



PRESIDENT ERDOĞAN SWORN IN AS TURKEY'S FIRST EXECUTIVE PRESIDENT

After taking the majority of the votes in the presidential elections held on June 24th, President Recep Tayyip Erdoğan was sworn in at the Grand National Assembly in Ankara on July 9th.

After the swearing-in ceremony, an inauguration was held at the Presidential Complex. In his speech President Erdoğan said "We will make major moves in every area from macroeconomic balances to investments to make Turkey one of the 10 largest economies in the world".

22 world leaders as well as vice presidents, parliament speakers, prime ministers of several countries and representatives from six international organizations attended the ceremony.

The inauguration was followed by a dinner hosted by the President Erdoğan at the Presidential Complex.

STATE OF EMERGENCY LIFTED IN TURKEY IN JULY

The State of Emergency (SoE), declared by the Council of Ministers following the coup attempt against the democratically elected Turkish Government on July 15, 2016, was lifted as of July 18, 2018.

The main purpose of the SoE was to remove the threats of the failed coup attempt and to hold the coup plotters accountable, ensuring that those involved were identified and brought to justice swiftly. The SoE provided for the recovery of free and civil democratic order in Turkey.

The SoE did not impose any ban on movement, gatherings, or free press, and did not impact the day-to-day lives of individuals.

PRESIDENTIAL INVESTMENT OFFICE

In line with the transition to the presidential government system, Investment Support and Promotion Agency of Turkey was repositioned as the Presidential Investment Office.

Attached directly to the Prime Ministry since its establishment in 2006 and focused on attracting sustainable and value-added FDI into Turkey, Invest in Turkey will continue its efforts by directly reporting to the President beginning from July 2018.

PRESIDENT ERDOĞAN ANNOUNCES HIS CABINET

On July 9th, after the inauguration at the Presidential Complex, President Recep Tayyip Erdoğan unveiled the first cabinet of the new executive presidential system.

As the number of ministries has been reduced to 16 from 26 to create a more streamlined structure, the number of economic affairs related ministries has also been reduced to 3 from 6, creating a more effective and efficient economic administration.

Turkey's first vice president along with the newly appointed ministers were sworn into office at the Grand National Assembly on July 10th.



THE NEW CABINET INCLUDES A VICE PRESIDENT, ALONG WITH:

- Minister of Agriculture and Forestry
- Minister of Culture and Tourism
- Minister of Energy and Natural Resources
- Minister of Environment and Urbanization
- Minister of Foreign Affairs
- Minister of Health
- Minister of Industry and Technology
- Minister of Interior
- Minister of Justice
- Minister of Labor, Social Services, and Family
- Minister of National Defense
- Minister of National Education
- Minister of Trade
- Minister of Transportation and Infrastructure
- Minister of Treasury and Finance
- Minister of Youth and Sports



TURKEY SETS UP NEW TREASURY AND FINANCE MINISTRY, EYES MORE EFFICIENT ECONOMY

The first major event on newly appointed Treasury and Finance Minister Berat Albayrak's agenda was the G20 Meeting of Finance Ministers held in Buenos Aires, Argentina on July 21st-22nd. Upon his return, on the 23rd and 24th of July, Minister Albayrak held meetings with economists and business people in Istanbul and discussed with the participants a range of issues on the Turkish economy including inflation, growth, and fiscal discipline.

In a press statement, Albayrak said that the purpose of these meetings was to consult with all the counterparts of the Turkish economy to prepare the Medium-Term Program. He added that as the Minister of Treasury and Finance, he will continue to hold such meetings regularly in the future.



INCENTIVES FOR VALUE-ADDED INVESTMENT PROJECTS NOW ATTACHED TO MINISTRY OF INDUSTRY AND TECHNOLOGY

In line with the restructuring of ministries, the General Directorate of Incentive Implementation and Foreign Investment has been repositioned under the Ministry of Industry and Technology.

Right after his appointment, Minister of Industry and Technology Mustafa Varank made his first visit to Teknopark İstanbul, which boasts over 4,500 highly qualified R&D employees and over 1,200 local high-tech projects.

The Minister stressed that they will endeavor to take Turkey's immense potential in innovation and R&D further. The Minister also underlined that Turkey today has 57 technoparks in operation, in addition to 24 more that are currently in the establishment phase. In 2002 there were only five technoparks in all of Turkey.

TURKEY BECOMES THE 7TH MOST POPULAR FDI DESTINATION IN EUROPE

FDI is a lifeblood for economies. Investment decisions such as establishing plants, R&D centers, and developing other assets are signs of confidence in a country. EY's "Europe Attractiveness Survey" has been tracking these investment decisions since 2000.

According to the EY Attractiveness Survey Europe - June 2018, Turkey became the 7th most popular FDI destination in Europe in 2017 (+3 places from previous year), was home to 229 projects (+66 percent y-o-y) and enjoyed a 3 percent share in all FDI projects across Europe.

These figures once again prove that international investors are confident in the Turkish economy and investment environment at a time when global FDI flows fell by 23.4 percent in 2017 and show fragile growth in 2018.

TURKVEN INVESTS IN TURKISH ELIF PLASTIC

Turkven, the leading private equity company in Turkey with a track record of billions of dollars of FDI inflow into the country, has bought a majority stake in the Turkish packaging company Elif Holding.

Established in 2000, Turkven is the first independent private equity company in Turkey. It currently has USD 2 billion of assets under management, and funds advised by Turkven have led 20 investments in Turkey, including equity and debt financing. The international investors in funds advised by Turkven provide the company with a unique global network.

TOP 15 DESTINATIONS IN EUROPE BY FDI PROJECTS

	2016	2017	CHANGE IN RANK VS. 2016	SHARE (2017)	% CHANGE
UK	1,138	1,205	-	18%	6%
GERMANY	1,063	1,124	-	17%	6%
FRANCE	779	1,019	-	15%	31%
NETHERLANDS	409	339	-	5%	-17%
RUSSIA	205	238	+2	4%	16%
SPAIN	308	237	-1	4%	-23%
TURKEY	138	229	+3	3%	66%
BELGIUM	200	215	-	3%	8%
POLAND	256	197*	*	3%	*
FINLAND	133	191	+1	3%	44%
IRELAND	141	135	-2	2%	-4%
CZECH REPUBLIC	110	134	+1	2%	22%
ROMANIA	132	126	-1	2%	-5%
SERBIA	46	118	+8	2%	157%
HUNGARY	107	116	-1	2%	8%
OTHERS	876	1,030	-	15%	18%
TOTAL	6,041	6,653		100%	10%

Source: EY Attractiveness Survey Europe June 2018.

Analysis based on IBM database, 2017; EY European Investment Monitor, 2016

CHINA'S ALIBABA INVESTS IN TURKISH E-COMMERCE COMPANY

China-based internet giant Alibaba Group declared that it has decided to invest in Turkish e-commerce company Trendyol at the end of June 2018.

Trendyol is one of the leading e-commerce companies in Turkey and holds a leading position among online fashion retailers. The Competition



Authority approved the deal on July 24th.

Previously, President Recep Tayyip Erdoğan received founder of Alibaba Jack Ma on the occasion of his official visit to New York to attend the 72nd United Nations General Assembly meetings in September 2017.

US-BASED ENTERPRISE CAR RENTAL SET TO INVEST IN TURKEY

US-based car rental company Enterprise is set to invest TRY 1 billion (USD 210 million) in Turkey this year. The US giant, which has the largest fleet in the car rental industry with around 2 million vehicles in 95 countries, signed an agreement with the national flag carrier Turkish Airlines last year.



Enterprise Turkey CEO Ozarslan Tangun stated that the company currently operates with around 10,000 vehicles in Turkey, with plans to triple this figure, as well as the number of offices, within the next 5 years. CEO Tangun added that Enterprise has plans in the works for Istanbul's new airport.

5

JULY

INVEST IN TURKEY HOLDS AUTOMOTIVE SEMINAR IN JAPAN

To give an insight into Turkey's rapidly-growing automotive industry and business opportunities available to investors, Invest in Turkey and JETRO organized a joint seminar on July 5th in Tokyo.

The seminar featured presentations on Turkey's investment climate and



current outlook of the automotive industry by Invest in Turkey Country Senior Advisor in Japan Yuichi Aoki, Invest in Turkey Project Director Ethem Tokgözü, Aisin Turkey President Murat Ayabakan, and Itochu GM Ryutaro Mashiko.

Given its unique advantages

such as large domestic market and lucrative export opportunities, Turkey is a manufacturing home to Ford, Fiat, Hyundai, Renault, Toyota, Honda, and several other leading automotive companies. These brands use the Turkish market as a hub to export to Europe and Asia.

5

JULY



TURKEY'S STARTUP ECOSYSTEM PROMOTED IN PARIS

Invest in Turkey Country Advisor in UK Murat Özdemir and Hackquarters Startup Accelerator CEO Kaan Akin presented on Turkey's startup ecosystem at the MCAA Workshop on Driving Solutions for Science in Business held in Saclay University in Paris by the Marie Curie Alumni Association in conjunction with Université Paris-Saclay, Université Paris-Sud, the European Commission, and supported by Invest in Turkey.

Among the nearly 100 attendees were management of the Saclay ecosystem, companies and institutions such as Thales, Nokia, CEA, startup accelerator SATT (Sociétés d'Accélération du Transfert de Technologie), and PHD and post-doctoral candidates.

22

JUNE



EUROPEAN INSTITUTE FOR EURASIAN DIALOGUE RECOGNIZES INVEST IN TURKEY'S SUCCESS

Italy-based European Institute for Eurasian Dialogue (EIEAD) carried out a comparative study of the FDI incentive schemes of several countries in the Eurasia region (namely, Azerbaijan, Armenia, Iran, Israel, Lebanon, and Turkey) so that entrepreneurs could assess the best location for their investments and for establishing their presence in the area. The result of this research revealed that Turkey is the country with the most advantageous incentives system and that Invest in Turkey was the most successful investment promotion agency in the region. The award ceremony held in Lercici, Italy, on June 22nd. EIEAD aims to increase the political and economic/ industrial cooperation between the EU countries (Italy in particular) and the Eurasian region.



www.invest.gov.tr

Invest in Turkey, the official investment advisory body of Turkey, is a knowledge-center for foreign direct investments and a solution partner to the global business community at all stages of investments. It provides customized guidance and qualified consulting before, during, and after entry into Turkey.

[/investturkey](https://www.instagram.com/investturkey)

[/invest-in-turkey](https://www.linkedin.com/company/invest-in-turkey)

[/investinturkeysocial](https://www.facebook.com/investinturkeysocial)