FIRST DRAFT 240503

AGREED MINUTES OF THE SECOND SESSION OF THE TÜRKIYE-SWEDEN JOINT ECONOMIC AND TRADE COMMISSION (JETCO)

The Türkiye-Sweden Joint Economic and Trade Commission (hereinafter referred to as JETCO), held its second meeting in Stockholm on 31 May 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 Ömer Bolat, the Minister of Trade of the Republic of Türkiye.

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

The results of these deliberations are summarized as follows:

1. Introduction

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 – on the very date of the meeting - 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.

Trade relations

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 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. 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 (DEIK) 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.

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

Earthquake in Türkiye and Reconstruction

The Swedish side reiterated its condolences to Türkiye for the many victims of the devasting earthquakes in February 2023. The total Swedish support to those affected by the earthquake in Türkiye and Syria amounted to about 550 million Swedish kronor (including about 50 million SEK in material support). In Türkiye this included support to the initial search and rescue operations, emergency relief to support the immediate humanitarian needs, as well as more long-term support to the affected region's recovery.

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.

Women entrepreneurship

Both sides attributed high importance to gender 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 underlined that Türkiye, and the member states of the EU will benefit substantially in economic terms from the modernisation of the Customs Union. Both sides stressed the importance of adequately addressing the priorities within this process such as better enforcement of obligations.

Visa issues

Both sides emphasized the importance of handling the visa procedures in a transparent way in accordance with relevant rules and regulations.

EU Green Deal

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

Environment

Turkish Side invites the Swedish Side to cooperate on chemicals management, integrated waste water management, as well as to share experience in planning, construction operation and sludge management of wastewater treatment facilities and reuse of wastewater.

Agriculture

Turkish Side stated it is readiness to exchange experience and information regarding Agricultural Geographic Information Systems and Remote Sensing Studies, especially in the areas below:

• Geographic information systems and remote sensing studies in agriculture in Türkiye

• Product identification and yield estimation studies

• GIS based product conformity studies

• GIS-based pest mapping studies in agriculture

In addition, Turkish Side expressed its willingness to provide on-site training and information & experience sharing by the experts of the Ministry of Agriculture and Forestry of the Republic of Türkiye, in the fields of viticulture, vegetable growing and ornamental plants among the garden plants, vegetable seed growing, fruit growing and organic agriculture within the scope of harvest and post-harvest practices, breeding of new plant varieties.

3. Next session of JETCO

The two sides agreed to hold JETCO-meetings with regular intervals, with a view to arrange a third session on a date to be determined through diplomatic channels.