

**LAW OF THE CENTRAL FINANCE AND CONTRACTS UNIT ON THE
EMPLOYMENT AND BUDGET PRINCIPLES**

(Unofficial Translation)

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Objective:

ARTICLE 1 – (1) The objective of this Law is to manage the Central Finance and Contracts Unit's employment and budget principles, and its administrative relations with Undersecretariat of Treasury.

Definitions

ARTICLE 2 – (1) In execution of this law;

a) Mid-level Manager: the staff between the Director and the expert staff, with an amount and title shown in the Unit organization chart determined in the framework of Memorandum of Understanding,

b) Minister: the Minister responsible for the Undersecretariat of Treasury,

c) Unit: the Central Finance and Contracts Unit,

d) Head of Unit: the Director of the Central Finance and Contracts Unit,

e) Support Staff: the staff employed to provide the supporting services such as administrative, financial, security and civil defence, within the framework of the defined tasks related to assisting units in the Law no.3046 dated 27/9/1984,

f) Commission: the commission which is composed of in total five members, headed by the Head of Unit with an approval of the National Authorising Officer. The commission is composed of two mid-level managers from the Unit and two managers, with at least Head of Department level, from the Undersecretariat.

f) Memorandum of Understanding: the Memorandum of Understanding that is approved with the Law no. 4802 dated 30/1/2003 for the establishment of the Unit, and accepted with 24/2/2003 dated Cabinet Decision no. 2003/5313, along with its addenda and modifications,

g) Undersecretariat: the Undersecretariat of Treasury,

h) National Aid Coordinator: General Secretary of the European Union Affairs,

i) National Authorising Officer: Undersecretary of Treasury,

j) Expert Staff: the staff including legal advisor, computer programmer and system analyser, to be employed provisionally or by service contract for execution of the tasks defined in the Memorandum of Understanding.

Employment Principles

ARTICLE 3 – (1) The duties of the Unit is conducted by the expert staff and the support staff employed under service contract, and civil servants that will be recruited provisionally. The number of the support staff can not exceed 20% of total number of the Unit staff.

(2) Director of the Unit is appointed by the National Authorising Officer in consultation with the National Aid Coordinator. Mid-level managers are appointed by the National Authorising Officer on the proposal of the Unit Director. Expert Staff is selected by the Commission and employed in the Unit with the consent of the National Authorising Officer. In dismissal of the said staff, the same procedure is applied.

(3) The Turkish staff that will be employed provisionally or by service contract in the Unit must meet the general requirements specified in the Article 48 of the Civil Servants Law no. 657. In addition to this, Turkish expert staff must also meet the following requirements;

- a) Graduate from the faculties, with at least a four year education of political science, law, economics and administrative sciences, economics, engineering faculties; mathematics and statistics departments of universities and faculties or the foreign faculties that are approved by the Council of Higher Education in terms of equivalence,
- b) Getting at least 80 points from the Foreign Language Proficiency Examination for Civil Servants, or having an internationally recognized certificate of which equivalence is accepted.

(4) The salary of the Head of Unit (one of the staff employed with service contract) should not exceed the salary amount (including all types of payments) of the General Director in the Undersecretariat; the salaries of the Senior Finance and Senior Contract Managers (two of the mid-level managers) should not exceed the salary amount (including all types of payments) of the Deputy General Director in the Undersecretariat; the salary of the other mid-level managers should not exceed the salary amount (including all types of payments) of the Head of Department in the Undersecretariat; the salary of the expert staff should not exceed the salary amount (including all types of payments) of the Treasury Expert performing at 1st degree cadre in the Undersecretariat; the salary of the support staff should not exceed the salary amount (including all types of payments) of the precedent personnel in the Undersecretariat. The salary of these staff is defined in the service contract to be signed between them and the Unit.

(5) The working procedures and principles, leave of absences, rights and responsibilities of the Unit staff; the issue of in which conditions the staff will be dismissed and the amount of payments for the foreign experts will be specified in the

public act to be published with the opinion of the Ministry of Finance and State Personnel Presidency.

(6) Personnel performing in Public Administrations within the context of General Budget, administrations with private budgets and social security institutions can be employed with their own consent after getting their institution's consent. The Unit's requests on this issue are pre-concluded by the relevant administrations. The personnel in this context are counted as absent without payment by their institutions as the service contract is conducted. As working subject to the personnel laws, the staff counted as absent without payment according to this item, in the period that they are considered in unpaid leave, their social security rights will be functioning. Moreover, this period will function as they are working in their institutions, and the duration is counted for their promotions and they promote without need for any procedure in the exact time.

(7) The personnel working in the administrations defined in item 6 can be employed provisionally in the Unit, provided that their institutions will meet their salaries, allowances, all kinds of rise and reparations, other financial and social rights and aids. University academic personnel can also be employed in the Unit, according to the Higher Education Law No.2547 concerning article clause 38. Except the staff employed according to this article, if the staff is employed according to this article, by multiplying the quotient applied for the civil servant salaries with 3000 indicator digit for the Head of Unit, and for the Senior Finance and Senior Contract Managers (two of the mid-level managers) with 2000 indicator digit, the result amount will also be paid every month by the Unit, without subject to the other law's restrictive clauses. There will be no reduction from these payments except the stamp tax.

(8) The discipline and record clauses of the number 657 law for the State Employees are applied for Unit staff.

Expenses of the Unit

ARTICLE 4 – (1) All of the expenses of the Unit are met within a Special Account to be opened with the Turkish Republic Central Bank or one of its correspondent office of T.R. Ziraat Bank.

(2) The expenses of the Unit will be transferred from the general budget to the Unit's account.

(3) the Head of Unit is the authorising officer for the expenses from the special account.

PROVISIONAL ARTICLE 1 – (1) Beginning from the date when this law come into force, without need of any procedure, the provisional staff of this Unit will be counted as absent without payment from their institutions, as of they sign service contract with the Unit. If any staff wants to continue working as provisional staff, they will stay in the same statute and not sign a contract.

(2) The date when this law come into force, the contract signed personnel's contracts will be in operation until the end of contract duration. At the end of this period, according to the Article 3 concerning item 4, a service contract will be signed with this personnel.

Enforcement

ARTICLE 5 – (1) This Law comes into force at the publication date.

Execution

ARTICLE 6 – (1) The provisions of this Law is executed by the Cabinet.