

Only talks will show change in Turkish stance



• Dinner diplomacy... President Clerides entertains Turkish Cypriot leader Rauf Denkash at home in the Government-controlled area on 29 December, returning his earlier visit to dine with Mr Denkash.

The agreement reached on 4 December by President Clerides and Turkish Cypriot leader Rauf Denkash that they would begin direct talks on the Cyprus problem in mid-January was warmly welcomed by the international community, especially by European Union (EU) governments, which saw it as providing a real opportunity for the conclusion of a political settlement in advance of the accession of Cyprus to the EU.

In Athens, however, a Foreign Ministry spokesman echoed the reaction of Greek Cypriot political parties by stressing that "the good will of the Turkish and Turkish Cypriot side remains to be proven" and that the direct talks would show whether Mr Denkash was engaged in "tactical manoeuvres" or whether he had really moved from his previous intransigent stance.

In New York, a spokesman for UN

Secretary General Kofi Annan said that he was "very pleased" with the Clerides-Denkash agreement to start direct negotiations and that he was "ready to assist the parties as necessary in their effort to achieve a comprehensive settlement".

In Washington, the State Department's Special Co-ordinator for Cyprus, Thomas Weston, described the agreement as "a major step forward" and as "a dramatic indication of the two leaders' understanding that something must happen in the short period that remains until accession to the EU".

In Brussels, European Enlargement Commissioner Günter Verheugen commented that the window of opportunity for a Cyprus settlement had opened wider but warned that time was short for the achievement of the EU's strategic goal of the accession of a united Cyprus. He repeated the EU's position

Nicosia agreement

The terms of the agreement reached by President Clerides and Turkish Cypriot leader Rauf Denkash on 4 December were read out after the talks by Alvaro de Soto, the UN Secretary General's Special Adviser on Cyprus, as follows:

- That the Secretary General, in the exercise of his mission of good offices, would invite the two leaders to direct talks;
- That these talks will be held in Cyprus starting in mid-January 2002 on UN premises;
- That there will be no preconditions;
- That all issues will be on the table;
- That they will continue to negotiate in good faith until a comprehensive settlement is achieved;
- That nothing will be agreed until everything is agreed. □

that a political settlement and the accession of a reunified Cyprus would be of greatest benefit to the Turkish Cypriots.

In London, the British Government expressed the hope that the new talks would bear fruit in 2002, whilst reaffirming the importance of the EU summit decision at Helsinki in December 1999 that a successful outcome was not a precondition for Cyprus' accession to the EU.

● Britain's Special Envoy on Cyprus, Lord Hannay, said in Nicosia on 18 December that there was now a much better prospect than ever before of achieving the twin objective of a political settlement and the accession of the whole of Cyprus to the EU. Speaking at the conclusion of a two-day visit, he stressed that the negotiations were in the hands of the Cypriot parties and that Britain's role would be "subsidiary and supporting" of UN efforts. □

EU negotiations to be closed in 2002

Cyprus closed the justice and home affairs negotiating chapter with the European Union (EU) in Brussels on 12 December, bringing the total concluded to 24 out of 29. The Government expressed confidence that the remaining five chapters—covering agriculture, competition policy, taxation, regional policy and budgetary arrangements—would be closed under the forthcoming Spanish Presidency of the EU in the first half of 2002 and that the overall accession negotiations would be brought to a final conclusion by the end of 2002.

Welcoming the latest closure, Foreign Minister Ioannis Kasoulides noted that it would not have been possible if the EU had not been convinced that Cyprus had made progress in combating money-laundering. He added that Cyprus "has a lot of experience in this field, which it can share with other countries".

The closure of the justice and home affairs negotiating chapter was preceded by the signature by the Cyprus Government and the European Commission on 7 December of a Joint Accession Paper on employment policy, following the conclusion of negotiations on this sphere earlier in 2001. The agreement was signed in Nicosia during a visit by the European Commissioner for Employment and Social Affairs, Anna Diamantopoulou, and specified that Cyprus and the EU would co-

operate closely on employment questions prior to Cyprus' accession to the EU.

Under a framework agreement signed in Brussels on 27 December, Cyprus obtained the right to participate in all existing EU programmes, numbering 36 in all, on the same terms, rules and procedures as existing member states pending its accession to the EU. The details of such participation will be determined by agreement between the European Commission and the competent Cyprus authorities for each of the programmes.

Euros in Cyprus

The Central Bank of Cyprus on 27 December circulated a total of 13.5 million euros to commercial banks to enable them to handle currency exchange transactions after the introduction of the euro as the sole currency in 12 of the 15 EU member countries on 1 January.

Cyprus' Chief EU Negotiator, George Vassiliou, predicted that Cyprus would be one of the first new EU members to adopt the euro as its currency. He also expressed confidence that in the meantime the introduction of the euro would strengthen the Cyprus pound, which is pegged to the euro. □

Link: www.cyprus-eu.org.cy
Cyprus-EU Negotiations (three languages)

Laeken summit stance welcomed

The Cyprus Government warmly welcomed the positions taken on the Cyprus problem and enlargement by the European Union (EU) summit held in Laeken, Belgium, on 14-15 December. President Clerides, who was present in Laeken for a working lunch with EU leaders and other heads of government of prospective new EU members, including Turkish Prime Minister Bülent Ecevit, expressed confidence afterwards that the resumption of talks on the Cyprus problem would not complicate the Government's EU accession course. He said that Cyprus would say yes to EU accession "when the time comes" and that a failure in the settlement talks would not mean that Cyprus would not be able to join the EU.

The Laeken summit welcomed the decision of the Turkish side to return to the negotiating table on the Cyprus problem (see page 1) and called upon the two sides to pursue negotiations with the aim of reaching an overall settlement under auspices of the United Nations consistent with the terms of relevant UN Security Council resolutions. It also reaffirmed the EU's determination that negotiations with Cyprus and other applicants ready for EU accession would be completed by the end of 2002, so that these countries could participate in the 2004 European Parliament elections as EU members. □