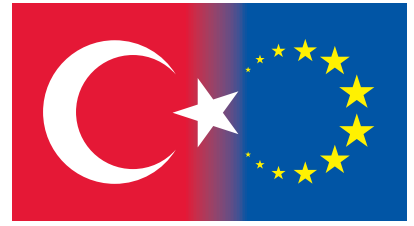


2013

PROGRESS REPORT
PREPARED BY TURKEY

TÜRKİYE CUMHURİYETİ
AVRUPA BİRLİĞİ BAKANLIĞI



REPUBLIC OF TURKEY
MINISTRY FOR EU AFFAIRS

MINISTRY FOR EU AFFAIRS

www.ab.gov.tr

REPUBLIC OF TURKEY
MINISTRY FOR EU AFFAIRS

Mustafa Kemal Mah. 2082.Cad. No: 4
06510 Bilkent /ANKARA TURKEY
Phone: + 90 (312) 218 1300
Fax: + 90 (312) 218 1464
www.ab.gov.tr

ISBN: 978-605-5197-22-3

December 2013

Prepared by
Ministry for EU Affairs

Printed by
Fotomat Matbaacılık

“According to the second paragraph of Article 5 of the Implementing Regulation on the Procedure and Principles Concerning Bandrole, affixation of banderol is not obligatory.”

Foreword by the Minister for EU Affairs and Chief Negotiator

The Progress Report by Turkey is one of the most significant documents setting forth the Turkish Government's determination in the reform process and the steps undertaken in all areas during 2013. This report was first prepared last year during the term of my predecessor, Mr. Egemen Bağış. I would like to thank Mr. Bağış who started this initiative which is significant in terms of reviewing the progress throughout the year in a holistic manner and planning the reforms for the forthcoming years.

The year of 2013 which was the 50th anniversary of the Ankara Agreement, has been a period in which Turkey's reformist character became more prominent and during which important developments have taken place in Turkey-EU relations. First of all, the European Commission's 2013 Progress Report on Turkey, prepared with an objective and constructive spirit in comparison to the previous reports, ensured a more favorable atmosphere in Turkey-EU relations. The 2013 Report of the Commission acknowledged not only the political reforms but also Turkey's economic success despite the global crisis, together with our progress in the alignment with the EU acquis.

Besides, the opening of the Chapter on "Regional Policy and the Coordination of Structural Instruments" on 5 November 2013 was a critical milestone in ending the 3.5 years long stalemate in the accession negotiations. Furthermore, high-level dialogue meetings were held on strategic sectors such as energy and transport and cooperation mechanisms in various fields have been further enhanced.

There is no doubt that this year's most important development in Turkey-EU relations has been the major step taken which paves the way for a visa-free Europe. The Visa Liberalization Dialogue officially started with the signing of the Readmission Agreement and the Memorandum of Understanding on EU-Turkey Visa Liberalization on 16 December 2013.

As underlined by Prime Minister Recep Tayyip Erdoğan, the EU accession process is the most significant modernization project of Turkey after the proclamation of the Republic. The 2013 Progress Report prepared by the Ministry for EU Affairs with a view to comprehensively and objectively reflecting the latest developments should be perceived as a sign for the Turkish Government's determination for further reforms. I would like to sincerely thank all those who have contributed to this Report.

Mevlüt Çavuşoğlu

Minister for EU Affairs and Chief Negotiator

ABBREVIATIONS

AFAD	Disaster & Emergency Management Presidency
AFCOS	Anti-Fraud Coordination Service
BRSA	Banking Regulation and Supervision Agency
CBT	Central Bank of the Republic of Turkey
CFCU	Central Finance and Contracts Unit
EIPA	European Institute of Public Administration
EUROSTAT	European Union Statistical Office
ICTA	Information and Communication Technologies Authority
ILO	International Labour Organization
ISKUR	Turkish Labour Institution
MoLSS	Ministry of Labour and Social Security
OECD	Organization for Economic Co-operation and Development
PETKIM	General Directorate of Petroleum Chemicals Industry
SDIF	Savings Deposit Insurance Fund
SGK	Social Security Institution
SPK	Capital Markets Board
TAEK	Turkish Atomic Energy Authority
TAIEX	Technical Assistance Information Exchange Office
TEDAS	Turkish Electricity Distribution Corporation
TIKA	Turkish Cooperation and Coordination Agency
TPE	Turkish Patent Institute
TSE	Turkish Standards Institution
TUBA	Turkish Academy of Sciences
TUBITAK	Scientific and Technological Research Council of Turkey
TURKSTAT	Turkish Statistical Institute
TURKAK	Turkish Accreditation Agency
VQA	Vocational Qualifications Authority
WTO	World Trade Organization
YAYFED	Publisher Collecting Societies Federation
YOIKK	Coordination Council for the Improvement of Investment Environment
YOK	Council of Higher Education

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INTRODUCTION AND EXPLANATIONS

The 2013 Progress Report by Turkey sets forth the work carried out and the progress achieved in the context of the European Union (EU) accession process during the January-December 2013 period under the “Political Criteria”, “Economic Criteria” and the “Ability to Assume the Obligations of Membership” titles.

The Turkey-EU Financial Cooperation and Civil Society Dialogue and Communication are two key components of the accession process as emphasized in the Negotiating Framework Document for Turkey dated 3 October 2005. Therefore, the report also covers Civil Society Dialogue projects implemented by the Ministry for EU Affairs and activities carried out under Turkey’s European Union Communication Strategy (EUCS) in the last year. The Ministry for EU Affairs is among the institutions responsible for ensuring the effective use of the grants extended in the context of Turkey-EU Financial Cooperation; hence the report summarizes the work undertaken to this end.

The progress achieved regarding the Copenhagen Political Criteria and the Accession Partnership Document is presented through the following broad perspective:

- Legislation adopted or drafted,
- Work and activities for alignment with the EU practices, including administrative capacity building.

The information presented in the Report has been compiled considering the work of public institutions and organizations, the reports prepared by the EU institutions and results of the work carried out under the coordination of the Ministry for EU Affairs.

This Report has been prepared to present first-hand information on the progress achieved by Turkey in the past year, taking into account criticisms and recommendations by the European Commission. Furthermore, the Report aims to inform the relevant stakeholders and the public by demonstrating that there are many dimensions to the EU accession process apart from the political criteria, such as economic and financial issues, alignment with the *acquis* and civil society dialogue.

The accomplishment of the work referred to in the Report, despite the difficulties encountered in the negotiation process which are summarized below, clearly demonstrates the importance of the reform process for Turkey and its commitment to the EU accession process.

State of Play in the Negotiation Process

Turkey was unanimously granted the status of candidate country at the Helsinki Summit of 10-11 December 1999 and the EU accession negotiations officially started with the Intergovernmental Conference (IGC) held on 3 October 2005 in Luxembourg.

With the opening of Chapter 22 on Regional Policy and Coordination of Structural Instruments on 5 November 2013, the number of chapters opened to negotiations has increased to 14. 16 chapters out of the remaining 19 are currently blocked due to the political obstacles posed by the Council of the EU or some Member States.

On the other hand, although screening process for all 33 chapters ended in 2006, screening reports for 9 chapters have not yet been conveyed to the Council. The fact that the Council has not approved the screening reports means that the potential opening benchmarks for these chapters have not been officially communicated to Turkey. Hence, there are seven chapters for which the technical opening benchmarks are finalized.

In accordance with the decision taken by the General Affairs and External Relations Council on 11 December 2006, the full implementation of the Additional Protocol is considered as the opening benchmark for eight chapters and the closing benchmark for all chapters. Chapter 25 on Science and Research is the only chapter that has been provisionally closed as it had been discussed in the Council before this decision was taken.

Furthermore, during the meeting of the General Affairs Council on 8 December 2009, the Greek Cypriot Administration of Southern Cyprus unilaterally declared that it linked progress in 6 chapters to the condition of “normalization”. In addition, France is currently blocking opening of 4 chapters, claiming that these are “directly related to membership”.

There are currently 3 chapters without any political blockages for start of negotiations. However, candidate countries usually address these chapters at the final stage of negotiations as they have direct effects on the national economies.

Turkey’s Negotiation Position Papers regarding Chapter 17 on Economic and Monetary Policy and Chapter 26 on Education and Culture was submitted to the EU. These chapters and Chapter 15 on Energy, for which no opening benchmark is expected, can be opened to negotiations promptly if the political blockages are removed.

Whereas no chapter can be closed provisionally due to the Additional Protocol, Chapter 20 on Enterprise and Industrial Policy and Chapter 21 on Trans-European Networks are technically ready to be closed. Furthermore, it has been officially confirmed by the Commission that seven closing benchmarks in five Chapters have been fulfilled by Turkey.

I. POLITICAL CRITERIA

Introduction

Significant progress has been made in 2013 in the political criteria and the Chapters on “Judiciary and Fundamental Rights” and “Justice Freedom and Security” which are closely related to the political criteria constituting a substantial part in Turkey’s EU accession process.

Since the beginning of the 2000’s, reforms which have expanded the scope of fundamental rights and freedoms, strengthened and guaranteed arrangements in areas such as democracy, rule of law, freedom of thought and expression and human rights have continued with determination. In this framework, eight legislative harmonisation packages, a further 9th reform package, three comprehensive Constitutional Packages, four extensive Judicial Reform Packages and finally the Democratisation Package announced by the Prime Minister on 30 September 2013, all of which directly aim for harmonisation in the area of political criteria to this day, include important steps in terms of alignment with the fundamental principles of the EU. These amendments are very comprehensive and many amended laws, such as the Law on Associations, Law on Foundations, Turkish Criminal Code and Press Law, have been addressed and completely revised in the subsequent periods. One third of the Constitution has been revised in line with international standards, and since 2002, more than 200 primary and 150 secondary legislative arrangements have been made to strengthen the protection of fundamental rights and freedoms.

The Reform Monitoring Group, comprised of the Minister for European Affairs and the Chief Negotiator, the Minister of Foreign Affairs, the Minister of Justice and the Minister of Interior, has been an effective instrument and important mechanism to guide political reform process for the enhancement of human rights, strengthening of democracy and the rule of law and related monitoring. The Reform Monitoring Group meetings have been held frequently - in provinces other than Ankara to the extent possible - to address steps to be taken in areas regarding the Chapter 23: Judiciary and Fundamental Rights and Chapter 24: Justice, Freedom and Security in particular and the political criteria. The Reform Monitoring Group, which held 28 meetings to this day, has most recently met on 15 June 2013 and addressed the political reform agenda for the forthcoming period.

Whereas seven years have passed since the screening meetings, which were the first stage of the negotiation process held in 2006, Screening Reports on the Chapter 23: Judiciary and Fundamental Rights and Chapter 24: Justice, Freedom and Security, which constitute the backbone of the political reform process, have not yet been approved by the European Council and therefore the opening criteria for these Chapters have not been communicated to Turkey. The Greek Cypriot Administration of Southern Cyprus currently continues to block the opening of Chapters 23 and 24 with a unilateral decision. For this reason, criticisms regarding Turkey on these Chapters in various EU

Reports and platforms are considered to be unfounded with respect to the current course of the negotiations.

Although the negotiations in these Chapters are politically blocked by the EU, Turkey continues to realise comprehensive reforms in this area. Turkey's efforts and contacts have yielded results, and calls have been made to the EU Member States for opening these Chapters in the European Parliament Resolution of 18 April 2013 on the 2012 Progress Report on Turkey and in the European Commission 2013 Progress Report on Turkey published in 16 October 2013.

The Government has demonstrated its commitment to democratisation and political reform process once again with the Democratisation Package which has been announced by the Prime Minister on 30 September 2013. This reform package has once again confirmed the determination of the Government to continue steps for ensuring that Turkish citizens fully exercise their rights and freedoms without any discrimination.

The EU should remove the current blockages contradicting the fundamental values of the EU in the political criteria, Chapters 23 and 24, which constitute the backbone of Turkey's EU accession process.

Democracy and the Rule of Law

Parliament

The preparation of a new Constitution based on social consensus is a first and priority item on Turkey's agenda. To this purpose, a consensus has been reached on 60 articles of the draft new constitution in the framework of the Constitution Reconciliation Committee which is established through equal participation from the four political parties represented at the Turkish Grand National Assembly (TGNA). All segments of the society, including Turkish citizens belonging to different faiths, have prepared their recommendations and contributions and communicated these to the Constitution Reconciliation Committee. Although all political parties attended the Reconciliation Committee, the work of the Committee has ended as of December 2013.

The EU Harmonisation Committee within the Turkish Grand National Assembly reviewed four draft laws and eleven law proposals between October 2012-October 2013 (3rd year of the 24th legislative term).

The Human Rights Investigation Committee continues its work on investigating allegations and incidents of violations of human rights. In the October 2012-October 2013 legislative period four draft laws and 29 law proposals have been conveyed to the Committee for review and one law proposal has been discussed as the Main Committee.¹ The Committee has received 2338 petitions in the current legislative period (24th legislative period).

The Committee also opens monitoring files to review matters related to human rights appearing in the media or conveyed through petitions.²

Furthermore, the Committee has discussed and approved 10 monitoring reports on the following issues:

- Refugees Subject to Free Residence in the Province of Sakarya
- Readmission Centres in Edirne, Kırklareli and İstanbul

¹ Three sub-committees have been formed in the current legislative period so as to fulfil these tasks (Sub-committee for the investigation of the Allegations of tagging activities in Hozat in Tunceli Province), Sub-committee for the Rights of the Disabled, Investigation of Violations of Rights of Disabled Individuals and Sub-committee for the Rights of Victims). Furthermore, sub-committees formed in the previous legislative period have continued their work. (Sub-committee on Investigating Violations of Right to Life within the scope of acts of Terrorism and Violence, Sub-committee for Prisons and Detention Houses, Sub-committee for Refugees, Asylum-seekers and Illegal Migrants in Turkey and Sub-committee for Investigation of the Loss of Lives as a result of the Airstrike at the Iraqi Border of Uludere in the Şırnak Province)

² In this context, monitoring files have been opened under the titles "Maltreatment and Humiliating Treatment during Military Service, Islamophobia, Racism and Xenophobia", "Right of Workers and the Right to Work", "Migrant Children in Europe and the Issue of Custody" and "Right to live in a Healthy Environment".

- Refugee Camps where Syrian Citizens live
- Mardin E-Type and Kızıltepe K-1 Type Prisons
- Şanlıurfa E-Type Prisons
- Silivri L-Type Prisons
- Investigating violations of right to life within the scope of acts of terrorism and violence
- İzmir Aliğa Penal Institution
- İzmir Police Centre
- Uludere incident

The Petition Committee

The e-petition system, which was initiated during the 24th legislative period, has put into operation the security measures to safeguard personal data and the electronic environment, thereby facilitating and accelerating access to the Committee. 4502 petitions were processed in the 24th legislative period.

The Committee on Equal Opportunities for Men and Women

In the 24th legislative period of the 3rd legislative year, 46 law proposals and two draft laws were conveyed to the Committee on Equal Opportunities for Men and Women.³

Child Rights Monitoring Committee

Child Rights Monitoring Committee which was established under the Committee on Health, Family, Labour and Social Affairs, continues to monitor developments in the area of the rights of children and work on the measures to remedy problems stemming from violations of the rights of children.

Political Ethics Committee

The Committee which was established to strengthen the concepts of transparency and accountability has started its work based on equal representation from all political parties in the TGNA on 8 May 2012. The Committee has convened nine times since August 2012.

Work has been carried out on a draft law proposal regarding political ethics through a number of meetings held between October and December 2012. The Committee has completed its report on 19 December 2012 and has submitted the report along with the law proposal to the Speaker of the TGNA.

³ Two Sub-committees “ Gender Budgeting” and “Increasing Employment of Women in all Sectors and Proposed Solutions” have been established in the Committee to take necessary measures to remedy deficiencies in the area of gender inequality

Parliamentary Inquiry Committees

The following inquiry committees have been established in the TGNA on various matters:

Parliamentary Inquiry Committee for Determination of Measures for Identification and Prevention of Violations of the Freedom of Communication and Privacy: The Committee, established on 22 January 2013, has held eleven meetings to this day. Two subcommittees have been established to review the technical and legal aspects of the matter and the work is currently underway.

Parliamentary Inquiry Committee for Mechanisms of Social Peace and Assessment of the Solution Process: The committee was established in order to review social peace mechanisms and assess the solution process by the decision of the TGNA, dated 9 April 2013 and No.1033 in accordance with the Article 98 of the Constitution, and Articles 104 and 105 of TGNA's Rules of Procedure. The said decision was published in the Official Gazette dated 18 April 2013 and No.28622.

Democratisation Package

The Democratisation Package, comprised of reforms to be realised through new laws and administrative measures in the forthcoming period, was announced to the public by the Prime Minister on 30 September 2013. This package is also a confirmation that the Government continues to take steps for the full exercise of rights and freedoms.

A majority of the matters in the Democratisation Package are related to the "Political Criteria" and Chapter on Judiciary and Fundamental Rights, which are significant parts of Turkey's EU accession process and are directly linked to EU membership. This package has been formed in consideration of the European Convention on Human Rights (ECHR), the EU acquis and the case law of the European Court of Human Rights (ECtHR). The package provides for realisation of the following issues which are significant for the Political Criteria and Chapter 23:

- Arrangements regarding the election system
- Expansion of the scope of state aid for political parties
- Facilitation of organisation of political parties
- Lifting of restrictions on membership in political parties
- Lifting of restrictions on different languages and dialects in political campaigns
- Arrangements regarding hate crimes
- The establishment of Anti-discrimination and Equality Board
- Safeguarding respect for lifestyles in the Turkish Criminal Code
- Repeal of criminal sanctions in the Turkish Criminal Code regarding the use of certain letters
- Arrangements regarding the Law on Meetings and Demonstration Marches

- Lifting restrictions on education in different languages and dialects in private schools
- Lifting legislative restrictions on the use of some village names
- Lifting of the restriction on headscarves in public institutions and organisations (fulfilled)
- Legal arrangements regarding the protection of personal data
- Lifting of restriction in the Law on Collection of Charitable Donations
- Return of the property of Mor Gabriel Monastery (fulfilled)
- Establishment of the Roma Language and Culture Institute (fulfilled)
- The lifting of the practice of student oath in primary schools (fulfilled)

The administrative arrangements provided for in the Democratisation Package have been realised without delay. In this framework, the restriction on headscarves in public institutions and organisations has been lifted and student oath, which has ended in secondary schools, has also been abandoned in primary schools. The name of the Nevşehir University has been changed to the Hacı Bektaşî Veli University.

Furthermore, the Foundations Council, which is the decision-making body of the Directorate General for Foundations, took a decision on 7 October 2013 on the return of the contested land used by the Foundation of the Mor Gabriel Monastery.

With this decision, it has been decided to register the contested land in the name of the Foundation in accordance with the Law No. 5737 on Foundations. Finally, the Higher Education Council has taken a decision for the establishment of the Institute of Roma Language and Culture at Trakya University to carry out research on problems of the Roma citizens regarding language and culture and to formulate solutions for these.

Furthermore, the “Draft Law Amending Certain Laws for the Enhancement of Fundamental Rights and Freedoms” to realise the arrangements in the Democratisation Package requiring legal amendments has been submitted to the TGNA on 5 December 2013.

This draft law, which consists of a total of 17 articles, amends the Law on Basic Provisions on Elections and Voter Registers, Law on Political Parties, Law on Provincial Administrations, Law on Meetings and Demonstration Marches, Law on Encouraging Social Assistance and Solidarity, Law on the Teaching of Foreign Languages and the Learning of Different Languages and Dialects by Turkish Citizens and the Turkish Criminal Code, so as to realise a majority of the matters provided for in the Democratisation Package.⁴

⁴ The draft law provides for various measures in the scope of political rights, such as expansion of the scope of state aid for political parties, facilitation of organisation of political parties, lifting of restrictions on membership in political parties and lifting restrictions on different languages and dialect in political campaigns. Furthermore, the draft law includes arrangements regarding hate crimes safeguards for respect for lifestyles. The draft law also includes lifting legislative restrictions on the use of some village names, repeal of criminal sanctions in the Turkish Penal Code regarding the use of certain letters and lifting

When the “Draft Law Amending Certain Laws for the Enhancement of Fundamental Rights and Freedoms” is enacted, 18 of the 21, thereby a majority of the matters, provided for in the Democratisation Package which require legal and administrative arrangements will have been realised.

The work on the protection of personal data and the establishment of the Anti-discrimination and Equality Board, which are also included in the Package, is currently underway in the form of separate laws.

All of these concrete steps are provided for in order to expand fundamental rights and freedoms and ensure the current environment of tolerance in Turkey. It is clear that the reforms realised in the framework of the Democratisation Package contribute to citizens’ expressing themselves more freely in their daily lives and increase democratic standards to a higher level.

Civil-Military Relations

Many arrangements were realised in the area of civil-military relations with the entry into force of Law No. 6496 amending the Law on Contract Corporals and Privates and Various Laws on 31 July 2013. The most important of these is the amendment to Article 35 of the Internal Service Law of the Turkish Armed Forces, which was used as a base for military coups. According to this, the expression “the duty of the Armed Forces is to look out for and protect Turkish homeland and the Turkish Republic established by the Constitution” was changed as “the duty of the Armed Forces is to protect the Turkish homeland against external threats and dangers.”

Public Administration and Fight against Corruption

In Turkey, administrative reform has been continuously carried out since the foundation of the Republic; the projects regarding administrative reform have been developed and legal arrangements have been made. The efforts in the area of administrative reform process maintain its place on the agenda to keep up with the social dynamism in line with the requirements of the contemporary era.

Work in areas such as right of Turkish citizens to information, the predominance of ethics, reform of local administrations, restructuring of the audit system and fight against corruption are currently underway in order to enhance transparency, effectiveness, efficiency and accountability.

restrictions on education in different languages and dialects in private schools. In addition, the draft law provides for lifting of restriction in the legislation regarding collecting financial assistance and amendments to the Law on Meetings and Demonstrations.

Regarding public administration, within the scope of simplification of administrative procedures and bureaucratic red tape, provisions of the By-law on Procedures and Principles in the Provision of Public Services are continuing to be implemented. In this context, to ensure the effective implementation of the relevant provisions of the by-law in the provision of public services, the “Project for the Simplification of Public Services and Decrease of Bureaucracy” prepared by the Prime Ministry Department for Development of Administration is currently at the stage of implementation. Within the scope of the project, 50 by-law amendments have been published in the Official Gazette and 136 documents have been repealed as a result of meetings held with public institutions and organisations. In this context, with the By-law amending the By-Law on Road Traffic, published in the Official Gazette on 20 December 2013, the facilitation of administrative procedures, such as delivery of driving licenses by mail has continued. Furthermore, work to amend legislation for the issuing of passports by census bureaus is currently underway.

The reports have been prepared in line with the **Law on the Court of Accounts** and for the first time in 2013 they have been submitted to the TGNA and are currently under discussion in the relevant Committee.

In the scope of Law No. 6085 on the Court of Accounts, in the area of external audit, the Guide on Activity Reports Assessment, Informatics Systems Audit Guide, Financial Statistics Assessment Guide and Performance Data Audit Guide have been prepared and published in 2013.

Furthermore, the Draft Guide on General Conformity Notice has been published in January 2013. The Guide on Regularity Check, which was published in 2012, has been revised in February 2013 in line with necessities. Also in the scope of the Law on the Court of Accounts, Strategic Plan of Court of Accounts 2014-2018 has been published in July 2013.

With regard to **metropolitan municipalities**, with the Law No. 6360 on the Establishment of thirteen Metropolitan Municipalities in 13 Provinces and 26 Districts and Amending Certain Laws and Decree Laws published in the Official Gazette on 6 December 2012 and No. 28489, metropolitan borders have been revised so as to ensure the effective and productive provision of public services which aims to enhance democracy at the local level, increase efficiency in municipal services and improve provision of services by municipalities. In this scope, the responsibilities and duties of metropolitan municipalities have been extended to include the administrative borders of the province and the financial resources of the metropolitan municipalities have increased. Furthermore, special administrations in cities have been abolished and the duties of the provincial special administrations relating to local services have been transferred to municipalities. Furthermore, in 11 provinces with metropolitan municipalities in the scope of this law, villages and small towns are transformed into

neighbourhoods. Through these amendments, an effective structure in local administration and an enhanced local democracy is pursued.

In the context of **anti-corruption**, work is currently underway to develop an understanding of fair, transparent, accountable and credible governance. The 2010-2014 Strategy and Action Plan for Improving Transparency and Strengthening the Anti-Corruption is continuing to be implemented. The Strategy and the Action Plan, which are also part of the policies implemented for anti-corruption carried out with determination since 2002, aims to remove the factors that prevent transparency and feed corruption and to develop an understanding of governance that is fair, accountable, transparent and credible.

The Council of Ethics for Civil Servants which is responsible for determining ethical principles of behaviour such as transparency, impartiality, integrity, accountability and protection of the public good and monitoring implementation, has continued with its work during 2013 in cooperation with various groups of the society so as to ensure a transformation relating to ethics in public institutions and safeguard the achievements made so far.

The Prime Ministry Council of Ethics for Civil Servants has initiated the Project titled “Consolidating Ethics in the Public Sector in Turkey” in the context of the Turkey-EU Financial Cooperation. This project, which will be finalised at the end of April 2014, includes activities such as training of trainers in the area of ethics in the public institutions, enhancing the capacity of the Council personnel, establishment of academic principles for universities and training for awareness-raising of the public.

With regard to the exercise of **the right to information**, public institutions are increasingly providing information to citizens applying for information. The survey carried out last year to measure the level of satisfaction regarding applications to the Prime Ministry for information yields that 92% of applicants are satisfied. This result demonstrates that steps of receiving and processing applications and replying function smoothly.

Reform of the Judiciary

The Judiciary has undergone comprehensive reforms in Turkey’s EU accession process. In accordance with the requirements under Chapter 23, significant reforms have been carried out since the beginning of the 2000s for strengthening the independence, impartiality and effectiveness of the judiciary and also to relieve its current workload. In the past three years, the area of the judiciary have been strengthened in a manner to guarantee fundamental rights and freedoms, through standalone laws and judicial reform packages in line with the Judicial Reform Strategy.

The Judicial Reform Strategy, which started to be implemented on 24 August 2009, has been realised to a great extent in terms of its short-term objectives. Work to update the Strategy has been carried out by the Ministry of Justice since December 2011. The draft Judicial Reform Strategy, which has been updated, was made public on 11 September 2012.

During the work carried out to update the draft Judicial Reform Strategy, it was determined that a number of matters required amendment of the Constitution, and therefore the Strategy was envisaged to be revised in line with the work of the Constitution Reconciliation Committee at the TGNA.

As a part of the Judicial Reform Strategy since 2010, the Judicial Reform Packages have been enacted in 2012 and 2013 in order to enhance the independence and impartiality of the judiciary, increase its efficiency and facilitate access to justice.

In this scope, “Law No. 6217 Amending Certain Laws to Accelerate the Judicial Services” which entered into force on 14 April 2011 (1st Judicial Reform Package), “The Decree No. 650 Amending the Decree Law on the Organisation and Duties of the Ministry of Justice” which entered into force on 26 August 2011 (2nd Judicial Reform Package), and “Law No. 6352 on Amending Certain Laws for Effectiveness of Judicial Services and Suspension of Trials and Punishments Regarding Offenses via Press” which entered into force on 5 July 2012 (3rd Judicial Reform Package), have provided for necessary amendments to further enhance fundamental rights and freedoms in line with international standards.

“The Law No. 6459 on Amending Certain Laws within the scope of Fundamental Rights and Freedom of Expression”, which has been prepared as continuation of the previous Judicial Reform Packages and hence known as the 4th Judicial Reform Package, , has been published in the Official Gazette on 30 April 2013.

This Law has brought significant arrangements to align Turkey’s standards of human rights and democracy with universal norms, in particular for expanding the area of freedom of expression and freedom of press and strengthening the right to a fair trial.

The reform package which is related to the violations of the ECHR, aims to eliminate the reasons of violations determined in the judgments of ECtHR. The 4th Judicial Reform Package has been prepared considering reports of the Council of Europe, European Commission progress reports and European Commission peer-review reports and other international documents, as well as the rulings of the ECtHR.

The Package introduces significant amendments in the areas of freedom of expression, right to a fair trial, detention periods, protection of property rights, freedom of association and impunity which are within the scope of the Political Criteria and

Chapter 23: Judiciary and Fundamental Rights. The most prominent amendments are as follows:

- ECtHR decisions regarding violations have become a reason for retrial also in military administrative justice.
- The clause “to legitimise means of force, violence or threat or praise these means or encourage the use of these means” has been added to the relevant law in order to enhance the freedom of expression in accordance with ECHR standards.
- Statute of limitations is lifted for crimes of torture.
- In case where an ECtHR ruling determines that a decision of non-prosecution has been taken in the absence of an effective investigation, an investigation may be launched again upon request by relevant parties.
- The restrictions on retrial have been lifted in cases where the ECtHR rules that the criminal penalty have been given in violation of the ECHR.
- In expropriation cases, there can be a loss in the value of the expropriation costs to be paid due to inflation as a result of lengthy trials. With the amendment in this area, a protective arrangement has been made that will avoid the decrease in value of the expropriation costs in the expropriation cases.

Civilian Oversight of the Security Forces

The mechanisms for the civilian oversight of security forces have been enhanced so as to fulfil the requirements of a more democratic, modern and transparent administration in Turkey.

The civilian oversight of security forces continues to be a significant issue in Turkey-EU relations and in the democratisation process of Turkey. In the 2010 Constitutional Amendment Package in particular, significant changes have been made to the areas of jurisdiction of military courts. These amendments limited the jurisdiction of military courts with the crimes committed by military personnel in relation to their service and duties. In this framework, crimes against the security of the state, the constitutional order and the functioning of this order are to be heard in civil courts. Furthermore, a provision stipulating that non-military persons may not be tried before military courts, with the exception of the state of war, has also been added to the Constitution.

Certain provisions of the Military Criminal Code have been repealed with the Decision of the Constitutional Court, published in the Official Gazette on 23 January 2013. Thus, provisions which prevent the deferment of the announcement of the verdict regarding

the sentences provided for in the Military Criminal Code and postponement of short prison sentences or the conversion of these into fines have been repealed.

Fundamental Rights and Freedoms

Significant arrangements have been introduced by the political reforms since the 2000s to ensure the full exercise of fundamental rights and freedoms in line with international norms, in particular the ECHR. Work has also been carried out simultaneously to increase the institutional capacities of relevant public institutions and organisations for full and effective implementation of these arrangements.

In 2012 and 2013 in particular, through the judicial reform packages or standalone laws, the reform process has concentrated on arrangements meeting current needs regarding the expansion of the freedom of expression, safeguards for the right to a fair trial, women's rights, children's rights and rights of the disabled together with the effective implementation of these rights (*See Chapter 23*).

ECtHR rulings against Turkey have been primarily taken into account during the preparation of these reforms. For example, the 4th Judicial Reform Package, which entered into force as of 30 April 2013, amended Article 318 of the Turkish Criminal Code, which had been a reason for ECtHR rulings of infringement regarding conscientious objection, and the scope and aspects of the crime "disinclining people from military services" has been narrowed down.

Those who have been discharged from public service during 28 February period have been allowed to return. In addition, these persons' social security payments pertaining to the period they were unemployed can now be covered by the state.

In the scope of the on-going solution process, the regional reports on the work of the Wise Persons Committee, which was carried out in seven geographical regions by separate commissions, was finalised in June 2013 under a single report. The common and prominent recommendations of these reports were taken into consideration as a reference during the preparation of the Democratisation Package.

The democratic opening process, which has been initiated to ensure that all the citizens enjoy fundamental rights and freedoms without any discrimination in the context of the National Unity and Brotherhood Project, aims to enhance the principles of democracy and the rule of law. In line with this objective, steps ensuring the security of all citizens without any concessions on fundamental rights and freedoms have been taken in order for unity, co-existence and brotherhood to prevail.

Institutionalisation in the Area of Human Rights

Turkey has made significant progress regarding institutionalisation in the area of human rights in 2012. In this scope, the Human Rights Institution of Turkey and the Ombudsman Institution have been established so as to ensure institutional safeguards for human rights.

The **Human Rights Institution** of Turkey has been established in line with the United Nations (UN) Paris Principles with Law No. 6332, which entered into force on 30 June 2012.

The institution is responsible for carrying out work to protect and enhance human rights, doing related research and monitoring, preparing reports, setting forth opinions, recommendations and proposals, carrying out information, awareness-raising and training activities and monitoring and investigating claims of human rights violations. The members of the Human Rights Board, which is the decision-making body of the institution, have been selected in September 2012. The Board has held its first meeting on 24 January 2013.

Work on the by-law which will set out the procedures and principles regarding applications to the institution is currently underway.

The Human Rights Institution of Turkey has formed an ad-hoc committee as of 10 June 2013 to investigate the *Gezi Park* protests and its consequences. This committee is comprised of two judges from the Court of Cassation and Council of State and four members from the Human Rights Board. The report to be prepared by the committee will be submitted to the Human Rights Board and following the period of assessment, the final report will be published as the Board Decision.

The **Ombudsman Institution** has been established with Law No. 6328 on the Ombudsman Institution which entered into force as of 29 June 2012. Ombudsman Institution ensures swift, cost-free, fair, equitable and lawful conclusion of complaints regarding public services and their effective provision with high-quality.

The Chief Ombudsman has been elected by the vote at the TGNA's General Assembly on 27 November 2012; Ombudsmen has been elected by the vote of the members of the Parliamentary Joint Committee composed of the Petition Committee and the Human Rights Investigation Committee on 29 November 2012. An Ombudsman has been assigned in the field of women's and children's rights with the decision of the Chief Ombudsman.

The By-Law on Procedures and Principles regarding the Implementation of the Law on the Ombudsman Institution has been published in the Official Gazette No.28601 bis of 28 March 2013.

Ombudsman Institution has started to receive applications from natural and legal persons on the functioning of the administration as of 29 March 2013. Applications to the institutions are free of charge and are replied within six months.

The official website of the Ombudsman Institution has started to function in March 2013 and information booklets have been put on the website not only in Turkish but also in English, Arabic and Kurdish.

The institution has been accepting applications regarding complaints since 29 March 2013. A total number of 6,672 applications have been made to the institution as of 15 November 2013.

The institution has received applications for complaints in the areas of, inter alia, civil servants' regime, social security procedures, economic, financial and tax issues, property rights on movable-immovable properties, legal services, banking transactions, education and exam procedures, employment, infringements of human rights, health, energy and local administrations.

The participation of the Ombudsman institution in the network of European Ombudsmen has been confirmed and work is currently underway for participation in the other networks and organisations (i.e. International Ombudsmen Institution, Union of Ombudsmen in the Mediterranean Countries). Furthermore, NGOs have been visited to provide information on the activities of the Ombudsman Institution and to hold consultations regarding their expectations.

Article 54 of the Law No. 6495 Amending Certain Laws and Decree Laws and Article 28 of the Law on the Ombudsman Institution has been amended to enable long-term provisional assignment of public servants with specific expertise in the Ombudsman Institution. This will help enhance the administrative capacity, thereby increasing effectiveness and speed in the services rendered by the institution.

The implementation of the **individual application system to the Constitutional Court**, which is an exceptional domestic legal remedy for the violation of individual rights and freedoms guaranteed by the Constitution and the ECHR through acts, operations or negligence of public authorities, started on 23 September 2012. As of 16 December 2013, 10,361 applications were made to the Constitutional Court; while the Court ruled inadmissibility decision for 2,321 of these applications, the proceedings still continue for the others. 22 applications were finalised and 20 were resulted in decision of violation.

Decisions of the Constitutional Court within the scope of the right of individual application are taken in conformity with the universal law and the case law of the

ECtHR in a way to ensure that the fundamental rights and freedoms guaranteed under the Constitution and ECHR are protected by the Court.

In this scope, for the individual applications regarding the lengthy detention periods, Constitutional Court has adopted a liberal approach taking the decisions of ECtHR as basis and highlighting the individual rights and freedoms⁵. Accordingly, it is considered that the individual application mechanism established under the Constitutional Court has begun to function as an effective domestic remedy mechanism protecting the fundamental rights and freedoms of the citizens.

With the aim of resolving some ECtHR applications through compensations and preventing possible decisions of violation, “**Law on Settlement of Some Applications Made to the European Court of Human Rights through Compensation**” was published in the Official Gazette on 19 January 2013. As the Compensation Commission has been established, ECtHR ruled decision of inadmissibility for 1,384 files launched against Turkey up to day due to lengthy trial periods on the grounds that the applications are first to be made to the established commission. In other words, these files were excluded from the files lodged against Turkey before the ECtHR.

Following the enforcement of the Law on the Human Rights Institution of Turkey and the Law on the Ombudsman Institution and the launch of the individual application to the Constitutional Court, **the Project on the Promotion of Individual Application Procedures in the Field of Human Rights** began to be implemented by the Ministry for EU Affairs in cooperation with the institutions receiving individual applications, with the aim of informing the citizens and raising awareness on the importance of these steps taken in the EU process.

The first training program under the project for the related public institutions, members of the provincial and sub-provincial human rights committees, law faculties, bar associations, and the representatives of the non-governmental organizations working in the field of human rights was organized in Ankara on 1 October 2013; these trainings will continue to be held in 5 provinces.

⁵ For example, with the Ruling No. 2012/1272 on Mustafa Balbay, case law has emerged which deals with the lengthy period of detention and infringement of the right to representation and election and which is based on the case law of the ECtHR. The Constitutional Court, in another ruling that addresses lengthy periods of detention (Ruling No. 2012/1158 Firas Aslan v. Hebat Aslan) has indicated that the decision to continue detention must be justified by concrete facts and grounds/reasons, that the amount of time spent in detention must be taken into consideration in the sentencing and that detention in these circumstances must be based on evident grounds of public interest. Furthermore, the Constitutional Court has ruled in line with the case law of the ECtHR that violations of the right to life must be effectively and comprehensively investigated for Application No. 2012/752 and Application No. 2012/850 made by the relatives of the individuals who died in the Bayram Hotel in Van following the second earthquake.

Dialogue with Different Faith Groups

The most important steps taken in the recent period with regard to the different faith groups are the Democratisation Package which was publicised on 30 September 2013, and the subsequent legal and administrative regulations being introduced.

Democratisation Package was formed on the basis of the ECHR, the EU *acquis*, and the case law of the ECtHR; and certain administrative regulations foreseen in the Package were introduced immediately. In this scope, work is going on to take measures ensuring respect to different life styles and helping fight against hate crimes, discrimination and interventions to life style.

Current dialogue among the citizens of different faith groups and the public institutions and government officials has continued to be improved. Attention has been paid to ensure that the problems of different faith groups have been addressed as a priority.

Accordingly, in the context of the work towards a new Constitution, TGNA Constitution Conciliation Committee invited the representatives of different faith groups to submit their opinions and recommendations.⁶

On 11 November 2012, the 27th RMG meeting was hosted in Bursa by Bülent Arınç, the Deputy Prime Minister and Spokesman of the Government, and with the participation of the Director General of Foundations. In the meeting, dialogue with different faith groups was addressed as the primary agenda item; community foundations and the developments regarding implementation of the Law on Foundations were discussed.

A delegation representing the Syriac community in Sweden visited President Abdullah Gül in February, 2013. In his official visit to Sweden in March 2013, the President also met with the representatives of the Syriac community residing in Sweden.

With the aim of strengthening the dialogue process, a consultation dinner with the representatives of different faith groups was hosted by Egemen Bağış, the Minister for EU Affairs and the Chief Negotiator on 28 November 2013. In this event participated by the representatives of various community foundations, Director General for Foundations, the Representative of Community Foundations of the Foundations Council and the representatives of the relevant public institutions, an extensive consultation was made on the outstanding problems.

As regards the **property rights**, Provisional Article 11 of the Foundations Law No. 5737, introduced via a statutory decree enforced on 27 August 2011 with the aim of protecting the property rights of the community foundations, enabled the return of the properties confiscated for various reasons to the community foundations established by

⁶ In 2012, representatives of the Armenian, Greek and Syriac communities were received by the TGNA Conciliation Committee to present their views and opinions regarding the work on new Constitution.

the members of different faith groups; accordingly, 288 properties were returned to the community foundations and it was decided to pay compensation for 18 properties.

As a result of these amendments, properties with a value of more than 2 billion Turkish Liras have been returned to the community foundations.

Apart from the Provisional Article 11, following the enforcement of the Foundations Law No. 5737, 17 charity properties built as schools were allowed to be converted into income generating real properties.

The contested area belonging to the Mor Gabriel Monastery (Deyrulumur), which is the subject matter of the case against related cadastral land registration, has been addressed in the Democratisation Package, and the area in question has been publicly announced to be returned to the Monastery Foundation.

Following the announcement of the Democratisation Package, on 7 October 2013, in line with the decision of the Foundations Council which is the decision-making body of the Directorate General of Foundations, it has been decided to register 12 parcels, which were the subject of dispute, in the name of the Foundation; and the administrative process has been initiated.

As regards the freedom of religion, within the framework of the National Programme of Turkey for the Adoption of the EU Acquis, a comprehensive reform process is being carried out in Turkey to ensure that all the citizens enjoy fundamental rights and freedoms without any discrimination such as language, race, colour, sex, political opinion, philosophical belief, religion, and sect. Accordingly, with the aim of protecting and improving the freedoms of religion and faith, important steps and necessary measures have continued to be taken in 2013.

With the aim of strengthening the environment of tolerance and mutual understanding in Turkey, as in previous years, religious ceremonies were held in Sumela Monastery in Trabzon on 15 August 2013 and in Surp Hac Armenian Church on the Akhdamar Island of Lake Van on 8 September 2013.

Lastly, a religious ceremony was held on 10 September 2013 in Sur district of Diyarbakır in Surp Giragos Armenian Orthodox Church, which became functional following the completion of the restoration work in 2011.

Moreover, the first religious ceremony after 89 years was held on 14 April 2013 in Aya Yorgi Church in Alanya, Hıdır İlyas District. A restoration project regarding this Church was prepared and the related work has been initiated.

Within the scope of the work carried out by the Directorate General for Foundations and the Ministry of Culture and Tourism, the places of worship in various districts of

Turkey, which are at the service of members of different faith groups, have continued to be renovated.⁷

Several buildings in the Armenian cemetery in Malatya were re-built and put into service by Malatya Municipality in June, 2013.

Problems of all citizens under the scope of the freedom of faith continued to be addressed with a non-discriminative approach. The Syriac Orthodox community residing in Istanbul, who have difficulties in performing their religious service asked for an area to build a new church in Istanbul and this demand has been met by Istanbul Metropolitan Municipality.

The provision of “consumption and investment costs of the security lightning in borders shall be covered from the fund under the budget of the Ministry of Interior, and the costs of the lightning in free places of worship open to public shall be covered from the fund under the budget of the Presidency of Religious Affairs.” was inserted to the Provisional Article 6 titled “General Lightning” of the Electricity Market Law No. 6446 which entered into force as of 30 March 2013. Within this framework, electricity bills of the places of worship will be covered from the fund under the budget of the Directorate of Religious Affairs. Along with mosques, there are 387 churches and synagogues benefiting from this right.

In the field of **education and culture**, progressive steps have been taken towards different faith groups.

As regards anti-discrimination, school books of 2010-2011 and 2011-2012 academic years were reviewed to eliminate the claims that the course books used by the Ministry for National Education include various accusations and discriminatory statements against the Syriac citizens and that the history course books of 10th Grade include discriminatory statements. New course books were distributed in the 2012-2013 academic year.

On the other hand, it was ruled that 6 people be fined with 3,000 Turkish Liras on the grounds of promoting hate and hostility and carrying banners with discriminatory

⁷ Some of the Projects that can be presented as examples of various restoration work are as follows:

Work which has been ongoing since 1990s in Ani Ören site has been accelerated in the recent years. In this framework, restoration of Tigran Honents Church was completed in 2010; and Ebulhamrent Church in 2012.

Furthermore, the restoration project of the Grand Cathedral (Ani Cathedral) and the Saint Prikitch Church, as well as the landscaping and restoration of the outbuildings of the Saint Haç Church on Akdamar Island is currently underway.

In addition, the restoration of one of the largest Armenian churches in Turkey, built in the 19th century in Sivrihisar in the province of Eskişehir has been completed in 2012. The restoration of Taşhoran Church built in the 18th century in Malatya has started in 2011 and restoration work is currently underway. The work on the restoration of the Armenian Church in Yukarı Sokubaşı in Bor in the province of Niğde has also continued.

statements against Armenian citizens in a demonstration organised in İstanbul in December, 2012.

In the field of education, permission was given as of 28 March 2013 to open a Greek minority school in Gökçeada (Imvros) following the demand of the Greek community to this end. The school in question has been re-opened in the academic year of 2013-2014 and started its activities.

Moreover, based on the Treaty of Lausanne, Ankara 13rd Administrative Court ruled that there is no obstacle before the demand from the Syriac citizens towards delivery of Syriac courses along with the curriculum of MoNE in certain days or hours of the week in a pre-school to be opened under a community foundation.

II. ECONOMIC CRITERIA

2.1. The existence of a functioning market economy

Macroeconomic Stability

The resolute implementation of the highly credible medium-term plans and of the Pre-Accession Economic Programme (PEP) has significantly contributed to ensuring macroeconomic stability in the Turkish economy. The Tenth Development Plan (2014-2018) which was drafted up in line with 2023 targets is intended for providing a superior, more stable and sustainable pattern to the growth performance of Turkey as well as increasing its competitiveness and social prosperity. In this respect, the Medium- Term Plan (MTP) which covers the period of 2014- 2016 aims to minimize the impacts of global uncertainties on Turkish economy and to gradually reduce the current account deficit while increasing the growth. Increasing domestic savings, allocating present resources to productive areas, raising efficiency in the economy, increasing employment, reducing inflation and sustaining a sound public finance position are the primary intervention areas of MTP.

Developments in the global economy and potential foreign trade markets are closely monitored and necessary cyclical policy adjustments are swiftly and resolutely implemented without prejudice to the basic framework of main planning documents such as PEP and MTP. During the global financial crisis, a highly effective coordination mechanism was set up among the entities in charge of various aspects of the economy through bodies such as the Economy Coordination Board, the Financial Stability Committee, the High Planning Council and the Economic and Social Council and a successful crisis management that could serve as an example for many countries was ensured. Alignment in economic policy essentials has been maintained.

Growth and Employment

With its strong financial and banking sector outlook, the Turkish economy increased its resilience to external financial shocks to a great extent, rapidly moved away from adverse effects of the global crisis and got on a course of strong growth thanks to the timely formulated and resolutely implemented policies. Following the high growth performance in 2010 and 2011, the Turkish economy grew by 2.2% year-on-year as a result of the measures to balance domestic and foreign demand in 2012. The contraction in private consumption and investments during the last quarter of 2012, which was realized above the expectations, was effective in the slow growth rate.

In 2013, a more responsive monetary policy was followed together with increases in the public expenditures and investments; thus, the economic activity expanded and the GDP

grew by 3.7% year-on-year in the first six months. Private consumption expenditures restarted to grow moderately thanks to the decrease in interest rates. The growth rate in the first nine months rose to 4% with a growth of 4.4% in the third quarter of 2013. The upward trend in consumption expenditures boosted by expanding bank loans is the major factor behind the growth, while public expenditures and particularly public fixed investments besides increase in inventories are among the other contributors to the growth. In the last quarter of 2013, it is expected that the positive contribution of final domestic demand to growth will continue, the increasing trend in the industrial production will be preserved, the services sector will continue to significantly contribute to growth and the growth rate in 2013 is projected to be 4%.

While high unemployment and slowing in employment growth are among the major problems in the world, the employment growth strongly continued in Turkey due to effective policies and high growth performance of the economy. Since the beginning of 2009, Turkey has been among the countries which have swiftly decreased the unemployment rate. Rising to 14.9% in 2009 due to the global crisis, the unemployment rate was decreased to 8.2% in 2012 thanks to the high growth as well as measures to tackle unemployment and it amounted to 9.8% by the end of August 2013. The number of the employees had increased by 593,000 people year-on-year and the employment rate had amounted to 46.6% as of August 2013. On gender base, in 2012, the labor force participation rate for men was 75%, being higher than the EU average (71.2%), whereas it was less than the EU average for women being 30.9%. However, labor force participation rate for women rose to 31.3% by the end of August 2013.

Inflation and Monetary Policy

Since the end of 2010, the Central Bank of the Republic of Turkey (CBT) has introduced and implemented a new monetary policy framework which also considers macro-financial risks. In this context, the general framework of inflation targeting was revised, the financial stability was adopted as a supporting objective and additional policy instruments were developed accordingly. The relevant policies targeted to balance the macro-financial risks without compromising the price stability in the medium-term. To this end, the foreign exchange rate movements followed economic essentials while credit growth was taken under control.

Persistent high uncertainties in the global economy and a high volatility in risk appetite have called for the need to maintain flexibility in the monetary policy. Accordingly, the interest rate corridor is employed as an active policy instrument in the face of uncertainties in the global outlook and capital flows. The interest rate corridor system helps to moderate the negative effects of the volatilities in capital flows on the exchange rate and economy as a whole. Floating exchange regime is maintained. CBT could make tenders for foreign exchange transactions and intervene directly in the foreign exchange market with a view to backing up the price and financial stability provided that this is not in contradiction with the floating exchange regime.

In 2012, owing to a slowdown in domestic demand and a decrease in the commodity prices (excluding petroleum products) the annual rate of increase in basic goods prices declined, the food prices followed a fluctuating course, while the rate of increase in energy prices was high on an annual basis. As a result of all such developments, increase rate of Consumer Price Index (CPI) on annual basis decreased to 6.2% in 2012, being the lowest year-end level in the past 44 years. In January- September 2013, rise in CPI was 1.7 points and amounted to 5% year-on-year. This was marked by increases in the prices of unprocessed food products and adjustments for tobacco products. Moreover, depreciation of the lira and the increases in oil prices accelerated the CPI as of June. As a result, the rise in CPI on annual basis amounted to 7.9% in September 2013 and this figure is expected to be 6.8% at the end of the year.

As from the last quarter of 2011, CBT gradually loosened its contractionary monetary policy stance on the grounds that inflationary risks relatively decreased in the second half of 2012 and that further monetary expansion by the central banks of the developed countries posed a risk on accelerating the capital flows. Between September 2012 and May 2013, overnight borrowing and lending rates were gradually reduced and receded to a corridor of 3.5%-6.5% from 5%-11.5%. During the same period, the policy rate (weekly rate of repo) was decreased to 4.5% from 5.75% in three steps in order to back up the economy and prevent further appreciation of Turkish Lira. Moreover, with a view to balancing the risks on financial stability, interest rates were reduced, reserve requirements were slightly increased and measures were taken to increase the absorption of foreign exchange liquidity through reserve option mechanism (ROM).

As from May 2013, the declaration by the U.S. Federal Reserve Bank (FED) that it could wind down monetary expansion increased the global uncertainties and volatilities were observed in the capital flows to the developing countries. Consequently, volatility of the Turkish Lira grew and interest rates increased similar to many developing countries. Following these developments in the global economy, by the end of May, CBT started to implement policies which aim to limit the fluctuations in the Turkish Lira, prevent related speculations and reduce the deterioration of the inflation expectations. In this respect, the Bank intervened directly in the foreign exchange market by selling 6.7 billion Euros of foreign exchange between June and August. In addition, CBT raised the upper limit of interest rate corridor (lending ratio) to 7.75% with a 125 basis points of increase.

Balance of Payments

The upward trend in the current account deficit stemming from the swift recovery in the Turkish economy in 2010 and 2011 increases the vulnerability of the economy. Accordingly, as of October 2011, the current account deficit started to decrease thanks to the resolute actions taken and policies implemented by the Government in order to reduce the current account deficit to a sustainable level and ensure its finance via direct

investments and long-term resources as far as possible. Thus, the current account deficit to GDP ratio at 10% in 2011 decreased to 6.1% in 2012 and amounted to 47.8 billion dollars.

The current account deficit continued to recede in the first quarter of 2013. The fact that the components of domestic demand recorded a slower recovery than expected in the first quarter slowed down the deterioration in the trade balance. However, as of the second quarter of this year, the current account deficit started to increase in parallel with the accelerating growth.

Another reason for the current account deficit is the import dependency of the fast growing and high technology sectors. As of the second quarter of 2013, seasonally adjusted quarterly current account deficit amounted to 19 billion dollars and the 12 months cumulative current account deficit amounted to 53.9 billion dollars. It is expected that the current account deficit will reach to 58.8 billion dollars and amount to 7.1% of the GDP at the end of 2013.

With a view to reducing the current account deficit to a permanently sustainable level in the medium to long term, a policy framework to reduce the trade deficit, improve the financing quality and increase domestic savings will be followed by decreasing the import dependency and increasing the export of high value added products. Furthermore, work continues resolutely to increase the share of renewable energy resources in the energy supply and utilize nuclear power plants in order to reduce the foreign dependency in energy.

In order to increase the domestic savings, the private pension schemes were restructured so that all participants could benefit from the incentives, the new Capital Market Law was intended for safeguarding and increasing the household and corporate savings and country-wide campaigns were held for preventing waste and raising the awareness on savings. It is believed that the private pension schemes will have a key role in increasing the domestic savings in the medium term. It is assumed that the savings of private sector with 11.6 % of GDP in 2012 will drop to 9.7 % in 2013 and the savings of public sector amounting to 2.9 % in 2012 will remain the same in 2013. Accordingly, it is expected that the total domestic savings will drop 1.9 points on annual basis and amount to 12.6% in 2013.

In May, the declaration by the U.S. Federal Reserve Bank (FED) that it could wind down monetary expansion led to a reduction in the capital flows to developing countries. In the second quarter of 2013, the share of foreign direct investments continued to shrink, whereas the prolonged strong portfolio inflows reversed to outflows in parallel with the FED statement. The main reason for continuous slow course observed in the direct investments is the decrease in the foreign direct investments by the biggest investor in Turkey, Euro Area, due to the prevailing economic problems in this area.

With a view to ensuring a stable growth, the policies are being implemented for narrowing the current account deficit to a sustainable level and financing it through direct investments and long-term resources to the extent possible. In this respect, a policy framework which aims to reduce the trade deficit, increase domestic savings, decrease the import dependency and improve financing quality is followed. The private pension schemes and life insurance were made attractive to increase domestic savings and regulations were enacted to foster catastrophic insurance. Moreover, the strategy for combating against informal economy was put into practice with the new Turkish Commercial Code which would also significantly facilitate the corporate savings and inflows of foreign direct investments. Firms were encouraged to utilize equity instead of borrowing, new regulations were passed to support business angel financing and venture capital funds; the new Capital Market Law No. 6362 which aims to protect and increase the corporate and household savings entered into force upon its publication in the Official Gazette No. 28513 of 30 December 2012.

Public Finance

The fiscal policy adopts an approach that would help to support the growth process led by the private sector, maintain macroeconomic stability and tackle current account deficit through the improvement of public balances and an increase in funds available to the private sector in the medium term. In addition, legislative efforts are on-going to increase transparency, accountability and efficiency in order to structurally strengthen the public financial management system.

Turkey performed far better than many EU and Euro Area countries in compliance with Maastricht Criteria even in the gravest times of the global crisis. The general government budget deficit to GDP increased by 0.7% on annual basis and amounted to about 1%, while the central government budget deficit to GDP amounted to 2.1% in 2012. The rise in current expenditures (in particular total personnel costs and social transfers to households as well as transfers to social security institutions) has been effective in this increase. Financial performance improved slightly in the first half of 2013 and 12-month rolling central government budget deficit narrowed to 1.4% by June 2013.

In 2013, share of the total government revenues to GDP is expected to rise year-on year by 1.9 points and amount to 39.7%, while the share of the general government expenditures to GDP is expected to rise year-on year by 1.9 and amount to 40.8%. It is also anticipated that public sector borrowing requirement to GDP ratio, which was 1% in 2012, will reduce to 0.8% in 2013. The share of general government nominal debt stock to GDP continues to fall thanks to the high growth rate accomplished through disciplined fiscal policies as well as the establishment of confidence and stability. It is expected that EU defined general government debt stock to GDP ratio which amounted to 36.2% in 2012 will decrease to 35% in 2013.

Interplay of Market Forces

Thanks to the reforms in the economy, the regulatory and supervisory institutions take roles in all main sectors and carry out their activities effectively. In the natural gas and electricity sectors, automatic price indexing mechanisms are in use whereby the final consumer prices are related to a cost-based methodology. Despite the downward trend in the global economic conditions, privatization of state-owned enterprises is on-going. In line with the Medium-Term Plan (2014-2016), the privatization procedures will continue on the basis of a program designated within the scope of macroeconomic policies and long-term sectoral priorities.

The total privatization revenues since Privatization Administration was founded in 1985 have exceeded 57.8 billion dollars as of November 2013 and there are still 21 entities in the scope and programme of privatization. The public shares in 9 of these entities are more than 50%. In 2012, the privatization revenues doubled compared to 2011 and increased to 2.34 billion Euros (0.4% of GDP). The privatization of 10.3% share of PETKIM (corresponding to 168 million dollars) and the 24% share of Halkbank (corresponding to 2.5 billion dollars) were completed through public offerings. The tender for highways and bridges privatization was cancelled as the bids were rejected. The privatization tenders continued especially in the energy sector at the beginning of 2013. The privatization in electricity distribution and generation will continue in the coming years based on the emerging market price and other sectoral priorities. Energy Market Law No. 6446 which aims to introduce improvements in favor of investors in electricity privatization was approved on 14 March 2013 (Official Gazette No. 28603 of 30 March 2013).

Market Entry and Exit

Turkey is far ahead of the OECD average of 13 days with its average of 6 days for business start-ups, which was once a major obstacle for investors in the country. According to the World Business Environment Survey of the World Bank, Turkey made significant progress in improvement of the investment environment in 2013. Reducing the costs of construction permits and implementing a shorter permit process by decreasing the number of procedures were significant steps in terms of improving the investment environment. Moreover, according to the report by the Transparency International, Turkey made a great progress in 2013 in the corruption perception index, which marks how experts and business people perceive corruption in their country, and moved up to the 53rd of the list scoring better than many EU countries.

Legal System

In Turkey, a well-functioning legal system is in place including the property rights. The Turkish Commercial Code was renewed in light of the emergence of new international

positive law and legal regimes, progress of multilateral international trade and e-commerce, and the need for alignment with the EU acquis.

Financial Sector Development

Turkey serves as a model to the world with its stable financial system thanks to the achievements by the regulatory and supervisory authorities. Turkish financial sector, which gained momentum with the help of comprehensive reforms prior to the crisis, continued its strong functioning in 2012 and total financial assets increased by about 20%.

The risk indicators for the finance sector continued to be solid. As of 2012, the share of the insurance sector (including private pension schemes) in total financial assets reached to 4.6 % and the banking sector with a share of 88% maintained its dominant position. While many EU banks failed the stress tests, Turkish banks were impressive with their strong balance sheets, capital adequacy and high profitability. As of October 2013, the average capital adequacy ratio of the banking sector was 15.8%, quite above the Basel II criterion. As of September 2013, net profit of the sector increased by 16.2% year-on-year. The share of state-owned banks' assets in total banking sector assets receded to 23.1% in 2012 from 25.5% in 2011.

Since the fundamental secondary regulations for the banking sector were completed to a large extent in earlier years, the regulations of 2012 were mostly complementary in nature. In order to align with the EU Acquis, the Law No. 6493 on the Payment and Securities Settlement Systems, Payment Services and Electronic Money Institutions entered into force (Official Gazette No. 28690 of 27 June 2013).

With a view to fostering stress test implementation capacity of BRSA, model-based scenario analyses were developed. Work is on-going to strengthen the model with the incorporation of economic growth, real sector and trade deficit data. The Financial Stability Committee, established in 2011 to monitor and manage the systemic risks and formulate necessary policy measures, is composed of Deputy Prime Minister in charge of Economy (as the chairman), Undersecretary of Treasury, and heads of the Central Bank, Banking Regulation and Supervision Agency, Capital Markets Board, and Savings Deposit Insurance Fund.

The total value of major debt instruments in the bond market corresponds to 31% of GDP. The share of non-performing loans in total loans receded to 2.8% as of July 2013 from 3.7% in 2010.

2.2 The capacity to cope with competitive pressure and market forces within the Union

Existence of a Functioning Market Economy

The strong growth performance of Turkey despite significant global volatilities confirms the improvement in the fundamentals of the economy and resilience against shocks. Market mechanisms continue to function properly.

Human and Physical Capital

The Education Reform Programme, a key element of the Ninth Development Plan (2007-2013), is coming to an end. Since the primary school education became compulsory, literacy rate has significantly increased over the last decade and exceeded 90% as of 2012. An equal opportunity and quality based transformation, aiming at developing personalities and skills of individuals and providing harmonization with labour markets through lifelong learning, is planned for the education system, which is a priority area in the Medium-Term Plan (2014-2016) in terms of public expenditure. The ratio of educational expenditures to GDP, which stood at 3.1% in 2011, was recorded as 3.9% in 2012.

Resources allocated for active labour market policies have considerably increased. The Government has decided to set aside 1.5 billion Turkish Liras on average annually for active labour market programmes, and it is aimed that 400,000 unemployed persons will benefit from such schemes from 2013 onwards. In order to help maintain and increase employment, develop professional qualifications of the unemployed, reduce unemployment and integrate the groups in need of special policies into the labour market, By-Law on Active Labour Services governing the procedures and principles on the management of active labour services was published in the Official Gazette No. 28585 of 12 March 2013 and entered into force. The efforts on capacity building at İŞKUR and the cooperation with the private sector and relevant professional organizations are on-going for effective implementation of active labour market programmes. Furthermore, the Project on Specialized Vocational Training Centers was launched through cooperation of public-private sectors and universities for a period of five years to extend vocational training to unemployed persons with the aim of employing 1 million unemployed in total by training 200 thousand annually.

In 2013, it is expected that the share of private investment expenditures in GDP will decrease from 16% in 2012 to 14.8% and the share of public investments in GDP will rise by 0.4 and increase to 4.8%. Over the past eleven years, the ratio of research and development (R&D) expenditures to national income has nearly doubled. In 2012, the share of R&D expenditures out of central government budget rose by 2.2% compared to 2011 reaching to 4.5 billion Turkish Liras. It is aimed to increase the R&D expenditures/GDP ratio to 1.8 % in 2018 from the level of 0.86% in 2012.

The Turkish health sector grew nearly fourfold in the last decade thanks to the policies implemented by the Ministry of Health. In the scope of the Health Transformation Programme aiming institutional restructuring at health services, the first phase of the Health Transformation Project was completed in cooperation with the World Bank by 2009 and the Health Transformation and Social Security Reform Project was implemented from mid-2009 through 2013 with a budget of 81.1 million dollars.

Sectoral and Enterprise Structure

In 2012, increases in added value in industry, services and agriculture sectors were recorded as 1.9%, 2.4% and 3.1% respectively. While the share of agriculture sector in GDP remained the same in 2012 as 8%, the share of services sector increased reaching to 72.8%. Economic growth boosted creation of new job opportunities and non-agricultural employment increased by 3.4% year-on-year during September-August 2013 period. It is expected that the employment rate which was recorded as 45.4% in 2012 will rise to 46.4 % in 2013. The unemployment rate decreased to 9.2% in 2012 from 9.8% in 2011 and it is envisaged that this figure will remain the same in 2013.

The liberalization initiatives in the Turkish electricity sector, started in the early 2000s, have now arrived at an advanced stage. In the upcoming period, necessary measures will be taken to increase the share of local and renewable resources in energy generation, and the share of natural gas and imported coal will be reduced. The Energy Market Law No.6446 which aims to introduce improvements in favor of investors in electricity privatization was adopted on 14 March 2013 (Official Gazette No. 28603 of 30 March 2013).

Further measures were taken to enhance competition in the telecommunications market. The wholesale line rental scheme that was launched in February 2012 further increased competition particularly in broadband and landline markets and the liberalization in the network industries continued.

State Influence on Competitiveness

In the early April 2012, a new and comprehensive incentives package was announced and put into practice in June. State Aids Monitoring and Supervision Board will establish a comprehensive inventory on state aids and prepare an action plan to align all state aids procedures with the EU acquis. Cooperation and coordination among institutions will be strengthened through state aids monitoring and assessment systems.

Economic Integration with the EU

The EU is the main trade partner of Turkey. In October 2013, the share of the EU in Turkey's total exports increased to 41.7 %, while its share in total imports reduced to

43.4% year-on-year. Thus, share of the EU in Turkey's total foreign trade increased to 42.7% as of October 2013.

The total stock value of foreign direct investments to Turkey increased to 183.7 billion dollars in 2012 from 134.7 billion dollars in 2011. The EU has been the largest foreign direct investor in Turkey with a share of 71.3% in 2012. The fact that this share was 56% prior to 2002 is another indication to importance of the EU accession process in terms of foreign investment.

III. CAPACITY TO ASSUME OBLIGATIONS OF MEMBERSHIP

Chapter 1: Free Movement of Goods

Free Movement of Goods is one of those chapters suspended as a result of Turkey not having fully implemented the Additional Protocol to the Association Agreement in accordance with the EU Council Decision of 11 December 2006. According to the Additional Protocol, negotiations will not be opened on eight relevant chapters and no chapter will be provisionally closed until Turkey has fulfilled its commitment.

Turkey's obligation relating to the alignment with the EU *acquis* within the scope of this chapter actually arises from Decision No 1/95 of the Turkey-EU Association Council on the application of the final stage of the Customs Union. As it is expressed by the EU institutions, the alignment of Turkish legislation in this field with the EU *acquis* is already at a very advanced level.

Alignment with the EU *Acquis*

Within the scope of the work for alignment with the legislation carried out since the last quarter of 2012, a wide range of secondary legislation has been published particularly in the fields of Motor Vehicles, Constructions Products, Energy Labeling of Products, Medicinal Products for Human Use, Prepackaged Product, Measuring Instruments, Transportable Pressure Equipment, Cosmetic Products, Medicinal Products for Veterinary Use etc.

- By-law (EU/1230/2012) on type-approval requirements for masses and dimensions of motor vehicles and their trailers (Official Gazette No. 28793 of 12 October 2013)
- By-law amending the By-law (2006/40/EC) on emissions from air conditioning systems in motor vehicles (Official Gazette No. 28786 of 5 October 2013)
- By-law amending the By-law (2007/46/EC) on Type Approval Requirements of Motor Vehicles and Their Trailers (Official Gazette No. 28776 of 25 September 2013)
- By-law amending the By-law ((EC) 595/2009) on type-approval of motor vehicles and engines with respect to emissions from heavy duty vehicles (Euro VI) and on access to vehicle repair and maintenance information (Official Gazette No. 28776 of 25 September 2013)
- By-law amending By-law (2009/144/EC) on Type Approval Requirements of Certain Components and Characteristics of Wheeled Agricultural or Forestry Tractors (Official Gazette No. 28776 of 25 September 2013)
- By-law (EU/347/2012) on type-approval requirements for certain categories of motor vehicles with regard to advanced emergency braking systems (Official Gazette No. 28769 of 18 September 2013)

- By-law (EU/351/2012) on type-approval requirements for the installation of lane departure warning systems in motor vehicles (Official Gazette No. 28769 of 18 September 2013)
- By-law amending By-law (97/68/EC) on measures against the emission of gaseous and particulate pollutants from internal combustion engines to be installed in non-road mobile machinery (Official Gazette No. 28719 of 26 July 2013)
- Communiqué (SGM-2013/2) on ecodesign requirements for household tumble driers (Official Gazette No. 28710 of 17 July 2013)
- By-Law on Constructions Products (305/2011/EU) (Official Gazette No. 28703 of 10 July 2013)
- By-law amending the By-law on Type Approval of Measures and Measuring Instruments (Official Gazette No. 28678 of 15 June 2013)
- By-law amending the By-law (2000/25/EC) on Type Approval Requirements for Actions to Be Taken Against the Emission of Gaseous and Particulate Pollutants by Engines Intended to Power Agricultural or Forestry Tractors (Official gazette No. 28653 of 21 May 2013)
- Communiqué (SGM-2013/6) on Energy Labeling of Household Tumble Driers (Official Gazette No. 28648 of 15 May 2013)
- Communiqué (SGM-2013/7) amending Communiqué (SGM-2011/18) on ecodesign requirements for washing machines (Official Gazette No. 28648 of 15 May 2013)
- Communiqué (SGM-2013/8) amending Communiqué (SGM-2012/6) on Energy Labeling of Washing Machines (Official Gazette No. 28648 of 15 May 2013)
- By-Law on Manufacturing Site of Medicinal Products for Human Use (Official Gazette No. 28630 of 27 April 2013)
- By-law amending the By-law (2007/46/EC) on Type Approval Requirements of Motor Vehicles and Their Trailers (Official Gazette No. 28629 of 26 April 2013)
- By-law amending the By-law (76/211/EC) on the making-up by weight or by volume of certain prepackaged products (Official Gazette No. 28624 of 20 April 2013)
- By-law amending By-law on Cosmetics (Official Gazette No. 28605 of 1 April 2013)
- By-law amending By-law (1222/2009/EC) on the labeling of tyres with respect to fuel efficiency and other essential parameters (Official Gazette No. 28575 of 2 March 2013)
- By-law amending By-law (661/2009/EC) on Type Approval Requirements for the General Safety of Motor Vehicles, Their Trailers and Systems, Components and Separate Technical Units Intended therefor (Official Gazette No. 28561 of 16 February 2013)
- By-law amending By-law on Medicinal Products for Veterinary Use (Official Gazette No. 28525 of 11 January 2013)

- By-law on Clinical Trials (Official Gazette No. 28617 of 13 April 2013)
- By-law (2010/35/EU) on transportable pressure equipment (Official Gazette No. 28514 (bis) of 31 December 2013)
- By-law amending the By-law ((EC)715/2007) on Type Approval Requirements of Motor Vehicles with respect to Emissions from Light Passenger and Commercial Vehicles (Euro 5 and Euro 6) and on Access to Vehicle Repair and Maintenance Information (Official Gazette No. 28512 of 29 December 2013)
- Communiqué (SGM-2012/13) on ecodesign requirements for air conditioners and comfort fans (Official Gazette No. 28712 of 19 July 2013)
- By-law amending the By-law on Licencing of the Medicinal Products for Human Use (Official Gazette No. 28821 of 14 November 2013)

The revision work on “By-law on In-Vitro Diagnostic Medical Devices” and “Communiqué on Common Technical Specifications for In-Vitro Diagnostic Medical Devices” is on-going.

Work on drafting the “Communiqué on Electronic User Manual for Medical Devices”, “By-law on Clinical Trials on Medical Devices” and “By-law on Performance Assessment and Validation Studies with In- Vitro Diagnostic Medical Devices” have been completed and opinions of the relevant parties have been received on these drafts.

Work on drafting the “Guideline on Good Manufacturing Practices for Manufacturing, Packaging and Storage of Dietary Foods for Special Medical Purposes” and “Guideline on Good Distribution Practices (GDP)” are ongoing.

In the field of market surveillance, within the scope of legislative work, “By-law on Market Surveillance of the Goods” adopted by the Decree No. 2001/3529 of the Council of Ministers on the Law No. 4703 on the Preparation and Implementation of Technical Legislation on Products was updated in 2013. By-law amending the current by-law entered into force following its publication in the Official Gazette No.28680 of 27 June 2013. Furthermore, the work on establishing a National Market Surveillance Information System towards gathering the notifications related to the nonconformity and unsafe goods into a digital environment and registering the information required for the annual/periodical market surveillance reports have been completed and “By-law on Reporting and Registration of Results and Measures Related to Market Surveillance” which constitutes the legal infrastructure of the system entered into force following its publication in the Official Gazette No. 28720 of 27 July 2013.

“The By-law on Market Surveillance” of the Ministry of Labour and Social Security (MOLSS) defining the procedures and principles of activities on the market surveillance of the goods which are under the responsibility of MOLSS entered into force following its publication in the Official Gazette No.28769 of 18 September 2013.

The By-law on Market Surveillance and Supervision of Radio and Telecommunication Terminal Equipment to be implemented by the Information and Communication

Technologies Authority (BTK) entered into force upon its publication in the Official Gazette No. 28551 of 6 February 2013.

“The By-law on Health Claims of Products That Are Sold With Health Claims” which has been prepared by the Ministry of Health with the purpose of regulating the principles and procedures related to examine and give permission to health claims of products that are sold with health claims, to inspect the sales with unauthorized or false health claims and to stop, collect, confiscate and carry out the disposal procedures where necessary, to inspect the advertisement and promotions of these in terms of the permission and health claims and to stop the inappropriate ones, entered into force following its publication in the Official Gazette No.28670 of 7 June 2013.

“By-Law on Mutual Recognition in Non-Harmonised Area” published in the Official Gazette No.28332 of 23 June 2012 entered into force AS OF 1 January 2013. Furthermore, the provisions of the Communiqué No 2013/1 on Conformity Checks according to standards on imports have been aligned with the By-Law on Mutual Recognition in Non-Harmonised Area, and for the products included in the Annex of the Communiqué, the implementation, conditions of which were defined by the By-law, commenced as of 1 July 2013.

Draft Law on Product Safety and Technical Regulations has been prepared aiming to repeal the Law No.4703. The draft Law has been submitted to all relevant parties (public institutions, professional organizations and consumer federation) for their opinions and revised in accordance with the opinions received. Prior to the submission to the Office of the Prime Minister, it is aimed that the draft will be brought into the agenda of Economy Coordination Board (ECB).

Besides, Draft Law on Firearms is on the agenda of TGNA Committees.

The European Commission and Turkey carried out joint work in order to create a mechanism for updating Annex 2 of Decision No 2/97 of the Association Council determining the list of technical legislation of EU for removing technical obstacles to trade and the conditions and rules for implementation of this legislation by Turkey. As a result of the work, a draft Decision of Association Council was agreed in July 2011. Although Turkey’s official approval on the draft and request on initiating the procedures for the adoption of the Decision of Association Council was communicated to the Commission in September 2011, the drafts is still pending at the Council of the EU.

Administrative Capacity Building

In 2013, activities which will further develop the existing administrative capacity in horizontal fields such as market surveillance, conformity assessment and accreditation have been carried out.

In the field of standardization, Turkish Standards Institute (TSE) which is a full member of European Standardization Committee (CEN) and European Electro-technical

Standardization Committee (CENELEC) has adopted 17,799 CEN and CENELEC standards in total and 396 standards of European Telecommunication Standards Institute (ETSI) in total. The ratio of the overall alignment with European standards is nearly 99%. Adaptation and translation activities on the standards are ongoing.

Furthermore, TSE was assigned on 6 March 2013 as the authorized institution of Turkey within the scope of European Agreement Concerning the International Carriage of Dangerous Goods by Road (ADR vehicle approval certificate) which is obligatory within the framework of international agreements. Within the scope of this agreement which entered into force on 29 January 1968 with the Decision of the United Nations Economic Commission for Europe and through the authorization by the Ministry of Transport, Maritime Affairs and Communications, Turkish companies which used to receive certificates by sending their products abroad will be able to carry out the certification and examination procedures in Turkey.

The work on strengthening the administrative, technical and legal capacity in the field of market surveillance are ongoing within the scope of “National Strategy Document (2012-2014)” adopted in 2012.

Every year, the annual reports in which the controls carried out by the institutions are evaluated by taking the infrastructural facilities of these institutions into consideration, are prepared by using the data of previous year. Finally, in 2013 “Market Surveillance Report for 2012” was prepared, printed and submitted to high levels of market surveillance institutions and to the public opinion.

In September and November 2013, technical and legal training courses were provided by the Ministry of Science, Industry and Technology towards strengthening the administrative capacity in market surveillance activities throughout Turkey and following the exam, 149 personnel of the Ministry were assigned as inspectors. With the aim of increasing the knowledge and experience of the inspection personnel of the Ministry, the following trainings have been provided: Legislative training on market surveillance, training on the inspection of heavy equipment and stackers, market surveillance training for automotive and its components, practical market surveillance training on lifts, training on “By-law on Transportable Pressure Equipment” and on the conformity assessment and inspection practices which will be carried out within the scope this By-law.

“The Workshop on Market Surveillance for External Stakeholders” was held on 29-31 May 2013 by the Ministry of Science, Industry and Technology towards the more efficient and planned implementation of market surveillance activities. As a result of the Workshop, “Draft Strategy and Action Plan on Industrial Product Safety and Control” has been prepared and submitted to the institutions for opinion.

“Market Surveillance Guideline and Program for 2013” which includes the principles and procedures of market surveillance and the priorities of the Ministry has been prepared and submitted to the provincial directorates by the Ministry of Science,

Industry and Technology.

Ministry of Health has completed its work on the informatics infrastructure required for sharing data with all Ministries carrying out market surveillance activities.

“Communiqué on Identification of Safety Risks for Consumer Products” (Official Gazette No. 28270 of 20 April 2012) which will be carried out by the Ministry of Customs and Trade entered into force in the beginning of 2013. The efficiency in market surveillance of risky consumer products within the non-harmonized area will be further improved by means of the Communiqué.

The Risk Based Trade Control System (TAREKS) has been established in order to carry out the product safety controls in importation based on risk and on electronic environment as in EU, and the controls of products within the scope of Product Safety and Control Communiqués No. 1, 8, 9, 10, 11, 14, 15, 16 and 30 are currently being carried out over TAREKS.

Within this scope, the practice of direct authorization of the import of the products declared to have A.TR certificate through TAREKS has been incorporated to the Product Safety and Control Communiqué No. 1 so as to cover the products originated from the EU and third countries and to be valid from 1 July 2013. On the other hand, while products with A.TR certificate originating from the EU are currently exempted from the control within the scope of the Communiqué No. 9, direct authorization for the import of the products with A.TR certificate originating from third countries through TAREKS has been introduced as of 1 July 2013. In this context, the products declared to have A.TR certificate are subject to the importation controls only if they are considered risky.

In the field of conformity assessment, the number of notified national bodies which have been assigned with the task of carrying out the certification activities relating to CE marking required for putting the products within the scope of New Approach By-Laws on market both in Turkey and in EU, and which were notified to the European Commission is 22 as of December 2013. These bodies have been notified within the scope of 14 different product by-laws.

In the field of accreditation, the number of accreditation granted by the Turkish Accreditation Agency (TURKAK) has reached to 871. The “Communique on Accreditation Using Fee/Share to be applied by Turkish Accreditation Agency” which decreases the annual accreditation using fee/share from 1% to 0.6% was published in the Official Gazette No. 28571 of 26 February 2013. In 2013, TURKAK has recruited 25 additional assistant experts for the accreditation activities.

Chapter 2: Freedom of Movement for Workers

Alignment with the EU Acquis

In 2013, there have not been any changes in the legal framework for alignment with the EU acquis.

Administrative Capacity Building

In May 2013, the Social Security Institution television channel (SGK TV) started its broadcasts with the aim of ensuring rapid and facilitated access to accurate information on social security by citizens. Unmanned Service Points were established in September 2013, and Mobile Social Security Centers in October in order to ensure the accessibility of social security services.

The Institutional Transformation Project (e-Employment) has been put in place for jobseekers in order for them to benefit more effectively and rapidly from the Turkish Employment Agency (ISKUR) services. This Project is also an important step for transition to the e-government. With this Project, a platform was established in which all citizens can carry out their own work and transactions by themselves through the automation of Agency services. ISKUR also created “service points” through 2,904 protocols signed with 1,513 municipalities, 1,055 social institutions, 336 career centres organized industrial regions, industry and commerce chambers and technology development centres in order to extend and enhance the service it provides, in addition to its Provincial Labour Offices and Provincial ISKUR Offices in all provinces and 44 service centres. Thus, citizens were able to obtain the services without coming to ISKUR.

Within the context of participation in the EURES network, ISKUR continues revising its database and website in a way to include all national employment opportunities and to operate in compliance with the infrastructure of EURES, as well as training of the relevant staff and parties within the scope of Improving the Quality of Public Employment Services Operation.

Chapter 3: Right of Establishment and Freedom to Provide Services

Alignment with the EU Acquis

Right of Establishment and Freedom to Provide Services is one of those chapters suspended as a result of Turkey not having fully implemented the Additional Protocol to the Association Agreement. Accordingly, the EU Council Decision of 11 December 2006 stipulated that negotiations will not be opened on eight relevant chapters and no chapter will be provisionally closed until Turkey has fulfilled its commitment.

The only technical benchmark for opening the chapter is to prepare a detailed strategy covering all steps necessary for institutional capacity building and legislative alignment. The Ministry for EU Affairs prepared a comprehensive technical assistance project by considering demands and needs of all relevant stakeholders in order to carry out the work with a view to fulfilling this opening benchmark on a sound basis. The tendering process of the project is on-going and its implementation is aimed to start in September 2014.

Through this project, the Ministry for EU Affairs will make legislative screening and gap analyses within the scope of the alignment with the EU acquis both on the right of establishment and freedom to provide services and on the mutual recognition of professional qualifications. The Ministry foresees the preparation of action plans and draft legislation with regard to the legislative alignment in light of the findings to be obtained in this context.

In the national occupational standards and national qualifications field 480 National Occupational Standards, 144 of which was published in 2013, were published in the Official Gazette. Moreover, total number of national qualifications prepared by the Vocational Qualifications Authority (VQA) amounted to 224, 70 of which were prepared in 2013.

Within the context of “Law No. 6495 on the Amendment of Certain Laws and Decree-laws” published in the Official Gazette No. 28726 of 2 August 2013 and the paragraph subordinated to the Article 15 of the Turkish Employment Agency Law, having a VQA Professional Qualifications Certificate became an obligation for Job and Vocation Consultants.

In accordance with the Article 6 of the By-law on Private Employment Offices published in the Official Gazette No. 28592 of 19 March 2013, people who want to open a private employment agency are obliged to employ persons having a Job and Vocation Consultant Vocational Qualification Certificate.

In the field of postal services which is addressed within the scope of this Chapter, “the Law No. 6475 on Postal Services published in the Official Gazette No 28655 of 23 May 2013 was assessed as a significant development by virtue of increasing the level of alignment with the EU *acquis*. With this Law, the citizen’s access to the postal services in the EU standards is guaranteed with the universal postal service concept. Thus, within the framework of designated principle and rules, the uninterrupted postal service is guaranteed, regardless of geographical areas, for all users throughout Turkey with an affordable price. Moreover with this Law, Information and Communication Technologies Authority is designated as an independent regulator of postal sector, by this way the determination of an independent regulatory authority related to the sector issue which was discussed in the EU Progress Reports was fulfilled. This Law narrowed the scope of postal monopoly, thus an important step was taken towards the liberalization of the sector.

Chapter 4: Free Movement of Capital

Alignment with the EU *Acquis*

“Real Property Acquisition by Foreigners in Turkey and Evaluation of its Impact” Project which was launched in 2011 with a view to evaluating real property acquisition by foreigners in Turkey and its impact, has been completed. Within this framework in the countries chosen and particularly in the EU member states, the real property acquisition by foreigners has been comparatively analyzed. The principles related to the monitoring of real property acquisition by foreigners have been identified and thus the work, which outlines the national strategy model in terms of competition law and full membership to the EU, has been carried out. Within this scope, it is planned that the information, documents and outcomes obtained as a result of the project will to be used in the preparation of the Action Plan related to the real property acquisition by foreigners in Turkey.

With a view to ensuring alignment with the EU *acquis*, filling the legal gap in the area of systems, payment services and electronic money institutions, obtaining the reliable progress of these areas, defining the main concepts and identifying rights, obligations and sanctions, the “Law No 6493 of 20 June 2013 on Payment and Securities Settlement Systems, Payment Services and Electronic Money Institutions” entered into force upon its publication in the Official Gazette of 27 June 2012 by taking into consideration international standards, implementations and measures as well as the Directive 2007/64/EC on Payment Services, the Directive 2009/44/EC amending the Directive 1998/26/EC on Settlement Finality in Payment and Securities Settlement Systems and the Directive 2009/110/EC on the Taking Up, Pursuit and Prudential Supervision of the Business of Electronic Money Institutions

The Law on Prevention of the Financing of Terrorism drafted to align with FATF Recommendations related to combating financing of terrorism (special recommendation II- Criminalizing the financing of terrorism and special recommendation III- Freezing of terrorist assets) and with the 1999 UN International Convention on the Suppression of the Financing of Terrorism entered into force upon its publication in the Official Gazette No. 28561 of 16 February 2013. “By-law on Procedures and Principles Regarding Implementation of Law on Prevention of the Financing of Terrorism”, aimed at the implementation of the Law, was published in the Official Gazette No. 28663 of 31 May 2013.

With this Law, the crime “financing of terrorism” has been redefined in such a way that it would be in line with international conventions and arrangements, for the first time “freezing of asset measure” has been introduced to our legal system as an administrative protective measure and procedures and principles related to the implementation of this measure have been determined.

Furthermore, in accordance with Article 5 of this Law, the updated list related to freezing of the assets which are at the disposal of the persons, institutions and organizations listed with the Decisions No. 1267 (1999), 1988 (2011), 1989(2011) of the United Nations Security Council, was published in the Annex of the Council of Ministers Decree of 30 September 2013. Council of Ministers Decrees related to making amendments in the persons and institutions that are listed in the mentioned list, entered into force upon its publication in the Official Gazette No.28848 of 11 December 2013.

The work on the approval of Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism is on-going.

Administrative Capacity Building

Financial Crimes Investigation Board (MASAK) continues the work related to fight against money laundering and financing of terrorism. Within this scope, memorandums of understanding were signed with the aim of sharing information with the intelligence units of Russian Federation, the Philippines, the Republic of South Africa, Germany, Tunisia, Turkmenistan, Denmark, Saudi Arabia and Morocco.

The number of suspicious transaction reports notified to the Turkish Financial Crimes Investigation Board as of November 2013, was 21,775. Trainings given by MASAK for the obliged parties, examiners, law enforcement officers, prosecutors and judges continued.

Chapter 5: Public Procurement

Alignment with the EU Acquis

In 2013, no further changes have been made in the legal framework for the alignment with the EU Acquis.

Administrative Capacity Building

General Directorate of Budget and Fiscal Control of the Ministry of Finance which governs the coordination in identifying general policy and strategy of our country with regard to public procurement, increased the number of the personnel employed in the Public Procurement Coordination Department. Therefore, the relevant department reached a better level in terms of foreign language proficiency and professional capacity.

With the cooperation of the Ministry of Finance and OECD-SIGMA, the workshops titled “EU Policies and Practices in Supporting the SME Participation to the Public Procurements”, and “Practices and Policies regarding the Public – Private Partnership and Concessions in the EU and in Selected Member States” were realized on 26 April 2013 and on 27 May 2013, respectively. The cooperation with OECD-SIGMA in the field of public procurement is foreseen to be maintained in 2014.

The Ministry of Finance ensured regular participation to the public procurement meetings in the European Commission, OECD, and World Trade Organization.

The Public Procurement Authority recruited 23 assistant experts in 2013 after the competitions held.

“Training in Public Procurement in Western Balkans and Turkey” Project prepared by the DG Enlargement of the European Commission was implemented by ITCILO (International Training Centre of the International Labour Organization) in cooperation with the institutions responsible for the public procurements in the participating states. Under the Project, the Public Procurement Authority organized national procurement trainings for all the related shareholders with the aim of improving the trainings provided by the beneficiary countries in the field of public procurement. Within the scope of the Course of Action prepared under the Project, trainings were organized in Ankara, Adana, Diyarbakır and İzmir and the Project was concluded successfully.

In 2013, the Public Procurement Authority provided training to 5,847 people in total from 62 different authorities (419 institutions) in various cities of Turkey. These trainings are being maintained extensively.

Moreover, Electronic Public Procurement Platform (EKAP) was used intensively in 2013 by all tenderers and administrations carrying out procurements within the framework of the Public Procurement Law No 4734. The number of registered users increased to 438,119 on 4 December 2013 from 302,868 on 31 December 2011. In comparison with the similar e-state practices, this figure is quite high.

EKAP which was developed by the Public Procurement Authority and which is among the privileged e-state projects is accepted as an information technology project in conformity with the international standards. Implementation of EKAP is an important step for Turkey to realize the EU's goal in carrying out all public procurements electronically until 2016. In this respect, it is considered as a stage of the transition to electronic tender rather than only being a system making announcements. In order to secure this transition, electronic tender tests continued to be made in 2013.

Thanks to EKAP, changes in the legislation were reflected to the system accurately and in time; and the system ensured the tender documents to be completed with minimum errors. Moreover, the Call Centre established for immediate solution of the problems related with the use of EKAP continued to operate effectively. Up to now, 305,471 calls have been answered with a rate of 100%.

Aiming to enable the realization of all the public procurement processes through electronic means with a view to ensuring effectiveness, productivity and transparency, the Public Procurement Authority achieved the highest standard in this regard with the TSE (Turkish Standards Institution) certificates obtained in 2013.

Considering the vital importance of confidentiality, integrity and accessibility of the information and services carried out through EKAP in terms of information assets, the quality of the services provided was certified in accordance with TS ISO/IEC 27001 and TS ISO/IEC 20000 Standards.

Chapter 6: Company Law

Significant developments can be reported on both alignment with the EU *acquis* and administrative capacity building in 2013 within the scope of the Company Law Chapter.

Five technical closing benchmarks were laid down for the chapter. In this regard, the European Commission confirmed once again that the adoption of the Turkish Commercial Code was an important step forward and also recorded that the relevant closing benchmark of the Chapter had been met with the establishment of Public Oversight, Accounting and Auditing Standards Authority.

Alignment with the EU *Acquis*

Turkey adopted two by-laws and a communiqué in 2013 based on the “Turkish Commercial Code No. 6102”. A new communiqué is going to be published thereof. The secondary legislation published in 2013 is listed below:

- By Law on Trade Registry (Official Gazette No. 28541 of 27 January 2013)
- By-Law on Websites that shall be Established by Stock Companies (Official Gazette No. 28663 of 31 May 2013)
- Communiqué on the Extension of the time for Compliance of the Incorporations of the Joint Stock Companies and Limited Liability Companies to the Turkish Commercial Code (Official Gazette No. 28692 of 29 June 2013)

The new Capital Markets Law, which entered into force upon its publication in the Official Gazette No. 28513 of 30 December 2012, was a major step forward towards meeting the relevant closing benchmark which requires the modification of the Capital Markets Law. For the implementation of the new law, 32 by-laws and communiqués were published as of the end of November 2013. Most of the work on the remaining secondary legislation is scheduled to be completed by the end of 2013.

These published secondary legislation has basically:

- Amended rating, independent audit and financial reporting regulations,
- Updated regulations on the prospectus and process of the export and public offering of capital market instruments, taking into consideration the implementation challenges as well as aspects of the legislative alignment in the accession process,

- Made arrangements regarding corporate governance principles and public information with a view to assisting investors to take sound judgments; ensuring effective representation of small investors and enabling the Board of Directors to work efficiently avoiding conflicts of interest.

Through the said regulations, Turkey's commitments covered by the National Programme, in particular under the Company Law chapter, have been fulfilled to a large extent. Besides alignment with the EU *acquis*, progress has been achieved on strengthening of the capital markets, variation of financial instruments and SME access to finance. The secondary legislation published in the area of company law is listed below:

- Communiqué Serial: IV No:63 which amended Communiqué Serial: IV, No:56 on Principles Regarding Determination and Application of Corporate Governance Principles (Official Gazette No. 28610 of 6 April 2013),
- By-Law Repealing the By-Law on Independent External Audit in the Capital Market (Official Gazette No. 28660 of 28 May 2013),
- Communiqué Serial: IV No:64 which amended Communiqué Serial: IV, No:56 on Principles Regarding Determination and Application of Corporate Governance Principles (Official Gazette No. 28567 of 22 February 2013)
- Communiqué on the Principles of Financial Reporting in the Capital Markets (Official Gazette No. 28676 of 13 June 2013),
- Communiqué Serial: X No: 28 which amended the Communiqué Serial: X, No: 22 on Auditing Standards in the Capital Markets (Official Gazette No. 28691 of 28 June 2013).

Turkey has concluded a copyright agreement with the International Accounting Standards Board (IASB), within the scope of the closing benchmark which requires full alignment of Turkish accounting, financial reporting and statutory audit legislation, including its secondary legislation, with the EU *acquis*. In this regard, relevant legislation was updated, as required, in parallel with the changes to International Financial Reporting Standards and the following communiqués were published in 2013:

- Communiqué No. 40 Amending the Communiqué on TAS 32 Financial Instruments: Presentation (Official Gazette No. 28556 of 11 February 2013),
- Communiqué Amending the Communiqué No 42 on TFRS 7 Financial Instruments: Disclosures (Official Gazette No. 28556 of 11 February 2013)

- Communiqué on the Comment regarding Turkish Financial Reporting Standard (TFRS Comment 20) on Stripping Costs in the Production Phase of Surface Mine (Official Gazette No. 28556 of 11 February 2013)
- Communiqué regarding TAS 19 on Employee Benefits (Official Gazette No. 28585 of 12 March 2013)
- Communiqué amending the Communiqués on Turkish Accounting Standards (Official Gazette No. 28710 of 17 July 2013)
- Communiqué Amending the Communiqué on TFRS 1 -First-time Adoption of International Financial Reporting Standards (Official Gazette No. 28710 of 17 July 2013)

In addition, 17 working committees were formed in 2012 to ensure the accounting standards, which had already been translated, to become more clarified, with the participation of all relevant parties. Once the evaluation of the work done by the committees is completed, Turkish Accounting Standards (TAS) will be more comprehensible and easily applicable.

Turkey has concluded a copyright agreement with the International Federation of Accountants (IFAC), which publishes International Standards on Auditing (ISA). With this development, an adaptation process of Turkish Auditing Standards to International Standards on Auditing has been initialized.

In this regard, four working committees and a revision committee were formed. All standards issued by the International Federation of Accountants (IFAC) will be brought in Turkish legislation as Turkish Auditing Standards. Within this framework, following by-laws and communiqués were published in 2013:

- By- Law on Independent Audit (Official Gazette No. 28509 of 26 December 2012),
- By-Law on Independent Audit Official Registry (Official Gazette No. 28539 of 25 January 2013),
- Communiqué on Independent Audit Authorization (Official Gazette No. 28539 of 25 January 2013),
- Communiqué on Turkish Auditing Standard 1, Quality Control Standard for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements” (Official Gazette No. 28783 of 2 October 2013),

- Communiqué on Turkish Auditing Standards No 2, Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with International Standards (ISA 200) on Auditing (Official Gazette No. 28794 of 13 October 2013)
- Communiqué on Turkish Auditing Standards No 3, Agreeing the Terms of Audit Engagements (ISA 210) (Official Gazette No. 28821 of 14 November 2013),
- Communiqué on Turkish Auditing Standards No 4, Quality Control for an Audit of Financial Statements, (ISA 220) (Official Gazette No. 28821 of 14 November 2013),
- Communiqué on Turkish Auditing Standards No 5, Audit Documentation (ISA 230) (Official Gazette No. 28821 of 14 November 2013),
- Communiqué on Turkish Auditing Standards No 6, The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements (ISA 240) (Official Gazette No. 28847 of 10 December 2013),
- Communiqué on Turkish Auditing Standards No 7, Consideration of Laws and Regulations in an Audit of Financial Statements (ISA 250) (Official Gazette No. 28847 of 10 December 2013),
- Communiqué on Turkish Auditing Standards No 8, Communication with Those Charged with Governance (ISA 260) (Official Gazette No. 28847 of 10 December 2013)
- Communiqué on Turkish Auditing Standards No 9, Communicating Deficiencies in Internal Control to Those Charged with Governance and Management (ISA 265) (Official Gazette No. 28849 of 12 December 2013).

In addition, the following independent audit standards are submitted to the Prime Ministry to be published in the Official Gazette:

- Communiqué on Turkish Auditing Standards Communiqué No: 10, Planning of Independent Audit of Financial Statements (ISA300),
- Communiqué on Turkish Auditing Standards No: 11, Identification and Assessment of “Material Misstatements” through Understanding Entity and Its Environment (ISA 315),

- Communiqué on Turkish Auditing Standards No: 12, Materiality in the Planning and Execution of Independent Audit (ISA 320),
- Communiqué on Turkish Auditing Standards No: 13, Responses of the Independent Auditor against Assessed Risks (ISA 320).

Draft texts of the independent audit standards with 402, 450, 500, 501, 505, 510, 520, 530, 540, 550, 560, 570, 580, 600, 610, 620 code numbers are brought to the opinion of the public and the institutions and organizations concerned. The drafts are intended to be published in the Official Gazette by the end of the year.

Administrative Capacity Building

Within the scope of the fifth closing benchmark on administrative capacity building, work is ongoing to enhance technical and human resources capacity of the Public Oversight Authority. Currently, the number of the permanent staff is 84 in total, with 21 managers including the board members, 46 professionals and 17 others. Furthermore, the number of professional staff reached 61 with the 15 employed after the examination held in 2013.

The Capital Markets Board has maintained its efforts with regard to cooperation activities with the foreign regulatory and supervisory agencies and signed a Memorandum of Understanding with the Ministry of Finance of Turkmenistan in 2013. Turkey has currently signed bilateral Memoranda of Understanding with regulatory and supervisory agencies of 32 countries and “a Terms of Reference for a Regulatory Dialogue” with Maldives and the USA.

The Ministry of Customs and Trade has been carrying out the Central Registry Number System (MERSIS) Project in line with the Turkish Commercial Code No. 6102, to ensure the online processing of legal proceedings, to further improve investment and business environment, to prevent unregistered economy, and to comply with the requirements of the information society services. The MERSIS aims to keep records, in a central trade registry system, of the capital companies, cooperatives, unlimited companies, Turkey offices of foreign companies, foundations and associations, for whom trade registry is mandatory.

MERSIS is an important project which provides the opportunity to further enhance administrative capacity. The MERSIS will enable all proceedings subject to the registration to be processed online and reduce the workload of trade registry offices. Analysis through the regularly updated database will contribute to policy-making. Turkish citizens will have access to any required updated information for their dealings and proceedings with public institutions through the system. Work is ongoing on the MERSIS, which will serve a centralized database making available online registration

proceedings. It will also enable companies to make establishment, amendment to articles of association and cancellation proceedings online.

A total of 75,805 proceedings have so far been made through the MERSIS, 48,680 of which are for the establishment, 22,871 for amendment to articles of association, 920 for liquidation, 2,880 for cancellation and 274 for change of type. The number of the registered users has reached 76,850. Data transmission and dissemination operations have been completed in a total of 238 trade registry offices, while 232 have started offering services through the MERSIS.

Upon the implementation of the system across the country with all its components, the administrative and implementation capacity is expected to improve to a large extent. Furthermore, as regards administrative capacity building efforts, several circulars were issued to facilitate the process in practice and a series of trainings/seminars/meetings on trade registry proceedings and MERSIS applications were held for trade registry offices and NGOs, within the framework of the Turkish Commercial Code No.6102.

Chapter 7: Intellectual Property Law

Alignment with the EU Acquis

Turkey's alignment with the EU legislation on copyright and industrial property rights in the Chapter on Intellectual Property Law is an obligation arising from Decision No. 1/95 of the EU-Turkey Association Council (ACD) regarding the implementation of the final phase of the Customs Union. The level of alignment of the Turkish legislation with the EU *acquis* in this field is quite high, as also confirmed by the EU.

The draft "Law Amending the Decree Law on the Protection of Patent Rights and Certain Laws and Decree Laws" prepared by the Turkish Patent Institute (TPI) in order to ensure that the provisions of the industrial property legislation regarding crimes and penalties are in line with the Turkish Penal Code No. 5237, to address the legal vacuum resulting from the provisions which were repealed by the Constitutional Court and to increase the level of alignment with the EU *acquis*, has been discussed in the TGNA committees and is currently on the agenda of the General Assembly of the TGNA.

In addition, amendments made by the TPI in four by-laws on the protection of trademarks, industrial designs and patent rights and the grant of European patents were published in the Official Gazette No.28603 of 30 March 2013.

On the other hand, the draft "Law Amending the Law No. 5846 on Intellectual and Artistic Works" was prepared with the aim of ensuring the more transparent and effective operation of professional associations, resolving the problems faced by users regarding licensing, eliminating the infringements resulting from the developments in the digital area and increasing the level of alignment with both international agreements ratified by Turkey and the EU *acquis*. The draft law, pursuant to the procedures, is currently being re-evaluated due to the appointment of a new Minister to the Ministry of Culture and Tourism on 24 January 2013.

Administrative Capacity Building

The Expert Exchange Programme, which was initiated between the TPI and the World Intellectual Property Organisation (WIPO) in 2012 within the scope of the international registration of trademarks, has continued and one trademark expert from TPI was seconded to work at WIPO in 2013.

An expert exchange programme with the Office for Harmonisation in the Internal Market (OHIM) has been initiated as well, and in this framework, two national experts have been assigned to the OHIM. The program is planned to be continued on a regular basis in the forthcoming years.

Furthermore, 56 assistant experts and 5 lawyers recruited by the TPI have assumed responsibilities.

In addition, within the framework of the work carried out on the preparation of the National Intellectual Property Strategy Paper in accordance with the decision of the Intellectual and Industrial Property Rights Coordination Board, the National Intellectual and Industrial Property Rights Strategy Paper Workshop Session on Intellectual Property Rights organised by the Ministry of Culture was held on 27 June 2013 and , and the Industrial Property Rights Session of the Workshop, organised by the Turkish Patent Institute, was held on 28 June 2013, with the participation of relevant public institutions, academicians and the representatives of private sector and civil society organisations. In the Workshop, the participants identified the problems in the field of copyright and industrial rights and offered solutions for these problems. The consolidated draft Strategy Paper prepared after the Workshop has been submitted to the opinion of the representatives of the institutions and work for the finalization of the draft document is currently ongoing. The work on the preparation of the National Intellectual Property Strategy is planned to be completed by the end of 2013. It is envisaged that the Strategy Paper will cover a period of 6 years and in this framework, an action plan will be prepared for each year.

Turkey-EU Working Group on Intellectual Property Rights, which was set up within the framework of the first closing benchmark of the Chapter, which is “engaging in a successful dialogue in the area of intellectual property rights”, held its third meeting on 30 January 2013.

The Workshop on Guidelines for Intellectual Property Policies in Universities was organised in İstanbul, with the cooperation of WIPO and TPI on 17-18 June 2013. The main framework and basic components of the Guidelines for Intellectual Property Policies in Universities, which will be prepared to be used by the senior administrators of universities, have been presented in the workshop, which lasted one and half days.

Work on the participation in the “TMview” project, which is carried out within the framework of the bilateral cooperation between TPI and OHIM, has been completed and the “TMview” application has started to provide services with an interface in Turkish since 2 September 2013. “TMview” is a free application which allows the user to search the databases for trademarks of all participating countries’ trademark offices, in other words, providing for access to trade mark applications and registrations of the participating official trade mark offices in a single platform.

Furthermore, the TPI, as in previous years, signed various cooperation protocols with a number of institutions in order to establish an effective and common intellectual property system:

- A cooperation protocol was signed on 22 November 2012 between TPI and the Council of Higher Education. Within the framework of the protocol in question, it is planned to carry out joint activities to provide Masters and PhD courses in the universities on industrial property, add a course on industrial property to the curriculum of relevant departments, promote patent research in the universities for increasing the efficiency of R&D activities and keeping up to date on

technological developments, carry out studies in universities on licensing matters, and effectively use the patent criterion in academic promotions.

- A Cooperation Protocol was signed on 18 November 2013 between TPI and the University of Turkish Aeronautical Association for improving bilateral cooperation on issues such as industrial property rights, strategic implementation of these rights, patents with a high added value and production of unique designs and trademarks.
- A framework protocol was signed between TPI and Ankara Chamber of Industry on 10 July 2013 in order to enhance the cooperation between the industrial sector in Ankara and the TPI and contribute to the awareness-raising of industrialists regarding industrial rights.
- A protocol was signed between TPI and the Ministry of Customs and Trade on 8 January 2013 providing for the transfer of the data on the registration of trademarks kept by TPI to the Ministry of Customs and Trade in order to ensure that follow-up on the information on trademarks in exports.
- A cooperation protocol was signed on 14 December 2012 between TPI and the Turkish Radio and Television Corporation in order to raise awareness in the field of industrial design, create a culture of design and develop design policies by establishing sustained interaction between national and global values, and traditional and modern values in Turkey.

Within the framework of the work carried out in order to fight against piracy:

- The Directorate General of Copyright sent QR Code readers for counterfeiting and conformity controls to 23 provinces, in addition to 5 provinces where piracy is frequent and these readers are now effectively used during controls in 28 provinces.
- The work on the use of the software for banderol control and detection over smart phones via QR Code has reached the final stage.
- All types of works included in the TEHAKSIS automation system have been aligned with international standards so as to access accurate statistics.

Furthermore, Ministry of Culture and Tourism continued its activities for the purpose of increasing public awareness in the field of intellectual property rights. In this context:

- Within the framework of 26 April World Intellectual Property Day celebrations, under the title of Contributions to Social Sensitivity Regarding the Protection of Copyrights Awards, the persons and institutions contributed with their

investments and works to the economic and cultural development of Turkey and to the development of a social sensitivity regarding copyrights were awarded Copyrights Awards at the ceremony organised in cooperation with collecting societies. The purpose of the awards in question, which are planned to be presented regularly, is to emphasise the importance of intellectual property, point out the relationship between an effective intellectual property protection system and a more developed cultural industry and raise public awareness on these issues.

- In order to raise awareness on copyright, the Second “Istanbul Short Film Competition for High School Students” with the theme “Protection of Copyright and Fight against Piracy” was organised by the Ministry for EU Affairs, with the support of the Ministry of Culture and Tourism in May 2013.
- Between 19 and 22 June 2013, within the scope of the 21st Kusadası Golden Pigeon Music Festival, the second copyrights symposium, “Symposium on Copyright in the Music Sector, Current Situation and Developments in the World” was held with the participation of representatives from the Ministry of Culture and Tourism and representatives of collecting societies and Turkish and Foreign music industry.
- Within the framework of the campaign “I buy Real”, which is carried out in cooperation with the Union of Chambers and Commodity Exchanges of Turkey (TOBB) and the International Chamber of Commerce (ICC) and the purpose of which is to raise public awareness about the threats of using counterfeit and pirated products, a public spot was created. The spot was publicized in the Copyrights Awards ceremony, which was held in the scope of 26 April World Intellectual Property Day celebrations.
- On 12 June 2013, the National Workshop for Judges and Prosecutors on Building Respect for IP, where foreign experts, judges and representatives of collecting societies in Turkey made presentations, was held in cooperation with the Ministry of Culture and Tourism, WIPO and the High Council of Judges and Prosecutors.

In order to ensure the effective use of the central database on intellectual property rights issues, the Program for the Protection of Intellectual and Industrial Property Rights at Customs, which allows the right holders to make electronic applications, was initiated on 1 April 2013. General Communiqué on Intellectual and Industrial Property Rights, published in the Official Gazette No. 28599 of 26 March 2013, constitutes the legal basis of electronic applications. Electronic applications guide of the Program has been on the web site of the Ministry of Customs and Trade since 1 April 2013.

In addition, with regard to the enforcement of intellectual property rights at customs, risk profiles have been created on intellectual property rights. Furthermore, in order to fight against potential intellectual property rights infringements, risk profiles are updated according to the seizures on the basis of goods, firms and countries.

Chapter 8: Competition Policy

Alignment with the EU *Acquis*

Turkey's ability to take on the obligations of membership in the area of competition policy arises from the Decision No. 1/95 of the Turkey-EU Association Council on the application of the final stage of the Customs Union.

Turkey's level of alignment in the field of anti-trust and mergers is advanced. This is repeatedly confirmed by the EU institutions as well. The Competition Authority continues to strengthen its enforcement record and capacity by adopting a number of decisions regarding the distortion of competition.

In this respect, the Competition Authority published the following communiqués in 2013:

- Block Exemption Communiqué on Specialization Agreements,
- Communiqué on the Procedures and Principles to be Pursued in Pre-Notifications and Authorization Applications to be Filed with the Competition Authority in order for Acquisitions Via Privatization to Become Legally Valid

In addition to these communiqués, the Competition Authority published the following guidelines:

- Guidelines on the Explanation of the Regulation on Active Cooperation for Detecting Cartels,
- Guidelines on the Horizontal Cooperation Agreements,
- Guidelines on the Assessment of Horizontal Mergers,
- Guidelines on the Assessment of Non-horizontal Mergers,
- Guidelines on the Transactions Regarding Mergers and the Notion of Control.

Furthermore, public consultations on the draft Guidelines on the Assessment of Abuse of Dominant Position by Exclusionary Practices and the draft Guidelines on the General Principles of Exemption were launched, and it is planned that these guidelines will be published in the upcoming period.

In addition to these regulations, the Competition Authority prepared the Draft Law Amending the Law No. 4054 on the Protection of Competition by taking into account the EU competition rules as well. This Draft Law also covers a number of provisions expected by the European Commission to be aligned with the EU *acquis* and expressed

in previous Progress Reports. It is envisaged that the Draft Law will be soon brought to the agenda of the TGNA.

In the area of state aids, the General Directorate of State Aids maintains its work within the framework of the Law No. 6015 on the Monitoring and Supervision of State Aids.

Administrative Capacity Building

The Competition Authority's overall administrative capacity is high and the Authority continues to display a commitment to providing high level training for its staff and maintaining administrative and operational independence. In this framework, the personnel of the Authority participate in graduate programs in Turkey and abroad. In addition to the seminars, conferences and education programs on the competition law, the personnel of the Authority also continue to attend in-service training programs. Moreover, the Authority recruited 20 assistant experts in 2013.

Since its establishment, the State Aids Monitoring and Supervision Board has continued to meet on a regular basis in order to overview the studies pursued by General Directorate of State Aids, keep up with recent developments in the EU state aid rules and scrutinize measures implemented by different institutions currently. Furthermore, the General Directorate of State Aid has been maintaining the capacity building efforts. In this respect, the General Directorate has been participating in the trainings organized by means of EU technical support, and continuing the in-service trainings delivered by the experienced experts of the General Directorate. A project proposal has been prepared within the scope of the Leonardo Program with the aim of sharing experiences in the field of supervision of state aids.

Chapter 9 : Financial Services

Alignment with the EU Acquis

Financial Services is one of those chapters suspended as a result of Turkey's not having fully implemented the Additional Protocol to the Association Agreement.

The efforts for alignment in the field of financial services are continuing, taking the EU acquis and international standards into account, in a manner that satisfies market needs and the recent developments, and the level of alignment in this field is quite high.

In the area of **banking**, a number of arrangements were made by the Banking Regulation and Supervision Agency (BRSA) with the aim of alignment with the reform package known as Basel-III and with the EU acquis in this respect which included improvement of both the quality and quantity of capital in the banking sector after the global financial crisis, expansion of the scope of the risk, increase of risk weights, establishment of a non-risk based leverage ratio to limit the liabilities of banks, and establishment of an international liquidity risk measurement mechanism as well as a countercyclical capital framework. In this context, with the aim of meeting the provisions of Basel-III regarding the measurement of capital adequacy, a "By-law on Own Funds of Banks" and a "By-law amending the By-law on Measurement of Evaluation of the Capital Adequacy of Banks" were published in the Official Gazette No. 28756 of 5 September 2013. In addition, a "By-law on Measurement and Evaluation of Leverage Level of Banks" and a "By-law on Capital Conservation and Cyclic Capital Buffers" were published in the Official Gazette No. 28812 of 5 November 2013 in order to transpose the provisions of Basel-III regarding the leverage level of banks and capital buffers into the national legislation. These By-laws will enter into force on 1 January 2014. Furthermore, it is envisaged that the draft "By-law on Calculation of the Liquidity Coverage Ratio of Banks" will be published in the Official Gazette before the end of 2013 and enter into force on 1 January 2014.

Within the scope of alignment with the EU legislation, the work on a legislative amendment was carried out by the Savings Deposit Insurance Fund (SDIF) in order to include the deposits of legal entities within the scope of deposit insurance. Furthermore, the insurance limit of 50,000 Turkish Liras which was applied in Turkey for approximately 9 years was increased to 100,000 Turkish Liras in accordance with the "By-law Amending the By-law on Deposits and Participation Funds Subject to Insurance and Premiums Collected by Savings Deposit Insurance Fund" which entered into force upon its publication in the Official Gazette No. 28560 of 15 February 2013. With this amendment, the ratio of deposits subject to insurance to the total deposits increased to 30% and the ratio of depositors subject to insurance to the total depositors increased to 90%, and thus, the deposit insurance in Turkey became more harmonized with the EU legislation.

With the aim of aligning with the EU acquis, filling the legal gaps in the area of payment systems, payment services and electronic money institutions, ensuring sound improvement of these areas, defining main concepts and determining rights and obligations as well as sanctions, the “Law No. 6393 on the Payment and Securities Settlement Systems, Payment Services and Electronic Money Institutions”, which was prepared by taking into account Directive 2007/64/EC on Payment Services, Directive 2009/44/EC amending Directive 1998/26/EC on Settlement Finality in Payment and Securities Settlement Systems and Directive 2009/110/EC on the Taking-up, Pursuit and Prudential Supervision of the Business of Electronic Money Institutions, as well as international standards, practices and arrangements, entered into force upon its publication in the Official Gazette No. 28690 of 27 June 2013. In accordance with the Law, the BRSA was assigned as the regulatory and supervisory authority responsible for payment services and electronic money sectors.

In the area of **capital markets**, 32 communiqués and by-laws were published in early December 2013 for the implementation of the Capital Market Law No. 6362, which entered into force upon its publication in the Official Gazette No. 28513 of 30 December 2012, and most of the existing work on secondary legislation is planned to be finalized by the end of 2013. With this secondary legislation;

- Conditions were determined to classify financial services within the framework of the EU acquis and allow flexibility to financial intermediaries to respond to the needs of customers, to specify capital requirements in line with the new structure, and to strengthen the protection of the rights and interests of investors.
- Legislative amendments were made regarding credit rating agencies.
- The processes regarding the issuance of capital market instruments and their public offering as well as prospectus arrangements were updated by taking into account the problems in practice and the perspective of alignment with the EU acquis.
- A number of arrangements were made by taking into account the EU acquis regarding institutional investors in order to ensure specialization in the area of collective portfolio management and safekeeping of assets.
- Principles on stock exchange and market operators were determined.
- Arrangements were made to enable alignment with the EU acquis in the field of public disclosure.
- The scope of payments to be made by the Investor Compensation Center, which gained its legal infrastructure after replacing the Investor Protection Fund pursuant to the Capital Market Law, was extended to cover the receivables that result from all capital market instruments as well as equity and cash, and the maximum compensation amount increased to 100,000 Turkish Liras in accordance with the EU legislation.

- Within the scope of the investor compensation center, central clearing institutions and central counterparty practices, the principles were determined regarding Takasbank's becoming central counterparty. The legal basis was established for implementation of the central counterparty practice in the transactions carried out both in organized and over-the-counter markets and implementation of the central counterparty practice was allowed first in the equity lending market operated by Takasbank.
- Arrangements were made in order to bring a solution to the needs of the debt instruments market which has been growing in the recent period, and the regulations regarding shares, real estate certificates, warrants and issuance of investment firm certificates entered into force.

With the arrangements mentioned above, the National Program commitments in the area of capital markets were fulfilled considerably. In realization of these arrangements, alignment with the EU acquis (such as credit rating agencies and central counterparty, etc.) published after the 2008 National Program was also respected. On the other hand, since the arrangements on intermediation and institutional investors, which were made by taking into account the EU legislation in particular, will lead to significant changes in the organization of the sector, it is aimed that the relevant regulations will enter into force and be implemented within the determined transition periods. Besides ensuring alignment with the EU acquis, these arrangements resulted in some progress achieved in the field of consolidation of capital markets, diversification of financial instruments and access of the SMEs to financing.

In the area of **insurance**, the "By-law amending the By-law on Insurance Arbitration" published in the Official Gazette No. 28717 of 24 July 2013 set up practices regarding arbitration committees and authorized persons for objections and consolidated the mechanisms for settling disputes without going to court. Furthermore, the "Law No. 6456 on Regulating Public Finance and Debt Management and Amending Certain Laws and Decree-laws" (Official Gazette No. 28622 of 18 April 2013) enables assignment of specialized courts regarding settlement of the disputes that result from insurance legislation through legal remedies. These courts will become operational as of early 2014.

Administrative Capacity Building

In terms of administrative capacity, the BRSA published its strategic plan for the 2013-2015 period in June 2013 and released it to the public and stakeholders. With the "Law on Payment and Securities Settlement Systems, Payment Services and Electronic Money Institutions", the organization structure of the BRSA was reorganized. In this framework, the number of Vice Presidents and Heads of Department was increased and the process for establishing new departments was initiated. In compliance with the new structuring, the regulation on the working procedures and principles of the BRSA was

updated. Thus, it was planned that the supervision, regulation, implementation, research, strategy formulation and support services of the authority were fulfilled in a more effective manner. Furthermore, the action plan on the protection of consumers was finalized. The newly established Department of Inquiry was assigned as a unit that exclusively deals with consumer issues.

Within the scope of the work carried out regarding the infrastructure of capital markets, Borsa Istanbul was established as an incorporated company in accordance with the new Capital Markets Law, and the merger process of the Turkish Derivatives Exchange (TURKDEX) and the Borsa Istanbul Futures & Options Market (VIOP) established within the body of Borsa Istanbul was finalized. Within the context of the work carried out by the Financial Stability Committee that gathers the financial regulators in Turkey, the efforts regarding national strategy and action plan on financial education prepared by the Capital Markets Board after receiving the opinions of the relevant parties and by taking into account the principles of the OECD/INFE (Organization for Economic Cooperation and Development/ International Network on Financial Education) are at the final stage. Furthermore, the efforts regarding cooperation with the regulatory and supervisory authorities of other countries are ongoing and a memorandum of understanding was signed with the Ministry of Finance of Turkmenistan in 2013. At present, bilateral memorandums of understanding were signed with the regulatory and supervisory authorities of 32 countries, and in addition, terms of references were signed with two countries (the United States and Maldives). Furthermore, memorandums of understanding on cooperation and information exchange in the supervision of alternative investment funds were signed between the Capital Markets Board and the Securities Authorities of 16 European Countries in August. Works on the Markets in Financial Instruments Directive, Open Ended Investment Trusts and Alternative Investment Funds were carried out through the Technical Assistance and Information Exchange (TAIEX) Instrument of the European Commission

Within the scope of the work on strengthening the administrative capacity of the insurance sector, the Undersecretariat of Treasury became a signatory party of the International Association of Insurance Supervisors (IAIS) Multilateral Memorandum of Understanding (MMoU) on cooperation and information exchange between the supervisory authorities of the member states in March 2013.

Furthermore, the Undersecretariat of Treasury conducted a short-term project, financed with EU funds, which consisted of work addressing the legal gap between the EU acquis and Turkish insurance legislation and seminars aiming to update the knowledge of the relevant stakeholders regarding the EU insurance legislation, between October 2012 and March 2013.

Chapter 10: Information Society and Media

The alignment level of the primary legislation in **Electronic Communications and Information and Communications Technologies** is very high.

The “Draft Law on the Regulation of Electronic Commerce” which will provide further alignment within the scope of the chapter is pending at the General Assembly of the TGNA and expected to be adopted in a short time. With this Draft Law, unsolicited commercial communications via short messages, e-mails and calls will also be prevented.

With the protocol signed between the Ministry of Finance and the Information and Communication Technologies Authority (ICTA), ICTA has the ability to reach the net sales of the operators online. Operators’ obligations to submit the income table which is the base for the calculation of administrative fee that operators obliged to pay was abolished with “By-law Amending the By-law on Authorisation in Electronic Communications Sector” entered into force (Official Gazette No. 28629 of 26 April 2013) and with the amendment of the By-law, it was aimed to reduce the administrative burden on the operators by decreasing the scope of the information and the number of the documents that the operators must submit to the ICTA.

The “By-law Amending the By-law on Emergency Service Calls in the Electronic Communication Sector” entered into force upon its publication in the Official Gazette No. 28707 of 14 July 2013. With this amendment, code of conduct regarding “troubleshooting process” required to be carried out by operators in the Emergency Service Calls were established. By this way, it is aimed to solve the problems in Emergency Service Calls as soon as possible and to provide services without long-time interruptions.

The “By-law on Processing the Personal Data and Protection of Privacy in the Electronic Communication Sector” entered into force upon its publication in the Official Gazette No. 28363 of 24 July 2012. This By-law regulates the principles that the operators will be subject to for the processing, storage and protecting the confidentiality of personal data in the electronic communication sector. With the By-law Amending the By-law on Processing the Personal Data and Protection of Privacy in the Electronic Communication Sector (Official Gazette No. 28704 of 11 July 2013) and the deadline regarding to transfer personal data out of the country has been extended as 24 January 2014, moreover the operators and parties authorised by operators were enabled to process data while the operators were held liable for the processes. In addition to the above, contemporary refusal was enabled to subscribers on processing the location data, as for data storage process regarding the failed calls.

As a result of the latest developments taken place in electronic communications industry recently, and considering of amendments of the European Union (EU) legislation and also taking into account of the additional regulatory requirements, the “By-Law on Market Analysis” was put into force (Official Gazette No. 28480 of 27 November 27

2012). In this context, “By-Law on the Principles and Procedures Concerning the Designation of the Undertakings with Significant Market Power in the Electronic Communications Sector and the Remedies to be Imposed on Those Undertakings” (Official Gazette No. 27336 of 1 September 2009) was repealed. The new By-Law introduced some new provisions which were not included in repealed By-Law, and provided further harmonization with the EU acquis.

The third round of the market analyses (Call Termination on Public Mobile Telephony Networks, Wholesale Access and Call Origination on Public Mobile Telephony Networks, Wholesale Broadband Access, Call Termination on Fixed Telephony Networks, Call Origination on Fixed Telephony Networks and Call Transit on Fixed Telephony Networks) has been completed as of April 2013, and within the scope of related market analyses, ex-ante remedies have been imposed on the operators having Significant Market Powers (SMP) in order to establish and protect the competition in relevant markets. In addition, the market analyses documents regarding Wholesale Physical Network Infrastructure Access and the Wholesale and Retail Leased Lines have been published on the website of the Authority by taking into account of the public consultation. Particularly, SMP operator in Wholesale Physical Network Infrastructure Access Market has been obliged to ensure an unbundled access to the local loop and physical infrastructure elements, and an opportunity has been provided to benefit from ducts of incumbent operator, if requested by alternative operators in this market. Moreover, it was assessed that ex-ante regulations in Call Transit on Fixed Telephony Networks market were not needed in context of enhancements of competition level significantly, and therefore the market has been deregulated, resulting in removal of previously imposed remedies on SMS operator, Turk Telekom.

Furthermore, market analyses documents that are currently in the final stage regarding Access to the Public Telephone Network at a Fixed Location and Access to the Public Telephone Network at a Fixed Location Market Analysis, whose validity period was extended until 31 December 2013 by the Boards Decision, was published on the website of ICTA and thus, the third round of market analyses procedure would be completed by taking into account of public consultation. Regarding these analyses, end user questionnaire and public survey have been performed with 3200 households, 3200 individuals, 2158 institutions in 77 provinces within the country with the purpose of indicating the pattern of the voice and internet services of the individual and institutional (residential and non-residential) users getting fixed and mobile services. Moreover, by considering the results of the survey and some other data, Report on “Fixed-Mobile Substitution in Electronic Communication Sector”, which has been prepared regarding the voice and internet services providing from the fixed and mobile networks, was concluded in November 2013. The results of this study and abovementioned report provided significant data for the aforementioned market analyses.

Access and interconnection obligations may also be imposed on the operators that have SMP, and within the scope of this obligation, an upper limit may be introduced for the

wholesale tariffs that the operators get in return for the call termination services they offer to the other operators. With the Board Decision No. 2013/DK_ETD/70 of 5 February 2013, Turkcell Reference Access Offer was approved and an important step was taken of leading quality for offering mobile virtual network services. In addition, for ensuring necessary developments completely regarding aforesaid obligations imposed on Turkcell, with the Board Decision No. 2013/DK-ETD/268 of 13 May 2013, Turkcell was granted 6 months additional time.

While the wholesale mobile termination rates were between 15.2 Kr. and 17.5 Kr. per minute in 2006; with the regulations made over the years these rates have been reduced considerably. According to Boards Decision No. 2013/DK-ETD/359 of 17 June 2013 which was entered into force as of 1 July 2013, the mobile call termination rates are applied between 2.50 Kr. and 2.96 Kr. per minute. Moreover, with the Boards Decision No. 2013/DK-ETD/201 of 12 April 2013 which was entered into force as of 1 July 2013, the SMS termination rates are applied as 0.43 Kr./unit. These SMS TRs are the lowest prices within the EU.

As a result, owing to the reductions in the termination fees which are inputs for the inter-network electronic communication services offered at the retail level, the mobile tariffs that the consumers pay for also became cheaper.

In order to ensure the transparency of tariffs, it was decided by the ICTA in 2012 that mobile network operators and fixed incumbent operator are to set up web pages in which the consumers can compare the tariffs of the relevant operator and these web pages were made available to users on their websites for test-purpose in 2013. Moreover, the decision taken by ICTA in July 2011, the reference interconnection offer (RIO) of Turk Telekom which was updated and the wholesale line rental (WLR) services were added to Turk Telekom's RIO. WLR service has been applied from February 2012. Within the context of RIO applications, the number of users that benefits from WLR is 1,053,830 in total as of October 2013.

ICTA approved facility sharing decision as a supplement of rights of way regulation, with the Boards Decision No. 2013/DK-ETD/187 of 12 April 2013. It was entered into force on 1 September 2013, according to the Decision all operators, which have been authorised to establish fixed electronic communication infrastructure, are obliged to share their infrastructures with each other. Facility sharing decision of Board of ICTA will provide effective and productive usage of the sources and moreover it will be an important means in order to establish the infrastructure-based competition environment. A legal regulation similar in context to ICTA's Board Decision, given in consideration of the Proposal for a Regulation of the European Parliament and the Council No. COM(2013)/147-2013/0080(COD) of 26 March 2013.

With the Board Decision of ICTA No. 2013/DK-ETD/25 of 11 January 2013, the partial leased line services are entered into force for the first time on 24 June 2013. Aforementioned services have being used for the purposes as aggregating traffic

belongs to the different users by the alternative operators and then transporting to their network with high capacity and submission of interconnection traffic.

Mobile number portability commenced on 9 November 2008 and the total number of transactions exceeded 62 million in November 2013. Approximately 7 million of these transactions took place between June and November 2013.

With these regulations, now our citizens can use phone services at a lower price. While the total call time was approximately 85 billion minutes in 2004, 190 billion minutes in 2012, it increased up to 150 billion minutes in the first three quarters of 2013.

While at the end of 2008, 6 million subscribers had access to the broadband internet facilities, at the end of the 3rd quarter of 2013, the number of subscribers increased up to over 33,7 million. Given that this number was around 20,000 in 2003, the importance of the regulations within the framework of the EU becomes more prominent.

As of October 2011, ICTA decided to exclude the fibre access (FTTH/FTTB) services from market analysis process for 5 years period or until the percentage of fibre internet subscriber's ratio will reach 25% in the whole fixed broadband subscribers so as to incentivise new investments, to encourage the development of new technology and productions in the electronic communication sector, and also to promote increase of emerging fibre internet access services developing within this context and to ensure the development of infrastructure-oriented competition. However, incumbent operator gave a commitment regarding the resale and bit stream access (BSA) at wholesale level on fibre infrastructure in this period. In addition, the number of naked DSL subscribers reached 998,000 as of 3rd quarter of 2013. Furthermore, it was benefited from the DSL churn process intensively and more than 978,000 of transfers were made by the end of September 2013.

With the ICTA regulations issued in 2012, it was ensured that the fees the operators charge for the calls made to the call centres and short numbers with 3 digits are not higher than the tariffs for the calls made to the fixed network. After these regulations, the consumers have been able to make calls to those directions within the all direction call packages.

In accordance with the harmonization with the EU Acquis, "The Cooperation Protocol Between Competition Authority and Information and Communication Technologies Authority" was signed and entered into force on 2 November 2011, as a result of the coordinated works between the ICTA and the Competition Authority in order to the establishment, development and protection of the competition environment in the electronic communications sector with the aim of ensuring a common interpretation of the relevant legislation, mutual cooperation and coordination. In accordance with this signed Protocol, the second per annum session was held on 22 January 2013 hosted by ICTA. Moreover, as of the end of November 2013, the opinions of ICTA regarding 15 different topics (preliminary investigation/examination regarding the infringement of

competition, investigation, merger/acquisition applications) were issued to the Competition Authority.

The legal basis of the Registered Electronic Mail (REM) system was established with the provisions in Article 18(3) of the Turkish Commercial Code No. 6102. Moreover, with Article 1525(2) of the mentioned Code, the ICTA was mandated to establish the secondary legislation regarding the REM system, the rights and obligations and authorisation and supervision of the REM service providers. In this context, the ICTA prepared the By-law on Principles and Procedures of the Registered Electronic Mail System, the Communiqué on Processes and Technical Criteria Concerning Registered Electronic Mail System and the Communiqué on Registered Electronic Mail Guide and the Registered Electronic Mail Account Addresses and these regulations entered into force on 1 July 2012 with the Turkish Commercial Code No. 6102.

While ensuring the effective, high quality and cost-effective use of the information and communication technologies by more people in the process of the transformation into information society, the establishment of trust and security in the usage of the information systems based on the technologies in question is essential. Based on this, in 2012 the work was started to ensure the coordination of the cyber security at the national level which has been on the agenda for the last few years.

In this context, the Decree No. 2012/3842 of the Council of Ministers on “Implementation, Management and Coordination of the National Cyber Security Works” entered into force upon its publication in the Official Gazette No. 28447 of 20 October 2012. In accordance with the aforesaid Decree, the Cyber Security Board which is chaired by the Ministry of Transport, Maritime Affairs and Communications was established in order to determine the measures to be taken regarding cyber security, to approve the plans, programs, reports, procedures, principles and standards that are prepared and to ensure the implementation and coordination of them.

In this context, the National Cyber Security Strategy and Action Plan 2013-2014 entered into force with Decree No. 2013/4890 of the Council of Ministers upon its publication in the Official Gazette No. 28683 of 20 June 2013. The Plan includes both works planning to put in practice in 2013-2014 period and the activities required to be carried out continuously as training and awareness-raising and periodic activities going beyond to these years. National Cyber Security Strategy and Action Plan 2013-2014 include public information systems and information systems regarding the critical infrastructures operating by the public or private sector.

Moreover, in May 2013, Computer Emergency Response Team of Turkey (TR-CERT) was established, the Communiqué on principles and procedures relating to Composition, Powers, Duties and Responsibilities Concerning the public and private sector’s Cyber Security Incident Response Teams was published in the Official Gazette No. 28818 of 11 November 2013. In the next step, activities relating to cyber security will be conducted within the framework of National Cyber Security Strategy and Action Plan 2013-2014.

Besides, within the scope of Council Recommendation (1999/519/EC) of 12 July 1999 on the Limitation of Exposure of the General Public to Electromagnetic Fields (0 Hz to 300 GHz) and the items 4.1.3. (to effectively cope with the behaviours of the operators which are not compliant with the regulations) and 4.5.3.e. (to inform the public effectively and periodically about the regulations in electronic communications sector) of the ICTA 2013-2015 Strategic Plan, the project of “Base Stations’ Measurement Results”- which enables users to display the distance from a selected point on the map or his/her address registered in the e-government internet site to the nearest base station, the highest measured electromagnetic field value of the sectors of that base station, the international and Turkish limit values- has been into operation since 4 November 2013. It is considered that this project contributes to the information society positively by raising public awareness on the electromagnetic fields resulting from the base stations.

The main regulation concerning the Audio Visual Policy is the “Law No. 6112 on the Establishment of Radio and Television Enterprises and Their Media Services” dated 3 March 2011.

In case of a problem in terms of the calendar predicted in Law No. 6112, it is anticipated that the analogue broadcasts are closed off by 3 March 2015 and that the complete transition to the digital broadcasting is ensured. With the complete transition to the digital broadcasting, it will be possible to ensure broadcasting at a higher level and quality and to use the spectrum that will emerge from the switching of the analogue broadcasting, for various purposes.

Institutions that have broadcasts in languages other than Turkish make their broadcasts in the same framework with other Media Service Providers without being subject to any restrictions regarding the content, time limitations or subtitles/consecutive interpreting requirements. The number of institutions that make broadcasts in languages other than Turkish increased to 31 by 29 November 2013.

“The research on the Media Habits of Children in Turkey” which is conducted within the scope of “Action for Children and Media” by Radio and Television Supreme Council is completed. The findings of this research are made public during the First Children and Media Conference in Turkey which was held thanks to the cooperation of Radio and Television Supreme Council, Directorate General of Press and Information, and Foundation of Children and with the contributions of 25 partners.

4th Annual Meeting of Black Sea Broadcasting Regulatory Authorities Forum (BRAAF), which is led by Turkey in the field of audiovisual media services and encouraged by the EU within the context of sub-regional integration activities, was held in Kiev, Ukraine, and the Joint Declaration on Protection of Minors in terms of Audiovisual Media was adopted by 12 members.

With the secondary legislation amendments following the Law No 6112 on the Establishment of Radio and Television Enterprises and Their Media Services, the

closing criteria concerning media in the Chapter of Information Society and Media are met.

Chapter 11: Agriculture and Rural Development

Agriculture and Rural Development is one of those chapters suspended as a result of Turkey not having fully implemented the Additional Protocol to the Association Agreement. Accordingly, the EU Council Decision of 11 December 2006 stipulated that negotiations will not be opened on eight relevant chapters and no chapter will be provisionally closed until Turkey has fulfilled its commitment.

Alignment with the EU *Acquis*

In the area of **organic farming**, within the framework of the work on alignment with the Commission Implementing Regulation (EU) No. 392/2013, the draft By-law amending the “By-law on Principles and Implementation of Organic Farming” was submitted to the institutions to ask for their opinions

As regards **geographical indications**, “The draft law amending Decree Law No. 1/756 on the Protection of Patent Rights and Certain Laws and Decree Laws” were discussed in the committees of the TGNA and the draft Law is pending at the General Assembly of the TGNA. Within the scope of this draft Law, certain articles of the “Decree Law No. 555 on the Protection of Geographical Indications” were amended for alignment with the EU *acquis*.

Administrative Capacity Building

Within the framework of the work on the submission of the application regarding Turkey’s inclusion in the recognized third countries list of the EU on the imports of organic farming products in 2003, the first of the on-site inspection visits planned by the European Commission was conducted in Ankara and İzmir on 10-14 June 2013 with regard to the organic farming production rules and control system applied in our country. The second on-site inspection about the imports and exports of organic products was carried out in İzmir and İstanbul following the opening meeting in Ankara on 18-22 November 2013. The Mission Report on the first inspection visit was conveyed by the European Commission, and the other Mission Report on the second inspection visit is still pending to be conveyed.

As regards **the Nitrate Directive and Good Agricultural Practices**, “The Project on the Adaptation of European Green Agriculture Rules to the Turkish Agriculture System and the Capacity Building” was adopted and the relevant efforts are still ongoing.

The work on the “The Project on Nitrate Pollution Monitoring Network and Capacity Building for the Implementation of Codes of Good Agricultural Practices” carried out to reduce the agricultural pollution in waters is still ongoing.

The Technical Assistance Project for the implementation of the Nitrate Directive was finalized at the end of December 2012. As an output of this project, the Code of Good Agricultural Practices was drafted and the legislative efforts began with regard to this code.

As regards **Producer Groups and Producer Organizations**, within the framework of administrative capacity building with a view to enhancing Turkey's ability to fulfill the obligations of membership, the following TAIEX expert missions were carried out regarding the agricultural producer organizations which take various roles on the basis of products and product groups in the area of rural development and in the implementation of Common Market Organizations:

- Within the scope of rural development, TAIEX expert mission addressing Producer Groups on 14-17 May 2013,
- TAIEX expert mission addressing Producer Organizations in the fruit and vegetables sector on 21-25 October 2013.

In the area of **rural development**, 5 Agriculture and Rural Development Support Institution (ARDSI) Coordination Units (Ardahan, Bursa, Çankırı, Erzincan, Giresun) in 22 provinces⁸ within the scope of the second phase of the Instrument for Pre-Accession Assistance-Agriculture and Rural Development (IPARD) were accredited with the Conferral of Management Decision of the Commission No. C(2013) 4661 of 25 July 2013 as a result of the 7th IPARD Conferral of Management Mission on 12-23 November 2012.

As a result of the 8th IPARD Conferral of Management Mission conducted between 8-19 April 2013, 11 provinces (Aksaray, Ankara, Aydın, Çanakkale, Denizli, Elazığ, Kastamonu, Kütahya, Muş, Nevşehir, Uşak) of the remaining 17 provinces were accredited with the Conferral of Management Decision of the Commission No. C(2013) 3984 of 28 June 2013, and 6 provinces (Ağrı, Burdur, Karaman, Manisa, Mardin, Mersin) were accredited conditionally. An action plan was submitted to the European Commission on 23 September 2013 for the 6 Coordination Units for which the conferral of management decision was given conditionally. The IPARD Program implementations in these provinces have been monitored in accordance with this action plan. It is expected that the European Commission will make an audit mission to the provinces having conditional conferral of management decision on 2-6 June 2014. It is envisaged that 6 provincial coordination units will receive the final conferral of management as a result of this audit.

⁸ **First phase provinces:** Afyon, Amasya, Balıkesir, Çorum, Diyarbakır, Hatay, Isparta, Kahramanmaraş, Kars, Konya, Malatya, Şanlıurfa, Samsun, Sivas, Tokat, Trabzon, Yozgat, Van, Ordu, Erzurum.

Second phase provinces: Ağrı, Aksaray, Ankara, Ardahan, Aydın, Burdur, Bursa, Çanakkale, Çankırı, Denizli, Elazığ, Erzincan, Giresun, Mersin, Kastamonu, Kütahya, Manisa, Mardin, Muş, Nevşehir, Uşak, Karaman.

Since the initial conferral of management by the ARDSI, a total of 11 calls for proposals have been made so far. During the period of the first eight calls, projects were accepted only from the first implementation period provinces which completed their accreditation process, and with the beginning of the ninth call period, projects started to be accepted from the second phase provinces as well. As a result of the applications under the first 10 calls for proposal of which the evaluation process is over, grant contracts were signed for 1792 projects having a total investment amount of 1,091,348,722.79 TRY, and 593 of these projects were finalized. Out of 616,075,722.76 TRY envisaged as the total amount of grant for the contracted projects, 143,672,877 TRY was paid as of 29 November 2013. During the 11th Calls for Proposal under which the applications were received between 30 September and 8 November 2013, 5845 project applications, which have a total investment amount of 1,888,784,664.21 TRY and the demanded amount of 1,065,783,051.85 TRY, were received. The evaluation process of these applications is still ongoing.

The 42 proposals for modification, which were submitted to the Commission as a result of the work on the modification of the IPARD program carried out with the cooperation of the European Commission and the ARDSI with the aim to increase the efficiency of the program and the rate of absorption of the funds, are pending for approval.

With regard to the Technical Support measure under IPARD Program, of which the national accreditation has been completed, the Commission declared that the 9th Conferral of Management Mission would be held on 7-9 January 2014. Conferral of management decision regarding the Technical Support measure is expected to be announced in the first half of 2014.

In accordance with Article 68 of the Sectoral Agreement, the Annual Implementation Report prepared by the Managing Authority following negotiations with the ARDSI, which includes cumulative financial data and monitoring data on implementation for the 29 August 2011-31 December 2012 period, has been submitted to the 9th Monitoring Committee, which met on 20 June 2013. The said report was approved by the Committee.

Evaluation meetings were held, with the participation of Provincial Agriculture Directors and ARDSI provincial coordinators from 42 provinces, in order to evaluate the implementation and effectiveness of the IPARD Program. Interviews were held with the beneficiaries through visits to the projects which were completed in provinces.

The IPARD publicity and information activities were intensified and accelerated with the participation of 22 provinces in the scope of Phase 2 and training and publicity activities carried out by ARDSI Centre and ARDSI Provincial Coordination Units continued to be held on various topics and details. To this date, the total number of publicity and information meetings held is 5,085. Of those meetings, 2,692 were held during January-October 2013. The total number of people participating was 129,322

with 68,755 in 2013. The number of written and visual media activities carried out in 2013 was 20,820. In 2013, 530,000 publicity materials were distributed and a total of 1,265,000 materials have been distributed. As of end of October 2013, with the collaboration of the Ministry of National Education, Ministry of Food, Agriculture and Livestock and the ARDSI, 66,343 trainees participated in 2,302 courses and received certificates on apiculture, medical and aromatic plants, ornamental plants, domestic products, handicrafts, aquaculture and rural tourism in Public Education Centers. The internet-based Project Assistance Desk (PAD) system has been established to reply to the requests for information by citizens wishing to benefit from the assistance within the scope of the IPARD Program, thereby ensuring more effective and rapid solutions to problems. Furthermore, up-to-date announcements and information are provided through the telephone line and the official web-site of the ARDSI.

As regards employment, as of November 2013 the total number of the personnel has reached 1,937; 162 working in the Centre and 1,775 in Provincial Coordination Units. Within the scope of institutional and vocational training, training of all the personnel in the Centre or Provincial Coordination Units in horizontal issues, of interest to the institution as a whole, and in technical issues relevant to the unit itself has continued. To this day, the total number of training programs which were organized at the Central and the Provincial Coordination Units was 566 and 2473, respectively.

Within the framework of the IPARD, the IPARD-II, the follow-up program to the IPARD-I Program prepared and implemented in Turkey during 2007-2013, will be prepared for the 2014-2020. A SEI (Support Activities to Strengthen the European Integration Process) Project funded by the EU to assist the preparation of the IPARD II program has been prepared, approved and officially started on 23 October 2013. The project consists of the opening meeting, briefing sessions for experts, field work and sectoral work to be carried out in Ankara. Field work has started after the opening meeting and briefing sessions; and the date scheduled for completion of the work is 10 January 2014. A report will be prepared by the SEI experts at the end of February 2014. The report will contribute to the development of the new IPARD Program.

Within the framework of the preparatory work for the new program, sectoral working group meetings were held in Antalya on 11-15 November 2013, with the participation of public institutions and organizations, universities, non-governmental organizations and representatives from the relevant sectors.

In order to provide the basis for IPARD-II preparations for 2014-2020, working groups established by the Ministry of Food, Agriculture and Livestock continue to work on the preparations for the National Rural Development Strategy for 2014-2020. This strategy will be submitted to the Higher Planning Council.

As regards horizontal issues, technical preparations are ongoing for the Project on the Digitization of the Land Parcel Identification System (LPIS), which is the most

important component of the Integrated Administration and Control System (IACS). The preliminary call for tender was made by the Central Finance and Contracts Unit (CFCU) in January 2012.

The Terms of Reference (ToR) of the Project on Training of the Ministry of Food, Agriculture and Livestock Personnel on IACS issues and its estimated budget have been prepared. The ToR sent to the CFCU is being revised with the officials of the CFCU. Preliminary call for tender was published on the web-site of the CFCU in September 2013.

Within the framework of Farm Accountancy Data Network (FADN), work was carried out in 2013 to increase the number of provinces from which data is to be collected to 54 and agricultural holdings to 4,000.

As regards the improvement of the agricultural statistics, in order to meet the opening criteria for Chapter 11, work for the revision of the draft “Strategy to Improve the Turkish Agricultural Statistics System” prepared with the cooperation of the Ministry of Food, Agriculture and Livestock and the Turkish Statistical Institute, is carried out by the Agricultural Statistics Working Group under the coordination of the Ministry for EU Affairs, in line with the opinion of the European Commission.

Progress Achieved through Turkey-EU Financial Cooperation Projects

Project on Extending the Pilot Farm Accountancy Data Network Project and Ensuring Sustainability

The total budget of the project, which was completed on 12 December 2012, is 1,450,000 Euros. In order to extend the scope of the Farm Accountancy Data Network (FADN) previously initiated in nine pilot provinces to twelve provinces, a review of the institutional structure, organization of training programs to increase institutional capacity, and work for publicity and promotion so as to extend FADN implementation has been undertaken within the scope of this Project.

Project on the Digitalization of the Land Parcel Identification System

The total budget of the project for which the tender process started is 46,200,000 Euros. Within the framework of three service contracts, the project aims to create orthophotos through the procurement of the raw images of the entire territory of Turkey, to carry out the quality control of this data and to establish the Land Parcel Database based on digital reference parcels to be formed by using the orthophotos.

Project on Capacity Building on the Integrated Administration Control System

The total budget of the project for which the financing agreement was signed is 1,500,000 Euros. The project aims to establish an Integrated Administration and Control System in Turkey and a Land Parcel Identification System, which is a component of this system, and to meet training needs on the use of these systems.

The 2013 IPA-I Sector Identification Fiche (SIF) has been prepared to finance sectoral needs selected on the basis of the Agriculture and Rural Development Sector Alignment Strategy prepared in 2011, which comprises the priorities of the Agriculture and Rural Development Sector for alignment with the EU, from EU-Turkey Financial Cooperation Programme.

Chapter 12: Food Safety, Veterinary and Phytosanitary Policy

Alignment with the EU *Acquis*

With the “Law No. 5996 on Veterinary Services, Phytosanitary, Food and Feed” which entered into force within the scope of the opening benchmark for the Chapter 12: “Food Safety, Veterinary and Phytosanitary Policy”, and within the scope of the Strategy Paper including the transposition and the implementation schedule of the EU *acquis*, the following secondary legislations were prepared.

In the field of **Food and Feed Safety**, secondary legislations were prepared as listed below:

- Following the revision of 2002/72/EC Directive Relating to Plastic Materials and Articles Intended to Come into Contact With Foodstuffs (EU Regulation No 10/2011) in 2011, with a view to reflecting this revision on our national legislation “The Turkish Food Codex Communiqué on the Components of the Plastic Materials and Articles in Contact With Food” was published. (Official Gazette No. 28710 of 17 July 2013) With the EU Directive, List of the Food Simulants Used in the Migration Test of the Components of the Plastic Materials and Articles in Contact With Food were updated. For this reason, “The Turkish Food Codex Communiqué on List of the Food Simulants Used in the Migration Test of the Components of the Plastic Materials and Articles in Contact With Food” was published in the Official Gazette of the same date.
- “The Turkish Food Codex Communiqué on Food Supplements No:2013/49” prepared in line with the Directive 2002/46/EC of the European Parliament and of the Council of 10 June 2002 on the approximation of the laws of the Member States relating to food supplements entered into force (Official Gazette No. 28737 of 16 August 2013).
- “The Turkish Food Codex By-law on Food Additives” entered into force (Official Gazette No. 28693 of 30 June 2013). This By-law was prepared in line with the EU Regulation No. 1333/2008.
- “The Turkish Food Codex Communiqué on Methods of Analysis for Spirit Drinks No. 2013/11” entered into force (Official Gazette No. 28615 of 11 April 2013). This Communiqué was prepared in line with the Commission Regulation (EC) No. 2870/2000 of 19 December 2000 laying down Community reference methods for the Analysis of Spirits Drinks.

Draft Legislation:

- “The Turkish Food Codex Communiqué on Foods Intended for Use in Energy-Restricted Diets for Weight Reduction” was prepared for publication based on the Commission Directive 96/8/EC.
- “The Turkish Food Codex Draft Communiqué on Follow-on Formula” was prepared based on the Commission Directive 2006/141/EC.
- The Turkish Food Codex Draft Communiqué on Quick-Frozen Foods was prepared based on the Council Directive 89/108/EEC of 21 December 1988 on the approximation of the laws of the Member States relating to quick-frozen foodstuffs for human consumption.
- The Turkish Food Codex Draft Communiqué on Monitoring of the Temperature During Transport, Warehousing and Storage of Quick-Frozen Foods in parallel with the EU legislation No. 37/2005 was prepared based on the European Commission Regulation 37/2005/EC on the monitoring of temperatures in the means of transport, warehousing and storage of quick-frozen foodstuffs intended for human consumption.
- The Turkish Food Codex Draft Communiqué on Sampling, Sample Preparation and Analysis Method for the Official Control of the Level of the Dioxins and Dioxin- like Polychlorinated Biphenyls in Certain Foods was prepared in line with the Commission Regulation (EU) No 252/2012 laying down Methods of Sampling And Analysis For The Official Control Of Levels Of Dioxins, Dioxin-Like PCBs And Non-Dioxin-Like PCBs In Certain Foodstuffs.
- The Turkish Food Codex Communiqué on Analysis Method for the Official Control of the Fats and Oils Intended to be Used for Human Consumption and the Erucic Acid Level in the Foods Containing Oils or Fats was prepared in line with the Commission Directive 80/891/EEC relating to the Community Method of Analysis For Determining the Erucic Acid Content In Oils And Fats Intended to Be Used as Such for Human Consumption And Foodstuffs Containing Added Oils or Fats.
- The Turkish Food Codex Communiqué on the Methods of Sampling, Sample Preparation and Analysis for the Official Control of the Levels of Lead, Cadmium, Mercury, Inorganic Tin, 3-Mcpd 1, 2-Diol and Benzo(A)Pyrene in Foodstuffs was prepared in parallel with the Commission Regulation (EC) No 333/2007 laying down the Methods of Sampling and Analysis for the Official Control of the Levels of Lead, Cadmium, Mercury, Inorganic Tin, 3-Mcpd And Benzo(A)Pyrene in Foodstuffs.
- The Turkish Food Codex Communiqué on Council Decision 92/608/EEC laying down Methods for the Analysis and Testing of Heat-Treated Milk for Direct

Human Consumption was prepared in parallel with the Methods for the Analysis of Heat-Treated Milk for Human Consumption.

- The Turkish Food Codex Communiqué on the Sampling of Olive Oil and Olive-Residue Oil and Methods of Analysis was prepared in line with the Commission Regulation (EEC) No 2568/91 on the Characteristics of Olive Oil and Olive-Residue Oil and on the Relevant Methods of Analysis.
- The Turkish Food Codex Communiqué on Fruit Juices and Certain Similar Products (Official Gazette No. 26392 of 30 December 2006) is under discussion which was revised considering the Directive 2001/112/EEC Relating to Fruit Juices and Certain Similar Products.

In **Veterinary** field, secondary legislations were prepared as listed below:

- The By-law on Feed Additives Used for Animal Nutrition was published by harmonising with the Regulation (EC) No 1831/2003 of the European Parliament and of the Council on Additives for Use in Animal Nutrition (Official Gazette No. 28711 of 18 June 2013).
- “The Communiqué on Raising Purebred Sheep and Goat for Breeding Purposes” entered into force (Official Gazette No. 28554 of 9 February 2013).

Draft Legislation:

- In line with the 2160/2003/EC, 1177/2006/EC and 2007/407/EC Legislations, the By-law on the Control of Salmonella and Other Specified Food-Borne Zoonotic Agents was prepared and is ready to be published.
- The work on “The Draft Communiqué on Pure Race Breeding Cattle” which was prepared in the framework of Council Directives 2009/157/EC, 91/174/EEC and 87/328/EEC; Commission Decisions 2005/379/EC and 2006/427/EC; Council Decision 96/463/EC, is on-going.

In the field of **Phytosanitary**, secondary legislations were prepared as listed below:

- In the framework of the Commission Decision 2006/473/EC, “Identification of the Areas free from Certain Harmful Organisms” was published with the Competent Authority Consent No 1874 of 11 October 2013.

Draft Legislation:

- Legislative work on *Anoplophorachinensis*, *Gibberellacircinata*, *Dryocosmuskuriphilus*, *Phytophthoraramorum* is ongoing.

- Within the context of Notification procedures of the Directive 2008/61/EC for trial or scientific purposes, the Directive 2004/103/EC on identity and plant health checks, the Directive 98/22/EC on the Minimum Conditions for Carrying out Plant Health Checks and the Directive 94/3/EC, “By- Law on the Plant Quarantine” was amended and this amended By-Law is ready to be published.
- The work on the draft prepared within the scope of the Regulation 1756/2004/EC on Reduced Frequency Inspections of Phytosanitary Controls is on-going.

Administrative Capacity Building

Work in the field of Food Safety:

The following trainings were provided for the staff to be employed in food control services during 2013:

- During 2013, basic training for food controllers was provided for 499 persons and training programs were provided for 320 persons on HACCP audits, and 800 persons on communication techniques and inspector behaviors.
- Within the scope of TAIEX activities in 2013, 211 persons were trained through workshops and expert missions on Microbiological Sampling and Analysis for Food, Audit of Official Controls, Official Controls of Geographical Indications, Good Manufacturing Practices for Materials and Articles that Come into Contact With Food, Honey Quality, Food Hygiene and Microbiology; within the scope of TAIEX Regional Training Programme (RTP), 583 persons were trained through workshops organized in the fields such as Food Poisoning and Food-Borne Outbreaks, Official Controls of the Food and Feed, HACCP and Approval Procedures for Food Establishments Processing Meat and Milk, HACCP in Feed Establishments, Microbiological Sampling and Inspections of Food.
- In 2013, staff of the General Directorates, Provincial Directorates for Food, Agriculture and Livestock and Food Control Laboratories participated in the trainings organized within the scope of Better Training for Safer Food (BTSF) on the subjects such as food safety, food hygiene, food additives, official controls of the food and feed, food poisonings, HACCP, risk assessment, animal welfare, animal health, phytosanitary controls, Plant Quarantine inspections, contaminants and microbiological criteria and feed law. Furthermore, in order to improve the efficiency during the food inspections and controls, Hygiene Guides have been prepared for the small size enterprises to make them implement the HACCP requirements; and the work on introducing these guides to the sector is ongoing. Following the entry into force of the “By-Law on Specific Hygiene

Rules for School Canteens” (Official Gazette No.28550 of 5 February 2013), Specific Hygiene Guide for School Canteens which is prepared to inform and guide the operators of school canteens and their staff about hygiene applications required for safe food supply and which will be implemented on a volunteer basis was published and relevant trainings were provided. Additionally, in cooperation with the Ministry of National Education and Ministry of Health, a total of 42,326 persons were trained, 24,723 and 17,603 of whom are the employers of food establishments affiliated to the Ministry of National Education and the staff of Ministry of National Education, respectively.

With regard to the *laboratories*, 39 Food Control Laboratories, 1 National Food Reference Laboratory, Bursa Central Research Institute of Food and Feed Control affiliated to Ministry of Agriculture and Rural Affairs and 85 Private Food Control Laboratories render services. The number of public and private laboratories which carry out control and inspection activities in the field of food and feed safety and which are accredited in various diagnosis, assay and detection methods are 29 and 74, respectively. 1 public and 23 private laboratories were accredited in 2013.

With regard to Official Controls;

As of 2 December 2013, out of 5,604 enterprises which are subject to approval, 2,794 enterprises were approved, and 527,742 enterprises were registered in accordance with the registration procedure.

Risk based official controls are carried out frequently enough. 5,035 persons were employed in food inspection as of 2013. 315 persons were employed as food controllers as of 2013. In the first ten months of 2013, approximately 394,000 inspections were carried out (16,837 and 377,499 of which were done at workplaces subject to approval and at workplaces subject to registration, respectively). As a result, the number of inspections was increased by 14% when compared to the same period of the previous year.

2 of the Scientific Committees which were planned to reflect the risk assessment perspective of the EU have started to work.

In addition to the routine inspections and controls carried out by 81 Provincial Directorates of Food, Agriculture and Livestock within their own structure, the Ministry of Food, Agriculture and Livestock, adopting a central and holistic approach, carried out product and risk based assessments during all phases of food chain in order to ensure the protection of consumer health and safe food supply and thus, an Annual Food Control Plan was prepared, as in the previous years.

It is decided that the Food Control Plan, starting from 2013, be implemented in two parts namely as Control Plan of the Ministry and of the Provinces, and accordingly,

Provincial Control Plans were prepared by the Provincial Directorates considering the number of production facilities, production capacities, product diversity, number of the consumers to whom the production is addressed and risk level of the products. Within the scope of Provincial Food Control Plan, inspection programme for 34 product groups was implemented; the sampling of 14,268 products was planned and in a period of 11 months 12,183 sampling was conducted. Within the scope of Food Control Plan of the Ministry, an inspection programme for 34 product groups and pesticides inspection programme for 24 food products of plant origin were implemented; the sampling of 14,000 products was planned and 12,027 sampling was conducted in the same period. Furthermore, 18,535 sampling was conducted due to denouncement, complaint and similar reasons.

Within the scope of ALO 174 FOOD Call Center which became operational on 14 February 2009 with the aim of the participation of consumers in the inspection mechanism, a total of 262,764 calls were received between 1 January – 2 December 2013; out of this figure 55,934 were registered since they were within the scope of denouncement and complaint and the necessary actions were taken regarding 53, 061 calls.

In accordance with Article 31(6) of the Law No. 5996 on Veterinary Services, Phytosanitary, Food and Feed, it is provided that the information, which is gathered upon the controls carried out by the Ministry of Food, Agriculture and Livestock, can be announced to the public. In 2013, a total of 125 batches of product were made public via official website of the Ministry of Food, Agriculture and Livestock; 106 of these (including honey, milk, meat products and restaurants) were found to be imitated and adulterated, and 19 batches of products were found to include pharmaceutical active substances (food supplements, chocolate) following the laboratory results.

A circular was updated for the “By-law on Measures to be taken for the Monitoring of Certain Substances and Residues thereof in Live Animals and Animal Products” (Official Gazette No. 28145 of 17 December 2011) and the National Residue Monitoring Plan of 2013 was revised.

Within the scope of the 2013 National Residue Monitoring Plan, 2800 samples for the poultry, 2130 for aquaculture products, 906 for raw milk, 383 for honey and 859 for eggs were planned to be taken as a pilot scheme, and 1151 samples for poultry, 937 for fishery products, 463 for raw milk, 52 for honey, 378 for eggs and 32 for red meat were taken in the first 6-month-period.

The Food Safety Information System, through which data on food inspections are gathered, continues to operate efficiently.

Work in the field of Veterinary Services:

As of 1 January 2014, the approved list of enterprises published by the EU will be taken into account in the import and transit of the animal by-products which are defined through the “By-law on Animal By-products Not Intended for Human Consumption” and which are within the scope of the “By-law on Animals and Products which are subject to Veterinary Controls in the Entry to the Country”, and approval procedures will be carried out for the countries/regions/enterprises which are not included in the list.

Within the scope of the Project “Supporting Turkey to Enter the EU Market in Milk and Milk Products Sector” which was initiated by the Association of Packaged Milk and Dairy Products Manufacturers in April 2010 and carried out under the leadership of the Ministry of Food, Agriculture and Livestock, List of Approved Dairy Processing Establishments were published on the official website of DG SANCO on 21 March 2013 and the related Decision entered into force on 3 April 2013. Turkey has started to re-export dairy products to the EU. The number of enterprises which hold export approval to the EU is 6 (six). Furthermore, 2 enterprises are also approved by the Ministry of Food, Agriculture and Livestock to export to the EU and these are notified to the EU to be included in the list.

While there were 9 Directorates of Veterinary Border Inspection Posts (1 for air, 3 for sea and 5 for land), 8 new Directorates of Veterinary Border Inspection Posts for sea and 2 for land were established in accordance with the Decree No. 2013/5558 of 4 November 2013 of the Council of Ministers and the total number is increased to 23.

Work in the field of Phytosanitary

During the first 8-month-period of 2013, the number of the notifications received due to the pesticide residues detected on the products exported to the EU was decreased by 54% when compared to the same period of 2012. Tomatoes of Turkish origin were removed from the inspection frequency list as of 1 October 2013.

On the basis of Article 18(3) of Law No. 5996 on Veterinary Services, Phytosanitary, Food and Feed and on Article 22(1)(a) of the By-Law on Licensing of Plant Protection Products which entered into force upon its publication in the Official Gazette No. 27885 of 25 March 2011, the production and import of 7 active substances of plant protection products out of 17, which are in use in Turkey despite the suspension of their usage in the EU, were stopped in 2012 and their usage was suspended in June 2013; production and import of the remaining 10 were stopped as of January 2013 and it is decided that their usage will be suspended as of the end of December 2014.

Progress Achieved within the Scope of Projects Carried out under the Financial Cooperation between Turkey and the European Union

The project "Monitoring of *Salmonella* in Poultry and Foodstuff and Developing *Salmonella* Control Programmes" was prepared.

The project "Development of a Strategy for the Harmonization of the EU Animal By-Products Legislation", the application of which was made within the scope of the Support Activities to Strengthen the European Integration Process (SEI), was approved and the contract of the Project is about to be signed.

Another SEI Project, "Technical Assistance for Technical Assessment on Development of Establishment of the Phytosanitary Border Inspection Posts" was carried out. The Project was initiated in January 2013 and finalized in April 2013.

Chapter 13: Fisheries

Fisheries is one of those chapters suspended as a result of Turkey not having implemented the Additional Protocol to the Association Agreement. Accordingly, the EU General Affairs and Foreign Relations Council Decision of 11 December 2006 stipulated that negotiations will not be opened on eight relevant chapters and no chapter will be provisionally closed until Turkey has fulfilled its commitment.

Alignment with the EU *Acquis*

Within the framework of alignment with the EU *acquis* on fisheries, work for the revision of the Fisheries Law carried out by the Ministry of Food, Agriculture and Livestock continues. The Draft Law in question has been opened to the suggestions and contributions of the public institutions. With this arrangement, it is aimed to enhance resource management in fishing production and to ensure respect for the environment in aquaculture by observing the balance between conservation and exploitation.

The third meeting of the “Fisheries Dialogue Working Group” which was set up in order to improve the cooperation and dialogue between the EU and Turkey on fisheries management, fisheries control and scientific investigations and to exchange opinions through the General Fisheries Commission for the Mediterranean (GFCM) and the International Commission for the Conservation of Atlantic Tunas (ICCAT) was held in Brussels on 15 April 2013. The Fisheries Dialogue Working Group also held the third Evaluation Meeting of the 2013 Bluefin Tuna Campaign on 6 November 2013

Administrative Capacity Building

Work on administrative capacity building further continued in 2013.

The Fisheries Information System (FIS) which was established in order to collect and evaluate data on fisheries has been improved. Within this framework;

- The controls carried out and the implementations within the framework of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) are followed through FIS.
- The module which provides the collection of aquaculture and inland water fishing data has been developed and started to be used.
- The scope of the module used for reporting the data has been improved.

Fisheries port offices (fisheries administrative buildings), 29 of which has been built with the EU grants provided within the scope of EU-Turkey Financial Cooperation, reached a total number of 42 in 2012 with the completion of the Düzce/Akçakoca office. Work on the construction of Sinop/Demirciköy port office continues.

Work for protecting fish stocks, reducing fishing pressure and ensuring sustainable fishing continues. Within this framework, the “Communiqué No. 2013/25 on Aid to Those Who Decommission Fishing Vessels” was published in the Official Gazette No. 28661 of 29 May 2013 by the Ministry of Food, Agriculture and Livestock. Accordingly, the vessel-owners, who voluntarily decommission their vessels licensed for fishing activities on sea with licences still valid; which are of 10 metres’ or more length and registered to the Fisheries Information System (FIS), are covered by this support and implementation in this regard continues.

The National Fisheries Data Collection Program has been launched for collecting data on fisheries through sampling method. Within the scope of the “Project on Acoustic Method for Determination of Black Sea Anchovy Stocks and Continuous Monitoring Model Generation”, jointly carried out by TUBITAK and the Ministry of Food, Agriculture and Livestock and launched in 2011, acoustic screening and fish counting work for the determination of the status of anchovy stocks in the Black Sea continues.

The Geographical Information System (GIS) where the arrangements on water resources, fisheries coastal structures and fishing are shown on maps and software for the monitoring of fishing vessels has been developed.

Progress Achieved within the Scope of the EU-Turkey Financial Cooperation Projects

Work on the Project on Institutional Capacity Building for Fishery Producer Organisations (TR11IBAG.01) which will be launched in January 2014, financed within the framework of Turkey-EU Financial Cooperation Program and which has a total budget of 1 million Euros continues. The project which will be carried out together with the consortium of Netherlands, France and Sweden aims to enhance the welfare of fishers, increase the safety and quality of fishery products and develop an effective mechanism for organisation in fisheries sector with a view to aligning with the EU Common Fisheries Policy.

Chapter 14: Transport Policy

Transport Policy is one of those chapters suspended as a result of Turkey not having fully implemented the Additional Protocol to the Association Agreement. Accordingly, the EU Council Decision of 11 December 2006 stipulated that negotiations will not be opened on eight relevant chapters and no chapter will be provisionally closed until Turkey has fulfilled its commitment. The official Screening Report of the chapter has not been submitted to Turkey yet.

Whereas this Chapter cannot be opened to negotiations due to political reasons, Turkey maintains continuous efforts both for the alignment with the *acquis* and administrative capacity building for implementation. Furthermore, within the scope of the chapter, a dialogue was initiated between Turkey and the European Commission during the high-level inter-committee meeting held in Brussels on 9 December 2013. Through the dialogue, exchange of information on different modes of transport and the development of proposed solutions in problematic areas covered by the chapter are aimed so as to enable the closing of the chapter without delay when it is opened to negotiations once the political blockages are removed.

Alignment with the EU *Acquis*

As regards **road transport**, with the “Law No. 6495 Amending Certain Laws and Decree Laws” (Official Gazette No. 28726 of 2 August 2013), the “Law No. 2918 on Road Traffic” was amended so as to ensure the harmonization of driving licences issued in Turkey with those in EU and international recognition thereof. Work on amendment to the By-law on Road Transport in terms of implementation is also on-going. Furthermore, in 2013, Turkey has become party to the Amendment Packages No. 4, 5 and 6 among the aims of which are monitoring of the implementation of the European Agreement concerning the Work of Crews of Vehicles Engaged in International Road Transport (AETR), the mandatory use of the digital tachograph and the improvement of road and traffic control safety.

To increase road safety, 28,342,217 vehicles were inspected between 1 January 2013 and 15 November 2013, in the 75 roadside technical inspection stations where 2308 personnel are working. Furthermore, by the first ten months of 2013, 107,052 buses, trucks, oil tankers, tow trucks, minibuses and small trucks were scrapped in accordance with the “Communiqué No. 66 on the Withdrawal of Certain Road Motor Vehicles from Traffic” (Official Gazette No. 2847017 of 17 November 2012) and the owners were paid a total of 503 million Turkish Liras.

Regarding the vocational qualifications training of road transport drivers, the number of training centres accredited by the Ministry of Maritime Affairs and Communication (UBHD) has reached 245 as of November 2013, 31 vocational qualifications

examinations were conducted and 149,718 persons were awarded with vocational qualification certificates.

In the area of **rail transport**, Law No. 6461 on the Liberalisation of Turkish Rail Transport Sector (Official Gazette No. 28634 of 1 May 2013) entered into force. The Law provided for the restructuring of the Directorate General of State Railways of the Republic of Turkey (TCDD) to act as the railway infrastructure operator as well as the incorporation of a new public entity namely “Republic of Turkey State Railway Transport Corporation” (TCDD Taşımacılık A.Ş.) to engage in freight and passenger transport with its own trains and staff in competition with other railway enterprises under equal conditions. Furthermore, the law allows legal entities and enterprises registered in the trade registry to build railway infrastructure and to be designated as railway infrastructure and railroad car operators. The law also covers provisions on financial assistance to the TCDD and Republic of Turkey State Railway Transport Corporation for five years as from the entry into force of the law.

The Directorate General of Railway Transport Regulation (DDGM,) established in the Ministry for Transport, Maritime Affairs and Communication (UDHB) in 2011 by the Decree Law No. 655 on the Organization and Duties of Transport, Maritime Affairs and Communication (Official Gazette No. 28102 of 1 November 2011/Repeated edition), is currently carrying out the legislative work on issues such as the railway safety, registration and enrolment procedures for towing-towed vehicles, conditions for access to infrastructure, level crossings, logistics, competition, public service obligations and passenger rights to ensure a free, fair and sustainable environment of competition and a complementary railway system with other transport modes. Some of the work in question will be carried out within the scope of the “Reform of Turkish Railways Project” (TR2010/0314.03).

Among the international agreements that Turkey has become a party to in 2013 in the area of **maritime transport** are:

- “Annexes III, IV and VI to the International Convention for the Prevention of Pollution from Ships (MARPOL) 1973 as modified by the Protocol of 1978”, which provides for new arrangements regarding the prevention of pollution resulting from hazardous substances carried through maritime transport, water pollution from ships and emissions from ships depleting the ozone layer and the limiting of nitrogen oxide and sulphur oxide from ship-sourced emissions,
- “1974 International Convention for the Safety of Life at Sea (SOLAS) Protocols of 1978 and 1988, (SOLAS-78, SOLAS-88)”, which provides for monitoring and certification of ships and safety measures for oil tankers,
- “International Convention on Civil Liability for Bunker Oil Pollution Damage (BUNKER 2001)”, which provides for effective, appropriate and sufficient

compensation to be paid to parties suffering damages from pollution resulting from ship fuel,

- “Protocol on Preparedness, Response and Co-operation for Pollution Incidents by Hazardous and Noxious Substances, 2000 (OPRC-HNS 2000)”, which brings the obligation to set up an effective system for preparedness and response to marine pollution by hazardous and noxious substances other than oil and the right to request assistance from other countries in the framework of international cooperation, the requirement of ships carrying their flags to have a shipboard pollution emergency plan to deal specifically with incidents involving hazardous and noxious substances and increase the capacity and ability of Turkey which has heavy traffic of ships in surrounding seas to combat marine pollution resulting from hazardous and noxious substances,
- “1972 Convention on the International Regulations for Preventing Collisions at Sea,” which provides international standards for navigation rules, lights to be displayed, daytime signal shapes and sound signaling appliances for ensuring the safe navigation of all vessels which navigate on the high seas or on all waters connected to the high seas or on the waters navigable by seagoing vessels, with the exception of military ships,
- “1989 International Convention on Salvage”, regarding salvage operations for accidents at sea due to maritime traffic and the prevention of pollution.

In addition, the “Law on the Approval of the 2002 Protocol of Athens Convention relating to the Carriage of Passengers and their Luggage by Sea”, which regulates the details regarding the responsibilities of carriers, is currently at the agenda of the TGNA.

“The Law on the Approval of the Protocol of 2010 to the International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea” (HNS 2010 Protocol)”, so as to participate in the system of compensation for risks of accidents and pollution resulting from ships and hazardous and noxious substances carried by ships using our surrounding seas, is currently under discussion in the relevant commissions of the TGNA.

Turkey has successfully completed the audit, “Voluntary IMO Member State Audit Scheme (VIMSAS)”, carried out by the IMO (International Maritime Organisation) in October 2013 and the official monitoring report of the Audit Team underlined that contemporary maritime practices in Turkey were exemplary for other countries. This audit has contributed favourably to the prestige of Turkey in world maritime affairs. Thus, Turkish ships will be considered low risk with respect to Paris Memorandum of Understanding on Port State Control (Paris MoU) and go through less monitoring in the forthcoming period. Furthermore, the rate of detention of Turkey’s ships in accordance

with the Paris MoU has decreased from 4.6 % by the end of 2012 to 2.86% by November 2013.

In the area of **air transport**, the following by-laws and instructions were published by the Directorate General of Civil Aviation (SHGM) for alignment with the EU acquis:

- “By-law on Commercial Air Transport Operators (SHY-6A)” (Official Gazette No. 2882316 of November 2013),
- “By-law on License Regulation of Aircraft Maintenance Personnel (SHY-66)” (Official Gazette No. 28806 of 30 October 2013)
- “By-Law on Airworthiness and Environmental Certification of Aircraft and Related Products, Parts and Appliances (SHY-21)” (Official Gazette No. 28741 of 20 August 2013),
- “By-Law on Certification of Air Navigation Service Providers (SHY-Seyrüsefer)” (Official Gazette No. 28704 of 11 July 2013),
- “By-Law on Accredited Maintenance Organizations (SHY-145)” (Official Gazette No. 28674 of 11 June 2013),
- “Instruction on Airworthiness and Environmental Certification of Aircraft and Related Products, Parts and Appliances (SHT-21)” (25 November 2013),
- “Instruction on Accredited Maintenance Organizations (SHT-145)” (21 November 2013),
- “Instruction on Continuing Airworthiness Management and Maintenance Responsibility (SHT-M)” (10 June 2013),
- “Instruction on Rules for Special Flight Permits (SHT-ÖÜİB)” (29 March 2013),
- “Instruction on Rules and Procedures for the Operation of Commercial Flights by Civil Aircrafts (SHT OPS 1-Rev02)” (16 January 2013).

Negotiations to sign the Flight Safety Agreement and Comprehensive Aviation Agreement which provides for cooperation between Turkey and the EU on many issues in the area of civil aviation are expected to start as soon as the internal procedures in the EU are finalised.

Aviation safety in the Eastern Mediterranean is still negatively affected by the lack of cooperation and communication between Ercan Area Control Center (ACC) and Nicosia

(Lefkoşa) ACC. Turkey continues its efforts to resolve the issue with mutually acceptable technical and operational arrangements. Proposed solutions resulting from Turkey's initiatives taken at the International Civil Aviation Organisation (ICAO) are not accepted by the Southern Greek Cypriot Administration.

In the area of **transport of dangerous goods and combined transport**, there have been recent changes in the European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR), which was aligned with the "By-law on Transport of Dangerous Goods by Road" (Official Gazette No. 26479 of 31 March 2007). In order to align with these changes, a new by-law of the same name was published in the Official Gazette No. 28801 of 24 October 2013 in order to repeal the former by-law as of 1 January 2014. Furthermore, work is currently underway to draft the "By-law on Transport of Dangerous Goods by Rail", "By-law on Transport of Dangerous Goods by Sea" and "By-law on Transport of Dangerous Goods by Air".

In addition, preparations are currently on-going for the "By-law on Combined Freight Transport" which was drawn up within the scope of the "Strengthening Intermodal Transport in Turkey Project" (TR2009/0314.02).

Administrative Capacity Building

Work is on-going for the enhancement of technical capacity as well as the administrative and institutional capacity through the projects carried out under the Instrument for Pre-accession Assistance (IPA Component I).

Within the framework of the "Weight and Dimension Controls of Commercial Vehicles Project" (TR2009/0314.01), which is currently being implemented, trainings were completed with the stakeholder institutions and promotion activities were conducted. 23 new roadside inspection stations have been tendered under the project, which are planned to be functional in 2014.

The Polish-Lithuanian consortium was selected as the twinning partner and the tendering process was finalized in 2013 for the "Assistance on the Transport of Dangerous Goods Project" (TR2012/0740.14/12), which was designed to enhance the administrative capacity of the Directorate General for Dangerous Goods and Combined Transport and to regulate and monitor the area of transport of dangerous goods by road in particular.

The preparatory work is on-going for the "Improvement of Maritime Safety Regarding Handling of Dangerous Goods at Ports and Coastal Facilities Project" (TR2011/0314.08) on the maritime transport of dangerous goods, which is intended to be launched in 2014. The project provides for the establishment of a legislative framework on handling of dangerous goods in ports and carrying out trainings thereof.

“Strengthening Intermodal Transport in Turkey Project” (TR2009/0314.02) was finalized as of November 2013. Through the project, 350 personnel were trained, study visits and traineeships were organized to Spain on a number of dates, work on draft legislation was conducted, and workshops were held regarding the practices in member states; also a “National Intermodal Strategy” was developed.

For the “Strengthening Institutional and Administrative Capacity of the DGCA Project”, (ESEI) The French-Romanian consortium was selected as the twinning partner in 2013 and the tendering process was completed. The project provides for carrying out legislative work in the fields such as safety and security in civil aviation, rights of disabled passengers, and surveillance of the aviation safety of the DGCA and the EU Emissions Trading System (ETS), and training programmes and study visits for DGCA personnel.

Tendering process for the “Capacity Building on Safety and Security Training Requirements of the Turkish Civil Aviation Project” (TR2012.0314.09) is on-going, which is planned to start in 2014. The project aims at to establish a civil aviation training centre in Istanbul which will be equipped with the cutting edge technologies.

“Improved Maritime Education & Training in Turkey Project” (TR2010/0314.01), which provided for the improvement of training and certification system for Turkish seafarers; development of a long-term strategy; training of trainers and also for the alignment with the EU acquis, was finalized in July 2013.

“Control of Ship Sourced Emissions in Turkey Project” (TR2010/0314.02), which aims to enhance the administrative capacity for a high level control of ship sourced emissions, is currently being carried out and envisaged to be completed in mid-2014.

Chapter 15: Energy

Alignment with the Acquis

Energy is one of the fields of cooperation with the EU within the framework of the “Positive Agenda”. During the meetings held in the field of energy as part of the Positive Agenda, a decision was taken to set up a joint working group for determining the state-of-play and to prepare a road map in this regard.

As a result, the Enhanced EU-Turkey Energy Cooperation Document was drawn up with the contribution of the officials from all relevant institutions and organisations and the European Commission. Following the quartet summit held on 14 June 2012 with the participation of the Minister for EU Affairs and Chief Negotiator, Minister of Energy and Natural Resources and members of the European Commission responsible for Enlargement and Energy, a new process began for the development of the energy cooperation.

Energy chapter is among the chapters blocked by the Greek Cypriot Administration of Southern Cyprus and when the chapter is opened to negotiations with the removal of the political obstacles, the outputs of the working groups will be beneficial.

In this context, sector based working groups were established under the coordination of the Ministry for EU Affairs and the meeting of the electricity sector working group was realized in February 2013 and the meeting of the natural gas sector working group was realized in April 2013.

Turkey plays an important role in terms of contribution to the energy security between Turkey and the EU and in terms of realization of the Southern Gas Corridor which is among the priorities of the EU in ensuring the energy security and which will enable close cooperation in the field of energy with the other countries in the region. Gas transmission and interconnection projects in which Turkey is also involved both ensure the integration of Turkey with the EU market and also contribute to the security of supply and diversification of resources in the EU.

In this scope, the developments in the fields of **security of supply, electricity and natural gas** are summarized below:

As a result of the negotiations between Azerbaijan and Turkey on the trade of natural gas and transit transmission of Azerbaijan gas via Turkey, the following was signed:

- On 22 February 2013, Intergovernmental Agreement between the Government of the Turkish Republic and the Government of the Republic of Azerbaijan concerning the sale of natural gas to the Republic of Turkey and the transit passage of natural gas originating from the Republic of Azerbaijan across the

territory of the Republic of Turkey and the development of a standalone pipeline for the transportation of natural gas across the territory of the Republic of Turkey,

- On 8 April 2013, the Intergovernmental Agreement on the “Trans-Anatolian Natural Gas Pipeline (TANAP) Project” and Host Government Agreement,
- On 19 April 2013, Memorandum of understanding on the development of a standalone pipeline (TANAP) for the transportation of natural gas across the territory of the Republic of Turkey.

Based on the Agreements, it is foreseen to build TANAP having a maximum capacity of 32 billion cubic meters and extending up to the borders of Greece and/or Bulgaria from the borders of Georgia in the east of Turkey. At the first phase through TANAP, it is planned to transmit 6 billion cubic meters out of 16 billion cubic meters to be produced within the Phase II of the Shah Deniz field of Azerbaijan to Turkey and the rest 10 billion cubic meters to Europe.

TANAP Natural Gas Transmission Company which will be responsible for the construction and operation of the Project was established in Turkey on 19 December 2012. Under the scope of the Project, engineering work has started and it is planned to initiate the construction work in the first half of 2015 and to start operation at the end of 2018 or in the beginning of 2019.

After TANAP was brought to the agenda, two alternatives, namely, the Nabucco West and Trans Adriatic Natural Gas Pipeline (TAP) were discussed to transmit natural gas from Caspian region to Europe. Consequently, on 28 June 2013, for the transmission of natural gas to be produced under the Phase II of Shah Deniz field, the Shah Deniz Consortium selected TAP Project starting from the Turkey-Greece border rather than Nabucco West planned to start from the Turkey-Bulgaria border.

Furthermore, enabling natural gas transmission to Bulgaria via Turkey also plays an important role in terms of the strategic objective of rendering the region as an energy hub. Negotiations between these two countries regarding the cooperation to be developed with Bulgaria are underway.

Work on supplying Turkmenistan natural gas to Turkey and to Europe via Turkey has been continuing for a long time. In this scope, “Trans-Caspian Natural Gas Pipeline Project” is very important and negotiations in this respect are on-going among the European Union, Azerbaijan and Turkmenistan.

In this context, a framework agreement on the cooperation for the natural gas transmission from Turkmenistan to Turkey was signed between Turkey and Turkmenistan on 30 May 2013 and technical meetings on this matter were initiated.

“Turkish Petroleum Law” No. 6491 entered into force upon its publication in the Official Gazette No. 28674 of 11 June 2013. The Law aims to ensure effective search and production of hydrocarbon resources. “Turkish Petroleum Law Implementing Regulation” has also been prepared and submitted to the Office of the Prime Minister for publication.

“Draft Law on the Fuel Market” aiming the regulation of petroleum, LPG, LNG and CNG markets was submitted to the related institutions and organization for opinion.

“Law on the Pipeline Transit of Petroleum” No. 4586 dated 23 June 2000 covers the general principles regarding the projects on the transmission of petroleum and natural gas via Turkey, but principally this Law was issued to meet the need for additional regulations related with the Baku-Tbilisi-Ceyhan Crude Oil Pipeline Project (BTC) about which the Intergovernmental Agreement was signed on 18 November 1999. Regulations regarding the transit of the petroleum and the natural gas through Turkey are included in the “Natural Gas Market Law No. 4646” as well as in the Law No. 4586. The fact that the matters related with the transit of the pipelines were included in laws regulating different fields made it difficult for not only investors but also public institutions and organizations to carry out activities related with the transit pipeline projects. With the aim of ensuring a uniform legal regime in this matter, the Draft Law on the Transit Transmission of the Petroleum and the Natural Gas through Pipelines was prepared and the legal process required for its enactment was initiated.

As a result of the process initiated in 2012 to provide license for the natural gas imports from Iraq, applications were received and Energy Market Regulatory Authority (EMRA) granted the license to a private company as of September 2013.

Work to finalise the legal framework for the realization of the cross border electricity trade between Turkey and the EU and to solve the technical problems is still on-going. In this scope, synchronous parallel test period of Turkey and ENTSO-E⁹ Continental European Synchronous Area is in its third stage and it is aimed to ensure permanent connection as of autumn of 2014. Currently, within the framework of the joint agreement signed on 12 March 2010 between Bulgaria, Greece and Turkey, there is a limited exchange of electricity between Turkey and ENTSO-E’s Continental European Synchronous Area in line with the ENTSO-E practices and EU rules. When the permanent synchronous parallel operation of Turkish electricity system with the

⁹ *European Network of Transmission System Operators for Electricity*: As the body for the transmission system operators at the European level, the aim of ENTSO-E is to ensure a coordinated and reliable functioning of electricity transmission activities, promoting the development of the interconnected European grid, and to support competitive and integrated continental-scale markets.

European electricity system is initiated, an increase in the electricity trade with Europe will be brought to the agenda.

Within the scope of the work on Integration with the South-eastern Europe Regional Energy Market to be established in the South-eastern Europe and with the European Union Internal Energy Market, TEİAŞ became a partner of Project Team Company (PTC) in June 2012 together with 10 South-eastern European countries. The process to establish the legal and administrative infrastructure necessary to transform this company into a Coordinated Tender Office planned to be established in the Southeast Europe is still on-going.

The work **regarding the internal energy market** gained momentum in 2013. The following legislation has been published in order to improve implementation in the Electricity Market:

- By-Law amending the By-Law on Electricity Market Import and Export (Official Gazette No. 28513 of 30 December 2012),
- By-Law Amending the By-Law on Security of Supply and Quality of Electricity Transmission System (Official Gazette No. 28517 of 3 January 2013),
- By-Law Amending the By-Law on Electricity Market Grid (Official Gazette No. 28517 of 3 January 2013),
- By-Law Amending the By-Law on the Electricity Market Balancing and Settlement (Official Gazette No. 28519 of 5 January 2013),
- Electricity Market Law No. 6446 (Official Gazette No. 28603 of 30 March 2013).
- By-Law Amending the Electricity Market Licensing By-Law (Official Gazette No. 28524 of 10.01.2013 and Official Gazette No. 28545 of 31 January 2013)
- By-Law Amending the Electricity Demand Forecasting By-law (Official Gazette No. 28588 of 15 March 2013)
- By-Law Amending the Electricity Market Eligible Consumer By-law (Official Gazette No. 28589 of 16 March 2013)
- By-Law on Granting New Generation Licenses for Plants for which Construction is Underway (Official Gazette No. 28637 of 4 May 2013)
- By-Law on Measures Regarding Electricity Market Distribution and Supply Licenses. (Official Gazette No. 28726 of 2 August 2013)
- By-Law on License Free Electricity Generation in the Electricity Market (Official Gazette No. 28783 of 2 October 2013)
- By-Law Amending the Service Quality of Electricity Distribution and Retail Sale By-Law (Official Gazette No. 28790 of 9 October 2013)

In the scope of work carried out for liberalization of the internal electricity market in Turkey since 2001, in order to meet the needs of the market, “Electricity Market Law No. 6446 ”, which was published in the Official Gazette of 30 March 2013, regulates

the production, transmission, distribution, wholesale or retail sale, import and export of electricity and the operation of electricity market and, in parallel with the EU practices, lays down rights and obligations of all natural and legal persons who are participants of these activities. Pursuant to the Law in question, the work concerning adoption of necessary implementing regulations is on-going.

New legislation regarding the electricity market contributed to further alignment with the third EU package. In other words, the level of liberalization of the market could be increased. In this context, the actual unbundling of electricity distribution companies and their retail sale companies was completed as of 1 July 2013. The public share in the production sector has been decreased to 40%, and a further decrease in this rate is planned.

Furthermore, legislative work for the establishment of Energy Markets Operation Joint Stock Company (EPIAŞ) has been completed to increase the transparency of the sector and create a more reliable environment for investment and this Company is expected to start its activities without delay. As regards the establishment of the Energy Markets Operation Joint Stock Company, the articles of corporation and organizational by-law are on the agenda of Energy Market Regulatory Board.

Whereas the limit for eligible consumers was 25,000 kWh in 2012, this limit decreased to 5,000 kWh in 2013, marking a significant development regarding liberalization of the market.

The work on the establishment of intraday market is about to be completed. Work is on-going to extend participation of demand side in the day-ahead market and the balancing power market.

With the completion of transfer of electricity distribution companies to private sector, all distribution companies were privatized as of the end of 2013. The Communiqué Regarding Connection to Transmission and Distribution Systems and System Use in the Electricity Market was turned into a separate by-law and a draft text was prepared. Furthermore, efforts continue regarding the proliferation of smart grids.

As regards **the natural gas market**, the legislative arrangements are as follows:

- By-Law Amending the Natural Gas Market License By-Law (Official Gazette No. 28545 of 31 January 2013)
- By-Law Amending the By-Law on Natural Gas Market Distribution and Customer Services (Official Gazette No. 28558 of 13 February 2013)

With the termination of The Petroleum Pipeline Corporation's (BOTAŞ) contract to import 6 bcm of Russian gas annually pursuant to the Provisional Article 2 of Natural Gas Market Law No. 4646, the import license of BOTAŞ granted by the EMRA was

revoked. Following this development, four private companies concluded contracts with Russia to import a total of 6 bcm of Russian gas annually. These companies which were granted import licenses by EMRA started to import gas as of 1 January 2013. In parallel with the recent developments and also taking into account the domestic production, the wholesale market share of BOTAŞ has dropped to about 75%.

The draft “Law Amending the Natural Gas Market Law” is expected to enter into force without delay. The draft Law provides for amendments regarding security of the energy supply, liberalization of the market and decrease in the market share of BOTAŞ. In this framework, the objective is the alignment of the natural gas sector with the EU energy policies. Whereas the limit for free consumer has been determined as 300,000 m³, those who own and use cogeneration facilities which produce electricity and heat energy will be given free consumer status.

In the framework of an EMRA Board Decision taken in December 2012, all non-household consumers in the gas market became eligible consumers.

In the framework of an EMRA Board Decision taken in October 2013, important steps were taken towards protection of consumer rights through publication of model contracts concerning transfer and delivery service to be offered in the distribution regions.

In the framework of grid operation regulations and procedures and principles regarding use, the procedures pertaining to amendments to be made towards meeting the needs of free market have been evaluated together with all participants of the market and the relevant amendments are on the agenda of the Board.

The procedures pertaining to non-discriminatory provision of services between the equal parties in the storage facility and LNG terminal were regulated again with the Board Decision No. 4502 on 17 July 2013.

In the area of **renewable energy**, the following has been realised:

The “By-law on Documentation of and Support for Renewable Energy Sources”, which provides for the procedures and principles of the Mechanism to Support Renewable Energy Sources and provision of the Renewable Energy Sources Document to legal entities which have a generation license for generation facilities based on renewable energy sources, in order to encourage the electricity generation through renewable energy sources, was published in the Official Gazette No. 28782 of 1 October 2013.

With a view inter alia to improving renewable energy technologies, the “By-law Amending the By-law on Programme for Support for Research and Development Projects (ENAR) in the Energy Sector” was published in the Official Gazette No. 28566

of 21 February 2013. With the Electricity Market Law No. 6446, measurement standards for wind and solar energy were revised in order to streamline the license application process.

The minimum limit of unlicensed electricity generation from renewable energy sources was increased from 0.5 MW to 1 MW. EMRA received licence applications for the electricity generation with a 600 MW capacity from solar energy sources between 10-14 June 2013 and evaluation process is continuing.

In order to ensure the effective and efficient use of solar energy in the electricity generation, the By-Law on the Technical Assessment of Applications for Licensing for Solar Energy” prepared in order to determine the procedures and principles of prepared the technical opinion on the applications for licensing for solar energy entered into force following its publication in the Official Gazette No. 28866 of 1 June 2013.

Work for the “Bylaw on the Technical Assessment of Applications for Licensing for Wind Energy” is currently underway.

In the framework of Law No. 6446 on the Electricity Market, the “By-Law on Competition for Pre-license Applications for Constructing Generation Plants based on Wind and Solar Power” was published in the Official Gazette No. 28843 of 6 December 2013; this Bylaw provides for the procedures and principles to be determined by TEİAŞ regarding the competition, the obligations of the legal entities to take part in this competition and the payment of a contribution rate, if there is more than one application for pre-licensing to construct facilities for production from wind and solar energy in the same field and/or connecting to the same connection point.

The “By-Law on Methods and Principles for Determining, Grading, Protecting and Exploiting of Renewable Energy Areas for Electricity Generation” which provides for the procedures and principles for determining, classifying, protecting and using areas suitable for electricity generation from renewable sources in public properties and properties belonging to the Treasury, entered into force upon its publication in the Official Gazette No. 28384 of 27 November 2013.

The Communiqué regarding the obligation of blending ethanol to fuel types, which was prepared in order to reduce foreign dependency in energy, increase the resource diversity, reduce the environmental pollution and align with the EU policies on the renewable energy resources was issued in 2012. In accordance with this Communiqué, fuel types are now required to include at least 2 per cent ethanol derived from domestic agricultural products and the implementation started as of 1 January 2013.

In the area of **energy efficiency**, the following has been realised:

- Communiqué Amending the Communiqué on the Granting of Authorization Documents for Institutes and Agencies Engaged in Energy Efficiency Services (Official Gazette No. 28519 of 5 January 2013)
- Communiqué on Fines to be Imposed for the Year 2013 in accordance with Article 10 of the Energy Efficiency Law No. 5627 (Order No. 2013/3) (Official Gazette No. 28558 of 13 February 2013)
- Communiqué on Authorization Document and Certificate Charges and the Portion of Certificate Charges to be paid out to Authorized Institutions (Official Gazette No. 28558 of 13 February 2013)

As regards energy efficiency, authorization process of energy efficiency consulting companies is in progress and as of the end of 2013, thirty Energy Efficiency Consulting (EVD) companies have been authorized. Of these, 22 are authorized in the building sector, 14 in the industrial sector and six in both sectors. As of the end of 2013, the total number of certified energy managers in Turkey was greater than 5,500.

A draft by-law has been prepared and submitted to the relevant public institutions and organizations due to the shortcomings of the current legislation regarding the construction and operation of pumped-storage hydroelectric power plants.

In the field of **nuclear safety and radiation protection**, By-Law on Radioactive Waste concerning procedures and principles governing safe management and in a way which is not harmful for workers, society, environment and future generations of radioactive waste which may arise during the use of nuclear energy and ionizing radiation resources entered into force upon its publication in the Official Gazette No. 28582 of 9 March 2013.

The draft “Law on the Liability of Third Parties in the Area of Nuclear Energy” has been submitted to the Office of Prime Minister to be conveyed to the TGNA. Draft Law on the Ratification of 1997 Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management and Amendment to the 2005 Convention on the Physical Protection of Nuclear Material have been submitted to the relevant subcommittee in the TGNA. Work on a draft Law on Spent Fuel and Radioactive Waste started.

Furthermore, work to prepare a Nuclear Energy Policy Document is currently underway as well as the work in the scope of the Nuclear Energy Communication Strategy aiming to inform the public on nuclear energy and protection from radiation.

In the context of revision of all nuclear power plants in the EU, Stress Test Report of Turkey was prepared and submitted to the European Commission on 1 June 2012. Work

carried out by Turkey in the framework of Stress Tests was presented to the Commission representatives and participants of the meeting which was held in Luxembourg on 29 October 2013 regarding the stress tests of nuclear power plants in the EU neighboring countries.

The Ministry of Energy and Natural Resources along with other institutions are currently being sought for their opinions on the draft Nuclear Energy and Radiation Law, which was prepared to lay down duties, powers and responsibilities of a Nuclear Regulatory Institution which shall regulate and monitor the activities regarding the peaceful use of nuclear energy and ionizing radiation.

In the framework of Agreement signed between the Government of the Republic of Turkey and the Government of the Russian Federation on Cooperation in Relation to the Construction and Operation of a Nuclear Power Plant at the Akkuyu Site on 12 May 2010, negotiations concerning the draft Energy Purchase Agreement are on-going between General Directorate of Turkey's Electricity Trading and Contracting Company and Project Company.

Work is in progress regarding Host Government Agreement which will be signed in the framework of Intergovernmental Agreement on Cooperation for Development of Nuclear Power Plants and the Nuclear Power Industry in the Republic of Turkey signed between the Government of the Republic of Turkey and the Government of Japan on 3 May 2013.

Administrative Capacity Building

Through the projects carried out within the scope of Instrument for Pre-Accession Assistance (IPA) Component 1, work is on-going to enhance the institutional capacity, to transfer of new practices concerning operation and maintenance performance of the electricity system and to ensure legislative alignment in this respect.

The project titled Structure and Capacity Improvement of Turkish Electricity Transmission Corporation (TEIAS) (TR2009/0315.01) is composed of components including establishment and implementation of the live working system, development of work safety and training performance, development of the human resources policies and rules and improvement of IT structure of TEIAS. In this context, working groups were set up, road maps were drawn up and study visits were organised for each activity in 2013.

In order to develop regional cooperation, within the framework of the tripartite cooperation of the General Directorate of Renewable Energy under the Ministry of Energy and Natural Resources, Japan International Cooperation Agency (JICA) and Turkish Cooperation and Coordination Agency (TIKA), Training Programs on Energy Efficiency and Management in Industry are being organized and the thirteenth of these

trainings was held on 4-15 November 2013. Up to the present, nearly 250 people have participated in these programs.

The project titled Technical Assistance to the Turkish Atomic Energy Authority (TAEK) drawn up for strengthening the regulatory infrastructure of the Turkish Atomic Energy Authority as regards nuclear safety and protection from radiation and in the area of licensing and monitoring of nuclear power plants and facilities is within the 2013 programming.

A committee established by Hacettepe University and the Nuclear Energy Project Implementation Department (NEPUD) has started work for a human resources development plan in the field of nuclear energy.

Furthermore, under the coordination of the Nuclear Energy Project Implementation Department (NEPUD), 79 students were selected and sent to Russia to receive training in 2013-2014 academic year.

Country Programme Framework (CPF) for 2013-2017 between Turkey and the International Atomic Energy Agency (IAEA) was signed on 17 September 2013 in Vienna. Country Programme Framework determines the technical cooperation topics in the fields which are of great importance among IAEA and the member countries of the agency. This Framework is also taken as a reference for the medium term planning of the technical cooperation among the parties.

Department of Petrol Stocks was established within the Ministry of Energy and Natural Resources in January 2013 in order to strengthen the administrative structure with a view to retaining the petrol stocks efficiently.

Chapter 16: Taxation

Alignment with the EU *Acquis*

In the area of indirect taxation, Turkey continued to work towards meeting its commitments in accordance with the Action Plan on “Alcoholic Beverages and Tobacco Fund” dated 18 May 2009, which was drawn up for the purpose of meeting the opening benchmark of the chapter. In this context, with the Decree No. 2012/4116 of the Council of Ministers published in the Official Gazette No. 28515 of 1 January 2013, the Tobacco Fund levied on imported unprocessed tobacco was reduced from 1.8 thousand dollars to 1.5 thousand dollars per ton. Thus, cumulative reduction rate on Tobacco Fund has reached 50% level in line with the 2009 Action Plan.

In terms of alcoholic beverages, Turkey continues to meet its Action Plan commitments in line with the schedule laid down in the Plan. In accordance with the Action Plan, tax differential between domestic and imported alcoholic beverages was reduced one step further with the Decree No. 2012/3139 of the Council of Ministers published in the Official Gazette No. 28285 of 7 May 2012. In this way, in the period following May 2012, tax differential between domestic and imported products was reduced to a fairly low level compared to the previous period both in proportional and absolute terms.

As regards tobacco and tobacco products, along with ad valorem excise duty, as of 2013, specific excise duty has started to be implemented in Turkey as in the EU countries. The said amendment introduced in the taxation system is a significant progress within the scope of the chapter towards approximation of “the Law on Excise Duty” with the *acquis* in terms of the structure of excise duty on tobacco and tobacco products. Within this framework, along with specific excise duty amount, ad valorem excise duty, not being less than minimum specific tax amount, started to be implemented. In this context, with the Decree No. 2012/4116 of the Council of Ministers, tax rates and amounts were redetermined for each component of excise duty on tobacco and tobacco products (ad valorem excise duty, specific excise duty and minimum specific excise duty).

Furthermore, excise duty on tobacco and tobacco products and alcoholic beverages are revised bi-annually in line with the increase in the producer price index. Inflation adjustment regime was implemented twice in January and July 2013 for Table A (alcoholic beverages) of List III Annexed to the Law on Excise Duty and for the first time on 3 July 2013 for Table B (tobacco and tobacco products) of List III Annexed to the Law on Excise Duty in accordance with the regulation dated 1 January 2013. During the said revisions, the parities between domestic and imported alcoholic beverages (raki and whiskey) were preserved in accordance with the 2009 Action Plan.

In the area of direct taxation, the Draft Income Tax Law drawn up with the effort of not compromising the fiscal discipline was submitted to the Turkish Grand National

Assembly (TGNA) on 12 June 2013 and it is being reviewed in the relevant committees. It is aimed to simplify and rationalise the tax system with the Draft Law, thus expanding the tax base and fighting against informal economy. In this framework, along with creating a simpler and comprehensible tax system for the natural and legal persons through gathering the tax regime under a single structure and reducing the number of articles in the Law, it is aimed to expand the tax base and increase the number of taxpayers who file tax returns by way of reducing the number of exemptions.

Administrative Capacity Building

In the area of administrative capacity, merging the tax audit functions under a single institution, namely Turkish Tax Inspection Board Tax, is considered to be an important step in terms of audit planning and practice. Moreover, the development of the analysis systems and databases within the Ministry of Finance continued in order for the audit methods to be more efficient.

The institutional capacity of the Revenue Administration was increased and the taxpayer services were improved with the “Introduction of Quality Management in the Revenue Administration Technical Support Project” carried out by the Revenue Administration. The Revenue Administration received ‘commitment to excellence’ certification from the European Foundation for Quality Management. All tax returns are now filed electronically.

Chapter 17: Economic and Monetary Policy

Alignment with the EU *Acquis*

The Economic and Monetary Policy Chapter, which the level of alignment with the *acquis* is highly advanced, does not include any technical opening benchmarks, and Turkey's Negotiating Position Paper on this chapter was submitted to the EU on 9 March 2007.

The Negotiating Position Paper of the chapter was not discussed and accordingly the EU did not prepare the Common Position as France argued that this chapter is directly linked to full membership during the European Council Meeting of 26 June 2007. Despite this political blockage during the negotiation process, the technical work committed in the Negotiating Position Paper has been implemented by the relevant institutions even during the course of global crisis, and in case this blockage is removed, the chapter can be opened to negotiations, due to the advanced level of alignment.

Within the framework of pre-accession economic policy coordination, Turkey regularly submits Pre-Accession Economic Programme and Fiscal Notifications to the Commission since 2001. In particular, Turkey has achieved a significant progress in terms of the accuracy of Excessive Deficit Procedure notifications.

The Law No. 1211 on the Central Bank of the Republic of Turkey (CBT) was amended with the Law No. 6111 published in the Official Gazette No. 27857 (bis) of 25 February 2011 and thus, it is ensured that the Article 14 of the Law No. 3624 on the Establishment of Small and Medium Scale Industry Development and Support Administration is not implemented as regards the CBT. With the amendment in question, progress was made in terms of strengthening the financial independence of the Central Bank and preventing the monetary financing of the public sector by the CBT.

The Central Bank continued using a broad and flexible set of policies in order to ensure the price and financial stability in the area of monetary policy. The fluctuations in the global financial markets led the national central banks, including CBT, to support the financial stability. Within this scope, the Central Bank used many policy instruments such as interest rate corridor, reserve requirements, foreign exchange auctions and interventions effectively. The inflation (CPI based) receded to 6.2% at the end of 2012; although this ratio was above the Central Bank's official year-end target of 5%, it was within the tolerance band of (+/-) 2%. During January-September 2013, the inflation rate was increased by 1.7 percentage points to 5% when compared to the same period of the previous year. Regarding the elimination of base effect in energy prices and the current structure of factors affecting inflation, it is anticipated that the inflation will increase to 6.8 % at the end of 2013.

The capacity for **economic policy** formulation and coordination and the overall preparedness of Turkey is at a high level. While The Medium-Term Plan covering the period 2014 - 2016 aims to achieve the sustainment of the growth, the maintenance of fiscal discipline and the increase in employment and savings, the Pre-Accession Economic Program (2013-2015), submitted to the European Commission in January 2013, offers a substantially consistent and comprehensive macroeconomic framework.

Chapter 18: Statistics

Alignment with the EU *Acquis*

Significant developments can be reported regarding alignment with the EU *acquis* in 2013 within the scope of the Statistics Chapter.

Statistics is one of the chapters that Turkey has reached an advanced level of alignment with the EU *acquis*, as emphasized by the EU in Turkey's Progress Reports.

Within the scope of alignment with *the acquis* in the field of classifications and registers, the adaptation work for all classifications was finalized. Statistical Classification of Economic Activities Book 2013 was published, which includes the data according to NACE Rev.2, a system set up for the use in administrative registers by public institutions and organizations. PRODCOM 2011 and PRODCOM 2012, European Union's standard classification of industrial production, were adapted into Turkish (as PRODTR 2011 and PRODTR 2012) and uploaded to the classification server of the TURKSTAT.

As regards sector statistics, the application studies for ESA 2010 (European System of National and Regional Accounts in the European Union) are on-going and the Practical Road-Map was finalized.

The schedule was drawn up for the GDP Estimation by Periodic Income Method and for Estimation of Gross National Income and Gross National Disposable Income. Methodology on tourism statistics was revised and made more aligned with that of the EU.

Profit and loss account items for general government and sub sectors, provided by the Ministry of Finance, were converted to ESA 95 codes. Of the ESA-95 questionnaire, Table 2 (Main aggregates of general government) and Table 9 (Detailed tax and social contribution receipts for the general government sector and its sub-sectors) were designed. EDP Notification Tables were studied in. Work for the transition to the NACE Rev.2 classification continued.

Progress was made as regards financial accounts, prepared by the Central Bank of the Republic of Turkey (CBRT) as a part of national accounts. Data pertaining to the insurance and general government sectors were added to those accounts, which were being forwarded to international institutions and published also at national level.

As regards population, the results of the Address Based Population Registration System of 2012 were made public in March. The first results of "Population and Housing Survey" and its detailed results at provincial level were published in March and September 2013 respectively. Furthermore, for the first time under 3 different fertility

rate scenarios for Turkey total population till 2075, population projections were produced for 81 provinces at NUTS-3 level by single year of age using the cohort-component method. Still, for the first time, infant mortality rate, crude mortality rate, total fertility rate, crude birth rate and birth data based on maternal age and sex were published for 81 provinces at NUTS 3 level for 2009-2012. In 2013, field application of Life Satisfaction Survey was conducted to produce estimates at provincial level. Statistics on Children and Elderly were published and the micro data of National Research on Domestic Violence against Women 2008 was put into use.

The cause-of-death statistics for 2010-2012 were published through a news release on 16 April 2012. The Ministry of Health carried out technical work, in September-December 2012, to compile data through a nationwide centralized register system in accordance with the international definitions and standards. Death Notification System (DNS) was developed and entered into force as of 1 January 2013 throughout Turkey in order to ensure the electronic filing of death certificates and pooling of the data. DNS aims at providing more qualified and reliable data in a far shorter time. For this purpose, 2012 statistics are intended to be published on 1 April 2014.

As regards social protection statistics, compilation of 2012 data is about to be finalized. Furthermore, the news release covering 2008-2012 social protection statistics is now in the final phase of completion.

Estimates based on administrative registers were made in 2013 in order to meet national requirements and international expectations as regards health expenditures. 2009-2012 data compilation and analysis were finalized and statistical results were made public through a news release on 10 October 2013. In the wake of the institutional work, only one of the basic health expenditure tables in the System of Health Accounts proposed by the OECD, Table of Financing Schemes and Health Care Providers was outlined. Values in the table were presented in main grouping rather than a detailed sub-grouping.

Estimation of budget items allocated to R&D based on GBAORD (Government Budget Appropriations or Outlays on R&D) was published for Turkey for the first time with a news release on 27 June 2013.

As of January 2013, new consumer confidence index, fully aligned with European Union Joint Business and Consumer Surveys, began to be published.

As regards agricultural statistics, preparations are underway for the 2014 General Agricultural Census. Furthermore, draft inventory on economic accounts for agriculture was updated and forwarded to Eurostat. Schedule of crop production estimates was aligned with data collection periods of Eurostat. Following the approval of the Commission of the “Draft Strategy Paper”, which was prepared to fulfil the opening benchmark for Chapter 11: Agriculture and Rural Development on agricultural statistics, and which is currently being updated, a strategy paper (including the

methodological alignment and data transfer) will be prepared to fulfil the closing benchmark for the Statistics Chapter on agricultural statistics.

Within the scope of alignment with the EU *acquis*, modular surveys, as well as Household Labour Force Surveys, are conducted to meet the data need in different fields of labour. In the second quarter of 2013, modular survey on workplace accidents and work related health problems was conducted along with the Household Labour Force Survey.

In the fourth quarter of 2012, Household Labour Force Survey was supplemented by the Child Labour Survey, the results of which were made public with a news release on 2 April 2013.

Furthermore, Continuous Household Labour Force Survey, the reference period of which is 52 weeks of the year, was conducted in parallel with Household Labour Force Survey in order to revise the current series. As from 2014, Continuous Household Labour Force Survey will be carried out. Thus, full alignment with the EU *acquis* was achieved on field application in the Household Labour Force Survey.

The coverage of Survey on Information and Communication Technology (ICT) Usage in Households, conducted in April 2013 has been extended to include children aged 6 to 15. In this survey; computer, Internet and cell phone usage with frequency and purpose aspects along with relations with media were examined in aggregated level according to 06-15 age group, as well as in break-downs by age-groups 06-10 and 11-15 in order to better observe the differences. The results were made public on 22 August 2013.

Retail Sales Volume and Turnover Indices with May results were published for the first time through a news release on 23 July 2013. Seasonal and calendar adjusted indices, are made public in the form of monthly issues.

Turnover, employment, hours worked and gross wage-salaries indexes both in Trade&Services and Construction sectors began to be published on 4 June 2013 and on 5 June 2013 respectively taking 2010 as the baseline year. Indices were published for the first time as adjusted for seasonal and calendar effects.

Furthermore, work for setting up a metadata system and creating institutional data architecture for TURKSTAT has continued. For this purpose, work on business processes and standardization has continued within the framework of TURKSTAT Statistical Business Process Model, designed in parallel with the international Generic Statistical Business Process Model (GSBPM). Also in this context, work has continued for the standardization of variables and code lists reserved in institutional databases, of the code lists on questionnaires and of structural and reference metadata definitions in production databases.

On the other hand, statistical data confidentiality report was updated and became ready for submission. Work has begun to measure the respondent burden of surveys/researches carried out by TURKSTAT. Questionnaires were designed to measure both the perceived response burden and actual respondent burden in terms of length and added to the 14 surveys conducted in 2013.

Administrative Capacity Building

TURKSTAT performed a considerable amount of work in 2013 in order to comply with the proposals derived from the peer review activity carried out by the Eurostat in 2011. Peer Review Final Report is a valuable source of information as regards alignment with the EU *acquis* and with the Eurostat in technical terms. Activities proposed by the report have been finalized such as the preparation of quality report template for TURKSTAT; publication of terms and other relevant procedures regulating the access to micro data of business researches; promoting collaboration with Eurostat in order to provide TURKSTAT experts with the knowledge on international exercises for obtaining micro data of household surveys; drafting an institutional document regulating the way of TURKSTAT to deal with a faulty data; publication and implementation of a strategy that would increase exchange of views among stakeholders that participate in the preparation of the Statistical Programme and its annual revisions; publication of a document showing the priority given to the user requirements in the Statistics Programme; design of a new and user-friendly web-site based on exchange of views with the actual and potential users.

By-law on Statistical Council was amended on 10 April 2013, through which the Council's structure was enlarged. Thus an important step was taken to strengthen the Turkish Statistical System and to include all stakeholders in the system. In accordance with the amendment, the Revenue Administration, Social Security Institution, Directorate of Overseas Turks and Related Communities, Turkish Journalists Association, Union of Chambers of Certified Public Accountants and Sworn-in Certified Public Accountants of Turkey and the Tax Council were officially participated in the Statistical Council.

TURKSTAT is implementing the project titled "TR2009/0318.01 Upgrading the Statistical System of Turkey Programme Phase III", which has two components, as well as the Eurostat Multi-Beneficiary Programs through IPA.

Through the educational grant component of the project, participants of several institutions involved in the Turkish Statistical System and contributing to the production process of official statistics had the opportunity to visit official statistical offices of the EU Member States. Thus, they were able to take a closer look at the EU practices. Also held under this component are trainings, conferences, workshops and seminars on official statistics. Technical assistance component of the project has become operational in 2013. Within this framework, TURKSTAT makes use of the knowledge and

experiences of EU technical advisers on business registers, national accounts, environmental statistics, macroeconomic statistics and business statistics.

Tender process is underway for the project titled “Upgrading the ICT Infrastructure of TURKSTAT” under IPA. The Project provides for enhancing the physical and network infrastructures of TURKSTAT, achieving information security, developing surveys and taking performance feedback, improving data dissemination portal and users’ interfaces and establishment of a Disaster Recovery Center.

Chapter 19: Social Policy and Employment

Labour Law

Within the scope of the fight against child labour, significant activities were carried out particularly in the agricultural sector in which the number of the working children is high; and inspections have continued especially in provinces with a high level of hazelnut production. Activities continued for the implementation of “Time-Bound Policy and Program Framework for Preventing Child Labour” prepared in 2005. “Project on Activating Local Resources for Preventing Child Labour” prepared by the Ministry of Labour and Social Security with the aim of carrying out the work to eliminate the child labour, primarily the worst forms of it, began to be implemented. As a result of the needs analysis carried out in cooperation with UNICEF (The United Nations Children's Fund), Ankara, Adana, Gaziantep, Kocaeli, Ordu and Şanlıurfa was determined as pilot provinces. In these provinces, Child Labour Monitoring Units was established and within the framework of the in-service training of these units, Basic Training Programme on Child Labour from the Point of Children Rights was carried out in August in partnership with UNICEF. Moreover, within the scope of the Project on Prevention of Child Labour in Hazelnut Harvesting in Ordu carried out by the Ministry of Labour and Social Security and the International Labour Organization (ILO), training activities for pre-school and school children were performed. Preparations are on-going for a project on Preventing Child Labour in Seasonal Agriculture to be implemented through EU funds in the next term.

Moreover, the By-law on the Procedures and Principles of Employment of Children and Young Workers was amended (Official Gazette No. 28566 of 21 February 2013) and new arrangements was introduced regarding the jobs in which child workers can be employed, their working conditions and the terms of child labour.

Within the framework of the Strategy and Action Plan on Improving Working and Social Lives of Migrant and Seasonal Agricultural Workers, work to establish the infrastructure for the improvement of the living and working conditions of seasonal agricultural workers and training activities for the children of these workers were carried out.

Despite the previous by-law on the matter which used to cover only the woman workers, the By-law on the Conditions of Woman Workers on Night Shifts (Official Gazette No. 28717 of 24 July 2013) covers all the woman workers including the agricultural workers. Similarly, the previous by-law on the matter used to cover only the woman workers but the By-law Concerning the Working Conditions of Pregnant or Breastfeeding Female Employees, Breastfeeding Rooms and Children Nursing Homes (Official Gazette No. 28737 of 16 August 2013) covers all the workplaces employing woman workers under the Law No. 6331 on Occupational Health and Safety.

Pursuant to the Circular No. 2011/2 of the Prime Ministry on Preventing Mobbing (psychological harassment in workplaces) published in 2011, Board for Combating Mobbing established under the Ministry of Labour and Social Security met in May and November.

The Law Approving the Ratification of the Amendments to Articles 4, 5 and 6 of the European Agreement Concerning the Work of Crews of Vehicles Engaged in International Road Transport was published in the Official Gazette No. 28588 of 15 March 2013.

Work was launched for the approval of ILO Maritime Labour Convention (MLC 2006) in Turkey.

Occupational Health and Safety

The Article 38 on the enforcement of the Occupational Health and Safety Law No. 6331 (Official Gazette No. 28839 of 30 June 2012) was amended by the Article 56 of the Law No. 6495 on the Amendment of Some Laws and Statutory Decrees (Official Gazette: 2 August 2013/28726). In accordance with the amendment to subparagraph (a) of the Article 38, Articles 6 and 7 of the Law No. 6331 will enter into force on 1 July 2016 for the public institutions and enterprises where less than 50 workers are employed and which are classified as less hazardous, excluding the workers employed under the repealed Article 81 of the Labour Law No. 4857; on 1 January 2014 for enterprises where less than 50 workers are employed and which are classified as hazardous and very hazardous; and after six months as of the date of issuance for other enterprises.

With regard to the implementation of the Law No. 6331 on Occupational Health and Safety, the following secondary legislation to ensure harmonization with the EU Directives and on important matters such as emergency cases and risk assessment was published in 2012-2013.

By-laws:

- By-law for Risk Assessment on Occupational Health and Safety at Workplaces (Official Gazette No. 28512 of 29 December 2012)
- By-law on Occupational Health and Safety Services (Official Gazette No. 28512 of 29 December 2012)
- By-law on Task, Authority, Amenability and Training of OHS Experts (Official Gazette No. 28512 of 29 December 2012)
- By-law on the Amendment of the By-law on Occupational Health and Safety Services (Official Gazette No. 28545 of 31 January 2013)
- By-law for Occupational Health and Safety Committees (Official Gazette No. 28532 of 18 January 2013)

- By-law on Health and Safety Precautions in Asbestos Related Works (83/477/EEC, 91/382/EEC, 2003/18/EC, 2009/148/EC), (Official Gazette No. 28539 of 25 January 2013)
- By-law on National Occupational Health and Safety Council (Official Gazette No. 28550 of 05 February 2013)
- By-law Amending the By-law on Procedures and Principles for Employment of Children and Young Workers (94/7/EC), (Official Gazette No. 28566 of 21 February 2013)
- By-law on Suspension of the Operation in Workplace (Official Gazette No. 28603 of 30 March 2013)
- By-law on Safety and Health Measure for Work with Display Screen Equipment (90/270/EEC), (Official Gazette No. 28620 of 16 April 2013)
- By-law on Safety and Health Requirements for the Use of Work Equipment (2009/1042/EC), (Official Gazette No. 28628 of 25 April 2013)
- By-law on Protection of Workers From the Risks of Explosive Atmospheres (1999/92/EC), (Official Gazette No. 28633 of 30 April 2013)
- By-law on the Procedures and Principles of the Occupational Health and Safety Trainings of Workers (Official Gazette No. 28648 of 15 May 2013)
- By-law on Protection of Risks Related to Exposure to Biological Agents (2000/54/EC), (Official Gazette No. 28678 of 15 June 2013)
- By-law on the Emergency Cases at Workplaces (Official Gazette No. 28681 of 18 June 2013)
- By-law on the Use of personal Protective Equipment at Workplaces (89/656/EEC, 89/686/EEC), (Official Gazette No. 28695 of 02 July 2013)
- By-law on the Vocational Training of Workers in Dangerous and Very Dangerous Works (Official Gazette No. 28706 of 13 July 2013)
- By-law on the Works lasting up to 7.5 Hours a Day with regard to health requirements (Official Gazette No. 28709 of 16 July 2013)
- By-law on the Safety and Health Measures for the Workplace (89/654/EEC), (Official Gazette No. 28710 of 17 July 2013)
- By-law on the Tasks, Authority, Responsibility and Training of the Occupational Physician and other Health Staff (Official Gazette No. 28713 of 20 July 2013)
- By-law on the Manual Handling of Loads (90/269/EEC), (Official Gazette No. 28717 of 24 July 2013)
- By-law on the Conditions of Woman Workers on Night Shifts (Official Gazette No. 28717 of 24 July 2013)
- By-law on Protection of Risks Related to Exposure to Noise (2003/10/EEC), (Official Gazette No. 28721 of 28 July 2013)
- By-law on Safety and Health Measures for the Works with Carcinogens or Mutagens (2004/37/EEC), (Official Gazette No. 28730 of 06 August 2013)

- By-law on Safety and Health Measures for the Works with Chemicals (1998/24/EC, 1991/322/EEC, 2000/39/EC, 2006/15/EC, 2009/161/EU), (Official Gazette No. 28733 of 12 August 2013)
- By-law on supervision and inspection of military establishments and of workplaces where materials for national security are manufactured (Official Gazette No. 28737 of 16 August 2013)
- By-law Concerning the Working Conditions of Pregnant or Breastfeeding Female Employees, Breastfeeding Rooms and Children Nursing Homes (92/85/EEC), (Official Gazette No. 28737 of 16 August 2013)
- By-law on Health and Safety Measures in Working on Board Fishing Vessels (93/103/EEC), (Official Gazette No. 28741 of 20 August 2013)
- By-law on laboratories measuring, testing and analyzing occupational hygiene (Official Gazette No. 28741 of 20 August 2013)
- By-law on protection of workers from the risk arising from vibration (2002/44/EC), (Official Gazette No. 28741 of 22 August 2013)
- By-law on occupational health and safety in temporary and fixed term works (91/383/EEC), (Official Gazette No. 28741 of 23 August 2013)
- By-law on Safety and Health Signs (92/58/EEC), (Official Gazette No. 28762 of 11 September 2013)
- By-law on Health and Safety at Mineral-Extracting Industries¹⁰ (92/104/EEC, 92/91/EEC), (Official Gazette No. 28770 of 19 September 2013)
- By-law on health and safety at construction works (Official Gazette No. 28786 of 05 October 2013)
- By-law on Task, Authority, Amenability and Training of OHS Experts (Official Gazette No. 28792 of 11 October 2013)
- By-law on dust control at work (Official Gazette No. 28812 of 05 November 2013)
- By-law on the Support for Occupational Health and Safety Services (Official Gazette No. 28861 of 24 December 2013)

Communiqués:

- Communiqué on workplace hazard classifications (26 December 2012/28509)
- Communiqué on asbestos removal training programmes (29 June 2013/28692)
- Communiqué on composition and duties of personal protective equipment technical committee (15 August 2013 /28741)
- Communiqué on the procedures and principles of the qualifications and election procedures of employee representatives (29 August 2013 /28750)

¹⁰Draft By-law on the Health and Safety Conditions in Underground and Overground Mining Enterprises and the Draft By-Law on the Health and Safety Conditions in work with Drilling were merged and recalled as Draft By-Law on Occupational Health and Safety in Mining Workplaces.

Promotional Framework for the Occupational Health and Safety Convention No. 187, of which Turkey became a party with the Decree of the Council of Ministers dated 23 August 2013 and with the Law No. 6485, entered into force upon its publication in the Official Gazette of 8 October 2013 as an International Convention.

Ministry of Labour and Social Security carries out promotional and information activities to ensure that the society adopts the legal legislation and raises awareness regarding the safety culture. Within this framework, publicity meetings were held in 81 provinces in 2012-2013 and thus nearly 30,000 people were reached.

Preliminary work for the Project on Improvement of Occupational Health and Safety to be implemented by getting use of the national resources between 2013-2015 with the aim of generalizing the OHS management system models established under the Project on Improvement of Occupational Health and Safety Conditions at Workplaces in Turkey (İSGİP) (TR 07 02 20) which was implemented in 2010-2012 under IPA 2007 and ensuring their implementation to the chemistry, leather, furniture, food, textile sectors was finalised.

FERROSH Project (Project on Facilitating Effective and Reliable Resources for Occupational Safety and Health in the Turkish Metal Sector) is being implemented in the period between June 2013- June 2014 and within the scope of the Project, it is aimed to raise awareness regarding the preventive OHS policies, risk assessments, occupational health risks and the new provisions of Occupational Health and Safety Law among the health professionals working in the Community Health Centers, which started to serve for the metal industry in their respective regions and among the social partners of the metal industry in Turkey.

Work to enhance the administrative capacity of the General Directorate of Occupational Health and Safety under the Ministry of Labour and Social Security is still on-going and within this framework, 62 people were assigned to the General Directorate.

Employment

According to the data from the Turkish Statistical Institute, the number of people employed as of August 2012 increased by 593,000 people and reached to 25,960,000 as of August 2013. In this period, the number of people working in the agricultural sector decreased by 53,000 people and the number of people working in the non-agricultural sector increased by 646,000 people.

In August 2013, the rate of employment in Turkey was 51.6%, with 0.9 point increase in comparison with same period of the previous year. The rate of women's participation in the labour force increased from 30.1% to 31.3%. The rate of unemployment was 9.8% and the rate of unemployment among youth was 18.7%. The rate of women's

employment was 27.4%, with an increase of 0.6 points and rate of women's unemployment was 12.4%.

Work has continued regarding the combat against unregistered employment. The rate of unregistered employment was 37.8% in August 2013, having decreased by 2.4 points in comparison with the same period of previous year. The number of persons employed informally has decreased to 9.803 million with a drop of 379,000 persons in comparison with the same period of the previous year. The rate of unregistered employment in the agricultural sector was 22% in 2013 August, having decreased by 2.4 points in comparison with the same period of the previous year.

Preparatory work was carried out for the Operation on Promoting Registered Employment through Better Guidance and Inspection (Promoting Registered Employment II) which will be implemented under the priority of employment Human Resources Development Operational Programme within the scope of the Pre-accession Assistance Instrument-Component 4.

The Turkish Employment Agency (İŞKUR), which is one of the main actors in the area of employment, has carried out services regarding employment, the active labour force, job and vocational counseling and unemployment insurance; in addition, the institution has carried out labour market research and work to enhance institutional capacity. In this framework, the increase, salient in the recent years, in İŞKUR's placement services has also continued in 2013 and a total of 539,193 persons (378,544 men and 160,649 women) were employed. Of these, 27,388 persons are disabled.

In the scope of the Action Plan to Establish and Strengthen the Link between Social Assistance System and Employment, as of October 2013, from among those who had applied to the Social Assistance and Solidarity Foundations and had been directed to İŞKUR via the system, 1.95 million people became included in the target group of İŞKUR, of which 379,000 were registered in İŞKUR, 156,000 were directed to job application, 41,000 were employed, and 91,000 applied to labour force training courses, to which nearly 25,000 attended.

The By-law on Active Labour Force Services (Official Gazette No. 28585 of 12 March 2013), is a significant arrangement prepared and implemented to increase the effectiveness and efficiency of activities carried out with the existing sources and to establish a structure that can meet the needs of the labour market. Through the By-law, it is required that vocational training courses and programmes carried out by İŞKUR in line with the needs of the labour market is in compliance with National Vocational Standards. Furthermore, in accordance with this By-law, the procedures for measurement, assessment and qualification for jobs for which a vocational qualification certificate can be given in the framework of the Law No. 5544 on the Vocational Qualifications Authority (VQA), will be carried out by organizations that have been authorized for exams and licensing.

In the framework of active employment policies, 28,168 programmes, especially vocational courses, entrepreneurship training, on-the-job training programs and public work programmes were held during January- September 2013, and 277,029 persons (159,533 men and 117,496 women) participated in these courses.

Table 1: Active Employment Policies

Type of Programme	Number of Courses / Programmes	Number of Participants		
		Men	Women	Total
Vocational Training Courses	5,260	52,449	61,391	113,840
Entrepreneurship Training Programmes	507	7,628	7,024	14,652
On-the-Job Training Programmes	20,543	28,591	25,581	54,172
Public Work Programmes	2,308	70,865	23,500	94,365
Total	28,618	159,533	117,496	277,029

Source: İŞKUR

The number of employment and professional counselors employed at İŞKUR was increased in 2013 and with the enactment of Law No. 6495 (Official Gazette No. 28726 of 2 August 2013), having a VQA vocational qualification certificate became an obligation for these counselors.

As of the end of September 2013, within the scope of the occupational and professional counseling services provided through 3,904 job and vocational counselors, nearly 292,000 workplaces were visited and counseling was provided to employers, 1,228,000 occupational and professional counseling sessions were held and 536,000 students were provided with counseling with regard to occupations.

Within the scope of the Labour Market Demand Research, İŞKUR completed the Workplace Information Form for Turkey's Labour Market Demand Research through the interview method during 15 May 2013- 30 June 2013. This research, which was held in 81 provinces throughout Turkey, focused on the structure of the labour force, distribution of employment in certain sectors by profession and gender, training and skill demanded for necessary labour force, professionals which are difficult to find and reasons for this difficulty, and expectations by the end of 2013 and 2014 midyear on changes regarding profession in the labour force market.

Whereas there has been a normal increase in the number of persons applying and entitled to unemployment benefits by year, the rate of this increase has been higher since the economic crisis which started in 2008. While 330,000 out of 380,000 applications were approved in 2008, approximately 470,000 out of 590,000 applications

were approved in 2009. With 320,000 unemployed persons becoming entitled to this payment in 2012, this figure has been the lowest of the previous three years.

Table 2: Data on Unemployment Benefits by Year

Year	Application	Awards	Amount of Payment (Turkish Liras)
2007	246,596	221,498	351,906,552.33
2008	381,434	331,332	517,054,113.43
2009	597,654	472,879	1,114,274,972.70
2010	459,417	330,721	807,411,810.10
2011	499,214	321,615	791,051,111.63
2012	609,459	370,382	966,184,883.25
2013*	536,497	317,251	944,187,851.17

Source: İŞKUR

* As of 30 September 2013

İŞKUR carried out work in 2013 to increase its institutional capacity. The Institutional Transformation Project (e-İŞKUR) started to be implemented in order to allow those seeking employment to benefit from İŞKUR services more effectively and without delay through the electronic environment. With this project, which is also significant in terms of the implementation of the E-government, the automation of İŞKUR services was ensured and thus, a platform where all citizens can carry out their work and transactions by themselves was established. With the recruitment of new personnel in 2013, the number of Employment Experts increased to 18 and Employment Assistant Experts to 75 at the central organization of the institution.

Furthermore, the work on the revision of the İŞKUR database and website to include national employment opportunities and operate with the EURES infrastructure is currently underway, along with the training of the relevant personnel and partners.

The preparatory work for the Operation for Promoting Youth Employment in Sectoral Investment Areas, which aims to ensure coordination between partners in the labour force market to increase the employability of youth, was carried out.

The By-law on Private Employment Agencies, which lays down the procedures and principles regarding selection authorization, operation and supervision of private

employment agencies, was published in the Official Gazette No. 28592 of 19 March 2013. This By-law introduces the requirement of employing qualified personnel, and defines qualified personnel as the personnel holding a VQA professional qualification certificate for job and vocational counseling or recruitment qualification certificate, or holding at least a master's degree on human resources. While the number of persons placed in employment through Private Employment Agencies was 43,852 as of 2008, this figure was 22,400 in 2012, and a total of 14,920 persons were placed into employment in the January-September 2012 period, of which 9,540 were men and 5,470 were women.

Equal Opportunity for Women and Men

Turkey, which accepts the establishment of gender equality as a priority, has carried out intensive work and made significant progress in this area in 2013. The 2014-2018 Strategic Plan of the Ministry of Labour and Social Security provides for the development of arrangements that pay regard to gender equality in labour market. Gender equality has also been underlined in the 10th Development Plan (2014-2018).

According to the 2013 statistics of the Turkish Statistics Institute, while the women population over the age of 15 was 28,253 million in August 2013, the number of women in the labour force was 8,840 million. The rate of women's participation in the labour force and employment increased as of August 2013 when compared with 2012 as a result of the effects of current policies and projects in the area of women's employment. The rate of women's participation in the labour force increased from 29.5% to 31.3%, the rate of employment increased from 26.3% to 27.4%.

Table 3: Women in the Labour Market

Year	15+ Population (Thousand Persons)	Labour Force (Thousand Persons)	The Employed (Thousand Persons)	Rate of Employment (%)	Rate of Participation in the Labour Force (%)	Rate of Unemployment (%)	Population not Included in the Labour Force (Thousand Persons)
2011	27,273	7,859	6,973	25.6	28.8	11.3	19,414
2012	27,773	8,192	7,309	26.3	29.5	10.8	19,581
2013 (August)	28,253	8,840	7,744	27.4	31.3	12.4	19,412

Source: Turkish Statistics Institute

There is an apparent increase in the proportion of women in paid employment as a result of current processes of urbanization and agricultural decomposition. Whereas the rate of women who worked in jobs with salaries or wages was 54.3% at the end of 2012, this rate increased to 55.7% by August 2013. In August 2013, the rates of women who were employed, self-employed or worked as unpaid family workers were 1.09%, 10.49% and 33.32%, respectively (See Table 2).

Table 4: Distribution of Women’s Employment by Manner of Employment (%)

Year	Salary or wages	Employer	Self-employed	Unpaid Family Worker
2011	51.6	1.2	11.7	35.5
2012	54.3	1.3	10.8	33.6
2013 (August)	55.07	1.09	10.49	33.32

Source: Turkish Statistics Institute

When the employment ratios in terms of the branches of economic activity are considered, it is observed that 45.68% of the employed women are in service sector, 39.96% in agriculture sector, and 14.34% in industrial sector as of August 2013. Women working as unpaid family worker intensively in the agriculture sector for a long time began to be employed in the service sector in parallel with the growth of the economy. Accordingly, the service sector became the sector with the highest rate of women employment.

Whereas the unregistered employment of women remains to be an issue of concern, there is a decrease in the rate of women working unregistered. In 2002, the rate of women working without registration at any social security institution was 72.5%. This rate decreased to 54.2% in 2012, and to the even lower figure of 53.4% in August 2013.

Providing working women with childcare services has become a prerequisite to increase the employment of women. The Ministry of Family and Social Policies carries out the procedures for opening, operating and monitoring private nurseries, daycare centres and special children’s clubs which private persons and legal entities want to open. 1,646 private nurseries and daycare centres, with permits from the Ministry, are currently providing childcare services for 55,579 children with working parents. Private nursery and daycare services are provided to the children of low-income families free of charge and these services are provided to 1,792 children.

Furthermore, with the Cooperation Protocol signed between the Ministry of Family and Social Policies, the Ministry of Science, Industry and Technology and Borusan Holding Inc. on 21 January 2013, the Mom’s Job, My Future Project began to be implemented so as to encourage the opening of nurseries for children of women working in organized

industrial areas. The project aims to establish nurseries in the organized industrial zones of a total of ten provinces until the end of 2016, starting with four provinces (Malatya, Adiyaman, Afyonkarahisar, Şanlıurfa) in 2014.

In addition to the development in working life in 2013, a number of activities related to women's participation in social, economic and working life were carried out and protocols were signed between different institutions and organizations with the aim of enhancing gender equality in every field of economic and social life.

Equality Between Women and Men and the Gender Training Program was organized by the Directorate General for Women's Status on 4-6 June 2013 with the participation and contributions of a total of 61 administrators and professional personnel working at the Women's Guesthouses and Centers for Prevention and Monitoring of Violence under the Ministry of Family and Social Policies.

The Protocol on Promoting Gender Equality and Strengthening Institutional Capacity and Increasing Cooperation and Coordination to Deal With Violence against Women was signed between the Ministry of Family and Social Policies and the Ministry of National Defense on 3 July 2013. The protocol ensures the preparation of new training programmes on gender equality and combating violence against women for ranks and files realizing their military service in the Turkish Armed Forces, the improvement of the current training programmes and the training of personnel who will provide these trainings.

With the cooperation of the Ministry of Family and Social Policies and the Turkey Vodafone Foundation, the Women's Handcrafts Exhibit and Assessment Meeting was held with the contribution of prominent designers, fashion experts, style magazine editors and marketing experts on 8 May 2013. At the end of the meeting, a draft project was prepared with the aim of making women's handcrafts marketable and ensuring that women earn an income from their work.

Furthermore, Directorate General on the Status of Women is currently implementing the 2012-2016 Project on Increasing Women's Access to Economic Opportunities, in cooperation with the World Bank and with the financial support of the Swedish International Development Cooperation Agency (SIDA).

The objectives of the Young Ideas, Strong Women Project which was put into practice by the Ministry of Family and Social Affairs, Intel and Women Entrepreneurs Association of Turkey (KAGIDER) were to encourage young people to develop innovative ideas by the help of technology, to raise awareness on the problems encountered by the women and to ensure that the women could find solutions to their problems.

Within the scope of the Women Farmers Training Cooperation Protocol signed by the Ministry of Family and Social Policies, the Ministry of Food, Agriculture and Livestock and the Union of Turkish Agricultural Chambers on 14 May 2012, training programs

for trainers were held about Climate Change and Women on 6-8 November 2012 and 19-21 March 2013, Cooperation, Rural Development and Organization on 19-21 November 2012 and 11 March 2013 and Entrepreneurship and Leadership on 12-14 December 2012 and 26-28 March 2013. As a part of this program, training programs on equality of men and women and gender equality were held for 185 trainers as well as the staff of the Provincial Directorate on Family and Social Policies in the pilot provinces. Under the auspices of the Ministry of Family and Social Policies, a member of the mission group formed under the World Economic Forum (DEF) with a view to combating inequality on the basis of gender, the Equality at Work Platform including the leading names of business life was set up and started its activities.

Periodical Monitoring meetings of the Gender Equality National Action Plan covering the period of 2008-2013 were held under the titles of Education, Health, Media, Environment, Employment and Decision-Making Mechanisms in December 2012 and June 2013.

National Monitoring and Coordination Board on Women's Employment which was established in line with the Prime Ministerial Circular No.2010/14 titled as Increasing Women's Employment and Providing Equal Opportunities gathered in November.

With a view to raising awareness and consciousness on gender equality in the private enterprises, Gender Equality Award Ceremony was held on 26 April 2013.

Women Friendly Cities-2 Joint Programme which was launched to include gender equality in local governance in 2011 left its second year behind as of 2013. Under this Program, as of October 2013 local equality mechanisms were established in the relevant provinces, Local Equality Action Plans were prepared, training programs were held on gender equality, strategic planning, budgeting based on gender and gender mainstreaming in order to develop the capacities of local actors and NGO representatives, Neighborhood Management Systems for Women were formed in four provinces and grant programs for 2013-2014 were launched.

Under the United Nations Joint Program (UNJP) To Promote and Protect Human Rights of Women and Girls to be implemented between September 2012 and September 2015, work was carried out on social needs analysis and capacity assessment, training programs for trainers were held on gender budgeting, Purple Certificate Program was organized and 9 projects qualified for grants under Sabancı Foundation Grant Program were put into practice as of 1 October 2013.

Within the framework of 2007 program, Promoting Women's Employment Operation was executed by İŞKUR. Labor market analysis of the Operation based on demand and supply was realized in five selected provinces in order to achieve the aims and objectives of Technical Support Component with a budget of 3,380,000 Euros. Pilot schemes of the Women's Business Clubs were conducted for the first time in Turkey. Within the scope of this Operation, 9,856 women participated in vocational courses;

9,557 women received their certificates under the grant projects; 780 women participated in entrepreneurship courses and 1,940 women received training on child, patient, elderly and disabled care.

Social Dialogue

The secondary legislation regarding the Law No. 6356 on Trade Unions and Collective Labour Agreement which entered into force in 2012 was prepared as a result of the technical work of social parties. In this framework, the By-law on Branches of Activity regarding the coverage of branches of activity for the implementation of relevant articles of the Law No. 6356 entered into force upon its publication in the Official Gazette No. 28502 of 19 December 2013. The By-law regarding the coverage of branches of activity was prepared by taking into account the international norms and standards concerning the classification of economic activities. The By-law on Acquisition and Termination of Labour Union Membership and the Collection of Membership Dues laying down the procedures and principles regarding acquisition, termination of labour union membership and the collection of membership dues was published in the Official Gazette No. 28702 of 9 July 2013. This By-law enabled fulfillment of the procedures concerning union membership via e-government as of 7 November 2013. The Ministry of Labour and Social Security which receives the information regarding union membership electronically updates this information every month. Thanks to the new membership system, it became possible to access realistic and updated information regarding union membership.

The Decision of the Constitutional Court Docket No. 2013/ 21 and Decision No. 2013/57 published in the Official Gazette No. 28705 of 12 July 2013 led to amendment of the Law No. 4688 on Public Servants' Trade Unions and Collective Agreement. It was decided that the expression "Civil servants and public officials employed in the permanent cadres of Ministry of National Defense and Turkish Armed Forces (including Gendarmerie Forces Command and Turkish Coast Guard Command)" in Article 15(g) of the Law No. 4688 be annulled. Thus, the obstacles before the right of civil servants in these institutions to establish or join trade unions were eliminated and the scope of unionization in the public sector was extended.

According to the July 2013 data, the level of unionization of the workers in Turkey was 8.88%, the number of unionized public officials increased by 92,360 persons, and the unionization level of these officials increased from 68.17% to 68.77% within a year.

The 10th Meeting of the Works Council was held in Ankara on 26-27 September 2013. Within the scope of the meeting held with the participation of approximately 600 persons from universities, public institutions, trade unions and confederations, professional organizations, associations and other relevant institutions, the existing problems regarding severance pay, subcontracting and temporary employment relationship by means of private employment offices as well as solution proposals to such problems were addressed.

With the aim of contributing to the improvement of social dialogue, the preparation work on the Improving Social Dialogue in Working Life Project which will be funded under IPA has continued.

Social Inclusion and Social Protection

The scope of social security was extended with the amendments made in the social security legislation in 2013. With the amendment to the Social Insurance and General Health Insurance Law No. 5510, “a person about whom a protective measure is taken and also who does not have general health insurance and is not considered as the dependants of a general health insurance holder, or who cannot receive health benefits despite being included in the general health insurance system” as inscribed in the Law No. 6284 on the Protection of Family and Prevention of Violence against Women deemed to be holder of general health insurance without the requirement of a means test as long as these conditions sustain. Furthermore, in accordance with the By-law on Invalidity Assessment (Official Gazette No. 28727 of 3 August 2013), the scope of invalidity was extended, the conditions for determining invalidity that include different groups of illnesses were made clear, and a number of arrangements were made by taking into account human body as a whole system.

With the aim of increasing accessibility to the social security services, Unmanned Service Points and Mobile Social Security Centers were established and SGK TV, the television channel of the Social Security Institution, started to broadcast in May 2013.

Activities relating to Persons with Disabilities

In the period of January-September 2013, a total of 539,193 persons, out of whom 378,544 are male and 160,649 are female, were employed and the number of persons with disabilities were 27,388.

With the Draft Law on the Amendment of Decree Law on the Organization and Functions of the Ministry of Family and Social Policies and the Certain Laws and Decree Laws, submitted to the TGNA on 26 June 2013, a number of arrangements covering special measures and incentives are envisaged within the context of the Labour Law No. 4857, the Income Tax Law No. 193, the Unemployment Insurance Law No. 4447, the Law No. 2464 on Municipal Revenues and the Corporate Tax Law No. 5520 with the aims of making sheltered workshops which are of critical importance for the employment of disabled persons, functional and widely disseminated, and thus promoting the employment of disabled persons. Furthermore, in accordance with the amendment envisaged in Article 30 of the Law No. 4857, it is aimed that the whole employer share insurance premium is met from the Unemployment Insurance Fund in order to encourage employers who employ disabled persons despite having exceeded the quota or not being obliged to, and with the amendment envisaged in the Civil Servants Law No. 657, it is aimed at making privileged arrangements regarding relocation requests of the civil servants, who are disabled or have disabled family members to take

care of, including disabled spouse or any relatives with first degree relationship by blood, due to their condition of disability.

The By-law on Sheltered Workshops (Official Gazette No. 26183 of 30 May 2006) which specifically arranges the principles concerning working environment for disabled persons who experience difficulty in entering the labour market, was abolished, and the new By-law on Sheltered Workshops covering new arrangements and measures entered into force upon its publication in the Official Gazette No. 28833 of 26 November 2013.

In accordance with the By-law on the Conditions of Employment of Persons with Disabilities as Public Servants and the Procedure of Central Exam and Lot Draw, 5, 926 disabled persons were recruited to the vacant positions in the public institutions for the second time on 14 March 2013. In this respect, the total number of disabled persons who were recruited to the vacant positions in the public institutions reached approximately 33,000 within two years.

In 2013, a number of legislative arrangements were made concerning the rights of the disabled. The By-law on Private Care Centers for Persons with Disabilities in Need of Care published in the Official Gazette No. 28737 of 16 August 2013 repealed the By-law on Private Care Centers for Persons with Disabilities in Need of Care published in the Official Gazette No. 26244 of 30 July 2006 (Official Gazette No. 26244 of 16 August 2006). The new By-law introduced radical arrangements regarding especially the application and opening permission process of the private care centers as well as the characteristics of personnel, physical structures of the centers, inspection and penalties.

With Articles 35/A and 35/B which are added to the Social Services Law No. 2828 through Law No. 6495 of 12 July 2013, arrangements regarding the opening of private care centers for persons with disabilities in need of care as well as working conditions and management of these centers and effective service delivery were made.

The Circular on Initial Admission and Intervention in case of Emergency No. 62664-2013/11 (Official Gazette No. 28680 of 17 June 2013) specified the procedures and principles regarding the opening and working conditions of the initial admission and intervention centers where care services for disabled persons in need of care will be given for a specific period before these persons are transferred to care centers, with the aim of determining care requirements and appropriate service model. The Circular on the Provision of Other Services for Disabled Persons Who Benefit From Home-Based Care Services No: 44615-2013/8 (Official Gazette No. 28635 of 2 May 2013) provided for that disabled persons receiving home-based care services would also benefit from care and rehabilitation services of the day care family consultation and rehabilitation centers within the body of the Ministry of Family and Social Policies in such manner that does not exceed 16 hours in a week.

While 5,217 persons with disabilities were provided with care services in 86 institutions including 79 residential care and rehabilitation centers and 7 day care centers as of April

2013, the number of disabled persons reached to 5,826 as of November 2013. In April 2013, 19 Hope Houses were operating and 15 of them were at the completion stage, while in November 2013, this number reached to a total of 50, of which 36 were operating and 14 were at the completion stage. According to the July 2012 data, 387,097 disabled persons were provided with home-based care services; this number increased to 411,516 as of April 2013 and 424,347 as of November 2013. 287,900,711 and 309,892,132 Turkish Liras was paid for the provision of home-based care services in April and November respectively. As of November 2013, care services were provided for 10,296 disabled persons in 147 private care centers and 16,240,960 Turkish Liras was paid for these services. Currently, there are no disabled persons seeking for service from the residential care and rehabilitation centers. The capacity of public and private care centers is sufficient enough for the provision of services for more beneficiaries.

The By-law on Monitoring and Auditing of Accessibility Arrangements entered into force upon its publication in the Official Gazette No. 28713 of 20 July 2013. The By-law defines the organizational structure, procedures and principles regarding the committees which will carry out the assessment and monitoring activities on accessibility as well as the scope of monitoring and auditing.

The provincial directors and provincial deputy directors of the Ministry of Family and Social Policies were provided with training on Accessibility and the By-law on Monitoring and Auditing of Accessibility. The work on the establishment of Accessibility Monitoring Committees was carried out in the period of July- September 2013.

The Research Project on Preparation of National Accessibility Inventory and Monitoring of Accessibility was initiated in August 2013, and in this framework, the preparation efforts were carried out regarding online data entry to the Accessibility Monitoring and Auditing Forms annexed to the By-law on Monitoring and Auditing of Accessibility (Official Gazette No. 28713 of 20 July 2013).

Within the context of the By-law on Monitoring and Auditing of Accessibility, efforts to draft a protocol were carried out with the Turkish Standards Institute (TSI) with regard to the reporting and accreditation practices of the TSI.

The Accessibility Implementation Guide was drafted within the framework of the By-law on Private Care Centers for Persons with Disabilities in Need of Care.

In the pilot provinces and its districts, the 2013 Accessibility Support Project (UDEP) prepared in order to realize accessibility and create a barrier-free built environment through the transfer of financial resources to the governorates, special provincial administrations, municipalities and affiliated units selected as project coordinators was promoted. Within the context of the calls for proposals, the project applications made to the General Directorate of Services for Persons with Disabilities and Elderly People were examined and the evaluation process was finalized.

Activities relating to Elderly People

The National Action Plan on Ageing and the Current Situation of Elderly People in Turkey was prepared and adopted by the Decision dated 1 March 2007 of the Higher Planning Council. Within the scope of the National Implementation Programme on Ageing, as of May 2013, a number of actions were determined regarding active ageing, which will be implemented during 2013-2015.

Elderly people utilize two different services – day care and residential care. Care services for elderly people are provided in rest homes, nursing and rehabilitation centers for elderly people, life homes for elderly persons, private rest homes, nursing and rehabilitation centers and other nursing homes affiliated to other public institutions.

Residential care service is provided for a total of 11,208 elderly people in 110 Rest Homes and Nursing and Rehabilitation Centers for Elderly People affiliated to the Ministry of Family and Social Policies, having a capacity of 11,896 people. Of these 4,928 are female and 6,280 are male. The Life Homes for Elderly Persons was opened for the first time in Ankara in September 2012, and services are actively provided in 16 out of 30 Life Homes for Elderly Persons. Currently, there are 199 rest homes operated by other ministries, municipalities, foundations, associations, minorities as well as real persons and legal entities, and these nursing homes have a capacity of 14,882 persons. The number of public and private nursing homes operating in Turkey is 309 and the total bed capacity is 24,778.

Day care services are provided in 5 public Elderly Care Centers (affiliated to the General Directorate of Services for Persons with Disabilities and Elderly People) in Ankara, İzmir, Eskişehir, Çanakkale and Kırıkkale. 1,162 elderly people (624 female and 538 male) benefit from day care services in these centers.

Work regarding Children

The Instruction on Working Procedures and Principles of the Central Provincial and Sub-provincial Coordinations established for the Implementation of the Protective and Supportive Measures in Accordance with the Child Protection Law was prepared and entered into force following the Ministerial Approval No. 815 of 16 July 2013. Within the context of the Child Protection Law, a coordination system was developed at the central provincial and sub-provincial level with the aim of strengthening cooperation between all relevant institutions and organizations and thus ensuring that they act in a cooperative manner in order to plan and render children's services in an effective manner. In the workshops held between 12 February and 15 March 2013 with the participation of all sectors, the Coordination Strategy Document in Child Protection Services was revised, and plans were prepared for the implementation of the objectives referred in this document.

With the By-law on Social Services Centers (Official Gazette No. 28554 of 9 February 2013) it is aimed at ensuring integrity of the protective and preventive services, providing all needy groups with social service interventions and monitoring these interventions, on the basis of access to social services easily. In this respect, Social Service Centers affiliated to the Ministry of Family and Social Policies will provide day care services for children living/working in the streets and who are under risk. With regard to residential care provided for such children, the Draft Instruction on Child and Youth Centers which envisages the necessity of residential care for children living/working in the streets and who are under risk was prepared. The By-law on Foster Families No. 28497 of 14 December 2013 which aims to determine the implementation principles of the protective family services regarding raising of children in need of protection in a family environment during the period that requires protection of such children as well as powers and responsibilities of the Ministry and foster families was published in the Official Gazette No. 28497 of 14 December 2013.

In the period of August-December 2013, 327 children benefited from foster family services and currently, 3,141 children live with their foster families by benefiting from the same services. 305 children under protection returned to their families. 4,536 children benefited from this service without leaving their families. In addition, in the period of 1 January -31 October 2013, 538 children were adopted and the total number of adopted children reached to 12,595.

Table 5: Foster Family Services

FOSTER FAMILY SERVICES		
Years	Number of foster families	Number of children fostered
2003	521	536
2004	589	604
2005	648	663
2006	798	813
2007	958	973
2008	1025	1103
2009	1032	1155
2010	1085	1227
2011	1190	1282
2012	1350	1492
2013 (October)	2599	3141

Source: Ministry of Family and Social Policies

The day care center and orphanage services which are collective care services have been terminated and instead, love houses and children houses have been opened for children who do not benefit from family-oriented service models. In the period of August-November 2013, 9 love house building complexes and 72 children houses were opened.

From early 2013 to November 2013, 30 institutions experienced service transformation. In the current situation, there are 884 children houses and 449 villa-type houses in 61 love house building complexes.

Care standards have been developed and implemented with the aim of increasing efficiency of the services provided by the institutions for the children in need of protection and care. Moreover, the Project on Strengthening Internal Audit and Establishing Self-Assessment System in Child Care Services was conducted during 2013 with the coordination of General Directorate of Child Services of the Ministry of Family and Social Policies, consultancy of the Department of Internal Audit and technical support of UNICEF in order to implement the Self-Assessment System in child care institutions and prepare an Implementation Guide. In this respect, the Minimum Standards Monitoring and Assessment Program was prepared and the Instruction regarding the work and operations to be followed in the execution of the software program entered into force following the Ministerial Approval No. 326 of 20 June 2013. The new system was put into service on 3 June 2013.

With the Research Project on Early Identification and Warning System for Children which was covered within the scope of the 2013 Investment Program by the Ministry of Development and carried out with the cooperation of the Ministry of Family and Social Policies and TUBITAK, it is aimed that the children in Turkey can be identified before they become vulnerable and an infrastructure is built in such manner that relevant protective and preventive measures can be taken. In this regard, research activities are carried out. This project aims at modeling of the early identification and warning system for the children and the system is planned to be implemented as of the first half of 2014.

Combating Poverty and Social Assistance

The Ministry of Family and Social Policies initiated its work on the National Strategy to Combat Poverty in 2013. In the draft prepared with the cooperation of the Ministry of Development, it is planned that the activities on combating poverty are carried out within the scope of 6 axes and 14 sub-axes. It is aimed that the Strategy will be implemented as of 2014.

The Assistance Program for Needy Families of Private was initiated to provide regular financial assistance for spouses and parents of soldiers who are fulfilling their mandatory military service. The applications started to be received in April 2013, and 500 Turkish Liras for a two-month period (250 Turkish Liras on monthly basis) is transferred to the bank accounts of beneficiaries. If the private is married, his spouse, if not, his mother and father benefit from this assistance. With a new arrangement made at the end of 2012, the families of martyrs were excluded from poverty line prerequisite for receiving social assistance, and their wages were increased in an amount corresponding to the net minimum wage.

Furthermore, in accordance with the efforts on Minimum Income Support aimed at the poorest segment of the population, a social transfer model will be realized which will ensure improvement in income inequality.

Within the scope of strengthening the relationship between social assistance and employment, 1,067,912 citizens have been guided to ISKUR. 32,000 of these citizens were employed and 57,000 were guided to various training courses. 40,000 persons started to benefit from the unemployment insurance. In the framework of the pilot implementation in Denizli in 2013, the expenses for an interview such as transportation, medical report, passport photos etc. were met, and the persons employed were provided assistance amounting to one-third (326 Turkish Liras) of the minimum wage.

The Social Assistance Card Project was implemented in cooperation with the General Directorate of Post and Telegraph Organization (PTT) in June 2013. The project aimed at the beneficiaries of the Conditional Education and Health Assistance, the Assistance Program for Women Whose Husbands are Deceased, the Allowances for Elderly Persons and the Disabled and the Assistance Program for Needy Families of Private. The Social Assistance Cards will be distributed to a total of 2 million persons, and 780,000 persons received their cards. In addition, the Social Assistance Message Project began to be implemented for the same beneficiaries. With the project, the information regarding the amount of assistance and the bank branches in which the amount can be withdrawn is notified to their cell phones via SMS.

The test tube baby project carried out in cooperation with the Ministry of Family and Social Policies and the Acibadem Health Group aims at meeting the test-tube baby costs of the low-income families having document of medical indigence. The Social Assistance and Solidarity Foundations have been receiving the applications since September 2012, and approximately 2,500 families started their test-tube baby treatment in 2013.

The scope of the assistance program for elderly persons and the disabled implemented since 1976 was extended through the increase of poverty threshold for 2013, and the period for granting pension was reduced from 1-1.5 month to 1 week.

The Integrated Social Services Project has been carried out by the General Directorate of Social Assistance and Solidarity in cooperation with TUBITAK with the aim of establishing a more sound system. All modules except for CCT Module have been providing service since June 2011. The information of 6.7 million households and 23.6 million citizens regarding their income, real property, social security and social examination have been registered in the Integrated Social Assistance Information System. In addition, Social Assistance Portal will be established and the NGOs will also be integrated to the system.

With the aim of determining the social assistance beneficiaries, the Scoring Formula Project was initiated and finalized in cooperation with TUBITAK. The formulas were

developed and the monitoring period was started. The formulas which will be finalised after the monitoring period will start to be implemented.

The activities were carried out with regard to strengthening of the institutional capacities of the Social Assistance and Solidarity Foundations. The number of the personnel of these foundations which act as central institutions in providing immediate service and decreasing the poverty level increased from 4,800 to 8,700. In this framework, among 4-year university graduates, 3,800 persons were employed according to their KPSS (the Public Servant Selection Examination) scores. The work on standardization of the foundation personnel regarding their rights and working conditions was carried out, and the relevant methods and principles started to be implemented.

The work on the Family Social Support Programme which is established with the aim of introducing a supply-oriented approach to the social assistance system without any need for individual applications of families and persons, and which aims at organizing the disparities in the social assistance and services provided by different institutions, is still ongoing.

It is envisaged that the establishment of Social Service Centers will bring about a different approach and dimension. These centers aims at gathering the Family Counseling Centers, Society Centers, Child and Youth Centers and Counseling Centers for Elderly People under a single roof in order to provide a more comprehensive framework of activities. The relevant legislative work is still ongoing.

Other Activities

With the aim of diminishing the effects of terrorist attacks on individuals, employment opportunities were given to the relatives of martyrs, the relatives of citizens who lost their lives in the attacks and citizens who became disabled in the attacks. The scope of the relevant law covers unconditional financial assistance, employment opportunities, tax exemption and free-of-charge travel support.

The Promoting Social Inclusion in Densely Roma Populated Areas Operation under the 4th Component of the Instrument for Pre-Accession Assistance will be implemented in the upcoming period. With a perspective of struggling against any kind of discrimination in the labour market, the Operation aims to increase the employment opportunities for the Roma citizens in the market and thus combating social exclusion. The preparatory work regarding the Social Policy Strategy Paper and Action Plan on the Roma Population is still ongoing.

Chapter 20: Enterprise and Industrial Policy

Within the framework of **Enterprise and Industrial Policy Principles**, implementation, monitoring and evaluation activities of Turkish Industrial Strategy and Action Plan (2011-2014) which constitute the technical benchmark for closing of the chapter, continued. The Project on Strengthening Administrative Capacity of Ministry of Science, Industry and Technology in Industrial Strategy (TR 2009/0320.01) started to be implemented as of January 2013. Furthermore, the preparatory work on the new Turkish Industrial Strategy Document which will be implemented in 2015 has started.

It was decided to extend the implementation of SME Strategy and Action Plan for one year. 14 of the actions was completed. 63 of the remaining actions are on-going.

With regard to Enterprise and Industrial Policy Instruments, By-law on Business Angel Scheme was put into effect upon its publication in the Official Gazette No.28560 of 15 February 2013. With this by-law, through facilities such as tax exemptions for the angel investors it is aimed to enhance the business angels investment, which is a financial instrument for the businesses in start-up or growth stage which are having difficulties in access to finance due to their high risk bearing nature. 100 business angel investor licenses were issued in the period between February and October and a total of 159 investors are included in the system.

The number of Technology Development Zones which was 43 in 2012, increased to 52 in 2013, of these 37 is currently operational. An index was developed by the Ministry of Science, Industry and Technology in terms of measuring the performances of Technology Development Zones and a ranking was done by taking into account their performances. Within the framework of this index, Technology Development Zones are elaborated in terms of the following pillars:

- State Aids and expenditures of parent companies
- R&D competence
- Export and company composition
- Intellectual property rights
- Service provided by Incubators and Technology Transfer Offices
- Cooperation and interaction

Entrepreneurial and Innovative University Index prepared for the first time in Turkey by the Scientific and Technological Research Council of Turkey (TÜBİTAK) in 2012, contributes to increasing the entrepreneurship and innovation oriented competition among universities by ranking them in accordance with their performances in this field and thus, to establishing an entrepreneurship ecosystem. The outcomes of the Index for 2013 were announced on 8 July 2013 by Nihat Ergün, the Minister of Science, Industry and Technology. The Index consists of 23 indicators under 5 pillars. TÜBİTAK worked in cooperation with 209 institutions including universities, technoparks and public institutions while acquiring data in relation with the indicators. 5 pillars of the Index are listed below:

- Scientific and technological research competence
- Intellectual property pool
- Cooperation and interaction
- Entrepreneurship and innovation culture
- Economic contribution and commercialization

In accordance with 2012 Innovation Research made by Turkish Statistical Institute, during the three-year-period covering 2010-2012, 56.1% and 66.3% of the medium sized enterprises and large enterprises realised innovation activities, respectively. Out of the enterprises which employ a minimum of 10 persons, 48.5% realised innovation activities on average. When compared to 2008-2010, it is observed that there is a 3% and 7% decrease in the number of the enterprises which realize innovation and which realize technological innovation, respectively.

The supports by TÜBİTAK, aimed at enhancing the cooperation between the universities and industry sectors through entrepreneurship incentives, have continued. Within this framework, approximately 3,100 supports have been received through 7 support programmes. 61% of these have been provided to SMEs.

The Small and Medium-sized Industry Development Organisation (KOSGEB) made contacts with 211,965 enterprises in the period between 2003 when the financial support was initiated and November 2013. Thus it created employment for 32, 623 persons. KOSGEB, adopting a project basis approach, continued to support Turkish SMEs under seven different programmes. Within this scope, it provided a support of over 223 million Turkish Liras for 2,681 enterprises as of November 2013. Furthermore, 1,415 Applied Entrepreneurship Trainings were conducted through nationwide KOSGEB Service Centers and approximately 45,000 participants were trained within this scope.

Within the scope of European Enterprise Promotion Awards of which KOSGEB is the national contact point, “The Town of Gürsu Developing with Unlimited Clean Energy Project” prepared by Gürsu Municipality of Bursa received the first prize in the category of Supporting the Development of Green Markets and Resource Efficiency. Gürsu Municipality supplies 40% and 100% of its electricity from solar energy for 5 months and 7 months, respectively.

Our country surpassing others and ranking first in terms of the number of activities within the scope of European SME Week, maintained its position even in 2013. 275 out of 700 activities conducted this year took place between 25 and 30 November 2013 which was also the European SME Week. During the SME Week, activities in the fields of nationwide entrepreneurship culture, born global enterprises, eco-entrepreneurship, eco-innovation, alternative financial instruments, energy efficiency, clean production, green growth, regional development were organised for our citizens and target audience of KOSGEB. Activities provided by KOSGEB for all students in all stages of education have been on-going for two years.

The work carried out by KOSGEB on energy efficiency aimed at SMEs was accelerated within this period. Trainings on preliminary survey/detailed survey services and on consultancy and energy management for the efficiency increasing projects to be received by SMEs, were supported within the scope of Energy Efficiency Supports. Furthermore, the Project on “Improving Energy Efficiency in Industry in Turkey “ is carried out together with General Directorate of Renewable Energy, Technology Development Foundation of Turkey, Turkish Standards Institution which are the project partners and with UNIDO (United Nations Industrial Development Organization) and UNDP (United Nations Development Programme) which are the international partners. The Project on “Energy Efficiency in SMEs in Turkey” is carried out in cooperation with French Agency for Development (AFD). Within the framework of the project, the aim is to support energy efficiency applications and low carbon energy use of SMEs which are operational in Turkey and to improve their environmental performances.

Work in the field of Entrepreneurship and Innovation Programme (EIP) (the first component of EU Competitiveness and Innovation Framework Programme (CIP) 2007-2013) the aim of which is increasing the competitiveness and innovation capacities of our enterprises in global scale, is carried out under the responsibility of Ministry of Science, Industry and Technology. Entrepreneurship and Innovation Programme was carried out through three basic instruments namely as Financial Instruments, Innovation Projects and Enterprise Europe Network.

- Within the scope of financial instruments, loan guarantee agreements were signed with Credit Guarantee Fund (CGF), Finansbank, Ziraat Bankası and Garanti Bankası. Thus, a loan guarantee support of 765 million Euros was provided, which will ensure SMEs in Turkey to receive more loans with flexible assurance and lower cost. It is expected that this loan guarantee will create approximately 1,145 million Euros of credit volume in total.
- Within the scope of innovation projects, calls for project on the issues determined in EIP Work Programme were followed on a regular basis and after being translated, they were announced to all stakeholders via relevant websites.
- Consultancy and information services continued to be provided free of charge to 81 provinces via 7 consortiums from Turkey which was involved in Enterprise Europe Network-EEN established within the scope of SME Business and Innovation Support Networks. In 2009-2010, 500,000 SMEs were reached via the mentioned consortiums, and this figure was 908,403 in 2011-2012. 404 business and technology agreements were signed between Turkish enterprises and enterprises in different countries via these consortiums in 2009-2012.

Within the context of **sectoral policies**, the Ministry of Science, Industry and Technology maintained sectoral strategy activities which will contribute to enhancing the competition power of the industry sectors. Within this framework, Turkish Chemical Industry Strategy Document and Action Plan (2012-2016), Turkish Iron-Steel and Non Ferrous Metals Industry Strategy Document and Action Plan(2012-2016), Turkish

Ceramic Sector Strategy Document and Action Plan (2012-2016), Turkish Electric and Electronics Industry Strategy Document and Action Plan (2012-2016) were adopted through the decisions of the High Planning Council dated 22 October 2012 and numbered 2012/25, 2012/26, 2012/27, 2012/28, respectively.

Turkish Chemical Industry Strategy Document (Official Gazette No.28473 of 20 November 2012), Turkish Electric and Electronics Industry Strategy Document (Official Gazette No.28502 of 19 December 2012), Turkish Iron-Steel and Non Ferrous Metals Industry Strategy Document (Official Gazette No.28508 of 25 December 2012) and Turkish Ceramic Sector Strategy Document (Official Gazette No.28539 of 25 January 2013) were published. The implementation activities concerning the strategy documents started as of 2013 following their publication in the Official Gazette.

Moreover, Turkish Pharmaceuticals Sector Strategy Document is prepared but its adoption procedures are on-going. The work for Turkish Textile, Clothing, Leather and Leather Products Sector Strategy Document is about to be completed under the coordination of the Ministry of Science, Industry and Technology. Furthermore, Turkish Shipbuilding Industry Strategy Document and Turkish Food Industry Strategy Document started to be prepared.

On the other hand, implementation, monitoring and evaluation activities continued within the scope of Turkish Automotive Sector Strategy Document and Action Plan (2011-2014) and Turkish Machinery Sector Strategy Document and Action Plan (2011-2014).

Chapter 21: Trans-European Networks

Within the context of Trans-European Networks, work is carried for establishing an improved transport infrastructure both within the EU and among its neighbouring countries and connecting this infrastructure to the Trans-European Transport Networks (TEN-T), establishing the required infrastructure and system to allow oil and natural gas energy resources of the Caspian, Middle-East and North Africa to reach the EU markets and ensuring the electricity exchanges (TEN-E).

The technical closing benchmark envisaged for this chapter, which was opened to negotiations on 19 December 2007, was fulfilled.

In the field of the **Trans European Transport Networks (TEN-T)**, work is on-going to draw up project within the framework of Transport Operational Programme under IPA with a view to establishing a national transport master plan.

With regard to **Trans-European Energy Networks (TEN-E)**, the Intergovernmental Agreement and its attachment, the Host Government Agreement, on Trans Anatolia Natural Gas Pipeline (TANAP) between Turkey and Azerbaijan were ratified in March 2013. The Agreement between Turkey and Azerbaijan concerning the sale of natural gas to Turkey, its transit passage across the territory of Turkey and the development of a standalone pipeline for transportation of the natural gas was ratified by the Council of Ministers in October 2012. TANAP is an indispensable part of the Southern Gas Corridor, which is among the major projects of the EU.

As a continuation of TANAP, there were two alternatives for transporting natural gas from the Caspian Region to Europe; the Nabucco West project which was planned to start from Bulgarian border and Trans Adriatic Pipeline (TAP) Project planned to start from Turkey- Greece border. Shah Deniz Consortium announced on 28 June 2013 that they decided to transport natural gas to be produced in the Phase II of Shah Deniz field via the TAP Project to Europe.

As regards **electricity networks**, work is on-going for the synchronous parallel operation of the Turkish electricity system with the European electricity system. The synchronous parallel trial operation period is in the third phase, and a permanent connection is expected to be established in 2014. Currently, within the framework of the joint agreement signed on 12 March 2010 between Bulgaria, Greece and Turkey, there is a limited exchange of electricity between Turkey and ENTSO-E's¹¹ Continental European Synchronous Area in line with the ENTSO-E practices and EU rules. When

¹¹ *European Network of Transmission System Operators for Electricity*: As the body for the transmission system operators at the European level, the aim of ENTSO-E is to ensure a coordinated and reliable functioning of electricity transmission activities, promoting the development of the interconnected European grid, and to support of competitive and integrated continental-scale markets.

the permanent synchronous parallel operation of Turkish electricity system with the European electricity system is initiated, an increase in the electricity trade with Europe will be brought to the agenda.

Chapter 22: Regional Policy and Coordination of Structural Instruments

In 2013, there was significant progress in the negotiations on the regional policy and coordination of structural instruments and this chapter was opened to negotiations.

Following the removal of the blockage on this chapter, on 27 February 2013, a single benchmark was determined citing “Turkey presents the Commission a detailed action plan setting up clear objectives and a related timetable setting out clear objectives and timeframes as regards the implementation of EU’s Cohesion Policy and necessary institutional set-up.” The Action Plan designed to meet the relevant benchmark was submitted to the Commission on 11 March 2013.

Upon receiving the letter from EU Presidency of Ireland on 24 April 2013 confirming the approval of the Action Plan, the Negotiating Position Document of Turkey was submitted to the Commission on 7 May 2013. The General Affairs Council (GAC) met on 25 June 2013 and agreed to open Chapter 22 to negotiations. As mentioned above, the work on this Chapter was finalized swiftly in cooperation with all relevant institutions.

On the 10th Meeting of Intergovernmental Accession Conference which was held in Brussels on 5 November 2013, Chapter 22: Regional Policy and Coordination of Structural Instruments was opened to negotiations.

The EU Common Position Document which was prepared by the Commission introduced the following 6 technical closing benchmarks apart from the one on Additional Protocol in order to close the negotiations provisionally on this Chapter:

- 1) Turkey demonstrates a satisfactory performance of the indirect management system under IPA in the regional development and human resources policy areas leading to the conferral of management of EU pre-accession funds without ex-ante controls,
- 2) Turkey adopts an institutional set-up for the implementation of EU Cohesion Policy (Managing Authorities, Audit Authorities and Intermediate Bodies etc.),
- 3) Turkey submits to the Commission a capacity building plan for EU Cohesion Policy (covering actions at national, regional and local levels and staff retainment policy),
- 4) Turkey designs and demonstrates the effective functioning of its national policy leading to the strengthening of its economic, social and territorial cohesion,
- 5) Turkey submits to the Commission drafts of national strategic planning document and operational programmes under EU Cohesion Policy which

complement Turkey's own policy – including actions at the regional and local levels,

- 6) Turkey designs and completes the set-up of its Management Information System (MIS) based on a through needs assessment and an analysis of good practice across the European Union.

Within the scope of this Chapter, there are six main titles, namely legal framework, institutional framework, programming, administrative capacity, monitoring and assessment, financial management and control.

Within the framework of these titles, the progress made in 2013 is listed as follows:

Legal framework covers multi-annual programming at national and regional level, providing budget flexibility, increasing co-financing capacity at national and regional level as well as true and efficient activities on financial control and auditing. In addition, it also includes the alignment with the EU's horizontal legislation on public procurement, competition, environment, anti-discrimination and gender equality. Within this respect, tax revenue shares from general budget of local administrations were revised in 2013. According to the new practice, the socio-economic development level as well as the population was considered in income distributions from the budget to the local administrations. With a view to ensuring gender equality and participation of women in decision-making mechanisms, Women Friendly Cities-2 Project have been put into practice by the Ministry of Interior and the United Nations and this Project is financed by the Swedish International Cooperation and Development Agency (SIDA).

Institutional framework covers the establishment of structures at national and regional level by member states within the scope of cohesion policy, and setting-up an implementing mechanism which would exactly clarify the functions and obligations. The set-up of Pre-Accession Assistance (IPA) which can be deemed as a preliminary phase of Structural Funds and Cohesion Fund which Turkey would benefit from upon accession is now ready. The accreditation of finance and contracting units in the Ministries which are the Operating Structures responsible for 4 Operational Programmes (Environment, Transport, Regional Competitiveness and Human Resources Development) within the scope of the 3rd (Regional Development) and the 4th (Human Resources Development) Components of IPA was completed. The set-up of the 3rd and 4th Components of IPA for 2007-2013 is planned to be continued in the period of 2014-2020, as well.

Programming covers the preparations on the documents related with IPA, Structural Instruments which can be utilised upon accession and operational programs along with the preparations of strategic documents to eliminate the differences in terms of regional development. Within this respect, the projects under the 3rd and 4th Components of IPA were identified, drafted and evaluated during the IPA I period (2007-2013), while all the relevant institutions were involved in the work on the Country Strategy Paper within the framework of IPA II period (2014-2020). Regarding IPA II period, concept papers were

developed in the sectors and later, the first draft of Country Strategy Paper was delivered to Turkey.

Preliminary work on National Strategy for Regional Development which can be regarded as a general framework and guideline for the plans and strategies on the regional development of Turkey is on-going. Development Agencies continued their activities on new term regional plan preparations which would determine socio-economic development trends, development potentials of the settlements, sectoral goals and distribution of activities and infrastructures at regional level in 2013. National Strategy for Regional Development and regional plans will have been entered into force by 2014 following its approval in the Supreme Regional Development Council.

Moreover, Eastern Anatolia Project Regional Development Administration, Konya Plain Project Regional Development Administration and Eastern Black Sea Project Regional Development Administration were established as of 8 June 2011 in order to coordinate public investments in their respective regions and ensure close cooperation with the public institutions and organizations in the regions they are responsible for. The mentioned administrations continued their preparatory work which was launched in 2012 for the Action Plan regarding the investments in their regions in 2013 as well. In addition, implementations for GAP Action Plan for five years (2008-2012) were completed. During the planning period, the share of GAP in total public investments rose to %14 from 7% and 20 billion Turkish Liras in total was allocated for GAP investments in the period of 2008-2012. Significant progress was made in education and health indicators thanks to investments. When the program was finalized, the loans allocated to SMEs increased and special programs were carried out which would integrate the women, children, young people, the elderly and the persons with disabilities into the community development by means of the programs to increase employment. The unemployment rate which amounted to 17.4 in 2009 decreased to 12.4% by the end of 2012. The exports corresponding to 3.3 billion dollars in 2007 rose to 8.1 billion dollars by the end of 2012. Following the finalization of the South-eastern Anatolia Project as of the late 2012, the work on Revised Action Plan for GAP covering the period of 2014-2018 was completed.

The details of 4 operational programs still continued to be implemented during IPA I period (2007-2013) are as follows:

- Within the scope of the Environment Operational Programme, 39 project applications were made with a total cost of 940 million Euros as a response to the measures for the development of waste water, drinking water and integrated solid waste management services. Financing decision was received for 24 projects and work on construction and technical counseling was launched for 18 projects. However, the preliminary work is on-going for the rest of the projects. The preparations on investment package for the new period are underway for 38 projects.

- Within the scope of the Transport Operational Programme, two large scale infrastructure projects for strengthening the railway infrastructure measure, namely “Rehabilitation and Reconstruction of Köseköy-Gebze Section of the Ankara-Istanbul High Speed Railway Line” and “Rehabilitation and Signalization of Irmak-Karabük- Zonguldak Railway Line” are on-going. Revised Major Project Application Form regarding the Filyos Port Construction Project developed for improving the port infrastructure measure of the Operational Programme was submitted to the Commission on 26 March 2013. Because of the Commission’s negative evaluations on this Project, the technical work on the Modernization of Samsun- Kalın Railway Line Project was accelerated. It is expected that Major Project Application Form regarding the Modernization of Samsun- Kalın Railway Line Project will be submitted to the Commission in December 2013.
- Within the scope of the Regional Competitiveness Operational Programme (RCOP), a pipeline was established to be implemented in 43 provinces (12 regions) with a low economic development level, which includes 63 projects intended for improving the business environment, strengthening of enterprise capacity and foster entrepreneurship. This pipeline, with a budget of approximately 602 million Euros, was defined in four project packages. 52 of 63 projects expected to be financed under RCOP was approved by the European Commission. The budget of these projects amounts to about 431 million Euros. Accordingly, some 77% of the funds allocated for the program were officially designed. Out of 52 projects, 15 are in implementation process and 37 are under tendering process. Work on programming of the remaining 11 projects is still going-on. Within the scope of the projects in implementation, 33 contracts were signed; amounting to about 125 million Euros and 93 million Euros was disbursed for these contracts.
- Within the scope of the Human Resources Development Operational Programme, as of November 2013, the following amounts were contracted respectively; 76 million Euros for employment priority, 38 million Euros for education and life-long learning priority, 20 million Euros for social inclusion priority and 14.8 million Euros for technical assistance priority. Moreover, in order to increase application of funds in terms of financial engineering, the collaboration with the European Bank for Construction and Development (EBRD) and Kfw Development Bank has continued.

Administrative capacity covers the activities for capacity building of all institutions which will take part in the management of Structural Instruments which Turkey will benefit from upon accession. Within this respect, increasing the capacity of the institutions taking part in IPA structuring which is regarded as a pioneer of the Structural Instruments and also increasing the administrative capacity of local and regional administrations which are the final beneficiaries with respect to bottom-up programming approach are of high importance. Accordingly, the implementation of the technical assistance projects for each Operational Program as well as the Capacity Improvement in the Economic and Social Cohesion (ESC) Policy (Phase II)

(TR2009/0322.01), the beneficiary of which is the Ministry of Development have continued. The institutional capacity of the institutions taking part in IPA programs was strengthened and pipelines were established by the Operating Structures in order to ensure the effective and efficient use of funds.

Under the Capacity Improvement in the Economic and Social Cohesion (ESC) Policy (Phase II), 20 training programs were held on issues such as planning and programming, regional analysis techniques, monitoring and assessment, financial management and control for the staff of the institutions and organizations taking part in IPA process as well as staff of the Development Agencies and 886 persons were trained within two years. The Project was finalised on 6 November 2013.

The Ministry of Interior and the Turkish Union of Municipalities organized several training programs in order to increase the capacity of local administrations. Within this respect, during the period of 2010- 2012, a great number of people were trained; 9,000 persons were trained through several projects of the Ministry of Interior; 73,500 persons through training programs held by the Turkish Union of Municipalities and 2,500 persons through the activities of Union of Provincial Services. Moreover, Development Agencies organized about 2,000 training programs for public institutions, NGOs, SMEs and other organizations and more than 70,000 persons were trained.

Monitoring and assessment covers the establishment of a computerized monitoring system and assessment structure. Activities to maintain and develop the Integrated Monitoring Information System (IMIS) which was formed to monitor the implementation process of projects/ operations financed under the 3rd Component on Regional Development and the 4th Component on Human Resources Development of IPA also continued in 2013. To that end, an evaluation report was prepared on the implementation of IMIS. The opinions of the relevant stakeholders were taken and medium and long term proposals were presented in this report. Furthermore, practical training programs concerning the system were held in September and October. At present, the users can enter data on the system and the number of projects registered in the system is 127.

The “Regional Development and Human Resources Development Committee”, which is an official platform gathering all institutions and organizations responsible for coordinating and carrying out Operational Programmes meets regularly. The Committee convened twice in 2013 and its last meeting was held in July 2013. Sectoral Monitoring Committee meetings which gather the Commission representatives and relevant institutions and organizations to monitor the progress, projects and implementation regarding each Operational Programme (Environment, Transport, Regional Competitiveness and Human Resources Development) are held biannually. In 2013, these meetings were held twice; in the middle of the year (in June) and at the end of the year (in November and December).

Financial management, control and audit cover the establishment of necessary structures for a sound financial management and audit within the framework of the adjustments under the cohesion policy. Central Finance and Contracts Unit (CFCU) organized training programs on monitoring of the rejection rates and reporting for the Operating Structures under the 3rd and 4th Components of IPA and the CFCU made its data available to the accredited banks.

Chapter 23: Judiciary and Fundamental Rights

Although seven years have passed since 2006 in which the screening meetings were completed as the first stage of the negotiation process, screening report on Chapter 23 has not been approved by the Council of the EU and the opening benchmarks have not been communicated to Turkey, yet. Currently, the Greek Cypriot Administration of Southern Cyprus is unilaterally blocking the opening of Chapter 23. Considering the course of negotiation process, the criticism in various EU reports and platforms against Turkey on Chapter 23 are unfounded.

Although the negotiations of this chapter are being politically blocked by the EU, Turkey continues to make comprehensive reforms in this area.

In the area of the judiciary, backlog of cases in judicial system has been reduced through comprehensive reform packages adopted since 2011. In particular, with the Second and Third Judicial Reform Packages, the efficiency of the judicial system was improved and significant amendments concerning the human rights were introduced.

Following the mentioned reform packages, “Law Amending Certain Laws within the scope of Human Rights and Freedom of Expression”, known also as the Fourth Judicial Reform Package, was published in the Official Gazette of 30 April 2013 as the continuation of the judicial reform packages.

The package which constitutes of 27 articles introduced amendments to a total of 8 laws namely the Anti-Terror Law, Turkish Criminal Code, Criminal Procedures Code, Law on the Execution of Penalties and Security Measures, Law on High Military Administrative Court, Civil Procedures Code, Law on Expropriation, and Administrative Procedures Code.

The Fourth Reform Package was drafted by considering the European Convention on Human Rights (ECHR) and the grounds for violation inscribed in the case-law of European Court of Human Rights (ECtHR). With the Package, significant amendments were introduced to the criminal legislation for individuals to fully enjoy fundamental rights and freedoms, particularly the freedom of expression and freedom of press, in line with the international norms.

The main amendments introduced by the Package are as follows:

- The scope of application of the Article 220(6) (titled as Forming organized groups with the intention of committing crime) stipulating that “Any person who commits an offense on behalf of an organized criminal group without being a member of that group is additionally punished for being a member of the organized group.” was restricted so as to provide that the mentioned provision shall “only be applied to the armed organizations”.

- Article 94 of the Turkish Criminal Code was amended so as to abrogate the statute of limitation in the crimes of torture.
- The penalty envisaged for the offence of fraud during a tender set forth under the Article 235 of the Turkish Criminal Code was reduced in order to ensure criminal justice.
- There can be a loss in value of the expropriation costs to be paid due to lengthy proceedings and effect of inflation. A preventive arrangement was made through an amendment so as to avoid the loss in value of the expropriation price during the course of expropriation cases. In order to protect the property rights and act in line with the ECtHR case-law, it becomes possible to compensate the loss in value through charging a legal interest over the determined price in the event that the expropriation cases are not concluded in a maximum period of four months.
- With the amendments to the Law No. 1602 on High Military Administrative Court and Law No. 2577 on Administrative Procedures Code, the parties are entitled to increase the amount of compensation they have demanded during trial in order to ensure the right to a fair trial in case a claim for compensation is filed regarding government liability,
- If sentences are found to be in breach of ECHR by the ECtHR, the limitations before applying for the re-trial in cases can be removed.
- An investigation can be re-opened upon request, if the ECtHR finds that the decision for non-prosecution has been taken as a result of an ineffective investigation.
- Final ECtHR judgments constitute grounds for re-trial even in terms of the cases heard before the High Military Administrative Court.
- Amendments were introduced to various articles of Criminal Procedures Code, and Civil Procedures Code in order to enhance the exercise of the right to a fair trial, fight against impunity and to ensure the fundamental rights and freedoms.
- With a provisional article which was inserted in the Law No. 5275 on the Execution of Penalties and Security Measures, it is provided that if the persons, who are subject to probation due to the offences committed before the effective date of the 1982 Constitution, commit a crime during his probation term again, they will continue to be subject to the probation. Within this scope, repeated execution of the previous sentences of these persons is prevented.

(For the amendments in the field of freedom of expression, see Freedom of Expression)

Furthermore, regarding the cases filed before ECtHR by persons who have exhausted all domestic remedies, the implementation of the Fourth Judicial Reform Package will significantly contribute to reducing the number of possible ECtHR judgments against Turkey regarding violations in the context of freedom of expression, fair trial, right to liberty and security of individuals.

Significant amendments including **new arrangements regarding detainees and convicts** have been realised through judicial reform packages. Within this scope, important amendments were introduced to system for the execution of penalties through the Third Judicial Reform Package which came into effect on 5 July 2012, the Law No. 6411 which was published in the Official Gazette of 31 January 2013, Criminal Procedures Code, Law on the Execution of Penalties and Security Measures, and Law No 6459 Amending Certain Laws on Human Rights and Freedom of Expression known as the Fourth Judicial Reform Package. Within this scope, some of the amendments introduced are as follows:

- Regarding the offences about which a decision of arrest cannot be rendered, the upper limit of imprisonment, which was previously regulated as 1 year, was extended to 2 years,
- The authority to decide on protective measures regarding defendants (search, seizure, arrest, detention, apprehension etc.) was transferred from judges hearing the case to judges assigned only to determine protective measures,
- Decisions of detention have to be justified clearly with concrete facts,
- The efficiency of the system challenging the lawfulness of detention is improved by totally fulfilling the requirements set forth by the principles of equality of arms and contradictory procedure during the examination of detention,
- Due to the measures for detentions, the compensation system is developed, this system is aligned with the ECtHR standards and thus, an effective means of remedy is created,
- The scope of probation was extended,
- The suspension of executing the sentences of the convicts and detainees who are too gravely ill became possible,
- Convicts and detainees are allowed for conjugal visits with their spouses,
- Juvenile convicts are enabled to spend more time with their parents and to meet their families without the presence of personnel of the penal institutions.

Regarding detention periods, a notable decrease was observed as a consequence of the judicial reforms. The ratio of the detainees in prisons which was 48.9% in 2006 decreased to 20.2% as of 7 October 2013. Regarding this issue, Turkey's situation is further improved when compared to many EU Member States.

As of 7 October 2013, there is a total of 139,199 persons in 361 prisons throughout Turkey, out of these 110,999 are convicted and 28,200 are detained. The ratio of those who were detained for a period of 0-3 years corresponds to 96.39% of the total convicts. The number of persons who are detained for over 3 years is 1017 out of a total of 28,200.

According to the data issued by International Centre for Prison Studies operating under University of Essex (UK), Turkey ranks the 15th among 28 EU Member States in terms of the ratio of detainees to the convicts (from the lowest to the highest). In other words, the ratio of the detainees to convicts is lower than the EU Member States such as the Netherlands, Italy, Denmark, France, and Sweden.

Furthermore, through its decision of 4 July 2013, the Constitutional Court annulled the article set forth under the Anti-terror Law (included also in the Third Judicial Reform Package) that allowed for the doubling of the detention on remand period provided under Criminal Procedures Code regarding the exploitation of state secrets, spying and offences committed against the security of state, constitutional order and national defense. Thus, it annulled the provision of the Anti-Terror Law that stipulates maximum duration of detention on remand as 10 years.

Within this framework, a new arrangement is envisaged in line with the grounds for annulment decision of the Constitutional Court and by paying due regard to ECtHR case-law.

In line with the ECtHR criteria on lengthy periods of trials and detention, the Constitutional Court rendered a principle decision regarding the admissibility of individual applications on 2 July 2013. Accordingly, the final decision for the case will not be laid down as a condition in order to lodge an individual application regarding lengthy detention periods and trials. Through this decision through which the ECtHR criteria are adopted, it is indicated that the Constitutional Court will act in full compliance with the ECtHR criteria in the forthcoming cases. Furthermore it is for certain that a gradual approach for assessment will be adopted in judgments of the Constitutional Court regarding detention.

In its human rights meetings of March and June 2013, the Committee of Ministers of the Council of Europe which supervises the execution of ECtHR judgments, welcomed the recent developments in Turkey in terms of the length of trials, detention periods and detention procedures.

According to the *ECtHR statistics*, for a long time Turkey was on the second rank after Russia in terms the number of applications pending before ECtHR but as of 31 October 2013, it ranked the fourth.

Country	Number of applications pending before ECtHR
Russia	18,850
Italy	14,600
Ukraine	13,400
Turkey	12,450

With the Second Judicial Reform Package which entered into force on 26 August 2011, the Department of Human Rights was established under the Directorate General for International Law and Foreign Relations of the Ministry of Justice, and thus for the first time in Turkey, there is a unit which is directly and legally in charge of defending Turkey before the ECtHR and monitoring the execution of the decisions rendered by ECtHR.

Department of Human Rights carries out work regarding the preparation of defenses for applications against Turkey before ECtHR, swift and efficient execution of the judgments of violation rendered by ECtHR, efficient protection of the rights stipulated in ECHR and thus eliminating violations of human rights, and also it prepares projects in this regard together with relevant institutions and organizations.

Department of Human Rights is in charge of translating into Turkish all ECtHR judgments regarding Turkey as well as judgments on other countries which are considered necessary.. The translated decisions are published via www.inhak.adalet.gov.tr. Furthermore, ECtHR decisions and information notes are also translated into Turkish and communicated to the relevant institutions. Turkish option is added to HUDOC interface and the European Court's case-law database, thus search for the judgments in Turkish is now available.

Amendments were introduced to certain laws with the aim of further strengthening **the right to a fair trial** in line with the international standards. Within this scope, with the enactment of the Law Amending the Criminal Procedures Code and Law on Execution of Sentences and Security Measures in the Official Gazette of 31 January 2013, it was ensured that defendants can defend themselves in a language that they prefer and in which they can express themselves better.

Furthermore, regarding further strengthening the protection of the right to a fair trial, the amendments that were introduced through the Fourth Judicial Reform Package (entered into force on 30 April 2013) in line with the ECtHR case-law are as follows:

- With the amendments to the Law No. 1602 on High Military Administrative Court and Law No. 2577 on Administrative Procedures Code, the claimants are entitled to increase the amount of compensation they demand during trial in order to ensure the right to a fair trial in case that a claim for compensation is filed regarding state liability.
- By amending Article 105 (titled as “the procedure”) of the Criminal Procedures Code No. 5271, it is envisaged that the court or the judge shall render a decision on the requests for releases without taking the opinion of the prosecutor other than the hearing phase. The amendment to this article abolishes the practice of taking opinion of the prosecutor with respect to the aforementioned requests. With this amendment, the provision which is found to be in contradiction with the principle of equality and contradictory procedure was abolished.
- With the amendment to Article 108 of the Criminal Procedures Code (titled as evaluation of arrest warrant), it is stipulated that the application for release during the investigation phase shall be decided after the suspects or their lawyers are heard, based on the time limits not exceeding thirty days. In line with the ECtHR case-law, the principle of equality of arms is met through examination made after hearing the suspects and their lawyers during the investigation.
- In order to ensure the principle of equality of arms, an amendment was made to Article 270 of Criminal Procedures Code (titled as “Inspection and examination upon notification of objection to the opposition party and public prosecutor); thus it is stipulated that when the public prosecutor’s opinion is received before the assessment on objection to decision of detention, this opinion must be notified to the suspect, the accused or their defendants.
- Through a provisional article added to the Criminal Procedures Code No. 5271, re-trial becomes possible on the basis of certain final ECtHR judgments. Thus, within the scope of the execution of ECtHR judgments, over 223 applications pending to be monitored by the Council of Europe Committee of Ministers will be taken off the agenda.
- With an amendment to Article 337 of the Civil Procedures Code No. 6100 (titled as the assessment of the legal aid), it is ensured that if the application for legal aid is rejected, the decision must be accompanied with a reasoning and be subject to objection. In addition, if the application for legal aid is rejected, it becomes possible to re-apply to legal aid in case there is a significant decrease in the ability to pay of the party concerned.
- Article 339 of the Civil Procedures Code (Collection of litigation costs that were postponed through legal aid) was amended so as to ensure that the parties may be partially or fully exempted from repayment of the litigation costs through the

decision of the court. With this amendment, a party may be partially or fully exempted from repayment if the court considers that collection of the court expenses, previously paid by the state or by the parties, could explicitly cause them to face an unjust treatment.

Regarding probation, the services of the Probation System, organization of which has been completed throughout Turkey, are currently being improved. Within this scope, instead of the execution of penalties restricting freedom, the necessary amendments were introduced so as to apply probation which is an alternative type of execution that ensures reintegration of the convicts into the society within the framework of criminal justice system. The work on improving administrative capacity is on-going.

Within the context of the Law No. 6411 Amending the Criminal Procedures Code and Law on Execution of Sentences and Security Measures which was published in the Official Gazette of 31 January 2013, the scope of the probation was extended, and probation was also extended for those who will not yet have served six months of their sentence by 1 January 2016.

2974 staff has been employed in the divisions of probation as of December 2013.

Within the framework of probation practices, the number of persons on probation was amounted to 242,553 as of November 2013. Judicial control was applied to a total of 44,655 persons. Furthermore, within the scope of probation practices, the establishment of the electronic monitoring centre and installation of the system was completed on 24 January 2013.

System of mediation in civil disputes, through which the parties may freely dispose in case of the disputes arising from civil law procedures was established with the Law on Mediation of Civil Disputes published in the Official Gazette of 22 June 2012. With this system, disputes can be resolved without recourse to a court, through a “mediator” chosen by the parties, also including foreign nationals.

By-Law on Law on Mediation of Civil Disputes was published in the Official Gazette of 26 January 2013 and entered into force on 22 June 2013. Within this scope, the Department of Mediation and Board of Mediation was established under the Directorate General of Legal Affairs in the Ministry of Justice.

Law faculties, Turkish Bar Associations and Justice Academy of Turkey provide trainings for those who will be employed as mediators. The list of the institutions in charge of providing trainings is announced via Ministry of Justice website.

The system of mediation aims to significantly reduce the workload of the courts and to effectively resolve disputes without delay in a cost-efficient way.

In order to encourage the application of this system in widespread manner, with the Law No. 6460 Amending Civil Procedures Code and Some Other Laws which was published in the Official Gazette of 30 April 2013, it is stipulated that the work regarding the application of alternative methods for settling the disputes including mediation will be taken into account in the professional evaluation of judges and prosecutors.

Resources allocated to judiciary, have been increased parallel to the reforms implemented in the judicial system. The amount allocated from the central government budget to the Ministry of Justice of budget was 5,27 billion Turkish Liras in 2012 however; it has been set at approximately 6,83 billion Turkish Liras for 2013. In addition, the amount allocated to individual budgets of the high courts and High Council of Judges and Prosecutors have increased significantly.

With regard to reducing the workload of the judiciary, in order to ensure effective and efficient functioning of the judiciary, various amendments were introduced with the Law No. 6494 on Amending Certain Laws concerning Judiciary Services. Within this framework, following measures were put into force: in order to be appointed as a member of Council of State and Court of Cassation, a professional experience of 20 years shall be required; in-service training of the judges and prosecutors shall be carried out by High Council of Judges and Prosecutors; judiciary recess shall be between 20 July and 31 August each year and pre-service training of the prison staff shall last for at least 5 months.

Significant amendments are envisaged in terms of accelerating the judicial proceedings with the Draft Law Amending the Law of the Council of State and Certain Laws which was submitted to the TGNA on 3 December 2013. Within this scope, following issues were included in the Draft Law: establishment of a new administrative law chamber at the Council of State, making the plenary session of the administrative law chamber permanent, introduction of novelties such as “collective cases” and “urgent jurisdiction procedure” into new administrative jurisdiction procedure, finalization of the appellate procedure of certain cases, which are under the responsibility of the Council of State, at regional administrative courts. Furthermore, in order to reduce the workload of the public prosecutors, the practice of prosecutors’ not attending to the hearings before criminal courts of first instance which is foreseen to be ceased as of 1 January 2014 is planned to be extended to 1 January 2019 in accordance with the Draft Law.

Moreover, by means of the introduced Audio-Visual Information System (SEGBİS) within National Judicial Network Project (UYAP), the courts and public prosecutors’ offices have been enabled to receive audio-visual statements. Currently, SEGBİS is established in 135 heavy criminal courts.

The work for increasing the number of judges to a sufficient level is underway. According to the data of the European Commission for the Efficiency of Justice

(CEPEJ), the number of the judges per thousand persons increased from 7.5 to 11.08 between 2002 and 2013.

On the other hand, in cooperation with the High Council of Judges and Prosecutors and Justice Academy of Turkey, the Ministry of Justice continues to hold exams for candidate judges and prosecutors. Lawyers who have 5 years of professional experience can also apply to the exams for candidate judges and prosecutors. Total number of judges and prosecutors in civil and administrative judiciary increased from 8,333 to 13,666 between 2002 and September 2013.

Furthermore, the number of the staff employed in Forensic Medicine Institute continued to increase. Recently, 34 persons have been appointed to the Institute.¹²

Judges and prosecutors continued to receive trainings in order to raise their awareness regarding ECtHR judgments and rulings of the Constitutional Court about individual applications. Translation of ECtHR judgments into Turkish continued in cooperation with the High Council of Judges and Prosecutors and Ministry of Justice. The High Council of Judges and Prosecutors considers ECtHR judgments as a criterion in the performance assessment of the judges. In addition, a training project is being carried out for the inspectors of High Council of Judges and Prosecutors.

Liberty judges who are assigned to the regional heavy criminal courts under the Article 10 of Anti-terror Law continued to receive trainings.

Within the scope of the Project on Improved Efficiency of Turkish Criminal Justice System, 250 trainers were assigned for re-design of pre-service and in-service trainings provided by the Justice Academy of Turkey in line with the ECHR.

Regarding Turkey-EU Financial Cooperation, under IPA II covering the period between 2014 and 2020, in the judiciary sub-sector, the Ministry of Justice will be authorised for programming the projects, preparing the project fiches, ensuring their approval by the European Commission, monitoring and evaluating the implementation of the projects, ensuring coordination among projects, preparing the required reports within the framework of sector approach. The Department for the Implementation of European Union Projects¹³ was established under the Directorate General for European Union of the Ministry of Justice in November 2013.

The Second International Summit of High Courts on Transparency in the Judiciary, which was organised within the scope of the Project carried out by the Court of Cassation and Turkey Office of UNDP, was held in Istanbul on 20-22 November 2013. The First President of Court of Cassation, Chief Public Prosecutor of Court of Cassation

¹² 2 board members, 11 physicians, 10 assistant physicians, 1 chemist, 1 engineer, 1 nurse and 8 health technicians

¹³ One head of department, four judges and 2 junior experts have been assigned under this Department.

and Chiefs of Chambers, presidents and judges of high courts from 13 countries, representatives of international law associations and experts participated in the Summit. The Summit particularly aimed to gather information about best practices, which may positively affect the judicial reform process in Turkey, and to adopt the Declaration on Transparency in the Judiciary, draft of which was disseminated before. The Istanbul Declaration on Transparency in Judicial Process was adopted with the approval of all participant countries at the end of the Summit.

Judiciary and Fundamental Rights for Lawyers Training Project included comprehensive information programme regarding the Judiciary and Fundamental Rights (Chapter 23) which is of great importance in Turkey-EU accession negotiations. The project was prepared with the support of the British Embassy in Turkey under the Reuniting Europe Programme and in cooperation with the Ministry for EU Affairs, Ministry of Justice and Union of Turkish Bar Associations. It was implemented between November 2012 and December 2013.

Within the scope of the Project, training programs on “Chapter 23: Judicial and Fundamental Rights” were organized for more than 500 lawyers registered in bar associations at 7 pilot provinces (Konya, Erzurum, Şanlıurfa, Siirt, Kastamonu, Manisa, Trabzon) between 2012 and 2013.

Regarding the penitentiary system, significant amendments were introduced with the Law No. 6411 Amending the Criminal Procedures Code and Law on Execution of Sentences and Security Measures published in the Official Gazette of 31 January 2013. Within this scope, new models of implementation were put into force as such: suspension of executing the sentences of the convicts and detainees who are gravely ill, allowing convicts and detainees for conjugal visits with their spouses as well as juvenile convicts to spend more time with their parents.

The Law No. 6494 on Amending Certain Laws Regarding Judicial Services entered into force on 7 July 2013. As per the Law, pre-service training of the prison and detention house staff shall last for at least 5 months and the detainees’ participation in funerals shall be facilitated.

In 2013, 6 additional buildings and open prisons were built in the premises of 27 prisons with a total capacity of 71,383 persons.

In accordance with the Article 18 of Law No. 5275 on the Execution of Penalties and Security Measures, the units for the convicts suffering mental disorder other than mental diseases established in the E-type prisons in Adana, Elazığ, Manisa and Samsun became operational.

As a result of the capacity building activities carried out particularly between 2012 and 2013, the total capacity of the prisons increased to 153,340. As of 7 October 2013, there

are 139,199 inmates in 361 prisons nationwide; out of these 110,999 are convicts and 28,200 are detainees.

The number of staff working at prisons increased from 25,405 to 43,435 between 2002 and December 2013.

Within the scope of the probation system, the establishment of electronic monitoring centre and configuration of the system was completed on 24 January 2013. Following the completion of setting up, the electronic monitoring practice officially started on 1 February 2013 by using electronic monitoring devices to 102 persons in 19 different places. Since then, 953 persons have been electronically monitored, 383 of whom are still under electronic monitoring. 570 persons have been monitored up to now.

In the transition process of the electronic monitoring system, a gradual increase is envisaged in the number of persons with monitoring devices. A 3-year gradual increase was planned namely, on average 650 persons in the first year; 1,700 persons in the second year and 3,000 persons in the third year.

The Law on Turkish Armed Forces Disciplinary System entered into force on 31 January 2013 with a view to determining the procedures and principles of the establishment, maintenance and sustainment of effective disciplinary system. Within this context, disciplinary tribunals were closed; instead, disciplinary committees were established. Moreover, action for annulment was made possible against disciplinary measures before the High Military Administrative Court.

As regards **anti-corruption**, the implementation of the Strategy and Action Plan for Improving Transparency and Strengthening the Fight against Corruption covering the period between 2010 and 2014 continued. The main components of this Strategy are classified under the three main titles: prevention, enforcement of sanctions, and raising awareness in the society. With the application of these measures, the Strategy aims to enhance an understanding of a fair, accountable, transparent and credible administration and to raise public awareness on anti-corruption with the purpose of preventing tendency towards corruption crimes and thus to increase the efficiency of the system.

Political reform process regarding **fundamental rights** continued in 2013 with an integrated approach.

Within the context of the work carried out for problems and solution proposals regarding human rights violations in Turkey, the Ministry of Justice continued to work on the **Action Plan for the Prevention of Human Rights Violations** in cooperation with all relevant institutions. Covering a 5-year period, the Action Plan comprises aims, targets and responsible institutions for elimination of causes resulting in violation judgments by the ECtHR. With the implementation of the Action Plan, it is intended

that human rights standards will be improved and the number of applications against Turkey before the ECtHR will be minimized.

Significant progress was achieved in 2012 towards the establishment of democratic institutions in the context of **institutionalization in the field of human rights**. In this regard, the **Ombudsman Institution** which is a mechanism to remedy an effective and rapid solution to the complaints stemming from the relations between public administration and citizens, the **Human Rights Institution of Turkey** which will assume a central role for the protection of human rights, became operational in 2013.

As of 29 March 2013, the Ombudsman Institution started to receive applications regarding complaints about public administrations. The applications are submitted to the Institution free of charge and concluded with a decision within 6 months.

As envisaged in the 2010 Constitutional Amendment Package, **individual application to the Constitutional Court** can be made following the exhaustion of other domestic remedies. Turkey started to implement this system on 23 September 2012, which is already in place in many EU Member States.

Technical and physical infrastructure was duly established for effective and smooth examination of individual applications. For example, individual applications made to the courts and prosecution offices are processed under the UYAP and immediately submitted to the Constitutional Court.

The training activities for raising awareness of judges and prosecutors about ECtHR judgements and Constitutional Court decisions on individual applications continued. Moreover, similar training activities are projected for the inspectors of High Council of Judges and Prosecutors.

As of 16 December 2013, 10,361 individual applications were made to the Constitutional Court. 2,321 of them were decided inadmissible. Other applications are still under examination. Up to now, the Court has concluded 22 applications and found violations in 20 of them.

The ECtHR declared its decision regarding the *Hasan Uzun v. Turkey* case on 14 May 2013 stating that the individual application to the Constitutional Court is a domestic remedy to be exhausted before applying to the ECtHR.

The Draft Law on the Establishment of the Monitoring Commission for the Law Enforcement and Amending Certain Laws is on the agenda of the TGNA. With the Draft, the establishment of the monitoring commission for the Law Enforcement is envisaged. Moreover, with the purpose of making the complaint system more effective, rapid, transparent and reliable, a central registration system will be set up in order to

record all necessary tasks and operations to be carried out by administrative bodies with regard to crimes allegedly committed by law enforcement officers.

With the Democratization Package announced on 30 September 2013, the establishment of “Anti-discrimination and Equality Board” is also envisaged.

Both in terms of institutionalization in human rights and prohibition of discrimination, the Draft Law on Anti-discrimination and Equality Board constitutes an important step for works on the Political Criteria, Chapter 23: Judiciary and Fundamental Rights and Chapter 19: Social Policy and Employment.

It is envisaged that the Human Rights Institution of Turkey will assume the role of national preventive mechanism to be established in compliance with the Optional Protocol to the Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT), to which Turkey became a party in 2011.

Prepared with the purpose of enabling settlement of some applications before the ECtHR by means of paying compensation as well as eliminating potential violation decisions, the Law No. 6384 on the Settlement of Some Applications Lodged with the ECtHR through Paying Compensation was published in the Official Gazette on 19 January 2013. The Law aims to establish a domestic remedy regarding the applications filed in the ECtHR concerning allegations on excessively long trials and non-execution of court rulings. In this context, the Human Rights Compensation Commission was established on 20 February 2013. The Commission is composed of members appointed from the personnel of the Ministry of Justice and Ministry of Finance.

The Commission receives applications of those who filed applications in the ECtHR as of 23 September 2012 alleging that cases under criminal, civil and administrative law as well as investigations under criminal law were not concluded within a reasonable time or that the court’s decisions were late, partially or not executed.

Within this framework, as of 12 November 2013, 4,053 applications were made to the Commission. 1,666 of them were concluded and it was decided to pay compensation for 1,528 of them, while other 138 applications were rejected. Within the context of the finalized applications, 6,675,839 Turkish Liras of compensations will be paid. The number of concluded cases to which applicants have objected is 203. The number of cases objected and subsequently finalized is 32.

Regarding¹⁴ numerous applications before ECtHR against Turkey, ECtHR has underlined that the application to the Human Rights Compensation Commission is an effective domestic legal remedy which must be exhausted. Regarding 1,384 applications against Turkey, the ECtHR decided inadmissibility on the grounds that applicants

¹⁴ Director Turgut and others/Turkey Decision (4860/09), Ayşe Durusoy/Turkey (34600/04), Nezaket Demiroğlu/Turkey (27459/09)

should initially apply to the newly established Commission. In other words, these files are taken out from the list of cases lodged with the ECtHR against Turkey.

As regards **the enhancement of freedom of expression**, work has continued with determination. In the field of freedom of expression, as a result of the reforms made since the early 2000's, many topics perceived as sensitive, can be now a room for open debate by our citizens.

With the amendment to the Article 301 of the Turkish Criminal Code in 2008, filing a case under this article requires the permission of the Minister of Justice. As a result, the number of cases filed under this article has considerably decreased. Within this framework, in the first half of 2013, permission to file a case was given only to 12 applications out of 184.

Within the scope of the Law No. 6352 on Amending Certain Laws for Effectiveness of Judicial Services and Suspension of Trials and Punishments Regarding Offenses via Press (Third Judicial Reform Package) which entered into force on 5 July 2012 and the Law No. 6459 on Amending Certain Laws within the scope of Fundamental Rights and Freedom of Expression, (the Fourth Judicial Reform Package) which entered into force on 30 April 2013, significant amendments were accomplished expanding freedom of expression and freedom of press. Under this framework, with these Reform Packages, in particular within the scope of the Turkish Criminal Code and Anti-terror Law, significant improvements have been made, in order to align the freedom of expression and freedom of press with universal norms. With these amendments, it is aimed that the grounds for violation being specified in ECtHR rulings will be resolved.

Within the context of the Third Judicial Reform Package, the implementation of the amendments extending the scope of freedom of expression and press is still on-going. Within this scope, prosecution, trials and execution of sentences based on crimes committed through the press were postponed, many detainees were released, the ban on publication of the periodicals was lifted and thousands of books were removed from the list of banned publications. With the amendments to the Turkish Criminal Code, within the context of the freedom of expression and press, the relevant provisions, which provide for an increase of the penalty when the crime is committed through the press or broadcasts, were repealed. Furthermore, the penalties will no longer be increased if the offense is committed through the press or broadcasting.

Within the scope of the Fourth Judicial Reform Package, the major amendments made in particular to enhance freedom of expression and press and to align them with the standards of the ECHR and ECtHR are listed as follows:

- Article 215 (praising the offences and offenders) of the Turkish Criminal Code No. 5237 has been amended and a new criteria has been introduced for the mentioned offence to be materialized. In accordance with these criteria, 'praising the offences

and offenders' will be evaluated as an offence only if it constitutes a clear and imminent danger to the public order. Thus, the definition of the offence of praising an offence and offender has been narrowed down.

- Article 6 of the Anti-Terror Law No. 3713, has been amended to ensure that only printing and publishing declarations and statements that legitimize terrorist organizations' methods involving coercion, violence and threat as lawful or that appraise these methods or encourage them, are deemed as punishable.
- The elements of making propaganda on behalf of a criminal organization and a terror organization being rendered as a crime under Article 220 (establishing an organization in order to commit a crime) of the Turkish Criminal Code and Article 7 (terror organizations) of the Anti-Terror Law, respectively, were amended. With the amendments, elements of the offence of propagating on behalf of terrorist organizations are materialized through the introduction of the phrase "producing propaganda to encourage the methods of coercion, violence or threat". Within that respect, the elements of the offence of propagandizing on behalf of a criminal organization or a terror organization are rearranged and narrowed down with the introduction of the mentioned elements. Thus, only the persons who explicitly justify, praise or explicitly encourage the methods of terror organisations which contain violence, coercion or threat, shall be punished.
- The scope of the offence of committing a crime on behalf of an organisation without being a member of that organisation was narrowed down. A new clause was inserted into the paragraph 6 of the Article 220, whereby the scope of the mentioned paragraph shall only be applicable to the "armed organisations".
- A new paragraph has been inserted into the Article 7 of Anti-terror Law, whereby those who are not members of a terrorist organisation, but committed other crimes which are listed in the Article 6 of the Anti-terror Law such as printing or publishing leaflets and declarations of terrorist organizations or other crimes listed in the Article 7(2) and other offences under the Law No. 2911 on Meetings and Demonstration Marches, in the name of the terrorist organisation, will no longer be prosecuted for being a member of the terrorist organisation. Thus, the scope of application of the mentioned article was narrowed down.
- The scope of the offence of disinclining people from performing their military service, which is regulated by the Article 318 of the Turkish Criminal Code, was restricted. With this amendment, elements of crime were materialized and narrowed down. Accordingly, it is clearly envisaged that only those who encourage the on-duty conscripts to desert or who discourage the future conscripts from performing their military duty will be punished from six months to two years imprisonment.

Finally, “the Draft Law Amending Certain Laws for the Enhancement of Fundamental Rights and Freedoms” was submitted to the TGNA on 5 December 2013 with a view to fulfilling the arrangements requiring legal amendments in the Democratization Package, which was made public on 30 September 2013. This draft law envisages arrangements which shall enhance freedom of expression.

Within this respect, it is aimed that the obstacles to the freedom of expression will be entirely removed through the impact of the foreseen amendments on several issues such as allowing political campaigning and propaganda in different languages and dialects during elections, adopting legislation on hate crimes, permitting education in different languages and dialects in private schools, safeguarding the respect for private life-styles, amending the Law on Meetings and Demonstration Marches, abolishing the penalties in the Turkish Criminal Code regarding the use of certain letters and lifting the legal restrictions regarding the usage of certain village names.

Regarding freedom of association, the legal amendments, made within the scope of the Law No. 6495 Amending Some Laws and Decree-laws dated 12 July 2013, which enabled the re-opening of the closed foundations, ensured that the founders of the foundations which were decided to be dissolved as from 1 January 1990 until the publication date of the relevant amendment, may apply to establish a new foundation provided that the name and objective of the foundation are preserved. Moreover, it was also ensured that the properties of the dissolved foundations transferred to the Directorate General for Foundations and already disposed by the Directorate General could be transferred to the newly established foundation within three months as of their registration in the Court registry.

The Ministry of Interior published a Circular titled as “Riot Police” on 26 June 2013 and a Circular titled as “Course of Actions during Social Incidents” on 22 July 2013. These Circulars, which indeed regulate the use of force by law enforcement forces, were prepared by the Ministry of Interior to remind the rules to be implemented by the law enforcement authorities during the intervention in social incidents and the rules to be conducted during the usage of gas or other tear gas.

Upon the allegations that law enforcement officers used disproportionate force and violated the rights during the *Gezi Park* protests which took place in June and July, judicial investigations were immediately launched against the relevant public officers by the judicial authorities as well as administrative investigations launched immediately by the Ministry of Interior. Under the framework of these investigations, certain disciplinary punishments by the administrative authorities were imposed on the law enforcement and other public officers who were found to have violated rights and used disproportionate force. Furthermore, within the scope of the judicial investigations, cases were filed against some of these officers and the trials have started.

With respect to **removing the restrictions on collection of charitable donations**, Article 15 of the By-Law on Principles and Procedures on Collection of Charitable Donations which was issued on the basis of Article 8 of the Law on Organization of Social Assistance and Solidarity Promotion was repealed on 26 September 2013 and the undemocratic monopoly right of the Turkish Aeronautical Association on the collection of hides (Kurban), Fitre (a special form of Islamic charity) and Zekat (a special form of Islamic charity) was lifted. Thus, an obstacle in front of finding financial resources by non-governmental organizations (NGOs) was removed in order to sustain their actions and improve their dialogue with the society.

To that end, this issue was also included in the Democratization Package which was made public by our Prime Minister on 30 September 2013. Accordingly, the “Draft Law Amending Certain Laws for the Enhancement of Fundamental Rights and Freedoms” submitted to the TGNA on 5 December 2013 envisages the abolition of the restrictive provisions in Article 8 of the Law No. 3294 on Organization of Social Assistance and Solidarity Promotion.

In the area of fight against torture and ill-treatment, since 2002, Turkey has adopted zero tolerance policy against torture and ill-treatment. One of the most significant steps in this area is the removal of the statute of limitations for the offences of torture under the Fourth Judicial Reform Package.

According to the statistics announced by the ECtHR on 24 January 2013, no violation decision regarding the Article 3 on the prohibition of torture under the ECHR was given for Turkey by the ECtHR in 2012.

Within the framework of the zero tolerance policy against torture, through the continuation of the installation of video tape recorders in detention and interrogation rooms at the counter terrorism departments, work has been carried out to expand this system.

In the area of women’s rights and gender equality, women’s participation in economic, social and political fields and providing equal opportunities between men and women play a key role in the accession process to the EU. In Turkey, women’s rights are safeguarded by the Constitution and in particular, recently, the relevant reform work in this area has accelerated.

With the By-Law Amending the By-Law on the Dress Code for the Personnel of Public Institutions and Organizations which entered into force on 8 October 2013, the restrictions on the dress code of the female public servants have been removed. With the removal of the headscarf ban, which was in contradiction with the universal principles of law and human rights such as the freedom of conscience and religion, right to employment, anti-discrimination on the basis of gender, principle of equality, a

significant barrier preventing the women to achieve the positions they deserved in the employment and working life, was lifted.

Following this development, the headscarf ban applied for the female members of the TGNA during their participation in the General Assembly of the TGNA was also removed.

Furthermore, the relevant article of the Rules of Procedure of the TGNA No. 584 and dated 5 March 1973 was amended and the obligation to wear skirts for female members of the TGNA during the sessions of the General Assembly was lifted and they were allowed to wear trousers.

Women's participation in political life has significantly increased over the past years. Whereas the rate of female members of the TGNA was about 4% at the end of the general elections in 2007 while this ratio increased up to 14.38% in the general elections in 2011.

Labour force participation rate for women has risen to 31.3% from 30.1%. Unemployment rate amounted to 9.8%, while this rate for youth was 18.7%. The women employment rate increased by 0.6 point compared to the same period of the last year and amounted to 27.4%, while unemployment rate for women corresponded to 12.4%. Providing child care services for the working women has become a prerequisite for increasing the women employment.

The Law Approving the Council of Europe Convention on Preventing and Combating Violence against Women and Domestic Violence entered into force on 14 March 2012. Turkey has been the first country to ratify this Convention, also known as the Istanbul Convention, in its Parliament, among the signatory countries of the Convention.

The By-Law on the Implementation of the Law on the Protection of Family and Prevention of Violence against Women which entered into force in 2012 became effective on 18 January 2013.

The By-law on the Opening and Operation of Shelters for Women entered into force on 5 January 2013. This By-Law regulates the procedures and principles regarding the establishment and operation of the women's shelters, the variety and quality of their services, their supervision, their inter-institutional cooperation as well as the duties and responsibilities of the staff of the women's shelters which are affiliated to the Ministry of Family and Social Policies, municipalities, special provincial administrations and non-governmental organizations.

The shelters which were established prior to the enactment of the relevant By-Law with overcapacity and still provide services, will harmonize their capacities accordingly with this By-Law within two years. Moreover, the Ministry of Family and Social Policies

will establish a data processing system for shelters in order to accelerate the interconnection among all women's shelters, tracking their occupancy and the transfers among them and to be able to make updated analyses concerning these shelters and to develop policies within this respect.

Moreover, in line with the Law on the Protection of Family and Prevention of Violence against Women, Violence Prevention and Monitoring Centres (ŞÖNİM) which offer counseling and guidance services to prevent violence and effectively implement protective and preventive measures were established in 14 pilot provinces (İstanbul, Ankara, İzmir, Bursa, Denizli, Antalya, Mersin, Adana, Samsun, Trabzon, Gaziantep, Şanlıurfa, Diyarbakır and Malatya). Violence Prevention and Monitoring Centres rendered services to 4,514 persons in total (4,434 women and 80 men), between the late December 2012 and June 2013.

National Action Plan on Combating Domestic Violence against Women (2007-2010) was updated through a workshop held between 9 and 12 June 2010 so that it would cover the period of 2011-2015. The updated "National Action Plan on Combating Violence against Women (2012-2015)" entered into force on 10 July 2012. Within the framework of the "National Action Plan on Combating Violence against Women (2012-2015)", work is on-going regarding legal amendments, awareness raising and mental transformation, empowerment of women and preventive services, provision of health care services and cooperation among institutions/organizations.

Women's shelters are one of the most important mechanisms in combating domestic violence against women. The total capacity of women's shelters with the first step stations increased to 2,066. Between 13 August 2012 and 3 April 2013, women's shelters and first step stations offered services to 3,419 persons in total.

Victims of violence can call free of charge "Alo 183" Social Service Hotline for Families, Women, Children and the Persons with Disabilities, affiliated to the Ministry of Family and Social Policies which carries out activities on combating violence against women and the call centre offers non-stop services for 7/24. Since September 2012 until July 2013, 22,574 calls have been made to the hotline "Alo 183" regarding the services for women. 3,085 of these calls were related to the neglect and abuse cases concerning women.

The number of the personnel employed within the Alo 144 Call Centre on services for social assistance and social assistance projects, which is affiliated to the Ministry of Family and Social Policies, increased and 2,975,151 calls were recorded between September 2012 and July 2013.

The "Protocol on Promoting Gender Equality and Strengthening Institutional Capacity, Enhancement of Cooperation and Coordination in the field of Combatting Violence against Women," was signed between the Ministry of Family and Social Policies and

the Ministry of National Defence on 3 July 2012. With this Protocol, it is aimed that training programs on gender equality and combating violence against women for the conscripts who perform their military services under the Turkish Armed Forces will be organised and the current training programs will be improved and strengthened and the trainers to provide training will be trained.

In addition, with a view to aligning with the EU Acquis and harmonizing the work on the institutionalization concerning combating violence against women with the EU practices and raising awareness within this respect, under the coordination of the Ministry for EU Affairs, TAIEX Regional Seminars titled as “Domestic Violence and Violence Against Women” were held in Gaziantep, Antalya, İzmir and Trabzon with the participation of approximately 600 persons both from central and local organization of the Ministry of Justice, the Ministry of Interior and the Ministry of Family and Social Policies as well as the representatives of non-governmental organizations and universities.

Moreover, the Project on the Training of Trainers for the Personnel Employed in the field of Domestic Violence was implemented with a joint initiative by the Ministry for EU Affairs, the Ministry of Family and Social Policies and the British Embassy. 85 participants in total both from central and local organization of the Ministry of Family and Social Policies participated in the training programs held within the scope of this Project. By the help of these training programs which addressed thoroughly certain issues such as the Law on the Protection of Family and Prevention of Violence against Women and its implementation, victims of violence and perpetrators of violence and working methods, it is envisaged that the participants who were trained as trainers will be able to provide training in these fields in their own provinces. It is expected that this Project will substantially contribute to combatting domestic violence in practice.

With a view to raising awareness on gender equality in Turkey, the “National Action Plan on Gender Equality 2008-2013” was prepared by the Ministry of Family and Social Policies.

Work is on-going in the areas specified by the National Action Plan on Gender Equality (2008-2013) including “Women’s Education”, “Women and Economy”, “Women and Poverty”, “Women and Health”, “Women’s Participation in Power and Decision-Making Mechanisms”, “Women and Environment”, “Women and Media”, “Women’s Human Rights”, “Girls”, and “Institutional Mechanisms for the Advancement of Women”.

With an amendment to the Article 60 of the Law No. 5510 on Social Insurances and General Health Insurance on 21 May 2013, it was ensured that among the persons about whom a precautionary action has been decided under the provisions of the Law No. 6284 on the Protection of Family and Prevention of Violence against Women, those who are not included in the general health insurance system, those who are not the

dependents of holders of a general health insurance or those who are included in the general health insurance, but are not able to use health benefits, would be deemed to have general health insurance without the conduct of income assessment, as long as their mentioned conditions prevail.

With a view to implementing the relevant legislation effectively on combatting violence against women and gender equality, a number of workshops, training programs and projects were also put into practice in 2013.

(See Chapter 19: Social Policy and Employment)

Strengthening the **children's rights** and realizing structural reforms for children services were also among the priorities of 2013.

The Council of Europe Convention on the Protection of Children against Sexual Exploitation and Sexual Abuse which was signed by Turkey in 2007 entered into force on 1 April 2012.

The adoption process of The Third Optional Protocol to the UN Convention on the Rights of the Child which allows for every child to file individual applications to the Committee on the Rights of the Child which was signed on 24 September 2012 is ongoing.

In order to prevent the child abuse and help the abused child in a conscious and effective manner, the Prime Ministerial Circular, dated 4 October 2012, stipulates that "juvenile monitoring centres" will be established under the hospitals and institutions affiliated to the Ministry of Health and the coordination of these centres will be carried out by the Ministry of Health.

Regarding the Child Protection Law and related international agreements, the Directive on the Operation, Procedures and Principles of Coordination Bodies on Central, Provincial, and District Level with a view to Implementing the Preventive and Supportive Measures under the Child Protection Law was prepared and entered into force on 16 July 2013.

Within the scope of the Child Protection Law, with a view to strengthening the cooperation among all public institutions and organizations and ensuring their collaboration to effectively plan and deliver children services, the coordination system at central, provincial and district level was developed and Strategy Document for Coordination in Child Protection Services was revised during the workshops held with the participation of all sectors between 12 February 2013 and 15 March 2013 and implementation programs were prepared to achieve the objectives laid down in this Document.

The Strategy Document for Coordination in Child Protection Services and Implementation Programs were approved in the 12th Central Coordination Meeting which was held on 27 November 2013.

The preparations for National Action Plan on Combatting Violence against Children which is intended to cover the period of 2014-2018 are underway. This Action Plan aims to detect the measures to be taken in every respect, to clarify the responsibilities of each institution and to work in collaboration in order to protect children from any kind of violence in cooperation with all public institutions and organizations as well as the non-governmental organizations.

(See Chapter 19: Social Policy and Employment)

Concerning persons with disabilities, with the 2010 Constitutional Amendment, it was indicated that the implementation of the measures towards the persons with disabilities would not be regarded as a violation of the equality principle and the principle of “positive discrimination” was based on the Constitution. To that end, the measures on ensuring the persons with disabilities to fully use their fundamental rights and freedoms are on-going.

The discriminatory expressions which may aggrieve the persons with disabilities such as “handicapped”, “faulty” or “impaired” were removed from the relevant legislation as of 3 May 2013 and the expression “persons with disabilities” was introduced to all relevant legislation in order to have a terminological harmonization.

Considering the UN Convention on the Rights of Persons with Disabilities to which Turkey is a party and other relevant regulations in the legislation, “the Monitoring and Assessment Board on the Rights of the Persons with Disabilities” was set up through the Prime Ministerial Circular No. 2013/8 dated 19 July 2013 in order to carry out activities and make suggestions on work related with administrative and legal arrangements to protect and improve rights of the persons with disabilities, to assess the relevant work for the purpose of informing the public about the developments in this field, to prepare and approve strategy document and action plans thereof and to ensure cooperation and coordination on the rights of the persons with disabilities among the institutions.

The scope of the disability has been expanded in parallel with the By-Law on the Detection of Procedures related with Disability” published on 3 August 2013. The conditions were materialised and classified into categories in terms of the illnesses under the By- Law on the Detection of Procedures related with Disability which covers different illness categories. The effects of certain illnesses were examined and some arrangements were made, considering the health of the body as a whole.

(See Chapter 19: Social Policy and Employment)

Regarding the anti-discrimination, the Democratization Package envisages the establishment of the Anti-Discrimination and Equality Board. The Draft Law on Anti-Discrimination and Equality is an important step for the work under the Political Criteria, Judiciary and Fundamental Rights Chapter (Chapter 23) and Social Policy and Employment Chapter (Chapter 19) with regard to the institutionalization on human rights and the prohibition of discrimination.

With a view to ensuring that Roma **citizens** can have full access to education, employment and health services and resolving their problems regarding housing conditions, work has also continued for the last year.

Under the Turkey-EU Financial Cooperation Program, work is on-going to increase the social inclusion in the regions with a high population of Roma citizens within the framework of the 4th Component of Instrument for Pre-Accession Assistance (IPA).

Within the framework of the Project “Development of the Dialogue between Public Institutions and Non-Governmental Organizations for the Roma Citizens”, cooperation opportunities in this field between the public institutions and non-governmental organizations are improved. In order to establish a permanent dialogue between the public institutions and non-governmental organizations established by Roma citizens, “Project on Establishing Public-NGO Dialogue Group for Roma Citizens” was implemented by the Association for Zero Discrimination with the participation of the Ministry of Family and Social Policies, the Ministry for EU Affairs, the Ministry of Labour and Social Security, the Ministry of National Education, the Ministry of Health, İSKUR officers, and the representatives from non-governmental organizations; this Project was finalized in December 2012.

Moreover, the local modelling through the Project on Establishing Public-NGO Dialogue Group for Roma Citizens is still on-going in order to establish a “Consultation and Monitoring Board for Roma Citizens” composed of 5 relevant NGOs currently from 5 provinces; as İstanbul, Gaziantep, Artvin, Diyarbakır and İzmir and of the representatives of local authorities, provincial directorate of health, provincial directorates of İŞKUR and other NGOs; to strengthen the participation of the civil society, and to find local solutions for the local problems by enhancing the relations with the public institutions and organizations.¹⁵

¹⁵ Under the Project on Local Modelling for Establishing Public-NGO Dialogue Group for Roma Citizens, with the participation of the Ministry of Family and Social Policies, the Ministry for EU Affairs, the Ministry of Labor and Social Security, the Ministry of National Education, the Ministry of Health, and İŞKUR officers, a study visit to Sweden was organized between 25 and 29 November 2013. During this visit, several problems of Roma citizens and the solution proposals of the Swedish government were addressed and the similar conditions of Roma citizens in Turkey and their varying problems were discussed.

In addition, under the coordination of the Ministry of Family and Social Policies, work on a national strategy and action plan is on-going with the participation of the relevant public institutions in order to draft a strategy for the Roma citizens.

On 30 October 2013, a meeting titled: “Thrace Region Roma Meeting” was held with the participation of Deputy Prime Minister, Bekir Bozdağ; the Minister of Family and Social Policies; and the Minister of Health as well as the participation of the parliamentarians from the provinces in the region, and the representatives of the Roma non-governmental organizations.

The Democratization Package which was made available to public on 30 September 2013 covers important measures on meeting the demands of Roma citizens related with language and culture. Within this framework, the Council of Higher Education decided to establish the Institute for Roma Language and Culture Research affiliated to Trakya University, to carry out research on the problems encountered by Roma citizens in the field of language and culture and to bring forward solution proposals.

Protection of Personal Data has been recognised as a constitutional right with an amendment to the Constitution in 2010. Within the scope of the Democratization Package which was made public on 30 September 2013, it is foreseen that the Draft Law on the Protection of Personal Data will be enacted.

As regards **cultural rights**, in the last eleven years significant steps have been taken for broadcasting in different languages and dialects that are traditionally used by Turkish citizens in their daily lives and the learning of these languages. Within this context, state channels broadcasting different languages and dialects were established, it has become possible to carry out propaganda in both written and oral forms, and the communication of convicts and detainees with their visitors in any language they prefer has been enabled, academic studies have been encouraged by establishing institutes, undergraduate and postgraduate programmes. Within the context of the new ‘4+4+4’ system of school education introduced in 2012-2013 academic year, students can take the “Living Languages and Dialects” as an elective course.

Kurdish Language and Literature Department was established in Mardin Artuklu University on 26 January 2011 and started to enrol students in 2011-2012 academic year. In addition, in the Department of East Languages and Literatures in Tunceli University, Department of Zaza Language and Literature was established and Kurdish Language and Literature Department in Muş Alparslan University also started the academic programme in the 2013-2014 academic year and graduate programme was established within this field.

With the Decree No. 2013/4897 of the Council of Ministers on Establishing the Institute for Living Languages linked to the Siirt University Rectorate was published in the Official Gazette of 25 June 2013.

In accordance with the legal arrangements made after 49 years, the name of the sub-province of Siirt, which was given the name “Aydınlar” in 1964 due to the policy of changing the place names was rechanged to “Tillo”, which is its original name. The amendment regarding place names, which was published in the Official Gazette of 7 November 2013 is a major step since it enables citizens use the original names as in their local language and cultures of their places that they live in.

The Ombudsman Institution published brochures to provide information in English, Arabic and Kurdish languages other than Turkish. Furthermore, the Institution allows the applicants to apply in another language which they declared they could express themselves better.

The Anatolia News Agency started broadcasting in Kurmanjî and Sorani dialects of Kurdish in addition to the English, Arabic, Bosnian, Croatian, Serbian and Russian as of September 2013.

As regards **trade union rights**, within the framework of 2010 Constitutional Amendments, Law Amending the Law No. 6289 on Trade Unions of Civil Servants entered into force on 11 April 2012. With the Law, the use of right to have a collective bargaining bestowed to the public officials and other civil servants, the scope of the collective bargaining and issues related to those who will benefit from the collective bargaining were regulated. In addition, arrangements such as extending the provisions of the collective bargaining so as to cover the retired persons and the organization of the Civil Servants Arbitration Committee and the rules of procedures and principles of this committee, were also introduced by this Law.

Law No. 6356 on Trade Unions and Collective Agreements repealed the Law No. 2821 on Trade Unions, and Law No. 2822 on Collective Agreements, Strikes and Lockout which were adopted on 18 October 2012. The Law also arranges the functioning of the labour and employer unions and confederations and the determination of the issues related to collective bargaining.

In accordance with the decision of the Constitutional Court of 12 July 2013, civilian personnel employed in the Ministry of National Defence and Turkish Armed Forces may establish or join trade unions.

(See Chapter 19: Social Policy and Employment)

As a result, within the context of Chapter 23, in the area of judiciary and fundamental rights, the reform process continued with a comprehensive understanding, determination and resolve. Despite all unfair obstacles before Turkey, the Government is determined to harmonize the legislation and the implementation of the legislation in line with the EU *acquis* and international norms. One of the most concrete indicators of this

determination is the arrangement expanding individual rights and freedoms envisaged within the Democratisation Package announced on 30 September 2013.

Significant reforms were carried out in the field of the judiciary and the work to reduce the workload of the judiciary is on-going. With the Fourth Judicial Reform Package introducing various amendments to strengthen the freedom of expression and freedom of press, significant progress was made. Within this context, arrangements introducing various amendments in favour of convicts and detainees were adopted. As a result of the reforms entered into force in the area of judiciary and penitentiary system, a considerable decrease has been observed in the length of the detention period. On the other hand, significant measures were put into practice on the strengthening the right to a fair trial, various amendments were made including arrangement which allows the defendants to defend themselves in another language which they could express themselves better. The application of the judicial control system is successfully on-going. Regarding the fight against corruption, the Strategy for Strengthening Fight against Corruption and Increasing Transparency (2010-2014) and the Action Plan have continued to be implemented.

The Human Rights Institution of Turkey and the Ombudsman Institution, which are milestones on the institutionalisation on human rights, became operational in 2013. Individual application mechanism established under the Constitutional Court operates as an effective domestic remedy mechanism protecting citizens' fundamental rights and freedoms. The Human Rights Compensation Commission was established in order to set up a domestic remedy for the applications to the ECtHR due to lengthy trial periods and non-execution of court rulings, a reduction in the number of application to the ECtHR is expected with this new development.

Significant progress has been achieved regarding the women's rights, children's rights, rights of the disabled persons and trade union rights. Regarding women's participation in the economic, social and political areas and the promotion of gender equality in these fields, work is on-going with determination. In 2013, headscarf ban particularly for female public servants was lifted. Within the context of combating violence against women, work is on-going through legal arrangements and awareness-raising activities. With the judicial reform packages entered into force successively, comprehensive institutionalisation of human rights, enactment of specific legislation and guiding case law of the high courts in the area of economic and social rights, Turkey has largely met the significant priorities in the area of Judiciary and Fundamental Rights (Chapter 23).

Chapter 24: Justice, Freedom and Security

Although seven years have passed since 2006 in which the screening meetings were completed as the first stage of the negotiation process, screening report on the Chapter 24 has not been approved by the Council of the EU and the opening benchmarks have not been communicated to Turkey, yet. Currently, the Greek Cypriot Administration of Southern Cyprus is blocking the opening of Chapter 24. Although the negotiations of this chapter are being politically blocked by the EU, Turkey continues to make extensive reforms in this field.

Considering the course of negotiation process, the criticism in various EU reports and platforms regarding Turkey on Chapter 24 is unfounded.

Furthermore, since it is stated in the Enlargement Strategy Paper drawn up by the European Commission that the negotiation chapters such as Judiciary and the Fundamental Rights and Justice, Freedom and Security must be addressed at the earliest stage possible in order to give adequate time to the candidate country to form the necessary record of reforms, starting the negotiations on Chapter 24 at an early stage is of greater significance.

On the other hand, considering that almost all the obligations indicated in the EU-Turkey Visa Liberalisation Roadmap which aims to initiate the visa liberalisation process are within the scope of Justice, Freedom and Security Chapter, starting the accession negotiations on this Chapter as soon as possible is of great importance.

The EU acknowledges that increasing the level of cooperation between Turkey and the EU in the fields such as migration and border management, visa policy, police cooperation, fight against terrorism and drug trafficking will be for the benefit of both parties. The political blockage in this chapter is the major obstacle to achieve an advanced cooperation which intended by both parties.

Within the scope of the priority areas in this Chapter:

- The National Action Plan on Asylum and Migration was put into force in 2005.
- The negotiations for the Readmission Agreement between Turkey and the EU were completed and the Readmission Agreement was signed on 16 December 2013.
- The work on the Roadmap for Integrated Border Management is being carried out in cooperation with the EU.
- National Strategy Document on the Fight against Organised Crime (2010-2015) and the Action Plan on Fight against Organised Crime (2010-2012) entered into force in July 2010. Following the completion of the work on the Action Plan for 2010-2012, preparatory work for the second Action Plan (2013-2015) was completed and the Plan entered into force in September 2013

In the field of **migration management**, Law No. 6458 on Foreigners and International Protection which is the framework legislation on regular and irregular migrants, foreigners, refugees and asylum seekers in Turkey and provides for the foundation of the General Directorate of Migration Management under the Ministry of Interior entered into force upon its publication in the Official Gazette No. 28615 of 11 April 2013.

In compliance with similar structures in the world, due to the need for a manageable and an institutional structure focusing on human rights which is guided by the political will, the Law which establishes a new institutional structure and regulates the field of migration and international protection in detail was prepared. While drafting the law, opinions of the European Commission and the ECtHR were taken into consideration and United Nations High Commissioner for Refugees (UNHCR), the International Organisation for Migration (IOM), academics and non-governmental organisations were included in this process from the very beginning. The support of all political parties represented in the TGNA for the adoption of the Law and utmost attention that was paid as well as high participation in the preparatory work for the law confirm the need for this law.

With this law, an effective, manageable and human rights-based migration system, ensuring the delicate balance between freedom and security, complying with the EU *acquis* and international conventions and fulfilling most of the requirements regarding Chapter 24 has been established.

By fully complying with the provisions of the European Human Rights Convention on non-refoulement and administrative detention decisions for foreigners, it is envisaged that the ECtHR rulings on violation against Turkey will be prevented

When remaining provisions of the law enter into force in 2014, it will be completely applicable and it will strengthen the infrastructure for curbing irregular migration which is an international problem rather than national. Thus, the fight against irregular migration will be carried out more effectively. Fight against irregular migration will be applied firstly abroad since initial residence and work permits will be issued by the consulates. With the Law, the acts and procedures regarding foreigners will be carried out in accordance with the EU *acquis* and the related implementation throughout the EU Member States. The fight against human trafficking continues to be followed up closely in the international arena and human trafficking leads to adverse outcomes for Turkey. Therefore, issues such as the protection of victims of human trafficking and management of shelters will be handled effectively by a unit to be established as envisaged by the Law.

Although Turkish citizens' demand for visa liberalisation is not fully met by the EU authorities, Turkey's determination to prevent transit migration towards the EU countries has been clearly demonstrated once again through the adoption of this Law.

Since the Law on Foreigners and International Protection has become effective, it is possible that Chapter 24: Justice, Freedom and Security Chapter which cannot be

opened to negotiations unilaterally due to political blockages be opened once the blockages are removed.

The provisions regarding the establishment of the General Directorate of Migration Management of the Law became effective as of 11 April 2013 and the work regarding the establishment of the Directorate General under the Ministry of Interior was launched. It is envisaged that the provisions of the Law on Foreigners and International Protection will take effect within one year following its publication and the work for transferring the acts and procedures within the authority of the Department of Foreigners, Borders and Asylum of the Turkish National Police to the new Directorate General is underway. Besides, the by-laws on the implementation of the provisions of the Law are being prepared by the General Directorate of Migration Management.

Work on the draft Law on the Fight against Human Trafficking and Protection of Victims continues under the coordination of General Directorate of Migration Management under Ministry of Interior with the participation of relevant institutions and organisations.

Within the framework of Turkey's obligations arising from international humanitarian law, Turkey continues to implement an open door policy to the Syrians fled from their country. In compliance with international law, Turkey carefully implements the non-refoulement principle and provides temporary protection for Syrians without discrimination. More than 200,000 people are sheltered in 21 camps established in the provinces near the border zone for Syrians who take refuge in Turkey. Moreover, nearly 500,000 Syrians have been informed to live outside the camps. Measures are taken to meet the needs of the Syrians living outside the camps.

According to the information from the Prime Ministry Disaster and Emergency Management Presidency (AFAD), the budget allocated to meet the needs of the Syrians who fled to Turkey is more than 2 billion Dollars, as calculated on the basis of the UN methods.. However, bilateral or multilateral contributions to Turkey by the international community are totally around 175 million Dollars.

UNHCR prepared a Regional Response Plan in order to ensure the coordination of the aid provided to the Syrian refugees in the four neighbouring countries. Within the framework of the Plan which is updated regularly, the UNHCR called for 3 million Dollars of financial support; however, the amount received until today is nearly 50%. In the mentioned plan, the financial support which was called for Turkey increased from 158 million Dollars to 372 million Dollars. On the other hand, as of today the financial support to Turkey through UN bodies amounts to around 109 million Dollars.

Considering the difficulties to deliver humanitarian aid to the northern Syria due to the recent increase in violence there, Turkey started to provide humanitarian aid at the border in compliance with the international law. Regarding this issue, the UN was informed; meanwhile the Turkish Red Crescent Society also informed its counterparts.

Within the framework of this operation, humanitarian aid materials for Syria amounted to 200 million Dollars.

With regard to **visa policy**, Turkey is the only country which is required to hold a Schengen visa among all the EU candidate countries. Turkey reiterates its request for visa liberalization for Turkish citizens to the EU officials on all platforms.

The negotiations for the Readmission Agreement between Turkey and the EU have been completed. Upon the mandate of the Council of the EU to the EU Commission to initiate the negotiations to provide visa liberalisation for Turkish citizens, Readmission Agreement was initialled mutually in Brussels on 21 June 2012.

In order to provide visa liberalisation for Turkish citizens, an applicable roadmap which includes requirements to be fulfilled by Turkey was prepared and submitted to Turkey by the European Commission.

Within the framework of Turkey's position that visa liberalisation to Turkish citizens should be interrelated with the implementation of provisions of Readmission Agreement for third country nationals, the preparation of an Annotated Roadmap continued.

Visa Liberalisation Roadmap includes requirements regarding the proper implementation of the rules and obligations on visa liberalisation as well as the Readmission Agreement, such as the security of passports, migration management, public order and security and fundamental rights.

Most of the requirements in the Roadmap have been met with regulations and amendments made in the relevant legislation, particularly with the Law No.6458 on Foreigners and International Protection. Moreover, many requirements, in particular the ones regarding border security and migration management, laid down in the Roadmap are in compliance to a full extent with the measures taken or to be taken by Turkey with regard to internal stability, security and peace.

The Readmission Agreement was signed in Ankara on 16 December 2013. Within the framework of the Annotated Roadmap, Turkish citizens will be able to enter the Schengen Area without visa obligation following a 3 -3,5 years.

In parallel with the signature of the Readmission Agreement, it is of great importance to complete the process of visa liberalisation dialogue as soon as possible. Work on this issue continues in mutual cooperation with the EU.

Improvement of the **border management** structure which consists of various institutions having responsibility in this field and increasing the cooperation among these institutions are one of the issues continuously addressed in the Reform Monitoring Group (RMG) meetings.

The EU acknowledges that increasing the level of cooperation between Turkey and the EU in the fields such as border management, migration, visa policy, police cooperation and fight against terrorism and drug trafficking and finding solutions for common

problems in these fields will be for the benefit of both parties. However, blockage on Chapter 24 by the Greek Cypriot Administration of Southern Cyprus due to political reasons is the major obstacle for achieving an advanced cooperation that both parties desire. The problems in this field should be solved in cooperation with the neighbouring countries and the EU rather than by using methods like putting a wire fence on Turkey's borders with Bulgaria and Greece. However, this Chapter has not been yet opened to negotiations and this has adverse effects not only on Turkey but also on the EU. Opening of Chapter 24 is of great importance because the borders of Turkey will be the borders of the EU in the near future.

As a result of the rapid economic growth and social development in the last decade, Turkey has completely left the status of being a source country of irregular migration and has increasingly become a country of destination. As a matter of fact, there has been a great increase in the number of foreigners entering Turkey in recent years particularly from neighbouring countries in the east and south due to the violence in Syria. In this context Turkey fulfils its obligations arising from international conventions and national legislation and continues efforts on border management decisively.

The work on the Road Map for Integrated Border Management carried out for revising the Integrated Border Management Action Plan (2006) and aligning it with the EU *acquis* as well as best practices continue under the coordination of Ministry of Interior

Work on the draft Law on Border Security which will be the framework legislation for the restructuring of the border management system continues. The Draft Law in question has been submitted to the relevant institutions for opinion by the Ministry of Interior.

The cooperation with the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union (FRONTEX) has been improved within years and it reached to a higher level with the signature of the Memorandum of Understanding in May 2012 which determines the main aspects of the cooperation to be developed in the field of prevention of irregular migration. Accordingly, the exchange of data started in August 2013. Work on the draft action plan between Turkey and FRONTEX for 2014-2016 continues.

Within the framework of Turkey-EU financial cooperation, 217 thermal cameras have been supplied through Integrated Border Management Action Plan Phase II Project which was financed under IPA-I. The cameras are allocated to the use of border troops at the, Iraqi Iranian and Syrian borders. Under the same project, 10 patrol boats were delivered to the Turkish Coast Guard Command. As of early 2013, 65 new border posts were established, 150 surveillance towers were reconstructed and 1150 km of road for border patrol was constructed.

Moreover, the work regarding the implementation of the project "Socio-economic Development through Demining and Increasing the Border Surveillance Capacity at the Eastern Borders of Turkey Phase I" prepared within the scope of the IPA-I 2011 and the

project “Socioeconomic Development through Demining and Increasing the Border Surveillance Capacity at the Eastern Borders of Turkey Phase II” prepared within the scope of the IPA-I 2012 are on-going.

A project package amounted to 40 million Euros on border management has been prepared by the contribution of Ministry of Interior and the Ministry of Customs and Trade within the framework of IPA-I 2013 programming. Along with the projects financed in scope of Turkey-EU financial cooperation, there are other projects financed from national resources for strengthening border security. There is a need to develop more comprehensive projects on the land borders of Turkey which will be the external borders of the EU in the future. In this context, the Integrated Border Security Project was developed by the Ministry of Interior with national budget for establishing a border security system supported by technological instruments consisting of physical obstacles and stationary and mobile border surveillance equipment in order to prevent illegal crossing (terror, smuggling etc.) through the land borders. The purpose of this project is to ensure the surveillance and security of all land borders of Turkey (2949 km) for 7/24.

On the other hand, in this field:

- Negotiations with Bulgaria on the common border surveillance protocol have continued and negotiations with Bulgaria and Greece on the establishment of a common contact point office for law enforcement cooperation have been completed;
- The Agreement on the establishment and operation of a joint contact centre for police and customs cooperation in Kapitan Andreevo border crossing point between Bulgaria and Greece was concluded;
- In October 2012, an agreement on joint use of land border check points for the purpose of making border crossings easier was concluded with Georgia.

Activities carried out to improve the institutional and technical capacity of the General Directorate of Customs Enforcement which operates under to the Ministry of Customs and Trade continued in 2013. In the context of Turkey-EU financial cooperation (IPA-I), a train screening system was established in Kapikoy Railway Customs Gate after the procedures of provisional acceptance were completed and it has been in use since July 2013. Under the same project, a luggage screening system and a radiation detection system was established.

In 2013, with the purpose of increasing the capacity relating maritime operations, 25 patrol cars were bought and allocated to the relevant regional directorates within the framework of a project carried out under Turkey-EU financial cooperation. It is envisaged that 10 patrol boats will be bought under the same project. Besides, two different training programs on the use of patrol boats were organised and 50 personnel participated in the program.

In the beginning of 2013, a data management system was established in order to collect x-ray images from all surveillance systems in Turkey and to transfer them to the central authority. This system allows all operators to view and compare all screen captures from other devices.

Mobile x-ray devices were provided for Haydarpasa and Iskenderun ports by the operating institution, Turkish State Railways. The devices were set up and procedures of provisional acceptance were completed.

In addition, with the purpose of increasing the operational and technical capacity of the Ministry of Customs and Trade, 9 luggage screening systems financed by the national budget were purchased and set up in Esenboga, Sabiha Gökçen, Istanbul Ataturk, Alanya Gazipasa, İzmir Adnan Menderes, Antalya airports and Habur Land Border Check Point.

6 cargo screening systems which were provided in 2013 were set up in İzmir Adnan Menderes, Antalya, Adana, İstanbul Sabiha Gökçen airports. The two devices will be set up in Ataturk Airport after their location is fixed.

In 2013, 1641 customs enforcement officers were employed and a significant increase in human resources in the field of customs enforcement was realised.

As a result of the determined policies implemented in the area of **police cooperation and fight against organised crime**, significant achievements have been realized in these fields.

Following the completion of the activities laid down in the Action Plan on Fight against Organised Crime (2010-2012), preparatory work for the second Action Plan (2013-2015) has been carried out in cooperation with the relevant institutions. The Action Plan for 2013-2015 entered into force on 2 September 2013 after being approved by the Prime Minister.

A Roadmap was prepared in order to strengthen the cooperation between the Republic of Turkey and Europol for the purpose of putting into force the Operational Cooperation Agreement with Europol.

In compliance with the mentioned Roadmap, study visits and training programs are organised within the framework of projects developed by Turkey.

The International Association of Police Academies (INTERPA) was established under the leadership of the Police Academy. Turkey acts as the president of this Association for a term of two years. The second meeting of the Association was made in Riyadh on 13-17 April 2013.

Since 2012, Turkey has signed bilateral security cooperation agreements with Mauritania, Kyrgyzstan, Turkmenistan, Libya, Tunisia, Italy, Switzerland, Georgia, Romania, Congo, Tanzania, Maldives, Somalia, Mongolia, Pakistan, Japan, Australia

and Azerbaijan, and police cooperation agreements with Kazakhstan, Kyrgyzstan, South Korea, Sweden, Egypt, Belarus, Tunisia , Somalia and TRNC..

The name of the Department of Combating Informatics Crimes which was established in 2011 under Turkish National Police has been changed as Department of Combating Cybercrimes, and the implementation of the project for increasing the capacity to fight against Cybercrime started by this department on 18 February 2013.

Witness Protection Units in 74 provinces were established in order to ensure the integration of the Witness Protection System across the country. The implementation of the EU twinning project on increasing the witness protection capacity started by the Turkish National Police-Department of Witness Protection on 30 September 2013.

In the field of fight against drugs, the international agreement between the EU and Turkey regarding the participation of the Republic of Turkey in the work of the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) was signed on 30 October 2007, and the Law on ratification entered into force on 12 July 2012. The Council of Ministers Decree No. 2013/5323 of 23 August 2013 on the ratification of EMCDDA Participation Agreement was published in the Official Gazette No. 28789 of 8 October 2013 and the approval process in the national legislation of this agreement has been completed.

Furthermore, Turkey had the opportunity to fully participate in the work of the EMCDDA with the ratification of this agreement by the TGNA.

The Second National Drugs Policy and Strategy Paper (2013-2018) and the National Drugs Action Plan (2013-2015) which includes the activities to be carried out for the implementation of the Strategy Paper have been prepared with the contribution and agreement of all relevant institutions, and put into force on 2 September 2013 upon approval.

“The Action Plan on Reintegration of Drug Addicts into the Society” was prepared in order to fight against drug use and addiction and specifically to deal with the problem of drug addiction by considering the processes of prevention, detection, treatment, rehabilitation, employment and follow up as a whole. The Action Plan was announced with a meeting held on 13 June 2013.

With the aim of **fight against terrorism** and enhancing international cooperation in this area, the Law on the Prevention of the Financing of Terrorism entered into force on 16 February 2013. With this Law, Turkey took an important step regarding compliance with international norms and fulfilled the requirements of international solidarity in fight against terrorism. For the effective implementation of this Law, the “By-Law on the Procedures and Principles for the Implementation of the Law on the Prevention of the Financing of Terrorism” entered into force on 31 May 2013.

The "crime of financing of terrorism" laid down in Article 8 of the Law No. 3713 on Fight against Terrorism was revised, the measure of “freezing of assets” was introduced

to our legal system as an administrative measure for the first time, and the procedures and principles regarding its implementation were identified within this Law. With this arrangement, the definition of crime of financing of terrorism has been aligned with international conventions.

The ratification process of the Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on Financing of Terrorism is ongoing.

Since 2012, the Financial Crimes Investigation Board (MASAK) signed Memorandum of Understanding with the United States, the Netherlands, Belgium, Poland, Malaysia, Kosovo, Russian Federation, Philippines, South Africa, Germany, Tunisia, Turkmenistan, Denmark and Saudi Arabia for the exchange on intelligence regarding the fight against money laundering and the financing of terrorism.

Turkey and the USA co-chairs the Global Counter-terrorism Forum (GCTF) until 2015. At the same time, Turkey and the EU co-chairs the Horn of Africa Working Group established within the GCTF.

The 4th Ministerial Meeting of the GCTF Coordinating Committee was held in New York on 25-27 September 2013 within the framework of 68th UN General Assembly. In this meeting, the “Ankara Memorandum on Good Practices for a Multi-Sectoral Approach to Countering Violent Extremism” prepared by Turkey, was adopted along with other documents on the fight against terrorism. In addition, for the fight against violent extremism, the United States proposed the establishment of an independent Global Fund under the framework of the GCTF at the ministerial level which will operate as a platform based on voluntary participation. This Fund aims to provide financial assistance to the current and future projects for countries such as the ones in North Africa, Sahel, Horn of Africa as well as Pakistan and Afghanistan. Moreover, the final meeting of the Horn of Africa Working Group was held in Addis Ababa on 5-6 March 2013 with the participation of the representatives of the countries of the region as well as regional and international institutions specialized in the fight against terrorism.

(See Chapter 4: Free Movement of Capital)

(See Chapter 32: Financial Control)

With regard to judicial cooperation in civil and criminal matters, the efforts continued on the introduction of a law on mutual legal assistance with a view to consolidating international rules and regulations on civil and criminal matters in a single piece of legislation. Protocols were signed on increasing mutual judicial cooperation with Belgium, Croatia, Georgia, Iran, Serbia and Tajikistan.

As regards judicial cooperation in criminal matters, legal counsellors have been assigned to the Turkish missions in several EU Member States and international organizations, including the EU institutions.

Turkey has been participating actively in the regular meetings of the European Judicial Network (EJN). The work continues with the regard to the signing of a partnership agreement with the aim of strengthening cooperation between Turkey and Eurojust.

As regards customs cooperation, within the framework of Turkey-FRONTEX Memorandum of Understanding, the data regarding migrants submitted to the Ministry of Customs and Trade has been shared with the Border Management Bureau as a coordination unit in order to be conveyed to FRONTEX. In this framework, the first set of data to be sent to FRONTEX was exchanged with the Border Management Bureau in April 2013.

For measures against **counterfeiting of the Euro** (*See: Chapter 32-Financial Control*)

Overall, with the effective cooperation of all public institutions, Turkey has implemented significant reforms in a number of extensive areas such as migration and border management, visa policy, police cooperation and fight against organized crimes which fall within the scope of Chapter 24 in the framework of international agreements and accession negotiations with the EU. The importance of enhancing the level of Turkey-EU cooperation in areas such as border management, migration, visa policy, police cooperation and fight against terrorism and drug trafficking and giving common responses to these issues that concern both parties is also acknowledged by the EU.

In this respect, one of the positive developments in Turkey-EU relations in 2013 is undoubtedly the initiation of the Visa Liberalization Dialogue. With the objective of abolishing the Schengen visa applied to Turkish citizens, the Visa Liberalization Dialogue was officially initiated with the EU owing to the coordinated and diligent efforts of all relevant institutions.

In terms of its geographic position, Turkey is a neighboring country to both unstable countries and the EU Member States. The cooperation efforts need to be increased in areas such as effective management of borders and fight against irregular migration since it is generally acknowledged that these issues cannot be resolved through individual efforts of the countries. On the other hand, 334 million Euros was allocated directly or indirectly to Turkey through IPA within the scope of Chapter 24: Justice, Freedom and Security in the period of 2007-2013. It is envisaged that 435 million Euros from IPA funds will be allocated to this area in the upcoming period; however this amount will be insufficient when the scope of Chapter 24 and the financial burden to be brought by the Readmission Agreement and Visa Liberalization Road Map are taken into account. In this respect, Turkey expects the EU to allocate more resources to this area and develop different financial and administrative instruments that will enhance cooperation with Turkey.

Chapter 25: Science and Research

Science and Research chapter is the only provisionally closed chapter. There is no “hard acquis” in this chapter but candidate countries are expected to develop their integration capacity with the European Research Area and capacity of participation to the EU Programmes carried out in the area of research and technological innovation.

Participation in the Framework Programmes for Research and Technological Innovation

A preliminary assessment was made in order to lay down the advantage that Turkey will benefit from the Programme “Horizon 2020” which will start in 2014. An assessment activity for the 7th Framework Programme, which Turkey participated in the period of 2007-2013, is being carried out as well.

Turkey holding EUREKA Programme chairmanship since July 2012 handed over EUREKA Chairmanship to Norway in June 2013. During its chairmanship, Turkey ranked fourth with 48 projects after Germany, France and Spain. During the Turkish chairmanship of EUREKA, 2013 Innovation Award Ceremony and Inter-Parliamentary Conference were held and EUREKA-South Africa Cooperation Agreement was signed.

Activities Related to the Integration with the European Research Area

As regards the European Research Area, Turkey has taken some important measures in order to further strengthen its national research and innovation capacity. 25th Supreme Council for Science and Technology met on 15 January 2013 to discuss the E-Government Assessment and Highly-Talented Individuals. In the meeting, six new decisions regarding the agenda were taken and the area of health was included in the scope of national priorities.

The 26th Supreme Council for Science and Technology Meeting was held on 11 June 2013 to discuss the energy issues, and in line with the main agenda of the meeting, seven new decisions on the increase of share of national energy resources in energy supply and the development of national energy technologies through the cooperation of public and private sectors were taken.

The total expenditure on R&D in Turkey increased by 17.1% in 2012 when compared to the previous year and reached 13.1 billion Turkish Liras. The share of gross domestic expenditure on R&D (GERD) in GDP increased to 0.92% from 0.86%.

In 2012, with 45.1%, R&D expenditure in the private sector had the largest share in the total expenditure on R&D. 43.9% of the R&D expenditure was made by the higher education sector and 11% by the public sector. In the previous year, the higher education ranked first with 45.5%, private sector ranked second with 43.2% and the share of the public sector was 11.3%.

When the R&D expenditure is analyzed in terms of the financing sectors, the private sector ranked first with a share of 46.8%. 28.2% of the expenditure was financed by the

public sector, 21.1% by the higher education sector, 3.4% by other domestic resources and 0.6% by foreign resources.

In 2012, total number of full-time equivalent (FTE) R&D personnel increased to 105,122 and the number of FTE researchers increased to 85,122. The increase in the number of FTE R&D personnel was 13.3% when compared to the previous year. In terms of distribution by sectors, 49.7% of FTE R&D personnel was employed in the private sector, 38.8% was employed in the higher education sector and 11.5% was employed in the public sector. The total number of FTE R&D personnel and researchers per ten thousand persons employed in 2012 increased to 42 and 33, respectively.

The Entrepreneurial and Innovative University Index was implemented for the first time. The index which will be updated on an annual basis has 23 indicators under 5 dimensions. The main dimensions of the Index are: Scientific and Technological Research Competence, Intellectual Property Pool, Cooperation and Interaction, Entrepreneurship and Innovation Culture, Economic Contribution and Commercialization. The initial outcomes of the Index which was compiled with the cooperation of 209 institutions including universities, techno parks and public institutions were announced by Mr. Nihat Ergün, Minister of Science, Industry and Technology on 8 July 2013.

The work on performance index for measuring the performance of Technology Development Zones was carried out and the results were announced to the public. Impact assessment regarding the Industrial Thesis Support Program (San-Tez) and Techno-Entrepreneurship Support Programme was initiated. Pilot activities were also initiated with the aim of developing performance index for the private sector R&D centres.

Nine technology road maps were prepared by the Scientific and Technological Research Council of Turkey (TÜBİTAK) on Energy Efficiency, Mobile Communication Technologies, Micro/Nano Electro-mechanic Systems, Screen Technologies (including OLED), Biomaterials, Medicine, Vaccines, Biomedical Equipment and Biomedical Diagnosis Kits. As of December 2013, the work on technology road maps is ongoing, and the outputs will be applied to 1003, 1007 and 1511 grant programs, which are call-based programs of TUBITAK.

In 2012, seven new programmes were developed for ensuring the cooperation between universities and the industrial sector. These programmes are: RTDI in Priority Areas Grant Programme (1511), Entrepreneurship Multi-phased Programme (1512), TTO Grant Programme (1513), Private Equity Grant Program (1514), University Industry Cooperation Grant Programme (1505), TÜBİTAK Industry R&D Projects Support Programme (1501), and TUBITAK SME R&D Start-Up Grant Programme (1507).

In line with the decisions taken by the Supreme Council for Science and Technology regarding the education system, activities were carried out under the titles of Educational Assessment Studies for Evaluating and Improving the Quality of Education

System, Development of Digital Contents for Primary and Secondary Education Curriculum and Making Them Accessible, Revising Teaching Programmes and Designing Educational Contents To Enable Students Acquire Core Competencies More Efficiently, Alternative Models for Foreign Language Teaching in Primary and Secondary Education.

In line with the decisions taken by the Supreme Council for Science and Technology, TUBITAK will support the establishment of the first science centres by Konya, Kocaeli and Kayseri Metropolitan Municipalities. TUBITAK will support the science center projects of all metropolitan municipalities by 2016 and all provinces of Turkey by 2023.

Among the 10 JPI's conducted Europe wide, Turkey is involved in 9 and among them holds an observer position in one.

Turkey has been participating in the Strategic Energy Technologies Plan as an associate member and has been actively participating in European Innovation Partnerships on active and healthy ageing, water and sustainable agriculture. Turkey has also been participating in European Industry Initiatives and in the European Energy Research Union.

The memorandum of understanding signed with European Joint Research Centre was renewed on 23 October 2012. The active cooperation with the Joint Research Centre (JRC) has continued with the participation of the Turkish researchers in the workshops and the high level meetings of the JRC, the JRC projects and networks and by means of their secondment in the JRC institutions. During the period of the first Memorandum of Understanding, 35 Turkish researchers have been supported by TUBITAK scholarships to work in the JRC institutes. 150 applications were made to the the first joint call of the renewed Memorandum of Understanding and 4 researchers were supported.

Research Destination Turkey 2013 Workshops, which were held in Houston, Raleigh and Atlanta with the aim of informing researchers in USA on the opportunities in Turkey, continued and 225 researchers were informed within this scope.

Administrative Capacity Building

The General Directorate for Science and Technology was established under the Ministry of Science, Industry and Technology. TAIEX workshops were organized and working groups were created in order to increase the capacity of this newly established unit. The first one of these workshops was held in Ankara on 12-13 March 2013 with the theme of Innovation Union, the second one was held in Ankara on 3-4 April 2013 with the themes of university-industry cooperation and research infrastructures with the participation of the public research institutions.

A new by-law on the implementation of the Law No. 4691 on Technology Development Zones amended by the Law No. 6170 (Official Gazette: 12 Mach 2011/27872) is being prepared. Establishment of Incubation Centres and Technology Transfer Offices in

Technoparks have become obligatory and these centres and offices have become eligible to benefit from incentives provided to the Technoparks.

The development of cooperation between universities and the industrial sector is still on the agenda. For this purpose, meetings were held with the participation of Technoparks and R&D centres. 26 regional meetings were planned and six of them were realised.

Assignment of science and technology counsellors and attaches abroad is given a legal base with the by-law on the amendment of by-law on personnel to be permanently assigned abroad. (Official Gazette: 26 January 2013/28540).

Chapter 26: Education and Culture

Education

With a dynamic and young population, Turkey continues to take important steps to expand its infrastructure and capacity with a view to improving educational quality, equality and productivity.

Turkey makes strides towards achieving the objectives of the Europe 2020 Strategy and the “Education & Training 2020” work programme and actively involves in the EU-related activities.

Work has continued to ensure access to quality education and provide knowledge, values and skills needed at national and global levels. Girls’ school attendance rates have increased substantially through the Project titled “Increasing School Enrolment Rates Especially for Girls” and the transition to 12 years of compulsory education to upgrade the quality of Turkey’s educational system. As a matter of fact, compared to 2011-2012, boys’ secondary education enrolment rate increased from 68.53% to 70.77% whereas that of girls from 66.14% to 69.31% in 2012-2013. The gap between girls and boys enrolment rates in secondary education fell to 1.46 in 2012-2013 from 2.39 in 2011-2012.

Within the framework of improving access to education, providing equal opportunities and promoting service delivery, Ministry of National Education pursued its efforts including supply of school books free of charge, transported education and conditional educational assistances, while the teacher employment rate, in-service trainings, and public resource allocations have increased. Furthermore, special attention is paid to gender equality in education programmes. In this context, the Project titled “Promoting Gender Equality in Education” (TR2010/0136.04) is intended to be launched in 2014.

“Increasing School Enrolment Rates Especially for Girls Grant Scheme” project (TR08H2.01-02) was finalized on 10 June 2013, which aimed to increase enrolment rates especially for girls and to decrease school drop-outs in primary and secondary education, to increase vocational skills and competences of labour force and to promote awareness-raising for parents on the importance of education. Efforts to increase girls’ school enrolment continue in the light of the project outputs. “Student Support Programme” was developed to ensure the school attendance of the girls at risk of drop-out and its implementation is on-going. Furthermore, activities of the Project titled “Increasing Primary School Attendance Rate of Children” (TR2010/0136.05), which aims at increasing school attendance in primary and secondary education, started on 21 October 2012. In addition, “Fight against Violence towards Children” project (TR2010/0136.07) of the Ministry of National Education was launched on 25 March 2013. It is of great importance to identify disadvantageous conditions that would lead to happening of the risks in children’s life and to use education as a tool to eliminate those conditions.

“Strengthening Pre-school Education” project (TR0801.06) which aimed to increase access to pre-school education and to assess and develop modular programmes through 0-36 month’s kindergarten and 36-72 months pre-school education curriculums was finalized on 4 November 2013. Through the project, all nationwide pre-school curriculums were updated; a public spot was designed and broadcasted on TV channels to contribute awareness raising campaigns on pre-school education.

Work is on-going to overcome barriers for educational access. For the purpose of increasing the access of individuals with special learning needs to education, students who attend public and private schools/institutions are transported without any fees, they are given free lunch, course books and some of the auxiliary tools are provided free of charge. Work on defining the education materials used in special education and setting the standards in this respect was finalized.

The Ministry of National Education made available the Turkish Sign Language Dictionary prepared through the visual support, for users both in print and online. “Strengthening Special Education” project (TR0801.05) aiming to improve learning environment and conditions to provide educational access and social integration of disadvantaged individuals was finalized on 25 June 2013. Through the project, an awareness raising strategy and policy recommendations on integrative education have been designed, the qualifications of the teachers on special education needs have been improved and a teachers’ guide was published on barrier-free school model and integrative exercises. Work on infrastructure and capacity building continue as well as the efforts to improve the quality of vocational and professional education of individuals with special learning needs and the services provided in Guidance and Research Centres.

Within the context of non-formal education, Ministry of National Education, in collaboration with the Turkish Employment Agency and relevant units of municipalities, offers certified trainings on care services for disabled and elderly people in Community Education Centres, which are affiliated to the Directorate-General for Lifelong Learning. As regards formal education, 4 years Patient and Elderly Care Programmes have been opened in Anatolian Vocational High Schools in 31 provinces, which are affiliated to Directorate General for Vocational Education.

Efforts are on-going to promote lifelong learning, which is of great importance in terms of improving educational quality. “Promoting Lifelong Learning in Turkey” Project (TR07H2.01) was finalized on 26 September 2013. Work towards a following second project is at final phase. Awareness raising activities continue on the educational role and importance of lifelong learning. National Lifelong Learning Web Portal (www.hayatboyuogrenme.gov.tr) was launched and provided access to the content including all kinds of trainings, learning opportunities, open postings on İŞKUR system, learning opportunities in European countries throughout the European Space through PLOTEUS and Vocational Information System which offers guidance and counselling

services. Monitoring and evaluation process of lifelong learning was finalized through Recognition of Prior Learning (RPL).

Lifelong Learning Strategy Paper 2009-2013 was revised and that of 2014-2018 has been drafted. Furthermore, Provincial Action Plans for Lifelong Learning were developed for pilot provinces.

Vocational Training

“Improving the Quality of Vocational Education and Training in Turkey, Grant Scheme I” (TR07H2.02) financed under IPA was launched in May 2012. Project activities are on-going to improve content and the quality of vocational and technical education. Efforts to forge the ties between the labour market and education continue.

The National Qualifications Framework (NQF) Preparatory Commission under the coordination of the Vocational Qualifications Authority (VQA) was expanded to include two senior members from the relevant general directorates of the Ministry of National Education and of the Council of Higher Educational Council (CoHE).

Following the consultation phase, the NQF and the relevant By-law which started to be drafted in November, 2011 are to be submitted to the Council of Ministers for approval. Subsequently, its referencing works with the European Qualifications Network is intended to start in 2014. Accordingly, the Referencing and Steering Committee was formed with representatives from Ministry of National Education, CoHE and VQA .

So far, totally 480 National Occupational Standards have been published in the Official Gazette, 144 of which in 2013. The total number of the National Occupational Standards designed by the VQA has reached to 224, 70 of which in 2013. 11 accredited certification institutions have been authorized so far, to carry out measurement, assessment and certification activities in 68 vocational areas and to provide Vocational Qualification Certificates.

Work on the “Validation Guidelines”, designed to ensure quality assurance of the national qualifications and on the “Authorization, Internal Validation, External Validation and Measurement and Evaluation Guidelines”, to guide the certification bodies, is intended to be finalized and made public by the end of 2013.

Furthermore, “Strengthening Vocational Qualifications Authority and National Qualifications System (NQS) in Turkey (UYEP)” Project (TR0702.13) was finalized on 26 June 2013. Under the grant component of the Project with three components (service, grant and supply), 26 certification institutions were authorized, 5 of which have finalized the accreditation process which is on-going for the rest. The service component was concluded in June 2013 through the activities carried out for 3 main outcomes: NQF, Capacity Building and Awareness-Raising. In addition, work on

UYEP-II is on-going. The operational manual of the UYEP-II Project designed under IPA IV to improve the National Qualifications System was drawn up.

VQA portal was set up to maximize interaction with the stakeholders. Ensuring the electronic record of any proceedings between the VQA and its stakeholders, which enables post query; making available any online application as regards to the National Qualifications and National Occupational Standards; and ensuring the efficient follow-up of the measurement, training, certification and audit processes, the portal enables people to deliver their opinions on the on-going processes and quick access to information on examination or certification affairs.

VQA carries on awareness raising activities on the use of EUROPASS documents, through the project assistance provided by the EU.

Administrative capacity building efforts for the VQA were accelerated in 2013; required staff was recruited and the in-service training programmes were held on the issues required, particularly on European Qualifications Framework (EQF) and NQF. Legislative work is being conducted to support those efforts. Work to amend the VQA secondary legislation was undertaken in 2013 and in this respect, draft by-laws were developed on “Preparation of National Occupational Standards and National Occupational Qualifications” “Foundation, Functions and Operating Procedures of Sector Committees”, “Examination and Certification” and “National Qualifications Framework”.

The Article 93 of the “By-law on Secondary Education Institutions” of the Ministry of National Education (Official Gazette No. 28758 of 7 September 2013) has opened the way for those having VQA Vocational Qualification Certificate, along with the experts and the qualified instructors, to be employed in teaching positions in secondary education institutions in case where the teaching posts can’t be filled. Furthermore, in accordance with the Article 71 of the said By-law, those having VQA Vocational Qualification Certificate have been enabled to set up their own workplaces with the Independent Business Owner Certificate, which was previously used to be granted only to the graduates of the study programmes stated in the Vocational Training Law No.3308.

Higher Education

In the area of higher education, 1 state and 6 foundation universities were established in 2013. The number of the higher education institutions has continued to increase. There are currently 8 foundation higher vocational schools and 175 universities, of which 104 public and 71 foundation, in Turkey. Turkey is at an advanced stage in the adoption of the Bologna process recommendations.

Good progress is being made as regards to the student mobility, which is a key indicator in the Bologna Process. In 2013, Turkey gained impetus on international mobility in higher education. Also, “Study in Turkey” web-site (www.studyinturkey.gov.tr) was designed to increase the number of foreign students in Turkey. Furthermore, Academic Exchange Programs Unit was established under the CoHE/YÖK on 27 December 2013. Through the Mevlana Exchange Programme which aims to increase mobility in the framework of internationalization efforts, 595 students and 309 academic staff came to Turkey in 2013-2014 academic year, while 402 Turkish students and 627 academic staff went abroad.

Academic Freedom Declaration was announced on 6 November 2013, building the infrastructure for qualified academic studies and researches.

Postgraduate studies started to be offered in the context of Lifelong Learning. Furthermore, CoHE has approved the offering of graduate and postgraduate programmes through distance education. 181 new programmes that enable education in 10 different languages other than Turkish and English are available.

Through improvements and new arrangements to be put into effect soon within the context of Higher Education Internet Based Language Learning Portal (YÖKDİL), students and academic staff will be able to take courses in 7 different languages.

CoHE carries out “Enhancing the Capacity of Technological Faculties Project”, as the project leader, and “Promoting Lifelong Learning in Turkey” and “Youth Employment Support” projects as stakeholder.

“By-Law concerning Transfer among Associate’s Degree programs and Bachelor’s Degree programs, Double Major programs, Minor programs and Credit Transfer in Higher Education Institutions” entered into force upon its publication in the Official Gazette No. 28772 of 21 September 2013.

Work on the Institutional Performance Evaluation (IPE) System, aiming to assess the performance of the universities, is about to be finalized and intended to be put into effect on 14 January 2014. Thus, a single reporting system, including the Bologna process, will be used by all universities.

The work on National Qualifications Framework for Higher Education, in line with the European Qualifications Framework was finalized to a large extent.

The new web-site became operational in February; Electronic Document and Records Management System (EDRMS) started to be implemented; higher education database (YOKSIS) was restructured and the CoHE web-site was updated.

Youth

The Ministry of Youth and Sports maintains its efforts towards establishing supportive measures and mechanisms in the area of youth, and developing the national youth policy. A young population is of great value for Turkey's future. In this context, the Council of Ministers approved on 26 November 2012 the National Youth and Sports Policy Paper, which serves as a national guide for achieving policy objectives in the framework of a common understanding and vision on youth and sports affairs and ensuring coordination in services and operations of the public institutions and organizations concerned, including the Ministry for EU Affairs, NGOs and other stakeholders.

Policy areas were identified in accordance with the objectives, principles and values covered by the paper that takes the EU policies into consideration as well. Several projects and programmes are conducted for young people in various policy areas including education and lifelong learning, employment, entrepreneurship and vocational education, disadvantaged youth and social inclusion, democratic participation and citizen consciousness, family, ethical and human values, intercultural dialogue, use of free time, volunteerism and mobility.

In the context of those youth policies, several projects are carried out in order to foster tolerance and dialogue among the youth; eliminate social phobias and prejudices; contribute to the social integration; ensure young people, to use their free time, to get acquainted and socialize with their fellows living in different geographical regions and to provide intercultural interaction. In 2013, young people from the different cultures and regions of 81 provinces of Turkey have come together. Among the projects that the youth are involved in are "Traveler", "Youth Train-This Land is ours" and "Leader Youth Camps" projects of the Ministry of Youth and Sports.

The OSCE Youth Summit 2013 was held through the joint efforts with the Organization for Security and Co-operation on youth affairs at international level. On the other hand, "Turkey-Mediterranean Youth Peace Ship" and "Balkan Train" projects were conducted within the framework of the care for young people and intercultural dialogue in international areas covered by the National Youth and Sports Policy Paper.

Through the projects, which aimed to promote world peace, to build intercultural bridges and to send peace messages to the world, 240 young people came together via the Balkan Train and 771 from 43 countries via Turkey-Mediterranean Youth Peace Ship. Social projects, carried out in the countries visited, enabled the young travelers to see natural, cultural and historical heritage of the region and to establish ties through peace and friendship messages with their fellows living abroad, so as to instill them social responsibility and volunteerism consciousness by raising awareness.

Projects such as “Youth Transformation” and “Youth’s Goodness Tree” are being implemented to promote volunteerism of the youth. Furthermore, educational and cultural activities of young people are supported. A good example in this respect is the “Practical Entrepreneurship Training for Young Entrepreneurs” held by the Small and Medium-sized Industry Development Organisation (KOSGEB). On the occasion of the Youth Week, “International Youth Short Film Festival” was organized with a programme consisting of the short films made by national and international directors between the ages of 14-35 with a view to increasing the young people’s interest in the art of cinema, encouraging short film making among them, contributing to the development of **short films in Turkey** and also supporting young directors. The short-films involved in the festival were awarded in 5 categories. On the other hand, in order to build a discussion platform for young journalists, a panel on fight against Islamophobia was held on 26-27 January 2013, which was attended by young journalists and journalism students from Turkey, Europe and Middle East.

Furthermore, projects are on-going under the 2012 Youth Projects Support Programme, which was established to support the youth projects of the NGOs working for youth, youth groups, public institutions and organizations, local administrations, high schools and universities. Besides, the Ministry of Youth and Sports organized two workshops on youth structures at national and international levels, on 18 October and 8-9 December 2012 respectively. Workshop reports emphasized the benefits of forming of a Turkey National Youth Council, work on which is continuing.

“Supporting Social Inclusion through Sports Education” Project (**TR2010/0136.06**) under the IPA I, which takes into consideration the contribution of sport activities to economic and social cohesion, as described in 2007 White Paper on sport of the European Commission, was launched in September 2013 and is currently on track.

In the context of administrative capacity building efforts, in 2013, Ministry of Youth and Sports opened up 171 Youth Centres and 23 Youth Camps (sea and nature), attended by 28 thousand young people in different periods to promote personal, social and cultural development of the youth. Through the activities and projects, the total number of the members of the Youth Centres has reached 421,424 in 2013 compared to 65,217 in 2011. Also, the construction of 155 new Youth Centres has been covered by the investment programme.

Culture

Draft Law on the Approval of UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions by Turkey is on the agenda of the Turkish Grand National Assembly (TGNA).

Edirne-Kırkpınar in 2008, Kars-Kuyucuk Lake in 2009, Bitlis- Nemrut Crater Lake in 2010, Ankara-Hamamönü in 2011 and lastly Sakarya-Taraklı in 2013 were awarded

"EDEN - European Destinations of Excellence", a project initiated by the European Commission in 2007 with the aim of promoting tourist attraction of emerging undiscovered destinations having low tourist population density.

“Common Cultural Heritage: Preservation and Dialogue between Turkey and the EU” Project (TR2011.0136.05) aims at a pioneer work on the historical and cultural heritages of Turkey in order turn them into a model for the cultural economy so as to meet the needs of their residents, workers and visitors in a balanced manner.

Union Programmes

Active participation in the Union Programmes (Lifelong Learning, Youth in Action Programme and the Culture Programme) in the area of education and culture is regarded as a key indicator of harmonization with the EU.

Turkey has performed Lifelong Learning and Youth in Action Programmes, which fall under the education and youth programmes of the EU, in an active and successful manner in 2013 as well. The budget size of the Turkish National Agency (Presidency of the Centre for EU Education and Youth Programmes), ranks third among its counterparts within 33 European states. Through the grants allocated under Erasmus, Leonardo da Vinci, Comenius and Grundtvig sub-programmes and the Youth Programme, nearly 70 thousand people of all ages were offered the opportunity of mobility, for education, training and the youth activities, across the participant EU countries for periods ranging from one week to two years. Nearly 3,750 projects were awarded with 120 million Euros grant in 2013. Owing to the continued interest in the programmes by education and youth sectors, more than 18 thousand grant applications were made.

For the purposes of promoting the programmes across Turkey and extending the beneficiary group as much as possible, the National Agency held information meetings in various provinces and effectively used all means of communication, in particular the website and social media. During the process, an effective synergy was created through the efforts of the Ministry for EU Affairs, and several promotion, information and dissemination activities were carried out under the auspices and with the participation of the Minister for EU Affairs and Chief Negotiator Egemen Bagis. The Turkish National Agency celebrated its 10th anniversary with the “81 Province 81 Project” festival held on 10 May 2013 with the participation of Prime Minister, Recep Tayyip Erdogan.

Furthermore, Turkey continues to participate in the Culture Programme (2007-2013), one of the Union programmes in the area of culture. The Cultural Contact Point within the Ministry of Culture has maintained its promotion and dissemination activities which have increased the interest in the programme.

Chapter 27: Environment and Climate Change

Alignment with the EU *Acquis*

The environment legislation covers horizontal issues (Environmental Impact Assessment (EIA), access to environmental information), as well as the arrangements regarding the air quality, water quality, waste management, nature protection, industrial pollution control, chemicals, noise and climate change. Furthermore, several international conventions, as well, are included in the environmental *acquis*.

Work is on-going within the scope of the chapter, which was opened to negotiations on 21 December 2009.

With regard to the **horizontal legislation**, work on the transposition of the INSPIRE directive that provides for the establishment of environmental liability and spatial information infrastructure in the EU is underway within the scope of the “Capacity Building in the Horizontal Sector Project” (TR2011/0327.21). At the first stage, “By-Law on Establishment and Management of National Geographic Information Systems and Geographic Data Infrastructure” was drafted and submitted to the opinion of the institutions concerned. The project covers ensuring compliance of the INSPIRE data themes with the national standards. For this purpose, several nationally funded projects were carried out in 2013 such as the “Description of Geological Data Standards and Preparation of Geology Theme in Turkey Project” and “Data Study Project in the scope of Strengthening National Spatial Data Infrastructure of Turkey”.

The tender process is in finalization stage for the Project on the Implementation of By-Law on Strategic Environmental Assessment (TR2010.0327.02) which aims to determine and evaluate environmental outcomes of the plans and programs, which have not been implemented yet. The Project also covers the work on the transposition of the “Strategic Environmental Assessment Directive”.

“By-law on Environment Impact Assessment” was published in the Official Gazette No. 28784 of 3 October 2013, to transpose the Environmental Impact Assessment Directive No. 2011/92/EU, which provides for identification of the environmental impacts of a project prior to its design.

Application file on Environmental Impact Assessment (EIA) of Akkuyu nuclear power plant was submitted to the Ministry of Environment and Urbanization and the first inspection and evaluation meeting was held. In this respect, the EIA process is on-going. The EIA process of the 3rd Airport, planned to be constructed in Istanbul was initiated in 2012 and EIA positive decision was taken in May 2013.

Ministry for Foreign Affairs is evaluating the Draft EIA Bilateral Agreement, on trans-boundary cooperation covered by the Environment Negotiating Position Paper.

With regard to **air quality**, for the first time in Turkey Marmara Clean Air Centre was established and inaugurated in June 2013, within the framework of the “Institutional

Building on Air Quality in the Marmara Region” project (TR 0702.07). Ambient air quality monitoring system was installed consisting of 39 air quality measurement stations in 11 provinces; and regional data verification and air quality assessment activities have started. A regional laboratory was established in Marmara Clean Air Centre and it is intended to set off a regional air quality assessment and management system through the establishment of air quality assessment, emission inventory and modelling units. In addition, work is on-going on the draft by-law, a project output, on the harmonization of Directive 2008/50/EC on Ambient Air Quality and Cleaner Air for Europe.

“Improving Emissions Control Project” (TR0802.03) was finalized in 2013. Among the work carried out under the project, with twinning and technical assistance components, are national emission inventories for 1990-2010; emission predictions for 2010-2025; regulatory impact assessment related to National Emission Ceilings Directive and benefit-cost analysis, draft legislation and a strategy document. Emission inventory is updated on annual basis. The 2013 report was drafted, also including 1990-2011 data.

“By-Law on Control of Exhaust Gas Emission and the Quality of Petrol and Diesel Fuels” aimed at protecting living creatures and the environment from the effects of the air pollution caused by exhaust gas originating from motor land vehicles, was published in the Official Gazette No. 28837 of 30 November 2013. This by-law identifies the procedures and principles related to the provision of the reduction of exhaust gas pollutants, controlling them by measurements, the technical features of petrol and diesel fuels and the implementation. This by-law is in line with the provisions related to the quality of petrol and diesel fuels of the Directive 98/70/EC Relating to the Quality of Petrol and Diesel Fuels.

The twinning component of the Project on the “Control of Industrial Volatile Organic Compound (VOC) Emissions (TR2009.0327.01)” was completed in 2013. Within the scope of the twinning component, draft by-laws and guide documents related to 3 separate directives (Storage-94/63/EC, Paints-2004/42/EC and Solvents-99/13/EC) were drafted to regulate the reduction of the emissions originating from the utilization of organic solvent chemicals, control of volatile organic compound emissions that come out of during storage of petrol and its distribution from terminals to service stations , control of volatile organic compound emissions originating from the utilization of organic solvents in paints, varnishes and vehicle refinishing products, labelling and limit value requirements for volatile organic compound content.

With regard to **water quality**, Draft Water Law, prepared to meet one of the technical closing benchmarks of the Chapter, has been submitted to the opinion of institutions. Work on the Draft Law is on-going.

Regarding the implementation of the Water Framework Directive (2000/60/EC) in Turkey, which is based on the integrated river basin management and the principle of public participation in decision making processes and which stands as the basic legal arrangement foreseeing the protection and improvement of all water bodies in terms of

quality and quantity in the European Union, River Basin Protection Action Plans for 25 river basins in Turkey will have been completed by the end of 2013. River Basin Protection Plans forms the basis for River Basin Management Plans which are required to be prepared according to the Water Framework Directive. Within this scope, tender process for Project on the “Conversion of River Basin Protection Action Plans into River Basin Management Plans” has started. Through the River Basin Management Plans, to be prepared with a participatory approach, necessary measures will be identified to achieve the objective of a good water status.

The twinning component of project titled “Capacity Building on Water Quality Monitoring (TR2009/0327.02)” has been completed. Within the scope of the technical assistance component launched in October 2013, biological, chemical and hydro-morphological monitoring in Büyük Menderes River Basin and administrative capacity building activities are being carried out.

The Implementation Plan for the “By-Law on the Protection of Groundwater against Pollution and Deterioration”, which entered into force in 2012 to align with the Groundwater Directive (2006/118/EC) aiming at preservation of good quantitative and qualitative status of groundwater, prevention their pollution and deterioration and improving the groundwater quality, was published in the Annex to the Communiqué No.2013/5 of 11 July 2013 of the Ministry of Forestry and Water Affairs.

Project on the “Implementation of the Nitrates Directive” (TR07.02.06) related to the implementation of Nitrate Directive (91/676/EEC) which aims at protecting waters against agricultural nitrate pollution is on-going. In this context, nationally funded project on “Determination of Vulnerable Zones and Water Quality Targets at Basin Scale”, which was launched in September 2012, is being implemented to review the pre-designated nitrate vulnerable zones.

Work on legal and institutional gap analysis continues within the scope of Project titled “Capacity Building to Implement the Flood Directive” related to the Flood Directive (2007/60/EC), aimed at reducing and managing the risks caused by the floods on human health, environment and cultural heritage. Preliminary Flood Risk Assessment Report was introduced to the stakeholders. In the Batı Karadeniz River Basin, designated as the pilot river basin, the preparation of flood hazard and risk maps are underway. Furthermore, efforts continue to prepare the National Strategy for the implementation of Flood Directive.

Within the scope of the Project titled “Alignment in Bathing Water Monitoring (TR2010/0327.01)” related to Bathing Water Directive (2006/7/EC) aimed at protecting bathing waters in a clean and healthy manner in order to protect human health and the quality of environment, a Draft By-Law on the Management of the Quality of Bathing Waters was prepared and submitted to institutions for their opinions.

As a result of increasing urban investments in recent years, waste water treatment capacity has been enhanced substantially throughout Turkey. With the implementation

of By-law on Urban Waste Water Treatment published on 8 January 2006, in order to align with Urban Waste Water Treatment Directive, the number of the municipalities serving with waste water treatment plants increased from 470 in 2011 to 554 in 2012.

Within the scope of the monitoring activities carried out in the framework of the nationally funded “Control of Pollution Caused by Dangerous Substances” project which contributes to the alignment with Dangerous Substances Directive (2006/11/EC) provided for preventing the pollution caused by the discharge of dangerous substances to the aquatic environment, work on the prioritization of the chemicals, determination of the specific pollutants and the establishment of Environmental Quality Standards have been completed. Furthermore, proposals related to the methodology to be implemented during the process of transition from Environmental Quality Standards to discharge standards and an information system have been developed.

Within the framework of the nationally funded Project on the “Identification of Dangerous Substances in Coastal and Transitional Waters and Ecological Coast Dynamics”, point source (urban and industrial activities) specific pollutant list has been identified and these pollutants are started to be monitored in the pilot regions.

Within the framework of the Project on the “Identification of Water Pollution caused by Plant Protection Products and Determination of Environmental Quality Standards for Substances or Group of Substances”, financed by the national sources, Active Substance Comparison List has been prepared in the pilot river basins and monitoring activities have been initiated in order to determine the concentration of these substances in the water resources.

Within the scope of the implementation of By-Law on the “Quality of Surface Water Intended for the Abstraction of Drinking Water”, published in 2012, quality monitoring is being carried out and based on the monitoring results, quality categories and wastewater treatment categories are being determined. In order to assess the compatibility of the existing treatment plants with the wastewater treatment categories laid down in the by-law, the Project on the Determination of Drinking Water Sources and Status of Wastewater Treatment Plants (Operational Programme on Environment-Technical Assistance Component), which will be supported by the EU funds, has been designed and is in the process of tendering.

Waste Management is one of those fields with a high level of alignment with the acquis. Draft By-law on Waste Management which was prepared in accordance with Waste Framework Directive (2008/98/EC) and sent to the institutions for their opinions, was submitted to the Prime Ministry in order to be published.

Within the scope of Mining Waste Management Project (TR0802.05), work is on-going for the transposition of the Mining Waste Directive (2006/21/EC), strengthening the administrative capacity and laying down a methodology for drafting the inventory of closed, active and abandoned mine sites and preparation of the inventory. The Twinning component of the Project was completed in February 2013 and within this scope, Draft

By-law on Mining Waste was prepared in order to align with the Directive. The technical assistance component of the mentioned Project continues.

"Communiqué on Transport of Waste by Road" was published in the Official Gazette No.28532 of 18 January 2013, and "Communiqué on Refuse-derived Fuel, Additional Fuel and Alternative Feedstock" is in the publication phase.

Recycling targets are laid down comprehensively on a yearly basis until 2020 in the By-Law on Control of Packaging Wastes. Ministry of Environment and Urbanization approves the Packaging Wastes Management Plans which is prepared by the municipalities and which lay down how and when packaging wastes are to be collected. As of November 2013, the number of the municipalities that have Packaging Waste Management Plan has reached 425. The number of the landfills increased to 69 in 2012 from 59 in 2011.

With regard to **nature protection**, Draft Law on Conservation of Nature and Biodiversity, that provides a framework arrangement for the protection of species, habitats and genetic resources, has been approved by the TGNA Environment Committee in June 2012 and is currently on the agenda of the TGNA. Following its enactment, laws covering similar arrangements and provisions will be brought under a single law for a simplified implementation. Uncovered issues are to be addressed by the secondary legislation. With the enactment of the law in question in line with the EU *acquis*, an important step will have been taken with regard to fulfilling the relevant technical closing benchmark of the Chapter.

“Strengthening The National Nature Protection System For Implementation of Natura 2000 Requirements” will ensure carrying out the capacity building activities to designate potential Natura 2000 sites in Turkey and the work to draft implementing by-laws of the Draft Law on Conservation of Nature and Biodiversity which is on the agenda of TGNA. Technical preparations of the Project are intended to be completed by the end of 2013 and to be tendered within 2014.

At the tenth meeting of the Conference of the Parties to the United Nations Convention on Biological Diversity, 2020 Biological Diversity Targets which are referred as Aichi Targets, were approved with the aim of giving an end to the loss of biological diversity in the world until 2020. The work on the revision of the National Biological Diversity Strategy and Action Plan, which was published in 2008 within the scope of 2020 Aichi Targets, started in 2013.

With regard to the **control of industrial pollution and risk management**, the twinning component of the Project on “Integrated Pollution Prevention and Control (TR0802.04)”, was completed in July 2013. In this scope, the Draft By-law on Integrated Environmental Permit was prepared in order to prevent or, in cases where it is impossible to prevent, to reduce the emissions from industry towards air, water and soil pollution for the protection of the environment as a whole and to establish the integrated pollution prevention and control system to minimize waste generation.

In accordance with the Law No.6331 on Occupational Health and Safety published on 30 June 2012, it became a necessity to recast the by-law on the Control of Major Industrial Accidents, published in 2010 in order to align with Seveso II Directive (96/82/EC) aimed at the prevention of major accident hazards involving dangerous substances and the limitation of the consequences of such accidents for people and the environment. Within this framework, the new by-law was drafted and published in the Official Gazette No.28867 of 30 December 2013 (Repeated Edition).

With regard to the **chemicals**, within the scope of “Technical Assistance Project for the Implementation of REACH Regulation and Strengthening of the Management Capacity of the Chemicals in Turkey”, which finalized at the end of 2013, a “Draft By-Law on the Registration, Evaluation, Authorization and the Restriction of the Chemicals” was drawn up, on which the institutions will submit their opinions. Upon the results of the impact analysis conducted on the implementation of the REACH regulation, the compliance schedule for the sectors will be created.

“By-law on the Classification, Labeling and Packaging of Substances and Mixtures”, drafted to align with Regulation on Classification, Labeling and Packaging of Substances and Mixtures (1272/2008/EC) was published in the Official Gazette No.28848 of 11 December 2013 (Repeated Edition).

“By-Law on Test Methods on Assessment of the Physico-chemical, Toxicological and Ecotoxicological Features of the Substances and Mixtures”, drafted to align with European Council Regulation on Test Methods (440/2008/EC) was published in the Official Gazette No. 28848 of 11 December 2013 (Repeated Edition).

The level of alignment with the EU *acquis* in the field of **noise** is advanced. Project on “Implementation Capacity for Environmental Noise Directive (TR2009.0327.03)”, in which preparation work with regard to strategic noise maps and action plans for the selected provinces across Turkey will be carried out, for the implementation of the Directive on the Management and Assessment of Environmental Noise (2002/49/EC) was launched in June 2013. The By-Law on Management and Assessment of Environmental Noise, initiated with a view to revising the preparation process of the noise maps and action plans, and finding out solutions to the problems in practice is being revised. The draft by-law is planned to be issued in 2014.

Turkey continues to participate in the international negotiations in the field of climate change within the framework of the “principle of common but differentiated responsibilities” with its own means and capabilities. Turkey was represented by a committee composed of representatives of the relevant public institutions, private sector and non-governmental organizations at the 19th Conference of the Parties of United Nations Climate Change Framework Convention held in Warsaw, on 11-22 November 2013. Accordingly, the 5th National Communication (compilation of 2nd, 3rd, 4th and 5th communications under a single heading) was submitted to the Secretariat of the Convention. In addition to this, Turkey submits regularly her greenhouse gas inventory to the Secretariat on annual basis.

In order to monitor and evaluate the actions in the National Climate Change Action Plan (IDEP) that covers the period between 2011-2023 and that entered into force in July 2011, a web based IDEP Monitoring System was established. Through the System, all responsible institutions covered by the Plan will be able to upload information related to the implementation of the actions. Within this scope, 2012 monitoring report was prepared in accordance with the opinions of the public institutions and organizations regarding the energy, buildings, industry, transport, waste, agriculture, land use and forestry sectors.

The opinions of the relevant public institutions and organizations were received regarding the Draft Communiqué on the Monitoring and Reporting of Greenhouse Gas Emissions prepared in order to ensure the implementation of the By-law on the Monitoring of Greenhouse Gas Emissions published in 2012.

The Project on the Monitoring of Greenhouse Gas Emissions in Turkey (TR2011.0327.01) is planned to be launched in the first quarter of 2014. The Project aims to eliminate the deficiencies with regard to the nation-wide monitoring and reporting of the greenhouse gas emissions, to enhance the technical capacity for the preparation of greenhouse gas inventories, greenhouse gas projections and their national communications, and to maintain the efforts on the alignment with the relevant EU *acquis*.

With regard to the control of fluorinated greenhouse gases which is included among the causes of climate change, the Project titled “Technical Assistance for the Usage of F-Gases in Turkey and Harmonization of Related Legislation” supported by the EU funds (SEI), was launched in November 2013. Within the scope of the project, a draft by-law will be prepared on the F-Gases.

Financing Decisions were adopted for 24 infrastructure projects with a budget of 600 million € out of 39 with an investment value of 940 million Euros within the scope of **Environment Operational Programme** under the IPA Component-III. Work and consultancy service contracts were signed for 18 projects. In the project pool formed for the new IPA period, there are 38 projects in total, 21 of which are related to integrated water and 17 of which are related to solid waste project, with a total budget of 750 million Euros. Technical assistance contract for the preparation of integrated water projects was signed in January 2013.

Administrative Capacity Building

Efforts are maintained to enhance technical, administrative and institutional capacities through the projects carried out under the EU Pre-Accession Financial Assistant Instrument (IPA Component I).

Relevant stakeholders that are involved in the EIA process met and shared their experiences at the joint platform: “International EIA Congress” on 8-10 November 2013, in the 20th year of the implementation of the EIA By-law.

Within the scope of the Project on the “Control of Industrial Volatile Organic Compound (VOC) Emissions (TR2009.0327.01), activities to enhance the administrative capacity related to the transposition and implementation of the directives regarding the VOC emissions are being carried out. The twinning component of the project was completed and the technical assistance component is still on-going.

Communiqué on the Establishment, Duties, Working Principles and Methodologies of the Basin Management Committees was published in the Official Gazette No. 28681 of 18 June 2013 and River Basin Management Committees were established in order to ensure coordination among the institutions and to monitor progress in the process of preparation and implementation of river basin protection and management plans aimed at protection and planning of the ground waters and surface waters (except for marine waters) including coastal waters with an integrated approach.

Within the scope of the Project titled “Capacity Building on Water Quality Monitoring (TR2009/0327.02)” study visits and training workshops were organized in order to strengthen the administrative capacity of the Ministry of Forestry and Water Affairs as well as relevant public institutions and organizations on many issues such as monitoring of water quality, laboratory procedures, quality control and identification of the environmental quality standards by using the monitoring results.

Project on the “Capacity Building Support to Turkey on Groundwater Management (ESEI)”, which is financed by the EU funds and is in tendering process covers the activities for the enhancement of the administrative capacities related to the groundwater management of the Ministry of Forestry and Water Affairs (Directorate General for Water Management and General Directorate of State Hydraulic Works) and Ministry of Environment and Urbanization. Within this framework, institutional gap analysis and training needs assessment will be carried out, training programs will be prepared and meetings to share experience will be held with the EU member states.

Within the scope of the Project titled “Capacity Building to Implement the Flood Directive (TR2010/0327.01), trainings were carried out for the relevant institutions and stakeholders on the issues such as preliminary flood risk assessment methodology, determination of the flood zones, Geographical Information System (GIS) screening. Accordingly, preparatory work was initiated in order to establish a strong communication strategy between the stakeholders for the effective implementation of the Flood Directive, to inform the public and to establish consultation and active participation mechanisms for the public.

Within the scope of the Project titled “Alignment in Bathing Water Monitoring (TR2010/0327.01)”, trainings on cyanobacteria, the new classification methodology for bathing waters, and quality assessment were organized in order to increase the administrative capacity of the Ministry of Health and the relevant public institutions and organizations.

Central and Provincial Organizations of General Directorate of Nature Conservation and National Parks were reorganized in 2012 for the management of the protected areas in accordance with the effective protection objectives. In 2013, activities related to increasing the institutional and administrative capacity were carried out.

Project on the Institutional Building for the Alignment of the Birds and Habitats Directive supported by the EU funds (SEI) was completed in May, 2013. Within the scope of the Project, the training of the trainers on the issues of Birds and Habitats Directives and Natura 2000 contributed to the enhancement of the institutional capacity.

Project on “Strengthening of Institutional Capacity on CITES- Convention on International Trade in Endangered Species of Wild Fauna and Flora- Implementations” (TR2009.0327.05) was finalized at the end of 2013. Project ensured the development of the capacities of the relevant institutions regarding CITES implementations and progress was made in fight against bio-trafficking as a result of the studies carried out collectively. Through the Project, CITES web page was prepared, publications for the publicity, specification and identification guides were prepared, land and rescue vehicles were purchased and the electronic issue of the CITES permits was ensured for the next periods.

Technical Assistance Project on the “Implementation Capacity of Seveso II Directive (TR2009.0327.04) continues. Within the scope of the Project, trainings were organized in order to increase the knowledge of the stakeholders related to the implementation of Seveso II Directive and activities under Informing the Public, Pilot Region Study, Maintenance and Update of Seveso Notification System are on-going.

“Technical Assistance Project for the Implementation of REACH Regulation and Strengthening of the Management Capacity of the Chemicals in Turkey” (TR0802.02) was finalised at the end of 2013 and in terms of administrative capacity chemicals registration system was improved, and in order to establish REACH National Help Desk, technical infrastructure was built, and the Help Desk was made available online for the sectors.

“Project on the Implementation of Persistent Organic Pollutants Regulation” (TR2010.0327.03) was launched in June, 2013. With this Project, institutional and technical capacity related to the control of the production and dissemination of persistent organic pollutants will be strengthened and work to to ensure effective information sharing and the implementation among the institutions will be conducted.

Climate Change Coordination Board and Air Emissions Coordination Board that ensure coordination among the relevant institutions, was merged under Climate Change and Air Management Coordination Board by the Prime Ministry Circular No.2013/11, as their fields of work and stakeholders are common. The aforementioned board undertakes an important mission with regard to the harmonization of the draft legislation on national emission ceilings and determination of emission reduction strategies that are also in parallel with United Nations Economic Commission for Europe (UNECE) Convention on Long Range Trans-boundary Air Pollution. The Board is also responsible for taking the necessary measures to prevent the harmful effects of the climate change, determining proper domestic and foreign policies by also taking into consideration the conditions of Turkey, providing coordination and cooperation between the relevant institutions in order to lay down the strategies for the reduction of the emissions.

Awareness-raising efforts were maintained on the effects of climate change and adaptation to climate change. In this framework, the Project titled “Awareness-raising on the Effects of Climate Change and Adaptation to Climate Change”, aiming to increase capacity and extend training opportunities at the national and regional level for the management of climate change risks in urban, rural and coastal areas of Turkey and which is supported by national funds, was initiated in September 2012. Science camps for primary school students and climate change seminars for teachers from eight different provinces have been held in the scope of the Project.

As regards to the fight against climate change, the World Bank has initiated a new technical assistance programme called Partnership for Market Readiness (PMR). The PMR aims to ensure that the developing countries and rising economies effectively make use of the market mechanisms in reducing their greenhouse gas emissions and enhance their capacities for the establishment of Monitoring, Reporting and Verification (MRV) infrastructures. Turkey, which is a member of the Partnership Assembly of the PMR was the first country to sign a PMR Preparation Grant Agreement. The Project covers four basic components including pilot studies for the implementation of the “By-Law on the Monitoring of Greenhouse Emissions” in voluntary sectors determined in Turkey; analytical work for decision-making mechanisms regarding the use of carbon market mechanisms; studies for capacity-building, awareness-raising and training; and coordination and expert assistance for the implementation of MRV and market mechanisms.

Within the scope of the alignment process with Regulation No. 1005/2009 on Substances that Deplete the Ozone Layer and Regulation No. 842/2006 on Certain Fluorinated Greenhouse Gases, the “Subcommittee for the Training of Technical Personnel” and the “Subcommittee for Identification of Stationary Equipment Containing Substances that Deplete the Ozone Layer and Fluorinated Greenhouse

Gases” involving all relevant public institutions were established in March 2012; and their activities are on-going.

Chapter 28: Consumer and Health Protection

The level of alignment with the *acquis* in the field of consumer and health protection is advanced.

This chapter covers policies on consumer safety and the protection of economic interests of the consumers, and public health.

Consumer Protection

Alignment with the EU *Acquis*

With regard to **product safety**, the work is on-going to amend and update the Framework Law No. 4703 on Preparation and Implementation of Technical Legislation on Products (Official Gazette No. 24459 of 11 July 2001) by taking into account the current revisions of the EU on the General Product Safety legislation, as well (See Chapter 1: Free Movement of Goods).

Within the scope of legislative work in the field of market surveillance, “By-law on Market Surveillance of the Goods” which was adopted by the Decree No. 2001/3529 of the Council of Ministers pursuant to the Law No. 4703 on the Preparation and Implementation of Technical Legislation on Products was updated in 2013. By-law amending the current by-law entered into force upon its publication in the Official Gazette No. 28680 of 27 June 2013.

Furthermore, work to establish a National Market Surveillance Information System towards compiling the notifications related to the non-conformant and unsafe goods in a digital environment and to record the information required for the annual/periodical market surveillance reports was completed and “By-law on Registration and Reporting of Results and Measures Related to Market Surveillance” which constitutes the legal infrastructure of the system entered into force upon its publication in the Official Gazette No. 28720 of 27 July 2013.

With regard to **the protection of the economic interests of the consumer**, new directives of the EU, or the amendment of the current directives by the EU, new selling techniques not regulated in the current Consumer Protection Law and shortcomings faced during the implementation phase necessitated the amendment of the Law. In this framework, Consumer Protection Law No. 6502 was published in the Official Gazette No. 28835 of 28 November 2013. Ministry of Customs and Trade continues to work on the preparation of the new implementing by-laws in accordance with the new Consumer Protection Law, which will enter into force within six months following its publication.

Administrative Capacity Building

In 2013, activities to further develop the existing administrative capacity in horizontal fields such as standardization, market surveillance, conformity assessment and accreditation were carried out. (See Chapter 1: Free Movement of Goods).

Work on strengthening the administrative, technical and legal capacity in the field of market surveillance is on-going within the scope of “National Strategy Document (2012-2014)” adopted in 2012.

Every year, based on the data of previous year, the annual reports addressing the controls carried out by the institutions are prepared by considering the infrastructure facilities of the related institutions. Finally, in 2013, “Market Surveillance Report for 2012” was prepared, published and submitted to senior authorities in the market surveillance institutions and to the public opinion.

Public Health

Alignment with the EU *Acquis*

With the amendment of the Law on Prevention and Control of Hazards of Tobacco Products, Law No. 4207 (Official Gazette No. 22829 of 26 November 1996)¹⁶, the prohibition regarding the use of tobacco products in public transportation vehicles of road, rail, maritime, and air transports began to cover the drivers sitting in the driver’s seat of private cars, including taxi drivers.

With the By-law Amending the By-law on Procedures and Principles concerning the Production Type, Labelling and Inspection of Tobacco Products for the Purpose of Protection from Harmful Effects of Tobacco Products (Official Gazette No. 28497 of 14 December 2012), health warnings on the water pipe bottles became mandatory.

Administrative Capacity Building

In the area of communicable diseases, the construction of Early Warning and Response (EWRS) Management Centre within the Turkish Public Health Institution was completed and the Centre has become operational.

Within the context of case based surveillance studies, as of 1 December 2013, 1173 events were evaluated with respect to public health risk and intervention need. The Field Epidemiology Training Programme Network aiming to improve the qualifications of the personnel selected to carry out Early Warning and Response System was included in TEPHINET (Training Programs in Epidemiology and Public Health Interventions

¹⁶ The Law No. 6487 Amending the Certain Laws and the Decree Law No. 375 (Official Gazette No. 28674 of 11 June 2013)

Network) and accreditation work was initiated. Two-year training of 26 staff is and the application and selection process of the potential trainees for the third term is on-going.

Intra-sectoral Cooperation Protocols were prepared. Monthly working meetings are held with the participation of the relevant organizations/institutions in the field of early warning and response system. Within the context of the Project on the Epidemiological Surveillance and Control of Communicable Diseases in Turkey (TR0802.16), aiming to establish the EWRS in order to determine, assess, report and response the risks of public health and health events in line with the International Health Regulations (UST 2005) and the EU acquis regarding the communicable diseases, 7/24 access by phone for EWRS was introduced, case-based surveillance was initiated and the personnel training programmes were maintained. In addition to the case-based surveillance, indicator-based surveillance has become operational so that the acute intestinal infections on provincial and district level could be assessed based on the indicators regarding the quality of drinking water. The work on expansion of this practice for other diseases and syndromes important for public health is on-going.

In March 2013, a workshop regarding certain areas was organized for the update of Communicable Diseases Notification System Guidelines with the participation of academics and ministry representatives.

An electronic information system specific to HIV/AIDS is being prepared to enhance the HIV/AIDS surveillance and support the updated case follow-up. The work on updating HIV/AIDS National Programme Framework which was prepared by National AIDS Commission including protection, diagnosis, treatment, care and support for preventing the HIV/AIDS spread, and accordingly the work on the reduction of HIV/AIDS spread are on-going.

The Capacity Assessment Work was launched within the Sector to increase the number of HIV/AIDS notifications. The work for software enabling the doctors directly diagnosing the disease to make HIV/AIDS notifications online and guaranteeing the privacy of people was completed and pilot studies are on-going.

In the area of mental health policy, with the change of main paradigm, in cooperation with the World Health Organization (WHO) and the EU Institutions, community-based mental health services have been developed instead of mental health institutions. Within this scope, National Mental Health Report of Turkey was published. Following this Report, "Promoting Services for People with Disabilities" Project (TR080104) contributed to the implementation of community based care.

The work to generalize the Community Mental Health Services is on-going. 67 Community Mental Health Centres have been opened in 54 provinces. Regional training programmes on Community Mental Health Centres Working Guidelines were held in Istanbul and Ankara, and the related 203 personnel attended these trainings. Regional

training programmes on Working Guidelines are on-going. In May-June 2013, needs analysis of Community Mental Health Services and Psychiatric Clinics was conducted.

The result of the “Report on Deinstitutionalization of People with Mental Health Problems” of the Department of Mental Health Programmes was published. Between 2010 and 2012, total number of beds in psychiatry in all hospitals (state, private, and university) was increased by 11.9%. Accordingly, the number of beds per 100,000 persons increased to 9.1 from 8.1.

With regard to cancer, 4 cancer registration centres (İzmir, Edirne, Antalya, Trabzon) were accredited by IARC (International Agency for Research on Cancer). Regarding the prevention of cancer, in addition to National Tobacco Control Programme and National Obesity Control Programme, work on alcohol, asbestos and radon control was started.

As regards nutrition and obesity, work on Regulation of Food Advertising to Children started with the participation of the Scientific Committee of the Ministry of Health, RTUK and the relevant public institutions and organizations. Ministry of Health realized multi-sectorial work with the contribution of other stakeholders for changing the eating habits of children. WHO European Network Meeting on Reducing Marketing Pressure on Children was hosted by Turkey on 27-28 May 2013.

The number of Nutrition Friendly Schools increased to 818 in June, 2013 from 737 in March 2013.

Handbooks to primary care physicians for preventing, maintenance and treatment of the obesity was published.

The European Salt Action Network Meeting was hosted by Turkey on 29-30 May 2013. The amount of salt in tomato paste and puree was decided to be reduced and work for legal arrangement is on-going. With the new legal arrangements, the amount of salt in bread and spices was reduced.

The tendering process for the Alignment in Human Tissues and Cells Project (TR2009/0328.02), which has been approved within the context of the 2009 Programming of the IPA (Component I) for the increase of legislative alignment and capacity-building in the area of tissue and cells was finalised.

The implementation of the Alignment in Organ Donation Project (TR2009/0328.01) under the 2009 Programming started. The objective of the Project is to contribute to alignment with and implementation of the EU acquis in the area of public health by increasing organ donations. Thus, quality and safety standards for organ donation and transplantation in medical treatments will be met.

The work to determine differences between national legislation and the EU acquis started in the context of the activities for Technical Assistance Project for Alignment in Organ Donation. Furthermore, a media conference titled “the Media as a Strategic Partner in Organ Transplantation” was held in the scope of awareness-raising activities.

Turkey has met the requirements of the EU acquis and the Council recommendations regarding to tobacco. Turkey actively participates in the WHO Framework Convention for Tobacco Control and is a regional leading country regarding this matter, with developments relating to tobacco control being exemplary world-wide. Turkey is the only country to meet the criteria of WHO MPOWER policy package (A Policy Package to Reverse the Tobacco Epidemic).

Chapter 29: Customs Union

Customs Union Chapter is one of those chapters suspended as a result of Turkey not having fully implemented the Additional Protocol to the Association Agreement. Accordingly, the EU Council Decision of 11 December 2006 stipulated that negotiations will not be opened on eight relevant chapters and no chapter will be provisionally closed until Turkey has fulfilled its commitment.

Alignment with the EU *Acquis*

“By-Law on the Simplification of Customs Procedures” entered into force upon its publication in the Official Gazette No. 28524 of 10 January 2013. Within the framework of the by-law in question, together with introduction of the concept of authorized economic operator (AEO Turkey), on-site customs clearance in exports and authorized sender practices which are in use in the European Union countries started to be implemented and the companies were allowed to take their goods directly to exit customs authority without first appearing before Export Customs Directorate, thus their losses in terms of time and costs were reduced. Work is on-going to extend the by-law with on-site customs clearance in imports and authorized recipient practices. There are currently six companies having authorized economic operator certificates in Turkey, three of which are carriers and three of which are exporters.

Administrative Capacity Building

Developments in the area of Customs Enforcement

In the framework of “Modernization of Turkish Customs Administration V Project” (TR0802.20), installation of one Train Screening System into Kapıköy Railroad Customs Gate was completed and it started to be used as of July 2013. Within the scope of the same project, one baggage screening system and radiation detection system were also installed.

At the beginning of 2013, a Data Management System was set up with the purpose of collecting x-ray images from all screening systems in Turkey and sending them to the centre. This system also allows all operators to see the images obtained from devices on their screens and make comparisons between the images.

Mobile x-ray devices were procured and installed into Haydarpaşa and Iskenderun Ports by the operating institution Turkish State Railways (TSR) and their provisional acceptances were made.

Furthermore, a total of 10 mobile x-ray devices were procured in 2013, 5 under 2009 Turkey-EU Financial Cooperation programming and 5 under the national budget. Among the mobile screening devices in question, those which were procured under

“Modernization of Turkish Customs Administration VI Project” (TR20090329.01) were allocated to Taşucu, Tekirdağ, Cilvegözü, Akçakale and Öncüpınar, and those procured through the national budget were allocated to İzmit, Gemlik, Çeşme, Aliağa and Zonguldak Ports.

In addition to these, with a view to increasing the operational and technical capacity of the Ministry of Customs and Trade, 9 baggage screening systems were procured and installed into Esenboğa, Sabiha Gökçen, İstanbul Atatürk, Alanya Gazipaşa, İzmir Adnan Menderes, Antalya Airports (2 pieces) and Habur Border Gate under the national budget in 2013. Work is on-going to install another baggage x-ray device into Akçakale Border Gate.

Furthermore, 6 cargo screening systems procured in 2013 were installed into İzmir Adnan Menderes, Antalya, Adana and İstanbul Sabiha Gökçen Airports. Work regarding determining the installation location of 2 devices in İstanbul Atatürk Airport is expected to be completed.

Furthermore, under 2012 Turkey-EU Financial Cooperation programming, financing agreement concerning procurement of 15 mobile baggage screening systems was signed between Turkey and the European Commission within the scope of “Modernization of Turkish Customs Administration VIII Project” (TR2012.0329.06) and it was approved by the Council of Ministers. Updating the technical specifications and market survey documents of the Project was completed and they were sent to the Central Finance and Contracts Unit. Accordingly, it is envisaged that preparations will be made for tendering until the end of 2013 and tendering, contracting and deliveries will be conducted in 2014.

With the aim of enhancing the capacity of the Ministry of Customs and Trade with respect to sea operations, 25 patrol vehicles were procured in 2013 within the scope of “Modernization of Turkish Customs Administration VI Project” (TR20090329.01) and they were delivered to the relevant regional directorates. Under the same project, tendering procedures for a total of 10 patrol boats have been finalized. Delivery and provisional acceptance of 7 boats will be completed until the end of 2013 and the last 3 patrol boats will be delivered in the first half of 2014. Within this period, two different training programmes were organized, on the operation of boats and a total of 50 personnel attended the training.

On the other hand, procurement procedures were completed for the purchase of a more advanced model of ZBV type portal screening system which is currently in use in Cilvegözü and it is expected to be delivered by the producer company in mid-December. Subsequently, the system will start to be used at Syrian border gates.

Moreover, with the purpose of fighting against smuggling more efficiently, work which was initiated in 2011 continued with a view to establishing a dog training centre in order

to conduct several activities such as rapidly increasing the number of detector dogs of the Ministry of Customs and Trade, breeding of detector dogs in the new branches and organising national and international trainings in this field. The construction process of the training centre in question was completed and it is expected to be operational in May 2014. In this context, the number of detector dogs which are at the disposal of the Ministry of Customs and Trade increased significantly compared to 2012.

The total number of personnel of the Ministry of Customs and Trade reached 14,600 by 29 November 2013. A total of 1,641 customs enforcement officers were recruited in 2013 and major progress was achieved in the area of human resources.

Within the context of human resources management, 42 customs enforcement officers were trained on Risk Analysis at International Airports between 31 October 2013 and 1 November 2013. Furthermore, an Impact Analysis training was conducted, between 28-20 November 2013, for the personnel of the Ministry of Customs and Trade and a total of 31 staff from the central and provincial units attended the training. As the pilot study within the scope of this training, impact analysis of 2 projects will be carried out.

Developments in the Area of Risk Management

Risk Management Twinning Project (TR 09 IB FI 03)

Under 2009 Turkey-EU Financial Cooperation programming, “Modernization of Turkish Customs Administration VI Risk Management Twinning Project” (TR 09 IB FI 03) was carried out by the Risk Analysis Department of the Ministry of Customs and Trade with the aim of improving the evaluation, information and risk assessment capabilities of Turkish Customs Administration so as to prevent illegal trading in this region which will be the external borders of the EU in the future and of ensuring alignment of the Customs Administration with the EU. Closing meeting of the said project was held on 20 February 2013.

A total of 60 activities were conducted within the scope of the project. These activities included 12 working groups, 38 training activities and 10 study visits and internship programmes carried out in England and Germany. More than 700 personnel at central and local level (customs and trade experts, customs enforcement officers, customs inspection officers) took part in the training programmes.

While the Project originally provided for equipping the personnel in charge of risk analysis in the Ministry of Customs and Trade with a further level of knowledge in targeting of high risk cargo, thus accelerating customs processing and carrying out a more effective risk assessment in the fight against illegal trade, results have gone far beyond these objectives at the end of the project.

At the end of the project, a 5 year Strategy Paper on risk management, a Risk Analysis Guide to be used in the risk analysis studies of personnel working in the central and provincial units of the Ministry of Customs and Trade and a Risk Analysis Working Instruction which includes procedures and principles on the implementation of risk analysis studies were prepared based on the results of gap and needs analysis reports.

Feedback Between Central and Local Risk Analysis Units

With the purpose of increasing the local risk analysis and feedback capacity of Turkish Customs Administration, Local Risk Analysis Units were set up within the Regional Customs Directorates. Experienced customs inspection and customs enforcement officers were assigned to the units in question.

The results of customs inspections based on risk profiles are transferred to BILGE system so that feedback provided over the system could be checked.

Furthermore, reports as to their studies are sent by the local risk analysis units to the Central Risk Analysis Unit via Electronic Document System (EDS) on a monthly basis as of 16 April 2013. Thus, the Central Unit makes use of this feedback while creating risk analysis profiles for security and safety purposes.

In addition, if there is a specific risk which concerns all country, this information is sent to the Central Risk Analysis Unit for the national risk profile to be created.

Moreover, in order to improve the communication between central and local units, one official responsible for risk analysis was assigned to certain Regional Directorates.

Capacity Building of the Local Risk Analysis Units

Risk analysis studies are carried out in accordance with the Working Instruction and Risk Analysis Guide. With the aim of enhancing the capacity of local risk analysis units, a Risk Analysis Guide was drafted, published and distributed to the personnel working in risk analysis units in 2013. The Guide which was drawn up within the scope of Risk Management Twinning Project consists of detailed information on risk analysis studies, retrieval and analysis of the relevant data from the system and targeting risky shipments, together with samples of analysis and seizure.

“By-law Amending the Ministry of Customs and Trade By-Law on Relocation” entered into force upon its publication in the Official Gazette No. 28642 of 9 May 2013.

The Ministry of Customs and Trade, with a view to not allowing loss of extensive knowledge gained and preserving the working standards, enables personnel in charge of the risk analysis to work in the same subject area except for compulsory circumstances when appointed to a Regional Directorate on grounds of rotation.

Finally, as a result of local risk analysis studies, a large quantity of drugs and mobile phones were seized in 2013.

Risk Analysis in Summary Declaration

Within the framework of new practice of lodging of pre-arrival summary declaration, in parallel with the EU best practices and in accordance with the World Customs Organization standards, risk analysis is conducted over pre-arrival summary declarations for security and safety purposes and risky elements are targeted, with the aim of reducing the waiting period of honest tradesmen at the customs by way of concluding the processing of goods not containing any risky elements most rapidly as possible.

Subsequent to completion of the technical infrastructure concerning risk analysis, as regards pre-arrival summary declarations, risk analysis studies were initiated at customs directorates where import summary declarations for maritime shipments were lodged by November 2012 and at customs directorates where import summary declarations for air shipments were lodged by April 2013.

Physical Inspection Rates

Physical Inspection Rates in import and export have been reduced since 2008. Upon the extension of simplified procedures, the rates in question will be reviewed again.

Duration of Customs Processing

The statistical data regarding duration of customs processing are compiled by the Ministry of Customs and Trade and published on the website of the Ministry. In the light of these data, while the processing of 51% of the declarations in imports was completed in the first eight hours and 70% of which was completed in the first twenty-four hours in 2010, it was 54% and 71% respectively in the first six months of 2013 and the goods were ready for delivery.

According to the same data, while in 2010, the processing of 70% of export declarations was completed in the first half hour and 90% of which was completed in the first four hours, it was 77% and 93% respectively in 2013 (January-June).

In addition to these, processing of an import declaration, on average, took 1 day 4 hours and 14 minutes and of an export declaration 4 hours and 46 minutes during the period January-June 2013. When the data for the first six months of 2013 and 2010 are compared, it is observed that average duration of processing of an import declaration has shortened and import processing has accelerated by 8.5%. Furthermore, when the data for the first six months of 2013 and 2010 are compared, it is observed that average duration of processing of an export declaration has shortened considerably and export processing has accelerated by 39.5%.

Risk Analysis Action Plan in Electronic Trade

The Ministry of Customs and Trade conducts work concerning the safety of fast cargo transportation where simplified procedures are used extensively for the fast and effective dispatch of goods with small volume and of important documents. In this

respect, e-Trade Project which was developed for transactions carried out by fast cargo companies was put into effect in 2011. In this framework, as regards risk analysis in fast cargo transportation, risk analysis based on compulsory and optional information in waybill is carried out systematically depending on risk profiles.

Various risk profiles were created in 2012 and active surveillance and control were started. Work is also on-going to create new risk profiles in 2013 with a view to improving selectivity and ensuring a more efficient control. Currently, 7 profiles are actively in operation.

Risk Analysis Action Plan in Electronic Pre-Declaration (TIR EPD) System

Central risk profiles which are currently in operation at border gates will also work in TIR EPD System. Within this scope, the data to be included in TIR EPD System which contains pre-declaration will be evaluated at a local basis and will be filtered out in terms of risk analysis. With the implementation of TIR EPD, local risk analysis will be carried out over the system prior to arrival of goods; and upon arrival of goods to the border gate and registration of TIR Carnet, redirection for control of risky elements will be possible based on the results of local risk analysis and the results of central risk analysis. Work regarding technical infrastructure in this area has been finalized and currently, necessary tests are continuing.

Developments in the Area of Information Technologies

The Ministry of Customs and Trade continues to work towards rendering the tariff systems (TARIC, Quota and Surveillance) needed for future interconnectivity and interoperability with the EU Information Technology systems operational as of 2015. Moreover, work towards adoption of an Information Technology Strategy for converging business objectives and IT activities is also on-going, and this is considered to be a component of Modernization of Turkish Customs Administration VIII Project (TR2012.0329.06) as well.

Chapter 30: External Relations

External relations is one of those chapters suspended as a result of Turkey not having fully implemented the Additional Protocol to the Association Agreement. Accordingly, the EU Council Decision of 11 December 2006 stipulated that negotiations will not be opened on eight relevant chapters and no chapter will be provisionally closed until Turkey has fulfilled its commitment.

Turkey's level of alignment with the common trade policy of the EU is advanced.

So far, Turkey has concluded 30 Free Trade Agreements (FTAs); and 11 of these Agreements concluded with Central and Eastern European Countries were repealed due to the accession of these countries to the EU. 17 FTAs out of the remaining 19 FTAs¹⁷ are still in force. The Agreement with Lebanon will enter into force following the completion of the internal ratification process of Lebanon, and the Agreement with Kosovo will enter into force following the completion of the internal ratification process of both parties.

Within this framework, "By-law on the Determination of Preferential Origin of Goods in Trade within the Framework of the Turkey- South Korea Free Trade Agreement" (Official Gazette No.28633 of 30 April 2013) including the implementing provisions of the Protocol of Origin annexed to the Turkey-South Korea FTA, which took effect on 1 May 2013, entered into force.

Moreover, "By-law on the Determination of Preferential Origin of Goods in Trade within the Framework of the Turkey- Mauritius Free Trade Agreement" (Official Gazette No.28672 of 9 June 2013)" including the implementing provisions of the Protocol of Origin annexed to the Turkey-Mauritius FTA, which took effect on 1 June 2013, entered into force.

Efforts to conclude FTAs with the third countries still continue intensively. Within this framework, there are 14 countries/country blocs that Turkey has started FTA negotiations and Turkey has launched initiatives to start negotiations with 12 countries/country blocs.

"The Regional Convention on Pan-Euro-Mediterranean Preferential Rules of Origin" which was signed on 4 November 2011 was approved with the Decree of 2 September 2013 of the Council of Ministers. This Convention will enter into force as of 1 January 2014.

¹⁷ EFTA, Israel, Macedonia, Bosnia Herzegovina, Palestine, Tunisia, Morocco, Syria, Egypt, Albania, Georgia, Montenegro, Serbia, Chile, Jordan, Lebanon, Mauritius, South Korea and Kosovo.

Furthermore, the “Law on the Approval of the Regional Convention on Pan-Euro-Mediterranean Preferential Rules of Origin” (Official Gazette No.28724 of 31 July 2013) entered into force. Decree No. 2013/5414 of the Council of Ministers including the text of the Convention was published in the Official Gazette No. 28808 of 1 November 2013 in order for a declaration to be made to the General Secretariat of the Council of the EU.

Turkey by no means supports or helps the non-governmental actors aiming to develop, supply, manufacture, hold, transfer or use weapons of mass destruction and the vehicles carrying them; but encourages every international effort to prevent the proliferation of the weapons of mass destruction.

Turkey contributes to the work of the Group established under the UN within the framework of the UN Security Council Resolution No. 1540 regarding the prevention of the proliferation of nuclear, chemical, and biological weapons and their delivery systems.

With the aim of integrating the efforts to prevent illegal nuclear trade and nuclear terrorism and also to ensure the security and safety of the nuclear materials, Turkey actively participates in the monitoring meetings for the follow up of the matters included in the Political Declaration and Work Plan adopted at the end of Nuclear Security Summit (NSS) organized in Seoul on 26-27 March 2012. In this respect, Turkey was represented at the level of Sherpa Assistants in the Sherpa meeting organized in Ottawa on 2-5 October 2013 within the framework of the preparation process to the Nuclear Security Summit to be held in Holland in 2014.

Turkey made significant progress in the fields of **development policy and humanitarian aid**. In this scope, the total amount of bilateral official development aid has reached to 2.53 billion dollars in 2012, which has increased by 98% in comparison with the previous year. The share of humanitarian aid among these is 1,04 billion dollars. This amount of humanitarian aid renders Turkey the fourth biggest donor following the EU, USA and England.

Turkey provides its development aid via the Turkish International Cooperation and Development Agency (TİKA). Accordingly, the number of TİKA Programme and Coordination Offices has increased to 35 in 2012 and TİKA carries out projects and activities in 110 countries.

Within the scope of the development aid, Turkey agreed on a financial package of 2 billion dollars to support the economy of Egypt. A resource of 1 billion dollars was transferred and the rest 1 billion dollars will be used as export credit. The total amount of funding provided to Tunisia by Turkey is 500 million dollars, 100 million dollars of which is as grant, 200 million dollars as treasury credit, and 200 million dollars as export credit. Moreover, Turkey provided a resource of 300 million dollars to Libya,

200 million of which is as credit. In terms of restructuring and development, Turkey provided a development aid of 100 million dollars to Yemen.

With regard to technical assistance, Turkey provides support to Libya for vocational training. In cooperation with Egypt, Libya, Tunisia and Yemen, Turkey maintains efforts to share the experiences and also to develop the services of the local governments. Moreover, trainings on various sectors were organized for the civil servants in Egypt and Tunisia. In order to increase the capacity in the field of security and law enforcement services, trainings were provided to national police forces in Libya and Tunisia.

The humanitarian aids for the disasters in Turkey and around the world have continued to be provided. Without any expectation in return, Turkey helped the poor, the ill, the unemployed, the women and the children in the Middle East, Caucasia, Asia and Africa.

Within this framework, for more than two years, humanitarian aid has been provided to the Syrian citizens in Turkey living in the camps established in 10 cities by the Prime Ministry, Disaster and Emergency Management Presidency (AFAD). According to the measurements made in line with the UN methods, the amount spent to meet the needs of the Syrians coming to Turkey has exceeded 2 billion dollars.

Considering the difficulties in delivering humanitarian aid to the regions in Syria, humanitarian aid has begun to be delivered at the Turkey-Syrian border, in conformity with the international law. The amount of the humanitarian aid provided at the border operations being carried out in 8 different regions by the Turkish Red Crescent has exceeded 300 million dollars.

The Office of the United Nations High Commissioner for Refugees (UNHCR) has prepared the Regional Refugee Response Plan with the aim of ensuring the coordination of the aid for the Syrian refugees in four neighboring countries. Within the framework of this Plan which is updated regularly, UNHCR called for aid amounting to 3 billion dollars but the amount collected up till now is about half of the mentioned amount.

Due to the aridity and the accompanying famine and drought in primarily Somalia and other East African countries, humanitarian aid amounting to 40 tons and 104 million Turkish Liras was delivered to the region.

Humanitarian aid amounting nearly to 65 tons was delivered to the Philippines' Red Cross via Turkish Red Crescent on 12 November 2013 following the Haiyan Typhoon which caused loss of lives and damages to a large extent.

Humanitarian aid provided by Turkey was not only at the bilateral level, efforts were also exerted to provide aid through the UN Office for the Coordination of Humanitarian Affairs (OCHA) and the World Food Programme (WFP). This has brought an

international dimension to Turkey's external humanitarian aid and increased its cooperation with the international organizations working in this field. Accordingly, the World Food Programme defined Turkey as the "rising donor".

Chapter 31: Foreign, Security and Defence Policy

The follow-up screening meetings of the Chapter 31 on Foreign, Security and Defence Policy, of which the screening meetings were completed in October 2006, have been held in Brussels on 16 January and 28 February 2013 respectively. The factual part of the draft Screening Report for Chapter 31, which has been prepared by the European External Action Service, has been shared with Turkey at the end of October 2013. The Report has been officially communicated to the Secretariat of the EU Council on 13 December 2013 and to the EU member states on 16 December 2013.

In parallel with the rapid changes in the global arena today, historical transformation processes are on-going in the neighbourhood of Turkey. Turkey follows active, principled, visionary and multi-dimensional foreign policy in which its interests and values are coherently integrated and in a conjuncture where instability has increased and threats and opportunities are intertwined.

In this scope, throughout 2013 in which the political and social effects of the economic crisis in Europe continued, and the political transformation in North Africa and the Middle East went through a sensitive and fragile stage, Turkey has followed a constructive foreign policy that has made prominent regional cooperation supported by its increasing opportunities and capacities, and has continued to contribute to peace and stability at the global level.

On a dynamic and fluid geopolitical level, while deepening its current strategic European-Transatlantic relations, Turkey has complemented this with an intensifying regional cooperation with political, economic and cultural dimensions. Turkey has continued to launch initiatives in Africa, Asia-Pacific and Latin America and pursued an effective diplomacy in international organisations and platforms.

With the opening of Chapter 22 on Regional Policies and the Coordination of Structural Instruments and the initiation of the visa liberalization dialogue with the signing of the Readmission Agreement, the EU accession process, which has been determined as a strategic preference, has gained momentum following a long period of stagnation. Turkey's strategic dialogue with the EU has continued throughout the year, and views have been exchanged with Catherine Ashton, Vice- President of the European Commission and High Representative of the Union for Foreign Affairs and Security Policy for the EU on every opportunity regarding regional and international developments. The participation of Turkey in the statements of the European External Action Service in October 2012-September 2013 has been 44%.

There has been progress in other dimensions of our strategic partnerships. In this context, multilateral relations are being developed in the form of the model partnership with the US and Turkey's position in NATO, the fundamental building-block of the European-Atlantic security is increasingly strengthened.

Another priority of Turkey's foreign policy is to enhance its regional role. An important objective is to establish high level political dialogue mechanisms, increase regional trade through incentives and arrangements and establish common interest by developing human relations through facilitations for visas. In fact, trade with Turkey's thirteen neighbours countries has reached \$100 billion, an eightfold increase in the past ten years.

However, elements of the instability surrounding Turkey still remain. Whereas the signing of the Brussels Agreement on 19 April 2013 in the framework of the Belgrade-Pristina Dialogue Process in the Balkans is a significant step, the situation in the region remains fragile. Turkey, while supporting the integration of Western Balkans into the European-Transatlantic institutions, also leads initiatives for dialogue and mediation for confidence-building in the region.

The most important obstacle to regional cooperation in Southern Caucuses is the inability to launch the desired initiatives for the resolution of frozen conflicts in the Southern Caucuses. Turkey, who recommends the establishment of an integrated system of transport and energy corridors in the region, continues its efforts to this purpose. However, conflicts in Upper Karabakh, Abkhazia and Southern Ossetia continue to obstruct a full, sustainable and comprehensive normalisation and realisation of the potential for cooperation as necessary. Turkey wished for the resolution of these conflicts through peaceful means on the basis of the territorial integrity and sovereignty of Azerbaijan and Georgia and contributes to the processes of resolution with this purpose. Furthermore, in order to contribute to the political dialogue in the region, a trilateral dialogue process has been initiated between Turkey-Iran-Azerbaijan and Turkey-Georgia-Azerbaijan.

A new political and social evolution is seen in the region in the aftermath of the popular movements that started in the Middle East and North Africa in 2011. Furthermore, the process is in a very unstable stage due to the military coup in Egypt in 2013 and the ongoing civil war in Syria. Turkey has supported the legitimate demands of the people in the context of a principled approach and has made efforts to keep process of transformation on the right course.

There are three dimensions to Turkey's policy regarding the transformation in the region. In the framework of the humanitarian dimension, which is most important, Turkey follows an open-door policy for those who have sought temporary protection in Turkey while fleeing oppression and violence. The second dimension of Turkey's policy on the region is support for democratic transformation in the region in the framework of our universal political values of democracy, pluralism and human rights. The final dimension is a strategic one. In this context, policies are pursued that are deemed to be conducive to the strategic objectives of the establishment of systems in

the region based on will of the people and long-term regional cooperation and integration.

The interconnection of basins in the Southeast Europe, the Black Sea region, the Middle East and North Africa and Central Asia and the Caucasus through energy and transport corridors is one of the priorities of Turkey's foreign policy. In 2016 and 2017, Turkey will host the 23rd World Energy Congress and the World Petroleum Congress, respectively.

For Turkey, new internal and global external dynamics have given rise to a need for greater interest in developments in more remote regions. In this context, Turkey has developed its relations with all prominent regional organisations in observer or partnership status within a large geographical area ranging from Asia and Africa to Latin America and from the Caribbean to the Pacific Islands in the past ten years.

Turkey has become an observer member of the Arab League, the Dialogue Partner of the Shanghai Cooperation Organisation, and one of the three strategic partners of the African Union along with China and India. Furthermore, Turkey has signed a Friendship and Cooperation Agreement with the Association of Southeast Asian Nations (ASEAN).

Another basic dimension of Turkish foreign policy is to set out an active profile and to play an effective role in multilateral organisations. Turkey, in the UN and other multilateral platforms, is assuming new roles in parallel with its increasing salience at the global level. Turkey, who has demonstrated a successful performance as a member of the UN Security Council in the 2009-2010 term, is also a candidate for the 2015-2016 UNSC term as a non-permanent member. Turkey will assume the presidency of the G-20 in 2015, which is a forum where global economic problems are addressed. Turkey, which takes its place among leading countries in the area of humanitarian assistance, will host the "World Humanitarian Summit" in 2016.

Turkey is gaining the status of a donor country through increasing humanitarian and development assistance to developing countries and leading international initiatives in areas of peaceful settlement of disputes and the construction of peace. Turkey, which assumes a significant role in efforts that enhance mutual understanding and common values in the context of the Alliance of Civilizations, also assumes an active position in the area of media as a result of the increase of its soft power. The Group of Friends of Mediation, which has been established in the framework of the initiative Enhancing Peace through Mediation, has rapidly grown to include 45 current members.

In conclusion, Turkey continues to develop its relations in basic geopolitical and economic regions, possessing strategic, historical and cultural depth, and with each passing day, expands the horizons of its foreign policy.

Chapter 32: Financial Control

The level of alignment in this chapter is advanced. The Financial Control Chapter Working Group which is one of the working groups established within the framework of the Positive Agenda made its first meeting in Brussels on 20 June 2012; and operational results for each closing benchmark were determined in the meeting. Through the intense work carried out by Turkish institutions in cooperation with the Commission services, it was approved that two technical closing benchmarks (Alignment of the Turkish Penal Code with the PIF Convention and Protection of the Euro against counterfeiting) were fulfilled in 2012. Subsequently, the Commission confirmed, in the official letters sent to the Ministry for EU Affairs, that the closing benchmark regarding the protection of the EU's financial interests was met in 2013.

Alignment with the EU *Acquis*

With regard to **Public Internal Financial Control**, a draft amendment has been prepared with a view to making progress in the implementation of the Law No. 5018 on Public Financial Management and Control. Negotiations with the Commission are ongoing regarding the draft Public Internal Financial Control Policy Paper which was discussed in the Working Group on the Financial Control Chapter established within the framework of the Positive Agenda. In addition:

- The “By-law amending the By-law on Working Principles and Procedures of Internal Auditors” drafted by the Internal Audit Coordination Board (IACB) entered into force upon its publication in the Official Gazette No. 28552 of 7 February 2013. With this regulation, the issues that do not comply with the Public Internal Audit Standards have been rearranged. The number of internal auditors by administrations was re-determined. Certain amendments regarding the selection and certificate training of internal auditor candidates were introduced to the system and arrangements were made to meet the human resources need in the field of internal audit.
- “Board Decision on Amendments in Principles and Procedures for Grading of Public Internal Auditor Certificates” was published in the Official Gazette No. 2857328 of February 2013)
- General Communiqué on Public Internal Audit was published in the Official Gazette No. 28623 of 19 April 2013)
- The Provisional Article 21 inserted to the Law No. 5018 and which provides for the direct appointment of internal public auditors to public administrations until 31 December 2014 and direct participation to certificate training for some technical titles entered into force on 18 April 2013. Principles and procedures for the implementation of the Provisional Article in question were set out and the Board Decision concerned was published in the Official Gazette No. 28656 of 24 May 2013).

- Council of Minister’s Decree on the Allocation of Internal Auditor Post was published in the Official Gazette No. 28649 of 16 May 2013). The Decree provided the allocation of 480 internal auditor posts to central administrations.
- “Council of Minister’s Decree on the Allocation of Internal Auditor Posts in Local Administrations” was published in the Official Gazette No. 28663 of 31 May 2013). The Decree provided the creation and allocation of an additional 207 internal auditor posts for local administrations.
- Public Internal Audit Manual was adopted and put into force by the Board Decision No. 7 of 10 September 2013.

In the field of **external audit**, Manual on the Evaluation of Accountability Reports, IT Audit Manual, Manual on the Evaluation of Financial Statistics and Performance Audit Manual were prepared and put into force in 2013 within the scope of Law No. 6085 on the Court of Accounts. Furthermore, the Draft Manual on the Statement of General Conformity was published in January 2013. The Regularity Audit Manual which was published in 2012 was up-dated in accordance with the requirements in February 2013. Strategic Plan of the Court of Accounts for 2014-2018 was published in July 2013 also within the scope of the Law on the Court of Accounts.

Level of alignment in the field of the **protection of the EU’s financial interests** is advanced. Following the required legal and administrative arrangements the second closing benchmark in this field was fulfilled in 2013. Prime Ministry Inspection Board as the Anti-Fraud Coordination Service (AFCOS) has been entrusted with the required powers and its operational independence with respect to the EU funds has been improved. Accordingly, the official letter of the Commission of October 2013 approved the fulfillment of the closing benchmark regarding *“the establishment of an efficient and effective coordination service which guarantees the fulfillment of obligations arising from Article 280 (3) of the Treaty Establishing the European Community (now Article 325 of the Treaty on the Functioning of the EU) and the implementation of the provisions of Regulation (EC) No. 2185/96 on on-the spot checks and inspection conducted by the Commission”*

Turkish Penal Code complies with the PIF Convention on the Protection of EU’s Financial Interests and its Protocols. The official letter of the Commission of 2012 confirmed that the closing benchmark regarding this field was fulfilled.

Level of alignment **in the field of protection of the Euro against counterfeiting** is advanced. Following the addition of the article which introduced sanctions to credit institutions that do not withdraw counterfeits from circulation to the Law on Misdemeanours in 2012, the Commission approved officially that the closing benchmark concerned was fulfilled.

Improvement of the Administrative Capacity

In the field of **public internal financial control**, work has continued to enhance the administrative capacity. In this framework,

- A competition exam for the post of Assistant Financial Services Expert was made and following the competition 360 Assistant Financial Services Experts were appointed to the posts in public administrations. According to the procedures laid down in its relevant legislation, financial services experts and assistant experts are provided with vocational training on a yearly basis; besides, conferences and seminars are organised annually for administrators of the Strategy Development Units in the universities and public administrations.
- 63 internal auditor candidates who successfully completed the three months certificate training program received their certificates in April 2013.
- 622 internal auditors were trained between 6 May and 7 June 2013 on Audit Proofs, Defining the Audit Universe and Public Internal Audit Manual-Internal Audit Automation.
- Within the scope of the grant received from the World Bank, pilot audits on information technologies were carried out in the Undersecretariat of Treasury and the Social Security Institution and the “Draft Public Information Technologies (IT) Audit Manual” was prepared by taking the conclusions of these audits into account.
- Work started in June 2012 to develop a Public Internal Audit Software (IcDen) has reached to the final stage. The process for the provision of the server on which the IcDen and the other requirements were completed and the security and load tests of the software were made by TUBITAK. Accordingly, 45 administrations to be the first to use IcDen were trained between 11 November and 9 December 2013.
- Basic Level IT Audit Training was provided by the Internal Audit Coordination Board (IACB) between 4 and 8 November 2013 within the scope of the World Bank Project. Following the training, an exam was held; and the successful 23 internal auditors attended the Advanced Level IT Training Program in December 2013.
- A Certificate Training Program within the scope of the paragraph 5 of the Provisional Article 21 of the Law No 5018 started on 16 December 2013 for the first 100 candidates who fulfill the application requirements among persons who made application to the IACB.
- Candidates who passed the examination for Internal Auditor Candidates on 15 September 2013 and 85 persons who have internationally recognized certificates will attend the Certificate Training Program starting on 23 December 2013.
- Ministry of Finance published a Circular on 2 December 2013 providing for the appointment of internal auditors to the administrations that have free internal auditor posts and requiring the administrations to pay utmost attention to the internal audit mechanisms in general which do not operate properly.

- The activities of the Improved Strategic Management Capacity Project (TR2010.0136/01), the main beneficiary of which is the Ministry of Development have started.

In the field of **external audit**, training activities for strengthening the administrative capacity of the Court of Accounts on the implementation of the new Court of Accounts Law continue.

In the field of **protection of the EU's financial interests**, the Anti-Fraud Coordination Service (AFCOS) continues to work in coordination with the European Anti-Fraud Office (OLAF). The AFCOS Network consisting of all relevant institutions meets regularly. AFCOS Guideline on Investigation Process of Irregularities for Pre-Accession Funds of EU and the AFCOS Training Strategy were drawn up and they are updated in accordance with the opinion of OLAF.

In the field of **protection of the Euro against counterfeiting**, Interpol, Europol, Sirene Department of the General Directorate of Security of the Ministry of Interior, which was assigned as the National Central Office (NCO), continues its works in coordination with Europol and relevant Turkish authorities. Participation to a number of international activities organized by the European Commission was ensured. Turkey has sufficient expertise on the analysis and classification of counterfeit notes. The Counterfeit Banknotes Monitoring System (SBIS) established by the Central Bank of the Republic of Turkey and the Counterfeit Coins Monitoring System (SMPSIS) established by the General Directorate of Mint and Printing Office continue to be used actively. Moreover, Euro Check Web site of the European Central Bank is also used actively in order to monitor whether the counterfeit Euros seized in Turkey have also been detected in EU states or not. In 2012 law enforcement forces seized a large amount of counterfeit Euros.

Chapter 33: Financial and Budgetary Provisions

This chapter covers the rules concerning own resources to be transferred to the EU budget upon full-membership; correct calculation, collection, payment and audit of contributions regarding own resources and establishment of administrative capacity required for the coordination in this respect. The *acquis* in this field is to be directly implemented upon membership.

France blocked the chapter at the European Council meeting of 26 June 2007 on the grounds that this chapter was directly linked to membership.

While the preparations on Financial and Budgetary Provisions are at an early stage, basic principles and institutions in related policy areas such as agriculture, customs, taxation, statistics and financial control linked to the application of the own resources system are already in place. In the field of traditional own resources, Turkey's customs legislation largely complies with the *acquis*. Full alignment will be provided through the necessary arrangements to be made rapidly upon the setting of the date for membership.

IV. WORK UNDER FINANCIAL COOPERATION

In the framework of Financial Cooperation which is managed on the basis of shared competence between Turkey and the European Union, projects, programmes and strategies relating to fulfillment of the obligations under the negotiation process are financed through the EU funds.

Financial Cooperation is a continuous process which is based on a functioning mechanism that remains unaffected by the difficulties in the negotiation process.

In 2013, both preparations for annual programme and work concerning the new period of Instrument for Pre-Accession Assistance (IPA) have been carried out.

The reporting period points to a process regarding financial cooperation in which particularly the activities under Component III have considerably increased following the start of concrete investments in sectoral policy areas. Hence, implementation of large infrastructure projects such as “Rehabilitation and Reconstruction of Köseköy-Gebze Section of the Ankara-İstanbul High Speed Railway Line Project” with a budget of € 154.5 million, “Rehabilitation and Signalization of Irmak-Karabük- Zonguldak Railway Line Project” with a budget of € 345 million and “Ordu Wastewater Treatment Plant Project” with a budget of € 25.6 million, also continued in 2013.

The Reporting Period

Furthermore, implementation with regard to the following projects, which were considered eligible for financing in 2009, 2010 and 2011 programming years by the Ministry for EU Affairs and the relevant institutions, started in 2013;

- Alignment in Organ Donation,
- Strengthening Capacity against Cybercrime,
- Quality Control Tests for Human Vaccines and Sera,
- Structure and Capacity Improvement of Turkish Electricity Transmission Corporation (TEIAS),
- Strengthening Administrative Capacity of Ministry of Science, Industry and Technology in Industrial Strategy,
- Improved Integration of Disabled Persons into Society,
- Implementation Capacity for Environmental Noise Directive,
- Increasing Primary School Attendance Rate of Children (MoNE),
- Strengthening Witness Protection Capacities,

- Strengthened Market Surveillance System For ICT Sector,
- Prevention of Anti-Competitive Behaviour in The Electronic Communications Sector,
- Improved Relations Between Mass Media and Judiciary,
- Prevention of Domestic Violence against Women,
- Fight Against Violence towards Children,
- Improvement of Enforcement Services in Prisons,
- Improved Strategic Management Capacity,
- Implementation of Persistent Organic Pollutants Regulation,
- Jean Monnet Scholarship Programme,
- Upgrading Information and Communication Technologies Services of TurkStat,
- Protection and Provision of Basic Services to the out-of-the-Camp Syrians in Turkey.

In order to raise the awareness in our country on Turkey-EU Financial Cooperation process, the EU Ministry publication titled “Turkey-EU Financial Cooperation Projects: Stones laid on the way to the EU” was prepared and widely distributed in hardcopies and CDs presenting selected projects carried out during 2007-2013 period with their various implementation peculiarities as well as their impact and contributions. The total budget of the projects presented in this publication amounts to € 900 million.

2012-2013 Programming Process

Turkey completed the programming of funds amounting to € 902,952,349 throughout 2013 within the scope of financial cooperation with the EU.

Instrument for Pre-accession Assistance (IPA) Component-I (Transition Assistance and Institution Building) 2012 programming exercise was completed in 2012.

In this context;

- IPA Component-I 2012 National Programme Financing Agreement (Part 1-A) which includes 13 projects with a total budget of € 370,012,258 entered into force on 21 December 2012,
- IPA Component-I 2012 National Programme Financing Agreement (Part 1-B) which includes Energy Sector Programme entered into force on 28 June 2013.

IPA Component-I 2013 programming exercise was conducted in the framework of “sector approach” as a preparation for the period covering 2014-2020 which is called the second period of IPA. Programming of funds amounting to € 236 million was completed during the reporting period in the context of this new approach aiming at increasing the effectiveness and efficiency of the funds to be utilised through switching from interventions at project level to interventions at sector programme level based on relevant strategies and bringing together with it a result oriented perspective based on performance indicators. The sector programmes in the areas of Judiciary and Fundamental Rights, Migration Management and Borders, Energy, and Agriculture and Rural Development will be financed as part of the 2013 programme.

Under IPA Component-I, ESEI mechanism (Enhanced Support Activities to Strengthen the European Integration Process), which became operational as of 2011 relieving the intensive programming procedures on small-budget projects for a more rapid and effective functioning financial cooperation process, continued. In this context, programming of a package consisting of 9 projects with a total budget of € 15 million was completed and the implementation started in 2013. In this package, projects in the areas of migration management, freedom of expression, fight against organized crime, civil aviation, fisheries, financial services and capital markets and information technologies and communication are financed. The programming exercise of ESEI 2012 package with a total budget of € 22 million, continued in the reporting period. Out of this package, programming processes for 6 projects with a total budget of € 11 million in the areas of environment, transport, private sector development and justice and internal affairs were completed and their implementations started in 2013.

Moreover, by means of addenda to the financing agreements of various years, the continuity and effectiveness of implementation of the relevant programmes were ensured in the reporting period.

- Addendum No.4 to IPA Component-I 2008 National Programme Financing Agreement concerning the extension of execution deadlines of 10 projects entered into force on 28 March 2013,
- Addendum No.2 to 2009 National Programme Financing Agreement, concerning extension of contracting deadlines of 13 projects, entered into force on 5 February 2013.

Furthermore;

- Addendum No.1 to 2010 National Programme Financing Agreement (Part 2), concerning the extension of contracting deadline for all the projects under the financing agreement and also reallocation for some projects was published in the Official Gazette on 9 November 2013,

- Addendum No.1 to 2010 National Programme Financing Agreement (Part 3), concerning the extension of contracting deadline for the whole package, was published in the Official Gazette on 4 December 2013.

Thus reallocation of savings from certain projects to other projects was ensured and needs for additional implementation duration were addressed.

Within the scope of **Instrument for Pre-accession Assistance (IPA) Component-II (Cross-border Cooperation-CBC)**, the Ministry for EU Affairs, as the ‘National Authority’, continues with its activities in management and implementation of ENPI Black Sea Basin Cross-Border Cooperation Programme and Bulgaria-Turkey IPA Cross-Border Cooperation Programme.

The total budget of *Bulgaria-Turkey Cross-Border Cooperation Programme* in 2007-2013 period is around € 32 million, of which € 27 million is the EU contribution and € 4.8 million is national contributions from two countries. Within the scope of the second call for proposals, which has a budget of € 9 million, 45 projects out of 141 applications were selected for funding. Contracts of 23 projects whose selection was concluded in 2012 were signed in 2013. Under this call for proposals, 16 projects were completed in 2013. Likewise, 6 projects from the first call for proposals whose implementation was in progress were completed in 2013.

Under the same Programme, active participation was ensured in the evaluation phase of the projects which were submitted in the third call for proposals, whose deadline for application was 29 April 2013. Following conclusion of the evaluation process, pre-contracting visits of the projects which were initially selected for funding were made as of November 2013. Managing Authority (Bulgarian Ministry of Regional Development) will have signed the contracts with the lead beneficiaries by 31 December 2013.

Implementation training to the project beneficiaries was provided in 2013, along with organization of information days for potential beneficiaries regarding project preparation under the call for proposals.

“Joint Technical Secretariat- Edirne Antenna Office” of the Programme, affiliated to the Ministry for EU Affairs Directorate of Financial Cooperation, became operational in December 2013.

Moreover, First Level Controllers selected and assigned under the Programme who are responsible for verification of expenditures incurred by the project beneficiaries were trained in eligibility of expenditures by the Ministry for EU Affairs.

21st of September “European Cooperation Day” organized by the Ministry for EU Affairs, the Ministry of Regional Development of Bulgaria and the Joint Technical Secretariat Office was celebrated in Kırklareli. Participants from both Turkey and Bulgaria took part in climbing the highest peak in the cross-border area - Big Mahiada - within the scope of the event.

In the framework of the programme, monitoring visits were made to 45 projects whose implementation was in progress in 2013.

The Ministry for EU Affairs, as the National Authority, also has the task of preventing, following up and detecting the irregularities and imposing sanctions in response to these under the Programme. In this respect, work was also carried out in 2013 with regard to establishing the procedures to be applied in notification of irregularities and to be applied following detection of irregularities.

The other Cross-Border Cooperation Programme in which the Ministry for EU Affairs is the National Authority is ***ENPI Cross-Border Cooperation at the Black Sea Basin Programme***. Under this Programme, the Ministry is responsible for management of the Programme in Turkey and implementation and monitoring of the projects.

The total budget of the Programme in 2007-2013 period is around € 38 million, of which € 28 million is the ENPI funds and € 7 million is the IPA funds. Furthermore, the beneficiary countries provide co-financing which amounts to € 3 million. Under the second call for proposals of the Programme, signing of contracts with the projects from the reserve list with the funds saved from projects and contracts also continued in 2013. Out of 41 projects thus contracted, 26 projects have Turkish partners.

As regards implementation of the projects under the First and Second Calls for Proposals of the Programme, monitoring visits were made to 14 projects in January-October 2013 period, in the framework of tasks and responsibilities attributed to the National Authority. In these monitoring visits, which were conducted via result oriented approach, Cross-Border Cooperation ROM report format designed to assess cross-border impact was used and the impact and sustainability of the projects were also monitored. Moreover, implementation support was provided to the project beneficiaries on daily basis.

The annual conference of ENPI Black Sea Basin Cross-Border Cooperation Programme, hosted by the Ministry for EU Affairs, was held on 5 December 2013 in İstanbul. In the said conference, presentations were made as regards implementation in the current period, common problems were discussed and a study was conducted relating to the coming period.

The following tasks were carried out regarding other components under IPA-I period.

Financing Agreements concerning **IPA Component-III (Regional Development)** Operational Programmes entered into a revision process in 2012 with the aim of extension of their implementation periods for 2 years and inclusion of 2012 and 2013 allocations. Accordingly, Agreements Amending Financing Agreements concerning multi-annual Operational Programmes of “Environment”, “Regional Competitiveness” and “Transport” (2007-2013) were signed on 30 November 2012 and they entered into force on 22 January 2013.

With the entry into force of the above-mentioned agreements:

- An additional € 289 million was allocated for improved water supply, sewerage and waste water treatment services, improved integrated solid waste management and technical assistance priorities under Environment Operational Programme.
- An additional € 180 million was allocated for improvement of business environment, strengthening of enterprise capacity and foster entrepreneurship and technical assistance priorities under Regional Competitiveness Operational Programme.
- An additional € 253 million was allocated for improvement of railway infrastructure, improvement of port infrastructure and technical assistance priorities under Transport Operational Programme.

Agreement Amending Financing Agreement concerning multi-annual Human Resources Development Operational Programme (2007-2013) under **IPA Component-IV (Human Resources Development)** was signed on 3 December 2012 and entered into force on 22 January 2013. With this agreement, funds amounting to € 83 million and € 91 million have been allocated for 2012 and 2013 respectively.

2007-2010 Multi-Annual Financing Agreement laying down the rules for the utilisation of funds under **IPA Component-V (Rural Development)** entered into force on 24 November 2011. The said agreement was amended in 2012 through inclusion of 2011 allocation and this amendment entered into force on 7 January 2013 following its publication in the Official Gazette on 19 December 2012. With the entry into force of this agreement, a financial source amounting to € 172 million was allocated for 2011. The revised agreement which was subject to a second revision in the same year due to the inclusion of 2012 allocation was published in the Official Gazette on 12 October 2013. With the entry into force of this agreement, funds amounting to € 187.4 million will be released.

Under Rural Development Component, 11 calls for proposals have been published so far. Within the scope of first 10 calls for proposals, 1,792 projects having a total investment amount of 1,091,348,722.79 TRY were contracted and total grant support to be provided under these contracts is € 255,765,264.45.

Monitoring and Evaluation: In the reporting period, capacity of the Ministry for EU Affairs as the National IPA Coordinator with regard to carrying out of **monitoring and evaluation** processes has expanded considerably, also with the effect of increase in human resources.

The duration of the project that started in 2011 which aimed at establishing the "result oriented monitoring" system in Turkey instead of conventional monitoring methods was extended and its activities continued until the end of 2013. In the extension period, "ex-post monitoring" activities were also carried out for projects whose implementation periods were completed along with monitoring of on-going projects and especially

achievement of the project objectives and their sustainability were examined through this method. During the three-year implementation period, 258 monitoring missions were made for 89 projects with the new approach. Reports drawn up at the end of monitoring missions also submitted proposals for the problematic issues based on assessments regarding the project in the light of relevance, effectiveness, efficiency, impact and sustainability criteria. These reports were shared with all relevant actors, particularly with contracts unit and project beneficiary institution/organization.

Furthermore, in the context of new approach launched by the European Union, *sectoral monitoring sub committees* whose structure was aligned with the sectoral approach through the arrangements made in 2012 reached a state to produce sectoral outputs at desired level, especially in 2013, as a result of work carried out by the Ministry for EU Affairs. In addition, 2013 has been a year when important progress was made in the context of monitoring function in terms of establishment of *steering committees* at project level and carrying out of their initial implementations.

Along with coordination of **evaluation processes** initiated by the European Commission, activities concerning “thematic evaluation of the environment sector” were realized by the Ministry for EU Affairs within this year by the capacities established. Findings reached in the framework of evaluation projects were followed up under the coordination of the Ministry for EU Affairs and with the contribution of the relevant institutions; and in line with the proposals submitted in the project reports, necessary measures were taken for more efficient use of funds. In this context, through inclusion of international organizations operating in the relevant sector, professional organizations and non-governmental organizations as well as public institutions and organizations in the monitoring committees, it was ensured that sectors are assessed in the broadest dimension possible on the basis of projects financed by the European Union funds.

In the comments of the European Commission on Annual Implementation Report and Sectoral Implementation Report which are prepared annually, emphasis was laid on the quality of the reports in terms of content and the capacity of the Ministry for EU Affairs was noted in this sense.

In 2013, a total of around 1,200 persons from the line ministries and upon request from other institutions such as regional development agencies were trained by the Ministry for EU Affairs, now having an increased capacity, in topics such as general processes in financial cooperation, project management, monitoring and evaluation. This figure corresponds to a 600% increase compared to the previous year.

Management and Control Systems

In the reporting period, it was observed that there were no open findings in the functioning of management and control systems for **IPA Component-I** (Transition Assistance and Institution Building) and **IPA Component-II** (Cross-border Cooperation) thanks to the increased institutional capacity.

Likewise, as regards **IPA Component-III** (Regional Development) and **IPA Component-IV** (Human Resources Development), institutional capacity building activities continued in accordance with conferral of management decisions by the European Commission in 2011 and 2012. The number of staff in the structures established for the management of funds increased by 23% compared to the previous year following recruitments by the Ministry of Transport, Maritime Affairs and Communications, the Ministry of Environment and Urbanization, the Ministry of Science, Industry and Technology, the Ministry of Labour and Social Security and the Central Finance and Contracts Unit which are responsible for management of the Operational Programmes. Moreover, in the same period, the number of staff of the Agricultural and Rural Development Support Institute (ARDSI), which is assigned to implement Rural Development Operational Programme, rose from 1,876 to 1,942 with the recruitments by the institution.

Within the scope of **IPA Component-V** (Rural Development), following the accreditation of IPARD programme for 20 provinces during the first period, national accreditation process of additional 22 provinces¹⁸ where the second period of the programme will be implemented in the context of the same measures was concluded by the request sent to the Commission for conferral of management decision on 28 September 2012. Following the national accreditation, as a result of audits carried out by the relevant units of the Commission in 2013, firstly 17 provinces (6 of which were accepted conditionally) were accredited by Conferral of Management Decision of the Commission of 28 June 2013. Then, 5 provinces were accredited by Commission Decision of 25 July 2013. Technical Assistance Measure with Reference No. 501 was also included in the scope of second phase of conferral of management and a Commission audit mission will take place in January 2014 regarding this measure. Conferral of management decision for this measure is envisaged to be taken in the first quarter of 2014.

IPA-II Period (2014-2020)

The preparations for the second period of IPA covering 2014-2020 increasingly continued in 2013 under the coordination of the Ministry for EU Affairs in cooperation with the relevant institutions.

Turkey contributed to this process by submitting a number of concrete proposals in the light of experiences which the Decentralized Implementation System (DIS) institutions have obtained through the years. These contributions concerning the second period of IPA were conveyed during the consultations with the relevant units of the Commission during 2012 and submitted to the Commission with an official letter. Our expectations towards the new period and our country position were also presented by the Ministry for EU Affairs to all the parties at the IPA Conference which was organized by the European Commission concerning the second period of IPA with the participation of all

¹⁸ Ağrı, Aksaray, Ankara, Ardahan, Aydın, Burdur, Bursa, Çanakkale, Çankırı, Denizli, Elazığ, Erzincan, Giresun, Karaman, Kastamonu, Kütahya, Manisa, Mardin, Mersin, Muş, Nevşehir, Uşak

relevant parties on 25 January 2013 in Brussels. The work for legal framework including the IPA-II Regulation and Rules of Applications by the Commission are still on-going.

Throughout 2013, identification of the financing priorities of the new period has also been carried out in close cooperation with the Commission in parallel with work regarding the legal framework of the new period. To this end, priority sectors under 5 policy areas within the scope of the new Regulation have been identified in cooperation with the relevant institutions. With a view to constituting the basis for **Country Strategy Paper** which will set out the financing priorities of the following 7-year period, Concept Papers were prepared in the following priority sectors through the working group meetings with the participation of all relevant institutions as well as civil society organizations and were conveyed to the Commission:

- Judiciary and Fundamental Rights,
- Home Affairs,
- Civil Society,
- Transport,
- Environment and Climate Change,
- Energy,
- Employment, Human Resources Development and Social Policies,
- Agriculture and Rural Development,
- Regional and Cross-Border Cooperation.

The first draft Country Strategy Paper which the Commission shared as of November 2013 is being evaluated with all relevant institutions.

Furthermore, within the framework of preparations for IPA-II period 2014 programming, sectoral working group meetings were held at the Ministry for EU Affairs with the participation of institutions responsible for sectors in October-December 2013. During the meetings, in which the EU Delegation also participated, the institutions were informed about the programming rules and procedures concerning the new period.

In the context of efficient and rapid functioning of the process in the preparations for the new period, a “Technical Assistance Project” was prepared whose beneficiary is the Ministry for EU Affairs and also with the objective of supporting the institutions having responsibilities in the priority sectors.

Work Regarding New Period in the Area of Regional and Cross-Border Cooperation

Preparations for the 2014-2020 period of Cross-Border Cooperation was initiated by INTERACT and the European Commission (DG Devco and DG Regio) in October 2010. In this context, the Ministry for EU Affairs took part in all consultation processes

to contribute to the new period regulations and communicated the views of the relevant stakeholders to the Commission side. Work in this regard gained momentum in 2013. Moreover, discussions with the European Commission with regard to launching new Cross-Border Cooperation Programmes continued.

The priorities under each programme will be identified specifically by the relevant programmes. In order to serve as the basis for this exercise, work regarding determination of priorities in the Programme Areas in Turkey was carried out in 2013. The identified priorities are compared with the priorities of other countries participating in the Programmes and proposed as Programme priorities following assessment of their cross-border impacts.

Joint Programming Committee and Joint Working Group meetings of both Cross-Border Cooperation Programmes were attended in 2013. In this regard, three meetings were held for Black Sea Basin Programme and one meeting was held for Bulgaria-Turkey Programme. Furthermore, INTERACT conferences and activities were actively participated in during the year and the views of our country were expressed at these platforms, thus contributing to overcoming the difficulties encountered in previous periods by means of new Regulations.

In this framework, the views of local stakeholders on SWOT analysis and possible Programme priorities which were prepared with regard to the new period were received in the annual conference of ENPI Black Sea Basin Cross-Border Cooperation Programme, which was hosted by the Ministry for EU Affairs on 5 December 2013 in İstanbul.

V. PROJECTS CARRIED OUT BY THE MINISTRY FOR EU AFFAIRS

The Ministry for EU Affairs prepares and implements projects in various fields and themes including all segments of the society as one of the requirements of its mission to successfully complete the negotiation process between Turkey and the EU that will finally lead to the membership of Turkey to the European Union.

The Ministry mobilizes the resources from the national budget effectively in addition to the funds provided from the EU for the finance of these projects and also utilises the opportunities that can be provided from other international donors.

In this context, the Ministry has been developing various projects for the benefit of the following bodies:

- **Local authorities;** for the effective implementation and follow-up of the legal and administrative reforms realized during the ongoing negotiation process; providing better understanding and perception of our EU membership process by the public; providing the efficient use of EU financial resources by public institutions, non-governmental organizations, private institutions and persons,
- **Non-governmental organizations;** to increase the efficiency of the cooperation between the public and civil society, to develop the dialogue between the EU and Turkey, to better explain the EU to a wider audience in Turkey and to facilitate a more efficient presentation of Turkey in Europe,
- **Public institutions;** to meet the short term technical support requirements regarding their obligation of alignment with the EU *acquis* and its effective implementation,
- **Academicians and university students, representatives of public institutions and private sector;** to contribute to the training of skilled and experienced personnel in the area of the EU *acquis*.

The activities realized in 2013 under these projects are summarized as follows:

PROJECTS

Civil Society Dialogue between the EU and Turkey I - II

Developing the cooperation and dialogue between Turkey and EU citizens through civil society is of a nature that complements the ongoing negotiations. In this context, the Ministry for EU Affairs implemented the “Civil Society Dialogue between the EU and Turkey Project – (CSD) - I” in 2008. A total grant of 19.3 million Euros was allocated for 119 projects. The CSD project aims to provide a better understanding of Turkey in the EU and the EU in Turkey, to ensure experience sharing and strengthen relations between the EU and Turkish civil societies. A total of more than 2 million people in Turkey and in the EU benefited from different projects carried out under the framework

of CSD – I. The projects covered many different areas, ranging from the environment to food security and from education to industry.

The continuation of this initiative has been brought about by the “**Civil Society Dialogue between the EU and Turkey II Project**” which was implemented between 2010-2012. In the framework of the grant scheme consisting of three components, namely “**Agriculture and Fisheries**”, “**Culture and Arts**” and “**Micro Grant**”, a grant of nearly **5.3 million Euros for 97 projects** has been provided.

Numerous activities such as study visits, exhibitions, seminars and workshops were conducted within the scope of the projects that were finalized successfully. As of the end of 2012, nearly 850,000 people in the EU Member States and Turkey benefited from these activities.

With the aim of communicating the obtained results to larger audiences, during the first half of 2012, the Ministry for EU Affairs organized an exhibition named “Dialogue with Photos” regarding civil society projects and activities. The photos were exhibited at the Ankara Esenboğa and İstanbul Atatürk Airports as well as in Berlaymont, the headquarter of the European Commission in Brussels. Through the exhibition, the success and impact of the dialogue was managed to be shared with around 3.5 million people in Turkey and abroad.

Civil Society Dialogue between the EU and Turkey III

The grant scheme: “Civil Society Dialogue between the EU and Turkey III”, which is the third phase of the Programme is composed of two components being **Political Criteria** and **Media**”. Within the framework of the grant scheme in question, a financial allocation of **9,300,000 Euros** will be provided for nearly **60 projects**.

Under the component of **Political Criteria**, projects will be implemented by non-governmental organisations in the priority areas of anti-discrimination, human rights, democracy and the rule of law. Support will be provided to ensure harmonisation of Turkey’s legislation and practices with respect to the political criteria with the EU and international standarts. Under the Political Criteria component, a financial support of 6,150,000 Euros will be provided.

With the **Media component**, capacities of the actors in the media sector including media organisations and non-governmental organisations working in the field of media will be enhanced. Moreover, a sustainable dialogue between the actors in Turkey and the EU will be ensured. Within the framework of the media component, a financial support of 3,150,000 Euros will be provided.

With the aim of announcing this grant scheme that will provide great support to non-governmental organizations (NGO) in all over Turkey effectively, the Ministry for EU

Affairs carried out several communication activities in 2013 and in this respect, information days were organised in 11 provinces in May-July, 2013.

Moreover, during the application process of the Civil Society Dialogue III, the Ministry for EU Affairs developed the “Partner Search and Matchmaking Tool” to facilitate the establishment of partnerships between the NGOs of Turkey and the EU.

This tool enabled non-governmental organizations and also media organizations to find suitable partners for the project proposals and get involved in projects by reviewing project proposals entered into the database of the Partner Search and Matchmaking Tool.

Evaluation process of the projects presented under the Political Criteria and Media grant scheme is still on-going. It is foreseen that the projects will begin to be implemented as of September, 2014.

Civil Society Dialogue between the EU and Turkey IV

A financial support of **nearly 11 million Euros** will be provided for approximately **75 projects** to be developed by non-governmental organisations within the framework of the Chapters of the **EU acquis**, determined under the Civil Society Dialogue between the EU and Turkey IV Project.

Through the civil society projects to be carried out in nine priority areas determined in accordance with the chapters of the *EU acquis (environment, energy, consumer and health protection, justice, freedom and security, right of establishment and freedom to provide services, regional policy and coordination of structural instruments, enterprise and industrial policy, agriculture and fisheries, and education)*, the developments achieved in this fields will be utilised in practice with the contributions of the civil society, and a strong tie and cooperation will be established among the non-governmental organisations of Turkey and the EU.

The Ministry for EU Affairs continued work regarding the preparation and implementation of grant scheme, in 2013.

Work to Determine the Priorities of the Civil Society Dialogue between the EU and Turkey

Ministry for EU Affairs initiated the Work to Determine the Priorities of the Civil Society Dialogue between the EU and Turkey in January, 2013 with the aim of establishing a road map to be followed in the upcoming period in order to enhance the dialogue with the EU member states, results obtained and the projects implemented up-till now in the field of civil society dialogue.

Within the framework of this work implemented by experts of a technical assistance team working with the Ministry, face to face meetings with more than 70 key actors, an on-line or face to face survey including nearly 200 NGOs and round table meetings with the participation of 192 representatives of NGOs in 5 provinces were conducted and opinions of the NGO representatives were taken.

Based on the projects prepared in line with the results obtained in the evaluation process and within the scope of the work that ended in July, 2013, new projects are aimed to be developed in the field of civil society dialogue.

Strengthening Civil Society Development and Civil Society-Public Sector Cooperation in Turkey Project

Strengthening Civil Society Development and Civil Society-Public Sector Cooperation in Turkey Project was commenced in 2012. The project aims to ensure the existence of strong democratic institutions and non-governmental organizations promoting pluralism and values of European integration in Turkey.

The Project whose beneficiary is the Ministry for EU Affairs is composed of four components that will be carried out by consortiums (project partners) of leading non-governmental organizations in their own operation fields (*Association of Civil Society Development Center, Third Sector Foundation of Turkey, YADA Foundation, İstanbul Bilgi University's CSO Research and Training Centre, Helsinki Citizens Assembly and Capacity Development Association*). Total budget of the Project was **7,365,000 Euros** and the implementation period was foreseen to be **24 months**.

Under the Component I of the Project, literature research was made in 2013 to prepare a Code of Conduct Guide regulating the civil society-public relations, meetings in four regions were realized at the local level and a conference on the civil society –public cooperation was organized. As of the end of 2013, the work on the Code of Conduct Guide is currently on-going. Moreover, a Guide Development for Reputation Management was prepared under Component I. With the aim of generalizing this Guide, capacity-building activities, trainings and work on grant scheme are also on-going.

Under the Component II, with the aim of encouraging the youth in participating the decision-making process, related documents were translated, distance learning program was prepared and study visits to Ankara and Brussels were realized in 2013. Researches regarding the participation of the youth, board games, workshops, a documentary, and an international conference are among the other activities to be carried out.

Under the Component III, networking efforts of the non-governmental organisations to ensure an enhanced political cooperation for the support and protection of human rights have continued to be supported. The activities under the Component IV, aiming the civil

society-public cooperation in the democratization process of the local policies have not been initiated yet.

At the end of the project, it is aimed to ensure a permanent dialogue with regard to civil society-public sector cooperation, to improve the visibility of NGOs in the public policy discussions and decision-making mechanisms, and to enhance the capacities of NGOs for a better civil dialogue, and reputation and for more participation.

Support Activities to Strengthen the European Integration Process (SEI) Project

Support Activities to Strengthen the European Integration Process (SEI) Project has been implemented since 2002 with the aim of increasing the quality of projects financed under the Instrument for Pre-Accession Assistance (IPA), improving the project preparation and implementation capacities of public institutions, supporting efforts for the adoption of the EU *Acquis* and in this respect, strengthening the administrative and human resources of these institutions.

As of the end of 2012, financial support amounting to approximately 3.7 million Euros has been provided for 27 projects within the scope of SEI 2009 programming, and nearly 95% of the SEI resources allocated were used for programming. In addition, the technical assistance service provided to improve and adapt the **SEI Online Application System** which was developed to increase the effectiveness of the SEI project was completed as of the last quarter of 2013. The system was re-activated and made available for the beneficiary institutions.

Within the scope of the SEI 2010 programming which remained under implementation during 2013, the efforts regarding utilization of the financial resource in a more efficient and effective manner were accelerated. In this respect, the SEI 2010 Project was transformed to the Enhanced SEI (ESEI) Project. Thus, more resources were provided and fund utilization reached maximum level through extension of the contract deadline.

STRENGTHENING THE INSTITUTIONAL CAPACITY OF LOCAL ADMINISTRATIONS IN THE EU ACCESSION PROCESS

Improving the Effectiveness of Governorates in the EU Accession Process Project

Improving the Effectiveness of Governorates in the EU Accession Process Project was launched with the aim of effective implementation of legal and administrative reforms realized in the course of negotiations, at the local level providing a better understanding of the EU accession process by the public and rendering more effective use of the EU financial resources within the scope of the protocol signed with the **Ministry of Interior** on **26 January 2010**.

In this respect, a deputy governor has been determined in each province as **Provincial Permanent EU Contact Point**. In addition, **Provincial Steering and Advisory Committees for the European Union Harmonization (EU PASCs)**, composed of public and civil society representatives have been established under the coordination of the Permanent Contact Point.

Having been established to convey developments in the EU accession process to the public, to include local actors in the process and thus, to make these developments long-lasting in the framework of national priorities, these committees meet quarterly at regular basis and act as a democratic platform where the activities regarding the EU are consulted.

In this context, more than 760 EU PASC meetings were held in 81 provinces as of December 2013. The Minister for European Union Affairs and Chief Negotiator Egemen Bağış participated in 14 of these meetings while the Deputy Minister for EU Affairs participated in 4, and the relevant Deputy Undersecretary of the Ministry for EU Affairs participated in 38 of them.

In addition, the **EU Units of Governorates** were established in 81 provinces in order to carry out the secretariat duties of these committees and to ensure a sound and effective coordination of EU-funded projects in their provinces. Until December 2013, within the framework of the training and briefings organised by the EU Units of Governorates, tens of thousands of people received basic and accurate information regarding EU related topics, more than four thousand projects were supported at the local level, and in addition, the 9th of May Europe Day was celebrated in our provinces.

The **Provinces Preparing for the European Union Programme** was realized as a result of the necessity of improving the capacity of the EU mechanisms established at the local level in 2010. Within the scope of the program that was successfully completed in 2012, a total of 1,670,000 TRY was transferred to 24 governorate projects carried out at the local level. 1,250,000 TRY of this amount was allocated from the budget of the Ministry.

Upon the successful completion of this programme, the second phase started without delay in order to achieve the objectives in other provinces as well. Within the framework of the **Provinces Preparing for the European Union Programme –II Support for EU Activities** announced at the beginning of 2012, 250,000 TRY was provided for 11 governorate projects and EU activities at the local level.

Within the context of the Improving the Effectiveness of Governorates in the EU Accession Process Project and the Provinces Preparing for the European Union Programme I and II, which is the continuation of the former project, approximately 3,500 persons were given project preparation trainings on EU grant schemes, and more than 100 information seminars and panels on the EU were organised. With these trainings and other organisations, more than 30,000 persons were reached directly, and

more than 4,000 projects were provided assistance directly or indirectly. More than 500 experts of governorates made study visits to abroad with the aim of getting information on-site about functioning of the European Union. The public was informed through more than 5,000 printed books, 9,000 posters and 100,000 brochures, and more than 1 million people was reached.

The work at the local level are still ongoing under the framework of the project “Improving the Effectiveness of Governorates in the EU Accession Process” which has been carried out in close cooperation with the Ministry of Interior from the very beginning. This project has provided inspiration for numerous projects designed for the local actors since then.

Building the Capacity for EU Affairs in the Governorates Project

Building the Capacity for EU Affairs in the Governorates Project was developed within the scope of SEI resources under the Instrument for Pre-Accession Assistance. The aim of the project was to improve capacity of the governorates on EU-related matters with the aim of fully implementing and monitoring the reforms realized in the EU accession process and ensuring a better understanding of Turkey’s EU membership process by the public. The project aims to increase activities of the Provincial Permanent EU Contact Points and EU PASCs and improve technical and administrative capacity of the EU units of governorates.

With a total budget of 1,950,000 Euros, the project has been launched in 20 pilot provinces. These provinces are *Adıyaman, Aksaray, Amasya, Antalya, Bartın, Denizli, Düzce, Elazığ, Erzincan, Hatay, Isparta, İstanbul, Karaman, Kahramanmaraş, Manisa, Mardin, Muğla, Tekirdağ, Trabzon* and *Yalova*. The project started to be implemented on 12 December 2012 and its duration is 24 months.

The inaugural conference of the project was held in Ankara in March 2013. As the first project activity, the **Training Needs Assessment Activity** was completed after the Technical Assistance Team of the Project and the experts of the Ministry for EU Affairs met with relevant stakeholders in 20 pilot provinces in April-May 2013. Focus group meetings and interviews were organized with the persons engaged in EU matters and high-level managers within the scope of this activity which aimed to determine the scope and content of the trainings and capacity building activities under the project.

A ten-day **EU Expert Training** was provided for the participants from the pilot provinces in May-June 2013. Certificates were given to the participants who successfully completed the program. The training was carried out in cooperation with the Middle East Technical University.

Within the scope of Building Capacity for EU Affairs in the Governorates Project, a **Study Visit to Brussels** was organized in June 2013 for deputy governors of the Provincial Permanent EU Contact Points of 20 pilot provinces. The study visit was designed to cover Brussels, the Flemish Region and Wallonia. In this respect, the Directorate-General for Enlargement, the Directorate General for Regional and Urban Policy, the European Parliament and a number of local units were visited in Brussels.

The **Training of Trainers Programme** was prepared in order to create a pool of trainers in the pilot provinces. It is aimed that the personnel of the governorates who participated in the trainings in November and December in two groups will give at least 3 trainings in their provinces and thus, sustainability of the project and trainings will be ensured.

Another activity of the project is the **Town Twinning Program** which is envisaged to bring together the pilot provinces and their counterparts in the EU and to establish partnerships with local authorities in the EU. It is planned that the eligible EU local authorities selected upon the call for proposals made in December 2013 meet with the 20 pilot governorates in the Turkey-EU Networking Conference. As a result of this conference, the twinning activities will be carried out on the determined topics between 20 pilot governorates and EU local authorities.

Within the scope of the project, **Capacity Building Activities** has been carried out, and the content of these activities has been decided by the EU units of the governorates. With regard to the capacity building activities, a call for proposals was made for 20 pilot provinces on 24 June 2013. 40 ideas from 20 pilot provinces were detailed by the experts of the Ministry for EU Affairs in cooperation with the governorates, and the activities are to be implemented as of December 2013. In this respect, conferences, information meetings, trainings and workshops on various topics regarding the EU will be organized in 20 pilot provinces.

Within the scope of Building Capacity for EU Affairs in the Governorates Project, **Regional Workshops** on a number of themes will also be organized. The first regional workshop was organized in İstanbul on 31 October-1 November 2013 with the participation of the Minister for EU Affairs and Chief Negotiator Egemen Bağış. Within the framework of the “Regional Workshop for Local Administrations on the Transfer of Innovative Practices in Europe” the new “Erasmus+ Programme” that will be implemented by the Turkish National Agency in the upcoming period was introduced. The participants were also informed about previous projects supported under the Leonardo da Vinci programme through exhibitions and workshops.

In the context of this activity, the “EU Process and Provinces” portal on the main page of the Ministry of EU Affairs became operational on www.yereldeab.org.tr. The website was promoted and introduced to the public. The www.yereldeab.org.tr web portal will

ensure more effective and consistent communication among the EU units of governorates with each other and the Ministry for EU Affairs, and mutual exchange of best practices. In the Regional Workshop for Local Administrations on the Transfer of Innovative Practices in Europe, the **Project Database** of the Ministry for EU Affairs was also introduced to the public as of October 2013.

Within the scope of the projects carried out by the Ministry for EU Affairs, a great number of demands have been received especially from the EU units of governorates, public institutions taking part in the activities, NGOs and citizens requesting information from the Ministry with regard to the importance of accessing the projects financed under the EU financial instruments by means of a single database. In this respect, the Ministry for EU Affairs initiated its efforts on the **Project Database** in 2013, and the necessary infrastructure efforts were finalized as of September 2013. This database includes detailed information regarding all EU projects announced through call for proposals. The database can be reached at www.yereldeab.org.tr web portal.

Within the scope of the Building Capacity for EU Affairs in the Governorates Project, two additional regional workshops will be organized until the completion of the project, and a report on “Communicating on EU Affairs in the Governorates” will be prepared after these workshops. Furthermore, it is planned that a strategy paper on “Strengthening Capacity at Provincial Level for EU Affairs and the Management of EU Funds” will be prepared in the last quarter of 2014 as well.

Ankara Preparing for the EU

In 2012, the Ministry for EU Affairs by taking into account the importance of the cultural, socio-economic and demographic aspects of İstanbul and Ankara, developed specific projects for İstanbul and Ankara. These two provinces are considered as the locomotive provinces in the EU process. The aim of these projects was to raise awareness on the EU process and strengthening the local dimension of the process concerning alignment with the EU acquis.

The “Ankara Preparing for the EU” project, was officially commenced with a protocol signed on 27 March 2012 between the Ministry for European Union Affairs, the Ankara Governorate and the Ankara Metropolitan Municipality. In this respect, the project exhibition in Ankara on 9 May 2012 contributed to increase awareness on EU grants. Furthermore, five different trainings on the Union programmes were organised with the participation of more than 600 representatives from local administrations, NGOs and the private sector. The project activities were finalised in 2013.

Istanbul Preparing for the EU Project

Istanbul Preparing for the EU Project was launched following the signing of the protocol between the Ministry for EU Affairs, İstanbul Governorate, İstanbul Metropolitan Municipality and Union of Municipalities of Turkey on 26 April 2012.

Up to the present, in addition to awareness raising and capacity building activities that were realized within the scope of the project, one expert/assistant expert has been assigned by the Ministry for 39 districts of İstanbul in order to support the EU activities being carried out.

With the support of the İstanbul Development Agency, a training programme on **EU Accession Process and EU Grant Schemes** was organised with the participation of the staff (in charge of EU affairs) of the governorate and the 39 municipalities of İstanbul's districts.

Within the **Town Twinning Programme**, the aim of which is to enable district governorates of İstanbul to make common projects with their counterparts in the EU Member States and thereby establish sustainable partnerships with respect to the implementation of the EU *acquis* by local administrations; 10 districts of İstanbul and the representatives of the local authorities from the EU met at the Town Twinning Workshop organised on 22-24 May 2013. The list of the twinnings awarded at the end of the workshop is as follows:

- Bağcılar-Hamm (Germany)
- Beylikdüzü-Munich (Germany)
- Beyoğlu-Ghent (Belgium)
- Güngören-Pecs (Hungary)
- Maltepe-Mainheim (Germany)
- Şile-Paggaio (Greece)
- Sarıyer-Ravenna (Italy)
- Sultanbeyli-Elektrania (Lithuania)
- Gaziosmanpaşa-Koper (Slovenia)
- Ümraniye-Charleroi (Belgium)

Within the context of the Twinning Programme, governorate and municipality representatives of 10 districts of İstanbul as a first step, made study visits to their EU counterparts during the period October-November 2013. During the study visits, the representatives found opportunities to share knowledge and experience with their EU counterparts and discuss the future activities and projects that can be realized jointly. As the next stage of the Programme, local authorities from the EU will conduct a study visit to districts of İstanbul during the period December 2013-February 2014.

Special Provincial Administrations Preparing for the European Union

Another initiative for local authorities within the context of EU harmonization is the Special Provincial Administrations Preparing for the EU project. The project is carried out with the cooperation of the Ministry for EU Affairs, the Ministry of Interior and the Union of Provincial Services. The implementation of the project has started with a protocol signed on 28 November 2011 and with the aim of increasing the awareness of Special Provincial Administrations and the EU units of governorates on EU related issues and strengthening their administrative capacities.

Project preparing training in relation to the EU financial assistance to Turkey was provided to a total of 120 staff from special provincial administrations and the EU units of governorates through Training Seminars of Life-long Learning Programmes which were held in the years 2012-2013 when actual implementation of the project started. The delegation composed of the Committee and members of the Union of Provincial Services visited the EU institutions, particularly the Council of European Municipalities and Regions-CEMR through two different study visits to Brussels and got information about the current situation in Turkey-EU negotiations and about good practices of local authorities in the EU Member States.

The achievements within the scope of the project resulted in strengthening of the current cooperation between the Ministry for EU Affairs and the Union of Provincial Services. The Union of Provincial Services played an active role particularly in Town Twinning Programme organised in 2013 within the context of “Building Capacity for EU Affairs in Governorates Project” and in Expert Training and Training of Trainers Programmes.

The implementation of the project contributes to increasing the awareness of Special Provincial Administrations on EU related issues within their scope of work, increasing their administrative capacities and also making the Union of Provincial Services efficiently known in EU institutions functioning in the field of local administrations. Thus, it is ensured that the special provincial administrations which have an important place in the public structuring and the Union of Provincial Services which is their representative at the national level are involved more efficiently in the work carried out in our EU membership process.

Learning the EU Negotiation Chapters: Judiciary and Fundamental Rights Project

Ministry for EU Affairs has developed “Learning the EU Chapters: Judiciary and Fundamental Rights” project with the aim of increasing the awareness of lawyers on the Judiciary and Fundamental Rights Chapter in 2012. It is funded by the Embassy of the United Kingdom under Reuniting Europe Programme of the British Government and is carried out by Ministry for EU Affairs, Ministry of Justice, Union of Turkey Bar Association and the British Embassy in Turkey.

Right after the start of the project in September 2012, the project's website became functional. Within the scope of the project, between the years 2012 and 2013, trainings on the Judiciary and Fundamental Rights Chapter were provided for over 500 lawyers who are registered in the bar associations of 7 pilot provinces (Konya, Erzurum, Şanlıurfa, Siirt, Kastamonu, Manisa, Trabzon).

Furthermore, a handbook titled "Judiciary and Fundamental Rights Chapter in EU Negotiation Process" containing detailed information about this chapter was prepared. 10,000 copies of the book were published and distributed to relevant institutions. The electronic copy of the handbook is available on the website of the Ministry for EU Affairs and of the Project (www.yargivetemelhaklar.org).

Within the scope of the project a study visit to the UK was organised. The lawyers that participated in that visit had the opportunity to exchange information about EU practices in the Member States concerning this profession, examine commonalities and differences in terms of current practices of law in the EU and Turkey and finally to improve their professional knowledge and experiences by visiting public judicial institutions, private law offices and professional associations for lawyers.

With the aim of enabling lawyers to share and evaluate the achievements of the project, the tangible results of the training seminars and the study visit, the project was completed with a closing workshop held with the participation of the project partners and representatives of the related institutions and this workshop was accompanied by the trainers.

The project is of particular importance since lawyers who are the representatives of defense which is a very important pillar of the judiciary system have been involved for the first time in the work regarding Judiciary and Fundamental Rights Chapter.

SCHOLARSHIP PROGRAMMES CARRIED OUT UNDER THE COORDINATION OF THE MINISTRY FOR EUROPEAN UNION AFFAIRS

Jean Monnet Scholarship Programme

Jean Monnet Scholarship Programme, which provides opportunities for post-graduate studies or research level at a university or at a similar institution in one of the EU member states, has been running successfully for more than 20 years, with the aim to generate solid support for Turkey's accession, by raising awareness on and understanding of the European integration process and by developing a workforce in the relevant disciplines.

Jean Monnet Scholarship Programme, which gives the opportunity to participate in postgraduate studies or research programmes in universities or research institutions equivalent to universities on subjects about the EU acquis, also constitutes an indispensable part of the civil society dialogue between Turkey and the EU.

Within the framework of the Jean Monnet Scholarship Programme, which is of great importance especially in terms of increasing the administrative capacity of public institutions during the EU accession process, a quota of 60% is allocated to public institutions for each academic year, while this ratio is 30% for universities and 10% for the private sector.

From the beginning of the scholarship programme until the end of 2013, around 1,500 scholars, including public officials, university students, academicians/administrative staff, private company employees and NGO employees had the opportunity to receive training at EU Member States on EU related subjects.

The number of the scholars to be supported through Jean Monnet Scholarship Programme has been increased to 170 from 100 as of the academic year 2013-2014. It is planned to provide scholarship to 170 persons in 2014-2015 academic year and to increase this number to 210 for the academic year 2015-2016.

In parallel to the increase in the number of scholars, awareness-raising seminars of Jean Monnet Scholarship Programme were organised intensely in 2013 with the aim of increasing the scholarship application rate and providing a more competitive selection process among the best eligible applicants. Within this context, a total of 60 awareness-raising seminars were organised in 11 different provinces (Ankara, İstanbul, Çankırı, Çorum, Amasya, Bursa, Osmaniye, Adana, Mersin, Van, Kütahya) on 21 days between 1 October and 29 November 2013. During these seminars, the participants visited **21 universities** and met with public officials from **39 different public institutions**. Previous scholars from the institutions were also invited to these seminars in order to share experiences and ensure motivation, and approximately 20 previous scholars attended to the seminars to talk about their past experiences and achievements.

In 2013, the placement process for 165 scholars was completed and their education in the EU countries started following their signing of the contracts.

There has been an increase of 25% in the scholarship applications for the academic year 2013-2014 when compared with previous academic years. Following the meetings between the senior officials of the Ministry for EU Affairs and the representatives of the relevant institutions, the obstacles experienced by the public officials who faced difficulties in getting permission from their institutions for being educated abroad, were tried to be eliminated. There have been scholarship applications from 23 different provinces in 2013 and the number of scholars from the provinces (Adapazarı, Artvin, Bolu, Bursa, Denizli, Diyarbakır, Isparta, İzmir, Kahramanmaraş, Kırıkkale, Mardin, Muğla) other than Ankara and İstanbul has increased. Although the application rate from the big cities other than İstanbul and Ankara is low, that applications were received from 30 different provinces throughout the country and that applicants from 20 different provinces took the written exam are satisfying and encouraging in terms of the future scholarship periods. Furthermore, the balanced distribution in the number of female (52%) and male (48%) scholars is maintained.

Jean Monnet Scholarships are given for postgraduate studies or research studies in areas that are directly related to the EU harmonization process and the EU acquis. For this reason, in contrast with other scholarship programmes for postgraduate education, the Jean Monnet Scholarships are only given for studies on the 31 chapters of the acquis communautaire. In 2013-2014, 165 scholars will study on 26 different chapters. In 2013-2014, the most preferred chapter has been “Company Law”. “Foreign, Security and Defence Policy” and “Financial Services” are the next most preferred chapters.

27 scholars working as public officials in different public institutions have been found eligible in 2013-2014. Of these, the Ministry of Justice is the institution from which the highest number of scholars (8) was found eligible to receive the scholarship. This has been followed by the Development Bank of Turkey and the Ministry for EU Affairs.

Whereas in 2011-2012 and 2012-2013 academic years, the Middle East Technical University sent the highest number of scholars abroad, in the 2013-2014 academic year, Bilkent University and Galatasaray University have surpassed METU. METU was followed by Koç University and Marmara University.

The Scholars will attend universities in 10 different EU Member States. A majority of the scholars have preferred the UK, as has been the case in the past academic years. In 2013-2014 academic years, 134 scholars will attend universities in the UK, of which 77 will attend universities in London. The scholars will complete their studies in 26 different chapters at 60 different academic institutions. The most preferred university has been King’s College University of London, to which 25 scholars will attend.

In addition to the certificate ceremony held in the scope of the Jean Monnet Scholarship Programme, a study visit to Brussels was also organised. Furthermore, the programme team held a study visit to enhance relations with the universities in France and Holland.

The Jean Monnet Scholarship Programme has continued to be one of Turkey’s most prominent scholarship programmes from the points of increased number of scholars in 2013, the increased interest by the public sector for the scholarship and the concrete contributions of the scholars to the EU accession process.

College of Europe Master Programme Scholarship

College of Europe Master Programme Scholarship carried out under the coordination of the Ministry for EU Affairs, was launched for the first time in the academic year 2010-2011 with the initiatives of the Minister for EU Affairs and Chief Negotiator Egemen Bağış. The programme aims to train qualified EU experts and future Turkish Eurocrates for the public and private sector during Turkey’s EU membership process. Thanks to the supports of the private sector representatives and non-governmental organisations, 20 scholarships have been provided for the academic year 2013-2014 within the framework of the programme.

The students who are granted scholarship in the context of the programme are entitled to study in one of the one-year graduate programmes at the College of Europe (Brugge or Natolin campuses). An increase in the numbers of scholarships and applications under the programme is targeted for the upcoming period. For the purpose of increasing the number of applications, potential scholars have been reached in the year 2013 through organizing contact meetings in a total of 15 universities in İstanbul, İzmir and Ankara.

VI. ACTIVITIES REALIZED IN THE CONTEXT OF TURKEY'S EUROPEAN UNION COMMUNICATION STRATEGY (EUCS)

Turkey's European Union (EU) accession process is not only a technical process but it also requires the support of the public opinion at the highest level since it includes political, social and cultural fields as well.

Therefore, the Ministry for European Union Affairs has started to implement Turkey's European Union Communication Strategy (EUCS) as of January 2010 in order to explain Turkey to the EU and the EU to Turkey.

The EUCS has been designed to function reciprocally addressing both the European and the Turkish public opinions and its main aim is to eliminate prejudices by way of providing information. In this framework, the objective is to explain the European Union and the negotiation process to Turkish citizens and to explain Turkey's characteristics to the European public opinion accurately and inform the both parties mutually.

The EUCS is functioning in two ways: the "Communication Strategy towards the EU (CSEU)" addressing the European public opinion, and the "Communication Strategy towards Turkey (CSTR)" which has the objective to boost the enthusiasm related to the accession process in the domestic public opinion and provide the participation of all the groups of the society.

During the 4 years implementation period of the EUCS, a number of verbal and written communication activities, information and visibility studies addressing the Turkish and European Union public opinions have been carried out with the aim of preventing incomplete and incorrect information and increasing the dialogue by eliminating prejudices. In this context, a number of projects and activities have been realized and/or supported by the Ministry for EU Affairs during the period October 2011-December 2012, ranging from festivals to competitions and meetings to conferences. These activities have been communicated to different fractions of the society through different channels such as the website of the Ministry and EUCS, press releases, opinion papers and interviews.

Activities Realized in the Framework of EUCS during the Reporting Period:

Setting and Updating Database: Regular and continuous information flow regarding the EU process and the activities carried out by the Ministry for EU Affairs has been provided to the public opinion of Turkey and the EU by means of the comprehensive database prepared by the Ministry for EU Affairs. The translations of opinion papers and interviews taking place in the Turkish and EU media have been communicated.

The database of the Ministry for EU Affairs which is updated regularly is composed of the members of the Turkish and European Parliament, Turkish tourism, culture and

trade counselors, governorships, Permanent EU Contact Points, members of the EUCS Advisory and Steering Committee, the NGOs in Europe and Turkey, Development Agencies, academic environments, EU Information and Documentation Centres, the scholars of the College of Europe and Jean Monnet, the representatives of the private sector, the EU communication volunteers, foreign press members residing in Turkey, local/regional and national press members, the embassies of the EU member states in Turkey, columnists from the EU countries, local media members working in Brussels, France and Germany, Turkish press councilors in the EU countries, chief editors of the national newspapers, TVs and agencies located in Turkey and the press agents of the members of the European Commission.

Information Activities Devoted to Domestic and Foreign Public Opinions: The information requests of universities, the public institutions, NGOs, think-tanks have been met and some information, communication network and spokesman support has been provided for the activities that they have organized. Furthermore, briefings have been made to 43 domestic and foreign delegations visiting Turkey and the Ministry for EU Affairs in the following topics: “EU Institutions”, “Turkey-EU Relations”, “Turkey’s EU Negotiation Process” and the “EU Communication Strategy”.

Publication Works: The leaflet entitled “Turkey to Europe’s Future” which includes information about the advantages of Turkey’s accession to the EU for the EU countries has been prepared and distributed in Turkish, English, German, French, Danish, Spanish, Italian and Hungarian. Different audiences have been reached by distributing 300,000 “Turkey to Europe’s Future” leaflets (150,000 in Turkish and 150,000 in English) in the domestic and external flights of Turkish Airlines and AnadoluJet.

Extensive distribution of the booklets on the gains of EU accession for Turkey such as “EU’s Influence on our Daily Lives in 100 Topics”, “Turkey, A Member of the EU” as well as the booklet prepared in cooperation with the European Union Delegation to Turkey entitled “EU-Turkey Working Together for Women” has continued throughout Turkey. Besides, the work on the new edition of the booklet “EU’s Influence on our Daily Lives in 100 Topics” which will be published after being updated according to the recent amendments in the legislation continues.

Op-eds and Interviews: Opinion papers and columns written by the Minister for European Affairs and Chief Negotiator Egemen Bagis for foreign newspapers such as The Guardian, Europolitics and Der Standard within the context of EUCS concerning Turkey’s acquisitions during the accession process and the recent developments in the EU have been published. Such opinion papers of the Minister have also been published on the EU Observer which is an internet newspaper and on Migazine which is a German periodical. A great number of opinion papers and interviews have been published in the national and foreign media with the contributions of the Ministry for EU Affairs. Besides, Egemen Bagis had interviews with important newspapers and magazines such as Espansione, Der Standard, Kurier and Chicago Tribune. Nearly 180 contacts have been established with the media until today.

Activities Realized in the Framework of the 9 May Europe Day: Visibility works are being realized in the context of Turkish and EU special days under the EUCS. Among them, the most comprehensive one consists of the activities realized in the framework of the 9 May Europe Day. The 9 May Europe Day is being celebrated in Ankara as a big festival with broad public participation since the year 2010 has been transferred to Istanbul in 2013.

The street festival “Rhythm of Europe” was organised on 11 May 2013 in Istiklal St. in Istanbul with the cooperation of the Ministry for EU affairs and the EU Delegation to Turkey. 9 May Europe Day was celebrated with the broad participation of Istanbulites. With the stands set up in the festival by the Ministry for EU Affairs, EU Delegation to Turkey, embassies and consulates of the EU Member States awareness on the Europe Day has been raised.

Spot Films: Within the framework of the 9 May Europe Day activities, the TV spot “A New Europe is Possible Together” which was prepared last year by the Ministry for European Union Affairs with the purpose of developing a “common awareness” regarding the common future of Turkey and Europe has been broadcasted on national TV channels again.

Turkish Local Media on the EU Path II Project: Based on the motto “EU arises from the local” of the Minister for European Union Affairs and Chief Negotiator Egemen Bağış, this project is a continuation of the “Turkish Local Media on the EU Path” project which was realised in 2012 with the aim of informing the public correctly on EU related matters and providing a better understanding of the EU membership process at the local level.

The objective of the project carried out between January and June 2013 was to further strengthen the current communication network between the Ministry for European Union Affairs and allow the local media following up more closely Turkey’s EU accession process and including them in the process.

In the scope of the project which was realized with the participation of local media members and the local representatives of national media institutions, who have an important role in constituting the agenda of the public opinion, information seminars were organized in 7 provinces (Afyon, Balıkesir, Isparta, Karabük, Kayseri, Siirt, Artvin).

During these seminars, the participants were informed about Turkey’s EU accession process, effects of the accession process on our daily life, EU programmes and projects regarding the media and lastly sectoral issues such as environment, energy, agriculture. Within the framework of the second phase of the Project, 300 local media members in 7 provinces and a total of 800 local media members were reached.

After the completion of the seminars, a study visit was made to Brussels and London with 10 local media members selected by lot.

Through this study visit, the Turkish local media had the opportunity to come together with the EU local media, visit the EU institutions and share their experiences with their European colleagues.

Euroskills II Project: Financed by the Foreign and Commonwealth Office of the UK and implemented by the Ministry for European Union Affairs in partnership with the British Council between 2006 and 2008, seminars for 96 public officers have been organised within the framework of the project titled “The Training for Civil Servants Participating in the EU Negotiations Process” (Euroskills). The project continued in 2013 with the title “Euroskills II”. Within the scope of this project, three-day seminars on “General Communication Skills in the EU Accession Process” and “EU Accession Negotiations Skills” to 65 civil servants from various institutions and organisations who participated in the EU negotiations process were held. The project was completed with the seminar held in the Ministry for EU Affairs in April 2013.

Project for Young Businessmen and the EU on the EU Path: Special training programmes for young businessmen have been held within the scope of this project, which has been realised with the collaboration of the Ministry for EU Affairs and the British Embassy. The training programmes held in Istanbul, Izmir and Gaziantep and in which 145 businessmen from various young businessmen’s associations have participated, have provided detailed information on EU Funds, visa liberalisation, funds for investors, tax exemptions and double taxation. Furthermore, five businessmen who have participated in the training programmes have also participated in a study visit to the relevant institutions in Brussels and the UK. This project has been significant in terms of informing young businessmen on the EU, Turkey-EU relations and commercial relations that they will establish with EU Member States.

Culture, Arts and Sports Activities: In order to benefit from the unifying power of cultural and artistic activities between societies, many different cultural and artistic activities were organized or supported in the context of the EUCS, varying from the “Music for the One God Concert” to the “Turkey: The Missing Star” film festival, which aims to promote Turkish cinema in Europe. In 2013, many athletic activities were supported, such as the “International Herald Tribune Sports Business Summit Conference” and the “Friendship and Peace Rally” which is a civil society initiative supported by the Ministry for European Union Affairs within the scope of the 9 May Europe Day.

The Parliamentary Exchange and Dialogue Project: The overall objective of the project that is carried out through Turkish-EU Financial Cooperation is to maximize the role of the TGNA (Turkish Grand National Assembly), as the beneficiary of the project, in the process of the EU membership negotiations by promoting the dialogue between parliamentarians as well as political parties represented in the parliaments of the member states and Turkey.

The project contributes to the development of the information and understanding between Turkey and the EU by realizing thematic symposiums, dialogue forums, international summer camps, study visits and publication works. The Ministry for European Union Affairs monitors the project and provides technical support for the project activities.

Competition of Young Communicators on the Path to the EU: The “Competition of Young Communicators on the Path to the EU” which brought communication and youth themes together was held under the auspices of the Minister for European Union Affairs and Chief Negotiator Egemen Bağış. This activity aimed at informing young people on the EU and Turkey-EU relations and ensured that they used their creativity in the field of the EU

The competition, the first one of which was implemented as a pilot project in the academic year 2010-2011 within the provincial borders of Istanbul, was realized in the universities throughout Turkey the following year. This year, the third competition was organized that was comprised of TV, Outdoor Advertisements, Radio, Internet and Social Media Applications, News File and Public Relations Campaign categories. Students prepared works of arts on the two themes “The acquisitions of the EU with Turkey’s membership” and “Women and the Environment.”

Those who rank first in the competition would be awarded a trip to Brussels as well as to Dublin, the capital of Ireland which carried out the EU Term Presidency during January-June 2013; those who rank second would be awarded a trip to Brussels while those who rank third would be given a notebook. From 2010 to 2013, information meetings on Turkey’s EU accession process, Turkey’s EU Communication Strategy and rules of the competition were held in 46 universities throughout Turkey.

Dialogue with Civil Society: Within the framework of the EUCS, for the purpose of establishing a dialogue with civil society and thus reaching different fractions of the public, cooperation has been made with universities, civil society, think-tanks and professional institutions, business environments, which are institutions that have a “multiplier” effect in Turkey as well as in the European countries. In the context of the EUCS, many activities have been supported. In this framework, European think-tanks have organized activities in Turkey, and speakers have been sent to conferences abroad or foreign academicians have been hosted in the activities carried out in Turkey.

The sixth civil society dialogue meeting on “EU Funds and Opportunities for Istanbul” organized by the Ministry for European Union Affairs was held on 19 January 2013, with the participation of leading non-governmental organizations in Turkey, under the auspices of Mr. Egemen Bağış with the aim of ensuring that all fractions of society take an active role in the EU accession process.

Publications, accommodation and keynote speaker support has been provided within the scope of EUCS for the activities such as Eurosima, Euroforum and the Boğaziçi Conferences held by various institutions and universities.

Activities Devoted to Children: The presentation of the play titled “Karagoz’s EU Lesson” which is inspired by the traditional shadow play and explains the EU and its values to children continued in 2013 by the Ministry for European Union Affairs.

Training Activities: The Ministry for European Union Affairs organizes training programmes on EU-related areas for public institutions and organisations to ensure that they achieve the administrative capacity required to provide services at EU standards. A total of 15 training programmes, eight of which in the area of financial cooperation, were organized in 2013. 220 personnel participated in these training programmes on financial cooperation. Seven of the fifteen training programmes were on the EU and chapters of the acquis, in which 205 personnel have participated.

50th Anniversary of the Ankara Agreement

The 50th anniversary of the Ankara Agreement in 2013 was commemorated with special events; the Ministry for European Union Affairs organised a number of important events such as the Istanbul Conference and prepared the Turkey-EU Relations Documentary in order to share Turkey’s progress in the EU accession process with national and international public opinion.

Ministry of EU Affairs Istanbul Conference

Ministry for EU Affairs Istanbul Conference, held under the auspices of Prime Minister Recep Tayyip Erdoğan on 7-8 June 2013, has been the most comprehensive conference held so far to address all areas of Turkey-EU relations, and evaluate problems and opportunities.

1200 persons participated in this two-day conference, including leaders from various European countries at the Prime Ministerial and Ministerial level, members of the European Parliament, renowned politicians, academicians, high-level bureaucrats, and officials from the European Commission and the European Council and representatives from civil society organisations, think-tanks, the media and business. Extensive discussions were made regarding “Rethinking Global Challenges: Constructing a Common Future for Turkey and the EU”

The conference, which drew attention to the changes in Turkey-EU relations in the past ten years in particular, re-emphasized the necessity of cooperation between Turkey and the EU in face of global challenges and the importance of Turkey for the EU.

Work is ongoing regarding the preparation of a booklet of presentations in the conference which had a broad repercussion in the national and international media.

Ministry of EU Affairs Turkey-EU Relations Documentary

In 2013, the Ministry for EU Affairs, in collaboration with the Turkish Radio and Television Institution (TRT) prepared a documentary on Turkey-EU relations from 1959 to date. The three-episode documentary titled “A Long and Narrow Road: 50 Years of Turkey-EU Relations” is planned to be completed in January 2014, and provides a perspective of Turkey’s EU process through narratives.

The preparation of the Documentary, with the consultation of former Minister Yaşar Yakış, includes interviews with Turkish and EU leaders who have played significant roles in EU-Turkey relations, in addition to screening of archives and actual images. In addition to interviews with the President and the Prime Minister of the Republic of Turkey as well as other important political figures in Turkey, interviews have also been held with the former German Chancellor Gerhard Schröder, the former Prime Minister of the United Kingdom Tony Blair, the former Foreign Minister of the United Kingdom Jack Straw and the Swedish Foreign Minister Carl Bildt, who have been key leaders in Turkey-EU relations.

The premiere of the Documentary “A Long and Narrow Road: 50 Years of Turkey-EU Relations” was held on 23 September 2013. The Documentary, which will be broadcasted in the forthcoming period on the TRT channels, will contribute significantly to informing the public on the history of Turkey-EU relations and the acquisitions of the EU accession process.

VII. SIGNIFICANCE OF THE EU PROCESS

Although eight years have passed since the start of the negotiations and Turkey has been resolutely implementing the necessary reforms, the process is unfortunately not at a satisfactory stage due to the political blockages posed by some Member States. However, Turkey is steadily continuing the reform process despite the difficulties with the negotiations. The most important indicator of this determination is the opening of Chapter 22 on Regional Policy and Coordination of Structural Instruments to negotiations soon after lifting of the related political blockage.

EU membership continues to be a strategic preference for Turkey. Rapidly changing global dynamics render Turkey-EU integration increasingly more significant and essential. It is clear that Turkey will assume a key role in a stronger, safer and a more stable future for the EU.

On the other hand, it is a historical fact that the EU membership will provide many political, economic, social and geostrategic advantages to Turkey as well. The EU accession process reinforces Turkey's democratization and catalyzes the related reforms. The scope of the individual rights and freedoms that Turkish citizens enjoy have been extended through the political reforms and basic principles of the modern democracies such as transparency, accountability and participation have become a part of our daily lives.

Turkey is currently undergoing a process of socio-economic transformation with the contribution of the accession related reforms. We consider the benefits to our citizens in terms of their prosperity and living standards at every step taken towards harmonization with the EU.

The EU process, along with this change and transformation, plays a significant role in the stable economic growth of Turkey. Despite the current crisis, the EU is still the largest economy in the world and Turkey's most important trade partner. Almost 40% of our foreign trade is with the EU Member States and the 71% of foreign direct investments in Turkey originates from these countries. It is important to note that Turkey's commitment to the EU process as a negotiating candidate country and associated opportunities and stability are the main drivers behind the sustainability of this economic benefit.

The EU provides financial assistance to the candidate countries for political, economic, legal and administrative measures towards alignment with and implementation of the *acquis*. This financial assistance facilitates the above-mentioned transformation, without any burden on the state budget, through projects that encourage the participation of our citizens and public institutions in the EU process. In this scope, entities such as civil society organisations, chambers, universities and local governments have implemented 2500 projects through the grant programmes. In the

2007-2013 budget period, approximately € 4.8 billion have been allocated for Turkey through the Instrument for Pre-Accession Assistance (IPA).

Resources are also allocated under various programmes for strengthening the administrative capacity, which is of great importance for Turkey in its preparation for the EU membership. In this context, the administrative capacities of Turkish public institutions are strengthened through training, technical assistance, equipment supply and service procurement without any costs. It would be accurate to say that the EU renders a free consultancy service to our country throughout this process.

In conclusion, it is not fair to evaluate the multidimensional Turkey-EU relations, ranging from financial cooperation to civil society dialogue and from community programmes to technical assistance mechanisms, solely on the arithmetic of the negotiations related to number of opened and closed chapters. Thus, a careful review of this report, which outlines the work carried out during the last year, reveals that despite all shortcomings the accession process has provided great benefits to Turkey.

