVTEX, announcing that a seismic vessel, called the Barbaros, would be conducting surveys in the island's EEZ in a sector marked by the RoC as an exploration area. The Barbaros ship sailed in a few days later, accompanied by Turkish military vessels. The move was made upon the request of Turkish Cypriots who claim an equal share in sovereign rights to the island's EEZ in their capacity as co-founders of the bicomunal RoC in 1960. The Greek Cypriots expected the US to put pressure on Turkey to cancel the NAVTEX and draw its ship from the Cyprus seas but the US did not do anything.⁴⁰ This led to frustration with the US and was most likely what motivated President Anastasiades to be so keen on the idea of further strengthening ties and extending cooperation with Russia, including ways that would seriously be disconcerting for the West.

But what has been the response from Russia to the latest NAVTEX saga? And what exactly is Russia's position as regards the dispute over rights to Cyprus' EEZ and offshore hydrocarbons?

Upon Anastasiades's announcement of his decision to withdraw from the talks, and after a meeting between Russian Deputy Foreign Minister Alexey Meshkov and the RoC presidential special envoy Sotos Zackheos, the Russian Foreign Ministry issued a rather ambiguous statement. Russia announced that 'unilateral actions and show of force are unacceptable and worsen the situation, not only as regards Cypriot affairs, but also the Eastern Mediterranean region'.⁴¹ As pointed

40 Elias Hazou, "Walking a fine line with Russia", *Cyprus Mail*. February 26, 2015, <http://cyprus-mail.com/2015/02/26/walking-a-fine-line-with-russia/>, accessed April 8, 2015.

41 "Unilateral actions inadmissible in Cyprus settlement — Russian ForMin", *Tass*, October 9, 2014, <http://tass.ru/en/russia/753471>, accessed April 14, 2015.

out by a Greek Cypriot commentator, the allusion to 'unilateral actions' could only be referring to the Republic because this phrase is included in all Turkish pronouncements related to the issue, while the phrase 'show of force' clearly refers to Turkey. Shortly after this, the Russian foreign ministry spokesman Alexander Lukashevich said: 'We believe that the parties concerned should refrain from steps, including in respect to the exclusive economic zone of Cyprus, which could hurt the talks.'⁴² (Emphasis added) This interpretation is not inconsistent with the 'balanced attitude' Russia has apparently tried to maintain on the matter; that is, balanced between the positions of Turkey (and Turkish Cypriots), on the one hand, and the Greek Cypriot-led RoC, on the other.

Russia has, in fact, maintained a degree of ambivalence towards these positions. Russia has demonstrated support for the Greek Cypriot position in statements such as the following by the Russian Foreign Ministry spokesman, Alexander Lukashevich:

With regard to the Republic of Cyprus's activities in its exclusive economic zone, I would like to recall that in accordance with the 1982 UN Convention on the Law of the Sea, to which Cyprus is a party along with the other 162 states, a coastal state has sovereign rights in its EEZ for exploring, developing and preserving the natural resources ... Thus, if the Cypriot side is planning to undertake mineral exploration and production activities within those areas of its EEZ that on the basis of international treaties are delimited with the opposite states, such activities are consistent with international law and the scope of sovereign rights available to the Republic of Cyprus in accordance with the UN Convention on the Law of the Sea.⁴³

42 <http://cyprus-mail.com/2014/10/12/russia-pushing-cyprus-into-the-abyss-again/>

43 Russian Foreign Ministry Spokesman Alexander Lukashevich Answers a Media Question Regarding the Republic of Cyprus's Pursuit of Mineral Exploration and Exploitation Activities in Its Exclusive Economic Zone, 1228-19-08-2011, 19 August 2011, http://www.mid.ru/bdomp/brp_4.

Yet, speaking at a joint press conference, on 17 April 2013, with his Turkish counterpart Ahmet Davutoğlu, Russian Foreign Minister Sergei Lavrov was clearly very careful also to placate Turkey: “In respect of Cyprus [hydrocarbons] ... any prospecting for natural resources must envisage an agreement that each and all Cypriots gain from it”.⁴⁴ Similarly, Russian Energy Minister Alexander Novak speaking at the Turkish-Russian Joint Economic Commission in Antalya on April 20 2013, noted that with the current realities, Cyprus should not expect help from Russia on the issue of natural gas, adding that “There are certain difficult issues that concern the waters around Cyprus. We will not endanger our relations with the Turkish Republic, given that our cooperation has continued for years”.⁴⁵ And this brings us back to Turkey-Russia relations and to the regional effects of their growing cooperation. Not surprisingly, Russia seems to value its economic ties and strategic collaboration with Turkey more highly than its traditional friendship with the Greek Cypriots. This is visible in its abstaining from giving the Greek Cypriots unequivocal support in what the latter essentially see as a battle to defend their sovereignty against Turkish encroachments. However, another factor driving this stance by Russia is likely to be its ‘policy preference for delays and procrastinations in developing the East-Med hydrocarbons’.⁴⁶ According to Pavel Baev:

[nsf/e78a48070f128a7b43256999005bcbb3/b104fcc31f6810aec32578f40037701e!OpenDocument](http://www.mid.ru/brp_4.nsf/0/5B315D17C1637E5744257B5200405AC0).

⁴⁴ http://www.mid.ru/brp_4.nsf/0/5B315D17C1637E5744257B5200405AC0, accessed June 20, 2015.

⁴⁵ “Russia not to ‘risk’ Turkey for Cyprus”, *Hürriyet Daily News*, April 20, 2015, <http://www.hurriyetdailynews.com/russia-not-to-risk-turkey-for-cyprus.aspx?pageID=238&nID=45295&NewsCategoryId=344>, accessed June 21, 2015.

⁴⁶ Pavel Baev, “Russia Fakes Interest in

[F]or *Gazprom* the only possible interest in taking control over the unexplored but not very promising fields in the Eastern Mediterranean is in keeping them idle. Moscow cannot ignore Turkish objections against their exploration and development under the exclusive sovereignty of the Republic of Cyprus and cannot hope to negotiate a deal that would provide for an engagement of the TRNC ... what is even more important, it is fundamentally not interested in the growth of new sources of gas supply in this remote but sensitive corner of the European market.⁴⁷

In other words, Russia in fact seems to have its own economic and geopolitical reasons to be not unhappy with the current Turkish/Turkish Cypriot objections to RoC offshore exploration activities.

Yet the West and the UN are keen to employ the prospect of wealth as an incentive for the parties to agree on a Cyprus solution. Therefore, they regularly emphasize the fact that the prospect entails regional cooperation that crucially includes Turkey and hence necessitates reconciliation. However, anyone with an understanding of the situation in Cyprus would know that the Greek Cypriots have very serious qualms about Turkey’s involvement in the island. And this is a major reason why the Greek Cypriots tend to find it hard to accept power sharing with the Turkish Cypriots, which they fear would be indistinguishable from sharing power with Turkey. It is clear that without tackling this problem, reconciliation cannot be achieved in Cyprus.

Another very important factor that needs to be considered here, of course, is Russia, a permanent member of the UN Security

Hydrocarbons in the Eastern Mediterranean”, in *East Mediterranean Hydrocarbons - Geopolitical Perspectives, Markets, and Regional Cooperation*, ed. Ayla Gürel, Harry Tzimitras, and Hubert Faustmann, (Nicosia: PRIO Cyprus Centre, 2014), 38-44, http://file.prio.no/publication_files/cyprus/3-2014%20East%20Mediterranean%20Hydrocarbons.pdf, accessed June 20, 2015.

⁴⁷ Baev, “Russia Fakes”.

Council. A Cyprus solution based on Western ideas that equate peace and stability in the Eastern Mediterranean with restricting Russia's area of manoeuvre in the region is bound to be problematic. This would ensure Russian opposition. Such opposition, operating together with the Greek Cypriot anxieties about Turkey, would almost certainly guarantee a similar inconclusiveness as has been experienced in the Cyprus negotiations for decades. This eventuality can only be countered by properly engaging Russia in the Cyprus peace process.

Fortunately, relations between Russia and Turkey are now much stronger, more complex and surely more promising than ever before in modern times. As regards Cyprus, for all Russia's historic connection with the Greek Cypriots, the Kremlin today seems to have understood that it needs to take a far from partisan view about what is at stake on the divided island. At present, there is some reason to hope that Russia and Turkey, by far the major players in the region, could act together with the Western powers – especially the US and the EU – to help formulate a solution that would sufficiently appeal to both Cypriot sides.

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The Online Open Access Journal **Euxeinos. Culture and Governance in the Black Sea Region** is published by the [Center for Governance and Culture in Europe](#) (GCE-HSG), University of St.Gallen, Switzerland with the financial support of [Landys & Gyr Stiftung](#).

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ISSN 2296-0708

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