Outline:

• FDI in Turkey
• FDI Regime in Turkey
• Investment Incentives
FDI in TURKEY

![Bar chart showing FDI in Turkey from 2003 to 2017](chart.png)
Number of Companies with Foreign Capital in Turkey (Cumulative)

55,329

55,333

55,331
Foreign Direct Investment Regime

Law No. 4875

Main Principles

National treatment

No pre-entry screening/minimum capital requirements

Right to acquire real estate

Right to employ key expatriate staff

Right to access international dispute settlement

Guarantee to free transfer of proceeds, dividends and other financial assets
Acquisition of Real Estate by Foreigners

For Real Persons
- No reciprocity requirement
- Acquisitions up to 30 hectares
- Requirement to develop a project within two years in case the acquisition of a vacant land
- Total area of real estates can not exceed 10% of the privately owned land in the town

For Foreign Companies
- Acquisition according to the provisions of special laws (Law on petroleum, tourism, industrial zones)

For Turkish Companies With Foreign Capital
- Companies controlled by foreign investors can acquire real estates to conduct business activities listed in their Articles of Association
- Permission requirement for the acquisitions in military zones and special security zones
Legal Framework of Turkey’s Investment Relations

- **Bilateral Investment Treaties**
  - Signed with 102 countries
  - 76 treaties are in force

- **Avoidance of Double Taxation Treaties**
  - 82 treaties are in force
Latest Major Legislation regarding Investment Climate

Citizenship

- Invest at least USD 2 million
- Create jobs for at least 100 persons
- Acquire an immovable asset of at least USD 1 million
- Hold at least USD 3 million in government bonds for 3 years
- Deposit at least USD 3 million in Turkish banks
INVESTMENT INCENTIVE PROGRAM

- **General Investment Scheme**: Aims to support all investment projects that are not excluded from the program.
- **Regional Investment Incentive Scheme**: Aims to eliminate inter-regional imbalances.
- **Priority Investment Incentive Scheme**: Aims to increase production of goods and services in critical sectors.
- **Large Scale Investment Incentive Scheme**: Aims to improve technology and R&D capacity of Turkey.
- **Strategic Investment Incentive Scheme**: Aims to increase production of intermediate and final products with high import dependence.
- **Project Based Incentive Scheme**: Aims to serve the technological transformation of Turkey through crucial investments.
# Support Measures

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<th>Support Measures</th>
<th>General Investment Incentive Scheme</th>
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* Investments in Region 6 are eligible for Income Tax Withholding Allowance and Social Security Premium Support (Employee’s Share)