# PROTOCOL of the Turkish – Greek Joint Committee Meeting on Road Transport

The Turkish-Greek Joint Committee Meeting on Road Transport was held in İstanbul on 2-3 July, 2013.

The delegations agreed upon the following items of the agenda:

- 1. Exchange of statistical data
- 2. Passenger transport
- 3. Goods transport
- 4. Other issues

The Members of both delegations are listed in the appendix.

### 1. Exchange of Statistical Data

The delegations exchanged statistical information regarding the foreign trade and international road transport between the two countries.

The delegations expressed that there is a decrease in the number of road transport operations between the two countries.

#### 2. Passenger Transport

The Greek delegation informed the Turkish delegation about the details of the revised Greek legislation regulating regular passenger transport and stated that in the light of this legislation the validity of the existing regular passenger lines between Turkey and Greece has been terminated by the Greek side on 30 June 2013.

Taking into account the special characteristics of the regular passenger transportation, the permits that have been issued by the Turkish side and the demand for transport, both delegations agreed to maintain the current departure / destination cities in both territories namely Istanbul and Bursa for the Turkish territory and Athens, Thessaloniki and Xanthi for the Greek territory. The Greek side undertook to take the appropriate temporary measures for the continuous operation of the current lines (Istanbul-Athens, Istanbul-Xanthi, Istanbul-Thessaloniki, Bursa-Xanthi).

Both sides agreed that any justified demand for opening new lines will be evaluated within the context of the legislations of both countries and on the basis of the reciprocity principle. Within the framework of the line agreements signed between the partner companies, the companies will be allowed to operate the lines for 3 year maximum.

The Turkish side reiterated their request for lifting the V.A.T charge of 45 € applied for the Turkish buses entering the Greek territory and operating transit regular and occasional services.

45

The Turkish delegation expressed that this implementation violated the provisions of the INTERBUS Agreement and the Article 19 of the bilateral agreement on road transport.

The Greek delegation stated in response that since the charge in question is V.A.T. the issue falls in the field of competency of the Ministry of Finance. Nevertheless the Greek Side stated that in general the provisions of the INTERBUS Agreement do not exempt buses operating occasional transport from VAT on transport services. The Greek Side undertook to convey the issue to the Ministry of Finance as far as the transit services are concerned and inform the Turkish side accordingly.

The Turkish side did not agree on the explanations made by the Greek delegation regarding the V.A.T. charge also emphasized that in case the Greek side continues to collect the subject charge, the Turkish side will be obliged to collect the same amount of fee from the Greek operators on the basis of reciprocity.

The Greek delegation requested the Turkish authorities to allow the Greek busses to get tax-free fuel while performing international passenger transport operations from Turkey. Or else this will cause unfair competition. The Turkish delegation explained that this allowance can only be granted to the goods vehicles carrying Turkish export goods.

The Greek delegation requested the Turkish delegation not to consider the passenger transport vehicles with 9 seats (including the driver) within the category of buses/coaches. In this context, the Turkish delegation stated that the existing regulation is expected to be revised in accordance with the EU legislation and INTERBUS Agreement soon.

#### 3. Goods Transport

The two sides presented information on the current situation in the field of transport of goods. The Greek delegation expressed that due to the financial crisis and recession in Greece, the manufacturing and consuming rate has been dramatically diminished and this result affects the transport in a negative way. The Turkish delegation emphasized that the decline in the number of transport activities resulted from the increased permit fee, the high toll fees introduced by the Greek authorities and the limitation on the fuel by 200 liters for the Turkish vehicles entering the territory of Greece. The Turkish Delegation proposed either to liberalize the bilateral and transit transport operations in accordance with the GATT Agreement and EU Customs Union or to increase the quota of bilateral and transit permits.

The Greek Delegation pointed the strongly imbalanced use of permits by Turkish hauliers compared to the use of Greek hauliers. The bilateral permits used in 2012 by hauliers of both countries, did not exceed the total number of 15.000 with a tendency to further decline and therefore total quota of 20.000 permits (10.000 for each side) would be adequate for bilateral road transportation. Moreover, they noted that it is not a matter of quota but it is the recession that had affected the road transport activities.

The Turkish delegation expressed that the decline in the number of transport activities and the bilateral trade was temporary. Even in recession conditions, either import or export activities will inevitably increase. Accordingly, the Turkish delegation stated that increasing the permit quotas that are free of charge would be beneficial for both sides. The Turkish delegation underlined that the permit quota is exchanged equally for the hauliers of both countries and

15

+

the hauliers operate under free market conditions. Therefore an imbalanced usage of permits cannot be mentioned. In this context, Greek hauliers holding a proper permit, have never been subjected to any prevention. On the contrary the Turkish authorities facilitated the activities of the Greek hauliers.

After the discussions, the Delegations agreed to maintain the existing quotas as follows:

- 35,000 permits for transit transport operations (with charge)
- 10,000 permits for bilateral transport operations (free of charge)
- 10,000 permits for bilateral transport operations (with charge)

The Delegations decided that the duration of all the permits shall be valid until 31st January of the following year.

The Turkish Delegation requested the Greek delegation to decrease the amount of charge of  $100 \in$  for the permits.

The Greek Delegation responded that these charges were applied under the fiscal policy of the Greek Government against the current economic crisis in Greece and it was not possible to decrease this amount.

The Turkish Delegation stated that they would apply the same charge on the basis of the principle of reciprocity.

The Turkish Delegation renewed their proposal to establish a quota for the transport operations to/from 3<sup>rd</sup> countries.

The Greek Delegation responded that they do not exchange 3<sup>rd</sup> country permits with any country and stated that this kind of transport operations could be performed with ECMT permits.

## 4. Other Issues:

The Turkish Delegation raised the issue of the fuel limitation of 200 litres and proposed to mutually increase this limitation to 550 litres.

The Greek Delegation stated that this limitation is applied to all carriers entering the territory of Greece from non-EU countries.

The Greek Delegation stated that the Greek Consulates issue visas to Turkish professional drivers for 6 months and the Turkish Consulates issue visas to Greek professional drivers for 3 months and stated that the visas should be issued by both sides for the same duration.

The Turkish Delegation responded that this subject falls within the sphere of the authority of the Ministry of Foreign Affairs and stated that they will convey this issue to the related authority.

The delegations agreed to establish a direct contact mechanism in order to enhance the direct communication and timely handling the correspondence between the two Ministries and appointed the following staff as the contact persons:

45

1

For the Turkish Side:

Ufuk Can AKIN and Ahmet DUYGUN

E-mail: ufukcan.akin@udhb.gov.tr, ahmet.duygun@udhb.gov.tr

For the Greek Side:

Georgios Georgopoulos and Athina Konstantarou (for passenger transport issues)

E-mail: g.georgopoulos@yme.gov.gr, a.konstantarou@yme.gov.gr

Argiro Neamonitaki (for transport of goods)

E-mail: a.neamonitaki@yme.gov.gr

The Greek Delegation proposed to establish a single-gate system at the border gates as is the case in the Austrian-Swiss border in order to facilitate the customs procedures.

The Turkish Delegation responded that this subject should be carefully elaborated according to the related national and international legislation.

The Greek Delegation invited the Turkish Delegation to Greece for the next Joint Committee meeting. The exact date and venue of the meeting will be determined via diplomatic channels.

The meeting took place in a warm and friendly atmosphere and both delegations expressed their satisfaction over the results.

Done on the 3<sup>rd</sup> July 2013 in İstanbul in the English language in two originals.

For the Turkish Delegation

Hüseyin YILMAZ

For the Greek Delegation

Triantafyllos PAPATRIANTAFYLLOU