



ATLAS  
BY BNP PARIBAS

CASH MANAGEMENT

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Turkey ranks among the 20 largest economies (\$1.3bn nominal GDP in 2023) and countries (85 million inhabitants) in the world. It is a member of the OECD and the G20. The country has diversified trade relationships with Europe, the Middle East and Asia.

Turkey was the only economy among its peers that grew during the Covid outbreak thanks to strong monetary and fiscal policy support. Turkey's real GDP achieved 7.2% growth on average between 2021-2023. However, inflation jumped to 55% on average between 2021-2023 period. During same period, the central bank's foreign reserves decreased due to high FX demand because of high inflation. Following May 2023 elections, The Central Bank of Turkey (CBRT) hiked the policy rate to 50% and implemented additional policy actions to support Turkish Lira. Accordingly, The CBRT built up its FX reserves in 2023 and 2024. This made Turkish Lira more stronger against external shocks. On the fiscal front, Turkish Treasury took measures to decrease the budget deficit ( 5.2% of GDP as of 2023 mostly due to earthquake expenditures). The current account deficit declined to 4.0% of GDP in 2023 from 5.1% in 2022 thanks to robust tourism and services revenues. The improvement in current account balance continued in 2024.

## Summary

## BNP Paribas presence

Türk Ekonomi Bankası (TEB), a reputable institution in the Turkish banking sector, was established in 1927. Since its establishment, TEB, with its expanded network of branches and a diversified range of products and services, has pursued operating in various fields of the financial sector as investment, leasing, factoring and portfolio management. In 2005, BNP Paribas, one of the strongest banks in the world and currently operating in 65 countries, became a partner of TEB. In the wake of this partnership, TEB carried its expertise in corporate, commercial and private banking over into the fields of retail banking, small business banking and SME banking. To its financial statements dated 30 June 2024, TEB is one of the major players of the Turkish financial services market with asset size of TL 499 billion and approximately 9,000 employees. TEB continues to make an increasingly greater effort in order to provide multidimensional support that will nourish Turkey's economic and also social added-value growth.

## Currency

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- Turkish lira (TRY).

## Exchange rates

	2019	2020	2021	2022	2023
Exchange rate: TRY per USD	5.685	7.033	8.081	16.536	33.220

Source: IMF, International Financial Statistics, July 2021.

## Central Bank

- The Turkish central bank is the Central Bank of the Republic of Turkey ([www.tcmb.gov.tr](http://www.tcmb.gov.tr)).

### Bank supervision

- Turkish banks are supervised by the Banking Regulation and Supervisory Agency (BRSA – [www.bddk.org.tr](http://www.bddk.org.tr))

## Bank accounts

## Resident / non-resident status

- A company is considered resident in Turkey if its legal seat or place of effective management is located in Turkey.

## Bank accounts for resident entities

	Within TURKEY	Outside TURKEY
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Local Currency	Permitted without restriction, fully convertible	Permitted without restriction, fully convertible
Foreign Currency	Permitted without restriction, fully convertible	Permitted without restriction, fully convertible

## Bank accounts for non-resident entities

	Within TURKEY	Outside TURKEY
Local Currency	Permitted without restriction, fully convertible	Permitted without restriction, fully convertible
Foreign Currency	Permitted without restriction, fully convertible	Not applicable

## Lifting fees

- Payments between resident and non-resident bank accounts are subject to regulations. Taxes may apply or additional documentation may be required depending on nature of payment.

## Factoring

## Legal framework

- General Factoring Agreements bear no termination date, however they are subject to 10 years maximum term due to the provisions of Turkish Obligations and Tort Law.
- Factoring transactions should comply with the relevant provisions of Turkish Obligations and Tort Law, which was substantially amended in 2012. Additionally, in 2012 a new “Factoring, Leasing and Consumer Financing Law” has been enacted for the sector for the first time.
- Turkish Factoring companies are strictly following the regulation of MASAK and are fulfilling the requirements in the scope of prevention of laundering proceeds of crime and terrorist financing.

## Product specifics

- **DISCLOSED / UNDISCLOSED**

In export business. Recourse cheque discounting, which is the main domestic factoring facility, is usually undisclosed. Undisclosed and disclosed programmes are also practiced among large corporates.

- **RECOURSE / NON-RECOURSE**

Both recourse and non-recourse programmes are offered. "True sales" is not applicable.

- **STRUCTURED PRODUCTS**

DDS (Direct Debiting System) finance and supplier's finance are offered. Long term factoring facility for the end users in telecom market.

- **EXPORT / IMPORT**

Export business mainly via FCI network. Import factoring is not common. Eximbank covered export facility for countries out of FCI coverage.

- **CONCENTRATION REQUIREMENTS**

Not applied for large corporates. 20% for SME's.

- **MAX. PREPAYMENT %**

100%.

- **CREDIT COVER %**

In international factoring 100%. In domestic factoring no insurance for the time being.

- **USUAL FUNDING PERIOD**

Financing is provided between invoice date and due date.

- **OFF-BALANCE SHEET SOLUTIONS**

Not available.

- **INVOICE TRANSFER**

Not applicable for the moment. E-assignment is a project for the future.

- **ONLINE APPLICATIONS**

The TEB Factoring mobile application and “Easy Apply” page on the website is applicable for domestic business. It is fully digital, starting from application through to automatic pricing.

Users can easily submit their factoring application online using their mobile phone, by scanning the QR code of postdated check, to get pricing offers and monitor their applications. Getting pricing offers and monitoring applications is also possible via the TEB Factoring mobile application.

There is also an online branch, allowing clients to monitor their activities, download documents such as balance statements, or check their limit/risk information.

- **DELAYED DUNNING**

Not applicable for the moment.

- **DATA FACTORING**

Not available.

- **CURRENCIES OF FINANCE**

EUR, GBP, USD, TL.

- **EXPECTED ANNUAL TURNOVER**

No limit is applicable.

- **FOREIGN EXCHANGE (F/X) BASED FINANCING**

Applicable.

## BNP Paribas Cash Management Capabilities

### Collections

Cash collections	✓
Cheque collections	✓
Direct debit collections	✓
Domestic incoming transfers	✓
Virtual IBAN	✓
Virtual accounts	●
International incoming transfers	✓
Card acquiring	✓

### Payments



Cash withdrawals	✓
Cheque payments	✓
Direct debit payments	●
Domestic outgoing transfers	✓
Commercial cards	●
Virtual cards	✓
International outgoing transfers	✓
SWIFT gpi	✓
Real-time international payments through BNP Paribas' network	●
Card issuing	✓

## Channels

Local e-Banking	✓
Global e-Banking - Connexis	✓
SWIFT/ host to host	✓

Payments & collections

## Market overview

Electronic credit transfers are the most common method of payment used by companies to pay suppliers, the government and, increasingly, payroll. Payment cards, predominantly credit cards, are used by consumers to make retail purchases. Other electronic payment methods are available, including the TROY prepaid card and the digital wallet platform, BKM Express.

The Turkish government has declared it wants to become a cashless society by 2023. To encourage the use of electronic payment methods, a number of initiatives have been launched, including the launch of a national QR code, the Turkish QR Code, in August 2020. The use of contactless payments is increasing, with 89.6 million contactless payments made in 2020.

Electronic banking services are available from all banks. There is no national electronic banking system in Turkey, so companies use banks' proprietary services. Transaction and balance reporting and some transaction initiation services are available.

Online and mobile banking services are available. There are approximately 100 million registered online banking users and 170 million registered mobile banking users.

## Payment Systems

EFT	Type	<ul style="list-style-type: none"> <li>Real-time gross settlement.</li> </ul>
	Participants	<ul style="list-style-type: none"> <li>55 direct.</li> </ul>
	Transaction types processed	<ul style="list-style-type: none"> <li>Domestic TRY-denominated electronic credit transfers.</li> <li>Net obligations from other payment systems.</li> </ul>
	Operating hours	<ul style="list-style-type: none"> <li>EFT operates between 08:00 and 17:30 TST Monday to Friday. It closes at 13:00 TST on half working days.</li> </ul>
	Clearing cycle details (e.g.cut-off times)	<ul style="list-style-type: none"> <li>Payments are cleared and settled in real time.</li> <li>Payment instructions are transmitted via TICNET, a telecoms network owned by the Banks Association of Turkey.</li> <li>Cut-off time = 17:30 TST.</li> </ul>
	System holidays	<ul style="list-style-type: none"> <li>EFT is closed on all Turkish bank holidays.</li> <li>2nd half 2021: 15, 20-23* July, 30 August, 29 October.</li> <li>2022: 1 January, 23 April, 1-4*, 19 May, 9-12*, 15* July, 30 August, 29 October.</li> </ul>
RPS	Type	<ul style="list-style-type: none"> <li>Real-time gross settlement.</li> </ul>
	Participants	<ul style="list-style-type: none"> <li>55 direct.</li> </ul>

	Transaction types processed	<ul style="list-style-type: none"> <li>Domestic (retail) TRY-denominated electronic credit transfers.</li> </ul>
	Operating hours	<ul style="list-style-type: none"> <li>RPS operates between 08:30 and 17:30 TST Monday to Friday. It closes at 13:00 on half working days.</li> </ul>
	Clearing cycle details (e.g. cut-off times)	<p>Payments are cleared and settled in real time on a By-Pass first-in-first-out basis.</p> <p>Cut-off time = 17:30 TST.</p>
	System holidays	<ul style="list-style-type: none"> <li>RPS is closed on all Turkish bank holidays.</li> <li>2nd half 2021: 15, 20-23* July, 30 August, 29 October.</li> <li>2022: 1 January, 23 April, 1-4*, 19 May, 9-12*, 15* July, 30 August, 29 October.</li> </ul>
Takasbank Cheque Clearing System	Type	<ul style="list-style-type: none"> <li>Deferred net settlement system.</li> </ul>
	Participants	<ul style="list-style-type: none"> <li>40 direct.</li> </ul>
	Transaction types processed	<ul style="list-style-type: none"> <li>Paper-based payments (cheques and promissory notes) which must be truncated into electronic items before processing.</li> </ul>
	Operating hours	<ul style="list-style-type: none"> <li>24 hours a day, Monday through Friday.</li> </ul>
	Clearing cycle details (e.g. cut-off times)	<ul style="list-style-type: none"> <li>Payments are settled on a next-day basis. Funds are available within four to six days</li> <li>Cheques are MICR-encoded prior to processing.</li> <li>Same-day settlement cut-off time = 06:00 TST.</li> <li>Cut-off time for transmission to the banks of all information received during the previous 24 hours = 09:00 TST.</li> <li>Clearing process = 09:00–16:00 TST.</li> <li>Final settlement takes place via EFT until 12:00 T+1.</li> </ul>
	System holidays	<ul style="list-style-type: none"> <li>The Takasbank Cheque Clearing System is closed on all Turkish bank holidays.</li> <li>Turkey's bank holidays are:</li> <li>2nd half 2021: 15, 20-23* July, 30 August, 29 October.</li> <li>2022: 1 January, 23 April, 1-4*, 19 May, 9-12*, 15* July, 30 August, 29 October.</li> </ul>
BKM	Type	<ul style="list-style-type: none"> <li>Deferred net settlement system.</li> </ul>

	Participants	<ul style="list-style-type: none"> <li>• All card-issuing and ATM/POS operating banks.</li> </ul>
	Transaction types processed	<ul style="list-style-type: none"> <li>• Card payments.</li> </ul>
	Operating hours	<ul style="list-style-type: none"> <li>• 24/7</li> </ul>
	Clearing cycle details (e.g. cut-off times)	<ul style="list-style-type: none"> <li>• Clearing process = 10:00–13:30 TST.</li> <li>• Card payments are processed by the BKM before net balances from members are forwarded to the Central Bank.</li> <li>• Final settlement takes place via EFT until 12:00 T+1.</li> </ul>
	System holidays	<ul style="list-style-type: none"> <li>• The Takasbank Cheque Clearing System is closed on all Turkish bank holidays.</li> <li>• Turkey's bank holidays are:</li> <li>• 2nd half 2021: 15, 20-23* July, 30 August, 29 October.</li> <li>• 2022: 1 January, 23 April, 1-4*, 19 May, 9-12*, 15* July, 30 August, 29 October.</li> </ul> <p>* The date shown may vary by plus or minus one day. These dates are derived by converting from a non-Gregorian calendar (e.g., Muslim or Hindu) to the Gregorian calendar. Some of these dates cannot be determined in advance with absolute accuracy, even by the governing authorities. In the case of Muslim dates in particular, the feast days are determined by the sighting of a new/full moon.</p>

## Credit transfers

- Credit transfers are used by companies to pay salaries and suppliers.
- Credit transfers can be settled in real time via EFT (high-value), or the RPS (low-value).
- Credit transfer facilities are also offered to postal check account holders by the PTT and processed by the PTT.
- In January 2021, the CBRT launched an instant retail payments platform, called the Instant and Continuous Transfer of Funds (FAST) System. FAST is able to process payments in real-time, 24 hours a day, seven days a week.
- Alongside FAST, a new Easy Addressing System allows bank account holders to initiate payments using mobile phone numbers, ID numbers or email addresses as personal identifiers. The system allows users to pay for goods and services through QR codes. FAST has a maximum limit of TRY 100,000.
- Cross-border transfers can be made via SWIFT and settled through correspondent banks abroad.

## Direct debits

- Direct debits are not widely used in Turkey.
- Direct debits are available on an intrabank basis only.

## Cheques

- The cheque is not a common payment instrument. It is primarily used by companies for high-value payments. In 2023, cheque volumes declined 186% to 3.2 trillion.
- Cheques are MICR-encoded and truncated into electronic items before being processed via the Takasbank Cheque Clearing System on a same-day basis. Funds are available within four to six days.
- Promissory notes are popular with small and medium-sized enterprises and can be discounted by commercial banks. They are cleared via the Takasbank Cheque Clearing System.

## Card payments

- Card payments are increasingly popular, especially for retail transactions.
- There were 188 million debit cards and 75.7 million credit cards in circulation at the end of December 2020.
- Visa and MasterCard-branded payment cards are the most widely issued.
- All credit cards issued have EMV chips. Most debit cards issued are magnetic stripe cards.
- Contactless payment cards are available.
- TROY (Turkey's Payment Method) is the country's domestic payment card scheme. TROY-branded debit, credit and prepaid debit cards are available from 18 banks and three e-money institutions.
- Card payments are processed via the Interbank Card Centre (BKM) or via correspondent banking arrangements. There are 35 member banks of BKM and each must also be a member of either Visa or MasterCard.
- The Gosas system clears card transactions on behalf of its ten member banks. The system operates on a deferred net settlement basis on T+2.
- Payment card transactions made on cards issued by non-BKM members or with banks abroad are processed abroad through Visa or MasterCard systems or cleared using correspondent banking relationships.

## ATM/POS

- There were 53,500 ATMs in Turkey at the end of June 2024.
- There were 8.7 million POS terminals in Turkey at the end of June 2024.

- Banks provide their own proprietary ATM networks, although a number of BKM member banks share ATM access.
- The BKM provides a national ATM and POS network for debit cards issued by BKM member banks.
- All ATMs and POS terminals are EMV-compliant.

## Electronic wallet

- Pre-paid cards are available.
- BKM Express is a popular digital wallet platform. It enables users to make online purchases (including purchases using mobile devices). There are currently 20 participant banks.
- Other mobile wallet schemes, such as GPay and Mobilexpress, are available.

## Short term investments

## Market overview

### Interest payable on credit balances

- Interest-bearing accounts are permitted.

### Demand deposits

- Demand deposits are available for various terms. These can be denominated in TRY or major foreign currencies.

### Time deposits

- Time deposits are available in TRY or major foreign currencies with terms of one, three, six or 12 months.

### Certificates of deposit

- Banks issue certificates of deposit with terms up to one year.

### Treasury (government) bills

- The Undersecretariat of Treasury issues Treasury bills with terms of three, six and nine months or one year.
- Investment banks and development banks also offer bank bills, in the form of promissory notes.

### Commercial paper

- Domestic commercial paper is issued by large companies.

### **Money market funds**

- Mutual investment funds are available.

### **Repurchase agreements**

- Repurchase agreements with maturities of one, two and four weeks or three months are available on government securities. Longer terms are sometimes available.

### **Banker's acceptances**

- Banker's acceptances are available in Turkey.

## BNP Paribas Trade Finance Capabilities

### Trade payments

Documentary credits	✓
Documentary collections	✓

### Guarantees

Bank guarantees	✓
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Standby letters of credit	✓
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## Supply chain management

Receivables	✓
Payables	✓
Inventory	●

## Trade channels

Connexis Trade	●
Connexis Supply Chain	●
SWIFTNet Trade for Corporates	●
Connexis Connect	●
Connexis Guarantee	●
SWIFTnet Supply Chain	●

- TEB's Global Trade Solutions (GTS) team is made up of 4 senior trade managers and 1 senior trade advisors based in 3 trade centres across the most industrialised provinces of Turkey (Adana, Bursa, İstanbul, İzmir). TEB is one of the active trade finance banks in Turkey thanks to the bank's expertise in international trade, customised trade finance and risk management solutions for corporations headquartered in, or operating in Turkey, and commitment to operational excellence.

## International trade

## General trade rules

- Turkey has established a customs union with the EU and implements the EU customs code.
- As a member of the Economic Cooperation Organisation (ECO), Turkey is expected to remove trade barriers with members to promote intra-regional trade.
- Turkey has 18 free trade zones.

## Trade agreements

- Turkey-EU Customs Union constitutes major legal basis of Turkey's free trade agreements. Under the Customs Union, Turkey aligns its policies with the EU's Common Commercial Policy.
- Together with the EU Common Customs Tariff, the preferential trade regimes constitute the most important part of the trade policy applied towards third countries.
- Turkey has concluded FTAs with 38 countries, 11 of which were repealed due to the accession of these countries to the EU. Currently, Turkey has 23 FTAs in force; namely, [EFTA, Israel, Macedonia, Bosnia-Herzegovina, Palestine, Tunisia, Morocco, Egypt, Albania, Georgia, Montenegro, Serbia, Chile, Mauritius, South Korea, Malaysia, Moldova, Faroe Islands, Singapore, Kosovo, Venezuela United Kingdom and the UAE.](#)

## Imports / exports

### Foreign Trade Statistics, December 2023

**Exports increased by 0.6%, imports decreased 0.5% respectively in January-December 2023**

**The foreign trade deficit decreased by 37.8% in December 2023**

**The ratio of manufacturing industries products in total exports was 92.9%**

**The main partner for exports was Germany in December 2023**

**The main partner for imports was Russia followed by China**

**Ratio of exports of high-tech products in manufacturing industries was 4.6%**



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