



Turkey
Discover
the potential

Outline:

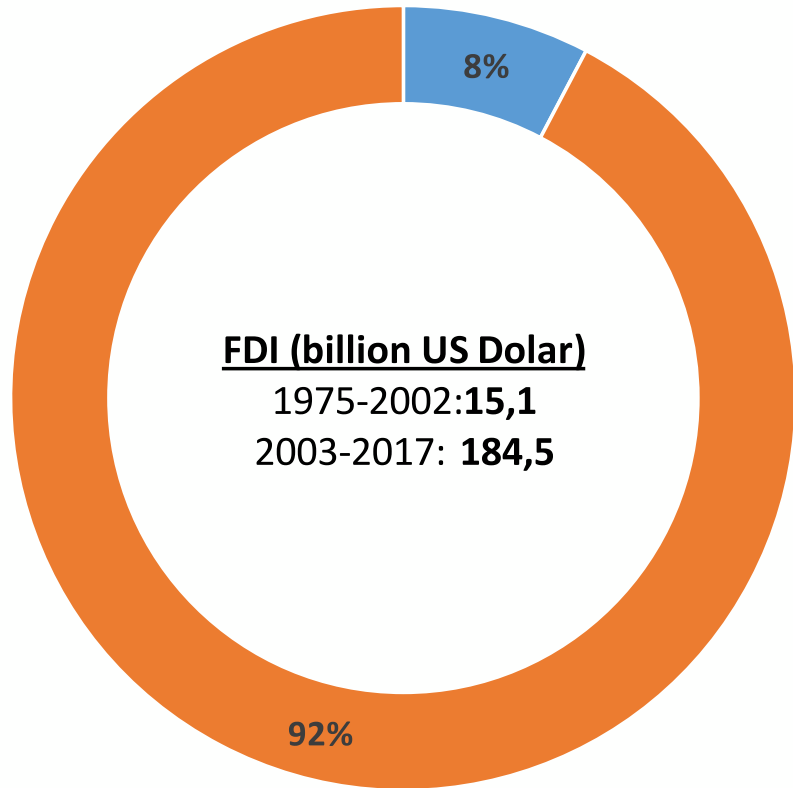
- ***FDI in Turkey***
- ***FDI Regime in Turkey***
- ***Investment Incentives***



FDI in TURKEY

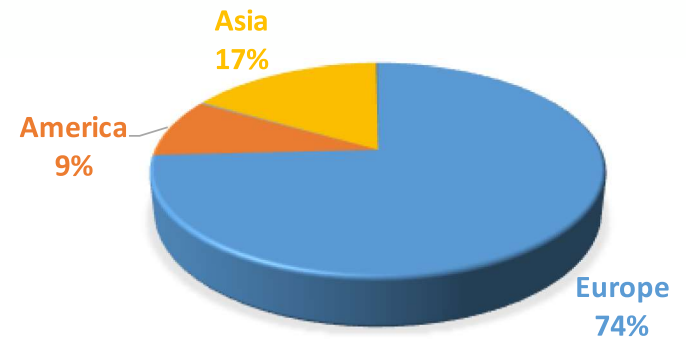


Total FDI Inflows

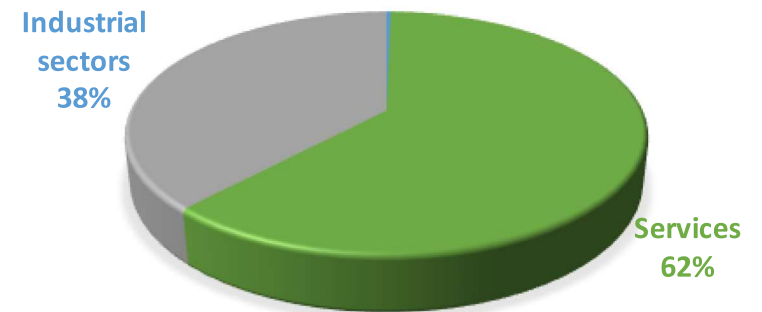


■ 1975-2002 ■ 2003-2017

FDI INFLOWS BY HOME COUNTRY GROUPS



FDI INFLOWS BY SECTORS

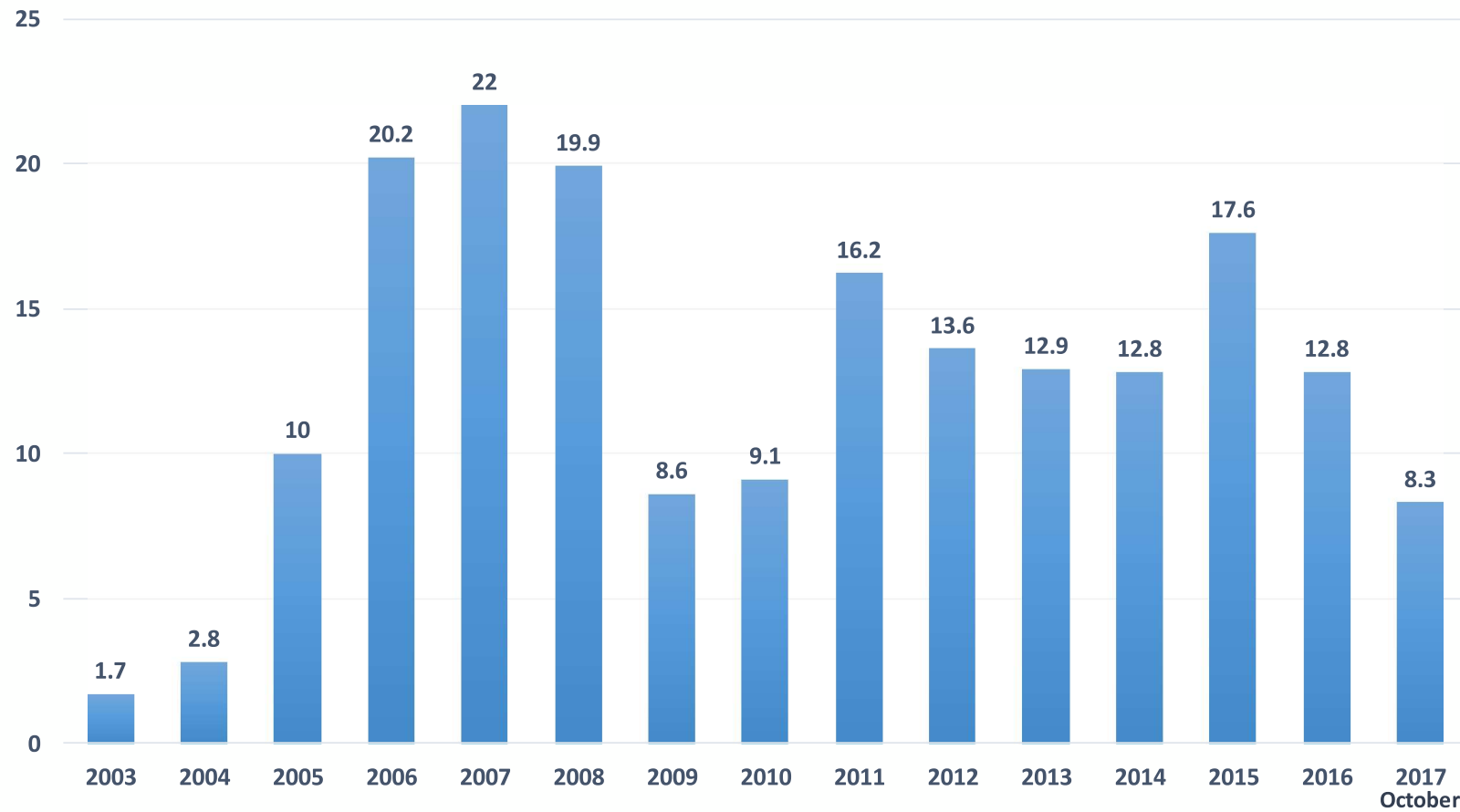




FDI in TURKEY



Turkey
Discover
the potential





Number of Companies with Foreign Capital in Turkey (Cumulative)



Turkey
Discover
the potential

55.329

55.330

55.331

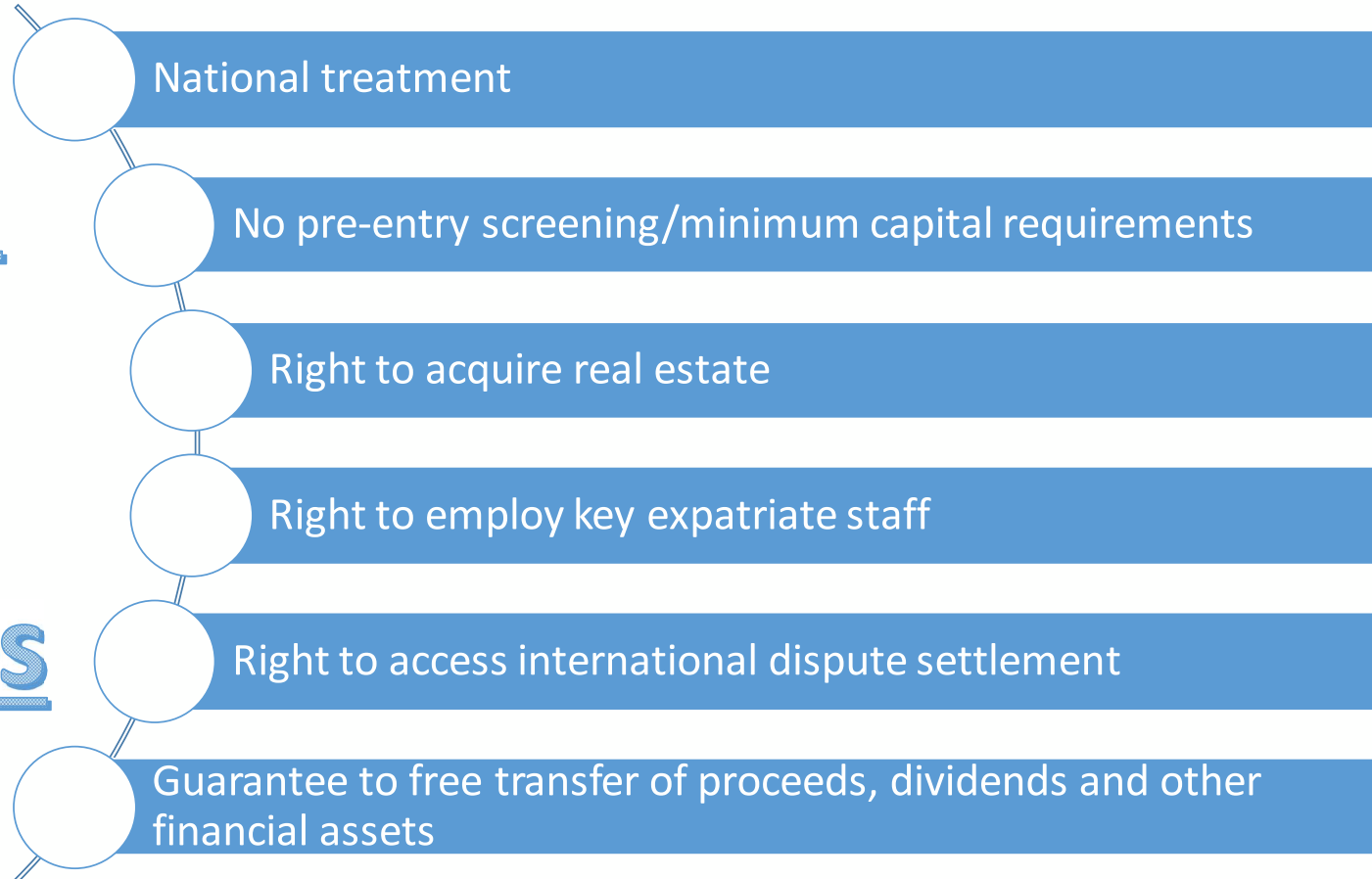


Foreign Direct Investment Regime



Turkey
Discover
the potential

Law No. 4875 Main Principles





Acquisition of Real Estate by Foreigners



Turkey
Discover
the potential

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



Turkey
Discover
the potential

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



Turkey
Discover
the potential

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



Turkey
Discover
the potential

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



Turkey
Discover
the potential



Support Measures	General Investment Incentive Scheme	Regional Investment Incentive Scheme	Priority Investment Incentive Scheme	Large Scale Investment Incentive Scheme	Strategic Investment Incentive Scheme
VAT Exemption	✓	✓	✓	✓	✓
Customs Duty Exemption	✓	✓	✓	✓	✓
Tax Deduction		✓	✓	✓	✓
Social Security Premium Support (Employer's Share)		✓	✓	✓	✓
Income Tax Withholding Support *	✓	✓	✓	✓	✓
Social Security Premium Support (Employee's Share) *		✓	✓	✓	✓
Interest Support		✓	✓		✓
Land Allocation		✓	✓	✓	✓
VAT Refund					✓

* Investments in Region 6 are eligible for Income Tax Withholding Allowance and Social Security Premium Support (Employee's Share)



Regions

Turkey
Discover
the potential



- REGION 1
- REGION 2
- REGION 3
- REGION 4
- REGION 5
- REGION 6