

**THE PROTOCOL OF THE FIFTH SESSION
OF THE TURKEY/UNITED KINGDOM JOINT
ECONOMIC AND TRADE COMMITTEE
(JETCO)**

The Turkey/United Kingdom Joint Economic and Trade Committee [hereinafter referred to as JETCO) which was established on 23 June 2009, held its Fifth meeting in Istanbul on 23 February 2015.

The Turkish Delegation was headed by H.E. Nihat Zeybekci, Minister of Economy of Turkey and the United Kingdom Delegation was headed by Lord Ian Livingston, Minister of State for Trade and Investment of the United Kingdom.

During the Fifth Session, the two sides reviewed the economic developments and policies prevailing in their respective countries and the improvements in the bilateral economic and commercial relations, since the last session of the JETCO held in London in 2013.

The two sides also stated that the enhancement of stronger commercial and economic ties, as well as the promotion of mutual investments and trade relations between Turkey and the UK are the shared objectives of the two countries. Furthermore, they discussed the ways and means of enlargement and diversification of the bilateral economic cooperation in related areas.

Both Ministers welcomed the opportunity to participate in the Turkish-UK Business Forum during the Fifth Session of JETCO and appreciated the wide attendance of private sector representatives of both sides.

The results of the talks of the JETCO meeting are summarized as follows:

I. TRADE RELATIONS

1. Bilateral Trade

The two sides reviewed the developments in their bilateral trade relations and noted the trends in the volume of bilateral trade since the Fourth Session of the JETCO. Both sides agreed that there is still potential for the volume and value of trade to grow further.

Both sides agreed that they would continue to take the necessary measures to further increase the volume and value of bilateral trade and achieve a higher level of diversification of trade. They also agreed to enhance their respective efforts towards the promotion of the bilateral trade and economic relations in existing high value projects, including healthcare, energy, airports and technology and also for new sectors of mutual interest and potential for both sides.

Both sides agreed to cooperate to strengthening bilateral relations and capacity building of SMEs through joint activities.

2. Customs Union and TTIP

The Turkish side, briefed the UK side and said that Turkey had launched a new dialogue with the European Commission regarding the “Upgrade of the Customs Union” between Turkey and the EU with a view to discussing what can be done to improve the structure of the Customs Union and to deepen the economic integration. The Turkish side, in this regard, asked the UK side to extend its assistance and support to Turkey in this matter.

The Turkish side gave detailed information to the UK side about the position and policy of the Turkish Government regarding the “Transatlantic Trade and Investment Partnership” (TTIP) trade negotiations between the EU and the U.S., and stressed that Turkey should take part in TTIP process or conclude a Free Trade Agreement with the U.S. in parallel to TTIP in order to avoid the considerable losses of Turkey due to its extremely high level of integration with the EU.

3. Regulatory Barriers

The UK and Turkey reinforced their commitment to increasing bilateral collaboration. The UK underlined the importance of certainty and predictability in the Turkish regulatory environment, in particular, providing adequate consultation and warning for proposed changes to existing regulations and legislation. Both sides agreed that transparency was key to ensuring an attractive business climate.

4. Visas

Both sides reiterated their commitment to facilitate strong people-to-people exchanges and to maintain discussions on visa issuing within the existing framework.

The UK side noted the success of the introduction of the fast track visa services for Turkish businessmen, academics and officials.

The Turkish side welcomed the success of the fast track visa services of the UK for Turkish businessmen, academics and officials and also reiterated its final target that all visa requirements between Turkey and the EU Countries would be removed after the conclusion of the “EU Turkey Visa Dialogue” where Turkey and the EU have launched a process towards visa exemption for Turkish citizens.

5. Quotas Applied to Transports

The Turkish side stated that transportation quotas imposed on Turkish commercial vehicles by some EU member states were having a negative effect on trade relations between Turkey and related EU countries and hinder free trade principles and informed the UK side about the initiatives of the Turkish side that have been conducted before the EU Commission.

The UK side was sympathetic. The UK liberalized road transport operations between the UK and Turkey in 2009 and so there are no quotas between the two countries.

6. Investments and Contracting and Consultancy Services

The Turkish side, briefing the UK side about the investment environment in Turkey and the investment plans of the Turkish Government by the year 2023, invited the UK firms to invest more in Turkey.

Both sides agreed to initiate more promotional activity and visits in order to inform their public and private sectors about investment opportunities in their respective countries.

Both sides agreed to encourage more cooperation between Turkish and British businesses in order to identify specific joint commercial and investment opportunities in their respective countries, as well as in third markets, such as Central Asia, Middle East and Africa. The UK side explained that the full range of UK Export Finance (UKEF) facilities was available to support UK and Turkish collaboration in Turkey and the wider region.

Both sides agreed to share their know-how and best-practices in implementing new technologies in the field of contracting and service providers and to encourage their private sectors to establish regular contacts with a view to exploiting the opportunities existing in these fields and in third markets.

7. Cooperation on G-20 Agenda in 2015

Both sides affirmed the importance of cooperating closely within the framework of G20 agenda under Turkey's G-20 Presidency.

In this regard, both sides, acknowledging the role of business in contributing to G20 agenda and in addressing global economic challenges, agreed to work in close cooperation with business sectors of the two countries to reflect the outcomes of their works to the G20 agenda.

8. Financial Services and Istanbul Financial Centre

Both sides welcomed the new cooperation between London Stock Exchange Group and Borsa Istanbul. In this regard, the two sides expressed that the two exchanges paved the way for further internationalisation of Turkish financial services industry.

The UK side reiterated its commitment to supporting Istanbul's aspirations to become a leading International Financial Centre (IFC) and stated that opening the market so a wider range of international firms were able to operate would send a positive signal to the international community.

II. ECONOMIC AND TECHNICAL COOPERATION

1. Science and Innovation

Both sides, underlining the positive effect of their collaboration in the field of science and innovation towards the development of bilateral relations, highlighted the significance of implementing effectively the Memorandum of Understanding signed

between TUBITAK and the UK's Ministry of Business, Innovation and Skills on 23 September 2014 in London. This framework defines the cooperation mechanism in the scope of Kâtip Çelebi-Newton Fund, and both sides agreed to actively exploit the Katip Çelebi-Newton Fund between the years of 2015-2018.

2. Energy

Both sides underlined the vital significance of the energy sector towards the development of economic relations between the two countries and agreed to provide different levels of support for the investors in this field.

Both sides expressed their willingness to continue the meetings of the Energy Dialogue which was established between the two countries. In this context, both sides agreed to exert the necessary efforts to conclude a Framework Agreement between Turkey and the UK at the earliest convenience with the aim to explore and determine areas of bilateral cooperation in the field of energy.

Both sides stated their readiness to cooperate in third markets, particularly in Central Asia, the Middle East and Africa in the fields of exploration and production of hydrocarbons and electricity generation from renewable energy resources.

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Both sides decided to hold the next JETCO Ministerial Meeting and Business Forum in London at a date to be mutually agreed upon through diplomatic channels.

Done and signed in two originals in English language in Istanbul on 23 February 2015, both texts being equally authentic.

**FOR THE GOVERNMENT
OF THE REPUBLIC OF TURKEY**



**Nihat ZEYBEKCI
Minister of Economy**

**FOR THE GOVERNMENT
OF THE UNITED KINGDOM**



**Lord Ian LIVINGSTON
Minister of State for
Trade and Investment**