

# TEPAV Economic Policy Reseach Institute



### TEPAV|EPRI

- Turkish Economic Research Foundation (TEPAV) became operational in December 2004
- Economic Policy Research Institute (EPRI) is the first research institute established within TEPAV
  - → independent
  - → non-governmental
  - → non-partisan think-tank
- The GOAL of TEPAV|EPRI research is to remove the gap between academic research and policy implementation
- TEPAV|EPRI intends to provide alternatives to policy discussions in Turkey (policy-oriented research).

### EPRI research

- □ A major priority of EPRI research is to design mechanisms to support institutionalization of Turkish corporate sector.
  - □ Such mechanisms will pave the way for a better economic climate such that Turkey's integration into the global economy can be completed at minimum cost.

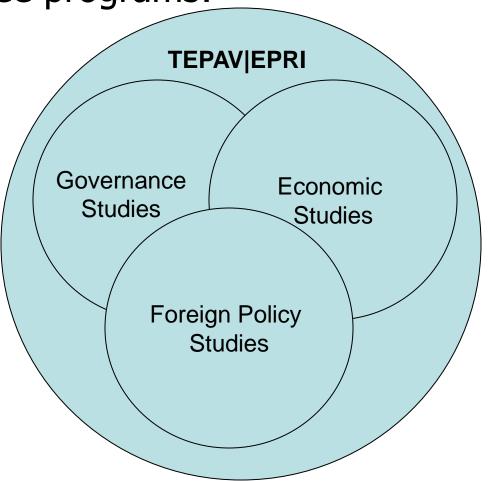
### TEPAV|EPRI

organized around three programs:

**→** Economic Studies

→ Governance Studies

→ Foreign Policy Studies



### TEPAV | EPRI programs represent the inter-disciplinary nature of research

	I. Economic Studies	II. Governance Studies	III. Foreign Policy Studies
Restructuring of the business sector	+ Impact Analysis of EU Accession on Turkish Economy + Liberalization of Energy and Telecom Sectors + SME Access to Finance +Investment Climate Assessment +Industry Policy Report of Turkey		+ Communicating with Europe (training program for Turkish national Media correspondents) + The Role of Private Sector in EU Negotiations
Restructuring of the public sector	+ Tax Reform Analysis + Social Security Reform Analysis + Higher Education Project (with the World Bank)	<ul> <li>+ Anti-Corruption Project</li> <li>+ Monitoring Decentralization</li> <li>+ Local Government</li> <li>Capacity Building</li> <li>+ Fiscal Monitoring and Fiscal</li> <li>Transparency Project</li> </ul>	+ Designing European Union Negotiation Strategy Project + Networking Academics + Training Turkish local media on EU Social Dialogue Awareness
Regional Integration	+ Sectoral and Regional Competitiveness Assessment	+ Regional Development Agency Network	+ Study Group on Turkey in U.S. Congress (USAFMC) + Ankara Forum (Palestine_Israel_ Turkey Economic Cooperation) + Cyprus Project + OECD-MENA Chamber Development Project + Cooperation w/ Brookings & CSIS

### Scope of Tepav | Epri Activities

Organizing ACADEMIC EVENTS

Round-table meetings, workshops, panels, seminars, working dinners

Regarding the issues on Turkey's political and economic agenda Thematic conferences

NETWORKING Activities

With scholars, businessmen, policy-makers, think-tanks, stake-holders

#### **United States**

USAFMC, Brookings, CSIS

Middle East

OECD-MENA, Israeli Manufacturers Asc., Fed. Palestinian Chambers

#### **Europe**

Ecomod, Friends of Europe, CEPS

#### **Caucasus**

Strategic Research Centre in Georgia

#### **International**

World Bank Institute

Conducting
Academic RESEARCH

Conducting and publishing researches, analysis, articles, working papers, policy notes and fiscal monitoring reports by

TEPAV|EPRI resident experts, non-resident scholars and research fellows from influential think-tanks in coordination with TEPAV

### TEPAV|EPRI TEAM



### TEPAV EPRI studies lead to:

- Developing policy tools for dialogues with the government
  - → Industrial Policy Document (with State Planning Organization)
  - → Investment Climate Assessment (with the World Bank and Treasury)
  - Competition Environment Assessment (with FIAS and Competition Authority)
  - → Higher Education Sector Project (with the World Bank)
- Governance of economic development
  - → Decentralization studies, regional development framework (with The Ministry of Internal Affairs and local authorities)
  - Fiscal monitoring and transparency
- Regional Integration
  - → Industry for Peace Initiative (with TOBB)
  - → Black Sea and Central Asia Project (with TOBB)
  - → Revitalization of Ancient Silk Road (with TOBB & IRU)

### Communication Strategy on EU process

- Creating awareness on the EU process
- Networking
- Capacity building
  - → Media holds a key role (Communicating w/ Europe)
    - to shape the public opinion
    - to have a continuous and well-qualified information flow system between Turkey and Europe during negotiation process
  - → Local academics are players (Academics Networking Platform)
    - to convey the local capacity with local authorities, businesses and the universities
    - to stimulate EU process

### Governance and EU Process

- Indirect impact of EU process in favor of Decentralization and Good Governance
  - → Increasing involvement of local administrations in EU process
  - → Empowering civil society
  - → Encouraging change in public administration
- Decentralization and Good Governance
  - → trends accelarates EU process:
    - ✓ Positive climate for adopting aquis
    - √ Fostering transparency in public administration
    - ✓ Ownership building for the EU process by encouraging active participation of stakeholders

### Fostering Transparency

- Recently established "Economic Stability Institute" within TEPAV
  - → Former Governor of the Central Bank of the Turkish Republic, Süreyya Serdengeçti is the Director of ESI.
- The scope of its research:
  - price stability, financial stability, stability on public finances, social stability...etc
- ESI will be performing activities to foster transperancy
  - → Civil Monitoring of Government Budget
  - Providing references for policy implementation
    - Fiscal Monitoring Reports
    - Fiscal Transparency Reports

### **Economic Impact of the EU**

- TEPAV | EPRI and the Global Economic Modelling Network
  - major study on the potential and probable impacts of EU membership on Turkey's economy
  - building a platform of several different economic models
  - compiling the most comprehensive database of the Turkish economy
  - →will assist the decision makers (both public and private)

## TEPAV|EPRI: Providing Policy Alternatives in the EU Axis

- After the Council Decision on 3<sup>rd</sup> of October, Turkey's economic and social transformation has been developing mostly in the axis of the EU.
- EU integration will mostly be an economic integration process. TEPAV|EPRI, as a prominent foundation of economic policy formulation, has been a significant intermediary actor during the negotiation process with its technical assistance.
- TEPAV|EPRI will provide impact analysis for related negotiation chapters.
- TEPAV | EPRI and TOBB (Union of Chambers and Commodity Exchanges of Turkey) developed a strategic partnership.

### TEPAV|EPRI's View on Managing Change

- How can reforms be <u>politically viable</u>?
  - Identifying the potential losers in advance
  - Defining a compensation mechanism
  - Encouraging innovative solutions (e.g. organic agriculture for small farms)
  - Social Safety Nets: implementation of social assistance programs poverty alleviation
  - Education and Health Reform
  - Active labor market policies
    - Finding ways to "convert" the skills of the labor force for emerging and competitive sectors
      - Fast and effective
    - Designing programs for hundreds of thousands (possibly millions)
  - → Good governance and decentralization
  - → Efficient Communication Strategy

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