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CYPRUS AFTER THE FAILURE OF THE ANNAN PLAN

Jan Asmussen

On 24 April 2004 Greek and Turkish Cypriots decided in separate simultaneous referenda on whether or not Cyprus would join the European Union on 1 May 2004. While 64.91% of Turkish Cypriots accepted the Annan Plan, an overwhelming majority of 75.83% of Greek Cypriots rejected the UN blueprint. The extent of the Greek Cypriot “Oxi”(No) brought an end to a large scale effort by the United Nations Secretary-General to broker a final deal for a solution of the “oldest item continuously on the peacemaking agenda”.¹

Apart from the UN, the United States (Special envoy: Thomas Weston), the United Kingdom (Special envoy: (Sir David Hannay) and the European Union have constantly observed and tried to facilitate the process. Consequently, there has been a great deal of disappointment among those engaged in finding a solution. The most outspoken comment came from EU Enlargement Commissioner, Günter Verheugen who on 21 April declared that he felt “cheated” by the Greek Cypriot Government.² Kofi Annan’s latest report clearly puts most of the blame for the failure on the Greek Cypriot leader, Tassos Papadopoulos, and his government and stresses that “if the Greek Cypriots are ready to share power and prosperity with the Turkish Cypriots in a federal structure based on political equality, this needs to be demonstrated, not just in word, but in action.”³ Apparently, the international community never took the possibility of such an outcome into consideration. As a result, both the EU and the UN concentrated on pressuring the Turkish Cypriot side and Turkey to accept the UN Plan. At the same time no efforts were made to secure a more positive attitude by the Greek Cypriot leadership. Today the international community is in a stage of shock and has clearly not developed an alternative plan to cope with the new situation.

¹ S/2003/398 Report of the Secretary-General on his mission of good offices in Cyprus, April 2003, § 4.

² “I am going to be very undiplomatic now. I feel cheated by the Greek Cypriot government. We had a clear agreement on this point. Mr Papadopoulos must respect his part of the deal. Under no circumstances was a resolution to the conflict to fall as a result of opposition from the Greek Cypriot authorities.”; Cyprus Mail, 22.4.2004.

³ S/2004/437 Report of the Secretary-General on his mission of good offices in Cyprus, 28 May 2004, § 86.

Background

The present stage of the Cyprus Conflict dates back to 1963, when a violent “civil war” brought an end to the constitutional set-up arranged in the London and Zurich Agreements of 1959.⁴ At the core of the conflict was the demographic dilemma of a Greek Cypriot community comprising 78.17% of the population which had the political aim of uniting Cyprus with Greece (Enosis) and a Turkish Cypriot community of 18.18% which categorically rejected such a notion.⁵ The 1960 Cyprus Republic collapsed mainly because it failed to satisfy the political will of the Greek Cypriots who felt pressed into an unwanted constitutional partnership granting disproportionate rights to their Turkish Cypriot “compatriots”.⁶

United Nations engagement in Cyprus started in 1964 with the establishment of the United Nations Peace Keeping Force in Cyprus (UNFICYP).⁷ The main aim of the force during its first decade was to monitor the cease-fire and facilitate movement of persons between territories under control of the Greek Cypriot authorities. The UN in 1964 recognised the administration as Government of the Republic of Cyprus despite the constitutional breakdown⁸ and the Turkish Cypriot enclaves which comprised approximately 2% of the Islands territory.

The following phase of the conflict developed out of a coup d'état on 15 July 1974 which was triggered by mainland Greek officers of the Greek Cypriot National Guard and Greek Cypriot supporters of the EOKA-B movement. Emphasising its right to intervene under the Treaty of Guarantee, Turkey sent troops to the island and proceeded to partition Cyprus. As a result, 180 000 Greek Cypriots fled to the south of the island, while 45 000 Turkish Cypriots moved to the north.⁹ On 15 November 1983 Turkish Cypriots declared their independence and established the “Turkish Republic of Northern Cyprus”. The move was immediately condemned by the UN Security Council. The principal reason for non-recognition was that the international community would not condone the expulsion of thousands of Greek Cypriots. Subsequently, only Turkey recognised the new isolated, breakaway state. Northern Cyprus has been subject to international embargoes ever since.¹⁰

⁴ For the historical foundations of interethnic conflict in Cyprus see: Asmussen, Jan: “Wir waren wie Brüder”. Zusammenleben und Konfliktenstehung in ethnisch-gemischten Dörfern auf Zypern. (Hamburg, 2001).

⁵ While the small groups of Armenians and Maronites were counted as “Greeks” the remaining population of 3.65% contained British, “Gypsies” and others; The 1960 census is the last one conducted in the whole of Cyprus. For subsequent periods only unreliable estimates exist; Republic of Cyprus (Ed.): Census of Population and Agriculture. (Nicosia, 1962), Table I.

⁶ See Zervakis, Peter: “Historische Grundlagen”, in Grothusen, Klaus-Detlev, Winfried Steffani, and Peter Zervakis (eds.): Südosteuropa-Handbuch. Vol. 8: Zypern. (Göttingen, 1998), 38-90.

⁷ Theodorides, The United Nations Peace Keeping Force in Cyprus (UNFICYP), in: 31 International and Comparative Law Quarterly (1982), 765-783.

⁸ UN Security Council Resolution 186/1964.

⁹ Drury, Michael P.: “The Political Geography of Cyprus”, in Clarke, John I. and Howard Bowen-Jones (eds), Change and Development in the Middle East (London, New York, 1981), 289-304, 293.

¹⁰ As a result there have been no direct flights to and from Northern Cyprus; no direct imports and exports; Turkish Cypriot educational organisations are not recognised, and so forth.

International efforts to find a solution – ‘A grave of diplomacy’

Originally planned for three months, UNFICYP’s deployment continues and has developed into the UN’s longest peacekeeping mission and its largest failure in international diplomacy. Almost immediately after the peacekeepers arrived, the UN began to broker a peace deal on the island (see Galo Plaza report 1965) and after 1968 it sponsored direct talks. At the start, the chief negotiators were Rauf Denктаş, who officially continues to hold the position, and Glafcos Clerides, who held the post intermittently until February 2003. Direct dialogue failed to produce any results. As UN Secretary General Kofi Annan described “[it] was not (...) because solutions were not achievable. Rather, it was because negotiation, in the sense of give and take, almost never occurred. Instead, the process was one of procedural wrangling, verbal gymnastics, shadow boxing, and mini-crises, with only occasional promising glimmers on the substance which did not last.”¹¹ The diplomatic deadlock cannot be solely attributed to one side or the other, however. Until 1974 the Greek Cypriot side clearly carried most of the blame for the impasse led by the President and Archbishop Makarios most notably. After 1974, it was the Turkish Cypriot side with the support of Turkey and Rauf Denктаş as chief delegate that stood their ground.¹²

The EU factor

As the Republic of Cyprus filed its application for European Union membership in 1990, there was little hope that this move would facilitate a solution to its territorial and political division. Turkish and Turkish Cypriot reactions to this initiative were hostile and as accession negotiations began in March 1998, Denктаş refused to attend further talks. On the other hand, Greek-Turkish rapprochement led by George Papandreou and İsmail Cem further encouraged the two sides to come together. Moreover, the implications of membership negotiations were not overlooked by the Turkish government, as it too was seeking accession to the Union.¹³ Consequently, in December 1999 the European Council decided to bring Turkey closer to accession talks while granting Cyprus candidacy status. The political climate had changed little in Cyprus, however. Five sessions of “proximity talks” dragged on from December 1999 to late 2000 and into the early months of the following year. The two leaders, Denктаş and Clerides, meanwhile, were not able to bridge any major differences.¹⁴ In the end, Turkey seemed ready to push Northern Cyprus towards a reconciliation.

In early November 2001 Denктаş sent Clerides a letter calling for direct talks to break the deadlock and to arrive at a final solution. An exchange of letters between the two leaders led to an agreed face-to-face meeting presided by the UN Secretary-General’s

¹¹ S/2003/398, § 23.

¹² See Bahcheli, Tozun: Domestic Political Developments: in: Grothusen, Südosteuropa-Handbuch, pp. 91-125, chapters VII & VIII.

¹³ Many authors have written extensively on the EU’s involvement in the Cyprus issue: Dietz, Thomas (Ed.): *The European Union and the Cyprus Conflict. Modern Conflict, Postmodern Union*. Manchester 2002; Zervakis, Pete: *Globalisierung und Europäisierung als Herausforderungen für den Wandel des Nationalstaats in Europa*, in: Elm, Ralf (Ed.): *Ethik, Politik und Kulturen im Globalisierungsprozess, Eine interdisziplinäre Zusammenführung*. Bochum, 2003, pp. 295; Brewin, Christopher: *The European Union and Cyprus*. Huntingdon 2000; Baier-Allen, Susanne: *Exploring the Linkage between EU Accession and Conflict Resolution: The Cyprus Case*. Baden-Baden 2004; Christou, George: *The European Union and Cyprus: The power of attraction as a solution to the Cyprus issue*, JEMIE, 2, 2002.

¹⁴ S/2003/398, § 23.

Special Adviser for Cyprus, Alvaro de Soto on 4 December 2001. There, they agreed to resume talks in January 2002 on the basis of four principles: there would be no preconditions; all issues would be on the table; they would continue to negotiate in good faith until a comprehensive settlement was achieved; and nothing would be agreed until everything was agreed.¹⁵ Intensive talks began on 16 January at a special facility within the United Nations Protected Area (UNPA) at Nicosia Airport. Even if both sides expressed optimism from the start and they were supported by generally positive sentiments among the two communities, the outcome of discussions followed the same path as previous ones. No progress was made. By summer 2002 it was clear that an agreement was impossible.¹⁶

The Annan Plan

Under these circumstances, UN Secretary General Kofi Annan took unusual measures. De Soto had noted the positions of both parties during the course of negotiations and, with the help of international experts, Mr. Annan developed a blueprint that equally reflected the priorities of both sides. The resulting plan was presented to the parties and the guarantor powers (Great Britain, Greece and Turkey) as a “Basis for Agreement on a Comprehensive Settlement of the Cyprus Problem” on 11 November 2002 and would become known as the “Annan Plan”. Both sides finally agreed to negotiate on the basis of the Plan.

Revised five times before it came to public vote on 24 April 2004, the Plan provided for a “United Cyprus Republic”, which would join the European Union as a federal state. The proposed federation was to be composed of Greek Cypriot and Turkish Cypriot constituent states and responsible to a presidential council and a bicameral parliament (Senate/Chamber of Deputies). While the Senate would have 50% Turkish Cypriot senators, the minimum Turkish Cypriot members of the Chamber would be 25%. This legislative model ensured that no community could dominate the state affairs without considerable support from representatives of the other community. Competencies at the federal level would be limited to international affairs, the EU and to the protection of state integrity, including borders, resources and heritage. The component states would be responsible for all remaining legislative powers, while a Supreme Court consisting of Cypriot and non-Cypriot members would secure the smooth running of affairs in case of a deadlock. Rights of return and property issues provided for the return of a large number of refugees while maintaining a balance in national identities. Turkish Cypriot territory was to be reduced to 29% of the island, but the number of Greek Cypriots allowed to reside in the Turkish-occupied northern territory was to be limited to 18% for nineteen years.¹⁷ A Property Board was mandated to deal with land property claims.

¹⁵ Cyprus News Agency, 4 December 2001.

¹⁶ S/2003/398, § 41.

¹⁷ “In addition, for a transitional period a constituent state may, pursuant to Constitutional Law, limit the establishment of residence by persons hailing from the other constituent state. To this effect, it may establish a moratorium until the end of the fifth year after entry into force of the Foundation Agreement, after which limitations are permissible if the number of residents hailing from the other constituent state has reached 6% of the population of a village or municipality between the 6th and 9th years and 12% between the 10th and 14th years and 18% of the population of the relevant constituent state thereafter, until the 19th year or Turkey’s accession to the European Union, whichever is earlier. After the second year, no such limitations shall apply to former inhabitants over the age of 65

At the December 2002 European Council in Copenhagen, the Turkish Government's strategy to link its own accession to the EU with concessions to resolve the Cyprus problem failed. Subsequent negotiations in Cyprus on the Annan Plan did not produce a break through despite some progress made by "Technical Committees" established in early January 2003. The process finally collapsed at a meeting in The Hague on 10 March 2003 as Denktaş refused to put the third version of the Plan to a referendum.

In the meantime, on 16 February 2003, Tassos Papadopoulos, a conservative backed by communists and other leftist groups, won the Greek Cypriot Presidential elections with 51.55 % of the vote. He had run on a platform criticizing Clerides for giving too much away in the UN-sponsored talks with Denktaş. Since all parties were focused on the "intransigent Denktaş" neither Mr. Annan, nor the EU nor the US had questioned Papadopoulos' intentions or his opposition to the Annan Plan, for which he had won the elections in the south. This would prove a grave oversight a year later.

Political change in Turkey and North Cyprus

During the past three years a rapid transformation of the Turkish Cypriot society has occurred. This was accompanied by the emergence of a huge heterogeneous civil society. Large demonstrations took place in which about one-third of the population participated.¹⁸ As a result of demonstrations and other events organised by the "This Country is Ours"-Platform¹⁹ the political orientation of the people in Northern Cyprus shifted away from the old forces supporting President Denktaş towards the opposition, led by the leader of the Republican Turkish Party (CTP) Mehmet Ali Talat.

Another factor influencing the tremendous change surrounding the Cyprus issue constitutes the amazing transformation that Turkey's political system is currently undergoing. The victory of the Justice and Development Party (AKP) in November 2002, Prime Minister Erdoğan's consolidation of power and the subsequent marginalisation of the influence of the military and old civilian bureaucracy considerably facilitated change in Cyprus. Moreover, any changes on the political front in North Cyprus were unthinkable without the active support of the new forces in Ankara.

The December 14th elections in Northern Cyprus resulted in a deadlock. The pro-Denktaş parties and those backing the UN Plan each had 25 seats in the new legislature, even though opposition parties together had more than 50 % of the vote.²⁰

accompanied by a spouse or sibling, nor to former inhabitants of specified villages. Foundation Agreement, Main Articles, Article 3, 7.

¹⁸ The first rally was held on 26 December 2002 and attracted an estimated crowd of 25 000-30 000. A second even larger crowd assembled on 14 January at İnönü Square in Nicosia as 50 000-70 000 people met to demand a solution and the resignation of President Denktaş. A final mass rally on 27 February 2003 was attended by an estimated 30 000 to 55 000.

¹⁹ The platform was supported by 92 non-governmental organisations and trade unions which had signed a "Joint Vision" and called for a "Solution and EU rally"; Cyprus Today, 30 November-6 December 2002.

²⁰ The pro-Denktaş National Unity Party (UBP) 32.93 % of the vote, and Serdar Denktaş' Democratic Party (DP) 12.93 %. This translated to 18 seats for the UBP and seven for the DP – 25 in total. The leading opposition Republic Turkish Party (CTP), led by Mehmet Ali Talat won the biggest share with 35.18 % (19 seats); Mustafa Akinci's Peace and Democracy Movement (BDH) reached 13.14 % (7

The stalemate left the prospects of a settlement in limbo for some days before the Turkish Government decided to intervene. On 8 January 2004 in Ankara, Erdoğan received the leaders of all parties in the Parliament of the Turkish Republic of Northern Cyprus (TRNC). In separate meetings, he and Gül, Minister for Foreign Affairs, tried to broker a national coalition committed to finding a solution to the impasse. Significantly, President Denktaş attended neither these meetings, nor a Cyprus summit held the same day at the Cankaya residence of Turkish President Ahmet Necdet Sezer. It was only three days later that Denktaş was invited to "coordination talks" with the Erdoğan government.²¹ A national coalition for Northern Cyprus, thus, could not be achieved. The parties' positions were too far apart, and a three-way coalition was rejected by Serdar Denktaş' DP, which opposed the participation of Mustafa Akinci's BDH. Finally on 11 January 2004, the CTP and the DP agreed on the formation of a "Communal Reconciliation and Settlement" government with the following objectives:

- to reach a Cyprus settlement by May on the basis of the Annan Plan;
- to hold referenda on two sides on the settlement Plan and to work "in harmony with President Rauf Denktaş" to achieve a Cyprus settlement.

The last point was the most difficult to digest for Talats Party since it had rallied to replace Denktaş as negotiator.²² On 23 May the Turkish National Security Council (MGK) came together and accepted the Annan Plan as a reference point for negotiations, even though it stressed that "the realities of the island" should be taken into account. A consensus was reached that the negotiation process in Cyprus should be retrieved.²³ On 25 January Erdoğan declared in Davos that Turkey wanted resumption of the Cyprus talks on the basis of the Annan Plan.

The 2004 Negotiations

The talks were to have the goal of reaching a solution and holding separate referenda on both sides of the island on the Annan Plan by May 1. If by that date the two sides would not be able to complete filling in all the "blanks" in the UN document, Turkey would agree to allow the Secretary-General to fill these.²⁴ South Nicosia was clearly paralysed by this new approach. Papadopolous, who was not keen to have new negotiations on the Annan Plan, as he even declined to answer to a letter from Mr. Annan in which he had asked him to commit himself to a referendum ("I do not intend to engage in negotiations by correspondence").²⁵ The Secretary-General reacted swiftly by inviting the Cypriot leaders to New York. The meeting originally planned for just one day turned into a diplomatic marathon which dragged on from 10 to 13 February 2004. Many were expecting – some like Papadopoulos hoping - that

seats). Together, the CTP and BDH had 25 seats. The opposition was undone by the failure of opposition 'Solution and EU' Party, led by Ali Erel to make the five % threshold for entry into parliament (1.97 %). Together, the opposition parties secured 50.29 per cent of the total vote. The right wing Nationalist Peace Party (MBH) and Cyprus Justice Party (KAP) also both failed to make five per cent; Turkish Daily News, 16 December 2003.

²¹ Turkish Daily News, 9 January 2003.

²² Turkish Daily News (Declaration of Government policy at the Parliament), 20 January 2003.

²³ Cyprus Today, 24-30 January 2004.

²⁴ Turkish Daily News, 26 January 2003.

²⁵ Cyprus Mail, 14 January 2004.

Rauf Denktaş would do his best to torpedo the process by being intransigent once again. To the contrary, the atmosphere in the Turkish-Cypriot team, which consisted apart from the President, of Talat and Serdar Denktaş, was described as being in harmony²⁶. Denktaş' flexible approach is to be explained by the simple reason that he had no choice, for the following reasons:

- Erdoğan had made quite clear that he was not tolerating a rejectionist policy by Denktaş at the negotiations. On 11 February he expressed that Turkish Cypriots would pay a high price if the talks failed: "We have given a road map to Denktaş; we will see how loyal he will be." Should Denktaş decide to go his own way, it was the Turkish Cypriots who would suffer, Erdoğan warned. "Then the KKTC (Turkish Republic of Northern Cyprus) will pay a price for that. Think what will happen after May 1."²⁷
- In case Denktaş would prefer to resign instead of following Turkey's demands, his replacement was right there: Prime Minister Mehmet Ali Talat.

Having no choice, Denktaş acted as a real diplomatic fox and stunned the Greek-Cypriot delegation. On the night of 12 February he presented a new Turkish proposal which finally was adopted in a slightly modified form:

- Negotiations on the basis of the Annan Plan were to begin on 19 February 2004
- Should both sides not come to an agreement Turkey and Greece would step in on 24 March 2004
- In the event of a persistent deadlock the Secretary-General would finalise the text
- The final version of the Plan should be brought to simultaneous separate referenda in Cyprus on 21 April (later changed to 24th).

The talks which resumed in Nicosia on 19 February 2004 did not produce any results. According to Mr. Annan's assessment, the Greek Cypriot side insisted on changes with few, if any, trade-offs on subjects of interest to the Turkish Cypriots,²⁸ while "by contrast, the Turkish Cypriot side was generally prepared to engage on Greek Cypriot proposals and to discuss matters on a realistic basis, and sought to make counter-offers and compromise proposals."²⁹ On the brighter side, the three technical committees worked arduously and efficiently on technical issues with substantial positive results during the negotiation process in Nicosia.³⁰ By mid-February it was

²⁶ Turkish Daily News, 14 February 2004.

²⁷ Cyprus Mail, 12 February 2004.

²⁸ "The Greek Cypriot side regularly insisted on full satisfaction of its demands, while arguing that the Turkish Cypriot paper of 24 February was outside the parameters of the plan and thus precluded engagement with Turkish Cypriot proposals. When the Turkish Cypriot side produced a priority list on 18 March, this did not alter the Greek Cypriot attitude to Turkish Cypriot concerns"; S/2004/437, § 22.

²⁹ S/2004/437, § 21.

³⁰ "In contrast to the slow progress at the political level, the participants in the seven technical committees established by agreement of the leaders under the chairmanship of the United Nations produced extremely positive results. Their work produced 131 completed laws and cooperation agreements (running to 9,000 pages), a list of 1,134 treaties and instruments binding on the United Cyprus Republic, a recommendation from among 1,506 entries of a flag for the United Cyprus Republic, a recommendation from among 111 entries of an anthem for the United Cyprus Republic, a

clear that the negotiation process was reaching its next phase. However, Denktaş decided not to attend the next phase.³¹ This time Turkey did not object strenuously, and Talat and Serdar Denktaş headed the Turkish Cypriot delegation.

The final phase of talks was held at the Swiss holiday resort of Bürgenstock from 24 to 30 March 2004. No breakthrough occurred during the talks which were attended by Papadopoulos, Gül, Erdoğan and the newly elected Greek Prime Minister Costas Karamanlis.³² EU and UN officials lobbied intensively members of both negotiation teams in order to find ways to draft the final version of the Plan. On Monday 29 March a fourth version of the Plan was given to the two negotiation teams. Meanwhile, in the Turkish local elections on 28 March the ruling Justice and Development Party (AK Party) won an overwhelming victory (41.9%).³³ With this victory, the AKP could go ahead with its new Cyprus policy. When Mr. Annan presented his fourth version of the Plan, Erdoğan was ready to accept it.

For his part Papadopoulos refused to accept the Plan and a final, fifth, version of the Plan was presented to the parties without having achieved a mutual agreement.³⁴ Greek Cypriot president Tassos Papadopoulos came out against the Plan in a televised speech on 7 April. He urged Greek Cypriots to give a resounding ‘no’ to the Annan Plan, saying a ‘yes’ vote would lead to permanent partition.³⁵ Most Greek Cypriot political parties followed Papadopoulos in his rejection of the Annan Plan. His coalition partner AKEL’s Central Committee which first appeared to be leaning towards supporting the Plan later decided to demand a postponement of the referenda in order to “explain the Plan to the people”. However, would the UN not consent to its demands it would ask its followers to reject the Plan. The United Democrats party of George Vassiliou and the DISY party of former President Glafcos Clerides (“Saying

series of detailed recommendations on the economic and financial aspects of the plan and its implementation, the organizational charts of the federal government, comprising 6,181 positions, and a list of buildings on each side to house the federal government during a transitional period. In total, almost 300 Greek Cypriots and Turkish Cypriots were involved in the technical discussions, supported by a team of some 50 United Nations experts, many of whom were seconded by the European Commission and other friendly Governments and institutions, notably the Governments of Canada, the Netherlands, Germany, Luxembourg, Switzerland and the United States of America, and the European Central Bank, the International Monetary Fund and the World Bank, as well as the United Nations Development Programme/United Nations Office for Project Services and the Office of the United Nations High Commissioner for Refugees. At the height of the effort, it was normal for 12 subcommittee meetings to be held simultaneously, in addition to bilateral discussions with the parties”; S/2004/437, § 29.

³¹ “It would be inappropriate for me to go to Switzerland. Because there hasn’t been any kind of agreement on the fundamentals and I don’t see any chance of that happening”; Cyprus Today, 20-26 March 2004.

³² Annan later criticised Papadopoulos for not being available for four of the six days in Bürgenstock. As a result: „the opportunity was not taken for open and frank dialogue“; S/2004/437, §§ 35/37.

³³ Hürriyet, 29 March 2004.

³⁴ For the latest fifth version of the Annan plan from March 2004 see <http://194.154.157.106>.

³⁵ Cyprus Mail, 8 April 2004; As Patroclus commented in the Cyprus Mail: “as the dissolution of the republic is inevitable for any federal settlement, Papa-Dop [synonymous for the president] was essentially admitting that he never had any intention of accepting the Annan-plan. The guy has never been remotely interested in securing a settlement, which is why he had all his flunkies trashing the plan and the UN on a 24-hour basis, seven days a week, before he had even started negotiations,”; Cyprus Mail 11 April 2004.

'no' means partition") and Nikos Anastasiades campaigned vainly in favour of the Plan.³⁶

Among the parliamentary parties on the Turkish Cypriot side only Denktaş and UBP openly opposed the Plan. The DP was deeply divided, while Serdar Denktaş had decided not to announce an official policy on the issue.³⁷ This did not prevent Serdar Denktaş from announcing that he would vote against the Plan two days before the referendum, as the AKP government in Turkey had humiliated his father. This led to the resignation of ten senior members of DP including two MPs, and CTP's only mainland "settler" deputy, Nuri Çevikel, leaving the government without a majority³⁸ and only 23 members in parliament.³⁹

The referenda held on 24 April 2004 brought the very much expected or feared results. The Greek Cypriots rejected the Plan with 75.83% against to 24.17% in favour, while the Turkish Cypriots approved the Plan with 64.91% in favour and 35.09% against.

The Annan Plan – A workable framework for a solution?

After the Plan failed due to the overwhelming rejection by the Greek Cypriots it must be asked whether the Plan provided a suitable framework for a solution in the first place. The blueprint constitutes the most comprehensive, well-balanced and above all workable framework ever produced for a solution of the Cyprus problem. It took clear notice of the fact that both communities have lived apart for more than forty years, developed their own political cultures and were not used to share their daily affairs with other ethnic groups. The limited competences given to the Federal Government, the checks and balances ruling out any domination by either side provided for a possible smooth running of the new state. The Plan would have enabled the United Cyprus Republic to develop in two possible ways: Either both federal states would have integrated over the time in the cause of reconciliation or, more likely, the powers of the component states would be strengthened following the general European trend for regionalism, as is the case in Belgium. While a major return of Greek Cypriot refugees to the north was rather unlikely, the property regime of the Plan could have resulted in a major landownership by non-residents in the Turkish Cypriot state. This could conceivably have caused some trouble in the future. However, since the Turkish Cypriots were prepared to take that risk, it seems to be fair to assume that this problem could have been addressed in a satisfactory manner in the framework of the European Union. In short, the Plan was workable and, if accepted by both sides, would have had good prospects of being viable.

Unfortunately, it was a different reality that prevailed as Mr. Annan observed: "A solution obviously requires more than a comprehensive and carefully balanced peace Plan. It also needs bold and determined political leadership on both sides in the island, as well as in Greece and Turkey, all in place at the same time, ready to negotiate with

³⁶ Phileleftheros, 16 April 2004.

³⁷ Yenidüzen, 13 April 2004.

³⁸ Cyprus Today, 1-7 May 2004.

³⁹ Çevikel justified his resignation claiming that the party had failed to abide by its agreement with the Turkish Immigrants' Association aimed at ending discrimination. From: Cyprus Today, 22-28 May 2004.

determination and to convince their people of the need to compromise.”⁴⁰ While all these factors were in place in Greece, Turkey and Northern Cyprus, the Greek Cypriot side failed to seize this historical opportunity.

Prospects

- The *prospects of renegotiation of the Annan-Plan* and/or a new referendum in the south of Cyprus seem to be very limited at this point. In his latest report to the Security Council Mr. Annan has raised serious doubts about the Greek Cypriots' commitment towards a solution.⁴¹ In his words “what was rejected was the solution itself rather than a mere blueprint.”⁴² Furthermore, he has concluded that the UN will not take up any initiative as long as the present stand-off remains.⁴³ Mr. Annan hinted as well to the possibility of a limitation of the number of United Nations Peacekeepers in Cyprus.⁴⁴ Despite its official claims to explain the Plan to the people and change public opinion on the matter AKEL's leadership appears to be reluctant to press Papadopoulos on the issue. The biggest pro-solution party DISY is paralysed by both internal disturbances caused by nationalist defectors and by the persisting shock over the amount of no votes.⁴⁵ During the European Elections both major parties suffered defeat: DISY's share of the vote was reduced compared to the parliamentary elections from 34% to 28,23%. AKEL's share was lowered from 34,71% to 27,89%. Papadopoulos' Democratic Party (*Dimokratiko Komma*) gained votes (14,84% to 17,09%) and the “Movement For Europe”, which was founded by Anti-Annan defectors from DISY reached 10,80%.⁴⁶ The polls clearly indicate that there is – at least at the moment - no reverse of opinion on the Annan-Plan perceptible in South Cyprus. Consequently, a kind of national solution coalition of DISY and AKEL, a possibility flaring up occasionally in the Greek Cypriot press, appears to be rather unlikely.
- The *attitude of the international community towards the Turkish Cypriots has changed* after the referenda. There is a clear tendency among the EU, EC, UN and USA to reward them for their positive attitudes by lifting the international embargoes. The Prime Minister of Northern Cyprus was received

⁴⁰ S/2004/437, § 75.

⁴¹ “The sheer size of the “No” vote raises even more fundamental questions. This is the first time that the Greek Cypriot public has been asked to vote on a bicomunal, bizonal federal solution of the Cyprus problem. Such a solution means not just two constituent states, but also political equality and the sharing of power. Yet the situation today is very different from that which existed in the 1970s, when the leaders of the two communities agreed to seek such a solution. The contrast between economic stagnation in the north and prosperity in the south is visible and palpable. A generation or more of Cypriots have no memory of life on a unified island. Most of the dispossessed in the south, by hard work and enterprise, have carved out a prosperous livelihood, as have many others who are not originally from the north. While they strongly state their wish to reunify, many see in a settlement very little gain, and quite a lot of inconvenience and risk”; S/2004/437, § 85.

⁴² S/2004/437, § 83.

⁴³ S/2004/437, § 91.

⁴⁴ “In view of the watershed vote of 24 April, and as part of an overall reappraisal of the United Nations peace activities in Cyprus, I intend to conduct a review, to be completed within three months, of UNFICYP's mandate, force levels and concept of operations, in the light of developments on the ground”; S/2004/427 Report of the Secretary-General on the United Nations operation in Cyprus, §18.

⁴⁵ DISY's average share of votes is around 35% (last elections of 2001 34%); thus the party was not able to secure the support of its own clientele.

⁴⁶ European Elections - Results – Final, Cyprus News Agency, 14.06.2004 00:12:17.

by the European Commission and the American Foreign Secretary, an EU office is due to open its premises in Northern Cyprus and the United States are considering to upgrade their liaison office in North Nicosia to a kind of consulate. Mr. Annan has called on the Security Council to review the situation of the Turkish Cypriots in the light of their constructive behaviour during the negotiation process. While he rules out recognition or assisting secession he stresses that their “yes” vote “has undone whatever rationale might have existed for pressuring and isolating them.”⁴⁷ He urged the EU to take further steps to ease the isolation and calls clearly on the Greek Cypriot Government not to block such steps.⁴⁸ Direct flights to the Turkish Cypriot airport *Ercan*, the opening of the port of Famagusta/Gazimağusa to international trade and the recognition of Turkish Cypriot Universities are currently under discussion.

- However, all international actors stress that *none of these measures should lead to recognition* of the TRNC. Their sole aim is to provide relief for the economic, political and social (sport etc.) isolation of the Turkish Cypriot society. The dynamics of de-facto recognition are unforeseeable. Since the main motivation of Turkish Cypriots to vote yes in the referendum was to break the isolation and to achieve a better standard of life, it might well be that they would be less inclined to consent to the UN Plan after achieving these goals.

The Turkish Cypriot government has lost its majority due to resignations of MPs from DP and CTP. In addition the attitude of Serdar Denktaş during the referenda has left a question mark on the sustainability of the government’s policy. At present only Talat’s CTP seems to be willing to go for *early elections*. While this party is hoping to gain out of the spirit of the overwhelming ‘yes’-vote all other parties fear to lose out. If postponed for too long, the danger of such elections lays in the possibility that Turkish Cypriots might not be able to see the positive outcome of any changes (lifting of embargoes etc.) in their daily lives. This may drive many of them back into the arms of nationalist parties (UBP/ MBH). Alternatively, there were *moves to form a new coalition government* consisting of Talat’s CTP, Mustafa Akincis Peace and Democracy Movement (BDH), the Communal Liberation Party (TKP), the United Cyprus Party (BKP) and two pro-solution independents.⁴⁹ Such a Government would just have a one seat majority (26 of 50) clearly containing the danger of further defections. Efforts to broker such a coalition

⁴⁷ “I have taken note of the expressed Greek Cypriot intention for the Republic of Cyprus, as a member of the European Union, to extend to the Turkish Cypriots as many of the benefits of European Union membership as are ‘possible and permissible’ ”; S/2004/437, § 90.

⁴⁸ During a meeting with Papadopoulos in New York on 3 May 2004 Annan has urged the Greek Cypriot Government to join in „eliminating the unnecessary restrictions and barriers. (...) This would signal that the Greek Cypriots wish to reach out to their Turkish Cypriot compatriots in the north and assist them and help facilitate the eventual goal of reunification.“ He added, that „After the decisive rejection of the plan by the Greek Cypriots, it would be for that side to explain to the Turkish Cypriots, the UN and the rest of the world how they see the way forward“; Cyprus Mail, 4 June 2004.

⁴⁹ TKP and BKP have one MP each; both defectors from BDH while the two independent MP’s resigned from Serdar Denktaş’ DP. On 3 June 2004 CTP and BDH formed an alliance aimed at forming a new government of parties that said ‘yes’ to the Annan plan’. It remained unclear whether or not DP would be part of such a coalition as well; Cyprus Mail, 4 June 2004.

failed by the end of June due to Akinci's demands for the take-over of at least one key ministry.⁵⁰ Thus early elections remain the most likely option.⁵¹

Policy recommendations

- *Time is vital* if the international community wishes to achieve a solution based on the parameters of the Annan-Plan.
- The *lifting of the international embargoes* on the Turkish Cypriot side is essential to sustain their positive approach to the Cyprus question as well as for the preservation of the EU'S dignity and reliability in the international arena. Since the EU, the UN and others were persuading the Turkish Cypriot side that a change of heart would be for their benefit they have no other option but to deliver.
- The only chance to save the Annan-Plan from being thrown into the dustbin of diplomatic failures is to put *diplomatic pressure on the Greek Cypriot side* to come up with a diplomatic initiative within the next few months. Partial recognition of Turkish Cypriot institutions might provide a tool for such a pressure. The Organization of Islamic Conference (OIC) has taken a step in that direction on 16 June 2004 in Istanbul when it adopted a declaration inviting the "Muslim Community of Cyprus" which attends OIC activities as an observer, to future gatherings of the organization as the "Turkish Cypriot state".⁵² Realising the danger of having the international community recognising the permanent division of the island, Greek Cypriots would be obliged to take either a more flexible stance or accept diplomatic defeat.
- As it has been shown above political changes in Turkey following the victory of Erdoğan's AKP were vital for the new approach of the Turkish and Turkish Cypriot sides. In order not to risk this new policy to deteriorate *Turkey must get a date* for membership negotiation by December. The negative repercussions of a further postponement are inevitable: Nationalist forces both in Turkey and Northern Cyprus might regain the upper hand - thus, leaving the prospects of a solution on the island in indefinite limbo.
- The *European Union should develop measures to open itself towards Turkish Cypriots*. The rejection of the Annan Plan by the Greek Cypriots and its approval by the Turkish Cypriots has left the European Union with a dilemma. Each Turkish Cypriot individual is considered to be an EU citizen while his state and institutions are outside the Union. In order to ensure that Turkish Cypriots can enjoy their rights the EU Commission has to develop strategies to bring Turkish Cypriots closer to Europe. At any rate methods ought to be developed to enhance cooperation between Greek and Turkish Cypriots to make a future solution possible.
- The *alternative* to the revitalisation of the Annan-Plan is the "*Taiwanisation*" of Northern Cyprus i.e. a de-facto recognition which falls short of diplomatic recognition. This would leave the international community with a couple of *unresolved issues*, such as the property and return questions and the status of Turkish Cypriots, who are EU citizens as individuals while the *acquis*

⁵⁰ Turkish Daily News, 1 July 2004.

⁵¹ Even though some analyst claim that Talat's call for early elections is a calculated move to ease pressure on himself. His real aim would thus be to go for elections first after the presidential elections in May or June next year; Turkish Daily News, 8 July 2004.

⁵² Turkish Daily News, 17 June 2004.

communautaire is suspended in their territory. Both questions need to be addressed in a way in accordance with principles of international law if a final solution to the Cyprus is eventually to be found.