



ORAN Orta Anadolu
Kalkınma Ajansı
Central Anatolia Development Agency

SİVAS INVESTMENT GUIDE 2017



July, 2017

ABOUT SİVAS INVESTMENT SUPPORT OFFICE

Sivas Investment Support Office, operating as a part of Central Anatolia Development Agency within the Region TR72, conducts some activities as; tracking and tracing the investment related deals of investors in private sector, figuring the hampers which the investors encounter with out, promoting the investment opportunities of the province at home and abroad, organizing training programmes and meetings aiming to enhance the corporate capacity of companies, improving the innovative manufacturing capacity of the facilities in the province, providing services about project cycle management to all local stakeholders about national/international funds or providing consultancy for this purpose and contributing to regional development through cooperation protocols.

The specialists in Investment Support Office provide consultancy service to applicants, to both natural and legal entities, within the framework of duties and responsibilities identified by the relevant legislation. This consultation service, which points out the grant schemes of other institutions or investment incentive applications in addition to the supports of the Agency, is carried out as guiding the capital owner entrepreneurs to feasible areas of investment or guiding the entrepreneurs submitting with an intention of investment to convenient financial resources.

Apart from the financial issues, all data relevant with eligibility of investment is provided by Investment Support Office directly or indirectly, in case of any demand from natural or legal entities submitting to our Agency.

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GENERAL INFORMATION

HISTORY OF SİVAS

History of Sivas, on where the prevailed civilizations cited as Sebaste, Sipas, Megalopolis, Kabira, Diaspolis (City of God), Talaurs, Danişment İli, Eyalet-i Rum, Eyalet-i Sivas, is known to date back to Neolithic Period (B.C. 8000 – 5000) according to the data emerged by archaeological excavations.

Rumour has it that three fountains expressing the feelings of gratitude to parents and of affection to juniors take place on this land and the name of Sipas Water was given to these fountains. The location where these springs take place was named as "Sipas" within next periods.

Phrygians, Lydians, Medes, Persians, Macedonians, Romans, Danishmends, Seljukians and Ottomans were the prevailing states after Hittite Civilization respectively on Sivas, located over the historical Silk Road.

During Ottomans period Amasya, Çorum, some regions of Malatya and Kayseri were engaged to Sivas and it became a provincial centre.

Sivas Congress, where the essentials of National Struggle are determined after Erzurum Congress, was realized in School of Sultan in Sivas under presidency of Atatürk. Besides, Sivas was the centre of National Struggle for 108 days.



CLIMATE AND GEOGRAPHY

Sivas, which has 1.285 m of average altitude and 27.202 km² of area that makes it the second largest city in this sense in Turkey, has neighbourhood to Eastern Anatolia, Black Sea and Mediterranean Regions.

Total area of Sivas consists of tablelands with 47,6%, mountains with 46,2% and lowlands with 6,2%. Köse Mountains which are the extension of North Anatolia Mountain Ranges, Tecer and İncebel Mountains which are the northern branches of Taurus Ranges, Ak Mountains and Yama Mountains take place around Sivas.

Uzunyayla and Meraküm tablelands, Kızılırmak, Kelkit and Çaltı Valleys are the prominent geographical formations.



The important streams are Kızılırmak, Kelkit Brook, Tozanlı Brook and Tohma Brook. Sivas hosts 14% of total plant taxa of Turkey with 1508 plant taxa. 10% of Sivas is covered with forests.

Sızır Fall, Yıldız Fall, Gürün Gökpınar Lake, Tödürge Lake, Gürün Şuğul Valley are featured touristic places in Sivas where several natural beauties are present.

Sivas, where averagely 40 kg of precipitation falls to square meter, reflects the characteristics of continental climate but it also features the characteristics of border regions.

POPULATION

Referring to the year 2016 data of Address-Based Population Registration System, total population of Sivas is detected as 621.224. Approximately 74% of this population live in province and district centres whereas 26% live in towns and villages. On the other hand, 54% of the population live in the centre of Sivas. In terms of age group perspective, the young population density is striking.

SOCIAL INDICATORS

EDUCATION

When glanced at Sivas overall, number of schools for pre-school, primary, secondary and high school education together with special schools for handicapped is 656. Number of total classrooms is 5.879, number of students is 119.052 and number of lecturers is 7.941 serving in 2016-2017 academic years.

Number of Schools & Students

Pre-School Education	Number of Schools	33
	Number of Students	8.717
Primary School	Number of Schools	311
	Number of Students	34.538
Secondary School	Number of Schools	200
	Number of Students	40.333
High School	Number of Schools	103
	Number of Students	35.071
Special School (For Handicapped)	Number of Schools	9
	Number of Students	393
Total	Number of Schools	656
	Number of Students	119.052

Source: Turkish Statistical Institute – 2016

SİVAS CUMHURİYET UNIVERSITY

Sivas Cumhuriyet University was founded on the land of 11.000 acres in 1974, in commemorating of 50th anniversary of the foundation of our Republic.

Sivas Cumhuriyet University, which started its education with the Faculty of Medicine in 1974, today serves to 55.00 students with 16 faculties, 4 institutes, 1 state conservatory, 6 colleges, and 14 vocational schools and with 1.840 academic and 1.647 administrative personnel.





HEALTH

The breakdown of institutions and organizations serving in health sector in Sivas are as follows;

Health Institution Data

Ministry of Health	Primary Healthcare	201
	District Hospital	8
	Public Hospital	9
	Oral and Dental Health Centre	1
University	Medical Faculty Hospital	1
Private	Special Medicine – Branch Hospital	2
	Private Hospital	2
	Private Clinic – Oral and Dental Health Polyclinic	4

Source: General Secretariat of Sivas Public Hospitals Association-2017

AGRICULTURE AND HUSBANDRY

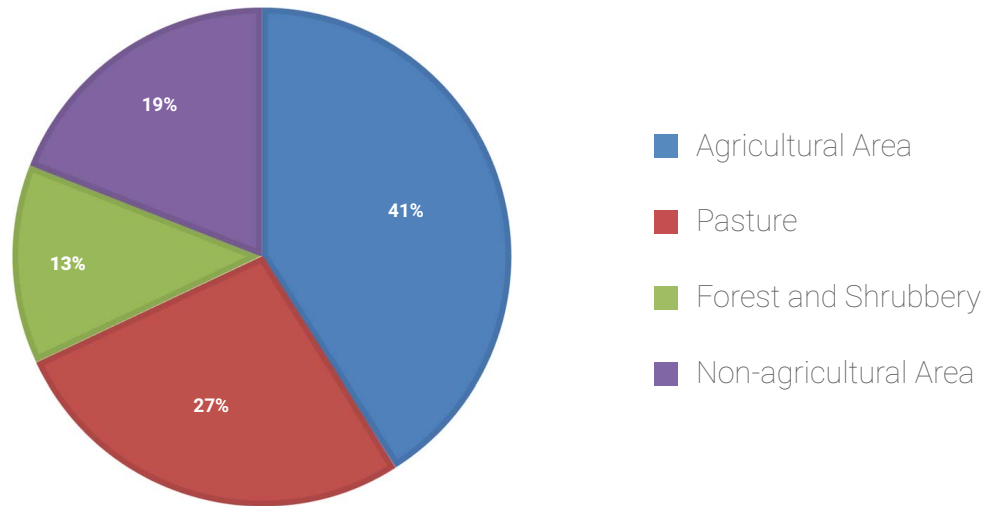
Sivas is the largest city in terms of settlement area consisting of 7 towns, 1.238 villages and 766 hamlets. Despite its wide geographical structure, the population of the province is decreasing gradually. In general, number of people per square kilometre is 23.

When the sectorial distribution of the labour force is examined in Sivas province, it is seen that agriculture and animal husbandry have very big economic activity in the province. 54,7% of females and 45,3% of males take role in the agriculture sector, which constitutes 66,5% of the current economy in active population. It is noteworthy that 91,6% of the active population in the agricultural sector lives in rural areas.

2.720.279 hectares of Sivas lands consist of arable land with 41%, pasture with 27%, forest and shrubbery with 13% and non-agricultural areas with 19%.

Agriculture and animal husbandry have very big economic activity in the province

LAND DISTRIBUTION OF SİVAS



Source: Sivas Provincial Directorate of Food, Agriculture and Livestock, 2016



327.828 hectares of 1.106.085 hectares of total agricultural area are considered irrigable agricultural land, which corresponds to 29,64% of total agricultural land of Sivas. While the irrigable agricultural land does not show much difference over the years, the amount of irrigated land has increased. In 2016, the amount of irrigated land reached 186.716 hectares.

As of 2016, 58.003 hectares (31,06%) of the total irrigated agricultural land are irrigated by General Directorate of State Hydraulic Works, 43.408 hectares (23,24%) are being irrigated by the Special Provincial Administration and 85.305 hectares (45,68%) are irrigated by farmers. It is noteworthy that the irrigation services provided by the state are 8.6% more than the irrigation activities provided by the public.

Irrigation Capacity In Sivas Province

	2012		2013		2014		2015		2016	
	ha	%	ha	%	ha	%	ha	%	ha	%
Total Agricultural Area	1.106.085		1.106.085		1.106.085		1.106.085		1.106.85	
Irrigable Area	310.000	28	310.000	28	310.000	28	327.928	29,6	327.928	29,6
Total Irrigated Area	160.431	52	160.431	52	179.775	58	186.716	56,9	186.716	56,9

Source: Presentation Report of General Directorate of State Hydraulic Works, 2016

25,5% of the province's total agricultural land area of 1.106.085 hectares constitutes the land which is suitable for agricultural production but is not used at present with 2.816.758 decares. The largest ratio of agricultural production is cereals which correspond to 35% of total agricultural area with 3.884.998 decares.

PLANT PRODUCTION

The presence of wide agricultural land and agricultural basin assets accommodating microclimate properties renders Sivas an important plant production centre that offers a rich variety of agricultural products.

Field crops which are the most important source of income in the production of plant products in Sivas province are cereals, forage plants, cash crops and edible legumes. Grains are ranked as first in terms of both planting area and in terms of production amount.

Plant Production Ranking in Turkey

- 1st in trefoil, ovary potato and oat production
- 2nd in triticale production
- 3rd in wheat and safflower production
- 5th in alfalfa production
- 7th in sugar beet and edible potato production
- 8th in apricot production
- 9th in barley production
- 11th in lathyrus sativus production

Source: Turkish Statistical Institute - 2015

In Sivas, the first order in terms of plant production is field crops. The cultivation areas and production data are as follows;

Annual Production of Field Crops

	2013		2014		2015		2016	
	Decares	Tons	Decares	Tons	Decares	Tons	Decares	Tons
Cereals	3.647.532	1.124.091	3.647.532	1.124.091	3.647.532	1.124.091	3.647.532	1.124.091
Forage Plants	891.094	834.498	891.094	834.498	891.094	834.498	891.094	834.498
Cash Crops	88.430	442.979	88.430	442.979	88.430	442.979	88.430	442.979
Medicinal and Aromatic Plants	3.205	414	3.205	414	3.205	414	3.205	414
Edible Legume	121.708	11.750	121.708	11.750	121.708	11.750	121.708	11.750
Oleaginous Seed	6.865	1.140	6.865	1.140	6.865	1.140	6.865	1.140
Tuber Crops	50.482	135.149	50.482	135.149	50.482	135.149	50.482	135.149

Source: Sivas Provincial Directorate of Food, Agriculture and Livestock, 2016



According to the data of the year of 2016, the total fruit growing area is 34.099 decares including grape-like fruit areas and a total of 12.710 tons/year fruit was produced from these trees. Apple, pear, cherry and apricot are the prominent fruit products. Fruit farming is regarded as an additional income-generating and family-oriented occupation besides cereal production and animal husbandry. However, especially in recent years, fruit production showed a great progression as a result of fruit growing projects by means of certificated nursery tree distribution and dwarf and semi-dwarf apple facilities contributed by Provincial Special Administration.

According to the data of the year of 2016, 23.634 tons of vegetables were produced on 10.680 decares of vegetable cultivation area in the province. Like fruit production, vegetable production is made for more income and domestic consumption.

Annual Production of Horticultural Crops

	2013		2014		2015		2016	
	Decares	Tons	Decares	Tons	Decares	Tons	Decares	Tons
Fruit Products	26.543	17.732	26.657	11.181	25.957	24.693	34.099	12.710
Vegetable Products	7.251	25.821	7.091	22.046	8.666	20.716	10.680	23.634
Greenhouse Vegetable Products	82	513	91	491	122	636	133	633

Source: Sivas Provincial Directorate of Food, Agriculture and Livestock, 2016

HUSBANDRY

The main husbandry activities in Sivas are focused on bovine breeding, ovine breeding, equidae breeding, poultry farming and bee breeding. Bovine and ovine breeding activities take place in the first rank and are followed by poultry farming. A ranking of animal products of Sivas in Turkey is as follows;



Animal Production Ranking in Turkey

2nd in bee breeding facilities
3rd in beewax production
7th in honey production
7th in number of bee hives
7th in number of cattle (hybrid)
9th in number of buffalo

Source: Turkish Statistical Institute - 2015

Breakdown of animal existence in Sivas as of 2016 is as follows;

Breakdown of Animal Existence

		2013	2014	2015	2016
Bovine	Cattle	Culture	108.383	99.899	104.554
		Hybrid	233.234	220.132	162.801
		Domestic	7.015	6.736	6.506
	Buffalo		3.595	3.627	4.910
	Total		352.227	330.484	278.771
Ovine	Sheep		444.400	378.842	468.215
	Goat		62.352	79.235	84.133
	Total		506.757	458.077	552.348
Equidae	Total		3.577	3.540	2.963
Poultry	Hen		481.371	501.702	506.797
	Turkey		11.946	12.216	13.128
	Goose		4.307	4.719	5.227
	Duck		2.211	2.033	3.238
	Total		499.835	520.670	528.572
Bee (Hive)	Primitive		476	476	476
	Scientific		189.814	193.952	197.914
	Total		190.290	194.428	198.390

Source: Sivas Provincial Directorate of Food, Agriculture and Livestock, 2016

The production values of the husbandry sector, which is an important source of income for the region, are as follows;

Annual Production of Animal Products

	2013	2014	2015	2016
Meat (tons)	1.915	3.145	3.055	2.424
Milk (tons)	448.257	427.554	507.789	505.184
Leather (pieces)	12.714	16.567	16.364	11.042
Wool and Angora (tons)	701	611	626	621
Egg (pieces)	96.274.200	100.340.400	133.951.000	130.344.800
Honey (tons)	3.309	3.038	3.327	2.861
Beewax (tons)	277	207	265	313

Source: Sivas Provincial Directorate of Food, Agriculture and Livestock, 2016

Thanks to the use of numerous streams and dams and the introduction of effective and conscious production methods, the production of aquaculture also emerges as a rising sector in Sivas day by day.

Poultry data for the year 2016 is as follows;

Breakdown of Poultry Capacity Based on Districts in the Year 2016

District	Number of Facilities	Capacity (Layer Hen)	Present
Sivas Centre	4	183.000	161.230
Şarkışla	7	507.000	279.673
Altınyayla	4	174.000	154.850
Akıncılar	1	1.000	1.000
Gemerek	2	1.500	1.104
TOTAL	18	866.500	597.857

Source: Sivas Provincial Directorate of Food, Agriculture and Livestock, 2016



Advantages of Agricultural and Husbandry Activities in Sivas is Given as Follows;

- Agricultural areas are suitable for agriculture-based industry and animal husbandry
- Sivas is located on the transition zone between eastern and western sides with emerging transport network
- Low labour cost
- Number of bovines
- Having large pastures
- Having clean and usable underground and surface water resources
- Kangal Akkaraman race gene source is available in our province
- Having suitable environment for organic product cultivation
- Investment incentives, support practices and tax reductions are sufficient
- Surface water resources are available for the production of aquatic products
- Plant flora diversity (number of endemic species) is high
- It is possible to cultivate various products thanks to the 'microclimate' feature of the region
- Too much young population in the centre
- Easy access to agricultural information
- The existence of a development plan covering all sectors of Sivas Province
- The existence of agricultural product processing plants
- Large amount of irrigable areas
- Existence of zero-interest agricultural loans
- Grant schemes implemented by different non-governmental organizations and institutions in the field of agriculture and livestock

Having completed the year 2015 with a growth rate of 3,6%, agriculture has become a sector that has made a great leap in the last 10 years thanks to effective and determined policies and support provided by structural change and transformation studies. In this manner, agriculture sector provided important contributions to our economy.



INDUSTRY

As well as the industrial sectors in Sivas overall refer a wide range of diversity, it is observed that some principal ones are forefront. According this point of view, fields of manufacture of food products, mining and quarrying, production of mineral products, manufacture of rubber and plastic products, furniture manufacturing, metal ore mining, apparel manufacturing are the pioneering sectors.

Referring to Sivas being an important centre of cereals as well as being a foremost province in terms of livestock renders food industry a dominant value.

Sivas, where mining sector has a considerable feature owing to the presence of rich underground sources in general, accommodates an immense potential in terms of ascertaining new mineral deposits and of converting these sources to high value-added products.

Ranging from eccentric shaft to other metallic automotive components, from heating boilers to agricultural implements a large number of intermediate goods and consumer goods are the paramount outputs of machine industry whereas wagon manufacturing for railway conveyance can be performed in TÜDEMSAŞ.

Furniture industry, which showed up a considerable acceleration in recent years even including the medical products that require international standards as hospital beds, has become one of the major sectors in the province with both small-sized and large-scaled enterprises.

Textile industry, focused on yarn, sock and apparel, is another branch of industry.

INDUSTRIAL INFRASTRUCTURE

Sivas Organized Industrial Zone was established by 15.07.1976 dated and 7/12207 numbered decree of Council of Ministers. It is located on an area of 435,40 hectares on Erzincan highway which is 6 km away from the city and its infrastructure in the fields of road, potable water, sewer system, storm water lines, electricity, natural gas, internet and communication has been completed. 219 parcels of 259 total parcels are assigned to investors.





Breakdown of Area, Parcel and Allocated Companies in Sivas IZ

Total Area	435,40	Hectares
Administrative and Social Facilities	8,81	Hectares
Treatment Facility	4,88	Hectares
Health Protection Strip	46,31	Hectares
Park And Green Space	20,64	Hectares
Road	45,05	Hectares
Industrial Parcel	309,71	Hectares
Allocated Parcel	267,18	Hectares
Free Field	42,53	Hectares
Number of Total Parcels	306	Parcels
Administrative and Social Facilities	13	Parcels
Treatment Facility	1	Parcels
Health Protection Strip	3	Parcels
Park And Green Space	20	Parcels
Road	-	Parcels
Industrial Parcel	269	Parcels
Allocated Parcel	259	Parcels
Free Field	10	Parcels
Number of Investor Companies	219	Pieces
Number of Companies in Production	145	Pieces
Number of Companies Stopped Production	12	Pieces
Number Of Firms That Own Buildings But Have Not Started Production	29	Pieces
Number of Firms in Construction	8	Pieces
Number of Firms in Project Stage	25	Pieces

Source: Sivas OIZ Regional Directorate - 2016



Breakdown of Parcels According to Sectors

	Number of Parcels	Number of Companies	Employment
Food Products	28	23	531
Apparel	12	10	2.447
Wood and wood products, cork products	27	21	836
Paper and paper products	-	-	-
Chemicals and chemical products	6	6	130
Basic pharmaceuticals products and material relevant with pharmacy	4	3	49
Rubber and plastic products	14	14	229
Other non-metallic mineral products	13	12	211
Main metal industry	2	2	55
Fabricated metal products	39	28	1.804
Manufacture of computers, electronic and optical products	2	1	85
Others	47	25	868
TOTAL	194	145	7.245

Source: Sivas OIZ Regional Directorate - 2016

Demirağ Organized Industrial Zone, 25 km away from city centre is recently under construction. 814 hectares of land is allocated for this project and it will also accommodate railway infrastructure. This IZ will also have the opportunity of easy access to the logistic centre.

Şarkışla Organized Industrial Zone, located 80 km away from Sivas provides service to investors whereby 48 industrial parcels with completed infrastructure established on 79 hectares of land.

Likewise, Gemerek Organized Industrial Zone, located 110 km away from Sivas is available to provide service to investors whereby 44 industrial parcels with completed infrastructure on 111 hectares of land.

Small industrial areas, the number of which reaches to 13 with both central location and the districts, play a significant role in employment of approximately 6.000 people. Seyfebeli Small Industry Site, which is planned to be established by collecting small industrial sites together, will serve with its modern infrastructure.

By means of the logistics centre, planned to be established on 500.000 m² of land in the vicinity of Ulaş district, it is expected to enable additional 1 million ton of transportation capacity.

Demirağ Organized Industrial Zone is ready for investors

CUMHURİYET TECHNOCITY

Cumhuriyet Technocity established in an effort to;

- Generate advanced technological information
- Develop innovations relevant with products and production methods
- Increase productivity
- Reduce production costs
- Commercialise technological information
- Boost technology-intensive production and entrepreneurship
- Enable the SMEs adopt to technology





- Create investment opportunities in technology-intensive fields
- Employ researcher and skilled people
- Enable the influx of foreign capital providing advanced technology
- Increase the company income

is a science and technology park established on September 7, 2007 in cooperation of Cumhuriyet University, Governorate of Sivas, Sivas Municipality, Sivas Chamber of Commerce and Industry, Foundation of Cumhuriyet University and Ankara Cyberpark subject to Bilkent University.

The site is available for serving a wide range of sectors from informatics to manufacturing sector, from healthcare products and medical technologies to new material technologies, biotechnology and nanotechnology.

Cumhuriyet Technocity has been conducting its activities under the legislation of Technology Development Zones with Decree no. 4691.

UNDERGROUND RESOURCES

Sivas is one of the most abundant provinces of Turkey in terms of underground sources; hence, it is referred as a city of mining. Mineral resources as geothermal resources, mineral water resources, spring water resources, natural stone resources and metallic minerals - iron mine in particular – are the natural wealth of the province steering its economy.

Sivas is a city of mining

Even though there are 11 geothermal resources, water temperature of which varies from 25°C to 49°C in Sivas including the downtown, Kangal, Suşehri, Şarkışla, Yıldızeli and Zara, there seem significant opportunities to make use in terms of tourism and healthcare investments owing to the lack of licenced accommodation facilities excluding the ones in Sıcak Çermik, Soğuk Çermik and Kangal. Modern facilities that may be put up with a more professional management approach in the vicinities of the mentioned regions will surely increase the territorial charm in this sense. These geothermal resources can even be made use of greenhouse investments.

Of high quality natural spring water resources eligible for bottling facility investments take place in Yıldız Mountain, Köse Mountain, Tecer Mountain, Gürlevik Mountain and Yaman Mountain in addition to Yıldızeli and Doğanşar districts.

When looked through the overall province; iron, chromium, lead-zinc, cement and brick raw materials, travertine, celestine, kaolin, barite, talc, salt and lignite are emerged as the prominent underground wealth.

Divriği, the most important region in Turkey in terms of iron reserves, hosts 65,4 million tons of reserves which correspond to 36% of total iron reserves of our country. Considering the absence of an integrated iron & steel plant in the region, by all means, it is expected that such an investment will contribute to the provincial and national economy by making use of the present reserve.





Divriği, the most important region in Turkey in terms of iron reserves, hosts 65,4 million tons of reserves which correspond to 36% of total iron reserves of our country.

Chromium is another prominent mineral with total reserve of 4,5 million tons especially around Kangal, Zara, Hafik Divriği and Ulaş. As well, lead-zinc with reserve of 2 million tonnes is also one of the featured minerals.

Celestine is an indigenous mineral which can be hoisted only in Sivas within Turkey and is intensified around Ulaş, Hafik and Zara.

Natural stone and travertine production is appreciated to be one of the most convenient fields in Sivas in terms of clustering in accordance with the analysis conducted. Looking through the production values of natural stone and travertine, it is observed that Sivas hosts 18% of total reserves of Turkey overall. According to the export data, it has the highest rate among mining exports of Sivas. However, limited number of facilities possessing corporate structure and having ability to manufacture value added products renders this issue to be evaluated from the investment point of view.

Thanks to lignite deposits in the province, requirement for energy raw material of Kangal Thermal Power Plant is covered. Still, new lignite deposits in Kangal, Divriği, Gemerek, Gürün and Suşehri districts are available for use.

As well as a zeolite deposit with 1 million ton of reserve in the vicinity of Yıldızeli, present basalt and andesite deposits are eligible for production of paving stone.

R&D activities aiming to develop hydrophobic property may lead gypsum to be introduced as a high value-added product.

While hoisting activities for kaolin material used in the production of ceramic, porcelain and paper are currently on-going, establishing a processing facility may lead this product to be released on the market with of high added value.

Manganese mineral is traded in crude form in metallurgy, battery and chemistry and the same situation here is in question as well.

In addition; asbestos, barite, talc, cement raw materials, limestone, salt, brick & tile raw materials are the other underground sources available for investments.



CULTURE AND TOURISM

By the virtue of several festivals arranged through each year, cultural vigour of Sivas is maintained. Some of annual activities are described below;

- Âşık Veysel and Poets Week Events
- Pöhrekli Highland Culture and Festival
- Zara Karabel Region Highland Festival
- Beydağı Yıldızbaba Festival
- Karacaören Highland Festival
- Şerefiye Culture and Art Festival
- Merder Madımak Festival
- Alacahan Caravanserai Festival
- Çamşılı Divriği Folk Poets Festival
- Kangal Dog Festival
- Gölova Highland Festival
- Visit to Köse Süleyman
- Zara Honey and Culture Festival
- Âşık Veysel Poets Feast
- Çatpınar Village Wrestling Competitions
- Sept 4 Sivas Congress and Art Events
- Traditional Ahmet Ayık Wrestling and Honey Festival
- Suçatı Mulberry Festival
- Tozanlı Festival
- Şeyhderdeyar Culture Festival
- Koyulhisar Culture and Art Festival
- Akıncılar Melon Festival

State theatre, music choruses, conservatory, art houses, museums and movie theatres are other factors that verify the vitality of social life.

Sivas, where poesy customs is extremely strong, can be described as the cradle of folk poesy. Pir Sultan Abdal, Âşık Veysel, Âşık Ruhsati, Sefil Selimi, Muzaffer Sarısözen and several more artistic values emerged from this land.

Local handicrafts as silverware craft, cutlery craft, carpet craft and rug craft are still prosecuted in Sivas, where folkloric diversity is opulent.

In terms of tourism sector, four major titles seem forefront relevant with present situation and with the investments planned to be completed.



THERMAL TOURISM

Construction of facilities within the scope of thermal tourism has been carried out in Kangal Balıklı Kaplıca, Sıcak Çermik and Soğuk Çermik to a certain extent. However, it is expected that, by courtesy of rest areas and rehabilitation centres managed with efficient and professional approach, these areas will be enabled to revive.

Orta Bucak Çermik, Alaman Çermik and Akçaağıl Çermik are utilized or can be utilized for treatment of a large number of diseases. Besides, construction of modern facilities is expected to render them have more efficient structure.

WINTER TOURISM

Yıldız Mountain, a promising value in terms of winter tourism, 58 km away from downtown with 2.552 meters of altitude, where snow is of high quality and level of snow for skiing is at required value in large part of the year, has the world-class qualifications for skiing sports. Within the region, utilized as Winter Sports Tourism Centre, aquatic sports by means of Yıldız Dam and mountain sports and tableland tourism by means of scenic beauties are the other areas to make use of. Also, because of its proximity to Sıcak Çermik region, it offers to utilize from both opportunities.

CULTURE AND BELIEF TOURISM

Sivas offers a wide spectrum in terms of culture and belief tourism by means of historical mosques, churches, inns, baths and the shrines; Seljuk and Ottoman era artefacts in particular. The prominent artefacts are Aşağı Castle, Yukarı Castle, Sivas Oulu Mosque, Şifahıye Madrasah, Divriği Oulu Mosque and Hospital, Gök Madrasah, Buruciye Madrasah, Twin Minaret Madrasah, Kesik Bridge, Eğri Bridge, Meydan Mosque, Subaşı Inn, Taş Inn, Çorapçı Inn, Meydan Bath, Kurşunlu Bath, Government Office, Congress and Ethnography Museum, İnönü Mansion, Susamışlar Mansion, Abdi Ağa Mansion and Osman Ağa Mansion.

NATURE TOURISM

Highlands, lakes, waterfalls and recreation areas of Sivas are the invigorating values for nature tourism. Eğriçimen Highland, Gökpınar Lake, Tödürge Lake, Hafık Lake, Sızır Waterfall, Şuğul Valley, Paşabahçe recreation area are the foremost of natural beauties.





Owing to the lack of 5-star hotel for sporting, cultural or business visits, it renders this situation a good opportunity in terms of investment.

As well, shopping centres, entertainment centres and convention, culture and art centres are feasible investment opportunities since they are the demanded but lacked hangouts for Sivas where social life is vivacious.



LOGISTICS & FOREIGN TRADE

LOGISTICS AND TRANSPORTATION

The location of Sivas takes place just in the centre of highways intersecting on northern – southern and eastern – western routes. Since several firms dealing with freight and passenger transportation have to pass through this route, Sivas is one of the most convenient provinces in this sense.

Road Distances of Sivas to Port Cities - Km		Railway Distances of Sivas to Port Cities - Km	
Sivas-İstanbul	893	Sivas - Samsun	402
Sivas-Çanakkale	1095	Sivas - Haydarpaşa	1,170
Sivas-İzmir	1021	Sivas - Derince	1,086
Sivas-Antalya	815	Sivas - Bandırma	1,287
Sivas-Samsun	339	Sivas - İzmir	1,337
Sivas-Mersin	497	Sivas - Mersin	565
Sivas-Trabzon	423	Sivas - İskenderun	624

Source: General Directorate of Highways - 2015

Double highway network, total length of which has reached up to 717 km within the province, is currently completed towards Kayseri, Yozgat and Erzincan. Following up the completion of Black Sea – Mediterranean Region Highway Project under construction, transportation to southern and northern provinces will be more practical and more effective commercial dynamism will be provided.

Similar to highway connections, Sivas takes place on the intersecting location of railways extending through northern – southern and eastern – western routes. This opportunity, enabling freight transportation to prominent ports available, can also be actively utilized for passenger transportation.

It is foreseen that by accomplishing the high-speed train project, transportation towards western regions will be much faster. Furthermore, this investment will enable uninterrupted and faster connection towards Europe. It will be possible to arrive at Ankara within 2 hours and to İstanbul within 5 hours. In accordance with the consequences of an analysing study,



supported by Central Anatolia Development Agency and by which the impacts of the high-speed train is scrutinized, one can coincide significant statements that the investment climate of Sivas will be positively influenced and revenues from tourism sector will increase.

Sivas Nuri Demirağ Airport, owning the second longest runway in Turkey, offers multipoint daily flights with 3 million of passenger capacity per annum towards both domestic and international destinations.

FOREIGN TRADE

Looking through foreign trade data, more than tenfold increase in exportation value since 2002 points out the industrial potential accommodated. 8,5 million dollars of exportation value in 2002 has exceeded 80 million dollars as of 2016.

Export Values per Annum

Year	Export (USD)	Export (TL)
2002	8.462.836	12.770.576
2003	9.647.353	14.375.126
2004	12.866.434	18.529.706
2005	19.446.858	26.241.938
2006	21.701.483	31.520.982
2007	35.294.352	45.673.269
2008	43.681.692	56.859.887
2009	37.393.794	57.656.037
2010	55.891.325	84.047.086
2011	72.953.212	123.599.837
2012	93.294.582	168.282.317
2013	75.819.553	144.622.414
2014	91.492.950	199.731.447
2015	77.932.582	212.749.699
2016 (temporal)	80.169.016	243.269.576

Source: Turkish Statistical Institute - 2017

Particularly mining as pioneering sector, when the exported product portfolio is examined, it is seen that a wide range of sectors like manufacturing of machinery and equipment, furniture manufacturing, mineral products and metal goods industry leads to the industry of the province.

Value of Exported Products According to HS Codes;

Article	Name of Article	Export (USD)	Export (TL)
25	Salt; sulphur; earths and stone; plastering materials, lime and cement	26.397.623	79.605.809
84	Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof	21.276.332	64.326.100
68	Articles of stone, plaster, cement, asbestos, mica or similar materials	12.494.765	37.326.100
11	Products of the milling industry; malt; starches; inulin; wheat gluten	6.545.202	20.056.701
94	Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings	3.937.583	11.840.738
20	Preparations of vegetables, fruit, nuts or other parts of plants	1.682.969	5.088.041
33	Essential oils and resinoids; perfumery, cosmetic or toilet preparations	1.076.635	3.640.539
73	Articles of iron or steel	1.068.321	3.133.131
7	Edible vegetables and certain roots and tubers	1.033.279	3.347.313
	Others	4.656.308	14.303.022
Total		80.169.016	243.269.576

Source: Turkish Statistical Institute – 2017

Looking from the viewpoint of export countries, industrial structure of Sivas seems so promising thanks to the large spectrum of relevant destinations varying from Far East to Central Asia, from the USA to European countries. While China is in the lead according to exportation values; USA, Iraq, Germany, Syria and India follow this sort respectively.





Value of Exported Products According to Countries as of 2016;

Country	Export (USD)	Export (TL)
China	20.972.790	63.097.429
USA	9.718.274	29.361.535
Germany	7.656.044	23.522.333
Syria	6.985.920	21.438.713
Saudi Arabia	5.336.389	16.234.673
India	3.433.523	10.548.726
Israel	3.397.865	10.335.833
Sweden	2.954.741	8.934.174
England	2.285.028	6.930.631
Qatar	1.407.819	4.057.079
Iraq	1.328.144	4.411.685
Romania	1.124.060	3.374.183
Austria	1.034.486	3.120.836
Other	12.533.933	37.901.746
Total	80.169.016	243.269.576

Source: Turkish Statistical Institute – 2017

ONGOING PUBLIC INVESTMENTS

- Demirağ Organized Industrial Zone
- High-Speed Train Project
- Black Sea – Mediterranean Region Link Road
- Logistic Centre Project
- Sivas Enterprise Development Centre
- Eastern Anatolia Project
- Sivas Castle Project
- Seyfebeli Small Industrial Site
- Sivas Yıldız Mountain Winter Sports Centre Project
- Establishment of a State University



WHY SİVAS?

- Sivas is within the scope of 4th region provinces according to the incentive classification of Ministry of Industry and Technology
- Sivas is just on the centre of Turkey and have connections of highways, railways and airways
- High-speed train project will have been accomplished until 2019
- Sivas is a city of mining
- Sivas is placed near the top in terms of ranking of several agricultural products
- Sivas is placed near the top in terms of ranking of several animal products
- Sivas has the ability to offer qualified man power via its long-standing university background
- Sivas has Organized Industrial Zones with completed infrastructure
- Sivas is a candidate of BRAND CITY



INCENTIVES AND FINANCIAL SUPPORTS FOR INVESTMENTS

SUPPORTS OF MINISTRY OF INDUSTRY AND TECHNOLOGY

INCENTIVES FOR INVESTMENTS

The New Investment Incentive System of Turkey has been enacted since June 15, 2012 regarding the relevant Cabinet Decree no. 2012/3305. With reference to this legislation, goals described below were set;

- Orienting savings towards investments with high added value
- Boosting production and employment
- Encouraging strategic, regional and large-scale investments which can stimulate competitiveness and have significant R&D potential.
- Enhancing foreign direct investments
- Countervailing the differences in terms of interregional level of development
- Supporting the investments aiming clustering and environmental protection and R&D activities.

With regard to the socio-economic index, all provinces are classified under six regions and Sivas takes place in the 4th region.

The new investment incentives program comprises 4 different schemes with different support elements:



NEW INCENTIVE SYSTEM

General Investment Incentive Scheme	Regional Investment Incentive Scheme	Large Scale Investment Incentive Scheme	Strategic Investment Incentive Scheme
<ul style="list-style-type: none"> • VAT exemption • Customs Duty exemption 	<ul style="list-style-type: none"> • VAT Exemption • Customs Duty Exemption • Tax Reduction • Social Security Premium Support (Employer's Share) • Land Allocation • Interest Support 	<ul style="list-style-type: none"> • VAT Exemption • Customs Duty Exemption • Tax Reduction • Social Security Premium Support (Employer's Share) • Land Allocation 	<ul style="list-style-type: none"> • VAT Exemption • Customs Duty Exemption • Tax Reduction • Social Security Premium Support (Employer's Share) • Land Allocation • Interest Support • VAT Refund

Code Of Sector	US-97 Code	Sectors Utilizing from Regional Investment Incentive Scheme	Minimum Requirement for 4 th Region
1	121, 0122.2	Integrated livestock investments including integrated breeding livestock investments (excluding the ones mismatching the requisite of minimal capacity highlighted in postscript 5)	500 Thousand ₺
2	0500.0.04	Aquaculture (Including tiddler and roe production)	500 Thousand ₺
3	15	Food product and beverage production (excluding the investments highlighted in postscript 6)	1 Million ₺
4	17	Excluding the yarn and weaving investments mismatching the requisites highlighted in postscript 8)	10 Million ₺ for textile finishing investments, 1 Million ₺ for others

Code Of Sector	US-97 Code	Sectors Utilizing from Regional Investment Incentive Scheme	Minimum Requirement for 4 th Region
5	18	Apparel manufacturing	Extension and modernisation investments over 1 million ₺
9	20	Manufacture of wood and cork products (excluding furniture), knitted mat and the like	1 Million ₺
10	21	Manufacture of paper and paper products	10 Million ₺
11	24	Manufacture of chemical substances and products	1 Million ₺
19	26 (2610.2.03.01, 2693.2, 2694.1, 2695.3, 2695.4 excl.)	Manufacture of non-metallic mineral products (excluding multi-layer insulating glass, tile, brick, cement, ready-mixed concrete and mortar)	1 Million ₺
27	2720, 273	Basic metal industry except the iron and steel, metal casting industry	1 Million ₺
28	28	Metal ware	1 Million ₺
30	29	Manufacture of machinery and equipment	1 Million ₺
32	30	Manufacture of office, accounting and data processing machinery	1 Million ₺
33	31	Manufacture of electrical machinery and appliance	1 Million ₺
34	32	Manufacture of radio, television, communication equipment and appliance	1 Million ₺
35	33	Manufacture of medical appliances; precision optical instrument	500 Thousand ₺
36	34	Motor land vehicle and sub-industry	50 Million ₺ for investments of motor land vehicle; 1 Million ₺ for sub-industry of motor land vehicle

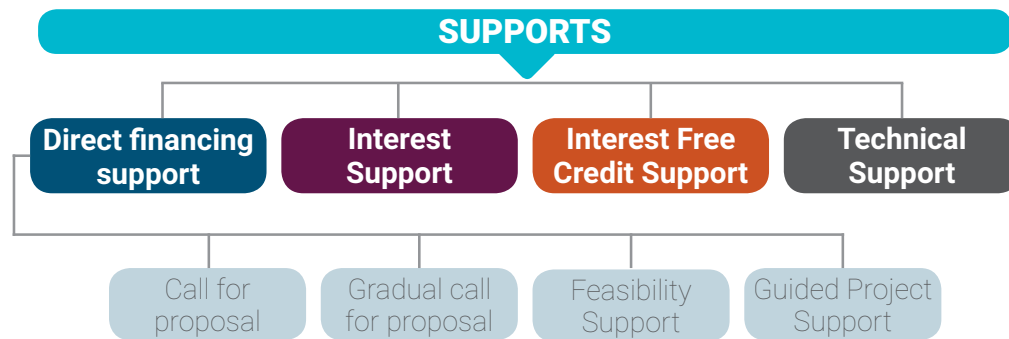
Code Of Sector	US-97 Code	Sectors Utilizing from Regional Investment Incentive Scheme	Minimum Requirement for 4 th Region
40	361	Manufacture of Furniture (excluding the ones made only of plastic)	1 Million ₺
41	5510.1.01, 5510.2.01, 5510.3.02, 5510.5.02, 5510.5.04	Hotels	3 star and above
42	5510.3.01	Student residence	100 student
43	6302.0.01	Cold storage services	500 square meters
44	6302.0.03	Certified warehousing	1 Million ₺
45	80 (809 excl.)	Training services (including pre-school education services, excluding education of adults and other educational activities)	500 Thousand ₺
46	8511.0.01-05, 8511.0.99, 8531.0.01-03	Hospital investment, nursing home	Hospital: 500 Thousand ₺ Nursing home: 100 resident
47		Smart multi-functional technical textiles	500 Thousand ₺
48		Waste recovery or disposal facilities	500 Thousand ₺
49		Coal gas production (synthesis gas)	50 Million ₺
50		Greenhouse cultivation	10 decametre square

Source: Cabinet Decree with the Decree no. 2012/3305

SUPPORTS OF CENTRAL ANATOLIA DEVELOPMENT AGENCY

Financial and technical supports are contributed to both SMEs and public organisations operating in the region via Central Anatolia Development Agency.

The scope of support programs are determined by the Agency by taking the improvement axis and potential of the province and the region into account, as well, the project proposals are admitted by the Agency. The project proposals appreciated as assessable in accordance with the priorities of the program are financially supported as of grants contributed by the Agency.



OTHER SUPPORTS

Other essential institutions that can be utilized in terms of financial supports are;

Small and Medium Enterprises Development Organisation (KOSGEB)
 The Scientific and Technological Research Council of Turkey (TÜBİTAK)
 Ministry of Industry and Technology
 Ministry of Agriculture and Forestry
 Agriculture and Rural Development Support Institution (TKDK)



CENTRAL ANATOLIA DEVELOPMENT AGENCY

SİVAS INVESTMENT SUPPORT OFFICE

Sivas Investment Support Office, operating as a part of Central Anatolia Development Agency within the Region TR72, conducts some activities as; tracking and tracing the investment related deals of investors in private sector, figuring the hampers which the investors encounter with out, promoting the investment opportunities of the province at home and abroad, organizing training programmes and meetings aiming to enhance the corporate capacity of companies, improving the innovative manufacturing capacity of the facilities in the province, providing services about project cycle management to all local stakeholders about national/international funds or providing consultancy for this purpose and contributing to regional development through cooperation protocols.

The specialists in Investment Support Office provide consultancy service to applicants, to both natural and legal entities, within the framework of duties and responsibilities identified by the relevant legislation. This consultation service, which points out the grant schemes of other institutions or investment incentive applications in addition to the supports of the Agency, is carried out as guiding the capital owner entrepreneurs to feasible areas of investment or guiding the entrepreneurs submitting with an intention of investment to convenient financial resources.

Apart from the financial issues, all data relevant with eligibility of investment is provided by Investment Support Office directly or indirectly, in case of any demand from natural or legal entities submitting to our Agency.



Notes:



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