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EVALUATION NOTE

# CYPRUS PROBLEM DURING CYPRUS' EU PRESIDENCY

Cyprus assumed the rotating Presidency of the Council of the European Union in the first half of 2026, fourteen years after its first presidency in 2012. Although the Cyprus issue was not formally included on the Presidency's agenda, as the rotating presidency is expected to act as an impartial broker, President Nikos Christodoulides nevertheless pursued two seemingly contradictory objectives during Cyprus's tenure. First, he sought to deepen regional partnerships in the Eastern Mediterranean in ways that, from Ankara's perspective, reinforced perceptions of strategic encirclement. Second, he sought to further the Europeanisation of the Cyprus problem by promoting its treatment as a European, rather than merely a bilateral or UN-led, issue.

**Developments that reinforced Turkey's perception of being strategically encircled.**

- During Cyprus's EU Presidency, cooperation under the 3+1 (Cyprus–Greece–Israel–United States (US) framework that was created in 2019 continued to deepen, particularly in the fields of defence, maritime security, energy security, and regional stability. Although the mechanism is not a formal military alliance, it has become an important platform for strategic coordination among the four partners in the Eastern Mediterranean.

- During Cyprus's EU Presidency in the first half of 2026, the US- Cyprus Roadmap for Bilateral Defense Cooperation (2024–2029) continued to serve as the strategic framework for expanding bilateral defence ties. The roadmap seeks to strengthen military interoperability, broaden joint training and exercises, enhance maritime security, humanitarian assistance, and crisis response capabilities, and deepen cooperation in areas such as intelligence sharing,

[1] https://www.tepav.org.tr/en/ekibimiz/s/1139

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cybersecurity, countering malign influence, and addressing the security implications of climate change. More broadly, it reflects the growing strategic partnership between Washington and Nicosia and underscores Cyprus's increasing importance in U.S. security policy in the Eastern Mediterranean.

- The trilateral military cooperation agreement, signed between Cyprus, Greece and Israel in December 2025, shortly before Cyprus assumed the Presidency of the Council of the European Union, continued to be implemented during the first half of 2026. The agreement has provided the institutional framework for a broad range of defence activities, including joint military exercises, naval cooperation, special forces training, staff exchanges, operational planning, and intelligence sharing.
- During the first half of 2026, Cyprus and Egypt further strengthened their strategic partnership in the energy sector. On 30 March 2026, on the sidelines of the EGYPES 2026 conference in Cairo, the two countries signed a framework agreement covering the development of the Cronos and Aphrodite offshore gas fields. The agreement establishes the basis for transporting Cypriot natural gas to Egypt for processing, liquefaction, and re-export to international markets, while further integrating the two countries' energy infrastructure and reinforcing their strategic cooperation in the Eastern Mediterranean.
- Another major development during Cyprus's EU Presidency was the signing of a Status of Forces Agreement (SOFA) between France and the Republic of Cyprus on 8 June 2026, marking a significant milestone in their bilateral defence partnership. The agreement establishes the legal framework governing the temporary deployment of French military personnel to Cyprus, facilitates the use of Cypriot military facilities for logistical and operational purposes, and expands cooperation in areas such as joint military exercises, air defence, maritime security, military mobility, logistics, defence technology, and operational readiness.
- Finally, on 12 June 2026, Cyprus, Greece, Israel, and the United States formally established the Eastern Mediterranean Energy Center (EMEC) in Houston during the ministerial meeting of the 3+1 Energy Dialogue and agreed to develop a joint roadmap for future energy cooperation. The establishment of EMEC aims to promote cooperation on energy security, critical infrastructure, technological innovation, and regional energy governance, thereby further institutionalising the strategic partnership among the four countries. Beyond its energy dimension, the initiative also strengthened the broader framework of regional cooperation in the Eastern Mediterranean.
- Another noteworthy development in recent months has been the Republic of Cyprus's diplomatic outreach to the countries of Central Asia. The efforts to strengthen relations with member states of the Organization of Turkic States, particularly Kazakhstan, should not be viewed solely as an economic or diplomatic initiative. They also reflect an attempt by Cyprus to establish a political presence in a region traditionally regarded as falling within Turkey's sphere of influence.

In addition to these initiatives, Cyprus made no effort to promote Turkey's inclusion in existing multilateral frameworks in the Eastern Mediterranean, most notably the Eastern Mediterranean Gas Forum (EMGF), established in January 2019. Nor did it seek to revive the proposal for an intergovernmental conference of the Eastern Mediterranean littoral states, an initiative put forward by High Representative Josep Borrell at the informal meeting of EU Foreign Ministers

(Gymnich) in August 2020 and also strongly advocated by President Recep Tayyip Erdoğan as a platform for bringing together all littoral states to address their differences through dialogue and cooperation.

**Europeanisation of the Cyprus Problem**

Until recently_Brussels has appeared to have become accustomed to living with the Cyprus problem. While rhetorically it continues to express support for the reunification of the island, this aspiration is increasingly articulated as a political objective rather than pursued through sustained and concrete initiatives. Although, in legal terms, the entire island forms part of the European Union, the EU has effectively come to accept the continued division of the island.

However, things have seemed to change a bit mainly due to the geostrategic conjuncture. As diplomacy, energy geopolitics, and regional security become increasingly intertwined, the Cyprus issue is no longer confined to the island itself but has become embedded in a wider geopolitical bargain involving multiple regional and international actors.

In this context, although the Cyprus issue was not formally included on the agenda of the EU Presidency, in line with the principle that the rotating Presidency should act as an impartial broker, Christodoulides argues that Cyprus nevertheless used its term at the helm of the Council to reinforce the European dimension of the Cyprus issue and to enhance the EU's preparedness to support a future settlement. At the heart of this approach lies the belief that European incentives remain the most effective means of encouraging progress towards a settlement. These incentives include the modernisation of the Turkey-EU Customs Union, visa liberalisation for Turkish citizens, and Turkey's participation in the SAFE defence programme. Yet this logic also exposes a fundamental contradiction. While these measures are presented as incentives capable of encouraging compromise, Nicosia simultaneously insists that meaningful progress on each of them should remain conditional upon progress on the Cyprus issue, thereby weakening the very leverage they are intended to provide.

This has remained a central tenet of Nicosia's approach during its EU Presidency: while Brussels may seek a more constructive relationship with Ankara, any meaningful progress in EU–Türkiye relations cannot be decoupled from the Cyprus issue. Yet this position creates a classic chicken-and-egg dilemma. If closer EU–Türkiye ties are made conditional upon a settlement in Cyprus, the very European incentives intended to encourage compromise become less credible and, consequently, less effective in facilitating a settlement.

A central component of President Christodoulides' strategy to further the Europeanisation of the Cyprus issue has been to strengthen the European Union's institutional involvement in the settlement process through the appointment of a Special Envoy. The envoy's mandate is to support the UN-led process by engaging with relevant stakeholders and helping to create the conditions for the resumption of negotiations. Although the first envoy, former Commissioner Johannes Hahn, produced no tangible breakthroughs, Christodoulides has attached considerable importance to the appointment of a successor, despite the fact that the precise mandate and added value of the position remain ill-defined. The significance of the role therefore appears to lie less in its practical impact than in its symbolic value, signalling the European Union's continued political commitment to the Cyprus settlement process.

While Cyprus sought to further Europeanise the Cyprus issue during its EU Presidency, arguing that this offered the most effective pathway towards a settlement, little tangible progress was achieved on the ground. Even confidence-building measures, such as improving conditions at the existing crossing points between the island's north and south or opening new

crossing points, failed to advance. María Ángela Holguín Cuéllar attributed this lack of progress, at least in part, to the demands placed on Cyprus by its responsibilities during the EU Presidency.

Another development during Cyprus's EU Presidency that raised eyebrows with regard to the prospects for a settlement was its determination to advance its bid to join the Schengen Area. Despite the European Commission's assessment that important technical requirements had yet to be fulfilled, Nicosia consistently maintained that it had met all the necessary conditions for accession. While Schengen membership would represent a significant milestone in Cyprus's European integration, it would also have far-reaching implications for the Cyprus issue. In particular, extending the Schengen acquis to the island would risk further complicating the search for a settlement by reinforcing the de facto division of Cyprus. The introduction of a harder external border along the Green Line could make the island's partition both more tangible in physical terms and more deeply entrenched psychologically.

A further priority pursued by Cyprus during its EU Presidency was to revive discussion of Article 42(7) of the Treaty on European Union (TEU**)**, the EU's mutual assistance clause. President Christodoulides argued that the provision should be made more operational and supported the development of practical implementation mechanisms to ensure a more effective EU response in the event of armed aggression against a Member State. Although Article 42(7) does not establish a collective defence system comparable to NATO's Article 5, Cyprus viewed its activation and further operationalisation as an important step towards strengthening the EU's security and defence dimension and reinforcing the Union's commitment to the security of its Member States. For Cyprus, strengthening the implementation of Article 42(7) also served to further the Europeanisation of its security concerns by embedding them more firmly within the EU's collective security framework.

**Conclusion**

As discussed above, Cyprus has pursued two overarching priorities with direct or potential implications for the Cyprus issue. The first has been to strengthen its regional and international position through a series of initiatives and agreements in the fields of defence and energy. The leverage derived from EU membership, combined with the diplomatic opportunities afforded by Cyprus's Presidency of the Council of the European Union in the first half of 2026, has significantly enhanced the Republic of Cyprus's capacity to advance its objectives in this area.The second has been to further the Europeanisation of the Cyprus issue by embedding it more firmly within the European Union's political and institutional framework.

Regarding the strengthening Cyprus' regional and international position that reinforced Turkey's perception of being strategically encircled, it seems that at the heart of Christodoulides' foreign policy lies a geopolitical vision. It is a strategy built on forging close ties with Israel, aligning Cyprus as closely as possible with the European Union, strengthening military and security cooperation with Washington, and ultimately seeking NATO membership. One of the most notable features of this process is the gradual marginalisation of the settlement process itself. Instead, the agenda has become increasingly dominated by energy corridors, security agreements, regional alignments, and geopolitical competition.

This strategy may prove politically advantageous for Christodoulides domestically, however it also reinforces the island's division. It seeks to guarantee the security of one part of Cyprus while, in effect, accepting the abandonment of the other. In other words, it secures one half of the island at the cost of relinquishing the other.

Equally important, however, is how this strategy is perceived in Ankara. From Turkey's perspective, the issue extends beyond diplomatic representation or bilateral relations; it also concerns regional spheres of influence and the broader geopolitical balance in the Eastern Mediterranean.

In this regard, the concept of the *security dilemma*, widely used in the international relations literature, offers a useful analytical framework. Measures taken by one actor to enhance its own security or strengthen its strategic position may be perceived as threatening by another actor, prompting countermeasures that, in turn, reinforce mutual insecurity.

Recent experience, suggests that whenever Turkey perceives itself as being excluded from or strategically encircled in the region, it is more likely to deepen its engagement than to retreat. Against this backdrop, it would be unsurprising if some of the diplomatic gains claimed by the Greek Cypriot side were interpreted in Ankara not as stabilizing developments, but as moves requiring a strategic counterresponse. This could have adverse implications for the resolution of the Cyprus issue.

On the other hand, three observations emerge from the Europeanisation of the Cyprus issue. First, regardless of the form that a future settlement may take, it will inevitably have to be compatible with the EU acquis, making the European Union an indispensable stakeholder in the process. Second, however, a fundamental contradiction lies at the heart of President Christodoulides' approach. While he advocates offering Türkiye European incentives—such as the modernisation of the Customs Union, visa liberalisation, and participation in the EU's emerging defence architecture—as a means of facilitating a settlement, he also maintains that there can be no meaningful progress in EU–Türkiye relations unless Türkiye first takes steps towards resolving the Cyprus issue. This creates a classic chicken-and-egg dilemma, weakening the very incentives that are intended to encourage movement towards a settlement. Third, Nicosia's determination to pursue initiatives such as accession to the Schengen Area, which could make the island's division more visible and institutionalised, offered little reason for optimism regarding the prospects for a comprehensive settlement during Cyprus'EU presidency.

Furthermore, treating the modernisation of the Customs Union, visa liberalisation, and participation in the EU's emerging defence architecture as bargaining incentives for a Cyprus settlement overlooks the fact that each is governed by distinct legal, political, and institutional conditionalities that cannot simply be set aside.

At this point, it is also important to take into account that a more direct role for the European Union at the negotiating table has generated unease on the Turkish Cypriot side. According to media reports, both Turkey and Tufan Erhürman oppose the EU becoming a direct participant in the negotiations, arguing that the Union cannot act as an impartial actor given its principle of internal solidarity with one of the parties. Erhürman's position is that the EU should contribute to the process from outside the negotiating table, for example by supporting confidence-building measures such as the lifting of isolations and the promotion of direct trade, rather than by assuming the role of a negotiating party. This, in turn, constitutes another factor limiting the Europeanisation of the Cyprus issue beyond the requirement that any eventual settlement be compatible with the EU acquis.

With UN Secretary-General António Guteres expressing his readiness to convene a 5+1 meeting later this summer that could pave the way for the formal resumption of negotiations on the Cyprus issue, there are still reasons for cautious optimism. Likewise, the visits of senior

EU officials to Ankara in the run-up to the NATO Summit scheduled for 7–8 July 2026 suggest that diplomatic engagement is intensifying. The high-level contacts expected on the margins of the Summit could yet alter the current dynamics.

After all, Cyprus is no longer merely the focal point of the renewed 5+1 process. It has become the intersection of multiple strategic agendas, including the post-war order in Gaza, the future of Eastern Mediterranean energy, US regional policy, and the broader bargaining process between Turkey and the European Union. As diplomacy, energy politics, and security considerations increasingly converge, the future of Cyprus is being shaped not only by developments on the island itself but also as part of a much wider geopolitical negotiation that extends well beyond its shores.