



Country Profile Republic of TÜRKIYE

ICDT 2022

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General Data



General info

- Capital: Ankara
- Type of state: Parliamentary Democratic Republic
- Location: Asia and Eastern Europe
- Area: 785,350 km² - Time zone: GMT + 3

Demography

- Population: 86,450,545 - 2022
- Natural increase: 1.1% - 2021
- Official language: Turkish
- Business language: English

Currency

- Turkish Lira (TRY)
- 1 USD = 18.623266 TRY November 2022

macro economy

- GDP: 815.27 MM USD Growth: 11% - 2021
- GDP per capita: 9,586.6 USD - 2021
- Employment rate of people aged 15 and over: 42.8 %

International trade

- Imports – 2021: 271,423 MM USD
- Exports – 2021: 225.264 MM USD

FDI

- FDI stocks in 2021: 120.7 MM USD
- Inward FDI flows in 2021: USD 12.53 MM

Strong facts

Strategic geographical location, proximity to major export markets

Highly diversified manufacturing sector, significant knowledge in the field of production

Young population, qualified workforce

Renewable energy representing 53% of the country's total integrated capacity



GDP growth (annual %)



Türkiye is taking full advantage of the globalization of trade. Its economy is growing in all fields, whether in industrialization or in equipment.

About 11% of the Turkish territory is used as arable land. The country is mainly a producer of hazelnuts and wheat. The Turkish government places particular emphasis on large infrastructure projects, especially in the transportation sector, through the Build-Operate-Transfer (BOT) project financing model. The automotive and textile industries are the mainstays of Turkish industry. The tourism sector is a major source of foreign exchange for the country.

Rankings of Doing Business 2020 by Domain



Starting a business	Türkiye	Europe & Central Asia
Procedures (number)	7	5.2
Time (days)	7	11.9

The country ranks 33rd in the Doing Business 2020 ranking, an increase of 10 positions versus the previous year. In particular, improvements in tax payments have led to a higher ranking this year.

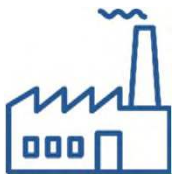


Main sectors of activity



7 %

Share of agriculture in GDP
It employs 18% of the population



28 %

Share of industry in GDP
It employs 25% of the population



59 %

Share of services in GDP
They employ 57% of the population



Sector Strategies



The "Vision 2023" project is an economic, social and political development program that defines the objectives to be achieved by 2023, with the goal of making Türkiye one of the world's top ten economic powers (Automotive, Transportation and Logistics/ Health and Social Security/ Agriculture, Agribusiness and Livestock/ Defense and Security/ Industry and High Technology/ Finance, Banking and Fintech/ Energy and Nuclear Technology/ Innovation, Management of public affairs and Human Development/ Tourism/ Environment and Urbanism).

This project defines ten "strategic" sectors to be developed to fulfill the common objectives of Vision 2023:

- Innovation and R&D: developing technological know-how
- Competitiveness
- Human skills development
- Made in Türkiye: building strong local brands for export
- Autonomy: reduce dependency on imports
- Regional strength: becoming a role model





Infrastructure



Maritime

The country has 17 trading ports (Altas Ambarli, Port of Mersin, Port of Istanbul, Port of Izmir, Port of Haydarpasa ...) covering the Mediterranean Sea and the Black Sea (Atlas Ambarli: about 2.7 million containers and 223,000 cars / year. The Istanbul Canal, currently under construction, is a canal project between the Black Sea and the Sea of Marmara, with the goal of decongesting the Bosphorus.



Road

95% of passenger traffic and 93% of domestic freight is by road. Türkiye has 2,036 km of freeways in operation, 31,428 km of national roads and 30,920 km of provincial roads. The highways serve the main Turkish cities and the European and Asian highway networks. The two shores are connected by the 3-storey Bosphorus Tunnel: 31 km long and 2 million passengers/year, the Avrasya Tunnel (Eurasia): located under the Bosphorus and the Yavuz Sultan Selim Bridge: 3rd bridge on the Bosphorus (8 road axes).



Airport

Türkiye has 30 airports including Istanbul Airport which ranks second in the world in terms of international passenger traffic in 2021 (more than 26.4 million international passengers in 2021, representing an increase of 66% compared to 2019). In 2020, a total volume of 6.87 billion ton-kilometers of cargo was transported by air.



Railway

The railway network of Türkiye is managed by the TCDD (Turkish Republic Railway Company). Its trains cover a large part of the country, and connect all major cities.

On the European side, Istanbul is connected to Greece (Uzunköprü border crossing) and Bulgaria (Kapıkule border crossing).

On the Asian side, the network is connected to Iran (Kapıköy border crossing), Syria (three border points of İslahiye, Karkamış and Nusaybın) and Armenia (Kars border crossing).



Promising Sectors



01

Automobile: 15th largest producer in the world, 4th in Europe - 1.5 million cars produced. Market: 13 billion dollars - Exports 25.5 billion dollars. The automotive sector has transformed from assembly-based partnerships into a full-fledged industry with massive design and production capacity.

02

Machinery & Electrical eqp : Largest producer of TV & home appliances in Europe - Market: \$34 billion - Export: \$28 billion. The sector is recognized for its R&D strength (35,000 engineers trained/year). Attractive input costs (competitive workforce, affordable and reliable energy supply and logistical advantages tied to the country's location

03

Aeronautics & defence : 19 billion in defense expenditures - Industry: \$11 billion. Among the fastest growing defense and aerospace industries in the world. Turkish companies are conducting activities in many critical areas, from original design development to domestic production, from modernization to modification, and from R&D to international projects.

04

Energy: Market: \$66 billion - Growing demand - Energy corridor - Untapped potential of renewables. Existing capacity is expected to reach 110 GW by 2023 with new investments to be commissioned by the private sector, as underlined in the 11th Development Plan for 2019-2023.

05

Agrifood: Market: \$103 billion - Export: \$19 billion to 200 countries. Thanks to its advantageous geographical conditions and climate, its vast arable land and abundant water reserves, Türkiye is considered one of the world's leading countries in the field of agriculture and food. 10th largest agricultural producer in the world (figs, hazelnuts, quinces and apricots).

06

Infrastructure: \$170 billion PPP investment (2003-2021) - More opportunities in the transportation, energy and health sectors. Türkiye leads the Middle Corridor within the Belt and Road Initiative.

07

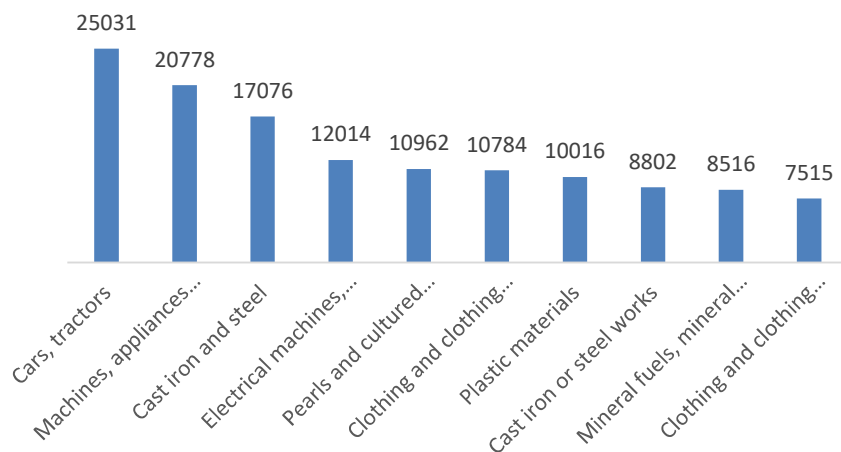
Finance: Strong double-digit growth - growing Islamic finance. The insurance market is still under-penetrated (1.5% of GDP) with the potential of a young and dynamic population that increasingly demands financial products and services. Istanbul is now regarded as one of the world's emerging financial centers.



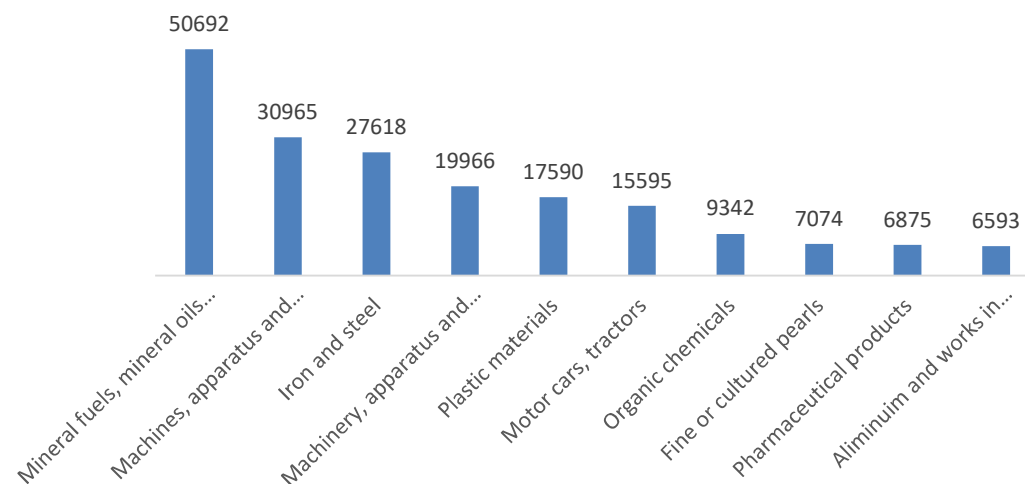
International Trade



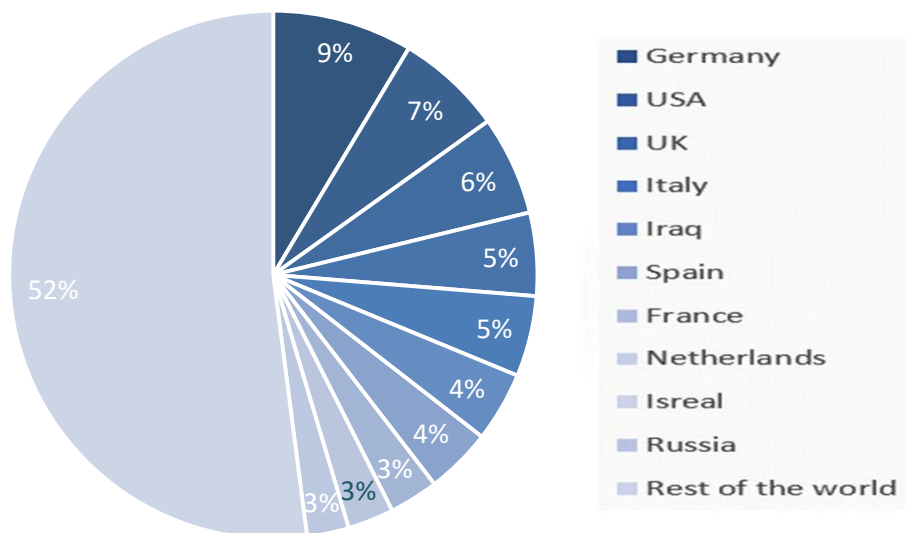
Main Products Exported by Türkiye in 2021 - Million USD



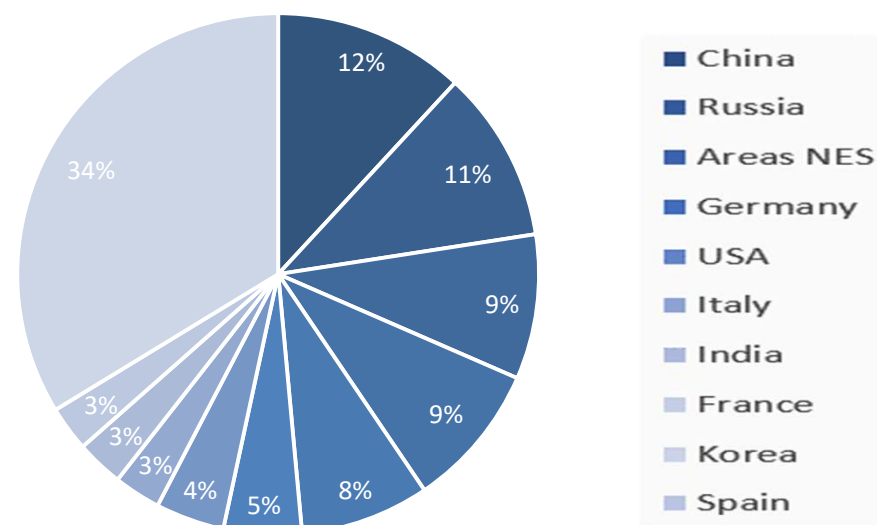
Main Products Imported by Türkiye in 2021- Million USD



Main Customers of Türkiye in 2021



Main Suppliers of Türkiye in 2021

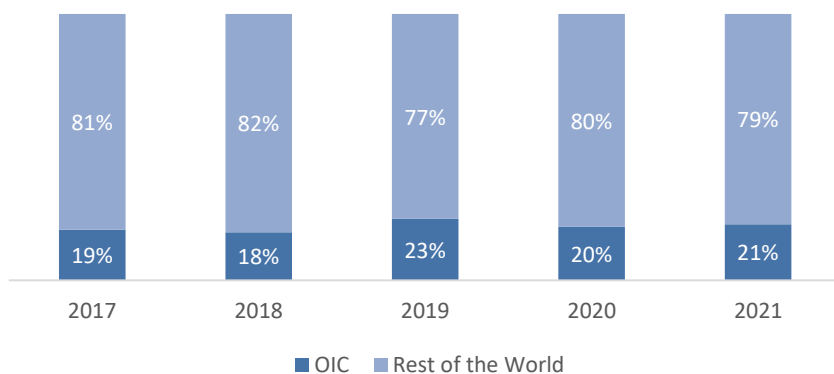




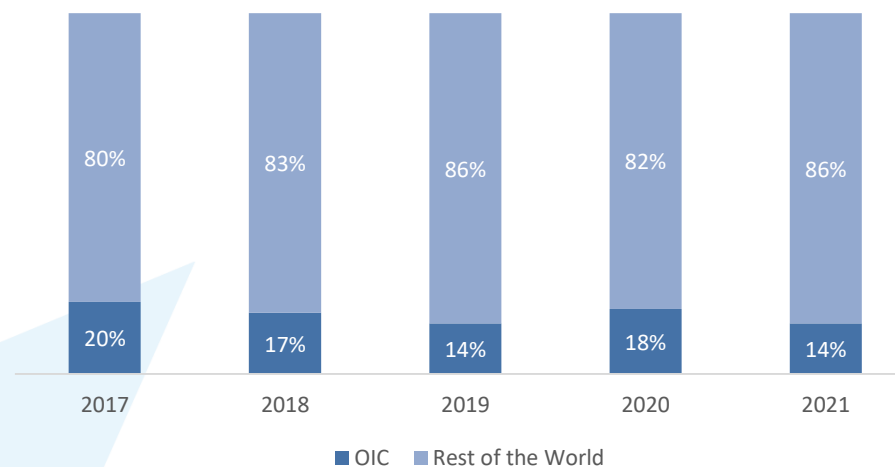
Intra-OIC Trade



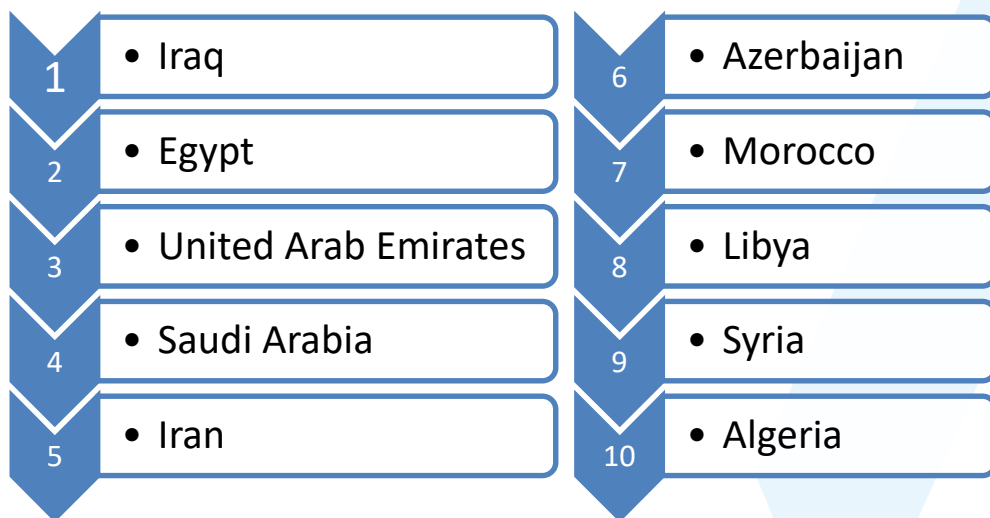
Share of OIC in Turkish's Exports



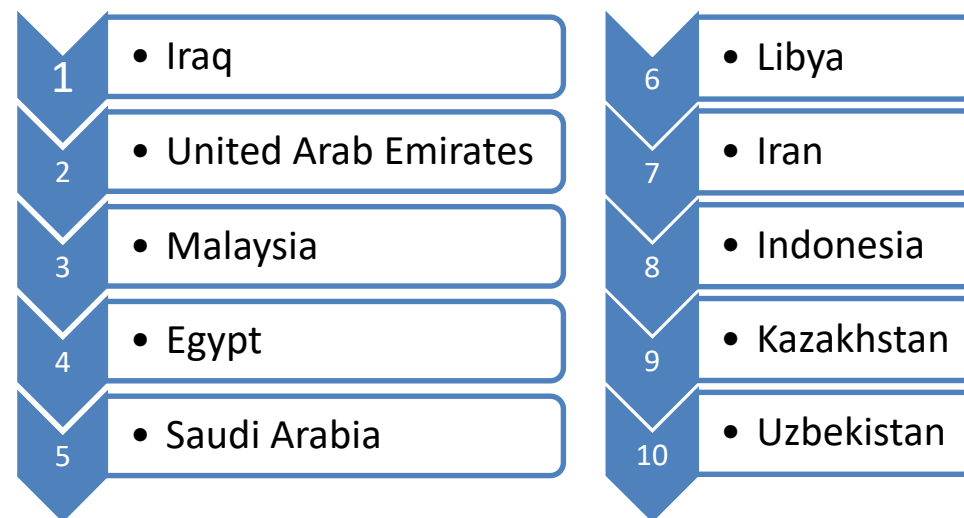
Share of OIC in Turkish's Imports



Top 10 Customers, OIC Members in 2020

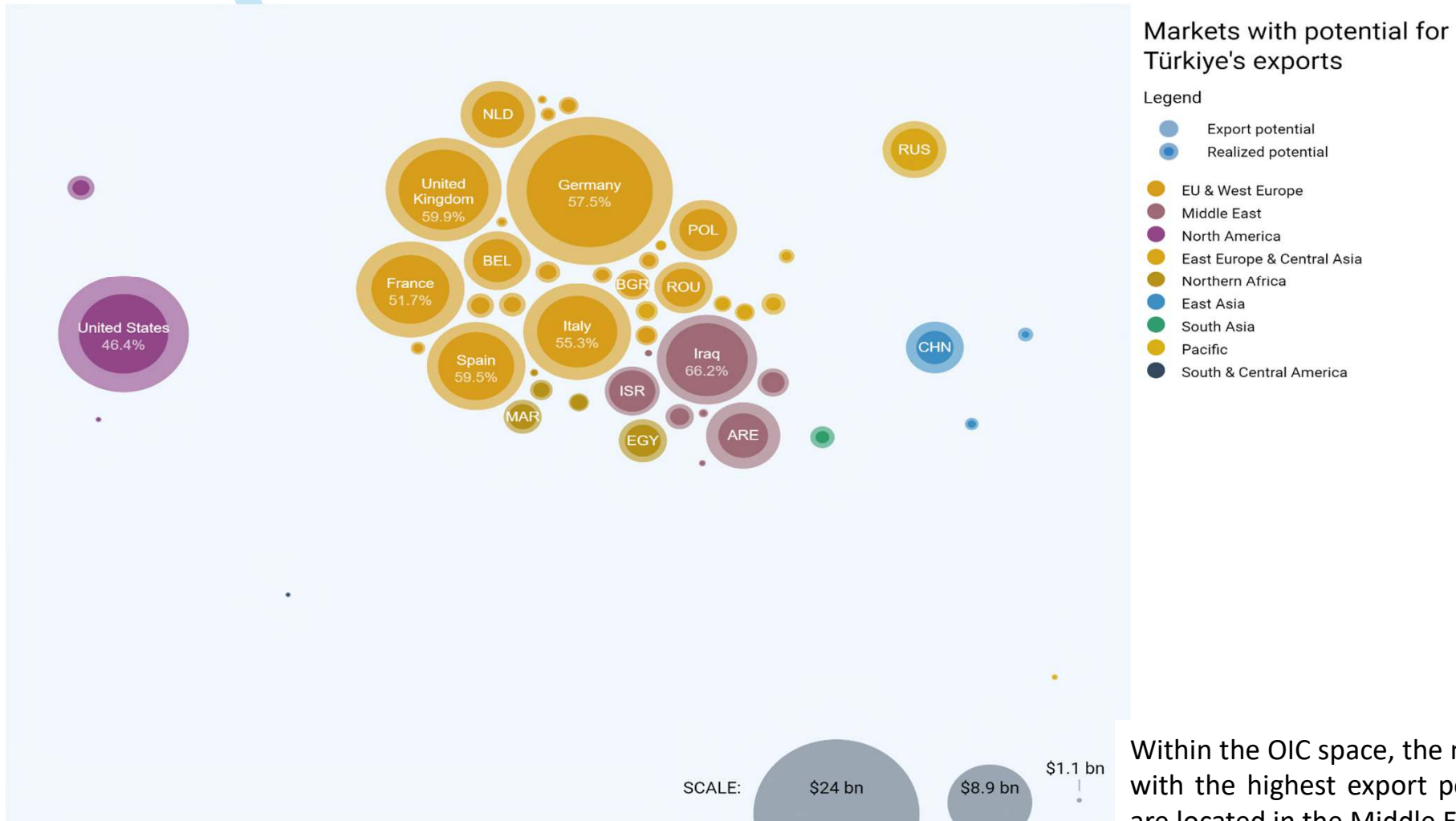


Top 10 Suppliers, OIC Members in 2020





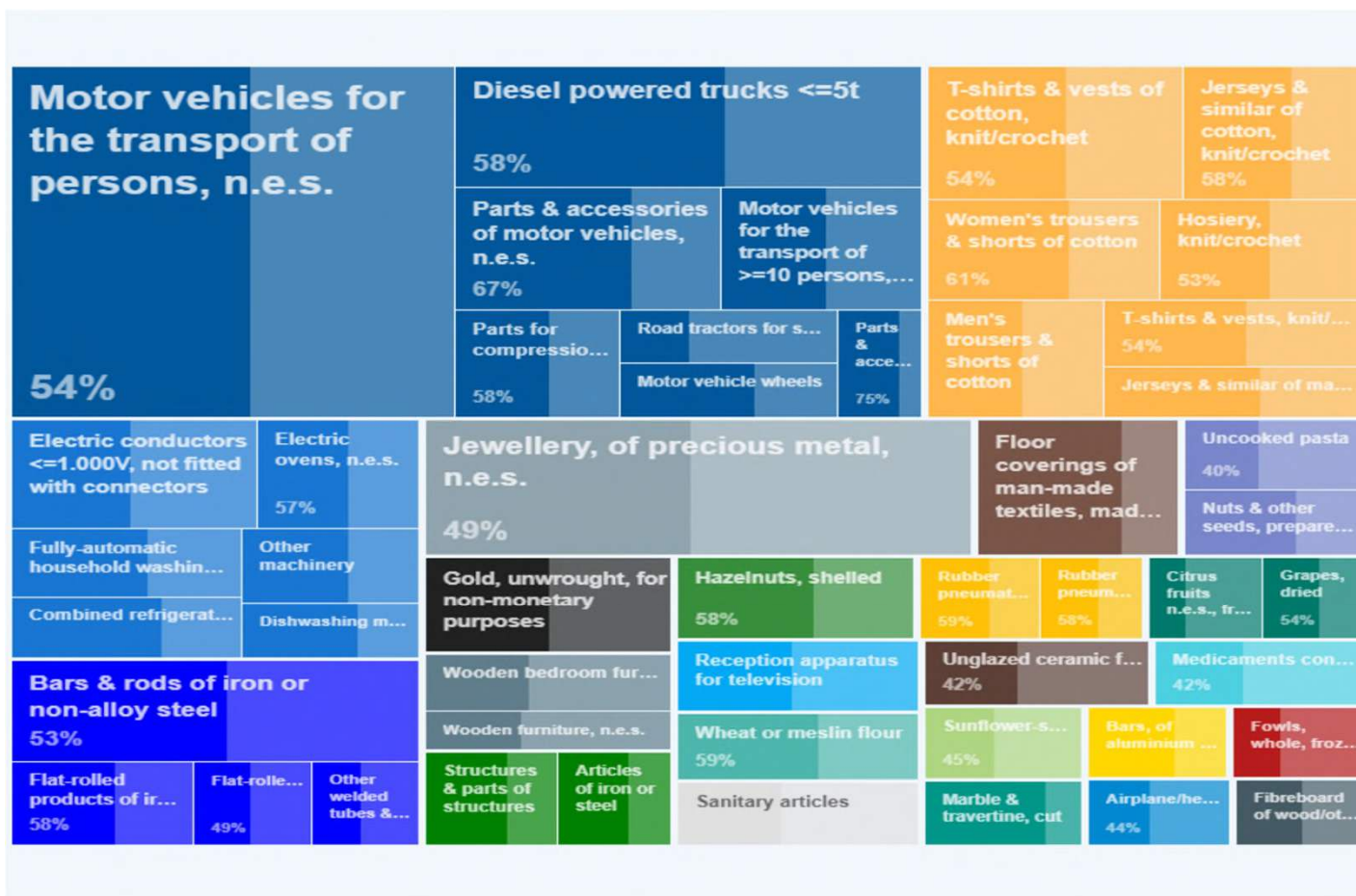
Export potential of Türkiye by country of destination



Within the OIC space, the markets with the highest export potential are located in the Middle East



Export potential of Türkiye by product



Türkiye's products with potential

Legend

- Export potential
- Realized potential
- Motor vehicles & parts
- Apparel
- Machinery, electricity
- Ferrous metals
- Jewellery & precious metal articles
- Carpets
- Food products n.e.s. (processed or preserved)
- Precious metals
- Wood products
- Metal products
- Nuts
- Plastics & rubber
- Fruits
- Electronic equipment
- Cereals (processed)
- Paper products
- Ceramic articles
- Pharmaceutical components
- Vegetable oils & fats
- Mineral resources

The products with the greatest export potential are passenger cars, cars for the transport of goods and jewelry items.



Market Access



Customs Duties and Taxes

Average rate: 10.7%

Average rate of agricultural products: 41.1%

Average rate of non-agricultural products: 5.8%

Trade Agreements

Member of WTO; Trade agreements: EFTA, Korea, Egypt, Economic Cooperation Organization (ECO), Protocol Regarding Trade Negotiations (PNC), United Kingdom Albania, Bosnia and Herzegovina, Chile, Georgia, Israel, Kosovo, North Macedonia, Malaysia, Morocco, Mauritius, Republic of Moldova, Montenegro, Palestine, Serbia, Singapore, Syria, Tunisia and EU.

Fairs and Exhibitions

For more information, please visit the website:

https://www.eventseye.com/fairs/c0_salons_turquie.html

Public markets

Türkiye's calls for tenders are published on the website: <https://www.invest.gov.tr/en/news/pages/tender-announcements.aspx>

Investing in Türkiye



Why Türkiye

Strong economy, large national and regional markets, strategic location, favorable demographics, skilled and competitive workforce, ongoing reform process, liberal investment climate, lucrative incentives, advantageous R&D ecosystem, sectoral opportunities.

Special Economic Zones

Total or partial exemption from taxes and corporate taxes on employees' salaries.

Rental incentives for their business premises and employment incentives for their qualified staff. 18 regions registered as SEZ.

Implemented Measures

Exemption from VAT, customs duty, property tax, stamp duty, special consumption tax, corporate tax.

Support for social security premiums, income tax withholding, interest rate, infrastructure, energy, capital contribution, training, qualified staff, credit, for authorization/license

Land allocation, VAT refund, guaranteed purchase, R&D/design discount.



Contacts



Sites

- **Ministère du Commerce**
<https://www.trade.gov.tr/>
- **Ministère de l'Industrie et de la Technologie**
<https://www.sanayi.gov.tr/index.html?lang=en>
- **Les agences de promotion des investissements**
Office d'Investissement de la République de Turquie :
<https://www.invest.gov.tr/>
- **Invest in Turkey (Conseil en investissement turc) :**
<https://www.investinturkey.com>
- **Administration des Douanes de la Turquie**
<https://www.ktb.gov.tr/>
- **Direction turque de l'administration de la privatisation**
www.oib.gov.tr

Autres sites

- **Administration turque de développement et de soutien aux petites et moyennes entreprises**
<https://www.kosgeb.gov.tr/>
- **Institut Turc de normalisation**
<https://www.tse.org.tr/>
- **L'Assemblée des exportateurs turcs (TİM)**
<https://www.tim.org.tr/>
- **Les appels d'offres, les projets et les marchés publics**
- **Tenders Info, Appels d'offres en Turquie**
<https://www.tendersinfo.com/>
- **DgMarket, Appels d'offres dans le monde :**
<https://www.dgmarket.com/tenders/>