



# HATAY GUIDE

## For Investors





**Hatay**  
**Awaits Your**  
**Investments**

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# General Information

One of the earliest settlement areas in human history, Hatay is a province of fellow ship and tolerance, where different cultures and beliefs have existed from the past to the present and which hosted many civilizations. Earliest findings related to humans in the region date back to 100.000s B.C. Hatay remained within the boundaries of Syria with the agreement signed between Turkey and France in 1921, later and in 1938 State of Hatay was founded and in 23 July 1939 the state joined Turkey.

Hatay is located in Southern Turkey, on the eastern shores of Gulf of Iskenderun. It is surrounded by the Mediterranean in the west, Syria in the south and east, Adana in the northwest, Osmaniye in the north and Gaziantep in the northeast.

	Hatay	Hatay's Rank in Turkey	Turkey
Area	5,831 km <sup>2</sup>	58	783.562 km <sup>2</sup>
Population (2013)	1,503,066	13	76,667,864
Population Density (2012)	258 people / km <sup>2</sup>	7	98 people/km <sup>2</sup>
Population Increase Rate (%)	0.13	40	0.13

Source: TÜİK Regional Statistics Database, 2013





## Hatay's Counties

Province of Hatay has fifteen counties, including central county. The counties and their populations are as follows:

County	Total Population
Antakya (Merkez)	347,974
Altınözü	61,882
Arsuz	79,782
Belen	30,061
Defne	134,570
Dört Yol	115,251
Erzin	41,297
Hassa	54,231
İskenderun	245,083
Kırıkhan	107,049
Kumlu	13,241
Payas	38,959
Reyhanlı	88,925
Samandağ	116,151
Yayladağı	28,610
<b>TOTAL:</b>	<b>1,503,066</b>



Source: TÜİK Regional Statistics Database, 2014



## Education

Mustafa Kemal University plays a significant role in the provision of human resources, needed by the industry and the province, in terms of education. Mustafa Kemal University has 15 Faculties, 3 Institutes, 6 Academies, 1 Conservatory, 18 Vocational Academies and 17 Research and Application Centers.

In terms of human resources, numbers of students in various education levels are as follows:

### Number of Students in the Province of Hatay

Pre-School	35,463
Primary Education	130,769
Secondary Education (General)	52,933
Secondary Education (Vocational and Technical)	45,942
Associate, Bachelor, Master's, Doctor's Degrees	32,554
<b>Total</b>	<b>297,661</b>

Source: TÜİK 2013

## Health

As it is the case in the education sector, there are significant developments in the health sector in Hatay as well. Numbers of hospitals and beds, as of 2012 are as follows:

	Number of Hospitals (Public)	Number of Hospital (Private)	Number of Hospital Beds	Number of Persons Per Hospital Bed
<b>Hatay</b>	12	10	2,687	560

Source: TÜİK, 2012



Province of Hatay, whose total number of private and public hospitals is 22, ranks 18th in Turkey in terms of number of hospitals. However, hospital investments are quite insufficient, when compared to its population. While there are 265 hospital beds per one hundred thousand persons on average in Turkey, this number is 181 in Hatay. Hatay ranks 70th in the mentioned indicator.

There are 937 specialists, 721 general practitioners and 359 dentists in terms of health personnel in the province. There are 1,583 persons per specialist. Hatay ranks 46th in the mentioned indicator in Turkey.

As current indicators demonstrate, Hatay seems to be a potential market for persons, who want to make an investment in the health sector, especially as a hospital, in terms of population and demand in the sector.

## Agriculture

Hatay's agricultural areas, soil structure, climate and other natural conditions allow product variety, early harvest and growing second crops. It is possible to cultivate four seasons of the year in Hatay. Especially fruits, vegetables and olive grove areas are well above average in Turkey.

Cultivated areas constitute 273,115 hectares (51%) of total 540,300 hectares of our province's area. 146,441 Hectares (54%) of cultivated areas are economically irrigable and approximately 20% (28,341 hectares) of this area is irrigated. When Reyhanlı, Orta Ceyhan Menzelet, Buyuk Karacay and Dostluk Dams, which are currently under construction, are finished, 105,950 hectares of area will be open for operation and irrigable area will reach 134,265 hectares (91,6%).





**DID YOU KNOW THAT**

**As per production Hatay ranks 1st in 4 agricultural products and among top 5 in 26 agricultural products in Turkey?**

Product	Rank in Turkey	Amount of Production (Tonnes)		Proportion to Turkish Production (%)
		Hatay	Turkey	
Chard	1	3,922	6,207	63
Parsley	1	22,48	57,619	39
Dill	1	1160	3,806	30
Mandarin	1	277,468	942,226	29
Grapefruit	2	25,126	228,799	11
Plum	2	24,602	305,393	8
Green Onion	2	12,106	153,478	8
Lettuce (With heart)	2	15,131	212,184	7
Mint	2	1,005	14,143	7
Persimmon	2	5,585	332,932	2
Citrus Fruits	3	643,533	2,347,904	27
Olive (For oil)	3	139,002	1,286,000	11
Olive	3	158,419	1,576,000	10
Carrot	3	60,3	569,855	11
Peas	3	10,605	107,549	10
Squash	3	15,693	293,709	5
Loquat	3	662	12,902	5
Orange	4	302,473	1,781,258	17
Cotton (Unginned)	4	202,791	2,250,000	9
Aubergine	4	57,631	826,941	7
Garlic (Fresh)	4	1,935	27,93	7
Garlic (Dried)	5	6,087	87,087	7
Cowpea (Fresh)	5	1,171	21,336	5
Lemon	5	38,241	726,283	5
Cress	5	186	7,371	3
Fig	5	6,343	298,914	2

Source: TUIK, 2013



Hatay ranked 1st in fresh fruits and vegetables export, by exporting 478 million \$'s worth production, which was 20% of Turkey's 2.35 million \$ export (TIM, 2012). The fact that packaging sector is developed in the province had a large role in Hatay's success in the said sector. The success of the province in the sector is largely related to the packaging sector which is also highly developed.

Ecological conditions of Hatay offer opportunities for early fruit growing. There are suitable areas for organic agriculture. Heating costs are low for greenhouse cultivation. There are corporate businesses in which medicinal and aromatic plants are processed, and there are rich endemic plant species in the province. There are educational institutions, which allow agricultural clustering and livestock at bachelor's and associate's degree level in the province and the counties.





## Animal Production

From 2012 to 2013 the number of cattle has risen from 140,001 to 142,473.



Hatay Province stands out especially with the existence of poultry and production related to poultry; 58 percent of chicken population, all of white meat production and 47 per cent of egg production in the region are in Hatay. Apiculture activities and honey production in TR63 region have a significant part nationwide in Turkey; Hatay has 44 per cent of bee hives and 48 per cent of honey production in the region.

### AGRICULTURAL PRODUCTION VALUE IN HATAY PROVINCE (1000 TL)

İl / Bölge	2007	2008	2009	2010	2011
<b>Hatay</b>	2187,625	2,397,512	2,273,855	2,567,766	2,746,912
<b>Kahramanmaraş</b>	1,148,198	1,447,251	1,494,754	1,486,980	1,512,564
<b>Osmaniye</b>	587,081	744,558	686,542	1,109,459	1,003,235
<b>TR63</b>	3,922,904	4,589,322	4,455,152	5,164,204	5,262,710
<b>Türkiye</b>	79,708,948	89,827,096	94,878,207	118,166,246	131,551,055

Source: TÜİK

Hatay provides the %52 of agricultural production in TR63 Region and %2.1 of Turkey with 2.75 billion TL total production.

"Agricultural and Rural Development Strategic Plan" was prepared by the economic support of our agency in order to exploit the maximum level of agricultural potential of our province in 2011.





# Province Agricultural and Rural Development Strategic Plan of Hatay

Especially for branding and export-focused planning of the province's agriculture, "Province of Hatay Agricultural and Rural Development Strategic Plan" was prepared with the participation of all stakeholder, taking into account national and international agricultural policies. Thanks to the plan, agricultural product potential will be evaluated better and agricultural and agro-industrial investments in the region will be shaped to provide the highest added value.

The following are targeted within the scope of the plan:

- Development of qualified human resources in the agricultural sector
- Increasing the amount of exportable products in the olive, olive oil, citrus fruits and cotton sectors and branding
- Province to become an important production center in the region, in respect of horticulture, field crops and medicinal and aromatic plants
- Development of stockbreeding and aquaculture in the province,
- Development of organic and Globalgap® certified agriculture throughout the province
- Increasing the amount of irrigated areas and protecting environment and bio-diversity for sustainable agriculture,
- Development of agricultural industry, strengthening of agricultural marketing and activating farmers' organizations,
- Improving infrastructure in rural areas and increasing the quality of life.

Province of Hatay Agricultural and Rural Development Strategic Plan envisages important measures for the development of agriculture and stockbreeding. When the objectives and activities of the plan are accomplished, Province of Hatay is expected to become the Agricultural Trade Base of the Middle East.





## Industry

Industry of the province of Hatay made progresses in the agricultural and agro-industrial sectors until the 1970s. Such products as cotton gin, flour, semolina, cottonseed oil, legumes sorting and olive oil are prominent in agro-industries. Especially; in order to process cotton, the most important agricultural product of Amik Plain, many cotton ginning and pressing factories have been established.

After ISDEMİR (Iskenderun Iron and Steel Plant) gradually started production in 1975, iron and steel industry began to gain importance in the region and small and medium-sized industrial enterprises were established in the vicinity of Iskenderun and Payas for the utilization of iron-steel products. Iron and steel sector has been a driving force in the manufacturing industry, both for employment and the value it adds. Manufacturing industry has developed especially in machine, filter, agriculture equipment, shoe-leather processing and furniture production.

Province of Hatay has become an important center for the iron and steel sector after the completion of ISDEMİR and with the introduction of privately owned steel and rolling mills. Furthermore; pipes, filters, wire nails and metal alloy facilities being established in the Organized Industrial Zones of Iskenderun, Payas and Antakya, are significant investments in terms diversification of production.

Wheat, cotton, orange, mandarin, olive, onion, parsley and tomatoes are the most important tradable-agricultural products in Hatay. Investments in processing and packaging of these products prior to offering them to the market are of great importance in terms of evaluation of our agricultural products.

When investment issues of Hatay are examined, it can be observed that investments are mostly in the cotton ginning and pressing, food, cotton (cottonseed) and olive oil facilities, iron and steel and machine industry fields throughout the province. Majority of existing industrial facilities are located in Antakya, Iskenderun and Dörtöyl counties.

There were 882 industrial plants with industrial registry certificates in our province, as of 2013. Food companies constitute approximately 30% (266) of these firms. Food companies are followed by 138 metal goods companies and 134 chemical companies.





Sector	Number Of Companies	Number Of Personnel
Food	266	2,904
Metal Goods	138	4,536
Chemistry - Petroleum, Coal, Rubber and Plastics	134	2,057
Woven Garment and Leather Industry	110	2,798
Forest Products and Furniture Industry	91	784
Mining, Stone and Earth-based Industries	88	2,183
Main Metal Industry	45	11,887
Paper, Paper Products and Printing Industry	10	188
<b>TOTAL:</b>	<b>882</b>	<b>27,337</b>

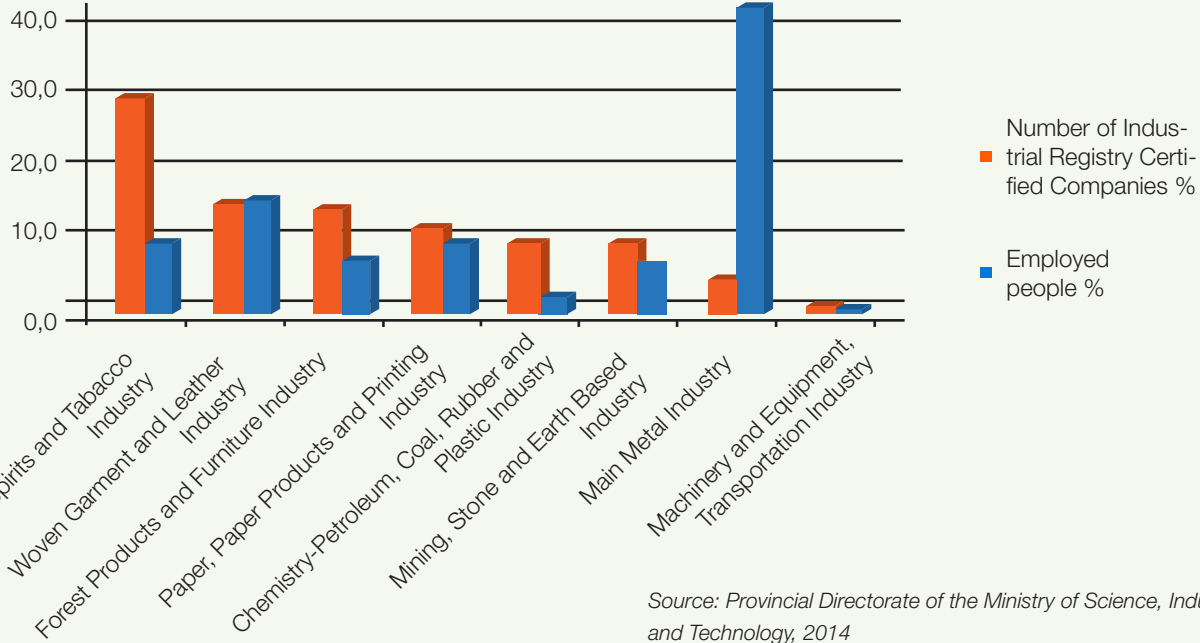
Source: Hatay Provincial Directorate of Ministry of Science, Industry and Technology, 2013

Considering the number of companies, main metal industry, which has the lowest number of companies in the province after paper, paper products and printing industry, makes a significant contribution to the economy and employment of the province. 11,887 (43.5%) of the 27,337 people, who were employed in the industry of our province, work in the main metal industry.





### Industrial Registry Certified Companies in the Province of Hatay and Their Percentages in Terms of Employment in Sectors



Source: Provincial Directorate of the Ministry of Science, Industry and Technology, 2014

### Sectoral Distribution of Total Investment Incentive Certificates in the Province of Hatay in 2009-2012

Sector	Number of Documents	Fixed Investment (Thousand TL)	Employment (People)
Energy	11	2,347,843	197
Services	73	1,251,291	2,913
Manufacturing	122	743,557	3,007
Logistics	4	280,000	90
Health	3	27,514	290
Mining	8	22,258	123
Agriculture	1	5,400	30
<b>TOTAL</b>	<b>222</b>	<b>4,677,863</b>	<b>6,650</b>

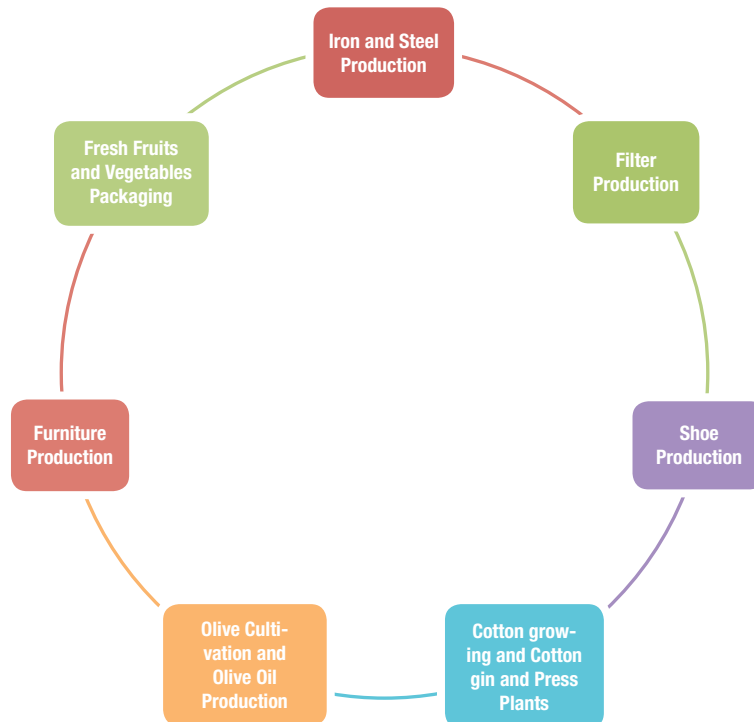
Source: Ministry of Economy, 2013



It can be seen that a total of 222 investments, 122 of which are in the manufacturing sector, 73 in the service sector, 11 in the energy sector, 8 in the mining sector, 4 in the logistics sector, 3 in the health sector and 1 in the agriculture sector, obtained investment incentive certificates between 2009 and 2012. Total fixed investment amount of these documents is over 4,5 billion \$ and thanks to these investments, 6.650 additional people were employed.

## Sub-sectors of Hatay's Industry

When we examine the Industry of Hatay in terms of sub-sectors; we can see that the "iron and steel", "filters", "olive and olive oil", "cotton gin", "furniture" and "shoes" production stand out.





## Iron and Steel Production

The first investment of iron and steel sector in our province, ISDEMIR facilities, was realized in 1967 within the framework of Technical and Economic Cooperation Agreement with the Soviet Union. The foundation of the facility with 1.1 million tons/year liquid steel capacity was laid on October 3, 1970 and 1975 set into operation gradually. With the establishment of ISDEMIR in the 1970s, economy of the region gained speed and new investment and employment areas began to emerge in the region. The pioneer of Iskenderun iron-steel alignment, ISDEMIR has realized 40 new projects and has begun to produce integrated flat steel in the last few years.



In 2012, 7,1 million tons of ingot and 4,6 million tons of slab steel were produced in the region, a total of 11,7 million tons of steel.

Produced and imported from abroad, ingots are processed in rolling mills and transformed into sheet iron, moulding bars, angle irons, construction iron, nails and wires in our province. In addition, almost every kind of pipe with different areas of use is produced in facilities in our province



## Filter Production

Hatay Province provides 63% of the filter production in our country by itself.

In line with the developments in automotive and subsidiary industry sectors in our country, the first Turkish filter manufacturing plant started production in our Iskenderun county in 1966.

After this first investment in our province, 14 production facilities in different sizes have been put into service in the same sector and filter production have become a driving force in the industry of our province. Air, oil and fuel filters; for heavy equipment and industrial purposes, air, fuel, oil and hydraulic filters; and air/oil separators are produced for all kinds of tractors and automobiles in these plants.

1,843 employees are employed at the existing filter plants. Total theoretical capacities of the plants are 47,100,000; actual production in 2009 was 22,418,674; and the sector's exports in 2009 was 20,224,035 \$.

During this period our province has covered great distance in filter sector. Constant technological renewal investments in the filter sector shows that our province has gained advantage over its competitors abroad.

Due to the increase in investments and productions of flat products in iron and steel industry in the recent years, sheet metals, which the filter sector use as the main raw materials of the sector, will be provided from our country and the sector; in addition to avoiding great transportation costs, will provide a competitive advantage in the filter sector.



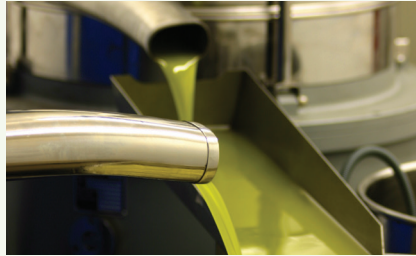
## Olive Cultivation and Production of Olive Oil

Agriculture sector has a significant share in the economy of our province. 276,240 hectares of the total area of 540,300 hectares of the province are cultivated areas and 18% of this is olive grove fields. Our province realized 9.5% of Turkey's olive production with production of 158,419 tons of olives in 2013. (TUIK, 2013)

55 Olive Pressing Facilities with Industrial Registry Certificates, given by Hatay Provincial Directorate of the Ministry of Science, Industry and Technology operate and 40,862 tons of olive oil is extracted in these facilities.

According to 2013 data of Turkish Exporters Assembly (TIM), total value of olive and olive oil exports of our province is 37.5 million \$.

With the increase in table olive cultivation areas in recent years, it can be observed that production of olives for pickling has begun in small numbers.



Due to the supports for olive tree planting and the incentives given for olive oil, olive cultivation areas have increased considerably in the last few years. It is estimated that the production of olive and olive oil will increase by 50% in the next 10 years.

Thanks to the grants, provided within the framework of the project of supporting rural development by the Ministry of Food, Agriculture and Livestock in the last few years, fully-automatic system olive pressing facilities in accordance with the new technology have been established. Olive oil produced in our province has sought-after characteristics in terms of flavour and aroma both in domestic and foreign markets. Development of this sector also leads to the development of soap industry.





## Cotton Planting, Gin and Pressing Facilities

Cotton planting was carried out in 406,600 acres of land and 210,248 tons of cotton was produced in our province in 2012. (TUIK, 2012).

Cotton, produced in our province has the required specifications in thread, textile and fabric industries in terms of its fibre length, fibre and the other features.

There are 66 Industrial Registry certified Cotton Gin and Pressing Facilities established in our province for the separation and pressing of the produced cotton from their seeds. There are also 7 spinning facilities for the processing and spinning cotton and 12 cottonseed oil extraction facilities for the extraction of cottonseed oil.

Almost all of the cotton, produced, is processed in the Cotton Gin and Pressing Facilities in our province and pressed cotton is offered both for the domestic thread market and for export. In addition, there is a Cottonseed Facility for the production of the hybrid seeds of cotton to be planted. There are also large-scale facilities, producing towel, underwear, cleaning cloth from the cotton produced.





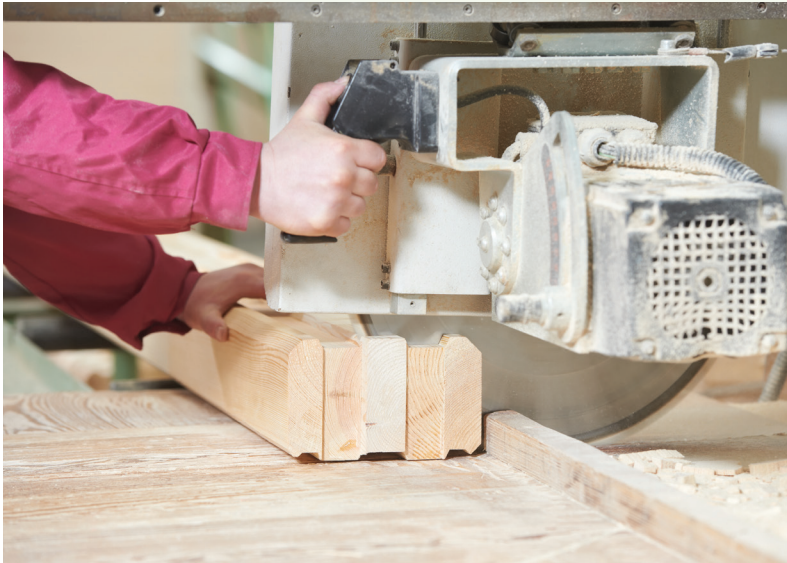
## Furniture Sector

There are about 1500 companies in the woodworking sector in Antakya. These companies perform work, mostly requiring expertise and handicraft.

Hatay is the leader in the production of small household furniture and accessories in Turkey.

Mostly in economic grade, all types of suites for living and guestrooms are produced in our province. In addition to this, sofa beds which can be used as both sofas and beds, furniture for dining rooms and bedrooms, classic furniture and hotel rooms are produced and sold domestically and abroad.

Number of factories, engaged in the production of wooden doors and windows is increasing every day in the province.







## Shoe-Making Sector



40% of men's shoes, sold in Turkey is provided from Hatay.

All stages of shoes, from raw hide to the final shape they are worn, are carried out in Hatay.

For the development of Shoe-Making Sector in our province, a Small Industrial Area for Shoe-Making will be established on 199 acres of land. In the site included in the National Investment Program, "Shoe-making training, Design Centre and Shared Workshop Project which has been prepared by DOĞAKA; and presented to Regional Competitiveness Operational Program of the European Union, will be realized.

Through the project with a budget of EUR 5.5 million;

- Establishment of "Shoe-Making Training, Consulting and Design Center and Shared Workshop" in the Small Industrial Area for Shoe-Making, which has an indoor area of 1500 m<sup>2</sup>, equipped with high-tech machines and offering common use, training and consulting opportunities,
- Utilization of the established workshop by 100 companies in one year,
- Training of 200 sector executives and employees in one year in the established center,
- Providing consultancy services for 100 companies in one year in the established center,
- At least 20 businesses obtaining quality certificates through improvement of their quality standards within 2 years,
- Ensuring the participation of at least 20 businesses to domestic and external fairs,
- At least 10 businesses exporting their goods by creating their unique brands in 2 years,

are being planned.



## Hatay Organized Industrial Zones

There are 4 industrial zones in total, two of which are situated in Iskenderun and the others in Antakya and Payas. In addition, work continues for new OIZs in Erzin, Kırıkhan, Altınözü and Iskenderun.

### Organized Industrial Zones in the province of Hatay (2012)

Name of OIZ	Size of OIZ (ha)	Number of Parcels	Occupancy Rate 100%	Number of Employees in OIZs
Antakya OIZ	1520	66	100	1.221
İskenderun OIZ	2080	75	100	4.771
Hatay Payas OIZ	530	42	100	1.913
İskenderun II. OIZ	780	7	100	-

Source: Hatay Provincial Directorate of Ministry of Science, Industry and Technology, 2013

### Antakya OIZ:

Organized Industrial Zone of Antakya was established in 1995. Actual employment is 1,221 people at the companies, operating in the region. The OIZ is close to international transportation arteries and the market, being at a distance of 30-50 km from public and private ports of Iskenderun, 13 km from the airport and 45 km from the Cilvegozu Border check-point. Being close to Mustafa Kemal University, public institutions and scientific organizations, having a continuous water substructure, cheap unit price of water and having the potential of being autoproducer for wind energy boosts the importance of the region.

For the expansion of Antakya's OIZ, an application was made to the Ministry of Science, Industry and Technology. Site Selection Committee examined on site on February 23, 2012. Map and observational geological survey studies are in progress.



### İskenderun OIZ:

It is situated at the 12th kilometer of Iskenderun-Adana (E-5) Highway. It is located at a distance of 50 km from Hatay Airport, 120 km from Adana Airport, 12 km from İskenderun Port, 3km from railroad, 5 km from highway, 13 km from İskenderun Customs and center of Iskenderun and 40 km from Yumurtalık Free Trade Zone. Considering the sectoral distribution of the active manufacturing facilities; their percentages are observed as follows: iron and steel plants %50, machine manufacturing plants 20%, pipe manufacturing facilities 20%, filter manufacturing facilities 10%.

### Payas OIZ:

It is located within the boundaries of Payas county. Payas Organized Industrial Zone was built on 53 hectares of land and has a total of 42 industrial plots. 98% of industrial enterprises in Payas OIZ manufacture iron and iron products. Surrounded by TEM highway, E-5 highway, Payas Organized Industrial Zone is at a distance of 1 km from ISDEMİR (İskenderun Iron and Steel Plants), 3 km from railroads and about 2 km. from the ports.

### İskenderun II. OIZ:

Construction plan of the zone, which is built on 750 hectares of land, has been made and plots have been allocated to investors.



## Organized Industrial Zones in Progress in the Province of Hatay (2012)

### Erzin Organized Industrial Zone:

The zone which has a legal identity, is built on 150 hectares of land, and the acquisition of non-public areas from private owners continues. Planning and infrastructure projects will be executed and plots will be allocated to investors after acquisitions.

### Kırıkhan OIZ:

An application has been made to the Ministry of Science, Industry and Technology for the OIZ, with an area of 1,430 acres for which preliminary examination for site selection has been performed and base map work has been realized by the Kırıkhan Chamber of Commerce and Industry, founder of OIZ. A decision will be made by the ministry on whether to continue site selection works after examination or not.

### Altınözü OIZ for Olive Cultivation Expertise:

For the OIZ with a surface area of 1,210 acres, an application was made to the Ministry of Science, Industry and Technology on December 27, 2012.



### Enek OIZ for Agriculture Based Expertise:

For the development of animal production models of Hatay Province, livestock breeding sector, which are efficient, high quality, highly competitive and has high added value, the project in question has been prepared and presented to the Ministry of Food, Agriculture and Livestock. Work for site selection continues.

### Iskenderun OIZ for Logistics Expertise:

5 Sites have been designated for the establishment of OIZ for Logistics Expertise within the framework of Iskenderun Logistics and after one of them has been clarified, it is intended to make an application to the Ministry of Science, Industry and Technology.

## Small Industrial Sites in Hatay

There are 5 small industrial sites in the province of Hatay. There is a total of 2,726 businesses and 9,331 employees in these sites, which are active in different counties.

### Small Industrial Sites in the Province of Hatay (2012)

	Name	Year it began Operation	Number of Total Businesses	Occupancy Rate %	Present state of employment
<b>Hatay (TR631)</b>	Antakya KSS	1967	1,529	100	6,000
	İskenderun KSS	1967	700	100	2,000
	Dörtöyl KSS	1978	146	98	576
	Payas KSS	1978	151	98	280
	Kırkhan KSS	1994	200	95	475

Source: Hatay Provincial Directorate of Ministry of Science, Industry and Technology, 2013



## Small Industrial Sites in Progress in the Province of Hatay (2012)

### Antakya Shoe-Making SIS:

SIS with a surface land of 199 acres was also included in the 2014 investment program of Ministry of Science, Industry and Technology with 22,620,000TL project cost. Construction, Project, EIA, geological survey, dimensional drawing and other projects are carried out by SIS administration and Antakya municipality. The Project is planned to be completed in 2015.

### Reyhanlı SIS:

For the SIS with a surface land of 210 acres of land, an application for site selection was made on December 17, 2012 to the Ministry of Science, Industry and Technology. 600 thousand TL was allocated from the Ministry's budget in 2013 for the project which is on investment program and has an estimated cost of 16 million TL.

### Antakya SIS for Furniture Dealers Expertise:

The site selection application to the Ministry of Science, Industry and Technology of SIS with a surface land of 465 acres of land has been approved. Construction, Project, EIA, geological survey, dimensional drawing and other projects are carried out by SIS administration. 600 thousand TL was allocated from the Ministry's budget in 2013 for the project which is on investment program and has an estimated cost of 6.820.000 TL.

### Erzin SIS:

Site selection application to the Ministry of Science, Industry and Technology of SIS with a surface land of 61 acres has been approved, on condition of fulfilment of some deficiencies. Construction plan works are being carried out by the cooperative.



## Culture and Tourism

Hatay is a city of peace, brotherhood and tolerance, which has hosted many civilizations with its rich cultural heritage. Its location and geography, the fact that it is one of the first settlements in the world, its climate and rich tourism wealth supports its tourism potential.

The number of passengers entering through the border check-points of Hatay in 2012 was 575,070 people. A total of 245,000 people came to the facilities with operation licenses in 2012. 257 thousand people visited the museums and historical sites of Hatay in 2012.

There are 26 lodging facilities with tourism operation licenses and 22 with tourism investment licenses in the province. (Ministry of Culture and Tourism, 2012 data). There are two 5-star hotel in Hatay, where construction of another two 5-star hotels continue.

## Did You Know?

- The province, where three divine religions and different sects live together, has “the largest mosaic museum in the world”.
- The first church in the world (Church of St. Peter) and the first mosque of Anatolia (Habib-i Neccar Mosque) are located in Antakya, the center of the province.
- Hatay is the first settlement of Jews in Anatolia.
- The first street to be illuminated in history, “Kurtuluş Street”, is located in Antakya.
- The only Armenian Village of Turkey, Vakırlı Village, is located in Samandağ county
- It is among the 15 provinces under the Brand City Project of Ministry of Culture and Tourism.



## Did You Know?

- Hatay, where many civilizations lived and whose cuisine culture affected by this diversity, is one of the special gastronomy areas of Turkey. There are many unique elements of Hatay cuisine. This cuisine, having about 460 food varieties, has over 200 distinctive food varieties of its own.
- The fact that the people in Hatay can speak Arabic makes the province attractive for Middle Eastern tourists.
- Number of total beds of the facilities with tourism operation license is 3,869. With the completion of businesses whose investments are still in progress, the number of beds with tourism operation license will rise to 7,000.
- Such traditional handcrafts as sericulture and silk weaving, wickerwork, mosaic, reed production, sculpture, glasswork and numismatics are performed in Hatay.







## Do not leave Hatay without seeing

### Church of St. Peter:

Church of St. Peter is known as the world's first church.

It is one of the destinations, where Christians make their pilgrimage. The "Christian" name was first used here for those, who follow the religion of Jesus Christ. The importance of Antakya was mentioned in the Bible. Since it is considered as the second center after Jerusalem, the patriarch of Antakya is called "The Mother Church".



### Mosaic Museum

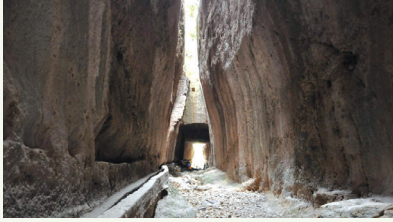
It ranks second in the world in terms of the richness of the mosaic collection and 3th in the World in terms of coin collection. Hatay Archaeological Museum will be the world's largest mosaic museum, with the project, which will be implemented soon.

Various ornaments, statues and tombs found in the excavations in Harbiye, Antakya, Açıncı, Çevlik and Iskenderun are also among the works on display.



### Habib-i Neccar Mosque

Habib-i Neccar Mosque was built after Antakya had been invaded in 636 A.D by Ebu Ubeyde Bin Cerrah, a commander of Omar. It is the first mosque built in the Republic of Turkey. Passed into the hands of Byzantine in 968, it was destroyed and converted into church. Antakya was conquered by Seljuk armies in 1084 and it was converted into a mosque again. In 1268 Baibars, Memluk Sultan had the Habib- Neccar Mosque reconstructed the mosque.



### Titus Tunnel

The tunnel, which was constructed by the order of Seleucos Nicator around 300 B.C. is located to the 5 km North of Samandağ on the seafront slopes and named after Emperor Titus who completed the construction after 100 years. The tunnel is considered as one of the engineering marvels of Roman era.



### Long Bazaar

Long Bazaar is an important center, where people in Antakya come together even today. History of the bazaar, which can be thought of as an equivalent of Grand Bazaar of Istanbul, is as old as the city itself. All kinds of professions from traditional handicrafts of Antakya to food, from clothing to tinwork can be seen here.



### Issos Ruins

They are located between Dört Yol district and Erzin (Yeşilkent), to the west of Iskenderun-Adana highway. Actually a Persian city, ISSOS, is a place, which witnessed the war between Alexander the Great and the Persian Emperor Darius III, which is one of the greatest battles of history. Water storages, aqueducts and ruins of the temple of ISSOS remain today.



### St. Simeon Monastery

Built in the 6th century A.D., this monastery is known as the place of residence of St. Simeon from Antioch, who lived on a column for 40 years. In the site of monastery, which is on the Faith Tourism Map of Turkey; there are 3 churches, 1 baptistery, 1 octagonal courtyard and a column of St. Simeon, exactly in the middle of the courtyard. There are remains of cisterns, houses, kitchens and cellars around it.



### Historic Houses of Antakya

Historic Houses of Antakya can be seen in the area, known as the Ancient Antioch, which is between the Orontes River and Habib- I Neccar Mountain, especially in and around Kurtuluş Street. There are 350 houses, which have been registered and taken under conservation in the vicinity of Kurtuluş Street.



### Orthodox Church

It is the oldest church after Jerusalem Church. Since it is considered the second center after Jerusalem, Patriarch of Antakya is called the "Mother Church".



### Catholic Church

After permission was obtained from the sultan of the period to build a Catholic Church, it was opened for worship by converting an old Antioch house into a church in 1852.



### Protestant Church

It was used as Embassy Building and French Bank during the French period, and it was recognized as Protestant Church by South Korean Kwanglim Methodist Church and brought into service by a Korean pastor in 2000.





### Jewish Synagogue

It is thought that an old building in Kurtuluş Street was converted into a synagogue in the 1700s. The sacred book in the synagogue, the Old Testament, was written on gazelle skin and has a history of 500 years.



### Harbiye Waterfalls

It is a green and beautiful picnic area, located 7 km from the centre of Antakya. It is the famous Daphne City of ancient era. It is considered as one of the important promenades of the region and regional hand-craft souvenirs are being sold.



### Sokullu Kulliye

It is located in Payas county. Constructed by Mimar Sinan in 1574, Sokullu Mehmet Pasha Kulliye is one of the examples of Ottoman architecture. There are 45 inns with shops, hospice, double bath, mosque and madrasa in the complex.



### Samandağ Beach

Samandağ county has one of the longest beaches in the world, 14 km in length, where the Orontes River joins the Mediterranean. This is a wide, sandy beach, open to public. This beach is also one of the few spawning and breeding areas of Chelonia Mydas and Caretta Caretta sea turtles, which are in danger of extinction.



### Iskenderun Coast

Iskenderun in Hatay province is a modern city on the coast of the Gulf of Iskenderun, which is named after the city. It is a green and warm tourist destination four seasons of the year and also a busy commercial port, with Nur Mountains rising like a wall just behind the coast.



### Güzelyayla, Belen

A viewing terrace for the Gulf of Iskenderun, between pine trees and wild flowers, with its old and new structures the plateau is worth visiting, one can camp, have a picnic and make small trips in the woods in the plateau, for which folk songs and poems have been written.

## Province of Hatay Tourism Strategy & Action Plan

With the project, prepared in 2011, targets of the sector have been set until 2023.

### Tourism Goals of Hatay Tourism Strategy & Action Plan for 2023:

- Number of beds increasing 5 fold in the province by 2023,
- Total number of visitors reaching 1 million people and the number of foreign visitors 500 thousand people by 2023,
- Tourism revenues, which was 118 million \$ in 2010, to reach 215 million in 2015 and 565 million dollars in 2023,
- Establishment of geriatric care centers is of great importance to achieve the objectives. Generating 25 million \$ revenue in 2015 and 107 million in 2023 from the activities of geriatric care centers is being aimed.

### Anticipated Developments in the Number of Tourists According to the Plan

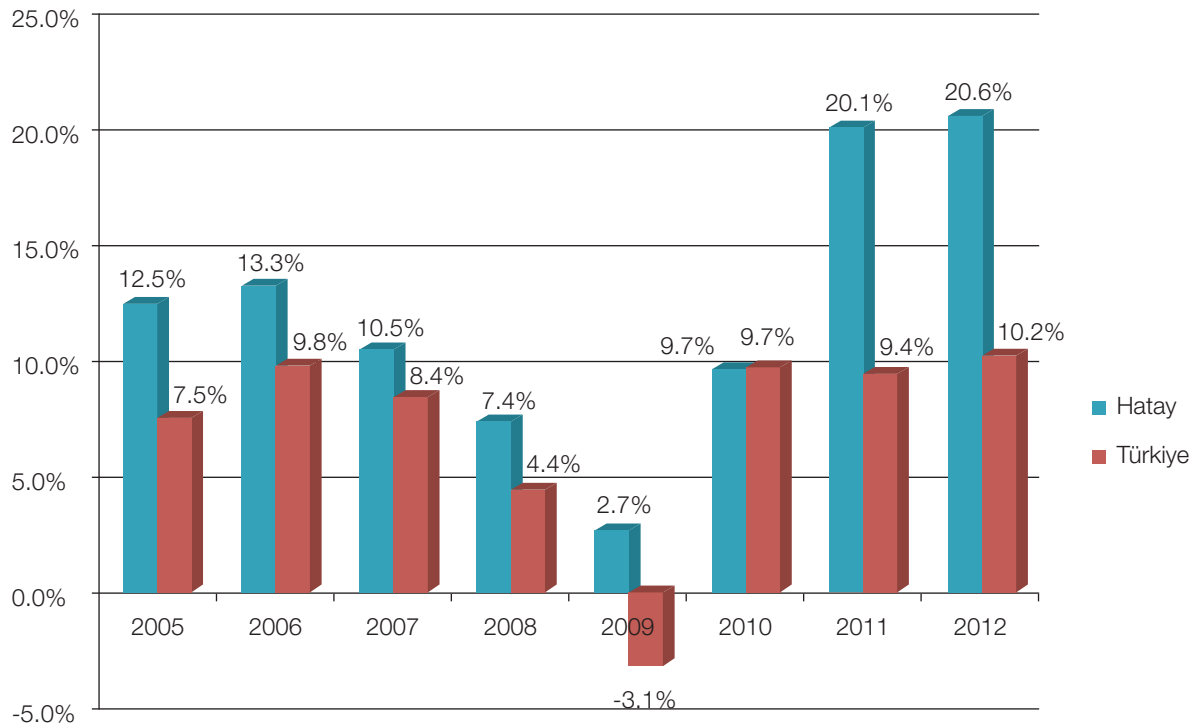
	2010	2015	2023
Foreign	83,259	214,015	500,359
Domestic	187,670	251,145	400,286
Visitors	85,924	95,469	107,817
<b>Total Visitors</b>	<b>356,853</b>	<b>560,629</b>	<b>1,008,462</b>

Source: Hatay Tourism Strategy & Action Plan



## Energy

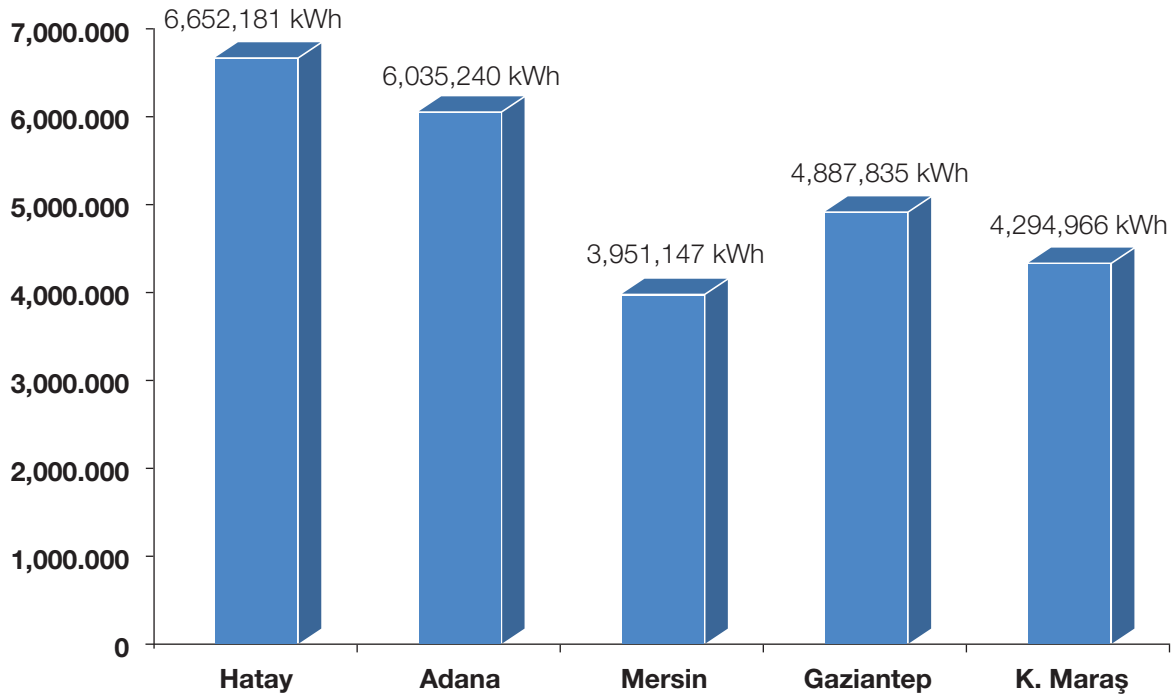
Comparative Energy Consumption Table of Hatay-Turkey



When we examine the energy consumption table of Hatay and Turkey between 2005 and 2012, we can see that the rate of increase in energy consumption in our province was above the average of Turkey in general. Rate of increase in energy consumption in our province was twice the rate of Turkey, especially in the last two years.



### Energy Consumption Comparison of Hatay and Neighbouring Provinces, 2011



When we examine the energy consumption in amounts in 2011, we can see that consumption of Hatay is higher than the surrounding industrialized provinces.



## Energy Production

### Potential for Wind Energy

We can see that Hatay, ranks 4th in Turkey with 7.67% in the provincial percentage distribution of wind power plants in operation in terms of installed power. (Turkey Wind Energy Statistics Report, 2012)

Annual energy requirement of our province is 7.30 billion kWh. Currently, 1.56 billion kWh of energy is produced in our province. It is estimated that annual energy need of our province will rise to 10 billion kWh in the short term.



Our province is an important center in terms of “WPP” (Wind Power Plants).

### Wind Power Plants of Hatay in Operation

Location	Name of the WPP	Installed Power (MW)	Number of Turbines
Hatay-Samandağ	SEBENOBA RES	30.00	15
Hatay-Belen	BELEN RES	36.00	12
Hatay-Belen	SENBUK RES	15.00	5
Hatay-Samandağ	ZIYARET RES	57.50	23
<b>Hatay Toplam</b>		<b>138.50</b>	<b>55</b>
<b>Turkey</b>		<b>1,805,85</b>	<b>860</b>
<b>Hatay/Turkey (%)</b>		<b>7.7</b>	<b>6.4</b>

<http://www.ruzgarenerjisibirliigi.org.tr>

With the completion of the construction work of the 27 MW wind power plant, Hatay will increase its total installed power to 165.5 MW in the short term.

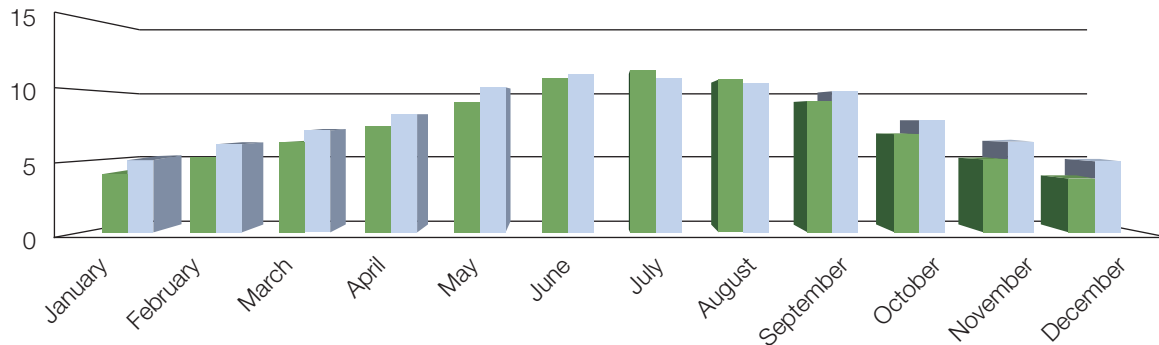




## Potential for Solar Energy

The Mediterranean is the 2nd region in terms of potential for solar energy and Hatay, with 8.21 hours of daily sunshine, is one of the provinces with the highest potential in this regard. Month by month, sunshine duration of Hatay is as follows.

### Duration of Sunlight



	January	February	March	April	May	June	July	August	September	October	November	December
Türkiye	4,11	5,22	6,27	7,46	9,1	10,81	11,31	10,7	9,23	6,87	5,15	3,75
Hatay	5,09	6,22	7,17	8,28	10,23	11,14	10,89	10,47	9,8	7,86	6,37	4,99

<http://www.eie.gov.tr/Mycalculator/pages/46.aspx>

RES, HES and TES Energy investments, licensed by EMRA and whose research continues, are 2,021 MW/h total and their approximate investment amount is 1.3 billion EUR. This amount is expected to increase considerably in the forthcoming period, with the improvement of infrastructure.



## Logistics

Hatay is one of the most important centers of Turkey in terms of logistics sector. The region has some advantages in terms of logistics.

- Hatay has about 11% of the vehicles engaged in international transportation. With 9,978 registered vehicles, it has the 2nd largest transport fleet after Istanbul.
- Port of Iskenderun, a natural port in the very east of the Mediterranean, is located in Hatay. There is a total of 10 ports in Hatay.
- Hatay Airport, whose terminal building has been renovated, number of passengers flying from domestic and international terminals and the amount of cargo carried is increasing every day. 5,951 flights were realized and 650 thousand people were transported in 2012.
- Iskenderun has connection to the national railroad network
- Hatay has Cilvegozu and Yayladagi border check-points, which are gateways to the Middle East.
- Hatay is situated in the East-West-Highway line.
- Ceyhan is adjacent to international energy transmission lines.
- There is ease of access to the western markets
- It is close to Cyprus, which is, in many aspects, a center of attraction in the Middle East and Europe.
- Ropax services began from the Port of Iskenderun to Egypt, Israel and Lebanon in August 2012.





## Privatization of the port of Iskenderun:

The 4th biggest port of Turkey and privatized at a cost of 372 million \$, Port of Iskenderun began to be run by the company LIMAK , as a result of transfer transactions on 30.12.2011 between General Directorate of Turkish State Railroads, Directorate of Privatization Administration and the administration of the LIMAK company.

Iskenderun LimakPort, with its location of strategic importance, is a major hub port of Mediterranean and is open for improvement. The port has a very convenient location, especially to import and export to the Mediterranean and commercial and industrial centers in the South Eastern and Eastern Anatolia regions of Turkey. With the investment, which is still under construction, thousands of people will have an employment opportunity and container handling capacity will increase to 3 million TEU.

## Logistics Master Plan

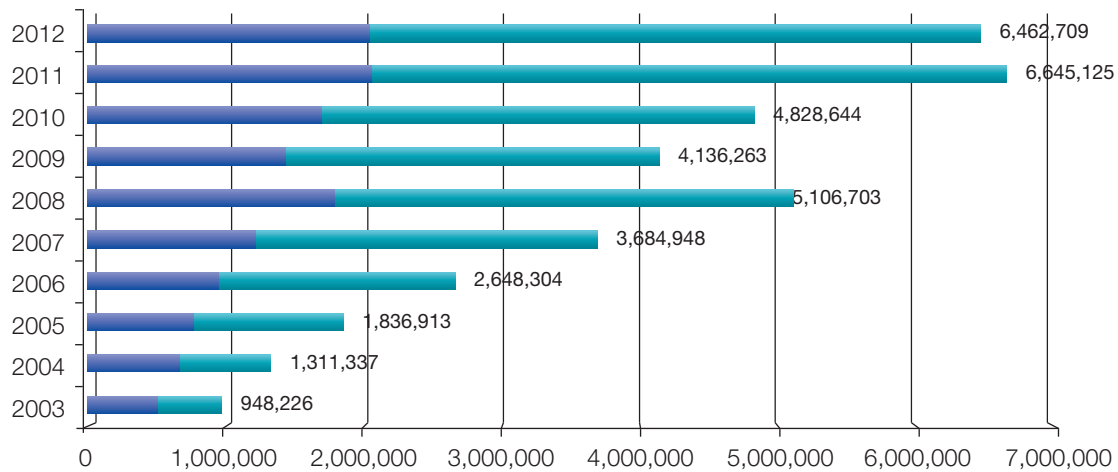
“Iskenderun Logistics Village and Logistics Centers of Antakya and Osmaniye Master Plan” which projects that the region will be a Logistics Centre with the privatization of Port of Iskenderun has been prepared. An establishment of Logistics Village was planned, which is based on the Port of Iskenderun and in which planning, implementation, and controlling of every kind of product, services and information flow which are in the process of production, transportation, storage, consumption and recycling processes are made considering the ease of life, environmental factors and optimization of total costs with this plan. The Logistics Village to be established will not only serve the region but also a region from Iraq to the Caucasus, Mediterranean Basin and the Middle East.



## Foreign Trade

Foreign trade volume of Hatay amounted to approximately 6 billion \$ in 2013. Exports make up about 4 billion \$ and imports make up 2 billion \$ of this amount. Hatay ranks 7th in exports and 11th in imports among provinces, with this foreign trade performance.

### Foreign Trade Volume of Hatay on Annual Basis (\$ 1000)



	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
■ IMPORT	462,282	654,914	745,358	933,919	1,199,654	1,762,181	1,417,802	1,697,293	2,050,555	2,042,516
■ EXPORT	485,943	656,423	1,091,555	1,714,385	2,485,294	3,344,522	2,718,461	3,131,351	4,594,570	4,420,193

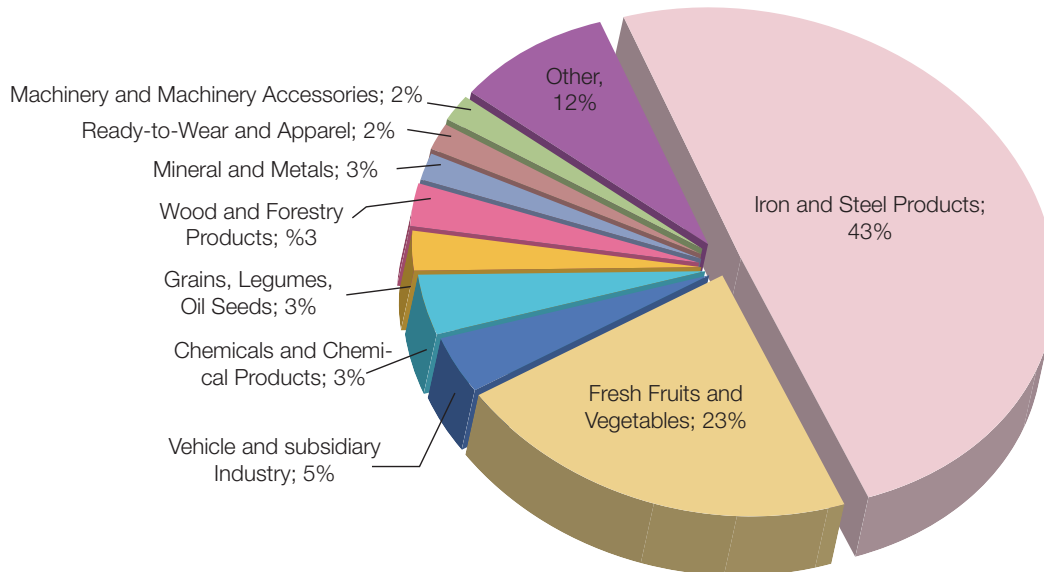
Source: Ministry of Economy, 2013



Foreign Trade of Hatay increases every year. Hatay achieved an approximately 7-fold increase in its foreign trade volume after 2003. Although the growth trend rate of foreign trade volume was interrupted in 2009, due to the global economic crisis and was back on track in 2010 for the period of 2003 and 2012 the trend has been upwards. According to the data of Ministry of Economy, Hatay reached a record high in terms of imports and exports, and its foreign trade volume increased by 37.5% in 2011, compared to the previous year. While imports remained unchanged from the previous year, there was a small decline in imports in 2012, in which the effects of the crisis in Syria were substantially observed.

Hatay ranks 18th among 81 provinces in the index of “product diversity” and 28th in the “simplicity index” of the goods exported in the “Foreign Trade Potential of Provinces Survey,” conducted by the Ministry of Economy. According to survey results, Hatay is among the provinces exporting high-variety products in comparison to other provinces and products which are not ordinary. Furthermore; it was stated that, exports of the province could increase much more with the new generation incentives, instead of the available incentives.

Especially the majority of industrial products, based on iron and steel industry and agricultural products, mainly fresh fruits and vegetables in exports of Hatay can be clearly seen.





### Sectoral Distribution of Hatay's Exports in 2013

Sector	Exports (Thousand \$)
Iron and Steel Products	894,163
Fresh Fruits and Vegetables	477,745
Vehicles and Subsidiary Industry	111,285
Chemicals and Chemical Products	75,541
Grains, Legumes and Oil Seeds Products	69,385
Wood and Forestry Products	60,473
Minerals and Metals	57,854
Ready-to-Wear and Apparel	45,815
Machinery and Machinery Accessories	38,515
Other	252,507

Source: Center of Turkish Exporters (CTE), 2013

### Top 10 Countries in Hatay's Exports (2013)

COUNTRY	Exports (Thousand \$)	Percentage
IRAQ	277,779	%13
RUSSION FEDERATION	202,533	%10
SAUDI ARABIA	193,243	%9
EGYPT	138,333	%7
SYRIAN ARAB REP. (SYR)	123,007	%5
LEBANON	76,666	%4
ROMANIA	75,198	%4
ITALY	74,001	%4
UNITED STATES	70,301	%3
SPAIN	60,781	%3
<b>TOTAL OF TOP 10 COUNTRIES</b>	<b>1,291,842</b>	<b>63%</b>
OTHER	791,445	37%

Source: Centre of Turkish Exporters, 2013

Extending its market every day, Hatay makes around 63% of its exports to 10 countries.

Saudi Arabia moved from second position to first position by increasing its share in Hatay's exports, which was 10.7% in the previous year to 13.5% in 2012.

In 2013, Iraq moved from second position to first position by increasing its share in Hatay's exports.



## Ongoing Public Investments In Hatay



### Major Dam and Irrigation Projects

1. **AMIK-AFRIN (REYHANLI DAM AND IRRIGATION) PROJECT:** Within the scope of Reyhanlı Dam and Irrigation Project which has vital importance for our province, 60,000 ha of land in Amik Plain will be irrigated and 20,000 ha of land will be protected from flood. When the dam, which has a project value of 158,212,000 TL, begins to operate, a change in the diversity of agricultural products will be provided and, with the increasing value of agricultural production, it will contribute to economy considerably. By the end of 2013 40% of the project was completed.
2. **BUYUK KARACAY PROJECT:** The project has been started in 09.01.2009 with a tender value of 38,414,000 TL (Agriculture+Service Sector). Annual energy of 17.45 GW/h will be produced, 3,554 ha of land will be irrigated with high-pressure, drinking and potable water needs of county centers of Antakya and Samandag and 15 municipalities will be provided until 2037, and 2,000 people will be employed when the project is completed. 51% of the project has been completed.
3. **CONSTRUCTION OF “DOSTLUK DAM” ON THE ORONTES RIVER:** Its construction is planned 2 km south to Ziyaret Village in Altınözü County, where Orontes River forms a frontier between Turkey and Syria. Properties and residential areas in Amik Plain will be protected from flood, 14,827 ha. of agricultural land will be irrigated and 13.5 million kwh of energy will be generated annually when the dam is completed.
4. **ORTA CEYHAN MENZELET PROJECT:** After the completion of the project 34,396 ha. land in Hatay, 27,095 ha. land in Kahramanmaraş and 34,259 ha. land in Gaziantep provinces, as total 96,750 ha. land will be irrigated. Within the scope of the project Tahtaköprü Dam will be heighten 11.5 m. and the capacity of the dam will rise to 587 hm<sup>3</sup>. The project has been taken in scope of GAP and will be finished in 4 stages while the first stage of the project has reached 66% completion by the end of 2013. The projects of the second and third stages will be finished in 2014 and the tender calls will be made in the first quarter of 2014. The project of the heightening of Tahtaköprü Dam for 11.5 m. has finished by the end of 2013 and the tender call will be made in 2014.





## Major Road Projects

1. **ANTAKYA HIGHWAY:** The 17.4 km long highway, project value of 127 million TL, which is made according to divided highway standards, has been opened to traffic after hot bituminous mixture paving phase. Provisional acceptance has been made in 2013.
2. **ISKENDERUN-ARUZ (ULUCINAR) HIGHWAY:** 29 km of the highway that is 30 km long in total and divided, has been opened to traffic. The intrenchment of the sea front still continues. In 2013, 5 km part of the road has been finished after hot bituminous mixture paving phase.
3. **ANTAKYA-REYHANLI-CİLVEGOZU ROAD:** Surface treatment of 34.5 km of the highway, which is 38 km long in total and divided has been completed and opened to traffic. The tender preparations for asphalt phase of the road continues (In 2013, 3.5 km of the road has been completed).
4. **DORTYOL-HASSA (AMANOS PASS):** Construction of the highway, total 30 km in length, is planned as construction of 12 tunnels, which are 9,890 metres total in length, 2 viaducts (a total of 1210 m) and 5 bridges (a total of 500 m). The tender offer of the project has been made in 18.04.2013 by The General Directorate of Highways and project has started. For the exact route of the road The distance between the provinces of Kilis, Gaziantep, Kahramanmaraş, Şanlıurfa and Adıyaman to the Port of Iskenderun will decrease through this project.
5. **ANTAKYA - YAYLADAGI – SYRIA BORDER HIGHWAY:** 49 km of the highway, which is 51 km long in total and divided has been completed and opened to traffic. By the end of December 2013, 72% of the road has been completed. The tender for the remaining part has been help and the project continues in 2014.





## Culture and Tourism Projects

1. **Construction of the New Museum in Hatay:** After the completion of the project, the museum will be the largest mosaic museum in Turkey by indoor area. The complex settlement area is 16,025.38 m<sup>2</sup> and total indoor area will be 32,754.14 m<sup>2</sup>. The museum exhibition area will be 10,700 m<sup>2</sup> available of holding 800 visitors at once. The project completion date is planned to be in the first half of 2014.
2. **Projects of Surveying, Restitution and Restoration of Antakya Castle and Its Walls:** Tender of the work of surveying, restitution and restoration of Antakya Castle and Its Walls was made on August 25th 2011. Projects were submitted to Adana Provincial Directorate of Surveying and Monuments, and approved by the Regional Committee of Cultural and Natural Heritage of Adana. Approximate cost of the project is being calculated.
3. **Projects of Surveying, Restitution and Restoration of Payas Castle:** Approximate cost of application work was prepared by Adana Provincial Directorate of Surveying and Monuments and sent to the Ministry of Culture and Tourism. In order to carry out protective restoration of Cin Tower along with Payas Castle, a demand for allocation to the Ministry of Culture and Tourism and construction work is planned to start in 2014, after the construction tender has been made.
4. **Surveying, Restitution, Restoration, Surveying of Cliff's Front Surface, and Rock Recovery of St. Peters Memorial Museum:** Contract value of construction work is 2,646,659 TL. The project will be completed in March 20, 2014.
5. **Surveying, Restitution, Restoration and Landscape Projects of Samandağ St.Simeon Monastery:** Contract value of the project, whose tender was made on April 11th 2012, is 147,500 TL. The project has started.
6. **Altinozu Koz Castle:** The project has been prepared. Surveying, Restitution and Restoration Projects have been approved by the committee. It can go out to the tender for application in 2014.





## Projects of Culture and Tourism Sector

7. **Belen Bakras Castle:** The project has been prepared. Surveying, Restitution and Restoration Projects have been approved by the committee. It can go out to the tender for application in 2014.
8. **Construction of Samandag Cultural Center Building:** The construction area of the center is 5,500 m2 and it has one small theatre with 140 seats and one large with 340 seats. Construction of Cultural Centre has been completed to a great extent and it is planned to be finished this year, after heating and cooling systems, electrical equipment, dressing of the hall, seat and seat accessories and landscape have been made so that the building can be opened.
9. **Expropriation of Kursunlu Inn:** Surveying, restitution and restoration projects of Kurşunlu Inn, whose expropriation process still continues, have been approved by the Regional Committee of Cultural and Natural Heritage of Adana. After restoration of the Inn, the functions that will be given to the shops and bring a difference in Long Bazaar: wood processing, glass processing, wickerwork, basket knitting, felt work, rug making, tessellation, quilting, sericulture, laurel soap making, spice selling, paper crafts (calligraphy, marbling, ornamentation), pottery, needlework and fabric processing, folkloric doll and kunefe manufacturing etc.



## Important Projects for the Health Sector

- 1. New Public Hospital with a Capacity of 750 beds in the Central County:** The hospital has a total construction area of 139,798.04 m2 and consists of 13 blocks with 28 operating rooms, 48 beds adults – 49 beds infant intensive care, 58 beds ER and 15 beds dialysis units. Tender has been made on 06.03.2012 and the date of completion has been set as 22.11.2014. TOKI has been in charge of the construction and the total value of the project is 101,120,591.16 TL including VAT. 20 % of the project has been completed.
- 2. Construction Work of Kırıkhan Public Hospital with a Capacity of 150 Beds:** Construction work of Kırıkhan Public Hospital with a capacity of 150 beds was tendered at a price of 20.732.000 TL by TOKI on August 23rd 2011, its contract was made on November 01st 2011 and site delivery was made on November 04th 2011 and the permission works concerning forest land within the plot continues. Completion date of the work is 30.07.2014.
- 3. Construction of Public Hospital with a Capacity of 150 beds in Dörtöyl:** It has been included in the Investment Program of 2012; works on allocation of land are in the final stage. Work is planned to be tendered in 2013 and put into operation in 2014.
- 4. Construction of Samandağ Public Hospital:** Construction of hospital on 15 acres of property allocated to the Ministry of Health has been planned and the expropriation works of plots remaining within the health care facility still continue.
- 5. Yayladağı 10 Beds Integrated Public Hospital:** Total construction area of the hospital is 19,952 m2. The tender call has been made by Yayladağı Union for Service Provision to Villages in 26.11.2013 and target for completion has been set as 02.02.2015. The construction site has been chosen on 10.12.2013 and the project has started. The hospital project has been made according to 20 beds capacity. The value of the project has been set as 5,807,960 TL including VAT.



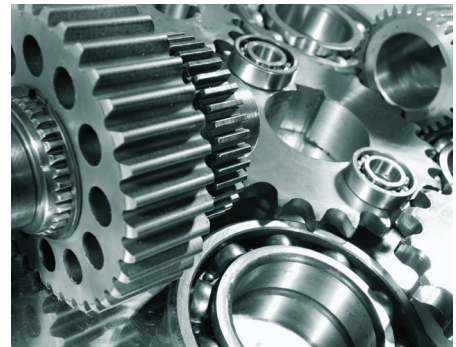




## Why Hatay?

### Advantages of the Industry Sector in Hatay

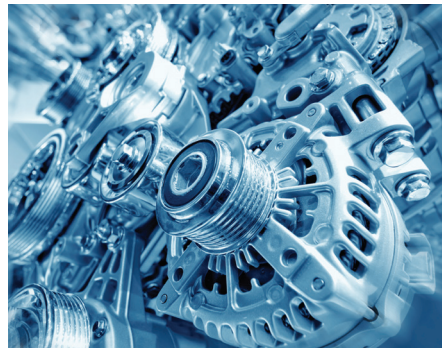
- Hatay ranks 5th in 2009-2010 URAK Accessibility Sub-Index (International Competitiveness Research Institute) and 6th in the Sub-Index of Trade Skills and Production Potential.
- There is qualified and inexpensive labour force.
- It is Turkey's gateway to the Middle East and transit point between global production and consumption centres.
- It is a secure region for those, who want to invest in the Middle East.
- It has potential for renewable energy (wind and solar energy), and is the 2nd province in Turkey with the highest wind energy potential.
- With its developed Iron and Steel Industry and flat product manufacturing, the most important product in this industry, it provides investment opportunities in pipes industry, white goods, automotive industry and shipbuilding sectors.
- There are 10 companies from Hatay in Istanbul Chamber of Industry's list of "500 Largest Industrial Enterprises of Turkey" in 2012.
- There are government support and incentives and financial support programs carried out on a regional basis by DOĞAKA and other institutions.
- The province has a logistics infrastructure.





## Future Projection of the Industry Sector in Hatay

- First of all; a great deal of investments such as energy investments, tourism investments, new steel service centers and the planned ship breaking center mean potential customers for the existing steel sector. Furthermore; the region is expected to grow together with the additional investments which will follow these investments. Flat steel is among the most important inputs for the manufacture of railcars. In terms of production and logistics, Our region has an infrastructure, which can host railcar production and subsidiary industry.
- Flat steel is among the most important inputs for the manufacture of railcars. In terms of production and logistics, Our region has an infrastructure, which can host railcar production and subsidiary industry.
- Steel production capacity and infrastructure to produce steel products for the requirements of automotive and white goods sectors is available in our region.
- Transportation between both sides of the province will be facilitated through the tunnel through the Amanos Mountains and by means of this, the eastern part of the province will be opened to investment and the export goods from the neighbouring provinces will easily reach the ports.







## Advantages of Agriculture and Livestock Industry in Hatay

- The province has an Agricultural and Rural Development Strategic Plan.
- The province, whose plains have a significant place in its surface area, has the 2nd largest plain in Turkey.
- It is the leader in Turkey in the production of four products.
- It is an area, rich in endemic plant species and medicinal and aromatic plants.
- There are suitable areas for ecological upland tourism and ecovillage projects.
- Irrigated agricultural areas are increasing with such projects as Reyhanlı Dam and Dostluk Dam.
- Hatay has a 20% share in fresh fruits and vegetables exports in Turkey.
- There are suitable areas for organic agriculture.
- Generally; heating costs in greenhouse agriculture are low
- Genetic industry is developing increasingly.
- Climate conditions are favourable for agriculture and livestock.
- There are support programs for fishery industry in Hatay on a national policy level.





### Advantages of the Tourism Sector in Hatay

- There is potential for faith tourism, nature tourism and gastronomy tourism.
- Tourism of the province until year 2023 has been planned with the Tourism Strategy & Action Plan of Hatay.
- There is potential for faith tourism, nature tourism and gastronomy tourism.
- Regional cuisine culture is developed.
- The province has a long coastline.
- It has a border with the Middle East.
- It has an international airport.



### Advantages of the Energy Sector in Hatay

- Important HES, RES and TES investments are made in the region.
- It is one of the provinces with the highest potential, in terms of daily average sunshine duration in Turkey.
- There are qualified geothermal resources in the province.



## The New Incentive System

The New Incentive System began to be applied with the declaration no. 2012/1 concerning the Application of Decision about State Aids in Investments, which announces procedures and principles related to Decision no. 3305 About State Aids in Investments, entering into force on June 15th 2012, and the application of this decision.

The new Incentive System has been created by improving and revising the old incentive system, so that our country can achieve its goals for 2023 (to be one of the world's 10 largest economies, 500 billion \$ in exports, 25,000 \$ income per capita, to reduce dependence of manufacturing on exports and to meet amendment demands of private sector organizations and investors. In addition to this, the 4- stage regional map, used in 2009 was abandoned and according to the development levels of provinces; a new 6-stage regional map, which is based on The Order of Socio-economic Development of Provinces Study (2011) was prepared. Hatay, which is among the provinces of TR63 Region, is in the 4th place on this map.





## Regional Distribution of The Provinces

Region 1	Region 2	Region 3	Region 4	Region 5	Region 6
Ankara	Adana	Balıkesir	Afyonkarahisar	Adıyaman	Ağrı
Antalya	Aydın	Bilecik	Amasya	Aksaray	Ardahan
Bursa	Bolu	Burdur	Artvin	Bayburt	Batman
Eskişehir	Çanakkale	Gaziantep	Bartın	Çankırı	Bingöl
İstanbul	Denizli	Karabük	Çorum	Erzurum	Bitlis
İzmir	Edirne	Karaman	Düzce	Giresun	Diyarbakır
Kocaeli	Isparta	Manisa	Elazığ	Gümüşhane	Hakkâri
Muğla	Kayseri	Mersin	Erzincan	Kahramanmaraş	Iğdır
	Kırklareli	Samsun	<b>Hatay</b>	Kilis	Kars
	Konya	Trabzon	Kastamonu	Niğde	Mardin
	Sakarya	Uşak	Kırıkkale	Ordu	Muş
	Tekirdağ	Zonguldak	Kırşehir	Osmaniye	Siirt
	Yalova		Kütahya	Sinop	Şanlıurfa
			Malatya	Tokat	Şırnak
			Nevşehir	Tunceli	Van
			Rize	Yozgat	
			Sivas		
<b>8 PROVINCES</b>	<b>13 PROVINCES</b>	<b>12 PROVINCES</b>	<b>17 PROVINCES</b>	<b>16 PROVINCES</b>	<b>15 PROVINCES</b>



The new Incentive System, from which the provinces in the 6th zone benefit the most advantageous support elements, consists of 4 different applications:

- General Incentive System
- Regional Incentive System
- Incentive for Large-Scale Investments
- Incentive for Strategic Investments

**With the General Incentive System,** investments which are not among the investment issues (Decision-Annex 4) not to be promoted and meet minimum investment requirements (investments amounting to 1 million TL in the 1st and 2nd zones and over 500 thousand TL in the 3rd, 4th, 5th and 6th zones) benefit from VAT and Customs Duty exemption without region exception.

**In Regional Incentive Applications,** If they meet the terms of fixed investment amounts (Decision Annex 2), sectors selected from provinces will benefit from such support as:

- VAT Exemption
- Customs Duty Exemption
- Tax Reduction
- Employer's National Insurance Contribution Support
- Interest Subsidy (For the investments to be realized in 3rd, 4th, 5th and 6th zones)
- Allocation of Investment Location

Investment issues specified in Decision Annex-3 and which meet the requirements of minimum amount of fixed investment are characterized as large-scale investments and can benefit from supports such as:

- VAT Exemption
- Customs Duty Exemption
- Tax Reduction
- Employer's National Insurance
- Contribution Support
- Allocation of Investment Location



Investments, concerning the manufacture of products with high imports dependence, providing that they meet all of the requirements in Article 8, are referred to as strategic investments and can benefit from such supports:

- VAT Exemption
- Customs Duty Exemption
- Tax Reduction
- Employer's National Insurance Contribution
- Support
- Interest Subsidy
- Allocation of Investment Location
- VAT return

An investment of approximately 10 billion TL was made with the 547 projects filing Incentive Application between 2009 and 2012 in the TR63 Region.

An investment of 1 billion and 600 million TL was made in the first 6 months of 2012 with 62 projects and 2 billion 430 million TL's worth of investments were made from June and in the 6-month period after the entry into force of the New Incentive System with 105 projects. Number of applications for the Incentive Certificate increased by 66%, compared to the first 6 months of 2012 in our region and the amount of fixed investment increased by 52%. Compared to the same periods, number of people expected to be employed has increased by 185% and became 3,494.

### An Example of Incentive Certificate Application

Let's assume that a company in the furniture sector will make an investment as in the figure below and employ 20 people.

Land Expenses	: 400 Thousand TL
Building-Construction Expenses	: 300 Thousand TL
Machinery- Equipment Expenses	: 200 Thousand TL
Total of Other Investment Expenditures	: 100 Thousand TL
The Amount of Total Investment	: 1 Million TL





Because the said investment exceeds 1 million TL, it is entitled to benefit from regional incentive applications. In this case;

- The company doesn't pay VAT or customs duty for machinery and equipment.
- It receives a corporate tax cut or income cut amounting 300 TL thousand, 30% of the total investment amount which is 1 million TL. The company pays the tax to be paid with a 70% discount until the amount of the discount reaches 300 thousand TL. For example; if the amount of the tax to be paid in the first period is 100.000 TL, it pays 30.000 TL and these discounts last until the end the 300.000 TL quota. Furthermore; the company can demand that 90.000 TL of its tax cut, which is 30% of 300.000 TL total, to be reduced from the taxes based on its ongoing(if available) activities, before the investment, subject to incentive certificate, is put into operation. In that case; 210 thousand TL of total 300 thousand TL tax cut can be obtained from the investments activities, subject to incentive certificate and 90.000 TL of it can be obtained from the tax based on the ongoing activities.
- The Company pays a certain amount of insurance premium per person, with the employment of 20 employees (200 TL per employee considering the salaries of employees on minimum wage basis) each month. The company doesn't pay this premium for 6 years, until it reaches 250.000 TL, which is 25% of the total investment of 1 million TL. For example, the company doesn't pay monthly premium of 10 employees is 2.000 TL, monthly, 24 thousand TL per year and it is a total of 144 thousand TL in 6 years. However; the most important point here is that no matter how much the amount of employees' wage is, state pays the minimum wage of the employees' national insurance contribution.
- In the absence of plots in the organized industrial zones or industrial zones in the district in which the investment will be made, investment amount can be allocated provided that it is no less than 3 times the current market value of the property requested by investor. Namely, a public property, whose current market value is 330 thousand TL maximum for an investment of 1 million TL can be requested.
- Company may benefit from an interest rate cut of 4 points in TL loans and 1 point in foreign-currency loans. The maximum amount in interest rate cut is 600.000TL. Namely; a maximum of TL 600, 000 of the interest, which is to be paid in return for the loan received, is paid by state. In this case; for a fixed investment of TL 1 million, TL 700,0000 of loan, 70% of this investment, can be used and a section corresponding to 4 points of the interest expense arising from this credit is paid by state.

For detailed information, please visit the web site ([www.ekonomi.gov.tr](http://www.ekonomi.gov.tr)) of the Ministry of Economy.



## Doğaka Supports

Financial supports are gratis payments for certain projects and activities, in accordance with the strategies in the regional plan, prepared by the agency.

Technical support is the support that the Agency gives to contribute to the works of local actors, who are important in terms of regional development but encountering some difficulties in the preparation and application stages due to the lack of institutional capacity. Supports given by the Agency are the following:

- Supporting planning works of local governments,
- Supporting activities of local governments activities, related to implementing plans of programs of the region and enhancing the capacity of local development,
- Supporting works of other state institutions and organizations, which can contribute to local and regional development,
- Supporting works of non-governmental organizations, which can contribute to local and regional development, is targeted.

Financial and technical supports have been given by the Eastern Mediterranean Development Agency since 2010, in which Eastern Mediterranean Development Agency entered into service. A support of 7.5 million TL to SMEs, 7 million TL to public institutions and non-governmental organizations; 15 million TL to SMEs, 8.5 million TL to public institutions and non-governmental organizations was given in 2011, which corresponds to a total of 38 million TL in supports. SMEs have been supported with a fund of 30 million TL with the “Scheme for the Development of Sustainable Production and Innovative Financial Support” in 2013. In 2014 for “Improvement of Sustainable Production and Innovation” and “Financial Support for Minimizing the Development Differences of Counties in the Region” programs 20 million TL fund will be given. In 2013 and 2014 in scope of Technical Support and Direct Activity Support programs 2 million TL fund has been given.

Please visit our web site [www.dogaka.gov.tr](http://www.dogaka.gov.tr) for detailed information.





## DOĞAKA Investment Support Offices

Investment support Offices are active with 4 expert personnel in Hatay, and Osmaniye, and 5 in Kahramanmaraş, where Eastern Mediterranean Development Agency is active, as of August 2010.

### Authorities, Duties and Responsibilities of Investment Support Office in Hatay

- Informing about the New Incentive System,
- Receiving applications regarding investments, whose fixed investment amount does not exceed 10 million TL within the framework of the General Incentive Application,
- Monitoring of all investments with incentive certificate and according to the request of Ministry of Economics, documentation closing procedures in the province of Hatay,
- Following of investors' "permission and license" and "other administrative procedures" which are under the realm of authority and duty of state institutions and organizations at the provincial level from a single center
- Free consulting services for investors,
- Monitoring of investments in the province,
- National and International Promotion of business and investment opportunities in the province,
- Support and Promotion Activities in the province and coordination of these activities,
- Support for the conducting of Agency's other activities at provincial level.

Services, provided at the Investment Support Agency in Hatay are free of charge. However; fees, prices and other financial obligations which are prescribed by law and related to incentive certificates, permission and license procedures and incentive certificates are under the responsibility of business owner.





## Other Supports

Other than the supports of the Ministry of Economy and the Agency to the investors in Hatay; there are such support mechanisms to benefit from as:

- Small and Medium Industry Development Organization Supports for SMEs (For detailed information [www.kosgeb.gov.tr](http://www.kosgeb.gov.tr))
- Supports of Agriculture and Rural Development Support Institution for Agriculture Based Investments (For detailed information [www.tkd.gov.tr](http://www.tkd.gov.tr))
- Ministry of Science, Industry and Technology Supports (For detailed information [www.sanayi.gov.tr](http://www.sanayi.gov.tr))
- Supports of Scientific and Technological Research Council of Turkey (For detailed information [www.tubitak.gov.tr](http://www.tubitak.gov.tr))
- Supports of Provincial Directorate of Ministry of Food, Agriculture and Livestock (For detailed information, [www.hataytarim.gov.tr](http://www.hataytarim.gov.tr))
- Supports of Technology Development Foundation of Turkey (For detailed information, [www.ttg.gov.tr](http://www.ttg.gov.tr))

Note:



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**Hatay**  
**Awaits Your**  
**Investments**



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