INTERNATIONAL ACTIVITIES

I. INTERNATIONAL COOPERATION ACTIVITIES

1. Technical Assistance Programs and Projects

Technical assistance projects have been implemented by the Turkish Statistical Institute (TurkStat) on the basis of needs and requirements of transition countries, priority is given to the Caucasian and Central Asian Turkish Republics, since 1994 with the financial support of the Turkish International Cooperation Agency (TICA).

In order to implement these projects, a cooperation protocol between TurkStat and TICA was signed on May 9, 1994. Activities included in the protocol were as follows:

- Training programs (courses, seminars, workshop etc)
- Consultancy service
- Equipment support
- Publication printing

Completed Projects

| 1994-2003 | Strengthening the Statistical Activities Projects Azerbaijan, Kazakhstan, Kyrgyzstan, Uzbekistan, Turkmenistan |
|-----------|---|
| 1996-1999 | Bosnia and Herzegovina |
| 1997-1998 | Georgia * |
| 1998-1999 | Mongolia |
| 1997-2001 | Macedonia |
| 2002-2004 | Bosnia and Herzegovina |
| 2006-2007 | Kyrgyzstan |

* Technical assistance project to Georgia was financed by TurkStat and the Statistical Office of Georgia.

Ongoing Projects

| 2005-2008 | Kazakhstan |
|-----------|--------------|
| 2005-2008 | Mongolia |
| 2008-2010 | Turkmenistan |

Planned Projects

| 2008-2009 | Palestine |
|-----------|-----------|
| 2008-2009 | Sudan |
| 2009-2010 | Belarus |

2. Cooperation with Regional Organizations

a. Economic Cooperation Organization (ECO)

Economic Cooperation Organization (ECO) was established in 1985 as the successor of Regional Cooperation for Development (RCD) founded with the purpose of developing regional economic cooperation by Iran, Pakistan and Turkey in 1964.

The studies implemented by the Turkish Statistical Institute in collaboration with ECO have accelerated with the establishment of the Directorate of Economic Research and Statistics (DERS) in 1998 and the First Meeting of the National Focal Points of DERS was held on 14-16 December 1998 in Ankara at TurkStat. In this meeting, responsibility of preparing the content and format of ECO Socio-Economic Indicators was given to TurkStat unanimously.

In parallel with the improvements in relations with ECO, "Sub-regional Workshop on Implementation of 1993 System of National Accounts (SNA)" for the member countries of Economic Cooperation Organization (ECO) was held from 21 to 25 October 2002 at TurkStat on request of the related organization. Totally 38 participants from the ECO member countries, except Afghanistan, ECO Secretariat, UNESCAP, UNSD and Center for Islamic Countries Statistical, Economic and Social Research and Training Center for Islamic Countries (SESRIC) attended the workshop and all logistical and technical support was provided by TurkStat.

In the frame of the cooperation with ECO, data are being provided to the Secretariat for ECO Annual Economic Report and ECO Statistical Yearbook and Turkey's data in the ECO publications are being updated regularly.

The sixth Meeting of National Focal Points will be realized in November 2008 at TurkStat.

b. Black Sea Economic Cooperation (BSEC)

Black Sea Economic Cooperation (BSEC) is a cooperation model initiated under the leadership of Turkey, in order to increase commercial, economic, scientific and technological cooperation among member countries and to make the Black Sea Region a region of peace, stability and welfare.

At the outset, 11 countries joined to BSEC. These countries were Albania, Azerbaijan, Bulgaria, Armenia, Georgia, Moldova, Romania, Russian Federation, Turkey, Ukraine and Greece. With the accession of Serbia and Montenegro, number of member countries of BSEC has reached to 12. Activities related with BSEC were initiated under the leadership of Turkey in Istanbul on June 25, 1992 with the signature of Summit Declaration by Heads of 11 States. BSEC Coordination Center was established within the Turkish Statistical Institute.

Within the framework of the Coordination Center, the quarterly publication called "Turkey's Foreign Trade" was published for the last time in 2006 including data for 2005 and related data is being published in the website of TurkStat starting from the year 2007.

c. Organization of the Islamic Conference (OIC) - Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRIC)

Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRIC) was founded on June 1, 1978 in order to coordinate activities regarding statistical research and trainings of 57 member countries of the Organization of the Islamic Countries (OIC).

- In the scope of the cooperation, a TurkStat expert visited Oman between 15-28 June 1999 in order to provide give consultancy service on price statistics upon the request of Statistical Institute of Oman.
- Upon the request of the Planning Ministry of United Arab Emirates, one TurkStat expert was assigned in Abu Dhabi between 11-16 March 2002 to share the experiences of TurkStat on national accounts
- TurkStat and SESRIC jointly organized a training seminar on Geographical Information Systems and Remote Sensing between 3-14 June 2002 at the Middle East Technical University (METU) in Turkey.
- A training course on "Population Censuses" was given to the experts from the statistical offices of OIC between 6-10 September 2004 at TurkStat and 14 experts from related countries participated in this training program.
- Under the collaboration of TurkStat and SESRIC, a training program on "Price Statistics and Indices" was organized in February 2006 at TurkStat and this program was participated by 12 experts of the related countries.
- In order to give training on web-based compilation techniques, a TurkStat expert was assigned in Azerbaijan between 26-28 February 2007.
- A service contract was signed on 15.02.2008 between SESRIC and TurkStat to publish some of the publications of SESRIC prepared for the member countries of the Organization of the Islamic Countries at the printing office of TurkStat.
- A TurkStat expert visited Tajikistan between 26-28 May 2008 in order to give training on data quality.
- In order to give training on Agricultural Statistics and Food Security Analysis, a TurkStat expert was assigned in Uganda between 26-27 May 2008.
- A TurkStat expert visited Kazakhstan between 24-26 June 2008 in order to give training on agricultural statistics.

3. Cooperation with International Organizations

- In the context of a program funded by the **World Bank**, a training on the below mentioned subjects was provided to a group consisting of 10 experts of the **Statistical Office of Tajikistan** between 26 May-1 June 2005 at the Turkish Statistical Institute.
- In the context of a project funded by the **United Nations Population Fund (UNFPA)**, a committee consisting of a Vice President and two Heads of Departments from the **Central Statistical Office of Syria** visited TurkStat between 16-17 November 2006
- "2. OECD World Forum" on "Statistics, Knowledge and Policy" was jointly organized by OECD, TurkStat and the State Planning Organization (SPO) between 27-30 June 2007 in Istanbul, Turkey.
- In the context of a project developed by **the World Bank** aiming at restructuring the **Statistical Office of Tajikistan**, 4 training programs were organized in 2007 at TurkStat under the headlines "Agricultural Statistics, 29 May-8 June", "Industrial Statistics, (3-6 July)", "Social Statistics, (25-28 September)" and "Demographic Statistics, (11-14 December)" and these programs were attended by 40 Tajik experts in total.
- In the context of the project called **"Population and Housing Census of Afghanistan"** carried out by **United Nations Population Fund (UNFPA)** within the framework of restructuring of Afghanistan, 4 Afghan experts and 2 UNFPA consultants participated in the training program organized at TurkStat between 19-23 November 2007. Also, one TurkStat expert participated in the International Census Consultancy Board Meeting organized by UNFPA in the United States of America between 7-8 January 2008. It is foreseen to organize one more training program in TurkStat in May 2008.
- In the context the studies regarding the population census to be carried out in October 2008 by **Pakistani Government**, upon the request of **United Nations Population Fund (UNFPA)**, 6 Pakistani experts visited TurkStat between 25-28 February in order to review methods and approaches for population censuses.

4. Bilateral Cooperation

Besides international and regional organizations, Turkish Statistical Institute also has been carrying out bilateral cooperation studies with several countries.

a. Cooperation with the Turkish Republic of Northern Cyprus

TurkStat has been carrying out cooperation studies with several institutions in the Turkish Republic of Northern Cyprus (TRNC). Within this scope, technical support was provided for the following projects:

- General Agricultural Census (1995-1996)
- Population Census (1996-1999)
- Implementation Application of the Survey on Household Consumption Expenditures and Income Distribution, Improving the Consumer Price Indices (1998-1999)
- <u>Conducting "General Census of Industry and Business" in TRNC, Preparation of Input-Output Tables, Setting-up and Development of Series of the New National Income (1997-2002)</u>
- Studies for Agricultural Register System (May-November 2002)
- Household Labor Force Survey (March 2004-continues): In order to provide technical assistance to the Household Labor Force Survey to be conducted by the TRNC SPO
- Setting up Studies for Producer Price Index, Export-Import Unit Price Index and Construction Cost Price Index (2004-continues):
- Enumeration Studies in TRNC in 2005 and Population and Housing Census in 2006 (December 2005-continues)
- <u>Household Budget Survey (2007-continues)</u>

b. Cooperation with South Korea

A committee consisting of 5 experts from the **Statistical Office of South Korea** visited TurkStat on April 19, 2007 in order to discuss the Official Statistical Program, regional statistics, compilation and use of data in administrative processes regarding statistical production, cooperation and coordination between head quarters and regional offices.

II. EUROPEAN UNION COORDINATION ACTIVITIES

1. TurkStat – Eurostat Relations

Eurostat is the main legal interlocutor of TurkStat during the compliance process to European Union Statistical System. TurkStat-Eurostat relations began with "Cooperation Protocol" signed in 1993. The relations improved with the Helsinki Summit in December 1999.

First high level contact with Eurostat realized with a study visit conducted to Eurostat in 2000. This study visit, aiming to acquire knowledge on statistical compliance process, exchange of views and define a strategy on compliance studies, was a turning point about Eurostat-TurkStat relations. Since the year 2000, TurkStat has been represented by high level administrators in PGSC (Policy Group on Statistical Cooperation), MGSC (Management Group on Statistical Cooperation) and DGINS (Directors General of National Statistical Institutes) meetings.

European Commission allocated 15 million euro financed from MEDA funds for Upgrading the Statistical System of Turkey (USST) Program. The program which has 15 sub-projects has been started to be prepared in 2002. The program actually started in 2003 and will end in 2006. Eurostat provided technical and administrative support in every stage of the program. Besides, Eurostat has joined the preparations of the second Phase of the USST Program which was implemented between 2007–2009. Eurostat, Turkey desk officer has joined several meetings with the project leaders and expressed her ideas about the coverage, implementation and impact of projects.

In the context of MEDSTAT (Euro- Mediterranean Cooperation) Program, in cooperation with Eurostat, committees have been established on sub-statistical areas like industry, tourism and transportation). Meetings, workshops have been organized on statistical cooperation and compliance. Eurostat financed trainings on related subjects has been provided to TurkStat experts.

TurkStat has been providing data regularly to Eurostat on various subjects. Eurostat has developed a computer based tool called "Statistical Management Information System (SMIS)" to monitor the candidate countries' compliance and progress level to EU Standards.

TurkStat technical units can access to the system and can follow and update the status. The progress is being reported to Eurostat on an annual basis.

2. Accession Partnership Agreement and National Plan

After Turkey's authentication as a candidate country in 1999, EU accepted the first Accession Partnership Agreement in 2001 which determines the principles, priorities, requirements of Accession Partnership with Turkey. At the same year, Turkey in reply prepared its first National Plan, underlining how to meet the priorities listed in Accession Partnership. EU accepted three more Accession Partnership Agreements in 2003, 2006 and 2007, all of which update the priorities upon Turkey's achievements. In 2003, Turkey updated its National Plan according to new Accession Partnership Agreement. In the last Accession Partnership Agreement, EU introduced the following priorities for Turkey:

<u>In the short-term</u>: Producing timely key national accounts indicators in accordance with ESA 95, Aligning the methodology and the organizational set-up for collecting information to provide agriculture statistics in line with EU requirements and finalizing the establishment of business register.

<u>In the medium term:</u> Reinforcing the coordinating role and improve the administrative capacity of TurkStat to ensure more timely collection, processing and dissemination of data.

Currently, Turkey is in a process to prepare a new National Plan according to 2007 Accession Partnership Agreement.

Monitoring the progress on National Plan is realized through National Database established in European Union Secretariat General (EUSG). National Database includes information on Acquis Communautaire and the Turkish counterpart legislation. National Database also serves as a interagent for transferring the knowledge to Progress Database established in EU Commission Directorate of Enlargement Technical Cooperation and Information Exchange Office (TAIEX). EU monitors the candidate countries legislations through this instrument.

3. Negotiation Process

Turkey was decided to begin the accession negotiations with European Union in 17 December 2004 and the negotiation process began officially in 3 October 2005. TurkStat was the responsible institution of Chapter 18 "Statistics". Explanatory Screening Meeting was realized on 19-20 June 2006 and the Detailed Screening Meeting was in 17-18 July 2006.

81 participants attended the Explanatory Screening Meeting of which 9 from TurkStat and 72 from other relevant institutions. In the meeting, presentations were made by Eurostat staff about the European Statistical System; in details, legal bases, current studies, problematic sectors and future studies to be realized were explained.

In the Detailed Screening Meeting, TurkStat and other relevant institutions staff presented their studies. 110 participants attended this meeting of which 33 from TurkStat and 77 from relevant institutions as Ministry of Finance, Central Bank of the Republic of Turkey and Undersecretary of Treasury. Statistical infrastructure of Turkey, methodology, on-going works and future plans were included in these presentations. After the Screening Meetings, an Evaluation Meeting was realized with related institutions under the chairmanship of State Minister & Chief Negotiator Ali BABACAN. And also a meeting was arranged for Non-Governmental Organizations (NGOs) to express the screening process of the chapter.

In December, "Post-Screening Report" (PSR) was prepared and transmitted by EU Commission. In the PSR, it was stated that Turkey was on a satisfactory level on Chapter 18 "Statistics" and also expressed Turkish Statistical Law as a significant development. It was also emphasized that Statistical Acquis was implemented gradually and Turkey was aware of its deficiencies. In the final part, Turkey was considered to be sufficiently prepared at this stage for opening negotiations and the Commission recommended opening accession negotiations with Turkey on Chapter 18 "Statistics" without any opening criteria.

In 18 January 2007, COREPER (Committee of Permanent Representatives) sent an invitation letter to Turkey and requested to prepare a "Negotiation Position Paper" (NPP).

Subsequently NPP was prepared with the contributions of TURKSTAT, Secretariat General for EU Affairs (EUSG), relevant institutions and NGOs after performing a meeting and giving a presentation in EUSG for NGOs about the Chapter 18 "Statistics".

NPP is composed of three parts: General Statement, Capacity to Implement the Acquis and Alignment with the Acquis. "In the Alignment with the Acquis" part, there has three subitems: Statistical Infrastructure, Classifications and Registers, and Sector Statistics.

Consequently NPP was submitted to Brussels in the end of March 2007.

a. Common Position Paper and Opening of the Chapter at Intergovernmental Conference

The Commission decided to open Chapter 18 – Statistics, to accession negotiations at the Intergovernmental Conference which was held in Brussels in 26 June 2007. Position Paper was accepted in the same meeting, and closing criteria of Chapter on Statistics were specified at two title:

Agricultural Statistics:

• Turkey submits to the Commission (Eurostat) a detailed description on progress made in setting up the farm register, including a timetable and means for its completion. Moreover Turkey submits a detailed description of the foreseen methodology and the organizational set up to be used for the collection of statistics on crop, livestock, meat production, milk production, dairy products and agro-monetary statistics as well as livestock, meat production, milk production and dairy statistics, showing substantial progress towards the compliance with the acquis.

National Accounts:

• Turkey submits to the Commission (Eurostat) key national accounts indicators (GDP, GNI and main components) in accordance with ESA 95 together with a detailed description of the methodology used.

b. Activities Realized After Actual Negotiations

In 8 November 2007, a meeting was held in Brussels related to Closing Criteria. In this meeting, the principles of actual negotiations between EU and Turkey and the importance of regular feedback from Turkey not only on closing criteria but also on the progress achieved in all other statistical areas covered by the Common Position, was mentioned. It has also been stated that the evaluation of the progress will be based on Turkey's performance on presenting the demanded data as a complete data set. Additionally, it is mentioned that EU expects Turkey not to achieve full compliance but realize compliance on specific indicators.

Mr. Anton STEURER, Turkey Desk Officer in EUROSTAT and Mr. Ralf HEIN, Expert from Eurostat Unit C1 visited TurkStat on 18-19 October 2007. TurkStat informed Eurostat delegation on national accounts system major revision during the mission. This mission included monitoring about two closing criteria of Chapter on Statistics.

All the same, studies of revising national accounts were finished and announced to public by TurkStat.

A workshop was held relating to Closing Criteria of Chapter on Statistics in 19 February 2008. Staff of TurkStat, SPO, MoFA, Secretariat General for EU Affairs and Prime Ministry were participated this workshop. TurkStat was informed about criterias and explained on studies of ongoing and planed.

c. Screening Meetings of Other Chapters

TurkStat, as the main actor and coordinator of the Turkish Statistical System, is responsible for compliance to EU Acquis in the statistical area. Progress in the statistical area is far more important than provision of Statistics Chapter opening to negotiations. The numeric figures which are used to signify the progress in other Chapters such as Free Movement of Goods, Agriculture and Rural Development, Social Policy and Employment, Environment, Education and Culture, are the out of Turkish Statistical System. In this concept TurkStat attended the meetings of 15 other chapters with 38 representatives.

4. Coordination of TAIEX Activities

TAIEX, or the Technical Assistance and Information Exchange is an instrument of the Directorate-General Enlargement of the European Commission. TAIEX helps countries with regard to the approximation, application and enforcement of EU legislation. It is largely demand driven and channels requests for assistance and contributes to the delivery of appropriate tailor-made expertise to address problems at short notice.

TAIEX' main tasks are:

- To provide short term technical assistance and advice on the transposition of EU legislation into the national legislation of beneficiary countries and on the subsequent administration, implementation and enforcement of such legislation.
- To provide technical training and peer assistance to partners and stakeholders of the beneficiary countries.
- To be an information broker by gathering and making available information.
- To provide database tools for facilitating and monitoring the approximation progress as well as to identify further technical assistance needs.

TurkStat participates in TAIEX activities in parallel with its priorities listed in Accession Partnership Agreement and National Plan. Foreign relations Department is responsible for acquainting the top management about the programs, inquiring the demands of departments about technical support and training, and organizing the application procedures.

4. Updating the Statistical Management Database (SMIS)

In the enlargement process, it has become obvious that, compliance level of candidate countries to Acquis, should be evaluated. Thus, Eurostat developed a software which permits and supports candidate countries to clearly define the coverage of EU Statistical System and evaluate their own compliance level. TurkStat effectively uses and regularly updates this tool. Eurostat monitors the information presented in this program.

5. Participation to Sub-Committee Meetings

8 Sub-Committees have been set up by "Decision No 3/2000 of the EC-Turkey Association Council of 11 April 2000 on the Establishment of Association Committee Sub-Committees (2000/378/EC)" in order to monitor the priorities of Association Agreement and Accession Partnership by the stated areas in the document.

The Sub-Committees do not have any decision-making power; basically they monitor progress on the harmonization and implementation of the legislation, and make suggestions on resolving the possible problems about the affairs in their area of responsibility.

Fifth round meetings (Fourth round of No.2 and sixth round of No.4) of the Sub-Committees were completed prior to the screening process. It was decided that the Sub-Committees shall continue to execute the studies.

TurkStat contributes to 1. Agriculture and Fisheries, 3. Trade, Industry and ECSC Products 4. Economics and Monetary Issues, Capital Movements and Statistics, 5. Innovation, 6. Transport, Environment and Energy, and 7. Regional Development, Employment and Social Policy sub-committees.

III. STATISTICAL PROJECTS FUNDED BYTHE EUROPEAN UNION

1. MEDSTAT

The MEDSTAT Program-the Euro-Mediterranean Statistical Cooperation Program was launched for the period of 1996-1999 as a part of the Barcelona Process on December 1995. It was the first regional project arouse from the Barcelona Process of which it is still one of the most important examples in budgetary terms (20 Mio Euro).

a. Target and Duration of MEDSTAT

The MEDSTAT, a regional cooperation program between Eurostat, the 12 statistical institutes of Mediterranean partners and the 15 institutes of the member states aims to improve the institutes' technical level and the launching of joint work, and to enhance the exchange of data in accordance with the European Union Statistical Standards between partner countries, as well as their harmonization in order to improve comparability.

MEDSTAT I (1996-2002)

MEDSTAT II (2003-2008)

MEDSTAT II Program was planned that it maintains from 2003 to 2006. However, only MED-ENV Project (Environment Statistics) could be started because of the breakdowns in tender process and it was completed in 2006. Other projects placed in the MEDSTAT II program were launched in 2006.

b. Beneficiaries and Target Groups

The final beneficiaries of the program are the National Statistical Institutes of the 12 Mediterranean Partners: Algeria, Southern Cyprus, Egypt, Israel, Jordan, Lebanon, Malta, Morocco, Palestine, Syria, Tunisia and Turkey.

The other beneficiaries of the program are all the Mediterranean institutions which take part in the collection, production and dissemination of metadata and final statistical data, and which constitute consequently, with the above mentioned institutions.

The main users of statistical data, including the Governments of Mediterranean Partners, within the framework of the development of their economic, social and sectorial policies are also the beneficiaries of the program.

c. Sub-projects in the Framework the MEDSTAT Program

Vertical Sectors:

- MED-COMEXT (Foreign Trade Statistics)
- MED-NA (National Accounts)
- MED-TOUR (Tourism Statistics)
- MED-NOE (Non-observed Economy Statistics)
- MED-TRANS (Transportation Statistics)
- MED-ENV (Environment Statistics)
- MED-MIGR (Migration Statistics)
- MED-AGRI (Agriculture Statistics)
- MED-SOC (Social Statistics)
- MED-ENERGY (Energy Statistics)

Horizontal Sectors:

- MED-TRAINING (Training)
- MED-IS (Information Systems)

TurkStat is partly participating in the activities of MEDSTAT II Program due to the overlapping problem among other EU programs and MEDSTAT II. In this context, TurkStat attends MEDCOMEXT sub-component in the Program and in the other sub components, TurkStat continues to support this Program by various other means such as data/document exchange, share of experiences, participation in the strategic meetings and various training activities, hosting some training activities, in case it is requested.

d. Evaluation of MEDSTAT I

MEDSTAT Program has become the positive experience on the developing an dialog and providing the strong relation between EU and partners in addition to the program is an important platform for the sharing knowledge and experience between EU and MEDA countries; particularly increasing knowledge about EU statistics and methods.

Turkey has been implementing the comprehensive activities in order to comply with the European Union Statistical System as a candidate country. MEDSTAT has became a beneficial program for our Institute since the program covers the parallel and complementary activities in harmonizing process.

Phase II of the MEDSTAT Program is going on for Mediterranean Partners with partly participation of Turkey. TurkStat is not fully involved in MEDSTAT II due to the overlapping problem with other EU Programs conducted by TurkStat. Our Institute has been taking part only MEDCOMEXT Project in the Program, hosting some training programs in Turkey and attending the strategic meetings.

2. UPGRADING THE STATISTICAL SYSTEM OF TURKEY PHASE I (USST-I)

| Budget | 15.3 M Euro |
|-----------------------|--|
| Implementation Period | 01/01/2003 - 31/03/2007 |
| Contracting Authority | Delegation of the European Commission to Turkey |
| Beneficiary | Turkish Statisical Institute |

Since a number of years the Turkish Government and in particular Turkish Statistical Institute has been aware of the extensive provisions of the Acquis Communautaire in the statistical area. In the frame of its financial possibilities, TurkStat participated in the pre-accession program for Candidate Countries, which was set up by the European Commission's Statistical Office (Eurostat) offering a large variety of supporting activities. TurkStat could be able to take part only in a few activities due to lack of available funds at that time being. Additionally, TurkStat as a Mediterranean country involved in all activities covered under MEDSTAT I Program. However, MEDSTAT I Program was a multi-country program and not specifically addressed the priorities of Turkish Statistical System (TSS) on its way to harmonization with the Acquis.

During the past years of co-operation with Eurostat and other international organizations, the needs of TurkStat related with the EU statistical requirements has become more and more evident. The actual dimension of the necessary adaptation and adoption process in statistics might not have fully estimated in the past; however, since Turkey was awarded candidacy, it became clear that major investment was necessary to be implemented immediately.

The adoption of the Acquis Communautaire in statistics is not limited to the introduction of European methodology and standards as theoretical background of statistics. The establishment of the methodological and conceptual basis constitutes a prerequisite of new statistical processes. The changes of data collection in the field and data processing, however, need vast interventions considering the size of Turkey. The large number of economic agents and households in the country, the large extension of agricultural land, the significant disparities of the regions, and serious environmental problems are examples for the difficulties to be met during the compliance process. This all has to be reflected while specifying the activities and the required resources for the program.

Following Turkey's nomination as a Candidate Country at the Helsinki Summit in 1999, Eurostat and TurkStat started without delay to investigate in depth the current situation of the Statistical System of Turkey and identified urgent needs while considering the absorption capacity of TurkStat In almost all fields of statistics, valuable contributions were provided by TurkStat highlighting the currently applied methods, data collection procedures and the state-of-the-art in terms of applied techniques and instruments. Based on these descriptions and combined with Eurostat's expertise and experiences gained with other Candidate Countries the presented Statistical Co-operation Program was defined.

Reflecting the high importance of comparable and reliable statistical information during the pre-accession process, the European Community reacted swiftly to the expressed needs for changes in the statistical area by providing a major financial contribution. The decision of the EC to create a single framework for pre-accession aid to Turkey underlined at the same time the need for more precise specification of the Statistical Co-operation Program.

The Statistical Co-operation Program which was titled as Upgrading the Statistical System of Turkey (USST) has been involved in the 2001-Financial Aid Plan for Turkey which consists of six priority areas and 14 individual programs. The total budget of the 2001-Financial Aid Plan is 214 Million Euro and financed from MEDA funds. The primary aim of the Plan is to provide financial and technical support for the realization of pretentious goals stated in the National Plan. In the context of this Financial Aid Plan, 15.3 Million Euro had been allocated to the USST Program.

The starting date of program was 01 January 2003. One year prolongation of the program by an addendum to Financial Agreement was made and the end date of Program was determined as 31 December 2006. Besides, due to some delays in the contracts for Technical Assistance, Data Collection and Training and Travel Facility Grant, USST Program Phase I was extended to 31 March 2007 by the Delegation of the European Commission to Turkey

The overall objectives were;

- to assist Turkey in the implementation of its pre-accession strategy in the field of statistics,
- to support the Turkish Government to substantially approximate the statistical standards of the EU,
- to make available to the relevant Turkish public and private institutions, to researchers
- and to EU and international organizations (target group) timely and reliable statistical information

Projects:

The following priority areas have been defined by joint investigation of Eurostat and the TurkStat by taking into account the specific statistical information needed for the preaccession process, and other areas of statistical work:

- Setting up of a business registers system
- Reform of the business statistics, their collection system and statistical units
- Review and renovation of the IT system of the TurkStat
- Reform of the agricultural statistics system
- Upgrading of the regional statistical system, the introduction of NUTS classification, data collection systems and a regional indicator database
- A facility for specialized smaller projects such as completing the household budget survey, establishing social surveys, upgrading national accounts, etc.
- Improving dissemination of statistical data
- Establishment of a classification server with links to other administrations
- Participation in the Community Multi-Beneficiary Programme for Statistics
- Capacity building and institutional strengthening.

3. UPGRADING THE STATISTICAL SYSTEM OF TURKEY PHASE II (TR 0503.16/004)

| Budget | 5.35 M Euro |
|-----------------------|---|
| Implementation Period | 01/01/2007 - 31/07/2009 |
| Contracting Authority | Central Finance and Contracts Unit (CFCU) |
| Beneficiary | Turkish Statistical Institute |

The aim of the Program is to upgrade the Statistical System of Turkey, according to EU standards on the methodology and quality of compiling and processing statistical information and to ensure the efficient coordination by the TurkStat. It covers 12 sub-projects. These are as follows:

- Improvement of Business Register System by Studying on Enterprise Groups,
- Upgrading the social and demographic statistics of Turkey and Establishing a System to provide Periodical Data,
- Improvement of Tourism Statistics,
- Improvement of Business Statistics,
- Reform of the Agricultural Statistics System,
- Enhancement of environmental statistics capacity,
- Upgrading the Health Statistics of Turkey and Establishing a System to provide periodical data,
- Revision of the Classification System and Classification Server of TurkStat,
- Development of Multi-Domain Statistical System and Statistical Analysis,
- Improvement of National Accounts according to the recommendation of ESA95,
- Improvement of Information and Communication Technology,
- Improvement of Administrative Structure of TurkStat.

4. PHARE 2005 PROGRAMME COMPONENTS

a. Technical Assistance

In the context of increasing the institutional capacity; pilot projects meetings, seminars and working groups, traineeships, In-country training courses, training courses and some bilateral activities can be organised. Per-diem and travel expenses of above-mentioned activities will be covered by the PHARE 2005 Program.

b. Provision of Tailor-made Expertise

Activities:

- Study Visits
- Consultations

c. Data Collection Projects

- Multi-country projects (all or the majority of countries involved)National projects

In this framework, our Institute is conducting 14 projects.