



REPUBLIC OF TÜRKİYE
MINISTRY OF INDUSTRY
AND TECHNOLOGY

NATIONAL
TECHNOLOGY
INITIATIVE

HIT-30

HIGH TECH TÜRKİYE

Invest in Future

INVEST in FUTURE via
**HIT-30 HIGH TECH
INVESTMENT PROGRAM**

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Why Türkiye?



Robust Economy

- **Ranking in World Economy:** Türkiye is the 11th largest economy in the world based on GDP at PPP. (Source: TurkStat, IMF, PPP: Purchasing Power Parity)
- **Economic Growth:** Türkiye has outpaced rival European economies with an average annual GDP growth rate of 5.4% between 2002 and 2023 (Source: TurkStat, IMF)
- **Prudent Fiscal Discipline:** Adhering to prudent fiscal discipline, Türkiye drastically diminished the gross public debt to GDP ratio from above 70% in 2002 down to 28.9% in 2023. (Source: IMF)
- **High Export Potential:** With an eye-catching 9.8% average annual growth in exports of goods, Türkiye has outpaced the world performance (6.4%) and increased its exports of goods volume from \$36 billion to \$255.6 billion over the past 21 years. Türkiye's share in global exports of goods has increased from less than 0.6% in 2002 to 1.08% in 2023. (Source: TurkStat, ITC)

Large Domestic and Regional Markets

- **Economic Development:** Türkiye's performance in economic development saw its income per capita increase from \$3,608 in 2002 to \$13,243 in 2023. (Source: TurkStat)
- **Large Urban Population:** Türkiye, with its 85.4 million population, is highly urbanized with 24 urban centers with populations over 1 million. (Source: TurkStat)
- **Free Access to Markets:** Türkiye has free access to more than 1 billion consumers worldwide. With the current Customs Union agreement with the EU, Türkiye has direct access to the 449 million-strong EU market. (Source: IMF; Ministry of Trade, TurkStat, World Bank, Population as of 2022)

Strategic Location

- **Close Proximity to Major Markets:** Türkiye offers easy access to **1.3 billion people** and a combined market worth of \$28 trillion GDP in Europe, MENA, and Central Asia within a 4-hour flight radius.
- **Same Day Reachability of Key Markets:** Türkiye's strategic location enables easy reach to markets across 16 different time zones, from Tokyo to New York.
- **Global Connectivity:** Türkiye has the capability to swiftly deliver its products to target markets through its extensive network of ports opening to the Black Sea, Aegean Sea, and the Mediterranean Sea, facilitating efficient maritime transportation. Additionally, Turkish Airlines, with one of the world's largest networks, operates flights to **349 destinations in 130 countries**.
- **Hub for Multinationals:** Global companies increasingly prefer Türkiye as a hub for production, export, and management. For instance, Nestle utilizes Türkiye as a production base for the Middle East and North Africa region, Hugo Boss operates its largest production facility worldwide in Türkiye, and the BSH Group manages 89 countries from Türkiye.

Youthful Population and Skilled Workforce

- **The Youngest Population in Europe:** Türkiye, with half of its population under the age of 34 in 2023, has the largest youth population among the EU member and candidate countries. (Source: TurkStat)
- **Large Labor Force:** Türkiye's overall labor force is around **35.9 million people**, which makes the country the 2nd largest labor force in Europe. Türkiye has posted the largest labor force growth compared to the EU countries. (Source: TurkStat)
- **Skilled Workforce:** In surveys measuring the availability of skilled workforce, Türkiye, with a score of 5.29, is in a better position compared to similar economies like Brazil (3.37) and Hungary (3.12). (Source: IMD, IMD World Talent Ranking Report 2024)



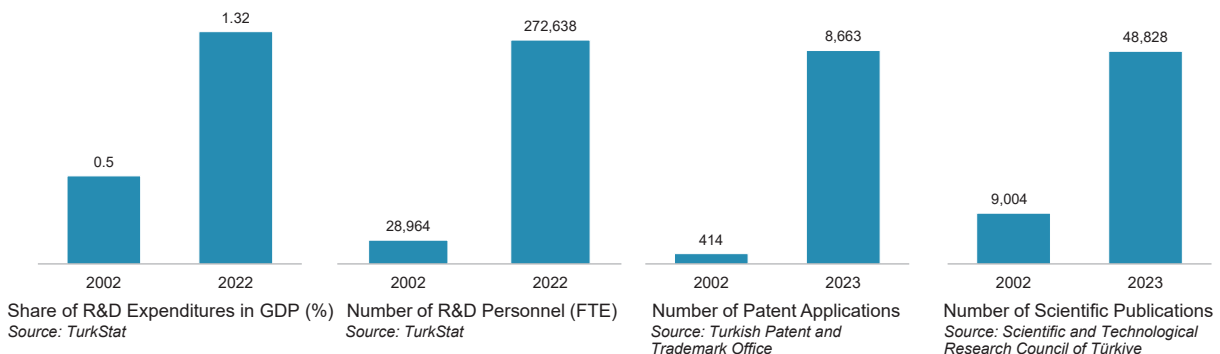
Business-Friendly Investment Climate

- **Ease of Doing Business:** As a result of recent developments in business regulations, Türkiye has shown significant improvement in the World Bank's Ease of Doing Business Index, rising to 33rd place out of 190 countries.
- **Competitive Taxation:** Türkiye's investment environment is more competitive in terms of international tax competitiveness with a value of 78.6 compared to similar economies like Mexico (60.1) and Colombia (46.4). (Source: Tax Foundation, 2023 International Tax Competition Index, Index=100 as most competitive)
- **Bilateral Agreements:** Türkiye currently has Bilateral Investment Protection Treaties with 89, and Treaties to Avoid Double Taxation with 90 countries.



Advantageous R&D Ecosystem

- **High Number of Researchers:** According to 2022 data, a total of 272,638 personnel worked on R&D in Türkiye in terms of full-time equivalent (FTE). (Source: TurkStat)
- **Preferred Country in R&D:** Today, Türkiye hosts more than a thousand R&D units operated by foreign companies or companies with foreign partners. Companies such as Ford, Ericsson, Bosch, Fiat, and Amgen are prime examples of the attractiveness of Türkiye's R&D ecosystem.
- **Growing R&D Ecosystem:** Türkiye's R&D ecosystem continues to grow in terms of personnel, expenditure, patent applications and scientific publications.





Türkiye aims to become a global hub in high-tech production by 2030 through the HIT-30 Program.

The HIT-30 Program is an investment program where comprehensive support and incentives are provided to specialized projects in high-priority technology areas, with tailor-made solutions developed to meet specific needs.

SECTORS

30+ Priority Investment Topics Under 8 Areas

Semiconductors

- Chip Manufacturing
- Production of Ingots and Wafers for Chips
- Chip Packaging and Testing
- Micro Electro Mechanical Systems (MEMS)



Green Energy

- Green Hydrogen Production
- Electrolysers
- Wind Energy Systems
- Solar Energy Cells, Wafers, and Ingots
- Batteries for Energy Storage
- Battery Components (Cathode Active Materials, Electrolyte Separators)
- Processing of Critical Minerals for High-Technology Applications



Mobility

- Electric Vehicles
- Hydrogen Vehicles
- Battery Technologies for Mobility



- Electric High-Speed Rail Systems
- Micro Mobility Air Vehicles
- Unmanned Ground/Air/Sea Vehicles

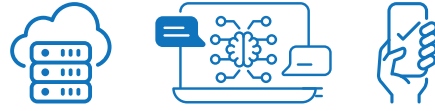
Advanced Manufacturing

- Industrial Robots and Unmanned Systems
- Additive Manufacturing Machines
- Precision Machinery for High-Technology Products



Digital Technologies

- Large-Scale Natural Language Processing Models
- Digital Products and Services (Search Engines, Navigation Applications, etc.)
- Large-Scale Data Centers Offering Cloud Services



Healthy Living

- Biotechnological Pharmaceuticals
- Innovative Health Technologies
- Smart Medical Devices
- Advanced Food Technologies



Complementary Investments in the Value Chain

Investments aimed at completing, and ensuring sustainability within the value chains of the 7 high technology sectors covered under the HIT- 30 Program.

- Vertical Integration Investments in the Value Chain
- Strategic Investments in Raw Materials
- Local Supplier Development Initiatives



Communication and Space

- Low Earth Orbit Satellite Systems
- Next-Generation Communication Infrastructures
- Smart Communication Devices



PROJECT QUALIFICATIONS

It is expected that projects to be supported under the HIT-30 Program will carry certain characteristics and qualities to ensure success in the investment process and significant gains in the relative sector.



Focus on Emerging Technologies:

Projects eligible for support are expected to focus on emerging technologies in priority investment areas that are predicted to have greater economic impact and strategic importance in the future compared to present day.



Economic Scale for Competitiveness:

Projects to be supported under the program are expected not only to be competitive at the national level but also at the global level as a result of the essential economic scale need for competitiveness.



Technical Competence and Financial Capability:

Investments supported under the program will require investors to have a strong financial structure and sufficient experience in the relevant field.



Incorporation of Technological Gains:

A significant criterion for investments to be supported under the program will be the possession of know-how, expertise, intellectual and industrial property rights related to the product, production process, and technologies.



Strategic Added Value:

Projects will be evaluated based on their ability to create strategic value in the supply of critical products in the relevant field, including enablement of value chain integration in the respective technology area.

INCENTIVES

Within the scope of HIT-30, projects, depending on their matter of subject and size, will be able to benefit from the following support mechanisms:

- **PROJECT-BASED INVESTMENT INCENTIVES:** Project-based incentives are specifically tailored on a project-by-project basis, taking into consideration the strategic value, potential added value, and characteristics of the project.



- **Corporate Tax Deduction:** This support aims to reduce costs for investors by providing tax advantages.
- **Employment Supports:**
 - **Social Security Premium Support:** Social security premium payments can be covered by the Ministry within certain rates and periods.
 - **Qualified Personnel Support:** Salaries of R&D and key qualified personnel in the production process can be covered by the Ministry within certain rates and periods.
- **Interest/Profit Rate Support:** To facilitate financing for investors, interest or profit rate support is implemented within certain periods and limits related to credit or financing.
- **Energy Support:** Companies investing in energy-intensive projects may have up to 50% of their energy bills paid by the government for a certain period and within specified limits.
- **Other Grant Supports:** Projects that meet the criteria set by the Ministry can manage their investment processes more easily and efficiently by taking benefit of grant supports.



- **Other Tax Incentives:**
 - **Customs Duty Exemption:** Customs duty exemption can be provided for investment goods, machinery, and equipment obtained domestically and/or abroad.
 - **VAT Exemption:** Building-construction expenses or investment goods within the project scope can be exempt from VAT.

- **MARKET DEVELOPMENT SUPPORTS:** Supports may be provided to motivate the investor for initial market entry through:
- **Public Procurement Guarantee:** A public procurement guarantee can be provided for products within the investment scope.
- **Customs Duty Exemption:** Temporary customs duty exemption can be applied to a designated number of products imported by investors during market entry phase.
- **Exemptions in Relative Regulations:** Support or exemption may be provided regarding regulations that hinder the investor's market entry.



- **INVESTMENT LAND OPPORTUNITIES:** By evaluating the qualities and potential gains of investments, the most suitable investment lands will be determined and specifically for the HIT-30 Program, these investment lands may be allocated free of charge or at a discount with alternative acquisition models.
- **FINANCING SUPPORT:** Special financial supports are provided for investments under the scope of HIT-30, such as capital contributions, low-interest investment loans, and coverage of interest expenses.
- **HIGH-LEVEL POLICY SUPPORT:** The Industrialization Executive Committee, which will operate under the chairmanship of the President of the Republic of Türkiye, will provide the necessary contributions to the success of special investments through decisions and policies.



CALLS

Investment applications can be made for all areas under the scope of HIT-30. For certain areas, a more detailed and structured criteria and investment scheme are announced under calls. Currently, there are six active calls, and more will follow in the near future.

HIT-Electric Vehicle Call



**Total Support
Budget**



\$5 Billion

Investment Qualifications



Investments with
a minimum of 150K
vehicle capacity



Limited to
BEV and PHEV
production



Full
Production
Investments



Establishment
of R&D
center

Supports to be Provided

- Customs tax exemption for a certain number of vehicles and/or grant supports up to 15%
- Tax incentive up to 80%
- Employment supports
- Tax exemptions
- Allocation of investment land
- Financing supports

HIT-Battery Call



**Total Support
Budget**



\$4.5 Billion

Investment Qualifications



Investments
with a minimum of
5 GWh capacity



Vehicle and
storage batteries,
active materials



Production
including
cells



Establishment of
R&D
center

Supports to be Provided

- Grant support up to 25%
- Tax support up to 60%
- Employment supports
- Tax exemptions
- Allocation of investment land
- Financing supports

Up to \$6,000 grant per MWh until year 2030

HIT-Chip Call



**Total Support
Budget**

» **\$5 Billion**

Investment Qualifications



Investments in various
capacities based
on usage areas



Investments
in chip value chain
(Ingot, wafer, testing, packaging)



65 nm
technology
and above

Supports to be Provided

- Capital contribution up to 30%
- Grant support up to 10%
- Tax support up to 80%
- Allocation of investment land
- Employment supports
- Financing supports
- Tax exemptions

HIT-Solar Call



**Total Support
Budget**

» **\$2.5 Billion**

Investment Qualifications



Investments
for cell production
starting from ingot



Minimum of
5 GW production
capacity



R&D center for
competitiveness
in technology

Supports to be Provided

- Grant support up to 20%
- Tax support up to 60%
- Employment supports
- Tax exemptions
- Allocation of investment land
- Financing supports

Up to \$8,000 grant per MW produced until year 2030

HIT-Wind Call



**Total Support
Budget**

» **\$1.7 Billion**

Investment Qualifications



Integrated
OEM
investments



Investments in
new technologies and
offshore turbines



Investments
in critical turbine
components

Supports to be Provided

- Grant support up to 20%
- Tax support up to 60%
- Employment supports
- Tax exemptions
- Allocation of investment land
- Financing supports

HIT-R&D Call



**Total Support
Budget**

» **\$1 Billion**

Investment Qualifications



From companies
among the top
1000 in R&D



With a minimum
of 250 R&D
personnel



In priority
technology
areas



The projects
that bring know-how
to Türkiye

Supports to be Provided

- Grant support up to 50% of staff costs
- Grant support to R&D partnerships
- Corporate tax exemptions
- Tax exemptions



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\$30 Billion Support Budget

In addition to Türkiye's other defining advantages, this special Program, which will provide a total of **\$30 billion** in support, offers the most competitive opportunities in the global arena for target investment areas.

We invite investors from Türkiye and around the world to take part in the HIT-30 Program and benefit from Türkiye's unique opportunities and advantages in high technology investments, becoming a part of Türkiye's technological breakthrough journey.



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For Detailed Information and More

