





FINANCIAL SUPPORT INSTRUMENTS FOR SMEs

COMCEC

31 JULY 2024



Start-up and SME



	Micro Enterprise	Small Enterprise	Medium Enterprise
Employees	< 10	< 50	< 250
Annual turnover	≤TRY 10 Million	≤ TRY 100 Million	≤ TRY 500 Million
Annual balance sheet	≤ TRY 10 Million	≤ TRY 100 Million	≤ TRY 500 Million

Start-Up is defined as a venture company that is at most 10 years old and has a scalable business idea that has the potential to grow rapidly and that conducts activities focused on technology and innovation





Financial System of Türkiye



Banking

Banking Regulation and Supervision Agency

- -Banks' Association of Türkiye
- -Participation Banks' Association of Türkiye
- -Association of Financial Institutions
- -Banks
- -Participation Banks
- -Savings Deposit Insurance Fund
- -Leasing Companies
- -Factoring Companies
- -Consumer Finance Companies
- -NPL Management Companies
- -Rating, Audit Firms
- -Financial Holding Companies

Capital Markets

Capital Markets Board

- -Turkish Capital Markets Association
- -Borsa Istanbul
- -Turkish Appraisers Association
- -Banks
- Brokerage Firms
- -Asset Management Firms
- -Investment Trusts
- -Merkezi Kayıt İstanbul
- -Settlement and Custody Bank
- -Capital Markets Licensing and Training Agency
- -Investor Compensation Center
- -Public and Listed Companies
- -Rating, Appraisal, Audit Firms
- -Crowdfunding Platforms

Insurance

Insurance & Private Pension Regulation and Supervision

- -Insurance Association of Türkiye
- -Pension Monitoring Center
- -Insurance Companies
- -Pension Companies
- -Pension Funds

Payment System

The Central Bank of the Republic of Türkiye

The Association of Payment a nd Electronic Money
Institutions of Türkiye

- -Payment Institutions
- -Electronic Money





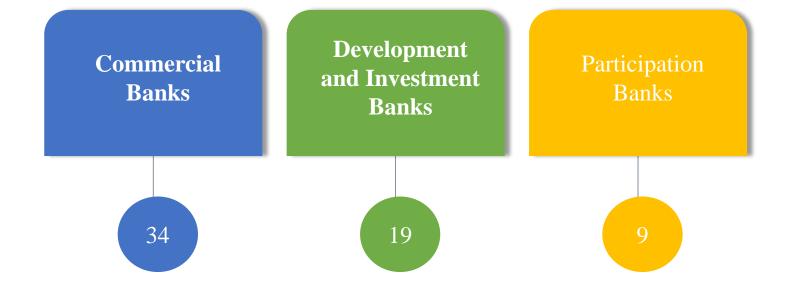
Banking System



Total Assets
23.550 Billion TL

Total Loans
11.677 Billion TL

11.000 Branches200.000 Personnel



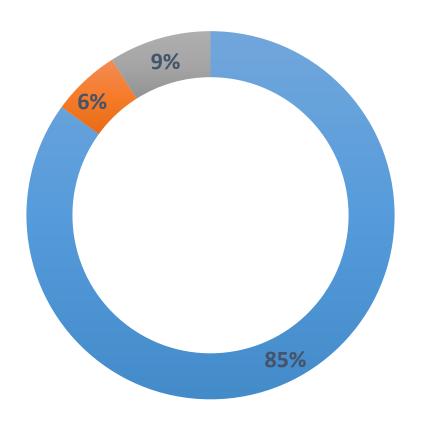




Banking System

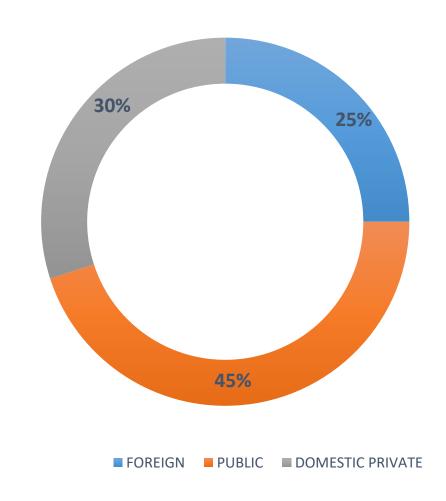


DISTRUBUTION OF ASSETS BY FUNCTION GROUP



■ DEPOSIT BANKS ■ PARTICIPATION BANKS ■ DEVELOPMENT AND INVESMENTBANK

DISTRUBUTION OF ASSETS BY OWNERSHIP GROUP

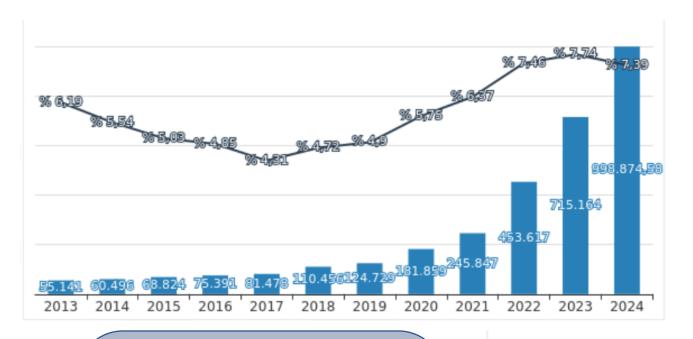






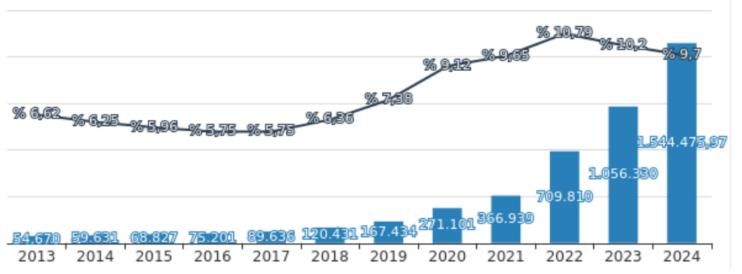
Participation Banks





The share of participation banks
-both in funds raised and
distributed- has been increasing
in the sytem but still there is a
room for development.

The share of funds provided by participation banks to SMEs in total funds is around 43%.

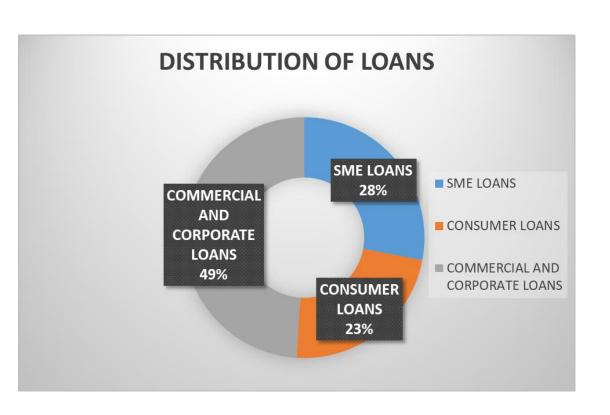




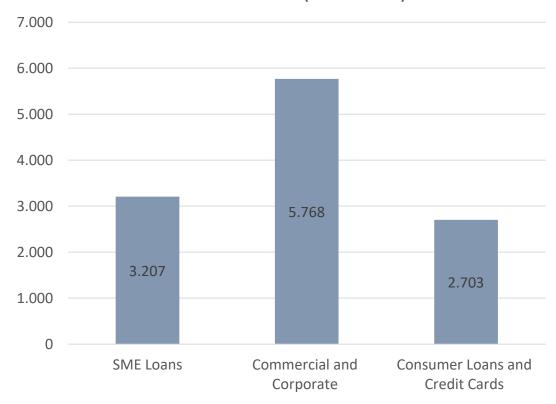


Loans





Loan Amount (Billion TL)







Credit Guarantee System



1 Credit Guarantee Fund

- Est. in 1994
- KOSGEB, TOBB and Banks.
- 66.388 companies 197.957
 Million TL credit 161.264
 Million TL guarantee. (2023)
- SMEs and Non-SMEs (%67 SME)

KGF KFK İGE

- Export Development Corp.
- Est. in October 2021
- Türkiye Exporters Assembly, Türk Eximbank and Banks
- · Only focusing on exporters
- · SMEs nd Non-SMEs
- 12.061 companies 52,6 Billion TL credits - 46 Billion TL

Participation Bank Guarantee Corp.

- Est. in March 2023,
- Participation banks, Ministry of Treasury and Finance
- Working only with participation banks.
- · SMEs and Non-SMEs



MILLI TEKNOLOJI HAMLESI

Leasing and Factoring



	Leasing	Factoring
Number of Company	21	49
Number of Personel	1.277	4.000
Number of Customer	37.872	71.614
Number of Branches	114	365
Volume (Million TL)	271.857	819.918



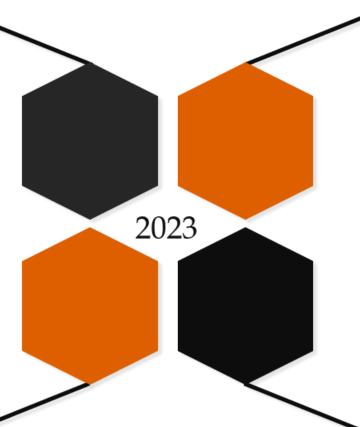


Venture Capital-Private Equity Ecosystem



325 deals and 889 million USD investment. The amount of investment in SaaS, Artificial Intelligence and Gaming verticals was remarkable. 3 Unicorns, Insider, Papara, Dream Games.

In the last 3 years, 32 tradional VC funds totaling \$654M were established in Türkiye. In the same period, 244 VCIF(GSYF) funds with a target size of \$613M were authorized for establishment



Türkiye ranked 4th after UK, Germany and France among the countries in Europe in terms of seed stage deal count. In terms of deal size, it ranked 9th in the same stage in Europe. Türkiye ranked 1st among the countries in MENA in terms of seed stage deal count. In terms of deal size, it ranked 3rd in the same stage in MENA

According to Startup Genome's 2023 report, Istanbul ranked 1st in the list of strong starters due to high activity in seed and Series A deals. The number of VCIF (GSYF) authorized for establishment reached 323.



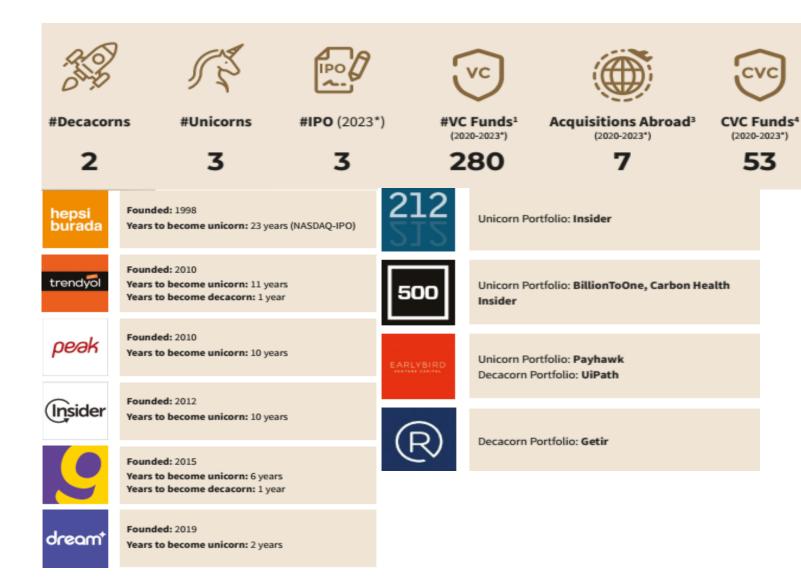


Venture Capital-Private Equity Ecosystem



VC Funds¹

(2020-2023*) \$1.5B







Angel Investment

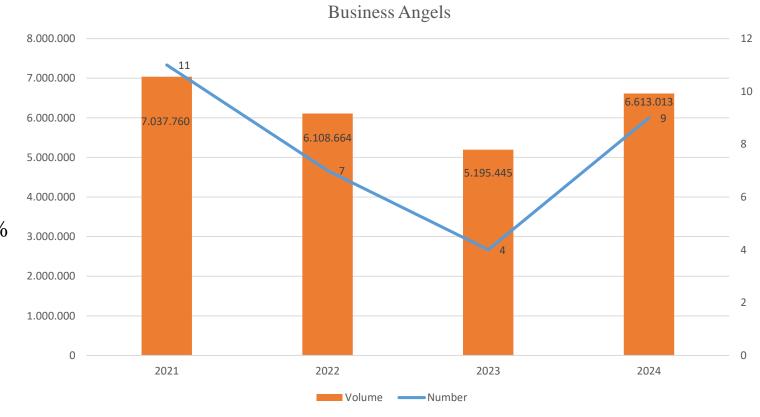


➤ The law → 2012

Secondary legislation \rightarrow 2013

➤ Licensing → MTF

- ➤ Licenses validation period → 5 years
- \rightarrow Tax deduction rate \rightarrow 75% and 100%
- ➤ Number of Licences → 594
- Invested SMEs must have
 - ✓ <=TRY 5 million annual net sales
 - ✓ <=50 employees.





CrowdFunding



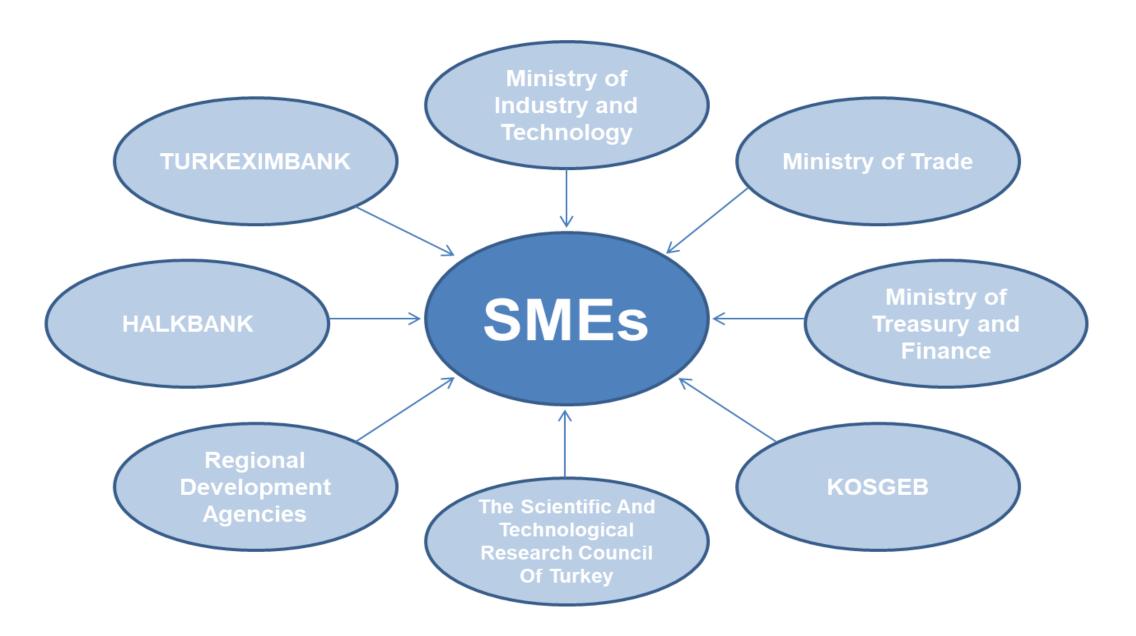
- Crowdfunding is a very new area of finance in Turkey.
- The first regulation of crowdfunding: Law No.7061 in 2017.
- The task of regulation of the crowdfunding environment and accreditation of the crowfunding platforms is assigned to *SPK* in Turkey.
- There are *16 crowdfunding platforms* in Turkey
- 2023 57 investments and total volume of investment is 23.5 Million USD





Public Role in SME Finance



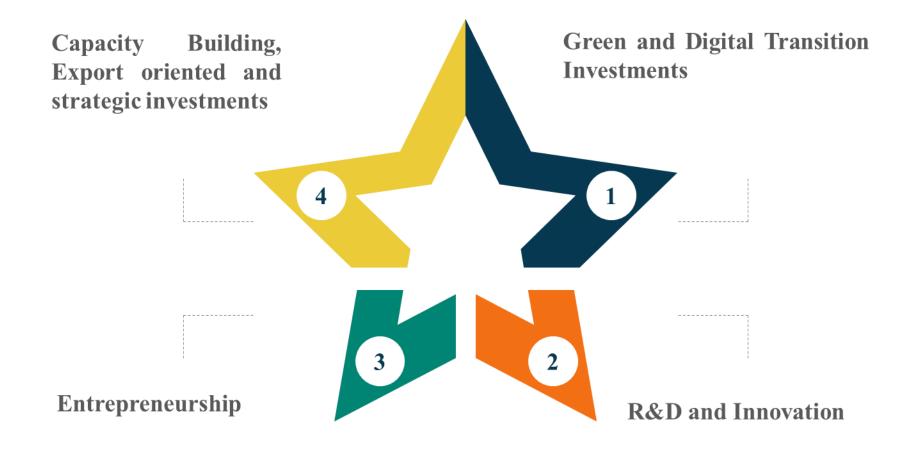






Public Role in SME Finance



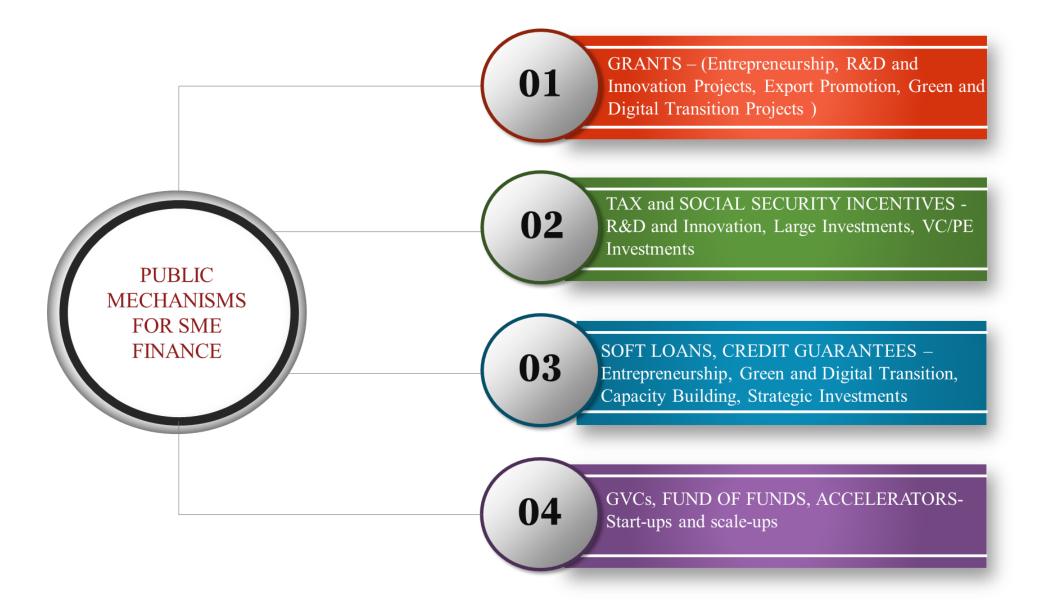






Public Role in SME Finance











THANK YOU

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