

TURKISH-EU NEGOTIATIONS: PROSPECTIVE EFFECTS ON PUBLIC ADMINISTRATION AND REGIONAL DEVELOPMENT

*Implementing the *acquis communautaire* in practice will play an important role in the Turkey-EU accession talks. To accomplish this, an efficient public administration is needed. This article discusses the importance of a strong and efficient public administration and elaborates on the ongoing reforms in Turkey towards improving administrative capacity. Further on, the article discusses a related challenge, which is the need for Turkey to develop strategic and regional planning and development in line with EU principles. The author deems this issue one of the most challenging that Turkey will face during accession negotiations.*

Murat Sungar*



* Ambassador Murat Sungar is the General Secretary of the Secretariat General for the EU Affairs (EUSG) of Turkey.

Turkey's relationship with Europe has had its ups and downs since the signature of the Ankara Agreement in 1963. Throughout the course of more than 40 years, their mutual desire was to achieve full Turkish integration into Europe. This principal has guided Turkish foreign policy, regardless of the inclinations of the political party in power. Today, the emphasis our Government places on Turkish–EU relations is stronger than ever.

In the past, Turkey has missed precious opportunities that would have served to bring her much closer to the Union. Nevertheless, we have to look towards building our common future rather than lamenting on missed opportunities. Now our relations with the EU are at a crossroads following the decision of the Heads of State and Government last December to open accession negotiations on 3 October 2005.

Today we are focused on the start of the negotiations. In the forthcoming process, the implementation of the adopted *acquis communautaire* will play a more important role than in the last enlargement wave. Implementation will be the benchmark for the closing and opening of negotiation chapters. Hence, effective public administration will play a crucial role in the process of implementing the adopted *acquis*.

The Turkish Government has attempted to restructure the system of public administration in Turkey over the last few years, independent of the accession process. There are two basic documents that define the Government's intention to restructure the administration apparatus: the *Urgent Action Plan of the Government* and the *Draft Framework Law on Public Administration*. Within this context, the government prepared a comprehensive public administration reform, the legal basis of which is comprised of several laws such as the *Public Administration Draft Law*,¹ the *Law on Metropolitan Municipalities*, the *Law on Municipalities*, and the *Draft Law on Special Provincial Administrations*. The priorities of the aforementioned reform are the following:

1. Improving organizational, managerial and information systems;
2. Strengthening the capability for decision-making;
3. Redefining the role and structure of coordinating bodies charged with modernizing working and communication procedures and means;
4. Setting-up a more professional and neutral civil service, with efficient links between the political and administrative levels, rationalizing and modernizing current structures;
5. Operationalizing newly created structures;
6. Continuing the decentralization process and strengthening local authorities;
7. Modernizing public finance management;
8. Increasing the degree of transparency for citizens and creating partnerships with civil society.

¹ This law was approved by the Parliament on 15 June 2004, however vetoed by the President on 3 August 2004. It will be re-submitted to the Parliament in this legislative period.

In parallel with public administration reform studies and the EU accession process, Turkey is in close cooperation with OECD/SIGMA (Support for the Improvement of Governance in Management of the Administration) to improve the Turkish public administration system. In 2004, The European Commission requested SIGMA (A joint initiative of the Organisation for Economic Cooperation and Development (OECD) and the European Union), principally financed by the European Union, to assess the current state of central systems in Bulgaria, Romania and Turkey. The Sigma Program provides support to partner countries in their efforts to modernize public governance systems. This support includes: assessing reform progress and identifying priorities; assisting in the process of institution-building, setting up legal frameworks and facilitating assistance from the EU and other donors by helping to design projects and implement action plans. Sigma was made available to Turkey with the signature of a new contract between OECD and the EC on 8 May 2004. The first task set by the Commission was to conduct assessments on aspects of Turkey's administrative performance (July 2004). Sigma has carried out such assessments on all candidate countries since 1999.

The idea is to stimulate a debate in Turkey on the needs and goals for reforming public administration, and raise awareness on the principles governing the European Administrative Space, as well as the implications of EU membership for administration. In addition, the mission brought an opportunity to discuss substantive issues and agree on new actions, *inter alia*, in the area of the Civil Service Reform, as well as to discuss the launching of the assessment process.

For Turkey, SIGMA focused on assessing the Turkish Administration - cooperating closely with the Prime Ministry and Secretariat General for EU Affairs- in three policy areas: Civil Service and the Administrative Framework, Public Procurement, and the Integrity Framework. In addition, a fourth assessment – of Public Expenditure Management– has been undertaken in 2005. So far four missions have been completed.

SIGMA analysis reveals that the key problem for public administration reform in Turkey lies not only within the content of the laws, but also within its effective implementation. It is extremely difficult to enforce laws, in an environment of weak administrative capacity and institutions.

The objectives of public administration reform represent a component of Turkish policy to develop a modern and democratic state and to harmonize domestic legislation with the EU acquis. Further steps seem to be necessary to ensure a modern, efficient, transparent and accountable public administration system as a vehicle for the completion of harmonization with the EU acquis. Progress on public administration reform continues, and this is a positive sign. However, its sustainability needs to be guaranteed for a successful negotiation and accession process.

Regional and local development is another key aspect of the accession process. Development policies and projects have been on the agenda since the 1960s. Experience and institutional capacity attained in the last forty years, will provide valuable input for Turkey in carrying out synchronous structural policies with the EU.

Since 1999, the accession process has provided a mechanism for the transposition of EU legislation as well as strengthening of administrative capacity through relevant projects. Although differences in structures and practices of Member States prevent reaching Community-wide regulation for economic and social cohesion, there have been a series of rules and procedures for efficient usage of Community instruments, namely Structural Funds, throughout the previous programming periods (“1989-1993” – “1994-1999”, “2000-2006”). Thus transposition of legislation will not be a subject during the negotiation of “Chapter 21-Regional Policy and Coordination of Structural Instruments.” Lack of Community legislation, will also not prevent this chapter from being one of the most difficult ones during the negotiations, due to the severity of the regional imbalances and low income level in Turkey. This chapter will, in fact, be an essential one for Turkey, since the country has been witnessing a transformation in terms of development policy and public administration.

Since 1999, Turkey has launched regional development programs in 12 (of the 26) NUTS II regions as well as cross border cooperation programs in another four. These programs are limited in terms of scope of allocated financial support and priorities, but they provide a good start for central institutions and local authorities in programming, implementing and monitoring the programs. On the other hand, development planning has entered a new period with the Preliminary National Development Plan for the years 2004-2007. In this regard, strategic and regional planning and regional development programs can be labeled as the “axis” of Turkey’s accession process within this chapter.

The topics to be addressed during the negotiations can also be derived from the experiences gained from these programs. Programming and implementation at the regional level, partnership (of regional and local actors), establishment of required central and regional institutions in order to ensure the efficient use of Community and national sources will be at the core of negotiations. Respect to principles of subsidiarity and governance, an efficient public administration, existence of sectoral strategies that will support the design of a better national development strategy must also be taken into consideration during the negotiation process.

Lessons learned from the previous candidate countries also underline that efficient functioning of Structural Funds requires parallel measures in education and employment. Sectoral development axes have always been included in the Community practices but with the new programming period of 2007-2013, it is expected that emphasis will also be given to the development of sectoral approaches,

especially in the field of environment and transport. A national sectoral aspect should be elaborated and carefully implemented in parallel with negotiations, as attempts to increase general level of per capita GDP should be carefully planned so that imbalances between the western and eastern regions of Turkey are not deepened.

Administrative capacity will be the most important issue under this chapter, due to Turkey's remarkably high population and size, which complicate implementation. The aforementioned programs have already paved the way for improving administrative capacity. An envisaged increase, in scope and financial resources during the period of 2007-2013 will contribute to the negotiation of this chapter. This will also enable Turkey to achieve the relevant administrative capacity on the eve of the membership

The Turkish economy has been at the center of discussions on the possible effects of Turkey as a member of the EU. Even though economic forecasts regarding the future of both EU and Turkey are speculative, the statistical effect of the Turkish economy on the EU can be comparatively calculated. With 10 new Member States, a decrease in the average per capita GDP has been recorded and this led to a statistical effect, which caused several former "poor" regions of the EU-15 to emerge now as relatively wealthier ones. The case will be the same upon the accession of Turkey, whose actual per capita GDP level is about 29 percent of EU-25.

However, as underscored in the relevant Commission reports, regional low levels of income generation and imbalances in Turkey can be surmounted under several growth scenarios. Turkey has already made attempts at improving infrastructure, modernizing education and providing a business friendly environment, which are all essential for sustainable economic growth.

Political stability and the economic policies of recent years will pave the way for better economic results, which might also contribute to healing the problem of regional imbalances provided that they are accompanied with a sound development policy. Turkey has already recorded remarkable growth rates, which exceed those of Member States. Membership will supplement Turkey's attempts, as foreign capital inflows, employment opportunities and rate of growth are all expected to increase with accession. The initial impact of membership to Turkey will be a stable economic and managerial environment that will sustain the pace of growth. On the other hand, the EU economy, which has the challenging objective of becoming the "most dynamic and competitive economy," will be pushed forward by the Turkish economy. Even moderate estimations point at the increasing share of Turkish GDP in the EU throughout the 2010s.

Secondly, as its "aging society" increases its burden on the EU's economic and social security systems, the young population of Turkey will be an asset for both Turkey and EU. In parallel to the accession process, Turkey has taken steps to improve the quality of its human capital from basic education to vocational

training, complementing active labor market policies. With the current demographic trends, Turkey's membership will be an opportunity to offset this very fundamental problem of the EU.

Regional and local development will be well served by economic development and the improvement of human resources. These will make-up the main anchors of economic and social cohesion, and will thus constitute an essential part of the negotiations. This is an area in which there are both pitfalls and opportunities. Exploiting opportunities through careful management and decisiveness can easily outweigh potential problems. Whether the EU will contribute to and benefit from these opportunities will be answered during negotiations. It appears, for now, that the EU is willing to exploit this potential.

The prospect of membership is already creating significant synergy in various important fields in Turkey. We have developed a real sense of direction, thus are building up a huge momentum in carrying on with our modernization. I am confident that this momentum will be strengthened with the initiation of the negotiation process.