

# INVEST IN TÜRKİYE



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## Message from the Investment Office

Turkey's self-sufficiency in many fields during the COVID-19 outbreak has been topped by the good news of the discovery of a significant natural gas reserve in the Black Sea as heralded by President Recep Tayyip Erdoğan. Thus, Turkey has taken one more step towards becoming stronger and more independent in terms of energy supply.

Besides, the August agenda also unveiled that Turkey has been adding on its renewable energy infrastructure each day. The latest series of these investments included Turkey's first integrated solar panel manufacturing plant established in Ankara.

In addition, Turkey's economic indicators augur well for a quick recovery and a better outlook for the second half of the year, while the COVID-19 outbreak still has devastating impacts on developed economies.

President, Investment Office  
**A. Burak DAĞLIOĞLU**

# TURKEY HERALDS NEW ERA WITH MAJOR GAS FIND IN BLACK SEA

**President Recep Tayyip Erdoğan has officially disclosed on August 21 that Turkey has made a discovery of significant natural gas reserves in the Black Sea following his pre-announcement that he would soon deliver good news that would usher in a new era for the country.**

Fatih, Turkey's first-ever drillship owned by the state-run Turkish Petroleum Corporation (TPAO), set sail from Istanbul for a drilling mission in an exploration zone known as Tuna-1, also known as the Sakarya Exploration Zone, in the Black Sea on May 29, marking the 567<sup>th</sup> anniversary of the conquest of Istanbul.

Accordingly, Fatih has discovered proven reserves of 320 billion cubic meters of natural gas, with all testing, analyzing, and engineering works already completed – a proof that more discoveries are in the pipeline as part of the first and largest-ever natural gas discovery in Turkey's history.

"This is only a small portion of the vast reserves," said President Erdoğan in his address at the announcement ceremony.



"Turkey, once a net importer of energy, is now poised to assume all extraction works itself. It will thus incorporate natural gas into the energy system based on domestic and national sources. We aim to commence utilization of the new Black Sea natural gas in 2023, and are looking forward to hearing good news from Mediterranean drilling works as well," President Erdoğan added. Dubbed a "turning point" for Turkey by the Minister of Treasury and Finance Berat Albayrak, the discovery could help Turkey cut its dependence on energy imports once the gas has been commercially extracted.

## Turkey Has Discovered 320 Billion Cubic Meters of Natural Gas

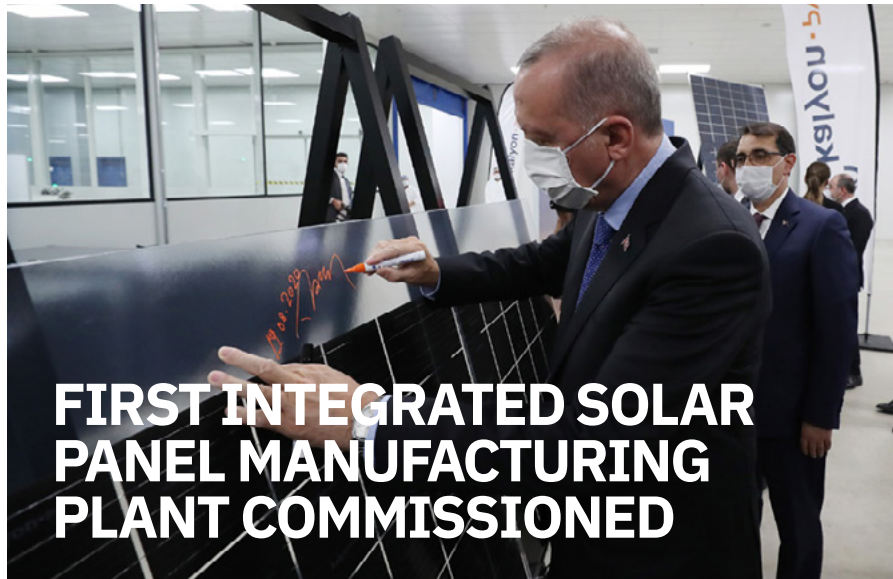
① If produces 10 billion cubic meters of natural gas every year, Turkey will meet one fifth of the country's 32-year consumption solely from this drill area.

① Black Sea gas is expected to be in production in 2023.

① The discovery is on TUNA-1 location off the shores of Zonguldak province, Sakarya Gas Field, in the Black Sea region.

① Fatih Drillship set off to the Black Sea on May 29, 2020.





## FIRST INTEGRATED SOLAR PANEL MANUFACTURING PLANT COMMISSIONED

Turkey has been steadily commissioning new investments in the renewable energy sector in recent years. The latest series of these investments include Turkey's first integrated solar panel manufacturing plant established by Turkish conglomerate Kalyon Holding in the Başkent Organized Industrial Zone in Ankara. The project was inaugurated by President Recep Tayyip Erdoğan on August 19.

"I strongly believe that this facility will pave the way for Turkey's leadership in the solar panel industry. In 2019, we met the energy needs of around 4.1 million households with solar power. We are constantly expanding our energy infrastructure by diversifying energy sources in the power grid without dependence on a single source. In terms of installed solar capacity, Turkey currently ranks 13<sup>th</sup> globally and 7<sup>th</sup> in Europe," said President Erdoğan in his address at the ceremony.

"With this USD 1 billion worth of investment power plant, we will not only meet the annual energy requirement of two million citizens, but will also prevent two million tons of fossil and carbon dioxide emission per year. This environmentally-friendly and

modern facility is a source of pride for our country and stands out as a pioneer in the sector in multiple aspects," President Erdoğan added.



The photovoltaic manufacturing hub – the first of its kind – will be the first integrated solar panel production factory in Europe and the Middle East with an annual production capacity of 500 MW and will provide employment for 1,400 people. The panels manufactured at the facility will be employed in the 1 GW-project in Karapınar in Central Anatolian province of Konya.

On October 19-23, 2020, Turkey is poised to invite bids to build 74 solar power plants throughout 36 provinces. The projects will be developed through allocation in exchange for a Use of Domestic Products (YMKT) Model, and will have capacities of 10, 15 and 20 MW.

13<sup>th</sup>

Rank of Turkey in the world in terms of installed solar capacity

7<sup>th</sup>

Rank of Turkey in Europe in terms of installed solar capacity

64.1%

Share of domestic resources in electricity generation in Turkey in 2019

48%

Share of renewables in electricity generation in Turkey in 2019



## TURKEY RESOLUTELY BUILDS UP ITS TECHNOLOGICAL FACILITIES

On August 9, President Recep Tayyip Erdoğan paid a visit to Gebze district of Turkey's Kocaeli province to inaugurate TUBITAK's Centers of Excellence and Kocaeli University Health Facilities and Research Centers.

Delivering remarks at the ceremonies, President Erdoğan made an emphasis on the investments made uninterruptedly in Turkey's healthcare, technological infrastructure sectors in the face of the COVID-19 outbreak. Underlining that these developments are proof of Turkey being a self-sufficient country, President Erdoğan added: "Our private sector, which undertakes innovative projects, and our universities as well as our strategic institutions such as TUBITAK assume critical roles in this process. Turkey's technological infrastructure and capabilities get stronger and stronger with the contributions of TUBITAK's research centers and institutes. With today's inaugurations we will add new ones to these centers, and seven

different infrastructures in Gebze and Ankara will thus join our technological ecosystem."

President Erdoğan also informed the audience on the latest developments in Turkey's vaccine researches. He said, "We rank third right after the U.S. and China in the WHO's list of countries developing local vaccine. The COVID-19 Turkey Platform, led by TUBITAK, currently runs eight different projects for vaccine and 10 different projects for drug."

Before the inauguration, President Recep Tayyip Erdoğan tested the Hidromek HICON 7W, Turkey's first homegrown electric excavator, and entered the ceremony area by driving the award-winning vehicle.

The Hicon 7W electric wheeled excavator created by the Turkish construction machine manufacturer Hidromek was awarded with the German Design Award 2020.



## PRESIDENT ERDOĞAN LAUNCHES NEWLY-BUILT NAVAL SYSTEMS

On August 23, President Recep Tayyip Erdoğan attended the handover ceremony of the newly-built naval systems of the Turkish Armed Forces in İstanbul.

Underlining that it is not possible for nations to look their future with confidence unless they are strong and independent in the field of defense President Erdoğan said

that Turkey's progress in defense industry has paved the way for many strategic achievements inside and outside borders. "Turkey's defense industry project stock rose from 62 to 700 and the project budget from USD 5.5 billion to over USD 60 billion," President Erdoğan added.

The emergency response and diving training boats, new Underwater Assault Team (SAT) boats and speed patrol boats have been delivered to Turkish Armed Forces in the ceremony.

70%

Rate of indigenusness and nationality of Turkish defense industry

USD 3 billion

Exports of Turkey's shipbuilding industry



## TURKEY TRANSFORMS INTO A GLOBAL TECHNOLOGY AND PRODUCTION HUB

**“We are determined to transform Turkey, positioned at the crossroads of three continents, into a global production and technology base. We have already laid the groundwork for this endeavor with the steps we have taken over the past 18 years,”** said President Recep Tayyip Erdoğan, speaking at the inauguration ceremony of the Technology-Oriented Industry Initiative: MESS Technology Center and 40 new factories on August 29.



During his speech President Erdoğan mentioned Turkish companies opening up to global markets for export. “During the pandemic, many Turkish companies gained access to countries and regions where they had no or a very limited market share. We see that our export-oriented companies have further expanded their customer base. As the effects of the pandemic wane across the world and everything started falling back into place, the momentum Turkey has gained will grow stronger,” added President Erdoğan.

President Erdoğan further noted that Turkey climbed to the 13<sup>th</sup> position among the largest global economies in terms of purchasing power parity. The fact that 7 Turkish companies now rank among the top 100 defense list and Turkey being named ‘one of the top 5 countries that possess the most advanced technologies of the world’ were two further achievements mentioned by President Erdoğan.



## TURKEY SLASHES IMPORT-DEPENDENCY IN DEFENSE INDUSTRY

President Recep Tayyip Erdoğan announced that Turkey’s dependency on foreign defense supplies, once as high as 70 percent, has now dropped to 30 percent.

Attending the inauguration ceremony of Roketsan’s satellite launch on August 30, President Erdoğan delivered a speech to the audience. He underlined Turkey’s surging domestic production and falling imports in the defense industry.

“We kept ramping up our domestic production, following a policy to cease procurement of defense supplies from the international market if we can produce them domestically. In 2002, there were 62 ongoing defense projects in Turkey. Today, that figure is verging on 700. In the past 5 years, we

have launched nearly 350 projects,” President Erdoğan said.

“In 2002, the total budget of the defense projects was USD 5.5 billion. Today, the project volume has jumped to USD 60 billion. During that period, the number of defense contractors has risen from 56 to 1,500. In 2002, the turnover of the defense industry was USD 1 billion, rising even higher to USD 11 billion in 2019,” stressed President Erdoğan.

Commenting on Turkey’s ongoing defense projects, President Erdoğan further highlighted that Turkey’s first homegrown maritime missile, Atmaca, will be deployed by the Turkish Armed Forces by the end of 2020. On a different note, the President revealed that Turkey’s Micro-Satellite Launch System (MSLS) slated for completion by 2025.



## ECONOMIC INDICATORS IN TURKEY GIVE PROMISING RESULTS IN JULY

In spite of devastating impacts of the COVID-19 outbreak on developed economies, indicators in the Turkish economy in July 2020 signal a quick recovery and a better outlook for the second half of the year.

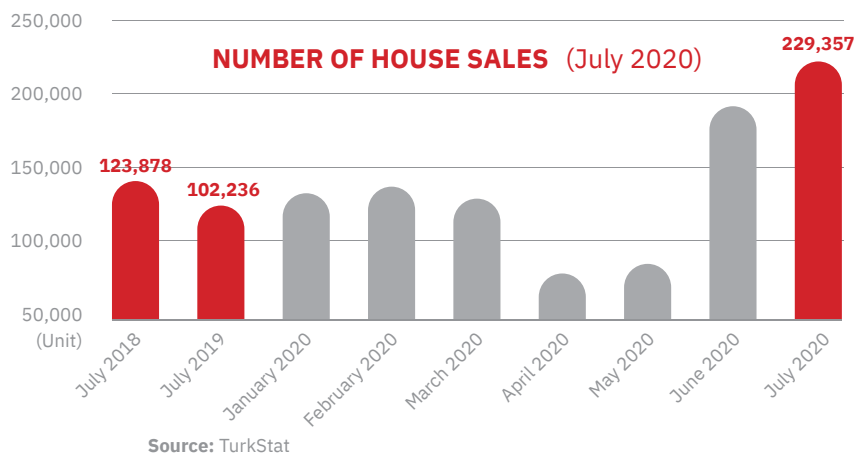
### Property Sales Skyrocket in July

The Turkish Statistical Institute (TurkStat) unveiled residential property sales for July 2020. Accordingly, property sales in Turkey jumped 124.3 percent y-o-y in July, reaching 229,357 units. Istanbul enjoyed the lion's share with 17.2 percent of total sales and with 39,432 units.

Mortgage sales increased by 900.6 percent in July 2020 reaching 130,721

units throughout Turkey compared to the figures recorded in the same month of the last year. The share of mortgage sales in total property sales was 57.0 percent.

New home sales all over Turkey increased by 74.5 percent y-o-y in July 2020, scoring 67,937 units and having 29.6 percent share in the overall sales.



**TURKEY WEALTH FUND CONSOLIDATES STATE-OWNED INSURANCE COMPANIES**

**TWF TURKEY WEALTH FUND**

The Turkey Wealth Fund (TWF) has approved to consolidate six state-owned insurance companies in return for around USD 1 billion and the acquisition process was completed on August 27, 2020.

Accordingly, Gunes Sigorta, Halk Sigorta, Ziraat Sigorta, Vakif Emeklilik ve Hayat, Halk Hayat ve Emeklilik and Ziraat Hayat ve Emeklilik were gathered under the roof of publicly-traded Gunes Sigorta, in order to increase savings and support non-bank financial services sector in Turkey. Within

the scope of the new structure, the title of Gunes Sigorta has been changed as Türkiye Sigorta A.Ş.

The need for a reconstruction of the insurance sector has been emphasized during the announcement of Turkey's New Economy Program in recent years. With the completion of the consolidation process, TWF is planning to reveal a more dynamic public insurance company and to further support business environment in Turkey.



### TREASURY MINISTER: STATE-OWNED BANKS PLAY KEY ROLE IN PROPERTY SALES

Commenting on the property sales figures, Minister of Treasury and Finance Berat Albayrak stated that the construction sector, which facilitated 250 subsectors, continued to see momentum with property sales hitting their all-time high in July breaking a historical record. Minister Albayrak thanked the state-owned banks

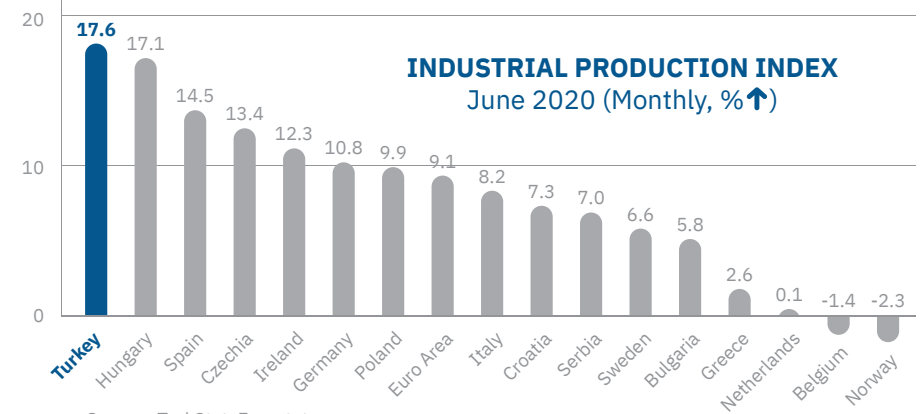
that played a great role in property ownership of Turkish citizens.

Minister Albayrak also released a statement on the industrial production data, saying, "The strong recovery in leading economic indicators will hopefully once again disappoint those with pessimistic expectations about growth figures."

### Industrial Production Bounces by 17 percent in June

The economic revival following the end of lockdowns in Turkey helped the industrial production of Turkey surge by 17.6 percent month-on-month in June.

According to the data published by the Turkish Statistical Institute (TurkStat), Turkey's manufacturing index increased by 19 percent in June.



### Turkey's Export Climate Index Surges in July

Turkey managed to post the highest manufacturing PMI Export Climate Index of the last 12 months in July 2020 thanks to an easing of restrictions and a sharp pick-up in some of the European countries.

ICI Turkey Export Climate Index report released by Istanbul Chamber of Industry (ISO) has unveiled Turkey's latest figures. The report shows that export climate index increased to 53.0

in July, compared to 47.5 points scored in June. It has been the first time Turkey surmounted 50.0 level in the last five months.

"Most of the top ten destinations for Turkish manufacturing exports registered growth of output during July as economies continued to show signs of recovery following severe COVID-19 downturns through the second quarter of the year," the report finds.

## PMI, CPI and Exports

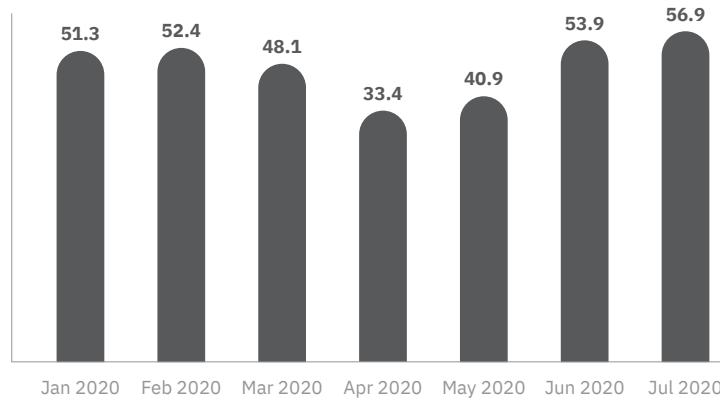
Turkey's Purchasing Managers' Index (PMI) for the manufacturing sector, prepared jointly by IHS Markit and the Istanbul Chamber of Industry, rose from 53.9 in June to 56.9 in July, which has been the highest level since the last 9 years. The result unveiled the robust recovery in the Turkish economy after bottoming out in April due to Covid-19 disruptions.

Also, according to the data provided by the Turkish Statistical Institute (TurkStat), the rise in the consumer price index (CPI) in Turkey receded from 12.62 percent in June to 11.76 in July year-on-year. Releasing a

statement on the result, the Minister of Treasury and Finance Berat Albayrak said, "We are determined to reach our inflation targets and we will resolutely continue to struggle over price increases and implement necessary structural reforms in this regard."

On a side note, upward trend in exports, which started in June 2020, continues even more robustly in July. The latest data published by the Ministry of Trade has shown that exports in Turkey increased by 11.51 percent on monthly basis reaching USD 15.1 billion in July 2020, the highest monthly export figure obtained during the pandemic.

### MANUFACTURING PMI IN TURKEY



Source: Istanbul Chamber of Industry and IHS Markit



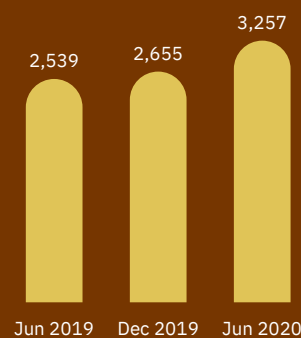
## Net Profit of Turkey's Banking Sector Increases in H1 2020

Falling interest rates and credit campaigns, combined with government incentives have all been a major source of support for Turkish banks in the first half of the year.

The Banking Regulation and Supervision Agency (BRSA) has unfolded 2020 first half figures of the banking sector. Accordingly, total assets of Turkish banks rose by 26.5 percent y-o-y and reached TRY 5.35 trillion at the end of June 2020, while total loans increased by 28.3 percent reaching TRY 3.25 trillion and net profit by 24.2 percent seeing TRY 30.8 billion.

Meanwhile, by the end of June 2020, capital adequacy ratio of the sector reached 20 percent from 18.4 percent by year-end 2019 and non-performing loans (NPL) ratio declined to 4.41 percent from 5.36 percent as of the same dates.

### TOTAL LOANS OF TURKISH BANKS (TRY billion)



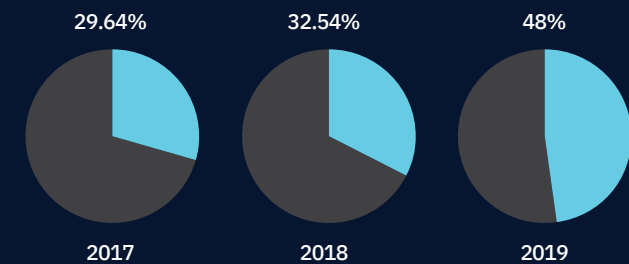
Source: BRSA

# SECTORAL HIGHLIGHTS

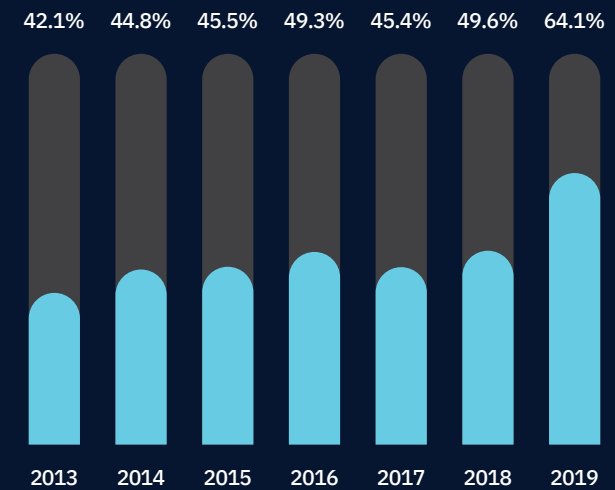
## DOMESTIC AND NATIONAL ENERGY

### Two-thirds of electricity generation in Turkey is derived from domestic and renewable resources

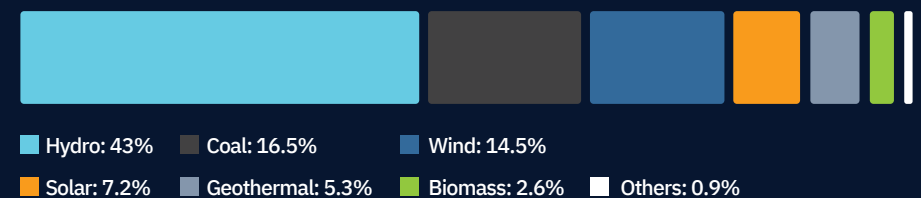
#### Electricity generation from renewables reached 48.1% in 2019



#### The rate of domestic resources in electricity generation increased from 42.1% in 2013 to 64.1% in 2019



#### On May 24, 2020, Turkey's power generation from domestic and renewable sources reached 90%, marking an all-time record



Source: Ministry of Energy and Natural Resources



## NUMBER OF MOBILE SUBSCRIBERS TOPS 81 MILLION IN TURKEY

**Minister of Transport and Infrastructure Adil Karaismailoğlu unveiled that Turkey's mobile subscribers amounted to 81.8 million in the first quarter of 2020.**

"The number of Turkey's mobile subscribers reached 81.8 million, with 400,000 kilometers of fiber length deployed. We are the leader in Europe in terms of mobile usage time," said Minister Karaismailoğlu. He further

cited a 3.6 percent hike in the number of mobile subscribers.

Karaismailoğlu also announced that Turkey would be one of the first countries to launch 5G. Underlining the importance of fiber infrastructure to launch 5G, he said, "Fiber infrastructure is essential when it comes to 5G. That is why we are deploying a fiber network infrastructure all over Turkey."



## AUTO SALES OF TURKEY POSTS 387.5 PERCENT INCREASE IN JULY

**The lift of COVID-19 lockdown and the campaigns launched for cheap loans have made a great contribution to the vehicle sales in Turkey. In the month of July, passenger cars and light commercial vehicles sales in Turkey boosted by 387.5 percent year-on-year.**

The data released by the Automotive Distributors' Association (ODD) has shown that auto sales in Turkey reached 87,401 in number, which had been 17,927 in the same month of the last year.

While 17,974 of these were light commercial vehicles with 350.9 percent rise, passenger cars were 69,427 with a rise of 610.7 percent, said the ODD data.

In the first half of 2020, auto sales reached 341,469 units, increasing by 60.3 percent year-on year.

Emphasizing that new auto sales will be sustained until the end of this year, the statement also read, "We project the total market to close the year at a level of 710,000 units."

## 7 TURKISH COMPANIES IN WORLD'S HIGHEST DEFENSE INDUSTRY LIST

The number of Turkish defense companies in the world's most prestigious defense industry list, the US-based Defense News Magazine's "Defense News Top 100", rose to 7.

On merit of their revenues, Turkish companies ASELSAN, TUSAŞ, ROKETSAN, STM, HAVELSAN, FNSS and BMC made it to the list of the world's most prestigious defense industry list.

"Some 4 years ago, we had only 2 of our contractors making the list. The rise to 7 companies as of today is another sign that our national defense industry is growing every other day," commented Presidency of the Republic of Turkey Presidency of Defense Industries Head Ismail Demir. Progress from only 2 to as many as 7 Turkish defense companies on this international list over 4 years is great news to celebrate," added Demir.

## ISTANBUL AIRPORT: GLOBALLY FIRST AIRPORT TO RECEIVE NEW HEALTH ACCREDITATION

Istanbul Airport has been recognized by the Airports Council International (ACI) as the world's first airport to receive a new health accreditation.

A statement released by ACI read, "We congratulate Istanbul for being the first airport to be accredited through our new Airport Health Accreditation program which demonstrates that Turkey is focused on the health and welfare of travelers, staff, and the public."

According to the statement, the right measures taken at the airport restores public confidence.

Commenting on the accreditation, Istanbul Airport's operator IGA's CEO Kadri Samsunlu said, "Considering that Istanbul Airport is the world's global aviation hub, the award of the 'Airport Health Accreditation' certificate is also a proof that our measures meet all international standards.



## INVESTMENT OFFICE WEBINARS & EVENTS

### **AUG 28 – HYUNDAI I20 MASS PRODUCTION CEREMONY**



Hyundai i20 Mass Production Ceremony took place in Hyundai facility in İzmit, Turkey on August 28, in the presence of Minister of Industry

and Technology Mustafa Varank and Investment Office President A. Burak Dağlıoğlu.

### **JUL 28 – FDI INTELLIGENCE INTERVIEWS INVESTMENT OFFICE PRESIDENT**



Investment Office President Burak Dağlıoğlu evaluated Turkey's approach to industrial transformation in the post-COVID-19 period at an interview with fDi intelligence, the

investment-focused platform of the Financial Times.

Dağlıoğlu emphasized that the Investment Office is determined to adapt itself to the requirements of the 'new normal'. He said, "We would like to further move up the value chain towards high-tech manufacturing, especially in automotive, pharmaceutical, IoT, aerospace, ICT and electronics, especially in the consumer electronics side."

### **AUG 4 – TURKEY, A HUB FOR EUROPE, MENA and CIS**



Investment Office and HIS Travel held a joint webinar today entitled "How to Advance Into Abroad, Turkey a Hub for Europe, MENA and CIS" attended by Yuichi Aoki of Investment Office, JBIC Turkey GM Ryuta Suzuki and HIS Turkey Deputy GM Tursun Ablat.

### **AUG 26 – TURKEY'S ROADMAP TO ENSURE SUSTAINABILITY IN AGRICULTURAL ECOSYSTEM**



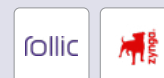
Investment Office Head of Overseas Activities Department Furkan Karayaka attended a webinar entitled "Turkey's Roadmap to Ensure Continuity of Agricultural Ecosystem" held by the Ministry of Agriculture and Forestry and Turkuvaz Media Group. Karayaka offered an insight on state incentives for agrofood sector.

### **AUG 27 – INFRASTRUCTURE SECTOR IN TURKEY**



Investment Office country advisors to South Korea Taha Saran and Lyn Chaelin Sung delivered a presentation titled "Past, Present, and Post-Corona of Infrastructure Sector in Turkey" in a live webinar hosted by ICAK (International Contractors Association of Korea) in Seoul. Over 100 representatives of construction and engineering companies along with executives of financial institutions joined the webinar.

## FDI NEWS



### **TURKISH GAME DEVELOPER ROLLIC PURCHASED BY GLOBAL GIANT ZYNGA**

The global gaming giant Zynga has agreed with Turkish game developing company Rollic to acquire 80 percent of its shares for USD 168 million in cash.

Rollic is one of the fastest growing hyper-casual games companies and this acquisition will help Zynga enter a broad and rapidly developing gaming section. The announcement made by Zynga read, "We are excited to expand into the hyper-casual category with this transaction. Rollic is led by a creative team and we are meaningfully growing our audience, diversifying our global advertising business, and adding to our developer network with Rollic."



### **FRENCH GIANT ACQUIRES TURKEY'S HAZNEDAR GROUP**

Imerys, a global industrial mineral giant based in France, has agreed with one of Turkey's leading refractory brick manufacturers Haznedar Group to acquire 60 percent of its shares.

According to the statement released by Imerys, the parties have signed an agreement for the acquisition of a majority stake of 60 percent and the French giant holds the option to acquire the remaining 40 percent. The transaction is slated to be finalized in the last quarter of 2020.



# THE TURKISH GRAND PRIX IS BACK!



Formula 1 has confirmed the final four races for the 2020 season, including Turkey's return after a nine-year absence. The Turkish Grand Prix was announced to be the 14<sup>th</sup> round of the 2020 Formula 1 Season.

Turkey's Istanbul Park is back on the F1 schedule for the first time since 2011. The Turkish Grand Prix will be run on November 15, 2020 at the Istanbul Park, just before the back-to-back double header at the Bahrain International Circuit and the concluding Abu Dhabi Grand Prix at the Yas Marina.

"We are proud to announce that Turkey, Bahrain and Abu Dhabi will be part of our 2020 season," said F1 Chief Executive Chase Carey.

Istanbul Park was built in 2005 to host Formula 1 races, Moto GP, and other international motor sports.

## F1 2020 Calendar

2020 FIA Formula One World Championship

Round 1	Austria	3-5 July
Round 2	Austria	10-12 July
Round 3	Hungary	17-19 July
Round 4	Great Britain	31 July-2 August
Round 5	Great Britain	7-9 August
Round 6	Spain	14-16 August
Round 7	Belgium	28-30 August
Round 8	Italy (Monza)	4-6 September
Round 9	Italy (Mugello)	11-13 September
Round 10	Russia	25-27 September
Round 11	Germany	9-11 October
Round 12	Portugal	23-25 October
Round 13	Italy (Imola)	31 October-1 November
<b>Round 14</b>	<b>Turkey</b>	<b>13-15 November</b>
Round 15	Bahrain	27-29 November
Round 16	Bahrain	4-6 December
Round 17	Abu Dhabi	11-13 December

# WHY TURKEY?

## TURKEY: HUB FOR INNOVATION AND GROWTH



**Within 4-hours flight**, easy access to multiple markets of USD 25 trillion GDP, USD 7.8 trillion trade, and 1.7 billion people.



Booming economy reaching **USD 754 billion** in 2019, up from USD 236 billion in 2002.



Over **USD 220 billion** of FDI between 2003-H1 2020, while the total amount of FDI attracted between 1923-2002 stood at USD 15 billion.

### ACCESS TO MULTIPLE MARKETS

#### Europe

GDP: \$20.2 trillion  
Import: \$6.8 trillion  
Population: 600.4 million

#### MENA

GDP: \$3.61 trillion  
Import: \$751.6 billion  
Population: 448.9 million

#### Russia

GDP: \$1.66 trillion  
Import: \$240.2 billion  
Population: 144.5 million

#### Central Asia & Caucasus

GDP: \$0.3 trillion  
Import: \$81.7 billion  
Population: 89.1 million

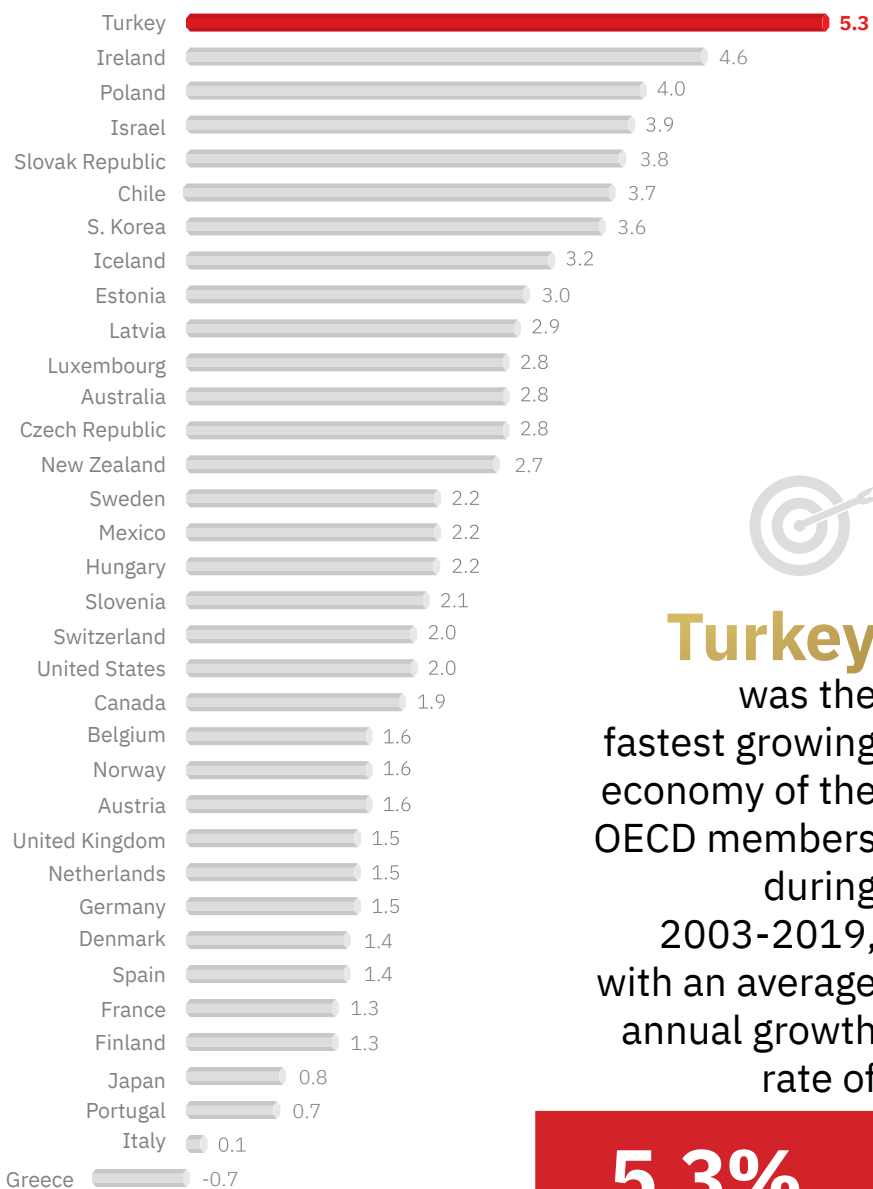
### TOTAL

**GDP: \$25.77 trillion**  
**Import: \$7.9 trillion**  
**Population: 1.3 billion**

Source: World Bank (2018),  
Comtrade (2018)



## AVERAGE ANNUAL REAL GDP GROWTH (%) (2003-2019)



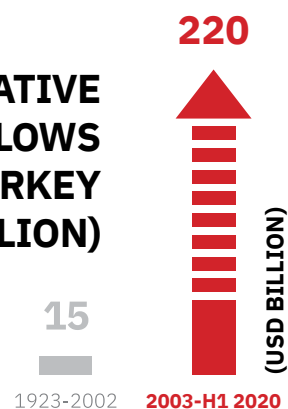
**Turkey** was the fastest growing economy of the OECD members during 2003-2019, with an average annual growth rate of

**5.3%**

Source: IMF World Economic Outlook (October 2018)

- Investment incentives as well as R&D support.
- Equal treatment to national and global investors guaranteed by law.
- 7 days to set up a company in Turkey, while it takes an average of 8,5 days in OECD high-income countries. (World Bank Doing Business 2020)

### CUMULATIVE FDI INFLOWS TO TURKEY (USD BILLION)



## HIGHLIGHTS



The fastest growing economy in Europe and one of the fastest growing economies in the world with an average annual **GDP growth rate of 5.3%** over the past 17 years. (2003-2019, TurkStat)

### SOPHISTICATED CONSUMER BASE



**A population of 83 million**, half of which is **under the age of 32.4**. (2019, TurkStat)



**Largest youth population** compared with the EU. (2019, Eurostat)



**76.6 million** fixed and mobile broadband internet subscribers. (2019, ICTA)

### SKILLED AND DEDICATED LABOR FORCE



Over **32 million** **young, well-educated** and **motivated** professionals. (2019, TurkStat)



More than **800,000 students** graduate annually from **207 universities**. (2019, CoHE)

## TURKEY'S INFRASTRUCTURAL DEVELOPMENT



According to the European Investment Bank, Turkey ranks 1<sup>st</sup> in Europe in total value of Public-Private Partnership (PPP) projects during the 2015-2019 period.



**USD  
130 billion**

Total value of PPP contracts in Turkey during the 2003-2019 period.



**179**

Total number of PPP projects in Turkey during the 2003-2019 period.

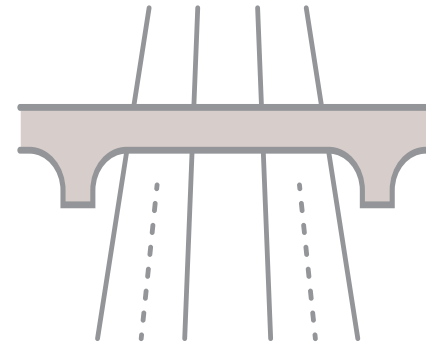


**44,350**

Number of hospital beds to be introduced once 31 integrated health campuses are put into operation across Turkey. Of those, 20 will be PPP city hospitals with a total bed capacity of 30,750.

**200 million**

Annual passenger capacity once all stages of the newly commissioned Istanbul Airport in Turkey are completed.

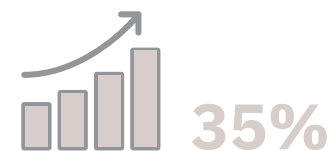
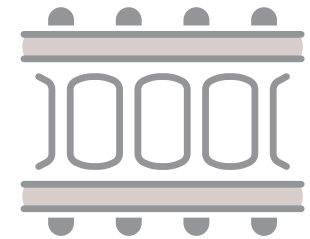


**8,600 km**

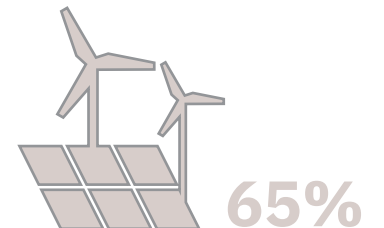
Total length of motorways (toll roads) in Turkey by 2035 once the 660 km currently under construction and the 4,600 km of planned projects are completed.

**5,500 km**

Total length of high-speed railways in Turkey by 2023 once the planned projects with total length of 4,300 km are completed.



Expected growth in Turkey's total installed power generation capacity from 2018 to 2023 (from 88 GW to 110 GW).



Targeted share of renewable sources in Turkey's total installed power generation capacity (planned increase from 59% (52 GW) in 2018 to 65% (72 GW) in 2023).

### For more info

[invest.gov.tr/en/Sectors/Pages/infrastructure.aspx](https://invest.gov.tr/en/Sectors/Pages/infrastructure.aspx)



**“China is Turkey’s third largest trade partner and second largest import partner. As two major emerging economies in the world, it is our wish that the two countries will learn from each other and strive towards win-win goals based on mutual needs in various fields.”**

ICBC Turkey is a full-license bank holding commercial bank, investment bank, and asset management licenses with 44 branches and 21 securities business offices with around 860 employees. Its branch network covers areas where the economy and banking industry are active in Turkey (these areas cover nearly 70 percent of GDP of Turkey).

As the world’s largest commercial bank, ICBC attaches tremendous importance to the Turkish market. ICBC Turkey is a young member of the ICBC Group. Based on the growth potential of the regional market and the support of local regulators and the ICBC group, we aim to become the leading bank of the “Belt and Road Initiative” and the preferred bank of “Chinese elements”.

As a key international subsidiary of the group, ICBC Turkey has already

provided a wide array of high-quality financial services for the Turkish economy. In the future, it will provide a greater contribution to promoting economic and social development, and will continue to contribute more to the deepening of the mutually beneficial and win-win economic and trade cooperation between China and Turkey through the implementation of the “Belt and Road Initiative”. In the process, ICBC Turkey will continue to devote effort to building the links of economic and trade exchanges between China and Turkey, playing the role of a think-tank, putting forward strategic and forward-looking suggestions, taking tangible integrated financial services to promote investment and trade contacts between China and Turkey, and improving Turkey’s global position in the finance industry.

**Gao XIANGYANG**  
Chairman, ICBC Turkey



**45 years of experience as a domestic manufacturer in Turkey**

**Andrew N. LIVERIS**  
Former Chairman & CEO, DOW



The core of the Turkish national economic agenda, and the key value for investors, is a dedicated effort to promote innovation, enhance competitiveness, and encourage investment in global value chains. Dow has over 45 years of experience as a domestic manufacturer in Turkey, and our new joint venture with AKSA is a key example of how we can bring together raw materials, a high-skilled workforce, and most importantly a booming downstream customer industry. With a strong, pro-business government in Turkey, the investment environment makes sense. And it is also easy to operate, thanks to the Investment Office President and his entire team.

Following the Toyota Way, we implemented the Toyota Production System to

**produce high-quality motor vehicles in Turkey.**



**TOYOTA**

**Toshihiko KUDO**

President & CEO,  
Toyota Motor Manufacturing Turkey

**“Turkey is very attractive for production and exports”**

There is a huge need for tires in and around Turkey, as well as in Europe, Russia, the Middle East, and North Africa. Turkey has great advantages such as customs duty exemption to the Customs Union agreement, and also the location of Turkey is very convenient for transportation to these markets. Considering all, Turkey is very attractive for production and exports.

In addition, the Turkish government supports foreign and local investors from different aspects such as incentives. At the same time, with the help of the Investment Office, we managed to team up with AKO, one of the biggest tire distributors in Turkey, and built a joint venture.

**Norifumi FUJIMOTO**

Former President & CEO,  
Sumitomo Rubber Industries Turkey



# WHO WE ARE

**Investment Office** is the official organization that:

- Promotes the investment environment of Turkey and provides assistance to investors.
- Reports directly to the President of the Republic of Turkey.

**WE ARE HERE TO FACILITATE YOUR INVESTMENT IN TURKEY**

# HOW WE HELP

- Multilingual (Turkish, English, German, French, Italian, Arabic, Spanish, Chinese, Japanese and Korean)
- One-Stop-Shop approach
- Result-oriented
- Private sector approach with full confidentiality
- Focusing on high-tech, value-added and employment generating investments.



# WHAT WE DO

- Presenting investment opportunities to the investors and providing assistance during all the stages of their investments.
- Serving as the reference point for international investors and the point of contact for all institutions engaged in promoting and attracting investments at national, regional and local levels.
- Offering free-of-charge services including market information and analyses, site selection, B2B meetings, coordination with relevant governmental institutions, and facilitating legal procedures and applications such as establishing business operations, incentive applications, obtaining licenses and work permits.

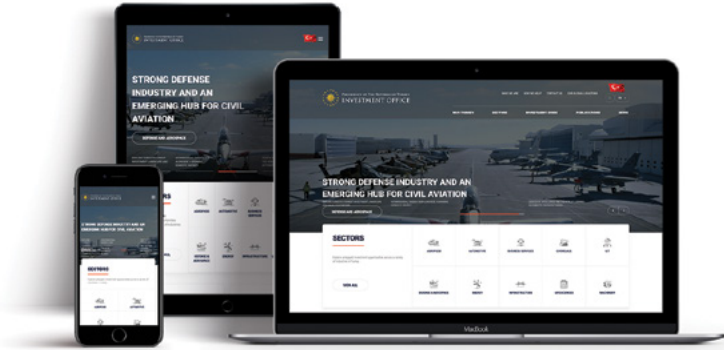
# OUR GLOBAL LOCATIONS



VISIT  
**invest.gov.tr**



**BRAND NEW** WEB SITE  
LOOK



PRESIDENCY OF THE REPUBLIC OF TURKEY  
**INVESTMENT OFFICE**

Investment Office, the official investment advisory body of Turkey, is a knowledge-center for foreign direct investments and a solution partner to the global business community at all stages of investments. It provides customized guidance and qualified consulting before, during and after entry into Turkey.