



Istanbul Canal & the Montreux Convention: A Case for US Influence

In June of this year, Turkish President Recep Tayyip Erdogan made the first step towards his move to build the "Canal Istanbul" project, announcing that this was a "new page today in Turkey's development history...We see this as a project to save the future of Istanbul." ([Source](#)) His self-proclaimed "crazy" plan surfaced a decade ago, but it hasn't been put into effect until recently.

The Strategic Importance of the Area

The Turkish Straits – the collective name for the Bosphorus and the Dardanelles, connect the Black Sea to the Mediterranean. "As major strategic waterways, the channels are home to natural maritime traffic congestion and carry significant geo-economic and geo-strategic importance." ([Source](#))

- 90 percent of world trade is carried out via the sea. Blocking such chokepoints, even temporarily, could lead to substantial spikes in the costs of traded goods as distances, sailing periods and shipping costs increase, the impacts of which would be felt by exporting and importing economies alike. Controlling and securing maritime chokepoints, thus, represents an objective for every major geo-strategic player. ([Source](#))

- 4 percent of global maritime oil pass through their waters, making it one of the seven critical chokepoints for the maritime transit of oil. They also occupy an important geo-political role in the EU's oil supply from Central Asia and the Caucasus. (a 2017 [US Energy Information Administration report](#))

- It's one of the eight critical chokepoints of global food security. One fifth of global wheat exports and one sixth of global maize exports pass through the Turkish Straits, making them the world's most significant transit point for the grains. 77 percent of wheat exports from Russia, Ukraine and Kazakhstan pass through the Turkish Straits. Rapid and continued growth in exports from the Black Sea region is expected to increase dependence on the Turkish Straits, particularly when it comes to wheat. (2017 [Chatham House report](#))

This is because there are no alternative routes in the area but the Istanbul Canal could change that. This makes it a project that holds international importance, as its creation could potentially alter the balance of power (through both trade and military means) in the region.

What is the Istanbul Canal?

The Canal will be established on the European side of Istanbul, linking the Black Sea and the Sea of Marmara. The project is designed to run parallel to the Bosphorus Strait and it also includes the construction of new seaports, bridges, businesses, touristic districts and artificial lakes, etc.

There has been criticism due to the environmental and ecological consequences of the Canal. However, the Turkish Ministry of Environment, has already gave his approval before the Erdogan administration is launched the project in June 2021 ([Source](#))

The Turkish government argues that the project will help; reducing oil tanker traffic through the Bosphorus Strait and minimise the risks and dangers associated with maritime congestion while also bringing in at one billion dollars annual revenues from tolls. ([Source](#)) Though, there is evidence that conflicts this - According to Turkey's transport ministry, the number of ships in the Bosphorus dropped from 54,400 to 41,100 a year between 2008 and 2018 though the tonnage of the remaining vessels has increased. ([Source](#)) And according to Turkey's coastal safety agency, shipping accidents in the strait have also fallen by a third since 2003. ([Al-Jazeera](#))

Some of [Turkey's biggest banks](#) are reluctant to finance the project due to environmental concerns (Citing the UN-backed Principles for Responsible Banking) while also contemplating the inherent risks in financing such a large project that could be thwarted at a later stage.

But China has already signaled an interest in the Canal. In early April 2021, Turkish media [reported](#) that Kanal Istanbul had already received four proposals for the upcoming project tender, and all four were from Chinese companies. Past reports suggest that these included big Chinese state construction firms, including China Communications Construction (CCCC) and China National Machinery Industry Corporation (Sinomach). ([Source](#)) According to the Minister of Infrastructure and Transport Adil Karaismailoglu, financial institutions from The Netherlands, Belgium, China and Russia were interested in the project ([Source](#))

This underscores the relevance and the interest of the Canal within the international community – despite the concern of the impact that it'll have on the Montreux Convention and vice versa.

What's the Montreux Convention?

The Convention is a 1936 agreement, signed by Bulgaria; France; Greece; Japan; Romania; Yugoslavia; Turkey; UK; and the USSR. The agreement gives Turkey control over the Bosphorus and Dardanelles Straits. It also ensures passage of civilian vessels during peacetime, and “limits military deployments in the Black Sea to 21 days for states not bordering that body of water, which is effectively dominated by Russia.” ([Source](#))

The validity period of the convention was 20 years, which ended on November 9. In order for the cancellation process to begin, one of the signatory states must report the termination declaration to France, which is the deposit state, as stated in the contract. If one of the signatory states initiates this process today; the convention will remain in force for two more years starting from the date of the request and will be cancelled at the end of this period. ([Source](#))

But Turkey is trying to distance the new project from the Convention as show [here](#): Erdogan has [affirmed](#) many times that “the Canal Istanbul, which has nothing to do with the Montreux Convention, will bring Turkey greater comfort and peace [...] we will establish our own independence, our own sovereignty in full measure.” And [here](#): “We have neither an ongoing work nor an intention to pull out of the Montreux Convention at present, but we'll not hesitate to review any agreement with a view of securing a better one for our country if such a need arises in the future”.

This could just be a result of the internal pressure (as the statements were made after the release of the [open letter](#) signed by 104 retired admirals in April).

But while the Istanbul Canal does provide an alternative route to the Bosphorus; ships would still have to use the Dardanelles strait, which connects the Sea of Marmara and the Mediterranean and is covered by the Montreux Convention. ([Source](#)) Even if a second artificial waterway could circumvent the Dardanelles, they would still have to move across the Sea of Marmara.

So, the question is why Turkey would launch such a big initiative, pushing back against national pressure, if there won't be a change to the regional balance of power? Especially when the Canal is being publicized as a way of Turkey exerting its power over the region- giving it geo-political leverage over both regional and international trade and transportation routes.

If the Canal is regulated by the Convention, the reality will not change as Turkey will be unable to bypass the limits imposed to its strategic control of the straits by the Convention. This lends credibility to the belief that Turkey may plan to push for a change in the Convention in the future. They did so in the past, when they argued that the the Treaty of Lausanne on April, 10th 1936 was no longer applicable to the reality and challenged it on the basis of a “fundamental change in the circumstances surrounding the original agreement”. (Source: Bederman, D & Keitner, C. (2016))

The success of the Istanbul Canal will expand US influence

All of the states- even the USA- have been bound by the Convention, thus limiting their power in the area.

The USA can't ask for changes to be made or for it to be cancelled - though it has shown a long time interest in revising it, as they are not a signatory of the Montraux Convention. But Turkey can- and as Turkey's President Erdogan has been an ally of America since they became

active in Turkey and brought Erdogan and his party to power in 2002- it will not be a surprise if they will. This alliance remains today as after a meeting with his Turkish counterpart Mevlüt Çavuşoğlu, on 23/3/2021 in Brussels, Secretary of State Blinken said "It is despite from the general disagreements with Ankara, America and NATO have a strong interest in keeping Turkey anchored to NATO. Turkey is a long-term and valuable ally." (Reuters 23/3/2021).

America has a policy of limiting Russian power and putting pressure on the country and the Canal will help them to do that.

Currently, while the convention's restriction does limit Russia's ability to send large vessels from its Black Sea fleet into the Mediterranean ([Source](#)), "As a Black Sea power, Russia faces fewer restrictions and has creatively adapted to the more onerous ones. For example, although Black Sea-based submarines cannot cross the Straits to operate in the Mediterranean, they are permitted to exit and re-enter for repairs. Using this provision as a loophole, Black Sea Fleet submarines have been known to dwell for extended periods in the Mediterranean while formally *en route* to or from the shipyards of Saint Petersburg.²³ Similarly, Russia's sole aircraft carrier, the *Admiral Kuznetsov*, is formally classified as an aircraft-carrying heavy cruiser to avoid the Montreux restrictions on carriers." (Andrew M. Hascher, 2019).

So, the Convention has allowed Russia has been able to operate there, and Turkey has been the only riparian state with a navy large enough to offer a meaningful counter force to the Russian Black Sea fleet. Altering the Convention, could increase Western presence in the area as both the USA and NATO will have easier access to the Black Sea.

It would also allow them to put economic pressure on Russia, as the Black Sea is the only viable warm water port location for Russia. It uses the Turkish Straits to "export its wheat, oil and natural gas, the tolls for using the new canal could make it less economical to transport goods, having negative consequences for the Russian economy." ([Source](#))

Russia must understand this and has already signalled their desire for the Convention to be applied to the Canal Istanbul- once in a call between [President Putin](#) and Erdogan on April 9. And previously, in 2019, when the Russian Ambassador to Turkey [Aleksei Erkhov](#) stated that Moscow considers the project an internal matter so long as it does not change the Montreux regime. ([Source](#))

We could see the impact of the Istanbul Canal's on the Montreux Convention soon

There is a mechanism in the Convention for periodical amendments on a rolling five-year schedule. "The current five-year period expires on November 9, 2021, and a proposal for amendments must be put forth three months prior, in August 2021, at the latest. If the contracting parties fail to agree on an amendment proposal, a conference will be summoned in which decisions must be adopted unanimously. The exception is amendments to Articles 14 and 18, which concern naval traffic and non-littoral warships in the Black Sea: amending either of these articles will require a three-quarters majority of the contracting parties, including three-quarters of Black Sea littoral states, one of which must be Turkey. So, while Turkey cannot single-handedly force an amendment to the convention, it can block any proposal put forth by others." (Andrew M. Hascher, 2019)

With that time approaching, we will see what the intentions of the Convention signatories and how that will impact the future of the Canal.

While Russia could contest a change to the Convention or insist on limit's to Tukey's power in the area, the degree Russia to which it could succeed will depend on whether it can convince other maritime powers to join them.

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