



STRATEGIC PLAN 2019-2023

COMPETITION BOARD





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ABBREVIATIONS

ASD	:	Administrative Services Department
COISD	:	Cartels and On-site Inspections Support Division
DD	:	Decisions Department
EARD	:	Economic Analyses and Research Department
ECSC	:	The European Coal and Steel Community
ERTCAD	:	External Relations, Training and Competition Advocacy Department
EU	:	European Union
IMD	:	Information Management Department
LA	:	Office of the Legal Advisor
NGO	:	Non-governmental Organization
PESTLE	:	Political, Economic, Social, Technologic, Legal and Environmental (Effects)
PPRA	:	Office of the Press and Public Relations Advisor
SDRBD	:	Strategy Development, Regulation and Budget Department
SED	:	Supervision and Enforcement Department
SWOT	:	Strengths, Weaknesses, Opportunities, Challenges
TCA	:	Turkish Competition Authority
US	:	The United States

THE CHAIRMAN



■ Prof. Dr. Ömer TORLAK
The Chairman of the Competition Board

FOREWORD BY THE CHAIRMAN

Reforms related to public policy made since the 1980s have accelerated in the 21st century; concepts such as “participation” and “governance” have penetrated into public policies. At this point, periodic strategic plans that are prepared with the highest rate of participation possible are indispensable for a successful governance. Today agencies do not confine themselves to the initial plan any longer but are making continuous efforts in a holistic perspective to realize their purposes and objectives in their agendas.

Strategic planning provides public agencies concepts, processes and tools to be able to find better and more rational solutions for problems in their dynamic ecosystem. What differs the traditional planning from strategic planning is that factors such as opportunities and threats, strengths and weaknesses as well as the interaction between institutional and environmental factors are included in the strategic planning process. The most important difference is that strategic planning allows measurement and continuous improvement of its results. Strategic planning, which contributes to the construction of efficient and innovative institutions, allows for the production of the greatest output in return for the smallest expenditure of public resources and pursue the welfare for current and future generations.

In this framework, the Act no. 5018 on Public Finance Management and Control, which was prepared according to transparency and accountability principles, guarantees as a legal task that public institutions prepare strategic plans to allocate the resources in the most efficient way. Although regulatory and supervisory authorities do not have an obligation in this respect, as the Competition Authority, with our second Strategic Plan, we both determine our purposes, objectives and the strategies that will enable us to reach those in order to work more efficiently within the framework of our mission, vision, principles and values and we make improvements continuously by measuring the strategies via periodic monitoring and evaluation.

21st century has transformed, through technological and social developments, many well-accepted concepts, and innovation became a necessity for institutions. Socioeconomic problems are getting more complicated and going beyond geographic borders. Besides, current tools and policies are losing their validity and functionality. As a result of technological developments and the progress in information access, societies are not tolerant to “political/public failures” any more. Moreover, the area of governance has expanded and broadened with increasing globalization and participation.

Accordingly, the basic concepts of competition law and policy should also be updated and improved. While new markets are emerging with innovation and digitalization, existing sectors are significantly transforming. It is necessary that competition authorities act strategically with a proactive approach in order that such transformation process is realized in the most effective way and consumer welfare is maximized in the long run. As the Strategic Plan presents, the Competition Authority, with its knowledge and experience, will continue to instill confidence in consumers and the society, and contribute at the highest level to innovation and development so that markets are functioning and developing in a healthy way.

Within this framework, Competition Authority's Strategic Plan for the period 2019-2023 has been finalized after a meticulous work that lasted almost twelve months. During the preparation period, all our shareholders - undertakings, academics, members of the judiciary, press representatives, public institutions, law offices and consumer associations - presented their valuable contributions. Thanks to such level of participation during the preparatory process, this Plan serves as a model of governance understanding. I would like to thank to all who contribute to the Strategic Plan and I wish that it will be beneficial for the Competition Authority and our country.

INTRODUCTION

1. INTRODUCTION

The Public Financial Management and Control Act No. 5018 entered into force in order to make public management effective. The purpose of this Act is to adopt a strategic management approach in public institutions and by means of this, to enhance the quality of public services; ensure effectiveness, efficiency and savings by increasing the capacity to use resources; to develop political, administrative accountability mechanisms and to ensure financial transparency. A strategic plan creates the basis for determining strategical priorities of the management in middle and long-term, fiscal discipline, distributing resources according to strategical priorities, using these resources effectively and efficiently and fostering transparency and accountability approaches.

1.1. The Importance of Strategic Planning in Public Sector

Economic, political and technological developments which have accelerated globally as of 1980s have affected public management and led to crucial changes for the public service and public management approach. The most striking aspect of these changes is the convergence of public and private sectors' management understanding and in parallel with this; "managing-managed" distinction prevailing in the public sector has evolved into a "governance" phenomenon. This process has enhanced active participation of shareholders in decision-making process on the issues that concern them, both within the context of macro policies at national level national and institutional level and accelerated democratization. In parallel with democratization, some principles such as comprehensibility, participation, accountability, transparency and efficiency became important for creating and implementing public policies.

As a result of the changes in public management understanding, use of private sector practices in the provision of public services has emerged as a widespread reform trend all over the World. In this context, the concepts of strategic management and strategic planning, which are more widespread in the private sector, were transferred to the public administration.

The strategic management process forms the basis for determining priorities that the public wants to focus in medium and long-term, ensuring fiscal discipline in the budget preparation and implementation process, distributing resources according to strategic priorities and monitoring the effective use of resources and accordingly, developing accountability.

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Strategic planning is an instrument for providing planned services, developing policies, attributing these policies to action plans, programs and budgets, and monitoring and evaluating implementation effectively. Strategic plans prepared by public administrations within the framework of development plans and government programs enhance the effectiveness of planning and implementation process and contribute to the rational use of resources. In addition, strategic plans also contribute to the development of corporate cultures and identities of public administrations.

Nowadays, it is important for public administrations to adopt strategic management understanding and act within a strategic plan developed in the framework of this understanding for both ensuring effectiveness and development of administrations and creating a structure more transparent, accountable and open to interaction in a general sense. Accordingly, strategic management and strategic planning concepts have been adopted in the public sector to a great extent in Turkey and legal regulations have been made in the public sector as in many other countries.

1.2. The Legal Framework for Strategic Planning in Public Sector

The basis of strategic planning in the public sector is the Act No. 5018 published in the Official Gazette dated 24.12.2003 and numbered 25326. The Act No.5018 aims to ensure obtaining and using public resources in an effective, economic and productive way and to provide accountability and fiscal transparency in line with the policies and the objectives included in the development plans and programs. The strategic plan is defined in article 3 of the said Act as “a plan which includes public administrations’ medium and long term purposes, basic principles and policies, goals and priorities, performance criteria, the methods to be followed in order to achieve them and resource distribution”.

With article 9 of Act No. 5018, public administrations are assigned to prepare a strategic plan through participatory processes with the purpose of determining their vision and mission for the future within the framework of policies specified by the President of the Republic¹, programs, related legislations and basic principles they accepted, specifying strategic objectives and measurable goals, evaluating their performances within the indicators predetermined and preparing a strategic plan to assess and monitor this process. The same article specifies the procedures and principles for determining the public administrations that will be liable for preparing a strategic plan and timetable about the strategic plan process, associating strategic plans with the development plan and programs will be determined by the President of the Republic.² The Regulation on the

¹ Added to the article text with article 213 of the Statutory Decree dated 02.07.2018 and numbered 703.

² The authorization which belonged to the Ministry of Development before the amendment was granted to the President with Article 213 of the Statutory Decree dated 02.07.2018 and numbered 703.

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Procedures and Principles for Strategic Planning in Public Administrations was prepared within the framework of the mentioned article of the Act No. 5018 entered into force after being published in the Official Gazette dated 26.05.2006 and numbered 26179. However, the experience obtained by practice revealed the need for revising this regulation. The regulation was revised in light of this need and published in the Official Gazette dated 26.02.2018 and numbered 30344.

Additionally, "Strategic Planning Guideline for Public Administrations" was prepared to guide public institutions in the strategic planning process in 2003. This guideline was updated in 2006 and 2018 in line with the needs. At present, the third version of the guideline published in 2018 is effective.

1.3. The Scope of the Strategic Plan

Strategic Plan of the Competition Authority (TCA/Authority) for 2019-2023 (Strategic Plan/Plan) includes the preparation process of the Strategic Plan, situation analysis, determining the mission and vision and basic values, developing a strategy and specifying the performance programs on this strategy and finally monitoring and evaluation activities. The scope of the Strategic Plan is shown within the framework of the process summarized in Figure 1.

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Figure 1 The Scope of the Strategic Plan

<ul style="list-style-type: none"> • Adopting the Plan • Organization of the planning process • Needs assessment • Time plan 	STRATEGIC PLAN PREPARATION PROCESS	Planning process design
<ul style="list-style-type: none"> • Institutional history • Evaluating the strategic plan in force • Legislation analysis • Senior policy documents' analysis • Specifying products and services within the activity fields • Shareholder analysis • Institutional analysis • PESTLE analysis • SWOT analysis 	SITUATION ANALYSIS	What is our current situation?
<ul style="list-style-type: none"> • Mission • Vision • Basic values 	LOOKING TO THE FUTURE	What do we want to achieve?
<ul style="list-style-type: none"> • Purposes • Objectives • Performance indicators 	STRATEGY DEVELOPMENT	
<ul style="list-style-type: none"> • Methods to achieve the purposes and objectives 	STRATEGIES	
<ul style="list-style-type: none"> • Performance objectives • Performance indicators • Activities • Projects • Costing • Budgeting 	PERFORMANCE PROGRAM	How could we achieve?
<ul style="list-style-type: none"> • Monitoring and evaluation plan • Monitoring report • Monitoring and evaluation report • Strategic Plan realization report • Annual report 	MONITORING AND EVALUATION	How could we monitor and evaluate our achievement?

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1.4. Strategic Plan Preparation Process

Strategic plan contributes first to the effective use of public resources, efficiency of the implementation process and development of institutional identity and culture. Thus, the preparation process of the Strategic Plan is important. In this context, the activities of the TCA for the preparation process of the strategic plan are presented below.

Starting the Strategic Plan Preparation Process

With the Approval of the Presidency dated 10.01.2018 and numbered 466, the preparation process of the second Strategic Plan for 2019-2023 began. Purchasing consultancy services on the issues related to the method for preparing and improving the Strategic Plan, process consultancy and training the personnel to be assigned for the preparation of the Plan was approved.

Preliminary Preparations

First, totally 68 personnel who work in the different departments and positions were given theoretical and practical strategic planning training interactively in nine separate groups between 11.01.2018-12.01.2018. In line with the opinions and suggestions received within the scope of the training, an "idea development preliminary report" was prepared and shared with the participants.

Idea Development Meetings

After the preparatory training, to develop preliminary information and evaluations, four subgroups were formed under the main topics "Mission", "Vision", "Institutional Capacity" and "Basic Strategies". Regular meetings were organized where each group discussed crucial topics for the Strategic Plan. Opinions and suggestions achieved during these meetings were reported to draw the basic framework of the Strategic Plan.

External Shareholders Analysis

Basic strategies subgroup made external shareholders analysis and within this framework, focus group meetings were held for the shareholders that the TCA is engaged while performing its activities. Question sets were prepared to receive the expectations, opinions, suggestions and contributions of the focus work groups for the plan term and during six weeks, meetings were held with the participation of senior management of the TCA for developing the opinions suggested. In this context, debates were made with the

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representatives of undertakings, associations of undertakings, public institutions and consultancy firms and academics. In addition to this, External Shareholder Workshop was carried out with broader participation of the external shareholders. In this workshop, the representatives of the shareholders such as undertakings, associations of undertakings, academics, public institutions, consultancy firms, media, consumer associations, chambers of commerce were requested to share their general evaluations and expectations from TCA and their opinions about TCA's activities and their relations with the TCA.

Receiving the Opinions of the Senior Management

After receiving internal and external shareholders' opinions, summary reports prepared were presented to the heads of departments, vice presidents, Chairman of the Competition Board (the Board) and its members. In addition, a question set was prepared for outstanding issues within the scope of the Strategic Plan and sent to them. Afterwards, their opinions and suggestions were received at interviews.

Writing the Strategic Plan

The Strategic Plan was taken to writing, after compiling the information and findings obtained from subgroup contributions and external shareholders analysis. Within this scope, purposes, objectives, projects and activities related to activity field of the TCA were specified. After the Draft Plan was formed, the opinions of the TCA personnel from every level were received, and analyzed. Lastly, the draft Plan was finalized and presented to the Board.

Receiving the opinions of the Strategy and Budget Presidency of the Presidency of the Republic

After receiving the opinion of the Board, the Draft Plan was sent to the Strategy and Budget Presidency of the Presidency of the Republic to request opinion with our letter dated 28.09.2018 and numbered 12024. The Plan was revised by being taken into consideration the issues stated in the response letter of Strategy and Budget Presidency of the Presidency of the Republic dated 31.10.2018 and numbered 10886.

1.5. Adopting the Strategic Plan

As it was stated in detail in the section "Strategic Plan Preparation Process", the Strategic Plan was prepared through a participatory process, where all internal shareholders contributed to the from the beginning to the publishing stage of the Strategic Plan. Within

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the context of this process, each stage of the Plan was shared with the personnel of the TCA and enriched in line with their opinions, suggestions and contributions. As a result, the necessary background for the adoption of purposes and objectives in the plan by all TCA personnel was formed.

During the idea development process of the Strategic Plan, broad participation will be a crucial motivation source for the adoption of the Plan at the implementation stage. By means of this motivation, cooperation between the Strategy Development, Regulation and Budget Department (SDRBD) and other service units of the TCA will be taken to highest level at the implementation stage.

2. SITUATION ANALYSIS

This section deals with the situation analysis which forms the basis of defining the mission and vision of the TCA and determining its purposes, objectives and strategies for the term 2019 – 2023. In this framework, first, this section touches on the development of competition law in the world and the history of the TCA and Turkish competition legislation. Second, the results of the plan enforced between 2014 and 2018 (the First Strategic Plan/ the First Plan) will be evaluated. Afterwards, respectively, senior policy documents analysis and legislation analysis will be performed. Then TCA's shareholders, activity fields, products and services will be designated and they will be associated with each other to provide guidance in shareholders analyses and finally, shareholder analyses will be presented. Following those subdivisions, in the context of organizational structure, institutional analysis will be included within the framework of human resources and institutional culture. Finally, PESTLE analysis, which evaluates the relationship between TCA's activities and political, economic, social, technological, legal and environmental factors, and SWOT analysis will be presented.

2.1. The Development of Competition Law in the World

It is generally accepted that the first Competition Act, which was widely enforced in a modern sense, is the Sherman Act, which was adopted in 1890 in the United States (US).³ Almost all competition acts, including the Sherman Act, are shaped by the decisions of competition authorities and courts with their provisions open to interpretation. Moreover, due to its close relation with economic concepts, competition law has changed considerably

³ The first act about trusts and cartels in today's context was adopted in Canada in 1889.

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depending on economic literature. Cartelization and monopolization were prohibited with the Sherman Act; those who did not comply with this prohibition were sentenced to imprisonment and fines. Initially, the implementation of Sherman Act triggered a wave of mergers that would lead to the establishment of giant companies. It continued until US Supreme Court (Supreme Court) prevented the merger between Northern Pacific and Great Northern railways in 1904. Following this decision of the Supreme Court, many suits were filed against industrial giants of the country. The most important one of these suits was the Standard Oil case, where the Supreme Court adopted the rule of reason doctrine as a main method of antitrust analysis. It decided that Standard Oil would be divided into 34 parts. The Clayton Act was enacted in 1914, which contained detailed prohibitions to eliminate the ability of courts to make interpretations as far as possible, as the rule of reason doctrine introduced by the decision of Standard Oil might increase the tendency to interpret the Sherman Act extremely narrow. Federal Trade Commission Act installed an administrative structure to specialize in antitrust issues. In the middle of 1930s, economic planning models with great expectations in the New Order lost their glitter. The belief that economic restoration would only be possible with competition was accepted during the term of US President, Franklin Roosevelt. Regulations were made that highlighted free market economy and antitrust rules instead of state regulations, planning and ownership. In this context, the Supreme Court decided to prohibit horizontal agreements with the object or effect of price fixing, determining the supply, market allocation or bid rigging, as they would inevitably harm competition. This approach still continues in the US and other developed competition law systems.

In continental Europe, modern regulations for competition began after the Second World War. Before the Second World War, intense emergence of cartels especially in Germany and their support to Hitler government led to the idea that cartels played fundamental role in the development of totalitarian regimes that caused the Second World War and a strong tendency against cartel formation in Europe occurred.

Within this framework, the process started with the Treaty Establishing the European Coal and Steel Community (ECSC Treaty) signed in 1951. The Treaty of Rome Establishing the European Economic Community entered into force in 1958 and it was very important with respect to regulations about competition in Continental Europe.⁴ ECSC Treaty, which was exclusively related to the coal and steel sectors, included two important articles in terms of competition regulation. These articles pioneered to the competition law system envisaged

⁴ The Treaty Establishing the Europe Economic Community was changed in terms of its name as well as its content in time. First, this agreement's name changed as the Treaty Establishing the European Community with the European Union Treaty, which entered into force on 01.11.1993. Then, its name changed again as the Treaty on the Functioning of the European Union with Lisbon Treaty, which entered into force in 01.12.2009.

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in the Treaty of Rome. The Treaty of Rome included a specific Chapter “Competition Policy”. This chapter covered article 85, which regulated practices restrictive of competition between undertakings and article 86, which prohibited abuse of dominant position by dominant undertakings⁵. Those articles regulated competition rules to be applied to undertakings. However, the Treaty of Rome did not include any regulations related to concentrations due to the realities of the time it was signed. This gap was recovered with the Merger Regulation no. 4064/89 that entered into force in 1990⁶.

The two prominent characteristics, which differentiate the Treaty of Rome from national competition acts, are that it is the first transnational regulation on competition and its main purpose is to create a common market covering member countries. In this context, it is accepted that the European Community’s competition regulation is related to more issues than a narrow economic objective. After the Treaty of Rome entered into force, many member countries enacted or changed their own national competition acts parallel to the regulations envisaged in the Treaty of Rome or the secondary legislation.

2.2. Institutional History

Article 167 of the Constitution of the Republic of Turkey (Constitution) and the obligations that international agreements imposed to Turkey, played a role in the adoption of the Act No. 4054 on the Protection of Competition (the 4054 Act/Act) in Turkey.

Article 167 of the Constitution imposes on the state the duty and responsibility to take precautions to ensure the healthy and regularly functioning of the “money, credit, capital, goods and services markets”, “and to prevent “monopolization and cartelization created de facto or as a result of an agreement.” The first factor that plays a role in the preparation of the Act No 4054 is to fulfill this constitutional provision.

The basis of the international obligation accelerating the establishment of competition law in Turkey is the EC-Turkey Association Council Decision (Customs Union Decision) dated 22.12.1995 and numbered 1/95 and the liability of compliance to the legislation stemming from the European Union (EU) full membership process. The part of the Customs Union Decision on competition policy envisages both creating the competition act which is in compliance with EU legislation and the authority to implement it. At the same time, it designates the competition law rules to be enforced in the field of Customs Union. Customs

⁵ Initially, related article numbers changed as 81 and 82 with the Treaty of Amsterdam in 1997 and then, they changed again as 101 and 102 with the Treaty of Lisbon in 2007.

⁶ The regulation in question was amended by the Merger Regulation no. 139/2004 in 2004.

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Union Decision imposes Turkey obligations in three fundamental fields under the topic of competition policy. These are antitrust, supervising and monitoring undertakings with inclusive and special rights, public monopolies and state aids in terms of competition.

Before the Customs Union Decision, the first intellectual and operational preparations started in 1970s in the historical process until the adoption of the Act no. 4054. "The Draft Act on the Regulation of Trade and Protection of Consumers", which the Ministry of Trade and Industry prepared in 1975, is the first document that includes regulations regarding competition in Turkey. In the "Draft Act on the Protection of Honesty in Trade", which was prepared in 1980 by the aforementioned Ministry, the aim of the Act is determined as to "protect free market system, eliminate elements distorting competition..." In the "Draft Acts on the Protection of Consumers" dated October 1983 and March 1984, regulations on cartels and monopolies were addressed in different chapters for the first time.

Since Article 167 of the Constitution clearly gives to the state the duty to prevent cartelization and monopolization in markets, the Ministry of Industry and Trade separated the issues regarding restriction of competition from the provisions on the protection of consumers and regulation of trade and prepared "the Draft Act on the Agreements and Practices which restrict the Competition" in November 1984. This draft is the first independent text and the first draft sent to the Turkish Grand National Assembly for enactment unlike previous ones. The draft was sent to the Turkish Grand National Assembly in December 1985, but as it was not discussed in the 17th Legislative year, it became obsolete after the elections in 1987.

After the general elections in 1991, the commission founded under the Ministry of Industry and Trade worked in two sub-commissions and prepared "the Draft Act on the Protection of Consumers" and "the Draft Act on the Protection of Competition". In the reparation process of the Draft Act on the Protection of Competition, US, EC and United Kingdom competition rules were taken into consideration. A new text which was too different from the previous drafts was prepared. This draft prepared in July 1992 was sent to all related agencies to take their opinions; their opinions and criticisms were evaluated and the draft was sent to the Grand National Assembly of Turkey after it was finalized. The draft was discussed and adopted on the Plenary in 07.12.1994, it was published in the Official Gazette dated 13.12.1994 and numbered 22140 and it entered into force.

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Within the period from 1997 up to now, first, the Authority's physical and IT infrastructure was established. Afterwards, the necessary human resources were employed gradually and secondary legislation was prepared.

In the past 24 years, amendments were made to the Act 4054 in 2003, 2004, 2005, 2006, 2008, 2011, 2012 and 2018. In addition to this, the Board have published many secondary regulations and have made some amendments to the existing secondary regulations.

2.3. Assessing the First Strategic Plan

TCA's first Strategic Plan was published and became effective in 26.02.2014. In the framework of the first plan, five strategic axes are specified: policy-making, competition advocacy, regulation, supervision and management. Under each strategic axis, strategic purposes and objectives, projects and activities to achieve to these purposes and objectives and units that are responsible for the projects and activities are designated. The plan also envisages evaluating and monitoring the results periodically.

Within the scope of evaluating and monitoring activities for the first plan, initially, all activities under each strategic purpose are discussed with the perspective based on the mission and vision of the TCA and their contribution to achieve the related goal are weighted. Secondly, in the monitoring process, realization rate of each activity is calculated out of 100 based on the data provided by responsible units. Then, depending on these data, the contributions of the projects/activities to the purposes they are related and the realization level for each purpose are identified. At this point, due to the lack of accurate and regular data flow for each purpose, objectivity and reliability cannot be obtained for each purpose at the same level; thus, sometimes approximate values are taken for evaluation. In this framework, application results of the first plan are given below according to the strategic axis on an objective-base.

2.3.1. Policy-Making

SO 1.1: To identify sectors/markets with high potential of competition infringement: As a result of the activities in which sector reviews were prioritized, the purpose was realized 90 %. Within the scope of the TCA's activities, maintaining this objective is crucial thus, it is reflected to the current Strategic Plan.

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SO 1.2: To establish, implement and improve a prioritization mechanism: Despite the preparatory work, a prioritization mechanism could not be established.

2.3.2. Competition Advocacy

SO 2.1: To carry out studies that will contribute to the formation of a national competition policy and share the results with the Government and the public: the TCA achieved this purpose at the rate of 80% with its reports such as “Competition Act and SMEs”, “Reviewing Our Country’s Legislation from the Perspective of the Competition Policy”.

SO 2.2: To ensure that public institutions and authorities have a competitive perspective in their regulations and disposals so that activities restrictive of competition are minimized: The TCA reached 60% of the purpose by attending in-service trainings and various meetings under the body of public institutions and authorities and giving opinions to relevant institutions where necessary. The purpose is transferred to the current Strategic Plan considering its sustainability. As public institutions and authorities are considering a competitive approach in their regulations and disposals more recently, it is expected that the level of achieving this purpose, which cannot be realized only depending on decisions and activities of the TCA, will increase during the current Strategic Plan period.

SO 2.3: To develop the cooperation between the TCA and universities: Events related to competition law and economy as well as publicizing the TCA were organized during the enforcement period. However, any concrete results could not be obtained to establish competition centers in universities. According to the performance criteria, the purpose was realized at the rate of 50%. In order to enhance cooperation, new methods and approaches are developed in the current Strategic Plan for the sustainability of the purpose.

SO 2.4: To share the main principles of the competition law and positive impacts of the Board decisions on the economic life with the public: The TCA performs various practices in order to share its activities and their results to the public. In line with the practices, it is possible to say that 50% of the purpose is achieved. The basis of the work to reach this purpose is the impact assessments for Board decisions in markets. Accordingly, strategies for increasing TCA’s economic analyses capacity are included in the current strategic plan.

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2.3.3. Regulation

SO 3.1: To determine regulation needs, to prepare the secondary regulations lacking in certain fields, to inform the public about the regulations in force: Except the expected amendments to the Act and changes in the work calendar planned, all envisaged regulations were made and 60 % of the purpose was achieved. The TCA followed the current developments in competition law through secondary regulations made. The compliance with the EU legislation increased, legal certainty for undertakings enhanced, which contributed to the integrity of the practices.

SO 3.2: To carry out necessary activities for reviewing the legislation regularly: The purpose was achieved 80% due to the unrealized revisions on the secondary legislation because the amendments to the Act were pending. The impacts of the secondary regulations in force on markets and the developments in related markets were monitored regularly by means of following the legislation, and required changes were made as much as possible.

2.3.4. Supervision

SO 4.1: To establish a supervision system related to file process and operation: "Procedure on Supervision and Enforcement Divisions' Reporting, Correspondence and Writing Rules" was implemented and the purpose was realized at 80%. More systematic operation of file processes, coordination and uniformity of the service units was ensured to a great extent. Efforts for improvement continue.

SO 4.2: To shorten decision writing/publishing processes and to increase decision quality: "Decision Writing Guideline" was put into practice and the purpose was realized 80%. Thus, in the process of preparing decisions, which are the main outcomes of TCA's activities, and sharing them with the parties and the public, improvements were made in terms of rapidity and quality. Efforts for improvement continue.

SO 4.3: To use existing powers more effectively: IT professional personnel began to join on-site inspections, which is an achievement with respect to this purpose. On the other hand, there has not been sufficient progress regarding other activities envisaged for the purpose. The TCA made preparations for in-house training and amendments to the legislation but at the final stage, the preparations were directly related to an amendment to the Act, therefore the realization level of this purpose is not as high as expected. This purpose is included in the current Strategic Plan because of its importance.

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SO 4.4: To use and develop new methods, techniques, tools and powers to reveal competition infringements, taking into account technological developments and good practices: The personnel concerned participated to meetings and trainings regularly and the purpose was realized 70 %. Thus, technical capacity of the TCA for revealing competition infringements was improved. Such activities are planned for the future.

SO 4.5: To establish close cooperation mechanisms with foreign competition authorities: Cooperation with foreign competition authorities have continued and improved in the implementation period. In this way, the TCA has been able to follow international developments in the field of competition law and policy and to transfer its corporate experiences to other countries. Accordingly, the purpose was realized 80%. In order to be an effective competition authority in international platforms, activities for the related purpose will continue.

SO 4.6: To make solution of competition infringements more effective and faster: Since the establishment of necessary settlement and commitment systems will be possible with the amendments to the Act, the objective has not been achieved in the implementation period and this issue has been transferred to the current Strategic Plan within the framework of different objectives by taking into account the amendments to the act.

2.3.5. Management

SO 5.1: To improve institutional structure and functioning: The TCA made efforts for performing the activities in accordance with the purposes and objectives in the first Strategic Plan but the activities for reviewing the job definitions, powers and responsibilities of the personnel and the structure and functioning of the service units were not made. The achievement rate was 50%.

SO 5.2: To improve the public perception about the TCA: A research about the image for internal and external shareholders was planned. The research was made with external shareholders. Considering this research and the feedback received from external shareholders, various activities are planned to improve public perception in the current Plan.

SO 5.3: To assess and evaluate the performance of employees: A performance evaluation system was not implemented as it was expected in the first Strategic Plan.

SO 5.4: To ensure fairer workload distribution among employees: The purpose was achieved 60% through rotation and temporary assignments.

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SO 5.5: To enhance quantity and quality of training for the TCA personnel: Various training opportunities were provided to the TCA personnel in Turkey and abroad. In line with this, the purpose was achieved 70%. However, there were some shortages in sharing those activities with other personnel. The mechanisms to recover these shortages are included in the current Strategic Plan.

SO 5.6: To enable an effective communication and cooperation both among the personnel, and between managers and the personnel with meetings and similar activities: It is observed that cooperation was provided to a great extent and the purpose was achieved 80%. However, it is important for the future to establish the mechanisms to make this communication and cooperation permanent.

SO 5.7: To follow the units by developing performance criteria: The activities for the purpose could not be realized and therefore the purpose could not be achieved.

SO 5.8: To ensure more effective and efficient internal supervision: The activities for the purpose could not be realized and therefore it could not be achieved.

2.4. Senior Policy Documents Analysis

One of the issues that forms the basis of the tenth Development Plan is (2014-2018) "Innovative Production, Stable High Growth". The middle-term Program for 2018-2020 also stresses the importance of "production with high added value" to realize growth and other macroeconomic goals. Both of the documents focus on the issue that the first condition of economic growth and social development is innovation in the 21st century. In this context, falling into the "middle- income trap" which is frequently observed in the world should be prevented as a rising market/developing country. Although the middle-income trap is related to global and structural inequality, it is a matter of institutions, rules, technologies and processes that are below the optimum in terms of economic policies and developing countries that cannot catch up with advanced economies. When we look at how countries/regions such as East Asia, Central and Eastern Europe and Israel overcome the middle-income trap, we see that the countries act with developmental, entrepreneurial state models and certain institutions, academia and economic actors act in cooperation like an upgrading coalition. The TCA will also be one of the leading institutions of such a coalition in the future.

In terms of Turkish Industry Strategy Document, the most important duty and contribution of the Authority is to intervene the agreements, actions and practices which restrict

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competition according to the Act no. 4054, eliminate barriers to the effective functioning of markets, eliminate the entry barriers by applying necessary sanctions and ensure that undertakings operate effectively in a free competition environment. Producers in the country will be stronger in an efficient competitive environment and will contribute to the economy and sustainable competitive environment and increase international competitiveness of our country.

2.5. Legislation Analysis

The basic framework of the TCA's activities is drawn by the Act no. 4054. The aim of the Act is to prevent agreements, decisions and practices preventing, distorting or restricting competition in markets for goods and services, and the abuse of dominance by the undertakings dominant in the market, and to ensure the protection of competition by performing the necessary regulations and supervisions to this end. There are three basic prohibitive provisions in the Act. These provisions are listed in the articles 4, 6 and 7 of the Act.

According to this

- Article 4 of the Act prohibits agreements and concerted practices between undertakings, and decisions and practices of associations of undertakings which have as their object or effect or likely effect the prevention, distortion or restriction of competition directly or indirectly in a particular market for goods or services
- Article 6 of the Act prohibits the abuse, by one or more undertakings, of their dominant position in a market for goods or services within the whole or a part of the country on their own or through agreements with others or through concerted practices,
- Article 7 of the Act prohibits merger by one or more undertakings, or acquisition by any undertaking or person from another undertaking-except by way of inheritance-of its assets or all or a part of its partnership shares, or of means which confer thereon the power to hold a managerial right, with a view to creating a dominant position or strengthening its/their dominant position, which would result in significant lessening of competition in a market for goods or services within the whole or a part of the country.

The TCA's supervision activities are essentially supervising conducts contrary to the provisions of the Act. In addition to these, the activities related to exemption regulated

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in article 5 of the Act, according to which agreements and concerted practices and decisions of associations of undertakings might be exempted from the implementation of the provisions of article 4 of the Act in case all conditions listed in the article 5 of the Act are fulfilled and activities related to granting negative clearance according to article 8 of the Act are also among the supervisory activities.

In conducting the supervisory activities, the TCA uses the powers to request information and to conduct on-site inspections provided for in articles 14 and 15 the Act respectively. Accordingly, the Board can request necessary information while carrying out the duties assigned to it by the Act, the Board may request any information it deems necessary from all public institutions and organizations, undertakings and associations of undertakings. The Board uses its power for on-site inspections per the professional personnel.

Article 16 and 17 of the Act regulate administrative fines. Accordingly, undertakings, associations of undertaking and members of these associations which conduct the behavior prohibited in articles 4, 6 and 7 of the Act are given administrative fines up to 10% of the annual gross income to be determined by the Board. The managers and personnel who are found to have a decisive influence in the violation are also given administrative fines up to 5% of the fines imposed to undertakings and associations of undertakings.

In addition to this, in case false or misleading information or document is provided in exemption and negative clearance applications and in authorization applications for mergers and acquisitions; mergers and acquisitions that are subject to authorization are realized without the authorization of the Board, incomplete, false or misleading information or document is provided, or information or document is not provided within the determined duration or at all, with regard to the implementation of Articles 14 and 15 of the Act, and administrative fines 0.1% of annual gross income to be determined by the Board is imposed to undertakings or associations of undertaking and their members; in case on-site inspection is hindered or complicated, 0.5% of annual gross income to be determined by the Board is imposed.

Beside the Act no. 4054, there are many regulations, communiqués and guidelines issued by the Board based on this Act.

2.6. Specifying the Activity Fields, Products and Services

The activity fields of the TCA are classified under three main topics. These are enforcement of competition law, competition advocacy and policy-making.

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2.6.1. Enforcement of Competition Law

Enforcement of competition law includes regulation and supervision activities. Enforcing the basic provisions of the Act no. 4054 falls under the scope of supervision activities. Within this framework, transactions related to agreements between undertakings, concerted practices and decisions of association of undertakings which restrict competition and prohibited by Article 4 of the Act, exemption practices regulated by the article 5 of the Act, abuse of dominant position prohibited by Article 6 of the Act, mergers and acquisitions which restrict competition significantly by creating a dominant position or strengthening the existing dominant position, prohibited by the Article 7 of the Act, and transactions related to negative clearance article 8 of the Act are duties of the TCA related to supervision.

Another dimension of enforcement activities is regulations. Pursuant to articles 5, 7, 16, 27, 34 and 62 of the Act, the Board is authorized to make regulatory activities. In this context, the Board publishes the regulations, communiqués and guidelines for enforcing the Act no. 4054.

2.6.2. Competition Advocacy

The second activity field of the TCA is competition advocacy. Competition advocacy activities are carried out depending on supervisory activities under the scope of article 9 of the Act and independently within the framework of articles 27 and 30 of the Act for creating competitive awareness in the public. The quality of the advocacy activities for creating competitive awareness might differ according to the addressees. Accordingly, it is possible to make a distinction between competition advocacy activities for the public sector, private sector, consumers and non-governmental organizations and academia.

2.6.3. Policy-Making

The third activity field of the TCA is policy-making. There are two main aspects of the activities performed according to articles 27 and 30. These are development of legislation and strategy. In line with development of legislation, other legislations are also considered as well as the TCA's legislation and a comprehensive competition policy will be developed to increase the consumer welfare within the framework of eliminating provisions restrictive of competition in other legislations. In terms of developing strategy, the aim is to develop strategies to be embodied in the practices of the TCA in two other fields of activity, and in other words, to determine principles that will guide corporate practices.

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2.7. Shareholder Analysis

Shareholder analysis is one of the most important tools for ensuring participation, which is one of the criteria for good management. Taking the views of the parties directly or indirectly affected by the services provided by the administration on the Strategic Plan will increase the success of the Strategic Plan and affect the quality of the services provided. Within the context, shareholder analysis conducted during the preparation of the Strategic Plan was intended to include the opinions, recommendations and expectations of the shareholders in the Strategic Plan, and to gain insight concerning the potential opportunities and challenges. Based on this principle, internal and external shareholders of the Authority were identified and prioritized depending on their impacts and levels of importance. Subsequently, external shareholders were correlated with the fields of operation, products and services of the Authority to establish a shareholder/product-service matrix.

The shareholder prioritization table is presented below, followed by the shareholder/product-service matrix. After those, the opinions of the internal and external shareholders are cited.

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Table 1
Shareholder Prioritization Table

Shareholders	Type of Shareholder		Importance			Impact			Priority		
	External	Internal	High	Medium	Low	High	Medium	Low	High	Medium	Low
Public Institutions	√		√			√			√		
Non-Governmental Organizations	√			√			√			√	
Judicial Bodies	√		√			√			√		
Law Firms	√			√			√			√	
Consumer Associations	√			√			√			√	
Undertakings	√		√			√			√		
Associations of Undertakings	√		√			√			√		
Press Representatives	√			√			√			√	
Academics	√			√			√			√	
International Organizations	√		√				√			√	
National Competition Agencies	√			√			√				√
Authority President		√	√			√			√		
Board Members		√	√			√			√		
TCA Professional Staff		√	√			√			√		
TCA Administrative Staff		√		√			√			√	

Shareholders were prioritized in order to establish effective communication and ensure that the opinions of the shareholders are acquired and reflected in the Strategic Plan efficiently. This prioritization was based on the level of impact and importance of the shareholders. Impact refers to the effect the administration has on the shareholder via its activities and services and the power of the shareholder to affect the administration with its decisions, while importance refers how much value is attached by the administration to meeting the expectations and requests of the shareholder. Within this framework, it can be said that the main factor for establishing the priority of a shareholder is how much the shareholder is directly affected by the disposals of the Authority and how much it can directly affect such disposals.

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As a result of the prioritization process, public agencies, judicial bodies, undertakings and associations of undertakings were identified as the high-priority external shareholders of the Authority. This is because these four groups of external shareholders have high levels of importance and impact. Non-governmental organizations (NGOs), law firms, consumer associations, press representatives, academics, and international organizations are external shareholders with mid-level importance and impact and are considered to be mid-priority shareholders.

In terms of internal shareholders, the President of the Authority, Board members and professional staff have been identified as the shareholders with high levels of importance and impact for the fulfillment of the duties and responsibilities of the Authority, and these internal shareholders are considered to be high-priority.

Table 2 Shareholder/Product-Service Matrix

Shareholders	Competition Law Applications		Competition Advocacy					Policy Development	
	Regulation	Supervision	Public	Private Sector	Consumers	NGOs	Academia	Legislation	Strategy Development
Public Institutions	√		√					√	√
NGOs	√		√			√		√	√
Judicial Bodies	√	√	√					√	√
Law firms	√	√		√				√	√
Consumer Associations	√		√		√	√		√	√
Undertakings	√	√		√				√	√
Associations of Undertakings	√	√	√	√		√		√	√
Press Representatives				√					√
Academics	√						√	√	√
International Organizations								√	√
National Competition Agencies								√	√

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The fields of activity of the Authority and the services it provides in this framework were linked with the shareholders in order to clarify which fields of operation and which services of the Authority the shareholders were related with, to ascertain the expectations of the shareholders, and to determine which services a particular shareholder is affected by and which services it can affect.

Within this context, it was determined that, in terms of competition law enforcement, the shareholders which affect and are in turn affected by the regulatory activities of the Authority are public agencies, NGOs, judicial bodies, law firms, consumer associations, undertakings, associations of undertakings and academics. Thus, it is possible to state that a significant portion of the external shareholders either affects the regulatory activities, or are affected by them. On the other hand, judicial bodies, undertakings, and associations of undertakings as well as law firms serving as representatives thereof are the shareholders linked with the supervisory activities.

The competition advocacy activities of the Authority were grouped under different categories as the activities aimed at the public, private sector, NGOs, and the academy. Accordingly, the relevant shareholders were identified as follows: public agencies, NGOs, consumer associations, associations of undertakings for advocacy activities aimed at the public; law firms, undertakings, associations of undertakings and press representatives for advocacy activities aimed at the private sector; consumer associations for advocacy activities aimed at the consumer; NGOs operating in various fields including consumer associations and associations of undertakings for advocacy activities aimed at the NGOs; and academics for advocacy activities aimed at the academia. Thus, all external shareholders with the exception of international organizations and national competition agencies are affected by or can affect the competition advocacy activities in some way.

Authority activities in the field of policy development are addressed in terms of legislation development and strategy development aspects. It may be said that all external shareholders with the exception of press representatives are linked with legislation development activities, either being affected by those activities or affecting them. Similarly, strategy development activities are also open to the input of all external shareholders and can have an effect on them, with all external shareholders being linked with the strategy development aspect.

2.7.1. Internal Shareholder Analysis

As detailed under section 1.4 of the Plan, various studies were organized during the preparation of the Strategic Plan, with the participation of internal shareholders.

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Discussions and assessments related to the mission, vision, fundamental strategies and institutional capacity were made under the scope of the internal shareholder analysis based on the aforementioned studies, and these are listed below.

Opinions Related to the Mission

In line with the opinions of the personnel, the mission of the Authority is to prevent cartelization and monopolization, increase consumer benefits, contribute to the healthy functioning of the market mechanisms, contribute to increasing international competitive power, and ensure sound operation of the investment environment by reducing barriers to entry.

The employees saw the following as the targets to achieve when executing the mission:

- Engaging in studies to increase legal certainty for undertakings,
- Developing the search engine for Board and court decisions,
- Conducting activities aimed at promoting competition law and the Authority to public agencies, universities, NGOs, private sector and consumers,
- Making the required amendments to the legislation in order to work more efficiently and harmonize with the changes in the rest of the world,
- Improving the access to databases in order to better follow academic developments as well as the international developments in competition law,
- Following-up with the Board decisions and studying their effects on the markets,
- Determining the criteria for the establishment of the prioritization mechanism,
- Identification of anti-competitive provisions in other legislation,
- Improving the powers and techniques of on-site inspections,
- Including the Office of the Legal Advisor (LA) in the decision-making process,
- Ensuring inter-agency cooperation; establishing mechanisms to ensure that regulatory agencies act with a competitive perspective,
- Strengthening the relationship with the legislative body,
- Adapting the in-house best practices to the existing procedures,
- Sharing Board decisions with the public in a way that the consumer can easily understand,

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- Preparing public service announcements and communicating them to a large audience,
- Using social media more effectively and extensively,
- Participating in the industry council work of the Union of Chambers and Commodity Exchanges of Turkey (TOBB),
- Establishing the Competition Institute,
- Assigning Competition Experts employed in the field of information technologies (IT professional staff) to the Supervision and Enforcement Departments (SED),
- Ensuring more efficient and rapid implementation of merger supervision both by the Authority and by judicial bodies,
- Establishing the necessary infrastructure to ensure that certain sectors are constantly monitored,
- Setting policies to strengthen consumers instead of protecting them,
- Ensuring that the Authority personnel are assigned to work at national and international institutions and organizations,
- Allowing professional staff access to decisions through the intra-Authority platforms, including trade secrets,
- Following and announcing important international developments in the field of competition law, and implementing best practices to the greatest extent possible,
- Announcing important court decisions to the Authority personnel in a more effective manner through the Office of the Legal Advisor.

Opinions Related to the Vision

In terms of the vision, the Authority personnel emphasized that the following objectives had to be achieved:

- Ensuring that the Authority takes an active role in the decision-making processes related to the economy and the markets,
- Taking the necessary steps to ensure mutual cooperation in the formation of the strategies of the Authority and other public agencies,
- Establishing a structure similar to a “competition network” with the participation of the Authority and other regulatory authorities so that the benefits expected from

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liberalization are achieved in those sectors where regulation must be implemented in conjunction with competition law,

- Ensuring that a competitive perspective is included in the economy-related senior policy documents,
- Following the development of national and international agencies with similar missions to benefit the institutional structure and processes to the extent possible,
- Improving the institutional capacity in terms of technologic developments and digitalization,
- Adopting a proactive approach for competition law enforcement,
- Improving cooperation with other competition agencies and other multi-national organizations.

The personnel listed the opportunities before the Authority for achieving its vision as follows: the economic growth of Turkey, the Authority's increasing public awareness and reliability, the recognition and appreciation of the Authority's expertise by the shareholders including the public agencies, the recognition of the Authority's importance in the fight against inflation, the spread of competition law practices around the world, the positive relationships developed with other competition agencies, the increasing ease of access to information and communication, the increase in public awareness of private law sanctions, the fact that the hierarchical structure of the Authority is not rigid, and the existence of trained, young and dynamic professional staff.

The personnel perceived the following as challenges before the Authority's achieving its vision: the uncertainty of the EU process, the slow law amendment process, the fact that developing information technologies make identifying violations more difficult, the fact that inflation makes it harder to monitor prices, the fact that it is harder to monitor changing ways of doing business due to technological and industrial developments, the delays in harmonizing the legislation and practice with the aforementioned changes in a timely manner, and the failure to properly ensure awareness of the Authority.

Algorithms and big data are perceived as both an opportunity and a challenge by the personnel.

Opinions Related to the Core Strategies

The shareholders consider public institutions and organizations, particularly regulatory and supervisory institutions, judicial bodies, chambers and commodity exchanges

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and their larger unions, associations of undertakings, NGOs, law firms, consumers and consumer associations, universities and media outlets to be the strategic shareholders of the Authority.

The employees listed the objectives to achieve in terms of the core strategies of the Authority as follows:

- Forming a specialized court,
- Collaborating with judicial bodies,
- Increasing participation in industry meetings to the extent deemed beneficial by the Authority,
- Ensuring that the Authority is consulted for policies and decisions related to the economy and the market,
- Increasing cooperation with public agencies and actively utilizing existing cooperation,
- Conducting joint studies with universities aimed at improving competition law,
- Using the fines specified in the Act to ensure deterrence,
- Increasing the efficiency of supervision activities and evidence-gathering methods,
- Reaching a wider audience by using social media tools more efficiently,
- Actively using mass media, particularly social media, to improve the Authority's awareness
- Increasing and extending the work on Authority publications,
- Improving the consistency of the Board decisions,
- Prioritizing those industries which have a significant share in the consumers' budget and which contribute to economic growth,
- Ensuring that the leniency mechanism is used more efficiently and the shareholders are informed on the subject,
- Increasing the accumulated knowledge of the Authority concerning platform and sharing economies and ensuring constant follow-up of the developments in these areas,
- Establishing the mechanisms to allow transfer of professional knowledge and experience among the professional staff.

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Opinions Related to the Institutional Capacity

The strengths of the Authority in terms of institutional capacity are listed as rapporteur independence, qualified and young Authority personnel, flexible hierarchical structure, internal and external shareholder participation due to transparency, and objective decision-making process.

The improvable aspects of the Authority are listed as failure to actively use the Economic Analysis and Research Department (EARD), failing to effectively use the IT professional staff in preliminary inquiries and investigations, and losing experienced professional staff to the private sector.

The employees' recommendations in relation to organizational capacity are as follows:

- Re-structuring the human resources management currently under the Administrative Services Department (ASD) as a separate service unit and allowing this unit to conduct training activities with a more integrated approach,
- Establishing the structure necessary to review and assess Board decision outcomes after a certain period of time and to examine their effects on the markets,
- Implementing the accompaniment system for assistant experts,
- In the rotation of the professional staff assigned to Supervision and Enforcement Departments, taking willingness, work-flow and industry expertise into consideration,
- Establishing a more balanced distribution of the sectors assigned to various departments,
- Improving the representation and image of the Authority,
- Providing continuing and regular training to the human resources,
- Ensuring efficient access to the National Judiciary Informatics System for the Authority,
- Improving the electronic information management system of the Authority,
- Identifying the powers and responsibilities clearly in the execution of work processes.

2.7.2. External Shareholder Analysis

Within the scope of the external shareholder analysis, the shareholders and the questions that may be asked to these shareholders were determined, followed by focus group meetings

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held due to the existence of issues requiring in-depth opinions and recommendations. Additionally, question sets prepared were sent to the relevant shareholders in writing to ensure that additional opinions could be received. Lastly, a workshop was organized in order to bring shareholder groups together and allow shareholders to discuss their opinions and recommendations concerning the Authority in one place. This workshop was attended by around 80 individuals. Focus group meetings were held, aimed at public agencies, consulting firms and law firms, undertakings and academics. External Shareholder Workshop was also attended by professional chambers, NGOs, press representatives and consumer associations, in addition to those parties listed above. The prominent issues addressed at the meetings may be summarized as follows:

- The visibility of the Authority is sufficient but activities in the field of advocacy can be increased;
- More efficient methods may be used when announcing Board decisions to the public;
- The law amendments must include matters such as right of defense, procedural provisions, tests to use in merger/acquisition analyses, settlement and commitment mechanisms, and de minimis rules;
- Economic analysis is important and the institutional capacity in this area must be improved;
- Information meetings may be held concerning important Board decisions, recent developments and significant sectors.

On the other hand, prominent opinions in each focus group meeting are discussed in detail below.

Prominent Opinions in the Public Agencies Focus Group Meeting

The following recommendations were made in the focus group meeting held on 13.03.2018 within the framework of the Strategic Plan study:

- Institutional mechanisms should be established, allowing the Authority to monitor price fluctuations in sectors such as food and cement and to act on its own initiative,
- Existing protocols and cooperation with public institutions should be revised and improved in accordance with current requirements,
- Professional staff from the Authority should be assigned as secondees to the Sectoral Competition Department of the Information and Communication

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Technologies Authority.

Prominent Opinions in the Undertakings Focus Group Meeting

Within the framework of the Strategic Plan studies, a meeting was held with the undertakings focus group on 07.03.2018. The following recommendations were made in that meeting:

- Transparency of Authority procedures should be increased,
- The decision-making process for exemption and negative clearance applications should be shortened,
- Awareness of the Authority in the private sector, particularly for SMEs should be increased,
- The number of meetings and workshops held with private sector parties should be increased,
- The public should be informed about the outcomes the Act will have in terms of private law,
- The leniency provisions should be expanded to cover the other infringements listed in Article 4 of the Act no 4054,
- Board decisions appearing in the media should be more easily understandable for the broader public,
- The effects of the Board decisions on the markets should be measured.

Prominent Opinions in the Academics Focus Group Meeting

A meeting was held with the academics focus group on 14.03.2018, within the framework of the Strategic Plan studies. The following recommendations were made in that meeting:

- Cooperation with universities should be institutionalized and, within that context, competition law should be established as a department as well as a required course in the relevant divisions,
- Institutional capacity should be improved and strengthened,
- In case of a potential amendment to the legislation, the regulation concerning private law outcomes of competition infringements should be reviewed and explanatory studies should be conducted on the subject,

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- Workshops, conferences, focus group meetings, sector inquiries and similar studies and activities with the shareholders should be held on current subjects or concerning required areas,
- The Competition Journal should be added to various scientific indices and plagiarism programs should be utilized when accepting papers for publication.

Prominent Opinions in the Law Firms Focus Group Meeting

The following recommendations were made in the meeting held with the law firms focus group on 01.03.2018 within the framework of the Strategic Plan studies:

- The decision search engine should be made more functional,
- Act no. 4054 and the secondary legislation should be updated to meet the needs of the markets and harmonize with the EU legislation,
- The legislation and enforcement of competition law should be updated to keep abreast of recent industrial and technological developments,
- Leniency provisions should be expanded to cover all horizontal agreements and legal predictability should be ensured in the application of leniency,
- Specialized courts should be created,
- Negative clearance and exemption applications should be published on the Authority's website.

Prominent Opinions in the External Shareholders Workshop

A large-scale external shareholders meeting was held on 21.03.2018 within the framework of the Strategic Plan and with the participation of law firms, undertakings, associations of undertakings, consumer associations, public institutions, media representatives, and academics. The following recommendations were made in the meeting:

- Social media should be utilized more efficiently and the posts on such media must be easily understandable by the general public,
- Communication with public institutions should be increased, especially through meetings, workshops, protocols and in-service trainings aimed at certain sectors,
- Industry meetings should be frequently attended since participation in such meetings is important for getting familiarized with the industry and for being able to intervene before any regulations are made concerning the sector,

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- With the cooperation of bar associations, competition law training should be provided during law internship.

2.8. Intra-Organizational Analysis

2.8.1. Organizational Structure

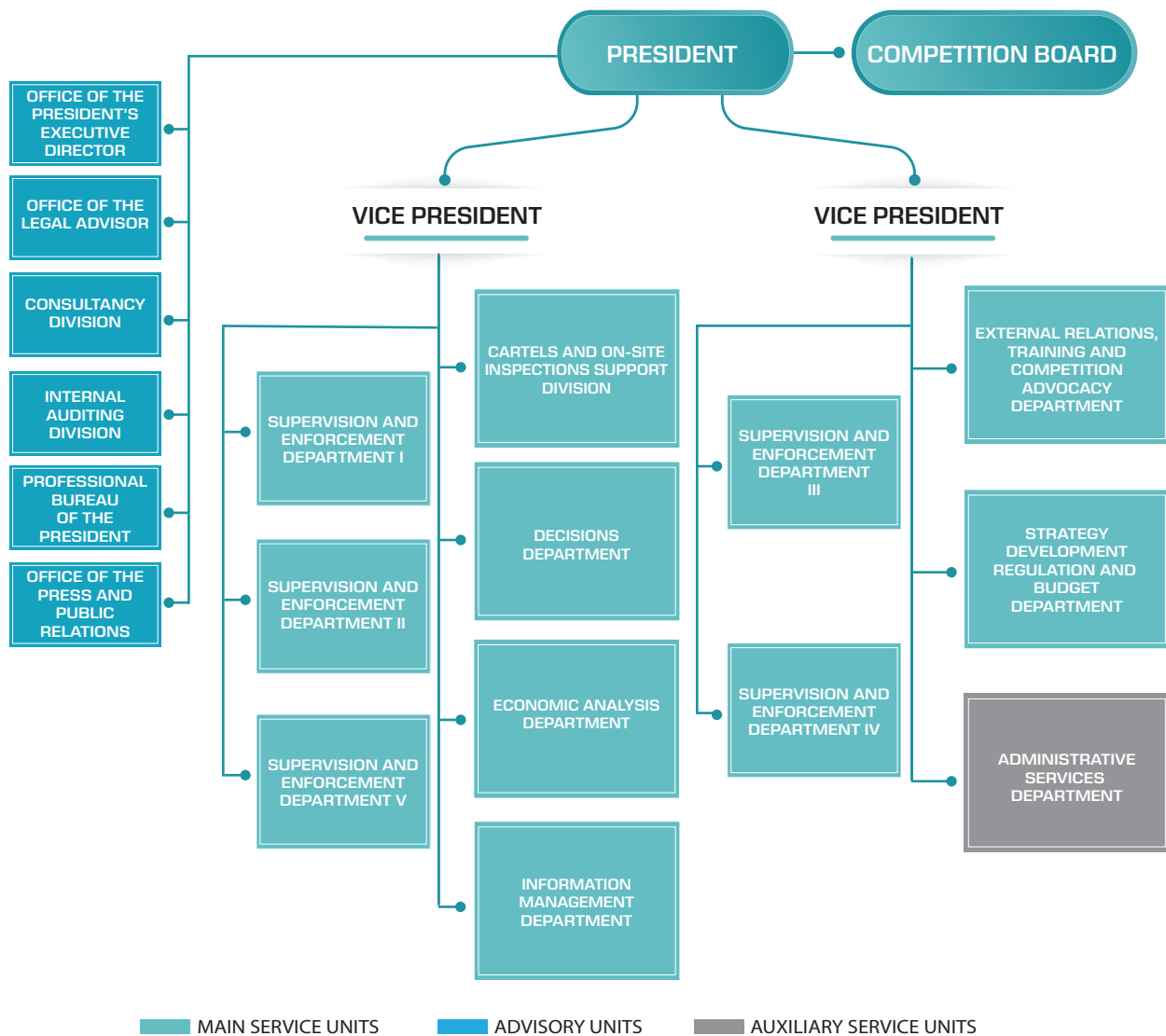
The Competition Authority having a public legal personality, and an administrative and financial autonomy is established in order to ensure the formation and development of markets for goods and services in a free and sound competitive environment, to observe the implementation of the Act no 4054 Act, and to fulfill the duties assigned to it by the Act. The Authority became operational in 1997. The Authority is related to the Ministry of Trade. In accordance with Article 20 of the Act, the Authority is independent in carrying out its duties. No government body, authority, entity or person may give orders or instructions to affect the final decisions of the Authority.

The Authority is comprised of the Board, the Office of the President and the Service Units. The Board consists of a total of seven members, with one Chairman and one Deputy Chairman. Board Members are appointed by the President of the Republic.

The Office of the President consists of the Chairman of the Board, the Deputy Chairman and Authority Vice-Presidents. Chairman of the Board is the highest ranking officer of the Authority and is responsible for overall management and representation. This responsibility includes the duty and power to manage, supervise, assess and, if necessary, announce to the public the general framework of the Authority's activities. Service Units are comprised of main service units, consultancy units and auxiliary services units organized in the form of departments. The current organizational chart is given in Figure 2.

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Figure 2 Organizational Chart



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2.8.2. Human Resources Analysis

Fundamental and continuous duties within the framework of the Authority's services are provided through the staff employed on administrative employment contracts. Tables 3, 4 and 5 break down the information on the Authority staff in accordance with their position, gender, age group and educational background⁷.

Table 3 Group Breakdown of Authority Positions and Personnel

	Administrator	Professional Staff	Advisor ^a	Administrative Staff	Total
Number of Employees	24	155	24	164	368
Proportion (%)	6.53	42.23	6.53	44.57	100

As the table above shows, 24 of the Authority's employees are working in an administrative position. Out of these 24 administrators, 14 has been appointed from among the professional staff. A large portion of the Authority employees are comprised of professional and administrative staff. Professional staff are 42.23% of the total Authority employees. Advisory positions make up 6.53% of the Authority staff.

The Authority held examinations between 1997 and 2017 in order to meet its staff requirements to ensure the employment of a young and qualified workforce. Table 4 present the age-group and gender breakdown of the Authority personnel:

Table 4 Age-Group and Gender Breakdown of the Authority Personnel

Age	20-29	30-39	40-49	50-59	60+	Total	Proportion (%)
Female	35	44	61	21	2	163	44,29
Male	39	36	100	28	2	205	55,71
Total	74	80	161	49	4	368	100
Proportion (%)	20.10	21.73	43.75	13.32	1.10	100	

⁷ The information presented was current as of 10.04.2018

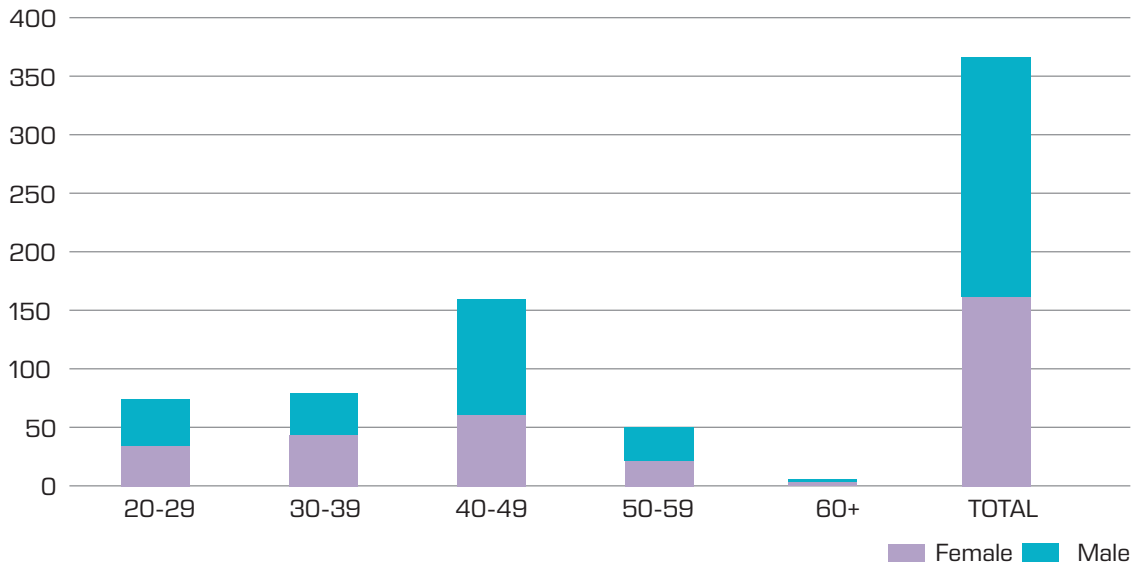
^a Chief Advisor to the Authority, Advisor to the Authority, Advisor to the President, Legal Advisor, Press and Public Relations Advisor and Press Advisor Positions are grouped under the "Advisor" position

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As an examination of Table-4 will show, around 44% of the Authority personnel is female while 56% is male. The breakdown of the employees according to age groups reveals that most of the staff, both female and male, are within the 40-49 age group, comprising 43.75% of the total employees of the Authority. Based on this information, it may be said that the Authority personnel is mostly young. As a matter of fact, 85.58% of the Authority personnel is below 50.

**Chart
1**

Age Group and Gender Breakdown of the Authority Personnel



**Table
5**

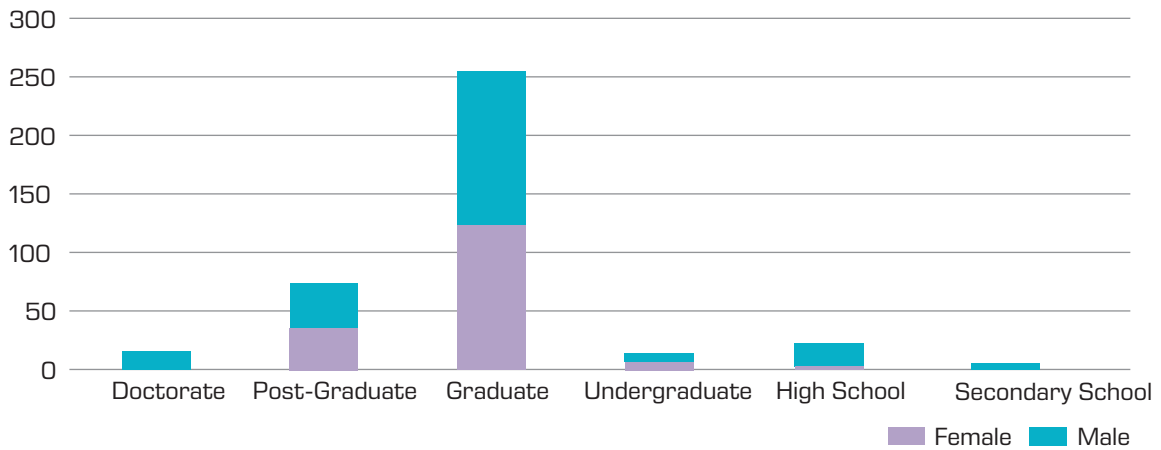
Educational Breakdown of the Authority Personnel

Education	Doctorate	Post-Graduate	Graduate	Undergraduate	High School	Secondary School	Total
Female	1	33	120	6	2	1	163
Male	5	39	132	13	15	1	205
Total	6	72	252	19	17	2	368
Proportion (%)	1.63	19.57	68.48	5.16	4.62	0.05	100

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The breakdown of the educational background of the personnel show that 89.68% of the employees have received their graduate or post-graduate degrees. The most common type of degree is the graduate degree held by 68.48% of the personnel. Graduate degrees are held by 73.62% of the female and 64.39% of the male employees. The proportion of post-graduate and doctorate degrees is 21.2% in total, with 20.86% in female and 21.46% in male employees.

Chart 2 Educational Breakdown of the Authority Personnel



While 100% of the professional staff hold graduate and post-graduate degrees, this proportion is 82.16% in the rest of the staff. The following table includes the breakdown of the personnel graduate or post-graduate degrees according to their department.

Table 6 Breakdown of the Personnel with Graduate or Post-Graduate Degrees According to Their Department

Department	Faculty of Economics and Administrative Sciences	Law	Engineering	Other	Total
Administrators/ Advisors	30	9	2	7	48
Professional Staff	98	39	13	4	155
Other Personnel	95	-	4	28	127
Total	223	48	19	39	330

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As seen in Table-6, there are 48 administrators and advisors, 155 professional staff and 127 other personnel with graduate or post-graduate degrees. The distribution of the departments administrators, advisors and professional staff have graduated from show that, out of 203 employees, 128 corresponding to 63.05% hold degrees from business administration, economics, political sciences and public administration, labor economics and international relations departments of economics and administrative sciences faculties. There are also 48 law school graduates, comprising 24% of the personnel in the aforementioned three groups. There are 15 employees overall in all three groups graduated from engineering departments. The four professional personnel in the other group have graduated from departments of econometrics, statistics, business informatics and mathematics. The largest share in terms of graduation field in this group is economics and administrative sciences, with 74.80%.

2.8.3. Institutional Culture Analysis

Institutional culture is the entirety of the factors making up the fundamental values of an institution, which specify the way business will be conducted and communication between the employees will work, and which is gradually formed and adopted by the institutional will and the employees. The outstanding features of the Authority in terms of institutional culture are listed below:

- The Authority is a public institution which has proven its capabilities in the national and international levels.
- The Authority attaches great importance to correct communication with the parties in the decision-making process. It takes the requests of the parties under consideration, provided they are not in violation of the legislation and Authority practice. Takes the utmost care to comply with the confidentiality requests of the parties and to protect trade secrets. Supports "access to file" practices to provide correct information to the parties.
- The Authority emphasizes the principles of transparency and public supervision. Board decisions, all phases of the lawsuits filed against Board decisions, all planned changes to the legislation as well as the preparation period for these changes are shared over all available platforms, including the internet.
- Authority employees are comprised of well-trained individuals with good education,

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who are expert in their field, with good command of at least one foreign language, who can follow international literature and developments and who are open to personal growth.

- In line with the modern administration approach, the Authority is aware of the fact that one important pillar of organizational development is dependent on individual development, and therefore supports its personnel on their paths of individual development. It puts in the effort required to ensure that its personnel can grow both in their fields of specialty and in their personal lives. It supports all cultural, artistic and sportive activities organized under the Authority's umbrella and from which the Authority employees can benefit, and endeavors to improve the activities concerned.
- The Authority has adopted rapporteur independence as a work approach which allows the rapporteurs to develop and express their own opinions for each case.
- It works to expedite and facilitate the operations and procedures related to the relevant shareholders, without compromising the integrity and quality of the work being done.
- Even though the Authority is young, it is respectful of its conventions. The Authority regularly organizes activities to improve staff loyalty to the Authority, including anniversary activities, meetings to exchange holiday greetings, conferences, internal training activities and assessment meetings, and ensures staff participation in these programs.

2.9. PESTLE Analysis

PESTLE analysis is intended to identify political, economic, social, technological, legal and environmental factors which may affect the administration, determine the opportunities/challenges posed by these factors, and establish what kind of action the administration should take in response.

Political Factors

Political factors affecting the Authority and the actions that should be taken by the Authority in response are listed below:

- It has been observed that the policies established by the Authority in order to improve competition advocacy and the competitive environment do not have a

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sufficient level of adoption. This causes delays in taking the necessary steps to improve the competitive environment. In that sense, the Authority needs to be more proactive in its competition advocacy practices and ensure more efficient communication and cooperation with public institutions in order to maximize social benefit.

- The uncertainties in the EU membership process has become a challenge for the Authority, especially in light of the increasing need for close cooperation and information-sharing between competition authorities of various countries in the globalized world. Therefore, within the framework of the Authority's vision to become an efficient actor in the international stage, it is important for the Authority to keep in constant contact with the competition authorities of other countries as well as with international organizations, and to establish mechanisms to ensure constant mutual exchange of information and experience.

Economic Factors

Economic factors affecting the Authority and the actions that should be taken by the Authority in response are listed below:

- The dynamism of the Turkish economy in recent years and the increasing capital inflow to the country have caused a rise in authorization applications for mergers, acquisitions and privatizations. Concluding the aforementioned transactions in a timely manner, without disruptions due to bureaucratic delays, is very important for the relevant actors, and therefore for Turkey. Thus, it would be beneficial to set up a mechanism to facilitate the application process for transactions calling for authorization and to expedite the assessment process without negatively affecting the quality of the assessment itself.
- The upwards trend in inflation makes it harder to identify concerted practices in oligopolistic markets and increases the risk of cartel formation. Since such infringements are harder to prove, it is even more important to develop new evidence mechanisms through data-focused analyses and to keep abreast of the innovative methods for identifying cartels utilized by international platforms and foreign authorities.

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Social Factors

Social factors affecting the Authority and the actions that should be taken by the Authority in response are listed below:

- Even though it has been 21 years since the foundation of the Authority, the activities and practices of the Authority are not well-known and well-understood in the public, which essentially leads to the Authority being held responsible for subjects out of its jurisdiction (unfair competition, brand and patent violations, consumer protection, international competitiveness of the economy, etc.) and negatively affects the perceived success of and level of public trust in the Authority. In that framework, it is important to efficiently share with the public the consumer harm caused by competition infringements such as cartelization and monopolization as well as the activities and practices of the Authority aimed at preventing such harm, and to emphasize and develop competition advocacy activities in order to improve the Authority's impact on political decision-making processes.
- An important building block of the trust in the Authority is ensuring that the Board decisions taken are justified, based on objective assessments and open to the public. Publication of the reasoned decisions will significantly help to minimize information asymmetry between the Authority and the shareholders by providing information to those shareholders affected by the decision, as well as those who will benefit from it. This trust and transparency is an efficient factor contributing to the Authority establishing macro-policies and receiving external shareholder support for these policies. It also increases public support in the decisions and practices of the Authority. In this framework, it is predicted that maintaining transparency and including shareholders in the decision-making process as much as possible will indirectly contribute to the Authority's efficiency at the macro- and micro-levels.

Technological Factors

Technological factors affecting the Authority and the actions that should be taken by the Authority in response are listed below:

- Due to the developing technology, existing powers and instruments have become insufficient when gathering evidence for competition infringements. In order to solve this problem, on-site inspection powers need to be extended/clarified in terms of forensic IT, and the institutional capacity to use these powers must be created. In addition, for the purposes of detecting cartels, it would be beneficial to create a roadmap on the subject to facilitate conducting forensic IT activities, as well as practices such as detecting communications and monitoring with technical tools in the long-term.

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- In light of the area of effect for competition infringements related to big data and algorithms, it becomes clear that the Authority must focus its energy on today's digital economy. It is known that undertakings are using big-data analytics methods to develop applications which may result in the cartelization of the markets through algorithms. The Authority needs to be proactive in this area and must be prepared for any potential developments. For that reason, it is important to establish the technical infrastructure within the Authority to monitor and prevent such practices.

Legal Factors

Legal factors affecting the Authority and the actions that should be taken by the Authority in response are listed below:

- The fact that the necessary legal regulations including, in particular, the “de minimis” rules and the “settlement” and “commitment” mechanisms have not yet been approved by the Grand National Assembly prevents the development of more efficient competition law enforcement. In this framework, the Authority will focus its efforts to ensure the urgent implementation of the relevant legal amendments.
- It is known that many primary and secondary pieces of legislation regulating fields relevant for the economy have provisions restricting competition. The existence of these provisions can limit the Authority's opportunities for intervention in those fields and can lead to the formation of anti-competitive markets. The Authority's efforts to identify and amend such provisions will continue.
- The Regulation on the Procedures and Principles for Preparing Legislations stipulates the use of Regulatory Impact Analysis for newly adopted or amended legislation concerning certain regulatory acts, while mandating that the opinion of public institutions and organizations be requested for others. Within that framework, the Authority has issued the Competition Assessment Guidelines as a guidance for public institutions and organizations. Due to the importance of the subject matter, continuance of the guidance activities for public institutions and organizations would be beneficial for ensuring a competitive perspective.

Environmental Factors

Environmental factors affecting the Authority and the actions that should be taken by the Authority in response are listed below:

- Similar to competition policies, environmental policies also aim to increase social welfare. Consequently, these two policies must be seen to be complementary and

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pursued in parallel in order to minimize market failures. For this reason, the Authority does not base its activities solely on a competitive perspective, but carefully evaluates other public policies, including environmental policies and regulations and related goals thereof. In that context, this approach will be maintained going forward to support environmentally sensitive growth and development policies.

2.10. SWOT Analysis

The Authority's strengths and weaknesses, as well as the opportunities and threats faced are summarized in the table below.

**Table
7** SWOT Table

Internal Environment		External Environment	
Strengths	Weaknesses	Opportunities	Threats
<ul style="list-style-type: none"> - High credibility of the Authority - Professional expertise and independence of the rapporteurs - Pool of qualified human resources - Feeling of professional belonging 	<ul style="list-style-type: none"> - Insufficiency of the evidence-gathering powers - Need for improving the economic analysis capacity - Inability to act in a sufficiently proactive manner 	<ul style="list-style-type: none"> - The emphasis on "competition" in the senior policy documents - Increase in the general awareness for the indispensability of competition - Proliferation of competition law practices around the world - Continuing economic growth 	<ul style="list-style-type: none"> - Technological developments making it easier to hide competition infringements - Slowness of the law amendment process - Anti-competitive provisions in other legislation - Increase of concentrations in the markets - Inflation - Misinformation in the public concerning the mission of the Turkish Competition Authority

2.10.1. Strengths

High credibility of the Authority

An important building block of the credibility of the Authority is the fact that Authority reports and decisions are based on justified, objective assessments and are accessible to the public. Serving as the basis of the Board decisions, reports include both observations

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and economic/legal assessments of the case, and examples of similar cases and case-law, with the observations being presented in an objective, data-based manner. Board decisions built on these reports are objective, clearly stating the grounds of the decision and sharing them with the public. Publication of the reasoned decisions informs those shareholders who are affected by the decision or will benefit from it, contributing to minimizing the informational asymmetry between the Authority and the shareholders. On the other hand, the Board makes its decisions based on the neutrality principle and allows access to these decisions, creating a high level of trust in the Authority among the shareholders.

This significant amount of trust in the Authority is an effective factor in helping the Authority create macro-policies and ensure external shareholder support for those policies. It also increases public support for the Authority's decisions and practices.

Professional expertise and independence of the rapporteurs

A multi-disciplinary perspective and implementation is required for the fulfillment of the Authority's mission at a satisfactory level. The human resources to achieve this is acquired through a careful and challenging selection process. Professional staff employed gain the capacity and competence of a competition expert as a result of a relatively long period of theoretical and practical training. Consequently, the Authority collects highly-qualified human resources. Rapporteur independence and independent decision-making are among the fundamental values of the Authority, which the Authority endeavored to enforce without concessions since its establishment. The Authority aims to be objective and transparent when carrying out regulation, supervision and other institutional activities.

These factors, reflected in the practices and decisions of the Authority, ensure that the Board can take objective decisions and increase the trust in the Authority. With the help of its positive image for the competency of its experts, the Authority can become the first-choice of highly qualified candidates.

Pool of qualified human resources

Among the authority personnel, 68.48% have completed their graduate, 19.57% have completed their post-graduate, and 1.63% have completed their doctorate degrees. According to these numbers, around 90% of the employees have graduate or post-graduate degrees. The high education levels of the staff facilitates adapting to the changing and developing circumstances, and allows the Authority to be more dynamic.

Professional staff's strong sense of professional attachment

Since the Authority is an institution of expertise whose task requires competency, one

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of the prerequisites for the Authority to gain maximum advantage of the qualifications of its professional staff is to make sure that the professional staff considers itself an important part of the Authority and is highly attached to the profession. In addition to being competent, having a strong sense of attachment will ensure that the relevant staff can contribute to the work in proportion to its qualifications. Within this framework, it is important to maintain and improve the existing sense of professional attachment.

2.10.2. Weaknesses

Insufficiency of the evidence-gathering powers

In competition law enforcement, the legal grounds for the Authority's evidence-gathering powers are established with Article 14 of the Act, titled "Information Requests," and Article 15 of the Act, titled "On-Site Inspections." Within the framework of these articles, in the fulfillment of the duties assigned to it by the Act, the Board may request all information it deems necessary from all public authorities and institutions, undertakings and associations of undertakings; it may, when deemed necessary, conduct inspections at undertakings and associations of undertakings, may examine the books as well as all papers and documents of undertakings and associations of undertakings, and may take copies thereof; may request written or oral explanations on certain subjects, and may conduct on-site examinations concerning all types of assets of undertakings. However, the aforementioned powers have become insufficient for gathering evidence, particularly in terms of detecting cartels, in 24 years since the adoption of the Act due to the development of the technology and the changes in the ways of doing business. Within this framework, it is seen as a requirement to expand the evidence-gathering powers of the Authority to meet the changing needs and to develop new mechanisms for gathering evidence.

Need for improving the Authority's capacity for economic analysis

Even though Board decisions based on legal and economic analyses make use of various economic analysis methods, some cases require the use of advanced economic analysis techniques. It is important to identify the cases which need such advanced economic analyses, and refer them to the Economic Analyses and Research Department, which is the unit specialized on the subject. Such a practice would also improve the trust in the Authority. On the other hand, regular studies must be conducted to assess the impact of Board decisions on the markets, in general since this would allow larger portions of the society to appreciate the benefits of competition law, thereby allowing the Competition Authority to carry out its mission more effectively. Within this context, it is very important

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to better train experts in terms of advanced economic analyses and improve the capacity of the Economic Analyses and Research Department.

Inability of the Authority to act in a sufficiently proactive manner

Today, the markets and the ways of doing business are constantly changing, which may lead to structural or behavioral competition problems, resulting in the loss of social welfare. Ex post practices are not sufficient in this fight; markets with a high potential to have competitive problems must be identified and the necessary measures must be taken in a proactive way, through advocacy. This would both decrease the loss of social welfare caused by the problems, and prevent wasting resources to intervene with the problems through competition law. These goals can only be achieved if the Authority adopts a proactive approach.

2.10.3. Opportunities

Senior policy documents' objective of increasing global competitive power

Increasing competitive power is included as an objective in the Tenth Development Plan, 2023 Turkish Export Strategy and Action Plan, Productivity Strategy and Action Plan (2015-2018). The way to increase competitive power at a global level requires improving domestic competitive environment. Competitive domestic markets will allow undertakings to produce more added value in the global value chain on one hand, while creating a cycle which will bring more direct foreign investment to the country on the other. As a result of establishing competitive structure in markets, companies will begin to operate more efficiently and get stronger, allowing them to be more successful in international markets. Improving the competitive environment domestically is dependent on the existence of a strong competition authority which works in cooperation with other institutions to set common policies.

Increasing awareness and information level concerning the need for competition

Due to the relative novelty of the Authority in the Turkish public administration system, understanding its function in the economy has taken some time. The transformation of the national economy in recent years and the positive impact of the Authority practices and decisions on the economic structure have increased the awareness and level of information on this matter. In addition, competition culture has found a place in the social life due to the expansion and growth of the economy, which reduced the reservations of some portions of the society concerning the enforcement of competition law.

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The increasing need and social support for competition law is an important opportunity for the Authority to carry out its mission in a more efficient manner. The abovementioned increase in the need and support raises the expectations for quick and efficient handling of competition infringements on the one hand, while at the same time contributing to the formation of an Authority equipped with greater powers and responsibilities by the legal amendments to be adopted in the future.

Proliferation of competition law practices around the world

Competition law practices have been included in the legal systems of a greater number of countries following the proliferation of the market economy, especially in the 1990s. Currently over 100 countries have competition acts and competition authorities. In parallel with the globalization of the economy, the proliferation of competition authorities and competition law enforcement throughout the world increases the need for cooperation between countries and facilitates the formation of an infrastructure to implement cooperation. Efficient implementation of competition rules will be ensured through cooperation.

Proliferation of competition law rules and establishment of competition authorities in many countries not only increase cooperation, but also provide an advantage to competition authorities for detecting international cartels, in particular. This is because once an international cartel is detected by any competition authority in the world, if the undertakings investigated are operating in Turkey, the cartel will be more easily uncovered after the Authority gains information about the cartel.

Another advantage is the fact that the rules, goals and application of competition law are similar at an international level. This creates an opportunity to follow the examples of other countries, to stay informed about developments and to implement new practices.

Continuing economic growth

Especially in the recent years, structural changes have been made in the economy aimed to increase the production capacity of Turkey. In this respect, we are among the rapidly growing countries in the world rankings. It is possible to consider the rapid growth of Turkey as an opportunity on its own, yet the Authority has an important role to play in maintaining that growth trend. In this process where the economy is developing quite quickly, the Board can take decisions to direct key sectors dealing with energy and innovation, thereby ensuring the formation of a competitive structure in these industries and preventing any potential problems that may arise in the future. As a result, the Board will be able to contribute to

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taking sound investment decisions concerning the industry and to establishing sectoral dynamics. In this framework, a healthy analysis on the future effects of the decisions taken in the aforementioned sectors will make markets more competitive, which will indirectly contribute to economic growth and sustainability

2.10.4. Threats

Technological developments making it easier to hide competition infringements

Technological developments in economic and social life pose the risk of decreasing supervision efficiency, which is one of the principal activities of the Authority. Technological developments allow undertakings to hide evidence, thereby creating difficulties when gathering evidence in competition infringement investigations. Eliminating this threat requires the implementation of an organizational structure that would allow more efficient continuation of supervision activities on the one hand, and the development of legal infrastructure and institutional capacity to facilitate better utilization of forensic IT methods, on the other.

Leniency programs are one of the most efficient ways of overcoming the problems related to evidence-gathering caused by technological developments to detect cartels. In order to increase their efficiency, the predictability of the leniency program is a prerequisite of effective cartel detection and deterrent punishment.

Slowness of the law amendment process

In today's digital world, emergence of new approaches including big data, cartel robots and algorithms have resulted in the classical competition law perspective to become unable to respond to the developments and requires a transformation in competition law enforcement. In order to increase elasticity for the developments in the business world while ensuring legal certainty for undertakings, sometimes competition law legislation may need to be amended. However, the slow progression of the law amendment processes in Turkey means that required changes are not always made in time, which, in turn, causes delays in the elimination of factors with negative effects on the competitive environment.

Anti-competitive regulations

Various provisions restricting competition are found in legislation other than those related to competition law, and these provisions can distort competition in the relevant markets. In addition, competition law cannot be implemented correctly in the related fields due to the existence of such regulations. Consequently, it is important that the Authority identify

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anti-competitive provisions included in other legislation and take steps to ensure that those provisions are amended. However, currently, the Authority's efforts to that end do not always lead to the desired result.

Increasing concentrations in the national and international markets

Concentration trends in the national markets can be observed in international markets as well, with SME's being acquired by international companies through mergers and acquisitions, resulting in a decrease in the number of small and medium-sized enterprises. As known, oligopolistic markets with a small number of actors facilitate competition infringements. Moreover, cross shareholdings are expected to increase in the international arena in the future. Under those circumstances, more efficient ways of monitoring the markets must be adopted. On the other hand, large companies operating globally and the potential of these companies to violate the rules of competition law make the importance of international cooperation and information exchange even more apparent for national authorities.

Distortion of the competitive environment due to inflationary price increases

Inflationary price increases in the economy are among the structural problems which facilitate cartel formation. Any rise in the general level of prices decreases the buying power of consumers, and it may also lead to declines in the profits of undertakings due to cost increases. This situation may sometimes push undertakings towards other solutions, encouraging them to enter into tacit or explicit agreements to artificially raise their prices over the level of inflation. In that case, it may become difficult to separate inflationary price increases from those implemented by the cartels in the market.

Misinformation concerning the mission of the Authority

Insufficient information concerning the activities and practices of the Authority results in the Authority being held responsible for matters outside of its jurisdiction (unfair competition, trademark and patent infringements, consumer protection), and negatively affects assessments of the Authority's performance.

Within this context, competition advocacy activities must be emphasized and improved in order to effectively share information with the public about the damages caused by competition infringements such as cartelization and monopolization, and about the Authority's activities aimed at preventing such infringements, and in order to enhance the Authority's impact on the decision-making processes concerning the markets.

LOOKING TO THE FUTURE

3. LOOKING TO THE FUTURE

3.1. Mission

3.1.1. The Concept of Mission

The mission of the Authority is to prevent cartelization and monopolization, increase consumer welfare, contribute to the well functioning of market mechanism, contribute to the improvement of international competition power and to ensure that investment environment functions in a healthy way by decreasing entry barriers.

In line with this mission, the Competition Authority have the following purposes:

- Monitoring, regulating and supervising markets to prevent agreements restricting competition, abuse of dominant position as well as mergers and acquisitions that will significantly decrease competition,
- Promoting competition culture and making necessary disposals to ensure that public decisions and actions are made according to competitive understanding,
- Making researches related to competition law, economy and policy, developing policies and contributing to the development of macroeconomic policies with respect to competition law.

3.1.2. The Components of the Mission

Competition Law Enforcement

Competition law enforcement covers efficient regulatory and supervisory activities to create and protect a competitive environment. Within this framework, the aim is to establish a more efficient and fast functioning structure in detecting competition infringements. What is meant by regulation in the Act no. 4054 is the preparation of the secondary legislation by the TCA while carrying out its duties. All of the activities listed in articles 4, 5, 6, 7 and 8 are categorized as supervisory activities. Those articles constitute the substantive provisions of the Act no. 4054.

Competition Advocacy

Competition advocacy covers the activities made in order that Competition Authority and competition law are known and adopted at personal, institutional and sectoral levels and this awareness is transformed into behavior. Competition advocacy activities focus on

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informing the shareholders about both the harms caused by competition infringements, especially cartels and monopolies, and TCA's activities to prevent those harms. To this end, TCA carries out activities for growing competitive awareness and flourishing competitive culture such as organizing training and internship programs and cooperating with public institutions, universities, NGOs and other organizations. Although the efforts has increased competitive awareness since TCA's foundation, shareholder surveys have shown that there is a need to maintain and improve competitive advocacy work. The expected benefits from such work will increase if the activities necessary for imposing a competitive perspective to those who make economic and sectoral policies are carried out systematically.

Policy-making

Policy-making consists of all actions taken for developing and carrying out competition law enforcement and competition advocacy activities according to priorities. Within this framework, policy-making includes activities towards providing guidance at micro and macro level and developing policies for deterring anticompetitive behavior.

Policy-making is related to establishing rules that prevent illegal restriction of competition so that market economy is functioning soundly with all its mechanisms and benefits consumers. Besides, it also deals with setting objectives for imposing a competitive approach in all public interventions including state aid and public regulations.

3.2. Vision

3.2.1. The Concept of Vision

The future vision of the Authority is to be an institution, which supports sustainable growth and development, takes innovation, variety, productivity and quality to the highest level, promotes widespread competition culture, establishes a well functioning competitive environment, makes intellectual, economic and administrative contributions and is effective in international platforms.

3.2.2. Trends that Shape the Vision

Traditional political manners and tools of the 20th century remains insufficient for the 21st century taking into account global socio-economic developments, situations and objectives peculiar to each country. This insufficiency has urged competition authorities to create competition policies more suitable for markets' needs by working with a vision, which focuses on the essence of competition in markets, has "better regulation" or "smart

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regulation” understanding with respect to regulated markets and takes into account changing work models.

The trends that affect the future vision of the TCA are summarized below:

Innovation and competition policy

Recently, technology has advanced rapidly and penetrated to all sectors, which has increased the share of intelligence-intensive sectors in global competition and made innovation an important parameter of competition. However, the expansion of innovation has created market failures and behavioral problems at the same time.

As a consequence, competition authorities have to develop policies to overcome those problems. Policy-making process has to take “competition for the market” and “sustainability of innovation” approaches into account. Moreover, policy uncertainties especially in regulated areas should be eliminated in cooperation with other decision makers.

Secondly, innovation requires that competition authorities renew themselves to adapt to technological changes. Developments such as artificial intelligence and algorithms facilitate anticompetitive cooperation between undertakings and detect those deviating from such cooperation. Unless competition authorities adapt to technological developments as fast as undertakings, they will fail in detecting and sanctioning anticompetitive structures and conduct. In this sense, authorities should invest both in digital infrastructure and in human resources capable of using them.

Commodity markets and competition policy

There were serious food crises in 1940s, 1970s, 2007 and 2008 marked by excessive price increases and price fluctuations. The most important reason of those crises was the interaction of food markets with commodity markets, especially metal and energy. Indeed, researches showed that food crises occurred following excessive price increases in commodity markets. It is important to have a holistic competition policy considering the fact that those markets concern several public institutions. In this framework, competition policy may bring new perspectives to detecting and solving structural and behavioral problems in commodity markets, highlighting factors that weaken price regulations or state interventions in a general sense and uncovering anticompetitive structures in food supply chain.

LOOKING TO THE FUTURE

Strengthening consumers and competition policy

Regarding some sectors with market failures, it is important that consumers actively participate in competitive markets that will be established via liberalization for achieving the expected results from liberalization. Indeed, the efficiency and competitiveness of many markets where consumers are inactive due to information asymmetry and transaction costs have become dependent on the participation of the demand side. This requires strengthening consumers via public policies that are providing consumers with opportunities such as easily accessible information, the ability to use information, rapid and effective solution of conflicts and smart infrastructure.

On the other hand, there may be negative effects on welfare if undertakings gather information about consumers. Beside liberalization, concepts such as “internet of things” and “big data” have gained importance in many sectors, especially in segments close to consumers such as retail and become one of the determinants of market power. As a result, it is necessary to handle, in terms of competition policy, issues such as owning and accessing consumer information as well as pricing access.

Within this framework, especially in energy, e-trade, food, finance, health, transport and IT sectors, competition authorities should make competition policies that strengthen consumers on one hand and remove the possible negative effects of consumer information owned by undertakings on competition on the other hand. At this point, it is important that necessary mechanisms be installed before problems spread as a proactive action within the framework of competition advocacy activities.

Internationalization of competition law enforcement

As a result of globalization, multilateral firms has increased in number and scope; thus, market failures have gained an international nature rather than national. As the developments stemming from globalization have caused new risks and problems whose solution requires international cooperation, competition law regimes are developing with international cooperation and supranational and international organizations. Those developments are reflected to both practice and doctrine. In fact, authorities are, competing in international arena, so to say. Within this framework, one of our priority objectives is to be an effective competition authority in international arena through better rules, better practices and scientific contribution. To this end, we are willing to represent our authority in international organizations at every level, share our experiences with our shareholders and contribute to global competition policies.

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Adopting an impact-oriented approach

Since the beginning of 2000s, competition authorities and competition law regimes started to modernize and apply reforms with respect to both substance and procedure within the framework of concrete objectives such as efficiency, economic dynamism and protecting consumer welfare. “Impact-oriented approach”, which is based on adopting an economic approach more in competition law analysis, occurred within the scope of such reforms and are now taken into account in analyses related to merger and acquisitions as well as abuse of dominant position.

What underlies the impact-oriented approach is efforts to ensure consumer welfare and efficient allocation of resources. Such competition analysis looks into whether consumers will face losses and if so whether there are benefits that compensate or offset those.

In order for impact-oriented approach to be successful, authorities should use their resources efficiently, focus on solving the correct cases, measure regularly the effects of decisions and policies and make necessary reforms and should not quit long term institutional capacity investments.

Increasing importance of leniency

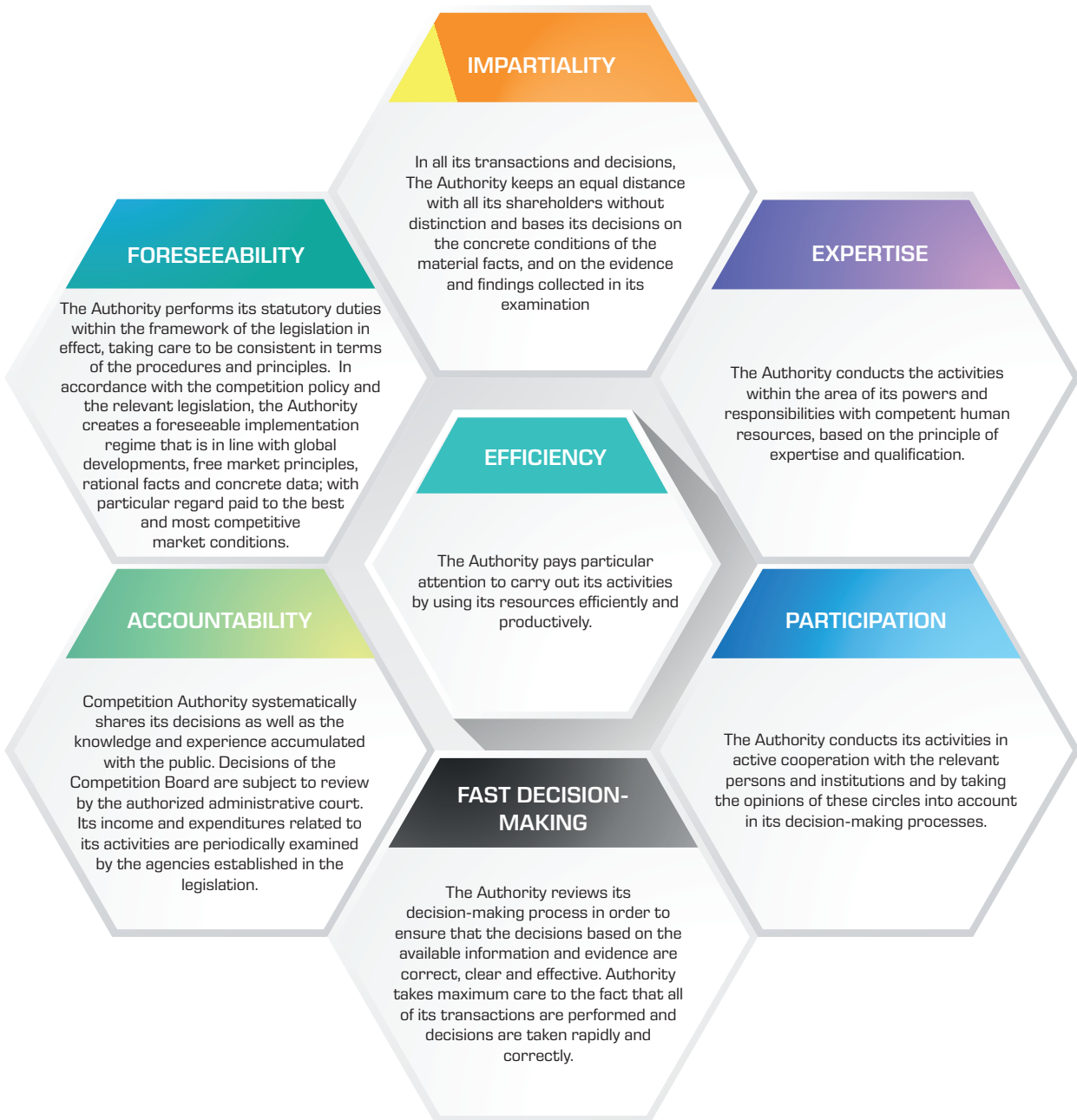
Because of recent technological developments, it is more difficult for competition authorities to detect and prove cartels. Undertakings are now using facilities created by advanced technology to use different communication means, make cartel agreements based on data technology and detect those deviating from cartel agreements. This has increased the importance of leniency programs that aim to eliminate problems with detecting cartels.

One of the most important ways to overcome challenges in collecting evidence and detect cartels is leniency programs. Leniency programs have successfully produced the expected results worldwide. Thus, the prerequisites for the success of leniency programs mentioned under the title “Threats” are very important. As explained before, it is easier to hide anticompetitive practices due to technological developments. Developments that might undermine the success of leniency programs should be noted.

LOOKING TO THE FUTURE

3.3. Fundamental Values

The Authority takes into account certain fundamental values while fulfilling its duties and functions and pays attention to reflect those to its work.



STRATEGY DEVELOPMENT

4. STRATEGY DEVELOPMENT: DETERMINING PURPOSES, OBJECTIVES AND STRATEGIES

4.1. Strategic Purposes and Objectives

Three axes, which are also the components of the mission, are taken into account while setting the objectives for the years 2019-2023. Those axes are competition law enforcement, competition advocacy and policy-making. Institutional capacity for realizing the objectives set within the scope of the components of the mission is defined as a different axis.

Purposes and objectives set according to those axes are reflected to objective cards. Objective cards also include possible risks, strategies to reach the purposes, as well as observations made and needs identified within the scope of a specific objective. Besides, there are performance indicators that are largely associated with strategies in objective cards and the share of those indicators in realizing the objective in question in order to monitor and evaluate whether the objective is fulfilled. Initial values related to the activities determined as performance indicators and annual values set for each year for the strategic plan period are listed in objective cards in order to monitor whether those activities are made. At this point, it should be noted that it is not always possible to use numerical values for measurement and evaluation due to the nature of a competition authority's activities. As seen from objective cards, rather than numbers, taking the necessary steps to reach the results related to the indicator or sustainability of the work chosen as indicator are more meaningful as performance indicators.

Within this framework, the initial value in the objective cards are indicated as numbers or explanations based on the First Plan period as long as they are meaningful; otherwise left blank. Annual objectives about the performance indicators are given as explanations or numbers as appropriate for each relevant indicator.

Objective cards are shown below:

STRATEGY DEVELOPMENT

4.2. Objective Cards

AXIS 1: COMPETITION LAW ENFORCEMENT									
Purpose (P1)	To ensure that competition law is applied effectively								
Objective (O1.1)	To take initiatives to amend the Act for necessary legal powers and to develop the secondary legislation.								
Performance Indicators	Impact on Objective (%)	Initial Value for the Planning Period	1st Year	2nd Year	3rd Year	4th Year	5th Year	Monitoring Frequency	Reporting Frequency
PI1.1.1 Working for the amendments to the act	40	Works started	Needs assessment and suggestions	Follow up	Follow up	Follow up	Follow up	Annual	Annual
PI1.1.2 Taking suggestions from units for amendments to the legislation	20	Taken regularly	Follow up	Follow up	Follow up	Follow up	Follow up	Annual	Annual
PI1.1.3 Meeting the needs for amendments to the secondary legislation	40	Evaluated regularly	Follow up	Follow up	Follow up	Follow up	Follow up	Annual	Annual
Responsible unit(s)	SDRBD								
Coordinating unit(s)	SEDs, LA, ERTCAD, DD								
Risks	<ul style="list-style-type: none"> - Amendments to the secondary legislation require amendments to the Act and depend on factors outside the Authority. - Initiatives for necessary attempts cannot be taken. - Economic and technological developments are faster than legal processes. 								
Strategies	<ul style="list-style-type: none"> - Needs assessments and suggestions will be made to ensure that the necessary amendments to the Act no. 4054 are made - Departments will send their suggestions regarding the amendments to the regulations and guidelines they find necessary to SDRBD regularly. - The secondary legislation will be reviewed periodically and updated in line with the developments in markets and worldwide best practices. - Regulatory needs especially related to innovative sectors and digital economy will be identified and the necessary secondary legislation will be prepared. 								
Cost Estimations	Strategies determined do not impose additional obligations on the Authority's budget.								
Findings	<ul style="list-style-type: none"> - Competition law violations get more complicated with the new economy. - Professional personnel cannot follow international developments regularly. - Penalties against competition infringements are not deterrent. 								
Needs	<ul style="list-style-type: none"> - Regulation needs peculiar to new economy - Improvement of competition law legislation and enforcement so as to harmonize with the developments in the market - Making penalties against competition infringements more deterrent - Following the regulatory needs arising in the context of files or court decisions currently 								

STRATEGY DEVELOPMENT

AXIS 1: COMPETITION LAW ENFORCEMENT									
Purpose (P1)	To ensure that competition law is applied effectively								
Objective (O1.2)	To develop new approaches to conclude monitoring and enforcement processes more quickly and efficiently								
Performance Indicators	Impact on Objective (%)	Initial Value for the Planning Period	1st Year	2nd Year	3rd Year	4th Year	5th Year	Monitoring Frequency	Reporting Frequency
P11.2.1 The number of studies made in order to implement leniency program efficiently	30	-	3	2	2	1	1	Annual	Annual
P11.2.2 Average time for completing phase-I inquiries	40	-	15 days	15 days	15 days	15 days	15 days	Annual	Annual
P11.2.3 The number of studies where EARD made economic analyses	30	5	6	7	8	9	10	Annual	Annual
Responsible unit(s)	SDRBD, SEDs, EARD								
Coordinating unit(s)	LA, COISD								
Risks	<ul style="list-style-type: none"> - The investments necessary for new approaches are costly. - In-house information flow might be weak. - Failure to get sufficient information and documents from especially public institutions in time. - Insufficient human resources for fulfilling the necessary work. 								
Strategies	<ul style="list-style-type: none"> - In order to implement the leniency program, beside the studies about the secondary legislation, studies will be made for improving evidence collecting. - Transactions related to mergers and acquisitions will be completed more easily and quickly. - Economic background of decisions will be reinforced. - The competency of the professional staff concerned will be increased in econometrics, finance and accounting. 								
Cost Estimations	Strategies determined do not impose additional obligations on the Authority's budget.								
Findings	<ul style="list-style-type: none"> - Incompetency in some enforcement areas, especially the leniency program. - Increased need for expertise in econometrics, finance and accounting as impact-oriented approach has been adopted worldwide. - Files require technical and sectoral know-how. 								
Needs	<ul style="list-style-type: none"> - Temporary employment in special expertise areas in order to improve supervisory processes - Compensating sectoral lack of know-how - Increasing the number of professional staff in EARD with economics education background. 								

STRATEGY DEVELOPMENT

AXIS 1: COMPETITION LAW ENFORCEMENT									
Purpose (P1)	To ensure that competition law is applied effectively								
Objective (O1.3)	To make methods of collecting evidence more efficient especially on-site inspections								
Performance Indicators	Impact on Objective (%)	Initial Value for the Planning Period	1st Year	2nd Year	3rd Year	4th Year	5th Year	Monitoring Frequency	Reporting Frequency
PI1.3.1 Taking the necessary steps for amendments to the legislation	20	Works started	Needs assessment and suggestions	Follow up	Follow up	Follow up	Follow up	Annual	Annual
PI1.3.2 Regular training activities for improving the capacity of the professional staff related to collecting evidence	40	Regularly made	Needs assessment and training	Needs assessment and training	Needs assessment and training	Needs assessment and training	Needs assessment and training	Annual	Annual
PI1.3.3 The rate of on-site inspections where IT professional personnel are involved	40	30%	40%	40%	50%	50%	60%	Annual	Annual
Responsible unit(s)	SEDs, IMD, SDRBD, ERTCAD								
Coordinating unit(s)	COISD, LA								
Risks	<ul style="list-style-type: none"> - Necessary support might not be taken during any level of the legislative process. - IT personnel cannot support on-site inspections due to work load at the department. - Undertakings create a counter-lobby against the desired amendments to the legislation. 								
Strategies	<ul style="list-style-type: none"> - Needs assessment and suggestions will be made for legislative amendments for facilitating evidence collecting at on-site inspections. - Studies will be made for reinforcing whistleblowing. - The competency of the professional personnel concerned will be increased with respect to on-site inspections. - The number of IT personnel and IT support to on-site inspections will be increased. 								
Cost Estimations	Strategies determined do not impose additional obligations on the Authority's budget.								
Findings	<ul style="list-style-type: none"> - There are problems with collecting digital evidence at on-site inspections. - There are problems resulting from different views and overlaps related to IT professional personnel's duties and powers. - The professional personnel have difficulty in collecting digital evidence without IT support. - The TCA cannot benefit from IT professional personnel sufficiently during on-site inspections. 								
Needs	<ul style="list-style-type: none"> - Improving the methods of collecting evidence - Minimizing error risks in practice - Overcoming the problems in finding evidence stemming from digitalization - Increasing the capacity of professional personnel for collecting digital evidence at on-site inspections. - Assigning IT personnel to tasks at SEDs more frequently 								

STRATEGY DEVELOPMENT

AXIS 2: COMPETITION ADVOCACY									
Purpose (P2)	To ensure that the TCA and competition law are known and internalized at individual, institutional and sectoral level and this is reflected in shareholders' behavior.								
Objective (O2.1)	To help institutions which determine or affect economic policies develop a competitive perspective								
Performance Indicators	Impact on Objective (%)	Initial Value for the Planning Period	1st Year	2nd Year	3rd Year	4th Year	5th Year	Monitoring Frequency	Reporting Frequency
PI2.1.1 Founding a platform that will contribute to the development of competition policy	40	-	To start work	Follow up	Follow up	Follow up	Follow up	Annual	Annual
PI 2.1.2 Giving opinions about the legislation in force or in progress	40	-	Follow up	Follow up	Follow up	Follow up	Follow up	Annual	Annual
PI2.1.3 The number of in-house training programs supported	20	2	4	5	6	6	6	Annual	Annual
Responsible unit(s)	ERTCAD								
Coordinating unit(s)	SEDs, EARD, SDRBD								
Risks	<ul style="list-style-type: none"> - The TCA might not be informed about possible legislation amendments. - The amendments suggested by the TCA might be rejected. - Anticompetitive provisions in other legislations are overlooked because of frequent changes in legislations. 								
Strategies	<ul style="list-style-type: none"> - The TCA will make efforts to create a platform to contribute to the development of national competition policy and to benefit from the TCA's knowledge and reflect competitive perspective. - The TCA will continue to give opinion about anticompetitive provisions in other legislation in progress or in force. - The TCA will contribute to in-house training to other institutions. 								
Cost Estimations	Strategies determined do not impose additional obligations on the Authority's budget.								
Findings	<ul style="list-style-type: none"> - The institutions engaged in economy have not adopted a competitive perspective. - Over-regulation culture - There are provisions that might be contrary to the competition legislation as stated in the study dated 2015 "Screening the Legislation from Competition Policy Perspective". 								
Needs	<ul style="list-style-type: none"> - Anticompetitive provisions in other legislations should be amended so that TCA's resources are used effectively. - Other institutions should have competitive perspective so that competition policy is applied effectively. 								

STRATEGY DEVELOPMENT

AXIS 2: COMPETITION ADVOCACY									
Purpose (P2)	To ensure that the TCA and competition law are known and internalized at individual, institutional and sectoral level and this is reflected in shareholders' behavior.								
Objective (O2.2)	To increase the recognition level among shareholders.								
Performance Indicators	Impact on Objective (%)	Initial Value for the Planning Period	1st Year	2nd Year	3rd Year	4th Year	5th Year	Monitoring Frequency	Reporting Frequency
PI2.2.1 The number of events for SMEs	30	5	5	5	6	6	7	Annual	Annual
PI2.2.2 The number of events where shareholders attended	20	3	3	3	3	3	3	Annual	Annual
PI2.2.3 Announcement of decisions and events regularly via different media channels	20	Done with respect to certain activities	Regular announcements	Regular announcements	Regular announcements	Regular announcements	Regular announcements	Annual	Annual
PI2.2.4 The number of projects made to carry out joint scientific studies with the academia	15	2	3	3	3	4	4	Annual	Annual
PI2.2.5 To make activities in order to spread competition law in universities at graduate and post graduate level.	15	-	Taking the necessary initiatives	Follow up	Follow up	Follow up	Follow up	Annual	Annual
Responsible unit(s)	ERTCAD								
Coordinating unit(s)	PPRA, SEDs, DD, LA								
Risks	<ul style="list-style-type: none"> - As the recognition of the TCA increases, subjects out of its mandate are brought to the agenda. - Not the whole initiative is on the TCA with respect to cooperation to be made. 								

STRATEGY DEVELOPMENT

Strategies	<ul style="list-style-type: none"> - Events will be made in coordination with chambers of industry and trade to inform SMEs. - Shareholders will be included as much as possible in the studies regarding sector inquiries and the secondary legislation. - Communication channels will be used more effectively via choosing expressions that reflect TCA's mandate better. - Joint studies will be made with the academia. - Activities will be made in order to spread competition law in universities at graduate and post graduate level. - Informative activities will be made to announce Board decisions in an understandable way.
Cost Estimations	Strategies determined do not impose additional obligations on the Authority's budget.
Findings	<ul style="list-style-type: none"> - SME's do not have sufficient information about competition law and the TCA. - Board decisions are not followed and understood properly. - There are not sufficient academic work about competition law.
Needs	<ul style="list-style-type: none"> - Informing shareholders about TCA's functions and benefits to the public. - Informing shareholders more effectively and rapidly via choosing expressions that reflect TCA's mandate better. - Making academic work to contribute to the development of competition law and policy

STRATEGY DEVELOPMENT

AXIS 3: POLICY-MAKING									
Purpose (P3)	To detect markets with failures and/or high potentials of infringements and to develop competition law policies with respect to those markets.								
Objective (O3.1)	To develop proactive approaches for enforcement								
Performance Indicators	Impact on Objective (%)	Initial Value for the Planning Period	1st Year	2nd Year	3rd Year	4th Year	5th Year	Monitoring Frequency	Reporting Frequency
PI3.1.1 The number of sector inquiry reports published	40	1	1	1	1	1	1	Annual	Annual
PI3.1.2 Activities related to monitoring the market	20	-	Identifying the markets and establishing a system	Follow up	Follow up	Follow up	Follow up	Annual	Annual
PI3.1.3 The number of contributions made by the working group to be formed	20	-	1	1	2	2	2	Annual	Annual
PI3.1.4 The number of joint activities with public and private institutions	20	-	1	1	2	2	2	Annual	Annual
Responsible unit(s)	SEDs								
Coordinating unit(s)	ERTCAD, EARD, SDRBD, PPRA								
Risks	<ul style="list-style-type: none"> - Not collecting correct and sound information related to sectors - Insufficient cooperation with regulators concerning sectors with market failures - Inefficient intervention due to not penetrating to sector dynamics entirely 								
Strategies	<ul style="list-style-type: none"> - Sector inquiries will be made concerning the sectors specified by the Board. - In cooperation with the institutions concerned, institutional mechanisms will be established to monitor the markets specified. - A working group will be established to contribute to policy-making related to innovative markets triggered by digitalization. - During the policy-making process related to problematic issues, cooperation will be made with public and private institutions concerned. 								
Cost Estimations	Strategies determined do not impose additional obligations on the Authority's budget.								
Findings	<ul style="list-style-type: none"> - There are solvable behavioral failures in sectors with structural failures. - New markets have emerged as a result of economic and technological developments. - Institutions concerned with a relevant sector do not work in coordination. 								
Needs	<ul style="list-style-type: none"> - Increasing sectoral know-how and understanding new markets affected by the facts such as big data and algorithms - Developing communication and cooperation with the authorities concerned for the necessary sectoral reforms 								

STRATEGY DEVELOPMENT

AXIS 3: POLICY-MAKING									
Purpose (P3)	To detect markets with failures and/or high potentials of infringements and to develop competition law policies with respect to those markets.								
Objective (O3.2)	To focus on increasing consumer welfare								
Performance Indicators	Impact on Objective (%)	Initial Value for the Planning Period	1st Year	2nd Year	3rd Year	4th Year	5th Year	Monitoring Frequency	Reporting Frequency
PI3.2.1 To carry out activities for contributing to consumer welfare	30	-	Organizing the activities	Follow up	Follow up	Follow up	Follow up	Annual	Annual
PI3.2.2 The number of cooperations with relevant authorities	30	-	2	2	2	2	2	Annual	Annual
PI3.2.3 The number of analyses made to measure the contribution to the consumer welfare	40	1	1	-	1	-	1	Biennial	Biennial
Responsible unit(s)	ERTCAD, EARD								
Coordinating unit(s)	SEDs, SDRBD								
Risks	<ul style="list-style-type: none"> - Relevant authorities are not sufficiently conscious about strengthening consumers. - The border between protection of consumers and competition law is unclear. - Competent authorities do not cooperate. 								
Strategies	<ul style="list-style-type: none"> - Studies/market inquiries will be made in areas which may contribute to consumer welfare and create macro effects. - TCA will cooperate with relevant regulatory authorities in liberalized markets with significant information asymmetry and other failures and encourage policies towards strengthening and informing consumers. - The effects of decisions on consumer welfare will be measured and shared with the public. 								
Cost Estimations	Strategies determined do not impose additional obligations on the Authority's budget.								
Findings	<ul style="list-style-type: none"> - Due to digitalization, consumer data provide market power to undertakings. - Consumers cannot organize and affect policy processes like undertakings, as they are numerous and scattered. - Consumers are not in the habit of participating to the market actively especially in liberalized sectors, which interrupts the establishment of competition. - People are not aware of the contribution by competition law enforcement to consumer welfare. - The impact of decisions on consumer welfare is not measured regularly. 								
Needs	<ul style="list-style-type: none"> - The functioning of new markets, which have emerged with digitalization, requires a holistic approach. - Consumers should access to information more easily and should be strengthened by means of decreasing transaction costs. - Competition and consumer policies should be followed in harmony in order to gain the expected benefits from liberalization. - The effects of decisions on consumer welfare should be measured. 								

STRATEGY DEVELOPMENT

AXIS 3: POLICY-MAKING									
Purpose (P4)	To be an active competition authority in international arena								
Objective (4.1)	To develop international relationships in the area of competition law								
Performance Indicators	Impact on Objective (%)	Initial Value for the Planning Period	1st Year	2nd Year	3rd Year	4th Year	5th Year	Monitoring Frequency	Reporting Frequency
PI4.1.1 The number of international organizations TCA participated	30	2	3	4	4	5	5	Annual	Annual
PI4.1.2 The number of international academic work by the professional personnel	30	2	2	2	3	3	3	Annual	Annual
PI4.1.3 The number of professional meetings TCA contributed actively	20	15	16	17	18	19	20	Annual	Annual
PI4.1.4 The number of meetings organized in Turkey	20	1	1	1	1	1	1	Annual	Annual
Responsible unit(s)	ERTCAD								
Coordinating unit(s)	All service units								
Risks	<ul style="list-style-type: none"> - Uncertainty in the EU process - Differences in language, culture and legal traditions 								
Strategies	<ul style="list-style-type: none"> - The TCA will take initiatives to take charge in every level in international organizations. - The TCA will encourage professional personnel to make international studies. - The TCA will actively contribute to international professional meetings. - International meetings will be made to contribute to national competition law and policy. - The TCA will actively communicate with publishing platforms active in international arena. 								
Cost Estimations	Strategies determined do not impose additional obligations on the Authority's budget.								
Findings	<ul style="list-style-type: none"> - Sectors and competition law rules have converged as a result of globalization. - The Board reviews files regarding multinational companies more frequently. - The TCA does not participate to international organizations actively enough. 								
Needs	<ul style="list-style-type: none"> - Communication with international competition authorities and multilateral organizations should be increased. - The TCA should contribute actively to international platforms for proactive practices and policies. 								

STRATEGY DEVELOPMENT

AXIS 3: POLICY-MAKING									
Purpose (P5)	To produce and spread knowledge about competition law and policy and transfer this knowledge into benefits								
Objective (O5.1)	To make academic and semi-academic studies related to competition law and policy								
Performance Indicators	Impact on Objective (%)	Initial Value for the Planning Period	1st Year	2nd Year	3rd Year	4th Year	5th Year	Monitoring Frequency	Reporting Frequency
PI5.1.1 The number of publications by the TCA	40	22	25	27	30	30	30	Annual	Annual
PI5.1.2 The number of personnel whose work was published	20	17	20	22	22	25	25	Annual	Annual
PI5.1.3 The number of works produced after inquiry and training activities	10	-	1	1	1	1	1	Annual	Annual
PI5.1.4 To include Competition Journal in ULAKBİM index and the number of articles published	20	6	8	8	8	10	10	Annual	Annual
PG5.1.5 The number of attributions to publications	10	0.78	0.80	0.85	0.90	0.95	1	Annual	Annual
Responsible unit(s)	The Presidency								
Coordinating unit(s)	EARD, SEDs, LA, SDRBD, ERTCAD, IMD								

STRATEGY DEVELOPMENT

Risks	<ul style="list-style-type: none"> - The personnel might not spare sufficient time due to work load. - The personnel might not be motivated. - Might not be sustainable - Studies cannot achieve their objectives because commercial secrets and confidential documents in files cannot be used.
Strategies	<ul style="list-style-type: none"> - The TCA will carry out necessary practices to produce and spread knowledge about competition law and policy and transfer this knowledge into benefits. - The TCA will encourage scientific studies and share experiences. - Channels will be established and developed for publishing and making accessible scientific work. - Efforts will be made to include Competition Journal in ULAKBİM and the number of articles in Competition Journal will be increased.
Cost Estimations	Strategies determined do not impose additional obligations on the Authority's budget.
Findings	<ul style="list-style-type: none"> - Competition law analyses have produced a deep knowledge. - The knowledge gained during training activities is not shared within the Authority. - Knowledge and experience are put in written form in a small scale. - There are difficulties in transforming tacit knowledge to explicit knowledge.
Needs	<ul style="list-style-type: none"> - To develop competition law and economics literature and guide that literature - To develop theoretical background related to the problems faced in files - To transform knowledge and experience to scientific work - To develop and enrich literature

STRATEGY DEVELOPMENT

AXIS 4: INSTITUTIONAL CAPACITY									
Purpose (P6)	To manage efficiently and improve the productivity of human resources								
Objective (O6.1)	To increase the quality and quantity of training programs for the personnel								
Performance Indicators	Impact on Objective (%)	Initial Value for the Planning Period	1st Year	2nd Year	3rd Year	4th Year	5th Year	Monitoring Frequency	Reporting Frequency
PI6.1.1 To carry out regular needs assessment studies	20	-	Needs assessment studies	Needs assessment studies	Needs assessment studies	Needs assessment studies	Needs assessment studies	Annual	Annual
PI6.1.2 The rate of participation to training	40	-	80%	80%	80%	80%	80%	Annual	Annual
PI6.1.3 Informing the relevant personnel about all activities	40	-	Follow up	Follow up	Follow up	Follow up	Follow up	Annual	Annual
Responsible unit(s)	ERTCAD								
Coordinating unit(s)	ASD, SEDs, LA								
Risks	<ul style="list-style-type: none"> - The personnel might not be motivated for training programs. - There are different training needs according to departments. 								
Strategies	<ul style="list-style-type: none"> - The personnel will be asked for their opinion about training needs. - More personnel will be included in training activities. - The personnel will be informed when an employee attends a training program outside the Authority. 								
Cost Estimations	Strategies determined do not impose additional obligations on the Authority's budget.								
Findings	<ul style="list-style-type: none"> - The personnel is not sufficiently informed about the training programs attended. - Training programs do not always meet the needs properly. - Training programs outside the TCA are not comprehensive and requires in-house sharing. 								
Needs	<ul style="list-style-type: none"> - To meet the training needs resulting from current developments - To follow current developments 								

STRATEGY DEVELOPMENT

AXIS 4: INSTITUTIONAL CAPACITY									
Purpose (P6)	To manage efficiently and improve the productivity of human resources								
Objective (O6.2)	To ensure efficient communication and coordination among the personnel								
Performance Indicators	Impact on Objective (%)	Initial Value for the Planning Period	1st Year	2nd Year	3rd Year	4th Year	5th Year	Monitoring Frequency	Reporting Frequency
PG6.2.1 Regular meetings between high level managers and the staff	40	Held annually on a department basis	Annual meeting with all departments	Annual meeting with all departments	Annual meeting with all departments	Annual meeting with all departments	Annual meeting with all departments	Annual	Annual
PI6.2.2 The number of social events	30	4	5	5	6	6	7	Annual	Annual
PI6.2.3 Number of works related to sharing information and experience	30	2	4	5	6	7	8	Annual	Annual
Responsible unit(s)	ASD								
Coordinating unit(s)	All service units								
Risks	- The personnel might not be interested in social events and sharing information.								
Strategies	<ul style="list-style-type: none"> - High level managers will hold regular meetings with the staff to share knowledge and opinions. - Social events will be organized to bring high level managers and the staff together. - Regular meetings will be held to share with the personnel knowledge and experience gained as a result of TCA's work and transactions. 								
Cost Estimations	Strategies determined do not impose additional obligations on the Authority's budget.								
Findings	<ul style="list-style-type: none"> - Communication among the staff affects motivation positively. - Social events affect motivation positively. - Communication about vocational issues among the professional personnel is not sufficient. 								
Needs	<ul style="list-style-type: none"> - To increase communication among the staff - To increase knowledge and experience sharing among the professional personnel. 								

STRATEGY DEVELOPMENT

AXIS 4: INSTITUTIONAL CAPACITY									
Purpose (P7)	To increase institutional performance								
Objective (O7.1)	To improve the competency of the professional personnel								
Performance Indicators	Impact on Objective (%)	Initial Value for the Planning Period	1st Year	2nd Year	3rd Year	4th Year	5th Year	Monitoring Frequency	Reporting Frequency
PI7.1.1 To make efforts to increase the quota for post graduate studies abroad	20	-	To take the necessary steps	Follow up	Follow up	Follow up	Follow up	Annual	Annual
PI7.1.2 The number of professional events the personnel attends abroad	20	30	30	30	30	30	30	Annual	Annual
PI7.1.3 The number of personnel attending professional events abroad	20	36	38	38	40	40	40	Annual	Annual
PI7.1.4 The number of reports about professional events abroad	10	4	6	8	10	12	12	Annual	Annual
PI7.1.5 Establishing and maintaining fellowship system	30	-	Establishing the system	Follow up	Follow up	Follow up	Follow up	Annual	Annual
Responsible unit(s)	ERTCAD, SEDs								
Coordinating unit(s)	ASD								
Risks	- Attendance to educational events abroad depends on factors outside the TCA.								
Strategies	<ul style="list-style-type: none"> - Accompaniment system will be established for training assistant competition experts and information and experience will be transferred to assistant experts on a regular basis. - Initiatives will be made for increasing the quota for post graduate education and providing doctorate opportunities abroad. - The number of personnel attending to professional events abroad will be increased. - The personnel will attend national sectoral events more and share the knowledge. - Reports about concrete proposals related to meetings in the country and abroad will be shared and archived. 								
Cost Estimations	Strategies determined do not impose additional obligations on the Authority's budget.								
Findings	<ul style="list-style-type: none"> - It is necessary to follow current developments in competition law and policy. - Additional hardware for the personnel is needed due to digitalization. - The quota granted to the TCA for post graduate education abroad is insufficient in the face of increasing number of personnel. - The personnel is not sufficiently informed about the training programs attended 								
Needs	<ul style="list-style-type: none"> - To follow current developments in competition law and policy. - To give information more efficiently related to events attended within Turkey and abroad. 								

STRATEGY DEVELOPMENT

AXIS 4: INSTITUTIONAL CAPACITY									
Purpose (P7)	To increase institutional performance								
Objective (O7.2)	To increase capacity with respect to technological developments								
Performance Indicators	Impact on Objective (%)	Initial Value for the Planning Period	1st Year	2nd Year	3rd Year	4th Year	5th Year	Monitoring Frequency	Reporting Frequency
PI7.2.1 To identify and meet technical hardware and software needs regularly	40	Made regularly	Follow up	Follow up	Follow up	Follow up	Follow up	Annual	Annual
PI7.2.2 Regular training related to new technologies	30	Made regularly	Follow up	Follow up	Follow up	Follow up	Follow up	Annual	Annual
PI7.2.3 Technological improvement at administrative processes	30	Made regularly	Follow up	Follow up	Follow up	Follow up	Follow up	Annual	Annual
Responsible unit(s)	IMD								
Coordinating unit(s)	ASD, ERTCAD, SEDs, LA								
Risks	<ul style="list-style-type: none"> - Adaptation to technological developments is costly. - There are barriers and limitations resulting from the legislation. - Human resources might be resistant to adapt to technological developments. - The administration might lag behind fast technological developments. 								
Strategies	<ul style="list-style-type: none"> - Technical hardware and software will be improved to adapt to technological developments quickly. - Human resources will be improved to adapt to technological developments quickly. - Administrative processes will be adapted to technological developments. 								
Cost Estimations	Strategies determined do not impose additional obligations on the Authority's budget.								
Findings	<ul style="list-style-type: none"> - Business manners have changed due to fast changing technology, which creates a threat and an opportunity at the same time with respect to competition law enforcement. - There are challenges in collecting evidence and detect violations. - Not adapting to technological developments in time increases social costs. 								
Needs	<ul style="list-style-type: none"> - To adapt to technological developments quickly and timely. - To benefit from new technologies in collecting evidence and detecting violations. 								

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AXIS 4: INSTITUTIONAL CAPACITY									
Purpose (P7)	To increase institutional performance								
Objective (O7.3)	To systematize and use more effectively professional knowledge								
Performance Indicators	Impact on Objective (%)	Initial Value for the Planning Period	1st Year	2nd Year	3rd Year	4th Year	5th Year	Monitoring Frequency	Reporting Frequency
P17.3.1 Publishing periodical reports to follow Board decisions and judiciary decisions as well as international developments	35	Regularly published	Follow up	Follow up	Follow up	Follow up	Follow up	Annual	Annual
P17.3.2 The number of informative meetings	35	-	2	2	3	3	4	Annual	Annual
P17.3.3 Improving decision search engine	30	In progress	Identifying needs and improvement	Follow up	Follow up	Follow up	Follow up	Annual	Annual
Responsible unit(s)	DD								
Coordinating unit(s)	LA, SEDs IMD, SDRBD								
Risks	<ul style="list-style-type: none"> - Work load might be increased at responsible departments. - Incentives to make research might be decreased. - Incentives to develop new approaches and perspectives might be decreased. - Past decisions do not provide guidance sufficiently because it is necessary to keep trade secrets and confidential information. 								
Strategies	<ul style="list-style-type: none"> - Publications of periodic bulletins showing important Board decision summaries and international developments will continue. - DD, LA and SEDs will give information about Board decisions and judicial decisions to professional personnel in regular meetings. - Search engines related to Board decisions and judicial decisions will be improved so that users could make detailed search. - Regular announcement mechanism will be produced so that the professional staff can follow Board decisions, policies and instructions. 								
Cost Estimations	Strategies determined do not impose additional obligations on the Authority's budget.								
Findings	<ul style="list-style-type: none"> - The professional personnel do not follow important Board decisions and judicial decisions due to work load. - Decision search engines are insufficient. - It is not possible to search decisions with key words. 								
Needs	<ul style="list-style-type: none"> - To reflect the developments in Board decisions properly - To develop decision search tools - To remedy the failures in implementation of the legislation and preparation of professional reports. 								

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5. MONITORING AND EVALUATION

Periodic monitoring and evaluation of to what extent institutional purposes and objectives determined in the Strategic Plan are met is important for the success of the Plan. As the Strategic Plan is related to five years, risks related to purposes and objectives as well as performance criteria to measure the objectives may have to be updated after some time.

Monitoring will provide an opportunity to make an evaluation whether the TCA is moving on the course drawn by the Strategic Plan. Accordingly, the Strategic Plan will be periodically monitored, evaluated and reviewed when necessary within the framework of current conditions.

To this end, in order to facilitate monitoring and evaluation, the performance criteria are specified in relation with the purposes and objectives. Strategies and activities for the realization of purposes and objectives are associated with responsible units.

In case there is a difference between the objectives and the realized results, the reasons for the deviation will be analyzed and remedial suggestions will be made. Moreover, objectives which lost their actuality will be detected and new purposes and objectives will be set where necessary.

The progress about the realization of the objectives stated in the Strategic Plan will be reported annually. The report will include the progress in the implementation of the Plan as well as the reasons and solutions for unrealized objectives. The reports will help monitoring the implementation, making evaluations and improving the relevant activities.

Evaluation process will compare and measure the results of implementation with strategic purposes and objectives and analyze their coherency and compatibility. Taking into account monitoring reports, performance objectives will be compared with implementation results. Feedback will be provided by using the results of monitoring and evaluation processes during strategic planning process. After the results of the activities are analyzed according to their timing and compatibility with objectives, in case

- a) There are not any fundamental changes in TCA's capacity or the environment where the activities are carried out,
- b) Strategies and activities are carried out as planned,
- c) Strategic objectives and progress expectations for realizing the objectives are convenient,

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the Plan will be confirmed and continue to be implemented. However, if there are changes in those issues and unexpected results occur, the Plan will be reviewed, reevaluated and implemented after being updated.

The process of monitoring and evaluation will ensure institutional learning and continuous improvement; moreover, contribute to accountability and transparency.

