



**SCREENING CHAPTER 20
ENTERPRISE AND INDUSTRIAL POLICY**

AGENDA ITEM V: COMMUNITY PROGRAMMES

Country Session: The Republic of TURKEY

4-5 May 2006



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Legal Framework

Framework Agreement between Turkey and the EU adopted in 2002 by the law no. 4763

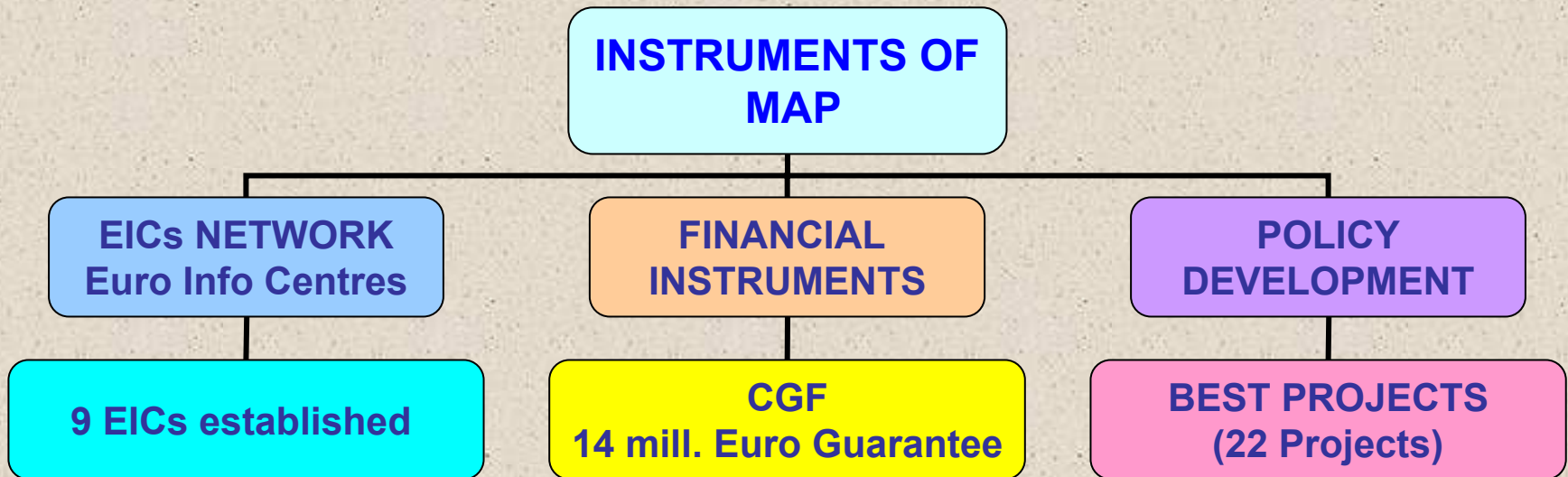


MAP

- A **Memorandum of Understanding (MoU)** regarding participation in the MAP was signed on 23 October 2002 and came into force on 3 January 2003,
- Turkey acceded to the EU's 4th MAP for Enterprise and Entrepreneurship,
- **KOSGEB** is the National Coordinator of MAP.
- Turkey participates in the activities of the programme and takes part in the Enterprise Programme Management Committee (EPMC) as an observer.



Benefits of Turkey from MAP



Euro Info Centres (EICs) Established under MAP

Services of Turkish EICs



- Informing SMEs and Entrepreneurs regarding Community, Community Programmes and National Support Mechanisms via training seminars, workshops, web-site and publicity,
- More than 20,000 participant took part in about 90 events organised by Turkish **EICs** in 2005,
- More than 8,500 questions on Sources of Finance, Customs Union, Worldwide Company Profiles and the EU *acquis* were answered in 2005,
- Functioning as a guide, which is also one of the main targets of European EIC Network.



Actions Related To Financial Instruments Under MAP

- Instruments and system were introduced to the national players through meetings, seminars, official platforms, press interviews and web-site in 2003 and 2004,
- Turkish Credit Guarantee Fund (**CGF**) applied to **EIF** and approved as “National Financial Intermediary” within MAP’s counter-guarantee instrument,
- 14 million euro guarantee allocated to CGF for the period between December 2004 and until the end of 2006
- This cooperation is the first between Turkey and Community Institutions within the scope of guarantees.



Offered Guarantees by CGF Under the Protocol with EIF (Million Euro)

PERIOD	INVESTMENT TOTAL	CREDIT TOTAL	GUARANTEE TOTAL	FIRM TOTAL
01.12.2004- 31.12.2004	2,6	1,1	0,9	11
01.01.2005- 31.03.2005	4,3	1,3	0,9	10
01.04.2005- 30.06.2005	5,6	1,6	1,0	9
01.07.2005- 30.09.2005	9,5	3,1	1,8	12
01.10.2005- 31.12.2005	2,6	1,2	0,9	15
01.01.2006- 31.03.2006	5,3	2,6	1,8	17
TOTAL	30,0	11,0	7,3	74



Policy Development

BEST Projects Participated By Turkey (22 Projects)

- Restructuring bankruptcy and fresh start,
- Taxation of employee stock options,
- Enterprise clusters / networks,
- Responsible entrepreneurship for entrepreneurs,
- Transfer of business,
- Improving of institutions for technology transfer to enterprises,
- Women entrepreneurship,
- Guarantees and mutual guarantees,
- Business angels,
- Monitoring and evaluation of SME related actions,
- Best practices in accessing early stage finance.



Policy Development (CONT'D)

- BEST projects on environmental management systems in SMEs
- Micro credit
- Second career
- SME business support measures
- Education for entrepreneurship
- Obstacles to growth: recruiting the first employee
- Mini-companies in secondary education
- Consultation of stakeholders in the shaping of small business policy at national/regional level
- Streamlining and simplification of environment-related regulatory requirement
- Fostering uniform transparent market places for the transfer of businesses
- Stigma of failure and early warning tools

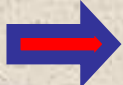


Activities under BEST Projects

- Participation of experts to the working group meetings,
- Dissemination of results by means of questionnaires, meetings and final reports,
- Supporting Turkey's adaptation to the Community Policies,
- Implementing new services,
- Inclusion of Turkey's data in common studies and reports,
- Many of the project final reports translated into Turkish and all project's final reports are shared with interested parties,
- A project under "Transfer of Business" accepted by IDA-II programme,
- Within the scope of "Obstacles to growth: recruiting the first employee" an "One stop shop" was established by Ministry of Labour and Social Security.



Co-financing of MAP

TOTAL: € 6,001,162  **KOSGEB + Pre-accession Financial Cooperation**

▪ for 2002  € 400,848 from Pre-accession Financial Coop.

▪ for 2003  90 % of € 1,318,558 from Pre-accession Fin. Coop

▪ for 2004  80 % of € 1,374,470 from Pre-accession Fin. Coop

▪ for 2005  70 % of € 1,431,980 from Pre-accession Fin. Coop

▪ for 2006  60 % of € 1,475,306 from Pre-accession Fin. Coop

€ 4,574,696 by **Pre-accession Financial Cooperation**


€ 1,426,465 by **KOSGEB** for 2003, 2004, 2005, 2006

Refunding from MAP

✓ For each **EIC**  € 40,000 is paid per annum (4 year contract)

▪ **TOTAL**  € 1,440,000 = 9x4x (40,000)

✓ € 14 million guarantee  **CGF** by **EIF** (Dec. 2004 - end of 2006)

▪ **TOTAL**  € 7,285,567 guarantee



Summary of MAP

- Learning of Commission's working methods via **BEST Projects**,
- Involved in Commission's SME focused cooperation Network via **EICs**,
- In cooperation with other Community Institutions through **Financial Instruments**,
- Despite late accession, successful participation.



e-CONTENT Programme

- Turkey participated in the e-Content programme on 10 February 2003,
- Programme was coordinated by the SPO,
- Two promotion days were organised by the SPO in January 2003 introducing the Programme to potential beneficiaries,
- It was completed at the end of 2005 and redesigned as a new programme, e-Content+,
- Turkey has just been invited to participate in the new e-Content+ programme,



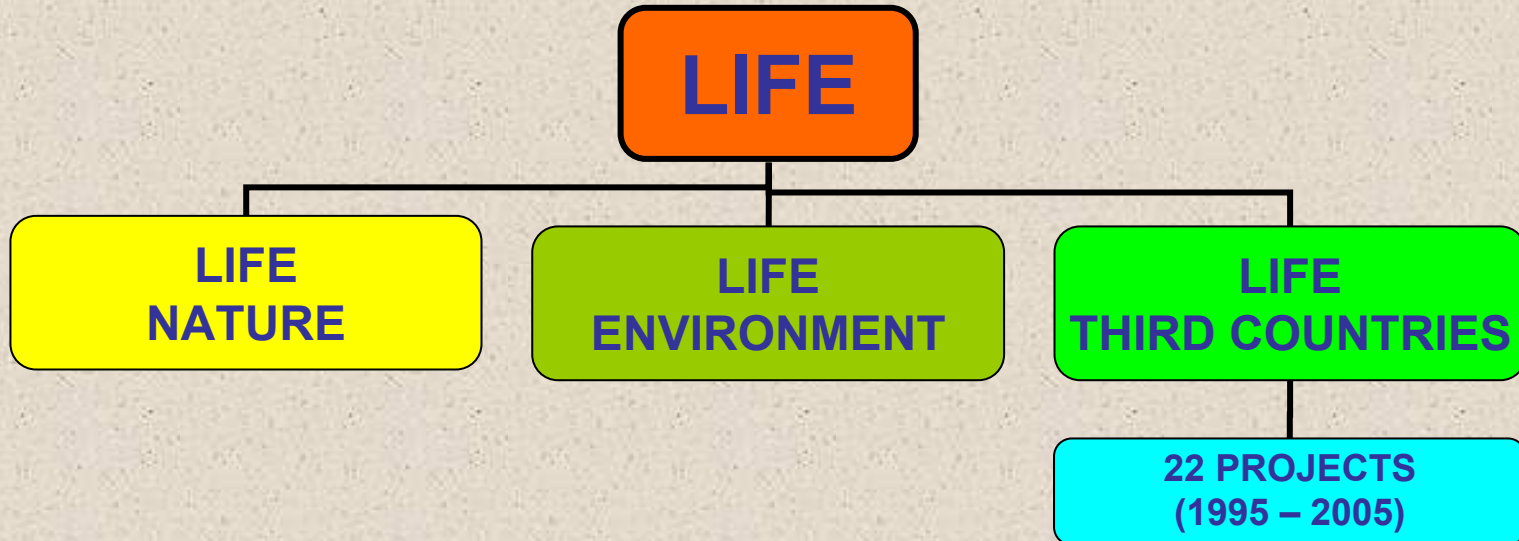
e-TEN Programme

- It is envisaged that participation in **e-TEN** will enrich Turkey's endeavors to become an inclusive **information society** with an international perspective and provide an opportunity to ease harmonisation of the ***EU acquis*** and **accession negotiations**,
- Turkey participated in the programme in 2006 through **case by case** basis,
- A national **information day** was organised on 15 March 2006 with the participation of potential beneficiaries from public institutions, civil society organisations and private sector,
- Closing date for the **submission of the projects** is 19 May 2006.



LIFE Programme

- Turkey participated in the **LIFE programme** as from 1992
- LIFE is implemented by the **Ministry of Environment and Forestry**
- It co-finances projects in **three** areas:





Turkey Participates in the Programme under the Third Countries Component (22 Projects)

- Establishment of an Information System for Turkish SMEs on EU Environmental Approximation, 2004
- Support for the environmental management of organised industrial zones in Turkey, 1998



Turkey's Participation in the CIP

- The financial arrangements for **Candidate Country participation** in the CIP, **have not yet been defined.**
- Regarding the participation in the CIP, Evaluations will be carried out after the determination of the participation criteria



THANK YOU FOR YOUR ATTENTION