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Turkey Updates Support Scheme for Trademark and Promotion Activities of Foreign Entities of Turkish Companies

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Turkey has updated the financial support scheme which is available to the foreign entities of Turkish companies. The scheme offers support packages for rental of stores, warehouses, offices, showrooms, product display/exhibition areas, as well as promotion activities undertaken by Turkish companies.

Communique number 2016/3 ("**Communique**") was published in Official Gazette number 29906 on 2 December 2016, entering into effect on the same day.

Significant changes under the Communique include:

- The support percentage has been reduced from 50% to 40% for foreign legal entities established by industrial and commercial companies, as well as companies with an organic link operating abroad.
- 60% of formation expenses for Turkish Trade Centers will now be supported, up to US \$300,000 per center.
- No time extension will be granted to an assignee if a trademark is assigned which is subject to foreign promotion support for home-grown products.
- A four-year time limit per country applies for rental support. The start date for this period will now be taken as the first payment date of the first company in a country.
- Applicants must now provide outstanding documents within three months of being notified, or their application will be deemed as having not been filed.
- Detailed wording about advertisement, promotion and marketing activities has been generalized, referring now to the Implementation Circular Letter of the Communique.
- Updated rental support provisions in the communique will apply to rental expenses arising after 1 January 2017.
- Promotion/advertisement support percentages will increase 10% for expenses arising during 2017.

Please see this link for the full text of the Communique (only available in Turkish).

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