

# T&C

## Snapshots

### Data Note



## Turkey

| GDP (US\$<br>billions) (2017) | Population<br>(millions)<br>(2017) | Land area (sq.<br>km) (2014) | Income per<br>capita (current<br>US\$) (2017) | Poverty rate<br>(2012) [1] | Unemployment<br>rate (2014) | Ease of Doing<br>Business Rank<br>(2016) |
|-------------------------------|------------------------------------|------------------------------|-----------------------------------------------|----------------------------|-----------------------------|------------------------------------------|
| 844.40                        | 78.14                              | 769,630.00                   | 10,806.65                                     | 0.26                       | 9.20                        | 55.00                                    |

### Macro Indicators

|                                             | Avg 2003-2012 | 2013  | 2014  | 2015  | 2016  | 2017  |
|---------------------------------------------|---------------|-------|-------|-------|-------|-------|
| GDP growth (annual %)                       | 4.25          | 4.19  | 2.91  | 3.22  | 3.46  | 3.53  |
| Current account balance                     | -4.16         | -7.90 | -5.82 | -5.53 | -5.67 | -5.78 |
| Fiscal balance (% of GDP)                   | -4.26         | -1.62 | -1.97 | -2.44 | -1.88 | -1.63 |
| Remittances, received (% of GDP) [1]        | 0.19          | 0.14  | 0.14  | —     | —     | —     |
| Real Effective Exchange Rate (2010=100)     | 91.95         | 90.67 | 84.46 | 82.22 | 83.31 | 84.37 |
| Consumer Price Index, annual percent change | 16.71         | 7.49  | 8.90  | 7.50  | 6.80  | 6.50  |

### Investment indicators

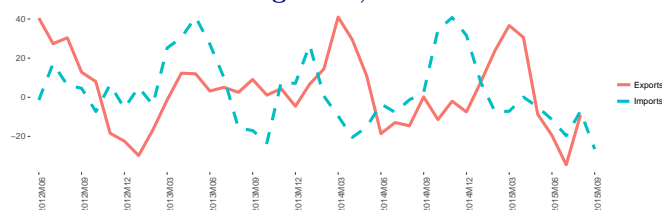
|                                                                 | Avg 2003-2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|-----------------------------------------------------------------|---------------|------|------|------|------|------|
| Gross domestic investment (% GDP)                               | 22.3          | 24.7 | 23.7 | 23.6 | 23.4 | 23.1 |
| Gross domestic investment, of w: Private investment (% GDP) [1] | 20.0          | 20.6 | 20.2 | —    | —    | —    |
| Inward FDI (% of GDP) [2]                                       | 1.8           | 1.5  | 1.5  | —    | —    | —    |
| Inward FDI, % of private investment [2]                         | 9.0           | NA   | —    | —    | —    | —    |

### Trade Indicators

|                                                                 | Avg 2003-2012 | 2013  | 2014  | 2015  | 2016  | 2017  |
|-----------------------------------------------------------------|---------------|-------|-------|-------|-------|-------|
| Total Trade in Goods and Services (% of GDP, real terms)        | 50.31         | 55.14 | 55.27 | 54.54 | 54.17 | 53.84 |
| Trade balance (% GDP, real terms)                               | -1.50         | -3.03 | -1.18 | -1.99 | -2.13 | -2.34 |
| Exports, Goods and Services, annual percent change (real terms) | 6.33          | -0.21 | 6.83  | 0.28  | 2.44  | 2.47  |
| Imports, Goods and Services, annual percent change (real terms) | 6.90          | 9.01  | -0.16 | 3.38  | 3.04  | 3.30  |
| Total reserves in months of imports [1]                         | 4.76          | 5.63  | 5.63  | —     | —     | —     |

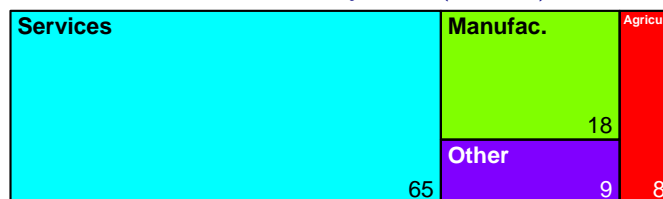
Sources: MFM note, [1] World Development Indicators (WDI), [2] UNCTADSTAT, [3] World Economic Outlook (WEO)

### Goods Export and Import volume growth, 2012-2015



Source: Development Prospects Group (DECPG)

### Gross Value Added by Economic Activity 2013 (% GDP)



Source: World Development Indicators (WDI)

### Top 5 Exports by % of Total Value, 2014

|                                     |                                    |                                       |                                     |
|-------------------------------------|------------------------------------|---------------------------------------|-------------------------------------|
| Motor vehicles for the transport of | Bars and rods of iron or non-alloy | Jewellery of gold, silver or platinum | Petroleum oils & oils obtained from |
| 5                                   | 3                                  | 3                                     | 3                                   |

### Imports Categories by % of Total Value, 2014

|                    |               |                |               |
|--------------------|---------------|----------------|---------------|
| Intermediate goods | Capital goods | Consumer goods | Raw materials |
| 35                 | 28            | 27             | 9             |

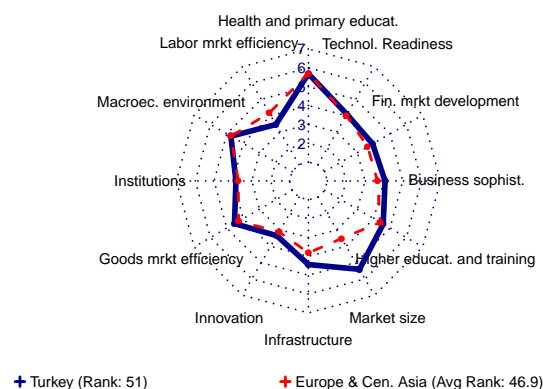
Source: World Integrated Trade Solution (WITS)

### Doing Business 2015 Distance to Frontier (DTF) and Rank

|                                   | 2015         | DTF<br>2016  | Change       | 2015      | Rank<br>2016 | Change    |
|-----------------------------------|--------------|--------------|--------------|-----------|--------------|-----------|
| <b>Ease of Doing Business</b>     | <b>69.93</b> | <b>69.16</b> | <b>-0.77</b> | <b>51</b> | <b>55</b>    | <b>-4</b> |
| Dealing with Construction Permits | 66.26        | 67.82        | 1.56         | 108       | 98           | 10        |
| Enforcing Contracts               | 73.25        | 68.87        | -4.38        | 17        | 36           | -19       |
| Getting Credit                    | 50           | 50           | 0            | 71        | 79           | -8        |
| Getting Electricity               | 82.59        | 82.84        | 0.25         | 35        | 36           | -1        |
| Paying Taxes                      | 79.74        | 79.44        | -0.3         | 56        | 61           | -5        |
| Protecting Minority Investors     | 68.33        | 68.33        | 0            | 20        | 20           | 0         |
| Registering Property              | 73           | 73.01        | 0.01         | 51        | 52           | -1        |
| Resolving Insolvency              | 40           | 35.09        | -4.91        | 102       | 124          | -22       |
| Starting a Business               | 85.13        | 85.18        | 0.05         | 88        | 94           | -6        |
| Trading Across Borders            | 81           | 81           | 0            | 61        | 62           | -1        |

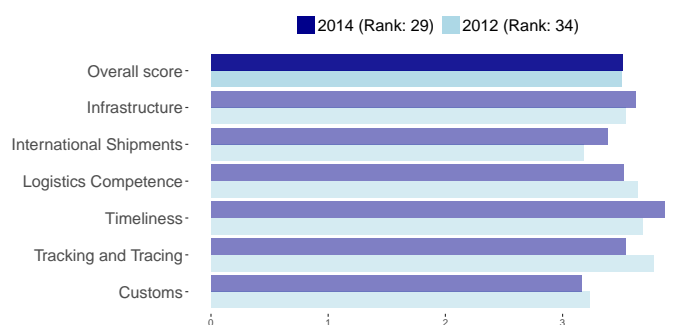
Source: Doing Business Report 2015

## WEF Competitiveness Indicators (Scale 1-7, 7=best)



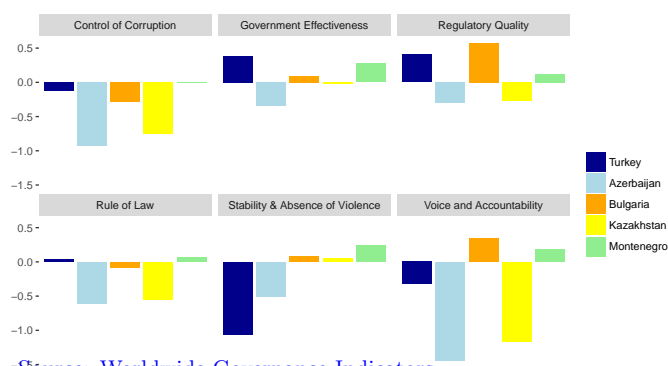
Source: WEF Global Competitiveness Report 2015

## Logistics Performance Index (Scale 1-5, 5=best)



Source: Logistics Performance Index (World Bank)

## World Governance indicators (Std. score, High=best)



Source: Worldwide Governance Indicators

## Trade Policy

|                                                    | 2010 | 2014 |
|----------------------------------------------------|------|------|
| Applied Tariff (Incl. Prefers. and Trade-Weighted) | 2.5  | —    |
| Binding (%)                                        | 51   | —    |
| Dispersion (Standard Deviation)                    | 29.6 | —    |
| Import duties collected (%; 2011-2013) [1]         | —    | 1.2  |
| MFN Tariff (Agriculture)                           | 43.4 | —    |
| MFN Tariff (Non-Agriculture)                       | 4    | —    |
| MFN Tariff (Simple Average)                        | 9.9  | —    |
| Services sectors with GATS commitments [1]         | —    | 77   |

Sources: WITS, [1] WTO Trade Profiles

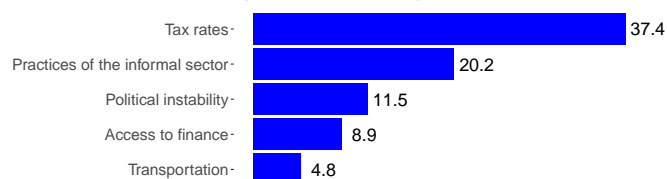
## Private Sector View

### Enterprise Survey 2013

|                                                                                         | Turkey | Europe and Central Asia | All Countries |
|-----------------------------------------------------------------------------------------|--------|-------------------------|---------------|
| Number of electrical outages in a typical month                                         | 1.70   | 2                       | 6.30          |
| Percent of firms with a bank loan/line of credit                                        | 40.20  | —                       | 34.30         |
| Proportion of investment financed by banks (%)                                          | 31.40  | —                       | 14.30         |
| Proportion of investment financed internally (%)                                        | 61.00  | —                       | 71.80         |
| Senior management time spent dealing with the requirements of government regulation (%) | 19.00  | —                       | 9.90          |

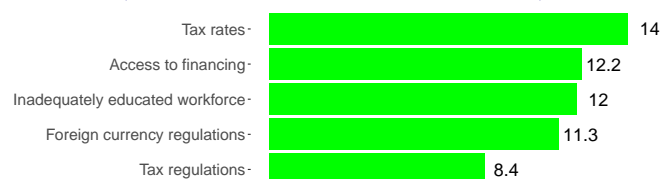
Source: Enterprise Survey 2013

### Top 5 constraints according to ES 2013 (% respondents)



Source: Enterprise Survey 2013

### Top 5 constraints according to WEF 2015 survey (% respondents among 88 executives)



Source: WEF Global Competitiveness Report 2015



# T&C Snapshots Operations Note



## Turkey

## SCD/CPF

## Most Recent

| Product                                                                        | Document Date |
|--------------------------------------------------------------------------------|---------------|
| Turkey - Country partnership strategy progress report for the period FY2012-16 | 2014-09-19    |

## Planned

| Product      | Concept Review Date | Board Date |
|--------------|---------------------|------------|
| Turkey - SCD | 2015-11-19          | 2016-05-31 |

## WB Lending Pipeline

| Project ID | Project Name                             | Team Leader         | Approval Date | Lending Inst. Type | Begin Appraisal | Commitment (US\$M) | Latest Sort Overall Risk Rating | FY Expenses (US\$K) | Cum Expenses (US\$K) | FY Prob |
|------------|------------------------------------------|---------------------|---------------|--------------------|-----------------|--------------------|---------------------------------|---------------------|----------------------|---------|
| P155669    | Strengthening of the innovation landscap | Thomas Edward Haven | 2017-03-23    | IPF                | 2017-01-09      | 200                | —                               | 0                   | 0                    | B       |

## WB Portfolio

## Active

[illegible]

Closed

[illegible]

## Active

| Task ID | Task Name                                                     | Team Leader               | Concept Approval Date | Output Approval Date | Product Line | RAS (Y/N) | Current Expenditure BB (US\$K) | Current Expenditure Total (US\$K) | Lifetime Expenditure BB (US\$K) | Lifetime Expenditure Total (US\$K) |
|---------|---------------------------------------------------------------|---------------------------|-----------------------|----------------------|--------------|-----------|--------------------------------|-----------------------------------|---------------------------------|------------------------------------|
| P152918 | Turkey Programmatic Trade Task                                | Kamer Karakurum-Ozdemir   | 2015-01-12            | 2016-12-23           | PA           | N         | 76                             | 146                               | 212                             | 282                                |
| P153794 | Regional Investment Climate Assessment                        | Alvaro S. Gonzalez        | 2014-12-17            | 2016-08-19           | PA           | Y         | 0                              | 0                                 | 4                               | 4                                  |
| P154178 | Enterprise Survey and Implementation                          | Jorge Luis Rodriguez Meza | —                     | 2016-08-19           | TA           | Y         | 619                            | 619                               | 806                             | 806                                |
| P154179 | 26 Regional ICA Reports                                       | Can Selcuki               | —                     | 2016-08-19           | TA           | Y         | 195                            | 195                               | 197                             | 197                                |
| P154180 | Investment Promotion                                          | Alvaro S. Gonzalez        | —                     | 2016-08-19           | TA           | Y         | 185                            | 185                               | 197                             | 197                                |
| P154181 | Training/Workshop                                             | Alvaro S. Gonzalez        | —                     | 2016-08-19           | TA           | Y         | 167                            | 167                               | 343                             | 343                                |
| P154182 | Institutional Capacity Building Management and Administration | Tatiana Segal             | —                     | 2016-08-19           | TA           | Y         | 207                            | 207                               | 237                             | 237                                |
| P152536 | Business Environment and Innovation TA                        | Donato De Rosa            | 2015-01-12            | 2016-06-30           | PA           | N         | 58                             | 58                                | 265                             | 265                                |
| P159204 | SME management quality                                        | Can Selcuki               | —                     | 2016-06-30           | TA           | N         | —                              | 0                                 | —                               | 0                                  |
| P159338 | Services Trade: Quantitative Analysis                         | Daria Taglioni            | —                     | 2016-06-30           | EW           | N         | —                              | 0                                 | —                               | 0                                  |
| P159339 | II. GVC Case Studies                                          | Kamer Karakurum-Ozdemir   | —                     | 2016-06-30           | EW           | N         | —                              | 0                                 | —                               | 0                                  |
| P159983 | Services Trade: Advisory                                      | Kamer Karakurum-Ozdemir   | —                     | 2016-06-30           | EW           | N         | —                              | 0                                 | —                               | 0                                  |
| P159206 | Innovation and Integration Policy Note                        | Donato De Rosa            | —                     | 2016-06-17           | EW           | N         | —                              | 0                                 | —                               | 0                                  |
| P159202 | IC Policy Note                                                | Can Selcuki               | —                     | 2016-06-10           | EW           | N         | —                              | 0                                 | —                               | 0                                  |
| P159203 | Revitalizing the Doing Business agenda                        | Donato De Rosa            | —                     | 2016-03-31           | TA           | N         | —                              | 0                                 | —                               | 0                                  |
| P159207 | Stakeholder Workshop on FDI & Innovation                      | Jose Guilherme Reis       | —                     | 2015-06-30           | TA           | N         | —                              | 0                                 | —                               | 0                                  |

Closed

| Task ID | Task Name                             | Team Leader             | Concept Approval Date | Output Approval Date | Product Line | RAS (Y/N) | Current Expenditure BB (US\$K) | Current Expenditure Total (US\$K) | Lifetime Expenditure BB (US\$K) | Lifetime Expenditure Total (US\$K) |
|---------|---------------------------------------|-------------------------|-----------------------|----------------------|--------------|-----------|--------------------------------|-----------------------------------|---------------------------------|------------------------------------|
| P146494 | Private Sector Development TA         | Jose Guilherme Reis     | 2013-11-04            | 2014-11-12           | TA           | N         | —                              | 0                                 | 220                             | 220                                |
| P144290 | Turkey Customs Union                  | Robert Francis Rowe     | 2013-06-25            | 2014-06-25           | EW           | N         | —                              | 0                                 | 289                             | 559                                |
| P129350 | Turkey CEM: Trading up to High Income | Kamer Karakurum-Ozdemir | 2012-01-12            | 2014-06-22           | EW           | N         | —                              | 0                                 | 451                             | 451                                |
| P106604 | Turkey's EU Observatory Seminar       | Lystra N. Antoine       | —                     | 2007-06-15           | TE           | N         | —                              | 0                                 | 5                               | 5                                  |

## Active

| Project ID | Project Name                   | Team Leader     | IP Approval Date | Expected End Date | Approval Value (in US\$K) | Total Expenditures (in US\$K) | Current FY Expenditure (in US\$K) |
|------------|--------------------------------|-----------------|------------------|-------------------|---------------------------|-------------------------------|-----------------------------------|
| 600641     | Turkey Green Buildings Project | Yakubov, Eduard | 2015-12-23       | 2018-12-31        | 700                       | 6                             | 6                                 |

## Pipeline

| Project ID | Project Name | Team Leader | IP Approval Date | Expected End Date | Approval Value (in US\$K) | Total Expenditures (in US\$K) | Current FY Expenditure (in US\$K) |
|------------|--------------|-------------|------------------|-------------------|---------------------------|-------------------------------|-----------------------------------|
| None       |              |             |                  |                   |                           |                               |                                   |

Closed

| Project ID | Project Name                                                                                | Team Leader    | IP Approval Date | Expected End Date | Approval Value (in US\$K) | Total Expenditures (in US\$K) | Current FY Expenditure (in US\$K) |
|------------|---------------------------------------------------------------------------------------------|----------------|------------------|-------------------|---------------------------|-------------------------------|-----------------------------------|
| 538799     | Assistance to compose a sustainable Investment Advisory Council                             | Akinci, Gokhan | 2005-08-29       | —                 | 0                         | 0                             | 0                                 |
| 538455     | Assistance to the Government of Turkey to Compose a sustainable Investment Advisory Council | Akinci, Gokhan | 2005-08-22       | —                 | 0                         | 0                             | 0                                 |
| 538466     | Competitiveness, Attraction of FDI, and the Role of Competition Policy                      | Akinci, Gokhan | 2005-08-22       | —                 | 0                         | 0                             | 0                                 |
| 538815     | Competition Policy and FDI Symposium                                                        | Akinci, Gokhan | 2005-08-22       | —                 | 0                         | 0                             | 0                                 |