



West Mediterranean Development Agency, Turkey
“The Official Organization that Promotes Investment in WM Region, Turkey”

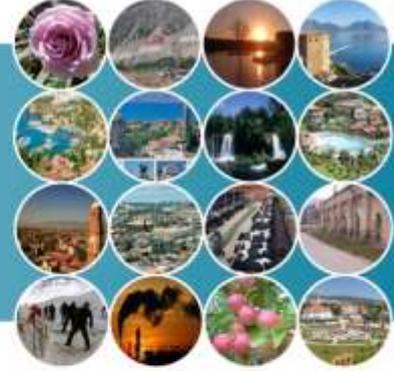


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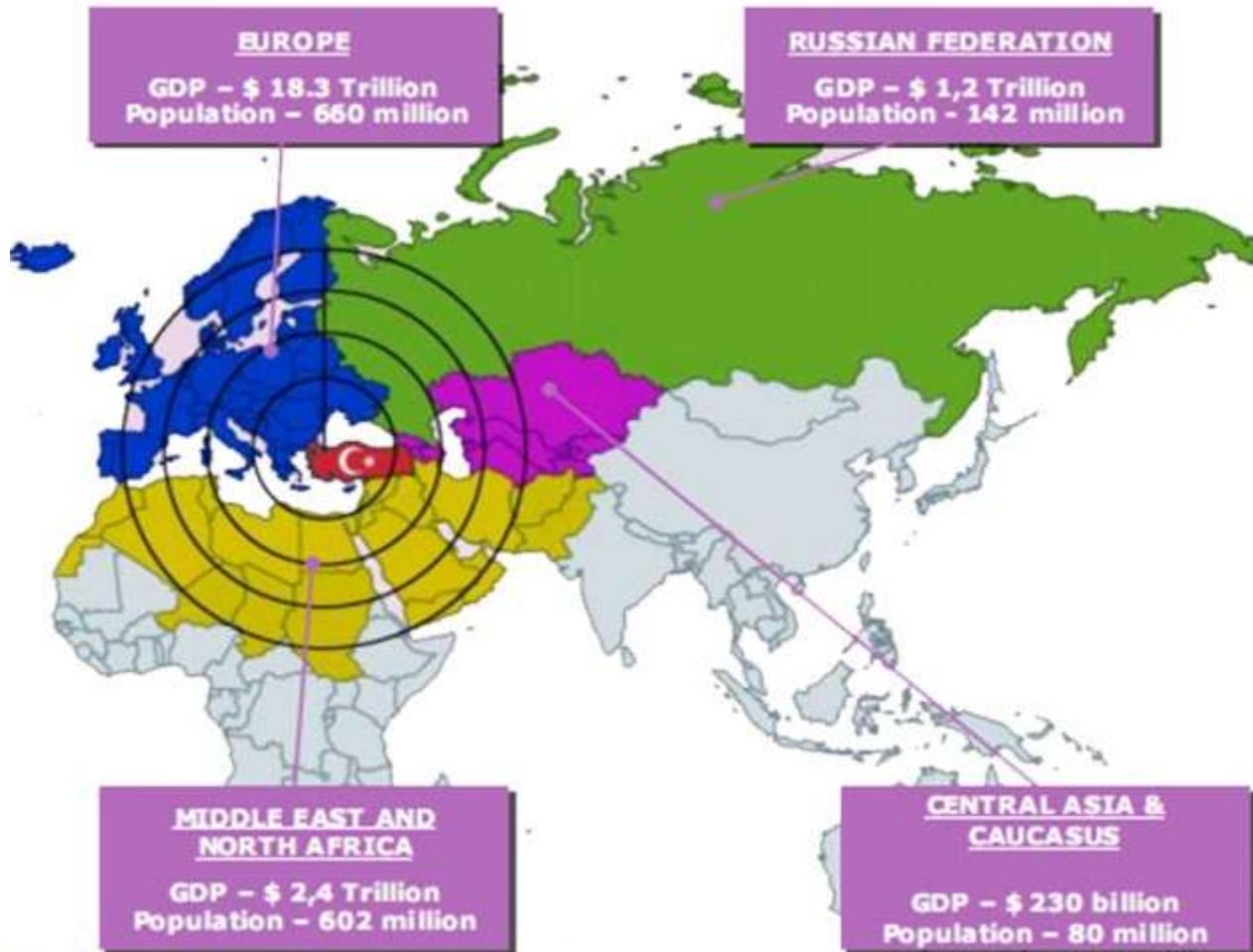
Why Turkey

Why Turkey



- Strategic Location
- Fast Growing Economy
- Young, Well-skilled Population
- Liberal Investment Climate
- Huge Domestic Market

Strategic Location



Fast Growing Economy



Turkey has the 16th largest economy in the world, and moreover is one of the fastest growing and dynamic economies, even exceeding growth rates of many other OECD countries, with an average annual growth in real GDP over the last six years at seven percent.

According to the projection by Goldman Sachs, Turkey will be the 9th largest economy in the world and the 3rd largest economy in Europe by 2050.

Young Well-Skilled Population



The median age of the population is 28.5 years, and 61 percent is younger than 35 years. Turkey has the largest youth population of any country when compared against the EU-27 countries.

Turkey has the 4th largest labor force compared to the EU countries. With almost 25 million young, well-educated and motivated professionals it has a competitive labor force. Between 2002-2008 labor productivity growth was 6.1 percent. Turkey has a high learning capacity - more than 450.000 students graduate annually from 143 universities. Moreover, the competitive labor rates offer a cutting edge for many industries.

Liberal Investment Climate



The country offers a liberal investment climate with highly competitive investment conditions, including free (international) movement of capital, profits, dividends, and salaries, free trade, industrial, and technology zones, tax benefits and subsidies, and region and sector based incentives. Turkey offers equal treatment to all investors and excellent work knowledge with its strong industrial and service sector.

The country has been a member of the customs union with the EU since 1996, and accession negotiations are on-going. Additionally, Turkey has sixteen free trade agreements and more are in various stages of completion. Its strong ties with Caucasus and Central Asia, provide Turkey with privileged access and a perfect basis to develop business with these countries.

Huge Domestic Market

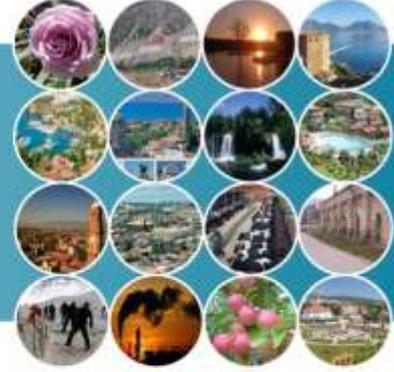


Turkey has a very young and dynamic population of 73 million people that forms a huge domestic market and potential. There are 30 million internet users in 2009, up from 4 million in 2002; 63 million GSM users in 2009, up from 23 million in 2002; 44.4 million credit card users in 2009, up from 16 million in 2002; over 85 million airline passengers in 2009, up from 33 million in 2002; 27.3 million international tourist arrivals in 2009, up from 13 million in 2002.



Why WMR

Why WMR



- Strategic Location
- Rich Natural Resources
- Young, Well-skilled Population
- Developed Infrastructure

Strategic Location



The West Mediterranean Region has a very good strategic geographical location and offers many transportation possibilities to places inside and outside Turkey. Both Antalya and Isparta have their own airports with continuous domestic and international flights.

Antalya's harbors and seaports are open for both individual purposes and for low cost sea transport. In addition to this, a train track crosses the Isparta province tying the region to the rest of Turkey and within the region itself is equipped with a good and modern transportation system. The region is one of the most important tourism centers in Turkey and in the world.

Rich Natural Resources



The main commercial sectors in the region have been shaped by the environment. A big part of the region consists of trees, fields and plants for agricultural use.

On the coast and around the lakes many hotels and resorts have been constructed for tourism purposes as well as some mining, manufacturing, and energy plants which speak to the region's richness in natural resources.

Young Well-Skilled Population



All three provinces have a high urbanization rate of over 60 percent and a total population of nearly 3 million people.

The main cities are crowded with families, students from the Akdeniz, Süleyman Demirel and Mehmet Akif Ersoy University, foreign visitors, and, especially in Isparta, soldiers fulfilling their obligatory military service.

The experience of these commercial sectors and the responsive university systems in the area has created a young, well-skilled workforce.

Developed Infrastructure



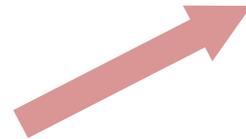
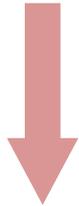
There are organized industrial zones, technology development zones, research institutes, Antalya free zone, Antalya Expo Center, Port Akdeniz which all serve to facilitate the operations and development of various industries.

There exists a new and highly developed technological infrastructure in transportation, telecommunications and energy in the region. Both Antalya and Isparta have their own airports with continuous domestic and international flights. Antalya's harbors and seaports are open for both individual purposes and for low cost sea transport.



About WMR

Location



West Mediterranean Region comprises the provinces of Antalya, Burdur and Isparta and is located in the southern part of Turkey.



The region is well known for its wonderful climate, natural attractions and historical and cultural sites. Antalya alone attracts around 10 million visitors annually from around the world thanks to its golden beaches and extraordinary climate while Isparta and Burdur have breathtaking lakes, ancient sites and charming landscapes.

The region is rich in natural resources, a huge asset for mining, manufacturing and energy companies. There is a highly developed infrastructure with modern transportation facilities, seaports, free trade zones, technology parks and organized industrial zones.



WMR In Figures



Area: 35.882 km²

Population: 2.864.292 (2009)

Official Language: Turkish

Currency: Turkish Lira

Climate: Mediterranean

WMR In Figures



Main Sectors of Income:

Agriculture, Tourism, Mining

Export: \$890.562.000 (2009)

Import: \$514.772.000 (2009)

Number of export firm: 847

Major Port: Antalya Port



Antalya

Capital of Turkey's Tourism

1/3 of total tourism with
10 mil tourists in a year

Turkey's first Solar City

Yields 30% of the total
orange and 40% of the
total pomegranate
production of Turkey





Isparta

All of Turkey's rose oil production takes place and covers more than 60% of world demand

Isparta houses some of the best medical facilities in Turkey

Yields 20% of the total apple and 15% of the total cherry production of Turkey





Burdur

One of the major marble centers known for “Burdur Beige” marble worldwide

Among the top producers of milk in Turkey

Great potential for ecotourism and culture tourism (Sagalassos)

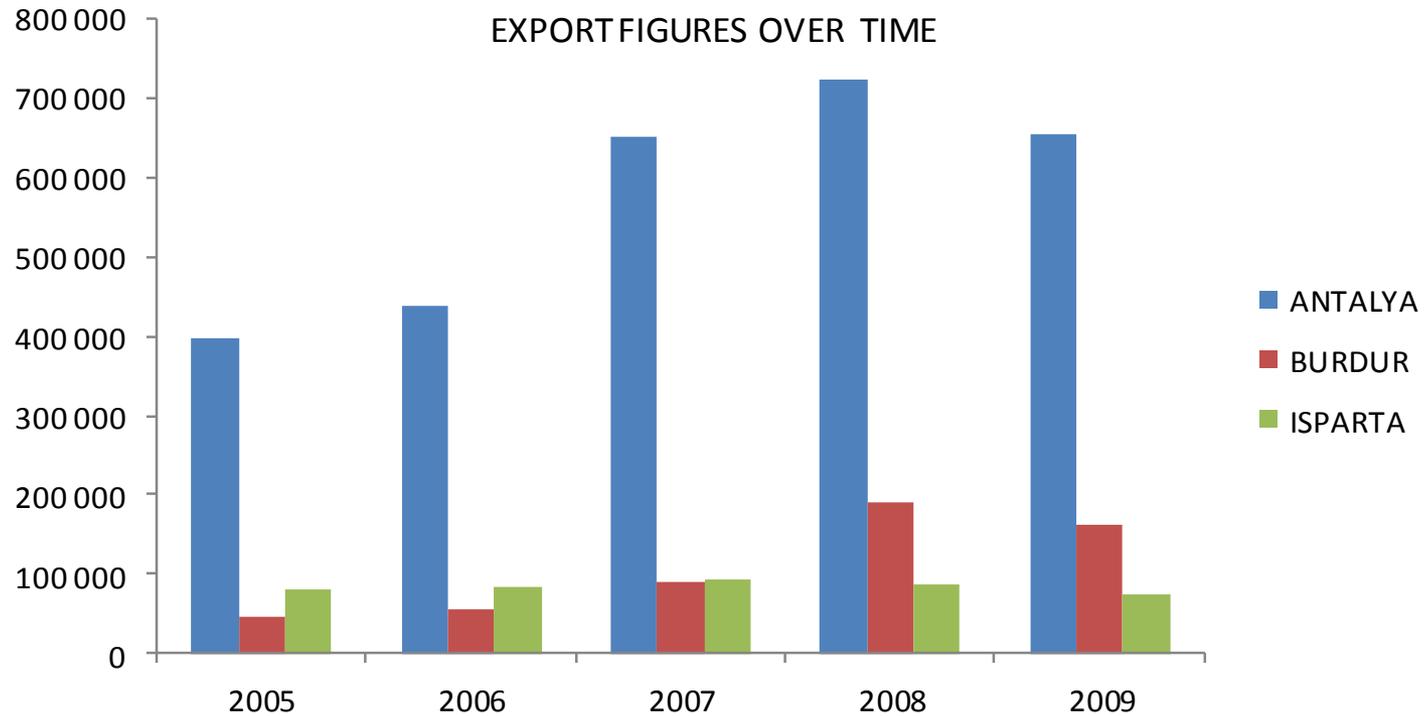




Economy



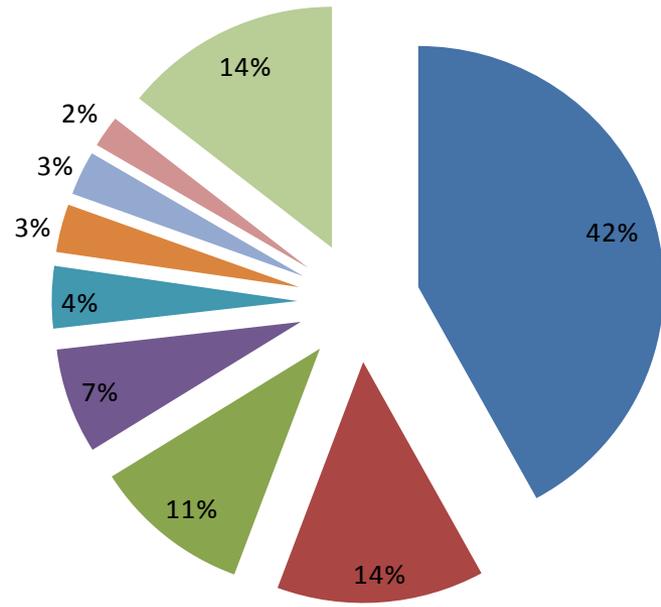
Foreign Trade





Export by Sectors- Antalya

ANTALYA EXPORT BY SECTORS IN 2009



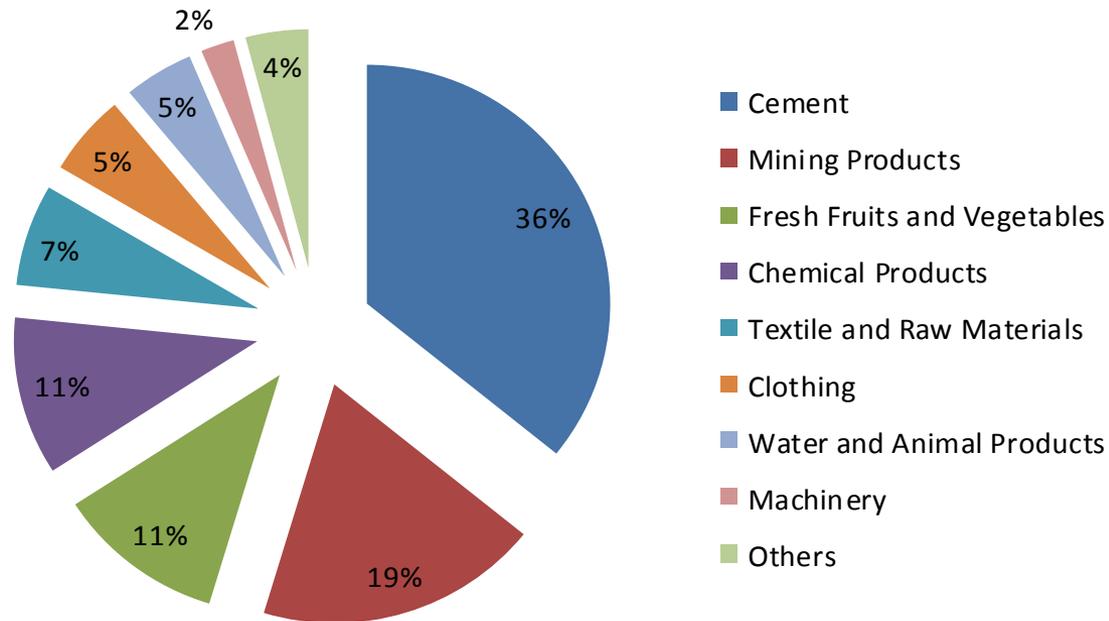
- Fresh Fruits and Vegetables
- Cement
- Mining Products
- Tree and Forest Products
- Textile and Raw Materials
- Cut Flowers
- Chemical Products
- Leather and Leather Products
- Others



Export by Sectors- Isparta



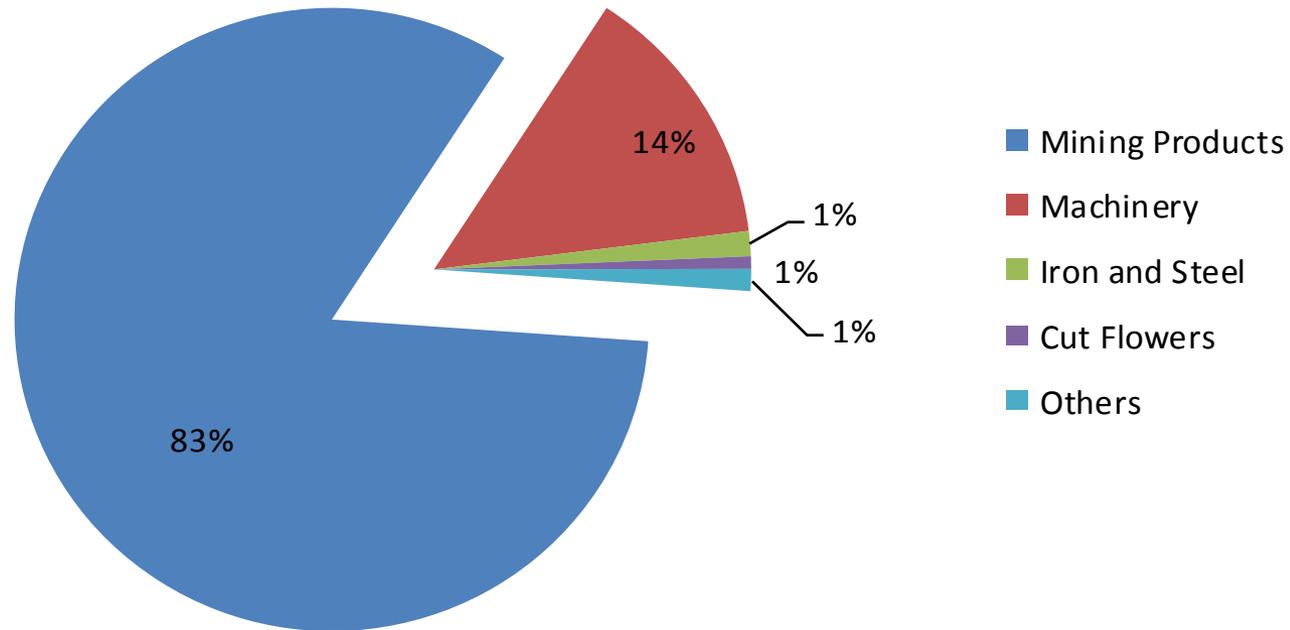
ISPARTA EXPORT BY SECTORS IN 2009



Export by Sectors - Burdur



BURDUR EXPORT BY SECTORS IN 2009





Free Zone

- Founded near the Antalya Port area at 12 km from Antalya downtown and 25 km from the airport on an area of 607,130 square meters, the Antalya Free Zone entered into service on the 14th of November, 1987.
- 100 firms are currently operating in the Zone and 3,150 persons are being employed.
- The total trade volume for the year 2009 is about 605.9 million USD.
- In addition to the manufacturing of cable, production of yachts, textile, confection and electronic goods, high technology manufacture such as dialysis machines and tissue culture have now started in the Zone





Free Zone- Advantages

- The Free Trade Zone is deemed to be outside the customs borders. Legislative provisions pertaining to taxes, levies, duties, customs and foreign exchange obligations are not applicable in the Zone. During the investment and production phases, operating foundations and users can benefit from the incentives determined by the Council of Ministers.
- Companies operating in the Free Zone may be 100 percent Turkish-owned or foreign-owned to the same degree.
- Bureaucracy and red tape is minimized in the Free Zone and operation by the private sector is preferred.
- Unlike free zones in many countries, goods produced in the Antalya Free Zone may be offered for sale on Turkey's domestic market.
- Our Free Zone is very close to the European Union and the Middle Eastern markets. Many Turkish industrial goods can enter the European Union with zero customs duty. Moreover, from the Zone it is easy to arrange transportation to the port, the highway network, and centres of culture, tourism, pleasure and recreation.
- The maximum period of an operating licence may be extended up to 99 years.



Organized Industrial Zones



Organized Industrial Zones (OIZs) are established in order to give opportunities to investors along with infrastructure and social facilities. Antalya's OIZ (Antalya), Burdur's OIZs (Bucak and Burdur) and Isparta's OIZ (Süleyman Demirel) are in operation. The investors operating in the OIZs can benefit from the advantages below:

- No VAT for land acquisitions
- Exemption from real estate duty for 5 years starting after the construction of the plant
- Low water, natural gas and telecommunication costs
- For unification and/or separation of plots no tax to be paid
- Exemption from municipality tax for construction and usage of the plant
- Exemption from the municipality tax on solid waste if the OIZ does not benefit from the municipality services



Technology Development Zones



Technology development zones (TDZ) are districts in which R&D activities are supported and incentivized. Antalya Technocity and Isparta's Lakes District Technocity are operational TDZs. Advantages of TDZs are:

- Ready to rent offices and infrastructure facilities provided.
- Profits derived from software and R&D activities are exempted from income and corporate taxes until December 31, 2013.
- Deliveries of application software produced exclusively in TDZs are exempt from VAT until December 31, 2013.
- Examples include software for systems management, data management, business applications, the internet and mobile phones, military command control, and various other business sectors.
- Salaries of researchers, along with software and R&D personnel employed in the zone are exempted from all taxes until December 31, 2013.
- VAT exemption is provided for IT specific sectors during the exemption period for income and corporate taxes.



Antalya EXPO Center



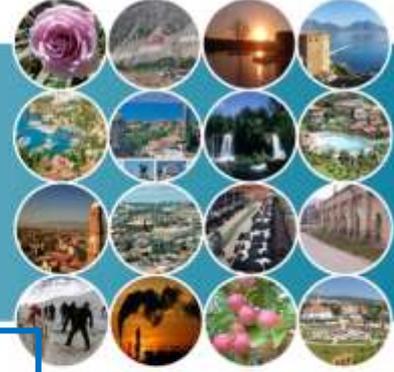
Antalya Expo Center, a modern exhibition and conference center fully meeting international standards, occupies an area of 65.000 m² and has a total of 40.000 m² of covered exhibition area on two floors.

FoodProduct, FreshAntalya, HotelEquipment, Hetex and CityExpo are some of the important exhibitions organized annually at Antalya EXPO Center.

 Anfas FoodProduct [®] 18 th International Trade Exhibition for Food & Beverage	 16-19 OZAT-PERHANYI 2011
 Anfas FreshAntalya [®] 5 th International Market Place for Fruit & Vegetable Trade	 17-19 MART-MARCH 2011
 Hetex 3 rd Health, Spa&Wellness, Thalasso, Thermal and Medical Tourism Exhibition	 03-05 MART-MARCH 2011
 Anfas HotelEquipment [®] 22 nd International Hospitality Industry Equipments & Decoration Exhibition	 19-22 OZAK-JANUARY 2011
 Anfas CityExpo 2 nd City Planning and Technologies Exhibition	 13-15 KISIR-APRIL 2011



Universities



Akdeniz University



- 12 faculties, 4 schools, 1 conservatory, 12 vocational schools and 4 institutes
- 34 research centers
- 30,000 students

Süleyman Demirel University



- 15 faculties, 5 institutes, 16 vocational schools,
- 34 research centers,
- 55,000 students

Mehmet Akif Ersoy University



- A broad-based, global Institution
- 3 Graduate Studies Programs, 3 Faculties, 2 Schools, 6 Vocational Higher Schools.
- 15000 students

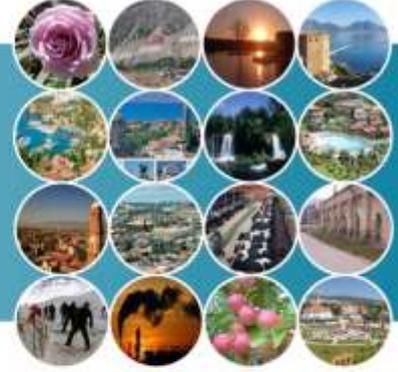


Port Akdeniz



Port Akdeniz is a multipurpose port with separate harbors for cruise ships, container ships and bulk cargo vessels as well as a yacht marina. It is widely regarded as being one of the seaports with the highest developmental potential in Turkey today. Occupying more than 136,000 m² of area in a part of Turkey that hosts millions of tourists a year and whose tourism and trade continue to grow rapidly, Port Akdeniz is the biggest and best-equipped seaport along the 700-km Turkish Aegean-Mediterranean coast stretching from İzmir in the west to Mersin in the east.

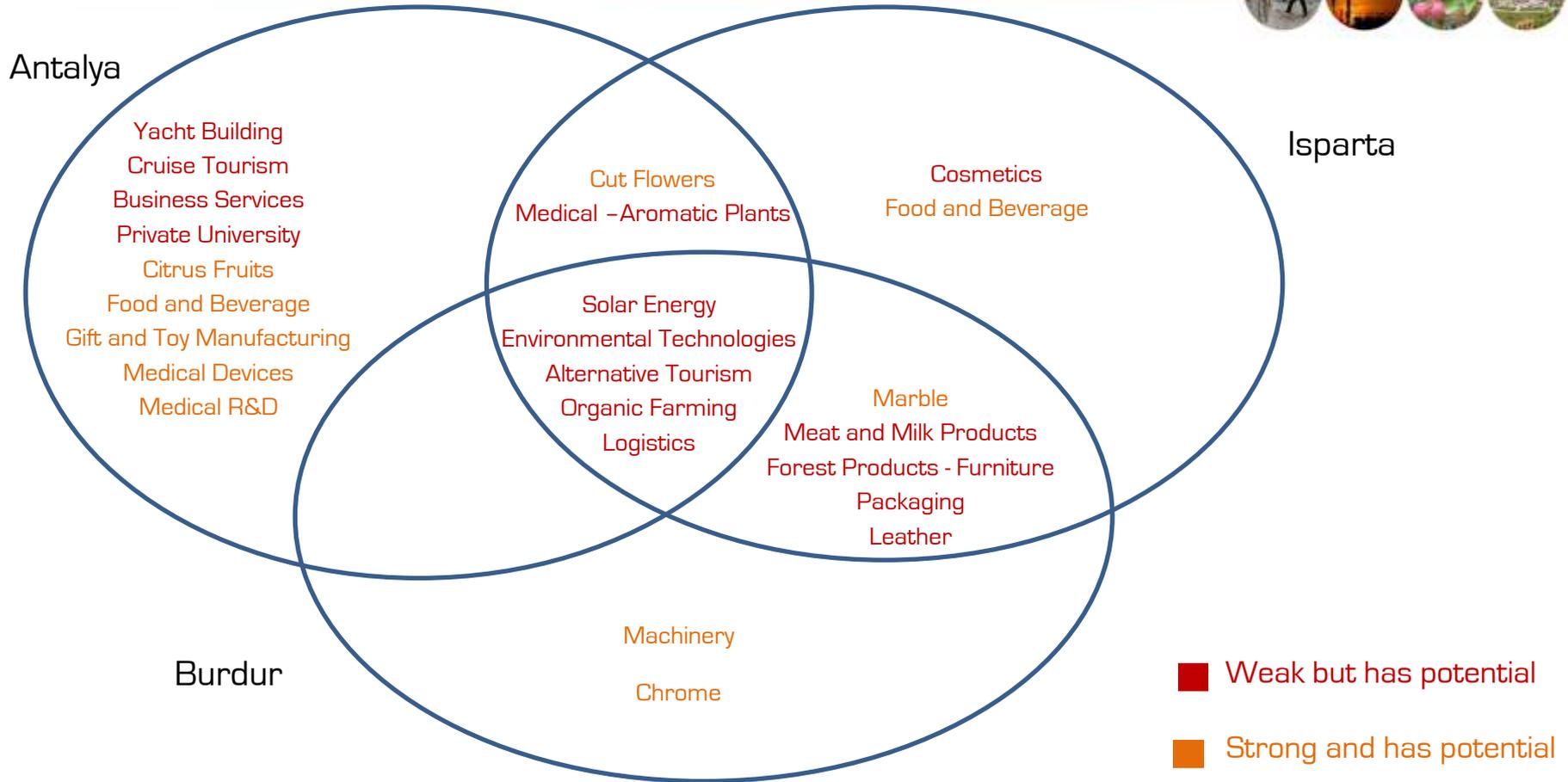




Investment Opportunities



Sector Map



-  Cruise tourism
-  Yacht building
-  Medical and aromatic plants
-  Greenhouses
-  Citrus fruits
-  Marble
-  Machinery
-  Packaging
-  Meat and Milk products
-  Leather
-  Cosmetics

- Health tourism 
- Congress tourism 
- Sports tourism 
- Ecotourism 
- Culture tourism 
- Food and Beverage 
- Logistics 
- Solar Energy 
- Gift and toy manufacturing 
- Ornamental plants 
- Medical devices 
- Furniture 



Organic Farming



As it is known, market for organic products has grown at a rapid pace and this trend has shown its best practices in West Mediterranean region. Organic farming and organic products are getting more and more popular in Turkey, in parallel with the growing importance and popularity of organic products in Europe.



Production has been realized according to the standards and certification systems of the importing countries, mainly the EU, since the majority about 80-90 percent is exported.



Soilless Agriculture



57 % of Turkey's total soilless agriculture is done in Antalya by the firms using modern production methods and operating in economies of scale.



Medical and Aromatic Plants



Turkey is among the seven top producers of aromatic and medicinal plants. Currently Turkey possesses more than 9000 different kind of herbs, of which 1000 are used for medicine and species. The plants in their volatile form are mainly used for the cosmetic, food, chemical and medical industries.



A big part of the production is exported to European countries. France is the biggest importer of aromatic and medicinal plants, contributing to 65 percent of Turkey's exports. The West Mediterranean region is rich in these kind of plants due to its' ecologic aspects. Especially thyme and roses are important for the region.



Cut Flowers



The main type of cut flowers to be found in Turkey is carnation with a share of 60 percent. Other cut flowers to be found are Roses, Gerbera, Chrysanthemum and Orchid, Particularly Antalya province is the main centre of export oriented cut flower production.

A favorable climate and rapid air transportation to Europe gave Antalya a comparative advantage for the production of cut flowers. Hence Antalya province became a major centre for export-oriented cut flower production in Turkey. Over 70% of cut flower growers in Turkey are located in Antalya.

From the total cut flower production, 34 percent takes place in Antalya and 3 percent in Isparta. Antalya will host EXPO 2016 with a botanical branch; 100 countries will be represented and about one million people are expected.



Research and Development Practices and Agricultural Technologies



WMR the agriculture capital of Turkey, imports the enormous part of the agricultural chemicals. Accordingly, techno city located within Akdeniz University will be best possible option for the foreign investments about the agricultural chemicals production and its distribution in the region.



In that perspective, it's worth mentioning Antalya's capacity towards the innovative and newer technologies in the agricultural sector; this trend has a snow-ball effect that will create new investment fields in the province.



Meat and Milk Products



A significant part of the region deals with animal husbandry. Burdur is among the leading regions in Turkey with stable and quality milk production. 750 tons of milk are produced daily. However, only 10 percent of this milk can be processed in the region and rest of the milk is sold as raw milk. The same situation is valid for meat too. So, it has vital importance to construct modern and integrated facilities on which milk and meat will be processed and packed.



Food and Beverage



The Turkish beverage sector is one of the leading industries in Turkey, constituting an important portion of the country's GDP. Production in the food and beverage sector reached \$ 6,104 million in 2009, which constituted 18-20 percent of the country's overall production.

WMR offers great opportunities for investment in food and beverage sector with high amount milk, meat, fruit and vegetable production.



Ecotourism



The region offers many different landscapes and a rich biodiversity

Antalya

Güllük Mountain (Termessos), Olimpos - Beydagları Coastal, Köprülü Canyon, Altınbesik Cave, National Park, Kursunlu Waterfall Nature Park

Isparta

Kızıldağ and Kovada Lake National Parks, Eğirdir Lake, Yazılı Kanyon Nature Park, Gölcük Lake Nature Park

Burdur

Insuyu Cave, Salda Lake



Culture Tourism



The region has many historical and archeological sites

Antalya

Termessos, Perge, Aspendos, Olympos, Myra, Simena, Antiphellos, Patara, Xanthos, Selge



Isparta

Pisidia Antiocheia, Men Holy Area, Adada



Burdur

Sagalassos, Cremna, Kybira, Bubon, Balbura, Sia



Lycian Way



Sports Tourism



The region's climate and geographic location combined with the suitable infrastructure pave the way for being the best option in the Mediterranean region for golf, skiing, football and various other sport activities.



Health Tourism



Growth trend in the health sector offers incomparable opportunities for the residents of the different countries. Furthermore, high health expenses in the European and Middle Eastern countries is the motive of the patients (tube baby, dental health, plastic surgery and eye health) for choosing the cheap and high quality health services.



Convention Tourism



To extend the tourism activities over an annual period, market share of convention tourism in Antalya is growing.



This tendency is strengthened by the geographical location of Antalya that is very near to the European and Middle Eastern countries.



Convention Tourism



Turkey is an ideal destination for Congresses with a wide range of accommodation and congress facilities. Because of its proximity to Europe and the convenience of flying with Turkish Airlines, Turkey has become the country of choice for meetings, congresses, conferences, exhibitions and fairs. Antalya is an important congress travel destination. Visitors from all over the world come to experience the region's breadth of touristic and entertainment opportunities.

Sabancı Cam Piramit (Glass Pyramid) Convention and Exhibition Centre covers an area of 4500 m² and is a two-storey building topped by a colored insulated pyramid of glass. Inside it can be found halls for conferences and congresses, exhibitions, specialty fairs and open sessions.



Third-age Tourism



In 2008 a project regarding the long term stay in Antalya of the Norwegian retirees has been commenced; in this context 1400 retirees were located in Antalya, Beldibi. Lastly, this project will attract retirees from all over the world that will be a new tourism dynamic for the region.



Cruise and Yacht Tourism



With three piers (200 meters, 170 meters, and 140 meters in length) and a water depth of 9.20 meters, Port Akdeniz is fully equipped to serve the increasingly greater number of cruise liners plying the Mediterranean in recent years. A variety of efforts are currently under way to further develop cruise ship tourism in Antalya by increasing the city's profile and appeal in international markets.



Marble



Marble is found in the mountains of almost all districts of West Mediterranean and it is rich in reserves. Burdur and Isparta provinces show an increasing progress in the field of marble in Turkey. Burdur is on the way to becoming a brand with its marble. Although it may seem that marble industry is developed in the region, the modern facilities with advanced technologies are not enough.

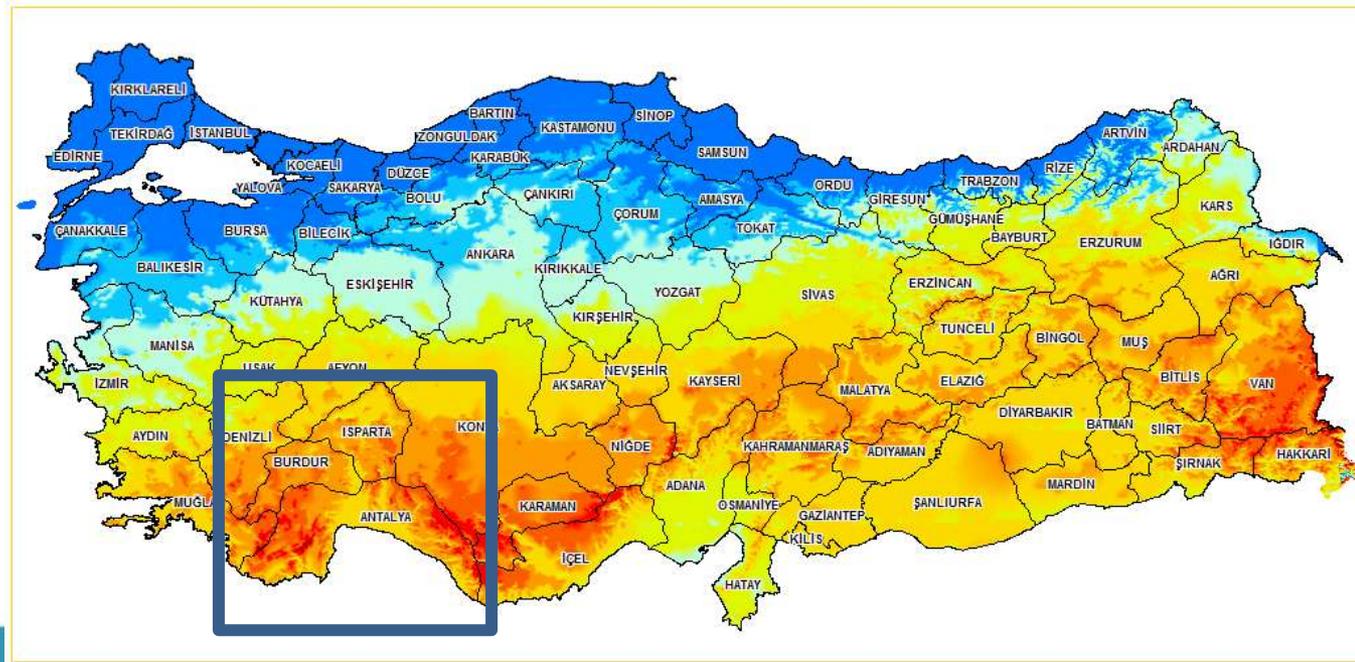
Abundance of raw material brings wastage and the majority of the existing production facility is producing semi-finished goods. Marble companies also need to invest in the modernization and integration.



Solar Energy



West Mediterranean Region has a very high potential for electricity production from solar energy as the solar energy map below clearly indicates. Approximately 1700 kWh electricity can be produced in a square meter.



Machinery



The region has a wide product range and produces mainly agricultural and woodworking machinery; food processing machines; washing, drying, polishing and hygiene machines; textile machinery; leather processing machinery; packaging machines; pumps and compressors; and construction and mining equipments.



In the region the main sub-sector is the production of agricultural machinery. This is to meet local and domestic demand, whereas only a small part is exported. The first harvesting and reaping machines in Turkey were manufactured in Burdur. Increase in the textile production created continuous and growing demand for textile machinery. The production varies from basic models to advanced textile machinery and highly automatic equipment. Most of the manufacturer companies in the region range from small to medium sized.



Yacht Manufacturing



In Antalya Free Zone, yacht building facilities make a serious production and luxury yacht orders from all around the world are being covered. Especially in Antalya region by the help of Integrated Coastal Planning Project, formation of a serious market is expected in yacht constructions, marina construction and marina business issues.



Medical Devices



The prospects for the medical device market in Turkey remain good; buoyed by strong import growth trends, for which the country relies heavily on, and the expansion of healthcare facilities coupled with rising health expenditure should see the market grow at an attractive rate of 6.6% in the 2010-2015 period. The market is currently the largest in the region, and is among the top 30 in the world.



Packaging



Packaging is becoming extremely important in purpose-oriented marketing of various agricultural and food products and other non-food products made in the existing and emerging industrial sectors in Turkey.

When we look from the Foreign Trade perspective, packaging sector is one with a high level of exportation in spite of an import figure of 350 – 400 million dollars per annum obtained from raw materials and semi-products. There is significant amount of exportation besides the packaging that is exported with various commercial goods made and sent abroad by manufacturing industries. The 2007 export figures have reached almost to 2 Billion US Dollar.



Cosmetics



Parallel with the increase in living standards and keeping a youthful and attractive appearance trends, the increasing number of working women and the young population of the country has led to the development of the cosmetics sector in Turkey. The Turkish cosmetic products industry has shown very good performance in terms of quality, production capacity and variety.



The cosmetics sector in the region is pretty much export-orientated and the region exports to a wide range of countries. On the other hand, there are strong domestic manufacturers with large production capacities. The production of cosmetics and personal care products has reached world standards. Isparta offers a great potential for a cosmetic valley for the development of the cosmetics and perfumery industry in the region and even for Turkey.



Leather



Turkey is one of the leading countries of leather and leather products in both production and export. The sector has a well advanced technological infrastructure and environmentally-friendly production policy. Especially Isparta offers the basis for many leather manufacturers. Yalvaç, Isparta, had one of the first Turkish leather manufacturing plants.



Currently the industry is exporting leather products to more than 100 countries over the world. Another sign of positive development is the increase in foreign investments in the sector. The shoe manufacturing companies in Isparta are in search of new markets and especially export possibilities to new countries.



Business Services



Antalya's contact center industry is booming and helping companies worldwide with their CRM needs in Europe, Middle East, North Africa and abroad.



Antalya offers an educated, qualified and young labor force at competitive prices. The region is extremely attractive for foreign investors and that a great many investors designate Turkey as the center for carrying out their operations in other countries.



Environmental Technologies



Investments in environmental technologies are supported by government in Turkey, while the Ministry of Environment and Forestry evaluates projects prior to the investment to guarantee a feasible output.

Local municipalities in Turkey also play an important role in recycling, water purification, waste-sewage treatment, environmental remediation and solid waste management.

Approximately 25 percent of the total environmental expenditures made by local governments in 2006 were used for waste management.





WM Development Agency, Turkey



West Mediterranean Development Agency is the **official organization** that promotes investment in the West Mediterranean Region of Turkey. Our agency promotes, fosters and facilitates international investment and business development in the West Mediterranean Region.

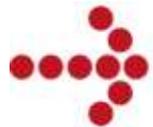


Through a one-stop-shop approach, the agency offers, all free of charge, an extensive range of services including

- identifying market opportunities,
- providing pertinent economic information,
- reviewing business sectors,
- locating sites,
- assisting in legal and licensing procedures,
- explaining incentives available to investors and
- finding companies for potential partnership.



For more information about the investment potential of the region and our agency and access to sector reports and other publications, you can visit our website at



www.investinwmr.org.tr