From the Ministry of State (Treasury Undersecretariat):

REGULATION ON CENTRAL FINANCE AND CONTRACTS UNIT STAFF

(UNOFFICIAL TRANSLATION)

SECTION I Scope, Objective, Grounds, Definitions

Scope and objective

ARTICLE 1-(1) The aim of this Regulation is to establish the principles and procedures regarding the permissions, rights and obligations, and the rules of determining the dismissal for the official staff of the Central Finance and Contracts Unit, and the remuneration of the foreign experts.

Grounds

ARTICLE 2-(1) This Regulation has been issued on the basis of the provisions set forth in the fifth paragraph of Article 3 of the Law No. 5671 dated 26/5/2007 on the Employment and Budgetary Guidelines for the Central Finance and Contracts Unit.

Definitions

ARTICLE 3-(1) The following terms will have the respective meanings assigned against to them below, when they are used in this text:

- a) Mid-level Manager: the staff who is charged in an inter mission level between the Head of Unit and expert staff, in the number and title as shown in the Unit Organigramme established under the procedural framework in the Memorandum of Understanding.
 - b) Minister: the Minister to which the Undersecretariat of Treasury is subordinated;
 - c) Unit: Central Finance and Contracts Unit;
 - ç) Head of Unit: the President of Central Finance and Contracts Unit;
- d) Support staff: the staff that are employed, within the framework of the duties set out in the Law No. 3046 dated 27/9/1984 with respect to the auxiliary units, to perform the supportive services such as administrative, financial, safety and civil defense missions;
 - e) Entry Examination: The examination to which the domestic substitute staff is subject
- f) Law: Law No. 5671 dated 26/5/2007 on the Employment and Budgetary Guidelines for the Central Finance and Contracts Unit;
- g) Committee: The committee made up of five members in total, at least two of whom are to be commissioned at a minimum level of Undersecretariat department head, and two of whom are to be mid-level managers at the Unit, to be commissioned under the authorization of the National Authorising Officer and chaired by the Head of Unit:
- ğ) Memorandum of Understanding: The Memorandum of Understanding along with its addenda and amendments, which are approved by the Law No. 4802 dated 30/1/2003 regarding the formation of the Unit, and which is ratified with the Council of Minister's Decree No. 2003/5313 dated 24/2/2003;
 - h) Undersecretairat: Undersecretariat of Treasury,
- 1) Manual of Procedures: The Manual that has come into legal force by the approval of the National Authorising Officer, and which covers the organizational structure of the Unit, the nature and framework of duties of the staff as well as the applicable rules and all kinds of standards to be followed in the execution of these duties;
- i) Selection Examination: The examination to which the civil servant employed for the provisional duties, civil servant working on no-paid-leave status and foreign staff employees as substitute are subject;
 - j) National Aid Coordinator: Secretary General for the European Union
 - k) National Authorising Officer: Undersecretary of Treasury,
- l) Expert staff: Including legal consultant, software programmer and analyzer the staff who are to be employed on a provisional basis or by executing a service contract, in order to allow execution of the duties stated in the Memorandum of Understanding.

SECTION II Employment Guidelines

Employment Type and Principles

ARTICLE 4-(1) The tasks of the Unit are implemented by means of the Head of Unit, mid-level managers, expert staff and support staff.

- (2) The expert staff is employed as set out below:
- a) Civil servant employed for the provisional duties;

- b) Civil servant working on no-pay-leave status;
- c) Turkish staff employed as substitute;
- ç) Foreign staff employed as substitute;
- (3) Whereas the support staff is employees as set out below:
- a) Civil servant support staff working on no-paid-leave status;
- b) Domestic staff employed as substitute;
- (4) The number of the support staff can not exceed twenty percent of the total staff of the Unit.
- (5) The Head of Unit is appointed by the National Authorising Officer in consultation with the National Aid Coordinator. The appointments of mid-level positions are made upon the nomination of the Head of Unit, subject to the approval of the National Authorising Officer. The expert staff are selected by the Committee, and employed within the Unit subject to the approval of the National Authorising Officer. The withdrawals from service of the aforementioned staff are also subject to the same procedure.
- (6) It is a must that any proposed employee of Unit, whether as a provisional officer or a civil servant to work on no-pay-leave status, were being employed in their institutions in accordance with the civil servant laws and maintain their commitment to any requirements as set forth in these laws with respect to the staff thereto as long as they are commissioned to take office within the Unit.

Special provisions regarding the Turkish staff

ARTICLE 5-(1) It is possible that any staff is employed as substitute in the Unit with the execution of a service contract. The relevant provisions of the Social Security Law No. 506 dated 17/7/1964 apply to any such employment as regards the retirement scheme thereof. Any such staff are required to be under the age of 35 as of the date of the Entry Examination (for those have completed their military service, this age limit is added as much as the time elapsed in the military service) and to have taken at least such minimum points in the Public Servants Selection Examination (KPSS) held by the Student Selection and Placement Center (OSYM) as sufficiently recently as required, as set forth as per the point categories as declared in the notice issued for applicants.

Special provisions regarding the foreign staff

ARTICLE 6-(1) In such fields as the unit may deem necessary, those staff with a foreign nationality can be employed with the execution of a service contract.

(2) The experts to be appointed among the foreign candidates are subject to a selection examination to be held by the Committee, and those who successfully passed the foregoing are employed in the Unit by the approval of the National Authorising Officer.

Selection Examination

ARTICLE 7-(1) Any civil servant based on provisional basis, civil servant working on no-pay-leave status, or foreign staff employees as substitute are subject to the Selection Examination. The extent of the vacant positions needed in this field is declared in the web site of the Unit. The Committee holds a meeting in order to discuss the applications made to be employed in the Unit, which are found to be suitable with its human resources planning criteria, and meeting the requirements set forth by the Unit in this Regulation. In order to evaluate the applications, the Committee takes all of the applicants to an oral examination in accordance with the applicable provision of the second paragraph of Article 12.

- (2) A civil servant must state in his/her application form which category (provisional or no-pay-leave status) he/she wish to be appointed.
- (3) The Head of Unit prepares a list of those staff that are, in the judgement of the Committee, found to be successful, and submitted to the approval of the National Authorising Officer. Then, the nominated staff, after being approved by the National Authorising Office for its eventual appointment, starts to work in the Unit subject to the condition that all required permissions and authorization are obtained from the relevant authorities competent to act as such.

Entry Examination

ARTICLE 8-(1) Any Turkish expert and support staff employed as substitute is subject to an Entry Examination. All of the Entry Examination requirements such as the documents to be submitted in application, the places where the application documents are to be filed, application terms and conditions, deadlines, the number of the vacant positions shall be declared in at least one of the five national daily nation-wide gazettes which are have higher circulation rates, and in the web site of the Unit at least one month prior to the date of the Exam.

Required documents for application

ARTICLE 9-(1) Any expert staff candidates wishing to participate in the Entry Examination are required to submit together with their applications the following documents:

- a) Qualification Form,
- b) A document certifying the applicant's achievement in the Foreign Language Examination for Knowledge Level Identification of Civil Servants for English Language (KPDS), or to have any other internationally valid

certification established as being equivalent to the foregoing as regards the proficiency in commanding a foreign language.

- ç) The original or certified copy of the Civil Servant Selection Examination Result,
- c) The original or certified copy of the Higher Education diploma or any other certificate showing the most recent higher education status of the applicant;
 - d) 2 photos of the applicant taken in the last six months and suitable for a certificate;
- (2) Any support staff candidates wishing to participate in the Entry Examination are required submit, at time of their application, the documents set out in the sub-paragraphs (a), (c) and (d) of the first paragraph hereunder, and the diploma to be certified by the Unit and evidencing that they have been awarded with graduation at least from a high school or any other equivalent education institute.
- (3) Any candidates passing from the Entry Examination must also submit to the Unit the following documents before starting to take office:
 - a) A statement that the applicant has no pending service obligations for the national Military Service;
 - b) A statement of criminal status that the applicant has no previous conviction or sentence,
- (4) Any incorrect statement or misrepresentation in the documents submitted by the applicant will result in his/her dismissal from the evaluation process, and none of such applicant is appointed. Any appointment might be made for such applicants shall be cancelled in the subsequent controls. Such persons are not entitled to make any claims, and a criminal complaint is filed with the Chief Republican Prosecutor's Office against them where the relevant provisions of the Turkish Penal Code apply.
- (5) Any Turkish expert staff candidates wishing to participate in the selection examination are required submit, at time of their application, the documents set out in the sub-paragraphs (a), (b), (ç), (d) and (e); for the foreign expert staff candidates the documents set out in the sub-paragraphs (a) and (d) together with their cirruculum vitaes; for the support staff candidates the documents set out in the sub-paragraphs (a) and (d) of the first paragraph hereunder, together with the diploma certified by the Unit that they have been awarded with graduation at least from a high school or any other equivalent education institute.

The procedure and place of application

ARTICLE 10- (1) The applications to the Entry Examination may be made in person, delivery by hand or mail at the address stated in the declaration, or over internet if so stated in the declaration.

(2) No delayed application, also for reasons attributable to the mail service is considered valid for evaluation.

Examination Committee

ARTICLE 11- (1) This Committee is made of five persons in total, two of whom are Mid-level Managers in the Unit, and the other two managers at least at the level of Head of Department in the Undersecretariat, subject to the approval of the National Authorising Officer, and under the chairmanship of the Head of Unit.

(2) The secretarial services of the Committee are carried out by the Unit.

General Requirements for the Entry Examination

ARTICLE 12- (1) The Entry Examination is made only with one stage that is oral examination. The number of applicants negotiated is limited to four times as much as the vacant positions, and these applicants are called to the negotiation, starting from the candidate who got the highest point in the Civil Servant Selection Examination to those who appear in the last order, and who have equal points with those of last order. The list of those candidates whose applications are accepted and to whom call notice are issued is declared in the web site of the Unit as expressly as can ensure access by the relevant applicants.

- (2) Those applicants qualified to participate in the Entry Examination are passed from negotiation by the Committee. In the negotiation, a separate grade is assigned to each candidate by the Committee members, also taking into consideration whether they have the qualifications required for the vacant positions in the Unit. The arithmetic averages of these grades indicate the negotiation grade, and recorded in a written minute. In order to be deemed successful in a negotiation, an applicant is required to have at least seventy points grade in the average while not having been taken less than sixty (60) from any members. In the negotiation, the staff candidates are assessed according to their professional knowledge, level of knowledge in the fields which fall within the scope of the operation area of the Unit, language skills, general culture levels, and judgment, conception, statement and representation capabilities.
- (3) In case the success full candidates in the examination is more than that of declared, then the primary candidates are determined as much as the vacant position indicated, by starting form the candidate who has the highest grade point in the examination, and the alternate candidates are selected, who are not exceed twenty percent the total staff to be employees. The list of the successful primary and alternate candidates is submitted by the Head of Unit to the approval of the National Authorising Officer. Those primary candidates taken to the list by the approval of the National Authorising Officer are considered to be awarded to be employed in the Unit. Whereas those declared in the alternate list are awarded to service by their order of success if there vacancies in those positions reserved for the primary candidates qualified. Therefore, final employment in the Unit is not entitled only by having a minimum seventy grade points in the Entry Examination.

- (4) The list of the primary and alternate candidates who pass the Entry Examination are announced both in the Notice Board of the Unit and its web site within fifteen work days following the negotiation.
- (5) Those candidates entitled to be employed in the Unit are called to take office within fifteen days following the date on which the matter is notified to them. In case of vacancies from those appointed primary candidates, alternate candidates are called to take office, in the number of such vacant positions.

SECTION III

Obligations, Tasks, Appraisal, Discipline, Working Hours and Permissions, Dismissal

General obligations

ARTICLE 13- (1) The Unit staff;

- a) are liable to abide by the operation rules, ethical codes of the Unit, and loyalty, impartiality and commitment guidelines to State as regulated under the Government Officials Act No. 657, and to fulfill all duties ass,gned to them by their superindents with due diligence and care, and are responsible to their superintendents for the timely and compliant execution of their duties;
- b) are liable to participate in the training activities i.e. such courses, seminars, conventions etc as may be deemed appropriate by the Unit;
- c) are liable to take all necessary measures in order to protect and make ready for execution all properties entrusted to them, to keep all documents, tools and equipments relating to their duties within the authorized borders allowing that they are used only for the purposes of their duties as prescribed thereto and returned to the relevant authorities when the mission is complete;
- ç) must avoid from the acts and conducts which may disrespect the public belief established in the Unit that it executes its duties in an impartial, objective, fair and reliable manner, and which may cause material or moral damage to the Unit;
- d) must execute its duty with sue care and diligence. They are responsible to the Unit for any damages they may cause the Unit to incur resulting from their deliberate misconduct, failure, neglect or imprudence. Such damages are compensated from the relevant staff as per the applicable legal provisions;
- e) are liable to submit property declaration as pursuant to Law No. 3628 and the Law on the Prevention of Bribery and Corruption;
- f) in case they are in abroad or contact with any international corporate, legal or natural bodies or persons, they are liable to act in a suitable manner so as not to involve in any acts or conducts that may prove injuries to the reputation of their country;
- g) are charged in and responsible for timely and completely executing and allowing execution of all duties entrusted to them within the framework of their supervision, and training the staff in their attendance by monitoring and controlling their acts and conducts;
- (2) all of the provision as in the Article 28 of the Government Officials Law No. 657 prohibiting the corrupt acts such as giving gifts as bribery to, as in Article 29 thereto as regards Authorising ill-gotten gains with the civil servants shall apply to the Unit staff.

The Administrative duties and powers of the Head of Unit

ARTICLE 14- (1) In addition to the duties defined under the relevant Laws, Memorandum of Understanding, and any other legislation, the duties and powers conferred to the Head of Unit hereunder are as follows:

- a) As the superior chief officer of the Unit, to direct and manage the Unit organization, and put into force any in-house directives, and application manuals to be issued to this end;
- b) To implement the operations of the Unit in accordance with the applicable provision of the Memorandum of Understanding and Procedural Manuals;
 - c) To represent the Unit;
 - ç) to manage the expenditures and the Special Account opened to this end;
- d) to determine the amount to be transferred to the Special Account of the Unit, and notify the Undersecretariat of the same:
- e) to sign service contracts with the Unit staff, or conclude their dismissal in accordance with this Regulation and any other legal provision applicable thereto.

Mid-level Managers

ARTICLE 15- (1) The Mid-level Managers execute the duties defined under the relevant Memorandum of Understanding, Manual of Proceduress, this Regulation and any other legislation. The Mid-level Managers are responsible to the Head of Unit in executing their duties.

Expert staff

ARTICLE 16- (1) The expert staff are liable to fulfill the duties defined under the relevant Laws, Memorandum of Understanding, Manual of Procedures, this Regulation and any other legislation.

(2) The expert staff are charged in the department as deemed appropriate by the Head of Unit.

Support staff

- **ARTICLE 17-** (1) The Support staff are liable to fulfill the duties assigned by the Head of Unit and intermission managers in order to ensure the effective and timely implementation of the Unit operations.
- (2) The Support staff are appointed in such departments and positions as deemed appropriate by the Head of Unit or Mid-level managers.

Staff Appraisal and discipline

ARTICLE 18- (1) the appraisal and disciplinary provisions of the Government Officials Act No. 657 apply to the Unit staff.

Working hours

ARTICLE 19- (1) The working hours and durations are the same as those the Council of Ministers set for the government officials. However, the relevant staff must complete the duties entrusted to them regardless of the working hours.

Permission

ARTICLE 20- (1) The Unit staff are granted with the permissions set out in the Articles 9 and 10 of the Cabinet Decision No. 7/15754 dated 6/6/1978 on Guidelines for Employment of Contracted Staff.

Termination

ARTICLE 21 – (1) The service of the Head of Unit and staff is automatically ceased and/or terminated under contract in case of decease, withdrawal or retirement.

- (2) The service of the expert staff and support staff is ceased and/or terminated under contract upon proposal of the Head of Unit and subject to the approval of the National Authorising Officer in the following situations that:
- a) they commit any acts which constitute a breach to the disciplanery provisions and require termination of their service contracts;
 - b) the assessment to be made following the pre-service contract executed results with an negative conclusion;
- 3) The service of the Mid-level managers is ceased or terminated under contract upon proposal of the Head of Unit and subject to the approacl of the National Authorising Officer;
- 4) The Head of Unit is dismissed and/or his/her contract is terminated by the National Authorising Officer in consultation with the National Aid Coordinator.

SECTION IV Financial and Social Rights

Salary

- **ARTICLE 22-** (1) the staff employed under a service contract is paid with the salaries including all the premiums upon the proposal of the Head of Unit and subject to the approval of the National Authorising Officer, namely Head of Unit up to that of General Director at the Undersecretariat; Senior Contract Manager and Senior Finance Manager up to that of Deputy General Director at the Undersecretariat; Mid-level Managers up to that of Head of Department at the Undersecretariat; the Expert staff up to that of the Treasury expert at the grade 1 of 1st degree; the support staff as the same level officers at the Undersecretariat.
- (2) those starting their services in the Unit for the first time, are awarded to be paid with the salaries which are determined for their positions as valid from the date on which the service contracts are executed by them;
- (3) the monthly salaries are paid in cash to the Turkish staff in which day the official payments are made for the government officials. In case of separation from service prior to the end of a month, except as resulting from retirement and decease, the remaining salary total thereto is calculated and recoverd back from the relevant;
- (4) the retirement pension and social security provisions of the civil servants working on no-pay-leave status are calculated by taking into account their respective monthly compensation grades and functional grade monitored in their offices and the base monthly retirement pension grades and functional grades;
- (5) the salary to be paid to those required foreign experts are indicated in their respective service contracts to be determined with the consent of the National Authorising Officer, which are not exceed the applicable rates in the similar categories in European Union countries and candidate countries. The sums of the daily wages to be paid to the foreign experts along with the number of the total days in employment are established under the service contract to be executed by the Unit thereto. The current monthly wage of the foreign experts is paid within the next month thereafter following.
- (6) Among those employed on a provisional basis in the Unit without service contract, the total amount to be calculated by multiplying the salary coefficient applicable to the government officials with the indicator 3000 for the Head of Unit, and with the indicator 2000 for the Senior Finance and Senior Contract Managers is also paid by the Unit without subject to the other legal restrictions. No deduction is made from such payments except the stamp tax.

Service contracts

- **ARTICLE 23-** (1) Save as the provisional officers, a three month "Pre-Service Contract" is executed by the domestic staff to be employed in the Unit where such staff is appointed on the basis of a Selection or Entry Examination. Ten days prior to the expiry of this term, the relevant department manager produces a report its observations on the staff, and submits it to the Head of Unit together with all documents they may base a ground relation thereto. The report is assessed by the Head of Unit, decision of whom is final on the execution of a service contract with the proposed staff. In case of a negative assessment, the appointment is terminated as pursuant to the provisions in Article 21 of this Regulation.
 - (2) Each service contract has one year duration, and executed as of a financial year.
- (3) The Pre-Service Contract and service contract are executed by and between the Head of Unit and relevant staff.
- (4) The standard contracts to be used in the Unit are introduced upon the proposal of the Head of Unit and with the approval of the National Authorising Officer, as pursuant to this Regulation.

Travel expense and per diems

- **ARTICLE 24-** (1) Travel expenses are paid to the Head of Unit and staff, at home or abroad, subject to Traveling Expenses Law No. 6245.
 - (2) The home and abroad per diems are as much as specified in the Traveling Expenses Law No. 6245.
- (3) In domestic missions, those who certify their boarding expenses are additionally paid with as much as their respective per dimes at the most subject to be valid for the first ten days only. The compensations to be paid for the expenses incurred abroad are determined by the Head of Unit, so as not exceed those payments made for the government officials.
- (4) Regardless the way of employment, those taking office for the first time or reinstated together with their family members are not paid any traveling allowance by taking account any reason for their dismissal, and no payment is made under any consideration for this purpose.
- (5) The domestic missions are assigned by the Head of Unit. And the assignment to abroad missions is subject to the proposal of the Head of Unit and approval of the National Authorising Officer.

Medical aid

ARTICLE 25- (1) The medical expenses of the Unit staff and its dependent family members in the governmental and private medical institutions are met by the budget of the Unit in accordance with the applicable provision of the relevant legislation relating to the medical aids to the government officials.

Retirement

- **ARTICLE 26-** (1) Related social security legislations under which previous status is established apply to the retirement pension procedure applicable for those employed in the Unit as being deemed working on no-pay-leave status in the opinion of their offices.
- (2) The Social Security Law No. 506 dated 17/7/1964 apply to the retirement pension procedure applicable for those Turkish experts and support staff employed in the Unit as substitute.

SECTION FIVE Miscellaneous and Final Provisions

Special Account of the Unit

- **ARTICLE 27-** (1) All of the expenses of the Unit are met within a Special Account to be opened with the Turkish Republic Central Bank or one of its correspondent office of T.R. Ziraat Bank, without prejudice to the provision of the first paragraph of Article 5, the Memorandum of Understanding.
- (2) The amount to be carried forward to the Special Account for the following year is determined per annum up to the fifteenth day of July, and submitted by the Head of Unit to the Undersecretariat within the same period.
- (3) The amount to be carried forward to the Special Account of the Unit is reserved in the transfer line of the Undersecretariat budget as an allowance and transferred by the Treasury Internal Payments Accounting Unit in terms of three months period within the framework of expenses.

Essential guidelines to be followed in the expenses of Unit

- **ARTICLE 28-** (1) The authorizing officer for the expenses of the Unit is the Head of Unit. The Head of Unit may delegate this authority to a Mid-level Manager provided that the frame of powers relating thereto is explicitly set forth.
- (2) The duty of accrual of the expenses for the Unit dwells with a Mid-level Manager to be appointed by the Head of Unit. In case of assignment of the power of financial disposition, the duty of accrual is vested to the staff with frame of duty nearest to the foregoing.

Absence of consideration

ARTICLE 29- (1) Law No. 5671 applies shall govern matters not covered by this Regulation,

Enforcement

ARTICLE 30- (1) This Regulation comes into force on the publication date.

Execution

ARTICLE 31- (1) The provisions of this Regulation is executed by the Minister responsible for the Undersecretariat of Treasury.