

**ANNEX 7-A
NON-CONFORMING MEASURES
SCHEDULE OF TURKEY**

EXPLANATORY NOTES

1. The Schedule of Turkey to this Annex sets out, pursuant to Article 7.6 (Non-Conforming Measures) of Chapter 7 (Cross Border Trade in Services) and Article 12.9 (Non-Conforming Measures) of Chapter 12 (Investment), the reservations taken by Turkey with respect to existing measures that do not conform to some or all of the obligations imposed by:

- (a) Article 7.3 (National Treatment) of Chapter 7 (Cross Border Trade in Services) and Article 12.4 (National Treatment) of Chapter 12 (Investment);
- (b) Article 12.5 (Most-Favored-Nation Treatment) of Chapter 12 (Investment);
- (c) Article 7.4 (Market Access) of Chapter 7 (Cross Border Trade in Services);
- (d) Article 7.5 (Local Presence) of Chapter 7 (Cross Border Trade in Services);
- (e) Article 12.7 (Performance Requirements) of Chapter 12 (Investment); or
- (f) Article 12.8 (Senior Management and Boards of Directors) of Chapter 12 (Investment).

2. Each Schedule entry sets out the following elements:

- (a) **Sector** refers to the sector for which the entry is made;
- (b) **Sub-sector** refers to the specific sub-sector for which the entry is made;
- (c) **Industry classification** refers, where applicable, to the activity covered by the non-conforming measure, according to the provisional **CPC Codes** as used in the United Nations Provisional Central Product Classification (Statistical Papers Series M No.77, Department of International Economic and Social Affairs, Statistical Office of the United Nations, New York, 1991);
- (d) **Type of Reservation** specifies the obligation(s) (Market Access, National Treatment, Most-Favoured-Nation Treatment, Performance Requirements, Local Presence and Senior Management and Board of Directors) for which a reservation is taken;
- (e) **Source of Measure**¹ identifies the laws, regulations, rules, procedures, administrative actions or any other form for which the reservation is taken. A measure cited in the **Source of Measure** element:

¹ For greater certainty, a change in the level of government at which a measure is administered or enforced does not, by itself, decrease the conformity of the measure with the obligations referred to in Article 7.6.1 and Article 12.9.1.

- (A) means the measure as amended, continued, or renewed as of the date of entry into force of this Agreement; and
 - (B) includes any subordinate measure adopted or maintained under the authority of and consistent with the measure; and
 - (f) **Description of Reservation**, sets out the non-conforming measures to which the reservation applies.
3. The reservations and commitments relating to cross border trade in services shall be read together with the relevant guidelines, stated in GATT documents MTN.GNS/W/164 dated 3 September 1993 and MTN.GNS/W/164 Add. 1 dated 30 November 1993.
4. For the purposes of this Schedule, **foreign person** means a foreign national or an enterprise organized under the domestic law of Singapore or any non-Party.
5. A National Treatment reservation includes a reservation in respect of National Treatment under Chapter 7 (Cross Border Trade in Services) and Chapter 12 (Investment) unless the context or circumstances require otherwise.
6. With respect to cross-border supply of services, Local Presence and National Treatment are separate disciplines and a measure that is only inconsistent with Local Presence need not be reserved against National Treatment.

**ANNEX 7-A
SCHEDULE OF TURKEY**

1.

Sector	All Sectors
Sub-sector	-
Industry Classification	-
Type of Reservation	National Treatment (Article 12.4)
Source of Measure	Turkish Commercial Code (Law No. 6102), Article 40
Description of Reservation	<u>Investment</u> Establishment of a branch of an enterprise headquartered abroad requires the appointment of a natural person representative with domicile in Turkey, who is duly authorized by the enterprise to fully represent it.

2.

Sector	All Sectors
Sub-sector	-
Industry Classification	-
Type of Reservation	Market Access (Article 7.4)
Source of Measure	Foreign Direct Investment Law No. 4875, Article 3(h) Regulation for Implementation of Foreign Direct Investment Law, published in the Official Gazette No. 25205, dated August 20, 2003; Article 6-8
Description of Reservation	<u>Cross-Border Service Supply and Investment</u> A liaison office cannot constitute an investment under the definition of Article 12.1, due to the capacity given by Foreign Direct Investment Law No. 4875 which does not give right to a liaison office to engage in commercial activities. For further clarity, liaison offices established in Turkey by foreign enterprises cannot engage in commercial activities in Turkey.

3.

Sector	All sectors in which engineers and architects perform their profession
Sub-sector	-
Industry Classification	-
Type of Reservation	National Treatment (Article 7.3)
Source of Measure	Law No. 6235 Establishing the Union of Chambers of Turkish Engineers and Architects, Article 36
Description of Reservation	<u>Cross-Border Service Supply and Investment</u> Foreign engineers and architects may engage in the supply of engineering and architecture services within or into Turkey only after becoming a temporary member of the related professional chamber under the Union of Chambers of Turkish Engineers and Architects.

4.

Sector	Business services/Professional Services
Sub-sector	Legal Services - only advisory services on foreign and international law
Industry Classification	CPC 861 (part of)
Type of Reservation	National Treatment (Article 7.3 and Article 12.4) Market Access (Article 7.4) Most-Favored-Nation Treatment (Article 12.5)
Source of Measure	- Attorneyship Law No. 1136, (Articles 3, 35, 44 and 55); - Regulation on Attorney Partnerships by Turkish Bar Association, (Articles 7, 11)
Description of Reservation	<u>Cross-Border Service Supply and Investment:</u> Advisory services on foreign and international law can be supplied subject to conditions specified below: - For the supply of “advisory services on foreign and international law” by foreign lawyers in the Turkish territory, establishment in the form of “foreign attorney partnership (yabancı avukatlık ortaklığı)” is required. Foreign lawyers may establish such partnerships either among themselves or with Turkish attorneys. - Reciprocity is sought as a precondition for foreign lawyers to engage in the supply of advisory services on foreign and international law through establishment of foreign attorney partnerships in Turkey. Therefore, existence of reciprocal conditions for Turkish attorneys in the country of each foreign partner in a foreign attorney partnership and foreign lawyers subsequently employed by that partnership shall be proven. - Legal professionals hired by foreign attorney partnerships, including Turkish nationals, cannot supply legal services other than advisory services on foreign and international law. - Use of the professional title “avukat (attorney at law)” is reserved for the Turkish nationals enrolled with Turkish Bar Associations.

5.

Sector	Business services / Professional Services
Sub-sector	Accounting, Auditing and Bookkeeping Services
Industry Classification	CPC 862
Type of Reservation	National Treatment (Article 7.3 and Article 12.4) Market Access (Article 7.4) Local Presence (Article 7.5) Most-Favored-Nation Treatment (Article 12.5) Senior Management and Board of Directors (Article 12.8)
Source of Measure	- Law No. 3568 on Certified Public Accountants and Sworn-In Public Accountants; - Turkish Commercial Code (Law No: 6102); Art. 397-406 - Statutory Decree (No. 660) on the Organization and Duties of Public Oversight, Accounting and Auditing Standards Authority; - By Law on Independent Audit; - Circular No. 1996/2 by the Chambers of Certified Public Accountants and Sworn in Certified Public Accountants (TÜRMOB), Article 4 - Relevant CMB and BRSA Regulations
Description of Reservation	<u>Cross-Border Service Supply and Investment:</u> - Accounting, auditing and bookkeeping services can be supplied in the Turkish territory either by a “Certified Public Accountant (serbest muhasebeci mali müşavir)” or a “Sworn-in Public Accountant (yeminli mali müşavir)”; - which are deemed as “members of profession (meslek mensubu)”. - Turkish nationality is required to be licensed for both professions. - However, subject to the observance of reciprocity condition, a “foreign certified public accountant” meeting the professional qualifications required to perform accounting, auditing and bookkeeping services in Turkey, may obtain authorization to supply “certified public accountancy” services in the Turkish territory, through approval of the Prime Minister upon the proposal of the Ministry of Finance. - More than one members of the profession may associate their works in the form of a partnership office (adi ortaklık) or an “equity capital company ² (sermaye

² Equity capital company types are “joint-stock corporation (anonim şirket)”, “limited liability company (limited şirket)” and “partnership limited by shares (sermayesi paylara bölünmüş komandit şirket)”.

	şirketi)” in accordance with the Turkish Commercial Code. - Foreign names, other than the names and surnames of the persons authorized in accordance with Article 8 of the Law No. 3568; foreign titles; as well as phrases other than professional titles such as “consultancy, audit, etc.” cannot be used in the trade titles of certified public accountancy or sworn-in public accountancy partnerships or companies. <u>Auditing:</u> - Foreign audit firms and statutory auditors may carry out statutory audit in Turkey on the condition that they are authorized by Public Oversight, Auditing and Accounting Standards Authority, in accordance with the principle of reciprocity. Natural person statutory auditors are authorized by the Public Oversight, Accounting and Auditing Standards Authority among duly licensed certified public accountants and sworn-in public accountants (members of profession). - Auditing firms shall be established as “equity capital companies (sermaye şirketi)” in accordance with the Turkish Commercial Code. Auditing firms that will perform the audits of capital market institutions shall be established as “joint-stock corporations”. - To be authorized, an audit firm shall meet the following criteria, among others specified in Article 13 of the By-Law on Independent Audit: a) It shall have a field of activity exclusively for statutory audit or the professional field falling within the scope of the Law no. 3568, b) Majority of the capital and voting rights shall be owned by auditors and all the partners of the firm shall be members of profession. Turkish nationality condition exists for the members of profession; c) The members of its managing body shall be entirely composed of the members of profession; and majority of them, but provided that this ratio does not exceed seventy-five percent, shall be the auditors permanently employed by it; - To be authorized, in accordance with criteria specified in Article 13 of the By-Law on Independent Audit, statutory auditors must:
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	a) be a member of profession (Turkish nationality is required); b) be domiciled in Turkey; c) have received practical training on professional subjects including auditing of financial statements, for a minimum period of 3 years at an audit firm or from a statutory auditor; d) have passed the statutory auditor exam, among other criteria. - The statutory audit of “public interest entities (PIE’s)”³ and the entities which are included in this scope by the Public Oversight, Accounting and Auditing Standards Authority in terms of their fields of activity, trading volumes, number of personnel they employ, and similar criteria, can only be carried out by audit firms. The audit of other enterprises can be carried out by audit firms or statutory auditors. With regard to the supervision and inspection of audit activities in the area of financial services, special provisions of Banking Law and Capital Markets Law also apply.
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³ For the purpose of this reservation, “**public interest entities (PIEs)**” means Publicly-held companies, banks, insurance, reinsurance and pension companies, factoring companies, financing companies, financial leasing companies, asset management companies, pension funds, issuers and other capital market institutions; and entities which are evaluated in this scope by the Public Oversight, Auditing and Accounting Standards Authority since they significantly concern the public interest regarding their fields of activity, trading volumes, number of personnel they employ and other similar criteria.

6.

Sector	Business Services/Professional Services
Sub-sector	Representation/Agency Activities before the Turkish Patent Institute
Industry Classification	-
Type of Reservation	National Treatment (Article 7.3 and Article 12.4) Local Presence (Article 7.5)
Source of Measure	Law No. 5000 on the Establishment and Functions of Turkish Patent Institute, Article 30; Decree Law No. 551 on the Protection of Patent Rights, Article 171; Decree Law No. 554 on the Protection of Industrial Designs, Article 67; Decree Law No. 555 on the Protection of Geographical Indications, Article 14; Decree Law No. 556 on the Protection of Trademarks, Article 80; Law No 5147 on the Protection of Integrated Circuits Topographies, Article 23
Description of Reservation	<u>Cross-Border Service Supply and Investment:</u> Only qualified persons registered with the Turkish Patent Institute (the Institute) can act as an agent in Turkey to perform procedures for the establishment and protection of industrial property rights, and to conduct official procedures before the Institute. Only a Turkish national who resides in Turkey can become a natural person agent. Legal persons acting as representatives before the Institute must be represented by a natural person who has the qualifications of an agent.

7.

Sector	Business Services
Sub-sector	Research and Development Services on Natural Sciences (part of)
Industry Classification	CPC 851except for: - research and experimental development services on biology (CPC 85102-part of), - engineering and technology (CPC 85103), and - agricultural sciences (CPC 85104)
Type of Reservation	National Treatment (Article 7.3 and Article 12.4)
Source of Measure	Council of Ministers Decision No: 88/12839 and dated 04/04/1988 on “Principles Applicable to Foreigners or Those Applying on behalf of Foreigners who Request to Conduct Scientific Research and Analysis or Make Movies in Turkey, and to Foreign Press Members”.
Description of Reservation	<u>Cross-Border Service Supply and Investment:</u> Foreign persons, as well as enterprises duly established in Turkey but acting on behalf of foreign persons are required to obtain prior permission to conduct scientific research activities in the Turkish territory.

8.

Sector	Business Services/Other Business Services
Sub-sector	Services incidental to hunting
Industry Classification	CPC 881 (part of)
Type of Reservation	Market Access (Article 7.4) Local Presence (Article 7.5)
Source of Measure	- Law No. 4915 on Land Hunting; - Regulation concerning the Principles and Procedures applicable to Domestic and Foreign Hunters within the context of Hunting Tourism (published on the O.G. dated Jan. 8th, 2005);
Description of Reservation	<u>Cross-Border Service Supply</u> Local presence is required for the supply of services incidental to hunting, which cover services to promote propagation, growth and output of animals and services to promote commercial hunting and trapping. Any work and operations relating to hunting and wildlife management, establishment of hunting fields, hunting grounds, hunting stations and facilities are carried out or commissioned by the Ministry of Forestry and Water Affairs. With respect to hunting tourism, only a travel agency with a Type-A license may supply services to foreign hunters with the condition of obtaining a hunting license. A travel agency with a Type-C license may supply hunting tourism services only to residents of Turkey.

9.

Sector	Business Services/Other Business Services
Sub-sector	Services incidental to mining
Industry Classification	CPC (883+5115)
Type of Reservation	National Treatment (Article 7.3) Market Access (Article 7.4) Local Presence (Article 7.5)
Source of Measure	- Constitution of the Republic of Turkey, (Article 168) - Mining Law, No. 3213, (Article 4, 6 and 31) - Regulation on the Implementation of Mining Law, (Article 132 and 140)
Description of Reservation	<u>Cross-Border Service Supply and Investment:</u> The right to explore and exploit natural wealth and resources belongs exclusively to the Republic of Turkey (State). The State has the exclusive right to decide whether to delegate this right to persons or corporate bodies for a certain period, and choose the types of contractual arrangements to use in the development of the resource. The right of exercising mining rights⁴ can only be assigned to Turkish nationals or to enterprises that are established in accordance with the Turkish Commercial Code. Mining activities can only be conducted under the technical and/or permanent supervision of mining engineers. Only Turkish nationals can be assigned as a “technical supervisor (teknik nezaretçi)” or a “permanent supervisor (daimi nezaretçi)”. “Technical employees (teknik personel)” are also required to be Turkish nationals.

⁴ Mining rights are defined, in the Mining Law, as the authorizations provided for the exploration, prospecting and exploitation of natural resources.

10.

Sector	Business Services
Sub-sector	Computer and Related Services/Electronic certificate services
Industry Classification/Description	Electronic signature certification and verification services.
Type of Reservation	Market Access (Article 7.4) Local Presence (Article 7.5)
Source of Measure	- Electronic Signature Law No. 5070; - By-law on the Procedures and Principles Pertaining to the Implementation of Electronic Signature Law
Description of Reservation	<u>Cross-Border Service Supply:</u> - Electronic certificate⁵ service suppliers can be public entities or establishments, natural persons, or private law legal entities that supply services related to electronic certificates, time-stamps and other services related to electronic signatures. - Electronic certificate service suppliers are obliged to generate their own certificate, signature creation and verification data within the territory of Turkey and they are not allowed to take signature creation data out of the Turkish territory by any means.

⁵ Electronic Certificate is defined as electronic data binding the signature verification data of the signature owner to the identity data of that person.

11.

Sector	Communication Services
Sub-sector	Postal Services (postal and courier services)
Industry Classification	Postal services cover the acceptance, collection, processing, shipment, distribution and delivery of “postal items” as defined in the Law on Postal Services No. 6475.
Type of Reservation	National Treatment (Article 7.3 and Article 12.4) Market Access (Article 7.4) Local Presence (Article 7.5)
Source of Measure	- Law on Postal Services No. 6475; - By-law on the Provision of Postal Services, published on the Official Gazette No. 29019, dated 3 June 2014; - By-law on Authorization for Postal Services Sector, published on the Official Gazette No. 29019, dated 3 June 2014; - Legislative Decree on Establishment and Duties of the Ministry of Transport, Maritime Affairs and Communications numbered 655 and dated 26/9/2011; - Law No. 4925 on Road Transportation; - Regulation on Road Transportation; - Customs Law numbered 4458 dated 27/10/1999; - Turkish Commercial Code (Law No. 6102)
Description of Reservation	<u>Cross-Border Service Supply and Investment:</u> - Supply of postal services is subject to authorization from the Information and Communications Technologies Authority (ICTA). In order to be authorized as a postal service supplier, establishment is required in the form of an “equity capital company (sermaye şirketi)”⁶ and these companies are required to meet the criteria specified in the relevant legislation to apply for certificate of authorization. - The certificate of authorization granted by ICTA to service suppliers shall not cancel the obligation of getting certificate of authorization required under the Legislative Decree on Establishment and Duties of the Ministry of Transport, Maritime Affairs and Communications numbered 655 and dated 26/9/2011, Road Transport Law numbered 4925 and dated 10/7/2003, Customs Law numbered 4458 dated 27/10/1999 and Law numbered 6102 and the other relevant legislation.

⁶ In accordance with Article 124 of the Turkish Commercial Code (Law No. 6102), the following are considered equity capital companies: “joint-stock company (anonim şirket)”; “limited liability company (limited şirket)”; “limited partnership in which the capital is divided into shares (sermayesi paylara bölünmüş komandit şirket)”.

	- “Posta ve Telgraf Teşkilatı Anonim Şirketi (PTT)”, which is a 100% government owned entity, is authorized by the Law on Postal Services to supply postal services and has the monopoly right to supply the following services: • acceptance, collection, sorting, transport, distribution and delivery of domestic and international items of correspondence whose weight or fee limits are determined by the Council of Ministers upon suggestion of ICTA and proposal of the Ministry of Transport, Maritime Affairs and Communications by taking the basic tariff into consideration⁷; • Without prejudice to the provisions related with electronic notification of the Tax Procedural Law no. 213 dated 4/1/1961, acceptance, collection, sorting, transport, distribution and delivery of any type of notification including through electronic media within scope of the Law numbered 7201 and other laws; • Postal services of Turkish Armed Forces in peacetime; • Printing and sale of postal stamps that show the fees to be collected in postal services, personal stamps, commemorative stamps, postcards and first day covers. - PTT A.Ş. is also the designated universal service supplier by law. The Council of Ministers has the authority to determine the scope of universal service obligation and The Ministry of Transport, Maritime Affairs and Communications is entitled to designate additional universal service suppliers.
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⁷ Until the weight and fee limits of monopoly right is determined by the Council of Ministers, the PTT A.Ş. shall continue to exercise its monopoly right over all the open and closed letters and postcards bearing any kind of correspondence without any weight limit.

12.

Sector	Communication Services
Sub-sector	Electronic Communications (Telecommunications) Services and Networks
Industry Classification	Supply of electronic communications services and electronic communications networks as defined in the Electronic Communications Law No. 5809. Electronic communication is defined as the transmission, exchange and receiving of all kinds of signals, symbols, sounds, images and data which could be converted into electrical signals, by means of cable, radio, optic, electric, magnetic, electromagnetic, electrochemical, electromechanical and other types of transmission systems. Broadcasting services are excluded. In addition, provision of electronic communication services do not in any way include editorial activities relating to the content transmitted through electronic communications services and networks.
Type of Reservation	Market Access (Article 7.4) Local Presence (Article 7.5) Performance Requirements (Article 12.7)
Source of Measure	- Law on Electronic Communications No. 5809; - By-law on Authorization for Electronic Communications Sector
Description of Reservation	<u>Cross-Border Service Supply and Investment:</u> - Supply of electronic communications networks and services is subject to authorization by the Information Technologies and Communications Authority (ICTA). - In cases where assignment of resources is necessary, the service suppliers are authorized upon the granting of right of use by the ICTA. The number of rights of use can be limited when the resources need to be operated by a limited number of operators, and for the aim of ensuring the efficient and effective use of resources. The ICTA is entitled to determine which electronic communication services require granting of rights of use, and whether to limit the number of rights of use for such services. - In granting authorizations, the ICTA is entitled to impose non-discriminatory conditions and requirements on service suppliers, including performance requirements, taking into consideration the principles set forth in Article 4 of the Electronic Communications Law.

	- Except for national public organizations and state-owned enterprises foreseen by law, in order to be authorized for the supply of electronic communications services and networks, establishment in the territory of Turkey is required in the form of a joint-stock or limited liability company. Electronic communications services and networks requiring authorization in the form of limited number of rights of use can only be supplied by joint stock companies. - The concession contracts and service contracts that were signed between specific service suppliers and the ICTA before the entry into force of the Electronic Communications Law shall remain in force until their validity period is over.
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13.

Sector	Communication Services
Sub-sector	Telegraph Services
Industry Classification	
Type of Reservation	National Treatment (Article 7.3 and Article 12.4) Market Access (Article 7.4) Local Presence (Article 7.5) Senior Management and Board of Directors (Article 12.8)
Source of Measure	Law No. 406 on Telegraph and Telephone
Description of Reservation	<u>Cross-Border Service Supply and Investment:</u> PTT A.Ş. is the exclusive service supplier in the supply of telegraph services.

14.

Sector	Communication Services
Sub-sector	Electronic Communications (Telecommunications) Services/Registered Electronic Mail Services
Industry Classification	Registered electronic mail (REM) is an enhanced form of mail transmitted by electronic means (e-mail) which provides evidence relating to the handling of an e-mail including proof of submission and delivery.
Type of Reservation	Market Access (Article 7.4) Local Presence (Article 7.5)
Source of Measure	- Turkish Commercial Code No. 6102, Article 1525; - By-law on the Procedures and Principles Pertaining to the Registered Email System
Description of Reservation	<u>Cross-Border Service Supply and Investment:</u> - Either a joint-stock company that is established to build and operate a registered electronic mail (REM) system under the framework of the authorization as set out in the Turkish Commercial Code No. 6102; or the administration that is authorized to make electronic notification according to the provisions of Notification Law No. 7201 (i.e. The General Directorate of Post and Telegraph Organization-PTT A.Ş.) can be a registered electronic mail service supplier (REMSP). - Electronic certificate service suppliers or the operators who operate within the scope of Electronic Communications Law No.5809 cannot apply to be REMSP. - A REMSP is obliged to keep the main and backup REM systems within the Turkish territory.

15.

Sector	Communication Services/Audiovisual Services (excluding Broadcasting)
Sub-sector	- Motion picture and video-tape production and distribution services (CPC 9611) - Motion picture projection services (CPC 9612) - Radio and television programme distribution services, excluding transmission
Industry Classification	
Type of Reservation	Local Presence (Article 7.5)
Source of Measure	- Law No. 5846 on Intellectual and Artistic Works, - Regulation on the Recording and Registration of Intellectual and Artistic Works, - Regulation on the Procedures and Principles Regarding the Certification of the Enterprises Disseminating or Performing the Recording, Copying and Sale of the Materials on which Intellectual and Artistic Works are Fixed
Description of Reservation	<u>Cross-Border Service Supply:</u> Local presence is required for the distribution of intellectual and artistic works such as motion pictures, radio and TV programmes, sound recordings, video and computer games in physical media (CD, video-tape, etc); and for the projection of intellectual and artistic works.

16.

Sector	Educational Services
Sub-sector	Primary, secondary, higher education and other education services (only private education services)
Industry Classification	CPC 921, CPC 922, CPC 923 and CPC 929
Type of Reservation	National Treatment (Article 7.3 and Article 12.4) Market Access (Article 7.4) Local Presence (Article 7.5) Senior Management and Board of Directors (Article 12.8)
Source of Measure	- Law No. 5580 on Private Educational Institutions - The Constitution of the Republic of Turkey, Art.130-132 - Law No. 2547 on Higher Education - Law No. 2809 on the Organization of Higher Education Institutions - Regulation by the Higher Education Council concerning Non-profit Foundation Higher Education Institutions (“Vakıf Yükseköğretim Kurumları Yönetmeliği”)
Description of Reservation	<u>Cross-Border Service Supply and Investment:</u> - With respect to the supply of primary (CPC 921), secondary (CPC 922) and other (CPC 929) education services, natural and juridical persons of Singapore, either directly or by establishing a partnership with Turkish citizens, may establish “international educational institutions (milletlerarası özel öğretim kurumu)”, including vocational and technical schools, only for foreign students, upon the approval of Council of Ministers. Foreign teachers may work in primary and secondary educational institutions after obtaining a prior permission from the Ministry of National Education. General work permit requirements also apply. - With respect to the supply of higher education services (CPC 923), “non-profit foundation higher education institutions (vakıf yükseköğretim kurumları)” may be founded by the enactment of a specific Law, and can only be established by foundations constituted in accordance with Turkish Civil Code. - Non-profit foundation higher education institutions have a separate legal personality from the foundation establishing it. All the members of the administrative board of the non-profit foundation higher education

	institution, i.e. the Board of Trustees (“Mütevelli Heyeti”), must be Turkish nationals. - The president (rector) of the non-profit foundation higher education institution is appointed by the Board of Trustees, and Turkish nationality is required to be appointed to the post.
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17.

Sector	Health Related and Social Services
Sub-sector	Private Hospital Services
Industry Classification	CPC 9311
Type of Reservation	National Treatment (Article 7.3 and Article 12.4) Market Access (Article 7.4) Local Presence (Article 7.5) Senior Management and Board of Directors (Article 12.8)
Source of Measure	- Health Services Law No. 3359 - Regulation on Private Hospitals
Description of Reservation	<u>Cross-Border Service Supply and Investment:</u> - Foreign persons can only establish private hospitals with the permission of Ministry of Health (referred to as “the Ministry”, hereafter). - The Ministry evaluates the applications for establishment of hospitals in accordance with investment plans. Such plans specify the residential areas that have health service needs; the number and type of health institutions required and the health personnel that is to be hired by these institutions; the medical branches that these institutions must have and their technical qualities; as well as the nation-wide distribution of technology-intensive medical devices. - Responsible directors (mesul müdür) of private hospitals are required to be Turkish citizens and they should have at least 5 years of professional experience as medical doctors, 2 years of which must be gained in state or private hospitals in Turkey.

18.

Sector	Tourism and Travel Related Services
Sub-sector	Hotels and restaurants (incl. catering)
Industry Classification	CPC 641-643
Type of Reservation	National Treatment (Article 7.3 and Article 12.4) Market Access (Article 7.4) Local Presence (Article 7.5)
Source of Measure	Law No. 2634 on the Promotion of Tourism, Art.18;
Description of Reservation	<u>Cross-Border Service Supply and Investment:</u> Hotels and restaurants authorized by the Ministry of Culture and Tourism may employ foreign personnel after receiving the permission of the Ministry of Labour and Social Security, based on the affirmative opinions of the Ministry of Interior and the Ministry of Culture and Tourism. However, the quantity of foreign personnel that would be employed in an enterprise shall not exceed 10 per cent of the total personnel. This ratio could be increased up to 20 per cent by the approval of the Ministry of Culture and Tourism, on a case by case basis. Cross-border supply of hotel and restaurant services from Singapore to Turkey is not technically feasible.

19.

Sector	Tourism and Travel Related Services
Sub-sector	Travel Agencies and Tour Operators' Services
Industry Classification	CPC 7471
Type of Reservation	Market Access (Article 7.4) Local Presence (Article 7.5)
Source of Measure	- Law No. 1618 on Travel Agencies and the Association of Travel Agencies, Art.3; - Regulation on Travel Agencies, Art. 8, 9, 20
Description of Reservation	<u>Cross-Border Service Supply and Investment:</u> Local presence is required for the supply of travel agencies and tour operators' services. Foreign travel agencies, which do not have a local presence in Turkey, cannot organize tours originating from Turkey to abroad. Travel agencies are required to be established in the Turkish territory as a commercial company in accordance with the Turkish Commercial Code. Each travel agency should be locally represented in the geographical area where it operates. In addition, opening up of branches are subject to the authorization of Ministry of Culture and Tourism.

20.

Sector	Transportation Services
Sub-sector	Maritime Transport Services (excluding Cabotage) Passenger and Freight Transportation
Industry Classification	CPC 7211, CPC 7212
Type of Reservation	National Treatment (Article 7.3 and Article 12.4) Market Access (Article 7.4) Senior Management and Board of Directors (Article 12.8)
Source of Measure	Law Concerning Coastal Shipping (Cabotage) along Turkish Shores and Performance of Trade and Business in Turkish Ports and Territorial Waters” (Law No: 815), Article 3; Turkish Commercial Code (Law No 6102), Part V.
Description of Reservation	<u>Cross-Border Service Supply and Investment:</u> Each Turkish ship shall fly the Turkish flag. A ship is deemed a Turkish ship under the following conditions: - When ownership of a ship belongs to a natural person, the ship shall be regarded as a Turkish ship only if it is owned by a Turkish citizen. - A ship that belongs to more than one natural person shall be regarded as a Turkish ship either if the majority shares are held by Turkish citizens in case of joint ownership/condominium-principled ownership (“paylı mülkiyet”); or if the majority of the owners are Turkish citizens in case of co-ownership (“elbirliğiyle mülkiyet”). - A ship that belongs to an institution, association and/or foundation with legal personality and established in accordance with Turkish legislation shall be deemed as a Turkish ship on the condition that the majority of Board of Directors of such juridical persons are of Turkish nationality. - A ship that belongs to a commercial company that is established in accordance with Turkish legislation shall be regarded as a Turkish ship on the condition that the majority of the personnel having managerial authority are Turkish nationals; and, the majority voting rights belong to Turkish national shareholders in accordance with the articles of incorporation. In the case of a “joint-stock company (anonim şirket)” or a “partnership limited by shares (sermayesi paylara bölünmüş komandit şirket)”, in addition to the above mentioned conditions, majority of the shares are required to be registered shares and that transfer of these shares to a foreign person must be subject to the approval of Board of Directors.

	- Ships belonging to an “association of ship-owners (donatma iştiraki)” shall be deemed as Turkish ships, on the condition that the majority of shares belong to Turkish nationals, and that majority of the ship-owners with managerial authority are also Turkish nationals. Turkish nationality is required for the captain and crew of vessels flying the Turkish flag.
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21.

Sector	Transport Services/Maritime Transport Services (excluding Cabotage)
Sub-sector	Rental of Vessels with Crew
Industry Classification	CPC 7213
Type of Reservation	National Treatment (Article 7.3)
Source of Measure	- Turkish Commercial Code, Art. 940, 941 - Law Concerning Coastal Shipping (Cabotage) along Turkish Shores and Performance of Trade and Business in Turkish Ports and Territorial Waters” (Law No: 815)
Description of Reservation	<u>Cross-Border Service Supply:</u> Vessels rented out by foreigners cannot operate within Turkish coastal waters. These vessels are considered as foreign vessels and cannot fly the Turkish flag.

22.

Sector	Transportation Services-Air Transport Services
Sub-sector	Maintenance and repair of aircraft
Industry Classification	CPC 8868
Type of Reservation	Market Access (Article 7.4) Local Presence (Article 7.5)
Source of Measure	- Turkish Civil Aviation Law (No. 2920) - Regulation No. 145 on Civil Aviation regarding Certified Aircraft Maintenance and Repair Entities (SHY-145) - Directive No. 145 on Civil Aviation regarding Certified Aircraft Maintenance and Repair Entities (SHT-145) - Regulation No. 66 on Civil Aviation regarding the Licensing of Aircraft Maintenance and Repair Personnel (SHY-66) - Regulation No. 147 on Civil Aviation regarding the Entities Providing Educational Services on Aircraft Maintenance and Repair (SHY-147)
Description of Reservation	<u>Cross-Border Service Supply and Investment</u> Authorization from the Ministry of Transport, Maritime Affairs and Communications is necessary to perform functions for the maintenance and repair of aircraft. The Ministry authorizes service suppliers engaged in the maintenance and repair of aircraft in the territory of Turkey, and certifies service suppliers that are established abroad providing maintenance and repair services to Turkish aircraft. Service suppliers engaged in the maintenance and repair of aircraft in the Turkish territory are required to be established as a commercial company in accordance with the Turkish Commercial Code.

23.

Sector	Transportation Services - Road Transport Services
Sub-sector	Passenger and Freight Transportation
Industry Classification	CPC 7121 + 7122, CPC 7123
Type of Reservation	National Treatment (Article 7.3) Market Access (Article 7.4) Local Presence (Article 7.5)
Source of Measure	- Law No. 4925 on Road Transportation, - Regulation on Road Transportation
Description of Reservation	<u>Cross-Border Service Supply and Investment:</u> Turkish citizenship or being a legal entity established in accordance with the Turkish Commercial Code is required for obtaining a carrier license from the Ministry of Transport, Maritime Affairs and Communications. Cross-border supply of road transport services from Singapore to Turkey is not technically feasible.

24.

Sector	Transportation Services - Road Transport Services
Sub-sector	Rental of Commercial Vehicles With Operator
Industry Classification	CPC 7124
Type of Reservation	National Treatment (Article 7.3) Market Access (Article 7.4) Local Presence (Article 7.5)
Source of Measure	- Law No. 4925 on Road Transportation, - Regulation on Road Transportation
Description of Reservation	<u>Cross-Border Service Supply and Investment:</u> Turkish citizenship or being a legal entity established in accordance with the Turkish Commercial Code is necessary for obtaining authorization from the Ministry of Transport, Maritime Affairs and Communications. Cross-border supply of rental services of commercial vehicles (with operator) from Singapore to Turkey is not technically feasible.

25.

Sector	Pharmaceuticals and Medical Products
Sub-sector	-
Industry Classification	-
Type of Reservation	Senior Management and Boards of Directors (Article 12.8)
Source of Measure	- <i>Law on Pharmaceuticals and Medical Products</i> (Law No. 1262, as amended by Law No. 6243 February 8, 1954), Article 5 - <i>Law on Veterinary Services, Plant Health, Food and Feed</i> (Law no 5996, June 11,2010) Article 12 - Regulation on Veterinary Medical Products (OG: December 24, 2011) Article 22 - Law on Pharmacists and Pharmacies (Law no 6197, December 18, 1953) Article 2 - Law on the Exercise of Veterinary Profession (Law No. 6343, March 9, 1954) Article 2
Description of Reservation	<u>Investment</u> An enterprise which will produce pharmaceuticals or medical products has to be directed by a responsible director “<i>mesul müdür</i>”, who is a medical doctor, a pharmacist, or a chemist, or where the necessity of the specialization required so under the Law, a veterinarian or a dentist. The responsible director referred shall be Turkish National. An enterprise which will produce veterinarian medical products has to be directed by a responsible director “<i>sorumlu yönetici</i>”, who is a chemist, a chemical engineer, a pharmacist or veterinarian. The responsible director referred shall be Turkish National.

26.

Sector	Mining
Sub-sector	-
Industry Classification	-
Type of Reservation	Senior Management and Boards of Directors (Article 12.8)
Source of Measure	- <i>Law on Mining</i> (Law No. 3213, June 4, 1985), Article 16
Description of Reservation	<u>Investment:</u> Enterprises that have license to extract coccolith, sapropel and hydrogen sulfide from the sea are required to appoint at least one member of the Board of Directors and at least one auditor from the Turkish Petroleum Corporation (“<i>Türkiye Petrolleri Anonim Ortaklığı</i>”) or a subsidiary of it. These appointed persons from the Turkish Petroleum Corporation or a subsidiary of it must be Turkish nationals.

27.

Sector	Petroleum
Sub-sector	-
Industry Classification	-
Type of Reservation	National Treatment (Article 12.4) Performance Requirements (Article 12.7)
Source of Measure	- Turkish Petroleum Law (Law No. 6491, May 30, 2013), Articles 18 and 22 - Petroleum Market Law (Law No. 5015, December 04, 2003), Article 10 - Regulation on Licensing in Petroleum Market (Published in the Official Gazette on June 17, 2004), Article 7 - Notice on Blending Ethanol with Gasoline Types (Published in the Official Gazette on July 7, 2012) Article 5
Description of Reservation	<u>Investment:</u> A Foreign person who will apply to obtain license for refinery of petroleum products must be resident in Turkey, registered in trade or industrial register and must be an income or corporate taxpayer in Turkey. Types of the gasoline that are delivered by a refinery license owner via tank truck filling units shall meet the local production requirements of Notice on Blending Ethanol with Gasoline Types. Refinery license holders must give priority to domestic crude oil and purchase domestic crude oil offered by domestic producers at the minimum price formed in the market. Refinery license holders must reply to offers in fifteen days, price of which are over the minimum market price. Refinery license holders cannot offer or demand disadvantageous conditions to domestic oil producers. For greater certainty, all measures regarding transmission, distribution, transportation, pipeline transportation, and sale of petroleum will be subject to NCMs #23 (Other business services-services incidental to energy distribution), #26 (Distribution services) and #45 (Transportation Services-pipeline transportation) under Annex 7-B.

28.

Sector	Agriculture
Sub-sector	Agricultural Credit Cooperatives
Industry Classification	-
Type of Reservation	Senior Management and Boards of Directors (Article 12.8)
Source of Measure	<i>Articles of Incorporation of Turkish Agricultural Credit Cooperatives</i> , Articles 30 and 37
Description of Reservation	<u>Investment:</u> All members of the boards of directors and auditors of Turkish Agricultural Credit Cooperatives (" <i>Türkiye Tarım Kredi Kooperatifleri</i> ") must be Turkish nationals.

29.

Sector	Fishery
Sub-sector	
Industry Classification	-
Type of Reservation	National Treatment (Article 12.4) Most Favored Nation (Article 12.5)
Source of Measure	<i>Law on Fisheries</i> (Law No. 1380, March 22, 1971), Article 21 <i>Regulation on Fisheries</i> (Published in the Official Gazette on March 10, 1995), Article 5 <i>Notice on Commercial Fishing</i> (Notice No: 2012/65 Published in the Official Gazette on August 18, 2012) Article 21
Description of Reservation	<u>Investment:</u> Foreign Persons cannot engage in fish hunting in Turkish territorial sea and internal waters. Enterprises that are established in Turkey in conformity with the legislation on Foreign Direct Investment are subject to prior authorization and license requirements of the Ministry of Food, Agriculture and Livestock. Foreign persons cannot operate in Tuna fishing by renting Turkish vessels.