



REPUBLIC OF TURKEY
PRIME MINISTRY
INVESTMENT
SUPPORT AND PROMOTION
AGENCY

PRESS STATEMENT

19 July 2016

UNITED TODAY; MOVING FORWARD WITH CONFIDENCE

As The Republic of Turkey Prime Ministry Investment Support and Promotion Agency (ISPAT) we state that the recent failed coup attempt in Turkey, however tragic and unfortunate, will further strengthen democracy and the rule of law in Turkey.

As such, these events are nothing but a labor pain of the democratic process. The Turkish people have shown that the only source of legitimacy in Turkey is the will of people, as they heroically thwarted the coup against their democratically-elected President, Recep Tayyip Erdoğan.

The events demonstrate that when democracy and national sovereignty are at stake, the Turkish people and politicians will put aside their differences and support the democratic institutions in the country. All four political parties in the parliament condemned the attempt and said in a joint statement that “democracy” in Turkey can’t be used together with the word “coup”.

A sense of normalcy is already being seen in the markets following the recent events. Security has been restored and the public has strong support for the government, which will result in a more stable political environment. While short-term negative pricing in financial markets is a normal reaction to such a troubling event, the markets will overcome the uncertainty and stabilize in a couple of days. Policy-makers, regulators, and all of the economic actors in Turkey are vigilantly following the recent developments and are taking all necessary measures to reassure the markets.

Turkey has been and will be able to retain sound macroeconomic fundamentals thanks to supportive fiscal and monetary policies. The Turkish economy has been growing robustly over the past 14 years with an annual average real GDP growth rate of 4.7 percent. Turkey stands out as one of the fastest growing economies in the world. Moreover, Turkey achieved a growth rate of 4.8 percent in the first quarter of 2016, despite the overall modest recovery in the global economy.

The Turkish government has been constantly introducing reforms to improve Turkey’s investment and business climate. Thanks to these structural reforms, the amount of FDI, which was about USD 15 billion during the 1923-2002 period, increased to more than USD 165 billion between 2003 and 2015. Also during this 2003-2015 period the number of foreign-owned companies rose from 5,600 to almost 46,000. Although the recent events have cast a shadow over Turkey’s economic success, the public reaction to the coup has restored confidence in short order. Emboldened by the support of the people, the government will continue to implement economic reforms that will also strengthen Turkish democracy. The Turkish business community also has strongly opposed the coup and has voiced its support of the democratically-elected government and the President. Early feedback from international investors indicates growing confidence and an increased appetite for investment in Turkey.



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The likely short-term effects of this attempt will not be accompanied by any deterioration in major economic indicators, and the likelihood of a decline in foreign investments is low as Turkey's economy proved resilient during periods of global and domestic turmoil in the past.

Respectfully announced...

About ISPAT

The Republic of Turkey Prime Ministry Investment Support and Promotion Agency (ISPAT) is the official organization for promoting Turkey's investment opportunities to the global business community and providing assistance to investors before, during and after their entry into Turkey. ISPAT serves as a reference point for international investors and as a point of contact for all institutions engaged in promoting and attracting investments at national, regional and local levels. Active on a global scale, ISPAT operates with a network of local consultants in Canada, China, France, Germany, India, Japan, Saudi Arabia, Spain, the Russian Federation, the UK, the USA, and South Korea offering an extensive range of services to investors through a one-stop-shop approach, and assists them in obtaining optimum results from Turkey. ISPAT's team of professionals can assist investors in Arabic, Chinese, English, French, German, Italian, Japanese, Korean, Russian, or Spanish as well as Turkish, and is dedicated to helping investors successfully develop their business operations in Turkey.

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