

DRAFT
PROTOCOL OF THE 5TH SESSION OF THE
GREEK- TURKISH JOINT ECONOMIC COMMISSION
(Athens, 24.01.2022)

The Greek-Turkish Joint Economic Commission, established in accordance with Article V of the Agreement on Economic Cooperation between the Hellenic Republic and the Republic of Turkey, signed on February 4, 2000, held its 5th Session on January 24, 2022, in Athens.

The Greek Delegation was headed by H.E Konstantinos Fragkogiannis, Deputy Minister for Foreign Affairs and the Turkish Delegation was headed by H.E Mustafa Tuzcu, Deputy Minister of Trade.

H.E Mehmet Nuri Ersoy, Minister of Culture and Tourism of the Republic of Turkey, attended the opening session as well and addressed the Meeting.

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

During the session, the Heads of the two Delegations stated that the development of stronger commercial and economic ties, as well as the promotion of investments and trade relations between Greece and Turkey constitute the shared objectives of the two Governments.

Both Heads of the Delegations, noting the stimulus given to Greek – Turkish relations during the past few months (on the basis of the Positive Agenda initiative), stressed out that despite the toll that the pandemic has taken on the economy worldwide, bilateral trade and investments could grow further, since many opportunities exist for the business communities in various sectors.

Hence, both sides discussed the ways and means for the enlargement and diversification of bilateral economic and trade relations and expressed their satisfaction for the outcome of the 13th session of the Working Group on Trade and Economic co-operation, held in Athens, via teleconference, on October 26, 2021, which contributed to the comprehensive preparation of the fifth session of the Joint Economic Commission.

The results of the deliberations of the 5th session of the Joint Economic Commission are summarized as follows:

1. BILATERAL TRADE

Both sides exchanged information on bilateral trade statistics and developments and evaluated the overall picture of bilateral trade. They expressed their satisfaction for the increase and recovery of trade volume during the first 9 months of 2021. Both sides declared their intention to further increase trade in a balanced way.

According to the Hellenic Statistical Agency, the results of the pandemic during 2020 were reflected on bilateral transactions with a decrease of -26.5% of the trade volume. Subsequently, the trade balance has been negative for the Greek exports during the year 2020, reaching -214 million Euros. The first 9 months of 2021, the trade volume seems to become more balanced. Specifically, Greek exports to Turkey have recorded an increase of 37.7% compared to the same period of 2020, reaching the volume of 1.2 billion Euros. Turkish exports to Greece have reached

the amount of 1.5 billion Euros, reflecting an increase of 50% compared to the same period of the year 2020.

Both sides agreed to explore and implement necessary measures for increasing and diversifying their bilateral trade, to exert every possible effort towards promoting economic relations in a mutually beneficial way and to ensure that bilateral trade is based on the principles of fair competition and equal opportunities.

Both sides underlined the need for a continued encouragement of the business communities of both countries, which hold a longstanding relationship, to intensify their contacts, with the aim of engaging in joint business and investment activities as well as in market research and analysis of each other's comparative advantages.

2. COOPERATION IN THE FIELD OF INVESTMENTS / PROMOTION OF INVESTMENTS

Both sides, noting the potential of their respective economies, agreed to:

-encourage companies to engage in joint investment initiatives, not only in Greece and Turkey, but also in third countries.

-ensure the smooth operation of existing investments in all sectors in both countries and called for the further enhancement of investment within the framework of the Agreement on the Reciprocal Promotion and Protection of Investments.

Both sides underlined the fruitful cooperation between Enterprise Greece SA and ISPAT, noting the common initiatives undertaken by the two Agencies. The two Agencies are committed to exploring joint investment attraction and to encourage cooperation for the sake of promoting common business opportunities, synergies and actions. In this context, the two Agencies will seek cooperation in supporting investment projects in key areas of mutual interest such as: Tourism, Real Estate, Manufacturing, ICT, Energy and Food & Beverage.

The negotiations for a Memorandum of Understanding (MoU) between the two aforementioned Agencies have been concluded and the MoU will be signed in due time.

3. ECONOMIC RELATIONS

3.1 Energy and Environment

The two sides reaffirmed their interest in energy supply security and confirmed their willingness to continue collaborating on this subject, especially in the gas and electricity sectors.

The two sides noted the importance of cooperation in the field of environmental protection in the Hellenic Republic and the Republic of Turkey and its further development.

The two sides can share national experiences and best practices as well as technical know-how on the various techniques and approaches for the treatment of urban wastewater, according to settlement size, climatic conditions etc. Moreover,

the two sides could exchange information and experiences for preventing and addressing groundwater and surface water pollution, including on the monitoring of water quality and quantity.

The two sides, acknowledging the challenge of solid waste management, in particular municipal waste management, can exchange national experiences and best practices for the proper environmental management of waste, including for adopting a circular economy model, respecting the waste hierarchy and promoting recycling, reuse and recovery approaches as well as extended producers responsibility schemes.

Taking into account that the Eastern Mediterranean region is highly vulnerable to climate change, the two countries can cooperate on issues related to the adaptation to climate change impacts, including through the exchange of information inter alia based on related monitoring, observation mechanisms and indicators, of best practices and of know-how, with emphasis on the fields of forest fires prevention.

Cooperation on issues such as web based forest fire information systems, rehabilitation of burned areas, rehabilitation of degraded forest areas, GIS application in the forestry activities, soil conservation, etc.

The two countries, shall seek to promote exchange of experiences and technical know-how on their respective Environmental Impact Assessment (EIA) and Strategic Impact Assessment (SEA) processes as well as on their environmental permitting systems.

- Electricity Interconnection

Both sides stated that the operational status of the Greece -Turkey interconnection is governed by the Long-Term Agreement on the Permanent Synchronous Operation of the Turkish Power System with the Continental Europe Synchronous Area.

Exchanges between the ENTSO-E and the Turkish Systems are limited, due to technical issues. The maximum power transmission capacity transferred from the Turkish System to Europe is 500MW and from Europe to Turkey 650MW. In this context, in December 2017, a joint working group was established by the Transmission System Operators of Greece, Bulgaria and Turkey (IPTO, ESO-EAD and TEIAS), in order to explore alternative scenarios for the development of new interconnections between the European and Turkish Systems.

Joint studies revealed the possibility to proposing future inter connectors between the European and Turkish systems, which could contribute to increasing capacity, improve the stability between the interconnected Systems between the Balkans and Turkey, allow the penetration of more RES in the country's system and strengthen the convergence of markets with neighboring countries.

3.2 Cooperation in the field of Transport

- Combined and Rail Transport

The Greek side underlined that the main priority remains reaching a mutual agreement on the draft MoU between the Government of the Hellenic Republic and the Government of the Republic of Turkey on the development of cooperation in the field of combined transport of goods.

The Turkish side stressed the importance of signing a new "Framework Agreement between the Government of the Republic of Turkey and the

Government of the Hellenic Republic on Railway Transportation”, in order to promote the railway transportation between the Hellenic Republic and the Republic of Turkey. The Greek side stressed out that for the conclusion of this Agreement, prior Agreements on customs, police and phytosanitary controls, between the two countries, are required.

-Road Transport

Both sides reiterated their appreciation for the constructive cooperation in the field of international road transport. The Joint Committee on Road Transport was convened on November 25 -26, 2021, via teleconference.

The Greek side, following a request by the Turkish side and aiming at facilitating international transport and trade, agreed to increase the existing annual quota of bilateral and transit permits as follows:

- a) From 10,000 bilateral permits, free of charge, to 13,000 bilateral permits.
- b) From 10,000 bilateral permits, with charge, to 13,000 bilateral permits.
- c) The existing quota of 35,000 transit permits with charge to be modified to 20,000 permits with charge and 20,000 permits free of charge.

The Greek side stated that the 11,000 additional permits given to the Turkish haulers in the year 2021 will not be deducted from the quota of the permits allocated for the year 2022.

- Construction of the 2nd Border Bridge of Kipoi-Ipsala

Both sides welcomed the 5th Session of the Joint Planning and Monitoring Project Committee for the construction of a second border crossing road bridge in the area of Kipoi- Ipsala border crossing, which took place, in Thessaloniki on June 28 -29, 2021.

The Greek side informed that the announcement for an international tender has been made by the responsible company “Egnatia Odos SA”, on September 28, 2021. The Turkish side welcomed this development.

- Maritime Transport

Both sides agreed that maritime transport remains a privileged facet of bilateral cooperation, based on the solid institutional framework between Greece and Turkey and the ongoing fruitful cooperation within international organizations upon shipping policy issues of mutual maritime interest.

Both sides stated that further development of economic and maritime relations between the two countries is a declared and shared objective, which will promote the aspirations of both countries to pursue economic growth through maritime activities and prosperity for their coastal communities and their people in general.

Both sides reaffirmed the high added value of structured dialogue and the intention to further strengthen their bilateral maritime cooperation. In this framework, both sides noted the successful outcome of the 5th meeting of the Joint Greek-Turkish Maritime Cooperation Group, held via teleconference on August 31, 2021, which addressed issues of mutual interest in the field of shipping, focusing on bilateral cooperation, maritime education and marine tourism.

-Air Transport

Both sides noted that the Aeronautical Authorities of the Hellenic Republic positively responded to the recent proposal of the General Directorate of Civil Aviation of the Republic of Turkey to discuss air transport issues, in the framework of the Positive Agenda, in order to update the institutional aviation framework and upgrade existing rights, thus creating new opportunities for air carriers of both sides to compete on fair and equal basis.

The two competent Authorities agreed to convene, as soon as possible, the air services consultations meeting, which had been scheduled to take place during ICAN 2021 and was canceled. In this respect, the Draft Air Services Agreement proposed by the Hellenic side, is currently under consideration by the Turkish side.

3.3 Cooperation in the field of Small and Medium Sized Enterprises

The two sides affirmed their mutual will to reinforce their cooperation in the field of Small and Medium Sized Enterprises (SMEs), acknowledging the shared benefit deriving from such a cooperation and recognizing the significant role of SME's for economic development, job creation and social cohesion.

In this regard, the two sides agreed to explore fields of mutual interest, where cooperation could be promoted, through the signing of a new bilateral MoU, between the respective National Authorities.

3.4 Agriculture

The two sides reviewed the current state of cooperation in the field of agriculture and expressed their mutual interest in enhancing cooperation in this sector.

The Greek side wishes Turkey side to lift the ban on imports of bovine, bovine meat as the whole territory of Greece is officially free from BSE and these commodities are in compliance with the Article 11.9.6 of Chapter 11.9 "Infection with lumpy skin disease" of the OIE Terrestrial Code. The Greek side also expressed its confidence that the relevant Turkish Authorities will work effectively to address, as soon as possible, the procedures required, given the mutual interest of both countries' farmers and entrepreneurs.

The Greek side underlined the need to protect fish stocks in the Aegean following the requirements of international organizations and reiterated its obligation to enforce the relevant legislation, including EU law.

3.5 Cooperation in the field of Customs Administration

Both sides expressed their satisfaction for the outcome of the 9th Meeting between the Heads of Customs Administrations of Greece and Turkey, which took place in Istanbul, on October 1, 2021.

Both sides decided to conduct a technical meeting during the first trimester of 2022, aiming at the implementation of the Action Plan on the efficient cooperation and mutual assistance between the Customs Authorities of Greece and Turkey.

The Greek side informed the Turkish Side on its decision to increase the fuel limitation for Turkish vehicles from 200 liters up to 350 liters, responding positively to the relevant Turkish request.

3.6 Tourism

Both sides expressed their satisfaction over the progress achieved in their bilateral cooperation in the field of tourism, during the 4th Session of the Greek -Turkish Joint Tourism Committee that took place on November 18, 2021 and the 9th Greek-Turkish Forum on Tourism held in Izmir, which took place on November 17, 2021, at Ministerial level, with the participation of representatives from the private sector and Academia.

Both sides reiterated their commitment to explore ways to enhance their cooperation, with the aim to increase the tourist flows between the countries, to increase the cooperation between the public and private tourism sectors of Greece and Turkey and to promote an active dialogue, containing the exchange of know-how and best practices in areas of mutual interest, with a focus on travel protocols, certification labels for tourism accommodation establishments during the pandemic and the digital future of the tourism industry.

4. RESEARCH AND INNOVATION

Both sides welcomed the efforts for the reactivation of the bilateral cooperation on Research and Innovation. They expressed their satisfaction for the fruitful outcome of the informal first preparatory teleconference for the bilateral cooperation between Greece and Turkey in the field of Research and Innovation, that took place on October 14, 2021.

Both sides noted the broad mutual understanding on most of the issues discussed and the sincere efforts to converge on the rest. It is expected that at the next preparatory meeting the two sides will record technical details, prepare a draft joint call for proposals and agree on funding modalities, on the basis of two compatible National evaluation processes.

The two sides agreed to organize the next preparatory meeting within the first semester of 2022 and, based on the results, to convene the Joint Committee within the last trimester of 2022, with the aim to finalize the time frame of the joint call, the dedicated budget and the fields of cooperation.

5. SOCIAL SECURITY

Both sides underlined that the conclusion of a Bilateral Agreement on Social Security will be beneficial for the citizens of both countries and agreed to start negotiations to that end as soon as the conditions allow it, and if possible within the first quarter of 2022.

Done and signed in Athens, on January 24, 2022, in two originals in English.

FOR THE GOVERNMENT OF THE
HELLENIC REPUBLIC

FOR THE GOVERNMENT OF THE
REPUBLIC OF TURKEY

Konstantinos Fragkogiannis
Deputy Minister for Foreign Affairs

Mustafa Tuzcu
Deputy Minister of Trade

**5th SESSION OF THE
GREEK-TURKISH JOINT ECONOMIC COMMITTEE
(Athens, 24.01.2022)
GREEK DELEGATION**

<u>Ministry of Foreign Affairs</u> Mr Kostantinos FRAGKOGIANNIS	Deputy Minister of Foreign Affairs for Economic Diplomacy and Openness, Head of the Delegation
Mr Ioannis Smyrlis	Secretary General for International Economic Affairs, Chairman of the Board of Directors at Enterprise Greece
Ambassador Maria – Louisa MARINAKIS	Director General for International Economic Relations
Ambassador Constantinos ORPHANIDES	Head of the B4 Directorate for Economic Relations with SE Europe countries, Russia, Caucasian & Black Sea countries and BSEC issues
Mr Thomas MATSOUKAS	First Counselor, Head of the diplomatic Cabinet of the Deputy Minister
Mr Athanasios LEOUSSIS	Second Counselor, A4 Directorate for Turkey
Legal Services Department (Rep. to be specified)	Public International Law Section, Special Legal Department, Ministry for Foreign Affairs
Ms Eirini LIKOU	First Counselor for Economic and Commercial Affairs, Directorate General for International Economic Relations
Ms Vasiliki KOUSKOUTI	First Secretary for Economic and Commercial Affairs, Desk Officer for Turkey, B4 Directorate
Ms Chryssa THANASSA	First Secretary for Economic and Commercial Affairs, Diplomatic Cabinet of the Deputy Minister
Ms Maria MANTELOU	Third Secretary for Economic and Commercial Affairs, Desk of Turkey B4 Directorate
<u>Ministry for Development and Investments</u> <i>General Secretariat for Industry</i>	
Ms Evaggelia SOLOMOU	Acting Head of Unit for Industrial Policy & International Industrial Relations, General Directorate of Industrial and Business Policy
<i>General Secretariat for Research and Innovation</i>	
Dr Georgios MOUSTAKAS	Acting Head of Unit of Bilateral and Multilateral Cooperation, International Cooperation Directorate

Ministry of Education and Religious Affairs

Ms Evangelia PANTA

Head of Unit for European and International Affairs/ Directorate for Planning and Development of VET and LLL/ General Secretariat for VET, LLL & Youth

Ministry of Labor and Social Affairs

Ms Anna RIZOU

Head of Directorate of Specific Issues in Social Security and Benefits

Ministry of Environment and Energy

Mr Theodoros CHRISTOPOULOS

Director for International and European Affairs, Directorate General for Energy

Ministry of Transport and Infrastructure
General Secretariat for Transport

Mr Fotis LIAKEAS

Deputy Head of Railway and Combined Transports Department, Directorate of Road Freight Transport

Ms Vassiliki KOLOVOU

Head of the International Road Freight Transport Unit

Civil Aviation Authority

Ms Vivi VLACHOU

Head of Bilateral Airway Agreements Department

Ministry of Shipping and Maritime Policy

Captain HCG Christos
KONTOROUCHAS

Director for Shipping, Hellenic Coast Guard

Ministry of Rural Development and Food

Ioulia Drossinou

Head of International Affairs Department

Dr. Panagiota DIONYSOPOULOU

Director General for Tourism Policy

Independent Authority for Public Revenue

Mr Vasileios LADIAS

Customs Expert, Directorate of International Economic Relations, Section B- Customs Affairs

Independent Power Transmission Operator (IPTO/ADMHE)

Ms Panagiyta ALEXOPOULOU

Head of Strategy & System Planning Development Sector

Mr Michalis KARYSTIANOS

Head of Technical Studies & System Development
Sector

ENTERPRISE GREECE

Mr Christos Skouras

Director of International & Institutional Affairs

EGNATIA SA

Mr Konstantinos Koutsoukos

CEO