



25th meeting of the EU-Turkey
Joint Consultative Committee

Paris, 19 November 2008

JOINT DECLARATION

by

Mr Sandy Boyle (co-chair) and Mr Tuğrul Kudatgobilik (co-chair),

at the 25th meeting of the

EU-TURKEY JOINT CONSULTATIVE COMMITTEE

held in Paris on 18 and 19 November 2008

1. The EU-Turkey Joint Consultative Committee (JCC) is a body that brings together representatives of organised civil society from the EU and Turkey. It complements the bodies within the framework of the Association Agreement between the EU and Turkey and allows civil society organisations from both sides to monitor the accession negotiations and initiate debates on issues of common interest. Its members come from various economic and social interest groups.
2. The 25th meeting of the JCC was honoured with the presence of H.E. Mr Ekren, Deputy Prime Minister of the Republic of Turkey, Mr Truszczyński, Deputy Director General of DG Enlargement of the European Commission, and Mr Simon, President of the Chamber of Commerce and Industry of Paris.

Turkey's accession negotiations and the role of organised civil society

3. The JCC regrets that only two chapters have been opened during the Slovenian Presidency and calls on the French Presidency to rapidly open negotiations on further chapters in order to ensure the reform path is maintained. It also calls on the Turkish government to proceed with the implementation of existing benchmarks. The JCC hopes that EU-Turkey relations will discover new momentum in the coming years.
4. The JCC urges the European Commission and the Turkish government to consult and regularly inform the JCC and Turkish civil society organisations on the negotiations. It underlines its commitment to playing an active role in disseminating information on the accession process among civil society organisations in the EU and Turkey.
5. The JCC welcomes the new financing facility under the Instrument for Pre-accession Assistance (IPA) to promote civil society development and dialogue, and the increase of financial support to Turkey in this field.
6. The JCC proposes to enhance its cooperation with the Council of Association and the EU-Turkey Joint Parliamentary Committee in order to increase the added value of the work of the JCC to the accession process. The JCC co-chairmen will take the necessary steps to meet the EU and Turkish representatives in the Council of Association and the EU-Turkey Joint Parliamentary Committee to discuss the possibilities of a more fruitful cooperation. In this context, the JCC welcomes the strong interest showed by both Mr Ekren and Mr Truszczyński in its work and proposals.
7. The JCC welcomes the steps taken by the EU to improve the quality of the enlargement process by placing greater focus, at an early stage, on the rule of law, good governance and civil society development. It notes that special attention has been paid to people-to-people contacts and underlines the importance of increasing the mobility of civil society representatives through less demanding visa procedures.

8. The JCC invites Turkey to revise its Constitution and to set a clear timetable for the discussions on reform. It is important that the strengthening of fundamental freedoms and citizen rights are clearly stated in the Constitution. It also calls on the Turkish government to search for a broad consensus with Turkish civil society on these reforms.
9. The JCC underlines the need for legislation to reinforce the protection of citizens' rights in Turkey and supports the call of the European Commission to establish an ombudsman function that is to strengthen the efficiency of the judicial system in investigating complaints against administrative decisions which affect human rights and liberties.
10. The JCC calls on the Turkish government to increase consultation of civil society organisations during the policy making process, and also calls for the establishment of a legal framework to organise this cooperation. It reiterates its previous calls for rapid reform of the Economic and Social Council of Turkey which could organise the dialogue and consultation of civil society organisations in Turkey.
11. The JCC supports the request of Women's civil society organisations in Turkey to establish a Committee on Gender equality that could play an essential role in mainstreaming women's issues in all policy areas.

Access to financing for SME's

12. The JCC stresses that SME's and tradesmen and craftsmen play a crucial role in ensuring stable economic and social development, reducing unemployment and creating new employment.
13. The JCC notes that 99 percent of enterprises in Turkey are considered to be SME's and that they provide 77 percent of total employment. Nevertheless, 56 percent of SME's do not or cannot export. 46 percent of SME's suffer from lack of funds. In the EU, 21 percent of SME's have restricted access to financial resources.
14. The JCC underlines that access to finance is a crucial prerequisite for the creation, expansion and development of SME's.
15. The JCC notes that the current financial turmoil has created uncertainty about future access to finance for SME's. It stresses that the future development will depend on how successful the support packages for the financial sector will be, and how quickly this sector can recover from the financial crisis.
16. The JCC is concerned that the planned regulation reforms will have an impact on future access to finance for SME's. It urges the authorities to avoid establishing regulations which are too rigid, as this may constrain the scope of future credit supply for SME's.

17. The JCC stresses that in Turkey the financing problem is the most important obstacle for SME's in maintaining market shares and opening up to the world. SME's cannot access banking and loan systems due to their low capital and turnover amounts, their small size, lack of adequate corporate structures and of their equity capital.
18. The JCC notes that bank loans remain the leading source of funding for SME's both in the EU and Turkey. It welcomes that the application forms to be filled in by Turkish SME's for funding have been drawn up in line with EU practices. Procedures need to be simple and accessible. They can be improved through local intermediaries who can give practical support.
19. The JCC deplors that alternative sources of financing, including capital market instruments, have not been sufficiently developed for SME's in Turkey. It underlines the need for the introduction of legal regulations and other supportive measures, including a reduction in the tax burden on loans, to improve access to alternative sources of financing.
20. The JCC notes that due to the inability of public banks to meet all needs, private banks play an important role in the financing of SME's in Turkey, as in the rest of the world. It therefore welcomes the European Commission's "Small Enterprises Loan Programme" (SELP) which provides loans to support SME's in Turkey in cooperation with commercial banks.
21. The JCC welcomes the revised SME Strategy and SME Action Plan 2007-2009 which is in line with EU policies and the Lisbon Strategy objectives. It also welcomes the decision on financial support by the Small and Medium Sized Industry Development Organisations (KOSGEB) in Turkey to increase the upper limit of loans and allow all domestic and foreign banks to take part in their lending schemes.

Trade union rights

22. The JCC adopted unanimously a joint report on trade union rights. In this report the JCC deplors that the Turkish Government has so far failed to make the necessary legislative changes to bring Turkey in line with ILO Conventions 87 and 98, despite numerous undertakings and promises given.
23. The JCC stresses that proper consultation with the social partners is an important aspect in the process of reforming the legislation on trade union rights in Turkey. Nevertheless, the JCC firmly believes that the government cannot use the lack of consensus between trade union confederations in these consultations as an argument for not bringing the Turkish legislation in line with ILO Conventions 87 and 98.

24. The JCC also expresses its concern that there has been no noteworthy action to improve the Public Servants Trade Unions Act (Act No 4688, Article 35). The decision of the conciliation board should be considered as an “agreed text” by both parties.
25. The JCC invites the Turkish Government to adopt a constructive approach and to endorse existing bills currently on the agenda of the Turkish Parliament, by taking into consideration the independent and objective analysis of the ILO committees and EU recommendations.
26. The JCC notes with satisfaction that labour and trade union rights are a priority of the Accession Partnership. It also notes that the reform on the law on trade union rights, to ensure it meets ILO standards, is a condition for opening the chapter on social policy and employment, and urges the Turkish government to take a firm decision on this issue.
27. The JCC underlines that the issue of trade union rights will remain high on its agenda and that it will continue to express its views on this matter. The co-chairmen will seek an early meeting with the Turkish Minister of Labour and Social Security to clarify how the government intends to proceed and to invite the Turkish Minister of Labour and Social Security to attend the next meeting of the JCC.

Consumer rights and health policies

28. The JCC underlines the importance of ensuring universal and equal access to and efficiency of the health care system. It stresses the need to develop prevention further, and to establish a legal framework that protects patients in case of malpractices and medical harm. In this context, the JCC draws the attention to the possibility of establishing a system of independent ombudsmen in the medical institutes to whom complaints can be addressed.
29. The JCC deplores that consumer and patients' organisations in Turkey and the EU are often small, and lack the capacity and finances to carry out relevant research and disseminate important information to patients. Many patients' organisations are also only active on a single issue, which makes it more difficult to influence the general political development of the organisation of healthcare in their respective countries. Independent patients and consumer organisations are in a much better position to influence. Sponsorship by pharmaceutical or other commercial companies weakens the independency of patients' organisations and is therefore not advisable.
30. The JCC stresses that it is necessary to raise public awareness and involve consumers actively in effective policy implementation, thus informing and educating the consumer and ensuring consumer organisations play an effective role.
31. The JCC underlines the importance of cooperation and partnership among consumer organisations and with the relevant authorities. It urges the Turkish government to further

support the development of an independent, representative and effective consumer movement in Turkey. It calls for consumer organisations in the EU to increase cooperation with Turkish consumer organisations.

Next JCC meeting

The 26th meeting of the JCC will take place in Istanbul on 27-28 April 2009. The JCC will continue its discussion on Turkey's accession negotiations and the involvement of organised civil society in the process. The meeting agenda will include a report on cooperation between the EU and Turkey on research and development, and another report on energy supply in the context EU-Turkey relations. A debate will also be held on the impact of EU Free Trade Agreements with third countries on Turkey-EU economic relations. The JCC also considers it important to discuss, in the future, topics such as the environment and the unregistered economy, and will continue to look at the issue of consumer rights and health policies.

*This declaration has been sent to the Turkish authorities, the EU institutions, the representatives of Turkish and EU civil society organisations and the media. The EU-Turkey JCC working documents and any further information can be obtained by contacting the secretariats: **Mr Mustafa Bayburtlu**, Director, Turkish Union of Chambers and Commodity Exchanges (TOBB). (Tel: 00.90.312.413 82 30; email: abm@tobb.org.tr) and **Ms Laila Wold**, Administrator, Section for External Relations, European Economic and Social Committee (Tel: 00.32.2-546.91.58; email: laila.wold@eesc.europa.eu).*
