

**BRIEF NOTICES****Turkey's GDP growth rate hits 4% in 2013**

Turkey's GDP expanded by 4.4% in the final quarter of 2013, resulting in 4% full-year growth, the Turkish Statistical Institute (TurkStat) said in a recently released statement. The 4.4% growth in Q4-2013 represents the 17th consecutive quarter in the Turkish economy's growth trajectory. Far exceeding the EU economies in GDP growth rate for the last year, Turkey's economy hit USD 820 billion in size at current prices. Turkey's annual GDP growth stood at 2.2% in 2012 following impressive growth rate figures of 9.2 and 8.5% respectively in 2010 and 2011. (*Aksam*, 02/04/2014)

Saica to acquire Turkish company OMK

Saica has announced its intention to acquire Turkish company OMK. OMK is based in Eskisehir in the north-west of Turkey and produces corrugated board. The company employs 260 people and has annual sales of approximately €20m. The financial details of the transaction were not disclosed nor was the expected date for its completion. Saica is currently active on markets in Spain, France, Portugal, Italy, Ireland and the UK where it employs a total of 8,000 people. The group's overall production capacities amount to 2.5 million t of recycled containerboard and 2.5 billion m² of corrugated packaging. In addition, it recovers around 3 million t of paper for recycling through its Saica Natur division. (*Euwid-paper.com*, 12/03/2014)

Automotive**German Mubea inaugurates production plant in Turkey**

Germany's major automotive supplier Muhr und Bender KG (Mubea) has opened its EUR 20 million manufacturing plant in the Manisa Organized Industrial Zone in Turkey. The new facility is Mubea's first greenfield investment in Turkey and will focus on the production of suspension coil springs and stabilizer bars -- components that were previously imported to Turkey. (ISPAT, 17/04/2014)

Turkey's auto exports hit 6-year high

According to figures released by the Uludag Automotive Industry Exporters Union (OIB), in March, auto plants in the country shipped motor vehicles and parts worth USD 2.1 billion to foreign markets, registering an increase of 14% over the same month of 2013. Having reached USD 5.5 billion with an increase of 8% over a year earlier, the Turkish auto industry's first-quarter exports are also contributing to the increased annual target. The country's automotive production rose 5% in 2013 to 1.13 million vehicles. (*Yeni Safak*, 08/04/2014)

Tourism**Istanbul: World's top travel destination**

Turkey's historic city is 2014's top pick as global travel destination, according to travel website TripAdvisor. Assessing the most popular tourist hotspots all around the world, TripAdvisor's selection for this year has placed Istanbul in the lead, followed by Rome and London. Jumping 11 places from last year, Turkey's megacity has emerged as the top destination, chosen by millions of TripAdvisor users impressed by its rich heritage and scenic beauty. Over 10 million tourists visited Istanbul last year, up 12% from 2012. Home to countless tourist attractions, Turkey welcomed more than 35 million foreign visitors in 2013, becoming the 6th most popular travel destination in the world. (*Sabah*, 09/04/2014)

Energy**Turkey to launch solar tender worth EUR 1.2 billion**

Turkey's Energy Market Regulatory Authority (EMRA) will launch the solar tender for the Elazig and Erzurum provinces in Eastern Anatolia in May. Aiming to build a capacity of 600 megawatts utilizing solar power, the strong investor interest in Turkey's solar potential necessitates a tender process to grant investors a license to build and operate photovoltaic power plants in certain locations. Nearly 500 companies have applied for solar energy generation licenses of up to 7.8 gigawatts since last

year, reaching a total project value of EUR 15 billion. The country aims to have at least 3 gigawatts of installed power made up of solar energy by 2023. (Sabah, 15/04/2014)

German energy companies team up to tap Turkey's wind potential

Two German energy companies, PNE Wind and STEAG New Energies, have announced the establishment of a JV to develop wind power projects in Turkey. Wind farm developer PNE Wind and one of Germany's largest electricity producers, STEAG, will have equal shares in the new company, which aims to reach an installed capacity of 700 megawatts (MW), almost one quarter of Turkey's current wind power generation. With 2956 MW of installed power, Turkey is among the top 10 wind energy producers in Europe, according to data from the European Wind Energy Association. The country's installed capacity of 62,000 MWs as of the end of 2013 is expected to reach 120,000 MWs in 2023, 20,000 MW of which will be generated by wind farms. (Sabah, 11/04/2014)

Financial Services

Turkey to attract more Gulf banks – S&P analyst

Turkey's efficient and highly profitable banking industry is set to continue to attract foreign investors, especially from the Gulf countries, according to Standard and Poor's (S&P) Turkey Senior Banking Analyst, Goksenin Karagoz. "Banking institutions from the Gulf countries are interested in Turkish banks. The most recent example being Qatar Islamic Bank's interest in Bank Asya. A number of Turkish banks were acquired by Gulf lenders and Odeabank, a division of Lebanese Bank Audi, set up shop in the country", the S&P analyst said, stating that news of more acquisitions by Gulf lenders in Turkey would not come as a surprise. (Yeni Safak, 16/04/2014)

Turkish insurance market growing strongly – Fitch Report

Turkey's life and non-life insurance markets are making robust profits that are leading to healthy overall growth in the sector, according to Fitch Ratings' newly released 'Turkish Insurance Sector - Non-Life Back to Profit, Life Performance Steady' report. Economic growth, favorable demographics, rapid urbanization and an expanding middle class are the key reasons for the strong growth of the Turkish insurance sector, the report states, underlining the Turkish government's policies that encourage use of insurance through various incentives such as 25% state contribution to private pension plans. The life market has seen its profits go up by 13% on average in the 2008-2013 period and made approx. USD 214 million in profits in 2013, while the non-life sector made approx. USD 357 million last year, following 4 years of poor results. (ISPAT, 24/04/2014)

Chemicals

Cargill acquires Turkish oleochemicals producer

US-based multinational Cargill has announced the acquisition of Alemdar Kimya, a producer of vegetable oil-based industrial commodities in Turkey. The total investment cost of the deal is reported as USD 50 million, including all shares, name rights, facilities and a land plot adjacent to 95-year old Alemdar Kimya's production site in Gebze, Kocaeli. Becoming Cargill's third oleochemicals plant outside the US and Russia, the Gebze plant will produce various industrial raw materials to be used in textiles, printing, machinery, and other sectors. (Milliyet, 25/04/2014)

Food and Beverage

Ferrero increasing investments in Turkey

Italian confectionery group Ferrero is set to boost its investments in Turkey. Commissioned last year, the company's plant in Turkey's Aegean province of Manisa will be upgraded to produce more varieties of its Kinder brand chocolates. Ferrero will add approx. USD 47.5 million to its initial investment of USD 142.5 million to expand the plant's product range. The world's 4th largest manufacturer of confectionery products, Ferrero is a major buyer of Turkish hazelnuts. The country accounts for some 75% of the world's hazelnut production. (Habertürk, 10/4/2014)

ICT

HP considering printer plant in Turkey

Supplying its desktop markets in Eastern Europe, the Middle East and North Africa from Foxconn's factory in Corlu, Turkey, American tech giant Hewlett-Packard (HP) is looking into setting up a printer and cartridge manufacturing plant in the country. HP has been the leading brand in Turkey's PC and printer market for the last 12 years. Taiwanese electronics manufacturer Foxconn began the production of HP-branded desktop PCs in its Corlu plant in 2011. (Milliyet, 07/04/2014)

Transportation and Logistics

Foreign investors eye shipyards in Turkey

Foreign investors, with an ever-growing interest in Turkey, have now set eyes on shipyards. Shipyard lands are leased from the state for a period of 49 years, and in the event of an extension of

the time limit, millions of dollars worth investment will flow to Turkey, according to industry players. According to Suheyl Demirtas, Secretary General of the Turkish Shipbuilders' Association (GISBIR), the injection of foreign capital into Turkey will also provide shipbuilders with opportunities for offshore constructions, while daily rentals of a platform have reached USD 1 million. He added, "There are globally renowned companies with offshore operations. Turkey leases platforms from various countries for its oil and gas explorations. (Sabah, 01/04/2014)

Others

Turkey-Malaysia sign FTA

Turkey and Malaysia have signed a free trade agreement (FTA) to boost their bilateral trade to an annual USD 5 billion, up from last year's USD 1.5 billion as decided upon during Turkish Prime Minister Recep Tayyip Erdogan's visit to the Southeast Asian country last January. Under the provisions of the FTA, all customs duties on all industrial products will be lifted over the next 8 years. (Sabah, 18/04/2014)

Yusen Logistics to make Turkey a regional hub

Having established its Turkish division in 2012, Yusen Logistics' plans include making use of Turkey's central location as a regional hub and management center for the surrounding markets. Yusen Logistics is planning to open offices in the Middle East, Turkic republics and North Africa which will all be managed from Turkey. The country will be Yusen Logistics' regional hub over the next 5 years", the head of Yusen Logistics Turkey stated. (Dunya, 14/04/2014)

Airbus supplier breaks ground for Turkish plant

Flammaerotec of the Flamm Group of Germany has broken the ground for an aircraft components plant in the European Free Zone in Tekirdag's Corlu district in northwestern Turkey. The company, a certified supplier to European aircraft manufacturer Airbus, will manufacture components for the Airbus A380 at the plant which will then be exported to Germany for assembly. To be built at a cost of EUR 15 million, the plant will employ some 300 people once operational. Airbus Military, the military arm of Airbus, relies on Turkish Aerospace Industries (TAI) in Ankara for the production of the various components of the A400M transport aircraft. (Dunya, 22/04/2014)

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