

MUNICIPALITY LAW

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PART ONE General Provisions

CHAPTER ONE Purpose, Scope and Definitions

Purpose

Article 1- The purpose of this Law is to lay down the establishment, organs, administration, duties, powers, responsibilities and working procedures and principles of municipalities.

Scope

Article 2- This Law covers municipalities.

Definitions

Article 3- For the purposes of this Law,

- a) "Municipality" means a public entity having administrative and financial autonomy which is established to meet common local needs of inhabitants of a town and whose decision-making body is elected by voters;
- b) "Municipal organs" means the municipal council, the municipal executive committee and the mayor;
- c) "Town" means a settlement which has a municipality;
- d) "Neighbourhood" means an administrative unit located within the boundaries of a municipality and whose inhabitants have similar needs and priorities and maintain neighbourly relations with one another.

CHAPTER TWO Establishment and Boundaries of Municipalities

Establishment

Article 4- A municipality may be established in a settlement with a population of 5,000 or more. It is mandatory to establish a municipality at a provincial centre or a district centre.

Municipalities may not be established in basins of potable water or utility water, or in protected areas or other conservation areas or in settlements located less than 5,000 metres away from the boundaries of a municipality with an established residential area.

In order for several villages or various parts of villages to combine and form a municipality, their residential areas must be located no farther than 5,000 metres away from the residential area of the settlement which is to be deemed the centre and they must have a total population of 5,000 or more.

If the executive committee of one or more villages so decides, or if at least half of the village voters plus one petitions in writing to the highest civil administrator of the locality, or if the provincial governor considers necessary on his own initiative, the local electoral boards shall, within fifteen days of notification by the provincial governor, refer to the votes of the voters registered in the village or parts of villages concerned and shall inform the provincial governor's office of the result in the form of a written record.

The case file including the governor's opinion shall be submitted to the Ministry of Interior. After consulting the opinion of the Council of State, a municipality shall be established in that locality by a joint decree.

In any settlement with a population of 5,000 or more formed as a result of new housing settlements, a municipality may be established by a joint decree on a proposal from the Ministry of Interior.

Demarcation of boundaries

Article 5- The boundaries of a newly established municipality shall be demarcated as follows within six months from the establishment:

a) Places such as fields, orchards, gardens, meadows, pastures, grasslands, mountain pastures, olive groves, oak woods, heaths and beaches which have long been considered to belong to that established residential area shall be included within the municipal boundaries;

b) As a rule, the municipal boundaries shall follow distinct, fixed landmarks such as streams, hills and roads. Where this is impossible, the boundaries shall be drawn in a straight line and shall be signposted;

c) Where the people of a neighbouring town or village have for a long time used places such as upland pastures, meadows, pastures, copses, springs and picnic areas located within the municipal boundaries, they shall retain their traditional rights to use such areas. Annotations concerning such rights shall be entered in the boundary document;

d) The known names of the places through which the drawn boundaries pass shall be indicated in the boundary document. The drawing prepared by the competent technician shall also be added to the boundary demarcation record.

Finalization of boundaries

Article 6- Municipal boundaries shall become final by a resolution of the municipal council and the approval of the provincial governor after consulting the opinion of the district governor.

The provincial governor's office shall show the parties the finalized boundaries on the spot and this fact shall be recorded in writing. One copy each of the decisions finalizing the boundaries and the supporting documents shall be communicated to the municipality concerned, the local land registry office, the special provincial administration and the civil administrator of that locality.

Once the boundaries have been finalized, they may not be altered for a period of five years unless there are imperative reasons for doing so.

Settlement of boundary disputes

Article 7- In the event of a boundary dispute between towns or villages within a province, the municipal councils or the village executive committees and the district governor concerned shall be asked to state their opinions within thirty days. The provincial governor shall consider their opinions and resolve the boundary dispute. Where changes are contemplated to the boundaries of district and first-tier municipalities located within the boundaries of a metropolitan municipality, the metropolitan municipal council shall also be consulted.

The provisions of Law No. 5442 on Provincial Administration shall apply to boundary disputes requiring changes to provincial and district boundaries.

Unifications and mergers

Article 8- In order for a town, a village or parts thereof to be considered to have merged into another town, the distance of their residential areas to the residential area of the town to be merged shall not be greater than 5,000 metres.

Where the residential area of a town or village or of parts thereof unites with the residential area of a neighbouring town, or the distance between such residential areas falls below 5,000 metres and one more than half of the voters residing in such areas applies to be merged into the neighbouring town, the inhabitants of the receiving town shall not be asked to vote; the voting shall be held regarding the application in the village or town or parts thereof wishing to merge. If the result of the voting is affirmative, the documents regarding the application shall be communicated by the provincial governor's office to the municipality which is to absorb the requesting town or village. The municipal council shall resolve on the application within thirty days of receiving the document. The merger shall take place if the municipal council finds it appropriate. Unifications and mergers in metropolises shall be resolved in the metropolitan municipal council considering the opinion of the district or first-tier municipal council to absorb the town. As regards the new boundary to be formed after the merger, action shall be taken according to Article 6 and the result be reported to the Ministry of Interior.

Where parts of a town merge into a neighbouring town or a new town or village is established, the population of the town in question must not fall below 5,000.

Where a new town is to be established through separation in a place having a metropolitan municipality, it is necessary that the town's population not fall below 100,000 and that the population of the new town to be established be not below 50,000.

In the case of mergers under the terms of this Article, the transfer and sharing of movable and immovable properties, rights, claims and debts shall be laid down in a protocol to be drawn up between the receiving town and the village or town which is to be partially or entirely merged.

Article 4 shall apply to matters not covered in this Article relating to unification and merger procedures.

Neighbourhoods and neighbourhood administration

Article 9- A neighbourhood shall be governed by a master and a executive committee.

Neighbourhoods located within the boundaries of a municipality shall be established, abolished, combined, divided, and their names and boundaries shall be determined and altered by a resolution of the municipal council and the approval of the provincial governor after consulting the opinion of the district governor.

The master shall, with voluntary participation of neighbourhood residents, identify common needs, enhance the neighbourhood's quality of life, conduct relations with the municipality and other public entities, deliver opinion on matters of interest for the neighbourhood, cooperate with other institutions and perform other duties as prescribed by laws.

The municipality shall provide the necessary assistance in kind and support, within the limits of its budgetary resources, to meet the needs of the neighbourhood and the master's office and resolve any problems; it shall consider the neighbourhood residents' common wishes when making decisions and endeavour to ensure that services are provided in such a way as to meet the neighbourhood's needs.

Changing town's name

Article 10- The name of a town shall be changed by a resolution of a majority of at least three fourths of the full membership of the municipal council, with the approval of the Ministry of Interior after consulting the opinion of the provincial governor. Such resolution shall be published in the Official Gazette. When a town's name is changed, the name of the municipality shall also be deemed changed.

Termination of legal personality

Article 11- If the residential area of a municipality or village is located less than 5,000 metres from the boundary of the provincial municipality or district municipality to which it is attached or from the boundary of a municipality with a population of 50,000 or more, and if the general land development scheme or basic infrastructure services so require, the legal personality of that municipality or village shall be terminated and the municipality or village shall be merged into the larger municipality by a joint decree upon a proposal from the Ministry of Interior after consulting the opinion of the Council of State. The neighbourhoods of a municipality whose legal personality is terminated shall become neighbourhoods of the receiving municipality. The movable and immovable properties, rights, claims and debts of municipalities and villages whose legal personality is terminated shall be transferred to the receiving municipality.

Municipalities whose population falls below 2,000 shall become villages by a joint decree upon a proposal from the Ministry of Interior after consulting the opinion of the Council of State. Municipalities whose legal personality is terminated shall be liquidated by the special provincial administration. Their movable and immovable properties, rights, claims and debts shall be transferred to the legal personality of the village concerned. The special provincial administration shall assume those portions of the transferred debts which cannot be paid and the provincial governor shall notify the Bank of Provinces of such amounts. The Bank of Provinces shall deduct such amounts from the apportionment allocated to municipalities of the total collection amount of tax revenues under the general budget for the following month and transfer it to the accounts of the special provincial administration concerned.

(Supplementary paragraph: 6/3/2008-5747/3 Art.) In a settlement where the legal personality of a municipality has been terminated, necessary measures for provision of such services as potable water, sewer, sanitation, waste collection, transport, fire-fighting and other services shall be taken by the municipality or the metropolitan municipality concerned, or by the provincial special administration or the village service unions where the settlement has been transformed to a village, and service units may be established as necessary so that services should be provided smoothly. Metropolitan municipal council members or other municipal staff members may be assigned to manage such service units to be established

within the boundaries of metropolitan municipalities. Provincial or district governors shall ensure coordination between relevant organizations and take necessary measures to ensure that local services should be performed smoothly.

Implementation of resolutions and population

Article 12- The resolutions provided for in Articles 4, 6, 7, 8, and 9 shall enter into force on the first day of January of the year following the date on which those resolutions become final. In places where a municipality is established under Article 4, elections shall be held under Article 29 of the Law No. 2972 on Election of Local Governments, Neighbourhood Masters and Neighbourhood Executive Committees.

Resolutions concerning the unifications and mergers referred to in Article 8, the abolition of neighbourhoods referred to in Article 9 and the termination of the legal personality of municipalities and villages and the transformation of towns into villages referred to in Article 11 shall be implemented in the first local elections and the elections shall be held in accordance with new status of such places.

(Supplementary paragraph: 6/3/2007-5594/2 Art.) No new master plan or implementation plan shall be made, from the date of realization of the unification or merger or the date of publication of the joint decree, in those municipalities and villages whose legal personality will continue to exist until the next local elections as a result of the unification, merger or termination of legal personality; and mandatory changes to the existing plans and any and all land development implementation shall be exercised by consulting the affirmative opinion of the receiving municipality. Where no affirmative opinion is given, no changes may be made to the plans.

(Supplementary paragraph: 6/3/2007-5594/2 Art.) The sale of immovable properties of any municipality or village whose legal personality is terminated, and any borrowing by such municipality or village with a term beyond the termination date of legal personality shall be subject to the approval of the Ministry of Interior.

(Supplementary paragraph: 6/3/2007-5594/2 Art.) A municipality may borrow for the payment of employee termination notice and severance pays without having to comply with the restriction laid down in paragraph (d) of Article 68 upon the approval of the Ministry of Interior. The loans borrowed for such purposes may not be used for purposes other than paying termination notice and severance pays.

The population figures announced by the State Institute for Statistics shall be taken as basis for the population sizes stated in this Law.

Townsmen's law

Article 13- Everyone is a townsman of the town in which he lives. Townsmen shall be entitled to take part in municipal decision making and services, receive information on municipal activities and benefit from the aids distributed by the municipal administration. Aids shall be provided in such a way as not to injure human dignity.

The municipality shall make necessary efforts to develop social and cultural relations among townsmen and preserve cultural values. It shall take steps to ensure that universities, public professional organizations, trade unions, civil society organizations and experts take part in such efforts.

Every individual residing or being present or having connections within the boundaries of a municipality shall comply with the municipality's lawful decisions, orders and announcements and pay municipal taxes, duties, charges, fees and contributions.

CHAPTER THREE

Duties, Powers and Responsibilities of Municipalities

Duties and responsibilities of municipalities

Article 14- Provided that such services be of local and common nature, municipalities

a) Shall provide or cause to provide services in the following areas: urban infrastructure facilities such as land development planning and control, water supply, sewer and transport; geographic and urban information systems; environment and environmental health, sanitation and solid waste; municipal police, fire fighting, emergency aid, rescue and ambulance services; urban traffic; burial services and cemeteries; tree planting, parks and green areas; housing; culture and art, tourism and promotion, youth and sports; social services and social aid; weddings; vocational and skills training; economic and commercial development. Metropolitan municipalities and municipalities with a population of more than 50,000 shall open shelters for women and children;

b) May (...) ¹; build or cause to build state schools at all levels, carry out or cause to carry out the maintenance of and repairs to such school buildings and provide them with all the equipment and supplies they need; open and operate health care facilities of all sorts; ensure the conservation of cultural and natural assets, of the historical urban fabric and of areas and functions of historical significance to the town, carry out maintenance and repairs for such purpose and, where conservation is impossible, reconstruct them in their original form. When necessary, municipalities shall give materials to students, amateur sports clubs and provide the necessary support, organize any type of amateur sports games, may award, with a resolution of the municipal council, sportsmen/sportswomen who have demonstrated excellence or received ranking in national or international competitions. Municipalities may operate food banking.

(Annulled second paragraph: by the Decision of the Constitutional Court No. E. 2005/95, K. 2007/5 dated 24/1/2007).

The order of priority in the provision of services shall be determined in the light of the municipality's financial situation and the urgency of the service.

Municipal services shall be provided to the public at the nearest possible locations and by the most appropriate methods. The methods used in service provision shall be appropriate to the situation of the persons with disabilities, elderly people, the poor and those on low income.

The municipality's duties, responsibilities and powers shall cover the area within the municipal boundaries.

Municipal services may also be provided to the adjacent areas by a resolution of the municipal council.

The provisions of the Law No. 4562 on Organized Industrial Districts shall be reserved.

(Supplementary paragraph: 1/7/2006-5538/29 Art.) Airports open to civil aviation and all facilities therein lie outside the scope of this Law.

Powers and privileges of municipalities

Article 15- Municipalities shall have the following powers and privileges:

¹ The expression "may open pre-school educational institutions..." in subparagraph (b) of the first paragraph of this Article was annulled by the Decision of the Constitutional Court No. E. 2005/95, K. 2007/5 dated 24/1/2007.

- a) Engage in activities and initiatives of all sorts to meet the common local needs of the town's inhabitants;
- b) Within the municipality's statutory purview, issue regulations, impose and enforce municipal bans and impose statutory penalties;
- c) Issue statutory permits and licenses relating to the activities of natural and legal persons;
- d) Assess, accrue and collect the municipal taxes, duties, charges, fees and contributions pursuant to special laws; collect or cause to collect payments other than taxes, duties and charges which are to be collected for natural gas, water, sewer and other services under private law provisions;
- e) Without prejudice to vested rights, supply potable, utility and industrial water; ensure the disposal of waste water and rainwater; establish or cause to establish and operate or cause to operate necessary facilities for that purpose; and operate or cause to operate spring-water facilities;
- f) Provide public transport, and to this end, establish or cause to establish and operate or cause to operate public transport systems of all sorts, including buses, maritime and waterway vessels, underground systems and rail systems;
- g) Provide or cause to provide all services relating to the collection, transport, sorting, recycling, disposal and storage of solid waste;
- h) With a view to providing common local services, purchase, expropriate, sell, rent or lease, exchange and allocate immovable property located within the municipal and adjacent area boundaries, and establish limited property rights on such property;
- i) Borrow loans and accept donations;
- j) Establish or cause to establish and operate or cause to operate wholesale and retail markets, bus terminals, trade-exposition grounds, slaughterhouses, marinas and docks according to the relevant legislation or authorize natural and legal persons to open such facilities;
- k) Decide to amicably settle and liquidate disputes in litigation other than cases relating to taxes, duties and charges;
- l) Issue permits for, and inspect, polluting businesses and leisure and recreational facilities open to the public;
- m) With a view to developing and formally registering the town's economy and trade, prohibit the activities of street peddlers who trade without licenses; where in the course of enforcement of such prohibitions, such peddlers fail to pay fines to get back their seized merchandise, deliver to the food banks the food items of such seized merchandise that remain unclaimed for two days and distribute to the poor non-food items that remain unclaimed for thirty days;
- n) Introduce standards for advertisement boards and information signs;
- o) Gather polluting businesses, recreational facilities and other business that have impact on public health and environment in specific places in the city. Designate dumping areas for excavated soil and rubble, storage areas for liquefied petroleum gas (LPG) and storage areas and sales points for building materials, wood, coal and scrap materials; and take necessary measures to prevent environmental pollution in such areas and places and during transport;

p) Designate the numbers, fare and tariffs, timing and routes of any type of service and public transport vehicles that are operated on land, sea, water and rail ways, together with taxis; designate and operate or cause to operate or lease the stops and vehicle parking spots on motorways, roads, avenues, streets, squares and similar places; carry out all works of traffic arrangement as assigned to the municipalities by laws.

In places other than metropolitan municipalities and provincial municipalities, special provincial administrations shall issue licenses to, and inspect, grade one polluting ones of those businesses referred to in paragraph (l).

By a decree of the Ministry of Interior after consulting the opinion of the Council of State, municipalities may transfer the services referred to in paragraphs (e), (f) and (g) on a concession basis for a period not to exceed 49 years; provide public transport services by issuing a license without establishing a concession or monopoly or by leasing public transport routes or by purchasing services in accordance with the principles laid down in Article 67.

Metropolitan municipalities within provincial boundaries, and provincial municipalities and municipalities with a population of more than 10,000 within municipal and adjacent area boundaries may, by a resolution of the metropolitan council or municipal council respectively, either free of charge or on the basis of interest-free loans repayable within up to ten years, perform or cause to perform infrastructure works for the provision of utilities such as water, thermal water, sewer systems, natural gas, roads and lighting to tourism, health care, industrial and commercial investment schemes and to educational institutions, and in exchange, become partners in the facilities so built; and with the approval of the Ministry of Interior; allocate landlots, either free of charge or at a low cost, to projects designed to promote health care, education, social services or tourism, provided that the facilities concerned be not used for other purposes.

Municipalities may conduct public opinion polls and surveys to find out the town inhabitants' views and opinions on municipal services.

Persons who commit offences against municipal property shall be considered to have committed offenses against State property. Provisions of Article 75 of the Law No. 2886 on State Procurement also apply to municipal immovable properties.

The following may not be attached: proceeds obtained by a municipality through loans against projects; conditional donations; property in actual use for public service purposes; and revenues from taxes, duties and charges collected by the municipality.

Exemptions granted to municipalities

Article 16- Immovable properties which are owned by a municipality and set aside for public service purposes or open to public use and do not yield revenues, and the construction and use of such properties shall be exempt from the payment of all taxes, duties, charges, fees and contributions except the value added tax and the special excise.¹

¹ By Article 13 of the Law No. 5766 dated 4/6/2008, the expression "except the value added tax and the special excise" was inserted to come after the expression "construction and uses" in this Article.

PART TWO
Municipal Organs

CHAPTER ONE
Municipal Council

Municipal council

Article 17- The municipal council shall be the municipality's decision-making body and comprise members elected according to the principles and procedures provided for by the relevant law.

Duties and powers of the municipal council

Article 18- The municipal council shall have the following duties and powers:

a) Deliberate on and adopt the strategic plan, investment and work programs and performance criteria for municipal activities and staff;

b) Adopt the budget and final accounts and make budget transfers between level 1 units subject to institutional coding and level 1 services subject to functional classification;

c) Deliberate on and approve the municipality's land development plans, and in metropolitan municipalities and provincial municipalities adopt the provincial environmental plan. (Supplementary sentence: 1/7/2006-5538/29 Art.) For metropolitan municipalities whose boundaries are the same as the provincial boundaries, the environmental plan shall be made or cause to be made by the metropolitan municipality concerned and approved directly by the metropolitan council;

d) Decide to borrow loans;

e) Decide to purchase, sell, exchange or allocate immovable property, alter the form of allocation or, cancel the allocation if an allocated item of immovable property is not needed for public service purposes; lease immovable property for periods of more than three years and establish limited property rights over immovable property for periods not to exceed 30 years;

f) Determine the rates applicable to services which are not covered by taxes, duties, charges and contributions in laws and are provided on demand;

g) Accept conditional donations;

h) Decide to amicably settle, accept or waive municipal disputes amounting to more than 5,000 New TL in litigation other than cases relating to taxes, duties and charges;

i) Decide to establish enterprises under the municipal budget, establish or withdraw from enterprises subject to the Turkish Commercial Code No. 6762, increase their capital and establish real estate investment trusts;

j) Decide to grant concessions on behalf of the municipality, make municipal investments according to the build-operate or build-operate-transfer model and privatize companies, enterprises and shareholdings owned by the municipality;

k) Elect the chair committee of the municipal council and the members of the executive committee and specialist commissions;

l) Decide to create, abolish and alter job positions in the municipality and its affiliated entities in accordance with the standard job positions;

- m) Adopt regulations to be issued by the municipality;
- n) Name squares, avenues, streets, parks, facilities and similar places; decide to establish, abolish, combine, name, designate boundaries of neighbourhoods, and alter their names and boundaries; adopt emblems, pennants and similar symbols designed to promote the town;
- o) Decide to form unions with other local governments and join or withdraw from existing unions of this kind;
- p) Decide to engage in mutual cooperation with municipalities and unions of local governments in Turkey and, with the permission of the Ministry of Interior, abroad; establish town twinnings; carry out cultural, artistic, sporting and similar activities and projects in order to develop social and economic relations; and build or cause to build or lease or allocate landlots, buildings and similar facilities for such purposes;
- r) Award the status and certificate of honorary townsman;
- s) Resolve the disputes between the mayor and the executive committee;
- t) Decide to provide municipal services to adjacent areas;
- u) Discuss and adopt municipal land development programs drawn up in accordance with the land development plans.

Chair committee

Article 19- On the fifth day following the announcement of the election results, the municipal council shall convene on its own with the mayor as the chairman. At this meeting the council shall elect by balloting from among its own members the first deputy chairman, the second deputy chairman and at least two secretaries for a term of office covering the first two years. The chair committee elected after the first two years shall remain in office until the first nationwide local elections.

The election of the chair committee shall be completed within three days.

If the mayor is unable to attend a meeting of the council, the meeting shall be chaired by the first deputy chairman, and if the latter is unable to attend, by the second deputy chairman. However, the council meeting at which the annual activity report is discussed shall be chaired by the deputy chairman of the council.

If a seat falls vacant on the chair committee, a new member shall be elected to complete the remainder of the term of office.

The chairman of the municipal council shall ensure that the council proceedings are conducted in an orderly fashion.

The principles and procedures governing the council proceedings and participation therein shall be laid down in a regulation issued by the Ministry of Interior.

Municipal council meetings

Article 20- The municipal council shall convene in the first week of each month, on a day agreed in advance.

The council may suspend its work on days coinciding with public holidays. The council may resolve to take a vacation of one month each year.

Meetings for the deliberation on the budget shall last no longer than twenty days and other meetings no longer than five days.

Where it is essential for the council to convene elsewhere than at its usual meeting venue, the meeting shall be held at the venue designated by the council chairman, within the municipal boundaries, provided that the councillors be informed in advance. In addition, the town's inhabitants shall be informed of the venue and time of the meeting by the usual means.

Council meetings shall be public. On a reasoned proposal by the council chairman or one of the councillors, it may be decided by the simple majority of the participants to hold the session in camera.

The council's deliberations shall be recorded in writing by the officers and signed by the chairman and the councillor-secretaries. By a resolution of the council, its meetings may also be recorded in audio and in video.

(Supplementary paragraph: 30/5/2007-5675/3 Art.) The mayor shall, when he deems necessary in emergencies, convene the municipal council not to be more frequent than three times a year and not to be more than one union per such meeting. The call for extraordinary meeting and the agenda shall be notified in writing to the councillors at least three days in advance and also announced by the usual means. The council may not deliberate on anything other than the matters that have necessitated such extraordinary meeting.

Agenda

Article 21- The municipal council's agenda for the first day of each month shall be determined by the mayor and notified to the councillors at least three days in advance and the public shall be informed of the agenda by various means.

At the first meeting of each month, the mayor and councillors may propose that items relating to municipal affairs be placed on the agenda. A proposed item shall be included in the agenda if approved by the simple majority of the participants.

The other issues on the agenda except land development planning and control matters and the annual budget, as well as the proposals of councillors, if approved by the simple majority of the participants, may be resolved by deliberation at the municipal council without referring such issues to the commissions.

Quorum for meetings and resolutions

Article 22- The municipal council shall convene with the simple majority of its full membership and pass resolutions by the simple majority of the participants. However, the quorum for decision making may not be less than one quarter of the full membership of the council. In the event of a tied vote, the council chairman shall have the casting vote. Where the outcome of the voting is tied, the voting shall be repeated and if no majority is obtained, the council chairman shall draw lots.

In the event of failure to secure the simple majority of the council's full membership on the occasion of a council meeting, the chairman shall adjourn the meeting and set a date and time to reconvene the council within three days. The following meeting shall be held with a quorum of no less than one quarter of the council's full membership.

If, during the deliberations, it becomes apparent from a roll-call held at the request of the chairman or of one of the councillors that there is no quorum for decisions, the provisions of the second paragraph shall apply.

Councillors shall vote in person. Those who are physically unable to vote in a ballot may vote through a proxy whom they shall appoint.

Voting shall be by balloting or by show of hands or by roll call. Votes shall be in favour, against or abstention.

Resolutions shall be signed by the council chairman and the councillor-secretaries and distributed to councillors at the following meeting.

Finalization of council resolutions

Article 23- The mayor may refer such resolutions of the municipal council as he considers unlawful back to the council for review, stating his reasons for doing so, within five days.

Resolutions which are not referred back for review and resolutions which are referred back for review but upheld by the simple majority of the full membership of the municipal council shall become final.

The mayor may take the resolutions finalized by the upholding of the municipal council to the administrative courts within ten days.

Resolutions shall be transmitted to the highest civil administrator of the locality within seven days of finalization. Resolutions that are not transmitted to the highest civil administrator shall not enter into force.

The civil administrator may apply to the administrative courts against such resolutions as he considers unlawful.¹

Summaries of the council resolutions which have become final shall be made public by appropriate means within seven days.

Specialist commissions

Article 24- The municipal council may set up specialist commissions of three to five persons from among its own members. The length of the commission's term shall be indicated in the same council resolution provided that it be not longer than one year.

Specialist commissions shall be formed according to the ratio of the number of members of each political party group and the number of independent members in the municipal council to the total number of councillors. In provincial municipalities, district municipalities and municipalities with a population of more than 10,000, it is mandatory to set up a planning and budget commission and a land development planning commission.

After a council meeting, the land development planning commission shall finalize the matters referred to it within ten working days, and other commissions shall do so within five working days. If a commission fails to submit its report on the matters referred to it to the council within that time-limit, the council chairman shall place the matter directly on the agenda.

After a specialist commission has considered an item within its purview, this item shall be resolved by the municipal council.

Neighbourhood masters, heads of the public entities, representatives of the public professional organizations, universities and trade unions in the province, and those of the civil society organizations concerned with the items on the agenda may attend the meetings of specialist commissions discussing issues that lie within their spheres of responsibility and activity and state their opinions without voting rights.

Commissions may enlist the aid of experts in the course of their work.

¹ This paragraph was annulled by the Decision of the Constitutional Court No. E.: 2008/27, K.: 2010/9 dated 4/2/2010 which also decided that the annulment would take effect one year after the date 22/6/2010 of publication in the Official Gazette.

Commission reports shall be public, and publicized by various means, and copies shall be given to members of the public on request and on payment of a fee not exceeding the cost, as determined by the municipal council.

Audit Commission

Article 25- In provincial municipalities, district municipalities and municipalities with a population of more than 10,000, at each January meeting, the municipal council shall form by balloting an audit commission of three to five persons from among its own members to audit the municipality's revenues and expenditures and related accounting records and transactions for the previous year. The commission shall be formed according to the ratio of the number of members of each political party group and the number of independent members in the municipal council to the total number of councillors.

The commission shall work in the part of the municipality building designated by the mayor and may enlist the aid of public personnel, and where necessary, other experts in the course of its work.

A daily allowance shall be paid to the commission members for the audit commission meetings, the amount of which shall be determined by the municipal council not to exceed the product of the monthly coefficient applied to civil servants and an index figure of 1,000 for those seconded from public entities except municipality and affiliated entities, an index figure of 3,000 for experts other than public employees in the metropolitan municipalities, and an index figure of 2,000 for experts other than public employees in other municipalities. The number of people and days to be assigned to the command of the audit commission shall be determined by the municipal council. The qualifications to be required of experts shall be formulated in the regulation on the working procedures of the municipal council.

The commission may request information and documents of all sorts from municipality units and affiliated entities. Such requests shall be carried out without delay.

The commission shall complete its work within 45 days and submit its report on the subject to the council chairman by the end of March.

If a matter constituting an offence arises, the council chairman shall file a criminal complaint to the competent authorities.

Council's means to obtain information and exercise supervision

Article 26- The municipal council shall exercise its powers to obtain information and supervise through its assessment of the activity report and through the audit commission, questions, general debates and motions of censure.

Councillors may table a motion with the council chairman, asking him verbal or written questions on municipal matters. The mayor or his designee shall answer the question verbally or in writing.

At least one third of the councillors may request the council chairman to open a general debate on a subject relating to municipal matters. If the council accepts the request, it shall be placed on the agenda.

If a majority of three quarters of the full membership of the council considers that the explanations given in the activity report on the previous year submitted to the council by the mayor are unsatisfactory, the deputy chairman of the council shall communicate the decision to that effect, together with the record of the debates, to the civil administrator of the locality.

The provincial governor shall send the file to the Council of State together with his reasoned opinion.

If the Council of State upholds the decision that the report is unsatisfactory, the mayor shall lose the office of mayor.

A motion of censure against the mayor may be tabled with the signatures of at least one third of the full membership of the council. The motion of censure shall be placed on the agenda by the votes of the simple majority of the full membership of the council and may not be debated before three full days elapse.

The decision concerning the motion of censure shall follow the procedure provided for in the fourth paragraph.

Attendance ban on the mayor and individual councillors

Article 27- The mayor and individual councillors may not attend the council meetings at which matters concerning them or their relatives by blood or marriage up to and including the second degree or their adopted children are deliberated.

Obligations of the mayor and councillors

Article 28- During his term of office and for a period of two years following the end of his term of office, the mayor may not either directly or indirectly enter into a contract with, or act as a broker or representative for, the municipality or its affiliated entities. Councillors may not do so during their terms of office or for a period of one year following the end of their terms of office.

Termination of council membership

Article 29- Membership of the council shall automatically end in the event of death or resignation. A councillor's letter of resignation from membership of the council shall be given to the mayor's office and the mayor shall submit it to the council for information.

If a councillor fails, without valid reason or permission, to attend meetings for three consecutive union days or half of the meetings held in a year, it shall be decided by the simple majority of the full membership of the council, after hearing the councillor's defence submissions, that he shall lose his membership of the council.

In the event of loss of eligibility for membership of the municipal council, the provincial governor shall notify the Council of State, which shall rule that the councillor concerned shall lose his membership of the council.

Dissolution of the municipal council

Article 30- The municipal council shall be dissolved by a decision of the Council of State after the latter has been notified by the Ministry of Interior in the following cases:

- a) The municipal council neglects to timely perform its statutory duties and such failure impedes or delays the municipality's work, or
- b) The municipal council passes resolutions on political issues unrelated to the duties conferred on the municipality.

The Ministry of Interior may, if deems necessary, request along with its notification concerning dissolution of the council that the council's meetings be postponed until the court decides. The Council of State shall rule on this point within one month.

The council elected in place of a council dissolved in this manner shall complete the remainder of its term of office.

Performance of duties of a disabled council

Article 31- The civil servant members of a municipal executive committee shall exercise the duties of the council in the following circumstances until the council is able to function or a new council is elected.

- a) The municipal council has been dissolved, or its meetings have been postponed by the Council of State;
- b) More than half of the full number of councillors has been arrested;
- c) Even after the substitute members are brought in, the council falls below half of its full membership;
- d) The council has been temporarily suspended from office.

Attendance allowance and leave

Article 32- For each day of attendance at meetings of the municipal council and the specialist commissions, the chairman and councillors shall be paid an attendance allowance the amount of which shall be determined by the council not to exceed one third of the daily amount of the gross monthly allowance paid to the mayor under the terms of Article 39. The number of days in respect of which the attendance allowance is paid may not exceed the number of meeting days provided for in the Articles 20, 24 and 25, and allowance shall not be paid more than once for the same day.

Councillors shall be considered on leave when ill. In addition, if they give a valid reason, the council may grant them leave on request, provided that the period of leave not exceed half of the period covered by meetings in a year.

CHAPTER TWO Municipal Executive Committee

Municipal executive committee

Article 33- The municipal executive committee, to be chaired by the mayor, shall be formed as follows:

a) In provincial municipalities and municipalities with a population of more than 100,000, it shall comprise seven members including the mayor, three of whom shall be elected each year by the municipal council by balloting from among its own members for a term of one year, one being the head of the fiscal services unit, and two to be elected for a term of one year from among the heads of units by the mayor.

b) In other municipalities, it shall comprise five members including the mayor, two of whom shall be elected each year by the municipal council by balloting from among its own members for a term of one year, one being the head of the fiscal services unit, and one member to be elected each year by the mayor from among the heads of units.

Executive committee meetings which the mayor is unable to attend shall be chaired by the vice-mayor or executive committee member designated by the mayor.

The mayor may invite the relevant heads of units to meetings of the executive committee for consultation, without voting rights, on items on the agenda.

Duties and powers of the executive committee

Article 34- The municipal executive committee shall have the following duties and powers:

- a) Review the strategic plan, the annual work program, the budget and the final accounts and inform the municipal council of its opinion;
- b) Adopt and enforce expropriation decisions relating to works included in the annual work program;
- c) Determine the purposes for which the appropriation for contingencies is to be spent;
- d) Make budget transfers between level 2 services subject to functional classification;
- e) Impose statutory penalties;
- f) Decide to amicably settle and liquidate municipal disputes in litigation other than cases relating to taxes, duties and charges;
- g) Implement council resolutions concerning the sale, exchange and allocation of immovable property; decide to lease such property for periods not exceeding three years;
- h) Determine the opening and closing hours of places open to the public;
- i) Perform the duties as assigned to the municipal executive committee by other laws.

Executive committee meetings

Article 35- The municipal executive committee shall meet at least once a week at the date and time specified in advance. The mayor may convene the executive committee in emergencies.

The executive committee shall convene with the simple majority of its full membership and make decisions by the simple majority of the participants. This provision shall also apply to events where the executive committee holds meetings as a tender commission in accordance with the Law No. 2886 on State Procurement. In the event of a tied vote, the committee chairman shall have the casting vote. Abstention shall not be allowed.

The mayor shall draw up the executive committee's agenda. Members of the executive committee may propose agenda items subject to the approval by the mayor. Matters not referred to the executive committee by the mayor may not be discussed on the committee.

Matters referred to the executive committee shall be deliberated and decided within a week.

The decisions taken shall be signed by the mayor and the members present at the meeting. Dissenters to a decision shall also state their reasons.

The chairman and members of the executive committee may not attend the committee meetings at which matters concerning themselves or their relatives by blood or marriage up to and including the second degree or their adopted children are deliberated.

Allowance payable to members of the executive committee

Article 36- The chairman and members of the municipal executive committee shall be paid gross monthly allowances the amount of which shall be the product of the monthly coefficient applied to civil servants and an index figure of 3,500 for municipalities with a population of up to 10,000; 4,500 for municipalities with a population of between 10,001 and 50,000; 6,000 for municipalities with a population of between 50,001 and 200,000; and 7,500 for municipalities with a population of more than 200,001. Civil servant members of the executive committee shall be paid half of the foregoing amounts.

CHAPTER THREE

Mayor

Mayor

Article 37- The mayor shall be the head of the municipal administration and represent its legal personality. The mayor shall be elected in accordance with the principles and procedures provided for by the relevant law.

During their terms of office, mayors may not hold office in the executive or supervisory bodies of political parties, or serve as presidents or managers of professional sports clubs.

Duties and powers of the mayor

Article 38- The mayor shall have the following duties and powers:

a) As the top administrator of the municipal administration, govern the municipal organization and protect the rights and interests of the municipality;

b) Govern the municipality in accordance with the strategic plan, formulate the municipality's institutional strategies, prepare, implement, monitor and appraise the budget and the performance criteria for municipal activities and staff in accordance with such strategies, and submit reports on such subjects to the municipal council;

c) Represent, or appoint a deputy to represent, the municipality with central government offices, at State ceremonies and before the judicial authorities whether as claimant or respondent;

d) Chair the municipal council and executive committee;

e) Manage the municipality's movable and immovable property;

f) Pursue and collect the municipality's revenues and receivables;

g) Conclude contracts subject to the decisions of the competent organs;

h) Implement the resolutions of the municipal council and executive committee;

i) Implement the budget, and approve budget transfers that lie outside the purview of the council and executive committee;

j) Appoint municipal staff;

k) Oversee the municipality and affiliated entities and municipal enterprises;

l) Accept unconditional donations;

m) Take necessary measures to ensure the peace, well-being, health and happiness of the town's inhabitants;

n) Spend the budget appropriation set aside for the poor and destitute, provide services for the persons with disabilities and establish the centre for persons with disabilities;

o) Use the funds allocated for representation and hospitality expenditures;

p) Perform duties and exercise powers as conferred by laws on municipalities which do not require resolutions by the municipal council or the municipal executive committee.

Remunerative rights of the mayor

Article 39- The mayor shall be paid a gross monthly allowance the amount of which shall be the product of the monthly coefficient applied to civil servants and the appropriate one of the following index figures:

- a) 70,000 in towns with a population of up to 10,000;
- b) 80,000 in towns with a population of between 10,001 and 50,000;
- c) 100,000 in towns with a population of between 50,001 and 100,000;
- d) 115,000 in towns with a population of between 100,001 and 250,000;
- e) 135,000 in towns with a population of between 250,001 and 500,000;
- f) 155,000 in towns with a population of between 500,001 and 1,000,000;
- g) 190,000 in towns with a population of between 1,000,001 and 2,000,000;
- h) 230,000 in towns with a population of more than 2,000,001.

For the calculation of this allowance in provincial centre towns with populations less than 50 001, the index figure specified under subparagraph (c) shall be taken as basis.

The payment of the mayor's allowance shall not be suspended during his periods of assignment or leave or sick leave.

If a person who has served as mayor is appointed to a job position subject to the personnel laws, the periods spent as mayor shall be considered as periods of civil service.

The social rights and benefits applicable to civil servants and their dependents under Law No. 657 on Civil Servants shall also apply to mayors and their dependents in accordance with the same principles and procedures.

Deputy Mayor

Article 40- The mayor shall appoint one of the municipal councillors as the deputy mayor to act for him in periods of leave, sick leave or absence on any other reason.

The deputy mayor shall be vested with the powers exercised by the mayor.

During his period of duty, the deputy mayor shall be paid an allowance based on the daily rate of the net monthly allowance paid to the mayor.

Strategic plan and performance program

Article 41- Within six months of the nationwide local elections, the mayor shall draw up the strategic plan in accordance with the development plan and program and with the regional plan if any, and submit it to the municipal council; he shall likewise draw up the annual performance program and submit it to the council before the beginning of the year concerned.

The strategic plan shall be prepared in consultation with universities if any, professional organizations and civil society organizations concerned with the subject, and enter into force after adoption by the municipal council.

It shall not be mandatory to draw up a strategic plan in municipalities with a population of less than 50,000.

The strategic plan and the performance program shall serve as the basis for preparation of the budget and be deliberated and adopted by the municipal council before the budget.

Delegation of powers

Article 42- The mayor may, if he considers appropriate, delegate some of his duties and powers to municipal officials with managerial status.

Disputes

Article 43- In the event of a dispute between the municipality and the mayor himself or his relatives by blood or marriage of the first or second degree or his adopted children, the first deputy chairman of the council or, in his absence, the second deputy chairman or the persons designated by them shall initiate legal action and represent the municipality in such cases.

Termination of mayor's term of office

Article 44- The mayor's term of office shall automatically end in the event of death or resignation.

The mayor shall lose his office by the decision of the Council of State upon an application by the Ministry of Interior in the following cases:

- a) He relinquishes his duties without valid reason for more than twenty consecutive days and this fact is ascertained by the civil administrator of the locality, or
- b) He loses his eligibility for election, or
- c) He suffers an illness or disability which prevents him from continuing his duties and this fact is documented by a medical report from the competent medical establishment, or
- d) He takes part in acts and actions that cause the dissolution of the municipal council,

Procedures in case of vacancy in mayor's office

Article 45- If the office of mayor falls vacant for any reason, the provincial governor shall ensure that the municipal council convenes within ten days. The council shall hold a meeting, chaired by the first deputy chairman, or in his absence, by the second deputy chairman, or in his absence, by the eldest councillor, and elect:

- a) A mayor if the office of mayor has fallen vacant or if the penalty of disqualification from public office has been imposed for a period extending beyond the date of the next election;
- b) A deputy mayor if the mayor has been suspended from office or has been arrested or has incurred the penalty of disqualification from public office for a period not extending beyond the date of the next election.

The mayor or the deputy mayor shall be elected by balloting from among the municipal councillors. A majority of two thirds of the full membership of the council shall be required in the first two rounds and the simple majority of the full membership of the council in the third round. If there is no simple majority in the third round, a fourth round shall be held for the two candidates who received the largest number of votes in that round. The candidate who receives the largest number of votes in the fourth round shall be elected as mayor or deputy mayor. In the event of a tied vote, lots shall be drawn.

If, after a deputy mayor has been elected in accordance with subparagraph (b) of the first paragraph, the office of mayor falls vacant for one of the reasons listed in subparagraph (a), then a mayor shall be elected in accordance with this Article.

The term of office of the newly elected mayor shall be limited to the term of office of the original mayor in whose place he has been elected. The deputy mayor shall remain in

office until a new mayor is elected or, if the mayor has been suspended from office or arrested, until he resumes office.

Pending the election of the mayor or deputy mayor, the mayor's duties shall be performed by the first deputy chairman of the municipal council or, in his absence, the second deputy chairman or, in his absence also, a public official to be assigned by the provincial governor.

If the election of a mayor or deputy mayor is not completed within fifteen days, the provisions governing the dissolution of the municipal council shall apply.

Appointment of a mayor

Article 46- If the office of mayor falls vacant for any reason and it is not possible to hold an election for a new mayor or deputy mayor, a person shall be appointed to the office of mayor by the Minister of Interior in metropolitan municipalities and provincial municipalities and by the provincial governor in other municipalities until elections. It is mandatory for the person so appointed to be eligible for election as a mayor.

CHAPTER FOUR Common Provisions Governing Municipal Organs

Suspension from office

Article 47- Municipal organs or members thereof in respect of which or whom an investigation or prosecution is initiated on account of an offence connected with their duties may be suspended from office by the Minister of Interior pending the final judgment.

The decision of suspension from office shall be reviewed every two months. If the continuation of suspension from office no longer serves the public interest, it shall be lifted.

The decision on suspension from office shall be lifted in the cases where no prosecution is initiated, or the public case is dismissed or ends in acquittal, or lapses due to general amnesty, or ends in a conviction for an offence which does not require removal from office.

A suspended mayor shall receive two thirds of his monthly allowance for the period of suspension from office and continue to enjoy his other social rights and benefits.

PART THREE Municipal Organization

CHAPTER ONE Municipal Organization and Staff

Municipal organization

Article 48- The municipal organization shall consist of units of secretariat, fiscal services, technical services and municipal police in accordance with standard job positions.

Where necessary, in the light of the town's population, physical and geographical structure, economic, social and cultural characteristics and development potential, units of health care, fire fighting, land development planning and control, human resources, legal affairs and other necessary units may be established as appropriate in accordance with the

principles of job position standards. Such units shall be established, abolished or combined by resolutions of the municipal council.

Standard job positions and employment

Article 49- The principles of job position standards shall be determined jointly by the Ministry of Interior and the State Personnel Department. The standard job positions of municipality and affiliated entities shall be determined by a resolution of the municipal council within the framework of such principles and standards.

Municipal staff shall be appointed by the mayor. Appointments to management positions at the grade of head of unit and above shall be made known to the municipal council at the next meeting.

Experts and technical staff such as lawyers, architects, engineers, town and region planners, computer analysts and programmers, physicians, specialist physicians, midwives, nurses, veterinaries, chemists and technicians may be employed on annual contractual basis in the municipality and affiliated entities in accordance with job position standards in the areas of environment, health care, veterinary services, technical services, law, economy, information and communication technologies, planning, research and development, education and consultancy. Further appointment shall not be made to the vacant positions related to services carried out by contracted personnel. It is mandatory for persons who are to be employed under contract in this way to possess the qualifications of the positions for the services they are to provide. The net remuneration to be paid to the persons employed on a contractual basis in accordance with this paragraph shall be determined with a resolution of the municipal council provided that, for the job title in question, it not exceed by more than 25 percent the net amount of the sum of any type of payments to be determined according to the Law No. 657 on Civil Servants by way of taking the first step of the first grade. For job titles which cannot be established at the first grade according to the general provisions, the first step of the highest job grade established with that job title shall be taken as basis, and the maximum amount of the pay shall be determined by the procedures indicated above. The Ministry of Interior may impose limitations in terms of titles for the personnel to be employed in accordance with the provisions of this paragraph.

In municipalities which do not have job positions for lawyers, architects, engineers (as being civil engineers and topographic engineers) and veterinaries or do not need to employ personnel in such positions due to the limited volume of tasks, part-time personnel may be employed for the purpose of carrying out such services on a contractual basis on the specified days or hours of the week or the month. The number of personnel to be employed part-time shall not be more than one for each of the titles specified above and the period of their contracts shall not go beyond the calendar year. The net remuneration to be paid to such personnel shall be determined by a resolution of the municipal council provided that it not exceed half of the net amount of the sum of all payments to be made for the first step of the first grade of the positions with the same title, and that it be proportional to the period to be employed. Persons employed as contracted personnel in accordance with this paragraph shall not be paid any end-of-employment compensation, and no unemployment insurance premiums shall be deposited. Social security and general health insurance premiums shall not be deposited for the ones who are members to any type of a social security institution because of the other jobs they undertake, and the same person shall not be employed in more than one municipality or affiliated entity.

No payment under any name other than the payment specified in the contract shall be made to the personnel to be employed in accordance with the provisions of the third and fourth paragraphs and no benefits in kind or cash shall be provided in the nature of payment.

In matters not covered by the provisions of this Law regarding such personnel, the provisions governing persons employed in accordance with paragraph (B) of Article 4 of the Law No. 657 on Civil Servants shall apply without requiring authorization. The copies of contracts executed with such personnel shall be sent to the Ministry of Interior within 30 days following the date of signing of the contract.¹

Civil servants employed in public entities may, at the request of the mayor and with their own consent and that of their entities, be temporarily appointed to municipal management positions at the grade of head of unit and above. In the event of such appointments, account shall be taken of the requirements provided for in paragraph (B) of Article 68 of the Law No. 657 on Civil Servants. The staff employed in municipalities on this basis shall be considered to be on leave of absence from their respective entities. All the financial rights attached to the positions to which such staff members are appointed and the social security and similar rights payable by their entities for the period for which they are appointed, shall be paid to such staff members by the municipality. The period for which they are on leave shall be taken into account for promotion and retirement purposes and those who qualify for promotion shall be promoted with no further action required. Persons appointed in this manner shall, if they apply in writing to their entities within fifteen days of the end of their period of appointment, be appointed within one month to their original positions, or to other positions compatible with their status.

In municipalities whose standard job positions include a vice-mayor, the mayor may, where he considers necessary, irrespective of the number of positions in the standard positions, appoint one municipal councillor as the vice-mayor in municipalities with a population of up to 50,000, two in municipalities with a population of between 50,001 and 200,000, three in municipalities with a population of between 200,001 and 500,000 and four in municipalities with a population of 500,000 or more. Councillors appointed on this basis shall be paid a monthly allowance determined by the municipal council not to exceed two thirds of the allowance paid to the mayor, and be associated with a social security institution of their choice. Appointment on this basis shall not entitle those concerned to any other status including transfer to civil servant status or employment on a contractual basis or with employee status, nor exceed the term of office of the municipal council. Institutional equivalents from social security premiums and similar expenditures shall be covered from the municipal budget.

The total annual personnel expenditures of a municipality may not exceed 30% of the amount obtained by multiplying the previous year's budget revenues by the revaluation coefficient to be determined according to the Law No. 213 on Tax Procedures. This proportion shall be 40% in municipalities with a population of less than 10,000. If the personnel expenditures exceed such percentages as a result of an unexpected increase in salaries and wages during the year, no further staff may be recruited during the current year or subsequent years until the personnel expenditures fall below such percentages. Any public loss caused by such percentages being exceeded as a result of the recruitment of new staff shall be collected, together with the statutory interest calculated as of the date on which the loss occurred, from the mayor. All payments owed to the staff shall be paid on time and as a matter of priority.

Municipal civil servants with the exception of persons employed on a contractual basis or with worker status may, on the basis of successful performance, be paid bonuses up to twice a year by a decision of the executive committee, in proportion to their length of service,

¹ Article 46 of the Law No. 5793 dated 24/7/2008 amended the expression "to the Ministry of Interior and the Ministry of Finance" to "to the Ministry of Interior" and such amendment was inserted in the text.

including sick leave and annual leave, such bonus being paid to no more than 10% of the total number of municipal servants and not exceeding the amount obtained by multiplying the monthly salary coefficient applied to civil servants by an index figure of 20,000.

Staff transfers

Article 50- The positions and personnel of those municipalities whose legal personality is terminated under the terms of Articles 8 and 11 of this Law shall be transferred to the respective receiving municipalities in case of mergers, or to the special provincial administration concerned in cases where their municipality becomes a village. Those of the transferred staff whose positions and job titles remain unchanged shall be considered to have been appointed to positions bearing the same title. If there are no vacant positions suited to the circumstances of transferred staff members or if it is not possible to appoint them under the titles of their existing positions, the municipal council or the general provincial council concerned shall alter the titles of their positions within three months maintaining them within the same category. Such staff members shall be appointed to positions suited to their circumstances within one month of this change. Pending completion of their appointment procedures, such staff members may be assigned by the municipality or special provincial administration to which they are transferred to jobs in which their presence is needed. Pending their appointment to new positions, they shall continue to be paid the salary or wage, supplemental index, pays and allowances of all sorts and other financial rights attached to their former positions by the municipality or special provincial administration to which they have been transferred. In the case of transferred staff members holding civil servant status, if the net total amount of the salary, supplemental index, pays and allowances of all sorts and other financial rights attached to the new position to which they are appointed is lower than the net total amount of the salary, supplemental index, pays and allowances of all sorts and other financial rights that they received in the last month of employment in their former position, the difference shall, until zeroed, be paid in the form of compensation, which shall not be subject to any deductions whatsoever, throughout their period of employment in the position to which they are appointed.

In municipalities whose legal personality has been terminated, the positions of staff employed on a contractual basis under paragraph (B) of the amended Article 4 of the Law No. 657 on Civil Servants, (...) ¹, shall be considered, with no further action required, to have been authorized on behalf of the municipality or special provincial administration to which they have been transferred.

CHAPTER TWO

Municipal Police, Fire Fighting Service and Emergency Planning

Duties and powers of the municipal police

Article 51- The municipal police shall have the duty of ensuring the inhabitants' well-being, peace and health and law and order in the town, and implement orders and prohibitions which are issued by the municipal council to be enforced by the municipal police and impose statutory penalties and other sanctions on persons who fail to comply with such orders and prohibitions.

Persons who resist the municipal police in the performance of their duties shall be punished in the same way as persons who resist the law enforcement forces.

¹ The expression "... except for positions with the title of a lawyer..." in this paragraph was annulled by the Decision of the Constitutional Court No. E.: 2005/95, K.: 2007/5 dated 24/1/2007.

A regulation issued by the Ministry of Interior shall lay down the working procedures and principles of the municipal police organization, duties and powers of employees, qualifications required for access to civil servant status, in-service training they are to receive, promotion, dismissal from service, dresses, devices they are to use in self-defence and the units to be set up in the municipal police force in accordance with service requirements. The municipality may introduce additional arrangements provided that they not contravene the regulation.

Services of municipal police shall be carried out without interruption. The working period and hours of the municipal police shall be arranged in a way to perform the services without interruption regardless of the working period and hours specified in the Law No. 657 on Civil Servants. Persons employed on active service in the municipal police force and special security services shall, by way of compensation for overtime, be paid the amount determined by a resolution of the municipal council, as overtime pay and on a flat-rate basis, provided that such amount not exceed the ceiling established in the year's budget law.

Fire fighting service

Article 52- A regulation issued by the Ministry of Interior shall lay down the working procedures and principles of the fire fighting service, duties and powers of employees, qualifications required for access to civil servant status, in-service training they are to receive, promotion, dismissal from service, dresses, devices they are to use in self-defence and the units to be set up in the fire fighting service in accordance with service requirements. The municipality may introduce additional arrangements provided that they not contravene the regulation.

Fire fighting service shall be carried out without interruption. The working period and hours of the fire fighting service shall be arranged in a way to perform the services without interruption regardless of the working period and hours specified in the Law No. 657 on Civil Servants. Persons employed on active service in the fire fighting service shall, by way of compensation for overtime, be paid the amount determined by a resolution of the municipal council, as overtime pay and on a flat-rate basis, provided that such amount not exceed the ceiling established in the year's budget law.

Emergency planning

Article 53- Bearing in mind the characteristics of the town, the municipality shall draw up the necessary disaster and emergency plans to protect the town from fire, industrial accidents, earthquakes and other natural disasters and reduce the damage caused by such disasters, and prepare the necessary teams and equipment for the purpose.

In the preparation of emergency plans, coordination shall be ensured with other provincial-scale emergency plans if any, and the opinions of relevant ministries, public organizations, professional organizations, universities and other local governments shall be consulted.

Necessary measures shall be taken to educate the public in accordance with the plans, and joint programs may be drawn up with the authorities, entities cited in the second paragraph.

In the event of a fire or natural disaster outside the municipal boundaries, the municipality may provide the necessary assistance and support to the regions concerned.

PART FOUR

Supervision on Municipalities

Purpose of supervision

Article 54- The supervision on municipalities shall include independently analyzing, comparing and measuring, assessing on the basis of evidence the service processes and results according to the legislation against the predetermined goals and objectives, performance criteria and quality standards, making the results into a report and informing the relevant parties in order to assist the municipalities in preventing errors in their activities and acts and provide guidance for the development of their staff and organization, making their management and control systems valid, reliable and consistent.

Scope and types of supervision

Article 55- Municipalities shall be subject to internal and external supervision. Supervision shall cover the legal compliance of acts, and financial and performance auditing.

Internal and external supervision shall be conducted in accordance with the provisions of the Law No. 5018 on Public Fiscal Administration and Control.

In addition to the municipality's financial transactions, the Ministry of Interior shall also monitor the municipality's administrative acts in terms of legal compliance and integrity of administration.

Municipalities' affiliated entities and enterprises shall also be audited in accordance with the foregoing rules.

The outcome of audits shall be made public, and communicated to the municipal council.

Activity report

Article 56- The mayor shall draw up an activity report in the manner prescribed in the fourth paragraph of Article 41 of the Law No. 5018 on Public Fiscal Administration and Control, indicating the activities conducted in accordance with the strategic plan and the performance program, the goals and the extent of their achievement against the performance criteria determined and the reasons for any deviations therefrom, together with the state of the municipality's debts. The activity report shall also include such information and assessments in respect of the municipality's affiliated entities and enterprises and municipal companies.

The mayor shall submit the activity report to the municipal council during the meeting in April. A copy of the report shall be communicated to the Ministry of Interior and the report shall be made public.

Failure in services

Article 57- Where, at the request of the Ministry of Interior, the competent judge of the peace court finds that a municipality's services are seriously failing and such failure is adversely affecting the population's health, peace and well-being to a vital degree, the Minister of the Interior shall ask, and allow reasonable time to, the mayor to remedy the failure in service provision in the light of the particular nature of the service.

If the failure cannot be remedied, the Minister shall request the governor of the province concerned to provide the service in question. Then, the provincial governor shall at first remedy the failure by means of the municipal equipment, staff and other facilities. If that is impossible, he may also use the resources of other public entities. The provincial governor shall notify the Bank of Provinces of the cost incurred, and the Bank of Provinces shall place

the amount at the disposal of the provincial governor's office out of the apportionment allocated to the municipality concerned out of its total amount of tax revenue under the general budget for the following month.

The municipality concerned may appeal to the law court of first instance against the decision taken by the judge of the peace court at the request of the Ministry of Interior.

Other provisions relating to supervision

Article 58- As regards the conduct of supervision and the preparation of the activity report, the relevant provisions of the Law No. 5018 on Public Fiscal Administration and Control and of the other legislation shall apply in cases not covered by the provisions of this Law.

PART FIVE Financial Provisions

CHAPTER ONE Municipal Revenues and Expenditures

Municipal revenues

Article 59- Municipal revenues shall be as follows:

- a) Statutory municipal taxes, duties, charges and contributions;
- b) Municipality's apportionment of tax revenues under the general budget;
- c) Payments made by authorities funded under the general and special budgets;
- d) Revenues obtained from lease, sale and other uses of movable and immovable property;
- e) Fees to be collected for services provided, according to the fee schedules determined by the municipal council;
- f) Revenue from interest and fines;
- g) Donations;
- h) Revenues obtained through enterprises, shareholdings and activities of all sorts;
- i) Other revenues.

In metropolitan municipalities, the full amount of the property tax collected by municipalities located within the metropolitan municipality boundaries and adjacent areas shall be retained by the district and first-tier municipalities concerned. No apportionment shall be deducted from such taxes for the metropolitan municipality or the special provincial administration.

Municipal expenditures

Article 60- Municipal expenditures shall be as follows:

- a) Expenditures on the acquisition, manufacture or construction, and maintenance of municipal buildings, facilities, equipment and supplies, and repairs thereto;

- b) Salaries, wages, allowances, attendance allowances, travel expenditures paid to municipal staff and members of the elected municipal organs, vocational training spending and other expenditures;
- c) Expenditures on all forms of infrastructure, construction, repairs and maintenance;
- d) Expenditures on the pursuit and collection of taxes, duties, charges, contributions, service fees and other revenues;
- e) Expenditures on municipal police and fire fighting services and on the performance of other duties and services;
- f) Expenditures on equity shares and membership dues in respect of companies, organizations in which the municipality is a founding partner and unions of which it is a member;
- g) Expenditures on the making, protection and maintenance of cemeteries;
- h) Expenditures on interest, other payments for debts and insurance;
- i) Social welfare and aid payments to people on low income, the poor and destitute, the desolate, and the persons with disabilities;
- j) Expenditures on litigation and enforcement;
- k) Representation, ceremonial, hospitality and promotion expenditures;
- l) Payments for lawyers' fees, consultants' fees and audit services;
- m) Expenditures on joint services and projects carried out with public-sector, private-sector and civil society organizations in Turkey and abroad;
- n) Expenditures on socio-cultural, artistic and scientific events;
- o) Expenditures on public opinion polls and surveys concerning municipal services;
- p) Other expenditures on the performance of statutory duties and services;
- r) Expenditures relating to conditional donations;
- s) Expenditures on land development planning and control arrangements;
- t) Expenditures on projects of all sorts.

CHAPTER TWO

Municipal Budget

Municipal budget

Article 61- The budget, which shall be drawn up in accordance with the municipality's strategic plan and performance program, shall set forth the municipality's revenue and expenditure estimates for the fiscal year and the following two years, and authorize revenue collection and spending.

Detailed expenditure programs and funding programs shall be appended to the budget.

The budget year shall be the same as the State's fiscal year.

No extra-budgetary spending shall be allowed.

The mayor and other officials with disbursement power shall be accountable for spending the budget appropriations efficiently, economically and appropriately.

Preparation and adoption of the budget

Article 62- The draft budget drawn up by the mayor shall be submitted to the executive committee and communicated to the Ministry of Interior before the first day of September. The Ministry of Interior shall consolidate municipal budget estimates and transmit them to the Ministry of Finance by the end of September for incorporation in the draft central government budget in accordance with the Law No. 5018 on Public Fiscal Administration and Control. The executive committee shall examine the budget and submit it to the municipal council, together with its opinion, by the first day of November.

The municipal council shall adopt the draft budget, unchanged or with amendments, before the beginning of the year. However, the council may not make amendments increasing expenditures and reducing revenues in such a manner as to impair budgetary balance. Once adopted, the budget shall enter into force as of the beginning of the fiscal year.

Disbursement officer

Article 63- The top administrator of each disbursement unit to which appropriations are allocated under the municipal budget shall be the disbursement officer.

Final accounts

Article 64- The mayor shall submit the final accounts for each year's budget to the executive committee in April, after the end of the accounting period. The final accounts shall be deliberated and decided upon at the May meeting of the municipal council.

Provisions governing the budget shall apply to the deliberation and finalization of the final accounts.

Budget system

Article 65- The principles and procedures governing municipal budgets and accounting transactions shall be laid down in a regulation to be issued by the Ministry of Interior after consulting the opinion of the Ministry of Finance.

Continuation of the previous year's budget

Article 66- If, for any reason, the budget for the new year has not been finalized, the budget for the previous year shall continue to apply until the new budget is finalized.

Any measures taken prior to the adoption of the budget shall be regarded as having been taken under the budget for the new year.

Multi-year service contracts

Article 67- By a resolution of the municipal council in municipalities, and of the competent organ in municipalities' affiliated entities, the following services may be awarded by tenders to third parties for a term not to go beyond the end of the sixth month following the date of the upcoming nationwide local elections: the maintenance of and repairs to parks, gardens, greenhouses, shelters, pavements and swimming pools; vehicle rentals, engineering supervision, sanitation, security and food services; maintenance of and repairs to machinery and equipment; computer systems and control centres and electronic information retrieval services; health care support services; trade-exposition, festival and exhibition services; services relating to dams, treatment and solid waste facilities; canal maintenance and dredging, infrastructure and asphalt road construction and repairs, traffic-lighting and street-light maintenance, meter-reading and meter installation and disconnection services; public transport services, and tasks relating to the operation of social facilities.

CHAPTER THREE

Borrowing and Economic Enterprises

Borrowing

Article 68- Municipalities may borrow loans and issue bonds in accordance with the following procedures and principles in order to cover the expenditures required by their duties and services:

a) Foreign loans may be contracted under the terms of Law No. 4749 on the Regulation of Public Financing and Debt Management, solely in order to finance projects included in the municipality's investment program;

b) A municipality wishing to make use of an investment loan or cash loan from the Bank of Provinces shall be obliged to submit its repayment plan to this bank. If the Bank of Provinces considers the repayment plan inadequate, it shall reject the municipality's request for a loan;

c) Bonds shall be issued in accordance with the relevant legislation in order to finance projects included in the investment program;

d) The domestic and foreign debt stock, including interest, of municipalities and their affiliated entities and companies in which they hold more than 50% of the equity capital may not exceed the total amount of their latest final budget revenues increased by the revaluation rate provided for in the Law No. 213 on Tax Procedures. The ceiling applicable to metropolitan municipalities shall be one-and-a-half times that amount;

e) Municipalities and their affiliated entities and companies in which they hold more than 50% of the equity capital may contract domestic loans by a resolution of the municipal council provided that such loans not exceed a total of 10%, for the year concerned, of the amount of their latest final budget revenues increased by the revaluation rate provided for in the Law No. 213 on Tax Procedures; they may contract domestic loans exceeding 10% of that amount by a resolution of the simple majority of the full membership of the municipal council and with the approval of the Ministry of Interior;

f) Loans contracted by municipalities for projects approved by the Council of Ministers on a proposal from the Undersecretariat of State Planning Organization in respect of municipal infrastructure investments requiring high technology and substantial financial resources shall not be taken into account in the calculation of the amount provided for in subparagraph (d). The Undersecretariat of Treasury shall be consulted in respect of projects requiring foreign funding.

Municipal officials who contract loans in a manner contrary to the aforementioned procedures and principles shall be subject to the provisions on abuse of authority of the Turkish Criminal Code No. 5237, unless their acts entail a heavier penalty.

Municipalities shall communicate the financial statements detailing their assets and liabilities to the Ministry of Interior, the Ministry of Finance, the Undersecretariat of State Planning Organization and the Undersecretariat of Treasury at quarterly intervals.

Landlot and housing supply

Article 69- In order to ensure orderly urbanization and meet the town's requirements with regard to residential, industrial and business areas except the sites requiring protection under special laws and agricultural land, municipalities shall be authorized, within the boundaries of the municipality and adjacent areas, to generate a supply of planned landlots provided with infrastructure, build, sell and rent housing and mass housing, purchase land for

such purposes, expropriate land, exchange landlots, cooperate in this area with other public entities concerned and with banks and, where necessary, carry out joint projects with them.

Municipalities may establish enterprises for the purpose setting aside requisite funds in their budget.

The sale of housing and commercial units, with the exception of landlots, shall not be subject to the provisions of the Law No. 2886 on State Procurement. Landlots with value shall not lower than the amount determined by the valuation board established in accordance with the provisions of the Law No. 2942 on Expropriation may be allocated to people on low income, victims of disasters and people transferred from industrial zones who do not themselves own homes and whose spouses or children under the age of 18 do not own homes within the boundaries of the municipality and adjacent areas concerned, and to cooperatives all of whose members are in such circumstances. Persons whose circumstances conform to Article 25 of the Law No. 775 on Squatter Houses may also be provided with landlots and housing in accordance with this Article. The principles governing the application of this paragraph shall be laid down in a regulation issued by the municipal councils in compliance with the framework regulation jointly prepared by the Ministry of Interior and the Ministry of Public Works and Settlement.

Founding companies

Article 70- In areas relating to the duties and services assigned to them, municipalities may found companies according to the procedures provided for in the relevant legislation.

Founding enterprises

Article 71- With the permission of the Ministry of Interior, municipalities may provide those of their services which carry their own revenue and expenditure by setting up enterprises under the municipal budget.

Clearing and setting off debts and claims

Article 72- (Repealed: 24/7/2008-5793/47 Art.)

PART SIX Miscellaneous and Final Provisions

CHAPTER ONE Miscellaneous Provisions

Urban regeneration and development areas

Article 73- (Amended: 17/6/2010-5998/1 Art.)

Municipalities may, by a resolution of the municipal council, carry out urban regeneration and development projects in order to create housing areas, industrial areas, business areas, technology parks, public service areas, recreation areas and all sorts of social facility areas, rebuild and restore worn-out parts of the city, preserve the historical and cultural heritage of the city or take measures against earthquake. In order for an area to be designated as an urban regeneration and development area, it must be appropriate for the realization of one or more of the foregoing, be located within the boundaries of the municipality or adjacent areas. However, a decree of the Council of Ministers shall be required to declare those areas owned or used by the public as an urban regeneration and development area and implement accordingly.

The municipal council shall have sole authority to decide that the area to be declared as an urban regeneration and development area should be planned or non-planned areas with or without buildings on, specify the building height limits and density, require that the area size be minimum 5 and maximum 500 hectares, and the regeneration be executed in phases. More than one piece of land associated with the project area may be designated as an urban regeneration and development area not to be less than 5 hectares in size.

Metropolitan municipalities shall be authorized to declare an urban regeneration and development area within the boundaries of the metropolitan municipality and adjacent areas. If so approved by the metropolitan municipal council, district municipalities may implement urban regeneration and development projects within their boundaries.

Metropolitan municipalities shall be authorized to carry out land development planning and control acts such as land development plans of any scale, plotting plans, building construction licensing, issuing occupancy permits and similar acts and exercise the powers conferred to municipalities in the Law No. 3194 dated 3/5/1985 on Land Development Planning and Control for the urban regeneration and development projects to be undertaken by metropolitan municipalities.

Mutual agreement shall be the fundamental rule in dealing with the evacuation, demolition and expropriation of buildings located in urban regeneration and development project areas. The courts shall give priority to the hearing and deciding of cases brought by property owners affected by urban regeneration and development projects, and by municipalities.

Immovable properties owned by the public within the urban regeneration and development areas except for education and health areas shall be transferred to municipalities at the price on the basis of charges. One fourth of the applicable taxes, duties and charges shall be levied on the individual buildings being demolished and rebuilt in the urban regeneration and development areas.

Property owners in the urban regeneration and development project areas shall be granted their rights if they have an agreement with those persons who have become entitled to certain rights based on the Law No. 2981 dated 24/2/1984 on Certain Actions Applicable to Buildings Violating the Legislation on Land Development Planning and Squatter Houses and the Law No. 6785 on Amending an Article of the Law on Land Development Planning and Control. Those squatter house owners who are not covered by the Law No. 2981 shall be paid for the wreckage and tree values or may be given the opportunity to purchase landlots or housing outside the urban regeneration and development project areas within the means and possibilities of the municipality. Houses may also be sold to such people in cooperation with the Housing Development Administration. Wreckage and tree values shall be set off against the landlot or house prices.

Municipalities shall make or cause to make all construction on the immovable properties owned by municipalities or those for which municipalities have secured agreements or those which municipalities have expropriated. Those owners of properties who have not made agreements with the municipality or whose properties were not needed by the municipality for expropriation may go to court against the municipality on grounds of seizure without expropriation if they are not given land development rights on separate building blocks and lots pursuant to Article 18 of the Law No. 3194 in the project areas.

Expenditures for the construction of infrastructure and recreation in the urban regeneration and development project areas shall be deemed common project costs. Common project costs of the constructions owned by municipalities shall be covered by the respective

municipalities. Those property owners to whom separate building blocks or lots have been allocated and those who have remained outside the expropriation must share the common project costs in proportion to the total size in square meter of their construction in the entire project. Before the common project costs are paid, no permits shall be issued to constructions, or no occupancy permits to buildings constructed; no water, gas or electricity shall be connected.

When the boundaries of a regeneration area are finalized, such boundaries shall be notified to the land registry office for annotation in the respective land records of the properties within such boundaries, and to the land survey office for marking on the sheet. Any changes to the records of the said properties shall be notified to the municipality concerned.

In places declared as urban regeneration and development areas, actions of subdivision of plots, combining, establishing limited property rights, changing of type and issuing building permits shall be performed by the permission of the respective municipality. Those constructions ongoing in such places shall be suspended for five years except those approved by the municipality for compliance with the project. The municipality shall, at the expiry of five years, decide whether to continue or cease suspension. The total duration of suspension may not exceed ten years.

The municipality shall be authorized to implement land development actions, establish the value of properties in the planned areas and make distributions to the right holders on the basis of such values or make applications on the basis of sharing the proceeds in order to realize the urban regeneration and development projects.

During the implementation of urban regeneration and development projects, those immovable properties for which no owners are identified in the land registry or on which there are pending legal disputes in regard to property rights shall be directly expropriated and their prices shall be blocked in a bank designated by the court for the right holders to be identified. The municipality shall be authorized to obtain decrees of heritage from courts or take action according to the owner recorded in the land registry during the expropriation of immovable properties in the implementation areas of urban regeneration and development projects.

Acts in the context of urban regeneration and development projects may be realized through joint service projects in the framework of Article 75 with public administrations.

Powers conferred on the Prime Ministry Housing Development Administration by the Law No. 2985 and other laws shall be reserved on the matters covered in this Law.

International relations

Article 74- Subject to the resolution of the municipal council, municipalities may be founding members or members of international organizations or bodies concerned with matters relating to the municipality's purview.

Municipalities may carry out joint activity or service projects with such organizations and bodies and with foreign local governments, or establish town twinnings.

Activities undertaken under the terms of the first and second paragraphs shall be conducted in a manner consistent with Turkey's foreign policy and with international treaties, and be subject to prior authorization by the Ministry of Interior.

Relations with other organizations

Article 75- In matters within their purview, and in accordance with agreements reached by a resolution of the municipal council, municipalities may:

a) Take charge of the construction, maintenance, repair or transport works of local governments and other public entities, either in return for payment or free of charge, carry out joint service projects with such organizations and transfer the necessary funds for the purpose. In such cases the works concerned shall be completed in accordance with the provisions of the legislation to which the body performing the work is subject;

b) Meet the in-kind needs of local governments and the central government authorities for the performance of such authorities' essential services, and temporarily provide them with equipment and staff;

c) Carry out joint service projects with public professional organizations, associations for public interest, associations and foundations for the persons with disabilities, foundations exempted from taxation by the Council of Ministers and professional organizations covered by the Law No. 507 on Tradesmen and Craftsmen;

d) Transfer their immovable property, or allocate it for periods not exceeding 25 years, in return for payment or free of charge, to local governments and other public entities, to be used for the purposes of those authorities' essential duties and services. Such immovable property may also be leased to those organizations. If such property is used for purposes other than that for which it has been allocated, the allocation shall be revoked. At the end of the allocation period, the property may be reallocated in accordance with the same principles.

Immovable property transferred or allocated to public entities by municipalities, their affiliated entities and municipal companies may not be used as public employee housing or social facilities.

Citizens' Assembly

Article 76- In the day-to-day life of the town or city, the citizens' assembly shall endeavour to implement the following principles: development of a vision of the town or city's future and of an awareness of citizenship of the town or city; protection of the town's or city's rights, laws and regulations; sustainable development; environmental awareness; social solidarity and mutual assistance; transparency; accountability; participation and local self-government.

The citizens' assembly shall comprise representatives of public professional organizations, trade unions, notaries public, universities if any, the civil society organizations concerned, political parties, public entities and neighbourhood masters, and other parties concerned. The municipality shall provide assistance and support in order to ensure that the assembly's activities are conducted effectively and efficiently.

Opinions formed within the citizens' assembly shall be placed on the agenda of the municipal council and deliberated at its first meeting. The working procedures of the citizens' assembly shall be laid down in a regulation to be issued by the Ministry of Interior.

Voluntary participation in municipal services

Article 77- Municipalities shall carry out programs designed to encourage the voluntary participation of individuals with a view to ensuring solidarity and participation in the town's or city's provision of health care, educational, sporting and environmental services, social welfare and assistance services, libraries, parks, traffic and cultural services and services for the elderly people, women, children, the persons with disabilities, the poor and destitute, and to increase effectiveness, economy and efficiency in service provision.

The qualifications required of volunteers and the procedures and principles governing their work shall be laid down in a regulation issued by the Ministry of Interior.

Correspondence

Article 78- Municipalities may correspond directly with public entities.

Places in the municipality's possession

Article 79- Without prejudice to the provisions of other laws, cemeteries and places located within the municipal boundaries which constitute ownerless land such as excursion areas, threshing areas, copses, leisure areas, squares, swamps, garbage dumps, ruined castles and towers and the landlots on which such ruins stand shall be in the possession of the municipality concerned.

Areas reclaimed by municipalities by land-filling in seas, waterways or lakes shall be left by the Ministry of Finance in the possession of those municipalities, and metropolitan municipalities in metropolises provided that they be used in accordance with the Law on Coastal Protection and the relevant legislation and regulations.

Operation of intercity bus terminals and gas stations

Article 80- Subject to compliance with the master plan and the implementation plan, municipalities may authorize natural and legal persons entitled to transport passengers on roads to build and operate intercity bus terminals, and issue permits for gas stations selling all forms of fuel oil, liquefied petroleum gas (LPG) and liquefied natural gas (LNG) within the boundaries of the municipality and adjacent areas. In order for gas stations to be authorized, it is mandatory for them to be indicated as gas stations on the master plan. In metropolitan municipalities, the business licenses of such stations shall be issued by the metropolitan municipality.

Naming places, use of promotional emblems and pennants

Article 81- Resolutions concerning the naming of avenues, streets, squares, parks, facilities and similar places and the designation of emblems, pennants and similar symbols publicizing the town shall require the simple majority of the full membership of the municipal council; resolutions concerning the alteration of such measures shall require a two-thirds majority of the full membership of the council. Such resolutions shall enter into force with the approval of the civil administrator.

Distribution of lawyers' fees

Article 82- Lawyers' fees collected from the opposing parties under the terms of judgments rendered by courts in cases and enforcement proceedings resulting in decisions favourable to the municipality shall be distributed to lawyers (including the ones employed under Article 49) and officials on active duty in the legal service on the basis of analogy with the provisions of Law No. 1389 on Counsels' Fees to Be Paid to Lawyers and Other Persons Concluding State Cases.

Application of the revaluation rate

Article 83- The money amounts provided for in Articles 15, 18 and 34 of this Law shall be increased each year by the revaluation rate determined in accordance with the Law No. 213 on Tax Procedures.

Inapplicable provisions¹

Article 84- Limited to the duties and services for which this Law confers powers and responsibilities on municipalities, the provisions of this Law shall govern and apply where the

¹ By Article 47 of the Law No. 5996 dated 11/6/2010, the expression "Law No. 5179 dated 27.5.2004 on Amending and Adopting the Decree-Law on Production, Consumption and Inspection of Foodstuffs" in this Article was removed from the text.

following legislative instruments have provisions contrary to this Law: Law No. 1593 dated 24.4.1930 on Public Health, Law No. 2559 dated 4.7.1934 on Police Duties and Powers, Law No. 5442 dated 10.6.1949 on Provincial Administration, Law No. 80 dated 12.9.1960 on the Administration of Wholesale Food Markets Established by Municipalities under paragraph 58 of Article 15 of Municipality Law No. 1580, Law No. 492 dated 2.7.1964 on Charges, Law No. 2918 dated 13.10.1983 on Road Traffic, Law No. 3194 dated 3.5.1985 on Land Development Planning and Control, Law No. 3572 dated 14.6.1989 on Amending and Adopting the Decree-Law on Business Licenses, (...) ¹, Law No. 4925 dated 10.7.2003 on Road Transport, Law No. 4856 dated 1.5.2003 on Organization and Duties of the Ministry of Environment and Forestry, and the Law No. 657 dated 14.7.1965 on Civil Servants.

CHAPTER TWO

Provisions Amended, Supplemented and Repealed

Article 85- a) (It relates to the Law No. 5434 dated 8.6.1949 on the Pension Fund of the Republic of Turkey, and has been inserted in its proper place).

b) (It relates to the Law No. 237 dated 5.1.1961 on Vehicles, and has been inserted in its proper place).

c) The repealed subparagraph (d) of the first paragraph of Article 29 of the Law No. 2972 dated 18.1.1984 on Election of Local Governments, Neighbourhood Masters and Neighbourhood Executive Committees has been revised as “d) Establishment of municipality,”.

d) As regards the Law No. 5216 dated 10.7.2004 on Metropolitan Municipalities, the expression “gathering the polluting businesses, recreational places, and other enterprises which have impact on public health and environment in specific places of the city; storage areas and sales points for building materials and scrap materials,” has been inserted to be placed after the expression of “to perform forestation” in the subparagraph (i) of the first paragraph of Article 7 of; the expression “exercising the powers conferred to municipalities in the Law No. 775 on Squatter Houses” inserted to be placed after the expression “specified services” in the subparagraph (d) of the third paragraph of the same Article; the sentence “The council may take a vacation of one month specified on its own” to be placed at the end of the first paragraph of Article 13; and the expression “First legal adviser and” to be placed after the expression “Metropolitan municipality” in the third paragraph of Article 22; the sentence “November meeting shall be the opening of term meeting.” in the first paragraph of Article 13, the expressions “within ten days” in the third paragraph of Article 14, “in each opening of term meeting” in the first paragraph of Article 15 and “in the first regular meeting of each year” in the first paragraph of Article 16 have been removed from the text of the Law.

e) As regards the Law No. 5302 dated 22.2.2005 on Special Provincial Administration, the expression “culture, arts, tourism” has been inserted to be placed after the expression “prevention of erosion” in subparagraph (a) of the first paragraph of Article 6; the expression “culture, tourism, youth and sports” in the subparagraph (b) has been removed from the article text and the following paragraph has been inserted added to be placed after the first paragraph of the same article; the sentence “November meeting shall be the opening of term meeting.” in the first paragraph of Article 12 and the expression “within ten days” in the third paragraph of Article 15 have been removed from the text; the first sentence of the first paragraph of Article 16 has been amended as “The general provincial council may establish specialist commissions consisting of three to five people from among its members to work for one year.”; the expression “and commission” has been inserted to be placed after the expression

“Council” in the first paragraph of Article 24 and the expression “2,600” in the same paragraph has been amended as “6,000”; the third and fourth paragraphs of Article 36 have been removed from the article text and the sentence “The provisions of the Article 49 of the Law on Municipality shall apply to the employment of contracted personnel and part-time contracted personnel in special provincial administrations.” has been inserted in the same Article as the third paragraph.

Of the investments regarding the duties and services performed by the central government, those approved by the relevant ministry may also be carried out through special provincial administrations. The appropriations allocated to such investments shall be transferred to the respective special provincial administration by the relevant organization. The special provincial administration may spend up to the twenty five percent of the cost of such investments from its own budget. The central government may additionally carry out the services, which it seeks to support and develop, in cooperation with the special provincial administrations on the basis of individual projects by way of transferring the necessary resources to the respective special provincial administration. Such resources and funds shall not be associated with the special provincial administration budget or used for other purposes.

f) The Law No. 5272 dated 7.12.2004 on Municipality has been hereby repealed.

g) Article 38 of the Law No. 1319 dated 29.7.1970 on Property Tax has been hereby repealed.

h) The sixth paragraph of Article 4 of the Law No. 4562 of 12.4.2000 on Organized Industrial Districts has been amended as follows.

Land use in accordance with the local land development plan that has entered into force, the design of projects for buildings and facilities, the licenses and permits related to construction and usage, and business licenses shall be issued and supervised by the Organized Industrial District. During the issuing of business licenses, the respective fees shall be collected by the Organized Industrial District and deposited to the respective municipality’s account or special provincial administration’s account.

CHAPTER THREE

Transitional and Final Provisions

Transitional Article 1- In the case of municipalities which, at the date of publication of this Law, have exceeded the percentages provided for in Article 49 in respect of personnel expenditures, no further staff may be recruited until personnel expenditures fall below those percentages, except where the Ministry of Interior so permits, solely in essential cases and provided that the municipality possess vacant positions and positions and sufficient budgetary resources, and further provided that it not exceed ten percent of the number of existing civil servants and contracted personnel on the date of 1.1.2005. The number of authorizations given in respect of temporary positions may not exceed those given during the previous year.

Transitional Article 2- Pending the transition to the system of job position standards, civil servant positions in municipalities, their affiliated entities and unions of local governments shall be created or abolished, and changes shall be made to vacant positions, by a decree of the Council of Ministers on a proposal from the Ministry of Interior and with the affirmative opinion of the Ministry of Finance and the State Personnel Department. Pending the transition to the system of job position standards, the existing positions created by the Council of Ministers shall be accepted as standard job positions in terms of the application of the third paragraph of Article 49.

Pending the transition to the system of job position standards, permanent worker positions and other positions shall be subject to the authorization by the Ministry of Interior. The Ministry may delegate its power of authorization to the provincial governors' offices.

Transitional Article 3- The procedure for terminating the legal personality of municipalities whose population has fallen below 2,000 according to the year 2000 general census and for transforming them into villages on the date of publication of this Law shall not be applied until 31.12.2006 in respect of municipalities wishing to benefit from the arrangement provided for in Article 8 of this Law. The basis for termination of legal personality shall be the total population formed as a result of unifications or mergers in accordance with the results of the year 2000 general census.

The acts executed in accordance with Transitional Article 4 of the Law No. 5272 on Municipality shall be considered executed according to this Article.

Transitional Article 4- The strategic plan specified in Article 41 shall be prepared within one year following the entry into force of this Law.

Transitional Article 5- The public law and private law claims of municipalities, their affiliated entities and companies in which they hold more than 50% of the equity capital from public entities as of 31.12.2004 shall be set off against their debts to other public entities until the date of 31.12.2005. The Council of Ministers shall be authorized to extend this period up to six months. The terms "claims" and "debts" in this Article also include accessory obligations and penalties relating to such claims and debts.

The debts of the organizations referred to in the paragraph above, whether subject to the offsetting transaction or not, shall be collected by deducting no more than 40% of their monthly apportionment of tax revenues under the general budget.

The offsetting and deduction transactions to be conducted under this Article shall be determined by the organization concerned and the settlement commission without reference to the year's budget laws; and be decided by the Council of Ministers on a proposal from the Minister in charge of the Undersecretariat of Treasury. (Supplementary expression: 26/12/2006-5568/8 Art.) Decisions shall be concluded by 28 February 2007 for the transactions of organizations which signed the decisions regarding the offsetting and deduction with the Settlement Commission as of 30/06/2006 where such decisions have yet to be approved by the Council of Ministers. The Council of Ministers shall be authorized, considering the capacity of relevant organizations to pay their debts, to arrange instalments for the payments, not to apply surcharges and interest on the portion arranged in instalments from the day immediately following the publication of this Law, reduce the amounts owed without exceeding the accessory obligations and penalties attached to such debts.

(Supplementary paragraph: 26/12/2006-5568/8 Art.) Statutory time limitations in the relevant laws shall not apply to the debts and claims subject to offsetting and deductions pursuant to this Article.

Any attachment on the debts prior to 31.12.2004 shall be removed following the acceptance by the settlement commission of the application of the relevant institution for settlement and removal of attachment.

The settlement commission shall be composed of a chairman appointed by the Minister in charge of the Undersecretariat of Treasury and one representative each of the Ministry of Interior, the Ministry of Finance, the Undersecretariat of State Planning Organization, the Undersecretariat of Treasury, the Court of Accounts, the Social Security Institution and the General Directorate of Bank of Provinces.

Transitional Article 6- (Supplementary: 26/12/2006-5568/9 Art.; Repealed: 28/1/2010-5951/13 Art.)

Entry into force

Article 86- This Law shall enter into force on the date of publication.

Execution

Article 87- The Council of Ministers shall execute this Law.

**PROVISIONS WHICH COULD NOT BE INSERTED INTO THE LAW NO.
5393 DATED 3/7/2005**

1) Transitional Article of the Law No. 5998 dated 17/6/2010:

Transitional Article 1– The provisions of this Law shall apply to lawsuits which have been initiated before the courts prior to the date of entry into force of this Law but not yet concluded. However, the party to the litigation who will eventually have lost the case due to the introduction of amended provisions by this Law shall not be required to pay charges, trial expenditures and lawyers' fees.

**LIST INDICATING DATE OF ENTRY INTO FORCE OF THE
LEGISLATION SUPPLEMENTING AND AMENDING THE LAW NO. 5393**

Amending Law	Amended articles of the Law No. 5393	Date of entry into force
5538	14 and 18	12/7/2006
5568	Transitional Article 5, Transitional Article 6	30/12/2006
5594	12	10/3/2007
5675	20	7/6/2007
5747	11	22/3/2008
5766	16	6/6/2008
5793	49 and 72	6/8/2008
5951	Transitional Article 6	5/2/2010
5998	73 and Provision not inserted	24/6/2010