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## Message from the Investment Office

Turkey's economy has once again proven resilient with the Turkish government's timely actions and successful fiscal policies amid the turbulence caused by the pandemic. Turkey's GDP expanded 1.8 percent y-o-y in 2020, making it one of the two countries in G20 economies and one of the few in the world to post growth last year.

Ratifying Turkey's robust economy, within February, leading international organizations and investment banks such as Fitch Ratings, Moody's, JP Morgan, HSBC, Bank of America and Goldman Sachs revised up their growth estimates for Turkey in 2021. Fitch Ratings also revised up its outlook for Turkey from "negative" to "stable" in its credit rating assessment on February 19.

In addition to economic recovery in the aftermath of the pandemic, Turkey speeds up its projects to reach the aim of being among the top 10 economies in the world by 2023. In February, President Recep Tayyip Erdoğan unveiled the National Space Program at a historic ceremony and identified targets of the Turkish Space Agency. Also in February, the Tech-Driven Industry Initiative, aiming to boost investments in manufacturing of strategic products, has been amended and 900+ products in 7 sectors have been listed within the support scheme.

As the Investment Office, we speed up our efforts at full pace to promote opportunities in Turkey either with our own means or by collaborating with stakeholders in Turkey and in targeted regions.

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

# TURKEY UNVEILS NATIONAL SPACE PROGRAM

**Turkey's national space program was launched at a historic ceremony in Ankara in the presence of President Recep Tayyip Erdoğan on February 9.**

Shedding light on Turkey's program objectives, President Erdoğan said, "The primary and most critical mission of the program entails contacting with the Moon on the centennial of our republic." "The national space program will uplift our country to a superior league in the global space race," noted President Erdoğan.



The program, comprising 10 main targets, will be executed by the Turkish Space Agency (TUA), which had also been launched by President Erdoğan himself back in December 2018.

Pivoting to satellite production activities that will be made possible

under the initiative, President Erdoğan added, "This will pave the way for developing Turkey's own precise navigation applications in defense, agriculture, urbanization, and autonomous vehicles."



## TURKEY'S FIRST AUTONOMOUS ELECTRIC BUS TESTED BY PRESIDENT ERDOĞAN

**President Recep Tayyip Erdoğan attended the test drive of the first locally manufactured autonomous electric bus at the Presidential Complex on February 1.**

"We tested the world's first mass produced level-4 autonomous and electric bus, ATAK Electric, at the Complex today," announced President Erdoğan. "ATAK Electric, co-produced by KARSAN and ADASTEC, will be our pride at a time when clean energy consumption has taken precedence all over the world."

Powered by BMW Li-Ion batteries, Atak Electric speeds up to 300 km without interruption. The battery can be recharged in 5 hours with AC and in 3 hours with DC.

With export deals already sealed to Romania and the US, the co-manufacturers have started mass production of the bus.

## ▶ FDI INFLOWS INTO TURKEY SURGE IN Q4 2020

As a sign of the continued investor appetite in Turkey and the quick rebound in the wake of the pandemic, FDI inflows into Turkey totaled USD 7.7 billion in 2020, when the global appetite for FDI throughout the world shrank dramatically stemming from the detrimental effects of the novel coronavirus. With this figure, total FDI inflows into Turkey in the 2003-2020 period reached USD 225 billion.

In the last quarter of 2020, FDI inflows into Turkey reached USD

2.3 billion, grabbing a share of 30 percent in overall FDI amount in the entire year. Turkey recorded an FDI inflow of USD 1.3 billion in December 2020, a considerable 31 percent increase compared to the same month of the previous year.

With this performance, Turkey once again proved immune to crises and shocks while demonstrating that it is a safe haven with robust economic fundamentals.

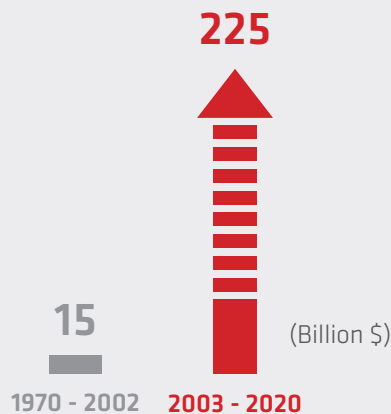
### ▶ Diversified FDI Sources

Turkey also diversified its FDI sources in 2020. While the traditional FDI investments continue to originate from European countries, which have a 53.8 percent share in total, Turkey is now seeing higher FDI inflows from the USA, the Middle East and Asian countries, with respective shares of 14.1 percent, 7.1 percent, and 6.5 percent in total FDI in 2020. On a country basis, Italy, the USA, the Netherlands, the UK, and Luxembourg accounted for the top five FDI sources of Turkey in 2020.

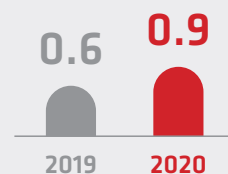
### ▶ Increasing Share in Global FDI

Turkey's share in global FDI inflows reached 0.9 percent in 2020, up from 0.6 percent in the previous year, according to the data of United Nations Conference on Trade and Development (UNCTAD). UNCTAD also unveiled that global FDI inflows throughout the world receded by 42 percent in 2020.

### ▶ Total FDI inflows into Turkey in the 2003 - 2020 period reached USD 225 billion

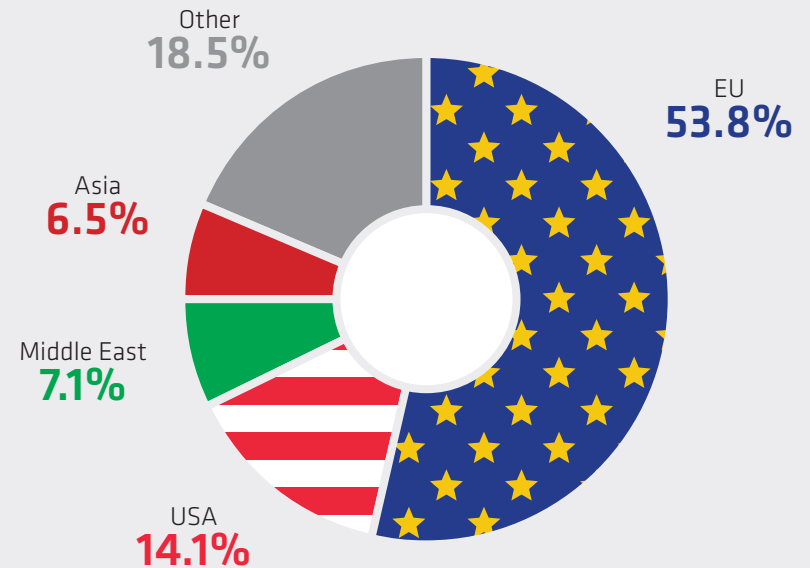


### ▶ Turkey's Share in Global FDI (%)

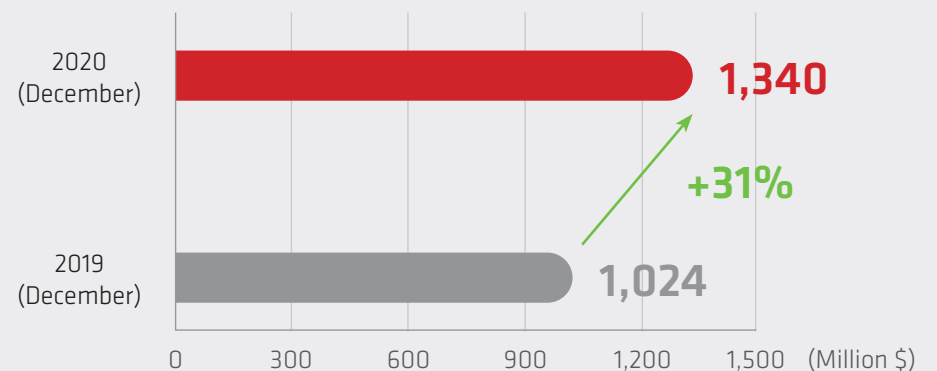


### ▶ Diversified FDI sources in 2020

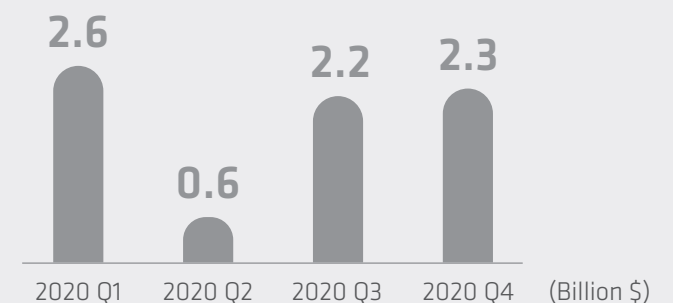
While FDI investments in Turkey continue to originate conventionally from European countries, there are now higher FDI inflows from the USA, the Middle East and Asia in Turkey.



### ▶ Monthly FDI Inflows in December

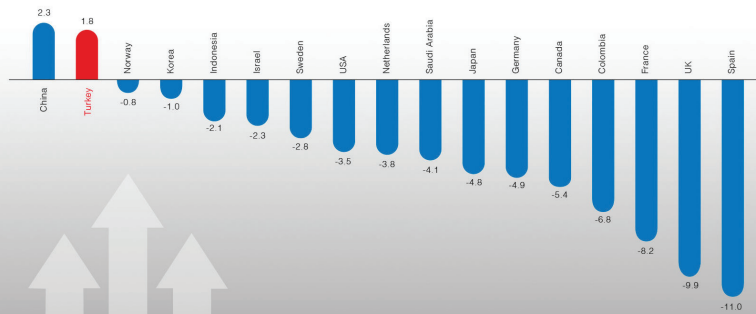


### ▶ Quarterly FDI Inflows





## 2020 REAL GDP GROWTH RATES ACROSS THE WORLD (%)



SOURCE: IMF, TURKSTAT, EUROSTAT

INVEST IN  TURKIYE

## TURKISH ECONOMY GROWS 1.8 PERCENT IN 2020

**Turkey's economy grew 1.8 percent year-on-year in 2020 and 5.9 percent in the fourth quarter, faster than all G-20 economies, with China being the only exception.**

Gross domestic product (GDP) at current prices scored TRY 5.05 trillion in 2020 increasing by 16.8 percent, and the GDP per capita amounted to USD 8,599 the Turkish Statistical Institute (TurkStat) announced.

A close analysis of GDP's activities revealed the value added increased by 21.4 percent in financial and insurance sectors, 13.7 percent in the information and communication activities, and 4.8 percent in agriculture.

## INTERNATIONAL ORGANIZATIONS UPGRADE OUTLOOK FOR TURKEY IN 2021



**The Turkish government's timely actions and fiscal policies paid off well as the pandemic starts to wane, with various international organizations revising up their estimates for the Turkey's economy.**

The US-based credit rating agency Fitch Ratings uplifted Turkey's outlook from "negative" to "stable". Keeping the country's credit rating at 'BB-', Fitch said, while Turkey's current account deficit stood at 5.3 percent in 2020, it is projected to drop to 2.9 percent in 2021 and 2.1 percent of gross domestic product (GDP) in 2022.

JP Morgan, another US-based multinational banking and financial services company, revised its estimate for Turkey's economic growth for 2020 from 1.1 percent to 1.9 percent and for 2021 from 3.3 percent to 4.6 percent, thanks to high domestic demand and rising contribution from net exports.

Meanwhile, HSBC – a British multinational banking and financial institution – upgraded its projection of Turkey's GDP to have expanded 2 percent in 2020, going up as opposed to the estimation of 1 percent in a previous report. HSBC said, a 4.2 expansion is projected for 2021, uplifting its previous forecast of 2.1 percent.

The multinational investment bank from the Wall Street Goldman Sachs, in a similar manner, revised its estimation of 2021 from 4 percent to 6 percent in a report released in February.

The Bank of America, also, raised its projection of 4.1 percent to 4.6 percent for 2021 in a report.

## TURKEY'S INDUSTRIAL PRODUCTION GROWTH SURPASSES G20 ECONOMIES

**Emerging from the devastating grips of the COVID-19 pandemic, the Turkish economy is showing a vigorous recovery.**

Turkey's industrial production index in December 2020 inched 1.3 percent on a monthly basis and 9 percent annually, the Turkish Statistical Institute (TurkStat) released. Cruising ahead of all G20 members, Turkey's industrial production climbed to record numbers in December 2020.

"Increase in industrial production output in Q4 2020 proves that Turkey will be one of the

few countries to close the year with a positive gross domestic product (GDP) growth," Minister of Industry and Technology Mustafa Varank commented.

"We will sustain our goal of quality and stable growth with a mindset bent on economic and legislative reforms, aided by the efforts of Turkey's industrialists," added Minister Varank.



## CONSUMER CONFIDENCE IN TURKEY FURTHER BOOSTED IN FEBRUARY

In February 2021, Turkey's consumer confidence index soared to its highest level since August 2018, the Turkish Statistical Institute (TurkStat) announced.

The index hit 84.5 points in February, up 1.5 percent on a monthly basis, compared to 83.3 back in January.

The index value is jointly calculated by TurkStat and the Central Bank of the Republic of Turkey by measuring consumer tendencies.

## MANUFACTURING PMI IN TURKEY SHOWS ROBUST RECOVERY

**Bouncing back from the devastating impacts of the COVID-19 outbreak, Turkey's manufacturing industry showed a robust recovery in January.**

Recording the highest level since last July, Turkey's Purchasing Managers' Index (PMI) for the manufacturing sector, compiled jointly by IHS Markit and the Istanbul Chamber of Industry, rose from 50.8 in December 2020 to 54.4 in January 2021. The largest production increase was seen in base metal manufacturers and the land and sea vehicles sector.

According to the survey, output returned to growth in January following a two-month sequence of moderation triggered by a revived wave of the COVID-19 pandemic. Meanwhile,



higher new orders and positive COVID-19 vaccine news contributed to the rise in production.

"The latest PMI data highlighted a promising start to the year for the Turkish manufacturing sector, with output and new orders returning to growth amid reducing COVID-19 case numbers. The key highlight of the latest survey was a sharp rise in employment as businesses boosted workforce numbers to meet production requirements," noted Andrew Harker, Economics Director at IHS Markit.





## TURKEY'S SPECIALIZED FREE ZONES PRIMED FOR INVESTMENTS

**Minister of Trade Ruhsar Pekcan called on international investors to look out for opportunities in Turkey, addressing the questions of Anadolu Agency (AA).**

Minister Pekcan underlined the fact that Turkey offers investors a wide range of incentives, particularly for innovation and technology-oriented investments in the specialized free zones (SFZs). "We plan to expand the SFZ model for other high-tech and high value-added industries in the future", Minister Pekcan said. "It was initially rolled out for the software and information technology sector. But now I

invite investors to consider offshoring to Turkey's SFZs", the minister added.

Turkey's qualifications, including its competitive edge in logistics, young and qualified labor, robust manufacturing capabilities and highly-developed infrastructure set the country apart from other investment destinations, Minister Pekcan highlighted.



## TURKISH STARTUPS BREAK FUNDRAISING RECORD IN 2020

**Startups Watch, a Turkey-based platform offering analytics of Turkey's startup ecosystem, unveiled its "Turkish Startup Ecosystem 2020 Year in Review" report on January 29.**

The report revealed that 165 Turkey-based startups received USD 139 million from angel investors and venture capitals (VC) in total in 2020 – a new milestone for the country's ecosystem. Among all European countries, Turkey ranked 3<sup>rd</sup> with total angel and VC funding, preserving its position in the 1<sup>st</sup> League. Turkish startups Insider, Meditopia and Getir were the country's largest fundraisers of 2020.

The report noted that 2019 and 2020 staged striking exits of Turkish gaming startups,

with Turkey's gaming industry clinching the top spot on the list of the most popular category of startups.

Foremost among these was Turkey-based gaming startup Peak Games, which made Europe's biggest VC-backed exit in 2020 and became the country's first unicorn.

The report also shed light on Turkey's Regional Development Fund – a TRY 250 million-fund set up in 2020 to shore up the country's startups.



## TURKEY UNVEILS 2021 PROGRAM FOR TECH-DRIVEN INDUSTRY INITIATIVE

**Amendments made on the Priority Product List of the Tech-Driven Industry Initiative of the Ministry of Industry and Technology have been published in the Official Gazette on February 27, 2021.**

Accordingly, 919 products in seven focus sectors -chemistry, computer/electronics and optics, machinery, pharmacy, electrical equipment, transportation vehicles, and medical devices - were listed to receive investment support.

Selection criteria for products within the Tech-Driven Industry Initiative represent positive effect on current account, export

potential, complexity of production and added-value per investment.

The Ministry made 4 calls for applications in 2021 under the groups of "Mobility" in March-April, "Health and Chemical Products" in May-June, "Digital Transformation" in July-August, and "Structural Transformation in Production" in September-October.



**TECH-DRIVEN  
INDUSTRY INITIATIVE**

## FDI NEWS

### BIONTECH FOUNDERS IN DIALOGUE WITH TUBITAK TO INVEST IN TURKEY



Germany-based scientist Prof. Dr. Uğur Şahin, the Pfizer and BioNTech COVID-19 vaccine developer along with Dr. Özlem Türeci, has been in a dialogue with the Scientific and Technological Research Council of Turkey (TUBITAK) to launch a cancer research center in his home country Turkey.

TUBITAK made an offer to BioNTech – founded by Şahin and Türeci in Germany – to set up a joint medical research center in Turkey, announced the Minister of

Industry and Technology Mustafa Varank during his interview with Anadolu Agency. Minister Varank said, “Şahin wants to study on cancer research, and he is continuing talks with our Ministry officials to invest in Turkey.”

Emphasizing that it would be more than a privilege to host Şahin and Türeci in Turkey for medical research, Minister Varank added, “We briefed them on the capabilities of both public and private institutions in our country.”



### GERMAN DHL INVESTS IN ISTANBUL AIRPORT

**Frank Appel, CEO of the German logistics leader Deutsche Post DHL Group, pledged further investment in Turkey in his statement to Turkish media.**

Appel said, “DHL is investing EUR 135 million to build a state-of-the-art operation center at the new Istanbul Airport. We are ready to enlarge our operations in Turkey as it offers great opportunities for investors to grow and enhance their export activities.”

Appel further stated that DHL will doubtlessly make new investments in Turkey in the future by commissioning more service centers and warehouses.

Airing his positive opinions on the global economy in the post-COVID-19 period, Appel said, “Despite the pandemic’s large devastating effects on all sectors, consumer behavior has changed with the rise of e-commerce. We will see a further increase in online sales and an acceleration in the B2B market again in 2021.”



### UAE'S MASTERBAKER INVESTS IN TURKEY'S AROLEZ GIDA

**The Turkish Competition Authority approved the acquisition of an undisclosed stake in patisserie products maker Arolez Gıda by Dubai-based Masterbaker Marketing, a subsidiary of the Switz Group and a supplier of the baking industry with first-class ingredients and services.**

“Our company has set new goals with this transaction. We have joined forces with one of the most important food companies in the world,” said Arolez Gıda Chairman Nizamettin İren.

Masterbaker Marketing FZCO, which aims to strengthen its position in Turkey with the new partnership, operates in 9 countries.

Masterbaker previously bought a 50 percent stake in the Turkish bakery ingredients maker Mildo Food in 2013.

### RD GLOBAL & INVAMED ACQUIRES PROSIM

**Global medical technology company RD Global & Invamed announced the extension of its investments in Turkey through the acquisition of Turkish orthopedic implant manufacturer Prosim.**

Operating in 39 countries, RD Global & Invamed aims to expand its fields of activity by adding orthopedics implants, implant equipment, and surgical application in areas such as cardiovascular surgery, vascular surgery and oncology with the acquisition.

In 2020, RD Global & Invamed was named the world’s leading medical device manufacturer in vascular surgery by Global Healthcare & Pharmaceuticals, a global information-sharing platform.





## FDI NEWS



## HUNGARY TO ROLL OUT ITS FIRST MEDICAL INVESTMENT IN TURKEY

**Hungary-based medical device producer Medikor disclosed its decision to invest EUR 2 million in Turkey to manufacture incubators.**

The Medikor manufacturing plant is due to be established in Turkey's capital city of Ankara, announced the Minister of Industry and Technology Mustafa Varank on February 8 during a press conference held jointly with the Hungarian Minister of Foreign Affairs and Trade Péter Szijjártó.

"This investment decision is a concrete proof of our Hungarian friends' confidence in Turkey's economic potential and political resilience," Minister Varank added.

The facility will serve as Hungary's premier investment in Turkey's medical industry. It is slated to enable Medikor to opt for Turkey as a manufacturing base to export its products to Central Asia, the Middle East, and Africa, noted Varank.

"The investment will hopefully herald further economic and trade cooperation between Turkey and Hungary, which holds great potential," Minister Varank added.

Medikor's plant is projected for commissioning in Turkey in the first half of 2022.



## FRENCH GERFLOR ACQUIRES YAKTAŞ CONSTRUCTION

French floor manufacturer Gerflor Group announced the acquisition of the Turkish Yaktaş Construction. With the agreement now in place, Yaktaş Construction, the sole authorized distributor of the French brand for 20 years and a partner for 26 years, has now joined the French group.

"With this agreement, we have taken our overseas operations one step further and we had a new opportunity for Gerflor to evolve for the better,"

said Bertrand Chammas, CEO of Gerflor Group. "We are confident that we will deliver more compelling products and services to the Turkish market with our investment," he added.

With 4,200 employees, 12 manufacturing plants, 5 R&D centers and 25 subsidiaries, Gerflor provides its customers with design-driven and innovative solutions in more than 100 countries.

## CHINESE SMARTPHONE GIANT XIAOMI TO INVEST IN TURKEY



**Turkey has consolidated its position as a manufacturing and export hub for Asia-based global companies.**

Following investment decisions of its Chinese peers, the global smartphone giant Xiaomi has been reported to enter Turkish smartphone market with a two-phased investment plan.

Xiaomi mulls a USD 20-million investment in the first phase. A factory in Istanbul with 2,000 employment is also on the agenda.

In the second phase, the Chinese giant's investment volume is

projected to reach USD 30-40 million. It was also announced that Xiaomi would apply for a certificate to benefit from Turkey's investment incentives opportunities.

Lastly, in January, Tecno Mobile – another China-based smartphone manufacturer – decided to allocate more than USD 25 million to produce its smartphones in Turkey, following the footsteps of Huawei and Oppo.



## INVESTMENT OFFICE WEBINARS & EVENTS

### FEB 16 – INVESTMENT OFFICE PRESIDENT'S MEDIA BRIEFING



Investment Office President Burak Dağlıoğlu briefed members of the press on foreign direct investments in Turkey.

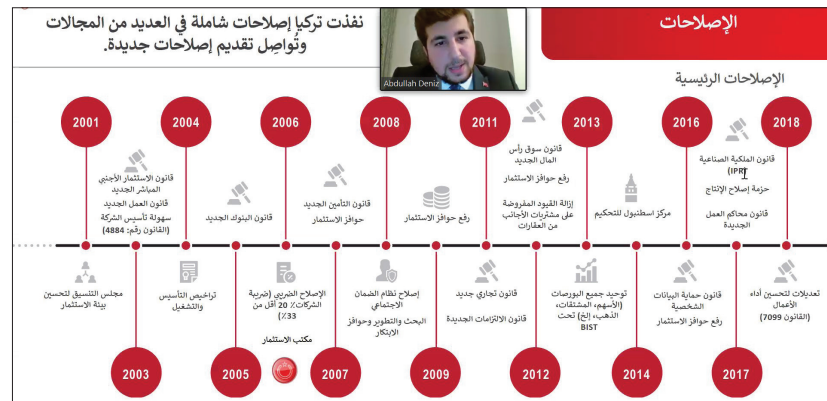
Commenting on the 2020 FDI figures, Dağlıoğlu acknowledged Turkey attracted around USD 8 billion of FDI last year despite devastating effects of COVID-19 pandemic on FDI globally and said, "We continue to work on a national FDI strategy, which will also help overcome these negative effects and provide more investments in the aftermath of this period. And, we will continue to increase Turkey's share in global FDI."

Dağlıoğlu stated that according to United Nations Conference on Trade and Development (UNCTAD), global FDI

amounted to USD 859 billion in 2020, down 42 percent compared to the previous year, mainly stemming from the 69 percent decrease in FDI inflows into developed countries. "International investors continued to make significant investments in Turkey in 2020, with FDI reaching USD 7.73 billion. The 16.5 percent decrease in FDI inflows into Turkey was mild compared to the sharp decline in global FDI," Dağlıoğlu added.

Dağlıoğlu also revealed that the first ten countries investing in Turkey in 2020 were Italy, the USA, the Netherlands, the UK, Luxembourg, Qatar, Germany, Ireland, Azerbaijan and Hong Kong, while the top three sectors in terms of capital inflows were financial services, ICT and manufacturing.

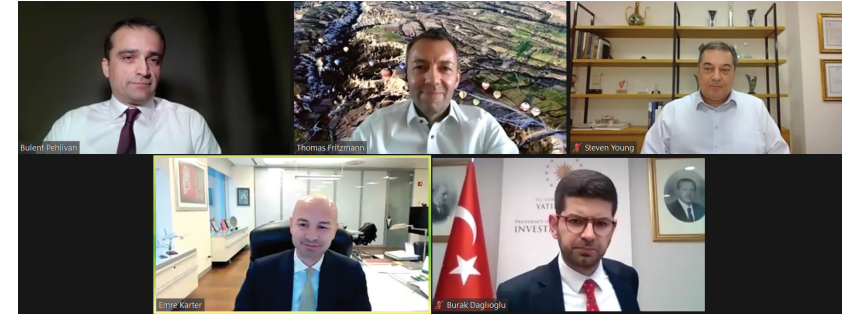
### FEB 17 – INVESTMENTS FROM ARAB WORLD IN TURKEY



The Center for Middle Eastern Studies (ORSAM) held a webinar entitled "Investments from Arab World in Turkey" on February 17.

Abdullah Deniz of the Investment Office contributed to the webinar with an exclusive presentation on Turkey's investment climate and prospects awaiting international investors.

### FEB 24 – TURKEY VIRTUAL ROADSHOW TO GERMANY



The Investment Office attended a webinar jointly organized by Citi Germany and Citi Turkey Banking Teams on February 24.

Investment Office President Burak Dağlıoğlu was featured as a speaker at the webinar entitled "Turkey Virtual Roadshow to Germany". At his address, Dağlıoğlu briefed attendees from Germany and Turkey on the Turkish government's actions and policies

during and after the COVID-19 period.

"Turkey's diversified economy, entrepreneurial business culture as well as young and tech savvy population have been attracting significant investments from global players. Turkey is an ideal location for the German companies looking for diversification of their supply chains," remarked Dağlıoğlu.

### FEB 25 – INVESTING AND DOING BUSINESS IN TURKEY



The Investment Office and Silicon Valley-based business school Menlo College held a joint webinar on February 25.

Investment Office Country Advisor to the US Necmettin Kaymaz made a presentation on investing and doing business in Turkey, before he addressed questions on Turkey's investment landscape.

## INVESTMENT OFFICE WEBINARS & EVENTS

### FEB 25 – ASIA ANEW INITIATIVE AND OPPORTUNITIES



**A. Burak Dağlıoğlu**  
T.C. Cumhurbaşkanlığı Yatırım Ofisi Başkanı

Investment Office President Burak Dağlıoğlu took the stage as a keynote speaker at the “Asia Anew Initiative and Opportunities” webinar hosted by the Platin Magazine on February 25.

The webinar geared towards drawing FDI into Turkey and channeling Turkish investors to make more profitable investments in Asian markets, China in particular, under the Asia

Anew Initiative.

During his remarks, Dağlıoğlu offered an overview on the Investment Office’s efforts to further strengthen economic relations with Turkey’s Asian peers. He said, “Our expectation is to carry the trade relations between Turkey and China to a more balanced point, starting with the first export train departing for China through the Silk Road.”

### FEB 25 – CREATING SYNERGIES BETWEEN TURKISH STARTUPS AND VCS IN THE GULF REGION



The Investment Office and the Turkish Consulate General in Dubai held a joint webinar on February 25 to enhance cooperation between Turkish startups and venture capital funds based in the Gulf region.

Together with the Consul General of Turkey in Dubai İlker Kılıç, Investment Office President Burak Dağlıoğlu delivered messages to both entrepreneurs and investors at the opening speech.

Explaining how Turkey integrates investors into its manufacturing ecosystem, Dağlıoğlu said, “As the Investment Office, we would like to create a system of synergic partnership between Turkish startups and VCs in the Gulf region for a win-win opportunity.”

As part of the webinar, Investment Office Financial Investments Unit Manager Ahmet Cüneyt Selçuk made a presentation on the startup landscape in Turkey.

### FEB 25 – SDG INVESTOR MAP TURKEY INVESTOR CONVENING EVENT



On February 25, Furkan Karayaka, Head of Overseas Activities Department at the Investment Office, delivered a speech at the launch event for the SDG Investor Map Turkey developed jointly by the Investment Office and the Istanbul International Centre for Private Sector (IICPSD) upon the request of the United Nations Development Programme (UNDP). The event hosted investors and entrepreneurs from prioritized sectors, including infrastructure, renewable energy

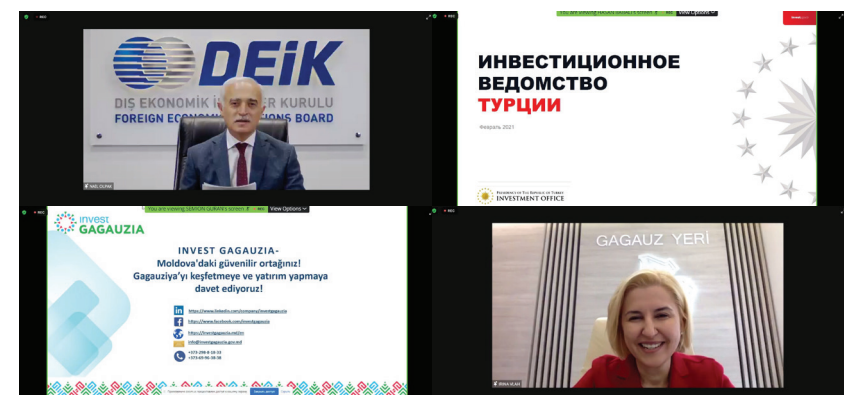
and healthcare.

In his remarks, Karayaka emphasized why mapping as part of sustainable development goals matters, saying, “One of the main barriers for mobilizing the private sector towards the SDGs, especially in developing countries, is the limited availability of data and insights about SDG-aligned investment opportunities. The Investor Map methodology particularly addresses this information gap.”

### FEB 25 – TURKEY - GAGAUZIA INVESTMENT OPPORTUNITIES

On February 25, the Foreign Economic Relations Board of Turkey (DEİK) held a live event, where the current state of the economic and commercial relations between Turkey and Gagauzia was discussed.

The Investment Office and its Gagauzian counterpart – the Investment and Export Promotion Agency of ATU Gagauzia – made presentations on both countries’ investment opportunities.





## INVESTMENT OFFICE WEBINARS & EVENTS

### FEB 24 – DIGITAL ENGAGEMENT: A NEW ERA IN INVESTMENT PROMOTION?



Techpros – a Think Tank for enterprise leaders – has been holding interview series with business leaders from all over the world. On February 24, Techpros hosted Investment Office Vice President Ahmet İhsan Erdem as a speaker at the “Digital Engagement: A new era in Investment Promotion?” event. During the event, Erdem answered various

questions on how the Investment Office adapted to the digital era especially in the post-COVID-19 period. “In order to be a successful IPA in this new era of digital engagement, organizational agility and ability to adapt rapid changing trends are vital,” underlined Erdem.

### FEB 25 – 13<sup>th</sup> CORPORATE GOVERNANCE SUMMIT



The 13<sup>th</sup> edition of the Corporate Governance Summit was held as a live event this year jointly by Corporate Governance Association of Turkey and the Union of Chambers and Commodity Exchanges of Turkey (TOBB) on February 24-25.

On the second day of the summit, Investment Office Vice President Ahmet İhsan Erdem was featured as a speaker

at the session entitled, “Creating Value, Sustainable Business Life and Evaluation of Turkey’s Place in International Indices from Management Perspective”. Erdem elaborated on how the Investment Office has renovated itself within the scope of sustainable business life and corporate governance.

## Investor’s Notepad

**Siemens CEO:**  
**We Believe in Turkey’s Potential**  
“Siemens Renewable Energy Gamesa (SGRE) believes in Turkey’s growth potential. SGRE can bring its expertise, know-how, state-of-the-art technologies and, of course, its investments to the country,” said Lars Bondo Krogsgaard, CEO of the global renewable energy company Siemens Gamesa.

The wind energy sector in Turkey is the focus of domestic and foreign investors, he added.

“The outbreak of the pandemic highlighted the need to design sustainable economic development models in which renewable energy plays a central role. Therefore, this crisis could provide an impetus for policymakers to fulfill their climate change mitigation commitments. Turkey has the right fundamentals for wind energy with its growing economy, increasing population, energy demand, excellent wind energy resources, strong supply chain and supportive government,” Krogsgaard stated.

**Toyota CEO:**  
**We will Make Every Effort to Enhance Our Operations in Turkey**  
Toyota Motor Manufacturing Turkey (TMMT), a leading manufacturing and export company operating in Turkey, has found a budget-friendly, innovative and eco-friendly solution to the supply chain, with robust railway logistics made available in the country. “Toyota Motor Manufacturing Turkey has been performing its logistics activities more efficiently and more environmentally since the beginning of its railway logistics operations under the partnership with DP World Yarımcı and Evyapport,” a Toyota statement read.

TMMT CEO Toshihiko Kudo commented on the developments regarding their logistic activities, “We will make every effort to enhance our operations in Turkey evermore and thus further contribute to the Turkish economy by utilizing railway for our vehicle and parts exports.”

**DP World CEO:**  
**Turkey, an Advantageous Manufacturing Hub with Interconnected Seaways and Railways**  
DP World Yarımcı Port, the key container terminal in Turkey’s industrial and coastal province of Kocaeli, posted a considerable increase in its loads in 2020 following the investment in the port in the previous year as part of the Railway Upgrade Plan.

Releasing a statement on the port’s success, DP world Yarımcı CEO Kris Adams said, “We invested in the railway connection in our port two years ago. Bringing the railway and the sea together is critical for all manufacturers in Anatolia. In Turkey, we have advantages in terms of pace and cost thanks to the steps taken both in exports and imports by public and private organizations like ours.”

Adams further underlined the fact that DP World appreciated Turkey’s automotive industry for its visionary and environmentally-friendly viewpoint. “Intertwining railway and seaway will be more prevalent in the global transportation sector in the upcoming years,” Adams added.



# WHY TURKEY?

## TURKEY: HUB FOR INNOVATION AND GROWTH



**Within 4-hours flight**, easy access to multiple markets of USD 25.55 trillion GDP, USD 7.9 trillion trade, and 1.3 billion people.



Booming economy reaching **USD 717 billion** in 2020, up from USD 236 billion in 2002.



Over **USD 225 billion** of FDI between 2003-2020, while the total amount of FDI attracted between 1970-2002 stood at USD 15 billion.

### ACCESS TO MULTIPLE MARKETS

#### Europe

GDP: \$19.9 trillion  
Import: \$6.8 trillion  
Population: 601.1 million

#### MENA

GDP: \$3.65 trillion  
Import: \$755.6 billion  
Population: 456.7 million

#### Russia

GDP: \$1.70 trillion  
Import: \$257 billion  
Population: 144.4 million

#### Central Asia & Caucasus

GDP: \$0.3 trillion  
Import: \$76.6 billion  
Population: 90.5 million

### TOTAL

**GDP: \$25.55 trillion**  
**Import: \$7.8 trillion**  
**Population: 1.3 billion**

Source: World Bank, 2019  
Comtrade, 2019



## AVERAGE ANNUAL REAL GDP GROWTH (%) (2003-2020)



Source: IMF World Economic Outlook, 2020

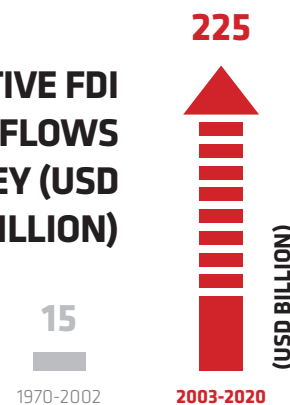


**Turkey** was the fastest growing economy of the OECD members during 2003-2020, with an average annual growth rate of

**5.2%**

- 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)



Source: CBRT

# 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 5.2%** over the past 18 years.  
(2003-2020, TurkStat)

## SOPHISTICATED CONSUMER BASE



**A population of 83.6 million**, half of which is **under the age of 32.7**.  
(2020, TurkStat)



**Largest youth population** compared with the EU.  
(2020, Eurostat)



**80.9 million** fixed and mobile broadband internet subscribers.  
(2020, Q3)

## SKILLED AND DEDICATED LABOR FORCE



Over **31 million** **young, well-educated** and **motivated** professionals.  
(2020, TurkStat)



Around **900,000 students** graduate annually from **211 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  
132 billion**

Total value of PPP contracts 2003-2020 period.



**179**

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

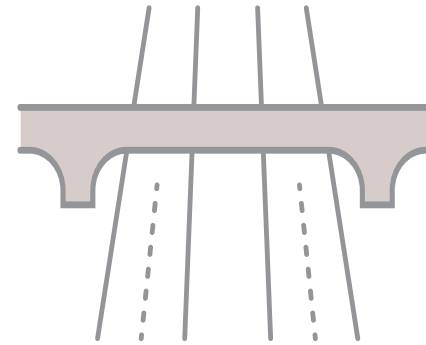


**44,350**

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.

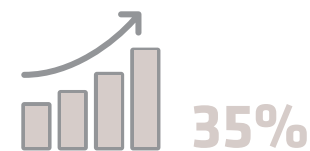
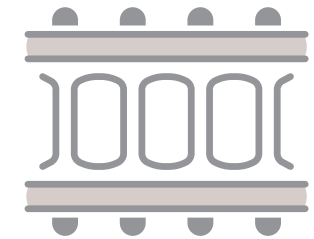


**8,200 km**

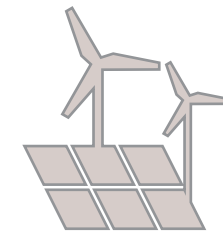
Total length of motorways in Turkey by 2035 once the 320 km currently under construction and the 4550 km planned projects are completed.

**4,700 km**

Total length of high-speed railways in Turkey by 2023 once the planned projects with the total length of 3500 km are completed.



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



**65%**

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.

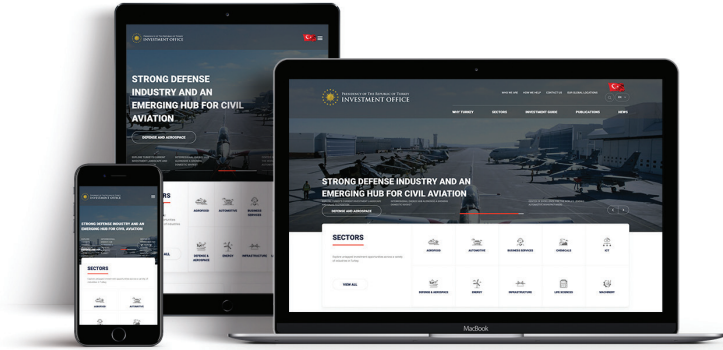
# OUR GLOBAL LOCATIONS



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.



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