

INVEST IN TÜRKİYE



PRESIDENT ERDOĞAN ATTENDS G20 SUMMIT IN INDONESIA

**PRESIDENT ERDOĞAN
ADDRESSES ORGANIZATION OF
TURKIC STATES SUMMIT**

**TURKISH ECONOMY GROWS 3.9
PERCENT IN THE THIRD QUARTER**

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USD 9.2 BILLION IN Q3 2022**

**TÜRKİYE'S FIRST "ESG
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'BEST COOPERATION PARTNER
OF THE YEAR 2022'**

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INVESTORS' NOTEPAD

Message from the Investment Office

During the past month, President Recep Tayyip Erdoğan attended the 17th G20 Heads of State and Government Summit held in the Indonesian province of Bali where the world's largest economies convened to discuss some of the world's most challenging issues, including global health architecture, sustainable energy transition, and digital transformation.

Another notable summit that made its mark in the past month was the 9th Summit of the Heads of State of the Organization of Turkic States in Samarkand, Uzbekistan which mostly addressed recent regional and global developments as well as the member states' more critical-than-ever commitment to Turkic integration at a time when the world is in a fragile period that offers both risks and opportunities for countries.

As part of ongoing efforts to shed light on Turkish businesses' perspectives on sustainability, Investment Office and Bain & Company Türkiye has recently released the "ESG CEO Pulse", the first sustainability report in Türkiye. CEOs from some of the most important companies in Türkiye revealed their strategies to combine short-term crisis management with long-term sustainability goals through exclusive interviews, while the outcomes of the research were consolidated in the report.

Sustainability was also a top agenda item of the 19th Vienna Economic Forum while Investment Office—having been named the 'Best Cooperation Partner of the Year'—drew attention to making global and regional value chains more resilient in the future.

Web Summit in Lisbon and Slush in Helsinki were additional international platforms where Türkiye stood out with its endeavors for sustainability and technology entrepreneurship. During the events, related public bodies, technoparks, startups, and VC executives represented Türkiye as part of a delegation led by the Investment Office and networked with their global stakeholders. Furthermore, Turkish startups pitched their products against global players, seizing the opportunity to expand their client bases, draw in funding, and team up with other technology companies.

With regard to statistics on the economy, the FDI inflows in Türkiye exceeded USD 9.2 billion during the first three quarters of 2022, with Spain ranking as the top country and finance - insurance activities ranking as the top sector for FDI.

If we were to sum up the month of November under major headings, they would be sustainability, green energy transition, and digital transformation as Türkiye successfully navigates the trends in globalization.

Türkiye is a resilient, proactive country, and a strong candidate in the race for sustainability. We believe we can achieve our goals by sharing good examples with one another since sustainability is a collective movement, and it is only by acting together as a community that we may bring this pursuit to fruition.

A. Burak DAĞLIOĞLU
President, Investment Office

PRESIDENT ERDOĞAN ATTENDS G20 SUMMIT IN INDONESIA

President Recep Tayyip Erdoğan attended the 17th G20 Heads of State and Government Summit held in the Indonesian province of Bali on November 15-16, 2022.

Following an official ceremony, President Erdoğan and his Indonesian counterpart Joko Widodo held a joint press conference before proceeding with their one-on-one meeting. President Erdoğan congratulated President Widodo on the formation of the High-Level Strategic Cooperation Council between the two countries, saying, "Today we have established together a historic step in our bilateral relations."

In his statement at the G20 Bali Leaders' Summit, President Erdoğan noted, "Türkiye is striving to fulfill its part in the face of challenges that affect the peace, tranquility and prosperity of all humanity. Just as we have been on the side of those in need by sending medical aid materials to a total of 161 countries and 12 international organizations during the pandemic, today we are sincerely working for the establishment of peace, prosperity and justice with all our strength."

On the sidelines of the summit, President Erdoğan also held several bilateral meetings, respectively with Saudi Crown Prince Mohammed bin Salman, US President Joe Biden, French President Emmanuel Macron, Italian President of the Council of Ministers Giorgia Meloni, and German Chancellor Olaf Scholz.

President Recep Tayyip Erdoğan also met with the leaders of MIKTA, a cross-regional consultative platform among Mexico, Indonesia, South Korea, Türkiye and Australia.

The G20 Summit brought together the world's largest economies, with agenda topics including global health architecture, sustainable energy transition, and digital transformation.

PRESIDENT ERDOĞAN ADDRESSES ORGANIZATION OF TURKIC STATES SUMMIT



President Recep Tayyip Erdoğan attended the 9th Summit of the Heads of State of the Organization of Turkic States (OTS) in Samarkand, Uzbekistan on November 10-11.

During the historic OTS Summit held under the theme "New Era for the Turkic Civilization: Towards Common Development and Prosperity", the leaders discussed recent regional and international developments, underlying the member and observer states' strong commitment to Turkic integration and the Turkic World Vision 2040.

In his remarks at the summit, President Erdoğan said, "We are going through a fragile period that offers both risks and opportunities for our countries. We see that now, more than ever, it is critical for us to strengthen our cooperation, solidarity, and harmony among ourselves."

Reminding that the historic summit held in Istanbul the previous year served as a milestone for the consolidation of institutional unity within the Turkic world, President Erdoğan stated, "It will be beneficial to put into practice the Turkic Investment Fund as soon as possible. I believe that the financial prospects of the fund will

strengthen our cooperation and give momentum to our activities. We attach importance to deepening our ties in trade, transportation, and energy. The Türkiye-Uzbekistan-Azerbaijan and the Türkiye-Kazakhstan-Azerbaijan foreign affairs, transportation, trade, and economy ministerial meetings have all been critical steps we have timely taken."

President Erdoğan was also presented with the Supreme Order of the Turkic World in Samarkand in recognition of his services to the Turkic communities by Uzbek President Shavkat Mirziyoyev at a ceremony.

The summit was also attended by the Azerbaijani President Ilham Aliyev, Kazakh President Kassym-Jomart Tokayev, Kyrgyz President Sadyr Japarov, Hungarian Prime Minister Viktor Orbán, the Chairman of the People's Council of the Turkmen Parliament Gurbanguly Berdimuhamedov, and the then Secretary General of the Organization of Turkic States Baghdad Amreyev.

OTS is an international body with growing global visibility and operates in over 20 areas of cooperation to bring the Turkic world together.

PRESIDENT ERDOĞAN INAUGURATES ASELSAN KONYA WEAPON SYSTEMS FACTORY



President Recep Tayyip Erdoğan attended the opening ceremony of ASELSAN Konya Weapon Systems Factory on November 26.

Addressing the audience President Erdoğan said “Our factory is a facility, which adds outstanding features to Türkiye’s defense industry with its weapon production of every diameter and caliber, particularly remote controlled weapon systems. With the commissioning of this facility, Konya elevated its weapon manufacturing

capabilities which started off with shotguns and took off to the level of a global player. In so doing, Konya has unlocked new potential for itself and our entire country.”

Established with an investment of TRY 470 million and with the goal of strengthening the strategy aimed at meeting the Turkish Armed Forces' production and product development needs with domestic resources, ASELSAN Konya Weapon Systems Factory employs 286 personnel.

TURKISH ECONOMY GROWS 3.9 PERCENT IN THE THIRD QUARTER

Türkiye’s gross domestic product (GDP) expanded 3.9 percent compared with the same quarter of the previous year in the third quarter of 2022, growing in line with expectations and outpacing most peers, according to the figures released by the Turkish Statistical Institute (TurkStat).

With an annual GDP growth of 3.9 percent, the Turkish economy has expanded for 10 consecutive quarters.

A close analysis of GDP activities demonstrated that all the components,

particularly financial & insurance activities and information and communication contributed positively to economic growth, with the only exception of construction.

The value-added increased by 21.6 percent in the financial and insurance activities, 13.9 percent in the information and communication sector, and 12.6 percent in service activities.

MINISTER NEBATI ANNOUNCES TURKISH STATE MINT GOLD CERTIFICATES



Minister of Treasury and Finance Nureddin Nebati announced that the Turkish State Mint started issuing gold-backed certificates through public offerings on the Borsa Istanbul.

As of November 21, the Commodity Market of the Borsa Istanbul Equity Market offers Turkish State Mint Gold Certificates to investors, with the option of receiving physical delivery in exchange for commodity certificates.

Minister Nebati commented on the launch, saying that the new offering will not only expand the savings options available to Turkish citizens, but will also ensure that the Treasury's gold reserves are used to fund producers and exporters for new investments, and that the Turkish Lira's value is protected.

Speaking at the opening bell ceremony, Borsa Istanbul CEO Korkmaz Ergun stated that investors will be able to buy and sell gold certificates in the same way that they do with equities on the Equity Market.

“The gold certificate is one percent of one gram of gold, meaning it can be bought and sold in small amounts, making it a cost-effective product,” Ergun added.

FOREIGN TRADE SHOWS OUTSTANDING PERFORMANCE IN OCTOBER



According to foreign trade statistics unveiled by the Minister of Trade Mehmet Muş, Turkish exports in October totaled USD 21.3 billion, up 2.8 percent year-on-year, while total exports from January to October soared to USD 209.5 billion, up 15.4 percent year-on-year.

“The gold certificate is one percent of one gram of gold, meaning it can be

bought and sold in small amounts, making it a cost-effective product,” Ergun added.

“Turkish exports maintained their momentum, reaching new highs both year-to-date and monthly again,” noted Minister of Trade Mehmet Muş.

According to a breakdown of exports by industry, automotive topped the list in October with USD 2.7 billion, followed by chemicals with USD 2.6 billion, ready-to-wear and apparel with USD 1.7 billion, steel with USD 1.4 billion, and electrical and electronics with USD 1.3 billion. The top three export destinations were Germany, Iraq, and the USA.

MINISTRY OF INDUSTRY AND TECHNOLOGY SUPPORTS PRIVATE SECTOR INVESTMENTS



The Ministry of Industry and Technology issued 1,300 investment incentive certificates in September 2022, according to a written statement released by the Ministry.

Minister of Industry and Technology Mustafa Varank stated that the private sector is investing at full steam, adding, "With the 1,300 incentive certificates we issued in September, we will support the investment totaling TRY 45 billion, which will create additional employment for 29,872 people. Moreover, 63 percent

of these investments are for completely new production facilities."

Accordingly, 67 percent of these investments will be made in the manufacturing sector, while the remaining 16 percent will be in services, 13 percent in energy, 2 percent in mining, and 2 percent in agriculture sectors.

A breakdown of investments by region shows that Region 1 attracted the majority of the investments with 42 percent, followed by Region 2 with 24 percent.

Türkiye's regional investment incentives system is based on a descending pattern where regions vary in a range of 1 to 6 based on their level of development, with a rating of 6 being given to the least developed regions. With this system, the most advantageous incentives are offered to the lesser-developed regions.

FDI INTO TÜRKİYE SURPASSES USD 9.2 BILLION IN Q3 2022

According to the Central Bank of the Republic of Türkiye, the FDI inflows in Türkiye exceeded USD 9.2 billion in the first nine months of 2022.

During the same period, Spain was the largest source of FDI in Türkiye with USD 1.5 billion, while Switzerland ranked second with USD 636 million, and the Netherlands third with USD 601 million.

Looking at the sectoral breakdown, finance and insurance activities garnered the highest FDI inflows in Türkiye with a share of 35 percent, followed by manufacturing with 23 percent, and wholesale/retail trade with 21 percent during the first nine months of 2022.

Spain is the top source of FDI in Türkiye with USD 1.5 billion during the first nine months of 2022.

DID YOU KNOW?

MANC GAMES SECURES USD 50 MILLION INVESTMENT



Turkish mobile game developer Manc Games secured USD 50 million of investment from GEM Digital, a digital asset investment company.

Manc Games CEO and Founder Halit Emre Aydın emphasized his business was on a fast-growth trajectory, poised to achieve over 25 million downloads by the end of next year. "This commitment from GEM Digital will push Manc a step closer to becoming a global gaming company not just in the mobile game app industry, but in the game ecosystem as well," Aydın said.

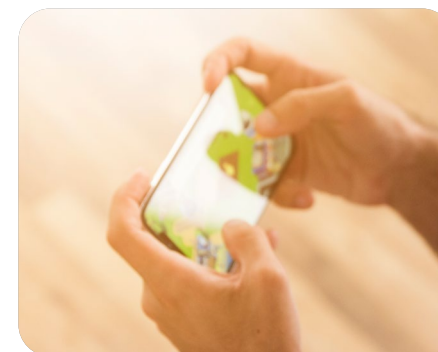
The gaming software house is retrofitting its games to Web3 and the metaverse, while also adding into

the bargain its Mancium, a utility token valid across its whole catalog of Manc Games titles. With over 10,000 holders and counting, Mancium seems to represent a next-generation public blockchain solution.

Global Emerging Markets (GEM) is a USD 3.4 billion alternative investment group that manages a diverse set of investment vehicles focused on emerging markets across the world.

GEM's investment instruments provide the group and its investors with a diversified portfolio of asset classes that span the global private investing spectrum.

MATCHINGHAM GAMES ACQUIRES TWO IPS FROM POW GAMES



Turkish mobile game studio POW Games sold its self-developed games Food Match 3D and Tile Match to UK-

based Matchingham Games for USD 11.7 million.

Commenting on the deal, POW Games CEO and Co-Founder Şeyhmus Ölker said, "We believe that Matchingham Games will continue to enjoy success with the games we have developed. In the following days, we will be there for our gamers with brand-new puzzle games that will entertain millions."

Established in 2021 to develop hybrid puzzle mobile games, POW Games has amassed more than two million users on iOS and Android.

INVESTMENT OFFICE **EVENTS & WEBINARS****TÜRKİYE'S FIRST "ESG CEO PULSE" REPORT RELEASED**

Investment Office and Bain & Company Türkiye presented "ESG CEO Pulse", the first sustainability report in Türkiye at an exclusive launch event held in Dolmabahçe Office in Istanbul and attended by Investment Office President A. Burak Dağlıoğlu, Deputy Minister of Environment, Urbanization and Climate Change Hasan Suver, Bain & Company SEMEA Managing Partner Roberto Pioreschi, ESG & Sustainability AP Armando Guastella, Togg CEO Gürçan Karakaş, and Siemens Türkiye CEO Hüseyin Gelis.

Through 22 exclusive interviews, CEOs from some of the most important companies in Türkiye explained their strategies to combine short-term shock management with long-term sustainability goals, while the outcomes of the research were consolidated within the first "ESG CEO Pulse" report, which offers insights on Turkish leaders' strategies to deal with a turbulent and unpredictable time, their perceived role in the green transition of the country, and corporates' ESG initiatives to respond to different environmental and socio-political shocks.

During his keynote speech at the event, Investment Office President A. Burak Dağlıoğlu said, "In comparison to other countries, Türkiye has come a long

way in sustainability and digital transformation, the two hot topics on the global agenda. Today, renewables account for 55 percent of total electricity generation in Türkiye, while mobility has also improved significantly. We introduced the FDI Strategy 1.5 years ago, with a special emphasis on sustainability, which is also where we focused on the most in the "ESG CEO Pulse" prepared in collaboration with Bain & Company Türkiye."

During the event, Armando Guastella moderated the private talk titled "Sustainability and Technology: Two Faces of the Same Coin" that featured Togg CEO Gürçan Karakaş and Siemens Türkiye CEO Hüseyin Gelis as panelists, who addressed new opportunities, technologies, and challenges in the mobility industry.

Meanwhile, Investment Office Senior Advisor Murat Özdemir moderated the panel titled "The Key Role of Investors in Enabling the Transformation Journey" where European Investment Bank Türkiye Office Head Umberto Del Panta, Development and Investment Bank of Türkiye CEO İbrahim Öztop, Purpose-Sustainable Ideas Founder Dilek Bil, and Esas Holding Corporate Affairs and Sustainability Director Berrak Kutsoy highlighted the significance of sustainability and digital transformation.

VEF NAMES INVESTMENT OFFICE 'BEST COOPERATION PARTNER OF THE YEAR 2022'

The 19th Vienna Economic Forum (VEF) Future Dialogue 2022 convened in the Austrian capital of Vienna with the theme "Economy Meets Politics in Difficult and Uncertain Times."

Investment Office President A. Burak Dağlıoğlu was featured as a keynote speaker at the conference that was attended by members of diverse political and business circles.

During the conference, the award for Türkiye's achievements both within the forum and globally was presented to Dağlıoğlu as the 'Best Cooperation Partner of the Year 2022' by VEF President Peter Umundum and VEF Secretary General Dr. Elena Kirtcheva.

In his remarks, Dağlıoğlu stated that Türkiye is a long-standing member of the VEF with a seat on the board of directors and emphasized regional cooperation by expressing the importance of sustainability efforts and making the global and regional value chains more resilient in the future.

"This award for the best collaborator of the year has been made possible by the events Türkiye hosts under the auspices of the forum, our contributions to the member

countries and companies of the forum, as well as Türkiye's active diplomatic and mediating role in its region," said Dağlıoğlu.

Noting that the world is undergoing an unpredictable process and that Türkiye has cemented its position as an important partner of the global business community during this time, Dağlıoğlu said, "Austria's most powerful companies are represented at the VEF. Some of them have already invested in Türkiye, which they find to be a remarkable country with the most appealing features such as a stable and resilient investment environment in this time of political, economic, and green transition related challenges."

Dağlıoğlu emphasized Türkiye's geopolitical position in Southeast Europe, where the VEF is active, is very remarkable, and that Türkiye is the first port of call for both investors and companies seeking to expand to the far reaches of the globe.

Türkiye has a bilateral trade volume of over USD 30 billion with VEF members and has invested around USD 3 billion into the region since 2003.

MAJOR SPANISH COMPANIES BRIEFED AT A ROUNDTABLE



Investment Office President A. Burak Dağlıoğlu met with representatives of major Spanish companies at a roundtable meeting held at the Spanish Confederation of Business Organizations (CEOE) headquarters in Madrid.

The roundtable meeting, attended by Türkiye's Ambassador to Madrid Burak Akçapar, Investment Office Country Advisor to Spain Yasemen Korukçu, and CEOE International President Marta Blanco, focused on Türkiye's resilient economy and the numerous opportunities it offers in the global supply chain

transformation, with reforms in priority areas such as sustainability, green energy transition, and digitalization being the highlights.

In his remarks, Dağlıoğlu said Türkiye adds significant value to international investors and added, "Higher and more stable growth rates compared to other countries in the region, reforms implemented to facilitate business procedures since 2003, the availability of qualified employees in both manufacturing and R&D all stand out as Türkiye's global value policies that it has shaped to gain its rank in global supply chains."

Dağlıoğlu stated that there are 540 R&D centers in Türkiye, with a substantial boost in manufacturing activities, and that Türkiye is pursuing high-tech investments, prioritizing sustainability. He added, "It is unavoidable that global value chains will increasingly favor Türkiye in the future."

INVESTMENT OFFICE ADDRESSES AT REVO CAPITAL EVENT



Investment Office President A. Burak Dağlıoğlu was a keynote speaker at the 3rd Annual Revo Capital Building Bridges Event hosted by Revo Capital, one of

Türkiye's largest VCs best known for its successful funding round for Getir – a 24/7 mobile-only challenger FMCG retailer.

During the event, Dağlıoğlu delivered a presentation for an audience of 200 people, including international investors, startups, and NGOs, about Türkiye's global position as a hub for early-stage investments.

"Early-stage investments in Türkiye have significantly increased recently, with 2021 going down in books as a record year with USD 1.6 billion invested into startups, and 2022 on the horizon with new milestones," President Dağlıoğlu said.

INVEST IN TÜRKİYE BOOTH WELCOMES VISITORS AT WEB SUMMIT



Web Summit, the global technology conference where the world's largest companies gather to discuss hot topics such as technology and sustainability, took place in the Portuguese capital of Lisbon on November 1-4.

Under the leadership of the Investment Office, a Turkish delegation, including the Ministry of Industry and Technology, the Scientific and Technological Research Institution of Türkiye (TUBITAK), the Development and Investment Bank of Türkiye, the Türkiye Wealth Fund and the Istanbul Development Agency, as well as related government bodies, technoparks, startups, and VC executives attended the conference to represent Türkiye and to network with their global stakeholders.

During the conference, Turkish startups competed with global players by pitching their products and seized the opportunity to expand their client bases, draw in funding, and team up with other technology companies.

This year, around 70,000 people from 160 countries visited Web Summit, where the Investment Office attended as a partner for the third time in a row, welcoming visitors at the "Invest in Türkiye"

booth. During his remarks on the summit, Investment Office President A. Burak Dağlıoğlu referred to the eye-catching growth of the Turkish entrepreneurial ecosystem, and added, "Turkish startups marked a new milestone in the first three quarters of 2022, raising USD 1.5 billion investment from angel investors and VC funds, while Istanbul stands out as the 6th most funded European city in this regard."

Dağlıoğlu added, "Investment Offices sees successful events such as Web Summit as an opportunity to showcase our ecosystem's potential and invite global players to invest in Turkish technology startups. This year, we stand together as one heart and are attending Web Summit under the umbrella of "Invest in Türkiye" together with our valuable entrepreneurs, technopark managers who open up space for entrepreneurs, our VC funds that believe in them and invest in their growth, representatives of our public institutions that develop the ecosystem day by day, and members of the media who share the exciting agenda of entrepreneurship with the public—all strong shareholders of the strong Turkish entrepreneurial ecosystem."

INVESTMENT OFFICE SHOWCASES TÜRKİYE'S STARTUP ECOSYSTEM AT SLUSH



Slush, the world's leading startup event bringing the global startup ecosystem under one roof, took place in the Finnish capital of Helsinki on November 17-18.

Under the leadership of the Investment Office, a Turkish delegation, including the Ministry of Industry and Technology, the Türkiye Wealth Fund, Turkish Airlines, and the Istanbul Development Agency, as well as technoparks, startups, and VC executives attended the conference.

During his remarks on the startup event, Investment Office President

A. Burak Dağlıoğlu said, "As the Investment Office, we care about promoting Turkish startups, which have proven themselves through investments in recent years. Following Web Summit in Lisbon in early November, where we participated under the umbrella of "Invest in Türkiye", we also took part as a partner in Slush, one of Europe's most important technology events."

This year, around 12,000 people and 4,600 entrepreneurs from all over the world visited Slush.

INVESTMENT OFFICE MEETING WITH SOUTH AFRICAN INVESTORS



Investment Office Overseas Offices and Activities Unit Manager Yasemin Esenlik was featured as a panelist while Project Manager Onur Kanan showcased Türkiye's investment climate at the "South Africa-Türkiye Investment and Trade Day" hosted by the Turkish Embassy in Pretoria and the Johannesburg Chamber of Commerce and Industry in South Africa.

ANNUAL VC SEMINAR IN SOUTH KOREA



Investment Office Country Advisor to South Korea Taha Saran made a presentation on Türkiye's startup ecosystem at the Annual VC Seminar hosted by the Agricultural Policy Insurance & Finance Service held in Seogwipo City of South Korea.

Saran briefed representatives from over 20 South Korean VCs on the recent developments and the current state of the Turkish startup ecosystem, as well as success stories of Turkish unicorns, major exits, and opportunities for international investors.

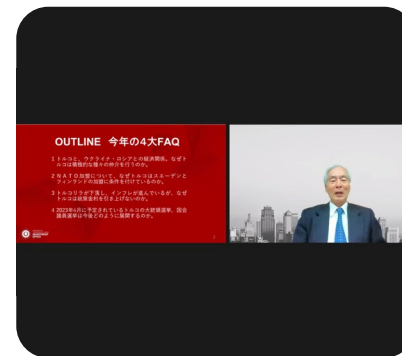
SEMINAR FOR GERMAN INVESTORS



Investment Office Country Advisor to Germany Ferruh Parmaksız hosted a seminar for executives and

members of the Frankfurt Chamber of Commerce and Industry and the Offenbach Chamber of Commerce and Industry in cooperation with Turkish Airlines Frankfurt Office, delivering a presentation on the disruption of global supply chains in the aftermath of the pandemic and the increasing significance of Türkiye as an ideal nearshoring country for Germany with its sea, air, and rail transportation infrastructure amidst the stability challenges caused by the Russia-Ukraine war.

WEBINAR WITH JAPANESE INVESTORS



Investment Office Country Advisor to Japan Yuichi Aoki cohosted the "Türkiye Investment Webinar" with the Japan Institute for Overseas Investment (JOI), where he addressed frequently asked questions about Türkiye's bilateral economic relations with Russia and Ukraine, perspective on NATO's open-door policy, and ongoing macroeconomic policies.



DER SPIEGEL HIGHLIGHTS TÜRKİYE'S RESILIENCE AND POSITION IN GLOBAL VALUE CHAINS

German weekly news magazine Der Spiegel featured Investment Office President A. Burak Dağlıoğlu's insights on Türkiye's economic position in the global arena on November 15, 2022.

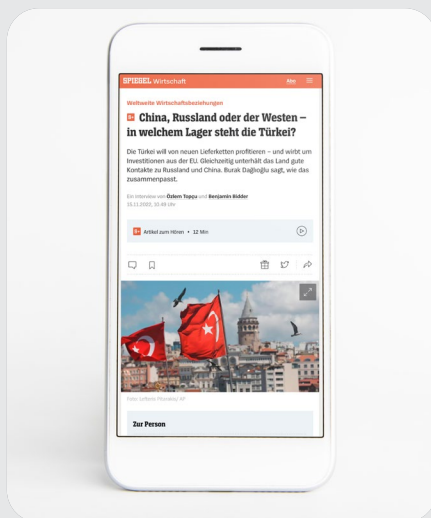
During the interview, Dağlıoğlu emphasized the opportunities for investing in Türkiye, the resilience of its economy and its competitiveness on the regional and global scale. "We have managed to build a diverse

economy in this wonderful geographical location, with industries integrated into global value chains," Dağlıoğlu noted. "Many companies use Türkiye as a manufacturing or management hub. We believe we can avail of the trends in globalization dubbed 'reshoring' and 'friend-shoring,'" he added.

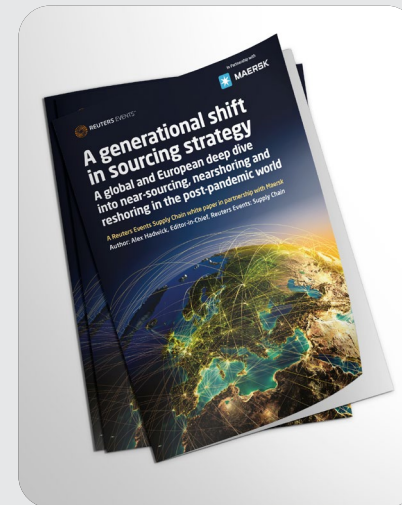
Further more, Dağlıoğlu addressed the concerns laid out by Der Spiegel on the challenges companies may face in the country, shedding light on the fact that Türkiye has reformed its FDI policies since 2003 and streamlined all the procedures for investors. He also emphasized Türkiye's successful diplomacy, as well as its talented pool and ever-evolving infrastructure.

The Turkish startup ecosystem was also under the spotlight, with new unicorns and decacorns such as Getir, an online food delivery company, and future projects such as the "New Silk Road".

ACCESSIBLE ON [spiegel.de](https://www.spiegel.de)



TÜRKİYE - THE THIRD MOST ATTRACTIVE FDI DESTINATION FOR THE EUROPEAN COMPANIES



Reuters Events, in collaboration with world leader transport and logistics conglomerate Maersk, has published a report titled "A General Shift in Sourcing Strategy" to analyze the on-going transformation in the global supply chains in the world due to fundamental disruptions affecting across the regions with a specific focus on Europe.

Offering an insight into near-sourcing, nearshoring and reshoring in the post-pandemic world, the report provides a deep dive into the global changes in sourcing strategies, global trends in sourcing and manufacturing, the shift in supply chains, the impact of global footprint, the death of low-cost, and industry-specific strategies.

The report emphasizes that supply chains in the world have been subject to unprecedented disruption over the past two years. The Covid-19 pandemic sent shockwaves across the logistics industry in 2020 and beyond, while the war in Ukraine, resulting sanctions against Russia, and fragmenting

global markets have left supply chains exposed.

These developments are leading to a major move to rebalance supply chains, deleveraging from highly concentrated areas of production and towards both locations closer to the end market and a wider range of low labor cost countries. The report unveils that future supply chain logistics will look different from today's offerings, as supply chains start to move closer to the end consumer with fewer intermediate parts traded over long distances.

According to the report, Türkiye is the third most attractive foreign direct investment (FDI) destination for European companies. Beyond the EU, Türkiye with 12.4 percent stands as the most attractive FDI destination for the European firms, followed by Romania with 9 percent, the Czech Republic with 8 percent, Hungary with 7 percent and Bulgaria with 5 percent. The report continues with the comment that the location and workforce competitiveness make Türkiye an extremely attractive proposition for European companies across a number of sectors, including textiles, chemicals and automotive.

Türkiye also stands as the 8th most popular sourcing, nearshoring and reshoring country among the most 30 popular destinations globally, outflanking countries such as Romania, Hungary, Czech Republic, Bulgaria, Morocco, among others.

ACCESSIBLE ON [reuters-events.com](https://www.reuters-events.com).

WHY TÜRKİYE

TÜRKİYE: HUB FOR INNOVATION AND GROWTH

Within a 4-hour 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 803 billion** in 2021, up from USD 238 billion in 2002.

Over **USD 239 billion** of FDI between 2003-2021, while the total amount of FDI attracted between 1980-2002 stood at USD 15 billion.

ACCESS TO MULTIPLE MARKETS

EURASIA

GDP: \$2 trillion
Import: \$333.6 billion
Population: 234.9 million

MENA

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

EUROPE

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

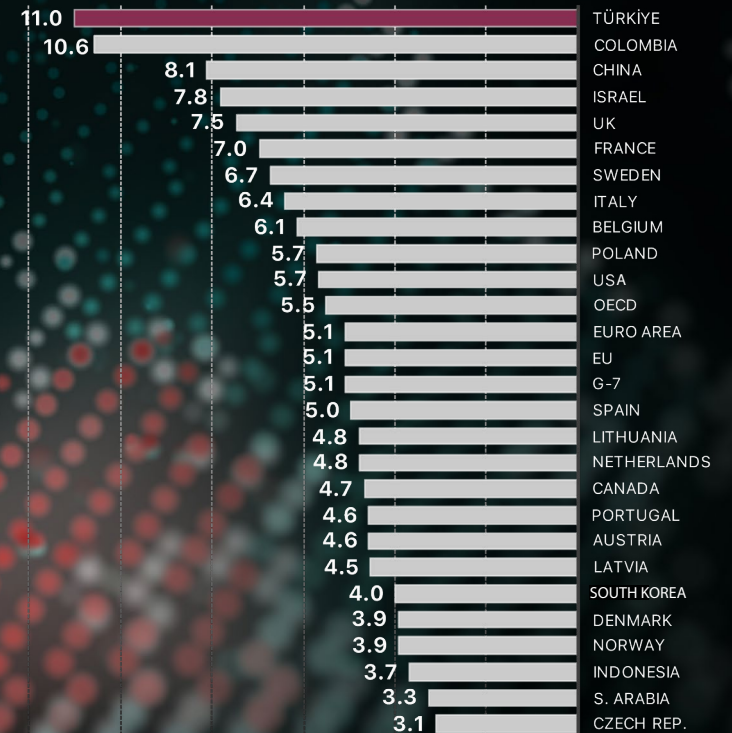
TOTAL

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

Source: World Bank, 2019
Comtrade, 2019

REAL GDP GROWTH (2021, %)

2021 GDP Growth Rates (%)



Source: OECD

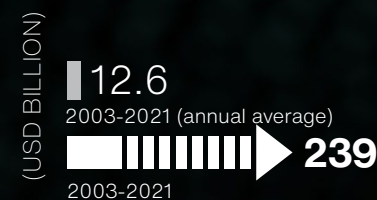
TÜRKİYE

was the fastest growing economy of the OECD members during 2003-2021, with an average annual growth rate of

5.4%

CUMULATIVE FDI INFLOWS TO TÜRKİYE

(USD BILLION)



Source: CBRT

- 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 Türkiye, while it takes an average of 8,5 days in OECD high-income countries.
- (World Bank Doing Business 2020)

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 5.4%

over the past 19 years.

(2003-2021, TurkStat)

SOPHISTICATED CONSUMER BASE

A population of 84.7 million,

half of which is under the age of 33.1.

(2021, TurkStat)

Largest youth population

compared with the EU.

(2020, Eurostat)

85.7 million

fixed and mobile broadband internet subscribers.

(July 2021, OECD)

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)

TÜRKIYE'S INFRASTRUCTURAL DEVELOPMENT



1ST

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



USD 159 Billion

Total value of PPP contracts in Türkiye during the 1986-2021 period.



253

Total number of PPP projects in Türkiye during the 1986-2021 period.



44,350

Number of hospital beds to be introduced once 31 integrated health campuses are put into operation across Türkiye. Of those, 20 will be PPP city hospitals with a total bed capacity of 31,315.



56

Number of airports in Türkiye increased from 26 in 2002 to 56 in 2020.





8,200

Total motorway length targeted to be reached in Türkiye by 2035.



60%

The share of rail sector among infrastructure investments in Türkiye in 2023.



42.4%

Share of renewable energy in total electricity production in 2020.



25%

Expected growth in Türkiye's total installed power generation capacity from 2020 to 2023 (from 95.9 GW to 120 GW).

For more info

invest.gov.tr/en/sectors/pages/infrastructure.aspx



“

In 2011, Daikin Türkiye was established following the acquisition of a local air-conditioning company.”

Türkiye's own growth potential is complemented by its strategic location at the heart of other emerging markets such as the CIS, the Middle East, and North Africa, and will thus act as a base for Daikin to expand business across these regions.

As a result of the acquisition, we also obtained a highly-skilled and spirited workforce, ready for the challenges ahead. We are convinced that new investment in Türkiye was the right decision.

Masatsugu MINAKA

Chairman of the Board, Daikin Europe N.V.



“

45 years of experience as a domestic manufacturer in Türkiye”

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 Türkiye, 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 Türkiye, the investment environment makes sense. And it is also easy to operate, thanks to the Investment Office President and his entire team.

Andrew N. LIVERIS

Former Chairman & CEO, DOW



“We are running 79 countries from Istanbul and are enjoying the dynamism, diversity, and availability of a high-quality work force.”

These attributes and more, we believe, represent big potential for Türkiye, in the way of development through the effective use of technology as well as becoming a

software and services provider to other countries, particularly the EU. Microsoft Türkiye will be here to support economic development and capacity building.

Jean-Philippe COURTOIS
Executive Vice President and President,
National Transformation Partnerships at
Microsoft



“We do believe the business opportunities in Türkiye are promising”

Due to its proximity to Europe, Asia, and the Middle East, its population of over 80 million featuring a young and motivated work force and high education level, as well as the long-lasting friendship between Türkiye and Japan.

We have various investments in Türkiye, such as in the healthcare sector and in the packaging sector. We also believe that the Türkiye's sustainable economic development for the medium and long-term will lead us to many other investment opportunities.

Tatsuo YASUNAGA
Representative Director, Chairman of
the Board of Directors



Who we are? ↓

Investment Office is the official organization that:

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

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.



We are here to facilitate your investment in Türkiye



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



USA



GERMANY



ITALY



SPAIN



TÜRKİYE



S. ARABIA



UAE



QATAR



CHINA



MALAYSIA



S. KOREA



JAPAN



FRANCE



UNITED KINGDOM



SINGAPORE

SECTORS

Agrofood

Automotive

Chemicals

Defense & Aerospace

Energy

Financial Investments & Startups

ICT

Infrastructure

Life Sciences

Machinery

Business Services

Financial Services

Mining & Metals

Real Estate

Tourism



Explore untapped investment opportunities across a variety of industries in Türkiye.

INVEST IN  TÜRKİYE

TÜRKİYE YOUR
RESILIENT
PARTNER

VISIT
invest.gov.tr

