



## **SCREENING CHAPTER 30 EXTERNAL RELATIONS**

### **AGENDA ITEM III: DEVELOPMENT POLICY**

**Country Session: The Republic of TURKEY  
13 September 2006**



## TURKISH DEVELOPMENT POLICY (1/2)

- Development assistance to other countries dates back to 1970's
- Turkey's status has been changing progressively from aid recipient to aid provider
- Providing development assistance has been institutionalised with the establishment of Turkish International Cooperation and Development Agency (TIKA) in 1992
- With the adoption of the Law on Organisation and Duties of the Turkish International Cooperation and Development Agency, TIKA has become Turkey's official development agency



## TURKISH DEVELOPMENT POLICY (2/2)

- The main flow of aid was provided upon the demand of partner countries, initially to the neighbouring and surrounding countries as well as the Central Asian Republics, with which Turkey has close historical and cultural ties
- In recent years, Turkey has expanded the scope of its development assistance disbursement to LDCs, mainly to those in Africa and the Middle East, by opening field offices in Ethiopia, Palestine and Sudan
- TIKA has Program Coordination Offices in **Afghanistan, Albania, Azerbaijan, Bosnia-Herzegovina, Ethiopia, Georgia, Kazakhstan, Kosovo, Kyrgyzstan, Macedonia, Moldova, Mongolia, Palestine A., Sudan, Tajikistan, Turkmenistan, Ukraine and Uzbekistan**



## LEGAL FRAMEWORK (1/5)

The Law No. 4668 on Organisation and Duties of the Turkish International Cooperation and Development Agency (OG No. 24400, dated 12 May 2001) (1/2)

### Duties of TIKA:

- Enhancing economic, commercial, technical, social and cultural cooperation with developing countries via projects and programmes
- Assisting countries in their transition process to market economy
- Coordinating development assistance provided by government institutions

### Coordination Board:

- main body for the formulation of Turkish Development Policy
- provides strategies and perspectives for the forthcoming year



## LEGAL FRAMEWORK (2/5)

**The Law No. 4668 on Organisation and Duties of the Turkish International Cooperation and Development Agency (OG No. 24400, dated 12 May 2001) (2/2)**

### **Coordination Board (Article 4):**

- Ministry of Foreign Affairs
- Ministry of Finance
- Ministry of National Education
- Ministry of Industry and Trade
- Ministry of Energy and Natural Resources
- Ministry of Culture and Tourism
- Undersecretariat of Treasury
- Undersecretariat for Foreign Trade
- Undersecretariat of the State Planning Organisation
- The Presidency of Religious Affairs
- The Scientific and Technological Research Council of Turkey (TUBITAK)
- Turkish International Cooperation and Development Agency (TIKA)



## LEGAL FRAMEWORK (3/5)

### The Law No. 4749 on Public Finance and Regulation of Debt Management (OG No. 24721, dated 9 April 2002) (1/3)

#### Article 9:

The Republic of Turkey provides two kinds of grants, cash or in-kind, to foreign countries, institutions of foreign countries, international organisations and international aid consortia to be formed

#### For cash grants:

- The Council of Ministers is authorised, upon recommendation of the related Minister and positive opinion of the Undersecretariat of Treasury and the Ministry of Foreign Affairs, to extend grants in cash, in the name of the Republic of Turkey



## LEGAL FRAMEWORK (4/5)

### The Law No. 4749 on Public Finance and Regulation of Debt Management (OG No. 24721, dated 9 April 2002) (2/3)

#### Article 9:

- All kinds of preparations, contacts and negotiations relating to the cash grant agreements are executed by the Undersecretariat of Treasury in collaboration with the Ministry of Foreign Affairs
- For a grant to be extended, an agreement should be signed with the grantee whether it is a country, institution or international aid consortia
- Cash grants are provided through the appropriation to be included in the budget of the Undersecretariat of Treasury



## LEGAL FRAMEWORK (5/5)

### The Law No: 4749 on Public Finance and Regulation of Debt Management (OG No. 24721, dated 9 April 2002) (3/3)

#### Article 9:

##### For in-kind grants:

- Preparations, contacts and negotiations relating to in-kind grant agreements are undertaken and finalised by the related agencies together with the opinion of the Undersecretariat of Treasury in order to ensure financial viability.
- Cash or in-kind, all types of grant agreements shall enter into force upon a decision of the Council of Ministers.





## Objectives of TIKA

- Contributing to sustainable social and economic development in partner countries through technical projects
- Supporting development programmes in line with the Millennium Development Goals of the United Nations
- Supporting capacity-building activities and promoting institutional development by facilitating the transfer of know-how and expertise of Turkish institutions
- Improving human resources in partner countries
- Coordinating development cooperation activities of Turkish institutions

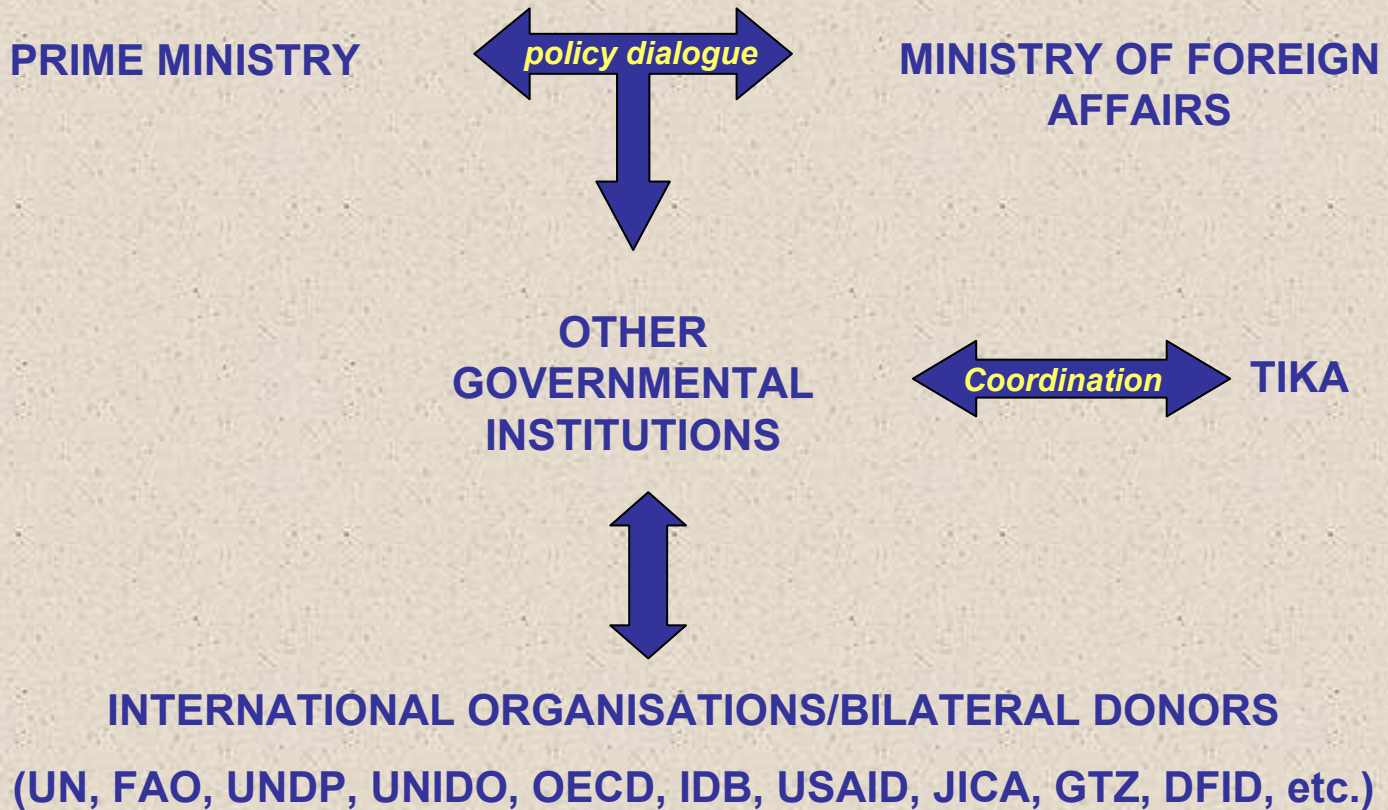


## Modes of operation of TIKA

- Providing capacity-building assistance (institutional and human resources)
- Dispatching experts
- Donating equipment
- Financing infrastructure projects (e.g. irrigation, sanitation, transportation projects)
- Financing construction/renovation activities (e.g. schools, hospitals/cultural heritage)
- Extending humanitarian assistance



## INSTITUTIONAL STRUCTURE





## Some of the Recent Projects (1/2)

- Construction of 5 hospitals and 20 schools in Afghanistan (schooling facilities provided for 15.000 students)
- Reconstruction projects in Iraq (construction of hospitals, schools and sewage systems; training seminars for doctors, teachers, journalists, soldiers, diplomats; and financial support to trust funds) worth 3,5 million USD
- Construction of 4 schools and 1.050 houses in Indonesia; 500 houses in Sri Lanka by the Turkish Red Crescent after tsunami
- Development assistance to Palestine worth 22,6 million USD (1995-2005)
- Mongolia Turkish Monuments Projects (MOTAP) (construction of motorway and museum)



## Some of the Recent Projects (2/2)

- Crimea Reintegration Project (providing houses to 1.000 families, education infrastructure, sanitation, administrative and civil infrastructure, job-creation, various health projects) worth 6,2 million USD
- 10.000 Students Project (extending scholarships for the students coming from 30 different countries, who are studying at Turkish universities / 6.621 students in 2005)
- In 2004, Turkey provided education to 28.531 students in partner countries, while this number increased to 31.965 in 2005
- 2.236 experts were trained in 2004, and this number doubled to 5.122 in 2005



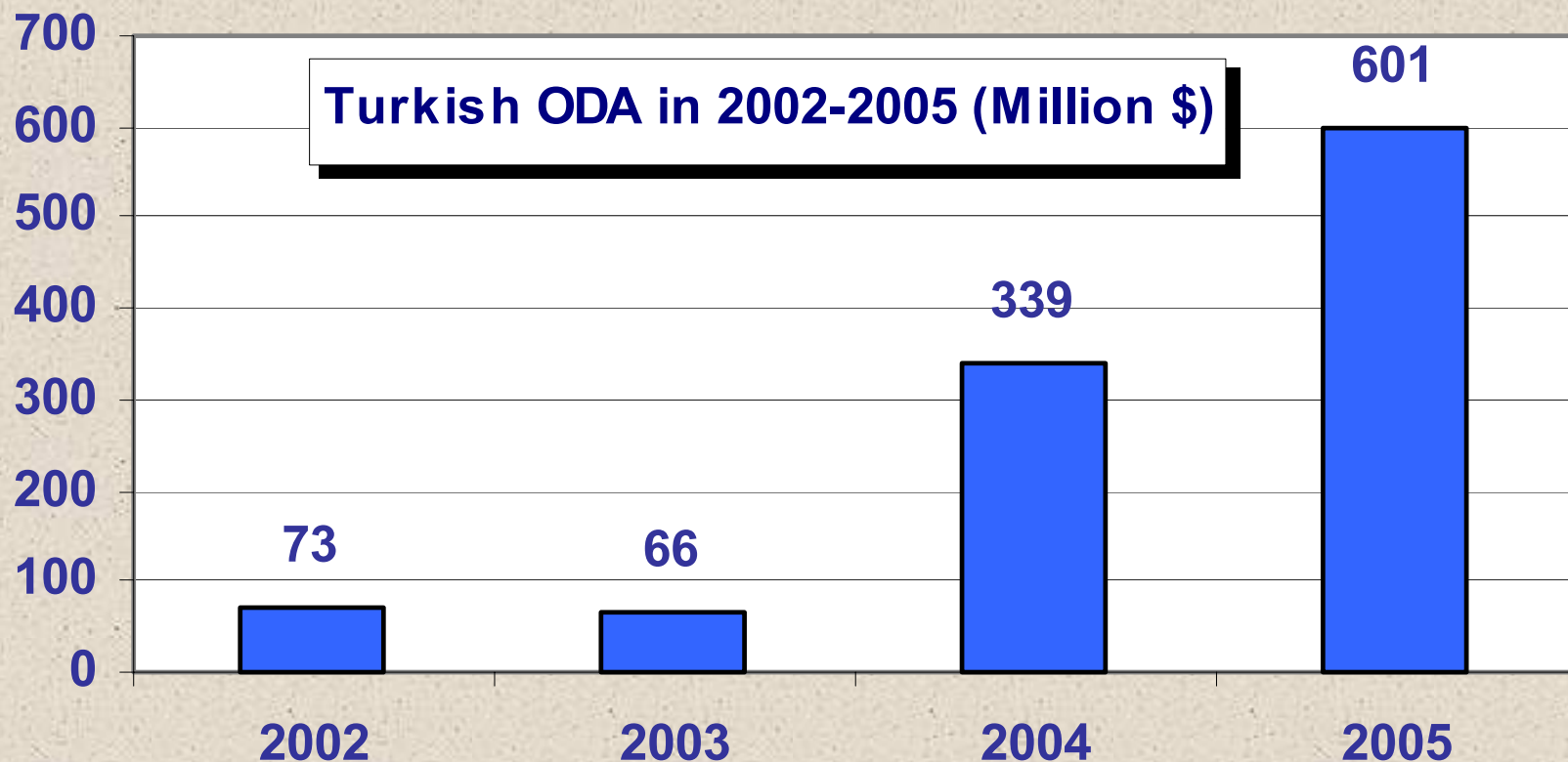
## OFFICIAL DEVELOPMENT ASSISTANCE (ODA)

### Turkey:

- founding member of the OECD
- observer at the OECD Development Assistance Committee (DAC)
- party to the “Paris Declaration on Aid Effectiveness”
- member of the OECD Development Centre

### TIKA:

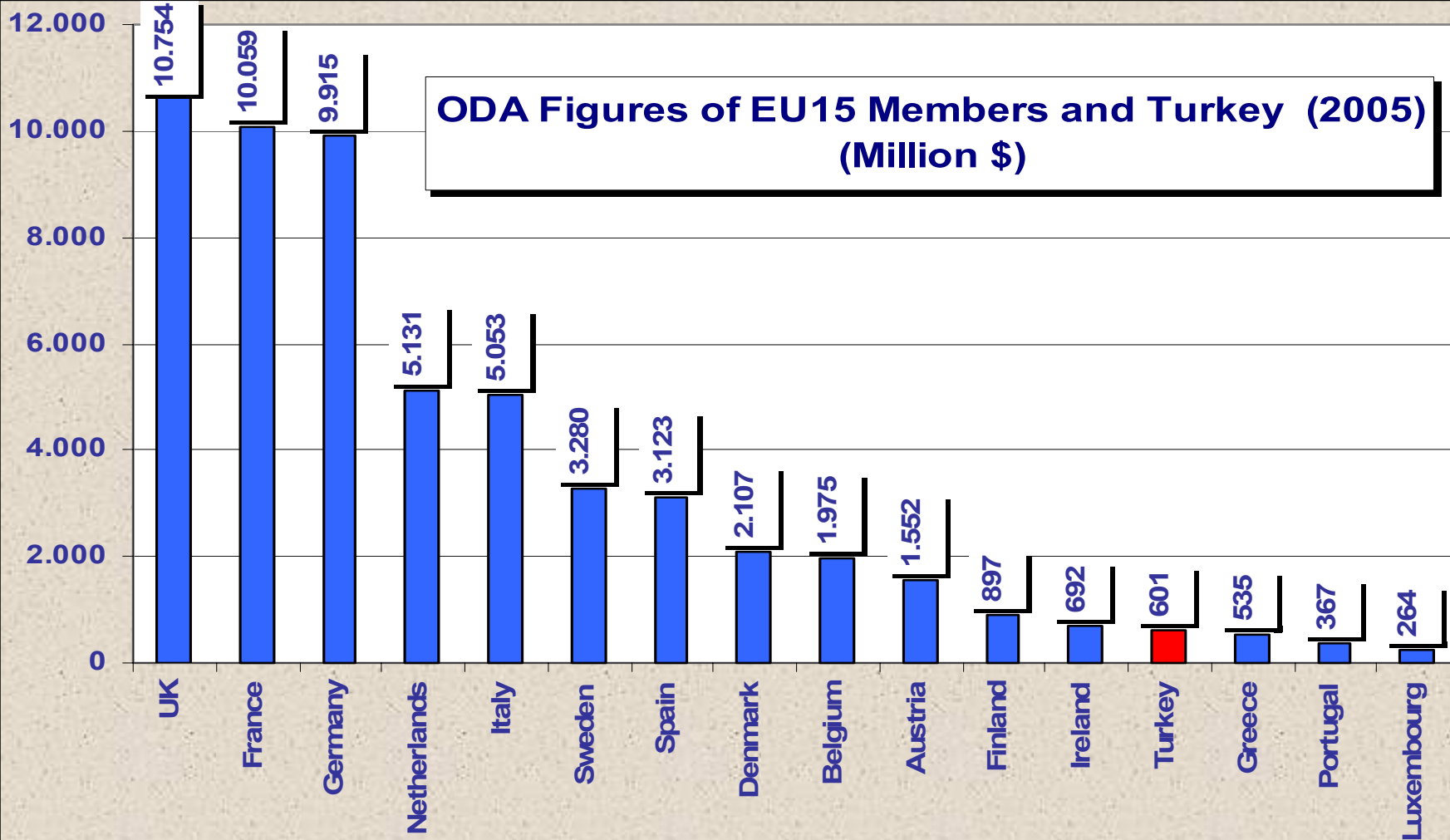
- has duty of collecting and reporting the data of Turkish Official Development Assistance (ODA) to the OECD  
(Prime Ministry Circular No. 2005/11 – OG No. 25793, dated 21.04.2005)



Source for 2002 and 2003: State Statistics Institute; Source for 2004 and 2005: TIKA



**ODA Figures of EU15 Members and Turkey (2005)  
(Million \$)**



Source: OECD/TIKA





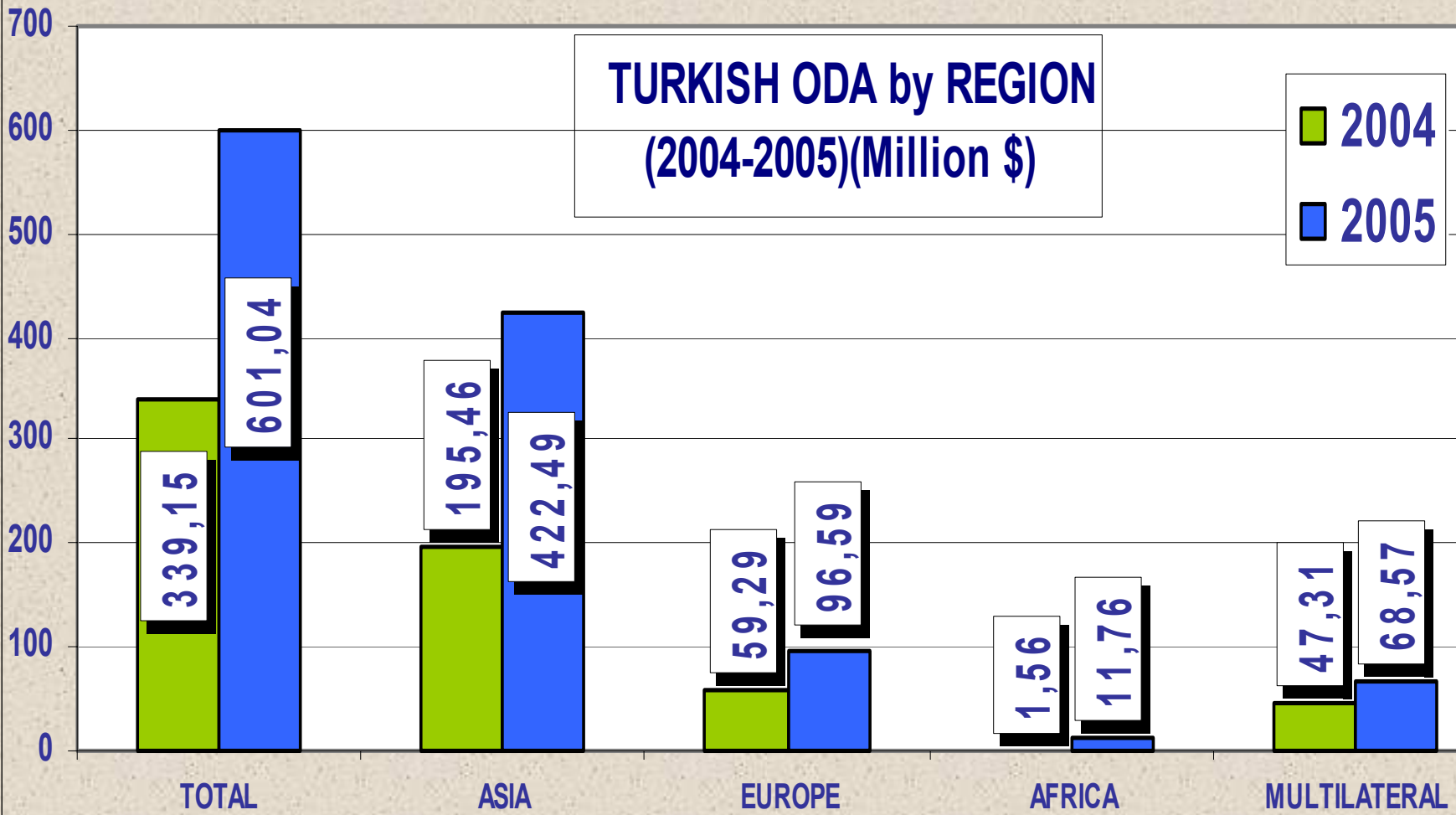
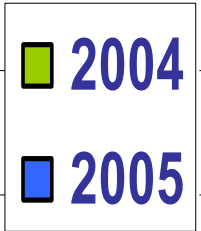
## Ranking of ODA/GNI Ratios: A Comparison of EU Members and Turkey

Country	as % of GNI (2005)	Country	as % of GNI (2005)
Sweden	0,88	Spain	0,30
Luxembourg	0,85	Germany	0,28
The Netherlands	0,83	Greece	0,28
Denmark	0,81	Italy	0,24
France	0,47	Malta	0,18
Austria	0,45		
Belgium	0,45	<b>Turkey</b>	<b>0,17</b>
Ireland	0,40		
Finland	0,39	<b>EU-15</b>	<b>0,40</b>
United Kingdom	0,39	<b>EU-10</b>	<b>0,09</b>
Portugal	0,33	<b>EU-25</b>	<b>0,38</b>

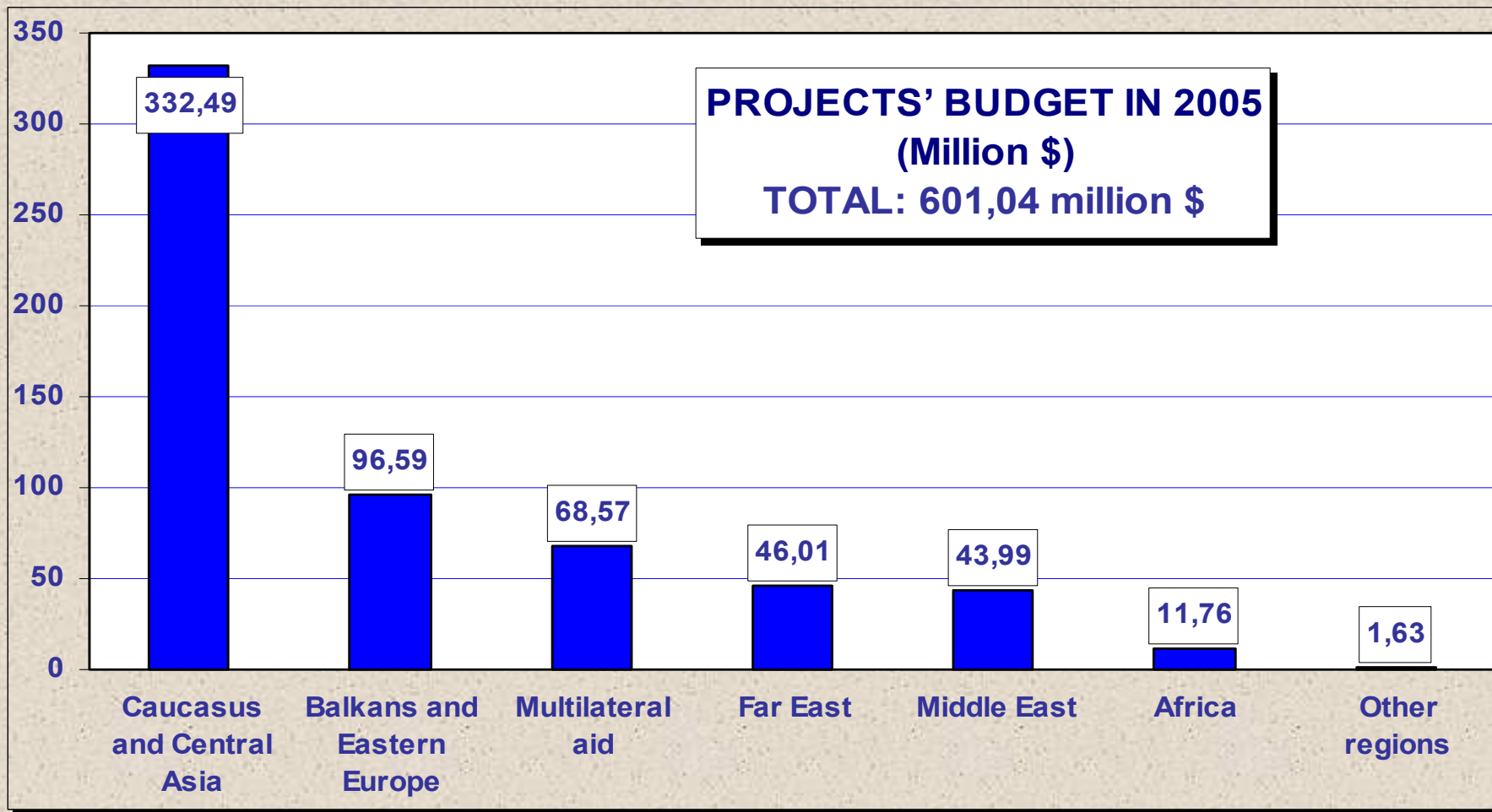
Source: Commission of the European Communities, OECD, TIKA



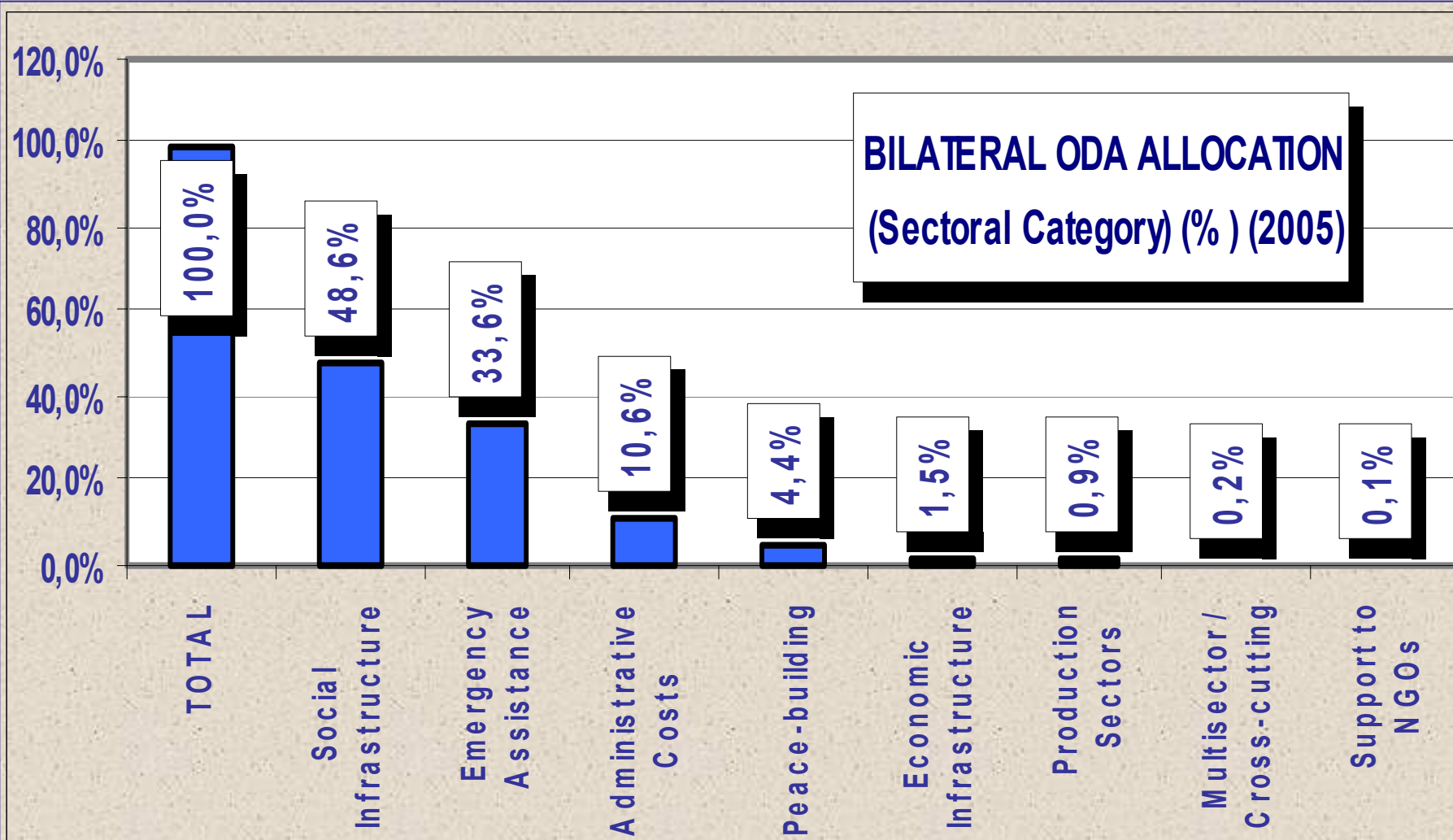
### TURKISH ODA by REGION (2004-2005)(Million \$)



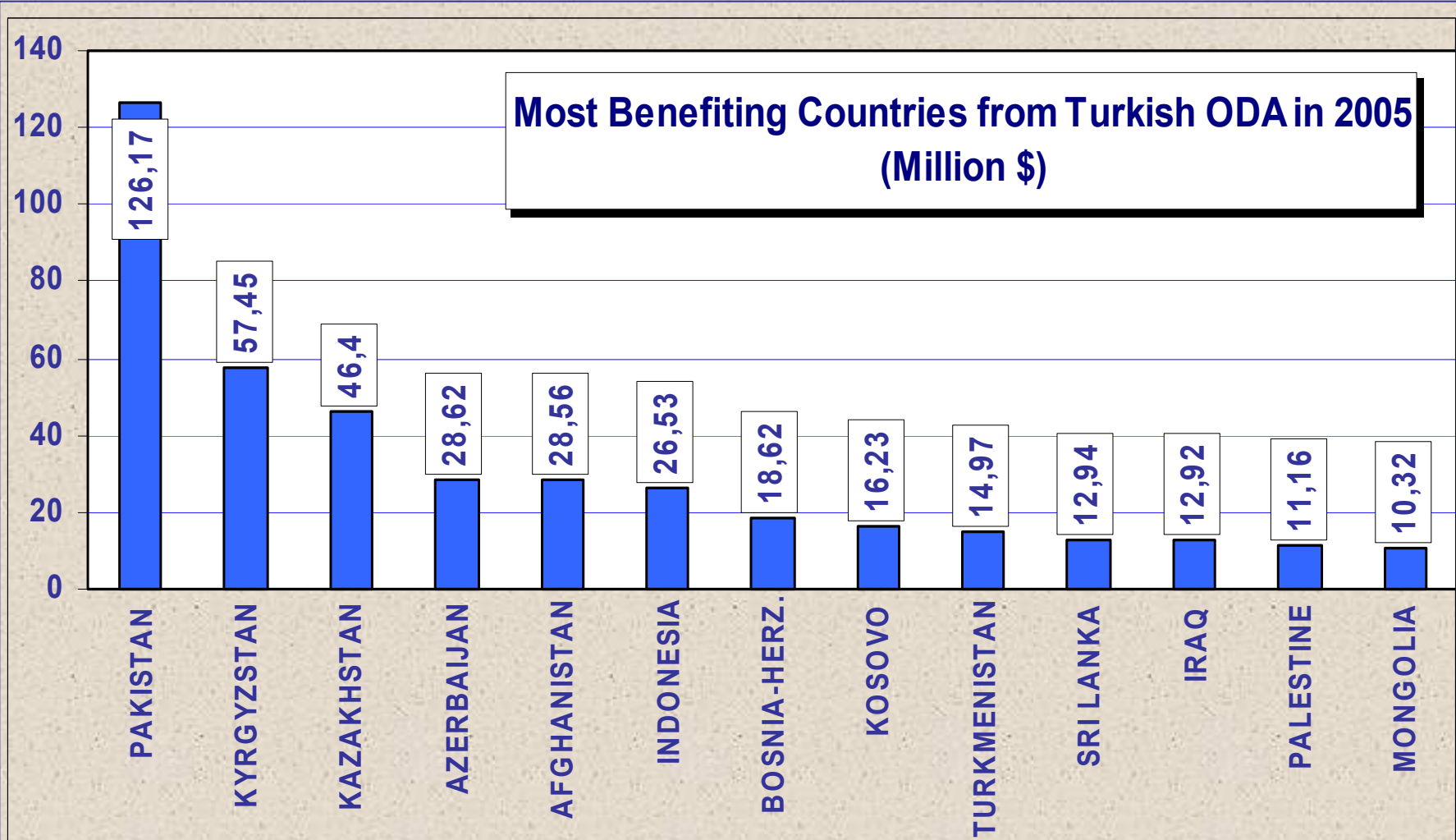
Source: TIKA



Source: TIKKA



Source: TIKA



Source: TIKA



## Turkish Official Development Assistance (ODA)

- In 2004, Turkish ODA/GNI ratio was 0,12%
- **In 2005, Turkey has reached the ratio of 0,17% of ODA/GNI**, which was set as target for the new members of the EU by 2010
- Given the above, Turkey will likely reach the levels of ODA/GNI, set as target for new members of the EU.



## Turkey's Technical Cooperation Among Developing Countries (TCDC) Program (1/4)

- The program:
  - ✓ conducted by the Undersecretariat of State Planning Organisation (SPO) since 1988 with the support of the UNDP (co-financed by the Undersecretariat of SPO and UNDP Turkey)
  - ✓ aims to create development values and enhance cooperation among developing countries
- Turkey was selected as a pivotal country for the South-South Cooperation by the UN General Assembly
- Technical cooperation activities of public agencies, universities and NGOs towards developing countries are supported under TCDC



## Turkey's Technical Cooperation Among Developing Countries (TCDC) Program (2/4)

- Within the first phase of the Program (1988-2000):
  - ✓ needs assessment exercises were implemented in some developing countries
  - ✓ more than 200 bilateral technical cooperation agreements were signed and put into effect.





## Turkey's Technical Cooperation Among Developing Countries (TCDC) Program (3/4)

- Within the second phase of the Program (2000-2006):
  - Numerous bilateral and multilateral technical cooperation activities between Turkish public institutions/NGOs and counterparts from some developing countries under the following themes were supported
    - ✓ disaster management,
    - ✓ agriculture,
    - ✓ foreign trade,
    - ✓ development cooperation,
    - ✓ good governance practices,
    - ✓ industrial property rights and
    - ✓ poverty reduction strategies.



## Turkey's Technical Cooperation Among Developing Countries (TCDC) Program (4/4)

- Third phase of the program will start at the beginning of 2007
- The forthcoming phase will focus on:
  - Compliance with the EU acquis
  - MDGs and other UN development principles
  - Strengthening Turkey's role as a donor
  - Partnerships with private sector



## Future Perspectives

Turkey,

- has the OECD-DAC membership perspective in the medium-term
  - OECD-DAC membership criteria:
    - ✓ being a net donor country
    - ✓ ODA/GNI: 0,2 % per year
- will continue to focus on poverty reduction in Africa and providing more aid to the African countries
- will continue to provide effective development assistance in line with the MDGs (poverty, education, gender equality, health and environment sectors)
- will improve effectiveness of Turkish ODA in line with the principles set forth in the “Paris Declaration on Aid Effectiveness”



**THANK YOU FOR YOUR ATTENTION**