

U.S.-Cuba Trade and Economic Council, Inc.

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The Honorable Donald J. Trump, President of the United States, continues to plan for a visit to the Republic of Turkey. *Will he visit Trump Towers in Istanbul? Cuba will be a topic.*

A goal for a two-night visit to Turkey remains for July 2019 or August 2019 (prior or subsequent to the 45th G7 Summit in Biarritz, Nouvelle-Aquitaine, France) or September 2019 prior to the United Nations General Assembly in New York City.

During the United Nations General Assembly, President Trump anticipates high-profile bilateral meetings (formal and sideline) with leadership of Cuba, Iran, North Korea, Syria, and Venezuela (unified or bifurcated) among others.

H.E. Recep Tayyip Erdogan, President of the Republic of Turkey since 2014, was Prime Minister from 2003 to 2014, and Mayor of Istanbul from 1994 to 1998. President Erdogan leads the Justice and Development Party (**AKP**). Primary opposition party is Republican People's Party (**CHP**).

Despite current commercial, economic and political challenges for President Erdogan, he and the 82.9 million population of Turkey remain indispensable to the multilateral interests of the United States.

The Trump Administration remains concerned by a re-alignment of Turkey with China, Russia, India, Iran, Iraq and Syria (where Ankara will have a substantive role in the management and rebuilding of the country).

The delay by the Brussels, Belgium-based European Union (EU) in its efforts to include Turkey as its 29th member is no longer considered by Turkey to be of immediate importance; membership has ceased to be an enticement to influence behavior.

Turkey withdrawing from the 29-member Brussels, Belgium-based North Atlantic Treaty Organization (**NATO**) should not be discounted as a genuine option; Turkey could affiliate with the 125-member and 25 observer countries of the New York, New York-based Non-Aligned Movement (**NAM**)- Turkey would immediately have a leadership role and revitalize its global influence.

A goal of the visit to Turkey is to project President Trump as not anti-Muslim in a country where an existing narrative is that he is anti-Muslim; with a perception by some that he separates Muslims into two groups- those who are “civilized” defined as wealthy, purchase products (particularly defense-related) from the United States, and support United States policies and those who are “uncivilized” defined as poor, do not purchase products (particularly defense-related) from the United States, and do not support United States policies.

Venues in Turkey of interest to staff at The White House- National Security Council (NSC) and Office of Scheduling and Advance, United States Department of State, and United States Secret Service (USSS) include the capital Ankara (population approximately 5 million), the largest city Istanbul (population approximately 15 million), and Izmir (population approximately 4 million), located on the Aegean Sea coast and location of substantive photogenic archaeological sites.

In Istanbul, the preferred primary location, President and Mrs. Trump with President and Mrs. Erdogan would visit the **Blue Mosque**, **Hagia Sophia Museum** and **Basilica Cistern**. President Trump and President Erdogan might visit the **Suleymaniye Hamam**. Mrs. Trump and Mrs. Erdogan may visit **Topkapi Palace Museum**, **Suleymaniye Mosque** and **Grand Bazaar**. There may also be a cruise on the Bosphorus and photo opportunity at the **Maiden's Tower**; and potentially a visit to one of the Prince's Islands located in the Sea of Marmara to the southeast of Istanbul.

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The government of Turkey advocates for *Air Force One* to arrive at US\$8 billion Istanbul Airport (IST) which commenced full operation in 2019 and is located approximately expressway 22 miles from Istanbul. Once completed, expected to be one of the largest airports in the world with eight runways and annual capacity approaching 200 million travelers. Turkish Airlines is reported as the largest airline in the world by number of destinations, currently 304. Turkish Airlines is an “*Airborne Embassy*” and Turkish Cargo is an “*Airborne Chamber of Commerce*.”

If bilateral and multilateral defense-related issues are resolved or near resolution, President Trump would have an interest in visiting a military base to reinforce the relationship of Turkey with the United States and NATO (*F-35* aircraft manufactured by Fort Worth, Texas-based Lockheed Martin with components manufactured in Turkey). If there are *Patriot* surface-to-air (**SAM**) systems manufactured by Waltham, Massachusetts-based Raytheon Company available for viewing, they would be included in any tour.

If Turkey accepts delivery of the *S-400* SAM from Moscow, Russia-based VKO Almaz-Antey, a visit by President Trump to an installation site should not be discounted as it would provide an opportunity for the President to present reasons the *Patriot* is superior to the *S-400*.

Venue concerns are primarily focused upon (though unlikely) demonstrations- in support of the AKP and against the AKP and in support of the CHP and against the CHP. The recently-elected mayors of Ankara (the capital) and Istanbul (the largest city in the country) are members of the CHP and each will welcome President Trump when he arrives to their respective cities. Expect Turkey to consider temporarily closing its overland borders with Syria, Iraq, Iran, Armenia and Georgia as security precautions. President Erdogan will desire to be perceived as a muscular democrat- tolerant to opposition yet unquestioned as to his leadership of the country.

*A most significant optical challenge for the Trump Administration is how to manage the desire of President Trump to visit the two-building **Trump Towers** located in the Sisli District of Istanbul.*

According to the required 2018 filing to the **U.S. Office of Government Ethics**, President Trump certified: “**TRUMP MARKS ISTANBUL II LLC NIA 342**. Value: None (or less than \$1,001). Income Type: royalties. Income Amount: \$100,001-\$1,000,000. Value reported reflects bank account holding only. Additional Underlying Asset: license deal with ORTADOGU OTOMOTIV TICARET AS - value not readily ascertainable. License holder, New York, NY. Trump Marks Istanbul II LLC shareholders: 1% Trump Marks Istanbul II Corp (role- managing shareholder) and 99%- DTTM Operations LLC (role-member).”

The property is near previously-outlined secure motorcade routes from Ataturk International Airport to the listed hotels (United States government preferred brands include Hilton, Hyatt, Marriott). The Trump Towers are viewable from most rooms in the United States-branded properties in Istanbul.

President Trump has been criticized for visiting properties in the United States and other countries owned/managed/licensed by The Trump Organization as the visits are perceived as a United States-taxpayer funded opportunity to provide marketing value for the personal interests of the President and his family. Thus far, the President has not indicated that he considers such criticism to be justified; and has continued to visit properties even when there is substantial cost to United States taxpayers- golf course in Scotland, for example and no identifiable official purpose.

Opened in 2010, Trump Towers Istanbul (<http://www.trumpistanbul.com.tr/en/default.aspx>) was reported as the first to be constructed on the European Continent.

Trump Towers (Wikipedia):

“Trump Towers, Istanbul, Sisli is a landmark in the historic city of Istanbul. With two towers rising in Mecidiyekoy, one of the city's most vibrant areas, the property captures the utmost in luxury. The residential tower, just under 40 stories, consists of over 200 residences, and will feature the expansive

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layouts, meticulous eye for design and lavish finishes synonymous with the Trump name. Forest, city and Bosphorus views will be extraordinary through the vista of floor-to-ceiling windows.

In addition, residents will enjoy a full-service spa and fitness center, an indoor pool, a 24-hour doorman, a business center, and a vast range of additional amenities. The office tower, also 40 stories, will offer commercial luxury at its finest, with a private entrance, a beauty center, fitness area and pool for those working in the building. A luxury retail component of over 400,000-square-feet rests at the base of both towers, offering residents and visitors the best in retail and dining with personalized service incomparable to anything in Istanbul.

A prominent tenant in the building has been: Reza Zarrab (Persian: رضا ضراب, Turkish: *Rıza Sarraf*; born 12 September 1983 in Tabriz, Iran) is a Turkey-based businessman. He has quadruple Iranian, Azerbaijani, Turkish and Macedonian citizenship.

On 19 March 2016 he was arrested in the United States, and is accused of being a member of international criminal organization. He was charged with evading the US economic sanctions on Iran and money laundering in an alleged racket scheme to help Iran bypass the sanctions, involving ministers of the Turkish government of then prime minister and now president of Turkey, Recep Tayyip Erdoğan.

His father, Hossein Zarrab, had a close relationship with Mahmoud Ahmadinejad, who served as the President of Iran between 2005 and 2013. The U.S. Department of Treasury accused Hossein Zarrab of violating U.S. sanctions on Iran and slapped a \$9.1 million fine against him. His fine reduced to \$2.3 million following his collaboration with the U.S. officials.

Zarrab was arrested by the FBI in Miami in the US on March 19, 2016 and was accused of bank fraud, money laundering and helping the Iranian government in evading the US economic sanctions on Iran to hinder its nuclear-weapons program. His charges; conspiracy to defraud, violating the International Emergency Economic Powers Act, money laundering, and bank fraud; could bring up to 70 years in prison if found guilty in the U.S. Federal Court.”

Issues for discussion by President Trump and President Erdogan include:

Accepting from Iraq & Syria the children of Turkish-nationals
China (commercial relationship, Uighurs)
Continuing NATO membership
Cuba (potential lawsuit against company using Libertad Act; relationship with Venezuela)
EU Membership
F-35 Aircraft
Fethullah Gulen
Iran
Iraq
Israel
Libya
NATO membership
Natural Gas Purchases
North Korea
Oil Purchases
Prisoner Exchanges
Production Cooperation Agreement for S-500 defense system with Russia
Purchase of S-400 defense system from Russia
Removal of Turkey as a Beneficiary Developing Country (BDC) for GSP
Removed higher level United States tariffs on steel exports to the United States
Russia
Syria
Venezuela