THE NEW
REGIONAL DEVELOPMENT
POLICIES AND IMPLEMENTATIONS

GENERAL DIRECTORATE OF
REGIONAL DEVELOPMENT AND STRUCTURAL ADJUSTMENT
THE NEW REGIONAL DEVELOPMENT POLICIES AND IMPLEMENTATIONS

GENERAL DIRECTORATE OF REGIONAL DEVELOPMENT AND STRUCTURAL ADJUSTMENT

June, 2007
FOREWORD

Ensuring regional development is one of the five development axes in the Ninth Development Plan. Regional development policies have two main objectives: to contribute to national development, competitiveness and employment by increasing productivity of regions on the one hand, and to serve the basic objective of reducing regional and rural-urban disparities on the other hand.

In this context; it is underlined that the emphasis will be placed on the activities towards increasing the consistency and effectiveness of policies at the central level, creating a development environment based on local dynamics and internal potential, increasing institutional capacity at the local level and accelerating rural development formed.

In this framework, to provide a tangible basis for this policy, it is aimed to lay out the existing regional policy instruments and ongoing activities in the Undersecretariat of State Planning Organization, Regional Development and Structural Adjustment General Directorate. To this aim, this study covers a spectrum of the recent activities by indicating some of the main points and providing brief information about the achievements.

Especially after 2004, the General Directorate has introduced several different new means with adequate budget opportunities to assist economic development of the regions comprising EU Regional Development Programmes, Development Agencies, KÖYDES and BELDES projects. Furthermore, regional development plans have been prepared and analytic statistical studies have been completed. A Monitoring and Evaluation System for the grant projects under EU regional programmes has been developed. Besides, the financial supports through the allowance allocated to the local authorities within priority regions for development have been sustained.

I hope that, these new means of regional development, will lay a foundation of new development initiatives and will initiate a new development awareness and enthusiasm especially for the regions that are lagging behind. I believe that, such new mechanisms will be diversified and extended in the near future and will be the main tools of moving to the production culture throughout Turkey. With this consciousness, I would like to express my deepest appreciations to all central and local level institutions for their valuable contributions.

I would also like to thank to General Director Mr. Ahmet YAMAN and his colleagues for their precious efforts on developing and realizing new regional policies and implementation tools presented in this study, prepared for Second OECD World Forum on “Statistics, Knowledge and Policy” on 27-30 June, Istanbul Turkey.

Dr. Ahmet TIKTIK
Undersecretary
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GENERAL DIRECTORATE FOR REGIONAL DEVELOPMENT AND STRUCTURAL ADJUSTMENT

AUTHORITY AND RESPONSIBILITIES

The General Directorate of Regional Development and Structural Adjustment (DG RDSA) is one of the main service units within the Undersecretariat of the State Planning Organisation (DPT), which is defined in the Article 9 of Decree-Law No. 540 on the Establishment and Duties of the State Planning Organization, dated 19.06.1994. In the Article 14 of the Decree-Law the duties of the DG RDSA are stated as follows:

“The duties of the General Directorate of Regional Development and Structural Adjustment are to do research and planning at city and sub-city levels; to provide uniformity between studies conducted by other public institutions pertaining to these subjects and the Development Plan and Annual Program; to develop projects towards solving problems to emerge during the implementation of structural adjustment policies and to coordinate studies made within this sphere; to coordinate the development agencies and to execute the works and procedures within this sphere; to generate policies towards solving problems of small and medium scale industrial enterprises, problems of the tradesman and artisans and of the rural areas within the framework of enhancing local employment and entrepreneurship; to put forward views on institutional and legal arrangements; to direct implementation; identify priority development areas and their necessities; to do the required work in order to accelerate development in these areas by taking into consideration the peculiarities of this region, to coordinate regional development projects and to deliver opinions on the issues within its scope; to participate in discussions and negotiations with international institutions.”

ORGANISATIONAL STRUCTURE AND HUMAN RESOURCES

DG RDSA is composed of the General Directorate Office and 4 Departments under the authority of Director General, mainly “Department of Priority Areas for Development”, “Department of Regional Development”, “Department of EU Regional Programmes” and “Department of Monitoring and Evaluation”. General Director is the authorizing officer and the head of the General Directorate according to the Article 11 and 31 of the Law No. 5018 on Public Financial Management and Control. Heads of Departments are the head of the sub-service units, which works under the coordination and authority of General Director. 24 planning experts and 28 assistant planning experts work within the General Directorate.
THE ACTIVITIES/STUDIES WITHIN REGIONAL DEVELOPMENT AREA

1. REGIONAL DEVELOPMENT PLANS AND RURAL DEVELOPMENT

REGIONAL DEVELOPMENT PLANS

In Turkey, several policies and instruments have been implemented in order to accelerate regional and local development and to achieve a balanced structural and sustainable development. The main tool to achieve these goals is regional plans.

Objectives of regional plans:

• To reduce the development differences of the regions according to the framework of the aim and objectives of national development plans
• To increase the welfare levels of the people living in the less developed regions
• To achieve a balanced migration structure in the metropolitan areas
• To solve the problems due to non-planned urbanization

In order to achieve these objectives, several development plans have been prepared to combine and integrate the sectoral priorities with the spatial decisions. In this context, to reduce the social and economic development differences among the regions, to achieve a diversified structure of economic activities, to support local entrepreneurs to accelerate the local potentials and to have an efficient usage of local resources; the following regional development plans have been prepared. Within this context, the implementations of the projects/plans below have been continuing:

• The Southeastern Anatolia Project (GAP)
• The Zonguldak-Bartin-Karabük Regional Development Project (ZBK)
• The Eastern Blacksea Regional Development Plan (DOKAP)
• The Eastern Anatolia Project (DAP)

Besides, Yeşilirmak River Basin Project, as a strategic oriented project, is about to be finalized. It is expected to be implemented in a short time with the support of development agencies to be established in the region.
THE SOUTHEASTERN ANATOLIAN PROJECT (GAP)

The South-eastern Anatolia Project (GAP) is a multisectoral and integrated project package that emphasizes the improvement of the infrastructure, industry, service sectors and human resources together with the development of water resources of Fırat and Dicle rivers for irrigation and energy production purposes.

The project aims to increase the socio-economic development and welfare levels of the people in the region within a framework of an organized sustainable development program.

The tasks of obtaining an integrated, multisectoral development project approach in the region and the coordination of the activities were given to SPO in 1986. Then, GAP Regional Development Administration was established in 1989 by the Law No. 388. At the same year the GAP Master Plan was prepared.

The total investment cost of the GAP Project is 32 billion dollar. 18 billion dollar was expended until the end of the year 2005 with a realization of 56% until now.

In 1998, the completion of the project was extended until year 2010 by the decision of the Council of Ministers and the Plan was updated.

THE EASTERN ANATOLIA PROJECT (DAP)

The project consists of 16 provinces. The main objective is to obtain a balanced environment to accelerate the region's own potentials.

The project has a planning strategy of accepting the existent development intentions in order to organize and strengthen them.

In this context, DAP has 7 priority areas:

- Development of human resources
- Extension of the organizational capacity
- Provision of infrastructure
- Improvement of the pasture land
- Procurement of the environmental quality
- Combating against poverty
- Financing
**THE EASTERN BLACKSEA REGIONAL DEVELOPMENT PLAN (DOKAP)**

The project consists of 6 provinces. It aims to increase the average income level of the region by strengthening its economic structure. The project also aims to develop the intra-regional income distribution and to obtain an intra-regional integration by social development and solidarity.

The main objective of the plan is to obtain long term sustainable development through the preservation of natural resources and environment.

The main development strategy of the region has 4 components:

- Improvement of the main transportation network.
- Improvement of the multi purposed water resources.
- Improvement of the land use and land ownership.
- Strengthening of the local authorities

DOKAP has 10 programmes and 52 projects under these programmes

**THE YEŞİLIRMAK RIVER BASIN PROJECT (YHGP)**

The vision of the project is to obtain a region that has a high quality of life, environmentally sensitive, competitive and rapidly developed. This vision summarizes the sensitiveness of the region to the social and economic development and ecological balances.

In order to achieve this vision, plan envisages a sustainable development pattern. The region has to strengthened its institutional structures and local initiatives so that to achieve a rapid development until 2023.

The basic strategic goal of the project is to obtain a sustainable development and transformation of social and economic structures that correspond the renewed spatial structure of the region.

The structural transformation of the region has 3 components:

- Transformations of spatial structural,
- Transformations of social structure,
- Transformations of economical structure.

The effects of the development of the economy and community of the region do not occur only in the environment of social and economic relations but they also occur in the spatial structure of the region.

For these reasons, the relations between the goals of the economical and social transformations should be approached regarding the spatial transformation goals also.

For the realization of this approach the plan suggests the following strategic objectives:

- To establish an efficient spatial organization,
- To improve the social structure and human resources,
- To improve the competitiveness of the enterprises and internalisation,
- To protect and rehabilitate the environment and ecological balances,
- To strengthen the institutional structure

In order to achieve these strategic objectives several priorities, measures and social, economic and ecologic implementation projects are developed in accordance with the regional spatial strategies.
THE ZONGULDAK-BARTIN-KARABÜK REGIONAL DEVELOPMENT PROJECT (ZBK)

The main goal of this project is to analyse the economic and social consequences, to develop new investment areas and to prepare a medium and long term regional development plan. By the completion of the project:

- The out migration will be decreased by the provision of new employment opportunities,
- The new employment opportunities will be developed especially in the manufacture industries and in the service sectors,
- The agricultural and forestry activities will be balanced,
- To improve the welfare, income and work force qualifications.

RURAL DEVELOPMENT

From the beginning of the Planned Period, DPT has been paying great attention to rural development both in its institutional organization and planning documents. Rural development, when considered with a wider perspective, contributes to improve life quality of the rural society, accelerate socio-economic development at national scale, decrease regional development disparities and solve the socio-economic problems arising from rural out-migration.

Rural Development Policy

During the period of the Ninth Development Plan, which covers 2007-2013 period, the rural development policy of Turkey is based on the following basic priorities;

- Preparation of rural development plan
- Re-arrangement of producer organizations
- Provision of the participatory mechanisms for the management of irrigation infrastructure
- Enhancement of agricultural and non-agricultural activities
- Development of human resources in rural areas
- Determining of rural central settlements with their hinterlands
- Improvement of the settlements through basic infrastructure and service investments
- Definition of the principles and criteria for rural settlement planning
- Designation of pilot projects initiating local development capacities
- Provision of the instruments to manage the financial needs of rural areas
- Development of the capacity of local authorities
- Establishment of the institutional capacity for the alignment with the EU rural development policies and management of the funds.

Rural development policies will be applied through the National Rural Development Plan (NRDP) and IPARD Program, which are currently being prepared on the basis of the National Rural Development Strategy (NRDS).
**National Rural Development Strategy**

NRDS aims to achieve comprehensive policy framework for rural development activities in order to:

- Establish a basis for the “National Rural Development Plan” to be prepared
- Provide a perspective to public and private stakeholders in preparing and implementing rural development programs and projects both financed from national and international resources during the planning period.

National Rural Development Strategy was come into force with the decision of High Planning Council in 2006. The main “policy framework” for the strategy document can be summarized in the following table.

Outline of the National Rural Development Strategy

<table>
<thead>
<tr>
<th>MAIN OBJECTIVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Developing and ensuring the sustainability of living and job conditions of rural community in their territory in compatible with urban areas, on the basis of utilizing local resources and potential, and protecting the environmental and cultural assets</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>STRATEGIC OBJECTIVES and PRIORITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Objective 1: Economic Development and Increasing Job Opportunities</td>
</tr>
<tr>
<td><strong>Priority 1.1:</strong> Attaining a Competitive Structure for Agriculture and Food Sectors</td>
</tr>
<tr>
<td><strong>Priority 1.2:</strong> Diversification of the Rural Economy</td>
</tr>
<tr>
<td>Strategic Objective 2: Strengthening Human Resources, Organization Level and Local Development Capacity</td>
</tr>
<tr>
<td><strong>Priority 2.1:</strong> Strengthening Education and Health Services</td>
</tr>
<tr>
<td><strong>Priority 2.2:</strong> Combating with Poverty and Improving Employability of Disadvantaged Groups</td>
</tr>
<tr>
<td><strong>Priority 2.3:</strong> Strengthening Local Development Capacity</td>
</tr>
<tr>
<td>Strategic Objective 3: Improving Rural Physical Infrastructure Services and Life Quality</td>
</tr>
<tr>
<td><strong>Priority 3.1:</strong> Improvement of Rural Infrastructure</td>
</tr>
<tr>
<td><strong>Priority 3.2:</strong> Improvement and Protection of Rural Settlements</td>
</tr>
<tr>
<td>Strategic Objective 4: Protection and Improvement of Rural Environment</td>
</tr>
<tr>
<td><strong>Priority 4.1:</strong> Improvement of Environmental-Friendly Agricultural Practices</td>
</tr>
<tr>
<td><strong>Priority 4.2:</strong> Protecting Forest Ecosystems and Sustainable Utilization of Forest Resources</td>
</tr>
<tr>
<td><strong>Priority 4.3:</strong> The Management and Improvement of Protected Areas</td>
</tr>
</tbody>
</table>
National Rural Development Plan

NRDP is being prepared by Ministry of Agriculture and Rural Affairs (MARA) in cooperation with DPT and through the active participation of other relevant public and private stakeholders. The preparations are progressed by the working groups and the final draft is aimed to be completed at the end of 2007.

The plan is being prepared by strategic planning approach. It would detect the measures through which the strategic priorities, mentioned in National Rural Development Strategy, will be implemented. In addition, the plan would include financial sources and institutional framework for the implementation of the measures.

IPARD Program and IPARD Agency

In order to benefit from the EU’s rural development funds allocated to the candidate countries under the Instrument for Pre-Accession Rural Development Component (IPARD) for the new programming period, Turkey is about to finalize its preparations for the IPARD Program.

The preparations are progressed by MARA, managing authority of the Program, through the participation of public and private sectors, NGOs, producer unions, and universities. The draft Program would be completed after a final assessment of Monitoring and Evaluation Committee of the Program. Also DPT is a member of the Committee. Finally, the last draft will be submitted to the EU Commission in July 2007.

The measures to be implemented under IPARD Program, considering their alignment with the strategic objectives of the EU rural development policy, can be listed under the following three main axes;

- Improvement of market efficiency and implementation of Community standards
- Preparatory actions for implementation of the agri-environmental measures and LEADER
- Development and diversification of rural economy

The rural development measures implemented under those axes concentrates on basic problems revealed by the results of sector analysis, which are supplemented with field works. Furthermore, those measures are envisaged so as to maximize the alignment to the implementations of the acquis communautaire concerning the EU Common Agricultural Policy, and contribution to the strategic objectives of the IPARD.

The establishment law of the IPARD Agency (Agriculture and Rural Development Support Institution) was adopted in Turkish Parliament in March 2007. The technical works for the accreditation processes of the agency both in national and EU level are continued through the project supports sustained under the EU-Turkey pre-accession Financial Assistance Programming.
2. FINANCIAL SUPPORTS

KÖYDES AND BELDES PROJECTS

The Project for Supporting Infrastructure of Villages (KÖYDES)

The KÖYDES Project was started in 2005 by the Ministry of Interior in order to solve the drinking water and road problems of the villages, which have not been solved so far because of various reasons, through of local authorities such as special provincial administration and village service unions within a short period. This Project covers 79 provinces except İstanbul and Kocaeli.

Within the context of the KÖYDES Project, the annual fund allocations are presented in the following table.

Fund allocations for KÖYDES Project (million YTL, current prices)

<table>
<thead>
<tr>
<th>Years</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2005-2007 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund Allocations</td>
<td>200</td>
<td>2.000</td>
<td>2.000</td>
<td>4.200</td>
</tr>
</tbody>
</table>

2.644 drinking water project and 2.170 village road project of the total of 4.814 projects, were financed in 2005. As a result of successful results of the Project implementation, the amount of funds allocated from the central budget to the project were increased ten times in 2006 and 2007 years compared to 2005.

Approximately 25.000 projects were programmed in 2006 including sewerage and agricultural infrastructure (irrigation) investments in the context of the KÖYDES.

In 2007, the priority was given to ensure healthy and sufficient drinking water to the villages and village dependents, which does not have any or sufficient drinking water, and to improve the quality and standards of the village roads. In this framework, 2 billion YTL fund was allocated in 2007 to the project in 2007.

The Project for Supporting Infrastructure of Municipalities (BELDES)

The implementation of the BELDES Project was started in 2007 in order to supply necessary infrastructure to the municipalities whose population are below 10.000. The priority was given to the municipalities having insufficient incomes because of low population and high infrastructure needs.

By KÖYDES and BELDES implementations, fund requirements for the basic infrastructures such as drinking water and road construction of almost all rural settlements of the country are ensured.

The BELDES Project covers 81 provinces and 300 million YTL fund was allocated to 2.507 municipalities in 2007.

Furthermore, within the context of the BELDES Project, additional 33.5 million YTL fund was transferred to the Bank of Provinces in order to provide reticulated drinking water infrastructure to the total of 49 municipalities, which have no or insufficient reticulated drinking water facility, for realization of project implementations.
ALLOWANCES TO THE LOCAL AUTHORITIES WITHIN THE PRIORITY REGIONS FOR DEVELOPMENT

Priority Regions for Development (PRD) policy, one of the important tools of regional development policies, is a major public policy implemented in favour of less developed regions. In the framework of PRD, incentives for private sector, applications to improve wage levels of labour force relatively, credit supports for agricultural and vocational purpose, financial supports to investments from the Public Partnership Fund, financial supports from the DPT budget to the projects of local administrations in PRD have been provided. At present, PRD covers 49 provinces and 2 districts and similar support facilities are maintained.

In the framework of PRD, following investments of the Special Provincial Administration and municipalities are supported from the Appropriations for Local Administrations under DPT budget:

- Investments to process agricultural and livestock products
- Investments to improve culture and tourism
- Investments to contribute to the development of manufacturing industry
- Social and economic infrastructure investments to increase the effectiveness of municipality services.

In this framework, following amount of resources has been allocated at 2007 prices:

- In 2002, 2 million YTL to 562 local administrations,
- In 2003, 1.8 million YTL to 471 local administrations,
- In 2004, approximately 2.7 million YTL to 440 local administrations,
- In 2005, 8.2 million YTL for 587 local administrations,
- In 2006, 9 million YTL for 781 local administrations.
3. ANALYSIS STUDIES

THE STUDY ON THE SOCIO-ECONOMIC DEVELOPMENT LEVELS OF THE PROVINCES AND REGIONS

On the determination of the strategies for the regional development and the strategies targeting decreasing the regional disparities, measurement of the development levels of the regions are of great importance. For this purpose, once in a approximately each five years, studies are conducted by DPT on the determination of the socio-economic development levels of the regions, provinces and districts.

The most recent one of these studies, conducted by the DPT in 2003, “The Study on the Socio-economic Development Levels of the Provinces and Regions” is measuring the development levels of regions by using 58 different indicators. These indicators, which can be classified in two groups as social and economic, comprises the fields such as demography, education, health, rural infrastructure, industry, construction, agriculture, finance and banking.

The method of principle components analysis was used in the formation of an integrated socio-economic development index (SEGE) from these 58 indicators. The following map shows the provinces as classified in 5 main development groups according to SEGE values. Light colors indicate relatively developed regions.

THE CLASSIFICATION OF REGIONAL UNITS FOR STATISTICS

One of the important studies made within the context of regional development policies is the definition of regional units for statistics, which is prepared by DPT with Turkish Statistical Institution (TURKSTAT)

The aim of this study is collecting regional statistics, analyzing socio economic status of regions, determination of the framework of regional policies and creating comparable statistical database compatible with European Union System of Regional Statistics. In this study, provinces are defined as “level 3” and, by grouping economically, socially and geographically similar neighbour provinces, totally 26 “level 2” regions are defined. Then, by grouping “level 2” regions, 12 “level 1” regions are defined.
GROWTH CENTRES (POLES)

With the planned development period; policies concerning the regional development and spreading development by reducing development disparities between regions has been among the leading policies.

The aim of the two axis of Ninth Development Plan; “ensuring regional development” and “improving competitiveness” is to create development atmosphere based on regional dynamics and internal potential by selecting growth centres which have high potential to grow and serve to its neighbourhood especially in underdeveloped regions and setting spatial priority and focus for public sector investments and service supply in those growth centres. For this purpose, Diyarbakır, Elazığ, Erzurum, Gaziantep, Konya, Malatya, Samsun, Sivas, Sanliurfa, Trabzon, and Van, provinces are selected as growth centres. The studies regarding the specific policies and implementation for these centres are continuing.

REGIONAL DEVELOPMENT POLICIES AND SECTOR-REGION CONCENTRATION

The book, named “Regional Development and Sector-Region Concentration” is one of the new studies made on regional basis by DPT. In this study, going beyond the conventional sectoral analyses, agriculture and manufacturing industry are analysed on the basis of subsectors in the context of sectoral concentration. Interactions between regions and comparative advantage of regions are aimed to be described by the way of calculating sectoral concentrations at regional level and sector concentrations of each region. This book is published by TUSIAD.
Regional Concentrations by Localization Coefficients

Sector Concentrations and Regional Specialization

LEADING INDUSTRIAL SECTORS IN PROVINCES

DPT added a new study to its researches on the basis of provinces with the study: “Leading Industrial Sectors in Provinces”

This study is very important for strengthening data/information infrastructure and meeting an important need. It provides a general vision for private sector investors at provincial base. Also it helps public sector to design public investments rationally.

This study, which covers the high productive and competitive economic activities within the provinces, is expected to be a solid ground for preparing inventory for sectors to be supported by public sector and to contribute to allocation of public resources for the most effective/rational fields as well as for developing an effective regional incentive system in the country.

www.dpt.gov.tr
4. DEVELOPMENT AGENCIES: A NEW TOOL IN LOCAL DEVELOPMENT

In order to accelerate development of Turkey as a whole and improve its competitiveness, local development institutions are required to stimulate both potentials (including human and social resources) of underdeveloped regions and also the developed ones.

Necessity for local institutional structures like Development Agencies (DAs) has not emerged recently. This necessity was clearly stated in the First Five Year Development Plan, prepared in 1963.

First Five-Year Development Plan (1963-1967) (Organization, Issues and Measures)

“....
Both regional researches and plans can not be realized effectively in a long period because of insufficiency in qualified staff and difficulties in collecting detailed data. Human resource development for regional researches and setting teams in a parallel manner are being carried out according to a programme.”

Carrying out studies regarding regional development and planning requires an organization, which is compatible with needs and staffed adequately both at central and regional level.

The final aim is to set out research teams in each region in order to prepare regional programmes in line with general plan and ensure establishment of administrative structures to implement these programmes.”

Since local institutional structure like DAs, which was proposed by First Five Year Development Plan could not be established until recently, none of the nine Regional Development Plans could be fully implemented successfully except GAP (Southeastern Anatolia Regional Development Project)

On the other hand, the establishment of institutional structures like DAs to stimulate local development, has been demanded by several local development initiatives of the provinces and regions.

For this reason, DPT has developed a unique Development Agency Model by taking into account the political, administrative, social and economic conditions of Turkey, other country experiences and EU membership perspective.

DAs will make important contribution to the developed regions for the improvement of competitiveness at global scale and convergence of underdeveloped regions to the national average.

In order to stimulate local potential, DAs will support the preparation of regional plans and strategies which are compatible with national plan and strategies, through a participatory approach.

A significant amount of financial resources from general budget, local authorities (municipalities and special provincial administrations) and chambers of commerce and industry will be allocated to the DAs for the sake of stimulating local/regional potentials.
These financial resources will be assigned as grants to the projects having priority that will ensure regional specialization in areas where the region has the highest competitiveness and trigger local development in line with regional development strategies.

DAs, as an institutional structure constituted by public, private sector and NGOs, will enhance collaboration culture and strengthen the local project generation capacity.

Thus, not only public sector’s but also private sector’s and NGOs’ efforts will be directed by means of DAs in order to ensure local development.

Organizational Structure of Development Agency

Law on Development Agencies has been approved by Grand National Assembly on 25/01/2006 and published in Official Gazette on 08/02/2006.

The first pilot DAs are established in TR62 NUTS 2 region covering Adana and Mersin Provinces (Çukurova Development Agency) and, TR31 NUTS 2 region covering İzmir Province (İzmir Development Agency).

General Secretaries of DAs started to work and 25 experts for Çukurova DA and 20 experts for İzmir DA have been employed.

“Preliminary Regional Development Plans” of regions for the 2007-2008 period have been prepared by the DAs and approved by DPT.

In the coming period, after the legal framework of the DAs is finalized, it is envisaged that DAs will be established throughout the country.

Development Agencies will be the centres of production and development culture under the coordination and guidance of State Planning Organization.

<table>
<thead>
<tr>
<th>Resource</th>
<th>Contributions (% of Revenues)</th>
<th>Total Budget Revenues</th>
<th>Resource to be allocated to DAs</th>
<th>Share in the total Agency Resources (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Budget Tax Revenues</td>
<td>0.5</td>
<td>90,093</td>
<td>450</td>
<td>76</td>
</tr>
<tr>
<td>Special Provincial Administrations</td>
<td>1.0</td>
<td>1,773</td>
<td>18</td>
<td>3</td>
</tr>
<tr>
<td>Municipalities</td>
<td>1.0</td>
<td>12,747</td>
<td>127</td>
<td>21</td>
</tr>
<tr>
<td>Total (26 Agencies)</td>
<td></td>
<td>595</td>
<td>100</td>
<td></td>
</tr>
<tr>
<td>Average (per Agency)</td>
<td></td>
<td>23</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5. STUDIES IN EU MEMBERSHIP PROCESS

EU ACCESSION NEGOTIATIONS: PREPARATIONS FOR “REGIONAL POLICY AND COORDINATION OF STRUCTURAL INSTRUMENTS” CHAPTER

The preparations of the necessary regulations for the use of Structural Funds and Cohesion Fund, which consist of approximately two third of EU financial assistance to candidate countries, are undertaken within the “Regional Policy and Coordination of Structural Instruments” Chapter.

This chapter, which is being executed under the coordination of DPT Directorate General of Regional Development and Structural Adjustment, is one of the most comprehensive chapters, and because of its structure it covers the issues related with authority and responsibility of so many public institutions and requires an efficient coordination mechanism. In this chapter, it is necessary to complete the adoption of Turkish legislation and institutional structure with EU acquis.

The six main fields of the adoption to foreseen systematic are as follows:

- Legal Framework (Budget mechanism, co-finance and especially regional coordination structures),
- Institutional Framework (Institutions/authorities responsible for Structural Funds and Cohesion Fund, inter-ministerial coordination),
- Administrative Capacity,
- Programming (Preparations of programming documents, project pipeline),
- Monitoring and Evaluation,
- Financial Control and Audit.

Studies for the screening process of this chapter completed in collaboration with related institutions. In this framework, an explanatory meeting on 11-12 September 2006, country session on 9-10 October 2006 and a technical meeting on 13 November 2006 were held in Brussels.

DPT Directorate General of Regional Development and Structural Adjustment will continue to provide the coordination of related national institutions and conduct the negotiations with EU under this chapter.
EU SUPPORTED REGIONAL DEVELOPMENT PROGRAMMES

Regional development policies aim to increase the comparative competitiveness of the regions and to reduce inter-regional development disparities. In this context, “Grant Schemes” which is one of the regional policy tools, involve development of standard criteria considering the regional priorities for the selection of the projects, emphasis on monitoring and evaluation and increase the economic and social cohesion by supporting underdeveloped regions.

EU supported regional development programmes were initiated in 12 priority regions envisaged by Preliminary National Development Plan covering 2004-2006 period. Regional development programmes are implemented in the framework of Turkey-EU Pre-Accession Financial Cooperation. Grant support is provided in a competition environment in the areas of development in human resources, increase in employment, construction of small scale infrastructure and rural infrastructure and supporting entrepreneurship, especially to the investment projects from the budget, which is composed of EU funds and contribution of Turkey at 25 % for each programme.

In order to implement the EU supported regional development programmes effectively, management structures were constituted at the centre and programme regions. The system established by “Grant Projects Implementation Manual”, was accredited by European Commission in June 2004.

The main actors of the system are SPO General Directorate of Regional Development and Structural Adjustment as the “beneficiary” of the regional development programmes at the central level and Programme Implementation Units (PIU) operating under the auspices of service unions at the regional level. PIUs are responsible for the implementation of the programmes effectively and in compliance with EU procedures under the coordination of SPO.

Trainings on project management, EU grant scheme implementation procedures and procurement rules were provided to PIU personnel. In the established PIUs, more than 100 persons are working.

Up until now, by the implemented EU supported regional development and cross-border cooperation programmes, 16 calls for proposals having 190 million Euro
budget were launched, which cover 35 provinces in total. Among the 3500 project proposals, grant contracts were signed for 1237 projects, which were selected in the light of standard assessment criteria. The total budget of the contracts is 163 million Euro. This figure will increase after the projects under TR90 NUTS II Region Development Programme are selected and the grant contracts for these projects are signed.

Conference On EU Supported Regional Development Programmes February 2005

EASTERN ANATOLIA DEVELOPMENT PROGRAMME

General Information

Eastern Anatolia Development Programme (EADP) covers TRB2 NUTS II region, which is composed of Bitlis, Hakkari, Muş and Van Provinces, was prepared in Turkey's accession process to EU and within the scope of EU-Turkey Financial Cooperation.
EADP was prepared to build capacity in the centre and region in order to implement innovative regional policy and planning approaches as well as to constitute an example to innovative regional approaches for the sustainable development of region. EADP has been implemented under the coordination of Undersecretariat of State Planning Organization (DPT).

The Programme preparations were launched in 2001, 33,5 million Euro of 45 million Euro programme budget was allocated for projects in four priority areas which were selected in a competitive procedure.

**Objective of the Programme**

Being compliant with pre-accession cohesion and national policies, the objective of the Programme is to support sustainable socio-economic development and reduce regional disparities through capacity building by the implementation of regional development projects in the region.

**Highlights of the Programme**

- 716 project proposals were received as a result of information and publicity meetings that were organised by DPT and Programme Coordination Unit.
- A grant resource of 29 million Euro was awarded to more than 300 projects in several fields.
- 759 farmers and 349 extension officers of the Ministry of Agriculture and Rural Affairs in the Programme region were trained.
- 510 trainees attended to SME trainings. Besides, 100 small scale enterprises’ consultants were trained, eight of them were completed the professional accreditation process successfully.
- Several trainings were also organized as a part of capacity building activities such as Projects Cycle Management, EU Procurements Rules, Monitoring and Evaluation and Reporting. Within this scope in total 878 persons received training.
- The Regional Tourism Development Strategy Report was prepared.
- The Regional Tourism Guidebook and Booklet was published.
- Feasibility Studies for the four wastewater treatment plant facilities were prepared in order to prevent the pollution of Lake Van.
- Four mobile health units for each province were procured.
Programme Components

**AGRICULTURE AND RURAL DEVELOPMENT**

- Overall objective is to contribute to the development of knowledge and skills of people living in rural areas and related institutions of the programme region; to increase the income of farmers, rural population and agricultural / rural institutions.
- 347 project proposals were received and contacts were signed with 148 successful project applicants. 12,34 million Euro was allocated to these projects, in total.
- Trainings in several subjects were provided to both extension officers of the Ministry of Agriculture and Rural Affairs and farmers. In this scope, 47 courses covering 185 days were opened. 2494 trainees participated to these courses.

The commitment rate in Agricultural and Rural Development Grant Scheme: 79%.

**SMEs**

- Overall Objectives;
  - Increasing the number of new enterprises,
  - Increasing the capacity of existing enterprises and ensuring their sustainability,
  - Increasing employment,
  - Increasing knowledge and skills concerning business life.
- 121 project proposals were received and grant contracts were signed with 68 successful project applicants. 4,56 million Euro resources was allocated to these projects, in total.
- 29 courses covering 112 days in several subjects such as marketing, financial management, total quality management, foreign trade and export, entrepreneurship, business consultancy were organized. 825 trainees participated to these courses and 425 of them were certificated.
- Four technicians (each for one province) were employed to support SMEs in the region.
- A need analysis was carried out for Small Industrial Sites and SMEs and training consultancy services were presented to the firms.

The commitment rate in SMEs Grant Scheme: 54%

**TOURISM AND ENVIRONMENT**

- The Overall objective is to encourage sustainable tourism and environment development in the programme region through the developing of environment quality, cultural and historical heritage and income generating activities in tourism sector.
- 138 project proposals were received and contacts were signed with 49 successful project applicants. 9,3 million Euro resources was allocated to these projects, in total.
- The Regional Tourism Development Strategy Report was prepared. Besides, a regional brand as well as the Regional Tourism Guidebook and Booklet were prepared.
- Gürpınar, Adilcevaz, Bitlis and Güroymak wastewater treatment feasibility studies were prepared in order to prevent pollution in the Lake Van.

The commitment rate in Tourism and Environment Grant Scheme: 124%
SOCIAL DEVELOPMENT

- The Overall objective is to develop current approaches in social services and to increase capacity usage through the application of innovative service and management techniques.
- 110 project proposals were received and contacts were signed with 44 successful project applicants. 2.82 million Euro was allocated to these projects, in total.
- Four health mobile units were procured to improve health conditions and conscious.

The commitment rate in Social Development Grant Scheme: 148%

Implementation Process

As a result of successful information and publicity meetings, 716 projects proposals were received and contacts were signed with 309 successful project applicants. Project implementations, monitoring and evaluation activities are continuing and programme will be finalised by the end of 2007.

The Number of Contract Signed and Amount of Grant Awarded

<table>
<thead>
<tr>
<th>Grant Scheme</th>
<th>Number of Projects</th>
<th>Grant Amount (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural and Rural Development</td>
<td>148</td>
<td>4.553.672</td>
</tr>
<tr>
<td>SMEs</td>
<td>68</td>
<td>12.334.660</td>
</tr>
<tr>
<td>Tourism and Environment</td>
<td>49</td>
<td>2.819.867</td>
</tr>
<tr>
<td>Social Development</td>
<td>44</td>
<td>9.294.788</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>309</strong></td>
<td><strong>29.002.987</strong></td>
</tr>
</tbody>
</table>

The distribution of the grant amount by provinces

33.5 million Euro was allocated for grant scheme projects based on competitive procedure, of which 29 million euro awarded to successful ones. The commitment rate realized as 87%.
Sample Projects
REGIONAL DEVELOPMENT PROGRAMME IN TR 82, TR 83 and TR A1 NUTS II REGIONS

General Information
“TR82, TR83 and TRA1 NUTS II Regions Regional Development Programme”, implemented under the coordination of DPT, covers 10 provinces, namely: Amasya, Bayburt, Çankırı, Çorum, Erzincan, Erzurum, Kastamonu, Samsun, Sinop and Tokat.

The budget of the Programme is 52.33 million Euro of which 40 million Euro is EU grant and 12.33 million Euro is national co-finance.

Objective of the Programme
The overall objective of the Programme is to realize socio-economic development with the implementation of projects in the priority areas of local development initiatives, SMEs and small scale infrastructure.

Highlights of the Programme
• After the information and publicity campaigns organised by DPT and PIUs, 1050 project proposals were received.
• Around 48.3 million Euro grant was provided for 396 projects in total.
• “Grant Projects Management and Implementation Guideline” was prepared and distributed to the grant beneficiaries.
• In order to conduct the procurement activities according to the EU rules, guidelines for the procurement of works, supplies and services were prepared and distributed to the grant beneficiaries. By this way, the PRAG was translated in to Turkish for the first time.
• Several training programmes were conducted on the subjects like PCM, Theoretical and Practical Procurement, Monitoring and Evaluation in order to build capacity in the regions.

Programme Components

LOCAL DEVELOPMENT INITIATIVES
• The overall objective of this component is to support small scale interventions to be implemented exclusively by non-governmental, non-profit organizations and provincial and local authorities in the target regions. With this component it is aimed to support the local development activities and promotion of the collective services, to empower the cooperation and to diversify the income sources of the people living in the rural areas.
• For the supported projects, minimum 10% co-finance was provided by the grant beneficiaries and the maximum grant amount was 90,000 Euro per project.
• 411 project proposals were received and grant contracts were signed with 147 successful project applicants. 9.74 million Euro fund was allocated to those projects. The commitment rate for the Local Development Initiatives Grant Scheme: 99%.

SMEs
• The overall objective of this component is to develop the competition capacity of the enterprises. With the projects supported under this component it is aimed to support enterprises in the following areas:
  • Creating technology transfer and innovation,
  • Developing management and organisation,
  • Financial management,
  • Marketing and advertisement,
  • Developing the human resources.
• For the supported projects, minimum 50% co-finance was provided by the grant beneficiaries and the maximum grant amount was 100,000 Euro per project.
• 376 project proposals were received and grant contracts were signed with the successful 204 project applicants. 14.18 million Euro fund was allocated to those projects. The commitment rate for the SMEs Grant Scheme: 96%.
SMALL SCALE INFRASTRUCTURE

- The overall objective of the Small Scale Infrastructure Grant Scheme is to support the projects of the local authorities which will contribute to improve the quality of life in the region.

- For the supported projects, minimum 10% co-finance was provided by the grant beneficiaries and the maximum grant amount is 1.800.000 Euro per project.

- 263 project proposals were received and grant contracts were signed with the successful 45 project applicants. 24.36 million Euro was allocated to those projects.

The commitment rate for the Small Scale Infrastructure Grant Scheme: 99%.

Implementation Process

Following the successful information campaigns and training activities, totally 1050 projects were received and grant contracts with the successful project applicants were signed.

The Number of Contract Signed and Amount of Grant Awarded

<table>
<thead>
<tr>
<th>Grant Scheme</th>
<th>Number of Projects</th>
<th>Grant Amount (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Development Initiatives</td>
<td>147</td>
<td>9.740.000</td>
</tr>
<tr>
<td>SMEs</td>
<td>204</td>
<td>14.176.000</td>
</tr>
<tr>
<td>Small Scale Infrastructure</td>
<td>45</td>
<td>24.358.000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>396</strong></td>
<td><strong>48.274.000</strong></td>
</tr>
</tbody>
</table>

The distribution of the grant amount by regions

The commitment rate of the grant that allocated to the three components of the programme realized as 98%.
GENERAL INFORMATION

TRA2, TR72, TR52 and TRB1 NUTS II Regions Development Programme, which is implemented under the coordination of DPT, covers 13 provinces namely; Ağrı, Ardahan, Bingöl, Elazığ, Iğdır, Karaman, Kars, Kayseri, Konya, Malatya, Sivas, Tunceli and Yozgat. The total budget of the Programme is 90.67 million Euro of which 70 million Euro is EU support and 20.67 million Euro is the national co-finance.

OBJECTIVE OF THE PROGRAMME

The overall objective of the Programme is to contribute to the economic development of the four priority regions targeted by Preliminary National Development Plan for support under economic and social cohesion measures and to improve the project preparation and implementing capacity at the central and regional level.

HIGHLIGHTS OF THE PROGRAMME

• After the information and publicity campaigns organised by DPT and PIUs, 1680 project proposals were received.
• Approximately 82 million Euro grant, was awarded to 510 projects.
• Procurement and grant project implementation trainings were organized for the grant beneficiaries and manuals covering these topics were prepared.
• 750 trainees attended to the trainings which were organized for SMEs and NGOs in 13 provinces. Training activities are ongoing.
• 350 trainees attended to the trainings which were organized for local authorities in 13 provinces. Training activities are ongoing.
• The preparations for theoretical and practical trainings of 4750 farmers and 330 extension officers in the framework of Agriculture and Livestock component are about to complete.
• Marketing research studies for 26 different products of the programme region will be carried out in the context of the Programme.

Programme Components

AGRICULTURE/LIVESTOCK
• The Overall objective is to increase income and economic safety of the population living in rural areas and working in agriculture sector.
• In the framework of this component, it is aimed to train extension officers of Ministry of Agriculture and Rural Affairs in the programme region and representatives of producer unions, cooperatives, farmers and other relevant institutions. By this way, it is targeted to contribute to the agricultural production and diversification of income generating activities and increase in usage of modern agricultural techniques and productivity-increasing livestock techniques.
• It is aimed to train more than 4000 farmers, 3000 of them will also be trained through practical courses in different best-practice areas of Turkey.

LOCAL DEVELOPMENT INITIATIVES
• The overall objectives are: to promote measures regarding collective benefits, to stimulate locally driven responses for development, especially rural development and to contribute to the diversification of income generating activities.
• Maximum grant amount per project was 150,000 Euro for the capacity building projects under this component, and the beneficiaries contributed at least 10% of the total project cost as co-finance for these type of projects.
• Maximum grant amount per project was 100,000 Euro for the investment projects under this component, and the beneficiaries contributed at least 50% of the total project cost as co-finance for these type of projects.
• 576 project applications were received and grant contracts were signed with 167 successful project applicants. Totally 12,94 million Euro was allocated to these projects.
• Training programmes are being organized for the NGOs in the regions on Project Cycle Management and EU Funds.

The commitment rate in the Local Development Initiatives component is 79%.

SMEs
• The overall objective is to improve the capacity of SMEs in the target regions by generating and conducting qualified projects which address the needs of the private sector, especially small and micro enterprises in agriculture, manufacturing and the service sector, including tourism.
• Minimum 50% co-finance was provided by the grant beneficiary for each supported project and the maximum grant amount per project is 100,000 Euro.
• 729 project applications were received and grant contracts were signed with 277 successful project applicants. Totally 20,58 million Euro was allocated to these projects.

The Commitment rate for SME Component: 84%
SMALL SCALE INFRASTRUCTURE

- The overall objectives of the Small Scale Infrastructure Grant Scheme are to address issues of the availability and quality of collective amenities and infrastructure that contribute to the quality of life in the target regions, to the protection of the environment, to the promotion of business development and tourism and to the improvement of the target regions’ agricultural production capacity and rural population’s quality of life.

- Minimum 10% co-finance was provided by the grant beneficiary for each supported project and the maximum grant amount per project is 1.800.000 Euro.

- 375 project applications were received and grant contracts were signed with 66 successful project applicants. Totally 51,41 million Euro was allocated to these projects.

- Training programmes on need analysis, defining priorities, preparing feasibility studies, Environmental Impact Assessment report (EIA) and Instrument for Pre-Accession Assistance (IPA) for 2007-2013 period were organized for local authorities.

Commitment rate for Small Scale Infrastructure Component: 126%

The Number of Contract Signed and Amount of Grant Awarded

<table>
<thead>
<tr>
<th>Priority</th>
<th>Total Projects</th>
<th>Grant Amount (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Development Initiatives</td>
<td>167</td>
<td>12.931.000</td>
</tr>
<tr>
<td>SME</td>
<td>277</td>
<td>20.575.000</td>
</tr>
<tr>
<td>Small Scale Infrastructure</td>
<td>66</td>
<td>51.410.000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>510</strong></td>
<td><strong>84.916.000</strong></td>
</tr>
</tbody>
</table>

The commitment rate of the grant that allocated to the three components of the programme realized as 104%.
Sample Projects

- **PROJECT:** Social and Cultural Youth Education Center
  **BENEFICIARY:** Altinayla District Service Union for Villages
  **GRANT:** 73,917 €

- **PROJECT:** Increase of The Production Capacity of Granite Products
  **BENEFICIARY:** Özerhan Limited Company
  **GRANT:** 94,003 €

- **PROJECT:** Capacity Improvement for Export of Dried Fruit and Nut Sector
  **BENEFICIARY:** Pınar Dried Fruit Corporation
  **GRANT:** 67,585 €

- **PROJECT:** Development of Stock-Breeding via Applying Modern Agricultural Systems Based on Forage Crops
  **BENEFICIARY:** Agricultural Development Cooperative of Ilyasik Village
  **GRANT:** 103,242 €

- **PROJECT:** Solid Waste Management and Solid Waste Storage Facility
  **BENEFICIARY:** Igdir District Service Union for Villages
  **GRANT:** 1,733,001 €

- **PROJECT:** Bingöl Waste Water Treatment Plant
  **BENEFICIARY:** Bingöl Municipality
  **GRANT:** 481,111 €
REGIONAL DEVELOPMENT PROGRAMME IN TR90 NUTS II REGION

General Information

Regional Development Programme in TR90 NUTS II Region coordinated by DPT comprises 6 provinces including Artvin, Giresun, Gümüşhane, Ordu, Rize and Trabzon. Programme is under the Turkey-EU 2005 Financial Assistance Programming.

The total budget of the programme is 24 million Euro, 18 million Euro of which is EU support and 6 million Euro is the national co-finance.

Objective of the Programme

The overall objective of the programme is to support the objective set out in Preliminary National Development Plan of reducing interregional disparities in Turkey and build institutional capacity at both central and regional level.

Highlights of the Programme

- Info-days were organised with the participation of 1475 potential applicants in the 6 provinces of the programme region.
- The public project preparation trainings for the all potential applicants were organised between 7 and 24 May 2007.
- All the grant contracts with the successful applicants will have been signed, by the end of November 2007.
Programme Components

TOURISM & ENVIRONMENT RELATED INFRASTRUCTURE

- The overall objective is to improve the quality of environment and life in the targeted region. The budget of this component is 9,2 million Euro.
- More than 600 concept notes were submitted by the potential beneficiaries and the evaluation process of concept notes is ongoing.
- The maximum grant per project is 540,000 Euro and the minimum rate of co-financing by beneficiaries is 10%.

SMEs

- The overall objective is to increase the capacity of small and medium sized and micro scale enterprises in the target region in generating and conducting projects to address the needs of the private sector, especially small and micro enterprises, in agro-processing, manufacturing and the service sector, including tourism.
- The budget of this component is 9,2 million Euro. The maximum grant per project is 100,000 Euro and the minimum rate of co-financing by beneficiaries is 50%.
- More than 500 project applications were submitted by the potential beneficiaries and the evaluation process is ongoing.

LOCAL DEVELOPMENT INITIATIVES

- The Overall Objective is to promote the measures regarding collective benefits, to stimulate locally driven responses for development and to contribute to the diversification of income generating activities in the region concerned.
- The budget of this component is 5,6 million Euro. The maximum grant per project is 100,000 Euro and the minimum rate of co-financing by beneficiaries is 10%.
- More than 400 project applications were submitted by the potential beneficiaries and the evaluation process is ongoing.

2004-2006 TURKEY-BULGARIA CROSS-BORDER COOPERATION PROGRAMME
General Information

“Turkey-Bulgaria Cross-Border Cooperation (CBC) Programme” coordinated by DPT covers the period of 2004-2006. It supports the local cooperation between all the Turkish provinces and Bulgarian districts along the border; namely Edirne and Kırklareli provinces on the Turkish side, and Haskovo, Yambol and Burgas on the Bulgarian side.

European Commission allocated 15 million Euro to the programme for the period of 2004-2006. Moreover, 500,000 Euro was allocated to Joint Small Projects Fund (JSPF) grant scheme in 2003 as a pilot action to introduce the 2004-2006 Turkey-Bulgaria CBC Programme.

Objectives of the Programme

- Supporting the balanced and sustainable local/regional development of the border region between Turkey and Bulgaria,
- The establishment and development of co-operative networks on both sides of the border and the creation of linkages between these networks and wider European Union networks.

Pre-Identified Projects

In the period of 2004-2006 after the preparatory works carried out under the coordination of DPT, 5 projects prepared by various public institutions were submitted to the European Commission.

<table>
<thead>
<tr>
<th>Project Title</th>
<th>Beneficiary Institution</th>
<th>EU Contribution (€)</th>
<th>National Contribution (€)</th>
<th>Total Budget (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restoration of Ekmekçiçeşme Caravanserai in Edirne (2004)</td>
<td>Special Provincial Administration of Edirne</td>
<td>2.500.000</td>
<td>832.500</td>
<td>3.332.500</td>
</tr>
<tr>
<td>Upgrading of Kırklareli-Dereköy–Aziziye Turkish Bulgarian Border State Road Project (2006)</td>
<td>General Directorate of Highways</td>
<td>3.700.000</td>
<td>1.249.000</td>
<td>4.949.000</td>
</tr>
<tr>
<td>Capacity Improvement for Flood Forecasting and Flood Control in the Turkey-Bulgaria CBC Region (2006)</td>
<td>General Directorate of State Hydraulic Works</td>
<td>3.255.000</td>
<td>825.000</td>
<td>4.080.000</td>
</tr>
<tr>
<td>Protection and Sustainable Development of Natural Resources and Biodiversity in the Yozgat Mountains (2006)</td>
<td>Ministry of Environment and Forestry</td>
<td>2.387.500</td>
<td>362.500</td>
<td>2.750.000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>12.000.000</strong></td>
<td><strong>3.271.500</strong></td>
<td><strong>15.271.500</strong></td>
</tr>
</tbody>
</table>

* The budgets of the Projects submitted to the 2006 programming year are indicative. It will become final by the signature of the Financing Memorandum.
Among the projects mentioned above, the Restoration of the Ekmekçizade Caravanserai in Edirne Project, which was submitted to the 2004 programming year, aims at restoring the Caravanserai in the original structure and opening it as a venue for Bulgarian and Turkish joint activities. The tendering process of the Caravanserai was completed in March 2006 and restoration works have been going on. The implementation of other projects, which were submitted to the 2006 programming year, will be started after the signature of the relevant Financing Memorandum.

The 17th century historical Ekmekçizade Caravanserai in Edirne is being restored.

Joint Small Projects Fund

The Joint Small Projects Fund (JSPF) is a grant scheme that supports small-scale soft joint projects selected in competitive conditions for the improvement of cross-border cooperation and regional development, and involving local authorities, NGOs and all relevant local initiatives.

- In the framework of 2003, 2004 and 2005 JSPF grant schemes, 732 local actors participated to the Info-days and 432 potential applicants were trained on the preparation of project application.

- In the framework of 2003 JSPF, 29 project applications were received and 9 of them were awarded grant. Thus, 98,1% of the fund allocated to the grant scheme was committed. Project implementations were completed successfully in November 2006.

- In the framework of 2004 JSPF, 25 project applications were received and 13 of them were awarded grant. Thus, 99,5% of the fund allocated to the grant scheme was committed. Grant contracts with the successful applicants were signed in November 2006 and project implementations are ongoing.

- In the framework of 2005 JSPF, the evaluation process of 33 project applications is ongoing.
ACHIEVEMENTS

EU supported regional development programmes brought a new learning process together in the regions. Approximately 15,000 persons attended to the information days organized in each of the 35 provinces within the context of programmes. Moreover, approximately 8,000 persons attended to the free-of-charge trainings organized in each province about project preparation and management. Such a high level attendance to information days and trainings is the most apparent indicator of the interest triggered by grant schemes. Training programmes gave way to development in project preparation capacity at local level.

In this framework, EU supported regional development programmes constituted an opportunity to increase cooperation among local authorities, service unions in the regions, NGO’s and local SME’s. All these actors experienced a process of practical learning on the topics of project preparation and management at EU standards. It is seen that project preparation capacity at EU standards has increased also in less developed regions of Turkey, when we consider more than 5000 project proposals and very high commitment rates within the context of programmes in implementation. The implemented grant schemes ensured ownership of the development efforts by local stakeholders and Turkey found opportunity to experience a successful regional development model in a wide area.
EU SUPPORTED REGIONAL DEVELOPMENT PROGRAMMES COMMON MONITORING FRAMEWORK

Monitoring can be defined as collection, analysis and use of information for the purpose of management and decision-making systematically. Monitoring tracks the actual performance or situation against what was planned or expected according to pre-determined targets.

Monitoring must highlight the strengths and weaknesses in project implementation, enabling managers to deal with problems, finding solutions and adapting to changing circumstances in order to improve project performance. Monitoring provides an ‘early warning system’, which allows for timely and appropriate intervention if a project is not adhering to the plan.

EU Supported Regional Development Programmes and Necessity of Monitoring

In EU supported regional development programmes under coordination of DPT, grant schemes are used as a support mechanism predominantly. Programmes and projects should be monitored and supported closely to ensure that projects are implemented in line with the rules, objectives and targeted success indicators and contribute development of the regions by ensuring successful implementation of grant projects. Therefore a comprehensive monitoring system is required.

In the scope of regional development programmes, there are more than 1200 project under implementation and this number is expected to increase approximately to 1500. Monitoring activities of programmes are carried out in line with the system established by DG Regional Development and Structural Adjustment.

Aims of Monitoring

Monitoring system ensures:

- Project implementations obey the rules
- Projects progressing as planned and performing well
- Problems detected earlier
- Grant beneficiaries get the required support on time

For this reason, a common monitoring framework is defined for all regional development programmes. The system will not only control the implementations but also support beneficiaries signing contract in order to keep their projects on the track.

Common Monitoring System

Common Monitoring Framework (CMF) stands on three main pillars; Monitoring Network, Common Monitoring Manual and Monitoring Information System (MIS). The system is designed by focusing on support function rather than audit but the system collects relevant data and produces signals with early warning mechanism about audit.
In article 10 and 28 of 2007 programme decree, it is stated local administrations cooperate with the Programme/Project Implementation and Coordination Units and Development Unions at regional and State Planning Organization at central level; and take the necessary measures in order to ensure the effective implementation of the programmes.

Based on these articles, a Prime Ministry circular on “Implementation and Monitoring of the EU co-funded Regional Development Programmes” was published. This circular forms the legal framework of monitoring network.

Monitoring network is established in three levels: central, regional and local levels. At central level, overall monitoring and evaluation of the programmes are carried out under coordination of DPT. Furthermore; a Senior Programme Officer (SPO) (General Director of Regional Development and Structural Adjustment) is responsible from the technical implementation whereas CFCU is responsible from financial implementation.

Programme Implementation Units (PIU) are responsible from daily implementation of programmes in regional level including project-monitoring activities. There are 55 PIU staff in all programmes covering 9 NUTS II regions. Technical Assistance Teams (TAT) provide support to DPT, CFCU and PIUs in programming and implementation phases of the programmes.

At local level, governorship staff (project monitoring staff) is appointed in order to conduct and report monitoring visits to individual projects.

**Common Monitoring Manual**

CMM, drawing the monitoring framework, defining roles and responsibilities of system actors, introducing monitoring tools and defining monitoring processes, is the essential document for monitoring of all grant programmes.
In line with the CMM, implementation of grant projects is closely monitored in all aspects of procedures, progress, problems and needs of the Grant Beneficiaries.

EU co-financed grant scheme projects are subject to rules stated in the grant contract, and the relevant regulations of EU and Turkey. In the monitoring system, the legality of procedures in project implementations is checked against the Turkish Law, general grant scheme rules set by EU and the contractual obligations.

**Monitoring Information System**

One of the main goals of the monitoring system is to ensure that the project is able to produce expected outputs with planned activities within the limits of the contract budget and project duration. The system will monitor the progress regarding the performance of the projects. To measure the performance, Monitoring Information System (MIS) provides necessary data to assess financial and technical progress, risk, and performance indicators.

MIS, which facilitates storing, and analyzing data obtained from several tools contains data provided by all actors from grant beneficiaries to DPT and forms a common communication platform for all actors in the framework of common monitoring manual. The core of MIS is declaration reports (Bi-monthly declaration reports), which are provided by beneficiaries in two monthly periods to provide information on the progress in their projects’ activities, budgets, and problems. Inclusion of project beneficiaries in the monitoring system enables sharing of monitoring burden with beneficiaries and obtaining up to date data from the source.

More than 95% of the beneficiaries submit these reports to MIS regularly. Interim evaluation survey conducted through MIS indicates that bi-monthly declaration reports considerably contributed to preparation of interim and final reports of projects.

MIS is designed as a system that can easily be used in all levels by considering the technical capacities of the users. According to interim evaluation survey, 86% of the beneficiaries regard MIS data entries as easy.
It is planned to conduct 2 evaluation surveys. Interim evaluation survey aims at measuring general progress of the system and performance of the activities. Final evaluation survey, which will be conducted after completion of the grant programmes, will measure the socio-economic impacts of the programmes. Some selected questions from interim survey are presented below.

**Monitoring Tools**

Monitoring visits, reports and MIS are essential monitoring tools for project level monitoring activities.

Monitoring visits are the tool, which is used to validate the data submitted to MIS from several resources. The data obtained in these visits conducted by the personnel recruited by governorships with the support of DPT, are transferred to MIS. Thus, validation of data is done at three levels (central, regional and local) defined in the system. In addition, three levels of indicators are defined: programme, component and project levels.

In conclusion, monitoring of all grant programmes under coordination of DPT are incorporated into a common framework with the monitoring network structure and a comprehensive infrastructure is established to be used in future grant programmes and, in the case of need, for development programmes and project with national funds. Monitoring and evaluation experience of DPT is transferred to other public institutions in the forms of consultancy, orientation and recommendation. Institutions, especially the ones, which will be managing authorities in Instrument for Pre-accession Assistance (IPA) process, consult with DPT on monitoring issues. This study is targeted to set a pattern by lighting the way for monitoring and evaluation activities in other institutions and within DPT and to become widespread by associating with Development Agencies.
Twinning Project: “Support to the State Planning Organization General Directorate for Regional Development and Structural Adjustment for Strengthening Institutional and Administrative Capacity” was initiated on 1st of June, 2005 and completed on 30th of November, 2006. The project belongs to Turkey-EU Financial Cooperation Programme of 2003 and its budget is 800,000 Euro.

The overall objective is to strengthen the organizational and institutional capacity for more effective use of EU structural funds and local/regional development oriented national funds and to strengthen the cooperation between different institutions in the field of regional development and institutionalize joint decision making processes among them.

The project was implemented together with Department for Development and Cohesion Policies (DPS) of the Ministry of the Economy and Finance of Italy, which is the member state twining counterpart of DPT. Two Italian Regional Governments, namely the Emilia Romagna and Puglia Regions through their mandated bodies ERVET (Politiche per le Imprese SpA) and SIP (Sviluppo Italia Puglia) respectively were also Italian local counterparts in the twinning.

The project is composed of inter-linked six components:
1. Development of legal and organizational framework for regional development and the management of EU funds
2. Development of cooperation between central and regional levels in implementing regional policies
3. Development of human resource strategy for the management of regional development policies and programmes at central level
4. Development capacity of management, control, monitoring and evaluation
5. Strengthening of coordination between national development plan and regional development programmes
6. Improvement of local development entrepreneurship capacity

In the framework of the project many expert studies and training activities were carried out, which puts a base to carry over the experiences of Italy to Turkey in the field of regional development. In this context study visits to Italy and Poland were organized. By the means of this project, DPT and DPS found an opportunity to work in a close cooperation environment. Two counterparts not only strengthened their organizational linkages, but also contributed to strengthen the linkages between Turkey and Italy at national levels.