

European Union Water Policies and Reflections on Turkey

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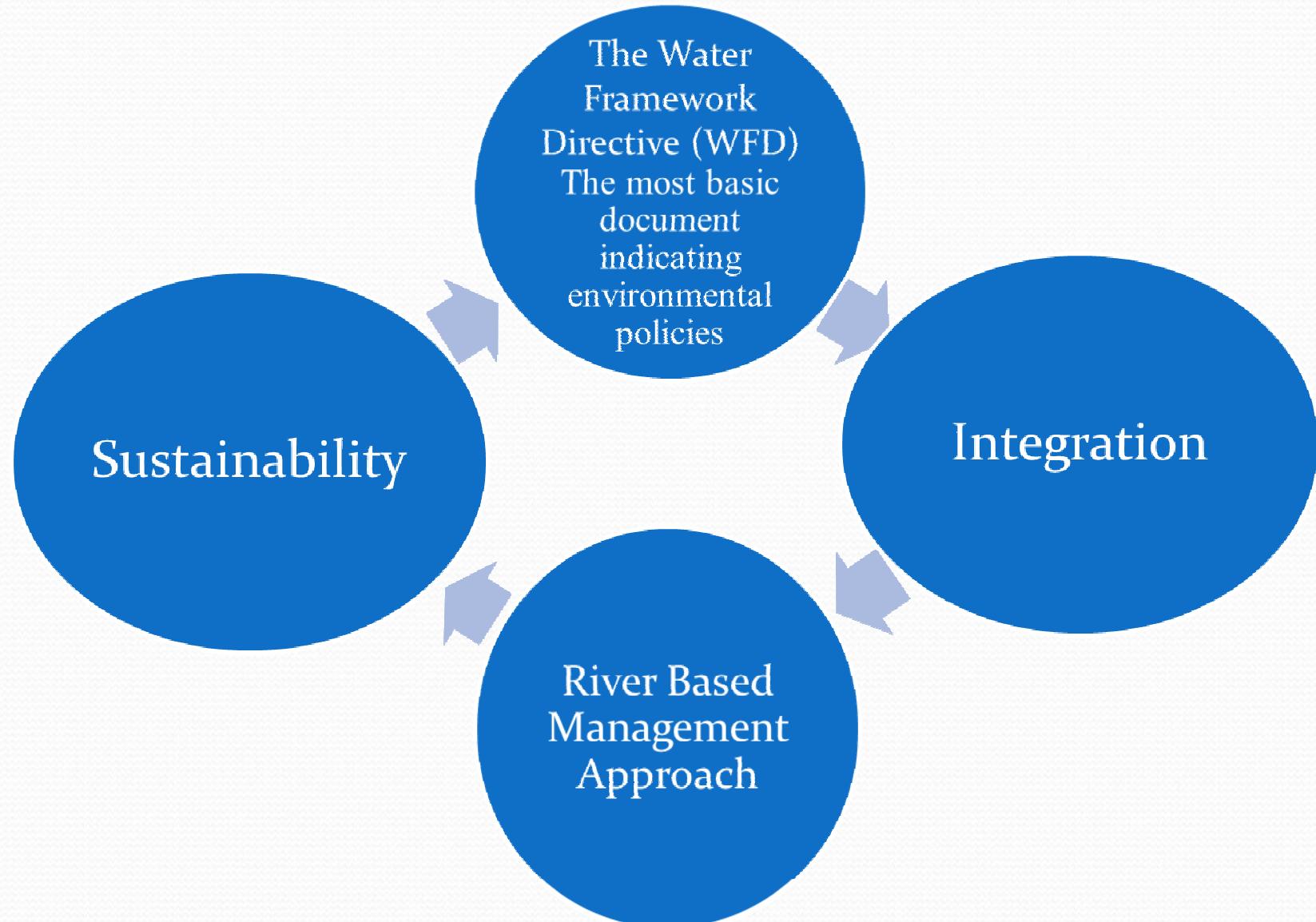
Presentation Plan

- European Union Water Policies
- Current Situation of Turkish Water Sector
- Approximation of Turkish Water Legislation with European Union Water Legislation and Need for Investment
- Conclusions

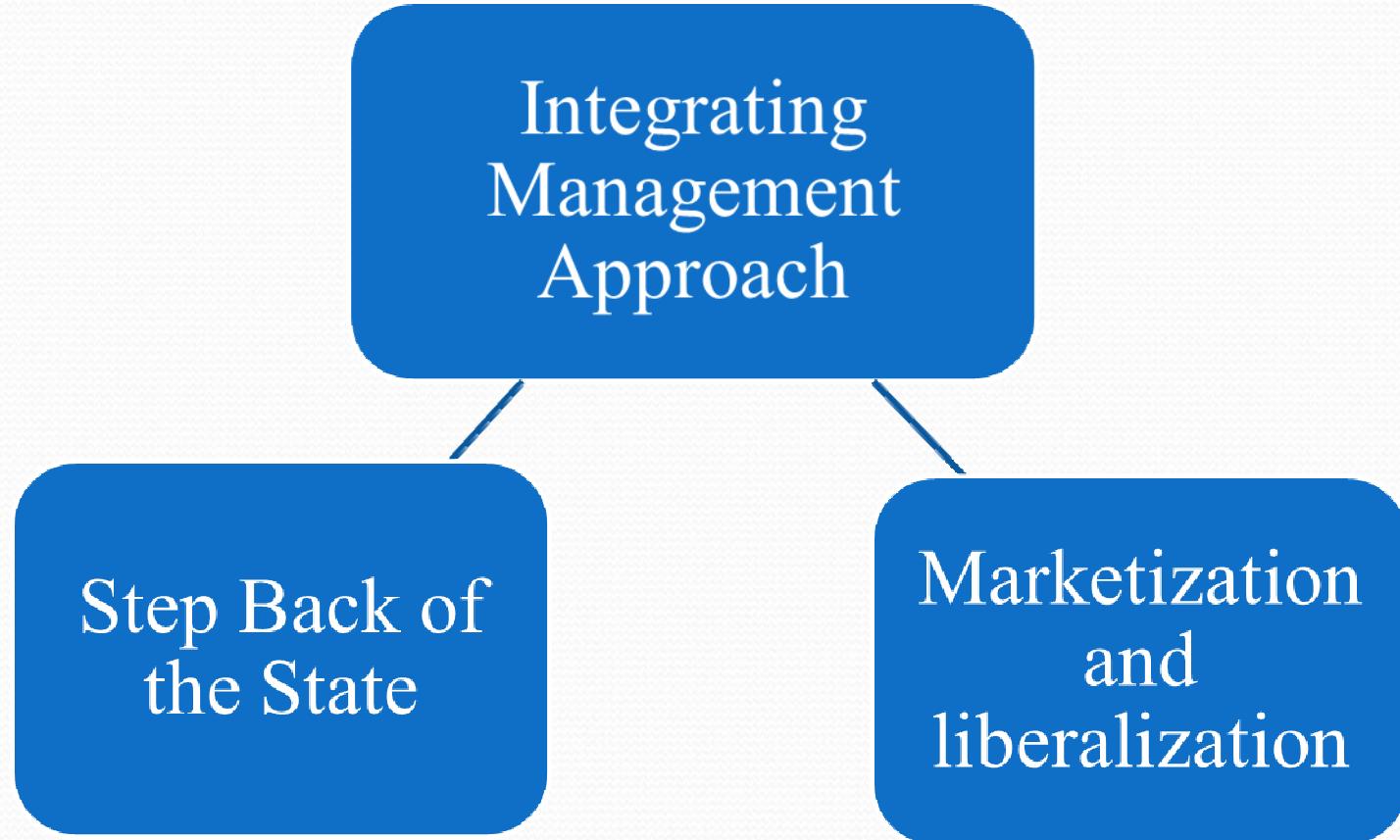
European Union Water Policies

- 1992 Rio Declaration on the Environment and Development
- Environmental Principles:
 - precautionary principle,
 - prevention principle,
 - control principle,
 - polluter pays doctrine,
 - proximity, and
 - self-sufficiency

European Union Water Policies



European Union Water Policies



Current Situation of Turkish Water Sector

- High urbanization and population increase
- Turkish water policies were previously handled by short-term plans but necessitate the design and implementation of long-term water policies
- Requires significant investment in the water sector

Approximation of Turkish Water Legislation with European Union Water Legislation and Need for Investment

- **Table 1: Sectoral Distribution of the Environmental Investments Needed to Actualize Between 2007 and 2023**

Sectors	Million Euro	Percentage (%)
Water Sector	33.969	58
Solid Waste Sector	9.560	16
Air Sector	37	0
Noise Sector	0	0
Chemicals Sector	0	0
Industrial Pollution Sector	14.755	25
Nature Protection Sector	264	0
Total	58.585	100

Approximation of Turkish Water Legislation with European Union Water Legislation and Need for Investment

- **Table 2:** Environmental Investments Based on Resources (2007 – 2023)

	Million Euro	Percentage (%)
Central Administration	7.738	13
Local Administration	21.814	37
➤ Municipalities' Equity Capital	13.023	22
➤ Provincial Bank Loans	6.980	12
➤ External Loans (such as, the World Bank and European Investment Bank)	994	2
➤ Public-Private Partnership Models	817	1
Private Sector Investments	15.138	26
Government Business Enterprises	1.187	2
European Union Funds and Grants	12.708	22
Total	58.585	100 8

Conclusions

- The reflection of European Union water policies on the Turkish water sector will primarily be through the discussion of privatization models.
- It will be more appropriate to use models allowing private-sector participation in water services, rather than the direct sale method, as the latter naturally bears the characteristics of a monopoly.
- The additional investment load due to the European Union accession period can also be reduced by means of private-sector participation models.
- However, past experiences clearly demonstrated that making franchise and build-operate-transfer agreements that might require long-term contracts and investments without the firmly established legal grounds might cause problems. This legal ground can be provided by accepting the European Union's water legislation.

- Thank you for your listening.....