

**G20 Anti-Corruption Working Group
Accountability Report Questionnaire 2014**



SUMMARY OF NATIONAL PROGRESS

1. Please provide a high-level summary of the most significant Anti-Corruption measures or initiatives that your country has introduced or implemented since the last progress report. (maximum 1 paragraph).

The 2013 Progress Report can be accessed at
http://en.g20russia.ru/docs/g20_russia/materials.html

Since the publication of the last monitoring report in 2013, two main anti-corruption measures and initiatives are below;

First, in the scope of "Strategy for Increasing Transparency and Struggle against Corruption" which was published by Prime Ministry Circular 2009/19 in Official Gazette, working groups consisting of public officials, civil society and academicians finished preparing reports related to all measures in strategy including "the development of applications related to openness and transparency and enhancing auditing in financing of political parties and election campaigns" and all the reports submitted to Execution Committee. After the decision of this committee, all these proposed amendments, works and other outputs of strategy approved by Ministerial Commission heading by Deputy Prime Minister at 14 January 2014 and now it is expected to be organize an international symposium about the strategy.

Second and finally, Prime Ministry Inspection Board has been conducting EU project titled "Strengthening the Coordination of Anti-Corruption Policies and Practices in Turkey" with the help of Council of Europe. The overall objectives of the project is to contribute to a more efficient and effective structure in the fight against corruption in Turkey. Project contract had been signed and the implementation process of the project has been started and the project is expected to be finished by the end of 2014. In the scope of this project;

- Current legislative framework covering investigations, information sharing, anti-corruption strategies and coordination of investigations is analysed and compared with the requirements of international conventions and draft Gap Analyses Report, draft Assessment Report, draft Reporting Standards and draft Investigation Guide has been prepared.
- The activity continues on data regarding investigations of corruption cases is gathered and analysed, and corruption map of risky areas are being produced.

UNITED NATIONS CONVENTION AGAINST CORRUPTION (UNCAC)

2. Has your country ratified the UNCAC?

YES NO

If no, is there a process underway to ratify the Convention?

3. Since the last progress report, has your country proposed or implemented any changes to its legislation to comply with the UNCAC?

YES NO

If yes, please provide details.

4. Has your country begun the UNCAC peer review process as a country under review?

YES NO

If yes, please indicate what stage of review your country has completed and the date.

Our country's peer review process has been started since 1st of July 2013. This process will be concluded within 2014. The sections 2 and 5 are under review. Self-Assessment Check List has been prepared and to be submitted.

5. If yes, has your country made use of any of the UNCAC peer review voluntary options, or committed to do so (if the review is not already started)?

a. Publication of full report YES NO COMMITTED TO DO SO

b. Involvement of civil society YES NO COMMITTED TO DO SO

c. Involvement of business YES NO COMMITTED TO DO SO

d. Allowing country visits YES NO COMMITTED TO DO SO

If yes, please provide details (e.g., Web link for published report, how and when civil society / business was engaged during the review process, date of country visit)

6. Has your country taken steps to respond to recommendations identified in its UNCAC peer review report?

YES YES TO SOME NO NOT YET RECEIVED THE REPORT

If yes, please indicate what steps your country has taken / is taking.

7. If you have responded to all or some of the recommendations, have you made those responses publicly available?

YES NO NOT YET

8. Has your country taken measures to promote, facilitate and support technical assistance in the prevention of and fight against corruption?

YES NO

If yes, please provide a short overview indicating in which regions and topics you have provided technical assistance.

BRIBERY

Note - questions relating to implementation of the *G20 Principles on the Enforcement of the Foreign Bribery Offence* endorsed by Leaders in 2013 and the *OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions* are included in a separate questionnaire. The questions below concern other aspects of bribery not covered by this set of principles.

9. Has your country criminalized the domestic offer or payment of bribes (active bribery)?

YES NO

10. Has your country criminalized the domestic solicitation or acceptance of bribes (passive bribery)?

YES NO

11. If no, is your country taking steps to criminalize active and/or passive bribery?

YES NO

If yes, please provide details.

12. Has your country instituted measures to discourage the solicitation of bribes?

YES NO

If yes, please provide details.

Sincere repentance for bribery has been regulated in Turkish Penal Code, Article 254 and was amended by the Law numbered 6352 published in the [Official Gazette](#) numbered 28344 and dated July 5, 2012. According to new article into law in paragraph 4, sincere repentance

shall not be applied to bribers of foreign public officials.

13. Does your country provide support for/work with business in resisting solicitation?

YES NO

If yes, please provide details.

In the scope of OECD Phase 3 Turkey Evaluations, Turkish Ministry of Justice organized several meetings to raise awareness on foreign bribery with representatives of private sector in Ankara and Istanbul.

So as to increase the awareness concerning the offence of bribery of foreign public officials and the works carried out by OECD WGB with respect to this issue, a booklet and 3 brochures were published and distributed.

A booklet (5000 copies) explaining the Convention and its implementation has been distributed by TISK to its members, as a supplement of the Employer (İşveren) journal, the periodical of the institution, and a link of this booklet has been inserted in the TISK website to be accessed by the subscribers.

An informative booklet has been prepared by the Ministry of Economy in cooperation with the MoJ, Ministry of Foreign Affairs, Privatization Administration and Turk Eximbank. This booklet is designed to fill a gap in terms of awareness raising since it targets the public and private sector as the audience and serves as a guide on key issues like who the foreign public official is, what a foreign bribery is and what the relevant national legislation is. As such, the booklet covers the steps to be taken in case a Turkish official gets acquainted with a bribery case in a foreign country, in addition to the legal consequences of his/her inaction. There is also the narrative of a hypothetical firm committing bribery in a hypothetical foreign country.

14. Has your country instituted measures to discourage facilitation payments?

YES NO

If yes, please provide details.

Sincere repentance for bribery has been regulated in Turkish Penal Code, Article 254 and was amended by the Law numbered 6352 published in the Official Gazette numbered 28344 and dated July 5, 2012. According to new article into law in paragraph 4, sincere repentance shall not be applied to bribers of foreign public officials.

ANTI-MONEY LAUNDERING

15. Since the 2013 progress report, has your country taken any measures to implement the revised FATF standards on anti-money laundering?

YES NO

If yes, please provide details.

After the publication of Mutual Evaluation Report of Turkey in 2007, Turkey had made the following regulation work on customer due diligence (CDD) measures and obliged parties' duties in order to comply with FATF Recommendation 5.

Regulation on Measures Regarding Prevention of Laundering Proceeds of Crime and Financing of Terrorism (RoM) that entered into force on 1 April 2008 and was amended by Regulation Amending the RoM which entered into force on 2 January 2010.

Regulation on Program of Compliance with Obligations of Anti-Money Laundering and Combating the Financing of Terrorism covers (RoC) that entered into force on 1 March 2009.

Relevant Communiqués issued by Financial Crimes Investigation Board (MASAK) in accordance with RoM. For instance, the provisions regarding simplified measures within the scope of customer due diligence have been regulated through MASAK General Communiqué No: 5 that entered into force on 09 April 2008 and was amended by MASAK General Communiqué No: 9 entered into force on 2 January 2010 and No:10 entered into force on 19 November 2013.

In order to remedy the rest deficiencies, a new legislation study has been carried out in 2014 and through these efforts; a draft regulation has been adopted regarding the amendments in RoM. With the draft regulation, the beneficial owner definition in RoM is revised and set forth in line with new FATF standards, two new articles are added to RoM regarding identification of beneficial owner and enhanced due diligence measures. The draft regulation has been sent to Prime Ministry in order to be enacted.

Beneficial Owner Definition

Thanks to the new draft regulation, the Beneficial Owner definition has reached to the level of FATF standards:

“Definitions

ARTICLE 3 – (1) In this Regulation,

h) Beneficial owner means natural person(s) who ultimately control(s) or own(s) natural person who carry out a transaction within an obliged party, or the natural persons, legal persons or unincorporated organizations on whose behalf a transaction is being conducted within an obliged.”

According to the new definition, beneficial owner should be read as; natural person(s) who ultimately control(s) or own(s);

natural persons who carry out a transaction within an obliged party, or the natural persons, legal persons or unincorporated organizations on whose behalf a transaction is being conducted.

Identification of Beneficial Owner

A new article has been added to draft RoM for Identification of Beneficial Owner. Initially, the beneficial owner identification provision was regulated in article 17 of RoM and there were a confusion among the terminology among “those acting for the benefit of the person”, “those acting for behalf of the person” and “Beneficial Owner” . In order to handle this confusion and be more clear about the obliged parties’ duties in customer identification a new article 17/A has been regulated as shown below. By this means, the obligation under Article 17/A is to be applied to all cases and without any condition. Moreover, obliged parties should be subject to the measures regarding beneficial owner for all types of customers including legal persons and arrangements.

For customers that are legal persons registered to trade registry, obliged parties shall be subject to the requirements in Art. 17/A(2), (3), (4), (6).

For customers that are other legal persons and legal arrangements, obliged parties shall be subject to the requirements in Art. 17/A(5), (6).

For customers that are real persons, obliged parties shall be subject to the requirements in Art. 17/A(1), (6).

Identification of beneficial owner

ARTICLE 17/A- (1) Obligated parties shall take necessary measures in order to detect the beneficial owner.

(2) When establishing permanent business relationship with legal persons registered to trade registry, obliged parties shall identify, in accordance with article 6, the natural person partner holding more than twenty-five percent of the legal person’s shares as the beneficial owner.

(3) In cases where there is a suspicion that the natural person partner holding more than twenty-five percent of the legal person’s shares is not the beneficial owner or where there is no natural person holding a share at this rate, necessary measures shall be taken in order to detect the natural person(s) who is/are ultimately controlling the legal person. And natural person(s) detected is/are considered as beneficial owner.

(4) In cases where the beneficial owner is not detected within the scope of paragraph 2 and 3, the person(s) holding the position of senior managing official, whose authorization to represent the legal person is/are registered to trade registry, is/are considered as beneficial owner.

(5) Within the scope of permanent business relationship with other legal persons and legal arrangements, necessary measures shall be taken in order to detect the natural person(s) who is/are ultimately controlling the legal person. In case where the beneficial owner is not detected, the person(s) holding the position of senior managing official is/are considered as beneficial owner.

(6) In the scope of the paragraphs (1) to (5), obliged parties shall identify the beneficial owner and take necessary measures in order to verify the beneficial owner. In this framework, a circular of signature approved by a notary including identity information can be used.

(7) When establishing permanent business relationship with legal persons registered to trade registry, obliged parties shall also identify, in accordance with article 7, the legal person partner holding more than twenty-five percent of the legal person shares.

Enhanced Due Diligence Measures

Enhanced measures to be applied in high risk situations are proposed to be included in the RoM in new Article 26/A as shown below. By this means, all financial institutions are required to apply enhanced measures to high risk groups.

High risk groups include both the instances regulated in the RoM such as:

transactions requiring special attention,

products or transactions introduced by new and developing technologies

relationships with risky countries

and the customers or transactions identified by individual financial institutions as high risk in the framework of its risk assessment. The measures to be applied for high risk groups are defined in 26/A/1 as seen below.

Enhanced measures

ARTICLE - 26/A-(1) *Financial institutions shall apply, in proportion to the identified risk, one or more or all of the following enhanced measures for transactions within the scope of articles 18, 20 and 25 and for high risk situations they identify in the framework of risk based approach.*

a) Obtaining additional information on the customer and updating more regularly the identification data of customer and beneficial owner,

b) Obtaining additional information on the intended nature of the business relationship,

c) Obtaining information, to the extent possible, on the source of the asset subject to transaction and source of funds of the customer,

d) Obtaining information on the reasons for the transaction,

e) Obtaining approval of senior manager to commence or continue business relationship or carry out transaction,

f) Conducting enhanced monitoring of the business relationship by increasing the number and frequency of the controls applied and by selecting the patterns of transactions that needs further examination,

g) Requiring that in the establishment of permanent relationship the first financial transaction is carried out through another financial institution subject to customer due diligence principles.

(2) The Ministry is authorized to determine high risk situations to be taken into

account within the scope of this Article and enhanced measures other than ones above.

Besides, another study is going on to amend MASAK General Communiqué No:5 on determination of simplified due diligence measures. After the enactment of relevant regulations, the Communiqué will be finalised.

16. Since the last progress report, have changes to your country's anti-money laundering legislation been proposed or implemented?

YES NO

If yes, please provide details.

With the MASAK General Communiqué No.10, amending MASAK General Communiqué No.5 on simplified CDD measures, enacted upon publication in Official Gazette No 28826 on 19 November 2013, Cases where simplified measures to be applied are extended for obliged parties conducting transactions particularly in electronic environments in certain circumstances.

No other AML legislation change have been implemented since the previous year's report but as stated above, there is an ongoing legislation work regarding the amendments in some regulations.

In order to comply with FATF standards, some amendments have been proposed in Regulation on Measures Regarding Prevention of Laundering Proceeds of Crime and Financing of Terrorism (RoM) regarding beneficial owner definition, identification of beneficial owner and enhanced due diligence measures as stated in answer 15.

Besides, in order to improve the efficiency in anti money laundering investigations, some amendments have been proposed in Regulation Regarding Investigation of Laundering Offence dated 2007.

The major amendments in draft Regulation Regarding Investigation of Laundering Offence are listed below:

The time limits from assignment to taking office and preparing their opinions when asked about an ongoing examination have been diminished to improve the efficiency.

MASAK has gotten the authority to request an assignment for a new or additional examiners for files which the ongoing examinations are not completed.

A new article has been added to the draft regulation about working principles and temporarily assignment rules of examiners in MASAK Presidency.

The processes in cases of material or legal mistakes are detected in laundering offence investigation reports have been revised

In addition, the list of examiners has been re-determined in RoM and Regulation Regarding Investigation of Laundering Offence in accordance with the institutional changes in names and functions of Ministries after Board of Ministers Decrees in 2011. For the same reason, the titles of members of Coordination Board for Combating Financial Crimes have been re-determined in Regulation of Working Procedures of the Coordination Board for Combating Financial Crimes.

All these changes are set forth in a new draft regulation amending those regulations. However, it should be noted that the draft regulation has not been enacted yet.

DENIAL OF ENTRY

17. Have any changes to your country's legislation, regulations or powers to deny entry to foreign officials charged with or convicted of corruption offences been proposed/implemented since the last progress report?

YES NO

If yes, please provide details.

If no, is such legislation under consideration?

YES NO

If yes, please provide details.

INTERNATIONAL COOPERATION

18. Is your country's administration of mutual legal assistance consistent with the G20 High Level Principles?

YES NO

If your country's approach is not yet consistent, are you taking steps to implement the Principles?

YES NO

If yes, please provide details.

Ministry of Justice has been drafting a mutual judicial cooperation law on mutual legal assistance, extradition, transfer of sentenced persons, mutual recognition of criminal judgements and transfer of proceedings in context of Council of Europe Project.. This law will be enacted within one or one half year. In accordance with this law, these Principles will be implemented

19. Are you aware of your country having used one or more of the G20 country Guides to Mutual Legal Assistance?

If yes, please provide details.

20. Are you aware of non-G20 members having used the G20 Guide to Mutual Legal Assistance to request mutual assistance from your country?

If yes, please provide details.

21. Have any changes to your country's legislation related to international cooperation been proposed since the last progress report?

YES NO

If yes, please provide details.

Turkey has ratified the Council of Europe convention on cybercrime 2nd of May 2014. Five bilateral mutual legal assistance agreements entered into force since last progress report.

Ministry of Justice has been drafting a mutual judicial cooperation law on mutual legal assistance, extradition, transfer of sentenced persons, mutual recognition of criminal judgements and transfer of proceedings in context of Council of Europe Project.

Concerning the international cooperation among financial intelligence units, The Financial Crimes Investigation Board has signed Memoranda of Understanding (MoU) with 7 countries' counterpart units in 2013, the list of which is South Africa, Germany, Tunisia, Turkmenistan, Denmark, Saudi Arabia and Morocco. In sum, the number of MoU signed up with foreign counterpart units has reached to 41 within the period of 2006-2013.

MASAK has also been changing information by Egmont Secure Web channel since 2001. FATF Plenary and working group meetings are regularly followed and participated by MASAK staff.

22. Has your country either used UNCAC, or stated that it will allow the use of UNCAC, as the treaty basis for mutual legal assistance (MLA) and/or extradition?

a. Has used as the treaty basis for MLA YES NO

b. Will allow use as the treaty basis for MLA YES NO

c. Has used as the treaty basis for extradition YES NO

d. Will allow use as the treaty basis for extradition YES NO

23. Do domestic authorities in your country cooperate and share information with the integrity offices of international organizations?

- a. Cooperate and share information
- b. Could cooperate, but has not been asked
- c. Cannot cooperate

If you cannot cooperate, please provide details.

24. Has your country designated an appropriate authority responsible for mutual legal assistance and law enforcement requests relating to asset recovery (a point of contact)?

YES NO

If yes, to which organizations:

- a. UNODC
- b. StAR/Interpol Focal Point Initiative
- c. Camden Asset Recovery Network
- d. Other(s)

If yes to 'Other(s)', please provide details.

The General Directorate of International Law and Foreign Relations of the Ministry of Justice act as a "Central Authority" in the implementation of the International Conventions on mutual legal assistance. All kind of requests related to mutual legal assistance should be sent to Ministry of Justice.

In addition, Turkey is the member of CARIN. The Department of Anti-smuggling and Organized Crime (KOM) under the Turkish National Police (TNP) is contact point for CARIN as a law enforcement agency. Also, General Directorate of International Law and Foreign Affairs under the Ministry of Justice is another CARIN contact point as a judicial expert.

ASSET RECOVERY

25. Does your country have legislation allowing for asset recovery by foreign authorities or is such legislation proposed?

YES NO

If yes, please provide details.

Criminal asset recovery provisions are set forth in various codes in Turkish Law System. The provisions concerning confiscation of property and income provisions are set forth in Turkish Criminal Law (No,5237) between the articles 54 and 55. The provisions to seize assets are regulated in Criminal Procedures Law (No.5271) articles 123, 128. Besides, according to the article 17 of Prevention of Laundering Proceeds of Crime Law No. 5549(the AML Law), in cases where there is strong suspicion that the offences of money laundering and financing terror are committed, the asset values may be seized in accordance with the procedure in article 128 of Criminal Procedure Law No. 5271.

The foreign countries' mutual legal assistance (MLA) requests regarding asset recovery are enforceable in Turkey according to the rules of international conventions and bilateral agreements. According to the Turkish Constitution article 90, the provisions of adopted international conventions are legally binding without any more need to lay down rules for domestic implementation.

Thus, in accordance with the provisions of United Nations Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (article 5), Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime (article 13), United Nations Convention against Transnational Organized Crime (article 12-13), Council of Europe Convention on the International Validity of Criminal Judgments (article 45), Criminal Law Convention Against Corruption (art.25-26), OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (article 9-10), UN Convention Against Corruption (article 31, 46, 51-59), UN International Convention for the Suppression of the Financing of Terrorism (article 12-15), the mutual legal assistance requests of foreign authorized units are implemented in Turkey.

In cases where such conventions and bilateral agreements do not exist, MLA is carried out in accordance with the rules of customary international law and the reciprocity principle. This issue is also stated in the Circular No. 69/1 dated 01.03.2008 on "Issues to be taken into Account by Judicial Authorities in International Cooperation regarding Criminal Matters" prepared by the Ministry of Justice.

For the MLA requests, in 2012, a Central Asset Recovery Unit was set up in Ministry of Justice under General Directorate of International Law and Foreign Relations department, titled as SUGGAM.

Besides, in accordance with the articles of UN International Convention for the Suppression of the Financing of Terrorism and Financial Action Task Force Special Recommendations II and III, a new law and regulation was adopted in 2013. With the Law On The Prevention Of The Financing Of Terrorism (No 6415) and its implementation regulation, a new terrorist asset freezing mechanism has been adopted and the processes have been determined in asset freezing regarding the UNSCRs 1267, 1373 and other relevant resolutions.

Thanks to the new legislation, assets of persons which are designated by UN Sanction Committee (established in UNSCR 1267) are frozen without delay by Council of Ministers' Decision.

Moreover, an assessment commission has been set up to with the participation of 7 ministerial units' executive staff in order to evaluate the requests of foreign countries in accordance with UNSCR 1373. The financial research regarding the assets of designated persons are carried out by MASAK and the final assessments made by the Commission based on this report is immediately conveyed to Prime Ministry in order to be presented to Council of Ministers. The freezing decision is made by Council of Ministers.

26. Has your country established a specialist/dedicated unit for the recovery of the proceeds of corruption?

YES NO

If yes, please provide the name of the specialist unit and contact details.

In Turkey there is no Asset Recovery Office yet, but the Ministry of Justice created a unit specialised for requests of Asset Recovery on MLAs and coordinate a project for Enhancing Asset Recovery investigation in Turkey.

Chief public prosecutors have power to establish economic and organized crime bureaux in some high-populated cities.

And also, Proceeds of Crime Unit has been created in KOM under the Turkish National Police in order to investigate criminal assets derived from any type of crime including corruption and to support KOM units when they need technical and operational support in terms of financial investigation during their criminal investigations.

27. Does your country publish or otherwise make publicly available details of amounts frozen, seized, recovered or returned?

YES NO

If yes, please provide details.

KOM Department has collected seizure statistics on criminal assets since 2011 in order to see the level of the KOM units in terms of financial investigations carried out by them. The seizure statistics, however, may not reflect the actual result of confiscation but it may give an idea about the size of financial investigations.

Seizure Statistics by types of crime (2012)

Types of crime	Financial investigations(n)	Money (TL)	Vehicle (n)	Real Estates (n)	Company Shares (value)
Financial Crimes	106	12,022,201	214	337	53,195,000
Narcotics Crimes	621	4,707,946	390	18	125,000
Organized Crimes	10	11,020,120	47	116	1,030,000
Smuggling Crimes	1,459	1,519,548	1,726	36	0
TOTAL	2,196	29,269,815	2,377	507	54,350,000

28. Is your country providing technical assistance to developing countries aimed at helping the recovery and return of proceeds of corruption?

YES NO

If yes, please provide details.

Turkish Justice Academy has already organized several training activity within the scope of “Assistance Promoting Transparency, Integrity and Measures to Combating Corruption in Kazakhstan and Kyrgyzstan”.

In 2013, 5-days training program was made about financial investigations, anti-money laundering and terrorist financing to 10 Turkmenistan police officers by KOM Units.

TRANSPARENCY OF LEGAL ENTITIES

29. Does your country have transparency requirements for legal persons, including companies, bodies corporate, foundations and partnerships?

YES NO

If yes, please provide details.

The records of commercial registers are open to public according to the Commercial Law numbered 6102. Merchants register and make available to the public the information of its company, where the company is occupied in time of 15 days of establishment.

According to the article 104 of Civil Law numbered 4721; foundation which is approved by local courts, initially is recorded to central registry in the General Directorate of Foundations and then foundations shall be declared by the Official Gazette.

30. Does your country require that the beneficial ownership and company formation of all legal persons organized for profit be reported by the legal person?

YES NO

If yes, to whom is it reported?

The records of commercial registers have been recorded by the Register of Commerce. According to Commercial Law numbered 6102 Article 336 entitled “Company Formation”, the records of company formation are kept in the registration file and one copy of the documents are kept by the firms during 5 years.

In the new Turkish Commercial Code, Book I, Part II between the articles 24-38; those, who want to establish a company, should truly declare the company and ownership formation. In case of false declarations for registration, those who knowingly make such declarations shall be sentenced to imprisonment from 3 months to 2 years or a judicial fine.

Regarding the AML legislation, in Article 15 of the Law no 5549 (Prevention of Laundering Proceeds of Crime Law), it is regulated that a person acting in the name of himself/herself but on account of other persons has to declare this situation in written form to the obliged

party before the transaction requiring customer identification is conducted. In terms of violation to this article, the relevant customer is to be sentenced to imprisonment from 6 months to 1 year or judicial fine of at most 5.000 days.

In addition, according to the Regulation on Measures Regarding Prevention of Laundering Proceeds of Crime and Financing of Terrorism, Article 17, obliged parties should pay special attention to legal person customers and recognise the beneficial owner of them. It is regulated in Article 17(3) that in the establishment of permanent business relationship with legal persons registered to trade registry, obliged parties shall identify the natural and legal person partners holding more than 25% of the legal person shares. In terms of violation to this article, according to the Article 13 of the Law No 5549 (Prevention of Laundering Proceeds of Crime Law) the relevant obliged party and employee shall be sentenced to an administrative fine. In addition, if the obliged party violates the obligation to provide information and documents regarding its customer to the FIU, it shall be sentenced to 1 year to 3 years imprisonment and judicial fine of at most 5.000 days.

31. If yes, is this information available to the public?

YES NO

32. If this information is not available to the public, is it available to law enforcement?

YES NO

WHISTLE BLOWER PROTECTION

33. Does your country have legislation to protect whistle blowers:

a. In the public sector YES NO

b. In the private sector YES NO

34. Have changes to whistle blower protection legislation been proposed or implemented since the last monitoring report?

YES NO

If yes, please provide details.

35. Since the last progress report, has your country implemented any measures to protect journalists reporting incidents of corruption?

YES NO

If yes, please provide details

PROCUREMENT

36. Does your country publish online any of the following?

- | | | |
|---|---|-----------------------------|
| a. Procurement laws and policies including any legislation defining the use of exceptions | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> |
| b. Selection and evaluation criteria | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> |
| c. Awards of contracts and modifications of contracts | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> |

Please provide details.

Award of contracts are published in Public Procurement Bulletin, however modification of contracts are not published.

37. Since the last progress report, have any new initiatives to promote public procurement transparency and integrity been proposed or implemented?

If yes, please provide details.

There has been some developments and improvements on the Electronic Public Procurement Platform (EKAP). Use of electronic means and digitization of the processes concerning public procurement ensures that procurement procedure is carried out in conformity with the legislation and with the principle of transparency at all stages and facilitates integrity in this field.

A new application introduced in September 2013 enables displaying and downloading tender documents, through EKAP, of public contracts which are exempted from the Public Procurement Law and whose contract notices are published on the Public Procurement Bulletin. Thus, EKAP contributes enhancing the transparency and competition even for the exempted public contracts.

Besides, since June 2013, the process of electronic bidding and evaluation has been started in the mini competition stage of framework agreements. In the pilot tenders made, the bidders submitted their bids by e-transmission and the whole tender process was completed without using written document.

38. Are there regulations and procedures for public procurement officials to govern conflicts of interest?

YES NO

If yes, please provide details.

Article 11 of the Public Procurement Law regulates conflict of interest in public procurement.

39. Are companies that have been found to be involved in corrupt contracting practices excluded from future participation in public tenders?

YES NO

If yes, please provide details.

Articles 10, 11 and 58 of the Public Procurement Law provides rules to exclude companies which are involved in corrupt practices in the past.

40. If yes, is the debarment list of International Financial Institutions taken into account?

YES NO

41. Are the names of companies excluded from future participation in public tenders made publicly available?

YES NO

If yes, please provide details.

Such information is published in the Public Procurement Authority's website. The link to the website is as follows: http://www.ihale.gov.tr/yasaklilar_listesi-42-1.html

DISCLOSURE BY PUBLIC OFFICIALS

42. Does your country require disclosure by public officials of:

a. Income YES NO

b. Assets YES NO

c. Conflicts of interest YES NO

d. Gifts YES NO

e. Other YES NO

If yes, please provide details.

Law on Declaration of Asset and Struggling Bribery and Corruption numbered 3628 regulates the disclosure by public and other officials

The purpose of Law is to introduce provisions concerning the declaration of assets by the persons enumerated herein, the renewal of such declaration, the inspection of asset acquisitions, the actions to be taken in cases of unjust asset acquisition or false declaration, and the prosecution and trial of public officers who commit the offences specified herein and certain other offences and of their accomplices.

Persons to declare their assets (including incomes) stated in law are as follows;

Article 2 – a) All elected public officers and those members of the Council of Ministers appointed from outside Parliament (excluding village and neighbourhood heads and the members of the committee of aldermen);

b) Notaries public;

c) Members of the management board and central inspection board of the Turkish Aeronautical Foundation, the persons employed in the General Directorate of the Turkish Civil Aviation Society, in the central boards of the Turkish Red Crescent Society and in its head office, and their heads of branch;

d) Officers, other non-worker public employees, directors and auditors of general and annexed budget agencies, special provincial administrations, municipalities and their affiliated organisations, of public economic enterprises (state economic undertakings and public economic organisations) and their affiliated bodies, and of institutions and organisations established by special laws or on the basis of an authority granted by special laws and carrying out public services, and their affiliated bodies and commissions;

e) (Abolished by Article 21 of Decree-Law 557 of 24/6/1995);

f) The leaders of political parties, the persons who serve on the management bodies of foundations, the presidents, directors and general managers of cooperatives and their unions, chartered financial consultants, and the managers and auditors of associations working for public benefit; and

g) Natural persons who are owners of newspapers, the directors and auditors of companies which own newspapers, and the responsible managers, editorial writers, and columnists of newspapers must declare their assets.

The persons who must declare their assets in accordance with the special laws applicable to them shall also be subject to the provisions of this Law.

And also, article related to gifts is as follows;

Article 3 – The public officers enumerated in Article 2 must within one month deliver to their respective institutions any gifts or grants which they receive from foreign states, international organisations, other international legal entities, or any non-Turkish private or legal person or institution, pursuant to the rules of international protocol, exchange or courtesy or for any other reason, and which have a value in excess of ten times the monthly minimum wages on the date of receipt. However, the frames of autographed memorial photographs given by foreign statesmen or by representatives of international organisations shall not be subject to the provisions of this Article.

PUBLIC OFFICIALS' IMMUNITIES

43. Does your country provide immunities from prosecution to individuals holding public offices for corruption related offences?

- | | | |
|---|---|--|
| a. All public office holders | YES <input type="checkbox"/> | NO <input checked="" type="checkbox"/> |
| b. Certain public office holders | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> |
| c. No immunities available to public office holders | YES <input type="checkbox"/> | NO <input checked="" type="checkbox"/> |
| d. While in office | YES <input checked="" type="checkbox"/> | NO <input type="checkbox"/> |
| e. Permanently | YES <input type="checkbox"/> | NO <input checked="" type="checkbox"/> |

If yes, which public office holders are immune and if immunity is limited, please explain.

The Law on the Prosecution of Civil Servants and Other Public Officials numbered 4483 provides limited immunities from prosecution for public servants who have committed a criminal offence while performing their duties during their office. In the scope of this law, before the court process, a pre-investigation must be undertaken by the respective public agency where the public servant works through inspectors, auditors or senior officials as to allegations whether they are true or baseless. After this pre-investigation the highest decision-makers, in general PM, Ministers or Undersecretaries shall make a decision for the official in question to being prosecuted or not. This process is in effect only for crimes resulting from the public official's task or job in the office.

However, corruption related crimes such as bribery, embezzlement, malversation, corruption in tenders, involvement in fraudulent act during fulfilment of asset declaration etc. are directly investigated without any immunities by Public Prosecutors for all public officials except governors, district governors and undersecretaries of ministries and some public agencies according to Law on Declaration of Asset and Struggling Bribery and Corruption numbered 3628.

EDUCATIONAL INITIATIVES

44. Is your country involved in any of the following international anti-corruption educational initiatives?

International Anti-Corruption Academy YES NO

UNODC Anti-Corruption Academic Initiative

YES NO

Other international anti-corruption educational initiative(s)

YES NO

If yes, please provide details.

The Justice Academy of Turkey has given lectures to judges and prosecutor on OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

In the scope of OECD Phase 3 Turkey Evaluations, Turkish Ministry of Justice organized a lot of seminars to senior judges and prosecutors who are dealing with corruption cases in high populated cities.

So as to increase the awareness concerning the offence of bribery of foreign public officials and the works carried out by OECD WGB with respect to this issue, a booklet and 3 brochures were published and distributed.

The booklets and brochures titled “OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and Practice of Turkey” were prepared by the DG for International Law and Foreign Relations of the Ministry of Justice. In these booklet and brochures, the works to combat bribery carried out within the scope of OECD, offence of bribery of foreign public officials, combating bribery in Turkey, the liability to notify the competent authorities about the incidents of bribery or corruption, practices intended for export credits, case example concerning the occurrence of the offence of bribery of foreign public officials and the text of the Convention are explained.

Mentioned booklet and brochures are also translated into English and it is possible to access them on the abovementioned web site.

Also the Ministry of Justice sent 200 brochures and booklets to the Ministry of Foreign Affairs so as to be used at the training organized by the personnel of the Ministry of Foreign Affairs and to raise the awareness of Turkish representatives abroad.

45. Does your country provide anti-corruption educational/training programs for officials, including public office holders?

YES NO

If yes, please provide details.

Trainings including the “OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions” and the relevant criminal legislation have been part of the pre-vocational curriculum of the Turkish Justice Academy’s Training Center Directorate since 2010 and classes relevant to the issue are being taught by the competent officials of the Ministry of Justice Directorate-General for International Law and Foreign Relations.

In the scope of OECD Phase 3 Turkey Evaluations, Turkish Ministry of Justice organized a lot of seminars to senior judges and prosecutors who are dealing with corruption cases in high populated cities. A team of experts was established on OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and Practice of Turkey by the Directorate General for International Law and Foreign Relations of

the Ministry of Justice. Also metropolitans where international commercial activities are intense and the court houses in Turkey where the investigations and prosecutions are carried out concerning the OECD Offence Index were located and informative seminars were organized for the judges and prosecutors in these court houses.

The following seminars were conducted by the team of experts within the scope of this project:

In the mentioned seminars;

From Gaziantep Court House, 27 Public Prosecutors and 35 judges,

From Adana Court House, 63 Public Prosecutors and 87 judges,

From Mersin Court House, 30 Public Prosecutors and 25 judges,

From İzmir Court House, 40 Public Prosecutors and 50 judges,

From Istanbul Court House, 40 Public Prosecutors and 50 judges,

From Bursa Court House, 54 Public Prosecutors and 67 judges,

and a total of 568 judges and prosecutors participated.

Apart from the abovementioned seminars, also the seminar titled “Combating Offences Originating From Corruption” was organized on 13 – 16 May 2013 in Ankara by the cooperation of High Council of Judges and Prosecutors (HCJP) and Turkish Justice Academy.

A group consisting of 65 persons including judges of high criminal courts, Public Prosecutors and 6 auditors from Court of Accounts participated in this seminar. In this seminar, a presentation on “OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions” was performed by the Ministry of Justice.

Moreover, a training seminar on 21 – 22 November 2013 was organized by HCJP on “Forgery and Fraud” with the participation of 60 Public Prosecutors.

In addition to these seminars, meetings on “Fraud during a Tender, Embezzlement, Bribery, Extortion and Misuse of Public Duty” were organized in spring and autumn periods by HCJP for the purpose of “Legal Negotiation Meetings”. 80 judges and prosecutors participated in these meetings.

Judges and prosecutors assigned with handling the files concerning the offence of bribery of foreign public officials attended to all of the mentioned seminars and meetings.

Moreover, a informative meeting was carried out on 29 May 2013 in the Ministry of Economy intended for 49 assistant experts under pre-service training in the Ministry of Economy by the Ministry of Justice. The meeting was on OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and its implementation and it was organized in order to raise the awareness concerning the Convention.

In the meeting, the participants were informed about “OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions”. The issues of the presentation made in the meeting included compliance of our legislation with the mentioned Convention, first and second examination phases conducted by OECD Working Group on Bribery with regard to Turkey’s implementation of the Convention, content of the reports issued by OECD Secretariat as a result of these examinations, the duties and responsibilities of public and private sector institutions so as to implement the Convention efficiently. At the

end of the meeting, the questions of the participants were answered.

Additionally, within the scope of “Training Program” organized for 45 assistant experts who would enter Expertise Exam in 2014, a informative presentation on “OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions” and its implementations was performed on 26/02/2014 by the Ministry of Justice.

In addition, MASAK also conducts training programs with her counterparts units on anti money laundering / combating terrorist financing (AML/CFT) issues. In cooperation with Turkish National Police and Turkish Cooperation and Coordination Agency, an AML/CFT training was provided for Turkmenistan Police Officers on 02.10.2013.

Finally KOM under Turkish National Police provided 5 educational training programs about corruption crimes 5 times in 2013 and informed 164 public officers in these programs in 2013.

46. Does your country or business associations in your country promote anti-corruption training for the private sector?

YES NO

If yes, please provide details.

Relevant institutions responsible for the measure articles in question were assigned and the reports drafted by the working groups were presented to the approval of Executive Board. 242 persons in total were charged in working groups. Except the temporarily invited NGO representatives, 43 NGO and private sector representatives were continuously charged in groups.

Various inter-institutional meetings were organized on 19 March 2013, 30 April 2013, 11 November 2013, 19 November 2013 and 5 March 2014 in Ankara by the Ministry of Justice in order to exchange opinion on the following issues and to ensure the coordination between institutions with the participation of public institutions and representatives from private sector:

- The issues to be dealt with for the purpose of “OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions” and Turkey Phase III Examination,
- The developments achieved since the Phase II Examination,
- Preparations for Phase III.

Representatives from the related units of Office of the Prime Ministry, the Ministry of Finance, the Ministry of Foreign Affairs, the Ministry of Economy, the Ministry of Customs and Trade, the Ministry of Labor and Social Security, the Ministry of Interior and also representatives from Public Procurement Agency, Eximbank, Capital Markets Boards, Banking Regulation and Supervision Agency, Small and Medium Enterprises Development Organization, the Union of Chambers and Commodity Exchanges of Turkey participated in these meetings for representation of the public institutions.

Moreover, the representatives from Ethics and Reputation Society (TEİD), Turkish Industry and Business Association (TÜSİAD), Turkish Contractor’s Association, Confederation of Turkish Commercial Unions (TÜRKiŞ), the Union of Chambers of Certified Public

Accountants and Sworn-in Certified Public Accountants of Turkey (TÜRMOB), Turkish Cooperation and Coordination Agency (TİKA), the Court of Accounts, Foreign Economic Relations Board (DEİK), Turkish Confederation of Businessmen and Industrialists (TUSKON) and Independent Industrialists and Businessmen's Association (MÜSİAD) participated in the meeting on 19 November 2013.

Within the scope of "In-service Training" organized in 2013 by the Ministry of Economy intended for the personnel assigned to the Organizations Abroad, a briefing presentation on "Convention on Combating Bribery of Foreign Public Officials in International Business Transactions" was made on 7 June 2013 to 18 personnel assigned to organizations abroad with the participation of the authorities from the Ministry of Justice.

The participants participated in the meeting actively with their questions and in the presentation, aims and content of "OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions", compliance mechanisms of the State Parties to the Convention, three-phased country examinations carried out for the purpose of the Convention, Working Group meetings, the situation of Turkey during the examination phases and the recommendations directed at our country were dealt with.

Apart from the meetings listed above, the following meetings were organized, with regard to the implementation of the Convention efficiently, by the Ministry of Justice in order to define the works to be carried out in cooperation with major non-governmental organization and private sector:

- The meeting organized on 26 April 2013 with the participation of the Union of Chambers and Commodity Exchanges of Turkey (TOBB),
- The meeting organized on 30 April 2013 with the participation of representatives from Presidency of Tax Inspection Board and Revenue Administration of the Ministry of Finance,
- The meeting organized on 6 May 2013 with the participation of representatives from Turkish Industry and Business Association (TÜSİAD – performing 80% of Turkish foreign trade excluding the energy import) and Turkish Confederation of Businessmen and Industrialists (TUSKON) (morning session),
- The meeting organized on 6 May 2013 with the participation of representatives from Confederation of Turkish Real Trade Unions (Hak-İş), Confederation of Employers of Turkey and Confederation of Turkish Commercial Unions (afternoon session),
- The meeting organized on 27 May 2013 with the participation of representatives from Confederation of Turkish Real Trade Unions (Hak-İş) and Confederation of Employers of Turkey (morning session),
- The meeting organized on 27 May 2013 with the participation of representatives from Turkish Industry and Business Association (TÜSİAD) and Turkish Confederation of Businessmen and Industrialists (TUSKON) (afternoon session),
- The panel on "Combating Corruption in Turkey and Compliance Efforts of Companies" was organized on 16 January 2014 in Istanbul, within the scope of "OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions", by the USA Bar Associations and in cooperation with ELIG Law Firm. A rapporteur judge from the Ministry of Justice made a presentation in this panel.

Detailed information was given to the participants in this panel concerning the mentioned OECD Convention, the regulations in Turkish legislation on this issue and examinations on Turkey with regard to the Convention. The USA Bar Associations participated in this panel

through live connection on the internet. Also senior law consultants of 25 Turkish companies performing international commercial transactions participated in the mentioned panel.

MASAK also has sectoral AML/CFT trainings for her obliged parties who operate in the field of banking, insurance, individual pension, capital markets, money lending and other financial services, and postal service and transportation, lotteries and bets; those who deal with exchange, real estate, precious stones and metals, jewellery, all kinds of transportation vehicles, construction machines, historical artifacts, art works, antiques or intermediaries in these operations; notaries, sports clubs and those operating in other fields determined by the Council of Ministers. The trainings are conducted due to annual training programs for obliged parties.

Turkish International Academy against Drugs and Organized Crime Unit under KOM (TADOC) provides anti-corruption and financial crime investigations training programs both for national and international law enforcement officers who are responsible to investigate financial crimes.

47. Has your country disseminated G20 products and documents developed by the group with relevant domestic authorities?

YES NO

If yes, please provide details.

Pursuant to a Circular Directive by the office of Prime Minister, promulgated in the Official Gazette of April 25th, 2013, a "G-20 Presidency Steering Committee" was set up to carry out necessary preparations and ensure coordination amongst relevant institutions for Turkey's Presidency in 2015. Chaired by Deputy Prime Minister, the Steering Committee was further divided into two Sub-committees, Content Sub-Committee and Logistics/Organization Sub-Committee. The Sub-Committees have become operational. While the mandate of Content Sub-committee, chaired by the Treasure Undersecretary, covers all the proposals and initiatives arising from Turkey's Presidency, the Logistics/Organization Sub-Committee covers logistical matters. Accordingly, all products and documents developed by G-20 has been duly disseminated to the relevant domestic authorities.

JUDICIARY

48. Has your country taken any measures to promote and disseminate the Bangalore Principles for Judicial Integrity?

If yes, please provide details

Bangalore Principles for Judicial Integrity has been adopted by High Council of Judges and Prosecutors in 2006 and disseminated to judicial bodies by that Council in 14 November 2006.

49. Has your country taken other measures to promote the accountability and independence of the Judiciary?

If yes, please provide details

In order to promote the accountability and independence of the judiciary, Department of Strategy Development of Ministry of Justice published the Judicial Reform Strategy in September 2012.

SECTOR-SPECIFIC TRANSPARENCY INITIATIVES

50. Is your country supporting or implementing any sector-specific initiatives?

Extractive Industries Transparency Initiative (EITI)

Implementing

YES NO

Support

YES NO

Construction Sector Transparency Initiative (CoST)

Implementing

YES NO

Support

YES NO

Other (specify below)

Implementing

YES NO

Support

YES NO

Please provide details on other sectoral initiatives supported by your country, or domestic measures taken in relation to specific sectors.

51. Does your government have integrity pacts with the business sector?

YES NO

If yes, please provide details.

FISCAL AND BUDGET TRANSPARENCY

52. Has your country taken steps to implement the IMF Good Practices in Fiscal Transparency?

YES NO

If yes, please provide details.

53. Has your country taken steps to implement the OECD Best Practices on Budget Transparency?

YES NO

If yes, please provide details.

Tools for implementing the OECD Best Practices on Budget Transparency in Turkey are as follows;

- Central Government Budget Law and Budget Justification
- Final Account Law
- Medium Term Fiscal Plan
- Monthly Budget Performance Report
- Public Debt Management Report
- Central Government Budget Performance and Expectations Report
- General Activity Report

The information about Turkey on mentioned document is not in very detail. For further information, please visit “www.maliye.gov.tr”

Thank your for your time in completing this questionnaire.