



## **SCREENING CHAPTER 20 ENTERPRISE AND INDUSTRIAL POLICY**

# **AGENDA ITEM V: COMMUNITY PROGRAMMES**

**Country Session: The Republic of TURKEY**

**4-5 May 2006**



# CONTENT

- Legal Framework
- MAP
- e-Content
- e-Ten
- Life
- Turkey's Participation in the CIP



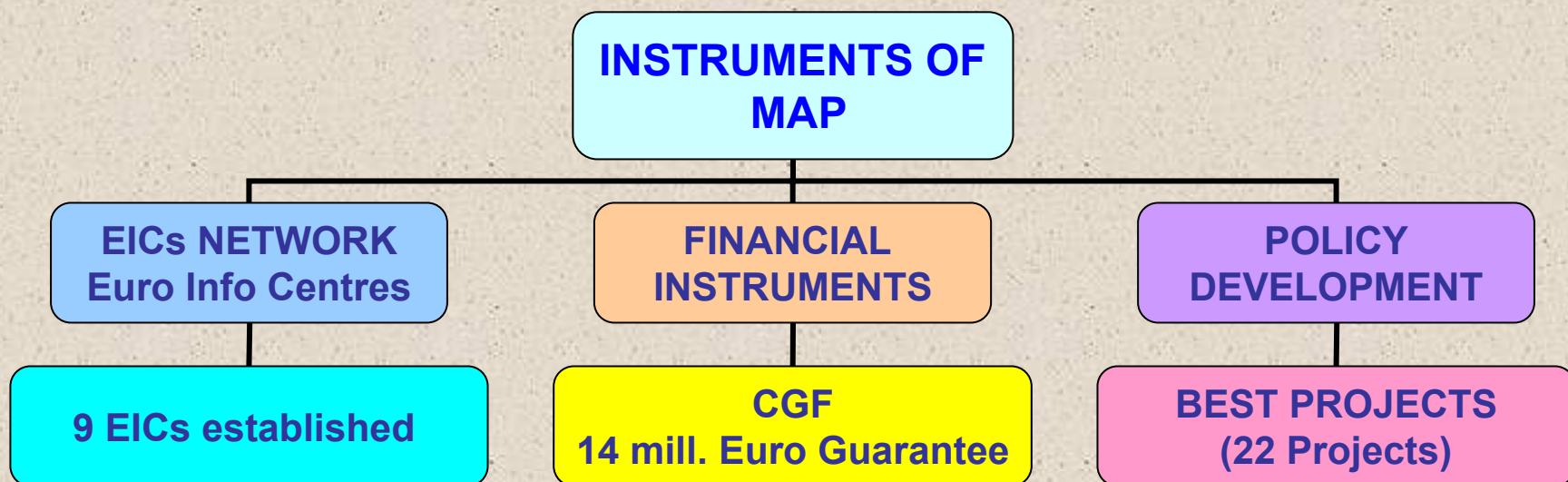
## Legal Framework

**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 4<sup>th</sup> 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

#### 9 EICs Established Under MAP

Istanbul (2)

Ankara

Bursa

Samsun

Konya

Gaziantep

Denizli

Adana

- 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
<b>TOTAL</b>	<b>30,0</b>	<b>11,0</b>	<b>7,3</b>	<b>74</b>



## 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

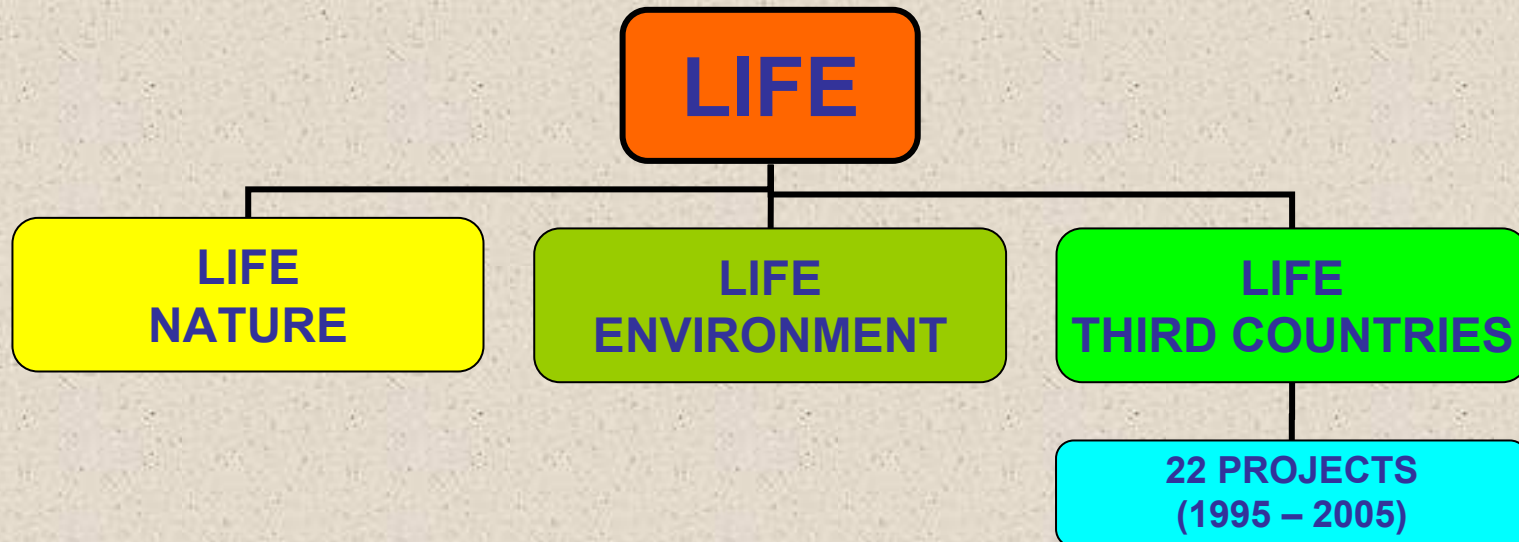
- Turkey participated in the e-Content programme on 10 February 2003,
- Programme was coordinated by the SPO,
- Two promotion days were organised by the SPO in January 2003 introducing the Programme to potential beneficiaries,
- It was completed at the end of 2005 and redesigned as a new programme, e-Content+,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