

TURKEY

Capital: Ankara

Population: 75 627 384

GDP 2012: \$794.468 billion

Currency: Turkish Lira (TL)

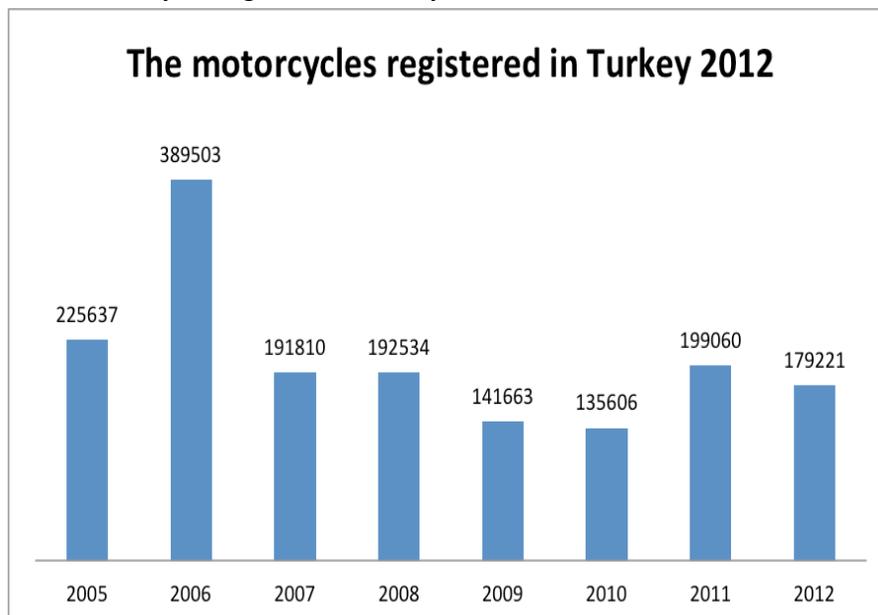
Language: Turkish

Summary

Motorcycling is a relatively new phenomenon in Turkey. The total motorcycles, parts and accessories market was around \$321.1 in 2012. Both high-end and low-end products seem to be in good demand. More than 63% of demand is met by imports. There are a few local manufacturers that produce under the license of foreign brands; however, imports are dominated by Chinese products. U.S. motorcycle imports account for 1.8% of the market and mainly consist of motorcycles with engines exceeding 800 cc.

U.S. suppliers, which currently have a very low market share both in the motorcycles sales and accessories markets, are strongly encouraged to work with a local distributor to both overcome the lengthy procedures for importation of motorcycles, and also get their products known in the local market.

The number of motorcycles registered in Turkey 2012:



Source: MOTED

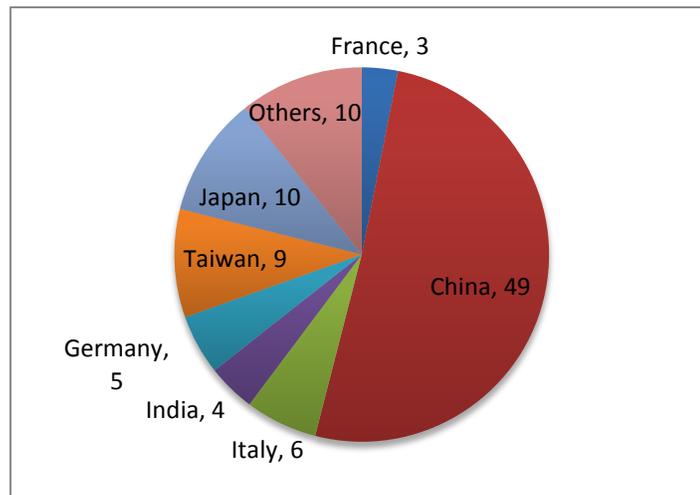
As seen from above table, sales of motorcycles boomed in 2006. The Government of Turkey (GOT) wanted to take advantage of this booming market and that year increased the Special Consumption Tax (OTV) on motorcycle sales from 8% to 22% for engine sizes of less than 250 cc and 37% for engines over 250cc i. However, this tax increase resulted in a dramatic decrease the following year (only 192K units). In 2008, due to the economic crisis, GOT took measures to assist their indigenous industry. They decreased the OTV from 22% to 11% engine sizes below 250 cc and decreased the OTV from 37% to 32% for those above 250 cc. However, while the tax decrease helped the industry to reduce inventory a little, but it wasn't sufficient to increase sales to expected levels as can be clearly seen in the above graph.

Very recently, on February 25, 2013, GOT has decreased OTV to 8%, announcing this move at the Eurasia Moto Bike Expo in Istanbul, where it was very well received. Experts expect a positive impact in the sales volumes. Two major associations of the market, MOTED and MOTODER, had been working hard to decrease the OTV for the last five years.

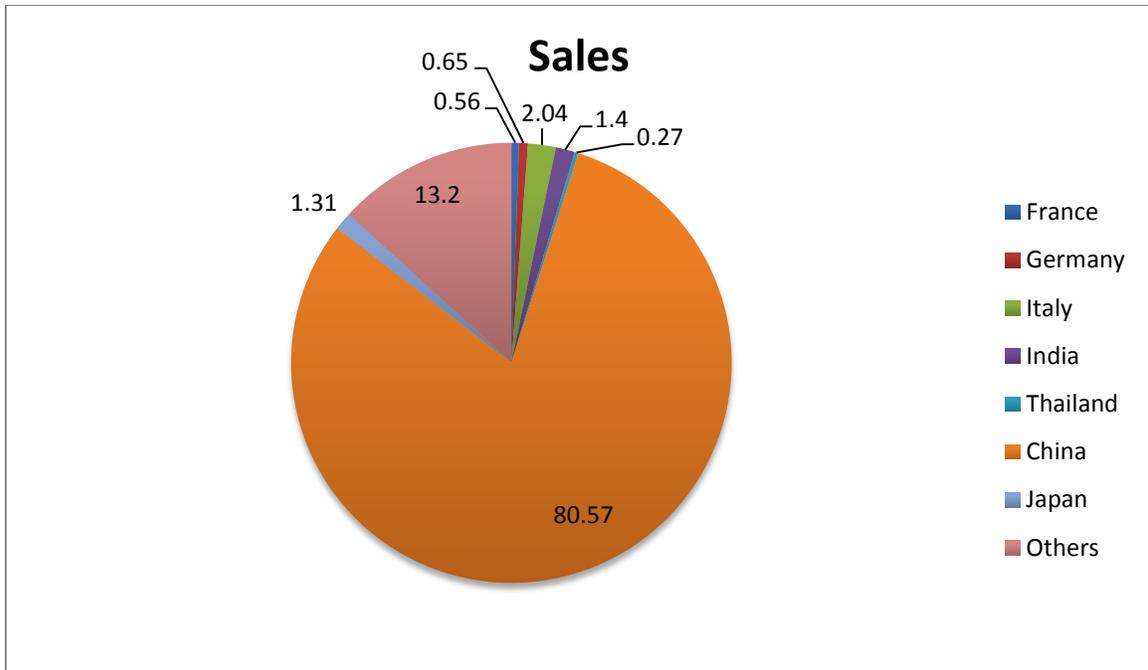
Italy has the highest per capita motorcycle ownership in Europe (181 per 1000 citizens), whereas Turkey is only at 39 per 1000 . Currently, the number of motorcycles in Turkey is 1. 93million.

In 2004, there were 10 internationally known motorcycle brands present in Turkey. The additional imports from China have increased that number to 22. However, these brands are not taking market share away from other internationally known brands, but rather have increased the size of the overall market by supplying cheaper products.

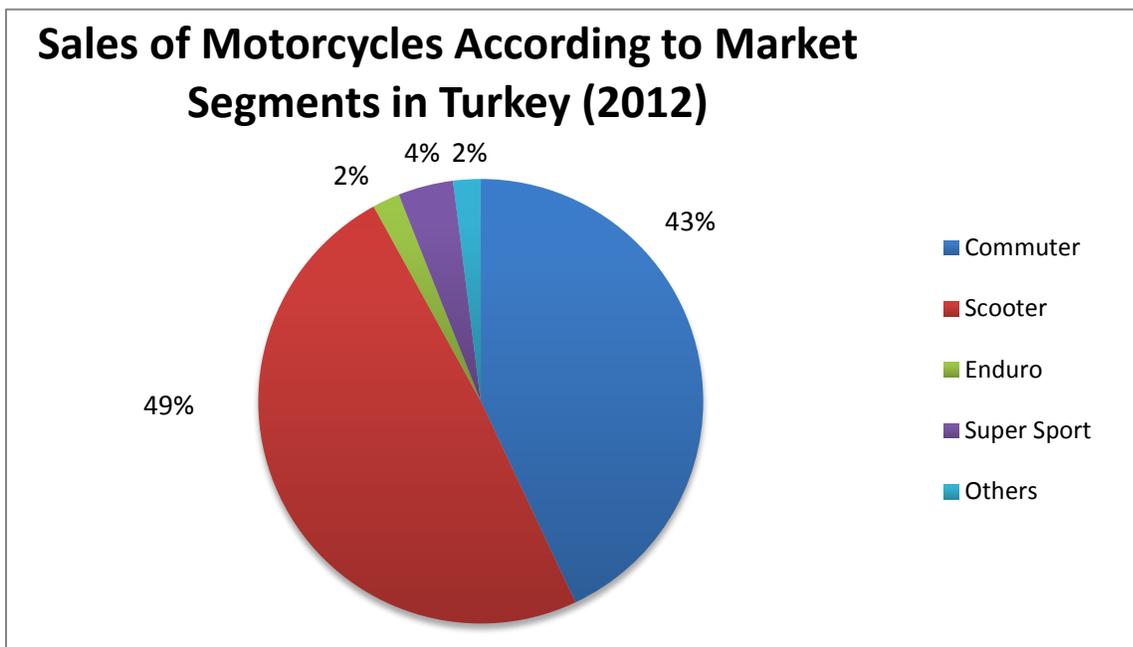
Major suppliers of two-wheeled vehicle according to TUIK figures are broken down in the chart below (2012)



The motorcycle accessory market is broken down by country of origin in the chart below according TUIK (2012):



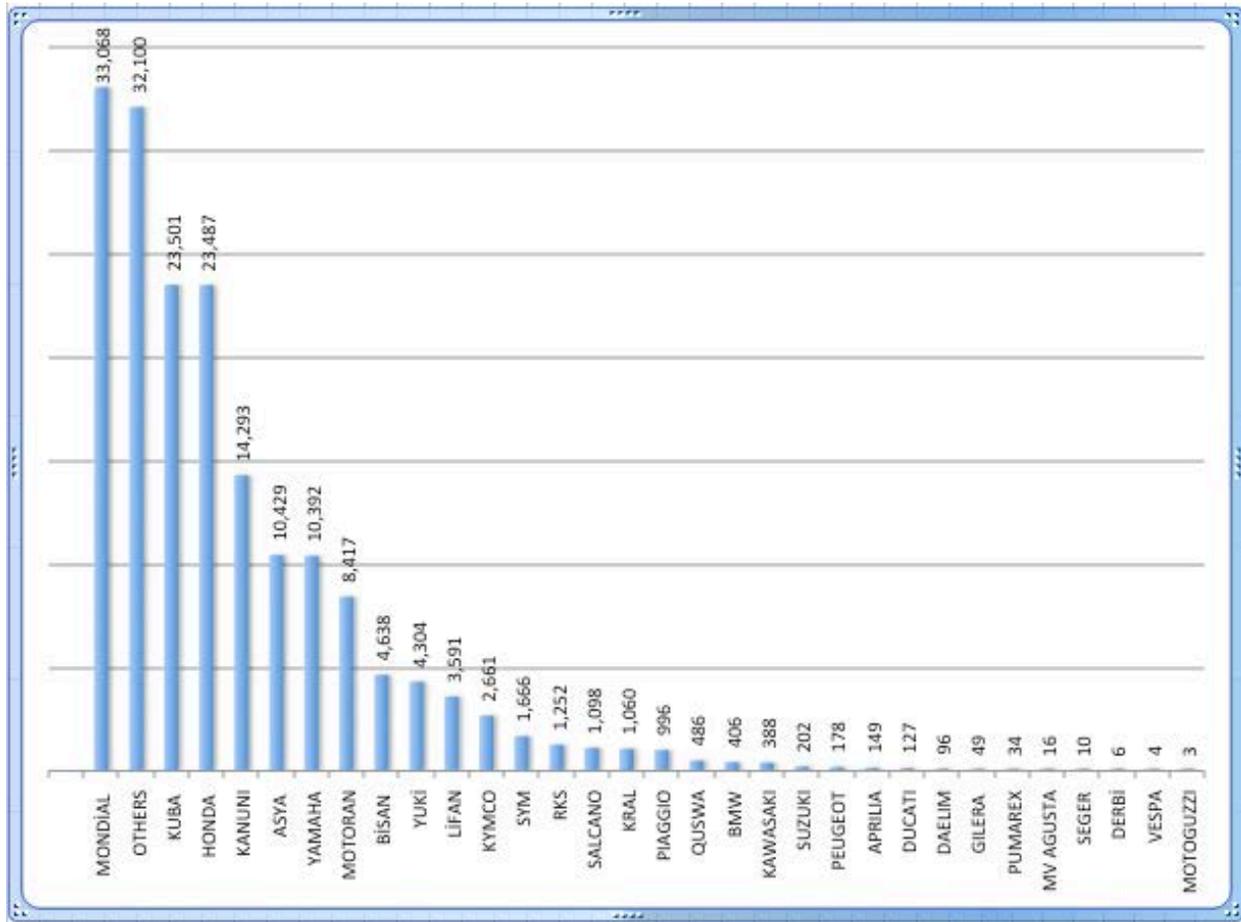
As can be seen from the charts above, China is the primary supplier both for motorcycles (49%), and for motorcycle accessories (80.57%).



As seen from the chart above, cheaper models, like scooters, have the largest market share.

There was an increase of 21% in scooter sales in 2012 compared to 2011. Clearly, scooters were the most preferred with 49% (21,293), followed by commuters, with 43% (25,226) shares.

Different brands sold in the Turkish market and their sales volumes are shown below:



Source: MOTED

According to these results, we see that Mondial retains its leadership in sales, with 33,068. Honda takes the 3rd place. As can be seen in above chart, a large number of brands are sold in the Turkish market, however, apart from some brands like Asya Motor, Kanuni, Kuba, Motoran, rest aren't very popular.

The total number of motorcycles sold in 2012 was 179,221.

Best Prospects

- High end motorcycles – above 800 cc
- Low-end motorcycles or scooters for commercial use (deliveries). 42% of all imported motorcycles have engine sizes below 250 cc. Motorcycles between 500 and 800 cc were %7.9 and motorcycles with engines larger than 800 cc were 16.6% of the total imports.

Trade Events

Eurasia Moto Bike Expo 2014

Istanbul, Turkey

February 27-March 2, 2014

www.motoplus.org

Resources & Key Contacts

Associations:

MOTED - Motorsiklet Endustrisi Dernegi (Motorcycle Industry Association)

Web: <http://www.moted.net>

Türkiye Motosiklet Federasyonu (Turkish Motorcycles Federation)

Web: <http://www.tmf.org.tr>

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