

# Tips for Doing Business in Turkey



As the most eastern country in the West and the most western country in the East, Turkey is a natural bridge between East-West, North-South and Europe-Asia. This 37th-largest country has seven neighboring countries — Greece, Bulgaria, Georgia, Armenia, Iran, Iraq and Syria — and it has 77.7 million inhabitants.

## Quick Facts

Capital	Ankara
Financial Center	Istanbul
Head of State	President Recep Tayyip Erdogan (since 2014)
Head of Government	Prime Minister Ahmet Davutoglu (since 2014)
Ruling Party	The Justice and Development Party (AKP)
Land Mass	770,760 km <sup>2</sup> (297,592 mi <sup>2</sup> )
Sea and Water	9,820 km <sup>2</sup> (3,792 mi <sup>2</sup> )
Currency	Turkish lira (TRY=100kurus)
Language	Turkish (official), other minority languages
Religion	Muslim 99.8% (mostly Sunni), other 0.2%
Telephone Code	+90
Time Zone	GMT +2

Beside its favorable geographical position and demography, supported by a stable microeconomic policy framework, solid banking sector, and dynamic and mature private sector, Turkey's booming economy tripled its GDP to U.S. \$800 billion in 2014, from U.S. \$231 billion in 2002. It did so through stable economic growth, with an average annual real GDP growth rate of 4.7 percent. That has made Turkey, the sixth-largest economy in the European Union and the 16th-largest economy in the world.

Turkey is the access point to 1.6 billion customers, \$26 trillion of GDP and \$8 trillion trade volume of 56 countries in Europe, Eurasia, the Middle East and North Africa within less than four hours' flight. This fact has already motivated more than 41,000 companies with international capital to establish a presence in Turkey.

Other attractions for investors are growing domestic consumption by the prospering middle class and large young, well-educated workforce, which can be clearly seen in the below figures.

	2002	2014
Per capita income (\$)	3,492	10,404
Consumer loans (B\$)	2.2	69
Labor Force (Million)	21.6*	28.7
Number of shopping centers	60	342**
Motor vehicle in traffic (Million)	4.6	9.8
Air travellers (Million)	33	166
Broadband Internet Subscribers (Million)	0.1	39.9
Mobile Phone Subscribers (Million)	23	71.9
Credit Card Users (Million)	16	57

\*This data belongs to 2005.

\*\*<http://www.milliyet.com.tr/iste-turkiye-deki-avm-sayisi/ekonomi/detay/1957430/default.htm>

With high variety of opportunities and equal treatment for all investors, doing business in Turkey can be highly rewarding for those who are well prepared.

Interesting business facts about Turkey:

- Largest youth population compared with the EU
- Free trade agreement (FTA) with more than 22 countries
- Customs Union with EU since 1996
- Half Turkey's population was under the age of 30.7 in 2014.
- Avoidance double taxation agreement with 73 countries
- R&D and Innovation Support Law
- Tax benefits and incentives in Technology Development Zones, Industrial Zones and Free Zones
- Total volume of imports was U.S. \$242.2 billion in 2014.

- 245 destinations in 105 countries across four continents can be reached by Turkish Airlines, making it fourth in the world by number of destinations.
- Sixth-most-popular tourism destination in the world, with 35.5 million foreign visitors in 2012



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