

Testimony: A World of Broken Promises

Prepared by Embargoed! 22 April 2005

24 April 2004 was a watershed in the lives of Greek and Turkish Cypriots, it was the day they took part in the historic referenda for a comprehensive Cyprus Settlement based on the UN's Annan Plan.

**75% of Greek Cypriots voted against the Plan
65% of Turkish Cypriots voted in favour of the Plan.**

As a consequence, the international community pledged to end the isolation of the Turkish Cypriot people.

Almost a year later and not a single embargo has been lifted – the people of North Cyprus remain politically, economically, socially isolated from the world.

Turkish Cypriots have been deprived of their fundamental human rights for the past 41 years.

Foreword

A year ago, on 24 April 2004, the world held its breath as North and South Cyprus separately and simultaneously participated in the historic referenda aimed at producing a *“Comprehensive Settlement of the Cyprus Problem”*. Based on the United Nations sponsored Annan Plan, this settlement would have seen the Greek and Turkish Cypriots come together once more to share political power in a united Cyprus. The results, an overwhelming “no” from Greek Cypriots and a substantial “yes” vote from Turkish Cypriots, meant that the best chance in decades for a Cyprus settlement had been missed.

Ironically, it has been the Greek Cypriots who have benefited from this outcome. Ten days after their emphatic rejection of the Plan they gained their much coveted entry into the EU. From there, they have continued to obstruct international efforts to end the four decades of embargoes against Turkish Cypriots. The EU Council of Ministers had given a mandate for direct trade with North Cyprus and granted an aid package, while countries such as the UK and US made promises to establish direct flights to North Cyprus, but all attempts have been blocked by the Herculean might of the tiny so-called “Republic of Cyprus”.

Greek Cypriots seek to thwart every element of progress in North Cyprus. Recent tactics include intimidating potential foreign purchasers of property in the North through aggressive court actions that threaten jail sentences, to lobbying Transport for London to ban North Cyprus holiday adverts – which they achieved. It is sad for Turkish Cypriots to see their neighbours stooping to such levels, instead of seeking to match the good will that is now evident in the actions of the authorities in the North.

Even the much-touted EU Green Line Directive that aimed to encourage economic cooperation between the North and South has failed to deliver. Although North Cyprus allows Greek Cypriots businesses to cross the border to sell their wares, travel in their own commercial vehicles (coaches, lorries, taxis) and advertise in the North Cyprus press, the administration of the “Republic of Cyprus” refuses to permit Turkish Cypriots to do likewise in the South.

The United Kingdom (UK), with its close historical ties to the island, and large Greek and Turkish Cypriot communities in London, has sought to play a constructive role in ending the isolation of Turkish Cypriots. In February 2005, a report by the House of Commons Foreign Affairs Committee (FAC) declared, *“...that undertakings given to Turkish Cypriots by the international community must be honoured. We recommend that the Government do more to turn its words into action...”* This was echoed by Jack Straw, the Secretary of State for Foreign and Commonwealth Affairs, in April 2005 in his response to the FAC report, where he stated that both direct trade and aid to North Cyprus needed to be delivered, *“...to fulfil the mandate EU Ministers gave to the Commission in April 2004 on ending the economic isolation of the Turkish Cypriots.”*

Sadly, after 365 days of waiting, the party has gone flat for Turkish Cypriots. Hundreds of promises made, none kept. Their high hopes of gaining global citizenship after 24 April 2004 have been left in tatters. They continue to be the victims of a political situation they have no control over.

Embargoed! hope that, on the eve of the anniversary of the Annan Plan referenda, these testimonies will serve as timely reminder to the international community that Turkish Cypriots have not forgotten their promises. After 41 years living under embargoes, they are still waiting for the world to honour their words and restore their fundamental human rights.

Embargoed!¹ 22 April 2005

¹ Embargoed! is an independent pressure group campaigning on a human rights platform to restore the fundamental political, economic and social rights of Turkish Cypriots. The group was launched on 4 March 2005 and aims to play an active role in raising awareness about the isolation of North Cyprus and campaigning for the immediate and unconditional end to all embargoes.

Testimony: A World of Broken Promises

There follows eight pages of promises made by the world's political leaders and institutions (see below for list) to end the isolation of Turkish Cypriots living in North Cyprus. Sadly, to date, not a single embargo has been lifted.

1. UN Secretary-General Kofi Annan's statement as read by his Special Advisor on Cyprus, Mr. Alvaro de Soto, 24 April 2004
2. **European Commission's press release of 24 April 2004**
3. Austrian Foreign Minister Ferrero-Waldner's press statement of 24 April 2004
4. **Statement by the Czech Foreign Ministry, 24 April 2004**
5. Swedish Prime Minister Persson's statement of 24 April 2004
6. **EU Enlargement Commissioner Verheugen's statement to Germany's ARD television, 25 April 2004**
7. Council of Europe Secretary General Walter Schwimmer's statement of 25 April 2004
8. **French Foreign Ministry's statement of 25 April 2004**
9. Bangladesh Foreign Ministry's Press Release of 25 April 2004
10. **Spokesman of the US State Department Richard Boucher's encounter with the press on 26 April 2004**
11. EU Enlargement Commissioner Verheugen's press statement of 26 April 2004
12. **Belgian Foreign Minister Michel's press statement of 26 April 2004**
13. European Council of Foreign Ministers Conclusion Statement of 26 April 2004
14. **Statement by Geoffrey Van Orden, MEP, Conservative Spokesman on Defence and Security Policy and Human Rights in the European Parliament, 27 April 2004**
15. EU Enlargement Commissioner Verheugen's press statement of 27 April 2004
16. **UN Under-Secretary General Prendergast's briefing to the UN Security Council on 28 April 2004**
17. UN Secretary General's statement of 28 April 2004
18. **European Union Parliamentary Assembly Resolution no. 1376 (2004)**
19. President of the Council of Europe, Committee of Ministers and the Foreign Minister of Netherlands Mr. Bot's statement of 28 April 2004 (at the European Council Parliamentary Assembly meeting)
20. **Report of the UN Secretary-General Kofi Annan on his mission of good offices in Cyprus, 28 May 2004, (S/2004/437)**
21. Commission proposes comprehensive measures to end isolation of Turkish Cypriot community, IP/04/857, Brussels, 7 July 2004
22. **Written Evidence Submitted by the Foreign and Commonwealth Office to the House of Commons Foreign Affairs Committee, 16 November 2004**
23. Cyprus: Second Report of Session 2004-2005 by the House of Commons, Foreign Affairs Committee, HC 113-I, February 2005
24. **Response of the Secretary of State for Foreign and Commonwealth Affairs to the Second Report of the Foreign Affairs Committee on Cyprus, April 2005**
25. Statement made by Joost Legendijk, President of the EU-Turkey Joint Parliamentary Committee, during his visit to Northern Cyprus on 9 April 2005 (Turkish News Agency on 9 April 2005, unofficial translation)

1. UN Secretary-General Kofi Annan's statement as read by his Special Advisor on Cyprus, Mr. Alvaro de Soto, 24 April 2004:

"The goal of the effort over the last four and a half years has been to bring about reunification so as to enable a reunited Cyprus to join the European Union. That goal has not been achieved. A unique and historic chance to resolve the Cyprus problem has been missed.

The Secretary-General applauds the Turkish Cypriots, who approved the plan notwithstanding the significant sacrifices that it entailed for many of them. He regrets that the Turkish Cypriots will not equally enjoy the benefits of EU membership as of 1 May 2004, but he hopes that ways will be found to ease the plight in which the people find themselves through no fault of their own.

Together with a broad cross-section of the international community, the Secretary-General remains convinced that the settlement plan put to the two sides in today's referenda represents a fair, viable and carefully balanced compromise – one that conforms with the long-agreed parameters for a solution, and with the Security Council's vision for a settlement and meets the minimum requirements of all concerned."

2. European Commission's press release of 24 April 2004:

"The European Commission deeply regrets that the Greek Cypriot community did not approve the comprehensive settlement of the Cyprus problem. A unique opportunity to bring about a solution to the long-lasting Cyprus issue has been missed. The European Commission would like to warmly congratulate Turkish Cypriots for their "Yes" vote. This signals a clear desire of the community to resolve the island's problem. The Commission is ready to consider ways of further promoting economic development of the northern part of Cyprus."

3. Austrian Foreign Minister Ferrero-Waldner's press statement of 24 April 2004:

"The Austrian Foreign Minister Benita Ferrero-Waldner expressed her regret at the negative outcome of the referendum on the Greek side of Cyprus.

The fact that the referendum resulted in a positive vote on the Turkish side of Cyprus should be appropriately honored by the international community," Ferrero-Waldner stated."

4. Statement by the Czech Foreign Ministry, 24 April 2004:

"...the inhabitants of Cyprus have expressed in referendums their opinion on the plan of UN Secretary-General Kofi Annan for the unification of the island. The plan has been refused by a large majority of the Greek population of Cyprus.

...the Czech MFA regards the refusal of the Annan plan as a squandered chance, a chance that may not come again in the near future and considers the Annan plan to be an optimum basis for the unification of Cyprus. The plan was coming forward to both parties and in cooperation with the UN Security Council and the EU provided to all participants sufficient guarantees of a peaceful development of the island.

On 1st May 2004, Cyprus will become EU member. The Turkish inhabitants of Cyprus have expressed in the referendum their will for the unification of Cyprus. They should not become hostages of the situation they will face after 1st May resulting from the refusal of the Annan plan in the south part of the island. The Czech MFA believes that the EU and the international community will find a way to help the north part of Cyprus to overcome economic and social consequences of the decades of international isolation.

...The Czech Republic also calls on the Republic of Cyprus and its current representatives to demonstrate the will to achieve a compromise, which is necessary for a peaceful unification of the island."

5. Swedish Prime Minister Persson's statement of 24 April 2004:

"We regret the fact that a re-united Cyprus can not be EU member on 1st of May. Both peoples of the island have a certain place in the Union.

We appreciate the initiative of Prime Minister Erdoğan and of the Turkish Government in order to re-unite Cyprus. Now, the EU must evaluate how it can contribute and facilitate the trade in the island and the border crossings between the two parts. On the other hand, we must reconsider the modalities of the economic support for the harmonization of the North with the EU" (*unofficial translation*)

6. EU Enlargement Commissioner Verheugen's statement to Germany's ARD television, 25 April 2004:

"A unique opportunity to bring about a solution to the long-lasting Cyprus issue has been missed...There is a shadow now over the accession of Cyprus.

...What we will seriously consider now is finding a way to end the economic isolation of the Turkish Cypriots."

7. Council of Europe Secretary General Walter Schwimmer's statement of 25 April 2004:

Secretary General Walter Schwimmer has expressed his regret that the United Nations plan to reunite Cyprus did not receive the necessary support from voters in the south of the island. This is indeed a big disappointment' he said. 'As the Secretary General of a pan-European organisation I can only regret that a golden opportunity has been missed. The outcome of the referendum in the northern part of the island has at least achieved the ending of the moral isolation of the Turkish Cypriots. I am confident that the international community will now ensure that they will not suffer unduly from the rejection of the UN Plan, contrary to their wishes' Mr Schwimmer added.

8. French Foreign Ministry's statement of 25 April 2004:

"France notes the results of the referenda in Cyprus which ended in the rejection of the Annan Plan for the island's reunification by one of the parties. It regrets that this result will not allow the accession of a reunited Cyprus in the EU, something which France always favoured. Cyprus' accession to the EU, on May 1, will not assume its full significance until such time that the two communities are reconciled..." "Within this context, France hopes that the Commission, in accordance with the conclusions of the Copenhagen European Council of December 2002, proposes that proper measures be taken to promote the economic development of the northern part of the island and bring it closer to the Union."

9. Bangladesh Foreign Ministry's Press Release of 25 April 2004:

"Bangladesh expresses its deep disappointment at the rejection of the UN Plan for the reunification of Cyprus, by one community in Cyprus...Bangladesh believes that those who voted for the UN plan in Cyprus should now be given the opportunity to restore immediately their economic and trade activities internationally without any restriction."

10. Spokesman of the US State Department Richard Boucher's encounter with the press on 26 April 2004:

"First I'd refer you to the remarks that Secretary (Powell) made outside...

We think that a Greek Cypriot vote against the settlement means that a unique and historic opportunity was lost. We believe the settlement was fair. It has been accepted by the Turkish Cypriot side. There will not be a better settlement. There is no other deal. There is no better deal available. And we hope that the Greek Cypriots will come to comprehend this in due time.

We have nothing but praise for the courageous Turkish Cypriots who voted for this settlement.... There's not a new negotiation plan, there's not a renegotiation plan. This is the deal...

Question: Do you stick to your intention not to leave them (Turkish Cypriot people) out in the cold?

MR. BOUCHER: Yes.

11. EU Enlargement Commissioner Verheugen's press statement of 26 April 2004: (unofficial translation)

"The European Commission deeply regrets the negative outcome of the referendum among the Greek Cypriot community. A unique opportunity has been missed. The Commission warmly congratulates the Turkish Cypriots for their "Yes" vote...The Annan Plan is null and void now.

Turkish Cypriots must not be punished because of this result. The Regulation to be issued by the Commission will serve this aim....now we have to end the isolation of the North. The Commission is ready to take various measures for that aim.

Turkish Cypriots have showed a positive will. Therefore, they must not be punished if they are ready to cooperate with us.

We believe that indeed a unique opportunity has been missed. A divided Island is going to be EU member.

The Green Line has become de facto external border of the EU."

12. Belgian Foreign Minister Michel's press statement of 26 April 2004: (unofficial translation)

"...There is no reason to punish the Turkish Cypriots who have voted yes for the EU. The Greek Cypriots that have supported the re-unification have voted against it this time."

13. European Council of Foreign Ministers Conclusion Statement of 26 April 2004:

"The Turkish Cypriot community have expressed their clear desire for a future within the EU. The Council is determined to put an end to the isolation of the Turkish Cypriot Community and to facilitate the reunification of Cyprus by encouraging the economic development of the Turkish Cypriot community. The Council invited the Commission to bring forward comprehensive proposals to this end, with particular emphasis on the economic integration of the island. The Council recommended that the 259 million euro already earmarked for the northern part of Cyprus in the event of a settlement now be used for this purpose."

14. Statement of Geoffrey Van Orden, MEP, Conservative Spokesman on Defence and Security Policy and Human Rights in the European Parliament, 27 April 2004:

"I was hugely disappointed by the 'no' vote in the Republic in Saturday's referendum, and felt greatly let down by the unhelpful approach of the Government and other political parties in the south.

Given Turkish Cypriots overwhelming support for the UN plan, it is essential that the European Union recognizes their endorsement by building a strong relationship with northern Cyprus. With this in mind, I welcome the Commission's proposals for a financial aid package to the north, for easing travel restrictions at the 'Green Line' and for the opening of a Commission office in northern Cyprus.

We must also ensure, however, that all vestiges of the unfair embargo are rapidly removed and it is high time that holidaymakers from EU Member States were allowed to fly directly to Ercan this summer."

15. EU Enlargement Commissioner Verheugen's press statement of 27 April 2004:

"EU Enlargement Commissioner Günter Verheugen has called for the opening of a European Commission office in the Turkish part of Cyprus to monitor the flow of community funds for the development of the northern part of the island."

16. UN Under-Secretary General Prendergast's briefing to the UN Security Council on 28 April 2004:

...The Secretary General applauds the Turkish Cypriots, who approved the plan notwithstanding the significant sacrifices that it entailed for many of them.

...The Secretary General regrets that the Turkish Cypriots will not equally enjoy the benefits of the EU membership as of 1 May 2004. He hopes that ways will be found to ease the plight in which the people find themselves through no fault of their own."

17. UN Secretary General's statement of 28 April 2004:

"The vote by the Greek Cypriots to reject my proposals last Saturday was of course a great disappointment...I salute the Turkish Cypriots for their courageous vote in favour of the proposals. We must all do our best to see that they are not penalized for the way the vote went in the other part of the island."

18. European Union Parliamentary Assembly Resolution no. 1376 (2004):

"The Parliamentary Assembly is profoundly disappointed by the failure, following the massive "no" vote by the Greek Cypriot community, of the international community's efforts to end the division of Cyprus and enable the two Cypriot communities to together join the European Union on 1 May 2004.

The Assembly pays tribute to Mr Kofi Annan, Secretary-General of the United Nations, and his colleagues, who have made a tremendous contribution towards achieving a settlement of the Cyprus problem.

The Assembly pays tribute to the Turkish Cypriots, who supported the Annan Plan by an overwhelming majority, thus opting for a future in Europe. The international community, and in particular the Council of Europe and the European Union, cannot ignore or betray the expressed desire of a majority of Turkish Cypriots for greater openness and should take rapid and appropriate steps to encourage it. The Turkish Cypriots' international isolation must cease. The Assembly therefore welcomes the support expressed by several European political leaders for financial assistance for the Turkish Cypriots and an easing of the

international sanctions against them. The United Nations should also consider whether the resolutions on which the sanctions are based are still justified. The Assembly considers it unfair for the Turkish Cypriot community, which has expressed clear support for a reunited and European Cyprus, to continue to be denied representation in the European political debate. Such continued isolation may help strengthen the positions of those who are opposing a unified Cyprus.”

19. President of the Council of Europe, Committee of Ministers and the Foreign Minister of Netherlands Mr. Bot’s statement of 28 April 2004 (at the European Council Parliamentary Assembly meeting):

“We will now need to look for ways and means to make sure that the Turkish Cypriots do not remain isolated and avoid that they suffer unduly from the rejection of the UN Plan which they supported by a large majority.”

20. Report of the UN Secretary-General Kofi Annan on his mission of good offices in Cyprus, 28 May 2004, (S/2004/437):

“ Summary: ... The decision of the Turkish Cypriots is to be welcomed. The Turkish Cypriot leadership and Turkey have made clear their respect for the wish of the Turkish Cypriots to reunify in a bicomunal, bizonal federation. The Turkish Cypriot vote has undone any rationale for pressuring and isolating them. I would hope that the members of the Council can give a strong lead to all States to cooperate both bilaterally and in international bodies, to eliminate unnecessary restrictions and barriers that have the effect of isolating the Turkish Cypriots and impeding their development — not for the purposes of affording recognition or assisting secession, but as a positive contribution to the goal of reunification...”

“90. ... However, this (Turkish Cypriot) vote has undone whatever rationale might have existed for pressuring and isolating them. The rapid reaction of the European Union to the new situation was a welcome first step. I hope that the European Union will follow up these steps with further ones...”

21. Commission proposes comprehensive measures to end isolation of Turkish Cypriot community, IP/04/857, Brussels, 7 July 2004:

“Responding to the invitation of the Council, the European Commission today proposed a comprehensive package of aid and trade measures which aim to put an end to the isolation of the Turkish Cypriot community and to facilitate the reunification of Cyprus. These measures will facilitate trade from the northern part of the island and strengthen its economic integration through financial assistance of €259 million. They also set specific rules for goods crossing the green line separating the Greek Cypriot and the Turkish Cypriot communities.

Enlargement Commissioner Günter Verheugen said : *“As the Turkish Cypriot community expressed overwhelming support for the UN Plan to reunify Cyprus, it would have been unfair, to say the least, to leave it out in the cold. The Commission is therefore happy to propose an aid and trade scheme, which, if adopted by the Council, will foster the economic development of the northern part of the island. It will also build new bridges between the two communities and thus keep alive hopes of the reunification of Cyprus”.*

On 24 April, the “Comprehensive Settlement of the Cyprus Problem” as proposed by the UN Secretary General Kofi Annan did not pass the simultaneous referenda in Cyprus, despite approval by the Turkish Cypriot electorate, given that it was rejected by the Greek Cypriot electorate. Following the outcome of the referenda, the Council stated on 26 April that it was *“determined to put an end to the isolation of the Turkish Cypriot community and to facilitate the reunification of Cyprus by encouraging the economic development of the Turkish Cypriot community”.* The Council therefore *“invited the Commission to bring forward*

comprehensive proposals to this end, with particular emphasis on the economic integration of the island and on improving contact between the two communities and with the EU”.

The Commission today decided the following:

- It proposed a regulation establishing financial support for the economic development of the Turkish Cypriot community and for improving contacts between the two communities. The envelope amounts to €259 million for the period 2004-2006. It will put a particular emphasis on alignment with EU legislation and policies, reconciliation and confidence building measures, social and economic development, development of infrastructure and people to people contacts. This regulation has to be adopted by unanimity by the Council after consultation of the European Parliament.
- It also proposed a regulation to facilitate direct trade from the northern part of Cyprus. The proposal offers a preferential regime for products originating in the North, entering the Customs Territory of the EU. It sets rules on: the documents certifying the origin of goods, to be issued by the Turkish Cypriot Chamber of Commerce or another duly authorised body; phytosanitary inspections; food and product safety; taxation; communication obligations; safeguard measures in the event of ineffective cooperation, irregularities or fraud. It is proposed that the preferential regime should take the form of a tariff quota system which would be established to encourage economic development while avoiding the creation of artificial trade patterns or facilitating fraud. This regulation has to be adopted by the Council by qualified majority.
- It adopted a regulation defining special rules with regards to the intra-island trade
- It decided to authorise the Turkish Cypriot Chamber of Commerce to issue the necessary documents accompanying the goods which will cross the green line.”

22. Written Evidence Submitted by the Foreign and Commonwealth Office to the House of Commons Foreign Affairs Committee, 16 November 2004:

“... 7. The Secretary-General reported comprehensively on his mission of Good Offices in May of this year. We share his judgments on his unprecedented peacemaking effort on Cyprus, and in particular the conclusion that for Cypriots "The prospects for the reunification of their country now rest primarily in their hands." We agree that the Turkish Cypriot "yes" vote has undone any rationale for pressuring and isolating them. We also agree with his call that the international community should "co-operate both bilaterally and in international bodies to eliminate unnecessary restrictions and barriers that have the effect of isolating the Turkish Cypriots and impeding their development".

EFFECT ON THE NORTH

8. The outcome of the 24 April referendums was a bitter disappointment for the majority of Turkish Cypriots. They remain economically and politically isolated, with no voice in the EU or other international fora.... The international community has a new responsibility towards the Turkish Cypriots. The Government and the EU are seeking ways to put an end to the economic isolation of the Turkish Cypriots, as agreed by EU Foreign Ministers in April at the General Affairs and External Relations Council. Until a reunited Cyprus is within the EU, we should do all we can to ensure that all Cypriots are able to enjoy the benefits (and responsibilities) of membership...

DE-ISOLATING THE NORTH: THE MECHANICS

10. The European Commission produced proposals on 7 July in response to the EU Foreign Ministers' April invitation to "bring forward comprehensive proposals with particular emphasis on the economic integration of the island and on improving contact between the two communities and the EU". These proposals envisage the disbursement of 259 million euros of aid to the north and direct trade with EU member states on a tariff quota system. The proposals remain under discussion. We wish to see fully effective regulations on trade and aid implemented as soon as possible. This is in accordance with the political agreement among EU Foreign Ministers of 26 April to end the isolation of the Turkish Cypriots. In the meantime, the Green Line Regulation, also agreed by Foreign Ministers in April, which allows for trade between the north and south of

the island, has come into effect. This is welcome, but is unlikely on its own to give a significant boost to the Turkish Cypriot economy. We understand that during the first 10 days' operation of the Green Line Regulation, total trade amounted to less than £3,000.

DIRECT TRANSPORT LINKS

11. In order to reduce the economic divide, the Government wishes to see direct air and maritime links with the north of Cyprus. We are currently examining the feasibility of direct flights, which would have a significant effect on ending the isolation of the north of Cyprus. An economy whose chief asset is its tourism potential must be able to attract tourists. We will continue to work with our international partners to promote the EU's goal of ending the isolation of the Turkish Cypriots, including by better transport links of all kinds. If direct flights did commence between northern Cyprus and the UK, then the airport in northern Cyprus would, of course, have to meet the appropriate standards in safety and security.

23. Cyprus: Second Report of Session 2004-2005 by the House of Commons, Foreign Affairs Committee, HC 113-I, February 2005:

“Conclusions and Recommendations:

3. ...We are greatly disappointed that it has so far proved impossible to gain agreement on the modest but important proposals to improve the operation and usefulness of the Green Line Regulation on intra-island trade. We recommend that the United Kingdom work closely with the Luxembourg presidency to secure early implementation of these changes and to streamline procedures for making further amendments. We further recommend that the EU should take steps to bring in genuinely free trade, with traders in the South of the island being free to move goods and products across the line to the North. (Paragraph 115)

4. We regret that valuable aid for the people of northern Cyprus is being held up by political and procedural disputes within the EU. We recommend that the Government use its good offices to persuade all parties to remove the remaining obstacles to disbursement of this aid. (Paragraph 122)

5. We conclude that undertakings given to Turkish Cypriots by the international community must be honoured. We recommend that the Government do more to turn its words into action, by working with the Luxembourg presidency of the EU to remove obstacles to direct trade with and travel to northern Cyprus, and that it encourage the wider international community to do the same. (Paragraph 135)

6. We recommend that in its response to this Report, if not sooner, the Government clarify whether it has the power to authorise direct passenger flights between the United Kingdom and northern Cyprus. We further recommend that, if it does possess the power to authorise flights, the Government announce a date from which such services will be permitted, subject to satisfactory safety inspections of the facilities at Ercan and other assurances. (Paragraph 146)

7. In the absence of an early overall settlement, we recommend that the Government support practical measures which will enable Turkish Cypriots to trade with the United Kingdom and other countries, such as refurbishment and then joint operation to EU standards of the port at Famagusta, as proposed by the government of Cyprus. (Paragraph 152)...”

24. Response of the Secretary of State for Foreign and Commonwealth Affairs to the Second Report of the Foreign Affairs Committee on Cyprus, April 2005:

“ ...3. We agree with the Committee's assessment that intra-island trade has the potential to increase the prosperity of Greek Cypriots and Turkish Cypriots alike. The Government has continued to push for improvements to the Green Line Regulation. Since the Committee's report was written, the Commission and the Republic of Cyprus have agreed on modest improvements to the Green Line Regulation, including inter alia a significant increase in the value of personal goods that may be brought across the line. These amendments entered into force on 26 February. In agreeing to these amendments, the UK Government noted that they were still limited and we would like the scope of the regulation extended still further to enhance trade. We welcome all moves towards increasing intra-island trade and economic interaction between Greek Cypriots and Turkish Cypriots. We note the Committee's disappointment that goods cannot

currently move from south to north. The Turkish Cypriots have recently announced that they will permit trade from south to north – we welcome this and will encourage the Turkish Cypriot administration to implement these new measures without delay. The Committee's report notes that the Republic of Cyprus does not currently recognise Turkish Cypriot commercial driving licences, with the consequence that few Turkish Cypriot truck drivers can drive across the line. We will continue to encourage the Republic of Cyprus to lift this restriction...

4. We agree with the Committee's assessment that EU financial aid to northern Cyprus will help the Turkish Cypriots prepare for integration into the EU. We regret that it was not possible to reach agreement on this aid regulation amongst EU Member states in November. Since that time, the Presidency has not reintroduced the matter for discussion. We agree with the Committee's recommendation and will take forward consultations with the Presidency, Commission and Member States on achieving EU agreement on the regulation. At the same time, we would reiterate, as Dr MacShane made clear in his evidence to the Committee, that we believe that aid should be disbursed directly in the north of Cyprus. We also continue to believe that the aid regulation should be treated as a package in conjunction with the Commission's proposed draft regulation to facilitate direct trade between the EU and north Cyprus. We believe these regulations are complementary, and need to be considered together if they are to fulfil the mandate EU Ministers gave to the Commission in April 2004 on ending the economic isolation of the Turkish Cypriots...

5. We agree with the Committee's conclusion, and with the Committee's observation that the consequences of failure to agree on the Commission's proposals would be to consign the Turkish Cypriots to continuing economic isolation and to place prosolution Turkish Cypriot politicians under possibly unbearable strain. We also agree with the observation that direct trade and contact with the rest of Europe will provide Turkish Cypriots with additional incentive to seek an overall solution to the Cyprus problem. We believe that a direct trading relationship between the EU and the north of Cyprus would help narrow the economic gap between north and south, thus leading to increased opportunities for economic cooperation and business ventures between the two communities. It would improve the climate for foreign direct investment in the north, and would provide the incentive to harmonise with the *acquis* in key areas and improve the infrastructure in the north. In this context, we recall that the EU's approach to trade with Cyprus has traditionally sought to ensure that trade is for the benefit of both sides. Prior to Cyprus' EU accession, the EU's Association Agreement and Customs Union with Cyprus were negotiated on this basis. The issue of direct trade has not been reintroduced for discussion amongst EU Member States since November. But we will continue to consult with the Luxembourg Presidency, Commission and EU Member States on this issue. We believe that the absence of direct trade poses a greater threat to the reunification of Cyprus. Our support for direct trade in no way undermines our long-standing position on non-recognition...

6. We continue to believe that direct flights between the UK and north Cyprus would contribute materially to ending the isolation of the Turkish Cypriots and would contribute to the prospects for reunification. It therefore remains our position that we would in principle support the commencement of direct flights to northern Cyprus...."

25. Statement made by Joost Legendijk, President of the EU-Turkey Joint Parliamentary Committee, during his visit to Northern Cyprus on 9 April 2005 (Turkish News Agency on 9 April 2005, unofficial translation)

"Europe is not standing behind its words. In the aftermath of the Turkish Cypriot "yes" vote at the referenda held in Cyprus last year, EU has promised that it would end the isolation of the Turkish Cypriots. Unfortunately, till today EU has been unsuccessful in fulfilling its promises.... Ending the isolation is in the interest of all parties."