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Page: 1/53

Committee on Subsidies and Countervailing Measures

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SUBSIDIES

NEW AND FULL NOTIFICATION PURSUANT TO ARTICLE XVI:1 OF THE GATT 1994 AND ARTICLE 25 OF THE AGREEMENT ON SUBSIDIES AND COUNTERVAILING MEASURES

TURKEY

The following communication, dated and received on 13 December 2021, is being circulated at the request of the delegation of Turkey.

Table of Contents

1	COOPERATION SUPPORT PROGRAMME	3
2	CREDIT INTEREST SUPPORT PROGRAMME	5
3	KOBİGEL-SME DEVELOPMENT SUPPORT PROGRAMME.....	6
4	INTERNATIONAL ACCELERATOR SUPPORT PROGRAMME.....	7
5	R&D, P&D AND INNOVATION SUPPORT PROGRAMME	9
6	SME DEVELOPMENT SUPPORT PROGRAMME	10
7	SME TECHNOLOGICAL PRODUCT INVESTMENT SUPPORT PROGRAMME	11
8	ADVANCED ENTREPRENEUR SUPPORT PROGRAMME	13
9	TRADITIONAL ENTREPRENEUR SUPPORT PROGRAMME	14
10	BASIC SCIENCES SUPPORT PROGRAMME	15
11	CENTER OF EXCELLENCE SUPPORT PROGRAM	18
12	PUBLIC INSTITUTIONS RESEARCH FUNDING PROGRAM	19
13	INDUSTRIAL R&D PROJECTS GRANT PROGRAM	21
14	R&D PROJECT BROKERAGE EVENTS GRANT PROGRAM	22
15	UNIVERSITY-INDUSTRY COLLABORATION SUPPORT PROGRAM.....	23
16	INTERNATIONAL INDUSTRIAL R&D PROJECTS GRANT PROGRAM	24
17	TUBİTAK TEYDEB 1512 ENTREPRENEUR SUPPORT PROGRAM	25
18	TECHNOLOGY TRANSFER OFFICES SUPPORT PROGRAM	26
19	TECH-INVESTMENT VENTURE CAPITAL SUPPORT PROGRAM.....	27
20	FRONTIER R&D LABORATORY SUPPORT PROGRAM	29
21	CAPACITY BUILDING FOR I&E GRANT PROGRAM	30
22	PATENT SUPPORT PROGRAM	31

23	PATENT BASED TECHNOLOGY TRANSFER SUPPORT CALL	33
24	SME SUPPORT CALL FOR ORDER BASED R&D PROJECTS	34
25	INDUSTRIAL INNOVATION NETWORKS MECHANISM CALL.....	35
26	SME RESEARCH DEVELOPMENT AND INNOVATION GRANT PROGRAM	37
27	TURK EXIMBANK'S PROGRAMMES	38
28	EXPORT SUBSIDY PROGRAMME FOR AGRICULTURAL PRODUCTS (2020-2021)	48
29	REDUCED SPECIAL CONSUMPTION TAX ON MARINE FUELS.....	49
30	FISHERIES SUPPORT PROGRAMME (2017-2018)	50
31	FISHERIES SUPPORT PROGRAMME (2019 - 2020)	51

1 COOPERATION SUPPORT PROGRAMME

1. Title of the subsidy programme

Cooperation Support Programme.

2. Period covered by the notification

This notification relates to the support program provided during the period of 2018 - 2020.

3. Policy objective and/or purpose of the subsidy

Purposes of the programme are to enhance co-work culture between SMEs or between SMEs and large-sized enterprises and to contribute to development of cooperation which mutually provide benefit and competitive advantage.

4. Background and authority for the subsidy

This program is based on the Regulation on KOSGEB Support Programs entered into force after published in the Official Gazette dated 15 June 2010 and numbered 27612.

5. Form of the subsidy

Grant and Reimbursable loan.

6. To whom and how the subsidy is provided

The enterprises which are registered and active in the KOSGEB Database and which are the real or legal persons defined in the Turkish Commercial Code may apply.

In the project application, at least five enterprises should come together for the purpose of cooperation.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

The support budget of the KOSGEB Presidency is an integrated budget and there are no separate support budgets on a program basis. SMEs are supported in line with the appropriations allocated under the central government budget.

Detailed information about the Support Program is given below.

- Cooperation Partnership Models

1. Operator Institution Model

It is a model which an operator institution is established by project partners after the project is accepted. All process regarding the project is conducted by operator institution.

2. Project Partnership Model

It is a model in which each project partner fulfils a part of activities indicated in business-time plan taking place in project application form.

- Support Elements (Before 21.11.2019)

Operator Institution Model					
Technology Area of Operator Institution	Minimum Number of SMEs	Upper Support Limit (TRY)			Total Upper Limit (TRY)
		Non-reimbursable	Reimbursable	Total	
High	2	2 Million	3 Million	5 Million	5 Million
Middle-High	3	2 Million	3 Million	5 Million	5 Million
Others	5	2 Million	3 Million	5 Million	5 Million

Note: In case of cooperation with large-sized enterprise, only one SME is enough to meet program conditions

Project Partnership Model					
Technology Area of Operator Institution	Minimum Number of SMEs	Upper Support Limit (TRY)			Total Upper Limit (TRY)
		Non-reimbursable	Reimbursable	Total	
High	2	1 Million	1 Million	2 Million	10 Million
Middle-High	3	500 Thousand	500 Thousand	1 Million	10 Million
Others	5	250 Thousand	500 Thousand	750 Thousand	5 Million

Note: In case of cooperation with large-sized enterprise, only one SME is enough to meet program conditions

- Support Elements (After 21.11.2019)

Operator Institution Model					
Technology Area of Operator Institution	Minimum Number of SMEs	Upper Support Limit (TRY)			Total Upper Limit (TRY)
		Non-reimbursable	Reimbursable	Total	
High	2	1.5 Million	3.5 Million	5 Million	5 Million
Middle-High	3	1.5 Million	3.5 Million	5 Million	5 Million
Others	5	1.5 Million	3.5 Million	5 Million	5 Million

Project Partnership Model							
Technology Area of the Project	Minimum Number of SMEs	Upper Support Limit for Each Project Partner(TRY)			Total Upper Limit (TRY)		
		Non-reimbursable	Reimbursable	Total	Non-reimbursable	Reimbursable	Total
High	2	600 Thousand	1.4 Million	2 Million	3 Million	7 Million	10 Million
Middle-High	3	300 Thousand	700 Thousand	1 Million	3 Million	7 Million	10 Million
Others	5	225 Thousand	525 Thousand	750 Thousand	1.5 Million	3.5 Million	5 Million

- Project Issues To Be Supported

Cooperation projects which are between SME or between SMEs and large-sized enterprises on the subjects of

- Co-manufacturing to increase capacity, efficiency, product variety and quality;
 - Co-development of product and service and co-designing to meet demand of customer and market;
 - Co-laboratory to increase quality of product and service;
 - Co-marketing to increase market sharing and to create brand image; and
- Cooperation to develop capability and to participate to value chain are supported.

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

The Support Program comes into force with the decision of the KOSGEB Executive Committee. Support Program will be in force until the KOSGEB Executive Committee decision for changing it.

9. Statistical data permitting an assessment of the trade effects of the subsidy

The available statistics about the support program are provided in Table 1 including the previous years of notification.

Table 1: The Amount of Support Provided by Years

Cooperation Support Programme	2018	2019	2020
	TRY 9,488,250	TRY 4,145,471	TRY 37,005,072

2 CREDIT INTEREST SUPPORT PROGRAMME

1. Title of the subsidy programme

Credit Interest Support Programme.

2. Period covered by the notification

This notification relates to the support program provided during the period of 2018 - 2020.

3. Policy objective and/or purpose of the subsidy

Support is given to enterprises to provide cash loans from public banks, private banks, participation banks under appropriate conditions in order to increase the share and efficiency of small and medium-sized enterprises in meeting the economic and social needs of the country, to increase their competitiveness, and to realize industrial integration in accordance with economic developments.

4. Background and authority for the subsidy

This program is based on the KOSGEB SME Loan Interest Support Regulation entered into force after published in the Official Gazette dated 19/09/2009 and numbered 27354.

5. Form of the subsidy

Loan.

6. To whom and how the subsidy is provided

The enterprises that are registered and active in the KOSGEB Database, the SME Information Declaration is updated and defined in the Program can benefit from KOSGEB Loan Interest Support.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

The support budget of the KOSGEB Presidency is an integrated budget and there are no separate support budgets on a program basis. SMEs are supported in line with the appropriations allocated under the central government budget.

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

The Support Program comes into force with the decision of the KOSGEB Executive Committee. Support Program will be in force until the KOSGEB Executive Committee decision for changing it.

9. Statistical data permitting an assessment of the trade effects of the subsidy

The available statistics about the support program are provided in Table 1 including the previous years of notification.

Table 1: The Amount of Support Provided by Years

Credit Interest Support Programme	2018	2019	2020
	TRY 531,417,826	TRY 532,114,744	TRY 157,691,271

3 KOBIGEL-SME DEVELOPMENT SUPPORT PROGRAMME

1. Title of the subsidy programme

KOBIGEL – SME Development Support Programme.

2. Period covered by the notification

This notification relates to the support program provided during the period of 2018 - 2020.

3. Policy objective and/or purpose of the subsidy

In line with the national and international targets of the country, increasing the shares and activities of small and medium-sized enterprises in the economy.

Supporting the projects that SMEs will prepare for the purpose of increasing the competitive power and the added value they provide.

4. Background and authority for the subsidy

This program is based on the Regulation on KOSGEB Support Programs entered into force after published in the Official Gazette dated 15 June 2010 and numbered 27612.

5. Form of the subsidy

Grant and Reimbursable loan.

6. To whom and how the subsidy is provided

The enterprises which are registered and active in the KOSGEB Database and which are the real or legal persons defined in the Turkish Commercial Code may apply.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

The support budget of the KOSGEB Presidency is an integrated budget and there are no separate support budgets on a program basis. SMEs are supported in line with the appropriations allocated under the central government budget.

Detailed information about the Support Program is given below.

The support elements will be amended by considering the specificity of the subject in the context of the Call for Proposals.

Project Duration	At least 8 Months Up to 36 Months
Support Upper Limit	Grant- Up to TRY 300,000 Interest free Loan - Up to TRY 700,000
Project Support Rate	60% (70% of the support amount is paid as "interest free loan" and the remaining 30% of support amount is paid as "grant".)

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

The Support Program comes into force with the decision of the KOSGEB Executive Committee. Support Program will be in force until the KOSGEB Executive Committee decision for changing it.

9. Statistical data permitting an assessment of the trade effects of the subsidy

The available statistics about the support program are provided in Table 1 including the previous years of notification.

Table 1: The Amount of Support Provided by Years

KOBIGEL – SME Development Support Programme	2018	2019	2020
	TRY 257,364,661	TRY 495,760,995	TRY 110,150,149

4 INTERNATIONAL ACCELERATOR SUPPORT PROGRAMME

1. Title of the subsidy programme, if relevant, or brief description or identification of the subsidy

International Accelerator Support Programme.

This program consists of two sub-programs.

- a) International Incubation Center Building Program
- b) International Accelerator Program
 - The Organizational International Acceleration Programme
 - The International Accelerator Programme for Individual Participation

2. Period covered by the notification

This notification relates to the support program provided during the period of 2018 - 2020.

3. Policy objective and/or purpose of the subsidy

The purpose of this program; R&D and innovation activities are to support the establishment of an international incubation center and participation of companies in the acceleration programs in order to take place in the international markets, to increase the exportation and to take place in the advanced entrepreneurship ecosystems of domestic technology intensive start-ups.

4. Background and authority for the subsidy

This program is based on the Regulation on KOSGEB Support Programs entered into force after published in the Official Gazette dated 15 June 2010 and numbered 27612.

5. Form of the subsidy

Grant.

6. To whom and how the subsidy is provided

a) INTERNATIONAL INCUBATION CENTER BUILDING PROGRAM

The company shall be established in the status of a limited or joint stock company specified in the Turkish Commercial Code and in partnership with the applicants.

b) INTERNATIONAL ACCELERATOR PROGRAM

- The Organizational International Acceleration Programme

The support provided for individual or joint participation in the international accelerator programmes to be organized solely or jointly with;

- ✓ KOSGEB departments
- ✓ Universities
- ✓ Technopolls
- ✓ Technology Transfer Offices
- ✓ Private Incubation Centers/Accelerators

- The International Accelerator Programme for Individual Participation

The individual participation of enterprises, which are supported and achieved in success by using public resources for R&D and/or innovation projects in the international accelerator programme, shall be supported. The individual participant enterprises in the international accelerator programme shall be determined by the relevant department of KOSGEB and published at www.kosgeb.gov.tr.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

The support budget of the KOSGEB Presidency is an integrated budget and there are no separate support budgets on a program basis. SMEs are supported in line with the appropriations allocated under the central government budget.

Detailed information about the Support Program is given below.

a) INTERNATIONAL INCUBATION CENTER BUILDING PROGRAM

1. Institution and Equipment Support

Business Establishment Costs
 Building Renovation
 Infrastructure
 Office Equipment
 Software Costs
 Certified Public Accountant
 Transportation Costs

Support Upper Limit: USD 100,000.
 Support Rate: 80%.

2. Operational Costs Support

Incubation Center Rent
 Operating Costs
 Promotion Activities

Training, Consultancy, Mentoring, Business Management, Law, Intellectual and Industrial Property Rights Services and Organizations to be Received.

Support Upper Limit: USD 3,750,000.

B) INTERNATIONAL ACCELERATOR PROGRAM

1. Accelerator Office Lease Costs
2. Education Costs
3. Consulting Costs
4. Mentoring Costs
5. Business Management Costs
6. Legal Costs
7. Intellectual and Industrial Property Costs

8. Transportation Costs
9. Accommodation Costs
10. Sworn Financial Consultancy Services Costs
11. General Organization Costs

Support Upper Limit: USD 15,000 is given to SME's for participating an accelerator program, with a support upper limit of USD 60,000.

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

The Support Program comes into force with the decision of the KOSGEB Executive Committee. Support Program will be in force until the KOSGEB Executive Committee decision for changing it.

9. Statistical data permitting an assessment of the trade effects of the subsidy

The available statistics about the support program are provided in Table 1 including the previous years of notification.

Table 1: The Amount of Support Provided by Years

	2018	2019	2020
International Accelerator Support Programme	TRY 4,320,409	TRY 3,656,011	TRY 1,421,143

5 R&D, P&D AND INNOVATION SUPPORT PROGRAMME

1. Title of the subsidy programme

R&D, P&D and Innovation Support Programme.

2. Period covered by the notification

2018-2020

3. Policy objective and/or purpose of the subsidy

R & D and Innovation Program: The purpose of the R & D and Innovation Programme is to develop small and medium sized enterprises and entrepreneurs with new ideas and inventions based on science and technology and to support the projects about development of new products, new processes, information and/or services.

Product Development (P&D): The purpose of the P & D is to support SMEs that producing original, improved or modified new products.

4. Background and authority for the subsidy

This program is based on the Regulation on KOSGEB Support Programs entered into force after published in the Official Gazette dated 15 June 2010 and numbered 27612.

5. Form of the subsidy

Grant and reimbursable loan.

6. To whom and how the subsidy is provided

Entrepreneurs who wish to benefit from the program and the entities should apply to the relevant Implementation Unit. It is essential that the enterprises that apply for the project are registered and active in the KOSGEB Database.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

The support budget of the KOSGEB Presidency is an integrated budget and there are no separate support budgets on a program basis. SMEs are supported in line with the appropriations allocated under the central government budget.

Detailed information about the Support Program is given below.

R & D, P&D and Innovation Program:

		Support Upper Limit (TRY)	Support Rate (%)
Machinery-Equipment, Hardware, Raw Materials, Software and Service Procurement Costs Support		150,000	75
Machinery-Equipment, Hardware, Raw Materials, Software and Service Procurement Costs Support (reimbursable)		300,000	75
Qualified Staff Employment Support		200,000	100
Industrial Property Rights Support		100,000	75
Test and Analysis Support		100,000	75
Project Development Support	Project Consultancy Support	20,000	75
	Training Support	20,000	
	Project Promotion Support	10,000	
	Domestic - Overseas Congress/Conference/Exhibition Visit/Technological Cooperation Visit Support	20,000	
	Business Establishment Expenses Support	25,000	

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

The Support Program comes into force with the decision of the KOSGEB Executive Committee. Support Program will be in force until the KOSGEB Executive Committee decision for changing it.

9. Statistical data permitting an assessment of the trade effects of the subsidy

6 SME DEVELOPMENT SUPPORT PROGRAMME

1. Title of the subsidy programme, if relevant, or brief description or identification of the subsidy

SME Development Support Programme.

2. Period covered by the notification

This notification relates to the support program provided during 2018 - 2020.

3. Policy objective and/or purpose of the subsidy

The purpose of this program is to increase the competitiveness, institutionalization-branding levels and share of the economy in small and medium sized enterprises, to develop their capacities and to meet their priority needs.

4. Background and authority for the subsidy

This program is based on the Regulation on KOSGEB Support Programs entered into force after published in the Official Gazette dated 15 June 2010 and numbered 27612.

5. Form of the subsidy

Grant.

6. To whom and how the subsidy is provided

The enterprises which are registered and active in the KOSGEB Database and which are the real or legal persons defined in the Turkish Commercial Code may apply.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

The support budget of the KOSGEB Presidency is an integrated budget and there are no separate support budgets on a program basis. SMEs are supported in line with the appropriations allocated under the central government budget.

Detailed information about the Support Program is given below.

Business Development Support Program Support	Support Upper Limit (TRY)	Support Rate
Domestic Fair Support	50,000	60
Overseas Business Trip Support (*)	30,000	60
Qualified Staff Employment Support (**)	50,000	60
Design Support	50,000	60
Industrial Property Rights Support (***)	30,000	60
Certification Support (***)	50,000	60
Test and Analysis Support(****)	50,000	60
Energy Efficiency Support(*****)	80,000	60
Independent Evaluation Support	20,000	60
Model Factory Support	70,000	60

- (*) Within the scope of KOSGEB SME and Entrepreneurship Awards, finalists determined annually are supported 100% for their one international business trip costs without considering the upper limits from the international business trip program organized by KOSGEB.
- (**) Personnel to be employed within the scope of Qualified Staff Employment Support; If entrepreneur is a new graduate from a university, female, disabled, first degree relative of a martyr, or a veteran, The Extra 20% (twenty) is added to the support rate.
- (***) The documents to be obtained from TSE and TURKPATENT are 100% supported.
- (****) The services to be obtained from TSE are supported at 100% (one hundred) rate within the upper limits of support.
- (*****) In the event that the Ministry of Industry and Technology certifies with the local goods certificate obtained in accordance with the Communiqué No: SGM 2014/35 published in the Official Gazette dated 13/09/2014 and numbered 29118, 15% (fifteen) additional support is determined.

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

The Support Program comes into force with the decision of the KOSGEB Executive Committee. Support Program will be in force until the KOSGEB Executive Committee decision for changing it.

9. Statistical data permitting an assessment of the trade effects of the subsidy

The available statistics about the support program are provided in Table 1 including the previous years of notification.

Table 1: The Amount of Support Provided by Years

SME Development Support Programme	2018	2019	2020
	TRY 311,897	TRY 150,382.370	TRY 285,951,406

7 SME TECHNOLOGICAL PRODUCT INVESTMENT SUPPORT PROGRAMME

1. Title of the subsidy programme

SME Technological Product Investment Support Programme.

2. Period covered by the notification

This notification relates to the support program provided during 2018 - 2020.

3. Policy objective and/or purpose of the subsidy

The purpose of the programme is to increase export by supporting investments which purpose production and commercialization of new product/products resulting from R&D or innovation activities, for providing value added to economy.

4. Background and authority for the subsidy

This program is based on the Regulation on KOSGEB Support Programs entered into force after published in the Official Gazette dated 15 June 2010 and numbered 27612.

5. Form of the subsidy

Grant and reimbursable loan.

6. To whom and how the subsidy is provided

Enterprises which

1. Are operating for at least one year.
2. Have one of the following documents, indicating that R&D project completed up to five years ago
 - Resulting from a R&D and Innovation Projects which are supported by KOSGEB and other public institutions, law-established foundations or international funds,
 - Being protected by a patent,
 - Result from a doctoral study,
 - Certificate of Technological Product Experience
3. Complete prototyping.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

The support budget of the KOSGEB Presidency is an integrated budget and there are no separate support budgets on a program basis. SMEs are supported in line with the appropriations allocated under the central government budget.

Detailed information about the Support Program is given below.

Support Elements	Support Rate
Machinery-Equipment Support	60% (30% non-reimbursable + 70% reimbursable)
Production Line Design Costs Support	60% (30% non-reimbursable + 70% reimbursable)
Software Costs Support	60% (30% non-reimbursable + 70% reimbursable)
Staff Costs Support	100% non-reimbursable
Training and Consultancy Support	60% (30% non-reimbursable + 70% reimbursable)
Promotion and Marketing Costs Support	60% (30% non-reimbursable + 70% reimbursable)

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

The Support Program comes into force with the decision of the KOSGEB Executive Committee. Support Program will be in force until the KOSGEB Executive Committee decision for changing it.

9. Statistical data permitting an assessment of the trade effects of the subsidy

The available statistics about the support program are provided in Table 1 including the previous years of notification.

Table 1: The Amount of Support Provided by Years

SME Technological Support Programme	Product Investment	2018	2019	2020
		TRY 29,770,360	TRY 76,897,542	TRY 141,805,338

8 ADVANCED ENTREPRENEUR SUPPORT PROGRAMME1. Title of the subsidy programme

Advanced Entrepreneur Support Programme.

2. Period covered by the notification

This notification relates to the support program provided during the period of 2019 - 2020.

3. Policy objective and/or purpose of the subsidy

The main purpose of this program is to support entrepreneurship, which is the main factor in the solution of economic development and employment problems, and to establish successful enterprises.

4. Background and authority for the subsidy

This program is based on the Regulation on KOSGEB Support Programs entered into force after published in the Official Gazette dated 15 June 2010 and numbered 27612.

5. Form of the subsidy

Grant.

6. To whom and how the subsidy is provided

Entrepreneurs who wish to benefit from the program and the entities defined as real or legal persons defined in the Turkish Commercial Code should apply to the relevant Implementation Unit. It is essential that the enterprises that apply for the project are registered and active in the KOSGEB Database.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

SUPPORT ITEM	AMOUNT OF SUPPORT	
Establishment Support	TRY 5,000 For the Private Companies TRY 10,000 for the Equity Companies	
Performance Support ^{(1),(2)}	First Performance Period -TRY 5,000 for the enterprises with the total worked days of personnel between 180 and 539. -TRY 10,000 for the enterprises with the worked days of personnel between 540 and 1079. -TRY 20,000 for the enterprises with worked days of personnel 1080 and above.	Second Performance Period -TRY 5,000 for the enterprises with the total worked days of personnel between 360 and 1079. -TRY 15,000 for the enterprises with the total worked days of personnel between 1080 and 1439. -TRY 20,000 for the enterprises with worked days of personnel 1440 and above.
Certificate Support	Up to TRY 5,000.	

SUPPORT ITEM	AMOUNT OF SUPPORT
Mentoring Consulting And Business Coaching Support ^[3]	Up to TRY 10,000.
Machinery, Equipment and Software Support ^[4]	Companies operating at medium-low and low technology levels: up to TRY 100,000 . Companies operating at medium and medium-high technology levels: up to TRY 200,000 . Companies operating at high technology levels: up to TRY 300,000 .

[1] Each performance period covers one year. The 1st performance period starts from the beginning of the programme and the 2nd performance period starts from the last day of the 1st performance period. Social Security Institution 4 (a) is taken as basis for worked days.

[2] For women, youth, disabled, veteran or in first degree martyr's relative entrepreneurs; plus TRY 5,000 support will be added into each performance period if the entrepreneur establishes any performance level.

[3] Support Ratio is 75% (VAT excluded).

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

The Support Program comes into force with the decision of the KOSGEB Executive Committee. Support Program will be in force until the KOSGEB Executive Committee decision for changing it.

9. Statistical data permitting an assessment of the trade effects of the subsidy

The available statistics about the support program are provided in Table 1 including the previous years of notification.

Table 1: The Amount of Support Provided by Years

	2019	2020
Advanced Entrepreneur Support Programme	226.249.000	476.112.507

9 TRADITIONAL ENTREPRENEUR SUPPORT PROGRAMME

1. Title of the subsidy programme

Traditional Entrepreneur Support Programme.

2. Period covered by the notification

This notification relates to the support program provided during the period of 2019 - 2020.

3. Policy objective and/or purpose of the subsidy

The aim of this support program is to increase the survival rate of new businesses established by new entrepreneurs.

Entrepreneurs who have completed Traditional Entrepreneur Training can only apply to this program.

4. Background and authority for the subsidy

This program is based on the Regulation on KOSGEB Support Programs entered into force after published in the Official Gazette dated 15 June 2010 and numbered 27612.

5. Form of the subsidy

Grant.

6. To whom and how the subsidy is provided

The enterprises established by entrepreneurs who have completed the Applied Entrepreneurship Training can apply.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

SUPPORT ITEM	AMOUNT OF SUPPORT	
Establishment Support	TRY 5,000 For the Private Companies TRY 10,000 for the Equity Companies	
Performance Support*	First Performance Period** -TRY 5,000 for the enterprises with the total worked days of personnel between 180 and 539. -TRY 10,000 for the enterprises with the total worked days of personnel between 540 and 1079. -TRY 20,000 for the enterprises with worked days of personnel 1080 and above.	Second Performance Period** -TRY 5,000 for the enterprises with the total worked days of personnel between 360 and 1079. -TRY 15,000 for the enterprises with the total worked days of personnel between 1080 and 1439. -TRY 20,000 for the enterprises with worked days of personnel 1440 and above.
Certificate Support	TRY 5,000	

* Each performance period covers one year. The 1st performance period starts from the beginning of the programme and the 2nd performance period starts from the last day of the 1st performance period. Social Security Institution 4 (a) is taken as basis for worked days.

** For women, youth, disabled, veteran or in first degree martyr's relative entrepreneurs; plus TRY 5,000 support will be added into each performance period if the entrepreneur establishes any performance level.

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

The Support Program comes into force with the decision of the KOSGEB Executive Committee. Support Program will be in force until the KOSGEB Executive Committee decision for changing it.

9. Statistical data permitting an assessment of the trade effects of the subsidy

The available statistics about the support program are provided in Table 1 including the previous years of notification.

Table 1: The Amount of Support Provided by Years

Traditional Entrepreneur Support Programme	2019	2020
	TRY 46,415,485	TRY 94,509,945

10 BASIC SCIENCES SUPPORT PROGRAMME

1. Title of the subsidy programme, if relevant, or brief description or identification of the subsidy

Basic Sciences Support Programme provides financial support for the gross minimum wage portion of the salary of R&D personnel who have at least a Bachelor's Degree in Basic Sciences in the fields of mathematics, physics, chemistry and biology. R&D personnel who will benefit from the support must be employed in companies in the Technology Development Zones.

Other support mechanisms provided by Law No.4691 are income tax and corporate tax and stamp duty exemptions, custom duty exemptions, VAT exemptions for the software development activities of the companies and income and other tax exemptions for the salaries of the R&D design and support personnel in the Technology Development Zones.

2. Period covered by the notification

The support program and all of the tax exemptions and custom duty and stamp duty exemptions are valid until 31 December 2028.

3. Policy objective and/or purpose of the subsidy

The aim of the Basic Science Support program is to increase the employment of basic science graduates in R&D and technology companies.

On the other hand the aim of the all tax exemptions is to promote and support entrepreneurship and innovation and the development of high technology products and services for global market.

4. Background and authority for the subsidy

Basic sciences support program is carried out within the scope of Law No. 4691 on Technology Development Zones. The support program was started on 22 February 2018 with the revision made in the relevant law. The Ministry of Industry and Technology is authorized to carry out the program.

Within the scope of Law No 4691. Ministry of Treasury and Finance is authorized to provide income tax and corporate tax and stamp duty exemptions, VAT exemptions for the software development activities of the companies and income and other tax exemptions for the salaries of the R&D design and support personnel in the Technology Development Zones.

The Ministry of Trade is authorized to implement custom duty exemptions provided by Law. No.4691.

5. Form of the subsidy

Form of the subsidy for the Basic Science Support program is grant. Others are exemptions.

6. To whom and how the subsidy is provided

The programme is provided for R&D personnel who are employed in companies in the Technology Development Zones.

All tax exemptions provided by Law No. 4691 are for companies in the Technology Development Zones and the managing company.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

The gross minimum wage amount is paid to the company in the relevant month for each R&D personnel who can benefit from the support. The gross minimum wage amounts by year are shown in the table below.

Fiscal Year	Amount (TRY per month)
01.01.2017 - 31.12.2017	1,775.50
01.01.2018 - 31.12.2018	2,029.50
01.01.2019 - 31.12.2019	2,558.40
01.01.2020 - 31.12.2020	2,943.00
01.01.2021 - 31.12.2021	3,577.50

8. For the information cited in items 3 to 7 above, the notification does not necessarily have to have an independent heading corresponding to each item, and may provide information on multiple items in one heading (e.g. provide information on items 3 and 4 under one heading). In this case, the notification must clearly specify what items are covered by which heading

Related Law No	Name of The Program	Responsible Body	Aim of the Program	Form of Subsidy	Duration	Amount of payment	Program beneficiaries
Law No. 4691 on Technology Development Zones.	Basic sciences support program	Ministry of Industry and Technology	To create employment for basic science graduates in R&D and technology companies.	Grant	24 month Until 31.12.2028	Gross minimum wage per month	Firms in the Technology Development Zones
Law No. 4691 on Technology Development Zones.	Income Tax and Corporate Tax and stamp duty exemptions	Ministry of Treasury and Finance	To promote and support entrepreneurship and innovation and the development of high technology products and services for global market	Full exemption	Until 31.12.2028	-	Firms in the Technology Development Zones and managing company.
Law No. 4691 on Technology Development Zones.	Income and other tax exemptions for the salaries of the R&D, design and support personnel. The number of support personnel benefiting from the exemption cannot exceed the 10% of the total number of R&D personnel.	Ministry of Treasury and Finance	To create employment for skilled professional and prevent brain drain	Full exemption	Until 31.12.2028	-	R&D, design and support personnel employed in firms in the Technology Development Zones
Law No. 4691 on Technology Development Zones.	VAT exemptions for the software development activities including software for system management, data management, business applications, different business domains, the internet, mobile phones and military command and control systems	Ministry of Treasury and Finance	To promote and support entrepreneurship and innovation and the development of high technology products and services for global market	Full exemption	Until 31.12.2028	-	Firms in the Technology Development Zones

Related Law No	Name of The Program	Responsible Body	Aim of the Program	Form of Subsidy	Duration	Amount of payment	Program beneficiaries
Law No. 4691 on Technology Development Zones.	Custom Duty exemption for applicable documents within the scope of R&D, design, and software development projects.	Ministry of Trade	To promote and support entrepreneurship and innovation and the development of high technology products and services for global market	Full exemption	Until 31.12.2028	-	Firms in the Technology Development Zones

9. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

In order for the company to benefit from Basic sciences support program, it is essential that the personnel to be employed are recruited after 1 July 2017 (inclusive) and employed for the first time in the relevant Technology Development Zone firm. The support period for each R&D personnel within the scope of support is 24 months.

All of the tax exemptions are valid until 31 December 2028.

10. Statistical data permitting an assessment of the trade effects of the subsidy

Year	Total Paid Amount (Per year) in TRY	Number of companies whose support application was approved	Number of personnel whose support application was approved	Total Number of Firms in TDZs	Total Number of Personnel Employed in TDZs
2021	9,3611.25	25	32	6,818	70,810
2020	1,504,308	103	119	6,282	6,4892
2019	2,045,535	120	151	5,506	56,689
2018	963,680	77	96	5,301	50,966
2017	114,106	20	21	4,624	45,274

11 CENTER OF EXCELLENCE SUPPORT PROGRAM

1. Title of the subsidy programme

1004 - Centers of Excellence Support Program.

2. Period covered by the notification

This notification relates to the support program provided during the period of 2019 – 2020.

3. Policy objective and/or purpose of the subsidy

TÜBİTAK 1004 Centers of Excellence Support Program provides a new insight into specialization of Research Infrastructures in Turkey towards becoming R&D Hubs in critical technology areas. Within the frame of the support program "Call for High Technology Platforms" is launched and for the project proposals, the centers are obliged to engage in collaborations with industry. The program is expected to pave the way to specialization of Research Infrastructures via big scale R&D projects. The research centres which have been established through public funds and accredited within the scope of the Law No:6550, as well as the research centres of "Research Universities" which are announced by Higher Education Council will be provided with the chance to acquire large-scaled R&D project support from TÜBİTAK, in order to specialize in a thematic field and to become a sustainable high technology hubs in Turkey.

4. Background and authority for the subsidy

This program is based on the policy (<http://www.tubitak.gov.tr/tr/destekler/akademik/ulusal-destek-programlari/1004/icerik-esaslar>) of TÜBİTAK 1004 Centers of Excellence Support Program. All details of support can be found at that document.

5. Form of the subsidy

Grant.

6. To whom and how the subsidy is provided

Research universities, research infrastructures that have been qualified within the law of 6550, public R & D units and private sector R&D/design centers may apply.

At least five enterprises should come together. Only research universities and research infrastructures that have been qualified within the law of 6550 can be the Research Program Manager Organization (APYÖK). In addition, in the application at least two private sector R&D/design centers, at least two public R & D units and/or universities should come together for the purpose of cooperation.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

Research Program budget is max TRY 50 million for four years and for each research program including machinery, equipment, software support, staff salary support, consumable materials support.

For the private sector budget support is 75%-60%, depending on whether it is small-scale or large-scale.

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

The Support Program comes into force with the decision of the TÜBİTAK Steering Committee. Support Program will be in force until the TÜBİTAK Steering Committee decision for changing it.

9. Statistical data permitting an assessment of the trade effects of the subsidy

Table 1: The Amount of Support Provided by Years

	2018	2019	2020
1004 - Center of Excellence Support Program	TRY 1,876,644	-	TRY 39,696,066

(Based on 2021 fixed prices.)

12 PUBLIC INSTITUTIONS RESEARCH FUNDING PROGRAM

1. Title of the subsidy programme

1007 - Public Institutions Research Funding Program.

2. Period covered by the notification

This notification relates to the support program provided during the period of 2019 - 2020.

3. Policy objective and/or purpose of the subsidy

The purpose of the program is to solve the R&D based problems or satisfy their R&D based requirements by means of result oriented R&D projects and to create awareness of R&D in public institutions.

The projects proposed are assigned to one of the following units according to the subject of the project:

- Public Research Grant Group (KAMAG).
- Defence and Security Technologies Research Grant Group (SAVTAG).

4. Background and authority for the subsidy

Link is below for the program rules and regulations:

<http://www.tubitak.gov.tr/tr/destekler/kamu/ulusal-destek-programlari/1007/icerik-yonetmelik-ve-esaslar>

5. Form of the subsidy

Grant.

6. To whom and how the subsidy is provided

• **In order to be a principal investigator,**

- If he/she works at a university, he/she must hold a PhD degree.
- If he/she works at a public or private institution, he/she must complete undergraduate education.
- In order to be a principal investigator, one should allocate at least 40% of his/her weekly working hours.

• **In order to be a researcher,**

- If he/she works at a university, he/she must hold a PhD degree.
- If he/she works at a public or private institution, he/she must complete undergraduate education.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

• **Project Budget**

- No budgetary limitations per project.

• **Scholarship, Service Procurement and Equipment Expenses**

- No upper limit for scholarships, service procurements and equipment.

• **Travel Expenses**

- No upper limit for travel expenses

• **Dissemination Expenses**

- No upper limit for dissemination expenses

• **Project Promotion Bonus for Researchers**

- TRY 3,000 per month is for the head of consortium's principal investigators.
- TRY 2,500 per month is for principal investigator.
- Up to TRY 1,500 per month is for researchers.
- Up to TRY 3,200 per year is for advisors.

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

Up to 48 months.

9. Statistical data permitting an assessment of the trade effects of the subsidy

Table 1: The Amount of Support Provided by Years

	2018	2019	2020
1007 Public Institutions Research Funding Program	TRY 664,447,725	TRY 540,511,372	TRY 244,601,635

(Based on 2021 fixed prices.)

13 INDUSTRIAL R&D PROJECTS GRANT PROGRAM

1. Title of the subsidy programme

1501 – Industrial R&D Projects Grant Program.

2. Period covered by the notification

This notification relates to the support program provided during the period of 2019 - 2020.

3. Policy objective and/or purpose of the subsidy

- To support research-technology development and innovation activities of private sector organizations in our country.
- To support entrepreneurship and university-industry cooperation.
- It was established in order to increase the research-technology development capability, innovative culture and competitiveness.

4. Background and authority for the subsidy

This program is based on the Regulation on TÜBİTAK Support Programs entered into force after published in the Official Gazette dated 16 January 2007 and numbered 26405.

5. Form of the subsidy

Grant.

6. To whom and how the subsidy is provided

TEYDEB provides non-refundable (grant) support to SMEs residing in Turkey in return for research and development (R&D) qualified and innovative project expenditures.

60% of eligible project expenses will be provided to the company as grant. The duration of supported project cannot exceed 36 months. Payments are made twice a year and after the company spends. Pre-payment is available up to 25% of project budget (more than once). Application at periods two times a year announced by calls.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

There is no limit for SMEs in terms of the total project budget and number of submission.

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

The duration of supported project cannot exceed 36 months.

9. Statistical data permitting an assessment of the trade effects of the subsidy

Total amount of the grant for 1501 Programme:

2018	2019	2020
TRY 424,940,063	TRY 405,298,079	TRY 407,641,210

(Based on 2021 fixed prices.)

14 R&D PROJECT BROKERAGE EVENTS GRANT PROGRAM

1. Title of the subsidy programme

1503 R&D Project Brokerage Events Grant Program.

2. Period covered by the notification

This notification relates to the support program provided during the period of 2019 - 2020.

3. Policy objective and/or purpose of the subsidy

The purpose of 1503 Program is to bring together the representatives of universities, research institutions and industrial establishments in order to share the new project ideas and search for the possible collaborations in the form of R&D Project Brokerage Events. Such events can be organized at national or international level.

At least one university and at least one or more of an Industry Chamber, Chamber of Commerce, Chamber of Commerce and Industry, Exporters' Association can take place as participants. Any of these participating organizations (university, chamber of industry, chamber of commerce, chamber of commerce and industry, exporters' association) can apply to TÜBİTAK for R&D Brokerage Events Grant Program.

4. Background and authority for the subsidy

This program is based on the Regulation on TUBITAK Support Programs entered into force after published in the Official Gazette dated 16 January 2007 and numbered 26405.

5. Form of the subsidy

Grant.

6. To whom and how the subsidy is provided

The approved amount of expenses of R&D Project Brokerage Events are paid by TUBITAK to the special bank account of the applicant organization (university, chamber of industry, chamber of commerce, chamber of commerce and industry, exporters' association) which is specified in the application form. A separate bank account must be opened for the event. Expense amounts which are not found eligible for support by TUBITAK, must be paid back to TUBITAK at least one month after the written notification made to the organization.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

The upper limit of the support budget is TRY 30,000 for events with all participants are national; and TRY 40,000 for events with at least one international participant.

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

Applications can be made at any time of the year.

9. Statistical data permitting an assessment of the trade effects of the subsidy

Total amount of the grant for 1503 Programme:

2018	2019	2020
TRY 1.072.548	TRY 1.150.169	TRY 235.622

(Based on 2021 fixed prices.)

15 UNIVERSITY-INDUSTRY COLLABORATION SUPPORT PROGRAM

1. Title of the subsidy programme

1505 - University – Industry Collaboration Support Program.

2. Period covered by the notification

This notification relates to the support program provided during the period of 2019 - 2020.

3. Policy objective and/or purpose of the subsidy

Purpose of this support program is to contribute to the production, dissemination and commercialization of knowledge and technology via multi-disciplinary RDI projects.

4. Background and authority for the subsidy

This program is based on the Regulation on TUBITAK Technology and Innovation Support Program entered into force after published in the Official Gazette dated 16 January 2007 and numbered 26405.

5. Form of the subsidy

Grant.

6. To whom and how the subsidy is provided

This program aims to contribute to the commercialization of knowledge and technology, which are generated within the university/public research centres and institutes in line with the industry needs, to the private sector companies, which are based in Turkey and committed to the exploitation of research results. In this program, the private sector companies are "customers" and research organizations are "implementers" in the RDI projects.

The programme particularly focuses on dissemination and commercializing knowledge created in universities and research institutes via transferring it to both SMEs and large firms as products or processes. 60% to 75% of the project budget is funded by TUBITAK. The remaining project budget is covered by the client, depending on its size. Client co-finance is 40% for large firms and 25% for SME's. A new evaluation scheme is introduced to monitor the production and market success, at which the companies are monitored one year after the project is completed.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

SUPPORT ITEM	AMOUNT OF ANNUAL BUDGET
Annual Operation Budget (Personnel expenses, hardware-software equipment expenses, travel expenses, public/private service procurement expenses, material expenses, Project Incentive Bonus and overhead)	TRY 1,000,000 maximum amount for each project

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

In this Program, university – industry collaboration projects are supported in the form of grant for a maximum duration of 24 months.

9. Statistical data permitting an assessment of the trade effects of the subsidy

Total amount of the grant for 1505 Programme:

2018	2019	2020
TRY 12,601,864	TRY 11,439,942	TRY 12,200,053

(Based on 2021 fixed prices.)

16 INTERNATIONAL INDUSTRIAL R&D PROJECTS GRANT PROGRAM

1. Title of the subsidy programme

1509 International Industrial R&D Projects Grant Program.

2. Period covered by the notification

This notification relates to the support program provided during the period of 2019 - 2020.

3. Policy objective and/or purpose of the subsidy

Under this programme, international collaborative R&D projects which have been submitted to EUREKA is supported.

The programme aims to increase technical quality and knowledge in Turkey, to improve companies' access to technological knowledge at the international level, to help them with technology transfer processes and to contribute to the participation of Turkish companies in international markets.

4. Background and authority for the subsidy

This program is based on the Regulation on TÜBİTAK Support Programs entered into force after published in the Official Gazette dated 16 January 2007 and numbered 26405.

5. Form of the subsidy

Grant.

6. To whom and how the subsidy is provided

The programme supports Turkish Equity companies that conduct R&D activities. SME's and large enterprises can apply to the programme. The R&D costs in the projects are supported. SME's benefit from the grant with a ratio of 75% of a project's approved expenses. Large enterprises benefit from a ratio of 60%. There is no budget limit for the projects.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

There is no limit in terms of the total project budget and number of submission.

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

The duration of supported project cannot exceed the project duration announced in the international EUREKA call.

9. Statistical data permitting an assessment of the trade effects of the subsidy

Total amount of the grant for 1509 Programme:

2018	2019	2020
TRY 55,865,897	TRY 53,097,115	TRY 47,515,654

(Based on 2021 fixed prices.)

17 TUBİTAK TEYDEB 1512 ENTREPRENEUR SUPPORT PROGRAM

1. Title of the subsidy programme

TUBİTAK TEYDEB 1512 Entrepreneur Support Program.

2. Period covered by the notification

This notification relates to the support program provided during the period of 2019 - 2020.

3. Policy objective and/or purpose of the subsidy

To encourage techno-entrepreneurship spirit.

To establish start-up companies that are internationally competitive, innovative and capable of developing high-tech products and services.

To increase the survival rate of technology based new firms by providing seed capital, mentorship and relevant business courses.

4. Background and authority for the subsidy

This program is based on the Regulation on TUBİTAK/TEYDEB Support Programs entered into force after published in the Official Gazette dated 16 January 2007 and numbered 26405.

5. Form of the subsidy

Grant.

6. To whom and how the subsidy is provided

The entrepreneur who engage in technology and innovation-oriented initiative activities, have the qualifications specified in the call announcement and as of the pre-application date stated in call announcement, enrolled in any associate, undergraduate, graduate or doctorate program of the universities or graduated from these programs can apply to the Programme.

Program's vetting and screening process has been delegated to accelerators and they are expected to run their in-house programs to support entrepreneurs in idea maturation and testing and overcoming the barriers of market. At this stage candidates who fulfil the criteria of "entrepreneur" in the Program's Regulations are required to apply to the accelerators. The application deadline is

stated in the call announcement. As of now, TÜBİTAK has funded 63 accelerators which are mostly TTOs.

After accelerators' supporting phase, the entrepreneur sends the business plan to TUBITAK prepared with the support of the accelerator in accordance with the call. The business plans are evaluated by TUBITAK.

If the business plan is found suitable for support, start-up establishment will be done by entrepreneur in Turkey and maximum TRY 200.000 seed capital will be provided to the start-up as a grant by TUBITAK at the second stage.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

SUPPORT ITEM	AMOUNT OF SUPPORT
Grant	TRY 200.000 For Start-ups established by entrepreneurs

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

The Support Program time limit is 18 months.

9. Statistical data permitting an assessment of the trade effects of the subsidy

Total amount of the grant for 1512 Programme:

2018	2019	2020
TRY 66,627,220	TRY 31,274,166	TRY 51,939,970

(Based on 2021 fixed prices.)

18 TECHNOLOGY TRANSFER OFFICES SUPPORT PROGRAM

1. Title of the subsidy programme

1513 - Technology Transfer Offices Support Program.

2. Period covered by the notification

This notification relates to the support program provided during the period of 2019 - 2020.

3. Policy objective and/or purpose of the subsidy

To promote technology transferring interface structures conducting university-industry cooperation, exploitation of academic knowledge and new technologies by commercialization of academic research results.

To promote public and private universities to benefit from national and international support mechanisms.

To promote academic entrepreneurship by improving the effectiveness of the technology transfer offices as an interface.

4. Background and authority for the subsidy

This program is based on the Regulation on TUBITAK Technology and Innovation Support Program entered into force after published in the Official Gazette dated 16 January 2007 and numbered 26405.

The decision of the Science and Technology Supreme Council numbered 2011/104 envisaged the issue of "Developing Policy Tools for Triggering Innovation and Entrepreneurship at the University", and for this purpose, "Supporting Technology Transfer Offices" was defined as one of the policy tools. Eventually, TÜBİTAK had executed a science & technology policy tool related to Technology Transfer Offices (TTO) and initiated the 1513 Technology Transfer Offices Program in 2012 in order to raise the academic research capacity in universities and encourage technology transfer activities to increase the university-industry collaborations, IP management, licensing, commercialization and establishment of spin- off / start-up companies.

5. Form of the subsidy

Grant.

6. To whom and how the subsidy is provided

Technology Transfer Offices (TTO) resident in Turkey, who can operate whether in universities or techno parks are supported directly after the application and acceptance to the support program. The applicant TTOs are subjected to a comprehensive assessment process by the experts that assessed by TÜBİTAK. The annual grant amount is determined according to the annual performance of supported TTOs, whose annual performance is tracked by performance indicators determined by the program's executive board. The amount of the budget that is stayed out of performance score is provided by the institution of TTO (University or Techno park).

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

SUPPORT ITEM	AMOUNT OF ANNUAL BUDGET
Annual Operation Budget of TTOs (Personnel expenses, hardware-software equipment expenses, travel expenses, public/private service procurement expenses)	TRY 1,750,000 maximum annual budget. (tentative due to performance)

Each performance period covers a year. The performance score is determined after an annual monitoring process followed for each supported TTO. According to the results, grant is transferred to the supported TTO.

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

The 1513 TTO Support Program is planned according to a maximum 10-years- period of support for each supported TTO. TTOs can complete it as a commencement, can resign from it, or their support process can be terminated by TÜBİTAK.

9. Statistical data permitting an assessment of the trade effects of the subsidy

Total amount of the grant for 1513 Programme:

2018	2019	2020
TRY 23,045,403	TRY 21,600,199	TRY 20,338,935

(Based on 2021 fixed prices.)

19 TECH-INVESTRE VENTURE CAPITAL SUPPORT PROGRAM

1. Title of the subsidy programme

1514 Tech-InvestRE Venture Capital Support Program.

2. Period covered by the notification

This notification relates to the support program provided during the period of 2019 - 2020.

3. Policy objective and/or purpose of the subsidy

With Tech-InvesTR Program, it is aimed at;

- Supporting early stage technology based firms through funding them the venture capital they need.
- Creating a high value-added production environment through the commercialization of R&D and innovation products of early stage technology-based enterprises.
- Contributing to the creation of venture capital ecosystem through encouraging the establishment of new funds to provide venture capital for early stage technology based firms.
- Creating a sustainable venture capital ecosystem in order to support early stage technology-based initiatives and increasing the number of investors in the venture capital ecosystem.
- Providing experience and resources in venture capital in Technology Transfer Offices (TTOs), Technology Development Zones (TDZs) and qualified Research Infrastructures (RIs).

4. Background and authority for the subsidy

This program is based on the Regulation on TUBITAK Support Programs entered into force after published in the Official Gazette dated 16 January 2007 and numbered 26405.

5. Form of the subsidy

Grant.

6. To whom and how the subsidy is provided

Technology Development Zones (TDZs), Technology Transfer Offices (TTOs) and Research Infrastructures (RIs) will participate as limited partners of venture capital funds managed by independently and focused on technology. 50% of the contributions of TTO/TDZ/RIs to the VC funds, in which the Ministry of Treasury and Finance participate, will be supported by TÜBİTAK in the form of grants for investments made in early-stage technology-based companies located in Turkey. As of the date when the fund first invested in the venture, companies of SME scale whose maximum seven calendar years have passed through the establishment date and which have received support from the public institutions and organizations for R&D and innovation projects in the last five calendar years that have successfully completed or continued this project will be accepted as early-stage technology-based companies.

In addition, TTO/TDZ/RIs will be provided with overhead support up to 10% of their contribution.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

SUPPORT ITEM	AMOUNT OF SUPPORT
Venture Capital Contribution Support	<ul style="list-style-type: none"> - 50% of the contributions of TTO/TDZ/RIs for VC funds for investments made in early stage technology based Turkey resident companies; - The commitment of TTO/TDZ/RIs to the VC funds should be minimum TRY 4 Million; - The maximum amount of grant support that can be allocated to a single Institution by TÜBİTAK will be TRY 20 million.
Overhead Support	10% of the Venture Capital Contribution Support

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

The duration of the Tech-InvesTR funds will be 12 years, five years for investment and seven years for exit.

9. Statistical data permitting an assessment of the trade effects of the subsidy

Grant payments for the 1514 Program began to be paid for the first time in 2021.

2021
TRY 2,800,000

20 FRONTIER R&D LABORATORY SUPPORT PROGRAM1. Title of the subsidy programme, if relevant, or brief description or identification of the subsidy

1515 - Frontier R&D Laboratory Support Program.

2. Period covered by the notification

This notification relates to the support programme provided during the period of 2019 - 2020.

3. Policy objective and/or purpose of the subsidy

The objectives of the Programme are to enhance the research qualifications of Turkish scientists and to ensure that Turkey becomes a global attraction center in certain scientific and technological areas.

4. Background and authority for the subsidy

This program is based on the Regulation on TÜBİTAK Support Programs entered into force after published in the Official Gazette dated 16 January 2007 and numbered 26405.

5. Form of the subsidy

Grant.

6. To whom and how the subsidy is provided

- The application process starts with submitting a letter of intent to TÜBİTAK by the Company which must meet the following requirements:
 - ✓ The average R&D intensity in the last three (3) years must be at least 1%.
 - ✓ The average net sales for the last three (3) years must be at least TRY 2 billion.
- Domestic and foreign organizations may apply for the grant.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy (indicating, if possible, the average subsidy per unit in the previous year). Where provision of per unit subsidy information (for the year covered by the notification, for the previous year, or both) is not possible, a full explanation

The maximum grant award available is TRY 10 million for one calendar year for one Project (Code of Practice- Article 5)

Budget categories are:

- Personnel Costs.
- Consultancy and Training Costs.
- General Operating Costs.

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

The duration of supported laboratories is five years. This period can be extended for a maximum of five years.

The Support Program comes into force with the decision of the TÜBİTAK Board of Directors. It is aimed to continue to receive applications, no duration has been determined.

9. Statistical data permitting an assessment of the trade effects of the subsidy

Total amount of the grant for 1515 Programme:

2018	2019	2020
TRY 976,147	TRY 1,567,832	TRY 1,527,526

(Based on 2021 fixed prices.)

21 CAPACITY BUILDING FOR I&E GRANT PROGRAM

1. Title of the subsidy programme

Capacity Building for I&E Grant Program.

2. Period covered by the notification

This notification relates to the support program provided during the period of 2019 - 2020.

3. Policy objective and/or purpose of the subsidy

The Programme supports firms, universities and NGOs to have new mechanisms for: mentorship, training, brokerage events, investor readiness programmes, fundraising events.

4. Background and authority for the subsidy

This program is based on the Regulation on TUBITAK Support Programs entered into force after published in the Official Gazette dated 16 January 2007 and numbered 26405.

5. Form of the subsidy

Grant.

6. To whom and how the subsidy is provided

Technology Transfer Offices of Universities, Trusts established by law, and capital companies that successfully organized a business development competition can apply by submitting their applications based on a call by TUBITAK.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

The support budgets of projects are determined by calls. In 2020 two calls were opened. These calls are outlined below.

Mentor Interface (BIGG +) Call

SUPPORT ITEM	AMOUNT OF SUPPORT
Grant	TRY 750,000 for Project budget

Each project budget upper limit is TRY 750.000. 100% grant support will be provided (25% of the amount to be included in the support will be left to the clearing period). Supported expense items are personnel expenses, service purchases and general expenses.

1512 Techno-Entrepreneurship Capital Support Program 1st Stage Implementing Agency Call

SUPPORT ITEM	AMOUNT OF SUPPORT
Grant	No upper limit

No upper limit was determined for the project budget in this call.

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

The Support Program comes into force with the decision of the TÜBİTAK Executive Board. Support Program will be in force until the TÜBİTAK Executive Board decision for changing it. Unless stated in the call, maximum duration of a project is three years.

9. Statistical data permitting an assessment of the trade effects of the subsidy

Total amount of the grant for 1601 Programme:

2018	2019	2020
TRY 21,652,255	TRY 19,922,302	TRY 9,046,313

(Based on 2021 fixed prices.)

22 PATENT SUPPORT PROGRAM

1. Title of the subsidy programme

1602 Patent Support Program.

2. Period covered by the notification

This notification relates to the support program provided during the period of 2019 - 2020.

3. Policy objective and/or purpose of the subsidy

Within this program, it is aimed to increase the number of national and international patent applications originating from our country, encourage natural and legal persons to apply for patents and increase the number of patents in our country.

4. Background and authority for the subsidy

This program is based on the Regulation on TÜBİTAK Support Programs entered into force after published in the Official Gazette dated 16 January 2007 and numbered 26405 and "Cooperation Protocol" signed between TÜBİTAK and TÜRKPATENT on 8 February 2018.

5. Form of the subsidy

Grant.

6. To whom and how the subsidy is provided

By applying TÜRKPATENT, WIPO, EPO, SIPO, KIPO, JPO or USPTO and receiving application number, citizens of the Republic of Turkey or resident companies, universities, public institutions and organizations can benefit from the supports provided within the scope of the Program Implementation Principles.

Only natural persons, universities and SME scale companies can apply for the National Patent Registration Award and International Patent Registration Award.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

Natural persons can benefit from supports for up to 5 (five) patent applications within a calendar year and legal persons can benefit from maximum 20 (twenty) patent applications within a calendar year.

Type of the Support	The Organization Applied to	Application Method	Payment Method	Amount of the support
International Patent Application Support	TÜRKPATENT	International Patent Applications made by real person and legal entities to WIPO in the scope of PCT can apply to TÜRKPATENT with PD-200 form in order to benefit from this support.	Estimated amount of support is paid to TÜRKPATENT by TUBITAK in the name of the applicant.	Upper limit for this support is application and research fee announced by WIPO. In the circumstances where applicants choose TÜRKPATENT as the International Search Authority, all of the research fee is supported, if not, 50% of the fee is supported by TUBITAK.
International Examination Report Support	TÜBİTAK	This program supports the examination report fees that will be prepared by TÜRKPATENT, EPO, JPO, SIPO, KIPO, USPTO for the patent applications that have previously been supported with International Patent Application Support Program	For the accepted applications, the amount of the support is paid to the bank account of the applicant.	USPTO: TRY 5,000 EPO: TRY 5,000 JPO: TRY 10,000 KIPO: TRY 5,000 SIPO: TRY 5,000 TÜRKPATENT Preliminary Report: TRY 1,000 + CHF 200.
International Patent Grant Prize	TÜBİTAK	Patent applications that took International Examination Report Support can apply to TÜBİTAK with PD202 form after their patents are granted.	For the accepted applications, the amount of the prize is paid to the bank account of the applicant.	The amount of the support is TRY 10.000 for each patent granted by EPO, JPO, USPTO, KIPO and SIPO.

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

There is no time limit for applications. Applications are always open.

9. Statistical data permitting an assessment of the trade effects of the subsidy

Total amount of the grant for 1602 Programme:

2018	2019	2020
TRY 25.138.079	TRY 2.659.263	TRY 626.935

(Based on 2021 fixed prices.)

23 PATENT BASED TECHNOLOGY TRANSFER SUPPORT CALL

1. Title of the subsidy programme

1702-Patent Based Technology Transfer Support Call.

2. Period covered by the notification

This notification relates to the support program provided during the period of 2019 - 2020.

3. Policy objective and/or purpose of the subsidy

The program aims the transfer and commercialization of patented technologies which are developed by higher education councils, research infrastructures, public enterprises, public research centers and institutes and early stage technology companies, as a result of scientific R&D and innovation activities to the capital companies located in Turkey by licensing or assignment methods.

4. Background and authority for the subsidy

This program is based on the Regulation on TUBITAK Technology and Innovation Support entered into force after published in the Official Gazette dated 16 January 2007 and numbered 26405.

5. Form of the subsidy

Grant.

6. To whom and how the subsidy is provided

Beneficiaries defined as capital companies located in TURKEY should apply to the call with partner as technology provider.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

SUPPORT ITEM	AMOUNT OF SUPPORT
Establishment Support	Max. TRY 2,000,000 per each project
License/Assignment Support	Up to 100% or 75% of the total budget
Training and Consultancy Support	Up to 25% of total budget

[1] Each performance period covers one year. The performance period starts from the beginning of the day mentioned in the call.

[2] Base rate of the support is min. 25%. There is a 15% additional support rate which will be provided in case of the client is SME, another 15% additional support if patent is a high technology, another 10% support also in the case of registration of patent in EPO, USPTO, JPO, SIPO, KIPO. Finally, in case of there is a bundle of patents in the license agreement, there will be an additional support as 10%.

[3] Support Ratio is maximum 75% for SMEs.

[4] Support Ratio is maximum 60% for large companies.

[5] Supported projects are monitored at the end of each period every year.

[6] Call budget limit is TRY 30,000,000.

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

Project time limit is 60 months per project.

9. Statistical data permitting an assessment of the trade effects of the subsidy

Grant payments for the 1702 Program have not started yet.

24 SME SUPPORT CALL FOR ORDER BASED R&D PROJECTS

1. Title of the subsidy programme

1707 SME Support Call For Order-Based R&D Projects.

Projects by SMEs that might quickly turn into products through R&D and have high commercialization potential are supported. There is no subject or sector limitation.

2. Period covered by the notification

This notification relates to the support program provided during the period of 2019 - 2020.

3. Policy objective and/or purpose of the subsidy

- Directing the R&D activities of SMEs to areas, which have a higher possibility of commercialization.
- Reinforcing the cooperation of industrial organizations for R&D activities.
- Transferring project management knowledge from experienced firms to SMEs.
- Encouraging industrial organizations for supporting R&D activities by co-financing (public + private funding).
- Supporting the emergence of spin-offs.
- Directing the R&D studies of large industrial organizations to SMEs which can act quickly (Eliminating the institutional inertia).

4. Background and authority for the subsidy

This program is based on the Regulation on TÜBİTAK Support Programs entered into force after published in the Official Gazette dated 16 January 2007 and numbered 26405.

5. Form of the subsidy

Grant.

6. To whom and how the subsidy is provided

Capital enterprises residing in Turkey can apply.

In the project application, at least two enterprises should come together for the purpose of project development through R&D.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

Detailed information about the Support Program is given below.

- Cooperation Partnership Model

Project Partnership Model

It is a model in which a Client and at least one Supplier Organization make joint application to TÜBİTAK. The Client and/or Supplier Organization(s) are responsible for commercializing the project output. The Supplier(s) carries out R&D activities.

The Customer Organization and TÜBİTAK contribute to the project's R&D costs. As SMEs carries out the project, the Client Organization monitors whether the project is progressing in the targeted direction.

- Support Elements

Below is the budget for the 2020 Call:

- Upper budget limit for per project: TRY 2,500,000.
- 40% of the project expenses are paid by the Client. 40% of the project expenses are granted by TUBİTAK.

No support is provided for the commercialization stage.

Supported expenses

- Personnel expenses
 - Travel expenses
 - Machinery, equipment, software and hardware purchase expenses
 - Material expenses
 - Consulting and other service procurement expenses
8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

The duration of supported project cannot exceed 24 months.

The Support Program comes into force with the decision of the TÜBİTAK Board of Directors. It will continue with two call announcements per year, no duration has been determined.

9. Statistical data permitting an assessment of the trade effects of the subsidy

Grant payments for 1707 Program began to be paid for the first time in 2021.

2021
TRY 275,784

25 INDUSTRIAL INNOVATION NETWORKS MECHANISM CALL

1. Title of the subsidy programme

Industrial Innovation Networks Mechanism Call (SAYEM).

Within the scope of one of the funding mechanism called as Industrial Innovation Networks (SAYEM), private sector firms, especially those that contain an R&D and product design centre, will form a network with other firms that take place in the value chain of the targeted technology-based product together with end-users, technology development zones, public research institutes and universities. As a whole, the network will have the opportunity to take centre stage in the innovation system for co-creating high value-added products and technologies for the market.

2. Period covered by the notification

This notification relates to the support program provided during the period of 2019 - 2020.

3. Policy objective and/or purpose of the subsidy

The aim of SAYEM is commercialization of the high tech products by means of collaboration between private sector firms, universities and public that forms innovation networks targeting high TRL products (TRL 5-9).

4. Background and authority for the subsidy

This program is based on the Regulation on TÜBİTAK Support Programs entered into force after published in the Official Gazette dated 16 January 2007 and numbered 26405.

5. Form of the subsidy

Grant.

6. To whom and how the subsidy is provided

The SAYEM networks will be established in two phases. In the first phase (Phase 1), the support grant will be directed to establishing models of cooperation and networks based on a "product/commercialization roadmap" that includes a business model. In the second phase (Phase 2), the support grant will be provided to implementing the R&D and innovation activities that take place in the product/commercialization roadmap based on the strategic milestones that have been put forth by the actors who are involved in the network for co-creating high value-added products.

SAYEM coordinator firm should have one the following criteria:

- i. Ministry of Industry and Technology Certificated R&D Center;
- ii. National or international extensive sales network of the target product in last three years;
- iii. Have the intellectual property of the related product;
- iv. Apply for TÜBİTAK 1004 Excellence Centres Program.

Expected SAYEM members could be such as in the following:

- i. University Technology Development Zones;
- ii. TTO's;
- iii. Related sub-supplier;
- iv. SME's;
- v. Start-up firms;
- vi. Non-government organizations;
- vii. End users Public;
- viii. Funder.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

The support budget of the TÜBİTAK Presidency is an integrated budget and there are no separate support budgets on a program basis.

Detailed information about the Support Program is given below.

SAYEM Phase 1 and Phase 2 supports:

- Personnel expenses;
- Travel expenses;
- Consultancy expenses;
- Publication expenses;
- Meeting, publicity, organization expenses;
- Material and instrument expenses.

SAYEM Phase 1 - upper budget limit for per project: TRY 150,000.

SAYEM Phase 2 - upper budget limit for per project: TRY 50,000,000.

If more than one consortium in the Phase 1 cooperates and applies as a single consortium in Phase 2 upper budget limit for per project: TRY 75,000,000.

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

The duration of supported project cannot exceed 48 months.

The Support Program comes into force with the decision of the TÜBİTAK Board of Directors.

It is aimed to continue with one call announcement per year, no duration has been determined.

9. Statistical data permitting an assessment of the trade effects of the subsidy

Grant payments for SAYEM Call began to be paid for the first time in 2020.

2020	2021
TRY 1,310,316	0

(Based on 2021 fixed prices.)

26 SME RESEARCH DEVELOPMENT AND INNOVATION GRANT PROGRAM

1. Title of the subsidy programme

1507 SME RDI (Research, Development & Innovation) Grant Program.

2. Period covered by the notification

This notification relates to the support program provided during the period of 2019 - 2020.

3. Policy objective and/or purpose of the subsidy

To support the first five projects (at least two of them should be with partners) submitted by only SMEs, in order to encourage SMEs for carrying out innovative projects.

To support research-technology development and innovation activities of private sector organizations in our country.

To support entrepreneurship and university-industry cooperation.

It was established in order to increase the research-technology development capability, innovative culture and competitiveness of Turkish industry.

4. Background and authority for the subsidy

This program is based on the Regulation on TÜBİTAK Support Programs entered into force after published in the Official Gazette dated 16 January 2007 and numbered 26405.

5. Form of the subsidy

Grant.

6. To whom and how the subsidy is provided

TEYDEB provides non-refundable (grant) support to SMEs residing in Turkey in return for research and development (R&D) qualified and innovative project expenditures.

75% of eligible project expenses up to TRY 600,000 will be provided to the company as grant. Payments are made twice a year and after the company spends. Pre-payment is available up to 25% of project budget(more than once). Application at periods two times a year announced by calls.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

The total project budget cannot exceed TRY 600,000. SMEs can submit at most five projects to programme. At least two of them should be with partners.

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

The duration of supported project cannot exceed 18 months.

9. Statistical data permitting an assessment of the trade effects of the subsidy

Total amount of the grant for 1507 Programme:

2018	2019	2020
TRY 180,202,969	TRY 146,157,042	TRY 87,236,990

(Based on 2021 fixed prices.)

27 TURK EXIMBANK'S PROGRAMMES

1. Title of the subsidy programme

CREDIT PROGRAMMES

A. Short-term Export Credits

- (i) Credits Extended via Commercial Banks & Participation Banks and Factoring Companies

Pre-shipment Export Credit (PSEC) Programme.
Factoring Credit Programme.

- (ii) Credits Extended Directly by Turk Eximbank

Foreign Trade Companies (FTC) Short-term Export Credit Programme.
Pre-export Credit Programme.
Free Trade Zone Pre-export Foreign Currency Export Credit Programme.
Pre-export Credit Programme for Small and Medium Scale Enterprises (SMEs).
Credit Program Based on the Insured Export Receivables.

- (iii) Loans provided by the Central Bank of Turkey source and extended by Turk Eximbank

Post-Shipment Rediscount Credit Programme.
Rediscount Credit Programme.

B. Medium-Term Export Credits

The Export Oriented Working Capital Credit Programme.
The Export Oriented Investment Credit Programme.
Overseas Chain Stores Investment Credit Programme.
Letter of Guarantee Programme.
Specific Export Credit Programme.
Trademark Credit Programme.
Credit Programme for Leasing Companies.
Participation Finance Investment Loan.
Export Receivables Discounting Programme.

C. International Loans Programmes

INSURANCE PROGRAMMES

D. Short-term Credit Insurance

Short-term Export Credit Insurance Programme.
Short-term Domestic Credit Insurance Programme.

E. Medium and Long-term Insurance Facilities

Specific Export Credit Insurance Pre-Shipment & Post-Shipment Risk Programme.
Financial Institutions Buyer's Credit Insurance Programme.
Letter of Credit Confirmation Insurance Programme.

2. Period covered by the notification

January 1 – December 31, 2020.

3. Policy objective and/or purpose of the subsidy

A. Short-term Export Credits

Turk Eximbank extends short-term export credits to manufacturers, exporters and export-oriented manufacturers to meet their financing needs especially at the pre-shipment stage. These credits are extended in Turkish Lira or in foreign currency either directly by Turk Eximbank or via intermediation of selected Turkish commercial or participation banks and factoring companies.

(i) Credits Extended via Commercial and Participation Banks & Factoring Companies

Pre-shipment Export Credit (PSEC) Programme; a short and medium-term credit facility provided to manufacturers, export-oriented manufacturers and exporters of goods or services starting from the early stages of production in all sectors. The aim of the programme is to meet the financing needs of these companies in the early stages of production. The programme has TRY and foreign currency credit options.

- *PSEC-Priority Investment Areas Export Credit Programme*; a sub-programme of the PSEC extended in TRY to companies located in Turkey's priority development areas. It aims to support manufacturers, export-oriented manufacturers and exporters except Foreign Trade Companies in these regions and eliminate the economic-social gaps that exist between these regions and Turkey's more developed regions.
- *Free Trade Zone Pre-shipment Foreign Currency Export Credit Programme*; another sub-programme of the PSEC extended in FX to companies having operating license for manufacturing and located in Turkey's free trade zone areas. This facility aims to provide financial support to increase sales of manufacturers and export-oriented manufacturers in these regions.
- *Pre-shipment Export Credit Programme via Participation Banks*; a recently developed sub-programme of the PSEC extended in FX to manufacturers, export-oriented manufacturers and exporters starting from the early stages of production in all sectors. The aim of the programme is to meet the financing needs of these companies in the early stages of production.
- *Factoring Credit Programme*; post-shipment financing is provided by discounting the bills issued by exporting companies based on export receivables and assigned to factoring companies and endorsed by factoring companies to our Bank. The Central Bank of Turkey resources are used for loan disbursement.

(ii) Credits Extended Directly by Turk Eximbank

Foreign Trade Companies (FTC) Short-term Export Credit Programme; extended to all companies entitled to foreign trade corporate company/sectoral foreign trade company status, which is

conferred by the Ministry of Trade. It aims to provide financial support to large export trading companies for their export financing needs. The credit has foreign currency option.

Pre-export Credit Programme; a short and medium-term credit facility provided to export-oriented manufacturers, manufacturer-exporters and exporters in the preparatory stage of exports. It aims to increase the competitiveness of exporters in international markets and support export projects in the preparatory stage. The credit has foreign currency option.

Free Trade Zone Pre-export Foreign Currency Export Credit Programme; a sub-programme of the Pre-export Credit Programme extended in FX to companies having operating license for manufacturing and located in Turkey's free trade zone areas. This facility aims to provide financial support to increase sales of manufacturers and export-oriented manufacturers in these regions.

Pre-export Credit Programme for Small and Medium Scale Enterprises (SMEs); a short and medium-term credit facility extended both in TRY¹ and FX to only small and medium scale enterprises. It aims to provide financial support to SMEs in the preparatory stage of their exports.

Credit Program Based on the Insured Export Receivables; within the scope of Turk Eximbank Specific Export Credit Insurance Post-Shipment Risk Program, it is the post-shipment discounting of the export receivables arising from export transactions that are insured against commercial and political risks on the basis of the sales contract.

(iii) *Loans provided by the Central Bank of Turkey source and extended by Turk Eximbank*

Post Shipment Rediscount Credit Programme; a post-shipment finance facility in which deferred export receivables subject to bankers' acceptances and/or irrevocable letters of credit with a payment confirmation by a domestic bank and deferred export receivables performed within Turk Eximbank Short-term Export Credit Insurance are discounted by Turk Eximbank.

Rediscount Credit Programme; a pre-shipment finance facility implemented within the framework of a limit extended to Turk Eximbank by the Central Bank of Turkey. The opportunity for the companies to benefit from the export rediscount credit has been provided at the post-shipment stage provided that the bills transferred to factoring companies against export receivables and disbursed to Turk Eximbank.

B. Medium-Long Term Export Credits

Medium-long term export credits are specific credit programmes, available for export transactions that cannot be covered under the short-term credit and guarantee programmes.

The Export Oriented Working Capital Credit Programme; aims at financing raw materials, intermediate goods and final products of companies. Manufacturers and manufacturer-exporter firms which are established in Turkey and producing export oriented Turkish products are eligible to apply for this credit programme. Purchasing of raw materials, intermediate goods and final products are financed based on the related expense bills.

The Export Oriented Investment Credit Programme; aims to finance the machinery, equipment and other investment materials of the manufacturers, and manufacturer-exporter firms which are established in Turkey and producing export oriented goods. The capital goods such as machinery, equipment and other investment materials are financed in return for the related expense bills.

Overseas Chain Stores Investment Credit Programme; aims to support direct sales of Turkish brand consumer goods in international markets and establish Turkish brand names and promote Turkish designed goods abroad. Turk Eximbank supports the overseas investments of Turkish entrepreneurs for the establishment of shopping malls and chain stores in which various consumer goods may be offered for sale.

¹ In all TRY credit programs, TRY resources are made available only to companies with SME qualifications.

Letter of Guarantee Programme with this program letter of guarantees are issued by Turk Eximbank on behalf of our exporters (foreign contracting companies and manufacturer-exporters) in order to enable them to enter new markets and to enhance their business volumes in abroad.

Specific Export Credit Programme; is used to evaluate credit demands that cannot be met within the Bank's existing standard credit programmes. It is a medium and long-term pre-shipment financing facility provided to manufacturers/exporters and overseas contractors for projects that generate foreign currency. It aims to meet the specific requirements of Turkish manufacturers/exporters through medium and long-term financing and thus encourage the export of new products to new markets. Loans provided with funds obtained from international financial institutions are also carried out under this program.

Trademark Credit Programme; has been put into effect to finance foreign brand purchases or develop and promote Turkish brand image in abroad.

Credit for Leasing Companies; is a program which aims to finance investments through financial leasing companies. The program is indirect credit in which the credit is extended to a Turkish Leasing Company to which Turk Eximbank allocates credit line, and the intermediary Leasing Company extends the credit to the final user.

Participation Finance Investment Credit; investment expenditures of exporters such as machinery, equipment and parts are financed by Islamic finance methods in medium and long term.

Export Receivables Discounting Program; under this program, exporters assign the receivables arising from export transactions to Turk Eximbank, which in turn pays the receivable amount less the discount fee and the insurance premium to the exporter. Discounting shall take place only at post-shipment stage. This program enables Turkish exporters to provide quick funding before the due date(s) of the export receivables.

C. International Loans Programmes

The International Loans Programmes aim to increase the competitiveness of Turkish exporters and contractors on international markets and to provide them with a risk-free environment for their activities in markets that have high political and commercial risks. The programmes also provide support for transactions that have strategic importance for foreign countries and are likely to contribute to the political and economic relations of Turkey.

Terms and conditions of the support are determined in accordance with the OECD Arrangement on Officially Supported Export Credits (OECD Arrangement). Thus, all applications are evaluated in accordance with the OECD Arrangement and Turk Eximbank appraisal criteria. Turk Eximbank can provide medium/long term financial support for the cost of goods and services to be supplied from Turkey in the amount not exceeding 85% of the export contract value. The objective of the International Loans Programmes is to provide financing to the foreign buyers/employers of Turkish exporters/contractors.

D. Short-term Credit Insurance

Short-term Export Credit Insurance Programme; cover is provided on the whole-turnover basis for commercial and political risks. Shipments up to 360 days to be effected on all payment terms from open-account to documentary credits are covered in accordance with the country cover condition and credit limit approval.

Short-term Domestic Credit Insurance Programme; cover is provided on the whole-turnover basis for commercial risks. Domestic shipments up to 360 days are covered in accordance with the credit limit approval. It is a post-shipment facility.

E. Medium and Long-term Insurance Facilities

Specific Export Credit Insurance Pre-Shipment & Post-Shipment Risk Programmes; Receivables arising from the export of Turkish goods under a single-sales contract are covered against both

commercial and political risks under this programme. The programmes aim to increase export of capital goods with medium and long term maturities.

Financial Institutions Buyer's Credit Insurance Programme; was launched in 2019 to insure domestic or foreign financial institutions against the non-payment of a loan by the private or public owned borrower due to commercial and political risks. The scope of coverage is limited to Turkish goods and the programme aims to enhance buyer's credit supports of the banks facilitating Turkish export especially in the international projects.

Letter of Credit Confirmation Insurance Programme; LC Confirmation Insurance Programme was launched in 2019 to insure banks operates in Turkey that confirms the "letters of credit" issued by a foreign bank for an export transaction from Turkey. This programme aims to provide support to domestic banks and enable them to enhance their limits as confirmation bank sharing the commercial and political risks of the issuing bank and its country.

4. Background and authority for the subsidy

The bank was created by the government decree (No.87/11914) in 1987 following the order of a specific Law (Law No. 3332) by maintaining the legal personality of the State Investment Bank. With this legislation, Turk Eximbank was transformed into a joint stock company subject to the provisions of the private law. In 2013 with a new decree (No.2013/4286) which repeal decree No.87/11914, the Turkish government implemented several key amendments of this legislation.

In addition to the Law No. 3332 focusing on basic concepts of the organisation, product offering and resources, a minister resolution (Resolution of the Council of Ministers No. 2013/4286) plays an important role. The resolution includes the objective and scope of Turk Eximbank, but also further details regarding products, financial provisions and governance structures.

The Articles of Association complement the legal provisions for the Turkish export credit agency. They cover not only the establishment, objectives scope and activities, but also detail financial provisions, organs, management and representation of the bank, the scope of action for the Supreme Advisory and Credit Guidance Committee, fiscal accounts and distribution of profits, as well as special audit principles.

Turk Eximbank is legally affiliated with the Ministry to which the bank is affiliated by Presidency of The Republic of Turkey. Within this framework, the bank has been associated in 2018 with the Ministry of Trade.

The operational framework of the Turkish export credit agency is shaped by its annual programs entering into force by a decision of the Supreme Advisory and Credit Guidance Committee. The committee can determine maximum limits on a general, country, sector or commodity basis. This applies to loans, guarantees and insurance cover provided by the Bank. The committee has to meet at least once a year. In addition, the Presidency or the affiliated Ministry of Trade can inspect and audit transactions and accounts, and demand information in every respect.

Countries of operation and the limits to be assigned to these countries are determined by Supreme Advisory and Credit Guidance Committee and are approved by the Presidency of the Republic of Turkey. Loans to foreign countries for a maturity of two years and more and medium term insurance coverage are subject to approval of the Minister of Treasury and Finance according to Article 10 of Act No. 4749 related to the regulation of Public Finance and Debt Management.

The Cabinet Degree no. 2009/15198 was put into effect on July 15, 2009 in accordance with Act no. 4749 is regulating the financial supports provided by Turk Eximbank under its export credit, insurance and guarantee programmes.

5. Form of the subsidy

Short-term export credits - In the form of loan.

Buyers' Credit and Guarantee Programme - It may be in the form of direct lending or guarantee.

Other medium and long term export credits - In the form of loan or guarantee.

Short, Medium and Long Term Insurance Facilities - In the form of credit insurance.

6. To whom and how the subsidy is provided

A. Short-term Export Credits

(i) Credits Extended via Commercial Banks

Pre-shipment Export Credit Programme; extended to "Sectoral Foreign Trade Companies" (SFTC), manufacturers, manufacturer-exporters and exporters of goods for a maximum of 720 days in FX credits. In TRY credits maximum term option is 360 days.² The credit is extended via intermediary Turkish commercial banks, which are allocated credit lines following an evaluation process. These commercial banks are responsible for the default risk of the borrowers. Turk Eximbank therefore assumes bank risk rather than that of the exporter or manufacturer. The interest rate is determined by Turk Eximbank according to money market rates, loan repayment periods and cost of funding.

(ii) Credits Extended Directly by Turk Eximbank

Foreign Trade Companies Short-term Export Credit Programme; extended to "Foreign Trade Corporate Companies" (FTCC) and "Sectoral Foreign Trade Companies" (SFTC) with a repayment period of up to 720 days. Applicants must be entitled to FTCC and SFTC status by the Ministry of Economy. The interest rate is determined by Turk Eximbank according to money market rates, loan repayment periods and cost of funding.

Pre-export Credit Programme; extended to manufacturer-exporters, exporters and export oriented manufacturers except FTCC and SFTC for a maximum of 720 days for FX credits. The interest rate for FX option is the same as that of PSEC FX.

Free Trade Zone Pre-export Foreign Currency Export Credit Programme; extended in FX to companies located in Turkey's free trade zone areas for a maximum of 720 days. Interest rates are the same as that of Pre-export Credits-FX rates.

Pre-export Credit Programme for SMEs; extended to only small and medium scale enterprises directly by Turk Eximbank 720 days for FX credits. In TRY credits maximum term option is 360 days. The interest rate is same as other short-term credits.

(iii) *Loans provided by the Central Bank of Turkey source and extended by Turk Eximbank*

Post-Shipment Rediscount Credit Programme; Deferred export receivables of Turkish exporters, manufacturer-exporters and manufacturers subject to bankers' acceptances provided by domestic commercial banks or irrevocable letters of credit which is added a payment confirmation by a domestic commercial bank; deferred export receivables arisen out of cash against goods, cash against documents, irrevocable letter or credit which were insured by Turk Eximbank Short – Term Export Credit Insurance policy are discounted by Turk Eximbank. Export receivables with a maturity of up to 360 days are discounted on LIBOR+spread (*The Bank has been working on to make the necessary adoptions in the future regarding the LIBOR Transition*), where spread is determined by Turk Eximbank.

Rediscount Credit Programme; this pre-shipment financing facility is being executed within the framework of a limit extended to Turk Eximbank by the [Central Bank of Turkey](#). The programme which requires an export commitment aims at providing support to Turkish manufacturers, exporters and manufacturer-exporters with maturity up to 360 days in the pre-shipment base. Promissory notes issued by exporters on behalf of Turk Eximbank, which have the aval of banks possessing a short-term letter of guarantee limit with Turk Eximbank are discounted under this limit. Since 2013, letter of guarantees issued by banks possessing short-term letter of guarantee limit with Turk Eximbank, including promissory notes without aval have also been accepted as guarantee under this

² In 2021, long term option is also available in PSEC FX credits. In addition, the maximum term option has been increased to 540 days in all TRY credit programmes.

programme. Export receivables with a maturity of up to 360 days discounted by the [Central Bank of Turkey](#).

B. Medium-Long Term Export Credits

The Export Oriented Working Capital Credit Programme; manufacturers and manufacturer-exporters and exporters which are established in Turkey and which produce export oriented Turkish products are eligible to apply for this credit programme in which purchasing of raw materials, intermediate goods and final products are financed based on the related expense bills within 180 days before the application date, at latest. The maturity for this programme is five years with one year grace period. The company limit is USD 75 million. The interest rates for foreign currency loans are based on LIBOR/ EURIBOR plus a spread, determined by Turk Eximbank according to money market rates, loan repayment periods and cost of funding.

The Export Oriented Investment Credit Programme; aims to provide finance to the manufacturers, manufacturer-exporters and exporters, producing export oriented goods. The capital goods such as machinery, equipment and other investment materials are financed in return for the related expense bills within the 180 days prior to the application date, at latest. The maximum company limit is USD 75million. The loans have a maximum maturity of 10 years with a grace period of one or two years. The interest rates for foreign currency loans are based on LIBOR/ EURIBOR plus a spread determined by Turk Eximbank according to money market rates, loan repayment periods and cost of funding.

Overseas Chain Stores Investment Credit Programme; extended to Turkish entrepreneurs who invest abroad for the establishment of shopping malls and chain stores and to those who invest abroad for the establishment of stores to sell their own brand. Entrepreneurs who benefit from this programme may also benefit from the short-term export credit programmes for the export of Turkish goods to be sold in these stores. The interest rate is determined by Turk Eximbank according to money market rates, loan repayment periods and cost of funding.

Specific Export Credit Programme; aims to provide finance to Turkish manufacturers, exporters and manufacturer-exporters having financial needs which cannot met by other credit programmes of Turk Eximbank. Loans provided with funds obtained from international financial institutions are also carried out under this program. Terms and interest rates of the loans provided under this programme are determined by Turk Eximbank according to money market rates, loan repayment periods and cost of funding on project basis.

Trademark Credit Programme; under this programme, the maturity of the loans are 10 years with a grace period of two years which are granted on a project basis with a floating interest rate, based on LIBOR/ EURIBOR plus a spread that is determined by Turk Eximbank according to money market rates, loan repayment periods and cost of funding.

C. International Loans Programmes

The objective of the International Loans Programmes is to provide financing to the foreign buyers/employers of Turkish exporters/contractors. Turk Eximbank either allocates loans to governmental entities under the sovereign guarantee of the relevant countries or to private companies through credit lines opened to the acceptable banks located in the host countries via its Buyer's Credits Through Foreign Banks, Buyer's Credits Through Sovereign Guarantee and Buyer's Credits Through Domestic Banks Programmes.

Buyer's Credits Through Foreign Banks and Buyer's Credits Through Sovereign Guarantee; aims to meet the needs of the foreign buyers aiming to finance their import of:

- Turkish goods and services with respect to the projects undertaken by Turkish contractors overseas;
- durable and non-durable consumer goods and/or capital goods of Turkish origin.

The borrowers are sovereigns or reputable foreign banks where the support type is in the form of a direct loan.

Buyer's Credits Through Domestic Banks; aims to meet financing needs of Turkish exporters and their foreign buyers. Within the scope of the product, Domestic Banks in Turkey will be the borrower of Turk Eximbank loan. Domestic Banks, which are allocated a credit limit by Turk Eximbank, shall utilize Turk Eximbank loans to the Buyers who import Turkish goods from Turkey, through their branches, subsidiaries and correspondent banks operating overseas.

D. Short-term Credit Insurance

Short-term Export Credit Insurance Programme; all Turkish exporters, manufacturer-exporters, FTCCs and SFTCs are eligible for this programme. Cover is available up to 90 per cent of losses incurred as a result of commercial and political risks. Premium is charged according to the risk classification of the buyer, buyer's country, credit length, payment term and the type of buyer (public or private).

Short-term Domestic Credit Insurance Programme; the policyholders of Short-term Export Credit Insurance or the companies who are in the same group with these policyholders are eligible for this programme. Cover is available up to 90 per cent of losses incurred as a result of commercial risks. Premium is charged according to the risk classification of the buyer and credit length.

E. Medium and Long-term Insurance Facilities

Specific Export Credit Insurance Post Shipment Risk Programme; Capital or semi-capital goods exported by Turkish companies may qualify for insurance under these programme. Coverage is typically up to 90 per cent of 85 per cent of the contract value with 15% of the contract value having to be paid in advance. The premium rates are determined by Turk Eximbank on transaction basis according to the risk classification of the buyer's country, credit length, terms and conditions of payment, the type of the buyer (public/private) and additional guarantees (or collaterals) provided by the debtor as defined OECD Arrangement on Officially Supported Export Credits.

Financial Institutions Buyer's Credit Insurance Programme; Domestic or foreign financial institutions which provide buyer's credit facility to Turkish goods can be policyholders under the programme. The principal plus contractual interest amount of the loan agreement and the insurance premium and coverage ratio is up to 95 per cent. The premium rates are determined by Turk Eximbank on transaction basis according to the risk classification of the buyer's country, credit length, terms and conditions of payment, the type of the buyer (public/private) and additional guarantees (or collaterals) provided by the debtor as defined OECD Arrangement on Officially Supported Export Credits.

Letter of Credit Confirmation Insurance Programme; Banks operates in Turkey that confirms the "letters of credit" issued by a foreign bank for an export transaction from Turkey are insured under the programme. Non-payment of issuing foreign bank due to the commercial and political risks is insured up to 75% of confirmed amount. The programme is available for irrevocable, deferred letter of credits and premium rates are defined issuing bank's country risk, issuing bank's rating and the terms and conditions of the payment.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

Not available to Turk Eximbank's programmes.

Regarding short-term credit and insurance programmes; Turk Eximbank complies with the Agreement on Subsidies and Countervailing Measures of the WTO. Interest rates of these credits are determined by Turk Eximbank in accordance with the developments in money markets, loan repayment periods and cost of funding. Short-term TRY credits are mostly funded by equity, profits, and general provisions, which are regarded as cost free items. The rates charged by Turk Eximbank reflect the government's cost of funding and the Bank revises its rates according to the changes in market rates to prevent erosion of its resources from inflation. Interest rates of short-term foreign currency loans are defined by Turk Eximbank as "LIBOR+spread", where the spread is calculated by taking into account the credit length and cost of funds. In order to fund these loans, Turk Eximbank relies heavily on funds borrowed from commercial banks and international financial markets. The interest rates of these loans also reflect the cost of funds.

Regarding medium and long-term export credit, guarantee and insurance facilities, Turk Eximbank fully complies with OECD Arrangement, which determines the guidelines for the officially supported export credits with tenor of two years or more.

Regarding export credit insurance programmes, Turk Eximbank follows all the disciplines and requirements furnished in the OECD Arrangement, Berne Union and the WTO. The insurance activities of Turk Eximbank are similar with those of the traditional ECA's. Its basic insurance programmes are relatively well run and they fully meet the underwriting requirements of international reinsurers. For export insurance covering political and commercial risk, the exporter is charged a premium according to the risk classification of the buyer, buyer's country, credit length, payment term and the type of buyer (public or private). For domestic credit insurance covering commercial risk, the exporter is charged a premium according to the risk classification of the buyer and credit length. Like all other officially supported ECAs, only political risk is under the guarantee of the state; the losses incurred due to commercial risks are indemnified by Turk Eximbank from its own resources. However, re-insurance treaties have been established with domestic and overseas re-insurance companies to cede part of the commercial and political risks borne by Turk Eximbank under the short-term export credit insurance and short-term domestic credit insurance programmes (60% of commercial and political risks under short-term insurance activities are covered by a reinsurer's panel on the basis of a quota-share treaty). Premium rates and premiums collected have been fairly adequate to cover the long-term operating costs and losses of the programmes since commencement.

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

There is no time limit to Turk Eximbank programmes. The programmes may be revised, eliminated or new programmes are introduced according to the requirements of Turkish exporters and international rules and regulations.

Pre-shipment TRY Export Credit Programme; has been put into effect in 1989.

International Loans Programmes; has been in effect since 1989.

Short-term Export Credit Insurance Programme; has been put into effect in 1989.

Foreign Trade Companies (FTC) Short-term FX Export Credit Programme; has been put into effect in 1993.

Pre-shipment FX Export Credit Programme; has been put into effect in 1994.

Pre-export FX Credit Programme; has been put into effect in 1994.

Foreign Trade Companies (FTC) Short-term TRY Export Credit Programme; has been put into effect in 1996.

Post-Shipment Rediscount Credit Programme; has been put into effect on October 15, 1996.

Overseas Chain Stores Investment Credit Programme; has been put into effect on 6 September 1996.

Pre-export TRY Credit Programme; has been put into effect in 1997.

Specific Export Credit Programme; has been put into effect in 1997.

Pre-export Credit Programme for SMEs; was commenced in 2003.

Rediscount Credit Programme; has been put into effect on 12 October 1999.

The International Islamic Trade Finance Corporation (ITFC) Backed Production Finance Credit Programme; has been put into effect on 20 April 2010.

The Export Oriented Working Capital Credit Programme; has been put into effect on 30 January 2012.

The Export Oriented Investment Credit Programme has been put into effect on 6 March 2012.

Trademark Credit Programme; has been put into effect on 14 May 2012.

Short-term Domestic Credit Insurance Programme; has been put into effect in 2013.

Specific Export Credit Insurance Post Shipment Risk Programme; has been put into effect in 1990 and has been revised in 2013.

Participation Banks Pre- Shipment Foreign Currency Export Credit Programme; has been put into effect in 2014.

Credit for Leasing Companies; has been put into effect in 2019.

Credit Program Based on the Insured Export Receivables; has been put into effect in 2020.

Export Receivables Discounting Program; has been put into effect in 2014.

Participation Finance Investment Loan; has been put into effect in 2020.

Factoring Credit Programme; has been put into effect in 2014.

9. Statistical data:

	2020	2019
	<i>(million USD)</i>	<i>(million USD)</i>
CREDIT/GUARANTEE		
1. SHORT TERM EXPORT CREDIT PROGRAMMES	22,578.10	24,961.60
Pre-Shipment Export Credits	1,514.10	2,388.00
Pre-Export Export Credit	544.2	209.2
Pre-Export Credit Programme for SMEs	444.8	646.6
Foreign Trade Companies Export Credit	240	147.3
Rediscount Credit Programme	19,263.40	20,764.80
Factoring Credit Programme	166.1	248.5
Post-Shipment Rediscount Credit Programme	384	494.8
Credit Program Based on the Insured Export Receivables	1	-
Free Trade Zone Pre-Export Credit Programme	4.6	0.8
Specific Rediscount Credit Program	15.8	61.6
2. MEDIUM-LONG TERM EXPORT CREDIT PROGRAMMES	1,430.80	1,070.30
The European Investment Bank Credit	-	-
The Export Oriented Working Capital Credit Programme	584.8	688.2
The Export Oriented Investment Credit Programme	138.7	123.5
Participation Finance Investment Credit	23	-
Trademark Credit Programme	456.4	1
Specific Export Credit Programme	226.3	257.6
Letter of Guarantee Programme	1.5	-
Overseas Chain Stores Investment Credit Programme	-	-
Export Receivables Discounting Program	0.1	-
3. INTERNATIONAL LOANS PROGRAMME	35	132
INSURANCE		
1. S-T EXPORT CREDIT INSURANCE PROGRAMME	15,465.6	15,487.2
2. S-T DOMESTIC CREDIT INSURANCE PROGRAMME	1,632.5	1,780.1
3. MLT EXPORT CREDIT INSURANCE PROGRAMMES	43.2	163.2
TOTAL	41,185.20	43,594.40

28 EXPORT SUBSIDY PROGRAMME FOR AGRICULTURAL PRODUCTS (2020-2021)**1. Title of the subsidy programme**

The title of the subsidy Programme is "Export Subsidy Programme for Agricultural Products" (Decree No. 2018/12).

2. Period covered by the notification

The Decree No. 2018/12 of the Money-Credit and Coordination Council has been effective as of 1 January 2018. This Programme came into force replacing the Decree No. 2016/16.

3. Policy objective and/or purpose of the subsidy

The policy objective of this export subsidy Programme is to develop Turkey's export potential in processed agricultural products.

4. Background and authority of the subsidy

Authority for the subsidy is the Money-Credit and Coordination Council. As of August 2018, duties and authorities of Money-Credit and Coordination Council were delegated to Economic Policies Council of Presidency of Republic of Turkey, Ministry of Treasury and Finance and Ministry of Trade.

5. Form of the subsidy

The subsidies are provided in the form of deduction of debts to the public corporations from the subsidy entitlement.

6. To whom and how the subsidy is provided

The subsidies are provided to producer/exporters or exporters in the form of deduction of their debts to the public corporations from their subsidy entitlement which is calculated on the basis of fixed amount per unit.

7. Subsidy per unit

The subsidy per product is given below.

Product	Rate (TRY/ton)	Share of exported quantity eligible to receive the subsidy	Maximum ratio of payment
Cut flowers (fresh)	475	45%	9%
Vegetables, frozen (exc. potatoes)	180	45%	10%
Vegetables (dehydrated)	800	40%	10%
Fruits (frozen)	175	45%	6%
Preserves, pastes	185	100%	8%
Honey*	160	20%	2%
Homogenized fruit preparations	140	35%	5%
Fruit juices (concentrated)	360	15%	12%
Olive oil	20	100%	2%
Prepared or preserved fish	550	100%	5%
Meat of poultry (excl. edible offals)	430	41%	14%
Eggs	40/1000 pieces	65%	10%
Preserved poultry meat products*	550	50%	13%
Chocolate and other food preparations containing chocolate	270	48%	5%
Biscuits, waffles	270	18%	7%
Macaroni vermicelli	150	32%	9%

* Subsidy payments has been suspended as of 1 January 2019.

The second column specifies that the subsidy is only paid on determined percentage of the quantity exported and the third column specifies the maximum payment rate of the value of the exports. This

system has been used owing to the annual volume and value commitments of Turkey, originated in the WTO Agreement on Agriculture.

8. Duration of the subsidy

The Decree No. 2018/12 of the Money-Credit and Coordination Council has been effective as of 1 January 2018.

9. Statistical data permitting an assessment of the trade effects of the subsidy

No statistical data permitting an assessment of the trade effects of this subsidy is available.

29 REDUCED SPECIAL CONSUMPTION TAX ON MARINE FUELS

1. Title of the subsidy programme

Reduced special consumption tax (SCT) on marine fuels (diesel and fuel oil).

2. Period covered by the notification

This programme has been implemented since 1 January 2004.

3. Policy objective and/or purpose of the subsidy

The objective of the programme is to use the current potential of seas surrounding Turkey at maximum level and to ease the burden on national land transportation.

4. Background and authority for the subsidy

The programme entered into force with the Decision annexed to the Council of Ministers Decision No. 2003/5868 dated 1 July 2003 in the Official Gazette of 16 July 2003 No.19471 from the date of 1 January 2004. The implementation procedures and principles of the said Decision are explained in the section (III/B-1) General Implementation Communiqué of the SCT Law List No (I).

5. Form of the subsidy

This programme is a reduced tax practice.

6. To whom and how the subsidy is provided

The marine vessels that can benefit from this programme are the vessels of the public administrations within the scope of the general budget, registered in the Turkish International Ship Registry (TISR) and the National Ship Registry (NSR), and the vessels only carrying cargo and passengers or servicing on the cabotage line, and commercial yachts and fishing vessels.

The SCT amount in the deliveries of diesel and fuel oil types (marine fuels) used in these vehicles and specified in the Communiqué in terms of the Customs Tariff Statistics Position (HS Code) has been reduced to zero, in the scope of the Decision.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

The amount of SCT waived in 2019 is TRY 727,054,560. The amount of SCT waived in 2020 is TRY 822,093,870.

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement.

There is no time limit specified in the law for the implementation of the programme.

30 FISHERIES SUPPORT PROGRAMME (2017-2018)

1. Title of the subsidy programme

Fisheries Support Programme

Every year, the support payments for the fisheries sector are made from agriculture support budget that was allocated from the general budget. The principles of the payments have been determined by the decision of the Council of Ministers. The rules and procedures for the applicants have been identified within the framework of the Communiqués published in the Official Gazette every year.

The Payments For The Fishing Vessels Owner Giving Up Fishing Activity

The vessels registered and valid fishing licensing in the Fisheries Information System (SUBIS), which have a length of ten meters or bigger than ten meters having permissions for fishing are included in the scope of the support. The vessels operating in inland waters, under 10 meters in length and that the administrative sanctions applied for IUU fishing are excluded from the scope of the support.

Registration and Support for Traditional Coastal and Artisanal Fisheries

Main aim of this programme is to improve the social conditions of the families that provide their income from fishing in inland and coastal water corresponding to 87% of our fleet and to improve the rural development and social conditions of these families and to establish a data bank which form the basis of the decisions taken for the sustainable fisheries management.

Aquaculture Support Programme

The aquaculture support programme includes the instruments to increase the quality of production, to create disease-free enterprises and hatcheries, to promote the production of new species, to protect the environment and to use of re-cycle system in aquaculture.

Tax Exempted Fuel Support Programme (non-specific subsidy)

The special tax exemption programme applies in line with the list prepared by the Ministry of Finance and Treasury to the marine vehicles. The procedures and principles regarding the tax exempted fuel of excise duty on these vessels are determined and implemented by the Ministry of Transport and Infrastructure.

The Credits of Agricultural Bank for Investment and Operational Costs

Ziraat Bank (Agricultural Bank) provides subsidized investment and operational loans to the fisheries sector.

2. Period covered by the notification

2017 and 2018.

The program is implemented annually from 1 January to 31 December. Tax exempted fuel for fishing vessels is not provided from 1 May to 1 September when fishing is prohibited. In addition, Ziraat Bank gives discounted interest credits for investment and operating loans to the fisheries sector within the scope of the supports given to agriculture.

3. Policy objective and/or purpose of the subsidy

Conservation of fisheries stocks, reduction of fishing fleet capacity, reduction of fishing pressure on stocks and ensuring sustainable fishing, providing support for families' livelihoods and rural development by supporting traditional coastal and artisanal fisheries, strengthening cooperation with the competent authority to ensure contribution to the decision makers and in aquaculture; to reduce environmental degradation by using new technologies and by doing environmental-friendly and healthy production.

4. Background and authority for the subsidy

Ministry of Agriculture and Forestry (Grant Subsidies and Buy Back Programme).

Ministry of Treasury and Finance/Ministry of Infrastructure and Transport (Tax exemption for fuel).

Ziraat Bank (Subsidized investment and operating loans).

Relevant Legislations:

(1) Article 19 of the Agricultural Law No. 5488 dated 18/4/2006.

(2) Decisions of the Council of Ministers published annually on Agricultural Supports to be published in the Official Gazette.

(3) Communiqués issued annually covering the above issues published in the Official Gazette.

(4) Special Consumption Tax Law and Implementation Communiqués.

5. Form of the subsidy

The Payments For The Fishing Vessels Owner Giving Up Fishing Activity (Buy Back programme);

Registration and Support for Traditional Coastal and Artisanal Fisheries (Grant Subsidies);

Aquaculture Support Programme (Grant Subsidies);

Tax Exempted Fuel, (Tax reduction);

Investment and operating loans (Low Loan Credit).

6. To whom and how the subsidy is provided

The beneficiaries of these support programmes are the owners of fishing vessels having licenses, aquaculture farm owners and fisheries cooperatives and unions.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

Within the framework of this program, the Ministry of Agriculture and Forestry has allocated a budget of **TRY 139,911,000** in 2017 and **TRY 141,703,000** in 2018 to the fisheries sector. In addition to this, tax exempted fuel amounts to **TRY 174,647,502** in 2017 and **TRY 156,938,218** in 2018 while Ziraat Bank investment and operating loans amount to **TRY 282,462,299** in 2017 and **TRY 350,692,611** in 2018.

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

1 January 2017 - 31 December 2018.

31 FISHERIES SUPPORT PROGRAMME (2019 - 2020)

1. Title of the subsidy programme

Fisheries Support Programme

Every year, the support payments for the fisheries sector are made from agriculture support budget that was allocated from the general budget. The principles of the payments have been determined by the decision of the Council of Ministers. The rules and procedures for the applicants have been identified within the framework of the Communiqués published in the Official Gazette every year.

Registration and Support for Traditional Coastal and Artisanal Fisheries

Main aim of this programme is to improve the social conditions of the families that provide their income from fishing in inland and coastal water corresponding to 87% of our fleet and to improve the rural development and social conditions of these families and to update a data bank which form the basis of the decisions taken for the sustainable fisheries management.

Aquaculture Support Programme

The aquaculture support programme includes the instruments to increase the quality of production, to create disease-free enterprises and hatcheries, to promote the production of new species, to protect the environment and to use of re-cycle system in aquaculture.

Support Program for Puffer Fish Elimination

The invasive species of puffer fish seen in our country's resources in recent years has a negative impact on human health. In order to eliminate this and to eliminate the poisonous species from the environment, the caught puffer fish are purchased from the fishermen with payment per fish and destroyed under appropriate conditions.

Tax Exempted Fuel Support Programme (non-specific subsidy)

The special tax exemption programme applies in line with the list prepared by the Ministry of Finance and Treasury to the marine vehicles. The procedures and principles regarding the tax exempted fuel of excise duty on these vessels are determined and implemented by the Ministry of Transport and Infrastructure.

The Credits of Agricultural Bank for investment and operational Costs

Ziraat Bank (Agricultural Bank) provides subsidized investment and operational loans to the fisheries sector.

2. Period covered by the notification

2019 and 2020.

The program is implemented annually from 1 January to 31 December. Tax exempted fuel for fishing vessels is not provided from 1 May to 1 September when fishing is prohibited. In addition, Ziraat Bank gives discounted interest credits for investment and operating loans to the fisheries sector within the scope of the supports given to agriculture.

3. Policy objective and/or purpose of the subsidy

Conservation of fisheries stocks, reduction of catch pressure on stocks and ensuring sustainable fisheries, support of traditional coastal fisheries to ensure the livelihood of fishermen and rural development, elimination of puffer fish, which is an invasive species that adversely affects human health, from sources, and participation of fishermen and breeders in decision-making mechanisms by strengthening their cooperation with the competent authority. It is aimed to ensure the development of the sustainable aquaculture sector, to ensure that the sector can produce healthy in aquaculture, to make sustainable environmentally friendly production by raising alternative species, and to reduce environmental interaction by using new technologies.

4. Background and authority for the subsidy

Ministry of Agriculture and Forestry (Grant Subsidies and Buy Back Programme).

Ministry of Treasury and Finance / Ministry of Infrastructure and Transport (Tax exemption for fuel).

Ziraat Bank (Subsidized investment and operating loans).

Relevant Legislations:

- (1) Article 19 of the Agricultural Law No. 5488 dated 18 April 2006.
- (2) Decisions of the Council of Ministers published annually on Agricultural Supports to be published in the Official Gazette.
- (3) Communiqués issued annually covering the above issues published in the Official Gazette.
- (4) Special Consumption Tax Law and Implementation Communiqués.

5. Form of the subsidy

Registration and Support for Traditional Coastal and Artisanal Fisheries (Grant Subsidies);

Aquaculture Support Programme (Grant Subsidies);

Supporting Program for Puffer Fish Elimination Fisheries (Grant Subsidies);

Tax Exempted Fuel, (Tax reduction);

Investment and operating loans (Low Loan Credit).

6. To whom and how the subsidy is provided

The beneficiaries of these support programmes are the owners of fishing vessels having licenses, aquaculture farm owners having aquaculture permission, and fisheries cooperatives and unions.

7. Subsidy per unit, or in cases where this is not possible, the total amount or the annual amount budgeted for that subsidy

Within the framework of this program, the Ministry of Agriculture and Forestry has allocated a budget of **TRY 147,591,000** in 2019 and **TRY 161,541,000** in 2020 to the fisheries sector. In addition to this, tax exempted fuel amounts to **TRY 181,854,821** in 2019 and **TRY 231,071,559** in 2020 while Ziraat Bank investment and operating loans amount to **TRY 373,799,372** in 2019 and **TRY 539,184,817** in 2020.

8. Duration of the subsidy and/or any other time limits attached to it, including date of inception/commencement

1 January 2019 - 31 December 2020.
