



IKVM MONTHLY

ISSUE:4 FEBRUARY 2015

www.ikv.org.tr / contact: ikv@ikv.org.tr

TURKEY APPROVED ILO'S CONVENTION ON SAFETY AND HEALTH IN CONSTRUCTION

Turkey became the 26th Member State of ILO who approved ILO's Convention No: 167 concerning safety and health in construction while 159 member countries have not yet approved the Convention.



In accordance with ILO's Convention on Safety and Health in Construction, the draft law No: 6571 which aims to provide internationally acknowledged safety standards for construction workers has been approved on 5 February 2015 by the Turkish Grand National Assembly. With its entry into force after its publication in the Turkish Official Journal on 6 February 2015, Turkey became the 26th Member State of ILO which has approved the Convention.

ILO's Convention No: 167 on Safety and Health in Construction which includes 44 articles had been signed in 1988 and is in force since 1 January 1991. Its main objective is to set international standards

regarding work safety for construction sector workers. The convention encompasses areas regarding the safety of workplace as well as of vehicles, machinery, equipment and hand tools used in the construction sector. Furthermore, it also includes work safety and health dispositions that have been determined by Member States as well as the obligations of workers and employers.

Currently, ILO's Convention No: 167 has been approved only by 9 EU Member States. These countries are Germany, the Czech Republic, Denmark, Finland, Sweden, Italy, Luxembourg, Hungary and Slovakia. 19 Member States have not yet approved the Convention.

FROM IKV CHAIRMAN ÖMER CİHAD VARDAN

Commenting on the approval of ILO's Convention No: 167, IKV Chairman Ömer Cihad Vardan pointed out that the approval of this Convention reveals to be of great importance in regard to Turkey's alignment with Chapter 19. As we are celebrating the 10th anniversary of Turkey-EU negotiations process, IKV Chairman Vardan reminded that Turkey only opened 14 chapters to negotiations out of the 35 chapters of the *acquis*. While several chapters cannot be opened because of the EU Council Decision of 2006 or are blocked by some Member States, only 3 chapters can be opened to negotiations, including Chapter 19.

IKV Chairman Vardan explained that Chapter 19 aims at increasing employment in

the country, establishing an effective dialogue with social partners, strengthening social security systems and improving working conditions. In regard to the improvement of working conditions, IKV Chairman Vardan stressed that it is important for them to be in conformity with EU standards and ILO conventions. In this context, the approval of ILO's Convention No: 167 can be considered as a positive development. Undoubtedly, this development would further trigger Turkey's impetus in harmonising its legislation with Chapter 19.

Moreover, referring to the two-stage National Action Plan towards Accession to the EU which was published by the Ministry for EU Affairs in November 2014, IKV Chairman Vardan underlined

that further steps are foreseen in the upcoming period in regard to the harmonisation with EU standards and ILO conventions. IKV Chairman Vardan said, apart from Turkey's EU membership, this step is an important opportunity regarding the safety of Turkey's own workers.

"As Turkey, EU Member States should also take action"

IKV Chairman Vardan also stressed that until today ILO's Convention No: 167 had been approved only by 26 ILO members including Turkey whereas 159 countries have not yet approved the Convention. IKV Chairman Vardan also drew attention to the fact that only 9 EU Member States have approved the Convention.

"The approval of the Convention is a positive development for Chapter 19"



SEMINAR ON TTIP BY IKV'S FTA INFORMATION AND CAPACITY CENTRE

FTA Information and Capacity Centre of IKV organized a seminar titled "Latest Developments in TTIP Meetings: Progress, Obstacles and Impacts upon Third Countries" on 12 February 2015. The progress made in TTIP negotiations, the challenges encountered during the negotiations process and the potential impacts upon third countries were the main topics discussed during the seminar.

In his opening speech, IKV Board of Directors Member and İHKİB Chairman Hikmet Tanrıverdi gave detailed information regarding IKV's FTA Information and Capacity Centre.

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IKV'S NEW PUBLICATION ON THE ACCESSION NEGOTIATION PROCESS



In IKV's latest publication entitled "What is the state of play in the chapters opened in Turkey's EU accession negotiations?", IKV experts offered an insight into the latest developments in the EU *acquis* and Turkey's level of alignment with the EU in regard to the 14 chapters opened for negotiations within Turkey's EU accession process since 2005. The book published in Turkish constitutes an important source for understanding and better assessing the progress made by Turkey in regard to its alignment with the EU in 14 chapters opened for negotiations.

PRIME MINISTER DAVUTOĞLU'S VISIT TO THE UNITED KINGDOM

Prime Minister Prof. Ahmet Davutoğlu visited the United Kingdom on 20-21 January 2015. During his visit, Prime Minister Davutoğlu met with his British counterpart David Cameron and gave speeches in meetings to which representatives from the finance sector attended. During his visit, Deputy Prime Minister Ali Babacan, Finance Minister Mehmet Şimşek and Minister of Culture and Tourism Ömer Çelik accompanied Prime Minister Davutoğlu. Turkey's long-term economic outlook, structural reform programme and Turkey-EU relations were the main items on the agenda of this visit. During a joint press conference following the meeting between Davutoğlu and Cameron, the two Prime Ministers emphasised the importance of the strategic cooperation between Britain and Turkey. Under the framework of Davutoğlu's visit to Britain, a partnership agreement was signed between London Stock Exchange Group and Istanbul Stock Exchange (Borsa İstanbul).

SEMINAR ON TTIP BY IKV'S FTA INFORMATION AND CAPACITY CENTRE

FROM THE FIRST PAGE

This Centre aims to establish the capacity that will be able to better formulate opinions on the impacts of the FTA signed by EU with third countries on Turkish economy. Within this framework, it is of great importance to follow closely the FTA negotiations with a stronger focus on the TTIP negotiations process. IHKIB Chairman Tanrıverdi stressed that not only would TTIP have important repercussions on the established Customs Union between Turkey and EU but it would also contribute in determining new trading standards and shaping the future of the world trading system.

The Head of Trade and Agriculture Section at the EU Delegation to the USA Damien Levie made a comprehensive presentation on the current state of affairs at TTIP negotiations. TTIP negotiations are composed of three parts: market access, regulatory issues and non-tariff barriers and rules addressing shared global trade challenges and opportunities. With TTIP, both parties are aiming at achieving a balanced comprehensive high ambition agreement increasing market access for goods and services for companies on both sides, reducing regulatory differences between the two economies and improving rules relevant to global trade and investment.

During his presentation, Levie highlighted the political will on both sides to pursue the negotiations and to find an agreement on sensitive issues. He also pointed out the challenges faced during the TTIP negotiations in three areas of market access (including agriculture



trade), regulatory convergence and rules. Sensitive areas from either side include but are not limited to: maritime and air transport services and investment barriers, data flows and personal data protection rules, financial services' regulatory cooperation and investment protection, including notably investor-to-state dispute settlement mechanisms. Levie also explained that, in regard to the services sector European and American negotiators need to work out the precise link between TTIP negotiations and the Trade in Services Agreement (TISA). Furthermore, he also drew attention to the difference in the perception between Europeans and Americans in regard to the level of opening the respective public procurement markets. While Europeans observe numerous "Buy America" and "Buy American" legislative restrictions in the USA, Americans consider that their public procurement markets nevertheless have the same level of openness as the EU markets.

In his presentation, Levie also

touched upon the state of play in the negotiations involving both regulators and trade negotiators regarding various sectors such as cars, chemicals, pharmaceuticals, cosmetics, textiles and medical devices. In regard to the challenges encountered within the negotiations over sectors, he pointed out that both parties were looking at ambitious but realistic propositions taking into account existing significant differences between the EU and USA laws such as within the chemicals sector which will not be modified as a result of TTIP.

Levie stressed that TTIP negotiations are going to be pursued intensively but also in a more transparent way. In that context, Damien Levie emphasized the importance of the initiatives taken by the European Commission in the last months in regard to strengthening the transparency within the negotiations process. Lastly, Levie briefly discussed the potential impacts of TTIP upon third countries. He assured that the European

Commission fully understands Turkey's concerns regarding TTIP negotiations in light of the Customs Union with the EU. In that context, he explained the importance for Turkey of initiating parallel talks with the USA on trade and investment. He also stressed the importance for both the EU and Turkey of the joint on-going work towards upgrading the Customs Union.

In the closure of the seminar, TEPAV Director of Centre for Multilateral Trade Studies and Former Permanent Representative of Turkey to the WTO his Excellency Bozkurt Aran stressed the importance of rules of origins that are being negotiated within the framework of TTIP as well as trade rules (such as environment, labour standards, energy and competition). Moreover, Aran stressed that the protection of investments, which is a controversial issue between the EU and USA, is much more important in comparison to the previous investment agreements signed by the EU with third countries.

EU'S GRADE IN ITS RELATIONS WITH TURKEY: "C"



The European Council on Foreign Relations (ECFR) released its 5th annual edition of the European Foreign Policy Scorecard. The study assesses the EU and its Member States' performance in 65 foreign policy issues in six key areas: relations with Russia, China,

the United States, Middle East/ North Africa, wider Europe and the EU's performance in multilateral institutions and crisis management.

According to the Scorecard which also examines the EU's relations with Turkey in four areas, the EU's overall performance in its relations with Turkey in 2014 received a "C" grade.

Both categories of "relations with Turkey on the Cyprus issue" and of the EU's role as regards to the "rule of law, democracy and human rights in Turkey" received a "C-" grade and are considered to be among the least successful

EU policies in 2014. Regarding the EU's "relations with Turkey on the Cyprus issue", the study indicates that there is no clarity as to when reunification talks will resume and argues that this continues to undermine the EU's policy vis-à-vis Turkey. For "the rule of law, democracy and human rights", the study states that while united in their concern over Turkey's anti-democratic tendencies, EU Member States remained divided on how to address this issue.

On the other hand, "bilateral relations with Turkey" gained momentum with the visa

liberalisation dialogue and the Readmission Agreement. Giving the EU a "C+", the study highlights the progress made by the Italian EU Presidency in the discussions relating to opening Chapter 17, as well as on opening Chapters 23 and 24.

According to the study, regarding the EU's "relations with Turkey on regional issues", Turkey's management of its relations with Russia has diverged from that of the EU and divisions over Syria remain. In this area, the EU received a "C+" grade.

TURKEY'S NEW ECONOMIC TRANSFORMATION PROGRAM WAS ANNOUNCED

Prime Minister Prof. Ahmet Davutoğlu announced Turkey's third Package of Preferential Transformation Programmes under the 10th Development Plan. This package aims to increase activity in the domestic labour market, encourage the participation of women in the labour force and reduce unemployment in Turkey. Consisting of 8 programmes and 380 action plans, this package covers measures addressing not only the economy and employment but also various sectors such as health and education.

One of the most important features of the package is its objective of increasing the rate of women's participation in the labour force by 1 percent each year. Women's participation in the labour market is to be encouraged through more flexible working hours and by promoting women's entrepreneurship. The package will also address the education-skill gap and the lack of applied training programs to enable students to acquire needed skills for the labour market. Centres for Lifelong Learning are also going to be opened to improve the skills of adults in order to better adapt them to the rising needs of the real economy.

THE EUROPEAN COMMISSION INCREASED ITS GROWTH FORECAST FOR TURKEY

The European Commission published "European Economic Forecast – Winter 2015" Report on 5 February 2015 which expects economies of all EU Member States to grow again this year for the first time since 2007. According to the report, the forecast figures on Turkey's growth are raised from 3.3 percent to 3.7 percent for 2015 and from 3.7 percent to 4 percent for 2016. It is expected that the Turkish Lira's real appreciation in 2014 will hamper export growth, but at the same time the economy will benefit from lower energy prices. Inflation is expected to decline significantly, while growth will be boosted by the rise in consumers' purchasing power, and the reduced outlay for imported energy will narrow the current account deficit.



G20 FINANCE MINISTERS AND CENTRAL BANK GOVERNORS MEETING TOOK PLACE IN ISTANBUL

The first G20 Finance Ministers and Central Bank Governors Meeting under the Turkish G20 Presidency took place between 8-10 February 2015 in Istanbul. The meeting gave the opportunity for G20 to discuss the current issues at stake and make progress on the roadmap for Turkish Presidency.

During the meeting, G20 Finance Ministers and Central Bank Governors discussed the current conjuncture of the global economy. Within this framework, it has been emphasized that some key economies present a favourable trend as regards to employment and growth while it has been pointed out that in some advanced economies such as Japan and the Eurozone, the economic recovery is progressing slowly. Furthermore, concerns have also been raised regarding the widening gap in the wealth distribution in many developed countries. At the meeting, it was emphasized that the level of the global trade growth remains low when compared to the pre-crisis period.

During the meeting, G20 representatives also focused on the implementation plans for strong, sustainable, inclusive and balanced growth. In this context, a special emphasis was given to investment

strategies that would contribute to the common objective of growth. These strategies aim to take actions to facilitate access to financial resources, to improve the business environment and the public investment process as well as to encourage the development of public-private partnership. A special emphasis will also be given to create a more favourable investment environment and the access to credit for the SMEs. Representatives of G20 also want that the Global Infrastructure Hub becomes operational in a short period of time in order to help countries better manage infrastructure projects.

During the meeting, G20 representatives also expressed their disappointment with regard to the absence of progress in 2010 IMF Quota and Governance Reform and stressed once again the importance to complete these reforms in order to ensure credibility, legitimacy and effectiveness

of the IMF. The importance of completing the financial reforms (especially regarding the measures addressing the too-big-to-fail problem) was also highlighted at the meeting. As regards the fight against tax evasion which was also a key item on the agenda of the meeting, it has been stated that G20 will continue to support the implementation of the G20/OECD Base Erosion and Profit Shifting Project in order to encourage the modernization of international tax rules. Importance is also given in strengthening transparency to prevent cross-border evasion.

Lastly, measures to take against terrorist actions, the implementation of the post-2015 development agenda and the economic impact of the Ebola crisis and risk management for global health emergencies were also discussed during the meeting.

IIF CONFERENCE ON "G20 AGENDA UNDER THE TURKISH PRESIDENCY"

The International Institute of Finance (IIF) organized in close cooperation with the Turkish Treasury the 7th Annual G20 Conference on "G20 Agenda Under the Turkish Presidency" in Istanbul on 8-9 February 2015.

Attending the meeting, Prime Minister Davutoğlu emphasized their aim to make Istanbul one of the leading economic and financial centres in the world. Underlining the opportunity provided by Turkey's G20 Presidency, Prime Minister Davutoğlu mentioned that Turkey would contribute to solutions for overcoming the effects of the global economic crisis.

Deputy Prime Minister Ali Babacan reminded that Turkey's G20 Presidency will focus on key areas that fall in three categories: Inclusiveness, Implementation and Investment. In regard to Inclusiveness, a special focus will be attributed to SMEs and low income developing countries. Deputy Prime Minister Babacan also explained their plan to establish a monitoring framework about the reform commitments and progress achieved



in the implementation. Lastly, a special focus will be given to encourage infrastructure investments by improving the investment environment and developing public private partnership.

TOBB President and B20 Turkey Chairman M. Rifat Hisarcikloğlu emphasized on the importance granted to G20 at a time where global coordination became essential to overcome global challenges that have arisen. Drawing the attention to the high level of youth unemployment, the slow growth rate in trade, the increase of debt, TOBB President Hisarcikloğlu emphasized the financial problems encountered at the global level. He shared his concerns in regard to the danger of over-leveraging. He stressed that trust in the economy and especially towards the financial system needs to be restored. TOBB President Hisarcikloğlu also explained that the business community along with the governments play a key role in dealing with these global issues. Thus he ensured that a comprehensive agenda to tackle these concerns has been set forth under the B20.

PRIME MINISTER AT WORLD ECONOMIC FORUM



Prime Minister Prof. Ahmet Davutoğlu attended the 45th World Economic Forum on 21-24 January 2015 and gave a speech about Turkey's G20 priorities at the panel entitled "Turkey's Vision for the G20". Touching upon the political and social effects of the global financial crisis, Prime Minister Davutoğlu emphasised G20's importance as a crisis management mechanism specifically in financial sector. In this respect, Prime Minister Davutoğlu urged for further strengthening of coordination at the G20 level and underlined the need for a more inclusive approach at the platform.

Reminding the aim of G20 leaders to contribute to the world economy by 2 trillion US dollars by the end of 2018, Prime Minister Davutoğlu emphasised the importance of concurrent integration of developed and less developed countries in the world economy. Prime Minister Davutoğlu further underlined the significant priority of increasing women participation in labour force. In this regard, G20 countries aim to increase the number of women in labour force by 100 million in the next 10 years. Lastly, Prime Minister Davutoğlu mentioned the importance of energy and climate change issues for Turkey's G20 Presidency.

MINISTRY FOR EU AFFAIRS' THIRD OFFICE OPENED IN IZMIR

Within the framework of the "New EU Communication Strategy", the Ministry for EU Affairs opened in February 2015 its third office (after Istanbul and Antalya) in Izmir. The establishment of these offices aim to ensure the harmonisation with the EU *acquis* at local level and the effective implementation of the legislation. The office in Izmir will also help interested parties to better prepare EU projects.

Minister for EU Affairs and Chief Negotiator Volkan Bozkır visited Spain at the end of January and the USA and Belgium at the beginning of February 2015.

Minister Bozkır visited Madrid on 27 and 28 January 2015. In the first day of his visit, Minister Bozkır met with the President of Spanish Senate Pio Garcia-Escudero and Minister of Foreign Affairs José Manuel Garcia-Margallo. In the second day of his visit, Minister Bozkır attended a meeting with businessmen of the Confederation of Employers and Industries in Spain (CEOE) and then a working luncheon at one of the leading Spanish think tanks Royal Elcano Institute where he had the opportunity to address academics, businessmen and high level officials. The same day, Minister Bozkır also attended a dinner at the Turkish Embassy in Madrid where he exchanged views with Spanish politicians, senior government officials and businessmen on Turkey-EU relations, especially Turkey's EU accession process as well as bilateral relations between Turkey and Spain.

MINISTER FOR EU AFFAIRS' VISIT TO SPAIN, USA AND BELGIUM



Minister Bozkır visited Washington D.C. between 3 and 6 February 2015. During his visit, Minister Bozkır had the opportunity to discuss thoroughly the latest developments regarding the ongoing negotiations and potential impacts of TTIP with representatives of the USA Administration and Congress. Minister Bozkır also gave a speech at the German Marshall Fund about the potential impacts of TTIP upon Turkey and the Customs Union established with the EU.

During his visit to Brussels on 11 and 12 February 2015, Minister Bozkır met with key EU officials such as Commissioner for Financial Stability, Financial Services and Capital Markets Jonathan Hill, Commissioner for Neighbourhood Policy and Enlargement Negotiations Johannes Hahn, Commissioner for Research, Science and Innovation Carlos Moedas and Commissioner for Economic and Financial Affairs, Taxation and Customs Pierre Moscovici to discuss Turkey-EU

relations and the latest developments in regard to Turkey's EU accession process. During his visit, Minister Bozkır also gave a speech on the latest developments in Turkey-EU relations as well as in Europe at the Centre for European Policy Studies (CEPS). Minister Bozkır met former Member of the European Parliament Emine Bozkurt as well as representatives from the Independent Industrialists' and Businessmen's Association (MUSIAD) and Turkish Industry and Business Association (TUSIAD).

TURKEY'S T20 OFFICIALLY LAUNCHED

T20 official launch themed "Transforming Global Governance" took place on 11 February 2015 in Istanbul. In his opening speech, TEPAV Director Sak addressed the need to build communication mechanisms between developing and developed countries through G20. He added that G20 and T20 connection might play a key role and stressed the importance on creating T20 as a platform for global policy dialogue, especially with the support of Deputy Prime Minister Babacan.

In his speech, Deputy Prime Minister Babacan mentioned that G20 is a critical line that is operating for three years and a major group under G20. Underlining TEPAV's leading role in this process, he stated that innovative and productive events which would develop new ideas, policies and projects within the G20 agenda are expected from T20. He also stated that G20, T20, B20 and L20, focusing on different platforms, would contribute in overcoming the impacts of the global economic crisis.



In his speech, TOBB President Hisarcıklıoğlu mentioned the critical role played by G20 in creating a new global governance mechanism. As the representative of the business world, he stressed that there would be risk of new challenges in the near future. In this regard, he offered a strategy to cut debt ratios at global level.

Lastly, ITO President İbrahim Çağlar mentioned that globalisation and institutionalisation as a process started with the establishment of think tanks. Underlining the transformation of G7 to G20, he mentioned that the process would evolve into a more inclusive nature in the future through T20 involvement.

TURKEY'S L20 OFFICIALLY LAUNCHED

The official L20 Launch under Turkish Presidency took place in Ankara on 5 February 2015. Various officials from the government, unions, NGOs and G20 bodies including Deputy Prime Minister Ali Babacan, Turkey's Sherpa, the Chair of the Employment Working Group (EWG), ITUC General Secretary Sharan Burrow, TUAC General Secretary John Evans, the L20 Turkish Steering Committee, including the General Secretaries of TURK-IS, DISK and HAK-IS and representatives from B20, T20 and C20 attended the meeting.

During the meeting, L20 priorities have been discussed thoroughly by all the stakeholders. Turkish unions highlighted the importance of ensuring the safety of workplaces, good working conditions for migrants and training at the G20 level as well as fighting with informality. It was also decided that L20 Turkish Steering Committee would



closely cooperate with ITUC and TUAC during the Turkish Presidency.

As mentioned during the meeting, jobs, wages, inequality and investment planned to be the main issues on the agenda of L20. Deputy Prime Minister Babacan pointed out that Turkey's G20 agenda would focus on inclusion, implementation and investment. ITUC General Secretary Burrow emphasized that L20 would be a pressure mechanism on G20 governments on these issues. Turkish government officials also presented their plan towards establishing an implementation and monitoring structure for greater efficiency.