

Economic Survey of Turkey 2023

EDRC date planned for 7 December 2022

Background note for the mission to Ankara and Istanbul, 4-8 April 2022

The 2023 Turkey survey will take stock of Turkey's recent economic performance in a broad sense. It will look at both ongoing macroeconomic developments and medium-term growth trends, but also at social inclusion, income equality, life satisfaction, quality of employment and environmental performance.

This note provides a short background for discussions with policymakers and private sector counterparts. It proposes an inquiry line for the Survey and highlights the specific issues that we intend to address during this mission.

Isabelle Joumard (Isabelle.JOUMARD@oecd.org): Head of Division, Economics Department

Gabriel Machlica (Gabriel.Machlica@oecd.org): Head of Turkey desk, Economics Department

Dennis Dlugosch (Dennis.DLUGOSCH@oecd.org): Economist, Turkey desk, Economics Department

Economic Survey of Turkey 2023

The Economic Survey of Turkey will include the Key Policy Insights section and the special chapter - Jobs and Skills in the post-covid and digitalised world.

The Key Policy Insights

The Key Policy Insights section will take stock of the latest developments in economic growth, well-being, social inclusion, developments in human capital, in business structures and environmental outcomes, as well as fiscal, monetary, financial and macro-prudential policies.

The issues that the Secretariat proposes to discuss during the mission include:

- *Macroeconomic developments and prospects, including the economic impacts of the war and the COVID-19 scars;*
- *Fiscal, monetary and exchange rate policies ;*
- *Financial risks and stability.*

The *Economic Survey* will also focus on structural policy actions to support firms becoming more productive and innovative.

The issues that the Secretariat proposes to discuss during the mission include:

- *Firms' upscaling,*
- *Business dynamism*
- *Digitalization*

Another key dimension to the resilient recovery is its alignment with long-term emission reduction goals and climate change mitigation.

Topics for discussion during the mission will include also questions related to green growth and climate neutrality.

Special chapter - Jobs and Skills in the post-covid and digitalised world

The *special chapter of the Economic Survey* intends to analyse the performance of the Turkish labour market during the pandemic with an eye on the upcoming challenges and opportunities.

The issues that the Secretariat proposes to discuss during the mission include:

- *Labour force participation, employment and unemployment and strategies to improve labour market outcomes*
- *Addressing skills shortages and mismatches in the Turkish labour market*

The *special chapter of the Economic Survey* intends also to analyse the policies that encourage more formal job creation and that support the structural transformation by a more efficient allocation of labour. In particular, the policy discussion will focus on Turkey's labour market rules, non-wage labour costs, the minimum wage, permanent and temporary employment regulations and collective wage bargaining.

Considerable attention will also be devoted to skills, particularly digital skills.

The issues that the Secretariat proposes to discuss during the mission include:

- *Labour market institutions and employment legislation rules*
- *Improving access and quality of education*