

Turkey Announces Scheme Allowing Free Land Allocation Within Organized Industrial Zones, in Return for Employment Commitments

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The entrepreneur committee or general assembly of Organized Industrial Zones ("**Zone**") in Turkey can now allocate parcels of land free of charge, in return for minimum employment commitments from the recipient. Details have been announced for application procedures, determining priorities between applications, investment terms, parcel cost deductions, as well as title deed transactions.

The Ministry of Science, Industry and Technology published the Regulation Regarding Gratis Parcel Allocation for Organized Industrial Zones ("**Regulation**") in Official Gazette number 30327 on 9 February 2018.

Applicants are expected to meet certain requirements and make commitments to the effect that their investment levels are sufficient to foresee employing at least ten staff.

The minimum number of employees depends on the parcel's size:

The Regulation outlines rules for calculating the costs for allocated parcels, as well as determining deductions. If a Zone receives a credit from the Ministry, the costs of allocated parcels will be deducted from the Zone's credit balance.

Each Zone's board of directors will determine priority between applications, giving consideration to investment amounts, employment numbers, as well as export and hi-tech factors.

The parcel allocation will be terminated without a court decision if:

- The applicant breaches the Organized Industrial Zones Law, the Regulation, or the terms of the allocation agreement, or
- The applicant's investment cannot be completed in the given term.

If a termination occurs, all facilities and structures established on the parcel will be transferred to the Zone without compensation. Neither the applicant nor a third party can submit any claim against the Zone following a termination.

Please see this [link](#) for the full text of the Regulation (only available in Turkish).

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