

AGREED MINUTES OF THE FOURTH SESSION OF TÜRKİYE -THE NETHERLANDS JOINT ECONOMIC AND TRADE COMMISSION (JETCO)

The Netherlands-Türkiye Joint Economic and Trade Commission (hereinafter referred to as JETCO), which was established with "the Declaration on the Establishment of JETCO" signed in Ankara on June 3, 2014, held its fourth meeting in The Hague on 30 November, 2023.

The Turkish Delegation was headed by H.E. Prof. Dr. Ömer BOLAT, the Minister of Trade of the Republic of Türkiye and the Dutch Delegation was headed by H.E. Liesje SCHREINEMACHER, the Minister for Foreign Trade and Development Cooperation of the Kingdom of the Netherlands.

During the meeting, Both Sides reviewed developments in the bilateral trade and investment relations during the recent period and stated that achieving further strengthening of economic and commercial ties and reaching a greater volume of bilateral trade and investments is a shared objective. To this end, Both Sides discussed potential areas in which bilateral economic cooperation could be enhanced.

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

The results of the discussions are summarized as follows:

I. SUBJECTS OF GENERAL NATURE

1. Opening

Both Sides underlined their strong economic linkages and stressed the importance of continued cooperation to enhance their trade relationship.

Both Sides, also recalling the successful Third Session of the JETCO on September 28, 2020 in a virtual environment, agreed to further develop bilateral trade and economic relations, in particular in the fields of circular economy, green energy, water management, digitalization and women entrepreneurship.

Both Sides noted with satisfaction that a joint working group on Research and Innovation has been established as agreed during previous JETCO meeting and held meetings to discuss the bilateral topics. Both Sides emphasized the significance of an effective and productive cooperation between their respective small and medium enterprises towards the consolidation of a solid economic and technical collaboration between their two countries.

2. Earthquakes in Türkiye and Reconstruction

The Dutch Side, once again, expressed its condolences to Türkiye for the many victims of the devastating earthquakes that hit Türkiye last February. In response to the earthquake, it emphasized that the Dutch private sector can and is willing to contribute to the reconstruction.

The Turkish Side expressed its gratitude to the Netherlands for their strong solidarity shown after the earthquake disaster and for their active participation and contributions on earthquake relief efforts.

In this context, the Dutch Side briefed the Turkish Side about the ongoing work to guide and engage the Dutch private sector. It explained that the Dutch Foreign Ministry together with the Embassy in Ankara, NL Works, Netherlands Enterprise Agency RVO and Dutch Employers Organization VNO-NCW organized two fact-finding missions and identified circular construction, water management and modular buildings as priority areas for collaboration.

Both Sides expressed their willingness to work together in order to foster collaboration amongst the governments, private sectors and knowledge institutes of both countries in those three fields.

3. Economic Outlook in The Netherlands and Türkiye

Both Sides gave an overview of the current economic outlook for their respective countries and gave an explanation on the measures that were taken in order to fight inflation, maintain economic growth and to protect low-income groups against the effects of the high prices.

4. Investment Climate

Both Sides emphasized the importance of creating business environments in both countries that welcome foreign investments from the other country, including commitment to the Rule of Law, transparency and stability in the legal and regulatory environment, Protection of Real and Intellectual Property Rights, respect for Human Rights, and ensuring responsible business conduct.

Both Sides agreed to encourage the cooperation between relevant Dutch and Turkish business circles and companies in order to identify specific joint opportunities in their respective countries and facilitate promotion activities between the two countries in the field of contracting and technical consultancy services.

II. EU RELATED ISSUES

1. Modernization of the Customs Union

Both Sides agreed to make efforts to improve the trade and economic relationship between the EU and Türkiye.

The Turkish Side underlined the need of updating the Customs Union between Türkiye and EU and the potential benefits from the modernization of the Customs Union for both sides.

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

2. EU Green Deal

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

The Turkish Side further highlighted that for reaching the goals of the Green Deal, strong partnerships with the European Side, and also among businesses are of crucial importance. In this regard, the Turkish Side, as a candidate country and a Customs Union partner, expressed its readiness for increased cooperation in knowledge and experience sharing, in innovation and R&D, and mutual investments that would facilitate achieving climate goals.

The Turkish Side also stressed the importance of accessing equitable financial mechanisms and funds provided by the EU for supporting the green transformation.

3. Visa Issues

Taking into account the strong trade relations between the two countries, the Turkish Side stated that fast track and facilitated visa procedures would be useful for Turkish and Dutch companies operating in Türkiye in order to encourage and support the intense interaction between business people and trade delegations.

The Dutch Side underlined the existence of the so-called Orange Carpet policy, which enables important relations and contacts of the Netherlands and the embassy and consulate general in Türkiye to use the visa application process more quickly and easily.

III. BILATERAL ECONOMIC AND TRADE COOPERATION

1. Trade Promotion Activities and Investments

Both Sides underlined the importance of supporting cooperation among their private sectors and facilitating promotion activities towards enhancing bilateral economic and commercial relations between the two countries.

Both Sides, in this framework, stated their satisfaction with the "Dutch-Turkish Business Round Table" that took place within the margin of the Fourth Session of JETCO at the premises of the Dutch Employers Organization VNO-NCW in The Hague, with the participation of leading companies and investors of both countries. Both Sides reflected on the topics that were put forward and discussed by the Dutch and Turkish participants in the Business Round Table.

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

Both Sides briefed each other about their investment climates and welcomed the efforts of their relevant institutions and organizations, mainly the Netherlands Foreign Investment Agency and the Investment Office of the Presidency of the Republic of

Türkiye towards attracting more investments to the Dutch and Turkish markets.

Both Sides explained that they welcome all kinds of investments. Furthermore, the Dutch Side added that the Netherlands Foreign Investment Agency has recently shifted its focus so it assists and advises foreign companies that provide sustainable, innovative and digital solutions to global challenges.

Both Sides emphasized the importance of investments in the development of bilateral economic and commercial relations as well as the importance of foreign investments for achieving the sustainable development goals.

2. Circular and Zero Waste Economy

Both Sides took note with satisfaction of the progress made in the bilateral cooperation supporting the transition towards a circular economy. More in particular, they underlined the successful textile circularity collaboration between respective Dutch and Turkish businesses, knowledge institutes, NGOs and government bodies, and the study visit and trade mission on circular textile that took place in February and March in the Netherlands and Türkiye.

Both Sides agreed to continue the cooperation and knowledge transfer in this area with the aim to foster sustainable trade and investment relations between the Netherlands and Türkiye. In that regard, Both Sides expressed their commitment to get adjusted to - if needed and without harming the environment - the legislative frameworks and/or supply security of textile waste for recycling purposes and other commodities that are related to the above-mentioned co-operation. They welcomed the soon to be signed Memorandum of Understanding on Circular Economy between the Dutch Ministry of Infrastructure and Water Management and the Turkish Ministry of Environment, Urbanization and Climate Change.

Both Sides also took note of the new Waste Shipment Regulation which is in the adoption process in the EU and concluded that this Regulation may have some impact on trade between the Netherlands and Türkiye.

The Dutch Side explained that this proposed regulation aims at easing shipments of waste for reuse and recycling in the EU, to support the transition to a circular economy; ensuring that waste exported from the EU is managed in an environmentally sound manner in the destination countries; and stepping up enforcement to counteract illegal shipments of waste.

The Turkish Side underlined the importance of cooperation in order to achieve circular economy objectives rather than resorting to trade restrictive measures especially on wastes used for recycling purposes with less or no environmental concern.

Both Sides agreed to sustain their dialogue on the potential impact of the new Waste Shipment Regulation on trade between the two countries, particularly on trade of metal scrap, and to collaborate for the continuation of this trade.

Both Sides also emphasized the importance of expanding the collaboration in circularity to the construction sector and built environment. In this regard, they welcomed the decision to include the circular construction topic in the soon to be signed MoU.

3. Green Energy

Both Sides recognized the importance of government and business partnerships in advancing the energy transition and deployment of renewable energy. This includes enhancing policy frameworks and transforming the energy sector, with cross-border cooperation in different fields including offshore wind energy.

Discussions also touched on Türkiye's participation in next year's renewable energy events such as the World Energy Congress and the World Hydrogen Summit, kick-starting a broader energy dialogue focused on green energy collaborations.

Both Sides are committed to exchanging expertise and fostering innovation in pursuit of renewable energy development. The goal is to establish a partnership that bolsters existing endeavors and sets a foundation for future renewable energy cooperation, with policy and practical adaptations to support these efforts.

4. Water

Both Sides expressed their willingness to enhance bilateral dialogue and cooperation in the field of Water Management.

Both Sides shared information on the UN Water Conference that took place last March in New York.

The Dutch Side emphasized that water management is one of the fields in which the Dutch government and private sector can enhance bilateral dialogue with Türkiye, in particular in the aftermaths of the earthquakes. In this context, it stated that the new Dutch Disaster Risk Reduction and Surge Support Programme (DRRS) can be a useful tool to work with the Turkish government in order to prevent and reduce the impact of water and climate-related disasters as well as increase the resilience of affected areas and populations.

Both Sides stated that water is an important topic discussed at the High Level Working Group on Agriculture between both countries.

5. Digitalization

Both Sides recognized the critical role of digitalization and digital transformation in the manufacturing industry, noting the pivotal impact of Industry 4.0 technologies in enhancing production efficiency and product quality. They agreed on the necessity of fostering a digital ecosystem that encourages innovation, supports skills development, and builds a resilient manufacturing sector.

Both Sides acknowledged the challenges of digitalization, including cybersecurity risks and the need for investment in digital infrastructure. There was consensus on the importance of public-private partnerships to overcome these barriers, as well as the need for policy reforms to accelerate digital adaptation in the manufacturing industry.

6. Cooperation in the Field of Accreditation

Halal Accreditation Agency (HAK) of the Republic of Türkiye expressed its readiness to share information with the relevant institutions of the Netherlands and to conduct trainings in the fields of halal accreditation and halal quality infrastructure upon request.

7. Female Entrepreneurship

Both Sides attribute importance to the contribution of women to economic and commercial life in the Netherlands and Türkiye and to all kinds of concrete initiatives within this framework. Both Sides expressed their satisfaction with the active participation of women in business life and agreed on exerting every necessary effort towards promoting activities of women entrepreneurs.

In line with this Both Sides welcomed the *Female Entrepreneurs* event in Istanbul which brought together Dutch and Turkish female entrepreneurs in order to integrate innovative solutions and technology into their business, with a focus on climate change, organized by the Dutch Consulate last January.

Both Sides agreed to keep female entrepreneurship as priority and strengthen their cooperation to promote it.

IV. JETCO 2024

The Dutch Side extended its congratulations to the Turkish Side in light of the centenary of the Turkish Republic and looked forward to the celebration of 100 years of friendship between the Turkish Republic and the Netherlands in 2024, which provides the opportunity to celebrate the extensive relations between both countries, including within the economic domain.

Both Sides agreed to consider combining the next JETCO meeting with a trade mission from the Netherlands, focused on the energy transition.

Done and signed in The Hague on 30 November, 2023, in two originals in the English language, both texts being equally authentic.

FOR THE GOVERNMENT OF
THE REPUBLIC OF TÜRKİYE

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