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Plenary #4: The Refugee Crisis: Europe's Ultimate Stress Test

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The Hon. Kristalina Georgieva: --into a business competing with the drug trade, with all the dangers that it carries and part of the deal is to address this. And two, Turkey deserves to be supported financially because it is the biggest refugee receiving country and it has done a very good job to host people fleeing primarily from the Syria War.

Mr. Max Hoffmann: If I may just jump in there for one thing. The EU realizing that they need Turkey is one thing, but sometimes at least we journalists give the impression that this deal was only struck because EU leaders said okay, we just can't get on the same page. This is our way out. Do you share that impression?

The Hon. Kristalina Georgieva: I think the EU leaders recognize that this problem is going to be with us, by the way, not just only with us in Europe. If you look at our conversations on refugees it has been primarily about the 1.5 million people that came to Europe. How about the 59 million people that haven't come to Europe, but are pushed out of their homes by wars and natural disasters and the numbers are going like this.

Mr. Max Hoffmann: But that--exactly, that's my point. In the agreement from yesterday you mentioned 7--or that the leaders 72,000 migrants that they would be--or Syrian refugees that they would be willing to take back directly from Turkey. Now, you--that just seems so ridiculously low compared to the numbers you're talking about.

The Hon. Kristalina Georgieva: Well, the--let's remember that to deal with this problem we need to do two things. One, to address the root cause and root causes are the wars. Unless we find ways to prevent conflicts and resolve conflicts a little faster, unless we face the reality that we now have Al Shabaab, Al Qaeda, Islamic State, Boko Haram, rebels that have no interest whatsoever to become governments. They just want to kill us and scare us and deal with this problem as a world communicant and of course Europe has to play its role.

And secondly, we have to do much more for people where they are. Unless we pay not just for food and shelter, but also for schools and jobs, for people that are affected by crisis in Lebanon, in Jordan, in Ethiopia, in Kenya, in Yemen. Unless we do that, then of course, the 72,000 you talk about, this is going

to be a drop in the water. And of course, the deal doesn't say we would stop at 72,000. It says we will start with 72,000.

Mr. Max Hofmann: Minister, when I look at interviews with you two years ago the game has completely changed. Back then you said we need to talk more, we need to do more together, when did you feel that the European Union has said okay, we really need to cooperate more with Turkey?

The Hon. Volkan Bozkir: Well, I think Turkey was saying two things and warning about two dangers. One was fight against terrorism and one was this illegal migration. An earthquake took place in our region and I think the tsunami or the aftershocks was very much apparent that it was coming, but unfortunately the European countries or the European union didn't listen to the warnings carefully. So when the tsunami came it was like the picture of that person taking photograph when the tsunami wave was coming.

So it hit, but Turkey was saying that this problem must be solved at the source. So if we had worked together two years ago when we first warned, it will have been much easier to face this. But now the correct picture is being seen now. The first approach to Turkey was okay, let's give you 500 million euros from the funds you will be using to become member and you solve this problem. And we said, "Look, we don't need money. We have already spent \$10 billion and this money is not going to solve anything and Turkey doesn't want money."

So what we have asked for, this is a problem which we can face together. Responsibilities should be shared, but you must make Turkey feel like in the family again after 10 years of slowdown in relations, not seeing each other, talk each other. So I think it started when we started feeling ourselves more in the family than we took more responsibilities. We came out with practical solutions, sharing of the burden, proposals, so that brought us to that point. So that is the result of a wonderful cooperation, which we had for some few months now.

Mr. Max Hofmann: Which part of the agreement makes you feel especially more part of the family?

The Hon. Volkan Bozkir: Well, actually if you make comparisons, we have been in a situation where we didn't--we weren't invited to Summit Meetings, no chapters were opened, we were not having a chance to say our feelings or vision in the meetings. So now, after the 29th of November Summit Meeting it was, kind of, a new re-energized relation where we talked about fighting against illegal migration, but also Turkey was invited to Summit Meetings, new platforms were established, energy, economy, political platforms, upgrading the Customs Union where we have \$150 billion of trade to a level of \$300 billion of a trade, and then this came out to be a new relation, re-energize what we call. From 29th of November to 7th of March this wasn't sufficient. That was seen that the numbers were falling down of illegal migration, but unfortunately it wasn't going down to zero. So what was achieved yesterday is an attack on this

problem to bring it down to zero. . Both sides taking responsibilities, and I think this the heart of the problem.

This is going to work like this. We will take--I mean, there is a D-Day, which is the--on Monday. The Greek Islands--

Mr. Max Hofmann: (Inaudible) from Sunday to Monday--

The Hon. Volkan Bozkir: In fact, everybody who reaches the Greek Islands as an illegal migrant will be registered and will be sent back to Turkey, no matter if he or she is a Syrian or Iraqi or whatever. But for every person coming back to Turkey, one Syrian in the camps in Turkey will be going to Europe legally as a human being, and this will work like this.

And in relation with this, of course, some elements were added to that to make Turkey feel in the family, which for example, abolishing the visa, and also an additional 3 billion Euros to the already agreed 3 billion Euros. But this money is not to Turkey. We're not going to build bridges or airports with that. It is for the Syrian people living in Turkey. It will be hospitals, schools, infrastructure, food, have them better life. And in Turkey, we have given them their working permissions so that they will prefer to stay in Turkey. And we have also imposed visa for Syrian citizens coming to Turkey.

So all this is a package and we're looking forward to the results. I think it will be the key to solve this problem at this moment.

Mr. Max Hofmann: By the way, just wanted to remind our audience, whenever you have questions, I'm ready to hand it over to the floor. We're not going to wait until the end. So whenever you want to, just one more question before we do that.

Commissioner, there have been so many decisions by the leaders about the refugee crisis, and none really has worked. So far. This--what you're asking or what the leaders are asking from Greece now sounds a lot more complicated, with all the--an asylum process, for example, within a week than anything they had to do before. Why should this work this time?

The Hon. Kristalina Georgieva: Indeed, the question we would ask these--if that was the stress test, what does it show? And it would--what it shows is indeed we have had removal of internal borders without protecting the external borders. That has to be fixed. We have proposed to have a new agency that would kind of front ex plus to strengthen that. What we have--what we failed in the test is our ability to collectively absorb people who are coming to Europe, and we are still struggling to get to that point.

By the way, it has shown something very interesting for people like me who come from new member states that 26 years is a very short period of time. That those of us who lived on the other side of the Iron

curtain actually do not have the cultural tune to live with people that are different, and that has shown in the reaction of (inaudible) countries in particular. So we have to overcome this, and we are making strides in that direction.

We also have seen very clearly that Europe is not really able to put its best foot forward when we do the things right. You take the Syria conference that took place in London. We did the right thing, but maybe because of our--

Mr. Max Hofmann: Giving a lot of--donating a lot of money.

The Hon. Kristalina Georgieva: --nature--not only we gave a lot of money, I mean, look at--the outcome of the conference was over \$11 billion, most of it coming from Europe. But most critical for those of us who have been working (inaudible) affairs. In this conference, we raised money for education and for jobs as priority, recognizing that it has to be a multi-year commitment for this. So we did the right thing.

But Europeans attention not actually then stand up and say well on the stress test, on this one, we passed. So my broader point is yes, there are things we still have to do better, but if you look at where we were, and where we are now, like with the euro-zone crisis, we are climbing the mountain.

Mr. Max Hofmann: Even in Greece.

The Hon. Kristalina Georgieva: Oh. Sorry. Of course we will need Greece. In Greece, a very--it is very difficult because the pressure on Greece and the Greek people is enormous and it comes on top of the crisis they have been living through for a long time.

We are still short in terms of the human capacity that we promised Greece. Now we need to get 4,000 people to go and work in Greece to help Greece with legal matters and so forth. But if you watch what has happened in the last two months in Greece, the hotspots are working. Practically almost everybody who comes to Greece is being registered, and that was not the case a couple of months ago. And we are finally seeing people from Greece going to other countries faster. Reception capacity in Greece has increased. I was in Athens when we worked with UNATR to open up 20,000 places for people when they come.

So, I--of course, we worry. And I'm sure our Turkish friends are worried. This is a complex deal. Of course there will be ups and downs. But my plea to us is to be a little less European this time around. And when we do something great, talk about it, rather than keep talking about what has gone wrong.

Mr. Max Hofmann: So, we have a question right over here. Might I remind the audience one question per person, and the shorter, the better? Thank you. Go ahead.

Gus: Gus (inaudible) from (inaudible) from Europe. About five or six years ago in 2010, a wise man's group headed by (inaudible) Gonzalez from Spain reported that for purely economic reasons, the labor force, aging Europe needed to import by mid-century 100 million people.

The Hon. Kristalina Georgieva: Mm-hmm.

Gus: That works out to about twice the following of last year. The commission has never echoed the watchman's group. Is that a reflection of the lack of political courage?

The Hon. Kristalina Georgieva: We have done a number of reports, see the commission, others, not only the Wiseman Group has said Europe is aging very fast. For the new member states in Europe, there was a report from red to gray talking about this demographic problem.

What I think has happened is that simultaneously we face aging and a very serious demographic cliff we may fall off. But we also are facing a much more anxious world. And terrorism unfortunately overlays with the migration crisis. And that is what makes it so much more complicated. What we see in Europe is increase of populace parties. They're driving an agenda that unfortunately goes against our very obvious economic interests.

The commission did an analysis of the impact of people coming to Europe with this refugee wave. And we concluded that it would zero point--22.0 point 4 percent increase in GDP. In other words, it would be positive. But to translate this into an acceptancy in a society that is so anxious, and I'm going back to what I said before, look at the incredible change in terms of places of bad people in our neighborhoods. That of course is scaring many of us.

Do we have to step up on integrating people? Absolutely, yes. Question is how do you do it when people are anxious? And you look at the US politics and what is happening there. Look at Europe and our little kind of similar--it is grounded in anxiety.

My broad conclusion is that the world may be richer, but it is much more fragile. And we, as humanity, have not yet integrated how we deal with this limping from one crisis to another to another to another. And yet keep people positive and willing to actually go for importing the EU population we need.

Mr. Max Hofmann: Minister, do you feel like looking from the outside to the European Union that the EU is overanxious? Do you share that view?

The Hon. Volkan Bozkir: Well, I think the terminology is, I think, Europe had made a wrong calculation and wrong evaluation. Because when this was coming, we were talking about a \$6 billion organizational scheme in the world, like the drug smuggling, or arms smuggling. They're organizers who benefit from poor people's fortunes. And so it's very difficult to find.

But there was a problem in Syria and this was coming. So in Turkey, we have 2,700,000 Syrian guests as we call. 700,000 of them are needing education. We're giving education to 250,000. If we go up to 450,000. 150,000 child is born. And we have--and not a single person in Turkey has come on saying that why am I sharing my job? Why am I sharing my bread? But it was absorbed in Turkey.

But when it came to Europe, Europe was not ready for that. So for a few hundred people, a country is making it a conundrum. The other is capturing all the belongings and selling them, and trying to overcome the costs of--

Mr. Max Hofmann: I think commissioner has a direct reply to that. I'm sorry to interrupt.

The Hon. Volkan Bozkir: Exactly.

The Hon. Kristalina Georgieva: No, I just want to say that actually we did see it coming. In--two and a half years ago, I personally wrote a blog, and the title was "Trouble Troubles." And it said unless we stop the war in Syria, unless we take care of the people in Lebanon and Jordan, In Turkey, sooner or later this is going to come and kick us. Now what is the problem? And of course I presented this to our foreign affairs ministers and they all said, yeah, that's really a bad thing coming.

The problem is that we people, all of us, we have a tendency to close our eyes when the news is bad. And pray it is going to pass over our heads. Why do we smoke when we know this is bad for our health? And when do we stop? Doctor says you have lung cancer, the next day you stop smoking. And I think that this tendency to drive the car looking in the rearview mirror only is a global phenomenon we have to figure out how to overcome it.

(crosstalk)

The Hon. Volkan Bozkir: Let me answer--

(crosstalk)

The Hon. Kristalina Georgieva: I do.

Nancy Lindborg: Hi, I'm Nancy Lindborg with the U.S. Institute of Peace. And my question is, you know, Kristalina, you noted quite rightly that the 59 million people that are not reaching Europe are something that we need to keep our eyes firmly focused on.

My question is how does this extraordinary crisis in Europe not prevent the focus from still being in the 59 million, and what do you see is the key steps towards addressing that larger set of fragility in crisis issues?

The Hon. Kristalina Georgieva: It is a great question, Nancy, and great to see you. There are--first for us in Europe, there is real danger that national governments would prioritize investments domestically for the refugees, and take money away from their official development assistance to do so. For a short period of time, this is okay, because we do have to take care of people when they come.

But if we don't draw a lesson that we have to invest much more in this situations of fragility elsewhere, and that we have to come up with sustained, predictable, long-term commitment to fund people that are affected by this disasters to give them not only food, but hope, and something that they feel that we don't forget about them, sustainably, I co-chaired a panel on human (inaudible) finance, as you know, we came up with the conclusion that in our world that produces \$78 trillion GDP, we continue to be \$15 million--sorry billion short to take care of people that for not fault of their own are in this desperate situation.

And I called this the world's most important solvable problem. And if we draw any conclusion in Europe today, it has to be never to move our eyes from the suffering of people that creates instability that sooner or later we also will pay for. It is morally right, but it is also in our collective interests to make this investment, and make it in a sustainable manner.

Mr. Max Hofmann: It seems though, at least from the outside, that the member states are not on the same page for that, that not all the countries really have understood that. You would agree, right?

The Hon. Kristalina Georgieva: Well, they kind of (inaudible) into that direction. Again, I'm going to the Syria--I'm going to the Syria conference that, for instance, that I failed to understand was left not so noticed. What happened there was Slovakia for an example, a country that has been very anxious on receiving refugees, made for the size of Slovakia a sizable commitment, financial commitment. My country Bulgaria, which is still--

Mr. Max Hofmann: Which might be the next frontier.

The Hon. Kristalina Georgieva: Could be. Could be. I was going to say still the poorest, but not forever. It's not going to stay that country in the EU. It made a contribution to the Syrian conference, small by symbolically important. We start to realize that I think we need to drum up this message more. Invest where the root of the problem is if you don't want another tsunami to come and hit you.

Mr. Max Hofmann: Question for the minister, anyone? For the minister. Go ahead. Hang on. We have a microphone.

Unidentified Female: I'm here today. I'm one of the millions of Europeans that for many years have understood that an honest negotiation and a negotiation in good faith with Turkey was a priority that we were not on the European side we were not fulfilling this attitude.

And Minister, we have discussed this many times, but on what you said Minister that you wanted to be back into the family. Frankly, there is an elephant in the room that you can go outside and you can see it. The impression your government gives is that or instance chapter 24, if I could address this why not 23, or in general the Copenhagen criteria is not what concerns is a priority for your government. And this is something that has to be addressed.

Mr. Max Hofmann: What's the question?

Unidentified Female: The question is what is-- You say that your attitude you want to be part of the family. From our side it's a very awkward way to want to be part of the family to close the mouth the day before you start the conversation.

Mr. Max Hofmann: Let me phrase, or did you want to?

The Hon. Volkan Bozkir: I understood the question. The problem is if you keep Turkey away from Europe you will never have the chance to criticize, make positive comments so that we can benefit from it. Chapter 23, chapter 24, those chapters are for political criteria. Chapter 24 is for a fight against illegal migration, border controls, have better passports. We can't open those chapters. We want to open those chapters.

And if the political decision is taken, we can open them in two months. But the problem is for political reasons, because one member country does not want to open some chapters and we insisted those chapters to be opened as well so that your criticisms will be on proper platforms listened by us, perhaps what we say can be registered by you. Some of those criticisms I don't think are based on correct information. Some of them we can take into consideration.

We have to work together to make Turkey a better country in an environment for security and democracy human rights. But we're not starting from today. We changed 2000 laws in Turkey because of this E.U. process. The constitution has been changed. So let us work together. And if Turkey is feeling like in the family, as I mentioned, then there will be proper platforms where we can register your criticism. Perhaps you can understand that Turkey should be on the train going to Brussels than looking for other trains in the region. That is very important. The more you make Turkey feel like this, then we will have a better platform where we can understand each other and you will have a better Turkey approaching to you. If Turkey was a member or if this process was not slowed down, we wouldn't have been talking on these issues.

Mr. Max Hofmann: Minister, do you understand that many people are upset about how Turkey handles, for example, some basic civil liberties. Just Zaman, with that with the newspaper. I think that's what you're getting to too. Isn't that something that needs to change in Turkey?

The Hon. Volkan Bozkir: Well this is looking to a small part of the photograph. In Turkey we have 7,500 newspapers, 300 television channels and 5 million circulation. Thirty-six million people every day are going onto the internet. Eleven million tweets are being tweeted every day. So we we're talking about this Turkey when there's nobody, an administrator, ambassador, whoever, also a journalist doesn't have the privilege to do something against law. And journalistic activity must be separated from what the actual criminal things are being done. So we can talk about this.

There are journalists, identity bearers who are in prison because they robbed a bank. They are in the lists of the credible institutions considered as journalists, but they're not in jail because they are journalists but because they have done criminal activities. So we have to look at the whole picture. And if you come to Turkey and zap in your hotel during the night you will see that on every channel there is a debate criticizing the president, favoring the president, criticizing the prime minister, sometimes shooting at me. But I mean this is lively there. But we can work together. And if Turkey's pushed outside, then you don't have a chance even to convey your messages directly.

Mr. Max Hofmann: So hoping for transformation also in Turkey because of that agreement.

The Hon. Volkan Bozkir: Exactly.

Mr. Max Hofmann: Commissioner you wanted to react.

The Hon. Kristalina Georgieva: I wanted to say one that yes opening up negotiations in these chapters we know it from history. This is the best expression of soft power that has been ever invented. The E.U. helping countries to move up in terms of respect for rights, for inclusion. But a question to the audience. Did you know there would be a chapter opened and it is called chapter 33. How many of you know what chapter 33 is? You're my people.

Mr. Max Hofmann: You know that because it's your chapter.

The Hon. Volkan Bozkir: And I know it by heart.

The Hon. Kristalina Georgieva: This is the silver lining for me because 33 is the budget chapter, how much Turkey's going to pay to the E.U. budget.

Mr. Max Hofmann: A very unproblematic chapter. It uncontroversial. I mean would Cyprus for example have been okay with opening other chapters?

The Hon. Volkan Bozkir: I didn't want to mention the name of that particular country who blocks 13 chapters. You did it, but actually the problem is that because of some political considerations, eight chapters by a council decision are blocked. But there are five chapters unilaterally that are blocked by a

political decision. So we say there is a difficulty here. The European Union's future is in danger. (Inaudible) system in danger. Euro system is in danger.

And what we're doing here is to in a way save the future of Europe and the country-based considerations should not be blocking this, but we couldn't do that. There was another country who was blocking five chapters, and that country with a change of a president allowed those three chapters to be opened. Thirty-three is one of them. So the political leadership shown by that country has not been shown by the other country if I may say so.

But I mean the commissioner puts the opening of a chapter again in the money. Turkey can provide Europe with more money than any member country can do. We're not in a difficult situation. We are the only country together with Germany who is adhering to the mastery criteria. We were warning Europe again that this economic disaster is coming. There are countries who are not doing what the mastery criteria is requiring. So some countries might go into difficulty and do what Turkey's doing.

When economic difficulty was with Europe, Turkey tripled the economic figures. Everything was tripled, so there was something wrong in Europe, something right in Turkey. So we do it together and benefit from the results. And Turkey is there to share the burden to give new impetus, not to create problems. So that's where we are. We are very happy to open chapter 33 with this charming commissioner, which I admire very much for what she has done.

Mr. Max Hofmann: She can be very, very tough. Anyway we have time for a couple more questions. I'm sorry, I'm not going to be able to take all the questions. But let's get it on with the gentlemen right here.

Christopher Marshall: Christopher Marshall from Germany. I would like to ask you to help us to solve what I might call the German conundrum or the German paradox. And I ask you really a frank answer, not a not a polite or diplomatic one. What is Germany's role in this migration (inaudible) from your point of view? In one side it seemed to be very isolated with its first approach, but of course in forging the deal with Turkey Germany was again center.

So how does that play together being a leader who nobody wants to follow on one side and on the other hand having an important role? What's your picture of Germany?

The Hon. Volkan Bozkir: I think the German chancellor saw earlier than the others in Europe the danger coming. And she really evaluated correctly saying that there is a problem here. There is a wave of refugees coming and it cannot be stopped. And she said it shouldn't be stopped either. But the problem is to stop the illegal migration and change it, transform it to a legal migration.

I think this was very important from the evaluation of the difficulty. But also what she has done is in line with the European values and standards. I think she will be remembered in the future for at this difficult moment still defending the values and standards because these poor people shouldn't have been treated improperly. They should have been treated as human beings.

And that's what Germany has done. There might be some reactions from other countries, but I think at these crucial moments those who have the leadership capacity will be remembered. So I think we have supported what she has done. We have really given credibility to what she has done, and she has been the main pillar of where we are now. If she wasn't there, we would have discussed with a gray cloud where nobody in real terms coming out, ready to sacrifice, ready to take the responsibility and share the burden.

And I think we're looking at a correct picture now where it will be a burden sharing but a win situation, which will become more win more win situation. It could have been a more disaster more disaster situation very easily if this leadership wasn't taken by important leaders in the European Union platform.

Mr. Max Hofmann: We have a question. We had a question for a long time up there. Yes, please.

Rama (inaudible): Hi. My name is Rama (inaudible). I'm representing Women in Foreign Policy, Istanbul, Turkey. Dear Minister, thank you very much for your insightful comments. Although we do have some concerns about implementation of the deal, we are happy and acknowledge that Turkey and E.U. are back on the table. However, you have clearly mentioned that three billion Euros, any penny will not be spent for Turkish communities and will be directly going to Syrian communities.

We do have a lot of questions in mind of how those funds will be channeled and who will manage these funds and is there any specific and structured dialogue plan to involve civil society in not only the implementation part, but also the planning and also monetary. Thank you very much.

The Hon. Volkan Bozkir: Well the system if it works, according to the existing mechanisms in Europe we will get a hundred million Euros in five years. That is how it works. But we have also discussed during these meetings that there's an urgent need for the Syrians in Turkey and it has to be seen that this money is being used for their comfort and future.

So we are trying to find new mechanisms, because in the existing system there is a Syrian community where Turkey is not a member. We give our projects, the Syrian community listens and then makes a decision without Turkey's presence. The money comes through international organizations. Fifteen percent of this money goes to the international organizations. That means of three billion Euros, 450 million Euros will go to the international organization for doing nothing, just transferring the money.

So we said send this money directly to the Red Crescent or the organizations dealing with these refugees in Turkey and we can give the results how we spend the money. In the same system, we are spending the IPA funds or the Erasmus projects. The money must come to Turkey immediately so that it can be spent to schools, hospitals, infrastructure projects.

We're spending a 150 million Euros every month to the camps for food and for the running of the camps. So we said the E.U. must run, for example, 10 of the camps, take all the costs and this money goes to the running of the camps. If we want to bring these people to Syria, for example, in a safe area, that means hundred thousands of people going to Syria in these comfortable areas, secure areas so this money can be spent for that purpose as well.

So this civil society organizations, that is the second stage. We can work with the civil society organization. But here the projects are ready. We have given them. But unfortunately under this system, this money will not come to Turkey. We don't need that money. If the money comes or not we're doing our part. But this is to satisfy perhaps the bad feelings of the European Union countries not having been doing what they should. It was--it comfort them that they are now adding to the human structures there. So I mean that is the deal we have achieved and I hope this money will come. Up to now we've received the promise of 89 million Euros which didn't come in reality. But this is the situation.

Mr. Max Hofmann: Commissioner, want to direct?

The Hon. Kristalina Georgieva: Okay, just to make a little more positive. We have two projects already because I am in charge of one third of the money that is coming your way. Two projects that you are already funding. One if for children, 100,000 Syrian children would get education additional to those that are being educated. And the second one with the work for food program for eat food. Getting an e-card in which money is loaded. This is 95 million Euros. Minister that is now going to towards the Syrians there. But just to defend a bit the EU. We are 20 percent of the world economy, but 40 percent to 50 percent the humanitarian aid and development assistance. And we have been always there for people in need whenever they are. True, we could have been faster on feet to work together with Turkey. I'm very glad that we now are doing it. But those of us that are Europeans in the audience raise your hand, we can keep our heads up.

Mr. Max Hofmann: But people like in Idomary I think in the moment would disagree that the--

The Hon. Kristalina Georgieva: Where?

Mr. Max Hofmann: Idomary.

The Hon. Kristalina Georgieva: That by the way, this is something--you're absolutely right. We have been a little slow on the uptake to recognize that the moment has come for the EU to provide humanitarian assistance inside European Union. But we have taken a decision. I can announce this to those who many not know it. Three weeks ago we had taken a decision. We now have 300 million Euros for this year and 200 for next year. Europeans are already increase working on the fact that we had to face it. Even on the territory of Europe a country could be overwhelmed and may need to be helped. And that is now being done. True, could have done it faster. But ear, message taken, action implemented.

Mr. Max Hofmann: We had a question for a long time right here. Thank you.

Natalie Tocci: Natalie Tocci from the Institute for International Affairs in Rome. I wanted to go back to the one for one deal on the refugees. And I was wondering whether there's not some sort of perverse inbuilt incentive in this agreement. Meaning if the deal is actually implemented which means that the regular refugees' numbers would go down. Then presumably the number of legal refugees would also go down. So it would be simply a matter of time, days or weeks for the irregular numbers to go back up again. So is there in the thinking, in the planning the idea that after X amount of time assuming the deal is actually implemented that we would simply stop this one for one agreement and simply have legal channels into the European Union?

The Hon. Volkan Bozkir: Well, the deal is working on the psychology of this migrant flow. If the psychology is not stopped showing that--I mean this whole process started when they saw that there's a loophole from the Asian coast of the Greek Islands. So all the world was informed. Refugees were collected, brought, and sent. So to stop this cycle this will have a very important effect because they will understand that after a while they will not be allowed to stay in Greece and as illegal migrants they will be taken back Turkey. And when the legal migrants are going to Europe they will not have a chance to become legal migrants any time in the future. So this psychology will in a way stop this part of the story.

Mr. Max Hofmann: If I may interrupt just really quickly because that's what we were talking about earlier. How does that change psychologically with anything [audio gap 01:05:38:13].

The Hon. Volkan Bozkir: We have taken the responsibility. We're looking after them and this story is not so send those people to Europe.

The Hon. Kristalina Georgieva: And just to answer your question of course we need to look at the implementation and then draw lessons and if we need to adjust, we adjust. And as I said before, the reason we start with 72,000 is because we want to see how this works. I mean sending the illegal crossing to the end of the queue should create an incentive to register in Turkey. And of course we will have to them see will that mean that we take more people.

But let's remember that we also have refugees in Lebanon, in Jordan. We have other refugees in additions to Syria. So Europe in terms of our contribution to taking refugees historically we have been pretty good. I mean in global terms. But the fact remains that majority of displaced people go from one poor country to another. And I repeat my message, 90 percent--85 percent to 90 percent of displacements are in poor countries and unless we help these poor countries to deal with this in a humane and respectable manner, we are doing our service to humanity properly.

Mr. Max Hofmann: Your question, go ahead.

Trudy Rubin: Trudy Rubin from the Philadelphia Inquirer. I'd like to ask commissioner Georgieva, has anything been learned in Europe so that the waves of refugees that have already been accepted can be integrated in ways that do not create new isolated communities, new Molenbics or Bedonvilles or etcetera, etcetera? What will happen to these communities that are already there in terms of jobs, schools, and integrations?

The Hon. Kristalina Georgieva: We have quite a diverse picture in Europe. Responding to your question, some countries have been most successful in integration and usually these are the countries where a very serious effort is made for schools and jobs, vocational training. And of course more often than not these are also the countries and the communities that are economically more successful. You look at for example, Sweden a very good tradition in receiving people and then working on the integration of people in a very systematic way. But even Sweden today is overwhelmed. So we also have had some bad experiences in Europe and we are trying to draw lessons from those as well.

But fundamentally if I can make a connection to the economy, fundamentally where Europe has to concentrate its efforts is to make our economy more competitive and stronger because when we have more jobs for everybody all of the things equal, we can deal with this problem better. And when our economy's vibrant and competitive, then we have the results and the confidence to cope with problems. So one of the issues that we are concerned in the commission is that the migration crisis now being top of mind concern, it pushes down equal if not more important activities we do to stimulate investments. We had the investment plan for Europe, 76 billion Euros generated of private investments trade. But even more importantly deepening and broadening the internal market, digital market, energy union, capital union. Unless--and this is where we worry a little bit that our leaders attention gets sucked in to dealing with the crisis in front of and that may come at the expense of equally important other policy actions we have to take.

Mr. Max Hofmann: Hence, our title is, this is the ultimate stress test. We're going to have time probably for one more question. But I just wanted to say at the end of the session we're going to ask you a multiple

choice question via the app. So if you want to prepare that, then we can do that pretty quickly at the end. Ultimate stress test. Many of the things you just said showed how this refugee crisis is just putting everything else out of the picture. Do you have the impression, both of you, that the EU as it is today in this form can survive this, or will it what? Like for example, the German Finance Minister Schaeuble has said for a long time, we need a Europe at different speeds?

The Hon. Kristalina Georgieva: Well, we face two existential challenges at the same time. One is how we cope with the migration crisis, the capacity to define contributions depending on who can do what rather than trying to fit everything in one type of solution. And two exactly this question. Europe needs to--part of Europe integrate further and deeper especially euro zone and we have to at the same time leave space for those who want to be looser integrated and we would have obviously the U.K. referendum coming on that point. I remain optimistic for Europe. I don't know how Europe would look like five years from now, 10 years from now, 20 years from now.

Into a business competing with the drug trade with all the dangers that it carries and part of the deal is to address this. And two Turkey deserves to be supported financially because it is the biggest refugee receiving country and it has done a very good job to host people fleeing primarily from the Syria War.

Mr. Max Hofmann: If I may just jump in there for one thing. Isn't--I mean the EU realizing that they need Turkey is one thing. But sometimes at least we journalists get the impression that this deal was only struck because EU leaders said, "Okay, we just can't get on the same page. This is our way out." Do you share that impression?

The Hon. Kristalina Georgieva: I think the EU leaders recognize that problem is going to be with us. By the way, not just only with us in Europe. If you look at our conversations of refugees, it has been primarily about the 1.5 million people that came to Europe. How about the 59 million people that haven't come to Europe but are pushed out of their homes by wars and natural disasters. And their numbers going like this.

Mr. Max Hofmann: But that, exactly. That's my point. And the agreement from yesterday you mentioned seven--or the leaders mentioned 72,000 migrants, that they would be--or Syrian refugees that they would be willing to take back directly from Turkey. Now, you--that just seems so ridiculously low compared to the numbers you're talking about.

The Hon. Kristalina Georgieva: [audio gap 04:01:58 - 04:04:10] Well, let's remember that to deal with this problem, we need to do two things. One, to address the root cause. And root causes are the wars. Unless we find ways to prevent conflicts and resolve conflicts a little faster, unless we face the reality that we now have Al Shabaab, Al Qaeda, Islamic State, Boko Haram, rebels that have no interest whatsoever

to become governments. They just want to kill us and scare us. And deal with this problem as a world community and, of course, Europe has to play its role. And secondly, we have to do much more for people where they are.

Unless we pay, not just for food and shelter, but also for schools and jobs, for people that are affected by crisis in Lebanon, in Jordan, in Ethiopia, in Kenya, in Yemen, unless we do that, then of course the 73,000 you talk about, this is going to be a drop in the--and, of course, the deal doesn't say we would stop at 72,000, it says we will start with 72,000.

Mr. Max Hofmann: Minister, when I look at interviews with you two years ago, the game has completely changed. Back then you said we need to talk more, we need to do more together. When did you feel that the European Union has said, "Okay. We really need to cooperate more with Turkey"?

The Hon. Volkan Bozkir: Well, I think Turkey was saying two things and warning about two dangers. One was a fight against terrorism and one was this illegal migration. An earthquake took place in our region and I think a tsunami or the aftershocks was very much apparent that it was coming. But unfortunately, the European countries or the European Union didn't listen to the warnings carefully, so when the tsunami came, it was like the picture of that person taking photograph when the tsunami wave was coming. So it hit.

But Turkey was saying that this problem must be solved at the source. So if we had worked together two years ago when we first warned, it would have been much easier to face this. But now the correct picture is being seen now. The first approach to Turkey was, "Okay. Let's give you 500 million Euros from the funds you will be using to become member, and you solve this problem." And we said, "Look, we don't need money. We have already spent \$10 billion and this money is not going to solve anything." And Turkey doesn't want money. So what we have asked for, this is a problem which we can face together. Responsibilities should be shared but you must make Turkey feel like in the family again after ten years of slowdown in relations, not seeing each other, talk to each other. So I think it started when we started feeling ourselves more in the family, then we took more responsibilities, we came out with practical solutions, sharing of the burden proposals.

So that brought us to this point. So that is the result of a wonderful cooperation, which we had for some few months now.

Mr. Max Hofmann: Which part of the agreement makes you feel especially more part of the family?

The Hon. Volkan Bozkir: Well, actually, if you make comparisons, we have been in a situation where we weren't invited to summit meetings, no chapters were opened. We were not having a chance to say our feelings or vision in the meetings. So now, after the 29th of November summit meeting, it was kind of a

new, reenergized relation where we talked about fighting against illegal migration but also, Turkey was invited to summit meetings, new platforms were established, energy, economy, political platforms, upgrading the customs union where we have \$150 billion of trade to a level of \$300 billion of a trade. And then this came out to be a new relation, reenergized, what we call. From 29th of November to 7th of March, this wasn't sufficient. That we're seeing that the numbers were falling down of illegal migration, but unfortunately, it wasn't going down to zero. So what was achieved yesterday is an attack on this problem to bring it down to zero, both sides taking responsibilities. And I think this is the heart of the problem.

This is going to work like this. We will take, I mean, there is a D-Date, which is the--on Monday. The Greek Island--

Mr. Max Hofmann: So from the night--from Sunday to Monday, Midnight?

The Hon. Volkan Bozkir: If everybody who reaches the Greek islands as an illegal migrant will be registered and will be sent back to Turkey no matter if he or she is a Syrian or Iraqi or whatever. But for every person coming back to Turkey, one Syrian in the camps in Turkey will be going to Europe legally as a human being and this will work like this.

And in relation with this, of course, some elements were added to that, to make Turkey feel in the family, which, for example, abolishing the visa and also an additional 3 billion Euros to the already agreed 3 billion Euros. But this money is not to Turkey. We're not going to build bridges or airports with that.

Mr. Max Hofmann: Projects.

The Hon. Volkan Bozkir: It is for the Syrian people living in Turkey. It'll be hospitals, schools, infrastructure, food. Have them better life. And in Turkey, we have given them a working permission so that they will prefer to stay in Turkey. And we have also imposed visa for Syrian citizens coming to Turkey.

So all this is a package. And we're looking forward to the results. I think it will be the key to solve this problem at this moment.

Mr. Max Hofmann: By the way, just wanted to remind our audience. Whenever you have questions, I'm ready to hand it over to the floor. We're not going to wait until the end, so whenever you want to. Just one more question before we do that.

Commissioner, there have been so many decisions by the leaders about the refugee crisis and none really has worked so far. This--what we're--what you're asking, what the leaders are asking from Greece now

sounds a lot more complicated with all the--an asylum process, for example, within the week than anything they had to do before. Why should this work this time?

The Hon. Kristalina Georgieva: The question we were asked is if that was the stress test, what does it show? And what it shows is, indeed, we have had removal of internal borders without protecting the external borders. That has to be fixed. We have proposed to have a new agency that would be kind of Frontex plus-plus to strengthen that. What we failed in the test is our ability to collectively absorb people who are coming to Europe and we are still struggling to get to that point.

By the way, it has shown something very interesting for people like me that come from new member states, that 26 years is a very short period of time, that those of us who lived on the other side of the iron curtain actually do not have the cultural tune to live with people that are different. And that has shown in the reaction of Visegrad countries, in particular. So we have to overcome this and we are making strides in that direction.

We also have seen very clearly that Europe is not really able to put its best foot forward when we do the things right. I mean, take the Syria conference that took place in London. We did the right thing but maybe because of our nature--

Mr. Max Hofmann: Giving a lot of--donating a lot of money.

The Hon. Kristalina Georgieva: Not only we gave a lot of money, I mean, look at the--the outcome of the conference was our \$11 billion, most of it coming from Europe, but most critical for those of us who have been working on humanitarian affairs, in this conference, we raise money for education and for jobs as priority, recognizing that it has to be a month, a year commitment for this. So we did the right thing.

But Europeans then should not actually then stand up and say, "Well, on the stress test, on this one, we passed." So my broader point is, yes, there are things we still have to do better. But if you look at where we were and where we are now, like with the (inaudible) crisis, we are climbing the mountain.

Mr. Max Hofmann: Even in Greece?

The Hon. Kristalina Georgieva: Oh, sorry. Of course even in Greece. In Greece, it is very difficult because the pressure on Greece, on the Greek people is enormous and it comes on top of the crisis that I've been living through for a long time. We are still short in terms of the human capacity that we promised Greece. Now, we need to get 4,000 people to go and work in Greece to help Greece with legal matters and so forth.

But if you watch what has happened in the last two months in Greece, the hotspots are working. Practically almost everybody who comes to Greece is being registered and that was not the case a couple

of months ago. And we are finally seeing people from Greece going to other countries faster, reception capacity in Greece has increased. I was in Athens when we worked with UNACR to open up 20,000 places for people when they come.

So of course we worry and I'm sure our Turkish friend worry. This is a complex deal. Of course there will be ups and downs. But my plea to us is to be a little less European this time around. And when we do something great, talk about it rather than keep talking about what has gone wrong.

Mr. Max Hofmann: So we have a question right over here. Might I remind the audience, one question per person and [audio gap 04:15:14 through end].

The Hon. Kristalina Georgieva: --into a business competing with the drug trade with all the dangers that it carries. And part of the deal is to address this. And two, Turkey deserves to be supported financially because it is the biggest refugee receiving country. And it has done a very good job to host people fleeing primarily from the Syria war.