 

**PROTOCOL OF**

**THE SEVENTH SESSION OF THE FRANCE-TURKEY**

**JOINT ECONOMIC AND TRADE COMMITTEE (JETCO)**

The Turkey-France Joint Economic and Trade Committee (hereinafter referred to as the JETCO) which was established with “the Declaration on the Establishment of the Joint Economic and Trade Committee (JETCO) between the Republic of Turkey and the French Republic” signed on November 24, 2008 in Ankara, held its seventh meeting on November 30, 2022 in Paris.

The French Delegation was headed by H.E. Olivier BECHT, Minister Delegate for Foreign Trade and Economic Attractiveness, attached to the Minister for Europe and Foreign Affairs of France and the Turkish Delegation was headed by H.E. Mehmet MUŞ, Minister of Trade of the Republic of Turkey.

The members of the two Delegations are listed in Annexes I and II, respectively.

During the meeting, various issues and topics of mutual interest were discussed and the results of these deliberations are summarized as follows:

**I- TRADE RELATIONS**

**Bilateral Trade**

Both Sides reviewed the development of bilateral trade between the two countries and agreed that the volume of bilateral trade did not reflect the potential and the goodwill of cooperation between both countries, despite its manifest resilience in a global context marked by COVID-19 pandemic and increasing tensions on trade.

Both Sides, in this regard, reviewing the developments in their bilateral trade volume which was recorded as 16,5 billion euros in 2021, reiterated 20 billion euros as the target in their bilateral trade to be achieved in the coming terms, making sure to keep it as balanced as possible.

Both Sides expressed their common desire to seek opportunities to strengthen and diversify their bilateral economic and commercial relations in various areas within the framework of effective and mutually advantageous conditions.

**Trade Promotion Activities and Investments**

Both Sides reiterated their interest in intensifying efforts to reach bilateral trade volume target of 20 billion euros, by underlining the importance of supporting cooperation between their private sectors and by vitalizing promotion activities towards enhancing bilateral economic and commercial relations between the two countries for this purpose.

Both Sides, in this framework, stated their satisfaction with the “Interactive session with French and Turkish business communities” that took place within the Seventh Session of the JETCO with the participation of leading companies and investors of both countries. Both Sides also decided to hold business forums and investment events of this kind and to encourage similar private sector events on a regular basis with the wide participation of business circles and relevant firms of their respective countries.

In this context, Both Sides underlined the importance of the cooperative approach of bodies such as Foreign Economic Relations Board of Turkey (DEİK), and Movement of the Enterprises of France - International (MEDEFI) in promoting bilateral trade and investment relations between the two countries.

Both Sides, in line with this, also expressed their willingness to launch common initiatives, encourage the participation of their private sectors to fairs and exhibitions to be organized in their respective countries and arrange visits of business delegations in potential sectors with a view to achieving higher level of bilateral trade and investments.

Both Sides emphasized the importance of foreign investments for achieving the sustainable development goals and their own climate objectives.

In this context, both Sides acknowledged the necessity to rekindle the renewal of the existing “Avoidance of Double Taxation Agreement” between the two countries to encourage French and Turkish companies to invest further.

Both Sides also underlined the importance of increasing and levelling out the investments between Turkey and France. Both Sides agreed to encourage the cooperation between relevant Turkish and French business circles in order to identify specific joint commercial and investment opportunities in their respective countries.

In this context, both Sides expressed their willingness to cooperate in the areas, including but not limited to information and communication technologies, innovation, startups’ecosystems, artificial intelligence, renewable energy, sustainable city related fields (such as urban services, energy efficiency, urban and inter-city transport), automotive and aerospace industries (including supply industry), logistics, manufacturing industry and technology, health (pharmaceuticals products and hospital equipment), agriculture (including trade of live animals) as well as cooperation in the field of international and public-private partnership (PPP) infrastructure projects and investments.

**Contracting and Technical Consultancy Services**

Both Sides, acknowledging the successes of Turkish and French companies all over the world, emphasized the significance of improving the existing cooperation in the field of contracting and consultancy services, especially in the area of transportation sector such as urban transportation, motorways, maritime port. The Turkish and French Sides expressed their precise willingness to increase the participation of Turkish and French construction companies to infrastructure and superstructure/supra structure projects in Turkey and France.

Both Sides agreed to encourage the cooperation between relevant Turkish and French business circles and companies in order to identify specific joint opportunities in their respective countries and vitalize promotion activities towards enhancing bilateral economic and commercial relations between the two countries in the field of contracting and technical consultancy services.

**Cooperation in Third Countries**

Both Sides, underlining the significance of investments, joint projects and joint ventures towards the development of bilateral economic and commercial relations, as well as emphasizing the importance of foreign investments, agreed to encourage further cooperation between Turkish and French businesses through identifying specific joint commercial and investment opportunities in third markets.

**II- EU RELATED ISSUES**

**Visa Issues**

Both Sides emphasized the importance of handling the visa procedures in a transparent way in accordance with relevant rules and regulations.

The Turkish Side emphasized the positive economic outcomes that would be brought by the removal of visa requirements for Turkish citizens by the EU and asked for the cooperation of the French Side on this issue. The French side encouraged Turkey to work towards sustained fulfilment of all benchmarks of the visa liberalisation roadmap.

**Modernization of the Customs Union**

Both Sides underlined that Turkey and the EU could benefit substantially from the modernization of the Customs Union. Both Sides stressed the importance of adequately addressing the priorities of both Parties within this process.

Both sides, accepting the existing Customs Union as a good basis, agreed to make every efforts to improve the trade and economic relationship between the EU and Turkey and, especially, to solve still existing market access issues in the current Custom Union.

The Turkish side underlined that the problems encountered by Turkey regarding free trade agreement negotiations with third countries have negative effects not only on Turkish firms but also on EU firms operating in Turkey. The Turkish Side requested the support of the French Side for inviting the European Commission to further collaborate with Turkey to find a concrete solution to this issue.

**Intellectual property**

Both Sides underlined the importance of cooperation in the field of enforcement of the intellectual property rights and to continue efforts in the fight against counterfeiting.

Both Sides expressed their satisfaction on the ongoing cooperation between the EU, Turkey and France in the field of geographical indications and the French Side welcomed the regulations in Turkey regarding Geographical Indications.

**Sustainable Supply Chains and European Green Deal**

Both sides expressed their willingness to enhance bilateral dialogue and cooperation in the field of sustainable supply chains including due diligence, responsible business conduct, anti-corruption and the implementation of international environmental, social and governance (ESG) standards.

Both sides, in this regard, affirmed the importance of building partnerships in supporting the objectives of Agenda 2030, international climate agreements and the European Green Deal, the latter which includes comprehensive policy reforms and measures to transform the industrial sector and all value chains in a sustainable manner.

The Turkish Side stated that strong partnerships among European Commission, governments and business are critical; since no government or business can handle this huge green transformation challenge alone. In this regard, Turkish side, as a candidate country and a Customs Union partner, stressed the importance of accessing inclusive financial mechanism and funds providing by EU for supporting the green transformation is crucial.

**EU sanctions on Russia over Ukraine**

Both Sides acknowledged the necessity to prevent circumvention of EU sanctions concerning economic activities with Russia.

**III. ECONOMIC AND TECHNICAL COOPERATION**

Both Sides, stressing the importance of economic cooperation between the two countries, agreed to further encourage their respective organizations to enhance cooperation in the following fields: industry, standardization, small and medium sized enterprises, science and technology, civil aviation and space, metrology, sustainable supply chains and green deal, energy, health, transportation, agriculture and livestock, tourism, to improve economic and technical cooperation between two countries.

**1. Agriculture, Water Management and Forestry**

Both Sides proposed the following main areas of cooperation in the field of agriculture, water management and forestry:

* veterinary and phytosanitary issues;
* forestry related areas and activities;
* land issues;
* agricultural education and research;
* specific topics as the Geographical Indications;
* water management related areas and activities;
* other fields of cooperation such as exchange of experience and technology on the effects of climate change in agriculture and climate-friendly agriculture practices, wholesale market, producers’ organizations, development of agricultural cooperatives in terms of infrastructure and institutional capacities, support for mutual investment on agriculture regarding the improvement of trade between the two countries, fish and aquaculture, agricultural losses and wastes.

Both Sides expressed their willingness to hold the 15th Session of the Turkish-French Agricultural Technical Committee on beginning of 2023 in Ankara.

**2. Environment and Smart Cities**

Both Sides welcomed the resumption of the activities of the “Environment and Urbanization Working Group” and proposed the following main areas of cooperation:

* Sustainable city related fields (such as urban services, energy efficiency, urban and inter-city transport)
* Circular economy;
* Carbon capture and storage;
* Research on air, soil, wetland and sea quality measurement.

Both Sides also decided to encourage actions in order to develop cooperation between their related organizations and exchange of expertise in the above-mentioned domains.

Both Sides, in this context, stated their satisfaction with the signature on May 30th, 2022 of the Memorandum of Understanding between Movement of the Enterprises of France – International (MEDEFI) and the Union of Municipalities in Turkey (TBB) on cooperation in the field of sustainable urban development. Both Sides agreed on facilitating the organization of visits, meetings, seminar and round tables planned by the latter two bodies, in France or in Turkey.

**3. Transportation**

Both Sides acknowledged that, in the current situation, transportation and connectivity topics between Turkey and the European continent represent a major challenge as well as a promising field for further cooperation in the transportation sector.

Both Sides welcomed the resumption of the activities of the “Transportation Working Group” and proposed the following main areas of cooperation:

* Exchange of experience on the development of green, smart, urban and interurban transport services (including – but not limited to – hydrogen transport solutions, autonomous vehicle, emission reduction, micro-mobility);
* Exchange of experience between transport policies implementing bodies;
* Training of agents of the Turkish railways sector;
* Cooperation within the framework of the “New Silk Roads” (including – but not limited to – transport infrastructure projects in Turkey and cross-border infrastructures).

**4. Energy and green transformation**

Both Sides welcomed the resumption of the activities of the “Energy Working Group” and proposed the following main areas of cooperation:

* Institutional and industrial cooperation in the field of nuclear energy including – but not limited to – R&D and applications of nuclear research reactors as SMR technologies;
* Energy efficiency;
* Regional cooperation on natural gas;
* Renewable energies;
* Hydrogen.

Both Sides stressed the importance of the project of construction of a 1.5 GW offshore wind farm in Saros Bay. First, this project is perfectly in line with Turkey's efforts to decarbonize its economy and, in particular, its electricity mix. In this regard, it will contribute to achieving the objective set by President Erdoğan of carbon neutrality by 2053. More generally, it is aligned with the commitments of the international community made under the Paris Agreement. Second, this project is likely to strengthen Turkey's energy security and, more specifically, to make it less dependent on imported fossil fuels, a dimension that the current geopolitical context invites to take more into account. Finally, the project is supported by GE France and Türkerler, two economic players with world-renowned know-how and whose long-standing technical partnership is a guarantee of success. For all these reasons, both Sides committed in studying ways to make the project a reality.

**5. Financing**

Both Sides acknowledged the role of the French Development Agency Group (AFD) in financing and facilitating technical exchange regarding green transformation issues in Turkey in areas including public transport, water, wastewater and solid waste infrastructures, renewable energy and energy efficiency, agriculture and the agro-food sector, sustainable exploitation of the environment and the biodiversity and circular economy. The French Side informed that the AFD has a long-standing experience in financing projects using its own resources and EU funding.

Both Sides agreed to identify projects of mutual interest with strong bilateral value added which could be prepared and financed with AFD support within the framework of the Memorandum of Understanding on Climate signed along with the World Bank Group and KfW on October 4th, 2021.

**IV. THE NEXT SESSION OF THE JETCO**

Both Sides agreed to hold the Eighth Session of the JETCO in Turkey on a date to be determined through diplomatic channels.

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Done and signed on November 30, 2022 in Paris in two originals in English language, both texts being equally authentic.

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| **For the French Delegation** | **For the Turkish Delegation**  |
| **Olivier BECHT****Minister Delegate for Foreign Trade, Economic Attractiveness and Foreign Nationals Abroad** | **Mehmet MUŞ****Minister of Trade of****the Republic of Turkey** |