

TURKEY

Legal Provisions

Compiled by:

Swiss Business Hub Turkey

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GENERAL REMARKS

Turkey is a secular, unitary, formerly parliamentary republic that adopted a presidential system with a referendum in 2017; the new system came into effect with the presidential election in 2018. It is largely located in Western Asia, with the smaller portion of Eastern Thrace in Southeast Europe. Turkey is bordered by eight countries: Syria and Iraq to the south; Iran, Armenia, and the Azerbaijani exclave of Nakhichevan to the east; Georgia to the northeast; Bulgaria to the northwest; and Greece to the west. The Black Sea is to the north, the Mediterranean Sea to the south, and the Aegean Sea to the west. The Bosphorus, the Sea of Marmara, and the Dardanelles (which together form the Turkish Straits) demarcate the boundary between Thrace and Anatolia; they also separate Europe and Asia. Turkey's location at the crossroads of Europe and Asia makes it a country of significant geostrategic importance.

Turkey is a member of various international political, economic and military organisations including the Council of Europe, the Organisation for Economic Co-operation and Development (OECD), the International Bank for Reconstruction and Development (World Bank), International Monetary Fund (IMF), Black Sea Economic Co-operation Zone (BSEC), North Atlantic Treaty Organisation (NATO), The Organization for Security and Co-operation in Europe (OSCE), Organization of the Islamic Cooperation (OIC).

Turkey was granted candidate status to the EU in December 1999. The Accession Partnership was approved by the EU Council in February 2001. On October 6, 2004, the EU Commission recommended to start negotiations with Turkey for full membership. As a result, in December 17, 2004, the European Council decided to start accession talks with Turkey on October 3, 2005. The official negotiations have been started and the process covers 35 chapters in different fields. Reacting also to the European Commission 2019 country report, the Council of the EU recalled in June 2019 that Turkey continues to move further away from the EU; noting that Turkey's accession negotiations have therefore effectively come to a standstill and no further chapters can be considered for opening or closing and no further work towards the modernisation of the EU-Turkey Customs Union is foreseen. Turkey remains a candidate country for the EU membership and a key partner in many areas of joint interest such as migration, counterterrorism, economy and trade.

CUSTOMS

The Customs Union EU-Turkey has been in force since 1995 and is based on the 1963 [Ankara Agreement](#) and its Additional Protocol (1970). It foresees

- free movement between the two parts of the customs union for the [goods](#) covered which are either wholly produced or put in free circulation after their importation from third countries in either Turkey or the [EC](#)
- alignment of Turkey with Community common customs [tariff](#), including preferential arrangements, and harmonisation of commercial policy measures
- approximation of customs law, in particular through Decisions of the Customs Co-operation Committee (e.g. Decision No 1/2001) and mutual assistance in customs matters
- approximation of other laws (intellectual property, competition, taxation, ...)
- preferential agreement on agriculture (rules of origin)

The Customs Union covers exclusively

- [industrial products](#)
- [processed agricultural products](#)

The Customs Union does not cover

- agricultural products, as defined in [Annex I of the Amsterdam Treaty](#). These are subject to [Decision of 1998 on the trade regime for agricultural products](#) (yet Turkey and Switzerland have a bilateral agreement on agricultural goods)
- coal and steel products, as covered by the European Coal and Steel Treaty. These are subject to the [European Coal and Steel Community](#) - Turkey Agreement on a free trade area for products covered by the ECSC.

Turkey is the EU's 6th biggest trade partner, representing 3.6% of the EU's total trade in goods with the world in 2020. The EU is by far Turkey's largest import and export partner, as well as its main source of investments. In 2020, 33.4% of Turkey's imports came from the EU and 41.3% of the country's exports went to the EU.

The EFTA States signed a Free Trade Agreement with Turkey in Geneva, Switzerland, on 10 December 1991. The Agreement entered into force on 1 April 1992. The EFTA States signed a modernised and expanded [Free Trade Agreement](#) in Sauðárkrúkur, Iceland, on 25 June 2018. An overview of all free trade agreements can be seen here: <https://www.trade.gov.tr/free-trade-agreements>

The legal framework of the economic relations between Switzerland and Turkey are the following arrangements:

- Trade Agreement (entered into force on 13.10.1930)
- Agreement on the Organisation of Commercial Exchange and Payments (entered into force on 28.03.1942)
- Agreement on the Reciprocal Promotion and Protection of Investment (entered into force on 03.03.1988)

- Free Trade Agreement EFTA-TURKEY (entered into force on 10.12.1991).
- Memorandum of Understanding (MoU) of Joint Economic Commission (KEK) (signed on 06.02.2001)
- Memorandum of Understanding (MoU) on High Level Commercial and Economical Consultation between the Government of Republic of Turkey and the Government of Swiss Confederation (signed on 28.01.2002).
- Agreement on the Avoidance of Double Taxation with Respect to Taxes on Income and Property. The agreement has been signed on June 18, 2010 in Berne. Since February 8, 2012 the agreement is in force with minor revisions in 2012 and 2013.
- MoU in Energy Cooperation (2009)
- EFTA Protocol E (Mutual Recognition of Conformity Assessment of Products) (2011)
- Modernised and extended Free Trade Agreement EFTA-TURKEY has been signed on 25 July 2018 and in force starting on October 1, 2021.
- Agricultural Agreement between Switzerland and Turkey will be in force starting on October 1, 2021.

Please refer to

- Ministry of Foreign Affairs www.mfa.gov.tr for more information on the Turkish foreign policy
- EFTA www.efta.int for more information on EFTA-Turkey agreements and trade
- The Secretariat General for EU Affairs (www.abgs.gov.tr) and the Delegation of the European Commission to Turkey (www.avrupa.info.tr) for the Turkey-EU relations.

IMPORT AND EXPORT REGULATIONS

Import Regulation

Goods imported into Turkey may be subject to various charges: customs taxes and levies (customs tariffs, and the mass housing fund levy); and internal taxes (excise duties also known as the Special Consumption Tax, the VAT, and the stamp duty). As a result of its participation in the customs union with the EC, Turkey has, since 1996, based its tariff on all industrial products and the industrial components of processed agricultural products (imported from third countries), on the EC common external tariff. However, the free trade agreements (FTAs) signed by the EU do not extend to Turkey, so the EU's FTA partners can export to Turkey tariff-free while maintaining tariffs on Turkish goods unless they also conclude a separate FTA agreement with Turkey.

Turkey is a member of the GATT/WTO and regulates its customs in line with the GATT requirements. Consistent with WTO commitments, Turkey maintains high border protection on many agricultural goods and food products.

The existing import regime has been in force since 2012. The Import Regime of 2012, reflecting both Turkey's international rights and obligations and the country's economic needs, has been prepared by taking into account the agreement establishing the World Trade Organization (WTO), the Customs Union Agreement between Turkey and the European Union, the free trade agreements signed with various countries, the preferential treatments granted by Turkey to the least developed countries and some developing countries within the framework of the generalized system of preferences and also the specific needs and requirements of the agricultural and industrial sectors.

The Import Regime for the year 2021 is published in the Official Gazette No. 31351 dated December 31, 2020 and entered into force on January 1, 2021:

<https://www.resmigazete.gov.tr/fihrist?tarih=2020-12-31&mukerrer=3> The Import Regime for 2021 consists of three President Decrees, two regulations and 20 Communiqués. Seven lists and four Annexes have been attached to the Import Regime Decree. While the lists indicate the rates of customs duties applied to agricultural and industrial products on the basis of country or country groups, the annexes summarize the products under regime consideration for some country groups:

- List No. I: agricultural products
- List No. II: agricultural products: HS-Codes 5,9,13,14,15,17,18,19,20,21,22 and 24
- List No. II: industrial products: HS-Codes 24-97
- List No. III: processed agricultural products
- List No. IV: fish and other fisheries
- List No. V: customs duty suspended industrial goods
- List No. VI: customs duty suspended goods only for use in civil aircrafts
- List No. VII: agricultural products benefiting from reduced customs tax within the scope of end-use application

Along with the Lists of products and Annexes associated with those Lists, the Import Communications are also important components of the Import Regime. The Ministry of Trade regulates and monitors the imports of certain goods on grounds of public morality, public policy or public security; protection of health and life of humans, animals or plants or protection of industrial and commercial property; protection of the environment; consumer rights as well as import policies in force. These grounds also include a number of international agreements and conventions to which Turkey is a party.

To this end, within the context of the Turkish Import Regime, the Ministry introduces Import Communications in which the procedures and documentation required during the imports of certain goods are specified:

- 2021/ 1 Communication on international fairs in Turkey
- 2021/ 2 Communication on imports of war weapons and parts thereof
- 2021/ 3 Communication on imports of radioactive substances and apparatus using such substances
- 2021/ 4 Communication on imports of high intensity sweeteners
- 2021/ 5 Communication on imports of maps and similar documents
- 2021/ 6 Communication on generalized system of preferences
- 2021/ 7 Communication on imports of motor vehicles
- 2021/ 8 Communication on imports of products used in civil air crafts
- 2021/ 9 Communication on imports of used or renovated goods
- 2021/10 Communication on imports of bank notes and similar commercial papers
- 2021/11 Communication on imports of some explosive substances, fire guns, knives and similar articles
- 2021/12 Communication on the registration of end-use certificates for dual-use goods and technologies
- 2021/13 Communication on imports of some products which affect workers' health and work security

- 2021/14 Communication on imports of ozone depleting substances and fluorinated greenhouse gas
- 2021/15 Communication on imports by public institutions and organizations
- 2021/16 Communication on imports of fertilizers
- 2021/17 Communication on imports of substances listed in the annexes to the Convention on the Control of Chemical Weapons
- 2021/18 Communication on products of which the customs duties will be suspended
- 2021/19 Communication on the import of medical diagnosis kits
- 2021/20 Communication on the import of goods with electronic personal credentials

Export Regulations

Turkey has been implementing an export-oriented strategy since 1980. The basic objective of this strategy is to constitute an outward oriented economic structure in the framework of free market economy and to be integrated with world markets.

The Export Regime regulates general rules and principles of merchandise export, inward and outward processing activities, strategies for export supports, export development and promotion activities, transit trade.

The Export Regime Decree is prepared by taking into account Turkey's rights and obligations stemming from WTO as well as Turkey's commitments in the framework of the Customs Union between the EU and Turkey.

More information about Turkey's import & export regime can be obtained from the website of the Ministry of Trade (<https://ticaret.gov.tr/>)

CURRENCY REGULATIONS

The Turkish Lira (Currency sign: ₺ ;Turkish: Türk lirası) is the currency of Turkey and the Turkish Republic of Northern Cyprus (recognised only by Turkey).

Turkey's monetary unit the Turkish Lira (TL) was replaced by the New Turkish Lira (YTL) as of 01.01.2005 and six zeros were dropped from TL (1 YTL = 1'000'000). At the same time, the Government introduced two new banknotes called TRY100 and TRY50 Old TL banknotes that were withdrawn from circulation as of 01.01.2006. The Central Bank converts them to new banknotes for a period of 10 years.

In the transition period between January 2005 and December 2008, the second Turkish lira was officially called *Yeni Türk Lirası* (New Turkish lira).-It was officially abbreviated "YTL" and subdivided into 100 new *kuruş* (*yeni kuruş*). Starting in January 2009, the "new" marking was removed from the second Turkish lira, its official name becoming just "Turkish lira" again, abbreviated "TL".

All obverse sides of current banknotes and reverse sides of current coins have portraits of Mustafa Kemal Atatürk. Hence, behavior that can be considered as disrespectful are prohibited.

The exchange rates are freely determined in the market, while the Central Bank (www.tcmb.gov.tr) might intervene in the market by buying and selling large amounts in case of high volatility in the market. Banks authorised to deal in foreign currencies may buy and sell at rates that are freely defined according to market conditions. Foreign investors are free to convert and repatriate their Turkish Lira profits.

REGISTRATION PROCEDURE FOR PRODUCTS

An importer needs a tax number to import all but restricted items, including firearms, hazardous materials, and other products that can only be imported by authorized establishments or for which approval from the Directorate General of Security is required. In accordance with the import regime enacted in December 2011, Control Certificates are required only for animals, animal products, and certain plants such as seeds, seedlings, saplings and flower bulbs.

The import permission certificates for [agricultural goods, animals and animal goods](#) are issued by the Ministry of Agriculture and Forests (<https://www.tarimorman.gov.tr>). Besides the import permission certificate, the import of the before mentioned products also require a content certificate, analysis certificate, health certificate and label example in accordance with the Turkish codes. The import of [tobacco and alcohol](#) also requires a permission certificate.

The certificates for [pharmaceuticals and chemicals used to produce medicines and medical products](#) are given by the Pharmaceutical and Medical Devices Institution under the Ministry of Health (www.titck.gov.tr). [Competence certificate](#) for products that require after sales service are obtained from the Ministry of Trade (www.ticaret.gov.tr). Precious metals (gold, silver, etc.) can only be imported by the members of the [Istanbul Precious Metals Exchange](#) (www.borsaistanbul.com).

The documentation procedures follow the EU system. All commercial shipments must be accompanied by a customs declaration form, a commercial invoice, a certificate of origin and a bill of lading or airway bill, depending on the shipment method. Two types of movement certificates are used; A.TR for the imports from the EU countries and EUR.1 for the imports from the EFTA countries.

All packages, cases and bales must bear shipping marks, numbers, dimensions and the gross weight of the merchandise. Packages and the bills of lading that are to be shipped through Turkey should be marked "in transit".

[Inward Processing](#): A material can be temporarily imported to Turkey without duties and taxes if it is to be used in the production of a product that is to be exported. The aim of the inward processing application is to enable the exporters to supply materials for the production of their exports, without being subject to customs taxes (including VAT). The maximum time for inward processing is 12 months. The permission is given by the Customs Office and the authorization by the Directorate General Export of the Ministry of Trade.

Temporary Importation Regime (TIR): The main principle of this regime is to allow the goods for use in Turkey for a certain time period (3 to 24 months depending on the product type) and then re-export them. The goods will not be subjected to any change except for the normal depreciation. The permission for TIR is assigned by the Ministry of Trade (www.ticaret.gov.tr).

ATA carnet is also used for goods temporarily imported into Turkey. With the carnet, goods like commercial samples, goods intended for use at trade shows and exhibitions, professional equipment, etc. may be imported without paying any duties and taxes. Carnets are valid for one year and may be used for multiple exits and entries to countries that accept the Carnet.

Outward Processing: The main principle of the system is to allow goods that are in free-circulation to be exported out of Turkey for a processing operation. The goods when they come back to Turkey are released for free circulation with total or partial relief from import duties. If the goods are processed when they are temporarily exported, then customs duties are charged for the processed portion.

According to the Turkish Customs Regulations, imports of certain goods such as; narcotics, some dyes, gambling machines and equipment, etc. are prohibited. Also, imports in the context of the Vienna Convention on Protection of Ozone Layer and its protocols are prohibited. A list of prohibited or restricted products can be viewed at www.ticaret.gov.tr.

Import of some other products is not prohibited but restricted if they do not meet the requirements set to protect humans, animals and the environment. For example, import of electronic devices is not prohibited; however, if these devices are not compliant with the technical standards established by the [Turkish Standards Institute](#), they may not be imported. Similarly, food products that are not compliant with the requirements set by the Ministry of Agriculture and Forest cannot be imported into Turkey.

Regarding the pharmaceuticals, in general, the Ministry of Health provides protection for confidential test data submitted in support of applications to market pharmaceutical products in Turkey.

The Turkish Pharmaceutical and Medical Device Institution, within the Ministry of Health, is responsible for granting licenses to pharmaceutical products. These licenses are granted under the Licensing Regulation on Human Medicinal Products ("Licensing Regulation"), which outlines the documents and information required. Licenses from the Ministry include permission to import pharmaceutical products into Turkey.

Overall Turkey has aligned its legislation with the EU regulation to a large extent. Although the administrative capacity improved, it is still poor and effective enforcement of the legislation is overall insufficient. The legal system in Turkey protects and facilitates the acquisition and disposal of property rights. However, the fight against infringement of laws is insufficient and the functioning of the judicial system is slow. Counterfeiting and piracy are still major concerns of trademark holders. The responsible body in Turkey for the registration of patents, trademarks and copyrights is the [Turkish Patent Institute](#) (TPI). The TPI is member of the European Patent Convention (EPC).

Patents can be registered by applying to the TPI directly or the Patent Co-operation Treaty (PCT). A patent granted without full examination is valid for 10 years from the date of application. If a full examination is conducted the patent is protected for 20 years.

A registered trademark is protected for 10 years upon filling the application and is renewable every ten-year period. If a trademark or a well-known brand is not used in Turkey for 5 consecutive years and the owners gives no good reason for the lack of use, it loses its protection.

STANDARDS, TECHNICAL RULES, LABELLING REGULATIONS

Packages along with accompanying bills of lading for goods to be shipped through Turkey must be marked "In Transit." All goods entering Istanbul or any other entry port in Turkey (Ankara, Iskenderun, Izmir, Antalya, Mersin, Sinop, Samsun, and Trabzon) will be cleared through customs, and full payment of duty will be required unless the packages and bills of lading are marked "In Transit." Goods marked "In Transit" may be cleared for entry and reshipment.

For certain goods, specific labels might be needed, i.e., some products might need to be cleared by the Ministry of Agriculture and Forestry, and some by the Turkish Standards Institute (TSE). Information that needs to be posted on the labels is announced on the websites of the relevant institutions, some examples are [Turkish Cement Manufacturers' Association](#), and [Classification Society and Conformity Assessment Body](#).

Although Turkey is not an EU member, it has fully implemented many of the European CE marking directives.

TAXES

Turkey has one of the most competitive corporate tax rates in the OECD region. The Corporate Tax Law No. 5520 that was enacted on June 21, 2006 made some important amendments to the current applications and also included new concepts in the tax legislation. With the new Corporate Tax Law in place, Turkish corporate tax legislation now has noticeably clearer, more objective and better harmonized provisions which are in line with international standards.

Turkish tax regime can be classified under three main headings:

- Income Taxes
- Taxes on Expenditure
- Taxes on Wealth

Income Taxes

Turkish tax system includes two main income taxes; namely individual income tax and corporate income tax. Although individual income tax and corporate income tax are governed by different laws, many rules and

provisions pursuant to individual income tax also apply to corporations, particularly in terms of income elements and determination of net income.

1. Individual Income Tax

Real persons' income is subject to individual income tax. The income is defined as the net amount of all earnings and revenues derived by an individual within a single calendar year. As per the Income Tax Law, income may consist of the elements listed below:

- Business profits
- Agricultural profits
- Salaries and wages
- Income from independent personal services
- Income from immovable property and rights (rental income)
- Income from movable property (income from capital investment)
- Other income and earnings

According to the Turkish Tax Legislation, there are two main types of tax statuses regulated on the basis of residence: resident taxpayers, and non-resident taxpayers. Resident taxpayers (those who reside in Turkey, and those who spend more than a continuous period of six months in Turkey within a calendar year) are taxed on their earnings and incomes derived in and outside Turkey, whereas non-residents (those who do not reside in Turkey and those who do not spend more than a continuous period of six months in Turkey within a calendar year) are taxed only on their earnings and incomes derived in Turkey.

The individual income tax rate varies from 15% to 35%.

2. Corporate Income Taxes

In case income elements specified in the Income Tax Law are derived by corporations, taxation is applicable for the legal entities of these corporations. Corporate taxpayers defined in the law are as follows:

- Capital companies
- Cooperatives
- Public economic enterprises
- Economic enterprises owned by associations and foundations
- Joint ventures

Corporations with legal or business centers located in Turkey are qualified as residents and subject to tax on their income derived in Turkey and other countries. If both the legal and business centers are not located in Turkey, then these corporations are qualified as non-residents and subject to tax only on their income derived in Turkey. The legal center is the place stipulated in the Articles of Association or incorporation law of corporations that are subject to tax, while the business center is defined as the place where business activities are concentrated and managed.

In Turkey, the corporate income tax rate levied on business profits is 23%.

Resident corporations are subject to a 10% withholding tax when dividends are paid out to shareholders; however, dividends paid by resident corporations to resident corporations are not subject to withholding tax. As a share capital increase by the corporation using the retained earnings is not considered to be a dividend distribution, no withholding tax for dividends applies. Similarly, non-resident corporations are subject to a 10% withholding tax during remittance of such profits to the headquarters. The withholding tax is applied on the amount after the deduction of corporate income tax from taxable branch profits.

The standard VAT rate is 18% but reduced rates are applied to different product categories (8% to textile goods, basic foods, books and publications, hotel accommodation, 1% to financial leasing, used cars, agricultural commodities and newspapers). The VAT can be deductible or refunded in some cases. In the case of imports, the VAT that is paid can be offset against output VAT if the import transaction is directly related to the business activity. The importer is responsible for paying the VAT. The VAT is calculated on a CIF basis plus duty rate and any other applicable charges levied before the goods clear customs.

Taxpayers who delivered goods and/or services that fall within the scope of VAT-exempt categories (specifically exports, mining explorations, transport services and diplomatic exemptions) are allowed to deduct VAT paid in the generation of such goods and services. Where such deduction is not possible, the subject tax can be refunded later to the taxpayer.

Special consumption tax (ÖTV) is also levied for certain goods on the delivery, first acquisition or imports of different kinds of goods determined in different kinds of lists.

Capital goods, some raw materials, imports by government agencies, imports by free zones and state owned enterprises and products for investments with incentive certificates are exempt from import fees. In addition, a number of relieves and concessions are available to local companies importing goods to be used in their exports under the inward processing certificate.

More information about the Turkish tax system and recent news about applications as well as import fees can be obtained by the [Ministry of Treasury and Finance](#) and [Ministry of Trade](#).

COMMERCIAL LAW

The business activities are subject to a number of laws and regulations managed by different authorities. Some of the laws and responsible bodies from their applications that are important for commercial and business life in Turkey are as follows:

- In 2003, Turkey passed legislation to ensure equal treatment between domestic and foreign investors and to protect the rights of foreign investors (Foreign Direct Investment Law, No.4875)

- The new Turkish Commercial Code (TCC) came into effect as of 1st July 2012. Together with amendments to that Code - which became effective on the same day – and regulations to complete the new law many changes were done. The purpose was to bring Turkish Commercial Law to international standards and align with EU-LAW

SETTING UP COMPANIES

Individuals or legal entities can set up companies in the form of joint stock (AŞ), limited (Ltd.), branch or partnership. There are no permission and/or approval and minimum capital requirements for foreign investors. However, according to the local regulations, there is a minimum capital requirement for different types of companies irrespective of the investor's nationality. The establishment of a liaison office is possible by a foreign investor, provided that it does not involve any kind of commercial activity.

In addition to these, Swiss companies wishing to trade in Turkey could also consider:

- Agents
- Distributors
- and other business partners
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All companies must be registered with the Trade Registry Office and announced at the Trade Registry Gazette (www.ticaret sicil.gov.tr).

For more information, visit the website of [the Investment Office](#) as well as the booklet "[Establishing Company in Turkey](#)" from the Ministry of Trade.

JOINT VENTURE OPPORTUNITIES

In line with continuous commercial growth in Turkey, it seems joint ventures will never lose their popularity. Under Turkish law, joint ventures may be formed in two different ways: as a commercial company pursuant to the Turkish Commercial Law or as an ordinary (simple) partnership under the Turkish Code of Obligations.

It is possible to establish joint ventures between legal entities and/or individuals to complete a certain project in a specified time according to a contract. One of the partners to a joint venture must be a company that is subject to corporation tax. Joint ventures are separately subject to corporation tax (if preferred), VAT and withholding tax, but they do not have legal personalities and therefore do not have ownership rights.

According to the Foreign Investment Law, joint ventures, consortiums and other partnerships that do not fall within the scope of any form of a legal entity defined under the Turkish Commercial Code can be established by foreign investors but will be deemed as ordinary partnerships formed under the Code of Obligations.

PROMOTION OF INVESTMENT

The [Presidency of the Republic of Turkey Investment Office](#) is the official organization for promoting Turkey's investment opportunities to the global business community and providing assistance to investors before, during and after their entry into Turkey. The Investment Office is in charge of encouraging investments that are needed for the further economic development of Turkey. To this end, the Investment Office supports high-technology, value-added, and employment-generating investments with its facilitation and follow-up services during whole processes of relevant investments.

Active on a global scale, the Investment Office operates with a network of local consultants based in countries such as Canada, China, France, Germany, India, Italy, Japan, Saudi Arabia, Singapore, South Korea, Spain, the UAE, the UK, and the USA. The Investment Office offers an extensive range of services to investors through a one-stop-shop approach, ensuring that they obtain optimal results from their investments in Turkey. The Investment Office's team of professionals can assist investors in a variety of languages, including Arabic, Chinese, English, French, German, Italian, Japanese, and Spanish.

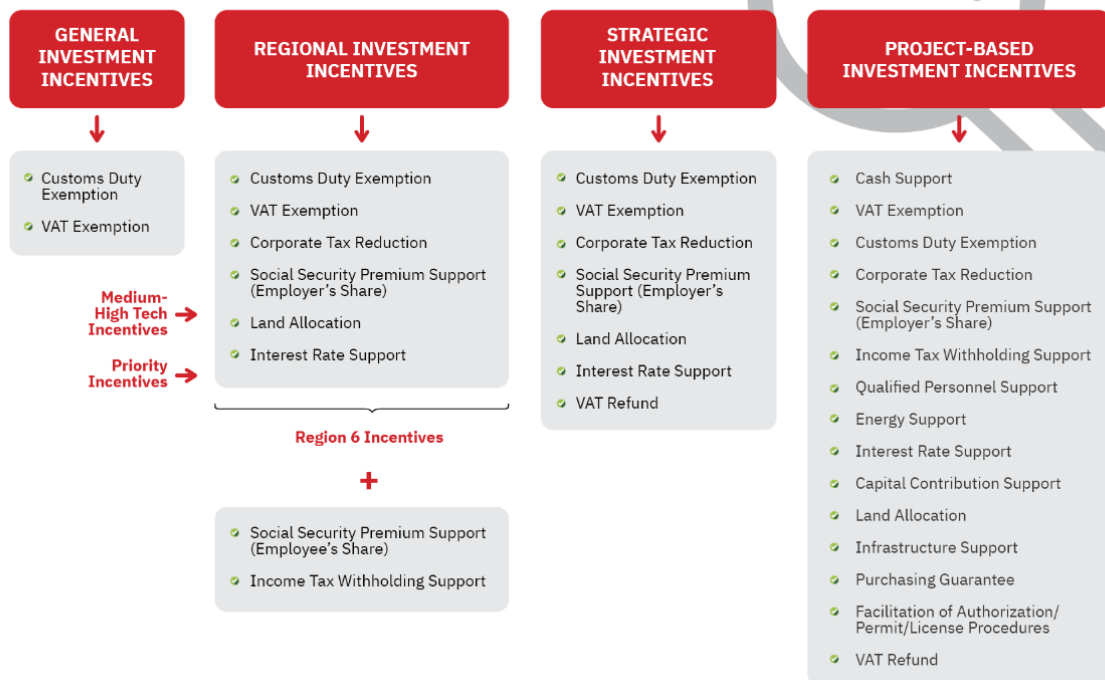
The Investment Office serves as a reference point for international investors and as a point of contact for all institutions engaged in promoting and attracting investments at national, regional and local levels.

The new investment incentives scheme is specifically designed to encourage investments with the potential to reduce dependency on the importation of intermediate goods vital to the country's strategic sectors.

Amongst the primary objectives of the new investment incentives scheme are: reduce the current account deficit; boost investment support for lesser developed regions; increase the level of support instruments; promote clustering activities; and support investments that will create the transfer of technology.

The Investment Office applies an investment incentives system with [four schemes](#) to which local and foreign investors have equal access to (illustration obtained from the Investment Office):

INCENTIVES PROVIDED BY THE MINISTRY OF INDUSTRY AND TECHNOLOGY



ENTRY CONDITIONS, WORK PERMITS, RESIDENCE PERMITS, LABOUR LAW

A valid passport is required to enter the country. Visa requirements and validity periods differ for various countries. Swiss citizens holding ordinary passports are exempt from visas for the first three months of their stay. More information on a visa can be obtained from the web page of the [Ministry of Foreign Affairs](#).

Foreign nationals to be employed in Turkey need a work permit to work and reside in Turkey. Work permits are granted by the [Ministry of Labour and Social Security](#). A foreign individual should have qualifications that are not available in the local labour market in order to secure a work permit.

After obtaining a work permit, the individual should apply to the Turkish Embassy in the home country in order to have a working visa. After receiving a working visa, the residence permit application is submitted to the [Ministry of Internal Affairs](#) together with the work permit and working visa.

There are no special restrictions on freedom of movement within Turkey for foreigners, but they must carry their residence permits at all times.

Turkey has signed many international Labour Organisation (ILO) conventions protecting workers' rights. The Labour Law (No: 4857) has made important alterations to the previous law in order to be in conformity with the international regulations of the ILO and the EU.

PROCEDURES FOR COLLECTING PAYMENT

There are [factoring companies](#) operating in the financial market for collecting payments

SOURCES OF INFORMATION AND LINKS

| | |
|-------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Republic of Turkey Ministry of Treasury and Finance | T.C. Hazine ve Maliye Bakanlığı İnönü Bulvarı No:36 06510 Emek/ ANKARA Phone: + 90 312 204 60 00 Website: https://en.hmb.gov.tr/ |
| Republic of Turkey Ministry of Trade | T.C. Ticaret Bakanlığı SÖĞÜTÖZÜ YERLEŞKESİ Söğütözü Mah. 2176. Sk. No:63 06530 Çankaya / ANKARA ESKİŞEHİR YOLU YERLEŞKESİ Dumlupınar Bulvarı No: 151 Eskişehir Yolu 9. Km. 06530 Çankaya / ANKARA Phone: +90 312 204 75 00 Website: https://www.trade.gov.tr/ |
| Presidency of the Republic of Turkey Investment Office | T.C. Cumhurbaşkanlığı Yatırım Ofisi Head Office: Cumhurbaşkanlığı Çankaya Köşkü Yerleşkesi Ziaur Rahman Caddesi No: 5 Çankaya/ANKARA 06700 Phone: (+90 312) 413 89 00 Fax: (+90 312) 413 89 01 Office: Muallim Naci Caddesi No:73 Ortaköy Besiktas/ISTANBUL 34347 Phone: (+90 212) 468 69 00 Fax: (+90 212) 468 69 69 Website: http://www.invest.gov.tr |
| Central Bank of the Republic of Turkey | Türkiye Cumhuriyet Merkez Bankası Hacı Bayram Mah. İstiklal Cad. No: 10 06050 Ulus Altındağ Ankara Phone: +90 312 507 50 00 |

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|----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <p>Fax: +90 312 507 56 40 Website: http://www.tcmb.gov.tr</p> |
| Export Development Center (IGEME) | <p>İhracatı Geliştirme Merkezi Balmumcu Mah. Barbaros Bulvarı No 68 / 9 Beşiktaş – İstanbul / Türkiye</p> <p>Phone: +90 212 216 22 36 Fax : +90 212 216 34 65 Website: http://www.igeme.org.tr</p> |
| COMCEC Coordination Office (ISEDAK) | <p>İslam İşbirliği Teşkilatı Ekonomik ve Ticari İşbirliği Daimi Komitesi Necatibey Cad. No:110/A 06580 Cankaya/ANKARA</p> <p>Phone: +90 312 294 57 10 – 294 57 30 Fax: +90 312 294 57 77 E-mail: comcec@comcec.org Website: http://www.comcec.org</p> |
| Capital Markets Board of Turkey (SPK) | <p>T.C. Basbakanlik Sermaye Piyasası Kurulu Headquarter: Mustafa Kemal Mahallesi, Dumlupınar Bulvarı (Eskişehir Yolu) No:156 06530 Çankaya / ANKARA</p> <p>Phone: +90 312 292 90 90 Fax: +90 312 292 90 00</p> <p>İSTANBUL Office: Harbiye Mah. Asker Ocağı Cad. No:15 Süzer Plaza 34367 Şişli / İSTANBUL Phone: +90 212 334 55 00 Fax: +90 212 334 56 00</p> <p>Website: http://www.spk.gov.tr</p> |
| Borsa ISTANBUL (BIST) | Borsa ISTANBUL (BIST) |

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| Turkish Institute of Standards (TSE) | <p>Türk Standardları Enstitüsü Necatibey Cad. No. 112 06100 Bakanlıklar/ANKARA</p> <p>Phone: +90 312 416 62 00 Fax: +90 312 416 6611 Website: http://www.tse.org.tr</p> |
| Small and Medium Enterprises Development Organisation (KOSGEB) | <p>Küçük ve Orta Ölçekli İşletmeleri Geliştirme ve Destekleme İdaresi Başkanlığı Anafartalar Mah. İstanbul Cad. No: 32 06050 Ulus / Altındağ / ANKARA</p> <p>Phone: +90 312 595 28 00 Fax: +90 312 368 07 15 Website: http://www.kosgeb.gov.tr</p> |
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| Republic Of Turkey Prime Ministry Turkish Cooperation and Coordination Agency (TIKA) | T.C. Başbakanlık Türk İşbirliği ve Koordinasyon Ajansı Başkanlığı) Eti Mahallesi, Gazi Mustafa Kemal Blv. No: 140, 06570 Çankaya/Ankara Phone: +90 312 939 70 00 Fax: +90 312 939 75 15-16 Website: http://www.tika.gov.tr/tr |
| Foreign Economic Relations Board (DEİK) | Dış Ekonomik İlişkiler Kurulu RIVER PLAZA Büyükdere Cad. Bahar Sok. No: 13/9-10 34394 Levent/ISTANBUL Phone: +90 212 339 50 00 Fax: +90 212 270 30 92 Website: http://en.deik.org.tr/ |
| Foreign Trade Association of Turkey (TURKTRADE) | Turktrade Yzb. Kaya Aldoğan Sokak, Genç Apt., No:11, Daire 8 34394 Zincirlikuyu/ISTANBUL Phone: +90 212 272 69 81-91 Fax: +90 212 275 51 36 Website: http://www.turktrade.org.tr/ |
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| Republic of Turkey Energy Market Regulatory Authority (EPDK) | <p>T.C. Enerji Piyasası Düzenleme Kurumu İşçi Blokları Mahallesi Muhsin Yazıcıoğlu Caddesi (Eski 1483 Cd.) No:51/C 06530 Yüzüncüyıl/Çankaya/ANKARA</p> <p>Phone: +90 312 201 40 00 Fax: +90 312 201 40 50 Website: http://www.epdk.org.tr/</p> |
| Banking Regulation and Supervision Agency (BDDK) | <p>Bankacılık Düzenleme ve Denetleme Kurumu Atatürk Bulvarı 191/B Kavaklıdere 06680 ANKARA</p> <p>Phone: +90 312 455 65 00 Fax: +90 312 424 08 79 Website: http://www.bddk.org.tr</p> |
| Turkish Industry & Business Association (TUSIAD) | <p>Türk Sanayicileri ve İşadamları Derneği Mesrutiyet Caddesi No. 74 Tepebaşı, İSTANBUL</p> <p>Phone: +90 212 249 19 29 Fax: +90 212 249 13 50 Website: http://www.tusiad.org.tr/</p> |
| Association for Foreign Capital Coordination (YASED) | <p>Uluslararası Yatırımcılar Derneği Dikilitaş Emirhan Cad. No. 113 Barbaros Plaza Kat 16 34349 Beşiktaş / İstanbul</p> <p>Phone: +90 212 272 50 94 Fax: +90 212 274 66 64 Website: http://www.yased.org.tr</p> |
| Foundation of Economic Development (IKV) | <p>İKTİSADİ KALKINMA VAKFI</p> |

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| World Trade Center Istanbul (IDTM) | <p>Istanbul Dünya Ticaret Merkezi</p> <p>Yeşilköy Mah. Atatürk Cad. İDTM İş Blokları A3 Blok, No: 10/2, Kat: 9, Ofis No: 307-314, 34149 Bakırköy/İSTANBUL</p> <p>Phone: +90 212 468 52 00 Fax: +90 212 465 55 59 Website: http://www.idtm.com.tr/</p> |

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| Association of Turkish Travel Agencies | <p>Türkiye Seyahat Acentaları Birliği</p> <p>Aşık Kerem Sok. No:40 Fulya 34349. Beşiktaş/İstanbul.</p> <p>Phone: +90 212 259 84 04 Fax: +90 259 06 56 / 236 39 78 Website: http://www.tursab.org.tr/</p> |
| Swiss International Airlines | <p>Swiss International Airlines Ltd</p> <p>Büyükdere Cad. No:122 Özsezen İş Merkezi C Blok Kat:5 34394 Zincirlikuyu/İSTANBUL</p> <p>Phone: +90 212 354 99 00 Fax: +90 212 354 99 02 Website: http://www.swiss.com</p> |

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