Turkey

Dr. Toker Eruder, October 2005

1. The country

Official name	Republic of Turkey - Türkiye Cumhuriyeti
Population	71.8 m (2004) 67.803.927 (2000-last census)
Capital City	Ankara (3.887.844 population)
Currency	New Turkish Lira (YTL)
Area	769,604 km² (excluding lakes and dams)
Density	93 persons/km² (2004) 88 persons/km² (2000)
Distribution	Urban- 64.9%, Rural- 35.1% (2000)
Neighbours	Armenia (268 km border), Azerbaijan (9), Bulgaria (240), Georgia (252) ,Greece (206), Iran (499), Iraq (331), Syria (882)
Population profile	Majority Turkish; Kurdish, Circasian, Bosnian, Roma, Arab and others (Source: European Commission, Regular Report on Turkey's progress towards accession (COM(2004)).
Language(s)	Turkish (official language), various dialects Kurdish, Circasian, Arabic and Bosnian; other languages and dialects
Religion	Muslim: 99.8%; Christian, Jewish and others 0.2%
Life expectancy	Total: 68.8, (male-66.6), (female-71.2)

Geography

The lands of Turkey are located at a point where the three continents making up the Old World. Asia, Africa and Europe are closest to each other, and straddle the point where Europe and Asia met. Because of its geographical location the mainland of Anatolia has always found favor throughout history, and is the birthplace of main great civilizations. It has also been prominent as a center of commerce because of its land connections to three continents and the sea surrounding it on three sides.

Geographically, the country is located in the Northern half of the hemisphere at a point that is about half way between the equator and North Pole. Turkey occupies a surface area of 783.562 square kilometers. About three percent of the total area lies in Southeastern Europe (Thrace) and the remainder in Southwestern Asia (Anatolia or Asia Minor). Turkey has borders with Greece, Bulgaria, Syria, Iraq, Iran, Georgia, Armenia, and Azerbaijan. The shape of the country resembles a rectangle, stretching in the east-west direction for approximately 1, 565 kilometers and in the north-south direction for 650 kilometers. Seas surround the three sides of Turkey: in the north, the Black Sea; in the northwest, the Sea of Marmara; in the west, the Aegean Sea; and in the south, the Mediterranean.

Demography

In 1927, Turkey's population was 13.6 million according to the census, which was conducted four years after the establishment of the Republic. Beginning with the 1935 census, subsequent population censuses were undertaken at 5-year intervals, with the last complete census occurring in 2000. According to this census, the population increases to 67.8 million. Turkey is among the 20

most populous countries of the world and is the most populous country of the Middle East (SIS, 1999; Population Reference Bureau, 1999).

Turkey has a young population structure as a result of the high fertility and growth rates of the recent past. Recent decades have witnessed dramatic declines especially in fertility rates. In the early 1970s, the total fertility rate was around 5 children per woman, whereas the estimates in the early 1990s put the total fertility rate at less than 3 children. The crude birth rate is 20.6 per thousand and crude death rate is 7.1 per thousand (SIS, 2004). The Turkish population is expected to reach replacement level in 2005 and to reach 88 million by the year 2025. As a consequence of past trends, major changes are expected to take place in the relative and absolute sizes of age groups. During the next 20 years, the size of the age group 20-54 will have doubled, and the proportion of the elderly will reach 10 percent. There is a migration from underdevelopment region to developed region, from rural area to urban area, from Turkey to abroad also external migration especially from east neighbors as refugee, war victim etc.

The population growth has been around 20-25 per thousand since the 1970s. The latest estimate of the population growth rate was 18.3 per thousand for 2000. The population of Turkey has almost quadrupled since the establishment of the Republic. After a long period when population growth rates fluctuated around 2.5 percent per annum, 2000 census revealed that the growth rate had slowed down to 1.8 percent, resulting in a total population of 67.8 percent in 2000. According to the projections, the population of Turkey is expected to reach 76 million in the year 2010 and 88 million in 2025 (Population Reference Bureau, 1999). Life expectancy during the 65 years period of 1935-2002 showed 21.3 years increase for female and 15.5 years for men while both crude birth and mortality rates steadily decreased, by 22.4 and 24.7 respectively. The latest estimates put life expectancy in Turkey at 71 years for women and 67 years for men. This is well below the 1998 EU average life expectancy at birth of 80.5 years for women and 74.4 for men. It is also lower than the 1999 average for all of Europe of 77.6 years for women and 69.5 years for men. There are also regional variations within Turkey in life expectancy at birth (SIS, 2000).

Turkish is the mother tongue of 90 percent of the population of the country. Some 70 other languages and dialects are also spoken, including various dialects of Caucasian and Kurdish as well as Arabic, Greek, Ladino and Armenian. The founder of the Republic, Mustafa Kemal Ataturk, believed that it was essential to make use of Western culture in order for the country to reach the level of contemporary civilisation, to which end, in 1928, he brought about the acceptance of Latin letters, modified to reflect the sounds of the Turkish language, to replace the Arabic alphabet. % 99 of the population is Muslim. Turkey is the only country among Islamic countries, which has included secularism in her Constitution and guarantees complete freedom of worship to non-Muslims.

Political history

Following the War of Independence, the Turkish Republic was founded in 1923 and Turkey proceeded to found its political and legal systems on modern, secular European models in line with the principles of the First President Mustafa Kemal Atatürk. A law abolishing the Caliphate was passed in March, 1924. A series of measures known as the Kemalist reforms lead to the adoption of the Gregorian calendar, the introduction of a modified latin alphabet and the adoption of new civil, commerical and penal codes based on European models. Turkey became a secular state in 1928, when the clause retaining Islam as the state religion was removed. In 1945 Turkey entered the Second World War on the side of the Allies against Germany. It joined the United Nations in the

same year, and became a member of the NATO alliance in 1952. In August 1949 Turkey joined the Council of Europe shortly after its foundation. Turkey held its first open elections in 1950. An army coup subsequently deposed the party from office in 1960. A new constitution providing for a bicameral legislature was adopted the following year. In 1963 Turkey signs an Association agreement with the European Economic Community (EEC). A New constitution was adopted in 1982 following a military coup and the imposition of martial law in 1980. The new Constitution created a seven-year presidency, and reduced the parliament to a single house. Turkey applied for full EEC membership in 1987 and became candidate country on 3 October 2005.

Political system

Turkey is a Parliamentary Republic. Its present Constitution was ratified 7 November 1982 and has been amended several times since then. The parliamentary system is unicameral, with the 550 members of the Turkish Grand National Assembly (TGNA) facing election every five years. The head of state is the President who is elected by an absolute majority of the TGNA to serve a seven year term. The laws passed by the TGNA must be promulgated by the President within 15 days. The President may, however, refer the law back to the Parliament for reconsideration.

The central administration, headed by the government, is represented in the territory by 81 governors in the 81 provinces. There are sub-governors at district (850) level. The Governor is assisted by a directly elected provincial council, and district councils. Several ministries have offices at provincial and district level. An autonomous local administration exists at the level of municipalities (16 large metropolitan municipalities (MM) - subdivided in sectors - and 3200 other smaller towns) which elect a mayor and a municipal council. Istanbul MM has a population of 9.5 million, Ankara over 3 million, Izmir over 2 million.

Economic profile

Turkey has significantly improved the functioning of its market economy, although macroeconomic imbalances remain. Foreign Direct Investment, while it has increased sharply in 2004, remains low for an economy the size of Turkey's. One major positive development is that inflation has been significantly reduced, having come down from 65% in 1999 to single digit rates by the middle of 2004. Turkey recently has also enjoyed healthy growth rates, with GDP growth climbing to 12% in the first half of 2004, resulting in estimated growth of 8% over the year as a whole. This is due particularly to the economic policies pursued after the economic crisis of 2001. Despite a strong budget performance resulting in a surplus of 6% of GNP, Turkey still has a burgeoning current account deficit and a large government debt (about 75% of GDP at end of 2004). However, important progress has been achieved in increasing the transparency and efficiency of public administration. The combination of healthy growth, falling inflation and a tight fiscal policy has made the Turkish economy more robust and resilient to shocks. With regard to the labour market, economic expansion has started to finally result in the recovery of some of the estimated 1 million jobs lost in the immediate wake of the 2001 economic crisis. Employment grew by 2% in 2004, allowing the official unemployment rate to drop to just 10% in the final quarter of the year. Economic recovery has also prompted a growth in wages, with both private and public sector wages increasing (by about 3% in real terms) for the first time since 2000. State interference in the economy has been reduced in recent years. Political influence on state banks has declined and important markets, such as electricity, telecommunication, sugar, tobacco and petroleum, have been liberalised. Turkey is still undergoing a transition from an agriculture based economy to a service oriented economy, although the share of employment in agriculture is still high.

Turkey has been a member of a customs union with the EU since 1995, which has increased the volume of trade between Turkey and EU member states. However, Turkey continues to have a large trade deficit. The EU is now by far Turkey's biggest trading partner, although certain obligations under the customs union agreement are not fully implemented on the Turkish side. The scope of this customs union covers trade in manufactured products between Turkey and the EU, and also entails alignment by Turkey with certain EU policies. Trade between the EU and Turkey in agriculture and steel products are regulated by separate preferential agreements. There is of yet no bilateral agreement on services and public procurements. In terms of product groupings, Turkey's main industrial imports from the EU continue to be machinery, automotive products, chemicals, iron and steel. Its main agricultural imports from the EU are cereals. Major EU imports from Turkey include textiles and cloth, machinery, and transport equipment.

Thanks in part to the reduction of inflation to single digit figures, Turkey has been able to introduce the "New Lira", which has been used alongside the Turksh lira since 1 January 2005. The Turkish lira is converted to the New Turkish lira as 1,000,000 = 1. Both currencies will remain in circulation at least until the end of 2005.

Relations with International Financial Institutions

Turkey has benefited from a stand-by credit facilities from the IMF. The previous three year stand-by accord expired in February 2005. However, there has been agreement on a new accord for 2005-07.

GDP per capita	US$ 6,390 (€4,952)(Sources: UN Human Development Index, 2004. Economist Intelligence Unit, Country Report April 2005. ECFIN-CCEQ Candidate Countries Economic Quarterly.) per capita (in purchasing power standards), or 27% of the EU average
Economic (GDP) growth	7.4% (2002), -7.5% (2001), 7.9% (2002), 5.8 (2003), 8.0% (2004)
Inflation rate	12% (2004)
Unemployment rate	10% (2004)
Currency	New Lira, introduced 1 January 2005. 1 New Lira = 1,000,000 Turkish Lira. 1 New Lira = €0.56 (April 2005)
Government budget balance	-7.3% of GDP (2004)
Current account balance	€11.9 billion -4.7%
Foreign debt	75% of GDP (2004)
Trade with EU (2004)	Exports to the EU: 54% of the total Imports from the EU: 46.7 % of the total

EU-Turkey relations

Turkey has had a long association with the project of European integration. It made its first application to join what was then the European Economic Community (EEC) in July 1959. This association came into being with the signing of the Ankara Agreement in September 1963. There was a temporary freeze in Turkish- EEC relations as a result of the military intervention in government in 1980. However, following the multiparty elections of 1983, relations were re-established and Turkey applied for full membership in 1987. The European Commission's Opinion on Turkish membership, endorsed by the European Council in February 1990, confirmed Turkey's eligibility for membership yet deferred an in-depth analysis of its application until the emergence of a more favourable environment. On 17 December 2004, the European Council defined the perspective for the opening of accession negotiations with Turkey. On 3 October 2005 Turkey became candidate to EU.

Health System and Expenditures

Public expenditures constitute 82.6 percent of total health expenditures in Turkey, while private expenditures on health constitute the remaining 17.4 percent. Annually, Turkey spends about 135 million TL (US$112) per person on health (2001). According to the study General Health Expenditures of Turkey estimate is approximately 8.619 trillion TL and health expenditure made per capita is approximately 127,1 million TL or 202 US dollar per capita on the dollar rate of mid year. This rate is equivalent to 463 $ from the point of Purchasing Power Parity. According to OECD classification Total Health Expenditure for 2000 is 8.248 and Current Health Expenditure is 7.888 trillion TL. Total health expenditure made per capita is equal 121.6 million TL or 194 US$ on the dollar rate of mid year and 443 US$ from the point of Purchasing Power Parity. Current health expenditure made per capita is equal 116,3 million TL or 185 US$ on the dollar rate of mid year and 424 US$ from the point of Purchasing Power Parity. Health Expenditures 2000 are 6,3% of GDP in current expenditure shares from the point of Gross Domestic Product (GDP) share and this rate is more than 25 % which has been reported by Turkey beforehand in order to make OECD comparisons. Health expenditures by MoH as a percentage of GNP have by and large remained unchanged during 1996-2001 Excluding the revolving funds of MoH facilities, health expenditures by MoH increased from 0.78 percent of GNP in 1996 to 1.03 percent in 1999, and then fell to 0.94 percent of GNP in 2001. In terms of the share of the total consolidated budget, MoH expenditures on health fell from 2.95 percent in 1996 to 2.87 percent in 1999, declining slightly thereafter to 2.19 percent in 2001. The share of MoH expenditures on health as a percentage of total public expenditures on health has fallen significantly over the years, from 33 percent in 1996 to 20.8 percent in 2001. Including the contributions of the revolving funds of MoH facilities, the share of health expenditures as a percentage of total public expenditures on health by MoH fell from 39.6 percent in 1996 to 28.6 percent in 2001.

The Turkish health care system has a highly complex structure. The actors in health care in Turkey are several public, quasi-public, private and philanthropic organizations. The agencies involved in the health sector, either directly or indirectly, are grouped according to whether they are concerned with policy formulation, provision of health care, finance of health care, or whether they have administrative jurisdiction over delivery of health care. The MoH is the main government body responsible for health sector policy making, implementation of national health strategies through programs and direct provision of health services. MoH is the major provider of primary and secondary health care, maternal health services, children's and family planning services. It is essentially the only provider of preventive health services through an extensive network of health

facilities (health centers and health posts) providing primary, secondary, and specialized in-patient and out-patient services. The Minister of Health is the highest authority in the Ministry, and is assisted by an Under-Secretary who reports directly to him. In turn, five Deputy Under-Secretaries report to the Under-Secretary. The MoH currently comprises seven general directorates: (i) Primary Health Care; (ii) Curative Services; (iii) Mother and Child and Family Planning; (iv) Pharmacy; (v) Health Education; (vi) Personnel and (vii) Borders and Maritime Health. The organization is essentially structured along vertical lines of responsibility reflected in the topic-based, functional divisions within each directorate also at the provincial level and, to a certain extent, in health centers and posts.

At the provincial level, provincial health directorates (for 81 provinces) are responsible for administering health services provided by the MOH. The provincial health directorates are accountable to provincial governors for administrative matters and to the MoH for technical matters. Directors of MoH hospitals report to the Director General of Curative Services, while Directors of Health Centers report to the Director General of Primary Health Care. The central office of the MoH has responsibility for the provincial health directors. More specifically, the Director-General of Personnel has the ability to retain or delegate powers to the provincial directors. A doctor heads MoH's provincial health centers. Health centers are under the supervision of the provincial health directorate. The provincial health director is responsible for day-to-day planning and administration of all primary care activities in the province and must receive approval of health services activities from Ankara as well as from the provincial governor. Doctors for primary care facilities are recruited and assigned to their posts centrally by the Personnel General Director while other health center staff are assigned by MoH to a particular province and distributed to specific primary care facilities by the Provincial Health Directorate. Health center operating expenses are paid through the provincial government and supplies are provided to the centers through the provincial health directorate, based on their availability and past usage rather than actual case loads. In some areas, district level Group Doctors have been created to act as administrative head of a group of heath centers, but their position is ill-defined.

Health services in Turkey are supplied by a multitude of public and private providers. The two key public providers are the MoH and the Universities through University hospitals. Other public Ministries, (Defense, Transport, Education), some state enterprises and municipalities also provide health services, but their capacity is quite limited. At the central level the MoH is the major government body responsible for sectoral policy making, implementation of national health strategies and programs and provision of health services. At the provincial level, provincial health directorates, accountable to the provincial governors for administrative matters and to MoH for technical matters, administer health services provided by MoH. MoH is the major provider of primary and secondary health care and essentially the only provider of preventive health services. MoH operates an extensive network of health facilities providing primary, secondary and specialized inpatient and outpatient care. University hospitals provide in-and outpatient care. Public sector health facilities are complemented by a much smaller network of private facilities providing both inpatient and outpatient care. The MoH is the most important public provider of primary health care and essentially the sole provider of preventive health services. It is also the major provider of maternal health care services. These services are provided through a network of health posts and health centers which were established throughout the country on the basis of the 1963 law on socialization of health services. According to this law, primary care implies that national policies influence the location of physician practice so that they are distributed throughout the population rather than concentrated in certain geographic areas. Although primary care centers are aimed to be distributed throughout the population rather than concentrated in certain geographic areas, it does not come to reality. Primary health centers do not represent the equitable distribution of physicians'

resources. Rural health posts serve an average of 1,500 people and for three types of health centers. Current regulations provide for rural health posts to be staffed by a midwife who is to provide primary health care and family planning services, attend deliveries and make monthly visits to ascribed households. Rural health posts are attached to and supervised by a health center. Rural health centers are to serve a population of 2,500 and have a staff of eight, including a general practitioner, a nurse, a health officer, two midwives and support staff. District health centers, expected to serve a population of 5,000 are to be staffed by a team of about 16 health professionals (including four general practitioner, a dentist, a pharmacist, an environmental health technician, several health officers, a laboratory technician, two nurses, and two midwifes). Province health centers, expected to serve a population of 10,000 and in metropolitan cities expected to serve a population of 20,000 moreover in case of need, the units which are affiliated with health centers can be opened with the approval of Governorships and proposal of Provincial Health Director without being dependent on population criteria. The main functions of health centers are the prevention and treatment of communicable diseases, immunization, maternal and child health services, family planning, public health education, mental health, environmental health, patient care and the collection of statistical data concerning health. In addition to providing preventive and primary health care services, health centers are intended to be the first contact point for anyone needing health care and to refer those needing more specialized care to higher institutions. The services are being given free of charge at primary level health centers. Diagnosis and drug expenses of insured people (civil servants, retirement fund, SSK and Bağkur) are met by their own insurance institution. The examinations of poor people having no insurance are being made free of charge and treatment expenses are met by Social Solidarity Fund - if any money available. This issue is defined in detail in Revolving Funds part. General practitioners are the prototypical primary care physicians in our health centers together with dentists. There are no specialists available in those health centers according to present law, except in Mother–Child Health & Family Planning Centers (MCH-FPC). There are only pediatricians, gynecologists, family medicine practitioners and public health specialists as well as general practitioners in the MCH-FPC. Although organized public health activities were undertaken after the foundation of the Turkish Republic, prior to this date organized attempts were made and some establishment were created for the improvement of the people's health during the Ottoman Empire. Among these attempts the High Council of Health (founded in 1831) for the control of communicable diseases, The Council for General Health and Civil Medicine (founded in 1839) to deal with the problems related to health personnel and compulsory vaccination against "smallpox" began in 1885. The General Directorate of Health attached to Ministry of Interior Affairs was founded in 1912. Screening and control of some important communicable diseases such as syphilis, malaria and trachoma began in the early 20th century.

The Ministry of Health of Turkey, which was established in 1920 wiht Law Numbered 4, was among the first Ministries of Health in the world giving priority to the prevention of health, rather than the treatment of diseases. In the first years of the Republic, the country lacked a coherent structure for the delivery of health services and trained manpower. During this period efforts focused on strengthening the infrastructure of health care services including the required health facilities and human resources. The necessary legislative arrangements were also completed during the same period. Priority was given to determination of long-term policy and strategies on preventive health services and control of some communicable diseases. The following years brought a rapid expansion of health facilities and vertical programs were established to control infectious diseases like malaria, tuberculosis and leprosy. As a result of incentives given to health professionals working in preventive services and through successful management of the vertical programs, the country was able to achieve improvements in most health areas.

2. Alcohol consumption

It is apparent that the alcohol consumption in Turkey has developed since the Ottoman times heavily on raki and wine. Following the establishment of Bomonti beer factory in 1905 and Nektar beer factory in 1908, the beer has taken its place among spirits. However, beer was not a spirit widely known by consumers outside Istanbul till the opening of Izmir beer factory in 1911 and Ankara beer factory in 1934. After the state monopoly was established after 1926, as the private spirits factories are purchased by Turkish State Monopoly (TEKEL-Tobacco, Tobacco Products, Salt and Alcohol Enterprises Incorporation) and new factories are opened, beer, vodka, brandy and liqueur have started to be manufactured domestically. Yet, raki remained to be the spirit holding the highest consumption rates in Turkey till special beer factories have launched their operations in 1969. From 1969 onwards, the diversity of the spirits consumed has increased as special beer factories are established, whisky production and beer production have commenced by TEKEL and product sorts have increased. In this period, the foreign alcohol drinks started to be drunk by Turkish people after they are imported by TEKEL. Today, the mostly consumed light spirit is beer, and the one highest alcohol concentration is raki.

2004 consumption figures Tobacco Products and Alcoholic Beverages Market Regulatory Authority (TAPDK) :

Beer	: 813.172.564 liters
Wine	: 28.385.098 liters
Raki	: 44.167.330 liters
Others	: 12.081.728 liters

In Turkey, alcohol drinks are not tolerated to the extent they are in other countries due to the facts that a high portion of Turkish population is Muslim, and drinking alcohol is accepted to be prohibited in Islam. Despite this, alcohol consumption could not be prevented even Ottoman period when strict religious rules were governing. Raki and wine, the traditional spirits of Anatolia, were continued to be consumed up to date. Following the communication means which have become widespread and opening of private beer factories, there occurred a vast increase in beer consumption starting from 1970s. However, as a reflection of Turkish family tradition, alcohol is consumed generally by men outside the home environment and together with food. Due to the facts that beer has become widespread in the last quarter of the century and is tolerated to a wider extent compared to other alcohol drinks, the classical spirits consumption sites such as restaurants and pubs started to leave their places to beerhouses.

Alcohol Consumption (report by State Planning Organization):
http://ekutup.dpt.gov.tr/imalatsa/2004.pdf
Production of high alcoholic drinks had been under government monopoly in accordance with Law 4250. This duty had been performed by the General Directorate of TEKEL. In order to comply with EU regulations, monopoly on production, sales and exports was abolished by the Law in 2002 and the Tobacco Products and Alcoholic Beverages Market Regulatory Authority (TAPDK) has established. This subsidiary of TEKEL related to alcoholic beverages was privatized in 2003.
Major products like raki, beer and wine are produced domestically. As raki is manufactured by TEKEL, beer and wine are manufactured mainly by private sector. The development of the alcoholic beverages sector is dependent on positive developments in the Turkish tourism, which will lead to rise in the domestic consumption. Further increase in imports will give rise to the increase in the quality of domestic products.

Product/Subsector Assessment

80 per cent of domestic consumption of distilled alcoholic drinks is composed of raki. Production of raki is still being carried out in 6 (2002) raki factories of TEKEL (In 2004 alcoholic beverages of TEKEL privatized and TEKEL is only responsible for tobacco and salt) in Turkey. Total capacity of production is 84,8 million liters a year. In the year 2002 rate of capacity utilization was 71 per cent. In the year 1999, domestic consumption of raki was realized as 74,3 million liters per year whereas the consumption decreased to 66,7 and 60,3 million liters per year in the year 2000 and the year 2002 respectively. Decrease in raki consumption was brought by economic crisis in 2000 and 2001 and due to the increase in import of low priced whiskey. The development in the raki sector can be seen from the following tables.

(Million USD at 1998 prices)

RAKI	1990	1995	2000	2002	Annual Increase (%)(1990-2002)
Domestic consumption	339	404	392	355	0,37
Production	363	395	403	350	-0,29
Export	4	5	6	9	5,54
Import	-	-	-	-	-

(Million liters)

RAKI	1990	1995	2000	2002	Annual Increase (%)(1990-2002)
Domestic consumption	57,7	68,7	66,7	60,3	0,36
Production	61,7	67,2	68,6	59,5	-0,30
Export	2,1	2,1	2,7	3,9	5,46
Import	-	-	-	-	-

The major raw materials used in production of raki are raisin, aniseed and water. Among distilled beverages raki has an advantageous position due to its fruit flavor, its unique production in Turkey and availability of domestic inputs. There are two types of taxes that are private consumption tax and value added tax on raki. Total rate of these taxes comprises 65 per cent of sales price of raki. In Turkish beer industry there are two private firms and one state owned company, namely TEKEL. Turkish beer industry has reached to the standards of developed countries in respect to both quality and product variety through the modern production technology and the marketing policies of private sector. According to the data of the year 2002, beer sector comprises the amount of 3 billion dollars of total revenue with value of 4,3 billion dollars in alcoholic beverage sector. In the beer sector, the share of the public is 1 per cent. The rate of capacity utilization is 75 per cent in the sector.

In Turkey, beer consumption per capita is 15 liter, whereas this figure is 129 liters in Germany, 113 liters in Denmark and 105 liters in England. That indicates a strong market potential in the future. The tables below demonstrate the development of the beer sector in the period of 12 years. The amount of domestic consumption, production and exports increased but the amount of import was negligible in this period.

(Million USD at 1998 prices)

BEER	1990	1995	2000	2002	Annual Increase (%)(1990-2002)
Domestic consumption	213	350	444	441	6,25
Production	216	387	446	459	6,47
Export	3	34	14	17	16,04
Import	-	-	-	-	-

(Million liters)

BEER	1990	1995	2000	2002	Annual Increase (%)(1990-2002)
Domestic consumption	364,2	599,4	758,8	754	6,25
Production	370,0	661,7	763,3	785	6,47
Export	5,2	62,3	25,7	31,2	16,05
Import	-	-	-	-	-

Population Surveys

1. According to health services utilization survey among 27,408 individuals in 6672 households in Turkey, (Study was carried out BİGTAŞ surveys Research Group on Behalf of the health project general Coordination Unit, ISBN 975-8088-01-7, Editors Aykut Toros and Zafer Öztek, at 1992), smoking and drinking are two major risk behaviours in Turkey. Turkish men appear to be smokers. 33.6 % of the population aged 20 or older are smokers. Among men this percentage increases to 58.7 %, and among women the percentage of smokers decrease to 13.5 %. Drinking is much less frequent than smoking. Only 3 % of population aged 20 and older are alcoholic drink takers (excluding social drinkers). The proportion of drinkers among females is less then half of those males. Drinking increases almost steadily with education.

Percent of alcoholic drink takers by age groups and sex (alcoholic drink takers= those who consider themselves as drinkers in any form of regularity)

Age group	Male	Female	Total
0-4	-	-	-
5-9	-	-	-
10-14	0,3	0	0,2
15-19	0,7	0,2	0,4
20-24	3,8	0,1	1,6
25-29	6,1	0,3	2,9
30-34	9,0	0,2	4,2
35-39	9,8	0,3	4,6
40-44	11,3	0,4	5,5
45-49	7,7	0	3,7
50-54	5,7	0,3	2,7
55-59	3,7	0	1,8
60-64	3,4	0,2	1,8
65-69	3,8	0	1,8
70-74	3,1	0	1,5
75+	1	0	0,5

Higher alcoholic drink takers were between 40-44 years (5,5 % Total- 11,3 % males, 0.4 % females).

Percent of alcoholic drink takers by sex (alcoholic drink takers= those who consider themselves as drinkers in any form of regularity) – (those who aged 20 and above)

Sex	alcoholic drink takers	smokers
Males	6,5	57,8
Females	0,2	13,5
Total	3,0	33,6

Percent of alcoholic drink takers by regions (alcoholic drink takers= those who consider themselves as drinkers in any form of regularity) - (those who aged 20 and above)

Regions	alcoholic drink takers
European-Thrace	4,4
Aegean- Marmara	4,0
South – Mediterranean	3,2
Central Anatolia	2,1
Western Blacksea	1,8
Eastern Blacksea	5,2
Eastern Anatolia	0,6
South Eastern Anatolia	2,2
Total	3,0

Percentage of alcoholic drink takers were highest in western Black sea (5,2 %) and lowest in Eastern Anatolia (0.6 %)

Percent of alcoholic drink takers by settlement (alcoholic drink takers= those who consider themselves as drinkers in any form of regularity) - (those who aged 20 and above)

Size of settlement	alcoholic drink takers
Urban (10,000 +)	4,1
Rural (9,999 and -)	1,6
Total	3,0

In urban areas (4,1 %) alcoholic drink takers were higher than rural areas (1,6 %).

Percent of alcoholic drink takers by marital status (alcoholic drink takers= those who consider themselves as drinkers in any form of regularity) - (those who aged 20 and above)

Marital status	alcoholic drink takers
Single	3,5
Married	3,1
Widowed	1,6
Divorced	7,5
Separated	8,7
Living together	0,9
Total	3,0

Among the separated people alcohol intake was highest (8,7 %).

Percent of alcoholic drink takers by educational status (alcoholic drink takers= those who consider themselves as drinkers in any form of regularity) - (those who aged 20 and above)

Educational attainment	alcoholic drink takers
Illiterate	0,4
Lit + no dipl	1,9
Gradprimry	3,3
Gradjun high	6,2
Gradsen high	5,7
GradUniversity	7,0
Total	3,0

And among people who are graduated university alcohol drink takers were highest (7,0 %) and lowest among illiterate (0,4 %).

2. According to the National Assessment of Drug Abuse (Based on Studies conducted in 6 major cities) HEALTH SERVICES, EDUCATION & COMMUNITY ACTION - PREVENTING DRUG ABUSE IN TURKEY UNODC, Project office for Turkey Printed in Turkey UN House, Birlik Mahalesi, 2 Cadde No: 11 July 2004 - 500 Cankaya 06610, Ankara study; within the 16-year-old students, almost half had ever smoked cigarettes and drank Alcohol. The age at first time use for Alcohol and cigarettes was between 12 and 15 years. Responding to questions on lifetime use of Alcohol, tobacco and other drugs, less than half of the students reported ever use of an Alcoholic beverage. For most students admitting lifetime use of Alcohol, this was on 1-2 occasions whereas about 20 percent of students also reported being ever drunk on 1-2 occasions. The reported frequency of Alcohol use in the past twelve months was around 35 percent for all students - more for boys than girls. Similarly, 16 percent of students had also reported being drunk on 1–2 occasions during the past 12 months.

Drugs	Lifetime (%)			Past 12 months (%)			Past 30 days (%)		
	Boys	Girls	All	Boys	Girls	All	Boys	Girls	All
Tobacco	56.3	42.8	**50**				22.3	12.2	**17.7**
Alcohol	50	39	**45**	40	28	**35**	24.5	14.2	**19.7**
Cannabis	6.4	1.9	**4.3**	5	1.3	**3.3**	3.7	0.8	**2.3**
Amphetamines	2.7	0.9	**1.9**	0.9	0.7	**0.8**	1	0.9	**1**
LSD	2.4	0.8	**1.6**	0.9	0.7	**0.8**	1	0.9	**1**
Crack	2.2	0.4	**1.4**	0.9	0.7	**0.8**	1	0.9	**1**
Cocaine	2.4	0.7	**1.6**	0.9	0.7	**0.8**	1	0.9	**1**
Ecstasy	2.6	0.9	**1.8**	0.9	0.7	**0.8**	1	0.9	**1**
Heroin	2.2	0.6	**1.5**	0.9	0.7	**0.8**	1	0.9	**1**
Relevin	1.9	0.5	**1.3**	0.9	0.7	**0.8**	1	0.9	**1**
Tranquilizers	3.2	2.7	**3**	0.9	0.7	**0.8**	1	0.9	**1**
Inhalants	4.9	3.5	**4.2**	3	1.6	**2.4**	2.6	1.3	**2**
Anabolic Steroids	4.5	1.5	**3.1**	0.9	0.7	**0.8**	1	0.9	**1**
GHB	2	0.7	**1.4**	0.9	0.7	**0.8**	1	0.9	**1**

Table 10: Frequency of self reported drug use

The frequency of self-reported Alcohol use in the past 30 days was almost 20 percent with most students (overall 10 percent) indicating use on 1-2 occasions during this period. More than 15 percent of students reported having more than 5 drinks in a row, i.e., binge drinking, and around 8 percent of students reported being drunk on 1-2 occasions in the last 30 days prior to the survey.

Students were asked to report on the quantities of Alcohol consumed, the place/s they had been drinking and the level of drunkenness at their last drinking occasion. With regard to quantities of alcohol consumed at the last drinking occasion, most of the students reported having consumed less than 50 cl. (17 percent) or between 50 and 100 cl. (12 percent) of beer. A similar pattern was reported for quantities of spirits, cider and wine used on the last drinking occasion. Many boys (13 percent of the total) and most of the girls (16 percent) reportedly had drunk at home or at someone else's home (10 percent of boys and 8 percent of girls) on the last drinking occasion. Most of the boys (17 percent) who had drunk had also reportedly drunk on the street, park, or out in the open on the last drinking occasion. To measure the level of drunkenness at their last drinking occasion, students were asked to rate on a scale of 1-10 their perceived drunkenness, most (11 percent) of the students put their drunkenness at 1 (somewhat merry only), while the next point on the scale for most responses were 2 and 5 each, i.e., up to a mid-level of drunkenness. Responding to the question on the number of drinks needed to get drunk, most of the students listed either 3 to 4 or 5 to 6 drinks needed to get drunk. There was no marked difference among the responses from boys and girls. However for girls, this relationship was not significant. Among all the students reporting lifetime and past twelve months use of Alcohol as well as binge drinking during the past 30 days, there was a significant relationship between their parents' education and alcohol use. Past 12 months use of Alcohol was more likely to be reported by both boys and girls living with single parents. Half of the 15 - 16 year old secondary school students reported lifetime use of tobacco and Alcohol. Past 12 months Self-reported Alcohol use 35 % Past 30 days Self-reported Alcohol use 20%, Alcohol and other drugs reportedly used for first time between 14 and 16 years

3. According to the WHO Global Status Report on Alcohol 2004 World Health Organization Department of Mental Health and Substance Abuse Geneva 2004; Total recorded alcohol per capita consumption (15+), of pure alcohol Turkey is 1.48 litres, Estimated volume of unrecorded consumption of pure alcohol per capita for population older than 15 for the years after 1995 Turkey 2.7 litres, Rate of last year abstainers among the adult population Turkey 2000 – 2001 for Male 77.5 (%), Female 82.5 (%) and Total 80.4 (%). Heavy drinkers among adult population year 2000-2001 are for male 1.3 %, for female 2.5 % and 1.7 % for total. Alcohol dependence (ICD-10) among adult population for year 2001-2002 are 1.7 % for male, 0.7 % for female and 1.3 % total. Heavy episodic drinkers among youths (15-19) for year 2000-2001 are 0.5 % for male, 1.1. % for female and 1.4 % total. Heavy episodic drinkers among young adults aged 18-24 years old for year 2003 are 2.1 % for male, 0.0 % for female and 0.8 total.

Characteristics of adult alcohol consumption in different regions of the world 2000 population weighted averages) WHO Region Europe B (e.g. Bulgaria, Poland, Turkey)

Beverage type mostly consumed	Spirits
Total consumption %	8.3
Unrecorded of total %	41
Heavy drinkers %	8.8
Drinkers among males %	72
Drinkers among females %	52
Consumption per drinker	13.4 liters
Average drinking pattern	2.9

4. According to study carried out in 1995 on "Determination of Attitudes, Manner and Knowledge of High School Students About Drugs, Alcohol and Cigarette" in 24 provinces among 12,781 high school students in 1995 by Ministry of Health with the financial support of WHO. According to the

survey; smoking prevalence is 20.1 % (male 67.6 %, female 32.4 %); 27 % of students were experimental drinkers (males 64,1 % and females 32,5 %) among high school students. This study showed that lifetime prevalence of narcotic use is 3.5% among high school students. Ministry of Health, Country Health Report, Ankara, 1997

5. According to the Tobacco, alcohol and substance use prevalence among elementary and secondary school students in nine cities of Turkey study The lifetime prevalence was found to be 15.4% for alcohol use among secondary school students. A significant difference was found between males and females in terms of tobacco, alcohol and other drug use both in the elementary and the secondary school. The risk for substance use was found to be greater in private schools than public schools.
Turk Psikiyatri Derg. 2004 Summer;15(2):112-8. Ogel K, Corapcioglu A, Sir A, Tamar M, Tot S, Dogan O, Uguz S, Yenilmez C,Bilici M, Tamar D, Liman O.
Bakirkoy Ruh ve Sinir Hastaliklari Hastanesi, Istanbul.

6. According to the "Alcohol drinking behaviors among Turkish high school students" study 61% of students were experimental drinkers, and 46% of the students were current drinkers. There was a significant difference between female and male students with respect to reporting current alcohol drinking at grade 9 and 11 ($p > 0.05$ for each comparison). Regular drinking was reported by 6% of students. Male students were more likely than female students to report regular drinking at each grade ($p < 0.01$ for each comparison). Nineteen percent of the students reported that they had been really drunk at least once during their lifetime.

Male students were more likely than female students to report an occasion of drunkenness at each grade ($p < 0.05$ for each comparison). All types of drinking behavior rates tended to increase across grades for both genders ($p < 0.05$ for each comparison). In logistic regression analysis the following were all independently associated with regular drinking: being in grade 11, smoking cigarettes currently, lifetime drug use, bullying others, being sexually active, playing computer games > or = 4 h/week, exercising < or = 1 h/week, spending > or = four evenings with friends, at ease in talking to same gender friends, tiredness in the morning, perceived as good-looking/beautiful, higher educational level of the mother and perceived poor academic achievement. The results of this study showed that alcohol consumption is prevalent among high school students. There is therefore a need for school-based alcohol prevention programs which also deal with family and peer influences on drinking.

Turk J Pediatr. 2004 Jan-Mar;46(1):44-53. Alikasifoglu M, Erginoz E, Ercan O, Uysal O, Albayrak-Kaymak D, Ilter O. Department of Pediatrics, Istanbul University Cerrahpasa Faculty of Medicine, Istanbul, Turkey.

7. According to the "Substance use in a sample of Turkish medical students" study nearly half of the students (53.9%) were non-drinkers. Risky alcohol use was 7.4%. The mean ages of first use of cigarettes, alcohol and illicit drugs were earlier for junior medical students than senior students. Of the students, 25.5% had anxiety and 36.8% had depression scores in the clinically significant range. Our results suggest that although Turkish medical students are not at a high risk of substance abuse it should not be underestimated, and the risk factors as well as the protective factors must be identified in nation-wide studies.

Drug Alcohol Depend. 2003 Nov 24;72(2):117-21. Akvardar Y, Demiral Y, Ergor G, Ergor A, Bilici M, Akil Ozer O. Department of Psychiatry, Dokuz Eylul University Medical School, Inciralti, Izmir 35340, Turkey. yildiz.akvardar@deu.edu.tr

8. According to the National Burden of Disease and Cost Effectiveness study 2002-2003 by Refik Saydam Hygiene Center Presidency Refik Saydam School of Public Health Directorate; Alcohol consumption was explored in respondents through questions regarding drinking behavior and health problems. Responses were analyzed by region, urban vs. rural residency, gender and age. 19.17 % of respondents overall drink alcohol. By category, the highest percentages of respondents who had drunk an alcoholic beverage were as follows: 24.90 % in the Western region, 21.18 % in urban areas, 34.32% of men, and 22.57 % of respondents in the 45-54 group. Standard drink definitions were as follows: standard beer bottle (285 ml), single glass (30 ml), medium size glass of wine (120 ml), one measure aperitif (60 ml). The amount of alcohol consumed within the last seven days varied between 3.11 and 3.44 drinks per day, with the highest consumption occurring on Sundays (3.44 drinks). When regions are examined regarding alcohol consumption and days of the week; the Western, Central, and Black Sea regions appear to have highest alcohol consumption on Sundays (as in the national average) whereas in the Mediterranean and Eastern regions, other days have a higher alcohol consumption. When the table is evaluated as a whole, the highest alcohol consumption by region and day occurs in the Black Sea region with 3.94 glasses on Sundays, and the lowest consumption occurs in Black Sea Region again with 2.60 glasses on Mondays. Averages of alcohol consumption are higher in rural areas, varying between 3.17 and 3.56 drinks per day compared to 3 and 3.37 in urban areas. Infrequent heavy drinkers are defined as alcohol consumers who drink five or more drinks two or three days a week, whereas heavy drinkers are the ones who drink alcohol five or more glasses four or more days a week. The fact that 0.48% of alcohol-consuming respondents experienced health problems within the last month. These ratios have been found to be higher in urban settlements than in rural areas, higher in men than women and higher in middle ages than in the elderly. Ten respondents reported that they had experienced health problems related to alcohol intake in the past one month. By frequency, these were gastrointestinal bleeding, and one case each of other problems. These complaints were cardiac arrhythmia, abdominal pain, liver insufficiency, infection, pulmonary edema, sprained ankle, alcohol dependence and pain.

The cost of running mass media alcohol control is assumed to be same as the cost of the tobacco control. The cost per capita for tobacco control was found to be US$0.461. Total cost of the Mass Media Alcohol Campaign is therefore same as the tobacco control program (US$31.26 millions). It has assumed that the cost of mass media campaign is same for men and women. This is based on the assumption that the MOH will design campaign appropriately to reach both men and women. Since the DALYs attributable to alcohol consumption is much higher for men than women, cost per DALY saved becomes lower for male population. Cost per DALYs saved for men was US$272 compared to $1,399 for females. It is interesting to note that the cost per DALY saved is relatively low for men in the age groups 15-59 years and among women, the lowest cost per DALY saved was for the age group 45-59 years.

The Percentage Distribution of the First 20 Diseases Causing DALY at National Level for All Age Groups in Turkey (for 6% discount rate), (NBDCE Project, 2000, Turkey)

	Causes of Death	% (according to total DALY)
1	Ischaemic Heart Diseases	8,6
2	Cerebrovascular Diseases	6,6
3	Perinatal Causes	5,3
4	Unipolar Depressive Disorders	5,3
5	COPD	3,2
6	Lower Respiratory Infections	3,0
7	Osteoartritis	3,0
8	Iron deficiency Anemia	2,4
9	Road traffic accidents	2,2
10	Diabetes Mellitus	2,1
11	Congenital Anomalies	2,1
12	Hearing Loss, adult onset	1,8
13	Diarrheal Diseases	1,6
14	Alcohol Use Disorders	1,3
15	Inflammatory Heart Diseases	1,3
16	Asthma	1,3
17	Trachea, Bronchus and Lung Cancers	1,2
18	Hypertensive Heart Diseases	1,2
19	Schizophrenia	1,0
20	Tuberculosis	1,0

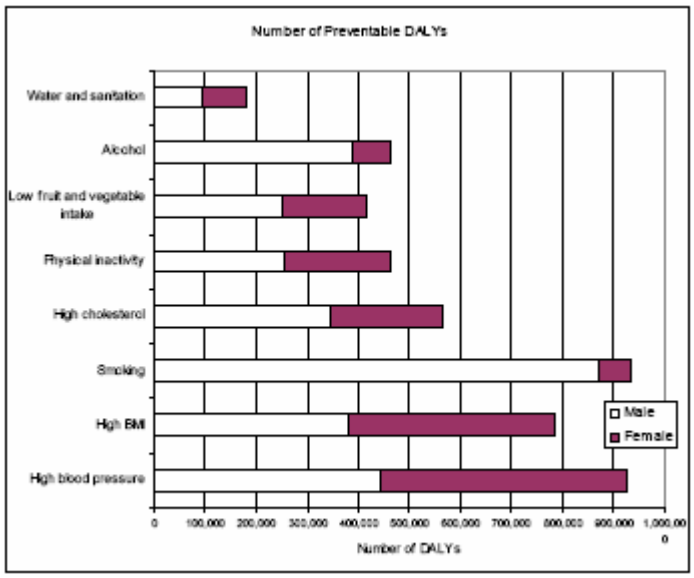
The Percentage Distribution of the First 20 Diseases Causing DALY at National Level for All Age Groups and by Gender in Turkey, (for 6% discount rate), (NBD-CE Project, 2000, Turkey)

	Males	%	Females	%
1	Ischaemic Heart Diseases	9,7	Ischaemic Heart Diseases	7,5
2	Cerebrovascular Diseases	7,0	Unipolar Depressive Disorders	7,3
3	Perinatal Causes	5,4	Cerebrovascular Diseases	6,1
4	Unipolar Depressive Disorders	3,6	Perinatal Causes	5,2
5	COPD	3,5	Iron deficiency Anemia	4,3
6	Lower Respiratory Infections	3,1	Osteoarthritis	3,0
7	Osteoarthritis	3,0	Lower Respiratory Infections	2,9
8	Road traffic accidents	3,0	COPD	2,8
9	Alcohol Use Disorders	2,3	Diabetes Mellitus	2,4
10	Congenital anomalies	2,2	Congenital anomalies	2,0
11	Trachea, Bronchus and Lung Cancers	2,1	Hearing Loss, adult onset	1,7
12	Diabetes Mellitus	1,9	Diarrheal Diseases	1,6
13	Hearing Loss, adult onset	1,8	Rheumatoid Arthritis	1,5
14	Diarrheal Diseases	1,6	Hypertensive Heart Diseases	1,4
15	Inflammatory Heart Diseases	1,6	Breast cancer	1,4
16	Violence	1,4	Road traffic accidents	1,3
17	Asthma	1,4	Rheumatic Heart Diseases	1,2
18	Tuberculosis	1,2	Asthma	1,2
19	Hypertensive Heart Diseases	1,1	Alzheimer and other dementias	1,2
20	Leukemia	1,0	Schizophrenia	1,0

By the selected risk factors the prevention of high blood pressure, keeping the body mass index within normal ranges, prevention of smoking (91903 DALYs will be prevented), provision of daily fruit and vegetable intake at least 4 portions, control of cholesterol level within normal ranges, and prevention of alcohol use will prevent 640855 DALYs related to ischemic stroke, and with the prevention of all these risk factors it will be possible to prevent 457962 DALYs. In the same way, for ischemic heart diseases, through the prevention of joint effects of selected risk factors, it would be possible to prevent 772814 DALYs out of 860083 DALYs caused by the disease. The prevention of alcohol use will prevent 29% of the disease of cirrhosis. Similar to this, prevention of alcohol use will prevent at a societal level 22% oesophagus cancer, 18% of oral and oropharynx cancers, 18% of liver cancers, 18% of epilepsy and 18% of traffic accidents. In the case of preventing alcohol use,

3540 deaths caused by ischemic heart diseases, 2088 by hemorrhagic strokes and 1902 by other unintentional injuries will be prevented. With the prevention of alcohol use, total preventable YLLs in the non-intentional injuries will be 46344, in the traffic accidents 26375 and in the hemorrhagic strokes there will be 23578 preventable YLLs. In the case of preventing alcohol use, prevented DALYs will be 204797 in the alcohol related disorders, other non-intentional injuries will be 67951 DALYs and ischemic heart diseases will be 33622 DALYs. We can prevent approximately 928.950 DALYs through prevention of high systolic blood pressure, these ratios are respectively 931.909 DALYs for smoking, 787.183 DALYs for obesity, 566.681 DALYs for high cholesterol, 464.627 DALYs for physical activity habits, 462.018 DALYs for alcohol consumption, 416.876 DALYs for fruit and vegetable consumption, and 182.781 DALYs for setting of water and sanitation conditions.

The Distribution of Preventable DALYs When Selected Risk Factors in Overall Turkey are Eliminated (NBD-CE Project, 2000, Turkey)

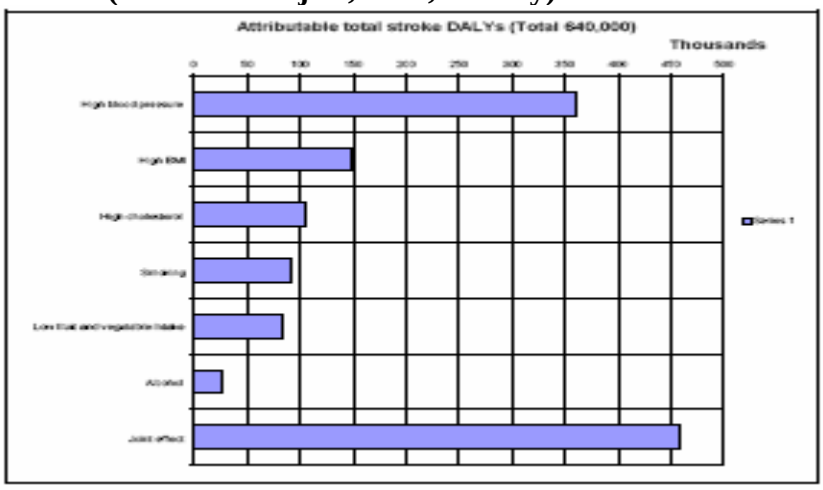


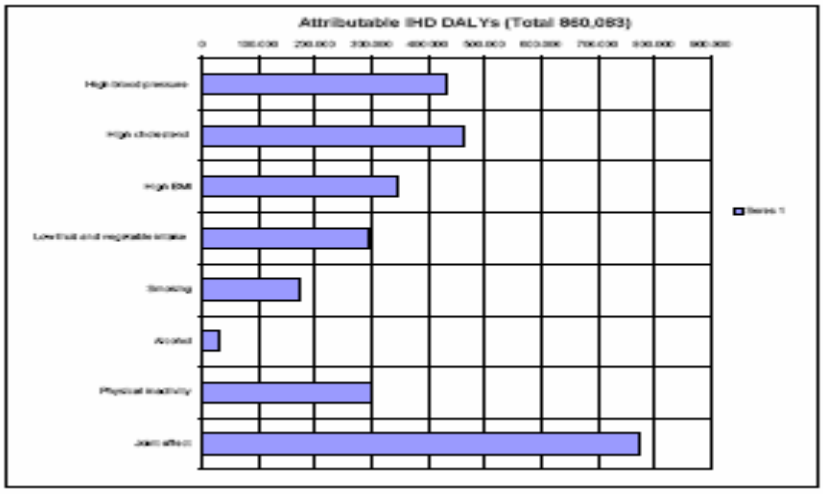
The control of high systolic blood pressure will prevent 108,468 deaths of 430,459 deaths in Turkey overall. This number is 47,643 in males and 60,825 in females. Prevention of smoking will prevent 54,699 deaths, 52,905 of this is males and, the number of deaths among females will be 1794. Prevention of alcohol will prevent 13.435 deaths. Control of cholesterol level within the normal limits will prevent 49029 deaths out of 430459 deaths. It is also indicated here that sufficient levels of physical activity will prevent 45120 deaths and that consumption of the recommended amount of fruit and vegetables will prevent 38734 deaths.

Prevention of Deaths, YLLs and DALYs through the prevention of Selected Risk Factors for Turkey Overall (NBD-CE Project, 2000, Turkey)

Prevented Deaths			
Risk factor	*Male*	*Female*	*Both*
High blood pressure	47.643	60.825	108.468
High BMI(=30)	26.006	31.136	57.143
Smoking	52.905	1.794	54.699
High cholesterol	26.487	22.542	49.029
Physical inactivity	22.515	22.605	45.120
Low fruit and vegetable intake	21.668	17.066	38.734
Alcohol use	10.850	2.585	13.435
Water and sanitation	2.807	2.812	5.619
Prevented YLLs			
Risk factor	*Male*	*Female*	*Both*
High blood pressure	384.659	413.694	798.353
High BMI(=30)	278.008	281.024	559.032
Smoking	573.573	23.110	596.684
High cholesterol	306.362	186.079	492.441
Physical inactivity	212.190	172.633	384.823
Low fruit and vegetable intake	223.356	141.241	364.597
Alcohol use	165.550	38.231	203.781
Water and sanitation	84.668	79.016	163.683
Prevented DALYs			
Risk factor	*Male*	*Female*	*Both*
High blood pressure	443.788	485.162	928.950
High BMI(=30)	379.980	407.203	787.183
Smoking	870.603	61.306	931.909
High cholesterol	345.993	220.688	566.681
Physical inactivity	254.555	210.072	464.627
Low fruit and vegetable intake	250.660	166.216	416.876
Alcohol use	388.526	73.492	462.018
Water and sanitation	94.401	88.381	182.781

The Distribution of the Number DALYs Preventable Through Prevention of Selected Risk Factors (NBD-CE Project, 2000, Turkey)





The first YLD cause in males is osteoarthritis with 7.3%, Unipolar Depressive Disorders in females with 10.7%. Unipolar Depressive Disorders takes the second place in males (6.4%) and Iron deficiency Anemia in females (7.0%). Alcohol use disorders are the third cause in males (4.4%) and osteoarthritis in females (5.8%).

9. According to the 1994 household income and expenditures survey (http://www.die.gov.tr/english/SONIST/HHGELTURK/270196.html access 20.09.2005 results;

Distribution of Consumption Expenditures (Turkey)

Expenditure Groups	Rural (%)	Urban (%)	
Food, beverages, tobacco	45.28	30.70	35.62
Clothing	8.87	9.00	8.96
Housing	19.02	24.78	22.84
Household item	8.47	9.30	9.02
Health care	2.50	2.64	2.60
Transportation	7.33	9.52	8.78
Recreational and cultural activities	1.45	2.74	2.30
Education	0.58	1.87	1.42
Hotel, café, restaurant expenditures	2.29	3.21	2.90
Other goods and services	4.21	6.24	5.59

3. Alcohol production and trade

Domestic spirits production and rates, based on sorts 2004

Beer	863.999.396 liters	% 91.06
Wine	30.945.213 liters	% 03.26
Raki	46.313.491 liters	% 04.88
Others	7.553.817 liters	% 00.80
Total	948.811.917 liters	% 100

Alcohol industry comprised small workshops till 1905. Fabrication period has launched with the opening of Bomonti beer factory in 1905. This was followed by Nektar beer factory in 1908 and Izmir Aydın beer factory in 1991. The first fabricated raki production was launched in the spirit factory in Istanbul Pasabahce in 1923.

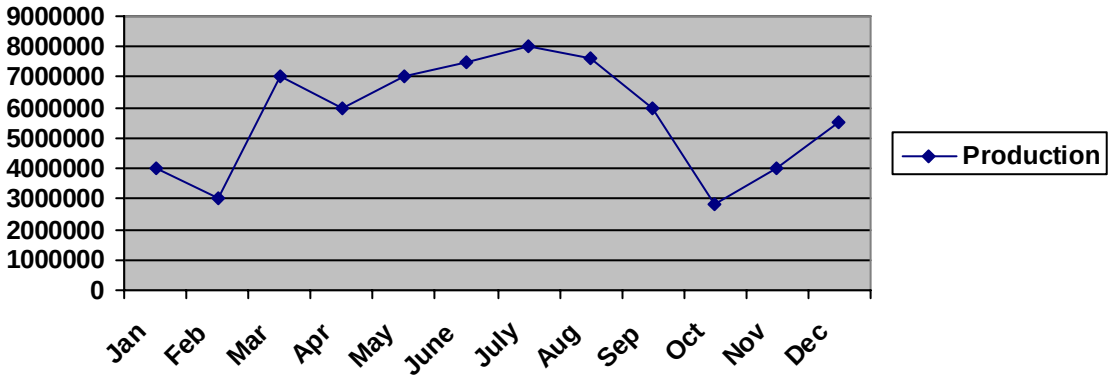
As the state monopoly has taken its control on alcohol drinks in 1926, a new period has started in terms of production. The first home made liqueur was marketed in 1931, and brandy in 1935. Number of private raki manufacturing workshops was 48 till 1944 when raki was started to be produced by the monopoly, TEKEL. Some of these were purchased by TEKEL, and the others were closed. Raki, which was solely manufactured by TEKEL till the end of 2004, has been produced by the private sector after the privatization that has taken place on this date. Wine production is in the hands of the private sector since the Ottoman times. After the spirits monopoly has taken over by the state in 1927, the private sector has maintained its wine production through a special law enacted afterwards. Wine ranks the third widely consumed spirit to beer and raki. Beer production was launched in private sector, which was afterwards sustained as state monopoly. As the private sector has launched production, the product diversity has increased. After the state monopoly on alcohol drinks was abolished in 2004, the production now takes place under free market conditions. Production of the high-alcohol drinks were launched by the state monopoly and, for the time being, liqueur, brandy, vodka and whisky production is being continued. In the field of state monopolies of

a commercial character the harmonization process is proceeding. Special importance is being given to efforts on alcoholic beverages, which constitutes one of the most essential priorities. (Law No. 4733 on Restructuring of the Directorate General of Tobacco, Tobacco Products, Salt, and Alcohol Enterprises; and on Manufacturing, Domestic and Foreign Purchase and Sale of Tobacco and Tobacco Products; and Amending Law No. 4046 and Decree Law No. 2331) have abolished the monopoly rights of TEKEL and established the Tobacco, Tobacco Products and Alcoholic Beverages Market Regulatory Authority (TAPDK) in order to ensure the regulation of the tobacco, alcohol and alcoholic beverages market. An action plan concerning the envisaged liberalization process in the alcoholic beverages sector was submitted to the European Commission in March 2003. Tobacco Products and Alcoholic Beverages Market Regulatory Authority (TAPDK) have started to prepare the relevant implementing regulations concerning Law No. 4619, the Law Amending Law on Production of Spirits and Spirit Drinks. Within this framework, the Implementing Regulation regarding the Rules and Procedures for Domestic and External Trading of Alcohol and Alcoholic Beverages was published in the Official Gazette No. 25130 on 6 June 2003.

Beverage production (Turkey's statistical yearbook, 2004, State Statistical Institute)

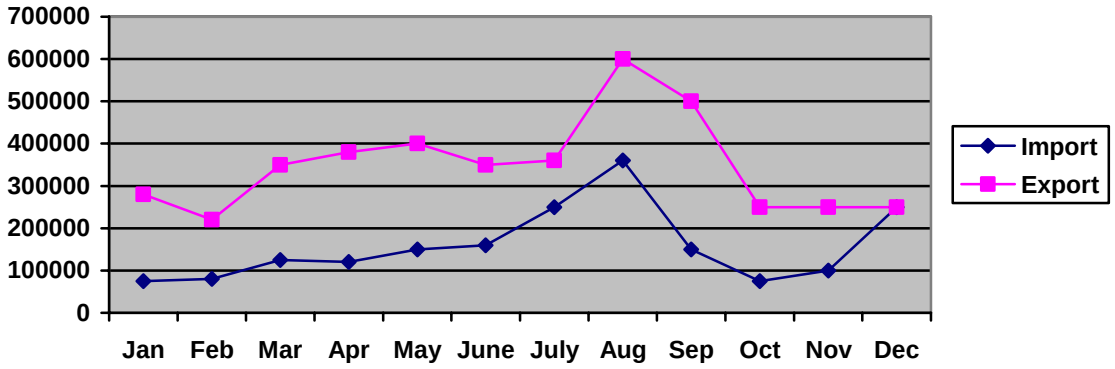
Alcoholic Beverages (Liters) (1000)	**2000**	**2001**	**2002**	**2003**	**2004**
Rakı	68.556	67.558	59.496	57.160	41.990
Wine	24.766	26.829	26.162	22.548	25.481
Beer	690.366	696.726	736.016	784.027	824.542
Brandy	827	892	887	885	589
Liqueur	887	98	851	753	602
Vodka	6.871	7.070	7.832	7.072	3.966
Gin	2.461	2.426	2.413	1.913	1.301

Monthly Changes of Market Supply of Alcoholic Beverages (Production, 2004) (absolute alcohol liter)



Source: Tobacco Products and Alcoholic Beverages Market Regulatory Authority (TAPDK)

Monthly Changes of Market Supply of Alcoholic Beverages (Export and Import - 2004) (absolute alcohol liter)



Source: Tobacco Products and Alcoholic Beverages Market Regulatory Authority (TAPDK)

4. Administrative structure of alcohol policy

Alcohol policies in Turkey have been regulated and supervised by TEKEL till 2003, and, after this year, by Tobacco Products and Alcoholic Beverages Market Regulatory Authority (TAPDK), which was established in 2002.

Due to the fact that the consumption of both the high- and low-alcohol drinks is quite low in Turkey, there has been not need for a special alcohol control program. It is considered sufficient to solely regulate that the production, trade and advertisement take place under certain rules, as well as to put some emphasis on tax policies.

Alcohol Control Policies in Turkey

According to The CONSTITUTION OF THE REPUBLIC OF TURKEY protection from health damaging addictions is a human right. Legislative, economic, organizational and educational precautions have to be taken to fight against these substances thorough ARTICLE 58. "The state shall take measures to ensure the training and development of the youth into whose keeping our state, independence, and our Republic are entrusted, in the light of contemporary science, in line with the principles and reforms of Atatürk, and in opposition to ideas aiming at the destruction of the indivisible integrity of the state with its territory and nation. The state shall take necessary measures to protect the youth from addiction to alcohol, drug addiction, crime, gambling, and similar vices, and ignorance."

The constitution of the Turkish Republic Article 56, healthy living right is an essential and non transferable basic human right which has guaranteed by our constitution. The utilization of our every citizen from the health care services and when she/he needs the elimination of regional inequalities and the recognization and raising the health level of our people are some of Turkey health system's basic aims. "ARTICLE 56 :..... The State arranges service efficiency by centrally planning the Health institutions in order to help everyone pursue a healthy life both in physical and mental terms and to facilitate cooperation by promoting saving and efficiency in manpower and material resources. The State fulfills this task by utilizing and supervising health and social institutions in public and private sector. "

According to Turkish Constitution; Ministry of Health is responsible of overall delivery of health care and performance of services at policy level. Health Care Services are also provided by;

Universities, Ministry of Defense, Municipalities, Private Sector. Preventive Health Care Services are provided only by Ministry of Health Precautions that are directed towards children and youth have to be prioritized. Among the fields of work of the Ministry of Health is taking preventive, protective and quit-envying precautions for tobacco, alcohol and addictive drugs which is among the harmful habits for health. A vital component of the struggle against alcohol is avoiding non-drinkers, especially children under 18, from taking off. Educative and consciousness-awaking actions of public leaders directed towards hazards of alcohol would hold the children and teenagers back from start drinking.

In 1983 within the framework for restructuring of the MoH in the General Directorate of Primary Health Care, Mental health department is established. Now there are for branches working under mental health department with 13 staff.

1. Preventive mental health Section
2. Chronic mental diseases Section
3. Child and Juvenile mental health Section
4. Substance Dependence Section

The main taskforce of the mental health department based at the MoH was to focus on preventive services as follows:

1. Integration of preventive mental health services into primary health care,
2. Developing policies to prevent harmful effects of tobacco, alcohol, and addictive drugs and carrying out these policies,
3. Provision of in-service training to health personnel on issues related to their department, organization of public information campaigns, and reproduction of training materials to be used in such campaigns,
4. Integration of psycho-social dimension into maternity care, and follow-up of 0-6 aged children at primary health care level,
5. To carry out necessary studies to ensure early recognition and treatment of common mental health disorders at primary health care,
6. To carry out preventive mental health services for risk groups like the children, the adolescent, the old, and persons who experienced a disaster,
7. To carry out follow-up, evaluation, and feed-back studies in our field,
8. Work for in-sector and inter-sectoral coordination,
9. To plan, carry out and evaluate activities for special days and weeks,

The main taskforce of the Substance Dependence Section based at the mental health department to focus on preventive services as follows:

1. In Turkey, alcohol control initiatives are taken by the Substance Dependence Section of Mental Health Department, under the Ministry of Health General Directorate of Primary Health Care.
2. To develop and implement alcohol control policies,
3. Conduct public education studies through mass media, TV and radio programs, seminars, printed materials like brochures, posters and booklets,
4. Training health professionals,
5. Protect people harm done by others drink and support people who want to get treatment and
6. Cooperate with international organizations.
7. Preventing children from to drink alcohol,
8. Presenting choices to adults for heedful decisions

In 1984 on province level mental health directories established in the provincial health directories to manage above activities including substance dependence thorough the health centers and health posts.

In 1992 and 1993 during First and Second National Health Congress a "Health Damaging Addictions Taskforce" formed to evaluate the current situation in the area of health damaging addictions. The proposal of the taskforce related to the National Health Policy of Turkey "Health Damaging Addictions - Chapter-3 Life styles, Target 14- Health Damaging Addictions" target was: By the year 2000, the increase in cigarette and alcohol consumption will be reversed; use of narcotics will be reduced by 25%.

Problem of Statement: There is an impression that alcohol consumption is lower than other countries, but alcohol consumption was 477 million liters and 75% of this was beer in 1990 according to data from SPO. The risk groups for alcohol consumption are university students and new starters to the working life.
Principles:

- Protection from health damaging addictions is a human right
- Legislative, economic, organizational and educational precautions have to be taken to fight these substances
- Cultural, moral and religious elements must be enlisted
- Scientific research related to this subject must be supported

Strategies:

- Price and tax policies will be revised so as to decrease the cigarette and alcohol consumption, adjustments will be made according to price elasticity demand
- Efforts will be made to ban advertisements of cigarette and alcohol commercials
- Widespread aid network will be established for addicts who want to quit
- The income from these substance will be used for the fight against substances
- Research will be carried out to show the epidemiological, economic and social dimensions of the addictions
- A continuous public education programme will be held with intersectoral cooperation

In year 2001 General Directorate of Primary Health Care published Health for All: Targets and Strategies of Turkey (Health 21) "Health for All = Turkey's Targets and strategies".
TARGET 6 in the National Health 21 Policy, "Health for All: Targets and Strategies of Turkey", prepared under the leadership of the Ministry of Health to guide decision makers, is about reducing risk factors and defines targets and strategies to control addictive substances like tobacco, to be pursued by Turkey until the year 2020. It will be among the priorities of the Ministry of Health in the following years to increase the awareness of the society on healthy lifestyles and directing it towards supportive activities, in order to realize the following targets.
Health for All: Targets and Strategies of Turkey TARGET 6

REDUCING RISK FACTORS
TARGET 6: To reduce the consumption level of addictive substances like tobacco, alcohol, volatile substances and psychoactive drugs and health threatening factors like inadequate physical activity and malnutrition to minimum until the year 2020.
Article 6.2 To assure that per capita alcohol consumption rate of exceed 6 liters per annum aged over 15 increased 75% and increased 100% among the young under age 15 until the year 2010 .
Strategies
6.a. General Strategies

6.a.1. Prevent advertisements encouraging consumption of tobacco, alcohol and other addictive substances, from taking place on mass media.
6.a.2. To increase the awareness of the society on healthy life styles and to that end benefit form formal and informal education programs.
6.a.3. To spread social, cultural, artistic and sportive activity fields on local and national basis to prevent society form harmful habits.
6.b. Special Strategies
6.b.1. To take under control tobacco and alcohol production, delivery and marketing areas,
6.b.5. To prevent easy access of the young to tobacco and alcohol products by controlling taxation, pricing and marketing arrangements,
6.b.7. To take legislative measures to control marketing/sale of alcohol products

Other institutions related to the alcohol control policies in Turkey:

1. The Presidency of Religious Affairs of the Republic of Turkey : Drinking alcoholic drinks is absolutely forbidden in our religion (Mâida, 5/90-91). However it is permissible to use alcohol, and the materials containing alcohol like spirits, and cologne for the purpose of cleaning and fragrance. Therefore, before starting to perform prayer the places in the body which these materials have been used should not be washed. One of the conditions of the prayer is the cleanliness from the substantial dirt (najâsat). There should not be any dirt which is an obstacle for the prayer like urine, blood, wine, and excrement on the garments, the body, and the prayer place. It is allowed to perform the prayers with pyjamas and work garment provided that covering the body (tasattur) and the cleanliness is complied with. http://www.diyanet.gov.tr/english/default.asp
2. Ministry of National Education, http://www.meb.gov.tr/english/indexeng.htm
3. Ministry of Interior, http://www.icisleri.gov.tr/_Icisleri/Web/Gozlem.aspx?sayfaNo=1
4. Yeşilay: A NGO established at 5 March 1920 to fight against alcohol consumption. Aim of the NGO is to prevent society from harmful effects of alcohol. On that time alcoholic beverages brought İstanbul by foreign people and delivered people especially young people. Group of scientist and religion men gathered together to prevent Islamic population consumption of alcohol. By the efforts of the NGO, alcohol consumption banned totally between 1921 to 1924 in Turkey. http://www.yesilay.org/index2.php
5. Tobacco, Tobacco Products and Alcoholic Beverages Market Regulatory Authority; http://www.tapdk.gov.tr/
6. General Directorate of Security Head of Traffic Services, Traffic Research Centre, http://www.trafik.gov.tr/english/site_contact/site_contact_about_us.asp#
7. Turkish International Academy Against Drugs and Organized Crimes, http://www.tadoc.gov.tr/English/indexeng.htm
8. General Command of Gendarmerie, http://www.jandarma.tsk.mil.tr/ing/ing.htm
9. ANKARA Alcohol and Substance Abuse Treatment and Research Centre – AMATEM, http://www.amatem.gov.tr/
10. İSTANBUL Alcohol and Substance Abuse Treatment and Research Centre – AMATEM, http://www.amatem.com/asp/amatem.asp?Tip=Ana%20Sayfa&Dil=TR
11. Turkish Radio Television Higher Council, http://www.rtuk.org.tr/

Treatment services

In Turkey, alcohol and drug abuse treatment services are provided through specialized tertiary level facilities – AMATEMs (Alcohol and Substance Abuse Treatment and Research Centres) which are located in Adana Mental Health Hospital (established 2000 with 27 beds), Denizli State General Hospital (established 2000 with 18 beds), Elazığ Mental Health Hospital (established 1997 with 24 beds), Istanbul Mental Health Hospital (established 1984 with 145 beds), Manisa Mental Health

Hospital (established 1997 with 53 beds), Samsun Mental Health Hospital (established 1997 with 34 beds) and Ankara State General Hospital (established 2004 with 50 beds) with an estimated 351 bed slots available for inpatient alcohol abuse treatment in these and other psychiatric hospitals in the country. Besides these, alcohol treatment services are also provided in the psychiatry clinics of university hospitals (4 centers, EGE, İSTANBUL, GAZİ, ANKARA Universities), and one private hospital (İstanbul Balıklı Rum Hospital). The working of AMATEMs and most other alcohol treatment services are regulated and coordinated by the Health Services Section (establish 1983) of Directorate General of Curative Services within the Ministry of Health. The private clinics that also provide treatment services in some instances are not regulated by the Ministry of Health. Probably due to social and cultural constraints, women may feel more at ease using private clinics for treatment or assistance with alcohol problems. Children fewer than 16 ages with alcohol problems are treated at UMATEMS. (In addition there are some other specialized treatment facilities that provide treatment services to people with inhalant use problems, especially street children, e.g., the UMATEM in Istanbul and EGEBAM in Izmir.) The majority of alcoholics, who had treatment contacts, had mainly utilised the services of AMATEMs preferably in another city for their alcohol problems. The other treatment services utilised were state hospitals and university hospitals in their own city. Furthermore, a noticeable proportion of alcoholics also had treatment in a doctor's private clinic in their own city or in another city. According to the distribution of inpatients by diseases at the hospitals in Turkey, 2002; 10,048 patients discharged, 50 were died and 128,896 patient-days because of alcoholism. (Health Statistics 2003, Research, Planning and Coordination Council Ministry of Health, ISSN1300-8684, October 2004)

5. Licensing policy

Box 5.1 State control on production and foreign trade of alcohol

State monopoly						
	Beer		**Wine**		**Spirits**	
	Yes	**No**	**Yes**	**No**	**Yes**	**No**
Production		X		X		X
Import		X		X		X
Export		X		X		X
License is required						
	Beer		**Wine**		**Spirits**	
	Yes	**No**	**Yes**	**No**	**Yes**	**No**
Production	X		X		X	
Import	X		X		X	
Export	X		X		X	

Box 5.2 State control on wholesale and retail sale of alcohol						
State monopoly						
	Beer		**Wine**		**Spirits**	
	Yes	**No**	**Yes**	**No**	**Yes**	**No**
Wholesale		X		X		X
Off-premise retail sale		X		X		X
On-premise retail sale		X		X		X
License is required						
	Beer		**Wine**		**Spirits**	
	Yes	**No**	**Yes**	**No**	**Yes**	**No**
Wholesale	X		X		X	
Off-premise retail sale	X		X		X	
On-premise retail sale	X		X		X	

Box 5.3 Selling or serving of alcohol in retail outlets	**Off-licence** (shops, kiosks, retail stores, supermarkets)		**On-premise** (bars, cafés, pubs, restaurants)	
	Yes	**No**	**Yes**	**No**
All retail outlets are allowed to sell/serve alcoholic beverages		X		X
A license is required, but all applicants get one		X		X
A license is required, some applicants do not get one	X		X	
Alcohol is only sold/served in specific/regulated premises		X	X	

- Comments on the prevailing situation of the state control and licensing practices on alcohol production and major changes since 1995
  - Up to 2002, state monopoly was producing the high-alcohol spirits and both state monopoly and private sector were producing beer and wine, both of which did not require any licensing. After the establishment of TAPDK (Tobacco, Tobacco Products and Alcoholic Beverages Market Regulatory Authority) in 2002, licensing was commenced and all licensing authorities were granted to this body.
    - Licenses are issued by TAPDK .
    - Licenses are issued on a transient basis, however they may be terminated if conditions are breached.
    - Licenses are charged
    - There are special rules and regulations for licenses.

- Comments on the prevailing situation of the state control and licensing practices on foreign trade of alcohol and major changes since 1995

Up to 2004, import of high-alcohol spirits and wine was under state monopoly. After 2002, import and export licenses have been granted by TAPDK.

  - Licenses are issued by TAPDK.
  - Licenses are issued on a transient basis, however they may be terminated if conditions are breached.
  - Licenses are charged
  - There are special rules and regulations for licenses.

- Comments on the prevailing situation of the state control and licensing practices on alcohol wholesale and major changes since 1995

From 2003 onwards, it is required to get license from TAPDK for wholesale.

  - Licenses are issued by TAPDK.
  - Licenses are issued on a transient basis, however they may be terminated if conditions are breached.
  - Licenses are charged
  - There are special rules and regulations for licenses.

- Comments on the prevailing situation of the state control and licensing practices on off-premise retail sale of alcohol and major changes since 1995

Whereas license of retailers were issued by TEKEL till 2003, all authorities and tasks relating to licenses were transferred to TAPDK after this date.

  - Licenses are issued by TAPDK
  - License is valid for one year
  - License is charged
  - There are special rules, laws and regulations.

- Comments on the prevailing situation of the state control and licensing practices on on-premise retail sale of alcohol and major changes since 1995

No change has taken place since 1995 in term of issuing license to cafés, pubs and restaurants.

  - The License is issued by the municipality within municipality borders and contiguous sites, and by the highest ranked administrative officer of the site at other locations.
  - Licenses are issued on a transient basis, however they may be terminated if conditions are breached.
  - License is charged
  - There are special rules and regulations for licenses.

- Licenses in the case of groceries, markets and supermarkets are for all alcohol drinks, with no discrimination, List of regulations on this issue listed below:

Leading legislation and directive regulating the production and sales of alcohol drinks :

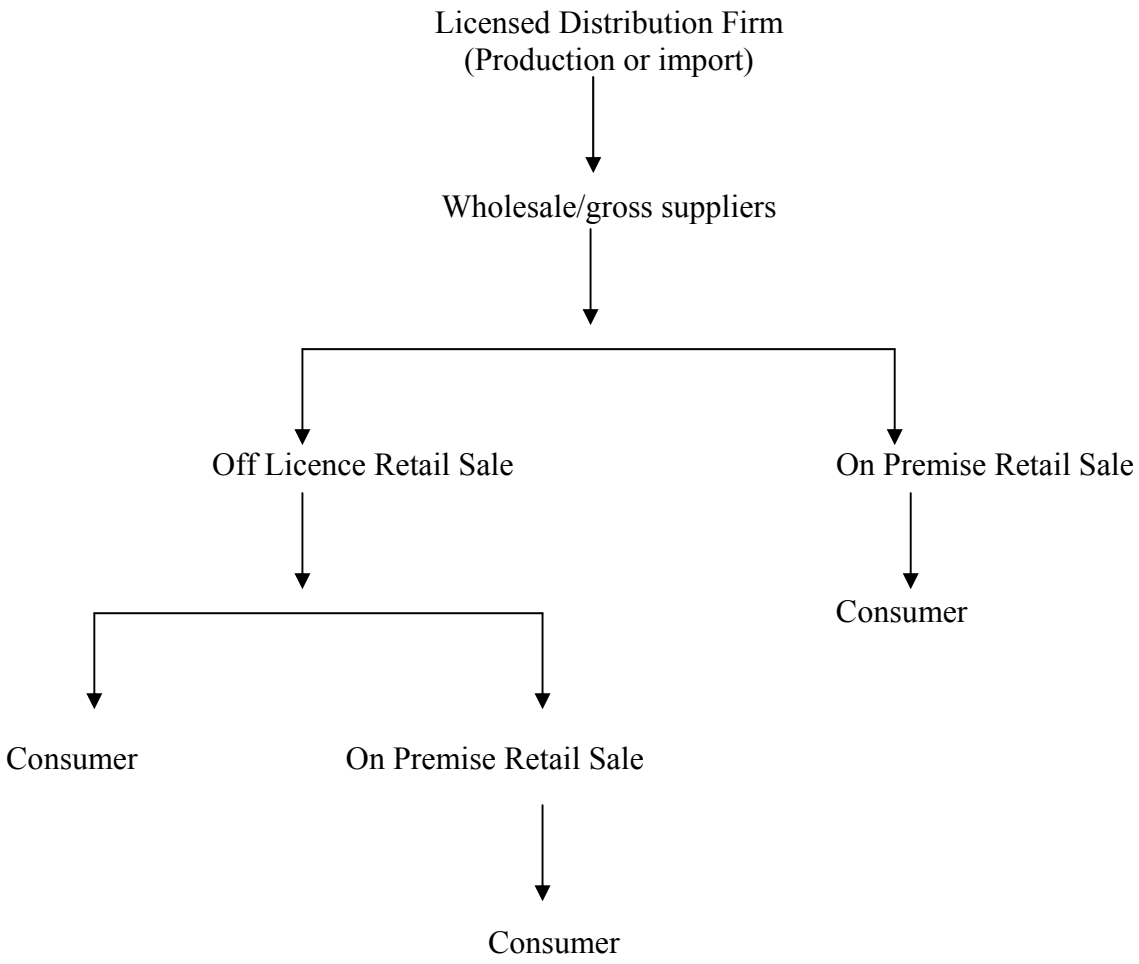
  - Law No. 4250
  - Law No. 4733
  - Municipality Law No. 1980

- Primary Education Law No. 222
- Special Education Law No. 625
- Law on Duties and Authorities of Police No. 2559
- Martial Law No. 1402
- State of Emergency Law No. 2935
- Statute on determining distances between public places and alcohol drunk places as well as public or private education institutions, No. 4797
- Statute published in the official gazette dated 26.09.2002 No. 24888
- Statute published in the official gazette dated 31.12.2002 No. 24980
- Statute published in the official gazette dated 06.06.2003 No. 25130
- Notice published in the official gazette dated 23.10.2004 No. 25622
- Notice published in the official gazette dated 21.10.2004 No. 25620
- Notice published in the official gazette dated 18.01.2005 No. 25704
- Board resolution dated 26.04.2005 No. 25797

Historical Development of Alcoholics Beverage Industry
(http://www.tapdk.gov.tr/alkol/dokuman/alkollu_ickilerin_tarihsel_gelisimi.htm access 28,10,2005

		…..- 1942	1943-1995 (European Customs Union)	1995-2003-……
Production	Beer	Private Sector	1943-1978 State 1978-1995 State + Private Sector	State + Private Sector
	Wine	Private Sector	State + Private Sector	State + Private Sector
	Spirits	Private Sector	State	1995- 2002 State 2003- ….. Private Sector
	Ethyl alcohol	State	State	1995-1998 State 1998-…. State + PS
Import	Beer			State (special order)
	Wine			State (special order)
	Spirits		State	Private Sector (whisky and bubble?? wine)
	Ethyl alcohol		State	State

Market Supply of Alcoholic Beverages
(http://www.tapdk.gov.tr/alkol/dokuman/alkollu_ickilerin_piyasaya_arzı.htm access 28,10,2005



Brief history of TEKEL (monopoly) control and licensing policies :
Following the enactment of the "Prohibition of Spirits Law" (Men-i Müskirat Kanunu) No. 22 by TBMM on September 14, 1920, a four-year period has been launched in Turkey. Afterwards, this prohibition has been abolished through a law enacted on April 9, 1924. Licensing and control works in the real sense on alcohol drinks production and sales have been launched with the "Law on Monopoly on Ethyl Alcohol and Spirits" No. 790 enacted in 1926. Practices preceding this date were mostly considered as means of tax policy makers. After the establishment of the monopoly administration with Law No. 790, the breakdown of then currently produced spirits were derived and the establishment of new workshops were subjected to permission. With a special regulation under Article 3 of this law, wine production and export were liberalized, yet, its domestic trade was put under state monopoly. The government, relying on Article 1 of the Law no. 790, transferred the right to operate the monopoly to Turkiye İş Bank – Naçella Organizaçya partnership on June 1, 1926. However, as the company has failed, this franchise right of the company was terminated in 1927. On 28 May 1927, "Law on Way of Administration of Monopoly of Ethyl Alcohol and Spirits" No. 1071 was adopted. With this law, administration of the alcohol spirits monopoly was vested to the government again. The directorate established relying on Law No. 1071 has maintained its activities under Law No. 790 till 1942. Following the adoption of Law No. 4250 in 1942, Law No. 790 was abolished. With the law No. 4733 adopted on 09 January 2002, the Tobacco Products and Alcohol Drinks Market Regulatory Board (TAPDK) was established. After the establishment of this institution, all regulatory and supervisory authorities relating to the

production and trading of all alcohol drinks were vested to this body. The portfolio of alcoholic drinks under TEKEL contain a total of 51 brands and 10 main products, including rakı, wine, vodka, gin, cognac, brandy, vermouth, whisky and liqueur. It has a wide product portfolio of high-alcohol drinks and strong brands in the wine market. TEKEL Alcoholic Drinks exported 7.1 million liters ($ 7.7 million) of alcoholic drinks in 2002. In the sales value of the alcoholic drinks it exported, rakı comes first with 82 % and wine (cast and bottled) is the second largest export item. TEKEL also exports low quantities of high-alcohol drinks such as liqueur, cognac, whisky, etc. Among important countries of export are Germany, Holland and France. Apart from European countries inhabited densely by a Turkish population, export markets of high potential are the Turkic countries in the Commonwealth of Independent States and Balkan countries. TEKEL Alcoholic drinks had less than 1 % of the total beer market in 2002 and its production capacity was 13.5 million liters. TEKEL Alcoholic Drinks operates with its 3762 employees in 16 production facilities spread out in the country. In 2002, it produced 88.3 million liters of alcoholic drinks. Rakı has the highest share in production with 69 %. Facilities dispersed around Turkey were established in areas close to raw material zones so that logistic costs can be reduced. In recent years, we've built technological and modern facilities, revamped some of the existing factories and re-structured almost all of their administration. All production facilities have quality control labs and facilities for refining wastewaters in compliance with the environmental legislation. As a result of comprehensive product and market research in the past years, three new alcoholic drinks and four new wine brands were launched. Besides, in order to bar illegal alcohol production in the market, we will introduce rakı bottle caps with holograms at the beginning of 2004. The New Rakı is one of the leading 25 brands of high-alcohol drinks in the world. It has a great export potential to Europe, the CIS and Balkan countries. At present, four types of rakı are produced in Turkey and rakı is recognized as Turkey's national alcoholic drink. It is also the only Turkish alcoholic drink that received the geographical sign certificate. (March 25, 1997). For this reason, it cannot be produced outside Turkish borders under the name "Turkish rakı". In 2002, the New Rakı had 91.7 % of the total rakı market in quantity. Then came the Tekirdağ rakı with 7.1 % market share. In recent years, rakı sales were affected by the economic crises of 1999 and 2001. Consumers have gone for low quality, cheaper alternatives. The production of non-registered rakı and the increase in imported alcoholic drinks in the market also had a negative effect on sales. However, with the change in rakı sales strategies, it is estimated that rakı sales may rise by 5 % starting from the end of 2003. TEKEL alcoholic section was privatized in November by a block sale of 100% of shares for US$ 292 million to Nurol-Özaltın-Limak-Tütsab Consortium. The Share Purchase Agreement was signed on February 27, 2004. On the otherhand, TEKEL Cigarette tender was cancelled by the Tender Commission. Studies regarding the privatization of TEKEL's tobacco subsidiary is still ongoing. Tobacco, Tobacco Products, Salt and Alcohol Enterprises Incorporation (TEKEL) To carry out all the activities concerning about manufacturing, export and import of all kinds of tobacco and tobacco products, alcoholic and non-alcoholic drinks, salt, matches, tea and coffee.

- Are off-premise licenses for all or some alcoholic beverages granted only for special alcohol retail stores? X☐Yes ☐ No

  If yes, is this license for selling: X☐ distilled spirits,X☐ wine, X☐ beer.

  If no, are off-premise licenses for alcoholic beverages granted for: ☐ supermarkets, ☐ordinary grocery stores, ☐kiosks, ☐ gasoline stations.

6. Restrictions of availability

The age limit for alcohol selling, purchasing and consumption is 18. No change has taken place since 1995 on this issue. There is no legal restriction relating to the amount of alcohol to be drunk

by the lowest age group. There is no regulation permitting that those under 18 may drink alcohol though under the accompany of their parents. Age restriction is implemented to a wide extent.
Legal regulation relating to the age limitation has entered in the regulation through a statute published by TEKEL relying on Article 19 of Law No. 2450 in 1942 relating to the selling and consumption. Regulation relating to purchasing has been adopted through a statute published in the official gazette dated 31.12.2002 No. 24980.

For the time being, selling of any alcohol spirits is free in buffets, markets, supermarkets provided that license is received. There is no hour or day restriction. However, spirits are not permitted to be sold in the buffets located in the vicinity of schools, school dormitories, public institution and organizations. Prohibitions on the sites of selling are regulated through relevant directives.

Legal regulations relating to the sales of spirits in buffets, markets and supermarkets have been existing for almost 80 years. However, these regulations mostly hosted the intention of tax collection and registering the sellers. The first legal regulation relating to the registry of sales and the licensing in Republic times is the Law No. 790 enacted in 1926. With the Law No. 4250 enacted in 1942, wider-scoped regulations were executed. This law is still in force with some modifications applied over years. Also relevant regulations have taken place through statutes, orders and board resolutions issued by TAPDK on various dates relying on the Laws No. 4250 and 4733.

The License is issued by the municipality within municipality borders and contiguous sites, and by the provincial special administrations at locations other than these. TAPD, the authorized authority for granting licenses, may give license for selling alcohol drinks to such places which hold work permit, if they meet certain conditions. List of regulations relating to this issue has been attached to the section. Working hours of such places are regulated by the authority issuing the work permit. There is no hour or day restriction under legal regulations. Selling of spirits is only prohibited for days and hours announced by local and general elections by the Supreme Board of Election. The authority to inspect such places is held by the legal institution issuing the work permit.

No significant legal modification has taken place since 1950 relating to the sales of wine and high-alcohol spirits in cafés, pubs and restaurants. However, beer has a different position.

Following the establishment of private beer factories after 1969 and with legal regulations executed over years, restrictions on beer selling were abolished and beer was accepted as a soft drink. With an order published by the Ministry of Interior Affairs in 1974, beer was prohibited to be sold at any place other than those having license, with the reason that it is an alcohol drink. Though freed by governments which have taken power in following years, the beer was adopted as an alcohol drink by TBMM on 14 June 1984 and was subjected to legal restrictions. This practice was maintained till 2003 and the current practices have been launched after the establishment of TAPDK.

Box 6.1 Age limits for buying alcoholic beverages		
	Off-premise, take-away (stores, shops, supermarkets)	**On-premise,** drinking on the spot (cafes, pubs, restaurants)
Beer	18 years	18 years
Wine	18 years	18 years
Spirits	18 years	18 years

Box 6.2 Sales restrictions on off-premise sale of alcohol						
	Beer		**Wine**		**Spirits**	
	Yes	**No**	**Yes**	**No**	**Yes**	**No**
Hours of sale are restricted		X		X		X
Days of sale are restricted (except on election days)		X		X		X
Places of sale are restricted (200 m educational or religious buildings)	X		X		X	
Density of outlets is restricted		X		X		X

Box 6.3 Sales restrictions on on-premise sale of alcohol						
	Beer		**Wine**		**Spirits**	
	Yes	**No**	**Yes**	**No**	**Yes**	**No**
Hours of sale are restricted		X		X		X
Days of sale are restricted (except on election days)		X		X		X
Places of sale are restricted (200 m educational or religious buildings)	X		X		X	
Density of outlets is restricted		X		X		X

7. Alcohol taxation and prices

Whereas alcohol drinks were subjected to the imposition of various taxes and duties under various names, with the enactment of Law No. 4760 in 2002 titled “Special Consumption Tax”, all other taxes were abolished and only OTV (Special Consumption Tax) and VAT was started to be imposed.

Amount of income earned from alcohol taxes, per capita alcohol taxes and its share in country budget :

Tax earned from alcohol drinks, tobacco and cola drinks was 7 billion YTL (2004 figures). This figure constituted 10 % of the total excise duty.

- Following rated taxes are collected from alcohol drinks;

	Beer	Wine	High-alcohol drinks
Excise tax ÖTV %	63,3	275.6	275,6
Value Added Tax KDV %	18	18	18

- Per capita high-alcohol drink consumption is 1.5 liters / year (calculated based on aged 15+)

- Alcohol drinks retail prices

Retail sales	Ordinary Amount	Price
Most consumed beer	0.5 lt.	1.65 YTL
Most consumed wine	0.7 lt.	11,45 YTL
Most consumed high-alcohol spirit (raki)	0.7 lt.	22.50 YTL
Cola Drinks	0,33 lt.	0,70 YTL

Under this subheading taxation of alcoholic beverages and the role of alcohol in the state economy as well as alcohol prices will be described.

http://www.gelirler.gov.tr access on 22 October 2005

Alcoholic beverage category	**Tax rate (%)**	**YTL**	**Euro**
Bear	63.3	0.24	0,15
Wine	63.3	3.28	2,05
Bubble ??? Wine	275.6	11.21	7,00
Vermut	275.6	15.60	9,75
Wine under 18 % alcohol by volume	275.6	12.17	7,60
Fermentation drinks like apple wine, pear wine, honey wine	275.6	3.27	22.04
Alcoholic beverages over 22 % alcohol by volume	275.6	70.92	44,32
Rakı	275.6	35.84	22,40
Vodka	275.6	41.42	25,88
Gin	275.6	41.42	25,88
Liqueure	275.6	56.99	34,33

1 EUR=1,60 YTL

Box 7.3 Price of alcoholic beverages		
Off-license (i.e. when purchased in an average shop, or supermarket, NOT on-premise in a restaurant or bar)	**Usual quantity** (e.g. 1 litre, 0.5 litres)	**Price** (local currency)
Average locally produced or most consumed beer	0.5	1.65 YTL
Average and most consumed table wine	0.75	11.45 YTL
Average locally produced or most consumed spirits	0.7	22.50 YTL
If it exists, other special or different local alcoholic beverage, name RAKI and 40 % alc. vol.	0.7	22.50 YTL
Average non-alcoholic soft drink (e.g. coca-cola, lemonade)	0.33	0.70 YTL

8. Alcohol advertising and sponsorship

Box 8.1 Restrictions on advertising and sponsorship*				
	Complete legal ban	Partial legal restriction	Voluntary agreement	No restrictions
EXAMPLE National TV	*S (spirits)*		*W (wine)*	*B (beer)*
National TV	BWS			
Cable TV	BWS			
National radio	BWS			
Local radio	BWS			
Printed newspapers/magazines				BWS
Bill boards				BWS
Internet				BWS
Points of sale				BWS
Cinema				BWS

* Please provide information on the extent to which alcohol advertising is regulated in different media by filling in B (BEER), W (WINE) and S (SPIRITS) for each type of media below.

- Regulations relating to advertisement and sponsorship

    - Law on Supreme Board of Radio and Television No. 3984
    - Law No. 4250
    - Relevant regulations published in the official gazette No. 25130

Law on the Establishment of Radio and Television Enterprises and Their Broadcasts Law No. 3984 of 20 April 1994 Advertising of Particular Products

Article 22. Advertisements for alcoholic or tobacco products shall not be allowed. Advertisements for medicines and medical treatment which are only available on prescription shall not be allowed. Advertisements for other medicines and medical treatment shall be composed of elements that are honest, truthful and subject to verification, and shall comply with the requirements of protecting the individual from harm.

9. Restrictions on alcohol consumption in specific situations

- Regulations relating to driving when drunk
    - Highways Traffic Law No. 2918
    - Highways Traffic Directive

- Regulations relating to alcohol consumption at public places
    - Public Servants Law No. 657
    - Labor Law No. 4857
    - Regulations, statutes, orders and notices issued by institutions and organizations within their own bodies.

Drunk driving

In Turkey, drunk driving by commercial vehicle drivers and drivers that work for public services has been completely prohibited and for other drivers, the legal limit has been determined as 0.50 Promilee which is equal to half a gram of alcohol in one litre of blood. When and how these inspections will be made and according to what will the decisions be made are determined through codes and regulations. Accordingly, while measurements can be made with alcoholmetres when a driver is doubted to be drunk or during routine alcohol inspections; when there is no alcoholmetre, an alcohol test report where observations regarding the status of the driver are recorded can also be written out by the officials. If, as a result of the measurement and observation, it is determined that the driver is drunk over the 0.50 promile level and that he is not in a condition to drive, the required penalty processes are fulfilled (Highways Traffic Code and Highways Traffic Regulations). For the first time driving license is suspended for 3 months. Second time driving license is suspended for 1 year and third time driver sentences for 1-2 months imprisonment in a minimum-security prison and driving license suspended for 5 years. After this period driver have examined by psychiatrist and has pass pyrotechnic evaluation.

In the event of objection by the driver, first, blood will be taken by personnel who is trained on this issue and who is authorized to take blood and the sample is sent to the police criminal laboratories for analysis. When analysis is not possible at the police criminal laboratories, the driver is sent to forensic medicine centres and to the closest health organization, which is affiliated to the Ministry of Health, that has the technical and medical possibilities to perform the analysis. In health organizations where analysis possibility is not found, the report written out according to the examination made by the doctor is taken as a base (Highways Traffic Code and Highways Traffic Regulations).

There is no legislations about training or educating of bar staff in preventing problem drinking and if there are server liability laws in place to promote responsible beverage serving. But special days like Christmas etc. there are some promotional activities from television or newspapers to encourage people to avoid drunk driving and turn back their home by taxi. And bar staff or policemen call taxies to carry people to their home. If they don't find taxi, a police car picks up people to their house.

Box 9.2 Restrictions on alcohol consumption in different public domains. WHO Alcohol Policy Questionnaire (page 13)

Restrictions on alcohol consumption in different public domains	Health Care Establishments	Ban
	Educational Buildings	Ban
	Government officies	Ban
	Parks, streets	Partially
	Sporting events	Voluntary
	Leisure events (concerts etc)	Voluntary
	Workplaces	Ban

9. History of Spirits Culture * (industry webpages)

The first spirit which comes to mind when to talk about spirits in Anatolia is raki. It is estimated that the history of raki, which is known as the Turkish raki, in Anatolia traces back to at least 300 years. Raki, manufactured from grapes with the addition of aniseed, is the most consumed high-alcohol spirit in Turkey. As in the whole world, wine is a spirit having the oldest history in Anatolia. However, the facts that a high portion of the country population is Muslim and wine is apparently prohibited in Islam lead the wine to be prevented from being commonly used among the Muslim society. Particularly prior to the Republican period, wine was recognized as the spirit of non-Muslims, and manufactured and consumed by such minorities as Greeks, Armenians, Syrians domiciled in Anatolia. Beer is a spirit which was not widely known by the public till 1930s, commonly consumed as aperitif by a certain section of the society in Istanbul, Ankara and Izmir. Following the establishment of private beer factories in 1969, the facts that there is no restrictive regulation on selling of beer or such are abolished from time to time, as well as the advertisement and low price have increased the consumption, and made beer the most consumed spirit of today. Though there are certain diversities among regions, traditionally the spirits are consumed by men, outside the house and together with food. It is not a common habit to drink spirits as aperitif. Despite all these, spirits, particularly the wine have a privileged place in Turkish culture and art. Especially in music and poetry, love, beloved and wine have been mentioned collectively for centuries. Very famous poets; Omar Khayyam who paid tribute to wine by lines such as "Dear wine, you resemble the ruby lips of an enlivening beauty" or Turkish poet Orhan Veli who lamented, "If I could only be a fish in a bottle of rakı".

Although rakı is almost interchangeable with alcohol in Turkey, beer occupies first place in production. About 696.726 million liters of beer was produced in 2001 and around 810 million liters in 2002; more than 90 % of the output is consumed in the country. In 1995, 660 million liters of beer was produced and 10.5 liters were consumed per head. However, production and consumption have been moving up each year due to the transition of the private sector to modern technology, the liberalization of import, brand images of local and foreign products, social and economic developments, the movement in the tourism sector and the varying drinking habits of society. Turkey has fourth place in the world in terms of vineyard area and fifth place in terms of fresh grape production. Wine production has got hold of a considerably rising trend in the past years. The wine sector where over 20 private sector companies and the state company TEKEL operate, is having quite busy days. As Turkish wines return from competitions with awards, the Newsweek magazine, in one of its issues this year, wrote that climate conditions changing because of global warming drove people to new searches in winemaking and that Turkey promises some future with the fertility of its lands and climate. Ditto the magazine Wine International… Marmara Region's Papazkarası, Karasakız, Gamay; the Aegean Region's Çalkara, Sultaniye; the Blacksea's Narince; Central Anatolia's Kalecik Karası, Emir; Eastern Anatolia's Öküzgözü, Boğazkere; the Mediterreanean's Dökülgen are only a handful of the grapes growing on the rich Anatolian lands. Viniculture is a business requiring no compromise on quality, grueling work, laborious tending and above all plenty of patience. Therefore, raising the awareness of people in the business and guiding them appropriately is the most important investment that can be made to Turkey's future in viniculture.

Turks' lion's milk

On to the drink that burns our hearts the most…It is recognized by almost the whole world over that rakı was produced first on Ottoman lands. Even the European Council of Spirits and Alcoholic Beverages Experts accepts our rakı as a "Turkish drink" and fails not to engage in a long definition that goes, "Turkish rakı is made by distilling twice sumas obtained from dry and fresh grapes with aniseed". So we can pompously claim for our "lion's milk". In his book called "Rakı: Turks' Lion's Milk", Vefa Zat lists the characteristic features of Turkish rakı as follows: "In the composition of the characteristic features of Turkish rakı, the quality of the grape, the type of aniseed, the production technique and the quality of the water used have an important place. Did the 16th century two-times distilled 'grape rakı' (wine rakı) and the 17th century 'aniseed rakı' have the characteristics of our rakı today? If we are to think of today's manufacturing technology and our rakı's production technique, the answer to the question is self-explanatory. The rakıs produced in those times were the precedents of the Turkish rakı. In the 17th century, rakıs of mint, cloves, linden and cinnamon were produced, many plants were tried in making rakı and aniseed was decided on. Hence came out the character of the Turkish rakı. The idea was to utilize the residue of wine production and the sugary substances contained by squeezed grape sediments; the addition of aniseeds to this produce gave rakı its character as a 'Turkish drink'. Rakı production stayed for years under the monopoly of TEKEL. by the decision of the Alcoholic Beverages and Tobacco Council Legislation, issued year 2003, the private sector's production of rakı was sanctioned. The legislation adjudicated that rakı production would be permitted to integrated facilities with new technology, a capacity of producing one million liters of rakı annually which will make their own alcohol from grapes and grains. Presently, excluding a few attempts, a rakı brand produced by the private sector does not yet exist in the market. But probably in upcoming years, it will be possible to see varieties of Turkish rakı on shelves that can compete in world markets with other alcoholic beverages. Beer is a major export item in the category of alcoholic beverages. In 2002, beer exports rose by 9 % over the previous year but in fact the export value is below expectations. It is interesting though that after 1999, the Yugoslav Federal Republic has become the country that we export the highest amount of beer, with $ 3.96 million in 2000, $ 2.96 million in 2001 and $ 2.36 million in 2002. This country is followed by the Northern Turkish Republic of Cyprus and Germany. Turkey exports rakı to European Union countries densely populated by Turks. Germany took 72 % of the total rakı exports in 2002. In Turkey, the sector of alcoholic beverages has not yet accomplished the anticipated breakthrough. But, with its rakı, wines and beer, it is not at all difficult to expect that it will rise to an important position in world markets in the future…

10. Prohibitions from the Point of View of Religion, Culture and Tradition

Islam has definitely prohibited and considered as unlawful the consumption of any sort of spirits. Due to this prohibition, consumption of spirits remained at low numbers in Turkey, where the population is mostly Muslim. Besides, most of the drinkers refrain from drinking during Ramadan month, holy bights and Friday eves.

In addition to that, drinking in the presence of parents, relatives and children is considered as a disgrace in Turkey. For this reason, fathers do not drink when they are with their spouses and children, and the young refrain from drinking when they are with their old accompanies. Though there are differences among regions, these rules and traditional norms are complied with to a high extent.

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