

EXECUTIVE SUMMARY

Turkey was one of the countries which had a spectacular growth in the last six years before the global crisis erupted in September 2008. Although the crisis affected Turkey and the demand for cosmetics and personal care products decreases. It is expected that the figures before the crisis will be reached towards the end of year 2011.

Turkey has for a number of years been adopting many European Union directives, regulations and laws in anticipation of the EU accession negotiations to bring it more in line with the EU. Recent setbacks have cooled popular interest in EU membership, and it remains to be seen whether Europe and Turkey will be able to continue the forward momentum to accession. Continued commitment to EU membership will benefit the EU, and is an important factor in ensuring that Turkey continues on the path of economic reform, market liberalization and growth.

Cosmetics and toiletries recorded high growth rates in since 2002 due to several factors, particularly the growing interest in Western lifestyles and increasing advertising expenditure from manufacturers. Despite the drop after the global economic crisis the trend is expected to continue after the recovery.

Together with the increase in purchasing power sales of cosmetic and personal care products started to grow and increasing numbers of consumers started to purchase higher quality and more expensive products. In most product ranges, particularly bath and shower products, hair care products and facial care, demand recovered and sales were positively affected by the improved economic conditions in the country.

Hair Care

Hair care is the largest contributor to cosmetics and toiletries over the review period. Shampoo was responsible for the bulk of sales; however, styling agents saw the most dynamic performance with strong volume growth and was the only type of hair care not to witness a decline in value sales.

Sun care most dynamic thanks to increasing number of tourists

Sun care demonstrating positive growth both in value and volume terms. The growth was attributed to the increasing consciousness of consumers in Turkey about the importance of sun protection as well as to the increasing number of tourists visiting Turkey. The low base of sales also aided the positive growth rates together with the increase in the number of tourists coming to Turkey.

Supermarkets dominate

Supermarkets were the dominant retail outlets over the review period due to their high penetration throughout Turkey, acceptance of credit cards, wide range of products, and most importantly the low prices and promotions they offered. The share of supermarkets increased significantly over the review period in line with the increasing number of these outlets.

Positive growth expected during forecast period

Euromonitor forecasted that cosmetics and toiletries a constant value growth of more than 10% since 2003. In line with the recovery of the economy and the growing young population, cosmetics and toiletries will demonstrate positive growth over the coming years in contrast to the occasional decreases in the past years. Driving factors will include increased disposable incomes, the higher number of working women, and the increasing interest of young people in Western lifestyles which will encourage them to use more cosmetics and toiletry products. Furthermore, staunch competition amongst both local and multinational companies will lead to stronger investment in advertising, promotion and new product develop.

TURKEY AND ITS ECONOMY AT A GLANCE

Turkey with its 74 million inhabitants with a GDP per capita more than USD 8,500 was created in 1923 from the ashes of the Ottoman Empire. The country is strategically located in south-eastern Europe and south-western Asia and classified as an upper middle income country by the World Bank. With a population of which 58% below the age of 30 years Turkey is one of the youngest in Europe, and expected to remain as such for the coming decades. The country's dynamic economy is a complex mix of modern industry and commerce along with a traditional agriculture sector. Turkey's trading profile has been undergoing significant changes in the past few years. The textiles industry, traditionally Turkey's largest export sector, faces competition in international markets with the end of the global quota system. Other sectors, notably the automotive and electronics industries are rising in importance within Turkey's export mix. Major import products consist of machinery, transport equipment and chemicals, while Turkey is a net energy importer.

Turkey's main trading partners are Germany, the US, UK and Italy, but Iraq and other Middle Eastern and Eurasian countries are becoming a key destination for Turkish exports. New energy pipelines from Russia and Central Asia are causing trade with those countries to grow rapidly.

Main macroeconomic indicators of Turkey are given below:

	Realizations				2010 Forecast	
	2006	2007	2008	2009	Private	Government
Growth						
GDP (US\$ billion)	526	649	742	618	731	641
GDP per capita (US\$)	7,583	9,234	10,440	8,590	10,058	8,821
GDP growth rate (%)	6.9	4.7	0.7	-4.7	5.7	3.5
Industrial Production	2006	2007	2008	2009	Private	Government
Industrial Production (YoY, %)	7.8	6.9	-0.9	-9.6	-	-
Capacity Utilization Rate (Average, %)	81.0	78.3	75.2	65.0	-	-
Labor	2006	2007	2008	2009	Private	Government

Real Wage Index (Per hour, 2005=100)	88.0	92.9	92.8	85.4	-	-
Productivity Index (Per hour, 2005=100)	105.5	107.8	107.8	109.5	-	-
(YoY, %)	5.6	2.2	0.0	1.6	-	-
	2006	2007	2008	2009	Private	Government
Unemployment Rate (%)	9.9	9.9	11.0	14.0	14.0	14.6
Inflation	2006	2007	2008	2009	Private	Government
CPI (YoY, %)	9.7	8.4	10.1	6.5	9.4	5.3
CPI (Annual average, %)	9.6	8.8	10.4	6.3	9.9	-
PPI (YoY, %)	11.6	5.9	8.1	5.9	-	5.8
PPI (Annual average, %)	9.3	6.3	12.7	1.2	-	-

Source: TURKSTAT, State Planning Organization and Garanti Bank

Turkey's private sector is growing strongly, yet the state still plays a major role in basic industry, as well as the banking and transport industries.

Latest Developments as of end of May 2010

Higher Growth than Expected

Recent developments and the newly released data show that the growth for the year 2010 will be in the range of 5%-6%. This means that unlike many other developing and European countries, Turkey will get out of the crisis faster than it was expected. This increase in growth expectations are partly due to a better recovery in global economy as forecasted by IMF. Secondly and equally importantly domestic demand is rebounding harder than envisaged. Automotive sales, white good sales, consumer credit growth and VAT collection point out that private consumption has considerably increased during the last six months. Similarly, industrial production is also growing and the first quarter average is 17%.

However, despite these positive developments and expectations, some sources still believe that 2011 growth will be lower than 2010 growth as the base effect starts to wear out in the second half of 2010 and foreign demand stays limited compared to the pre-crisis period.

Rising Inflation

Due to strong increase in domestic demand, the expected 2010 year-end inflation also increased and it is expected to be within the band of 9%-10% range. Turkish Central Bank, in its latest inflation report, also increased its inflation forecast to 8.4% from 6.8%.

AN OVERVIEW OF COSMETICS IN TURKEY

Cosmetics, and particularly personal care products, constitute a new product range for the largely upward mobile Turkish consumer. The market for such products, has been constantly growing, save the recent impact of the global financial crisis. Main reasons behind such an uninterrupted growth during the last six years are the increases advertising spending of major players that have been gaining market share as a result and the increased impact of door-to-door marketing of cosmetics than has helped to educate the consumers in both applications and availability. Naturally, the stable growth of the Turkish economy has been the basis on which such positive developments could stand. It is important to note that despite the global financial crisis, the per capita GDP in Turkey increased to 8.500 USD in 2009 level from 7.500 USD in 2006 and it is expected to increase to 10.000 USD in 2010.

The potential of the Turkish cosmetics market, young, relatively new costumers aspiring western life style together with a constantly growing economy, is luring new cosmetics and personal care brands into the market. In the last years, over 30 new brands have entered the growing Turkish cosmetics market, addressing all market segments from luxury to low-priced cosmetics products.

Many international cosmetics and personal care retailers have entered Turkey in past few years. Hong Kong-based Watsons, Asia's largest cosmetics store, opened new stores, and aims to increase the number to 100 stores in five years. Douglas, a cosmetics and personal care retailer from Germany, also started operations in Turkey. Similarly, Estee Lauder has decided to grow its investments in Turkey based on the success of its operations here. The growth in cosmetics and personal care market, although it does not represent a very large portion of the world cosmetics and personal care market, in recent years has been quite impressive. The average

cosmetics spending per capita in Turkey has approached \$20 from \$13 a few years ago.

The entry and growth of the international brands in the Turkish cosmetics market is expected to continue due to the following conditions:

- A population of 70,6 million with Europe's youngest age average. The median age of the population in Turkey is 28.3. While the median age is 27.7 for males, it is 28.8 for females. The median age of the city population is 28.4 that of the village population are 27.9.
- Growth in the economy and positive economic outlook thanks to the move toward EU membership and IMF supported structural changes.
- Changes in the cosmetics law and regulations to harmonize with EU legislation.
- The strategic use of Turkey as a base to expand to Middle Eastern, Caucasian and Central Asian markets.

DEMAND AND PRODUCTION

The annual demand in Turkey is expected to be approximately 2.5 million Euro and it has been increasing at an average annual rate of 30% except the years of crisis. Despite such a strong increase the percentage of Turkish women who uses such products is estimated as 3 as opposed to 47% in developed European markets.

Overview of Demand

In Turkey, the share of young people regularly using cosmetic products within the age range of 15-24 is less than 20% as opposed to approximately 90% in Europe. This range is low but continuously increasing number renders the cosmetic market a though but attractive battlefield for both local and foreign manufacturers. Competition is highest in shampoos, which represents around 59% of hair care products, since the market is relatively larger and entrance is easier. Additionally, the product easily permits private label and bulk production rather than branded production. Men's

grooming products, depilatories, bath and shower products especially bar soaps, lip and eye make up, personal deodorants and antiperspirants, perfumes, cologne and other toilet waters, baby care products and dentifrices are the main products.

As noted above, Turkey's cosmetic and personal care market is a fast growing sector. The developments in the cosmetics sector in Turkey, is led by the wish to keep a youthful and attractive appearance of an increasing number of working women and the young population of the country. The demand initiated by such factors and by the growing local and global economy in the past six years has been the major driving force behind the fast development of the industry. On the other hand, the performance of Turkish companies in terms of quality, production capacity and variety has also been very good. Turkish cosmetics and personal care products companies offer high quality and diversified products. The majority of producers are located in Istanbul, which is the largest production and trade center in Turkey.

According to the Ministry of Health, the cosmetics and personal care products industry employed more than 5.000 people and approximately 1.450 companies were active in production of various cosmetics and personal care products before the crisis erupted at the end of year 2008. Although, these numbers are expected to be lower today, the expectations is that they will return to their pre-crisis level latest by year 2011.

The number of cosmetics and personal care products offered in the Turkish market is increasing every year. The production value of Turkish cosmetics and personal care products industry has exceeded 2.5 billion Euro in 2008 but the crisis changed the picture in year 2009. With the increased demand for cosmetics and toiletries products, companies started to invest more in new product developments in recent years which, consequently, increased competition in innovation and technology. Companies started to develop new production techniques and raised the quality of their products. New materials were included in products to meet changing consumer demand.

The Turkish cosmetics and personal care products industry has also reached world

standards in terms of quality. Most of the companies have ISO 9000 Quality System Certificates and ISO 14001 Certificates.

As a result of all these developments, new and more competitive products such as soaps, natural soaps, natural shampoos and other natural products emerged on the shelves. Since Turkey has a large variety of herbs and natural products, natural soap production is also wide-spread and done by small size local companies throughout Turkey. World famous "laurel soaps" and "olive oil soaps" are produced in large quantities in Turkey. The soap sector of Turkey is now an export oriented sector. Turkish soap producers have created their own brands, which lead to tight consumer dependence in the domestic market and directed their attention to foreign markets.

Most of the major multinational cosmetics and personal care products companies have their manufacturing and marketing facilities in Turkey in form of joint ventures and licensing agreements. Procter & Gamble, Henkel, Colgate, Palmolive, Unilever can be counted among these multinational giants operating in Turkey. Additionally, there are many strong domestic manufacturers such as Evyap, Eczacıbaşı, Canan Kozmetik, Kopaş Kozmetik, Kurtsan İlaçları, Hunca Kozmetik, Aromel Kozmetik which have large production capacity.

Trends in Demand

The shampoo market, which was extremely limited at the beginning -around 30 years ago-, has experienced a boom in the last ten years. Although, it has reached a plateau, this product is also expected to growth significantly as market expansion allows new consumers to essay the products after the global crisis.

Special purpose skin protection products are becoming the trend in skincare products. Increased interest in health and its relation to beauty is the main factor behind this development. Turkish women spend millions of dollars on cosmetic items in the pursuit of personal enhancement. These items boast the ability to stop aging and deter skin maladies of all kinds. Using certain chemicals such as Retin-A and

nutrients such as vitamin E, these cosmetics have proven themselves to be very lucrative and are also having a large impact in Turkey.

Men's lines have made impressive growth in the last five years also. Companies have taken notice of the fact that men have a heightened interest in skin care and the prospect of keeping their skin looking healthier and youthful looking for a long period of time. Products are emerging that are packaged particularly with men in mind.

One can argue that the Turkish market is currently being led by two main segments:

1. By products that have ability to stop or slow the aging process, to protect from UV rays, pollution, and the appearance of cellulite. The consumption of anti-aging UV protection/anti-pollution products is driven by all age groups and includes men and women who wish to appear younger.
2. By the fragrance market, that appears to be dominated by the "youth movement" in the United States and Europe. The target group's age is 15-25; the youth movement is expected to grow.

EXPORT

Exports of the Turkish cosmetics and personal care products industry have an upward trend. While it was US \$ 61 million in 2000, the value of cosmetics and personal care products exports reached US \$ 378 million in 2009. If soap exports were included in this figure, the total export value of the sector would rise to US \$ 739 million in 2009. This remarkable high increase in export value has undoubtedly been achieved due to the recent modernization and technological improvements carried out in the sector.

Exports of the cosmetics and personal care products sector in Turkey is composed of five major sub sectors:

Bath and shower products (preshave lotions, aftershave lotions, shaving cream, shaving soap and other shaving preparations products, bath soaps, deodorants, antiperspirants, bath salt, bath oils and other bath preparations, shower preparations, depilatories, room deodorizers, diapers, sanitary napkins and other toilet and cosmetic preparations products) comprise 41% of the cosmetic exports.

Hair products (shampoos, hair conditioners, hair rinses, hair straighteners, permanent waves, hair sprays, hair lotions, hair dyes, hair bleaches and other hair preparations) comprise 28% of the cosmetic exports.

Beauty or make-up and skin care products (skin care creams, moisturizing, skin care powders, skin cleansing, body lotions, eye make-up, lip make-up, manicure and pedicure preparations, sun protection, sun tan products and other skin care preparations) comprise 22% of the cosmetic exports.

Perfume and toilet waters (perfumes, colognes, toiletries and other products) comprise 7% of the cosmetic exports.

Oral and dental hygiene products (dentifrices: aerosol, liquid, pastes and powders, mouthwashes and breath fresheners, dental floss and other oral hygiene products) comprise 3% of the cosmetic exports.

Cosmetics and Personal Care Products Exports by Types (Value: US \$ Million)

H.S No.	Products	2005	2006	2007	2008	2009	2010 (First four months)	Major Export Markets of 2009
3303	Perfume and toilet waters	20	21	23	29	26	11	Azerbaijan, Libya, Iraq, Iran, Romania
3304	Beauty or make-up and skin care products	40	50	73	100	85	27	Iran, Russian Federation, Iraq, Poland, Bulgaria
3305	Hair products	53	69	70	89	101	30	Iraq, Libya, Italy, TRNC, Azerbaijan
3306	Oral and dental hygiene	24	30	29	25	10	3	Iraq, Ukraine, TRNC, Algeria, Turkmenistan

3307	Bath, shower products and men's grooming products	93	106	132	164	156	62	Iraq, Russian Federation, Iran, Ukraine, Libya
Total		230	277	326	407	378	133	

Source: Undersecretaries of Foreign Trade, Turkish Statistical Institute,

The major export product of the Turkish cosmetics and personal care products industry was shampoos with an export value of US \$ 68 million in 2009. The second major export products were personal deodorants and anti-perspirants with an export value of US \$ 57 million. Manicure or pedicure preparations (US \$ 27 million), hair paint and other preparations (US \$ 23 million), shaving preparations (US \$ 20 million), skin care products (US \$ 18 million), perfumes (US \$ 13 million), eye make-up preparations (US \$ 13 million) were the other export items of the cosmetics and personal care products industry.

A more detailed classification of exports by detailed product line is given below.

Major Export Products of the Cosmetics and Personal Care Products (Value: 1000 US \$)

Products	2009	2010 (First four months)
Shampoos	69,649	18,953
Personal deodorants and antiperspirants	57,384	24,449
In-door deodorants	48,037	17,398
Manicure or pedicure preparations	26,823	8,285
Preparations for use on the hair	22,977	8,221
Shaving preparations	19,585	8,438
Creams, emulsion and oils	18,315	4,573
Perfumes	13,459	5,317
Eye make-up preparations	13,018	4,598
Textile material saturated with perfume or toiletry	10,790	3,310
Toothpastes and powders	9,271	2,779
Other toilet waters	8,218	3,792
Shaving creams	8,204	2,256
Lip rouges	7,760	2,904
Beauty or make-up preparations and skin care preparations, incl. sun protection and sun tan preparations	6,384	2,051
Powders	5,938	2,711
Other perfumes, cosmetic/toilet preparations, hair removal creams	5,147	2,588
Hair sprays	4,315	1,216

Products	2009	2010 (First four months)
Colognes	4,001	1,480
Rouges for skin	3,183	1,125
Hair dyes	2,914	1,113
Body lotions	2,471	779
Other Textile material saturated with perfume or toiletry	2,362	1,516
Shaving lotions	2,333	1,139
Perfumed bath salts and other bath and shower preparations	1,279	401
Lip make-up preparations	1,165	389
Soaps and other bath preparations including active organic substances	1,066	453
Hair lotions	1,053	89
Total	377,101	132,323

Source: Undersecretaries of Foreign Trade, Turkish Statistical Institute

Turkish cosmetics and personal care products are exported to a wide range of countries and Turkey is now exporting cosmetics and personal care products to 140 countries throughout the world. Major destinations in 2009 were Iraq, the Russian Federation, Libya, Iran, Ukraine, Azerbaijan, Romania, Bulgaria, the UAE, TRNC and Algeria. The Commonwealth of Independent States is the biggest market for Turkish cosmetics and personal care products. In 2009, Iraq had a 18% share in Turkey's cosmetics and personal care products exports and the Russian Federation had 7%.

Cosmetics and Personal Care Products Industry Exports by Countries (Value: 1000 US \$)

Country Name	2007	2008	2009	2010 (First four months)
Iraq	47,347	57,523	67,570	21,690
Russian Federation	51,581	46,050	27,250	9,664
Libya	9,908	17,842	22,973	4,579
Iran	16,014	21,923	22,527	10,405
Ukraine	22,575	24,437	16,637	5,651
Azerbaijan	10,344	14,093	13,243	5,324
Romania	11,378	13,522	11,612	5,156
Bulgaria	12,020	16,791	10,401	2,683
UAE	7,520	11,682	10,075	3,776
TRNC	9,906	10,749	9,642	3,579
Algeria	9,215	11,352	7,634	2,969
Germany	6,843	8,874	7,404	2,868
Saudi Arabia	4,747	7,304	6,994	2,433

Country Name	2007	2008	2009	2010 (First four months)
Italy	5,454	7,302	6,890	2,310
Netherlands	2,169	5,806	6,606	1,919
USA	5,674	4,899	6,449	1,898
Israel	5,941	6,306	6,413	3,152
Jordan	2,530	4,419	5,793	2,604
Poland	6,453	8,440	5,523	1,617
Syria	3,327	4,409	5,077	1,908
Greece	3,514	5,146	4,777	2,007
Turkmenistan	2,974	4,307	4,634	2,418
Georgia	2,612	3,706	4,104	1,029
Egypt	1,225	1,855	4,054	1,793
Serbia	3,502	4,557	4,020	1,612
Kazakhstan	4,681	4,321	3,943	1,243
United Kingdom	3,850	5,372	3,639	852
Afghanistan	1,651	1,841	3,545	1,132
Tajikistan	2,481	4,393	3,509	879
Total	325,929	406,857	377,783	109,150

Source: Undersecretaries of Foreign Trade, Turkish Statistical Institute

IMPORT

Import of the Turkish cosmetics and personal care products reached 491 million \$ in 2009. Imports of the cosmetics and personal care products sector in Turkey is composed of five major sub sectors:

Hair products (shampoos, hair conditioners, hair rinses, hair straightness, permanent waves, hair sprays, hair lotions, hair dyes, hair bleaches and other hair preparations) comprise 32% of the cosmetic imports.

Beauty or make-up and skin care products (skin care creams, moisturizing, skin care powders, skin cleansing, body lotions, eye make-up, lip makeup, manicure and pedicure preparations, sun protection, sun tan products and other skin care preparations) comprise 30% of the cosmetic imports.

Bath and shower products (preshave lotions, aftershave lotions, shaving cream, shaving soap and other shaving preparations products, bath soaps, deodorants, antiperspirants, bath salt, bath oils and other bath preparations, shower preparations, depilatories, room deodorizers, diapers, sanitary napkins and other toilet and cosmetic preparations products) comprise 13% of the cosmetic imports.

Perfume and toilet waters (perfumes, colognes, toiletries and other products) comprise 13% of the cosmetic imports.

Oral and dental hygiene products (dentifrices: aerosol, liquid, pastes and powders, mouthwashes and breath fresheners, dental floss and other oral hygiene products) comprise 12% of the cosmetic imports.

Cosmetics and Personal Care Products Imports by Types (Value: US \$ Million)

H.S No.	Products	2005	2006	2007	2008	2009	2010 (First four months)
3303	Perfume and toilet waters	43	42	50	57	63	21
3304	Beauty or make-up and skin care products	114	131	162	163	149	63
3305	Hair products	90	126	138	159	156	69
3306	Oral and dental hygiene	24	32	46	47	62	29
3307	Bath, shower products and men's grooming products	48	55	64	61	59	24
Total		322	386	462	489	491	206

Source: Undersecretaries of Foreign Trade, Turkish Statistical Institute

A more detailed categorization of imports by product category is given below for further review.

Major Import Products of the Cosmetics and Personal Care Products (Value: 1000 US \$)

Products	2009	2010 (First four months)
Shampoos	92,024	43,587
Creams, emulsion and oils	69,278	31,457
Toothpastes and powders	56,609	25,954
Other toilet waters	42,620	13,493

Products	2009	2010 (First four months)
Hair dyes	37,960	14,360
Eye make-up preparations	26,154	10,176
Personal deodorants and antiperspirants	24,145	10,662
Beauty/make-up preparations and preparations for skin care	23,656	9,150
Preparations for hair	23,305	10,184
Perfumes	19,888	6,915
Lip rouges	10,959	4,403
Other perfume, cosmetic and toilet preparations	7,834	3,290
In-door deodorants	7,412	3,852
Perfumed bath salts and other bath and shower preparations	5,850	1,796
Body lotions	5,386	2,342
Powders	4,770	2,014
Preparations for oral hygiene	4,659	2,431
Shaving creams	4,443	1,157
Contact lens and eye solutions	4,183	1,245
Rouges for skin	3,542	1,578
Lip make-up preparations	3,264	1,471
Manicure or pedicure preparations	2,289	782
Shaving preparations	2,069	661
Hair sprays	1,981	980
Hair lotions	1,485	99
Shaving lotions	1,463	268
Soaps and other bath preparations including active organic substances	1,240	468
Colognes	1,147	376
Yarn used to clean between the teeth "dental floss", in individual retail packages	1,012	438
Total	490,627	130,545

Source: Undersecretaries of Foreign Trade, Turkish Statistical Institute

Cosmetic and Personal care products have imported mostly by EU countries such as France, Germany and Poland. USA, Italy and England had followed up these countries.

Cosmetics and Personal Care Products Industry Imports by Countries (Value: 1000 US \$)

Country Name	2007	2008	2009	2010 (First four months)
France	119,105	136,116	129,610	65,788
Germany	101,954	100,368	101,020	44,876

Country Name	2007	2008	2009	2010 (First four months)
Poland	56,539	59,226	58,884	22,936
USA	26,273	36,091	26,426	9,893
Italy	32,924	31,692	24,980	9,220
England	30,479	23,949	24,473	11,463
Spain	17,939	19,429	15,220	6,338
China	4,170	6,441	8,907	2,780
Switzerland	5,306	7,425	7,918	4,514
Czech Republic	4,059	6,799	6,564	2,760
Belgium	6,696	8,565	6,555	2,288
Ireland	5,562	6,335	6,533	3,085
Sweden	2,549	2,660	4,626	1,962
Slovenia	2,280	4,192	4,493	1,390
Argentina	2,135	3,965	3,680	2,293
Hungary	12,134	4,309	3,074	1,057
Canada	2,607	2,923	2,977	1,002
Egypt	3,165	3,510	2,816	692
India	4,487	5,720	2,728	1,611
Greece	3,479	3,182	2,680	1,465
Thailand	2,670	2,228	2,203	550
Holland	2,740	2,128	2,199	1,088
Japan	1,455	1,292	1,682	687
Israel	1,492	1,659	1,358	717
Mexico	1,173	1,201	1,221	707
Other	9,162	8,504	38,534	4,687
Total	462,534	489,909	491,361	205,849

Source: Undersecretaries of Foreign Trade, Turkish Statistical Institute

The regulatory system in Turkey does not limit at all the production, import or export of cosmetic and personal care products. However, a notification should be made to the Ministry of Health before the lancement. Ministry of Health should also be pontificated for any changes in the product or in the producer.

It is forbidden to produce package, open an importer company or operate such a company without properly notifying Ministry of Health before the lancement or for any changes.

There is no taxation on import or export to EU as Turkey entered into a custom union with EU at 1.1.1996. The joint custom tax rates utilized by EU are applied for imports from countries other than EU.

COMPETITIVE ENVIRONMENT

The highest competition among the all categories is in the shampoos, since, as noted, this market is relatively large and entrance is easier. Additionally, the product readily lends itself to private label and bulk production.

The market is dominated by multinational companies, such as Unilever, Procter & Gamble, Beiersdorf and Colgate Palmolive. The shelves of the Turkish supermarkets and perfumeries clearly reflect huge penetration by foreign brands: Lancôme (mainly skin care products and perfume), Elizabeth Arden, Helena Rubenstein, Christian Dior (skin care products, cosmetics, perfumes), Estee Lauder, Clinique, Chanel, Calvin Klein, Claris, Guerlain, Roc, Stendhal, Sebastien, Yves Saint Laurent, Boots, Swiss Formula, Johnson & Johnson, Juvena, Chatherine Arley, Elit, Charme, Ponds, Bio Line, Hunca, Selis Kosmatik, Atac, Biofors, Bristol Meyers, Carfarma, Coty, Deotak, Hes, Kurtsan, Ondula, Rebul, Oriflams, Revu, Tan Ecza, Taris, Tekmen, Temsu, Toprak and Vepa.

Besides the above, a few Japanese brands like Hayashi are appearing in the market.

Foreign trade in cosmetics has displayed continued dynamism, with both imports and exports on the increase since mid-1995.

MAIN PLAYERS

Main players in cosmetic and personal care market in Turkey are as follows:

Procter & Gamble Tuketim Mallari Sanayi Ltd Sti.

Procter & Gamble Tuketim Mallari Sanayi Ltd AS was the biggest player cosmetics and toiletries in value terms in Turkey in 2003. The company entered Turkey in 1987 through a joint venture with Mintax A.S., a strong local company at the time. Another joint venture was made with Eczacibasi in 1990 to manufacture disposable paper products. Procter & Gamble bought all of the shares of Mintax and Eczacibasi in 1998 and took the name Procter & Gamble Tuketim Mallari Sanayi Ltd A.S. During the review period, the company was very strong in hair care and in oral hygiene. The most popular cosmetics and toiletries brands of the company are Pantene Pro-V, Blendax, Rejoice, Ipana, Clairol Herbal Essences, Ellen Betrix and Max Factor. The company's brand portfolio also consists of Ariel, Alo, Mintax, Ace, Ipanol, Vicks, Orkid, Prima, Pampers and Pringles. Procter & Gamble Tuketim Mallari Sanayi Ltd AS manages its operations from the General Offices in Icerenkoy Kosifler Centre and manufactures operations through wholly owned plants in Sefaköy and Gebze, and a distribution centre in Sekerpinar.

Evyap Sabun Yag Gliserin Sanayii ve Ticaret A.S.

Evyap Sabun Yag Gliserin Sanayii ve Ticaret A.S. is a very successful local company with a history of 75 years. Evyap started its journey with the production of soap in Erzurum-Turkey but today manufactures a wide range of products including soap, shower gels, shampoos, shaving preparations, detergents and toothpastes, which are sold in more than 100 countries. Today, Evyap is one of the biggest soap and cosmetics producers in the world and is among the top 100 Industrial Companies of Turkey. Exports make up 75% of Turkey's total soap output. In 2002, Evyap started to produce in Egypt. In addition a new facility in Ukraine commenced with soap production in 2003.

In soap production, today, Evyap utilizes the continuous process which allows production of the highest quality soap in the most economical manner. Steam and electrical energy are produced on site with a co-generation system significantly reducing manufacturing costs. Water used in production is purified and reused within the factory.

Dalan Kimya Endustrisi A.S.

Dalan Kimya Endustrisi AS started to produce traditional pure olive oil soap in the 1940's. The capacity in those days was very small compared whereas today the company has a product portfolio of more than 100 items. The company exports its products to 123 countries in five continents. Besides the toilet soaps, bath soaps, granulated soaps, and soap powder, it is also producer and exporter of technical grade glycerin. Dalan follows the latest technology and uses top technology in the production of its soap.

The Dalan Kimya factory is situated in Izmir, which is the third largest city in Turkey. The company is expanding day by day to reach its best and to present a wider range of products to customers. Dalan, Alara, Cindy, Diana, Adalya, Nancy and Roxy are the brands sold in Turkey and in other countries.

Hunca Kozmetik Sanayii A.S.

Hunca Kozmetik Sanayii A.S. was established in 1957 as a family company producing cosmetics and toiletries. The company first produced hair care products but withdraw its products after its entrance in fragrances. The company entered the fragrances sector with its Madigan brand in 1978. Hunca Kozmetik Sanayii is active today in hair care, liquid soap, deodorants, and fragrances, men's pre-shave and color cosmetics. Its brands include Destiny Fresh, Caldion, Extory, Equal, Viva Cappio, Jagler, Carmina and Ivrandi.

REGULATORY ENVIRONMENT

Law No. 3977 of 1994 on Cosmetics and the By-Law of 1994 on Cosmetics set forth the principles for manufacturing, import authorization, packaging information, control and advertising, and measures related to cosmetics to ensure that they are not harmful. This law reclassified toothpaste, mouthwashes, deodorants, shampoos, face creams, and toothbrushes, and mouthwashes as cosmetics. The Ministry of Health is responsible for the inspection and approval of both domestic and imported cosmetics in a bid to maintain European Union standards.

Turkish legal treatment of cosmetics diverges from the European equivalent on two main points: Domestic products are covered by Turkish legislation; they are not covered by European legislation. Secondly, the Turkish control system is different and registration procedures are lengthy. Prior authorization is required for marketing cosmetic products.

Harmonization with EU Legislation on Cosmetics

EEC Regulations	Remarks on Turkish Regulations
76/768/Eec – Approximation of the laws relating to cosmetic products	In harmony
78/45/EEC – Setting up a Committee for Cosmetology	No regulation exists in Turkey concerning this matter
80/1335/EEC, 82/434/EEC, 83/514/EEC, 85/490/EEC, 93/73/EC, 96/45/EC	Although similar implementations do exist in practice, there is no separate regulation in Turkish legislation. The harmonized process is ongoing.
87/137/EEC – option of the technical process of the annexes to the Council Directive on the approximation of the laws of the Member States relating to cosmetic products. (Amending Council Directive 76/76/EEC)	No corresponding regulation exists in Turkey concerning this matter

EEC Regulations	Remarks on Turkish Regulations
97/17/Ec – laying down detailed rules for the application of the relevant Council Directive as regards the list used for the labeling of cosmetic products	In harmony
96/335/E – on establishing an inventory and a common nomenclature of ingredients employed in cosmetic products	No corresponding regulation exists in Turkey concerning this matter

In conjunction with its January 1, 1996 accession to the EU Customs Union, Turkey adopted a new import regime. This regime applies the EU's common external customs tariff for third-country imports and applies zero duty rates for non-agricultural items of EU/EFTA origin.

DISTRIBUTION SYSTEM AND ADVERTISEMENT

Marketing of most foreign products in Turkey is through foreign suppliers' representatives or distributors. Depending on the location of consumers/end-users, most distributors have a dealer network throughout the country or in areas where the product is most used-in the case of several industrial sectors; a dealer/repair network may be required. Commission representatives/agents, on the other hand, periodically visit their customers together with their foreign principals to maintain strong personal contact, a very important marketing tool in Turkey. In addition, Tahtakale is the major wholesale and retail market in Istanbul and whole Turkey.

The share of supermarkets/hypermarkets has steadily increased since 2001 due to a growing number of these retail outlets and a wider range of products available via this distribution channel. Manufacturers increasingly used these outlets to promote and advertise their products and undertake promotions. These factors, together with easier and more widespread payment methods, created more dynamism for this retail channel as it was able to reach a wider consumer base. This increased overall industry sales and decreased manufacturers' distribution costs.

THE ISSUE OF COUNTERFEIT PRODUCTS

The issue of counterfeit products has been a growing concern in Turkey not only because of its infringement with the intellectual property and copyright laws but also because of its health implications. The combat with the counterfeit products became a major issue and the overall seizures increased by tremendously.

In response, some companies have turned to new forms of packaging and intelligent labeling to ensure that consumers and customs can check for authenticity.

China was the main source of fake cosmetics and personal care products, accounting for 37 per cent of the total. It is followed followed by Indonesia (19 per cent), Ukraine (16 per cent), UAE (ten per cent), and Turkey (four per cent). Other countries accounted for 14 per cent.

OPPORTUNITIES FOR ITALIAN COMPANIES

The Republic of Turkey's movement toward membership in the European Union is creating momentum to adopt European business regulations and standards in Turkey, thereby ultimately making it easier to sell and conduct business in this market. Similarly, reforms since 2001 have created a strong and stable economy that continuously increased per capita income without deteriorating the income distribution.

These developments together with continuous urbanisation are certainly fueling the demand. However, in most ranges, such as bath and shower products, hair care, skin care, and facial care, unit prices are expected to decline due to price competition.

With the recovery of the economy, companies are likely to engage in long term strategies. This will be in reaction to a systematic increase in demand, since companies are expected to invest more in advertising and new ways of promoting their products.

New companies, especially foreign companies are likely to enter cosmetics and toiletries in Turkey and positive economic conditions should create a more favorable environment for developing new brands.

The opportunities for Italian companies can be examined under two separate perspectives. The first one is related to products. As mentioned above certain products have strong growth in the markets and Italian companies, through aggressive agents that can provide local knowledge and market access, can easily penetrate and have a place in this growing market. On the other hand, a reputable representative with good market contacts can provide important and timely information regarding the new products that are demanded, such as anti-aging products, and provide an entry to a newly developing segment.

Italian companies that wish to successfully operate in the Turkish market through an authorized agent/distributor should ensure that the following conditions are met:

- Make full, long-term, steady commitments.
- Be aggressive and flexible. According to importers/distributors, lack of good credit and financing packages are the biggest weaknesses of Italian competitors in the Turkish market.
- Pricing and payment terms must compete with European and Far Eastern prices, which is difficult in some cases given the disadvantage of higher shipping costs. European firms, which have a longer history of trading with Turkish buyers, usually are more flexible in accepting deferred payments – a common request by Turkish importers.
- Provide adequate after-sales follow-up regarding supply amounts, movement of products, and demand for other products.
- Be prompt in answering requests for information, quotations and additional materials – by facsimile or electronic mail.
- Provide seminars, presentations, and/or participation in local exhibitions, where appropriate.
- Consider inviting and sponsoring Turkish professionals to attend conferences and other trade events.

- Cultivate sales through the Internet, as long as products offered are competitive in terms of quality and price.

Advertising in relevant magazines is important. Promotional and training activities targeting both representatives and customers are also essential tools for selling in Turkey. As in all countries, television is an important, but expensive, advertising tool. Some brands sponsor popular TV shows or weather reports. In addition, it is useful to participate in major trade fairs, also done through the agent.

The second perspective is related to entry method. While Europe is still suffering from the fall outs of the gloabla economic crisis many Turkish companies are agressivly extending the product ranges and export activities. However, these companies lack the expertise and the capital required to support such a high and aggressive growth. Partnerships, acquisitions, in this repect, may open both the the door for the Turkish market and the doors of other developing markets in Middle East and Eurasia. Some recent developments that created additional costs in domestic production of certain products such as aerosol based products, may open partnership oppotunies which involves shifting of production to other locations.

APPENDIX 1:**USEFUL CONTACTS****AGRICULTURE AND RURAL AFFAIRS**

Ministry of Agriculture and Rural Affairs, General Directorate of Agricultural Production Development
www.tarim.gov.tr

Ministry of Agriculture and Rural Affairs, General Directorate of Protection and Control
www.tarim.gov.tr

Ministry of the Environment and Forestry
www.cevreorman.gov.tr

Turkish Grains Council
www.tmo.gov.tr

General Directorate of Rural Services
www.khgm.gov.tr

HEALTH

Ministry of Health, Foreign Relations Department
www.saglik.gov.tr

TRADE AND ECONOMY

Cosmetics & Toiletries Industry Association
www.ktmd.org.tr

General Secretariat of Istanbul Mineral and Metals Exporters' Association
www.immib.org.tr

State Planning Organization-SPO
www.dpt.gov.tr

Undersecretaries of Foreign Trade, General Directorate of Imports
www.dtm.gov.tr

Prime Ministry, Privatization Administration
www.oib.gov.tr

State Institute of Statistics
www.die.gov.tr

Turkish Chemical Manufacturers Association

www.tksd.org.tr

Turkish Institute of Standards, Standards Preparation Department
www.tse.org.tr

Turkish Institute of Patents
www.turkpatent.gov.tr

The Scientific and Technical Research Council of Turkey
www.tubitak.gov.tr

Export Promotion Center
www.igeme.org.tr

PACKAGING AND PACKING

Packaging Industrialists' Association
www.ambalaj.org.tr

PRODUCERS OR EXPORTERS OF COSMETICS IN TURKEY

AEROSOL VALF SANAYİ A. Ş.

Address : İnönü Mah. 7 Cad. GEPOSB Gebze, KOCAELİ
Phone : 00902627512713, Fax : 00902627512180
Email: info@avlcoaster.com
Website : www.avlcoaster.com
Products : Hair spray, shaving foam, deodorant and air freshener

AKATLAR KOZMETİK SAN. DIŞ. TİC. A.Ş.

Address : San Bir Bulvarı 4. Bölge 11. Cad. No:77 34490 Büyükçekmece, İSTANBUL
Phone : 00902128866344, Fax : 00902128868477
Email: akat@akatkozmetik.com.tr, export@akatkozmetik.com.tr
Website : www.akatkozmetik.com.tr
Trade Marks : Akat2000, Akat Gardi, Akat, Kiss, Fiery
Products : Deodorant, perfume, silicone spray and air freshener

CANAN KOZMETİK LTD. ŞTİ

Address : Merkez Mah. Cihan Sok. No:3 Kıraç 34522 Büyükçekmece, İSTANBUL
Phone : 00902126225200, Fax : 00902126225250
Email: info@canan.com
Website : www.canan.com
Trade Marks : İpek, Vertigo, Parmex
Products : Shampoo, aseton, styling gel, hair cream, hair conditioner, shower gel and liquid soap

CVS MOBİLYA İTHALAT İHRACAT TİCARET A.Ş.

Address : 255/1 Sok. No:5 C/7 35280 İZMİR
Phone : 00902322503208, Fax : 00902322503208
Email: ceyda@cwstrade.com

Website : www.cwstrade.com

Products : Olive oil soap, massage oil, hair oil and different herbal oil combinations

DİKEY KOZMETİK AJANS PAKETLEME SAN. TİC. LTD. ŞTİ.

Address : 668. Sok. No:54 İvedik Organize Sanayi ANKARA

Phone : 00903123959900, Fax : 00903123959911

Email: bilgi@siragda.com

Website : www.siragda.com

Trade Marks : Able, Touch, Ott, Hemorott

Products : Depilatories

DÜNDAR KİMYA KOZMETİK İLAÇ GIDA SAN. TİC. LTD. ŞTİ.

Address : Çayırıyolu Sok. Üçgen Plaza Kat:2 No:7 İçerenköy, İSTANBUL

Phone : 00902165727979, Fax : 00902164697195

Email: info@bioder.com

Website : www.bioder.com

Trade Marks : Bioder

Products : Hair reducing cream

ELİZİ LTD. ŞTİ.

Address : Söğütözü Mah. 8. Sok. No:5 Çankaya, ANKARA

Phone : 00903122879733, Fax : 00903122879733

Email: eliziticaret@yahoo.com

Trade Marks : Elimpak, Haylar

Products : Paper soaps

ERKUL KOZMETİK SAN. TİC. A. Ş.

Address : Ambarlı Tesisler Yolu No:27 Avcılar, İSTANBUL

Phone : 00902124565300, Fax : 00902124226052

Email: goldenrose@goldenrose.com.tr

Website : www.goldenrose.com.tr

Trade Marks : Golden Rose, Classics, Miss Selene

Products : Bronzing terra powders, blushers, compact powders, eyeshadows, mascaras and eyeliners, fluid and compact foundations, lipsticks, lipliners, nail lacquers and wet towel wipes

ESPAŞ KOZMETİK VE GIDA SAN. TİC. A.Ş.

Address : Işıklar Cad. No: 17 Ulus, ANKARA

Phone : 00903123092706, Fax : 00903123112333

Email : info@ixora.com.tr

Website : www.ixora.com.tr

Trade Marks : Ixora

Products : Cologne, deodarant and room spray

EVMA EV İHTİYAÇ MAD. SAN. A. Ş.

Address : Ankara Asfaltı Üstü 8. Km. Köseköy İZMİT

Phone : 00902623733545, Fax : 00902623732461

Email : evma@evma.com.tr

Website : www.evma.com.tr

Trade Marks : Boğaziçi

Products : Eau de colognes

EVYAP INTERNATIONAL DIŞ TİC. A.Ş.

Address : Ayazağa Cendere Yolu 10/A 34396 Levent, İSTANBUL

Phone : 00902122892300, Fax : 00902122892340

Email : international@evyap.com.tr

Website : www.evyap.com

Trade Marks : Duru, Fax, Arko, Sanino

Products : Soaps, shampoos, hair gels, colognes, shaves, tooth pastes and tooth brushes

EYUP SABRİ TUNCER KOZMETİK SAN. A.Ş.

Address : Samsun Yolu 25. Km. 06851 Lalahan, ANKARA

Phone : 00903125980390, Fax : 00903125980044

Email : est@eyupsabrituncer.com

Website : www.eyupsabrituncer.com

Trade Marks : Eyup Sabri Tuncer, Cool Care

Products : Eau de colognes, rose water, baby wipes, refreshment wipes, pocket size wet wipes, hot/cold towels

FULYA KOZMETİK ISLAK MENDİL

Address : Kemalpaşa Mah. Nebioğlu Sok. No:8 B blok Kat:1 Sefaköy, İSTANBUL

Phone : 00902124244436, Fax : 00902124240349

Email : fulya@fulyakozmetik.com

Website : www.fulyakozmetik.com

Trade Marks : Freshmaker

Products : Wet wipes

GELİŞİM KOZMETİK SAN. VE TİC. A.Ş.

Address : Gürpınar Yolu, İstanbul Cad. No:61 Büyükçekmece İSTANBUL

Phone : 00902128806340, Fax : 00902128806343

Email : info@gelisimkozmetik.com

Website : www.gelisimkozmetik.com

Trade Marks : Season, Udv, Aqua Dino, Mythos

Products : Eau de toilettes, deodorants, hair gel and air fresheners

GOLDIMPEx İÇ VE DİŞ TİCARET LTD. ŞTİ.

Address : Hürriyet Mah. Mahmutbey Cad. Arıkan Dağlar İş Merkezi No:1 Kat:8 34191

Bahçelievler, İSTANBUL

Phone : 00902126543528, Fax : 00902126543628

Email : info@goldimpex.com

Website : www.goldimpex.com

Trade Marks : Fruity, Beauty Club

Products : Hair spray, shampoo, body deodorant, air freshener and soap

GÜLBİRLİK GENEL MÜDÜRLÜĞÜ

Address : Davraz Mah. 115 Cad.No:105 İSPARTA

Phone : 00902462181280, Fax : 00902462188452

Email : info@gulbirlik.org

Website : www.gulbirlik.org

Trade Marks : Rosense

Products : Hand and skin cream, hand and body lotion, various types of shampoo for hair roots, vaseline, hair gel, rose and lemon colognes, rose soaps, doedorants for men and women, room spre, rose perfume, acetone, rose water and rose oil

HAYAT KİMYA SAN. A. Ş.

Address : Mahir İz Cad. No:23 34662 Altunizade, İSTANBUL
Phone : 00902165544000, Fax : 00902164740062
Email : hayat@hayat.com.tr
Website : www.hayat.com.tr
Trade Marks : Bingo, Test, Has, Molped
Products : Soaps, shampoos, hair conditioners and sanitary papers

HOBİ KOZMETİK A. Ş.

Address : İnönü Mah. Ulusu Cad. No:137 34755 Kayışdağı, İSTANBUL
Phone : 00902165769090, Fax : 00902165766613
Email : info@hobikozmetik.com, export@hobikozmetik.com
Website : www.hobikozmetik.com
Trade Marks : Hobby Collection, New Era, VitalF Cougar
Products : Shampoos, hair gels, creams, lotions and liquid soaps

HUNCA KOZMETİK SANAYİ A.Ş.

Address : Bahçeköy Hunca Cad. No:12 80895 Sarıyer, İSTANBUL
Phone : 00902122261083, Fax : 00902122261082
Email : info@hunca.com.tr
Website : www.hunca.com.tr
Trade Marks : Jagler, Caldion, Viva Cappio, Equal
Products : Eau de toilettes, deodorants, hair gels and shaving foams

IDUNA DANKİM A.Ş.

Address : Şehitler Cad. Key Plaza No:18 Alsancak, İZMİR
Phone : 00902324633469, Fax : 00902324632256
Email : bukeym@iduna.com.tr
Website : www.iduna.com.tr
Trade Marks : Avecs, Pinky, Cabinda, Safehands
Products : Hand and body hygiene

KADIOĞLU KOZMETİK SAN. VE TİC. A.Ş.

Address : Demirciler Çarşısı, Yeni Yol Cad. No:51 Zeytinburnu, İSTANBUL
Phone : 00902125011721, Fax : 00902126138260
Email : info@gabrini.com
Website : www.gabrini.com
Trade Marks : Gabrini, Rapsodi
Products : Perfumes, eye makeup, nail polish and lipstick

KALİ KİMYA

Address : Birahane Sok. No:50 Bomonti – Şişli, İSTANBUL
Phone : 00902122340645, Fax : 00902122467352
Email : kali@kali.com.tr
Website : www.kali.com.tr
Products : Fragrance

KOPAŞ KOZMETİK A.Ş.

Address : Oycan Plaza Ayazağa Mah. Eski Büyükdere Cad. No:15 Maslak, İSTANBUL
Phone : 00902122852290, Fax : 00902122761115
Email : kopasexport@kopas.com.tr
Website : www.kopas.com.tr
Trade Marks : Dalin, Alix Avien, Sesu, Leda

Products : Baby care products, family care products, make-up, perfumes, deodorants, skin care products and hair dyes

KURTSAN İLAÇLARI A.Ş.

Address : Keresteciler Sitesi Kasım Sok. No:63 Merter, İSTANBUL

Phone : 00902125070400, Fax : 00902125069138

Email : export@kurtsan.com

Website : www.kurtsan.com

Trade Marks : Otaci, Tuba, Kurtsan

Products : Herbal shampoo, baby powder, rose water and natural soap

MELİSSA KOZMETİK VE TEMİZLİK MAMULLERİ SAN. TİC. LTD. ŞTİ.

Address : Öziş Sanayi Sitesi, 740 Sok. İvedik Organize Sanayi Ostim, ANKARA

Phone : 00903123952758, Fax : 00903123952760

Email : info@melissakozmetik.com

Website : www.melissakozmetik.com

Trade Marks : Melissa, Süper Melissa, Zigana, Kano

Products : Vaseline, shampoo and conditioner, liquid hand soap, acetone, hair gel, cologne, air fresher, car adour

MEY KOZMETİK

Address : İkitelli Organize Sanayi Bölgesi, Çevre Sanayi Sitesi 1. Kısım 15. Blok No:13 Kat:3 Küçükçekmece, İSTANBUL

Phone : 00902124863379, Fax : 00902124863389

Email : mey@meykozmetik.com

Website : www.meykozmetik.com.tr

Trade Marks : Erfreş, Rich

Products : Deodorizers

ODAK KOZMETİK SAN. VE TİC. A.Ş.

Address : Bayar Cad. Şehit Mehmet Fatih Ongül Sok. No:5 Odak Plaza 34742

Kozyatağı, İSTANBUL

Phone : 00902164458400, Fax : 00902164458403

Email : dbesbicak@odakcosmetics.com

Website : www.odakcosmetics.com

Trade Marks : Verita, Verita Trend, Keen, Sun Girl

Products : Nail polish, lipstick, mascara and eye shadow

ÖZTÜRK İLAÇ SAN. VE TİC. A.Ş.

Address : Darülaceze Cad. Demirkaya Apt. No:17/1 Şişli, İSTANBUL

Phone : 00902122216399, Fax : 00902122227689

Email : info@ozturk.com.tr

Website : www.ozturk.com.tr

Trade Marks : Lion, Max, Jay, Anna

Products : Hair spray, deodorant, shaver foam and air fresheners

PİNKAR KİMYA SAN. VE TİC. A. Ş.

Address : Savaş Sok. No:179 Kurtuluş, İSTANBUL

Phone : 00902122190128, Fax : 00902122311610

Email : info@pinkar.com

Website : www.pinkar.com

Trade Marks : Pastel, Snob, Dolce, Top Girl

Products : Lipstick, lipgloss, blush on, compact powder and deodorant

PİNKİM KOZMETİK SAN. VE TİC. A.Ş.

Address : Hadımköy Asfaltı 4.Km Ömerliköy Mevkii Hadımköy, İSTANBUL

Phone : 00902127982764, Fax : 00902127982767

Email : info@pinkim.com

Trade Marks : Dunlop, Slazengeer

Products : Perfumes and deodorants

SABUNZADE

Address : Sümer Mah. 27. Sok. No:7 Zeytinburnu, İSTANBUL

Phone : 00902124156706, Fax : 00902125552365

Email : info@sabunzade.com

Website : www.sabunzade.com

Trade Marks : Sabunzade

Products : Naturel soaps

SAYGÜR GIDA TEKSTİL ELEK. KİMYEVİ MADD. TUR. SAN. TİC. LTD. ŞTİ.

Address : Paris Cad. 49/A No:2 06540 Kavaklıdere, ANKARA

Phone : 00903124662519, Fax : 00903124265545

Email : info@sgimpex.com

Website : www.sgimpex.com

Trade Marks : Evoha, Morley

Products : Perfumes, eye makeup, lip make-up and powders

SCK ZETA DIŞ TİCARET PAZARLAMA LTD. ŞTİ.

Address : Büyükdere Cad. Kuğu İşhanı No:81 K:1 D:1 Mecidiyeköy, İSTANBUL

Phone : 00902122747144, Fax : 00902122747142

Email : zeta@zetacompany.com

Website : www.zetacompany.com

Trade Marks : Air Natura, Zeta Valentina, Zeto, Zetoll

Products : Shampoo, hair gel, shaving cream, bath and shower gel, soaps and air freshener

ŞENBAY GENEL KİMYA VE DIŞ TİC. A.Ş.

Address : Gebze Organize Sanayi Bölgesi, İhsan Dede Cad. No:133 Gebze, KOCAELİ

Phone : 00902627510333, Fax : 00902627510291

Email : info@flormar.com

Website : www.flormar.com

Trade Marks : Flormar

Products : Blush onball busher, nail polishnail care, cream powder (foundation, cream foundation, concealer, magicwand, compactpowder, stick foundation), eye shadow mascara, pencileye liner, lipstick, pulplip gloss and all skin care products

TANALİZE KOZMETİK VE TEMİZLİK ÜRÜNLERİ SAN. VE TİC. A.Ş.

Address : Ömerli Beldesi, Fabrikalar Yolu No:43 34797 Ömerli, İSTANBUL

Phone : 00902164357033, Fax : 00902164357670

Email : tanalize@tanalize.com

Website : www.tanalize.com

Trade Marks : Farmasi, Bugi, Panther

Products : Shampoo, hair conditioner, shower gel, lotion, wet wipes, toothpaste, roll on, hair gel, deodorant, shaving cream, foot cream and liquid hand wash

TEMKO TEMİZLİK VE KOZMETİK SAN. LTD. ŞTİ.

Address : Firuzköy Mah. Bağlariçi Cad. No:76 Avcılar, İSTANBUL

Phone : 00902124282019, Fax : 00902124281295

Email : temko@temko.net

Website : www.temko.net

Trade Marks : Hbn

Products : Shampoo, shower gel, body lotion, conditioner and soap

TEMSU KOZMETİK

Address : Londra Asfaltı Hacer Hn. Sok. No:2 Bahçelievler, İSTANBUL

Phone : 00902124414242, Fax : 00902124415364

Email : foreigntrade@temsu.com.tr

Website : www.temsu.com.tr

Trade Marks : Sandy, Pereja,

Verdure, Wilson

Products : Shampoo, deodorant, EDT, after shave, shaving cream, shaving balms, hair gel, soap and air freshener

TÜRÜL KOLONYA VE KOZMETİK SANAYİ VE TİCARET A.Ş.

Address : Yeni Sanayi Gim Toptancılar Sitesi No:141516 KARAMAN

Phone : 00903382141695, Fax : 00903382136905

Email : bilgi@turul.com.tr

Website : www.turul.com.tr

Trade Marks : Türül, Güney

Products : Eau de colognes and air freshener

UZMAN KOZMETİK KİMYA SAN. VE DIŞ TİC. LTD. ŞTİ.

Address : Bahariye Cad. Nailbey Sok. No:10 Kat:3 Daire:4 Kadıköy, İSTANBUL

Phone : 00902163462591, Fax : 00902163462632

Email : info@uzmancosmetic.com

Website : www.uzmancosmetic.com

Trade Marks : Lesens, Chris Cremmy, Sue Etoile

Products : Eau de toilettes and deodorants

YENİ DOĞUŞ KOZMETİK TİC. LTD. ŞTİ.

Address : Ekşioğlu Mah. Saray Cad. No:37 Ümraniye, İSTANBUL

Phone : 0090216312339193, Fax : 00902163123394

Trade Marks : Diplomat, Parlement, Colin's

Products : Eau de toilettes, deodorants and deo roll on

MAJOR FAIRS IN THE TURKISH COSMETICS AND PERSONAL CARE PRODUCTS INDUSTRY IN 2010

- BEAUTY FORUM 2010 – Cosmetics, Beauty, Aesthetics, Personal Care in Istanbul (15 March 2010).
- CARE & CURE – Medical Aesthetics, Facial and Franchising Fair, Cosmetics, Beauty, Aesthetics, Personal Care in Istanbul (15 May 2010).

- BEAUTY EURASIA – International Exhibition For Beauty & Cosmetics Products, Beauty, Aesthetics, Personal Care in Istanbul (17 – 19 June 2010).

APPENDIX 2:

Import Legislation

Turkey has continued to adopt and update old approach product legislation. Regulations aiming to align EC legislation in the field of pharmaceuticals for human use and cosmetics were respectively published in January and May 2005.

Importing products such as pharmaceuticals; organic chemicals, especially those used to produce medicines and medical products; vaccines for both humans and animals; cosmetic products; chemicals used in cleaning and the food industry; live animals and plants; grains and plant seeds; and hormones require import permission certificates from the Directorate General of Curative Care Service of the Ministry of Health and Agriculture.

In November 2005, the United States brought a dispute against Turkey in the World Trade Organization (WTO) arguing that, *inter alia*, Turkey's tariff-rate quota (TRQ) scheme, which contains an onerous domestic purchase requirement, and its refusal to issue import licenses outside the TRQ, are inconsistent with Turkey's WTO obligations. This case is proceeding through WTO dispute settlement.

Required Documents & Certificates

To sell their product to Turkey, the EU exporters are required to apply CE marking whenever their product is covered by specific product legislation. CE marking product legislation offers manufacturers a number of choices and requires decisions to determine which safety/health concerns need to be addressed, which conformity assessment module is best suited to the manufacturing process, and whether or not to use EU-wide harmonized standards.

In the 1980s, the New Approach was launched to overcome the lengthy adoption process of “old approach” type legislation. The goal of the European Union's harmonization program under the New Approach is to streamline technical harmonization and the development of standards for certain product groups, including, among others, machinery, toys, construction products, electromagnetic compatibility, personal protective equipment, non-automatic weighing instruments, medical devices, gas appliances, hot water boilers, and radio and telecommunications terminal equipment (RTTE). Under the New Approach, Directives cover essential safety, health and environmental requirements. The three regional European standards organizations, CEN, CENELEC and ETSI, are mandated by the Commission to develop technical standards that are consistent with the essential requirements of EU Directives.

Products manufactured to standards adopted by CEN, CENELEC and ETSI, and published in the Official Journal as harmonized standards, are presumed to conform to the requirements of EU Directives. The manufacturer then applies the CE Mark and issues a declaration of conformity. With these, the product will be allowed to circulate freely within the European Union. A manufacturer can choose not to use the harmonized EU standards, but must then demonstrate that the product meets the essential safety and performance requirements.

The CE mark addresses itself primarily to the national control authorities of the Member States, and its use simplifies the task of essential market surveillance of regulated products. Although CE marking is intended primarily for inspection purposes by EU Member State inspectors, the consumer may well perceive it as a quality mark.

The CE mark is not intended to include detailed technical information on the product, but there must be enough information to enable the inspector to trace the product back to the manufacturer or the authorized representative established in the EU. This detailed information should not appear next to the CE mark, but rather on the declaration of conformity, the certificate of conformity (which the manufacturer or authorized agent must be able to provide at any time, together with the product's technical file), or the documents accompanying the product.

Standards, Testing, Labeling

The Turkish government has a poor track record of notifying WTO Members of proposed technical regulations and phytosanitary requirements, and implementation can appear to be arbitrary. Importers report increasing difficulty in obtaining information on sanitary and phytosanitary certifications. The Turkish government often requires laboratory testing on items not normally subject to testing by trading partners.

Taxes, Custom Tariffs and Quotas

Import duties are calculated on the CIF value. Turkey is a signatory to Article VII of the General Agreements on Tariffs and Trade (GATT). The agreement stipulates that the customs valuation is the transaction value (the price that is actually paid or payable plus costs and expenses). Turkey is also obliged to comply with other Article VII provisions including the rapidity of clearance of goods, currency convertibility, and appeal privileges and rights. Turkish regulations do not allow for advance rulings on customs HS classification or on the applicable import duties on particular products.

Turkey signed the final texts of the GATT Uruguay Round Agreement, accepting the establishment of the World Trade Organization (WTO) the successor to GATT, which formally came into being on January 1, 1995. Turkey cut rates from GATT/WTO bound levels on only a small percentage of industrial tariff lines. Reductions on these items were generally within the range of a one-third cut, staged in over a five-year period. Turkey adopted the Harmonized Tariff System in 1989.

Customs surcharges including a value-added tax (VAT) being levied on most imported, as well as domestic, goods and services. The importer is responsible for paying the VAT. The VAT is calculated on a C.I.F. basis plus duty rate and any other applicable charges levied before the goods clear customs. It has a ceiling of 26 percent; however, the generally applied VAT rate is 18%.

Government Procurement

Turkey is not a signatory to the WTO Agreement on Government Procurement; however, it is an observer to the WTO Committee on Government Procurement.

Turkey's public tender law established an independent board to oversee public tenders. Foreign companies can participate in state tenders that are above an established threshold. The law provides a price preference of up to 15 percent for domestic bidders, which is not available if they form a joint venture with foreign bidders. Turkey has expanded the definition of domestic bidder to include foreignowned corporate entities established under Turkish law.

Military procurement generally includes an offset requirement in the tender specifications. The offset guidelines were recently modified to encourage foreign direct investment and technology transfer.

APPENDIX 3:

Regulation On Cosmetics

Objective, Scope, Legal Basis and Definitions

Objective

Article 1

The objective of this Regulation is to lay down the requirements regarding the production, import and sales of cosmetics, under conditions which will ensure that they reach the consumer with accurate, understandable and non misleading information that will present no harm to human health and regarding the principles and procedures related to their in-market inspections.

Scope

Article 2

This Regulation covers the principles relating to the Substances and products considered as cosmetics and to their classification, packaging details, advertisements and inspections and also the precautionary measures on cosmetics.

Legal Basis

Article 3

This Regulation has been drawn up on the basis of Law no. 4703 on “The Preparation and Implementation of Technical Legislation on Products” published in the 11.07.2001 dated Official Journal no.24459 and put into force on 11 January 2002 and Article 4 of the Cosmetics Law no 5324 dated 24./03/2005.

Definitions

Article 4

For the purposes of this Regulation, the following terms shall bear the following meanings:

- a) The Ministry: The Ministry of Health
- b) The Law: Cosmetics Law no 5324 dated 24/03./2005

- c) GMP: 'Good Manufacturing Practice'
- d) INCI: Abbreviation for 'International Nomenclature Cosmetic Ingredients' referring to the terminology for cosmetic product ingredients
- e) CTFA: Abbreviation for "Cosmetic, Toiletries, and Fragrances Association" referring to the dictionary of cosmetic product ingredients compiled by the USA Cosmetic Manufacturers Association
- f) Cosmetic product: Any substance or preparation intended to be applied to the various external parts of the human body such as epidermis, hair system, nails, lips and external genital organs or with the teeth and the mucous membranes of the oral cavity with a view exclusively or mainly to cleaning them, perfuming them, changing their appearance and/or correcting body odors and/or protecting them or keeping them in good condition.
- g) Cosmetic product ingredients: Any chemical substance or preparation of synthetic or natural origin, except for perfume and aromatic compositions, used in the composition of cosmetic products.
- h) CI: Abbreviation for 'Color Index' referring to Coloring Agent Index number
- i) EU: Abbreviation for the 'European Union' referring to the European Union.

Based on this definition, the products listed in Annex I shall be regarded as cosmetics.

The Technical Features of Cosmetic Products and their Packaging Requirements

The characteristics of Cosmetic Products

Article 5

A cosmetic product placed on the market must not cause damage to human health when applied under normal conditions of use, taking into account, in particular, the product's presentation, its labeling, any instructions for its use and disposal as well as any other indication or information provided by the manufacturer or his authorized agent or by any other person responsible for placing the product on the market.

The provision of such warnings shall not, in any event, exempt any person from compliance with the other requirements laid down in this Regulation.

Substances Cosmetic Products May Not Contain

Article 6

Without prejudice to their general obligations deriving from Article 5, persons or firms that produce, import or place on the market cosmetic products may not market cosmetic products containing the below indicated. The Ministry shall take necessary measures to prevent the production and placing on the market of cosmetic products containing the below indicated.

- a) substances listed in Annex II,
- b) substances listed in the first part of Annex III, beyond the limits and outside the conditions laid down,
- c) coloring agents listed in Annex IV, Part 1, with the exception of cosmetic products containing coloring agents intended solely to color hair,
- d) coloring agents listed in Annex IV, Part 1, used outside the conditions laid down, with the exception of cosmetic products containing coloring agents intended solely to color hair,
- e) preservatives other than those listed in Annex VI, Part 1,
- f) preservatives listed in Annex VI, Part 1, beyond the limits and outside the conditions laid down, unless other concentrations are used for specific purposes apparent from the presentation of the product,
- g) UV filters other than those listed in Annex VII, Part 1,
- h) UV filters listed in Annex VII, beyond the limits and outside the conditions laid down therein,

In addition, the presence of the traces of the substances listed in Annex II shall be allowed provided that such presence is technically unavoidable in GMP and that it conforms to Article 5.

For the purpose of complying with this Regulation, in cases where cosmetic substance ingredients or combinations of such ingredients used in the manufacturing of cosmetic products have been subject to animal testing instead of available

alternative testing methods approved by the Ministry, such products may neither be sold nor supplied on the market.

Substances Cosmetic Products May Contain

Article 7

Cosmetic Products containing the below indicated may be supplied for sale:

- a) the substances listed in Annex III, Part 2, within the limits and under the conditions laid down, up to the dates in column (g) of that Annex,
- b) the coloring agents listed in Annex IV, Part 2i, within the limits and under the conditions laid down, until the admission dates given in the same Annex,
- c) the preservatives listed in Annex VI, Part 2, within the limits and under the condition laid down until the dates given in column (f) of the same Annex. However, some of these substances may be used in other concentrations for specific purposes apparent from the presentation of the product,
- d) the UV filters listed in Annex VII, Part 2, within the limits and under the conditions laid down, until the dates given in column (f) of the same Annex.

At these dates, these substances, coloring agents, preservatives and UV filters shall be:

- definitively allowed, or
- definitively prohibited (Annex II), or
- maintained for a given period specified in Part 2 of Annexes III, IV, VI, and VII, or
- deleted from all the Annexes, on the basis of available scientific information or because they are no longer used.

Updating of Annexes

Article 8

The updating, in light of scientific and technological developments, of this Regulation's Annexes related to cosmetic product ingredients shall be under the authority of the Ministry.

Information Required Present on the Immediate and Outer Packaging

Article 9

Cosmetic products may be marketed only if the immediate and outer packagings bear the following information in indelible, easily legible and visible lettering; the information mentioned in point (g) however, may be indicated on the outer packaging alone:

- a) The name or title and the address of the manufacturer or the real or legal persons responsible for marketing the cosmetic product or of their registered office. Such information may be abbreviated in so far as the abbreviation makes it possible to identify the undertaking. It may be required that the country of origin be specified for goods manufactured outside the European Union.
- b) The nominal content at the time of packaging, given by weight or by volume, except in the case of packaging containing less than five grams or five milliliters, free samples and single-application packs; for pre-packages normally sold as a number of items, for which details of weight or volume are not significant, the content need not be given provided the number of items appears on the packaging. This information need not be given if the number of items is easy to see from the outside or if each unit contained is normally only sold individually.
- c) The date of minimum durability of a cosmetic product shall be the date until which this product, stored under appropriate conditions, continues to fulfill its initial function and, in particular, remains in conformity with Article 5. The date of minimum durability shall be indicated by the words: 'Best used before the end of...' followed by;
 - the date itself,
 - details of where the date appears on the packaging.

If necessary, this information shall be supplemented by an indication of the conditions which must be satisfied to guarantee the stated durability.

The date shall be clearly expressed and shall consist of the month and the year in that order. Indication of the date of durability shall not be mandatory for cosmetic products the minimum durability of which exceeds 30 months. For such products, it shall be mandatory however, to indicate, length of period over which the product may be used without posing any harm to the consumer as of the date the packaging is opened. This information on the duration of safe use after opened packaging shall be indicated printed as indicative of the month, subsequent to the symbol provided in Annex VII/2.

- d) Particular precautions to be observed in use, especially those listed in the column 'Conditions of use and warnings which must be printed on the label' in Annexes III, IV, VI and VII, which must appear on the label, as well as any special precautionary information on cosmetic products for professional use, in particular in hairdressing. Where this is impossible for practical reasons, an enclosed leaflet, label, tape or card must contain that information to which the consumer is referred either by abbreviated information or the symbol given in Annex VIII, which must appear on both the immediate and the outer packaging,
- e) The batch number of manufacture or the reference for identifying the good; where this is impossible for practical reasons because the cosmetic products are too small, such information need appear only on the outer packaging,
- f) The function of the product, unless it is clear from the presentation of the product,
- g) A list of ingredients in descending order of weight at the time they are added. That list shall be preceded by the word 'ingredients' or its equivalent in meaning in Turkish or in any other foreign language. Where that is impossible for practical reasons, and enclosed leaflet, label, tape or card must contain that information to which the consumer is referred either by abbreviated information or the symbol given in Annex VIII, which must appear on both the immediate and the outer packaging.

In cases where the manufacturer or his agent or the person to whose order a cosmetic product is manufactured or the real or legal person responsible for placing an imported product on the market does not want to include in the list

one or several of the ingredients for reasons of trade secrecy, the procedure to be exercised shall be laid down by a notice to be published by the Ministry.

The following shall not, however, be regarded as ingredients:

- impurities in the raw materials used,
- subsidiary technical material used in the preparation but not present in the final product,
- materials used in strictly necessary quantities as solvents or as carriers for perfume and aromatic compositions.

Perfume and aromatic compositions and their raw materials shall be referred to by the word 'perfume' or 'flavor/aroma' or 'smell'. Ingredients in concentration of less than 1% may be listed in any order after those in concentrations of more than 1%. Coloring agents may be listed in any order after the other ingredients, in accordance with the CI or denomination adopted in Annex IV.

For decorative cosmetic products marketed in several color shades, all coloring agents used in the range may be listed, provided that the terms 'may contain' or the symbol '+/-' are added.

An ingredient must be identified with priority by the name referred to in INCI, failing that, by one of the names referred to in CTFA, or by one of the other common names.

Where it is impracticable, for reasons of size or shape, for the particulars referred to in points (d) and (g) to appear in an enclosed leaflet, those particulars shall appear on a label, tape or card which is enclosed or attached on the cosmetic product.

In the case of soap, bath balls and other small products where it is impracticable, for reasons of size or shape, for the particulars referred to in point (g) to appear on a label, tag, tape or card or in an enclosed leaflet, those particulars shall appear on a notice in immediate proximity to or on the rack in which the cosmetic product is exposed for sale.

For cosmetic products that are not prepackaged, are packaged at point of sale at the purchaser's request, or are pre-packaged for immediate sale, particulars listed in

Article 9 must be indicated. Principles relating to the filling facilities and filling conditions will be drawn up under a separate heading in the GMP Guide which will be published by the Ministry.

It is required that indications stated in points (b), (d) and (f) of this Article are expressed in Turkish. However, indications stated in point (c) must also be expressed in Turkish in cases where supplementary information indicating the conditions under which product durability is guaranteed is required.

Advertisement, Inspection and Notification

Advertisement

Article 10

Labels, advertisements and marketing activities may not bear any text, name, commercial brand, drawing or other shapes and figures which explicitly or by implication make misleading reference to the product properties.

The expression 'not tested on animals' may be used on the enclosed leaflet, label, tape, card or any other advertising material or in the products' advertisement campaigns, solely in cases where animal testing has not been done on the finished product and/or its product ingredients and/or during the process of developing the product prototype. The expression 'not tested on animals' may not be used other than in the aforesaid cases.

Obligation

Article 11

Persons or firms who manufacture, import or place on the market, cosmetic products are responsible for taking necessary measures in marketing cosmetic products alone, which comply with this Regulation and its Annexes.

Inspection

Article 12

Matters relating to; in-market controls, manufacturing site inspections, sampling, warnings, product recall, annihilation and to the improving or closing down of manufacturing sites will be laid down in a Regulation to be published by the Ministry of Health.

The manufacturer or his agent or the person to whose order a cosmetic product is manufactured or the real or legal person responsible for placing an imported cosmetic product on the market shall for control purposes keep the Product Profile Dossier containing the following information readily accessible to and upon request of the Ministry, at the address specified on the label in accordance with Article 9 point (a):

- a) the qualitative and quantitative composition of the product; in case of perfume compositions and perfumes, the name and code number of the composition and the identity of the supplier,
- b) the physico-chemical and microbiological specifications of the raw materials and the finished product and the purity and microbiological control criteria of the cosmetic product,
- c) the method of manufacture complying with GMP; education/training and job documents of the manufacturer or importer, demonstrating the appropriate level of professional qualification or required experience,
- d) assessment of the safety for human health of the finished product. In order to provide this, the manufacturer shall take into consideration the general toxicological profile of the ingredients, its chemical structure and its level of exposure. To that end, the manufacturer shall take into consideration the distinctive features of exposure of the target recipients for whose use the product is supplied or of the parts of the body where the product is to be applied. An exclusive assessment of safety shall be required for products intended for use of children under age three and for personal hygiene products intended for external application on external genital organs. This assessment shall be carried out in compliance with the provisions of the Regulation on Essentials of Good Laboratory Practice and the Certification of Test Laboratories published in the 25/06/2002 dated Official Journal no. 24796.

Should the same product be manufactured at several places within country territory, the manufacturer may choose a single place of manufacture where the information will be kept available. In such cases, he shall be obliged to indicate the place so chosen to the Ministry of Health upon request for monitoring purposes,

- e) the name and address of the qualified person or persons responsible for the assessment referred to in (d); that person must hold a diploma in the field of pharmacy, toxicology, dermatology, medicine or a similar discipline,
- f) existing data on undesirable effects on human health resulting from use of the cosmetic product,
- g) proof of the effect claimed for the cosmetic product, where justified by the nature of the effect or product.
- h) Data related to animal testing done by the manufacturer, his authorized agent or suppliers for reasons of compliance to legislation or other arrangements of countries outside the EU, and for the purpose of further developing the product or of safety assessment of the product or its ingredients,

The information referred to in points (c), (d), (f), and (g) must be available in Turkish.

It must be ensured, with particular respect to trade secrets and protection of intellectual property rights, that the information stated in point (a) and (f) to this Article are made available to public access in any way possible including via electronic facilities. Particulars related to the quantitative composition of the product indicated in point (a) to this Article are limited to only the dangerous substances covered within the scope of Directive no. 67/548/EEC.

For the purpose of complying with this Regulation, finished cosmetic products which, despite the availability of alternative testing methods approved by the Ministry, have been subject to animal testing instead of such methods, may neither be sold nor supplied on the market.

Responsible Technician

Article 13

It is required that the manufacturer or importer has the appropriate level of professional qualification or required experience, or that he employs a responsible technician with such qualification. The technician required available in manufacturing or importing firms has the obligation to have knowledge of the country legislation. Pharmacists or chemists, chemical engineers, biologists or microbiologists who provide necessary documentation for proof of at least 2 years of working experience in the field of cosmetics may be employed as the responsible technician. This person shall also be responsible for ensuring that the GPM laid down in Article 12 point (c) is complied with.

Notification

Article 14

The manufacturer or his agent or the person to whose order a cosmetic product is manufactured or the real or legal person responsible for placing an imported cosmetic product on the market shall submit to the Ministry the Notification Dossier containing the following information and documentation prior to placing the product on the market:

- The name and address of the manufacturer or his agent or the person to whose order a cosmetic product is manufactured or the real or legal person responsible for placing an imported cosmetic product;
- Address of manufacturing location(s);
- The address of place where the Product Profile Dossier is kept;
- The brand and type of the product;
- List of product range;
- The intended function of the product;
- Document evidencing the submission of necessary information on product ingredients to the Poison Center.

Analysis Methods, Exclusive Principles on the Use of Substances Other Than Those which have been Permitted for Use in Cosmetics

Analysis Methods

Article 15

The following shall be published by the Ministry, in light of current technical developments:

- the methods of analysis necessary for checking the composition of cosmetic products;
- the criteria of microbiological and chemical purity for cosmetic products and the necessary notification on methods for checking compliance with those criteria.

Exclusive Principles on the Use of Substances Other Than Those which have been Permitted for Use in Cosmetics

Articles 16

Notwithstanding Article 6 and without prejudice to Article 8 (2), it is under the authority of the Ministry authorize, subject to the following conditions, the use within the Republic of Turkey territory, of other substances not contained in the list of substances allowed for cosmetic products:

- a) the authorization must be limited to a maximum period of three years;
- b) the Ministry must carry out an official check on cosmetic products manufactured from the authorized substance or preparation;
- c) cosmetic products thus manufactured must bear a distinctive indication which will be defined by the Ministry

The Ministry shall forward, via the Foreign Trade Undersecretariat, to the European Union Commission, the next of any authorization decision taken pursuant to Article 16 within two months of the date on which it came into effect.

Before expiry of the three-year period provided for in Article 16, the Ministry may submit via the Foreign Trade Undersecretariat, to the European Union Commission, a request for the inclusion in a list of permitted substances of the substance to which

it has granted authorization at national level in accordance with Article 16. Notwithstanding Article 16 point (a), the conditional authorization granted by the Ministry shall remain in force until a decision is taken on the request for inclusion in the list.

Miscellaneous and Final Provisions

Temporary Ban on the Marketing and Sales of Cosmetic Products

Article 17

If it is noted, on the basis of a substantiated justification, that a cosmetic product, although complying with the requirements of the Regulation, represents a hazard to public health, the Ministry may provisionally prohibit the marketing of that product within country territory or subject it to special conditions. In that event, the Ministry shall immediately inform, via the Foreign Trade Undersecretariat, the European Union Commission thereof, stating the grounds and evidence for its decision. The Ministry shall undertake necessary changes and amendments in line with the conclusions of the discussions to be made.

Remedies for Violations to the Regulation

Article 18

Precise reasons shall be stated, by the Ministry, for any decisions placing a restriction or ban on the marketing of cosmetic products taken pursuant to this Regulation. The measures taken shall be notified to the party concerned together with particulars of the remedies available under the laws in force and of the limits allowed for the exercise of such remedies.

Enforcement

Article 19

This Regulation shall enter into force on the date of its publication. It is under the authority of the Ministry to grant authorization, for a period of 36 months from notification of this Regulation, within the Republic of Turkey territory, for cosmetic products which do not fully conform to the requirements of this Regulation.

Executive Authority**Article 20**

The Ministry of Health shall execute the provisions of the present Regulation.

Transposed European Union Legislation**Article 21**

This Regulation has been drawn up for the purpose of harmonizing Directive no. 76/768/EEC and decision no. 96/335/EC of the European Union Cosmetics Legislation.