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Annex 3

to the

Commission Implementing Decision on the financing of the annual action plan in favour of Turkey for 2021

ACTION DOCUMENT

1. SYNOPSIS

1.1. Action Summary Table

ACTION IDENTIFICATION	
Title	IPA III Annual action plan in favour of Turkey for 2021 Action #3 Product Safety in E-Commerce
OPSYS CRIS encoding (OPSYS equivalent)	OSPYS business reference IPA/2021/043673/3 CRIS encoding (OPSYS equivalent)
Basic act	Financed under the Instrument for Pre-accession Assistance (IPA III)
Team Europe Initiative	No
Zone benefiting from the action/location	The action shall be carried out in Turkey
Programming document	IPA III Programming Framework
PRIORITY AREAS AND SECTOR INFORMATION	
Window and thematic priority	Window 2: Good governance, EU acquis alignment, good neighbourly relations and strategic communication Thematic Priority 2: Administrative capacity and EU acquis alignment
SECTOR INFORMATION	
Sustainable Development Goals (SDGs)	Main SDG (1 only): SDG16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels Other significant SDGs (up to 9) and where appropriate, targets: SDG8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
DAC code(s)	331 – Trade Policies & Regulations – 70% (CRS: 33110 & 33181) 151 – Government & Civil Society – 10% (CRS: 15127) 250 – Business & Other Services – 10% (CRS: 25010 & 25040)

	220 – Communications – 10% (CRS: 22040)				
Main Delivery Channel	Multilateral Organisation - 40000				
Markers (from CRIS-DAC form)	General policy objective	Not targeted	Significant objective	Principal objective	
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Aid to environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Gender equality and Women's and Girl's Empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Trade Development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	Reproductive, Maternal, New born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Disaster Risk Reduction	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Inclusion of persons with disabilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Nutrition	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	RIO Convention markers	Not targeted	Significant objective	Principal objective	
	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Climate change mitigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Climate change adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	Internal markers¹	Policy objectives	Not targeted	Significant objective	Principal objective
		Digitalisation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Migration ²		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
COVID-19		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BUDGET INFORMATION					
Amounts concerned	Budget line: 15.020101.01 Total estimated cost: EUR 2 250 000 Total amount of EU contribution: EUR 2 250 000 of which: EUR 2 250 000 for indirect management with IPA III Beneficiary				

¹ These markers have a different scope/rationale than the DAC codes. Posting criteria related to the encoding of the financial breakdown in CRIS/ABAC

² Please refer to note Ares(2019)627611 of 04/02/2019.

MANAGEMENT AND IMPLEMENTATION	
Type of financing and method(s) of implementation	Project Modality Indirect management with Turkey
Final Date for conclusion of Financing Agreement	At the latest by 31 December 2022
Final date for concluding contribution / delegation agreements, procurement and grant contracts	3 years following the date of conclusion of the Financing Agreement, with the exception of cases listed under Article 114(2) of the Financial Regulation
Indicative operational implementation period	72 months following the conclusion of the Financing Agreement
Final date for implementing the Financing Agreement	12 years following the conclusion of the Financing Agreement

1.2. Summary of the Action

This Action will support Turkey's accession progress by improving the country's legal and administrative capacity in terms of the free movement of goods and digitalisation in line with the EU acquis. It also contributes to the thematic priority: on administrative capacity and acquis alignment.

The Action will: (i) strengthen Turkish market surveillance authorities' (MSAs) capacities capacity to carry out efficient market surveillance (MS) activities for products sold online; (ii) support the establishment of an effective cooperation mechanism with regard to e-commerce surveillance activities; (iii) increase online sellers' awareness level of online sellers with regard to their legal obligations concerning the safety of products sold on their platforms; and (iv) it will also increase the awareness level of consumers who purchase goods online.

Finally, the Action will also contribute to a better implementation of the 1995 Customs Union Agreement dated 1995, since Turkey is responsible for the harmonisation of the EU legislation on product safety, market surveillance and conformity assessment.

2. RATIONALE

2.1. Context Analysis

A Customs Union was established between Turkey and the European Union (EU) with the Association Council Decision (ACD) No. 1/95. According to this decision, Turkey committed to harmonise its legislation with the EU's technical regulations on products. In line with this commitment, Turkey has been harmonising the regulations listed in the Annex of the ACD No. 2/97 since then.

The Republic of Turkey's Ministry of Trade (MoT) is responsible for transposing the horizontal legislation of the EU (Regulation 765/2008, 2019/1020 and Decision 768/2008 and the Directive 2001/95) covering the areas of accreditation, market surveillance, conformity assessment, product safety, CE marking, etc. The MoT is also responsible for coordinating the harmonisation of the EU acquis on technical legislation of products carried out by several public authorities and the national coordinator for market surveillance activities carried out by eight different public authorities. The MoT also contributes to establishing, supporting and strengthening the quality infrastructure (accreditation, conformity assessment, standardisation and metrology) and market surveillance activities. For this purpose, MoT carried out several EU funded projects. The Ministry, as the coordinating body, carries out its duty

through two different mechanisms: i. Market Surveillance and Product Safety Assessment Board (MSPSAB), ii. Market Surveillance Coordination Board (MSCB).

Market Surveillance Authorities (MSA) are represented at the highest level (Minister, Chairman of the board) in the “Market Surveillance and Product Safety Assessment Board”, established in accordance with the Prime Ministry Circular No. 2011/12, published in the Official Gazette No. 28046, dated 06.09.2011.

The Board convenes at least once a year under the coordination of the Minister of Trade in order to:

- evaluate the annual action plans prepared by MSCB;
- define the measures to be taken and the main goals and strategies for the effective implementation of import controls and market surveillance;
- take high level decisions and;
- ensure cooperation and coordination between relevant institutions.

So far, Turkey has made significant progress in the field of quality infrastructure, harmonisation of the EU acquis and market surveillance with the help of EU funded projects. However, despite the fact that public authorities have largely completed legislative alignment and have been performing market surveillance activities in the traditional market structure, the emerging e-commerce market places have become a new challenge for Turkish public institutions responsible for consumer product safety, compliance and market surveillance.

With e-commerce, the way products are customized, distributed and exchanged differs considerable from traditional market structures and this situation limits the capacity of market surveillance authorities (MSAs) to fully perform their mandates with regard to product safety, compliance and market surveillance. Against these challenges, it is now necessary to change the inspection methods for products sold online and to find solutions to the problems in the implementation phase.

Recent studies³ indicate that some Europe-wide initiatives have been carried out to increase the effectiveness of market surveillance activities for products sold online and to determine the best practices. In addition, market surveillance activities for products sold online are intensely performed by some EU Member States.

As market surveillance activities performed on products sold online is a new developing area both in the EU and in Turkey, there is a need for more information exchange about implementation, inspection methods and legal infrastructure. The main objective of the Action will be to understand how product safety and compliance can be effectively enforced regardless of the distribution channel, to obtain information about the legislative requirements and market surveillance methods in this area, to analyse main problems in the implementation phase and possible solutions of these problems and to increase the capacities of all market surveillance authorities in making effective inspections on products sold online. An exchange of best practices on market surveillance for products sold online is another objective of the project. In this context, technical support is deemed necessary for efficient implementation of the harmonised legislation.

This Action is coherent with the IPA III Programming Framework, more specifically with Thematic Priority 2: Administrative capacity and acquis alignment” under “Window 2 – Good Governance, EU Acquis Alignment, Good Neighbourly relations and strategic communication” and contributes to bringing the candidate countries’ policies and legislations in line with the EU policies and the EU acquis and to build administrative capacity to fully and effectively implement sector policies and the adopted legislations.

It is also particularly related to the Chapter 1: Free movement of goods under Turkey’s EU accession process, which ensures that many products can be traded freely across the EU based on common rules and procedures. Where products are governed by national rules, the principle of the free movement of goods prevents these from creating unjustified barriers to trade. The European Commission continues to put an emphasis on increasing the coverage and effectiveness measures as well as to implement the EU acquis on mutual recognition of goods lawfully marketed to

³ One of these studies is the “*Good Practice in Market Surveillance Activities related to Non-Food Consumer Products sold Online Report*” prepared for the DG Enterprises and Industry and DG Health and Consumers of the European Commission. The report is available at: <https://op.europa.eu/en/publication-detail/-/publication/e50a1e6d-78ab-49a0-82b4-896e62f7b655/language-en>

another Member State. In order to enable free movement of goods, the alignment of technical legislation and the establishment of necessary infrastructure is needed.

Additionally, it is also related to Chapter 28: Health and consumer protection, which ensures to protect consumers' economic interests in relation to product safety, dangerous imitations and liability for defective products. Product Safety and Technical Regulations Law, which was published in March 2020, includes product safety provisions in e-commerce, radio and TV marketing in favour of the protection of consumers. Hence, such products will be subject to market surveillance and producers face measures in case of non-safety.

2.2. Problem analysis by areas of support

Area of Support#1: Market surveillance

Short problem analysis

With the development of e-commerce, the way products are customized, distributed and exchanged are changed and that limits the powers of market surveillance authorities (MSAs) and the scope of their activities. Against these challenges, it is now necessary to change the inspection methods for products sold online and to find solutions to the problems in the implementation phase.

As market surveillance activities performed on products sold online is a new developing area both in the EU and in Turkey, there is a need for more information exchange about implementation, inspection methods and legal infrastructure.

MSAs, online sellers and consumers are among the main stakeholders of this action. There are eight different public authorities which are responsible of market surveillance activities for products sold online and whose capacities need to be strengthened. Online sellers and consumers are essential stakeholders of the product safety system. Therefore, it is important to increase their awareness about product safety in terms of products sold and purchased online.

In addition, the number of products subject to market surveillance checks in 2018 (the last reported year by the time Commission report was published) decreased by 22% as compared with 2017, and the market surveillance budget also declined. Market surveillance is not done on the basis of risk assessment, and remains limited with regard to products placed on the market by e-commerce. Only 31% of unsafe products were subject to fines in 2018, raising concerns on the enforcement of product safety legislation.

According to the records of the MoT, market surveillance activities regarding products sold online also remained considerably low (as low as 100 inspections) in 2020 despite the sharp increase of 64% in the volume of e-commerce from 2019 to 2020 (first six months comparison) in Turkey. The EU funded technical assistance project on increasing awareness with regard to product safety, market surveillance and conformity assessment (Ref: EuropeAid/138441/IH/SER/TR) reported in March 2021 that, based on the consumer surveys conducted in 2019 and 2021, 92.25% of women respondents informed that they were making purchases (online and in-person) on their own. Findings of this survey also indicate that awareness levels of women on product safety have increased from 2019 to 2021 in relation to personal controls and checks on products purchased. For example, the 5.61% ratio of women in 2019 paying no attention on whether the product concerned is dangerous or not went down to 3.87% in 2021. Similarly, the ratio of women checking ingredients/raw materials of the product to be purchased has increased in 2021 to 32.23% from 25.81% in 2019 whereas the same ratios for men remained more or less the same in the same period (2019:25.96% - 2021:24.60%).

Taken together with the additional challenges posed by the development of e-commerce, this indicates a need for a change in the traditional way of market surveillance particularly for products sold online and for the establishment of an effective e-commerce surveillance system through scrutiny of the developments and changes in the EU e-commerce environment and the use of best practices therein.

While addressing the change and other needs surrounding e-commerce market surveillance, digital measures to be taken under this project will introduce an overall simplification of inter-ministerial administrative processes, which is in line with the public administration reform and digitalisation efforts of the EU, and allow Turkish authorities to keep up with the developments to be introduced by the Digital Services Act and the Digital Markets Act if adopted.

Consequently, the problems to be addressed by the proposed Action can be formulated as follows;

1. Problem 1: Problem 1: Turkish regulatory framework in the field of e-commerce market surveillance at a level of by-laws are out of date.
2. Problem 2: Insufficient administrative capacity of Turkish institutions to cope with the challenges of e-commerce and digitalisation
3. Problem 3: Insufficient coordination and exchange of information among national stakeholders
4. Problem 4: Lack of awareness among online sellers and consumers about product safety

The Intermediate Body for Policy Management of the project is the Directorate General of Product Safety and Inspection of the MoT (DGPSI). The Intermediate Body for Policy Management is responsible for the technical implementation, coordination, supervision, assessment, execution, management and sustainability of the project.

Target groups of this project are the representatives of 8 MSAs, consumers, online-sellers, e-marketplaces, umbrella organisations of these groups such as Union of Chambers and Commodity Exchanges of Turkey (TOBB) and the Federation of Consumer Associations (TÜDEF) uniting respectively the producers/importers/online sellers and consumers in Turkey. Affiliates of the umbrella organisations and other relevant stakeholders in the public domain (such as the civil society, academics, experts, media, etc.).

2.3. Relevance and complementarity with strategies supported by key national stakeholders

In Turkey's Eleventh National Development Plan (2019-2023), under the section "Services for the promotion of trade and consumer protection" it is stated "A model will be developed to ensure product safety inspections in e-commerce and necessary legal arrangements will be made."

The proposed Action is in line with "Turkey's National Market Surveillance Strategy Document" for the years 2019-2021 which was adopted by the "Market Surveillance and Product Safety Assessment Board" in 2019 in order to keep pace with the changing and improving conditions in the market surveillance system in Turkey.

The Document lists three strategic objectives to be achieved in a three years period. These objectives are:

1. Strengthening the administrative infrastructure of market surveillance
2. Development of comprehensive and contemporary surveillance activities
3. Carry out result based and disincentive measures.

To reach these objectives, specific goals were also laid down in the document. Especially under the objective number 2, it is stated that it is important that the market surveillance activities for online sales are enabled.

Additionally, the Turkish High Planning Council has decided to accept the "e-Export Strategy and Action Plan (2018-2020)" ("Plan"), which was prepared by the Ministry of Trade, with its decision numbered 2018/1 and dated January 31, 2018. This decision was published in the Official Gazette on February 6, 2018; enabling product safety and control in cross-border e-commerce is one of the objectives laid out in the said Plan.

Considering that the challenges posed by e-commerce will increase in time in line with the above-mentioned trend, in less than a year following the adoption of Regulation (EU) 2019/1020 in March 2020, Turkey has adopted a new law on Product Safety and Technical Regulations in order to further align with the EU legislation and developments in the e-commerce sector. Products exported to or intended for export to the EU as well as market surveillance in e-commerce and general product safety fall within the scope of this law. This was a step taken in line with the mentioned strategy documents and action plans.

2.4. Relevance and complementarity with EU policy and EU and other donors' assistance

This action will support Turkey's accession progress by improving Turkey's legal and administrative capacity in line with the EU acquis by assisting with the establishment of an effective e-commerce surveillance system

Furthermore, this action will play an eminent role for the digitalisation of market surveillance activities. Public administration reform and digitalisation efforts are prioritized in the IPA III Programming Framework. With this action, an effective system will be established in order to carry out market surveillance activities in e-commerce.

Namely, this action is in line with the IPA III Programming Framework and it contributes to the “Thematic Priority 2: Administrative capacity and acquis alignment” under “Window 2 – Good Governance, EU Acquis Alignment, Good Neighbourly relations and strategic communication”.

The Action will also contribute to the better implementation of the Customs Union Agreement⁴, since Turkey is responsible for the harmonisation with the EU legislation on product safety, market surveillance and conformity assessment. It is in line with the IPA III Programming Framework’s objective of the EU’s assistance to candidate countries and potential candidates, which is to support the IPA III beneficiaries in adopting and implementing the political, institutional, legal, administrative, social and economic reforms required by those beneficiaries to comply with Union values and to progressively align to Union rules, standards, policies and practices with a view to Union membership, thereby contributing to their stability, security and prosperity.

The need for ensuring product safety inspections in e-commerce is mentioned in different national strategies (such as Turkey’s Eleventh National Development Plan; Turkey’s National Market Surveillance Strategy Document). In addition, the country is assessed as being at a “good level of preparation” in the free movement of goods policy areas and the need for market surveillance of the products marketed through e-commerce is emphasized (p.67 -68). There is a strong need for establishing an effective e-commerce surveillance system.

On 20 June 2019, the European Parliament and the Council adopted the Regulation 2019/1020 on market surveillance and compliance of products, amending Directive 2004/42/EC and Regulations (EC) No 765/2008 and (EU) No 305/2011. The Regulation brought new standards to be applicable by the EU Member States in 2021. This Action aims to benefit from the experiences of the Commission and EU Member States with regard to their work before the adoption of the Regulation and preparations to be made until 2021 and beyond, for its effective implementation.

Furthermore, this Action underpins the Communication “The Goods Package: Reinforcing trust in the single market”⁵ and the Commission Notice on the market surveillance of products sold online⁶ since it underpins development of the necessary environment for enforcement of the EU harmonised product safety rules.

Accordingly, Turkey’s framework Law No: 4703, which has been in force since 2002, has been revised taking into consideration the updates of the EU acquis within the context of the New Legislation Framework and Goods Package. The new Law was adopted on 5 March 2020 and published in the Official Journal on 12 March 2020 numbered as 7223 and it has been in effect since March 2021. This new law enables the market surveillance authorities to conduct e-commerce surveillance activities more efficiently via specific provisions related to e-commerce.

With this action the EU acquis alignment will be supported in the mentioned areas and the capacities of the MSAs will be strengthened in order to make sure effective administrative and institutional capacities are achieved, in line with EU acquis requirements.

2.5. Lessons learned and links with previous financial assistance

Turkey has made significant progress in the field of quality infrastructure, harmonisation of the EU acquis and market surveillance with the help of EU funded projects, namely

- “Supporting of Quality Infrastructure in Turkey (2002-2007) Project, (PRG-2002-015)
- “Reinforcement of Institutional Capacity for Establishing a Product Safety System in Turkey (2006-2008)” (TR0503.01)
- “Support to the Strengthening of the Quality Infrastructure in Turkey (2010-2012)” (TR0702.12)
- “Technical Assistance for Awareness Raising in the Areas of Product Safety, Market Surveillance and Conformity Assessment (2018-2021)”.

Mentioned successive projects used the experience gained from the previous one to implement their objectives more efficiently. Hence, the lessons learnt from the latest EU funded project, Technical Assistance for Awareness Raising in the Areas of Product Safety, Market Surveillance and Conformity Assessment, will be taken into account and this project will be built upon these.

- A close cooperation with consumer umbrella organisations is essential in terms of raising awareness campaigns. The consumer organisations have been trained on product safety related issues and are very

⁴ COUNCIL DECISION (96/142/EC)

⁵ (COM(2017) 787)

⁶ (COM(2017) 5200)

motivated to continue with the provision of such trainings. This motivation will be used with more specific trainings in the e-commerce area.

- The use of social media for publication and dissemination of all kinds of outputs is also a prerequisite. Although the previous project had relevant social media accounts, they were not used efficiently due to the inadequate budget and experts. To overcome this problem and ensure efficiency, this project attaches great importance to the use of the social media. Under the Activity 4.6, a professional social media management team is expected to ensure that the social media is the primary medium for visibility and promotion of the project. Additionally, in order to be able reach masses to the greatest extent possible, resources will be allocated for online promotion and advertisement of the project.
- Additionally, projects in the past have generally achieved their intended outputs and results, which were likely to be sustainable, however, the results and impact of assistance has not always been measurable. Specific attention will therefore be put on the set up of a sound monitoring, reporting and evaluation system.

3. DESCRIPTION OF THE ACTION

3.1. Planned results and intervention logic

This Action will cover 72 months.

It is expected to improve health and safety of consumers in line with the EU product safety rules.

Progress in the area of product safety constitutes a mid-term objective of this Action.

The attainment of this impact will be influenced by the achievement of the following outcome: Market surveillance activities are carried out both in electronic and physical markets more effectively.

This outcome will be influenced by the following outputs:

Output 1: A strategy and action plan for increasing the effectiveness and efficiency of market surveillance of e-commerce products in Turkey is developed. A needs analysis will be conducted in order to identify the state of play of the market surveillance system in e-commerce. The legislation, size of unlawful products sold online, institutional capacities, human resources, inspection methods etc. will be evaluated.

An overall e-commerce surveillance strategy covering the responsibilities of all MSAs as well as sectoral sub-strategies will be developed, which will help to establish an effective coordination and surveillance system.

Output 2: Institutional capacities of Turkish MSAs responsible for carrying out market surveillance activities for products sold online are strengthened.

Output 3: A system for effective information exchange on practices, surveillance methods and legal infrastructure at national and international levels is designed.

Output 4: Awareness of both online sellers, e-marketplaces as well as consumers is increased in relation to the rights and obligations with respect to products sold online.

The outputs above will be achieved through project activities, in conjunction with the main beneficiary and other stakeholders (both headquarters and provincial departments).

3.2. Indicative type of activities

This action is foreseen over 72 months as a technical assistance project. The following indicative activities are foreseen to be implemented in order to achieve the below outputs:

Output 1: A strategy and action plan for increasing the effectiveness and efficiency of market surveillance of e-commerce products in Turkey is developed

Activity 1.1 relevant to Output 1: Analysis of the current status in Turkey

Activity 1.2 relevant to Output 1: Analysis of the best practices in the EU.

Activity 1.3 relevant to Output 1: Needs analysis.

Activity 1.4 relevant to Output 1: Strategy and Action Plan development

Output 2: Institutional capacities of Turkish MSAs responsible for carrying out market surveillance activities for products sold online are strengthened

Activity 2.1 relevant to Output 2: Updating of the e-commerce surveillance regulatory framework (including by-laws, communiques, etc.)

Activity 2.2 relevant to Output 2: Development of the e-commerce market surveillance software

Activity 2.3 relevant to Output 2: Trainings for target groups

Activity 2.4 relevant to Output 2: Pilot implementation of the e-commerce surveillance software

Output 3: A system for effective information exchange on practices, surveillance methods and legal infrastructure at national and international levels is designed

Activity 3.1 relevant to Output 3: Development of an effective cooperation mechanism

Activity 3.2 relevant to Output 3: Activation of the effective cooperation mechanism

Output 4: Awareness of both online sellers, e-marketplaces as well as consumers is increased in relation to the rights and obligations with respect to products sold online

Activity 4.1 relevant to Output 3: Promotional and visibility materials are developed

Activity 4.2 relevant to Output 3: Project Opening Conference

Activity 4.3 relevant to Output 3: International Symposium

Activity 4.4 relevant to Output 3: Seminars

Activity 4.5 relevant to Output 3: Short Movies

Activity 4.6 relevant to Output 3: Social Media

Activity 4.7 relevant to Output 3: Targeted Publications

Activity 4.8 relevant to Output 3: Project Closing Conference and Panel

The main beneficiaries of the activities defined under this action will mainly be market surveillance authorities, consumers and online sellers. There will be a wide range of mass media channels to reach the target groups. It is also critical to cooperate with prominent people related to policy making and/or programme development in this area to participate in the communication activities. The Market Surveillance Coordination Board will be the platform for an effective communication for these groups under this action.

3.3. Risks and assumptions

Risks	Risk level (H/M/L)	Mitigating measures
Risk 1 Failure to ensure timely coordination among MSAs since the market surveillance and activities are carried out by eight different public authorities in Turkey. Thus, overall effectiveness of the e-commerce surveillance system mechanism will depend on the activities of eight different public authorities.	L	The Market Surveillance Coordination Board will be the platform for an effective coordination. The action will build on the existing well-established relations within the Market Surveillance Coordination Board coordinated by MoT.
Risk 2 Outbreak of a new pandemic hampering implementation of some project activities such as offline trainings, seminars, study tours, etc.	M	Alternative implementing modalities will be arranged in order to enable smooth implementation of project activities.
Assumptions (to be reflected in the Logical Framework Matrix above) – grouped by outputs and outcomes		

- No major national and/or international policy or institutional change affecting the project implementation occurs.
- Both Turkey and the EU recognise the importance of a fully operational quality infrastructure in protecting consumer interests and rights in Turkey.
- Adverse effects of and restrictions imposed during the COVID-19 pandemic are eliminated by the mass vaccination campaign in Turkey and the EU and do not hamper the project implementation.
- Online sellers and consumers recognise the importance of product safety, market surveillance and conformity assessment.

3.4. Mainstreaming

How does this Action contribute to Gender Equality and Women's and Girls' Empowerment (in line with the EU gender equality strategy 2020-2025)?

Gender equality mainstreaming is a holistic process that needs to be instituted within different levels and areas of work. In this respect, Turkey has adopted a National Strategy for Gender Equality 2017 – 2020, as the main strategic document for promotion of gender. The specific objectives of the Gender Equality Strategy are as follows: i) building a gender sensitive institutional structure, ii) developing in-house capacities to integrate gender concerns into all programmes and practice areas; iii) promoting gender parity and creating an enabling environment for both women and men to realize their full potential; iv) ensuring gender responsive implementation to achieve better results in addressing the above-mentioned gender inequalities related to inclusive and sustainable growth, inclusive and democratic governance, climate change and environment, Syria crises response and social stability and v) providing a roadmap to strengthen partnership and collaboration in the fields of gender equality and women's empowerment.

Additionally, in line with the new EU Gender Action Plan III, the design of all external EU-funded programmes will apply three minimum standards: 1. conducting and using updated gender analyses to inform decision-making on future action and integrating these into all relevant dialogues, policies, strategies, programmes and operations; 2. applying gender-sensitive and sex-disaggregated indicators and statistics to monitoring and evaluation; 3. giving robust reasons, based on the findings of the gender analysis, to substantiate any action deemed not to contribute to gender equality. These principles will be embedded into the implementation of the activities foreseen. During the design of the Strategy and Action Plan for increasing the effectiveness and efficiency of market surveillance of e-commerce products in Turkey, impact assessments of possible gender outcomes and to establish baseline data will be undertaken.

The EU funded technical assistance project on increasing awareness with regard to product safety, market surveillance and inspection (Ref: EuropeAid/138441/IH/SER/TR) reported in March 2021 that, based on the consumers surveys conducted in 2019 and 2021, 92.25% of women respondents informed that they were making purchases (online and in-person) on their own. Findings of this survey also indicate that the awareness levels of women on product safety have increased from 2019 to 2021 in relation to personal controls and checks on products purchased. For example, the 5.61% ratio of women in 2019 paying no attention on whether the product concerned is dangerous or not went down to 3.87% in 2021. Similarly, the ratio of women checking ingredients/raw materials of the product to be purchased has increased in 2021 to 32.23% from 25.81% in 2019 whereas the same ratios for men remained more or less the same in the same period (2019:25.96% - 2021:24.60%). These findings will be taken into account in the preparation of above mentioned action plan in order to ensure the steady increase in terms of awareness levels among women about product safety. Also, during implementation of training and awareness related activities, collection of gender-disaggregated data to measure performance will be undertaken similarly.

The Action will monitor benefits, participation and feedback among women and men, and incorporate remedial action that promotes gender equality, as appropriate, and regularly report on how gender is mainstreamed. Training materials and awareness raising materials will be developed taking into account gender dimensions.

Additionally, the Action's activities should ensure safety, including prevention of discrimination and harassment, of women, both as employees and consumers, in business environments, including the online sphere and prevent and address harmful practices of stereotypical gender representation in advertising.

How does this Action address Environment and Climate change?

The EU has a longstanding commitment to address environmental concerns in its assistance programmes (as part of a wider commitment to sustainable development). Environmental aspects are always considered in providing EU support and there will be no exception to this rule by ensuring that none of the funded interventions will have a harmful impact on the environment. More specifically, activities related to the design of an effective cooperation mechanism that will serve as a platform for structured coordination and cooperation among MSAs but also with actors in the online supply chain, will be implemented taking into consideration the potential to use the platform for an exchange of information and raising awareness related to responsibilities to integrate environmental dimension into e-commerce both on governmental and retail and consumer side.

How does this Action address the Rights Based Approach?

Based on the fundamental principles of promoting equality and combating discrimination, the benefits of the Action will be guaranteed on the basis of equal access regardless of sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation. Equal participation of women and men will be secured through appropriate information and publicity material, in the design of the Action and accessibility to the opportunities they offer. The principles of equal opportunities are duly taken into account throughout the project cycle and the Action will promote an environment that is conducive and enabling to gender equality, ensuring equal participation of women and men in all Action activities, as well as taking into account promotion and participation of people with disabilities.

How does this Action promote the systematic engagement with Civil Society?

The key stakeholders have been consulted during the formulation of the intervention and will participate in the implementation. Representatives of non-governmental organisations and civil society will be consulted and involved in the implementation of the Action and in the adoption of new pieces of legislation and policy documents. Representatives of non-governmental organisations and civil society will be consulted and involved in additional future steps for the implementation processes: they will be consulted and invited to actively take part in the different consultation events foreseen during the implementation of the Action, as well as any ad-hoc need for consultation. Furthermore, representatives of the different key stakeholders may also be invited to attend Steering Committee meetings, and consequently will be involved in the monitoring, evaluation and decision-making process.

During the implementation, the activities will built on the existing relations with civil society organisations that actively participate in the relevant boards on the MoT on issues related to market surveillance and product safety assessment.

Full engagement of the civil society will be ensured since these organisations will be key stakeholders of this action.

3.5. Conditions for implementation

No conditions for implementation are foreseen for this Action.

3.6. Logical Framework for PROJECT MODALITY

Results	Results chain: Main expected results (maximum 10)	Indicators (at least one indicator per expected result)	Baselines (year)	Targets (year)	Sources of data (1 per indicator)	Assumptions
			2020	2023		
Long term Impact	To improve health and safety of consumers in line with the EU product safety rules	Number of inspected products	187.127	%5 increase	MoT records (annual MS reports)	
Mid-term objective	To improve Turkey's accession progress in the area of product safety	Percentage of unsafe products subject to measures	31% (2018) (baseline, 2020 Turkey Report p.68)	35%	Commission Reports on Turkey	No major national and/or international policy or institutional change affecting the project implementation occurs. Online sellers and consumers recognize the
Outcome	Market surveillance activities were carried out more effectively both in electronic and physical markets.	Percentage of market surveillance checks of products sold online	0.07%	10%	MoT records (annual MS reports)	
		Number of official reports submitted to MSCB and MSPSAB concerning coordination and exchange of information among different stakeholders in e-market surveillance	3 annual reporting to MSCB and/or MSPSAB	6 annual reporting to MSCB and/or MSPSAB	Effective Cooperation Mechanism Report	
Output 1 relevant for Outcome	A strategy and action plan for increasing the effectiveness and efficiency of market surveillance of e-	Number of Strategies and Action Plans developed on e-commerce market surveillance	1	2	Project progress reports	

	commerce products in Turkey was developed					importance of product safety, market surveillance and conformity assessment.
Output 2 relevant to Outcome	Institutional capacities of Turkish MSAs responsible for carrying out market surveillance activities for products sold online were strengthened	Number of participants, sex disaggregated that attended trainings delivered to target groups (MSAs, umbrella organisations of e-commerce operators and consumers)	0	1350	Project progress reports	Both Turkey and the EU recognise the importance of a fully operational quality infrastructure in protecting consumer interests and rights in Turkey.
		Number of new or amended regulatory documents on e-commerce surveillance (by-laws, communiques, etc.) with a view to further alignment with the EU <i>acquis</i> ready for adoption	0	1	Project progress reports	
		Status in development of e-commerce market surveillance software	Software is not in place	Software is tested and activated	Project progress reports	Adverse effects of and restrictions imposed during the COVID-19 pandemic are eliminated by the mass vaccination campaign in Turkey and EU and do not hamper the project implementation.
Output 3 relevant to Outcome	A system for effective information exchange on practices, surveillance methods and legal infrastructure at national and international levels was designed.	Number of formal cooperation platforms established at national and international levels and between MSAs and other actors in the online supply chain	2 (Market Surveillance and Product Safety Assessment Board and the Market Surveillance Coordination Board in place to ensure coordination, cooperation and uniformity in practices regarding MS of products in Turkey which also includes e-market surveillance activities.)	3	Project Progress reports	

Output 4 relevant to Outcome	Awareness of both online sellers, e-marketplaces as well as consumers was increased in relation to the rights and obligations with respect to products sold online.	Number of visitors to relevant websites and social media accounts	0	10.000	Project progress reports, Websites and social media accounts data
		Number of awareness seminars organised	0	45	Project progress reports
		Number of participants, sex-disaggregated in awareness seminars	0	1350	Project progress reports
		Number of published articles	0	20	Project progress reports

4. IMPLEMENTATION ARRANGEMENTS

4.1 Financing agreement

In order to implement this action, it is foreseen to conclude a financing agreement with the Republic of Turkey.

4.2 Implementation modalities

The Commission will ensure that the respective EU rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures.

4.2.1 Indirect management with an IPA III beneficiary

This action will be implemented under indirect management by the Republic of Turkey.

The managing authority responsible for the execution of the action is the NIPAC/NIPAC Support Office – Directorate for EU affairs in the Ministry of Foreign Affairs. The managing authority shall be responsible for legality and regularity of expenditure, sound financial management, programming, implementation, monitoring, evaluation, information, visibility and reporting of IPA III activities.

The managing authority shall rely on sectoral expertise and technical competence of the following intermediate body for policy management: Directorate General of Product Safety and Inspection of Ministry of Trade. It shall ensure sound financial management of the action.

Budget implementation tasks such as calls for tenders, calls for proposals, contracting, contract management, payments and revenue operations, shall be entrusted to the following IBFM (Implementing Body for financial management): CFCU at the Ministry of Finance and Treasury. It shall ensure legality and regularity of expenditure.

4.3 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

4.4 Indicative budget

	EU contribution (amount in EUR) (100%)	Indicative Turkish national contribution, (amount in EUR) (0%)
Outputs 1, 2, 3 and 4		
Indirect management with Turkey (IMBC) – cf. section 4.2.1	2 250 000	0
Evaluation (cf. section 5.3)	will be covered by another decision	N.A.
Audit/Expenditure verification (cf. section 6)	will be covered by another decision	N.A.
Communication and visibility (cf. section 7)	N.A.	N.A.
Contingencies ⁷	N.A.	N.A.
Totals	2 250 000	0.

4.5 Organisational set-up and responsibilities

CFCU is the intermediate body for financial management and the Ministry of Trade is the Intermediate Body for policy management for this action, while the Managing Authority shall be the NIPAC Support office in the Ministry of Foreign Affairs.

Intermediate Body for Policy Management The Intermediate Body for Policy Management (IBPM) of the Action is the Directorate General of Product Safety and Inspection of the MoT (DGPSI).

The IBPM is responsible for the technical implementation, coordination, supervision, assessment, execution, management and sustainability of the project. The Ministry of Trade of Turkey will take all necessary measures to ensure the sustainability of the project. It will be responsible for ensuring the implementation of the project in close cooperation with relevant stakeholders such as MSAs, on line sellers and consumers. The IBPM:

- Monitors the Action’s technical progress,
- Conducts the preparation of documents and the activities of the Action,
- Reviews outputs of the Action,
- Reports regularly to the Lead Institution and Contracting Authority on the activities, findings and provide recommendations for improvement.

⁷ Consider that contracts where no financing agreement is concluded, contingencies have to be covered by individual and legal commitments by 31 December of N+1.

A Project Management Unit (PMU) will be formed within the IBPM for the management of the project. The PMU members will work in close collaboration with all relevant key stakeholders and other related institutions.

5. PERFORMANCE/RESULTS MONITORING AND REPORTING

5.1 Internal monitoring

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of both primarily the implementing partner's responsibilities (Lead institution target beneficiary) and that of the EU operational manager. Both types of internal monitoring will be undertaken in an inclusive way, involving key stakeholders.

NIPAC is responsible for overall programming, monitoring and evaluation in the thematic priority.

Monitoring of this action will be performed by the MoT and the NIPAC at action level. Sectoral and programme level monitoring will be performed by respective monitoring committees.

5.2 Roles & responsibilities for data collection, analysis & reporting

The different responsibilities for this dual internal monitoring are the following:

- Implementing partners'/ beneficiary country's monitoring, under the coordination of NIPAC Office, will aim at collecting and analysing data to inform on progress towards planned results' achievement to feed decision-making processes at the action's management level and to report on the use of resources.

To this aim, the implementing partner/ beneficiary country shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress monitoring reports (at least twice a year) and final reports.

Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes jointly introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by the corresponding agreed indicators (and related targets) included in the log frame matrix. The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. Reporting focusing on activities and inputs' use, will not be considered. The final report, narrative and financial, will cover the entire period of the action implementation.

- EU operational manager monitoring will aim at complementing implementing partners'/ beneficiary country's monitoring, especially in key moments of the action cycle. It will also aim at ensuring a sound follow-up on external monitoring recommendations and at informing EU management. This monitoring could take different forms (meetings with implementing partners, action steering committees, on the spot checks), to be decided based on specific needs and resources at hand. Reporting will be done on the basis of checklists and synthesised in a monitoring note/report. Both types of internal monitoring are meant to inform and provide support to external monitoring:

- External monitoring (ROM)

The Commission and/or NIPAC may undertake additional project monitoring in line with the European Commission rules and procedures set in the Financing Agreement through independent consultants recruited directly by the Commission/NIPAC for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission/NIPAC for implementing such reviews).

- Results data collection

Beside the ROM review, the Commission/NIPAC may undertake action results data collection through independent consultants recruited directly by the Commission/NIPAC (or recruited by the

responsible agent contracted by the Commission for implementing such reviews). Their aim would be to identify and check the most relevant results on the action.

The overall progress may also be subject to joint monitoring by the European Commission (DG NEAR) and the beneficiaries. The compliance, coherence, effectiveness, efficiency and coordination in implementation of financial assistance will be regularly monitored by Sectoral Monitoring committees, which will ensure a monitoring process at sector level.

The Steering Committees will be established at activity level in order to monitor the implementation of activities, achievement of results against indicators in the action document, and to agree on corrective actions as appropriate. The Steering Committees will be composed of the representatives of end beneficiaries, Lead Institution, NIPAC Office, Contracting Authority and Presidency of Strategy and Budget and the EU Delegation.

5.3 Evaluation

Having regard to the importance of the action, an ex post evaluation will be carried out for this action via independent consultants. It will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that the surveillance of electronic market is a new activity in Turkey.

The Commission shall inform the implementing partner at least two months in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

The financing of the evaluation shall be covered by another measure constituting a Financing Decision.

6. AUDIT

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

The financing of the audit shall be covered by another measure constituting a financing Decision.

For the part of the action incorporating a form of financing not linked to costs but on the achievement of results, the verification mechanisms will focus on the results and performance indicators previously agreed.

7. COMMUNICATION AND VISIBILITY

Visibility of EU funding and communication about objectives and impact of Actions are a legal obligation for all Actions funded by the EU, as set out in the EU communication and visibility requirements in force.

In particular, the recipients of EU funding shall acknowledge the origin of the EU funding and ensure its proper visibility by:

- providing a statement highlighting the support received from the EU in a visible manner on all documents and communication material relating to the implementation of the funds, including on an official website and social media accounts, where these exist; and
- promoting the actions and their results by providing coherent, effective and proportionate targeted information to multiple audiences, including the media.

Visibility and communication measures shall be implemented, as relevant, by the national administrations (for instance, concerning the reforms linked to EU budget support), entrusted entities, contractors and grant beneficiaries. Appropriate contractual obligations shall be included, respectively, in financing agreements, delegation agreements, and procurement and grant contracts.

The measures shall be based on a specific Communication and Visibility Plan, established and implemented in line with the EU communication and visibility requirements in force. The plan shall include, inter alia, a communication narrative and master messages for the Action, customised for the various target audiences (stakeholders, civil society, general public, etc.)

Visibility and communication measures specific to this Action shall be complementary to the broader communication activities implemented directly by the European Commission services and/or the EU Delegation. The European Commission and the EU Delegation should be fully informed of the planning and implementation of the specific visibility and communication activities, notably with respect to the communication narrative and master messages.

Communication activities should also take into consideration the risks of potentially related disinformation attempts, and ways of countering these, as disinformation might undermine the Union's efforts and image in the country.

8. SUSTAINABILITY

The Directorate General of Product Safety and Inspection of the MoT has been the main beneficiary of 4 different EU funded projects in the field of quality infrastructure, harmonisation of the EU acquis and market surveillance between the years 2002-2021. With its qualified and continuous human resources, the Directorate General of Product Safety and Inspection (DGPS) has been able to internalize and expand the impact of all projects.

The gradual success in this area can be seen in various report. This large alignment is based on the existing strategies and functioning institutions and bodies, which all were established thanks to the successively implemented EU funded projects since 2002.

This Action will also be implemented by DGPS with sufficient number of experienced experts (minimum 5) and DGPS will also be responsible for the implementation and continuous impact of the project.

This Action will produce regulations and strategies, which will be implemented during the project implementation and beyond its implementation. They will also serve as a basis for future regulations and strategies and therefore contribute to the sustainability of the e-commerce market surveillance system.

The sustainability of the information and know-how transferred through trainings will be sustained through the "training of trainers" activities.

The awareness raising material and platforms will continue to be operated by MoT after the project ends.

The cooperation platforms among national stakeholders, which will be established will continue to be maintained and used for exchange of information and cooperation.