

PROTOCOL OF THE SECOND SESSION OF THE TÜRKİYE-SWEDEN JOINT ECONOMIC AND TRADE COMMITTEE (JETCO)

The Türkiye-Sweden Joint Economic and Trade Committee (hereinafter referred to as JETCO), held its second meeting in Stockholm on 3 September 2024.

The Swedish delegation was headed by H.E. Johan Forssell, the Minister for International Development Cooperation and Foreign Trade of the Kingdom of Sweden and the Turkish Delegation was headed by H.E. Prof. Dr. Ömer Bolat, the Minister of Trade of the Republic of Türkiye.

The results of these deliberations are summarized as follows:

1. TRADE RELATIONS

As a point of departure, it was recalled that the 100-year anniversary of the Friendship Agreement between Türkiye and Sweden from 31 May 1924 gives special historic resonance to highlight the long-term bilateral relations.

Both Sides underlined the mutually beneficial aspects of the bilateral economic relations and stressed the importance of continued cooperation to enhance economic and trade relations. Both Sides gave an overview of the current economic outlook of their respective countries and a brief account of the measures taken on Both Sides to fight inflation and promote economic growth. A key common priority was the transition towards more sustainable, green and digital societies.

Bilateral Trade

Both Sides reviewed the development of bilateral trade between the two countries and agreed that the volume of bilateral trade did not reflect the full potential of economic and commercial cooperation between both countries.

Both Sides stated that a further increase in volumes of bilateral trade and investments is a shared objective and reiterated their ambitions to step up economic cooperation.

Both Sides stressed the importance of respecting fundamental rights and rule of law, also for creating a conducive business and investment climate.

Trade Promotion Activities and Investments

Both Sides are committed to, and will promote an open, sustainable and rules-based trade, with the World Trade Organisation at its core.

Both Sides, in line with this, also expressed their willingness to launch common initiatives, encourage the participation of their private sectors to fairs and exhibitions to be organized in

their respective countries and arrange visits of business delegations in potential sectors with a view to achieving higher level of bilateral trade and investments.

Both Sides underlined the importance of increasing mutual investments between Türkiye and Sweden. Both Sides confirmed their encouragement to deepen cooperation between relevant Turkish and Swedish companies and business associations to identify investment opportunities, especially those that could support circular economy objectives and transition to a carbon-neutral economy.

Both Sides underlined their commitment to maintain and further develop necessary confidence and stable framework conditions for investors.

Both Sides stressed their satisfaction with the holding of the round table on cooperation towards a green transition with the participation of private sector representatives of both countries. Both Sides reflected on related topics, including energy efficiency. Both Sides stated their willingness to build on and explore the ideas and suggestions presented during the Business Round Table on green transition.

Both Sides underlined the importance of constructive cooperation of institutions such as the Foreign Economic Relations Board of Türkiye (DEİK) and Business Sweden and the broader Team Sweden Network in promoting bilateral trade and investment relations between the two countries.

Both Sides highlighted industrial cooperation as one of the most important areas that could contribute to the further enhancement of bilateral economic and commercial relations. Both Sides referred to the significance of improving commercial cooperation between Turkish and Swedish SMEs as an important opportunity to contribute to improving their competitiveness in global markets. Both Sides highlighted their willingness to explore opportunities to promote further cooperation in sectors such as green transition, construction, mining, and life science. Both Sides agreed that manufacturing in Türkiye by Swedish companies was an area to further explore.

Both Sides underlined the importance of cooperation on municipal and regional level. It was emphasised that already established projects provide a solid base for further cooperation on investments in municipal infrastructure.

Environment

Both Sides expressed their willingness to cooperate on waste management including a Zero Waste approach as well as sharing experience in planning, construction and operation as well as sludge management of wastewater treatment facilities and reuse of wastewater.

Agriculture

The Turkish Side stated its readiness to exchange experience and information regarding Agricultural Geographic Information Systems (GIS) and Remote Sensing Studies, as well as

on-site training and sharing of best practise concerning the growing, harvesting and development of a variety of crops as relevant.

Earthquake in Türkiye and Reconstruction

The Swedish Side reiterated its condolences to Türkiye for the many victims of the devastating earthquakes in February 2023. In addition to the Swedish state's immediate and ongoing response to the earthquake, it emphasized that the Swedish private sector can and is willing to contribute to the reconstruction. In this context, construction of sustainable and earthquake-resilient wooden housing was highlighted as a field to further explore. The Swedish Side pointed to the positive results achieved through recovery grants from Sweden to Turkish small businesses in the 11 earthquake-hit provinces where the cooperation with local chambers of commerce in Türkiye had been instrumental in this.

The Turkish Side expressed its gratitude for immediate Swedish relief efforts and substantial humanitarian aid as well as long-term reconstruction efforts afterwards. The Turkish Side also appreciated the interest demonstrated by the Swedish private sector in the reconstruction efforts of the earthquake region.

Contracting and Technical Consultancy Services

Both Sides, acknowledging the successes of Turkish and Swedish companies, emphasized the significance of improving exchange of best practice in the field of contracting and consultancy services, especially in the area of the transportation sector, such as urban transportation.

Both Sides agreed to encourage the cooperation between relevant Turkish and Swedish business circles and companies in order to identify specific joint opportunities in their respective countries as well in the third countries.

Women Entrepreneurship

Both Sides attributed high importance to women and men equality, and the contribution of women to economic and commercial life and economic development. In this context, the positive impact of a higher employment rate on economic growth rate was underlined, and thus that women in the workforce can represent an untapped potential. Both Sides welcomed the active participation and increased inclusion of women in business life and agreed exerting every necessary effort towards promoting activities of women's economic empowerment and women entrepreneurs through the holding of joint events to this cause, as well as exchange of experience.

The Swedish Side reminded of its support in Türkiye for ILO activities to promote women's participation in the workforce and the importance of close dialogue with the business community on these issues both in Sweden and Türkiye.

Cooperation on Rebuilding Ukraine

Both Sides reiterated their support for Ukraine's territorial integrity, independence and sovereignty and agreed to increase contacts and develop expertise and knowledge sharing to explore bilateral cooperation to support reconstruction efforts, including in the areas of energy efficiency and green transition and to take measures to facilitate the involvement of the private sector in this work.

2. EU RELATED ISSUES

Modernisation of the Customs Union

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

Both Sides underlined the need of updating the Customs Union between the EU and Türkiye and the potential benefits from the modernization of the Customs Union for Both Sides.

Visa issues

Both Sides emphasized the importance of handling the visa procedures in a transparent, predictable and facilitated way in accordance with relevant rules and regulations.

To this end, the Turkish Side highlighted the significance of possible facilitation of visa procedures, such as application of the "cascade rule" in compliance with the Visa Code, granting long-term and multiple-entry visas within the framework of the EU acquis, especially for categories such as businesspeople, Turkish truck drivers and students. Turkish side also stressed the prominence of expeditious processing of visa applications of these categories considering the long processing times add to the trade cost as well.

Sweden will actively support efforts to reinvigorate Türkiye's EU accession process, including modernisation of the EU-Türkiye Customs Union and visa liberalisation.

Sustainable Supply Chains and EU Green Deal

Both Sides expressed their willingness to enhance bilateral dialogue and cooperation in the field of sustainable supply chains, including due diligence, responsible business conduct and the implementation of international environmental, social and governance (ESG) standards.

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

3. NEXT SESSION OF JETCO

Both Sides agreed to hold JETCO meetings with regular intervals, with a view to arrange a third session in Türkiye on a date to be determined through diplomatic channels.

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Done and signed on September 3 2024, in Stockholm in two originals in English language, both texts being equally authentic.

For the Turkish Delegation

For the Swedish Delegation

Prof. Dr. Ömer Bolat Minister of Trade Republic of Türkiye	Johan Forssell Minister for International Development Cooperation and Foreign Trade Kingdom of Sweden
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