

## Turkey Announces Rules for Industry Cooperation Projects Focused on Innovation, Localization and Technology Transfer

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Turkey has announced principles for industry cooperation projects focused on innovation, localization and technology transfer. These new rules apply to the procurement of construction work, as well as purchasing goods and services.

The Regulation on Application of Industrial Cooperation Program ("**Regulation**") was published in Official Gazette number 30335 on 17 February 2018.

According to the Regulation, the main criteria during tenders for industry cooperation projects will be:

- Transparency.
- Competition.
- Equal treatment.
- Reliability.
- Confidentiality.
- Public scrutiny.
- Able to satisfy the requirements under suitable conditions and on time.
- Efficient usage of resources.

Notable provisions in the Regulation include:

- During tenders, both price and non-price factors will be considered, including:
  - Operating and maintenance costs.
  - Efficiency.
  - Quality.
  - Technical advantages.
  - Industry and technology contribution.
- There must be a reasonable natural link between the purchase of goods, services, or construction works, for these to be put out to tender as combinations of multiple elements.
- Public authorities will use either open tender or tender to predetermined bidders. However, public authorities can receive offers from a single candidate on the grounds of:
  - Strategic Priorities.
  - National interest.
  - Technologic concentration at one point.
  - Requirements for special expertise due to:
    - Originality
    - High technology.

- Standardization requirements.

- Public authorities must establish a supply group for each industry coordination project, made up of technically competent persons.
- Contractors are categorized as:
  - Local contribution.
  - Technological cooperation.
  - Export.
- Contractors cannot place any financial burden on public authorities or ministries while performing their obligations.
- Contractors must provide a letter of guarantee amounting to 6% of their obligation, for a one year period, starting from the date they complete their obligation.

Please see this [link](#) for the full text of the Regulation (only available in Turkish).

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