

# KIRKLARELİ

## INVESTMENT ENVIRONMENT





## WHY KIRKLARELI?

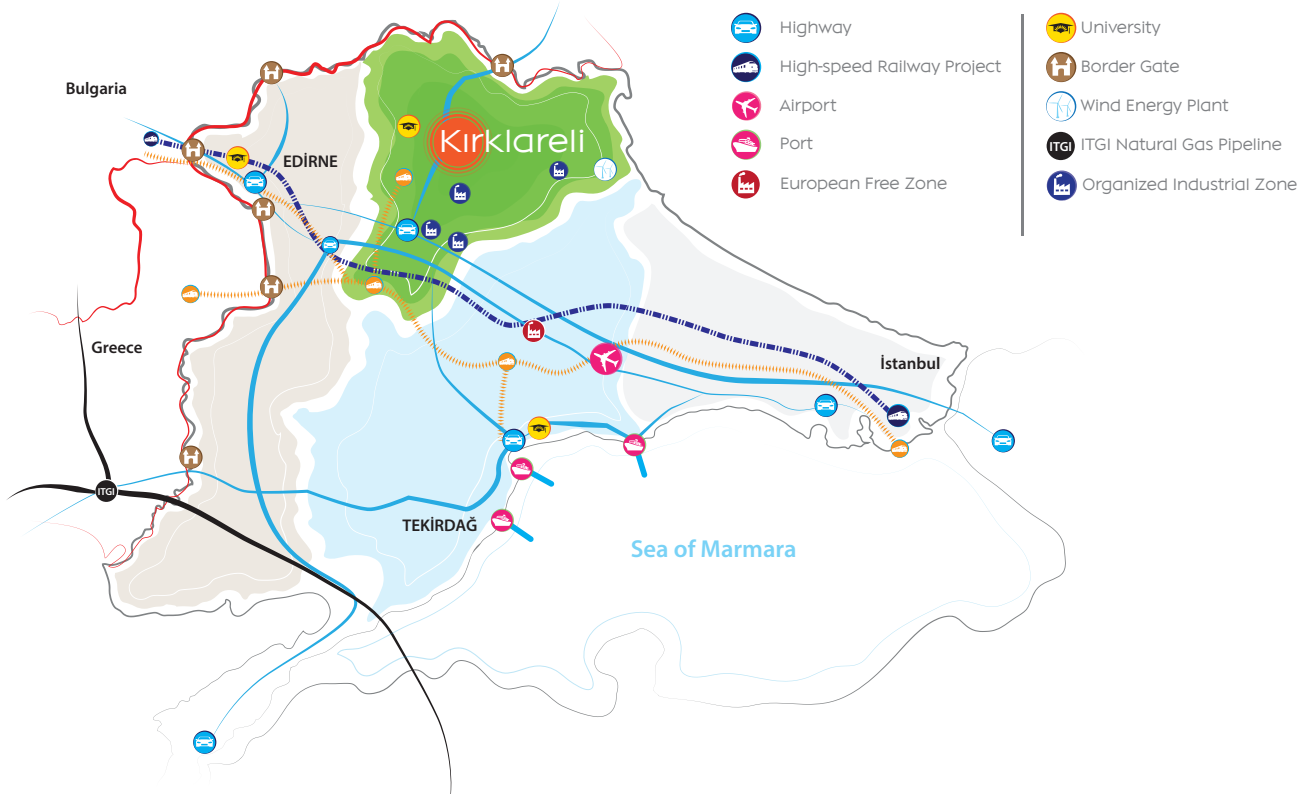
- ▶ Geographically Superior Strategic Location
- ▶ Advanced Transportation Infrastructure
- ▶ High Potential in Agricultural and Livestock Production
- ▶ Organized Industrial Zones with Advanced Infrastructure, Easy Access, Potential for Growth
- ▶ Young, Dynamic and Qualified Workforce
- ▶ High Tourism Potential of Natural and Historical Heritages
- ▶ Candidate to be at the Center of New Projects and Investments
- ▶ Calm and Cozy Living Environment
- ▶ High Rankings in Education, Health and Socio-Economic Development Indexes
- ▶ Plenty of Renewable Energy Sources



## INTERCONTINENTAL STRATEGIC POSITION

- Transit Corridor between Europe and Asia
- At the Border of Turkey-Europe
- Proximity to the Manufacturing Centers and Markets
- Easy Access to Europe via Dereköy Border Gate
- Easy Accessibility via Modern Highways





## ADVANCED TRANSPORTATION INFRASTRUCTURE

- International Road Connections
- 109 kilometers to Çorlu Airport and 205 kilometers to İstanbul Atatürk Airport
- 120 kilometers to Tekirdağ Ports
- Direct Connections to Europe and Anatolia via TEM (Trans European Motorway)
- 545 kilometers Road Network (342 km State Road, 203 km Provincial Road, 73 km Highway)
- International Railway Connection to Europe
- 110 kilometers Railway Network



**Figure 1:** Distribution of Land Assets of Kirklareli

**Source:** "EIA Report" for Limestone Quarry Capacity Increase with License Number of 34240 and 50150, 2014.

Total land size of Kirklareli consist 10% first class, 33% second class, 20% third class, 6% forth class, 20% sixth class and 11% seventh class soil.

According to Kirklareli Food, Agriculture and Livestock Directorate; land in Kirklareli is divided into four. 40,39% cultivated area, 39,50% forests and heath, 5,42% pastures and 14,69% non-agricultural land.

The most important products in the province are wheat, sunflower and rice. According to TSI; Kirklareli supplies 2,07% of wheat, 9,6% of sunflower, 2,59% of rice production of Turkey.



## Field Crops

**Cereals:** Rye, oats (grain), corn (grain), rice, birdseed, sorghum (grain), triticale (grain), wheat (other), barley (for beer production), barley (other).

**Oilseeds:** Sunflower, canola, safflower, sesame seeds.

**Forage Crops:** Alfalfa (dry grass), alfalfa (seed), sainfoin (green grass), sainfoin (dry grass), corn (yield), vetch (green grass), vetch (dry grass), corn (silage).

**Industrial crops:** Sugar beet, tobacco, thyme.



## Vegetable Production

Most produced vegetables are watermelon, tomato, onion (dry) and pumpkin, respectively. Since the current production amount is less than the potential production amount, there are government incentives and supports for investments on this area in order to increase amounts.



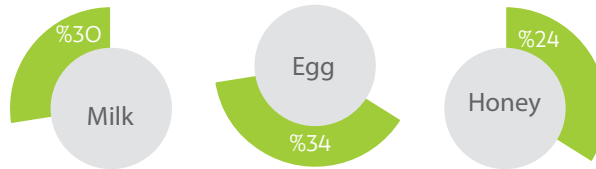
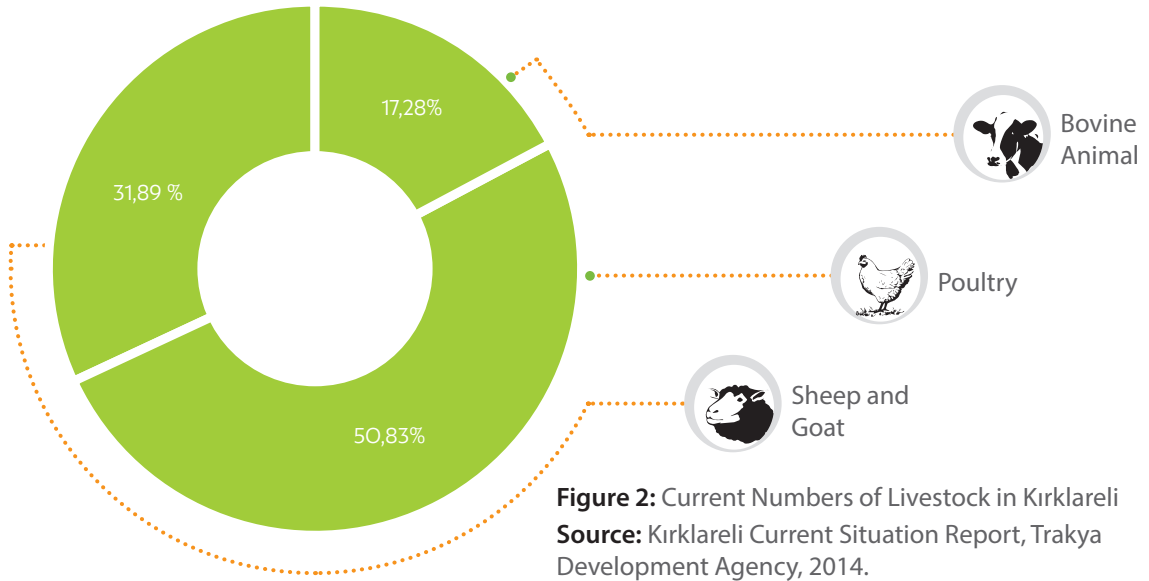
## Greenhouse Production

In recent years, there is an increase in greenhouses in Kırklareli. Production is carried out in plastic greenhouses and low tunnels. There aren't any glass greenhouses and high tunnels. The most important products are tomato, cucumber and lettuce. Since the current production amount is less than the potential production amount, there are government incentives and supports for investments on this area in order to improve cultivation.



## Fruit Production

Seeded grape is produced much and it takes the first place in fruit production in Kırklareli. Grape for wine production, walnut and cherry follow the ranking. Since the current production amount is less than the potential production amount, there are government incentives and supports for investments on this area in order to improve cultivation.



In terms of the number of current livestock in the province the largest cut belongs to the poultry, sheep and goat, bovine animal respectively.



## Bovine and Sheep - Goat Breeding

Available bovine animals in the province of Kırklareli consist 87% culture cattle, 10% hybrid cattle, 2% domestic cattle and 1% buffalo.

**Table 1:** Numbers of Bovine Animals

Culture Cattle	138.307
Buffalo	1.482
Hybrid Cattle	15.889
Domestic Cattle	3.518

**Table 2:** Numbers of Sheep and Goat

Domestic Sheep	244.450
Hair Goat	76.633
Merino Sheep	705



## Poultry

In poultry the most common type is emerging as laying hen. Meat chicken, turkey, duck and goose follows the ranking, respectively.

**Table 3:** Numbers of Poultry

Meat Chicken	27.674
Laying Hen	342.991
Turkey	12.108
Goose	5.669
Duck	10.021



## Fishing

Sea fishing is maintained in İğneada and Kiyıköy. Among the fish that are caught mullet, mackerel, whiting, bonito, bluefish, turbot fish species are prominent. 5% of fishery products caught in Kırklareli are marketed as retail and wholesale in Kırklareli, the remaining is transported to İstanbul and marketed there.



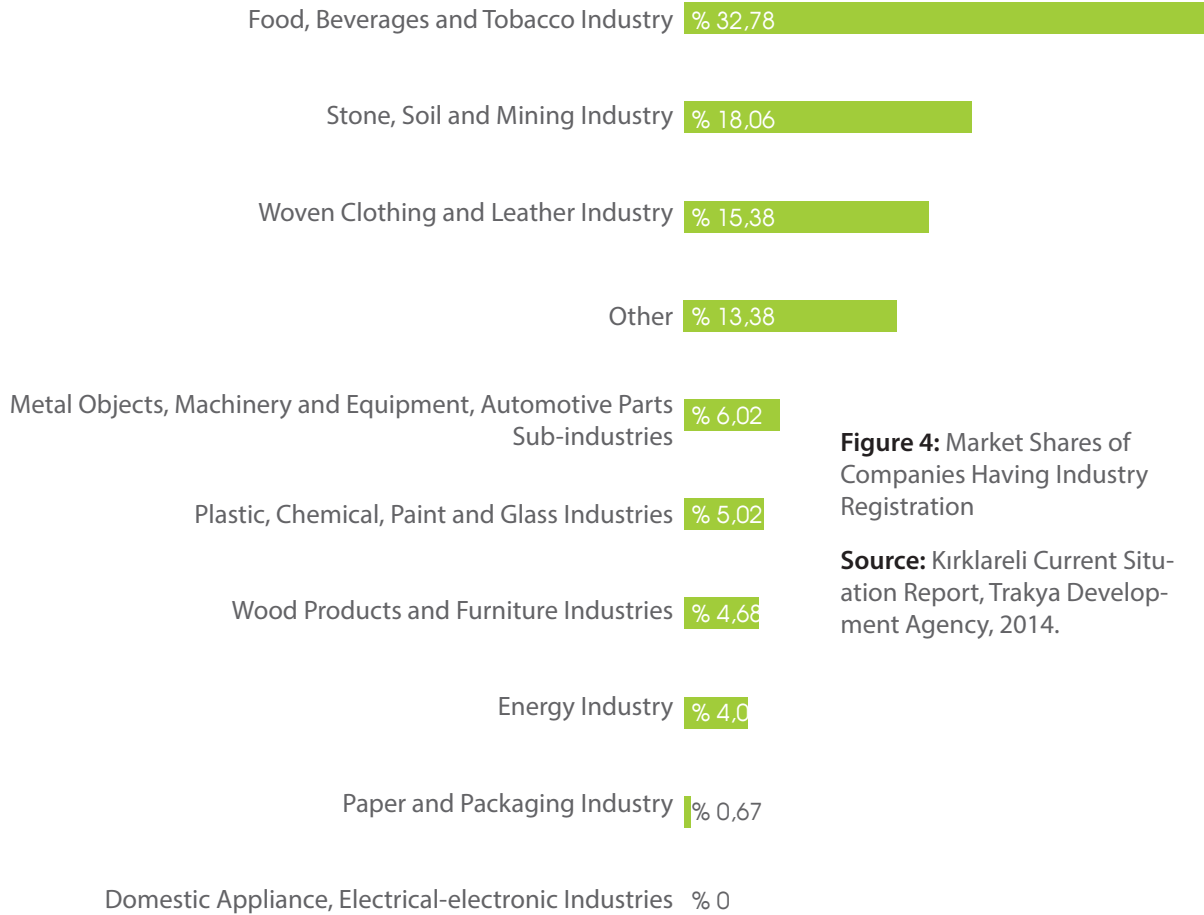
## Beekeeping

The number of beekeeper enterprises in Kırklareli have fluctuated from year to year and realized as 826 enterprises in 2013. According to beekeeping statistics, it is observed that there is an increase in the number of new hives and old hives, amount of honey and beeswax production over the years.

**Table 4:** Beekeeping Statistics

Number of Beekeeping Enterprises (units)	826
Number of New Hives	38647
Number of Old Hives	9116
Total Hives	47763
Honey Production (tonne)	618,148
Beeswax Production (tonne)	17,157

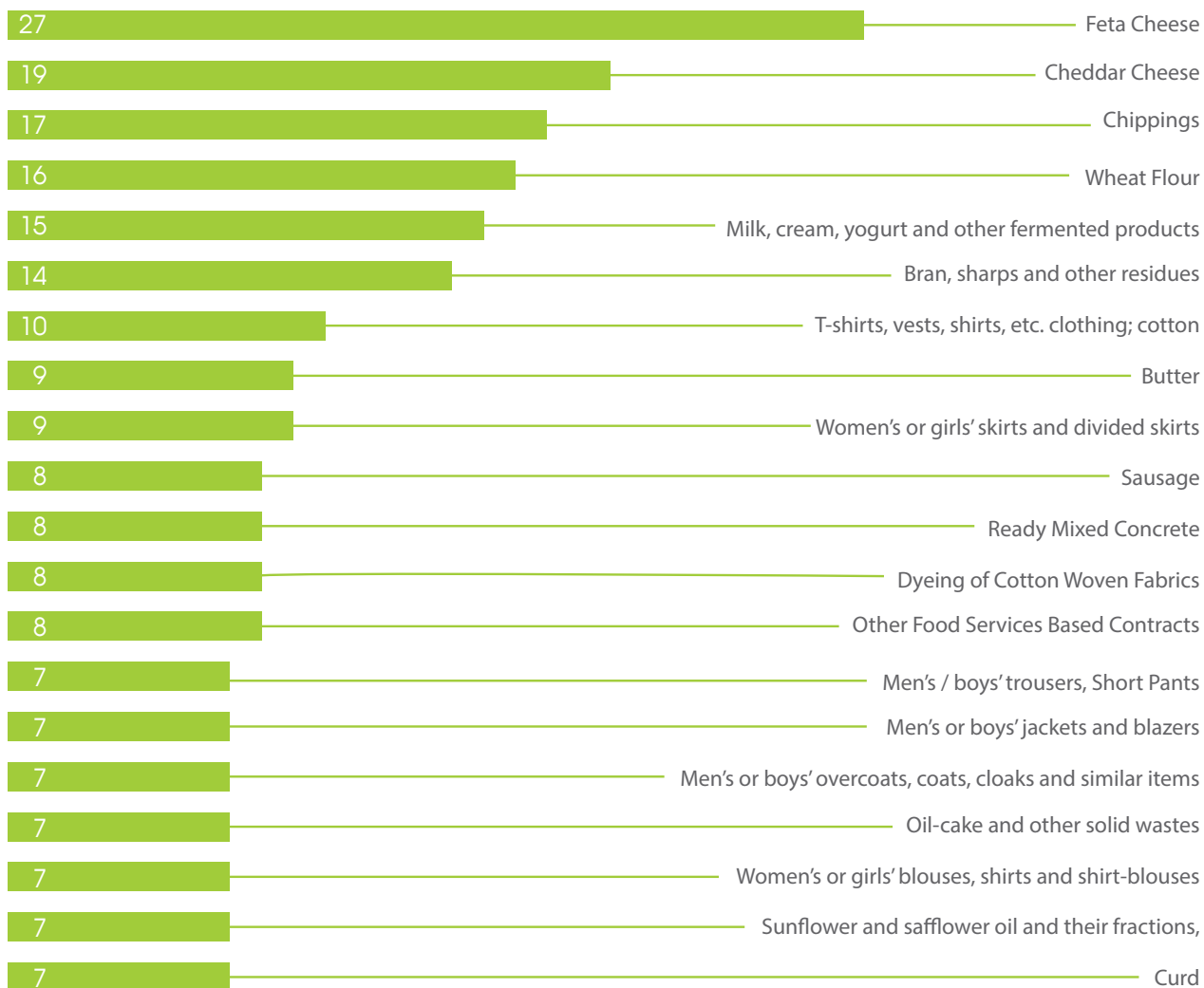
**Source:** Animal Production Statistics, TSI, 2013.



**Figure 4:** Market Shares of Companies Having Industry Registration

**Source:** Kirklareli Current Situation Report, Trakya Development Agency, 2014.

According to 81 Provinces Status Report of Ministry of Science, Industry and Technology; Kirklareli takes place between provinces which have developing industries with a ratio of 0,4%. When you have a look at the sectoral distribution of enterprises that have industry registration, “Food, Beverages and Tobacco Industry” has the highest share with its ratio of 32,78%. With a rate of 18,06% “Stone, Soil, Mining Industry” and with 15.38% “Textiles, Clothing and Leather Industry” follow the ranking, respectively.



**Figure 5:** Top 20 Products Encoded in Kirklareli and Numbers of Capacity Reports

**Source:** Kirklareli Current Situation Report, Trakya Development Agency, 2014.

The chart above shows distribution of the most produced products in Kirklareli according to the number of the capacity reports coming from companies. According to the PRODCOM classification maximum capacity report number belongs to companies operating in the manufacture of food products.

## BUSINESS DEMOGRAPHY

Considering the legal status of the companies in Kırklareli province, 74,7% of them are limited companies.

**Table 5:** Numbers of Firms by Legal Status

Unlimited Liability Companies	19
Limited Liability Companies	712
Joint Stock Companies	157
Cooperative Societies	65
Total	953

**Source:** Kırklareli Current Situation Report, Trakya Development Agency, 2014.

## PUBLIC INVESTMENTS

When we have a look at the following data of investments made by government the largest share belongs to education. Mining and energy sectors follow the ranking, respectively.

**Table 6:** Sectoral Distribution of Public Investment

Agriculture	11.099
Mining	27.300
Energy	17.762
Transportation and communication	2.056
Education	29.954
Health	5.600
Other Public Services	29.558
TOTAL	123.329

**Source:** Kırklareli Current Situation Report, Trakya Development Agency, 2014.



## VOLUME OF COMMODITY EXCHANGE

There are three commodity exchanges located on Kırklareli, Lüleburgaz and Babaeski. According to following data; Lüleburgaz Commodity Exchange has the biggest volume, Kırklareli and Babaeski Commodity Exchanges takes place as second and third.

**Table 7:** Commodity Exchange Trading Volumes

	2007	2008	2009	2010	2011
<b>Kırklareli</b>					
Trading Volume	259.794.452	274.854.448	359.077.002	415.940.511	399.006.219
Turkey Ratio %	0,416	0,398	0,468	0,447	0,348
<b>Babaeski</b>					
Trading Volume	375.623.003	516.713.228	307.171.868	245.062.163	210.219.770
Turkey Ratio %	0,601	0,748	0,4	0,263	0,184
<b>Lüleburgaz</b>					
Trading Volume	311.853.499	419.419.343	459.323.873	524.505.515	612.724.076
Turkey Ratio %	0,499	0,607	0,598	0,564	0,535

**Source:** Kırklareli Current Situation Report, Trakya Development Agency, 2014.

## FOREIGN TRADE



**Figure 6:** Exports and Imports Data by Economic Activity (in thousands of USD)

**Source:** Kirklareli Current Situation Report, Trakya Development Agency, 2014.

Kirklareli has an export share of 24,37% in the region performing 204.845.000 dolar export in 2014. When it comes to import, Kirklareli has performed 13,36% of imports of the region with an import of 108.702.000 dolar.

**Table 8:** Export and Import Markets

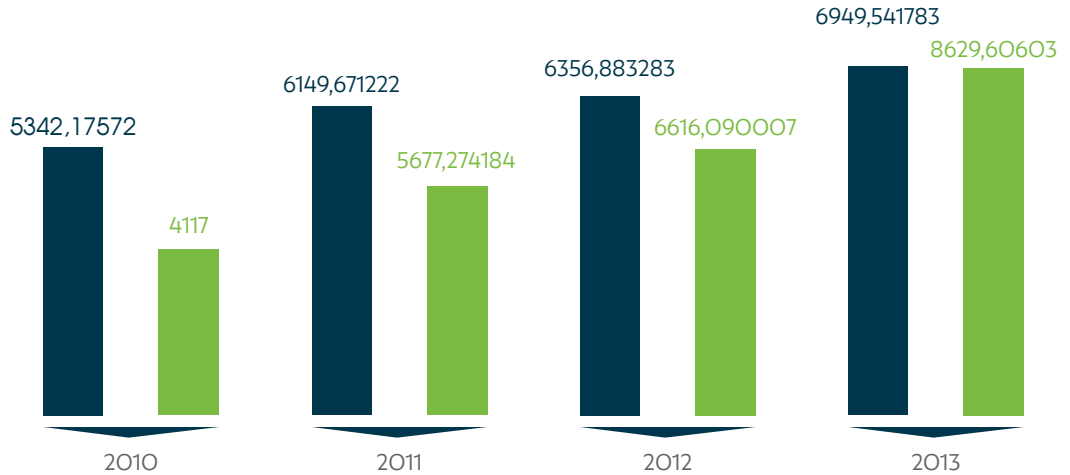
IMPORT MARKETS	EXPORT PARTNERS
Spain, China, Ukraine, Bulgaria, France	Bulgaria, Ukraine, Finland, Austria, China

**Source:** Kirklareli Current Situation Report, Trakya Development Agency, 2014.

**Figure 7:**

Average Deposit Accounts Per Population and Average credit accounts per population

■ Mevduat  
■ Kredi



**Source:** Banking Statistics, Banks Association of Turkey.

## Sea and Nature Tourism

Natural beauties such as İğneada, Kıyıköy Coasts, Kasatura Gulf and Demirköy are famous touristic destinations of Kırklareli. İğneada National Park, Kavaklımeşe Wood, Mert Lake, Erikli Lake, Bath Lake and Saka Lake are also prominent natural heritages.

## Ancient Cities and Historical Places

The ancient cities and historical places in the province are; Vize Ancient Theatre, Aşağı Pınar and Kanlıgeçit Mound, Small Hagia Sophia, Pınarhisar Castle, and Polos Castle.

## Ottoman-Era Artifacts

Lüleburgaz Sokullu Mehmet Pasha Islamic Social Complex, Kırklareli Hızırbey Islamic Social Complex, Babaeski Cedid Ali Pasha Mosque, Vize Süleyman Pasha Mosque, Demirköy Iron Foundry, Gazi Süleyman Pasha Mosque are the most significant artifacts remaining from Ottoman-Era.

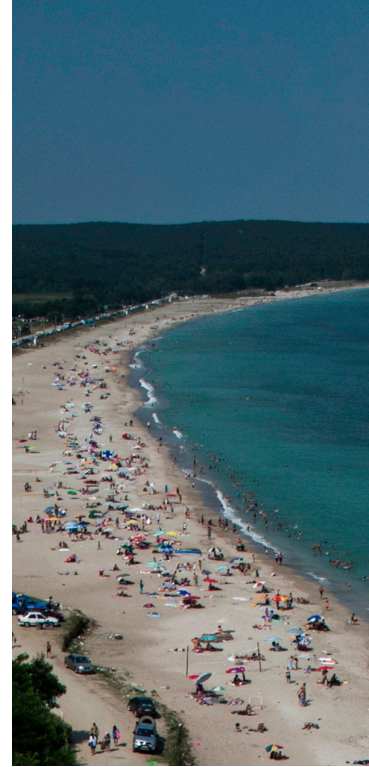
## Gastronomic Tourism

There are lots of products in the province which have gastronomic value. Milk and dairy products, meat and meat products, wine and Ottoman cuisine are some of them. Kırklareli and Ahmetbey meatballs, turbot of Kırklareli, milky chicken of Büyük Mandıra, feta cheese of Kırklareli can be regarded as the specific examples.

## Tourism Assets Carrying Brand Value

Strandja Mountains:

Strandja Mountains are identified as one of the five most important areas in Central and Eastern Europe at the international level in order to protect European Natural Heritage. In the region there are two protected areas including Kasatura Gulf Nature Protection Area and İğneada Longoz Forests National Park. Dupnisa Cave which is worth to see with its untouched stalactites, stalagmites is located on this region. Dupnisa has a 3 km long gallery with a river inside. The region is also suitable for hunting tourism as well as cave tourism.



## İğneada:

İğneada which is next to the blacksea coasts of Kırklareli is a tourism attraction center. Many tours are organized from İstanbul to İğneada thanks to its clean water and untouched nature.



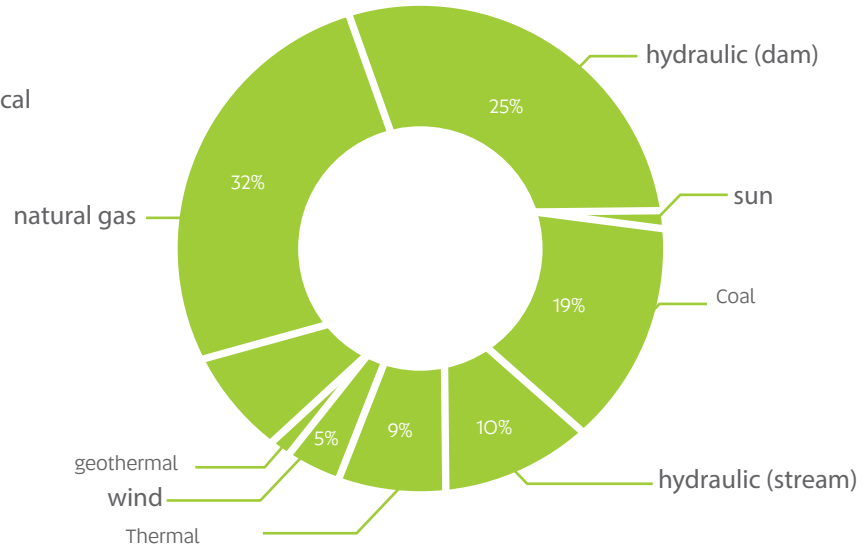




## ELECTRICITY

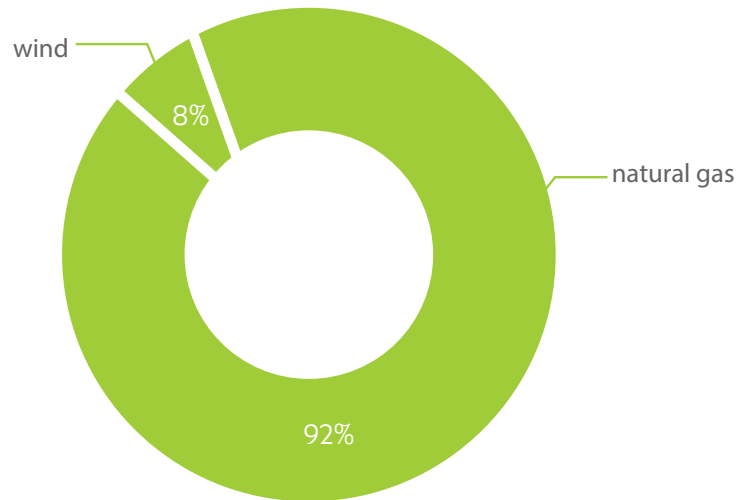
**Figure 8:** Installed Electrical Power of Turkey (66,134 MW)

**Source:** TETC, 2014.



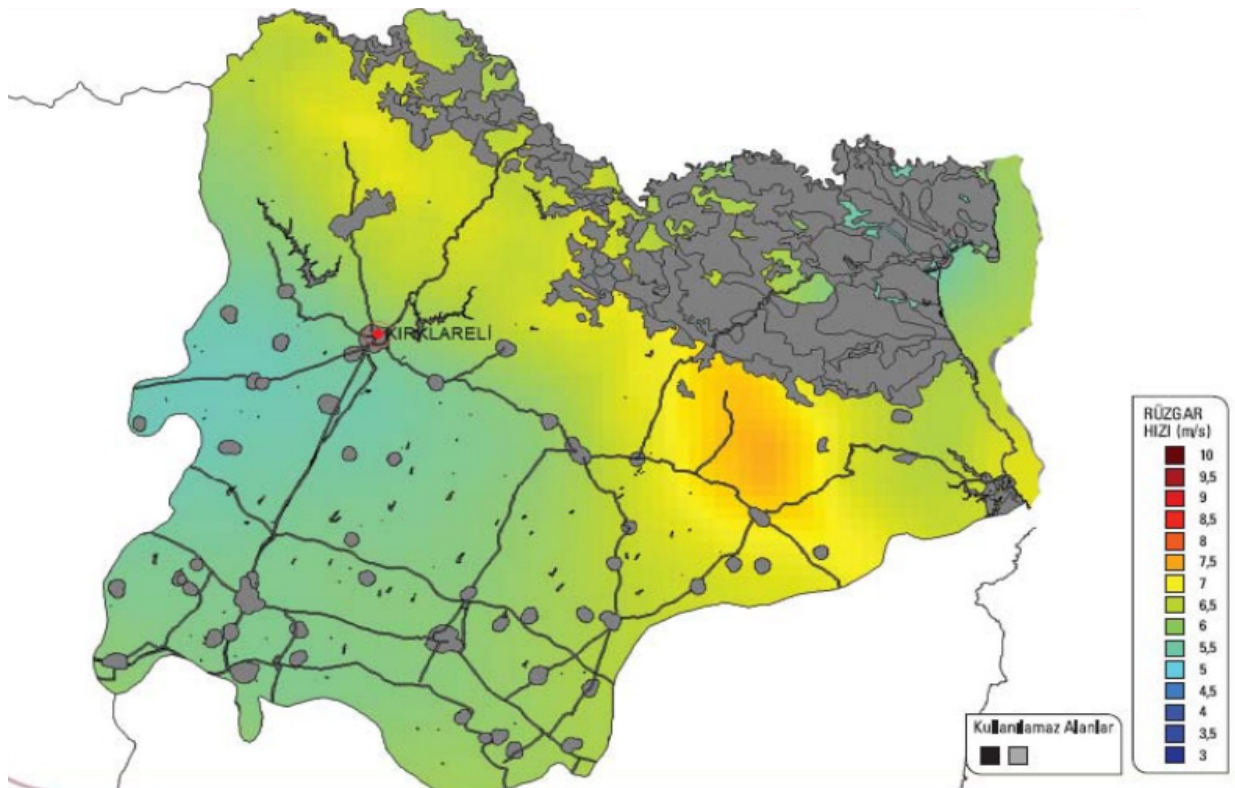
**Figure 9:** Installed Electrical Power of Kırklareli (2815 MW)

**Source:** Kırklareli Current Situation Report, Trakya Development Agency, 2014.



## WIND

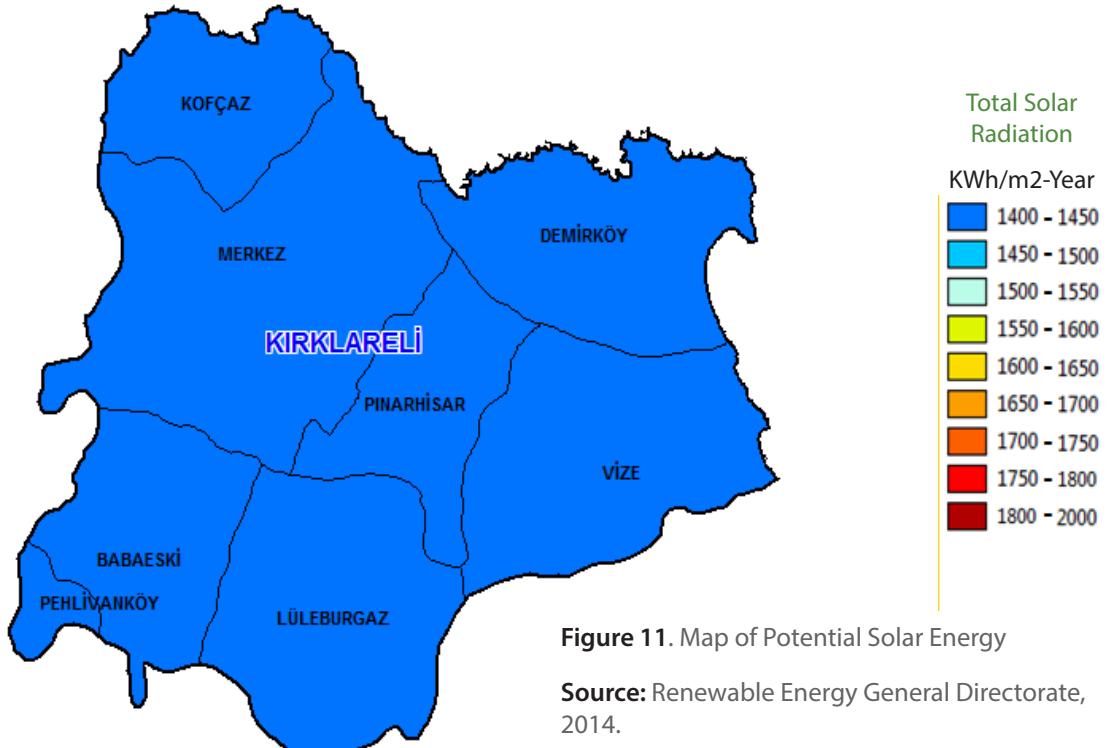
In studies conducted by Renewable Energy General Directorate it is noted that there are areas in the eastern side of the province suitable for wind power plants. According to the values determined by Renewable Energy General Directorate the wind speed in Kırklareli is at a level of between 5,5 and 7 m/s. Hence it is considered that there is a significant wind potential in the province. There is an installed wind power capacity of 262 MW in Kırklareli.



**Figure 10 :** Map of Potential Wind Energy

**Source:** Renewable Energy General Directorate, 2014.

## SOLAR ENERGY



**Figure 11.** Map of Potential Solar Energy

**Source:** Renewable Energy General Directorate, 2014.

Turkey has a high potential for solar energy due to its geographic location. The average annual sunshine duration is 2,640 hours (7.2 hours/day), the average total radiation intensity is 1,311 kWh/m<sup>2</sup>-year (3.6 kWh / m<sup>2</sup>-day), solar energy potential is 380 billion kWh/year. When it comes to Kırklareli, according to data of Meteorology Directorate, average daily sunshine duration of Kırklareli is 6.21 hours. Except small-capacity domestic water heating systems, there aren't any available facilities powered by solar energy.



## BIOMASS

Turkey, which is an agricultural country, has a plentiful supply of agricultural wastes and product wastes. Around fertile agricultural lands of Turkey, Trakya region has a significant agricultural potential. Sowing of sunflower, rapeseed, soybean, canola, safflower, cotton, etc. oilseed crops are carried out in the province. In addition, energy forestry can be extended via planting qualified trees around Strandja Mountains. Animal and vegetable wastes in forests within the province can also be taken into account. Amounts and potential energy amounts of wastes mentioned are given in the tables below for Kırklareli.

**Table 9:** Biogas Potential of Animal Wastes

<b>Total Fertilizer (tons/year)</b>	<b>951.632</b>
Total amount of biogas (m <sup>3</sup> / year)	24.865.729
Biogas AID (kcal / m <sup>3</sup> )	5.000
Total Energy Value (MWh / year)	144.568
Combustion efficiency	60%
annual working time of Power Plant	7.000
Installed Capacity (MW)	12
Annual electricity generation (GWh)	87

**Table 10:** Electrical Production Potential from Urban Wastes

Collected waste (tons / year)	144.389
Installed Capacity (MW)	3
Annual estimated production (GWh)	17

**Table 11:** Total Forest Assets

The normal forest (ha)	221.889,5
Degraded Forest (ha)	36.806,4
Total forest (ha)	258.695,9

**Table 12:** Electricity Production Potential from Agricultural Waste

Total rice stalk (tons / year)	27.710
Total Rice Shell (tons / year)	3.695
Rice stalk to be used for energy production (tons / year)	16.626
Rice shell to be used for energy production (tons / year)	2.217
Total wheat stalk (tons / year)	365.081
Wheat stalk to be used for energy production (ton / year)	219.049
Total sunflower stalk (tons / year)	65.445
Sunflower stalks to be used for energy production (tons / year)	39.267
The total annual amount of energy (Gcal)	758.257
Approximate cycle efficiency	40%
The total annual operating hours	6.500
Approximate theoretical installed capacity (MW)	54
Annual electricity generation (GWh)	353

**Source:** TR21 Trakya Region Energy Report, Trakya Development Agency, 2012.

## COAL

10,34% of total reserves of lignite deposits of TR21 Trakya Region are located in the province of Kırklareli. Lignite reserves in the region constitute 2,76% of Turkey's total lignite reserves. Lignite deposits in the province are located in the Vize-Topçuköy field. Amount of the total reserves having a quality of 2300 kcal/kg is determined as 34,2 million tons.

**Table 13:** Lignite Reserve

### Reserve (1000 Tons)

Visible	Probable	Possible	Total	Source	Potential	Grand Total	Operable
-	34,206	-	34,206	-	-	34,206	-

### Results of Analysis

Water %	Ash %	Sulfur %	AID Kcal/kg
32,5	22,5	22,5	1,5

### Equivalent (1000 tons)

Petroleum	Hard Coal	Field of Use	Operating Mode
7.867	11.239	Heating Industry	Off

**Source:** General Directorate of Mineral Research and Exploration, 2014.

## NATURAL GAS

There are 5 natural gas production fields which work under the permission of Trakya Regional Directorate of Turkey Petroleum Corporation in the province. Amount of the natural gas that was produced and sold is 62.861.780 cm<sup>3</sup>. Natural gas fields:

Hamitabat- 16 wells,

Kumrular -3 wells,

Kavakdere-1 well,

Umurca- 4 wells,

İncilibayır- 4 wells.

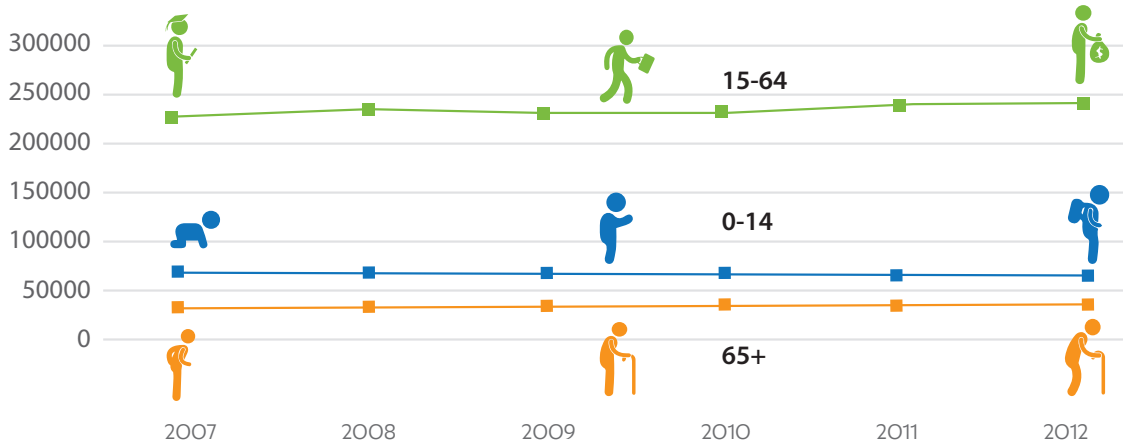


**Figure 12:** Natural Gas Pipelines through Kırklareli

**Source:** Kırklareli Current Situation Report, Trakya Development Agency, 2014.

## POPULATION

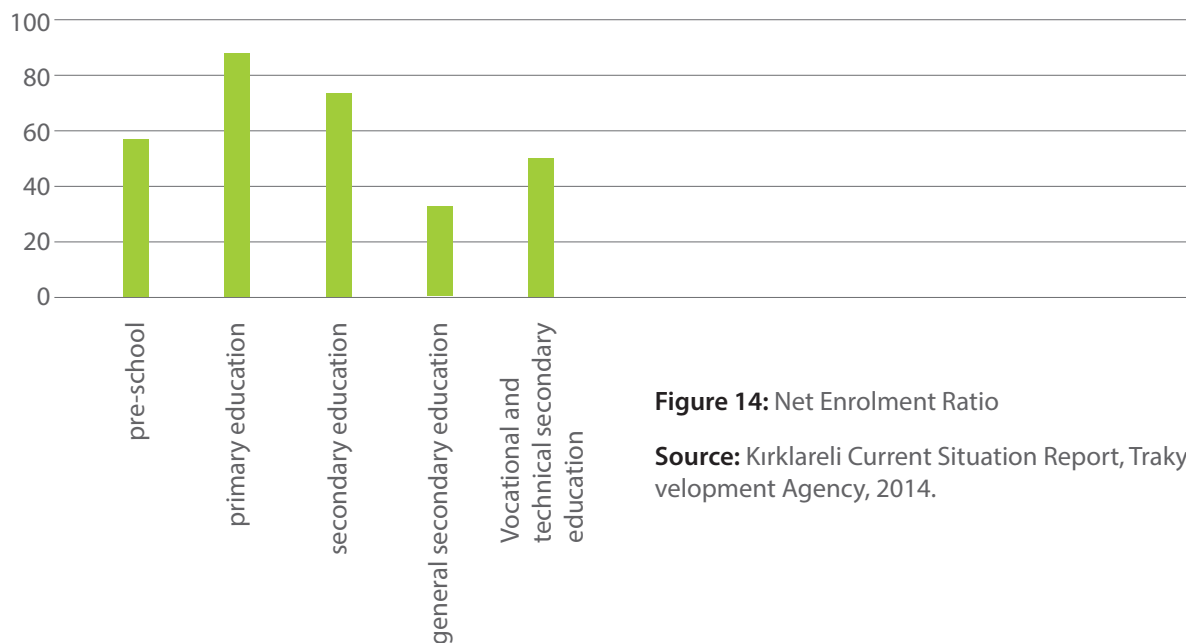
According to the United Nations' criteria, people between the ages of 0-14 are classified as children population, between the ages of 15-64 are classified as adults or working population/active population, over the age of 65 are classified as older population. 12% of the population in the province is over the age of 65, while in Turkey, this ratio is around 8%. The share of the 0-14 age group called as children population is about 25% in Turkey, while this rate is 17% in Kırklareli.



**Figure 13:** Population by Age Groups

**Source:** Kırklareli Current Situation Report, Trakya Development Agency, 2014.

## EDUCATION



**Figure 14:** Net Enrolment Ratio

**Source:** Kırklareli Current Situation Report, Trakya Development Agency, 2014.

**Table 14:** 2012-2013 Academic Year Occupational and Technical Secondary School and Student Numbers

School	Student
38	10.153

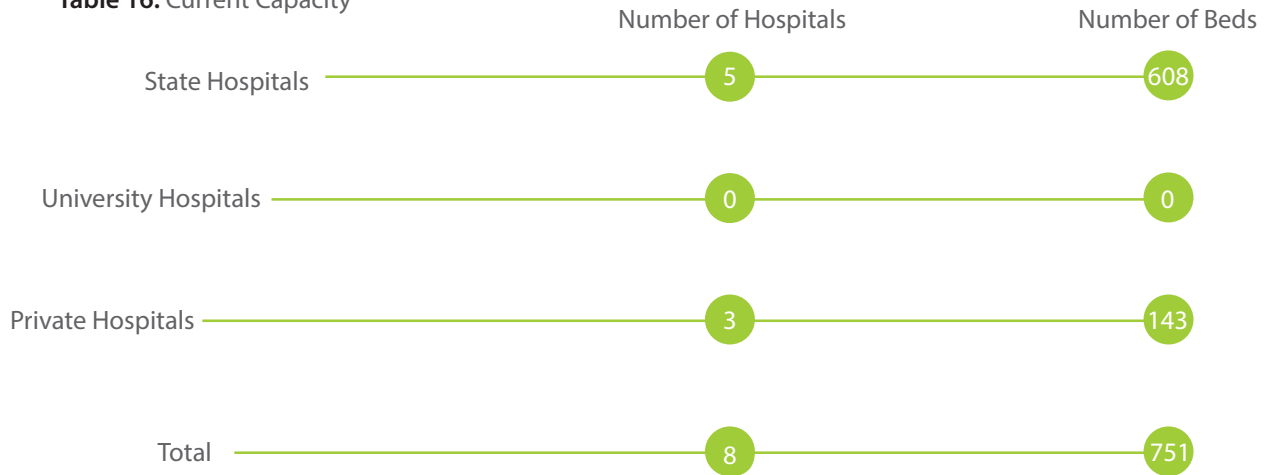
**Source:** Kırklareli Current Situation Report, Trakya Development Agency, 2014.

**Table 15:** 2011-2012 Academic Year Number of Students in Higher Education

Faculties	2.193
High Schools	561
Institutes	80
Vocational High School	9.940
Total	12.774

**Source:** Kırklareli Current Situation Report, Trakya Development Agency, 2014.

## HEALTH

**Table 16:** Current Capacity

**Source:** Kirklareli Current Situation Report, Trakya Development Agency, 2014.

**Table 17:** Number of Health Personnel

Specialist Physician	223
General Practitioner	171
Dentist	104
Medical Officer	576
Nurse	535
Midwife	320
Pharmacist	139

**Source:** Kirklareli Current Situation Report, Trakya Development Agency, 2014.

## UNDER CONSTRUCTION

**Table 18:** Kırklareli Central State Hospital

Project Cost	61.360.000,00 TL
Investment Year	2012
Type	State Hospital
Province	Kırklareli / Town Centre
Number of Beds	250

**Table 19:** Kırklareli Oral and Dental Health Center

Project Cost	4.307.000,00 TL
Investment Year	2009
Type	Oral and Dental Health Center
Province	Kırklareli / Town Centre

**Table 20:** Kırklareli Pınarhisar State Hospital

Project Cost	7.451.700,00 TL
Investment Year	2011
type	State Hospital
Province	Kırklareli / Pınarhisar
Number of Beds	30

## PROJECTS

**Table 21:** Kırklareli Health Complex

Investment Year	2014
Type	Ministry of Health
Province	Kırklareli / Town Centre

**Table 22:** Kırklareli Vize State Hospital

Project Cost	5.850.000,00 TL
Investment Year	2014
Type	State Hospital
Province	Kırklareli / Vize
Number of Beds	30

**Table 23:** Kırklareli Lüleburgaz State Hospital

Project Cost	58.500.000,00 TL
Investment Year	2013
Type	State Hospital
Province	Kırklareli / Lüleburgaz
Number of Beds	300

**Table 24:** Kırklareli Demirköy Family Health Center and Community Health Center

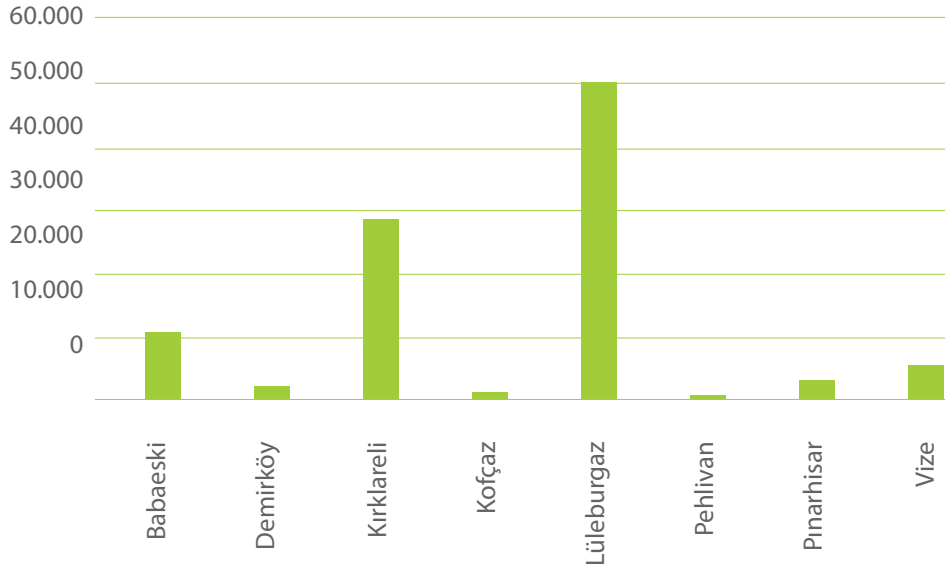
Project Cost	975.000,00 TL
Investment Year	2012
Type	Family Health Center and Community Health Center
Province	Kırklareli / Demirköy
Number of Beds	5

Source: Ministry of Health, 2014

## WORKFORCE

In Trakya Region non-institutional civilian population having an age of 15 and above 15 is approximately 1,3 million. One-quarter of this population lives in Kırklareli. Approximately 713.000 of this population is included in the labor force. The labor force participation rate is 54,8% for the region. This rate is higher than Turkey's ratio which is 50%.

## EMPLOYMENT



**Figure 15:** Number of Employment by Settlements

**Source:** Kırklareli Current Situation Report, Trakya Development Agency, 2014.



## UNEMPLOYMENT

**Table 25:** Unemployment Figures of Kırklareli

Years	Unemployment (%)
2009	13,6
2010	10,8
2011	8,9
2012	7,9

**Source:** Kırklareli Current Situation Report, Trakya Development Agency, 2014.



**Table 26:** Kırklareli Organized Industrial Zone

Total Area (m2)	3.660.000 (m2)
Empty Area Ratio	%55
Available Power Capacity	35 (MVA)
Fresh Water Capacity (m3/h)	540 (m3/h)
Natural Gas Capacity (m3/h)	20.000 (m3/h)
Available Treatment Plant Capacity	600 (m3/day)
Average Minimum Wage Gross	1.071,00 TL
Advantages	<p>50 km away from Hamitabat Thermal Power Plant.                      55 km away from Kırklareli Organized Industrial Zone.                      Located in Zone having Lowest Earthquake Risk in Turkey.                      Ease of excavation with its sandy soil structure.                      70-80 km away from the Border Gates of Bulgaria and Greece.                      200 km away from Istanbul.                      Employment opportunities through Kırklareli University, Industrial Vocational and Technical High Schools.</p>



**Table 27:** Büyükkarıştıran Rehabilitated Organized Industrial Zone

Total Area (m2)	5.960.000 (m2)
Empty Area Ratio	%34
Advantages	Located parallel to the TEM which plays an active role in meeting the demand of national and international transportation. 39 km away from Çorlu Airport. 42 km away from Ak Port which is the most developed port of the region. 18 km away from Railway station in Muratlı. 125 km away from Kapıkule Border Gate.

**Source:** Directorate of Science, Industry and Technology Ministry

**Table 28:** Evrensekiz Rehabilitated Organized Industrial Zone

Total Area (m2)	1.960.000 (m2)
Advantages	Located parallel to the TEM highway which plays an active role in meeting the demand of national and international transportation. Located on the junction of Evrensekiz and 10 km away from Lüleburgaz. 50 km away from Çorlu Airport. 50 km away from Ak Port which is the most developed port of the region. 18 km away from Railway station in Muratlı.

**Source:** Directorate of Science, Industry and Technology Ministry

**Table 29:** PAGDER & ASLAN Private Organized Industrial Zone

Total Area (m2)	598.656 (m2)
Advantages	Located in Zone having Lowest Earthquake Risk in Turkey. 65 km away from Çorlu Airport. 82 km away from Tekirdağ Port. 60 km away from Alpullu Railway Station. 40 away from TEM. 125 km away from Kapıkule Border Gate.

**Source:** www.paosb.org

## Transportation Infrastructure of Kırklareli is improving with Edirne - Kırklareli - Tekirdag - Istanbul High Speed Train Project

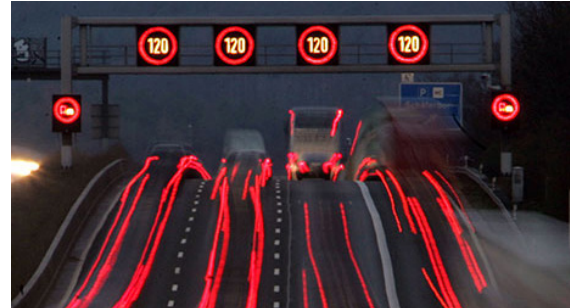
Developed transportation cob of Kırklareli is improving with Edirne - Kırklareli - Tekirdag - Istanbul High Speed Train Project.

The distance between İstanbul and Edirne is considered as about 1 hour with Edirne-Kırklareli-Tekirdag- Istanbul High Speed Train Project , which is forseen to be completed in 2017. With this project, Trakya almost will become a suburb of İstanbul, transportation infrastructure of Kırklareli will develop, tourism mobility will increase, economy will grow and the social life of the province will develop.



## Bulgaria's "New" economy is rising out of Kırklareli

With the Kırklareli-Burgas Railway Project ,that is considered as the eastern way of Bulgaria's economy, Kırklareli and Burgas cities will be connected by railway. Thereby trade volume, economy, tourism, social life and transportation facilities of both cities will be developed.



## Kırklareli is Becoming Stronger with Border Gates

The aim of Derekoş Border Gate Modernization Project is to modernize the border gate and provide the flow of articulated lorry traffic. A significant increase is expected in the number of people and vehicles that go through from Kırklareli to Bulgaria with this project.

A sea Border Gate in Begendik is planned in order to revive tourism between Begendik and Rezovo.

Especially in the summer, these two points are dense in terms of tourism activity and they will more and more popular with the transition of international tourists.



Greenhousing

R & D Investments

Biogas Investments

Milk Powder Manufacturing Plant

Confection Product Manufacturing

Theme Park Investments

Meat Processing Investments

Tourism Investments (Travel Agencies, Services, Accommodation)

Agricultural Investments (Livestock, Cultivation of Fruits and Vegetables)

Hotel Investments (especially in the Black Sea Coast and in Strandja Forest District)

Pasteurized Milk and Dairy Products Production Plant

Processed Fishery Products Production Facility

Canned Fruit and Vegetable Production Plant

Biscuit and Wafer Production Plant

Pasta Production Plant

Social Facilities

Kirklareli is located in the 2nd district according to the incentive system. Investments that will be carried out in this area can take advantage of General Investment Incentive, Regional Investment Incentive, Large Scale Investment Incentive, Strategic Investment Incentive. Contributions provided to investors through incentive instruments depend on the characteristics of the investment and applicable schemes.

## General Investments

Any investment subject not incentivized by the Regional, Large Scale or Strategic Schemes under the new Investment Incentive Program can benefit from supports granted by the General Investment Incentive Scheme, as long as it fulfills certain criteria. The minimum fixed investment amount should be 1.000.000 TL, the investment subject under the program should not be one of "Investment Subjects not Supported" and should meet specific criteria set for the "Conditionally Supported Investment Subjects". There are two supports for this scheme:

**Value Added Tax (VAT) Exemption:** Investment machinery and equipment which is imported and/or locally provided within the scope of the incentive certificate will be VAT exempt.

**Customs Duty Exemption:** Investment machinery and equipment imported within the scope of the incentive certificate will be exempted from customs duty set in the Import Regime Decree.

## Regional Investments

Investment projects can benefit from supports offered by the Regional Investment Incentive Scheme, provided that they meet the minimum investment amount and capacity requirements for industries identified for the province. Supports granted by the Regional Investment Incentive Scheme for the province are given below.

Value Added Tax Exemption				Available
Customs Duty Exemption				Available
Tax Deduction	Until 31.12.2014	Rate of Contribution (%)	Outside OIZ	20
			Within OIZ	25
		Tax Reduction Rate (%)	Outside OIZ	55
			Within OIZ	60
	By 01.01.2015	Rate of Contribution (%)	Outside OIZ	15
			Within OIZ	20
		Tax Reduction Rate (%)	Outside OIZ	40
			Within OIZ	50
Social Security Premium (Employer's share)	Until 31.12.2014	Term of Support (years)	Outside OIZ	3 years
			Within OIZ	5 years
		Rate of Contribution(%)	Outside OIZ	15
			Within OIZ	20
	By 01.01.2015	Term of Support (years)	Outside OIZ	3 years
			Within OIZ	5 years
		Rate of Contribution (%)	Outside OIZ	20
			Within OIZ	25
Land Allocation				Available

## Large scale Investments

Large scale Investment Incentive Scheme supports 12 different investment categories which will potentially foster Turkey's technology and R&D capacity and competitiveness. Investment projects in 12 designated investment areas should have the following minimum fixed investment amounts, in order to be supported by this scheme. Terms and Rates of Supports in Large Scale Investment Incentive are given in the following table.

Value added tax Exemption				Available
Customs Duty Exemption				Available
Tax Deduction	Until 31.12.2014	Rate of Contribution (%)	Outside OIZ	25
			Within OIZ	35
		Tax Reduction Rate (%)	Outside OIZ	55
			Within OIZ	60
	By 01.01.2015	Rate of Contribution (%)	Outside OIZ	25
			Within OIZ	30
		Tax Reduction Rate (%)	Outside OIZ	40
			Within OIZ	50
Social Security Premium (Employer's share)	Until 31.12.2014	Term of Support (years)	Outside OIZ	3 years
			Within OIZ	5 years
		Rate of Contribution (%)	Outside OIZ	5
			Within OIZ	8
	By 01.01.2015	Term of Support (years)	Outside OIZ	Unavailable
			Within OIZ	3 years
		Rate of Contribution (%)	Outside OIZ	5
			Within OIZ	8
Land Allocation				Available



## Strategic Investments

There is no exclusive list of strategic investment subjects. Investment projects which satisfy all criteria serving for the purposes of the scheme are regarded as strategic investments. A project that meets the following criteria can be supported within the scope of the Strategic Investment Incentive Scheme:

Minimum fixed investment shall be 50 million TL,

The domestic production capacity for the product(s) to be manufactured with the investment shall be less than the import of that product(s),

The added value brought with the investment shall be minimum 40% (excluding the refining and petrochemical investments),

The total import value of the product(s) to be manufactured with the investment shall be minimum 50 Million \$ as of the past one year (excluding the products that are not manufactured domestically).

Terms and Rates of Supports in Strategic Investment Incentive Scheme are given below.

Value Added Tax Exemption		Available
Customs Duty Exemption		Available
Tax Deduction	Tax Reduction Rate (%)	90
	Rate of Contribution (%)	50
Social Security Premium (Employer's share)	Term of Support (years)	7 years
	Rate of Contribution (%)	15
Land Allocation		Available
Interest Rate Support	TL Denominated Loans (points)	5
	FX Loan (points)	2
	Maximum Support Amount (Thousand TL)	50.000
VAT Refund for building expenditures of the strategic investments over 500 Million TL.		Available

## Investments Benefited From Level Upgrade

The following categories of investments within the Regional and Large Scale Investment Incentives Schemes will get more benefits by getting, level upgrade in regional rates and terms of tax reduction and social security premium support (employer's share):

- Investments in Organized Industrial Zones (OIZ),
- Joint investments to be made by at least 5 companies operating in the same sector with the purpose of integrating these companies to this joint investment.

## Specific Priority Investments

According to the Decree, there are some specific priority investment areas. If an investor interested in investing on these areas, investment will be supported by the measures that are applicable for the 5th Region even they are made in 2nd Region. This is an upgrading opportunity for the investors.



## TRAKYA DEVELOPMENT AGENCY

### Call for Proposals

Call for Proposal is an invitation for potential applicants, carrying necessary qualifications, to submit project proposals which have to comply with the pre-determined subjects and conditions. The details regarding to the call for proposal will be involved in the application guide.

The minimum and maximum amounts of support per project can differ upon the special conditions of the support program. While determining these limits, factors such as general and special objectives of the program, the qualifications of potential applicants, the appropriate project subjects and their costs, program budget and the relevant legislation are considered by the board of directors.

The co-finance rate of the projects submitted by the profit making real and legal persons and supported by the Trakya Development Agency is to be at least 50% of total relevant cost where this rate cannot be decreased in any case.

### Direct Activity Support Program

The aim of the Direct Activity Support Program is to provide financial support for strategic research, planning and feasibility studies targeted to make contribution to local/regional development, and improve the implementation capacity of regional progress and plans. The Direct Activity Support Program apparently complies with legislation and is undertaken in the frame of national plans and programs.

Direct Activity Support Program supports activities that do not contain any investment component. The time duration for the projects financed under this program is maximum three months. The three month implementation phase begins just one day after contract is signed.

Municipalities, universities, other public institutions, professional organizations with public institution status, Non-Governmental Organizations, Unions and Cooperatives are only institutions/organizations that can benefit from Direct Activity Support Program.

Under this program, Trakya Development Agency provides financial support for the activities defined in line with strategic priorities determined for regional development. Therefore, the projects that will be prepared must comply with the plans and programs in implementation.

Under the Direct Activity Support Program, minimum and maximum amounts that will be given for each project are decided upon in the limits of the legislation and determined by the Trakya Development Agency for each program. Support amounts of Direct Activity Support Program in 2014 were determined 25.000 TL and 90.000 TL as minimum and maximum amounts respectively.

### Guided Project Support

Guided Project Support is designed for providing financial and technical supports to projects contributing acceleration of regional development and enhancement of entrepreneurship and innovation capacity of the region.

The Agency determines the project areas to be supported with its general framework and also the possible actors competent to implement it. In this type of support, cooperation among public sector, private sector and nongovernmental organizations is highly encouraged.

The implementation period of the projects under the Guided Project Support shall not exceed 2 years. The Agency may provide support at a maximum rate of 90% per project.

### Technical Supports

The purpose of the technical support to be provided by the Agency is to provide technical support to the operations of local actors which have importance for the regional development however, owing to the difficulties that have been encountered during preliminary and implementation stages due to lack of institutional capacity.

#### Beneficiaries from Technical Support:

- Local authorities and union of local administration,
- Universities, vocational schools, research institutes,
- Other state institutions and organizations,
- Professional organizations with the status of public entity
- Non-governmental organizations.
- Technical supports will be provided in the following context:

- Training,
- Providing consultancy service

### KIRKLARELI INVESTMENT SUPPORT OFFICE

#### Introduces Investment Environment of City

- Does research to promote the city's business and investment environment.
- Arranges business events trip such as domestic and international conferences, seminars, meetings.
- Provides the participation to the organizations about promoting Investment environment.

#### Analysis, Reports, Policy Studies

- Prepares the report about the investment environment
- Prepares databases matters that will need for Investors
- Prepares investment business flowchart
- Ensure "Technical Support" to Investors about requested issues
- Prepares reports about sectoral analysis

#### Conducts Studies in order to Enhance the Competitiveness of the Province

- Studies for development of entrepreneurship

- Bilateral studies with intuitions
- Studies for enhancing the entrepreneurship capacities of enterprises

### **Permits and Licenses**

- Following and coordinating the private sector investors' permission and authorization procedures which are carry out by the public institutions and other administrative work and procedures.
- Providing priority to the the private sector investors' permission and authorization procedures which are carry out by the public institutions and other administrative work and procedures.
- Identifying the obstacles and problems of private sector investors and attempting to solve the problems with related authorities.

### **Studies for Improvement of the Investment Environment of the Province**

- Studies related to the identification and resolution of issues about business and investment environment of the province
- Establishing cooperation with institutions involved in the process of investment

### **Inventory Studies**

- Prepares the necessary information and data about development of business and investment environment for investors
- Prepares database of businesses
- Prepares inventory like land, buildings and facilities

ties that are suitable for investment in

- Collects data about the cost of investment in, related to the issues as Energy, logistics, workforce, investment and so on that impact on taking an investment decision.

### **Investment Incentives Operations**

- Introduces Investment Incentives System
- Guide to investors who wants to benefits from governmental support for their investment and the preparation of the application file about Investment Incentives
- Does monitoring, reporting investments development made over during the investment incentives
- When investments completed, prepares closing documents of investment.

### **Consulting - Technical Assistance**

- Financial and technical support and giving information to investors on the issues about public and private sectors in central and local level. To keeping abreast of public and private sector financial and technical support which are applied in central and local levels and giving information to investors
- Provision of information and guidance services to investors in the investment process and after that
- Assistance in the provision of investment location.
- Helping to eliminate the need for labor
- Assistance in investor relations with other institutions





### STRANDJA FOREST HONEY

Beside the high potential of sunflower honey, Strandja Forest Honey, which is gathered around Strandjas, is one of the natural flavor of Kırklareli. Strandja Mountains' rich vegetation and flora diversity gives a special taste, odor and color to honey. From day to day Strandja Forest Honey has become well-known and sought after honey in Turkey with its high nutritional value and healing structure.



### KIRKLARELİ CHEESE

Kırklareli has a growing economy in terms of dairy products with its local manufacturers who made transition from traditional dairy culture to modern facilities. Feta cheese types produced in Kırklareli attract attention of people who live in İstanbul and surrounding cities. Feta Cheese, Old Cheddar, Cheddar Cheese, Curd Cheese, Sheep Cheese and Goat Cheese are specific types of cheese that are produced with traditional methods in Kırklareli. Applications regarding geographical indication and trademark registration of "Kırklareli Fate Cheese" were completed; the relevant procedures are still in progress.



### NATIONAL BEVERAGE HARDALIYE

Hardaliye is a lactic acid fermented beverage produced from grapes, crushed mustard seeds, benzoic acid and it is specific to Kırklareli. Production is performed with ripe grape species such as Papazkarası, Pamit, Cardinal, Alphonse, Cabernet, Merlot, Cinsaut, Şiraz ve Öküzgözü. When Atatürk came to Kırklareli in 1930, he tasted Hardaliye and gave directive to manufacturers in order to make Hardaliye as a national drink. Analysis and standardization of production steps of Hardaliye which has a high potential for export were completed.



### KIRKLARELİ MEATBALL

Meatball is one of the most popular tastes of the restaurants in Kırklareli. Production amount of the restaurants operating in the province is about one and a half tons in a day. It is a sought after dish for tourists coming from Bulgaria. Application was done to take the geographical indication of Kırklareli meatball but it hasn't ended up yet.





## **Kirklareli Investment Support Office**

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