



PRESIDENCY OF
THE REPUBLIC OF TÜRKİYE
**INVESTMENT
OFFICE**

WHY INVEST IN TÜRKİYE?

[INVEST.GOV.TR](https://invest.gov.tr)

August 2022



10 reasons to invest in Türkiye



**ROBUST
ECONOMY**



**DOMESTIC
+ ACCESSIBLE
MARKETS**



**STRATEGIC
LOCATION**



**FAVOURABLE
DEMOGRAPHICS**



**SKILLED
AND
COMPETITIVE
LABOR FORCE**



**CONTINUOUS
REFORM PROCESS**



BUSINESS-FRIENDLINESS



**LUCRATIVE
INCENTIVES**



**BENIGN R&D
ECOSYSTEM**



**SECTORAL
OPPORTUNITIES**



11th largest economy in the World

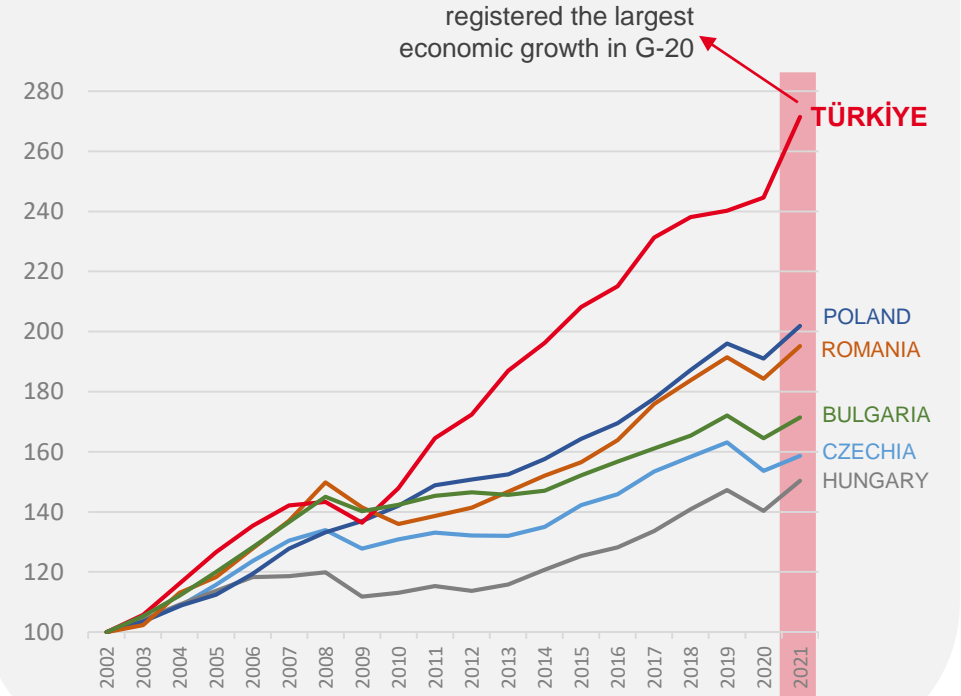
RANKING OF ECONOMIES BY GDP AT PPP

| 2003 | 2019 | 2021 |
|---------------|--------------|-----------------|
| 1. USA | 1. CHINA | 1. CHINA |
| 2. CHINA | 2. USA | 2. USA |
| 3. JAPAN | 3. INDIA | 3. INDIA |
| 4. GERMANY | 4. JAPAN | 4. JAPAN |
| 5. INDIA | 5. GERMANY | 5. GERMANY |
| 6. RUSSIA | 6. RUSSIA | 6. RUSSIA |
| 7. FRANCE | 7. INDONESIA | 7. INDONESIA |
| 8. UK | 8. BRAZIL | 8. BRAZIL |
| 9. BRAZIL | 9. UK | 9. UK |
| 10. ITALY | 10. FRANCE | 10. FRANCE |
| 11. MEXICO | 11. MEXICO | 11. TÜRKİYE |
| 12. INDONESIA | 12. ITALY | 12. ITALY |
| 13. SPAIN | 13. TÜRKİYE | 13. MEXICO |
| 14. CANADA | 14. S.KOREA | 14. KOREA |
| 15. S.KOREA | 15. SPAIN | 15. CANADA |
| 16. S.ARABIA | 16. CANADA | 16. SPAIN |
| 17. IRAN | 17. S.ARABIA | 17. S.ARABIA |
| 18. TÜRKİYE | 18. IRAN | 18. TAIWAN, PRC |

AVERAGE ANNUAL GDP GROWTH (%) 2002-2021



REAL GDP GROWTH (INDEX: 2002=100)

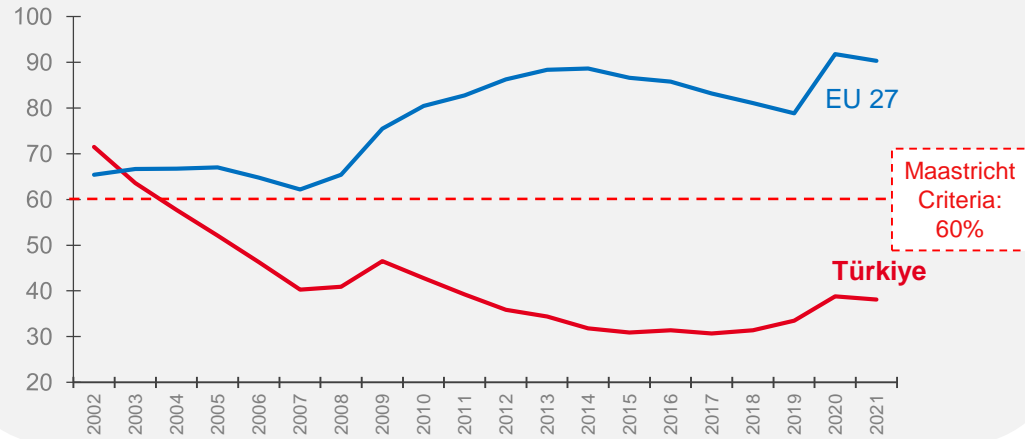


ROBUST ECONOMY

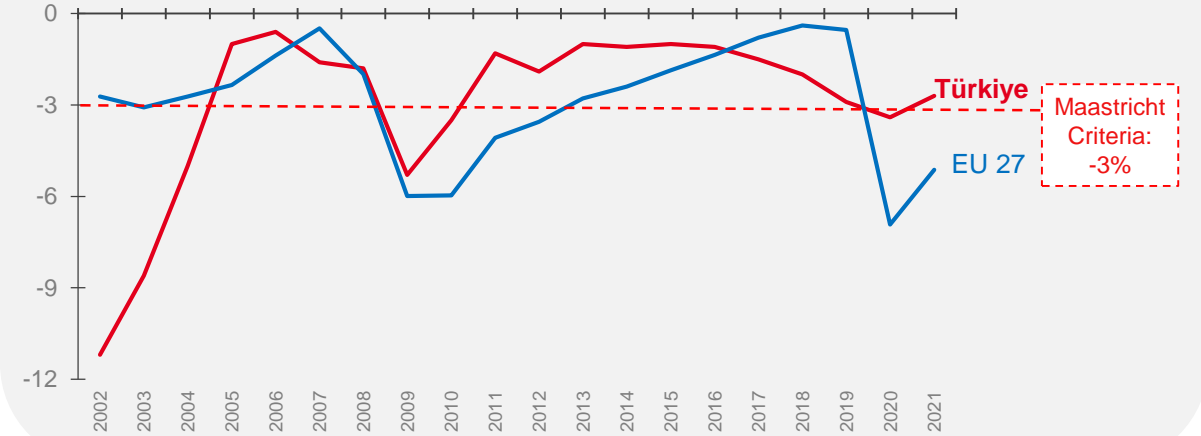
STRONG MACROECONOMIC FUNDAMENTALS
BASED ON SUCCESSFUL PUBLIC FINANCE MANAGEMENT



Gross Public Debt Stock as % of GDP



Budget Balance as % of GDP

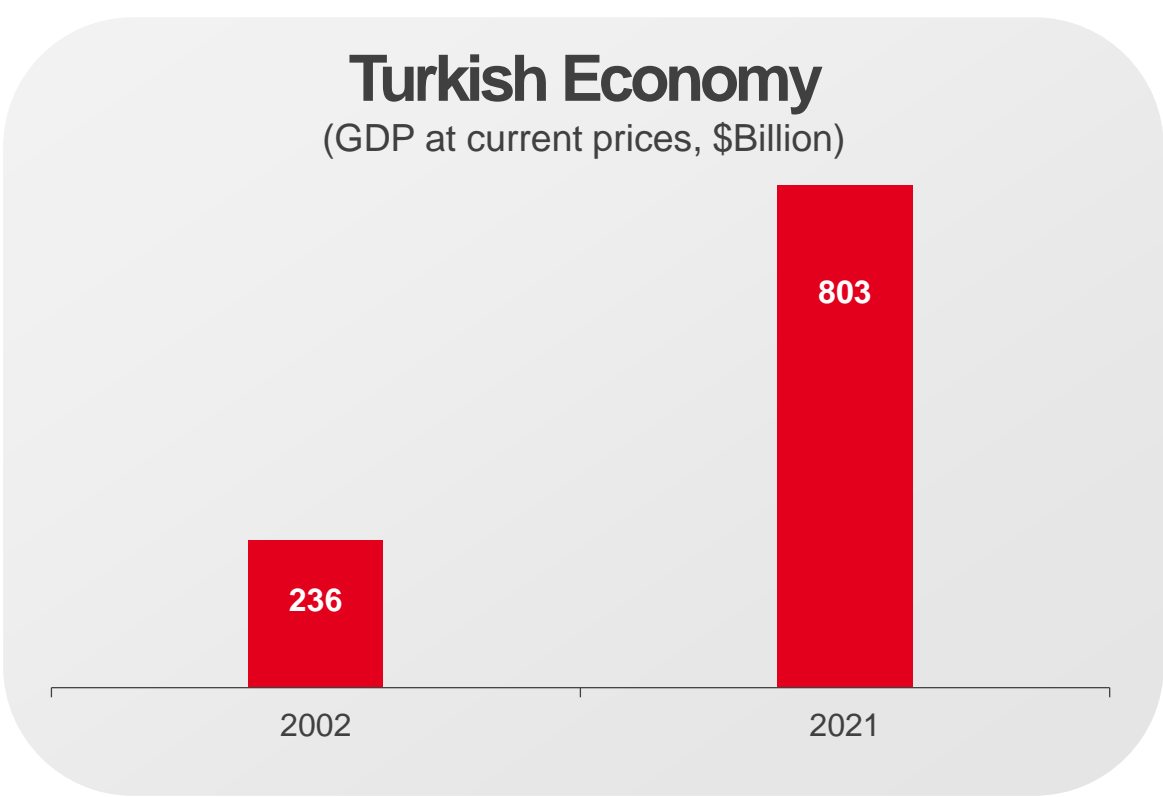


ROBUST ECONOMY

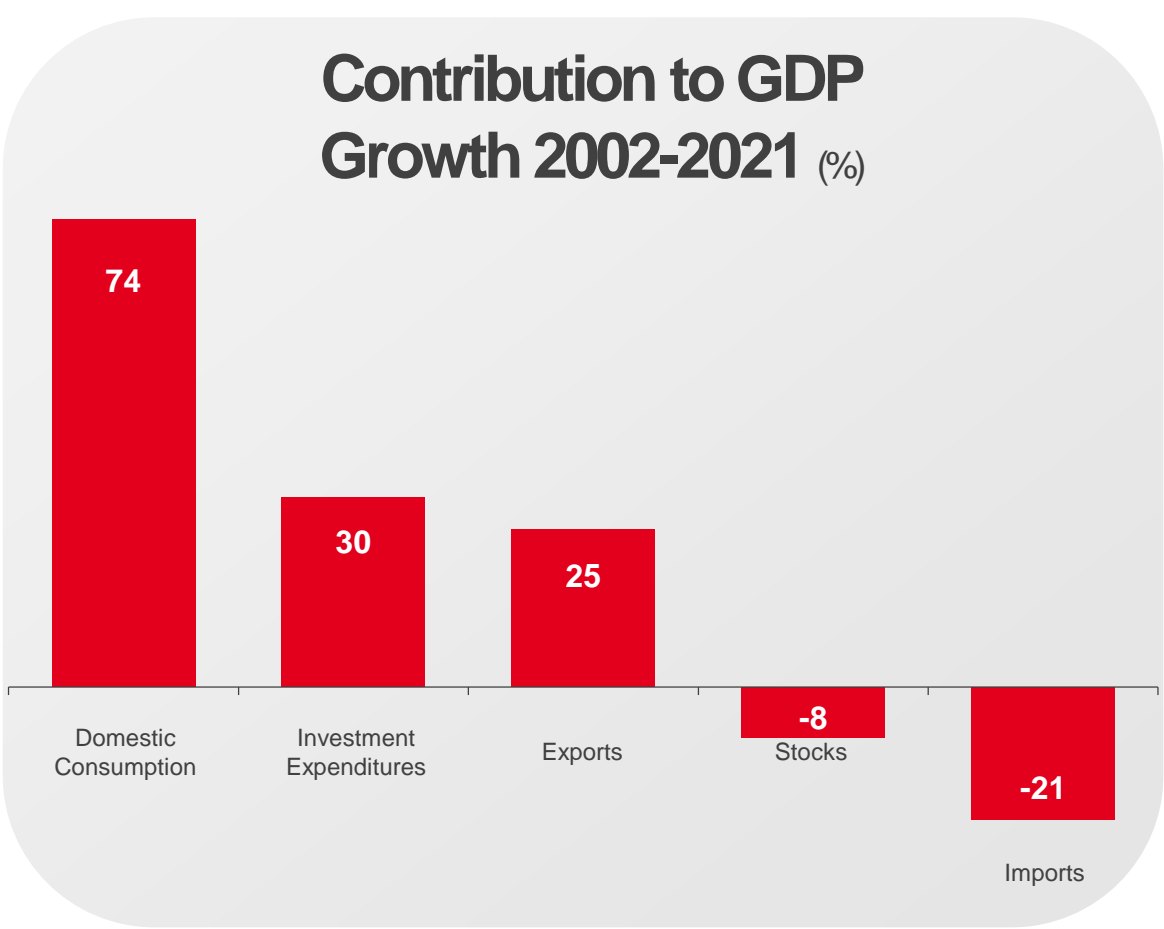
TRIPLING SIZE OF THE ECONOMY OVER THE PAST 19 YEARS



Turkish economy has **more than tripled over** the past 19 years and is promising to be on the growing trend



Robust domestic market and entrepreneurial private sector spurred investments and exports



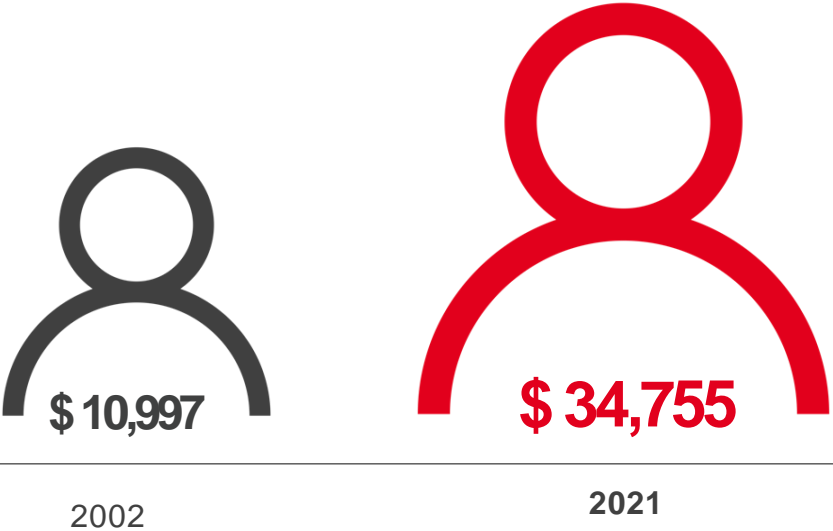
DOMESTIC MARKET

IMPRESSIVE ECONOMIC GROWTH LEADING TO A SIZEBLE MIDDLE CLASS WITH INCREASING PURCHASING POWER



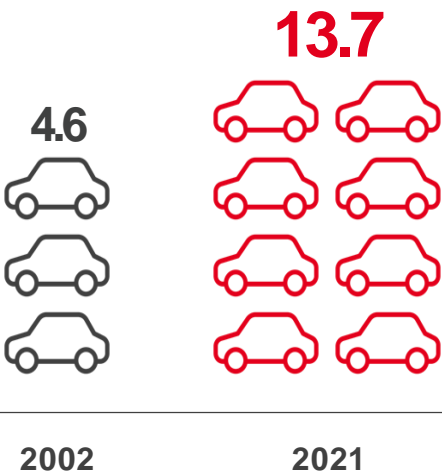
Income per capita

(GDP per capita, current prices at purchasing power parity)



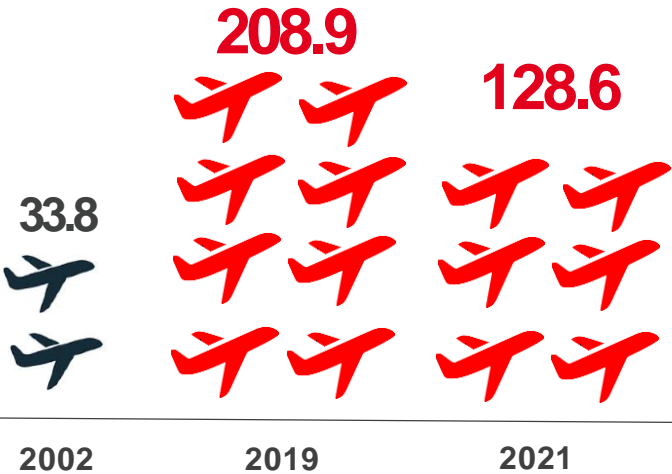
Stock of Automobiles

(millions of passenger cars)



Turkish Aviation Passenger

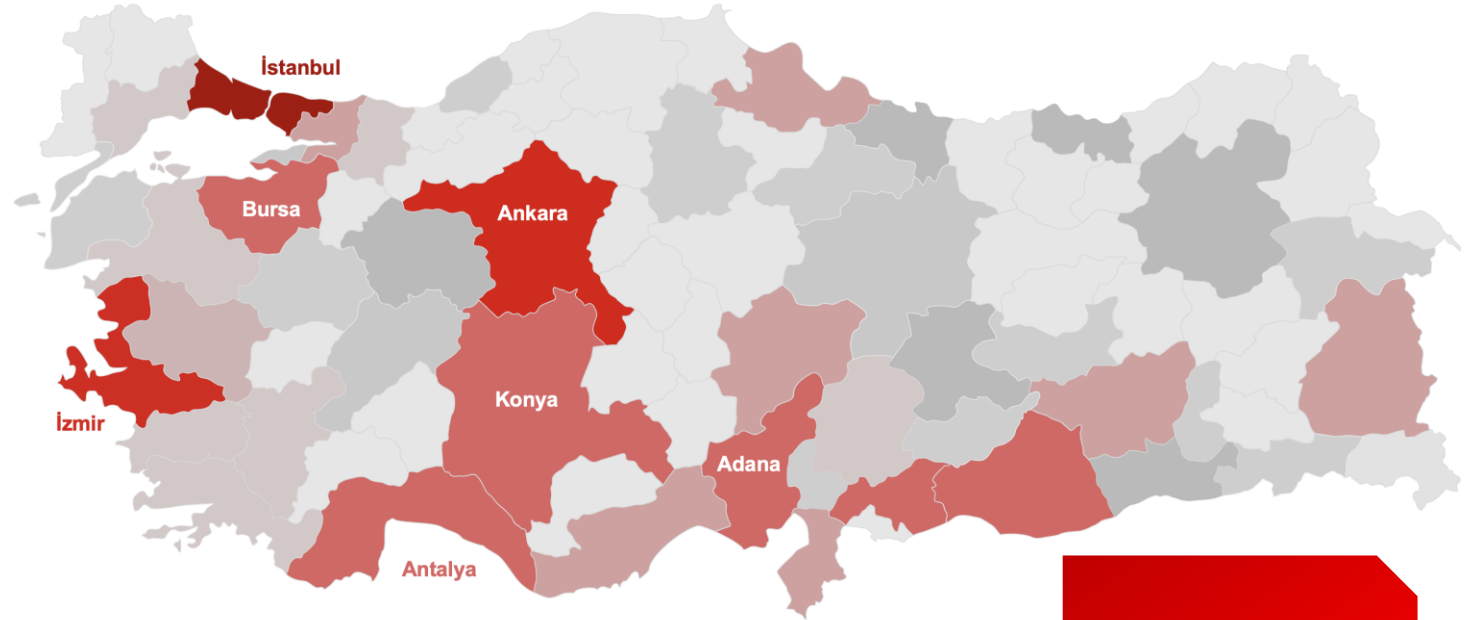
(millions of passengers)





Total Population in 2021 **84.7 Million**

| | | | |
|---------------|--------------|----------------|-------------|
| İstanbul | 15.7 Million | Denizli | 1.1 Million |
| Ankara | 5.7 Million | Muğla | 1 Million |
| İzmir | 4.4 Million | Eskişehir | 0.9 Million |
| Bursa | 3.1 Million | Mardin | 0.9 Million |
| Antalya | 2.6 Million | Trabzon | 0.8 Million |
| Konya | 2.3 Million | Malatya | 0.8 Million |
| Adana | 2.3 Million | Ordu | 0.8 Million |
| Şanlıurfa | 2.1 Million | Erzurum | 0.8 Million |
| Gaziantep | 2.1 Million | Afyonkarahisar | 0.7 Million |
| Kocaeli | 2.0 Million | Sivas | 0.6 Million |
| Mersin | 1.9 Million | Adıyaman | 0.6 Million |
| Diyarbakır | 1.8 Million | Batman | 0.6 Million |
| Hatay | 1.7 Million | Tokat | 0.6 Million |
| Manisa | 1.5 Million | Zonguldak | 0.6 Million |
| Kayseri | 1.4 Million | Elazığ | 0.6 Million |
| Samsun | 1.4 Million | Kütahya | 0.6 Million |
| Balıkesir | 1.3 Million | Çanakkale | 0.6 Million |
| Kahramanmaraş | 1.2 Million | Osmaniye | 0.6 Million |
| Van | 1.1 Million | Şırnak | 0.5 Million |
| Aydın | 1.1 Million | Çorum | 0.5 Million |
| Tekirdağ | 1.1 Million | Ağrı | 0.5 Million |
| Sakarya | 1.1 Million | | |



24 urban centers
With Populations
over 1 million

DOMESTIC + ACCESSIBLE MARKETS

DOMESTIC MARKET + EU MARKET + FREE TRADE AREA



Customs Union with the EU
allows direct access to the EU Market

NORWAY ISRAEL *SUDAN
LIECHTENSTEIN
SWITZERLAND ICELAND
BOSNIA AND HERZEGOVINA
PALESTINE MACEDONIA
MOROCCO TUNISIA
ALBANIA EGYPT
GEORGIA MONTENEGRO
SERBIA CHILE
MAURITIUS SOUTH KOREA
MALAYSIA *LEBANON MOLDOVA
FAROE ISLANDS
SINGAPORE VENEZUELA
UNITED KINGDOM
*QATAR KOSOVO



in 28 countries
with Free Trade
Agreements



STRATEGIC LOCATION

HUB FOR MULTINATIONALS TO MANUFACTURE,
EXPORT AND MANAGE



Working Hours
Intersect with
16 Time Zones

**PROXIMITY
TO MAJOR MARKETS**
1.3 billion people and
\$26T GDP in Europe,
MENA and Central Asia
at 4 hour flight-distance

CONNECTIVITY
Turkish Airlines connects
you to 340 destinations in
129 countries

**MANUFACTURING &
EXPORT HUB FOR
MULTINATIONALS**

**AS WELL AS
MANAGEMENT HUB FOR
MULTINATIONALS**



66 countries



Microsoft

70 countries



Nestlé

Production base
for MENA

BOSS
HUGO BOSS

Its largest production
facility worldwide

B/S/H/

89 countries



GE Healthcare

22 countries



中国电建
POWERCHINA

63 countries



80 countries



TOYOTA

Exporting 85%
of its production



- Exporting 87%
of its production
a



SANOFI

14 countries



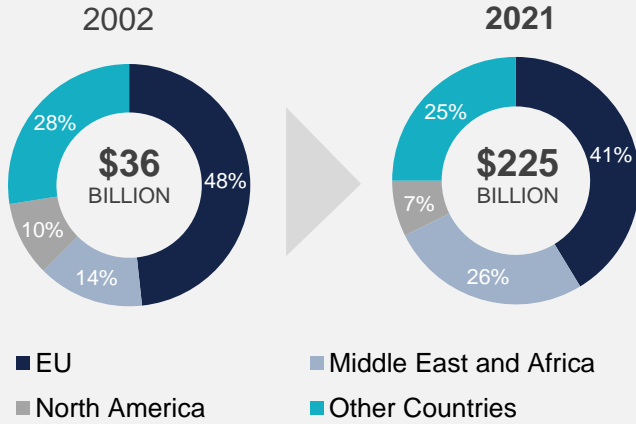
30 countries

STRATEGIC LOCATION

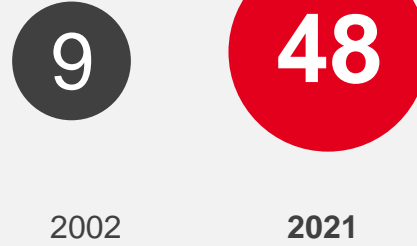
STRATEGIC LOCATION AND ENHANCED PRODUCTION
CAPABILITIES ATTRACTING MULTINATIONALS
TO INVEST FOR EXPORT



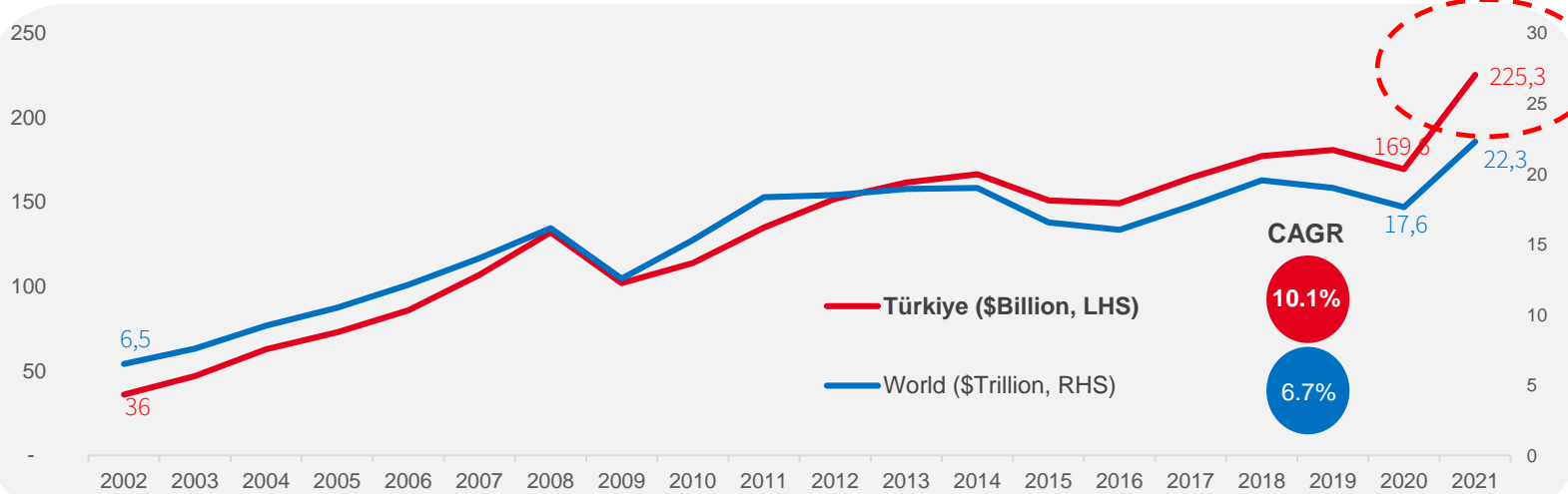
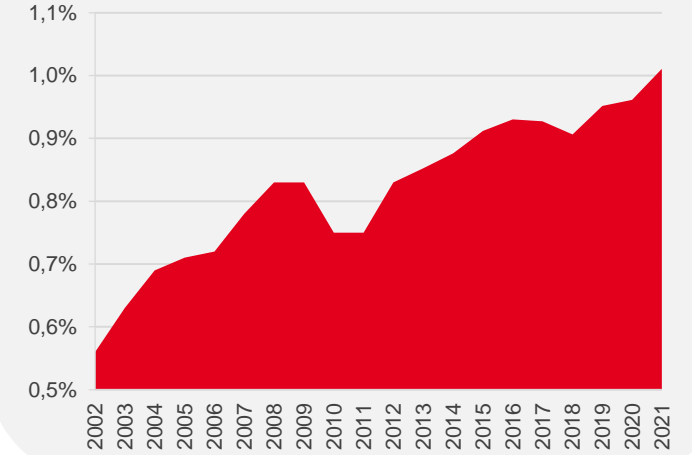
MERCHANDISE EXPORTS BY GEOGRAPHY



NUMBER OF EXPORT PRODUCTS OVER \$1 BILLION



TÜRKİYE'S SHARE IN GLOBAL EXPORTS OF GOODS

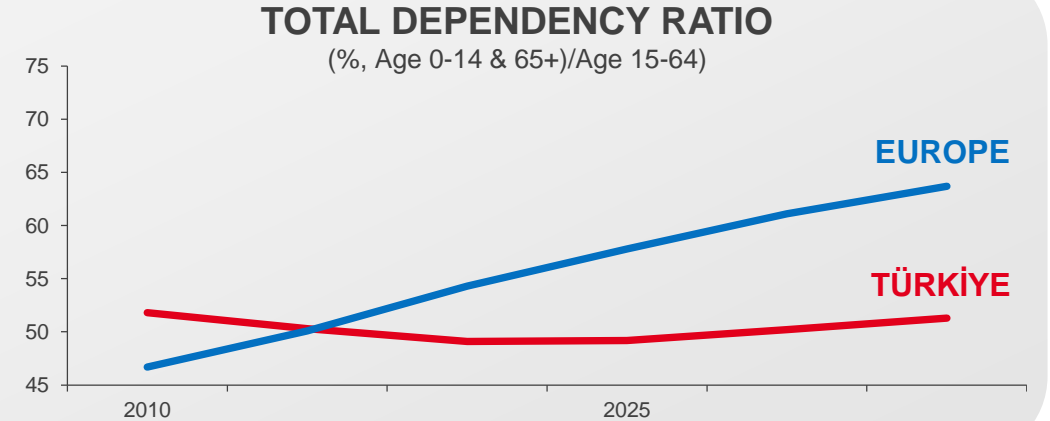
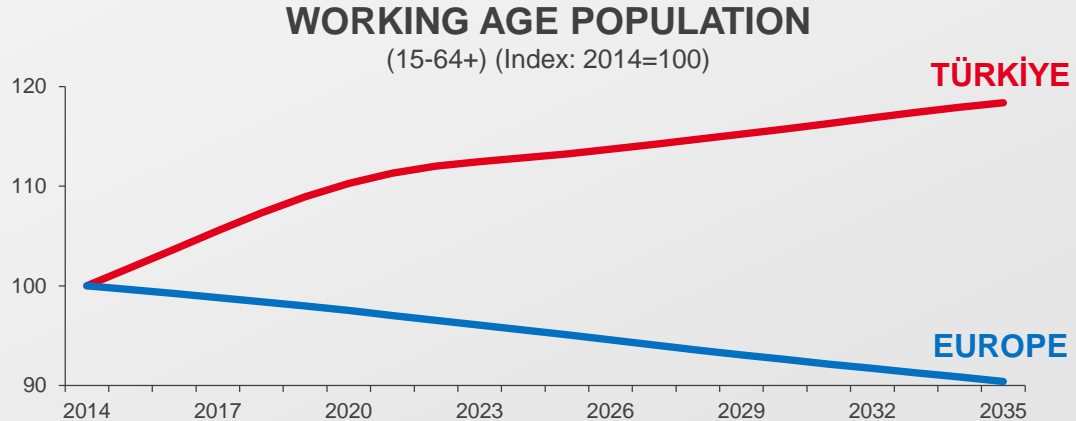
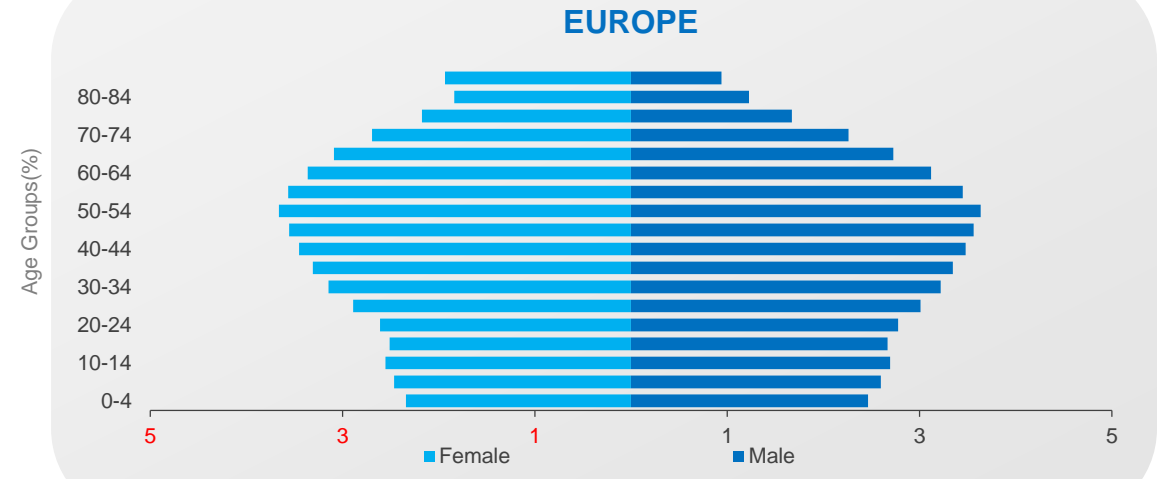
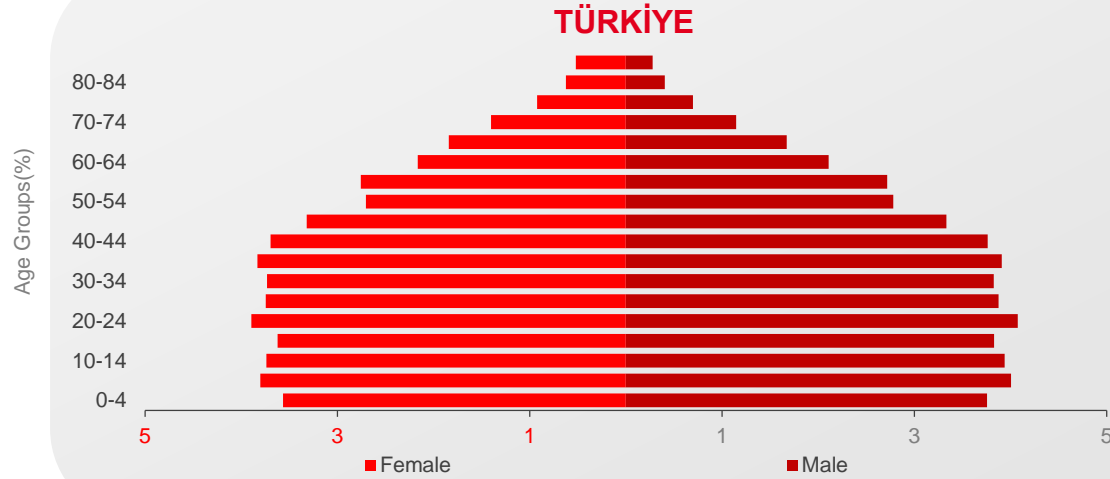


**Türkiye Records
All-time High Exports
in 2021**

Exports of Goods in Türkiye and World

FAVORABLE DEMOGRAPHICS

HALF OF POPULATION UNDER AGE OF 32.7 CREATING DYNAMIC LABOR FORCE AND FISCAL DISCIPLINE

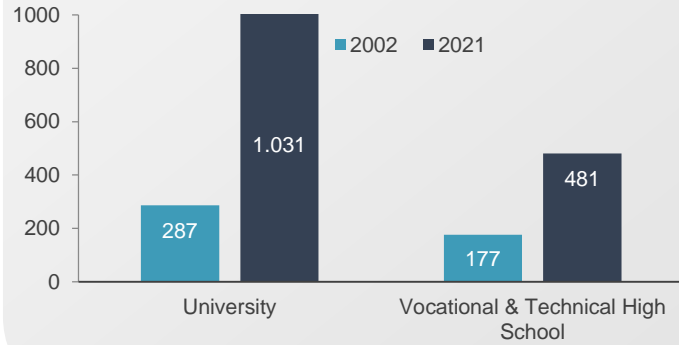


SKILLED AND COMPETITIVE LABOR FORCE

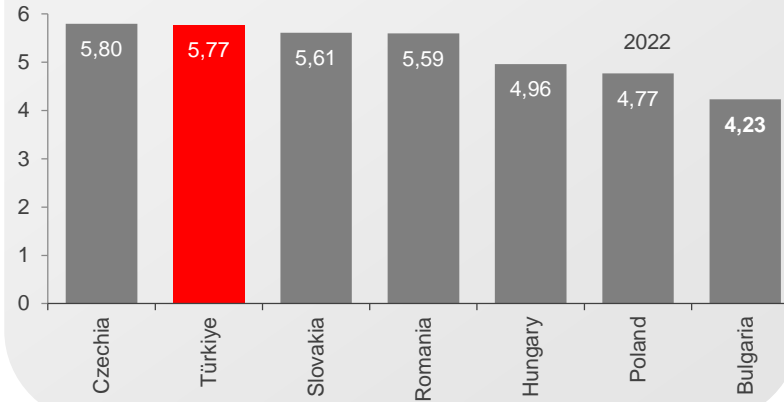
UPGRADED EDUCATION SYSTEM TO ENABLE
A SKILLED LABOR POOL AND ADDRESS
BUSINESS REQUIREMENTS



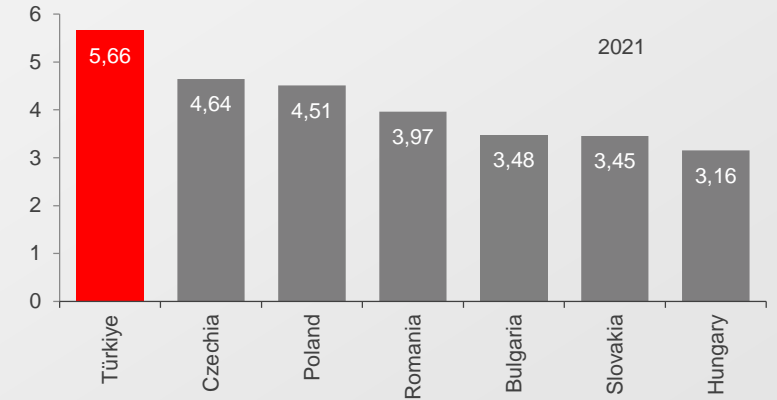
ANNUAL NUMBER OF GRADUATES
(thousands)



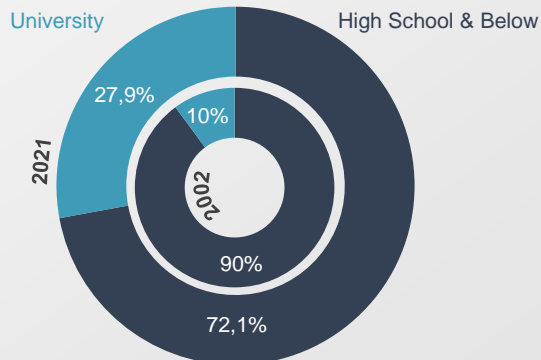
AVAILABILITY OF QUALIFIED ENGINEERS
(10=Available; 0=Unavailable)



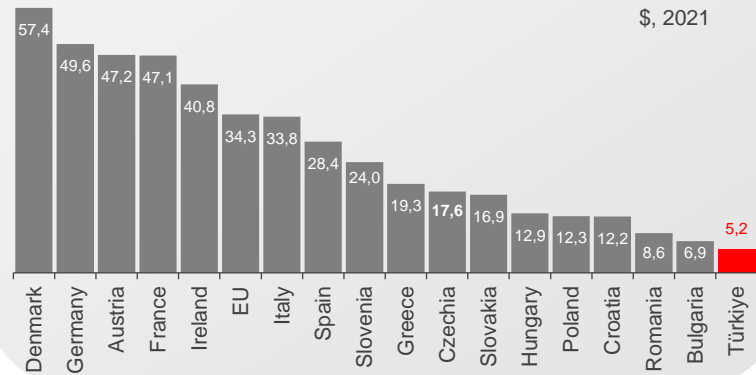
AVAILABILITY OF COMPETENT SENIOR MANAGERS
(10=Available; 0=Unavailable)



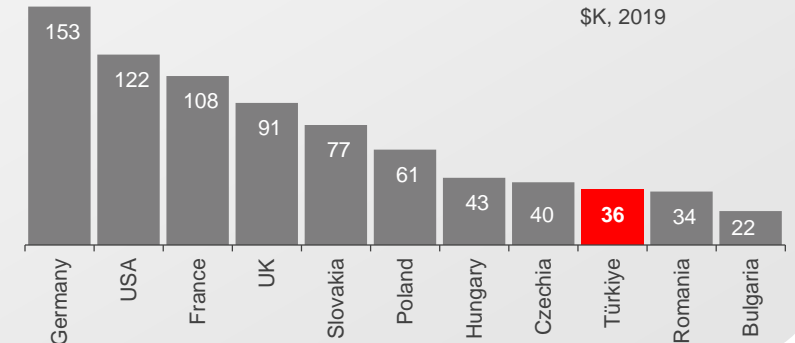
LABOR FORCE BY EDUCATION LEVEL



LABOR COST PER HOUR IN MANUFACTURING



REMUNERATION OF MANAGEMENT/ENGINEER
Total base salary plus bonuses and long-term incentives

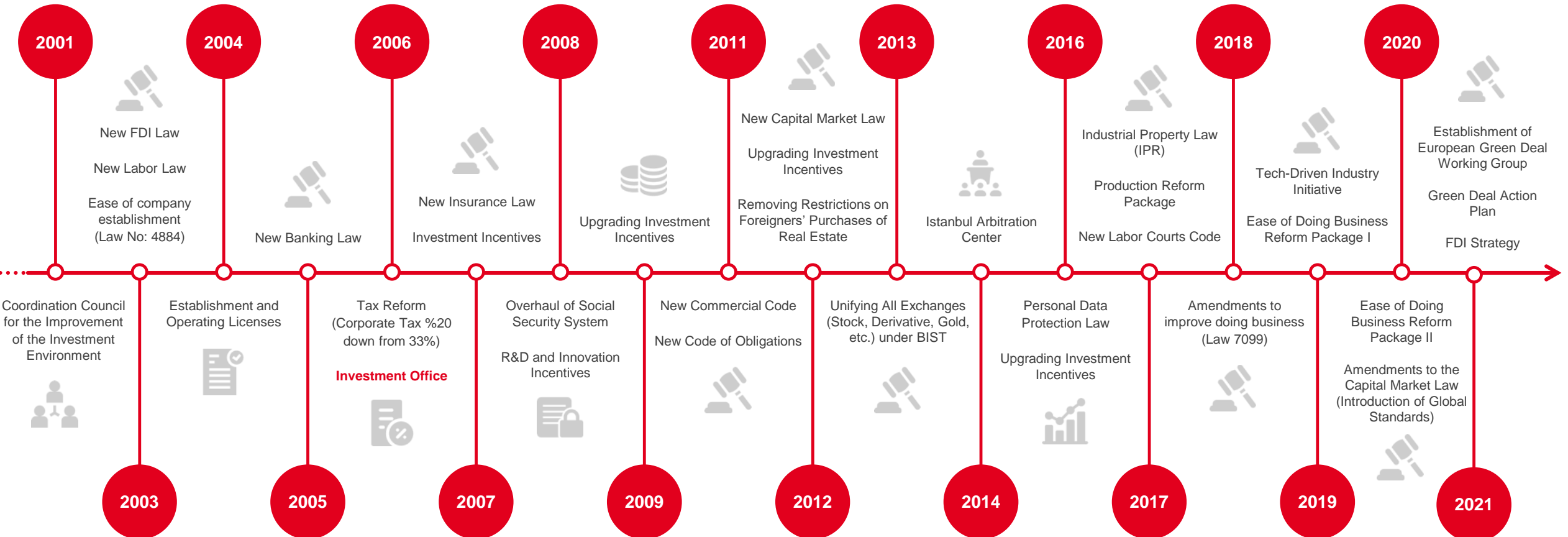


REFORMS

CONTINUOUSLY IMPLEMENTING SWEEPING REFORMS IN MANY AREAS



Major Reforms

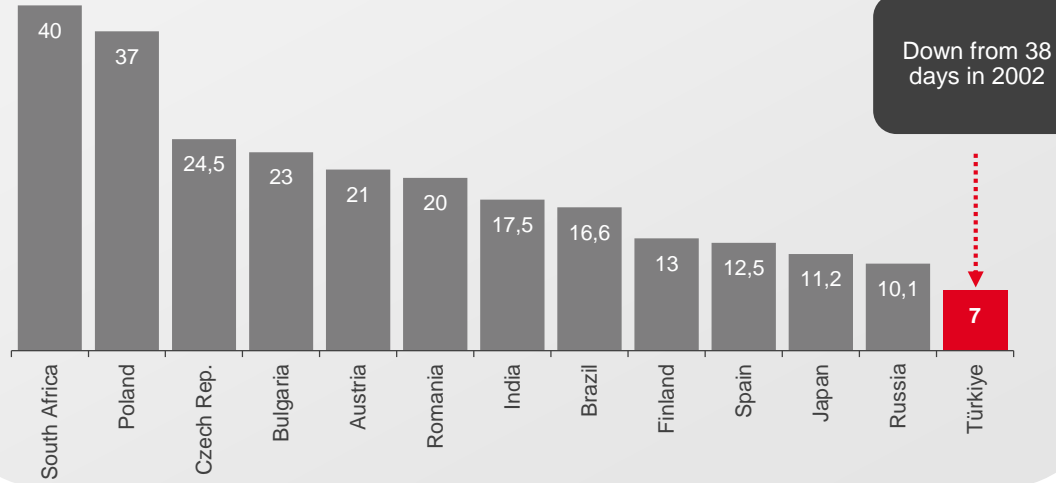


REFORMS

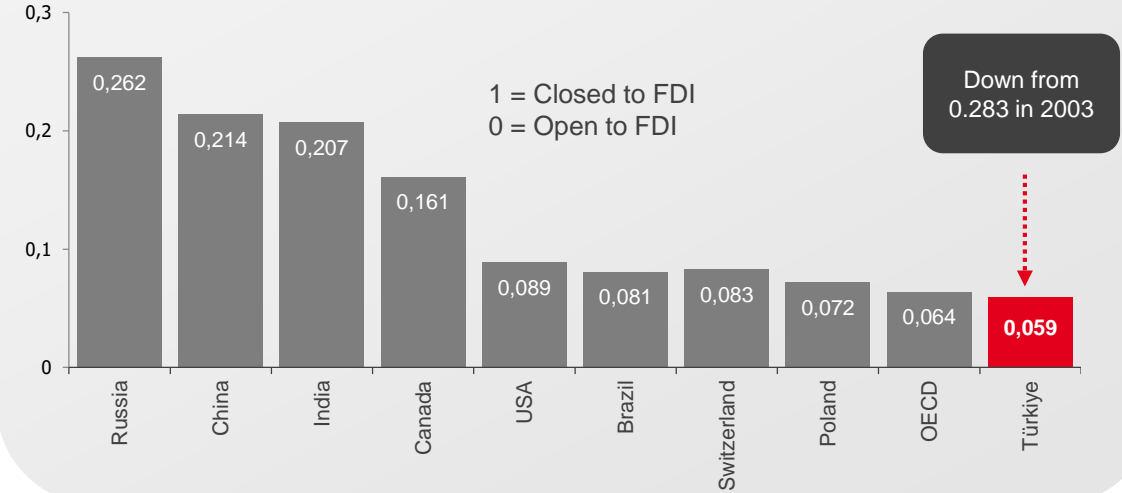
CONTINUOUSLY IMPLEMENTING SWEEPING REFORMS IN MANY AREAS



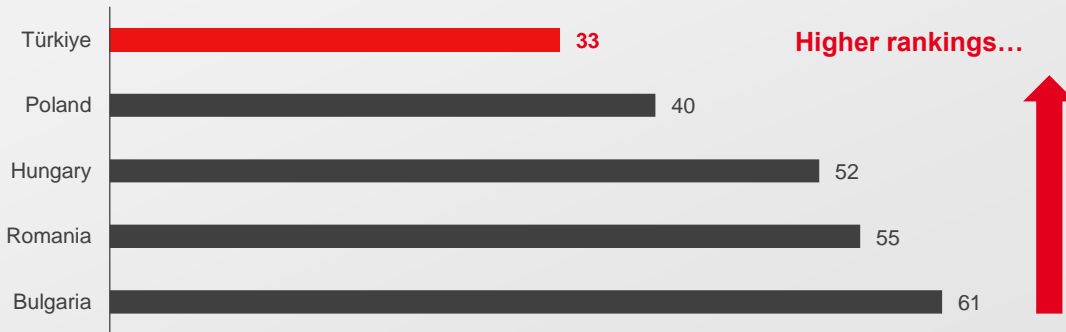
NUMBER OF DAYS TO SET UP A COMPANY, 2020



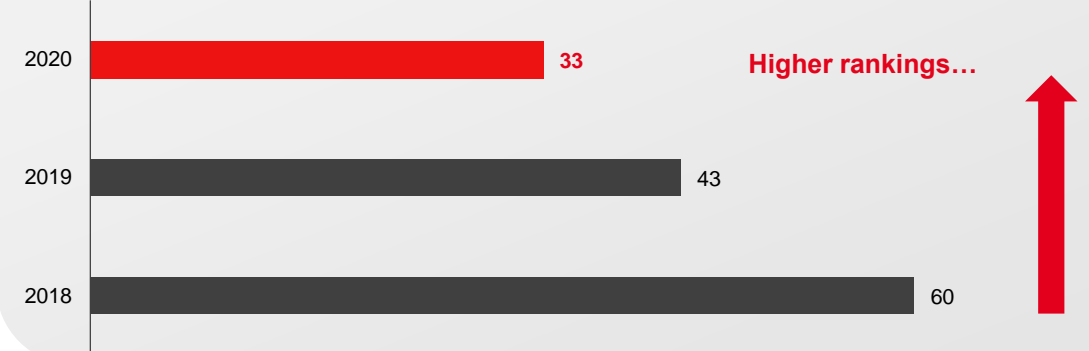
FDI REGULATORY RESTRICTIVENESS INDEX, 2020



EASE OF DOING BUSINESS RANKING, 2020



EASE OF DOING BUSINESS RANKING (Y-O-Y)



BUSINESS-FRIENDLINESS

OFFERING PROTECTION AND EASE OF DOING BUSINESS



**Protection of
International Investors
by FDI Law**

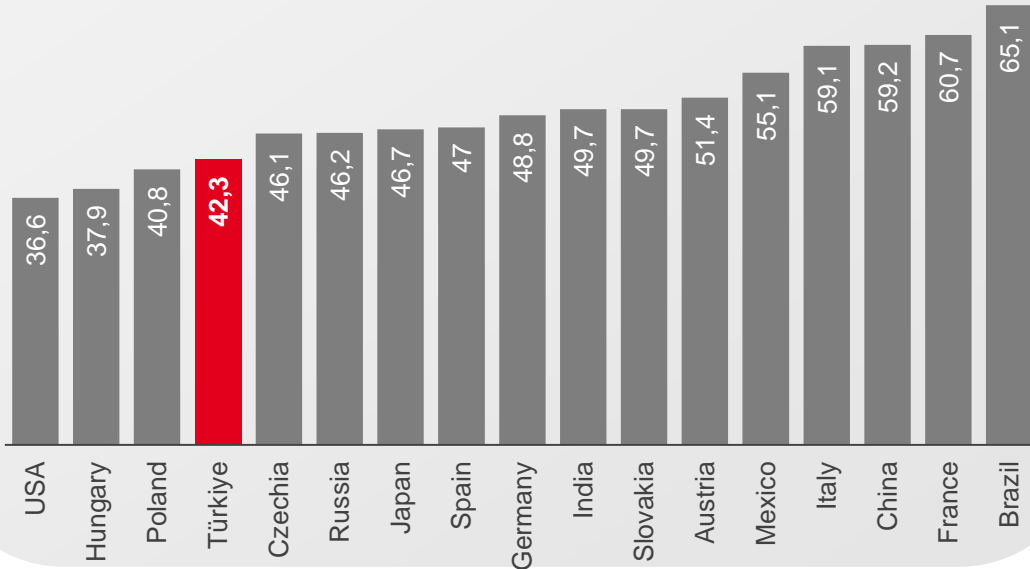


**Bilateral Investment
Protection Treaties with
86 countries**

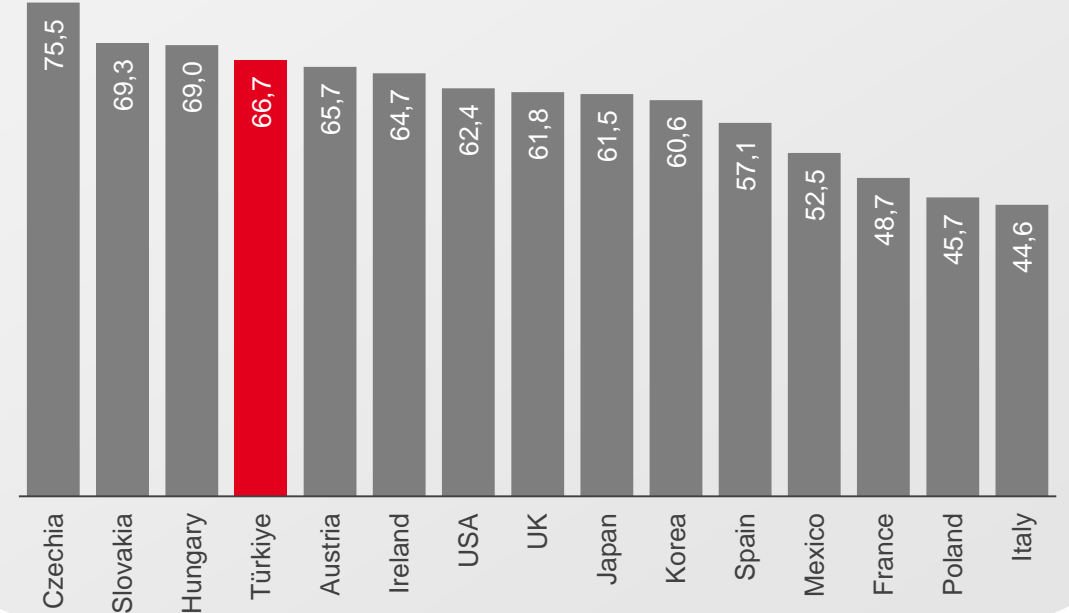


**Treaties to avoid
Double Taxation with
87 countries**

TOTAL TAX AND CONTRIBUTION RATE*, 2019
(% of Profit)



INTERNATIONAL TAX COMPETITIVENESS, 2021**
(Index=100 as most competitive)



LUCRATIVE INCENTIVES

OFFERING LUCRATIVE INCENTIVES IN MANY WAYS



MANUFACTURING INCENTIVES

- ✓ Tax deduction & exemption +



EMPLOYMENT INCENTIVES

- ✓ Payroll & Training support +



R&D AND INNOVATION INCENTIVES

- ✓ Tax deduction & exemption +



INCENTIVES FOR SERVICE EXPORTERS

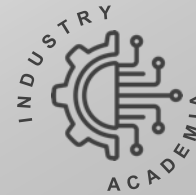
- ✓ Tax deduction for exporting services in;

- Engineering
- Architecture
- Design
- Software
- Medical Reporting
- Accounting
- Call Center
- Datacenter
- Education
- Healthcare



TECHNOLOGY DEVELOPMENT ZONES

- ✓ To support R&D
- ✓ Tax deduction & exemption +



EXCLUSIVE ZONES

- ✓ **Free Zones**
Tax deduction & exemption +
- ✓ **Organized Industrial Zones**
Developed infrastructure

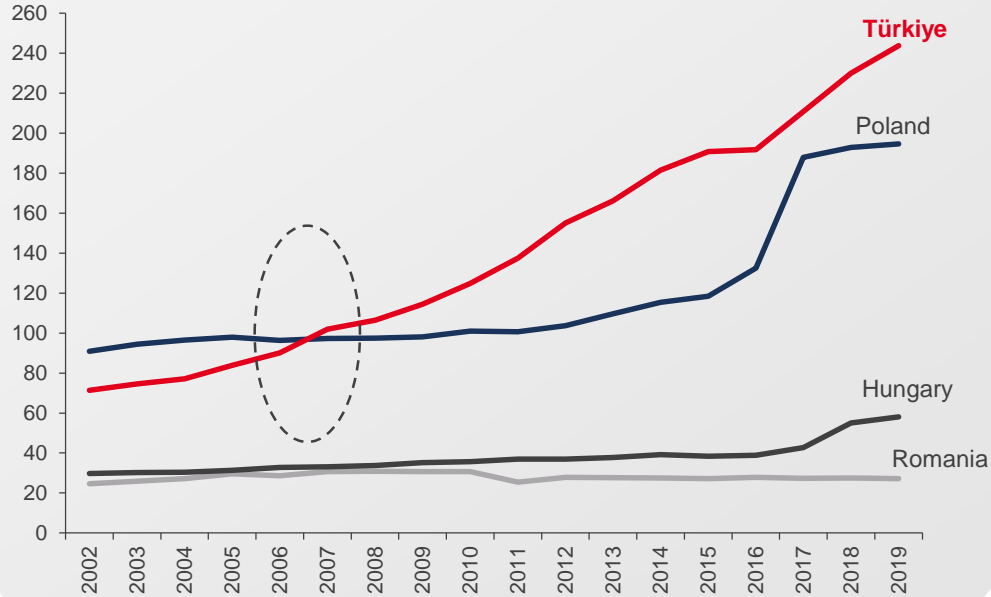


BENIGN R&D ECOSYSTEM

R&D INCENTIVES ARE FURTHER
SUPPORTED BY A FAVORABLE ECOSYSTEM



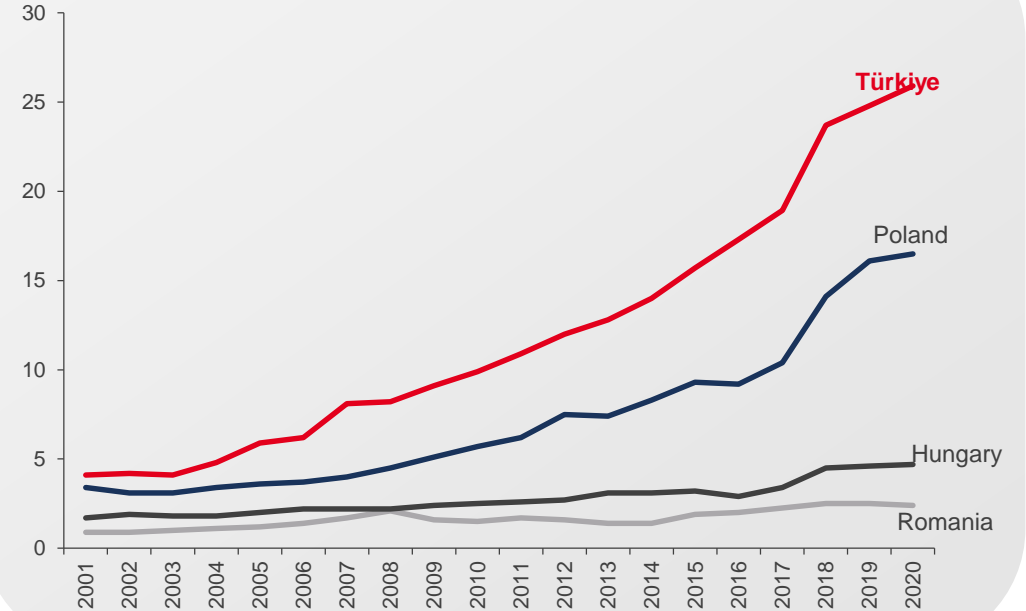
NUMBER OF RESEARCHERS
(thousands)



AROUND 500 INTERNATIONAL
COMPANIES OPERATING IN
TECHNOPARK AND R&D CENTERS



INCREASING R&D SPENDING
(\$ Billion, PPP)

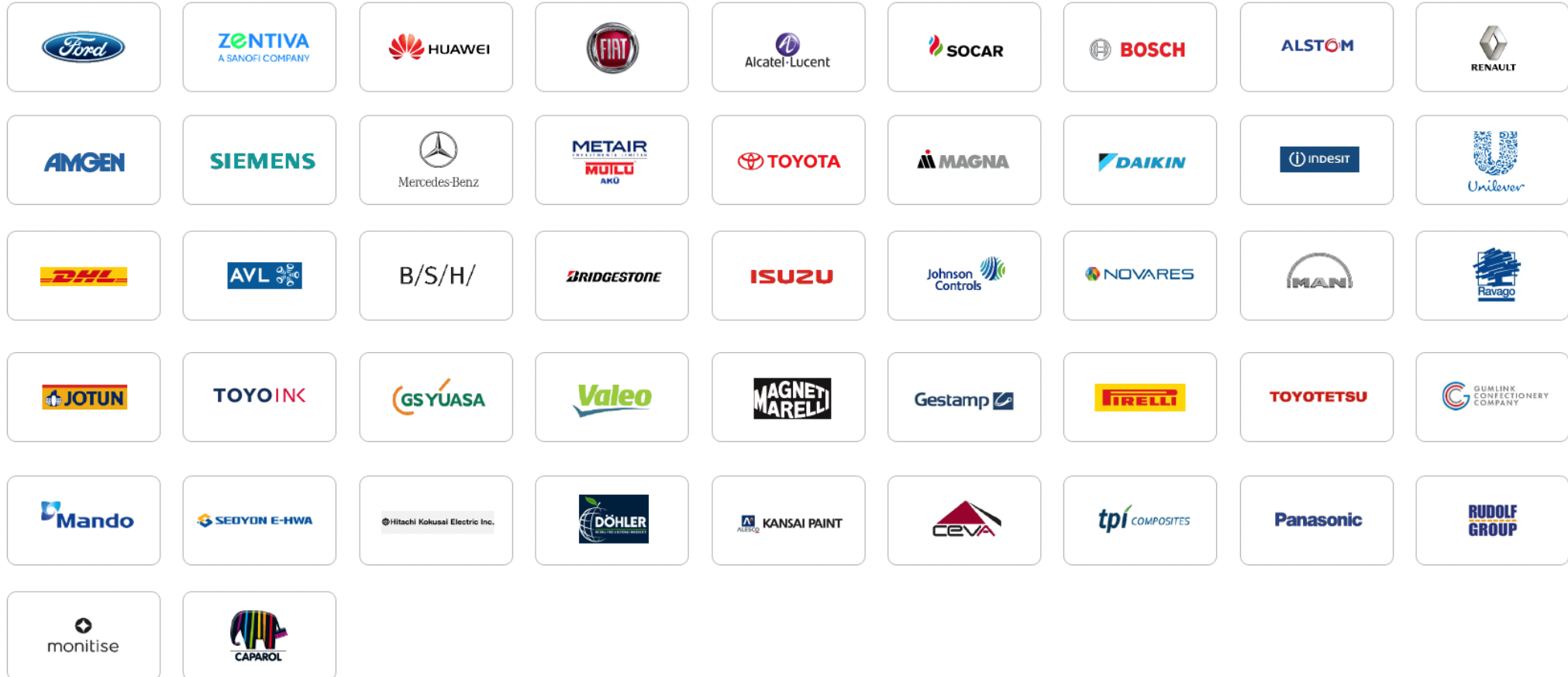


BENIGN R&D ECOSYSTEM

R&D INCENTIVES ARE FURTHER
SUPPORTED BY A FAVORABLE ECOSYSTEM



SELECTED INTERNATIONAL COMPANIES CONDUCTING R&D IN TÜRKİYE



RESILIENT HEALTHCARE SYSTEM

STRONG HEALTHCARE SYSTEM IN THE FIGHT AGAINST COVID-19 PANDEMIC...



Merging State hospitals, social security hospitals and institutional hospitals for the service to all citizens.



13 city hospitals* entered into service in 12 provinces. **14** more city hospitals are under construction.



1,534 hospitals, some 4,000 medical treatment facilities and over 15,000 primary healthcare centers



State-of-the art technology ambulance fleets with **5,946 fully-equipped vehicles and 21 aircrafts.**



An army of medical professionals with **1.1 million people.**



Türkiye is leading the list of **intensive care beds** per 100K among the European countries.



The budget for healthcare services was increased **from 19 billion TRY to 117 billion TRY over the past 18 years.**



Healthcare expenditures **during the past 6 years have grown by 19% annually (CAGR).**

SECTORAL OPPORTUNITIES

OFFERING ABUNDANT OPPORTUNITIES
IN A VARIETY OF SECTORS



AUTOMOTIVE

- 14th largest manufacturer in the World, 4th in Europe
- 1.5 million vehicle produced
- Market: \$13 billion
- Export: \$25.5 billion



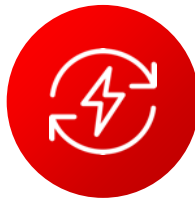
MACHINERY & ELECTRICAL EQP.

- Largest TV & white goods producer in Europe
- Market: \$34 billion
- Export: \$28 billion



AEROSPACE & DEFENCE

- \$19 billion defence spending
- Industry: \$11 billion
- Export: \$2.3 billion
- Air passengers: 210 million



ENERGY

- Market: \$66 billion
- Growing demand
- Energy corridor
- Untapped renewables



AGROFOOD

- Agriculture & Food Industry Market: \$103 billion
- Export: \$19 billion
- Export to around 200 countries



INFRASTRUCTURE

- \$170 billion PPP contracts (1986-2021)
- More opportunities in transport, energy, health



FINANCE

- Robust growth with double digits
- Islamic finance to grow
- Istanbul Financial Center

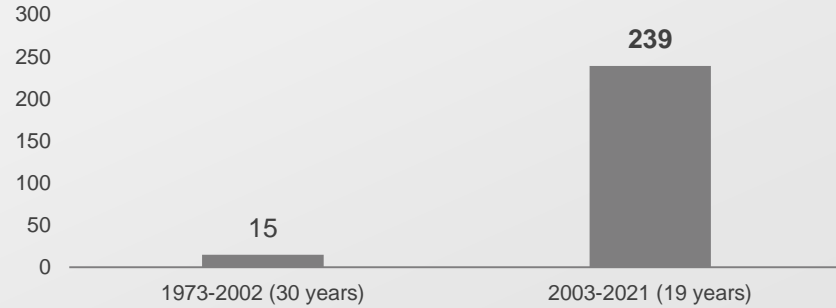
OPPORTUNITIES

FOREIGN DIRECT INVESTMENT (FDI)

EXCEPTIONAL INCREASE IN FOREIGN INVESTMENT BOOSTED BY THE VALUE TÜRKİYE OFFERS



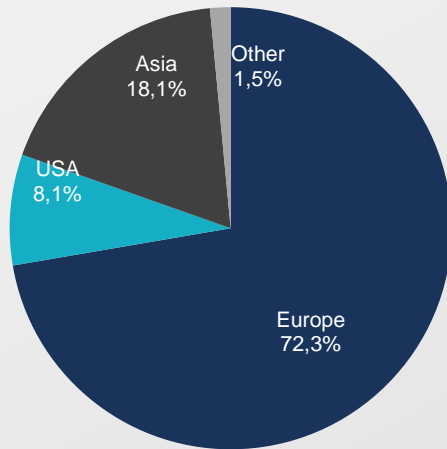
FDI INFLOWS (\$ BILLION)



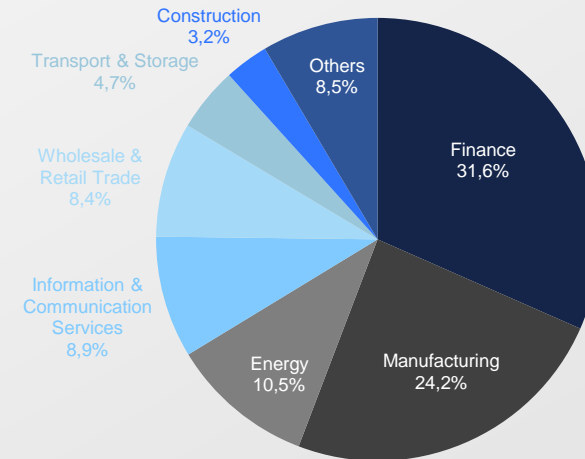
NUMBER OF INTERNATIONAL COMPANIES IN TÜRKİYE ('000)

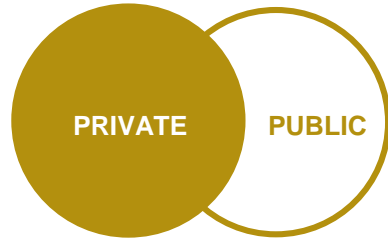


GEOGRAPHIC BREAKDOWN OF INVESTMENTS (2003-2021)



MOST ATTRACTIVE SECTORS (CUMULATIVE 2003-2021)





**PRIVATE SECTOR APPROACH
WITH PUBLIC SECTOR CAPABILITIES**



**A GOVERNMENTAL AGENCY
REPORTING TO THE PRESIDENT**



**ACTING AS YOUR
SOLUTION PARTNER**



General & customized
business information &
Sectoral analysis & reports



Site selection support to
find appropriate location/
land for your investment



Arrangements of meetings
with governmental bodies
and other stakeholders



AFTERSALES



Facilitating your
investment at all stages



Matchmaking with local
partners & establishing
business linkages



Project launch & Press
release Services



Facilitating your
visit to Türkiye



PRESIDENCY OF
THE REPUBLIC OF TÜRKİYE
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