



INVEST IN TURKEY

newsletter

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Muzaffer Yaşar , Michael Henke , Mehmet Şükrü Tekbaş , Şevket Akınlar , Marco Motta , Kemal Kafadar , Faruk Kurtulmuş

Fraunhofer IML to cooperate with Istanbul University

With the support of the Investment Support and Promotion Agency of Turkey (ISPAT), the Fraunhofer Institute for Material Flow and Logistics (Fraunhofer IML) and Istanbul University have signed a strategic cooperation agreement to work jointly on improving Turkey's logistics industry through research and development in applied logistics.

The signature ceremony took place during a conference titled "Applied Logistics in Industry- University Collaboration," held at Istanbul University's Avcılar campus. The conference brought together industry representatives and academicians.

Addressing the participants at the spoke of the crucial importance and highlighted the increased use "Recognizing the logistics sector several other sectors, ISPAT supports investors with projects involving know-how and the transfer of technology. We are proud to have assisted Fraunhofer IML's entry into our logistics sector and we know that this partnership will create substantial added-value thanks to the institute's cooperation with Istanbul University," Kafadar noted.



Fraunhofer
IML

conference, ISPAT Advisor Kemal Kafadar that logistics costs have for any industry of technology in the Turkish logistics sector. as a strategic field that directly influences

Expressing his gratitude for ISPAT's assistance, Fraunhofer IML Director Prof. Michael Henke said that Turkey's logistics sector had the potential to create added-value in other sectors. "Through collaboration with Istanbul University and manufacturing and logistics industry partners, Fraunhofer IML aims to bring new synergy and power to the Turkish logistics industry," Henke remarked.

With its steadily growing, export-driven economy, Turkey has set goals for its 2023 centennial that include achieving an export volume of USD 500 billion, a GDP of USD 2 trillion, and the establishment of Turkey as a global logistics hub.



Turkish Cargo commissions new terminal

Turkish Cargo, a subsidiary of Turkish Airlines (THY), has commissioned a new cargo terminal at İstanbul's Ataturk Airport that will significantly increase the company's freight handling capacity. The inauguration ceremony was attended by Minister of Finance Mehmet Şimşek, Minister of Customs and Trade Nurettin Canikli, and THY executives.

Speaking at the ceremony, THY General Manager Temel Kotil pointed to İstanbul's rise as an international flight hub and noted the airline's enormous contribution in bringing 12 million tourists to the city in 2014. "The new facility is a significant addition to the cargo handling and transfer capacity of Turkish Cargo, and will serve efficiently until the new airport is completed."

The construction of a new airport, set to be one of the largest in the world in terms of passenger capacity, is underway in İstanbul's Arnavutköy district. THY Chairman of the Board Hamdi Topçu spoke of the company's spectacular success during the past decade, giving passenger figures as an example. "THY carried 56 million passengers last year, up from 10 million a decade ago. We are continuously improving our service quality and have received several awards in the process," he remarked. The airline holds a record in the number of destinations flown, with over 260 destinations on five continents.

Turkish Cargo provides the most efficient connections to leading production and commercial centers across the globe. It has a network of more than 260 destinations in 108 countries, currently served by 9 freighters with 48 destinations and 253 passenger airplanes.

Istanbul to take center stage at MIPIM 2015



Turkey's continent-spanning metropolis will be represented in all its glory at MIPIM, the premier event of the global property market.

Scheduled to take place in Cannes on March 10-13, MIPIM 2015 will feature a number of other Turkish cities as well as İstanbul, foregrounding investment opportunities in one of the hottest real estate markets in the world.

Visitors to the Turkey pavillion will experience İstanbul's scenic natural beauty and multicultural character via a scale model of the city and its landmarks.

The cities of Ankara, Antalya, and Balıkesir will be represented at the show with their latest property projects catering to international investors.

The Investment Support and Promotion Agency of Turkey (ISPAT) is participating in the event, along with several Turkish developers and construction companies. Turkey was recognized as "Country of Honor" at MIPIM twice in a row, in 2013 and 2014.

The abundance of projects suited to international investors brought real estate purchases by foreigners in Turkey to USD 4.3 billion in 2014, rising by 41 percent over the preceding year.

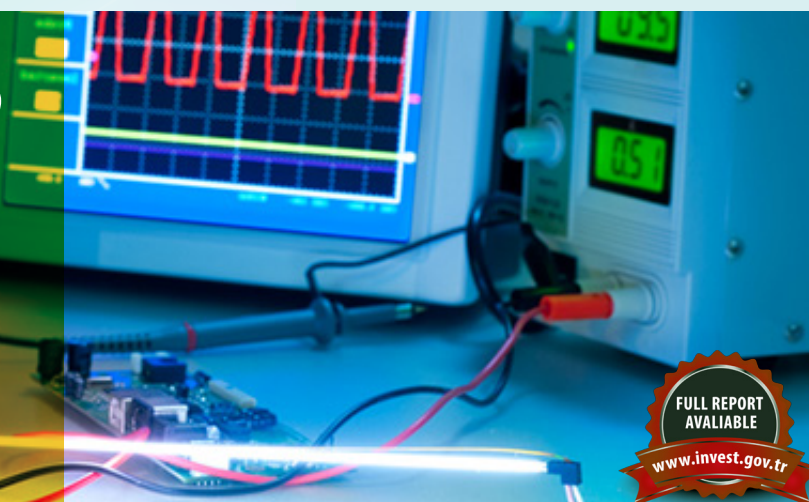
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ELECTRONICS

Turkey is home to the regional headquarters of sector-leading multinationals.



Competitive incentives, along with a geostrategic location as a hub connecting Europe and MENA, make Turkey very attractive for both production and management operations. Many multinational companies, including Microsoft, Intel and General Electric have either established manufacturing bases in Turkey or moved their headquarters there, as the country offers a robust platform for economic expansion on a regional scale.

Turkey's young population is strongly motivated to work in the electronics sector and provides a high-quality work force for investors. In recent years there has been a continuous rise in both the number of university students pursuing relevant studies and the number of job opportunities open in the sector.

Unparalleled growth opportunities

Consumer electronics accounted for the largest share in the Turkish electronics market production sector, with 34.8 percent in 2012 reaching USD 4.4 billion, followed by the telecommunications equipment sector with 19 percent, other professional equipment with 17 percent, computer equipment with 15 percent, defense electronics with 9 percent, and components with 5 percent. As the second biggest sub-sector in production, telecommunications equipment grew by 1.7 percent in 2012, reaching USD 2.3 bln. Although with USD 2.62 bln, telecommunication equipment accounted for the lion's share in overall electronic exports, its growth rate was 5.4 percent.

Turkey attaches great importance to research and development centers and clusters. There are currently a total of 35 R&D centers related to the electronics sector and 16 relevant clusters, which bring the industry together with academia for innovative technology development projects.

Abraaj Capital invests in Turkish e-tailer

THE
ABRAAJ
GROUP

The Dubai-based private equity investor Abraaj Group has acquired 25 percent of Turkey's largest online retailer, Hepsiburada.com, from its parent company Doğan Online of Doğan Group.

The undisclosed investment by Abraaj Capital will hasten the company's operational expansions in IT, CRM, and mobile shopping departments.

Abraaj Capital has been active in Turkey since 2007, and has invested in Turkish companies in a number of sectors, including healthcare, food, energy consultancy, and yacht building.

Another Gulf-based equity investor, the Abraaj Group announced the acquisition of majority stakes in Arvento Mobile Systems, a Turkish telematics company, a few weeks ago.

A fast grower in e-commerce, Turkey has an internet user base of nearly 40 million people, according to data by the country's Information and Communication Technologies Authority (BTK).

Samsung launches R&D center in Turkey

South Korean electronics giant Samsung has set up an R&D center in Turkey in cooperation with local tech firm Semper-Tech.

The opening ceremony of the facility, located at Teknopark İstanbul, was attended by Turkey's Science, Industry, and Technology Vice-Minister Davut Kavranoglu, Samsung Electronics Turkey President Yoonie Joung and South Korean Ambassador to Turkey Yunsoo Cho. The facility will conduct R&D on next-generation wireless technologies with a particular focus on healthcare and educational software.

Turkey has an extensive investment incentives package in place specifically tailored for research, development, and innovation-related activities.

ISPAT Team at Work

Meeting with Japanese Investor Community



Finance Minister Mehmet Şimşek and ISPAT Vice President Arda Ermut were in Tokyo, Japan on February 26-27 to meet with Japan's Deputy Prime Minister, Taro Aso. The team addressed the Japanese investor community at a roundtable meeting hosted by ISPAT and Mitsubishi UFJ Morgan Stanley Securities. Şimşek's team also met with the CEOs of major investor companies, including Mitsubishi Electric, IHI, Taisei Corp. and The Bank of Tokyo-Mitsubishi UFJ (BTMU). The delegation concluded its busy itinerary with an investment seminar hosted by ISPAT, JCCME and BTMU.

"Doing Business in Turkey" Seminars in India



Finance Minister Mehmet Şimşek and the ISPAT delegation led by Vice President Arda Ermut held a series of investment seminars in Mumbai and New Delhi, India on February 23-24 to promote Turkey's investment climate and address decision makers of leading Indian corporations with global ambitions.

US-Turkey Economic Partnership Commission Meeting



ISPAT gave a presentation on large-scale infrastructure and PPP projects at the 11th US-Turkey Economic Partnership Commission (EPC) meeting held in Washington D.C. on February 12. The EPC meeting focused on exploring ways to expand bilateral trade and investment and strengthen collaboration in science, technology, energy and global health.

2015 will be the 100th anniversary of the Çanakkale Wars, one of the most important and largest wars of the history.

To mark the centenary of the Çanakkale Wars, the Republic of Turkey is set to hold a number of ceremonies and events to commemorate the occasion with the participation of leaders both from Turkey and abroad.

For more: www.canakkale2015.gov.tr



Upcoming

Workshop: Renewable Energy Perspectives in Turkey

5 March 2015

Lyon, FRANCE

A workshop on business and investment perspectives in Turkey's renewable energy sector will be held at "Be Positive," Lyon's major environment and energy show. Utku Bayramoğlu, ISPAT's Country Advisor in France, will address a presentation to French renewable energy companies.

Seminar: Business Opportunities in Turkey

6 March 2015

Granada, SPAIN

Yasemen Korukçu, ISPAT's Country Advisor in Spain, will give a presentation on Turkey's investment climate at the "Business Opportunities in Turkey" meeting to be held by the Granada Chamber of Commerce and Industry in Spain.



Head Office

Kavaklıdere Mahallesi Akay Cad.No:5
Çankaya/ANKARA 06640 - TURKEY
P: +90 312 413 89 00

Office

Dünya Ticaret Merkezi A1 Blok Kat:8 No:296
Yeşilköy/İSTANBUL 34149 - TURKEY
P: +90 212 468 69 00
info@invest.gov.tr