

## **The Brief Document On Establishing Farmsteads By Foreign Citizens**

Significant studies and activities have been carried out, serious funds transfer has been provided and legal regulations have been implemented in our country for promoting investments and preparing appropriate conditions for investors. In accordance with the "Foreign Direct Investment Law" which has been published in the Official Gazette in 5 June 2003, the foreign investors are liable to the equal treatment and procedure with the domestic investors.

The investments made in the field of agriculture are promoted by the incentive and support programs implemented by the Ministry of Food, Agriculture and Livestock, the credits with interest discount provided by Ziraat Bank and the Cooperative Agricultural and Credit Associations and the "Investment Incentive System" implemented by the Ministry of Finance and the foreign investors can take advantage from these mechanisms if they provide necessary conditions.

The real entities should have a Citizenship Number of the Republic of Turkey and the corporate entities should have a tax registration number in order to benefit from these supports and incentives.

**Firstly, some main questions about establishing farmsteads by foreign entrepreneurs are answered:**

**1- Does the related foreign investor need a working permit for establishing a farmstead?**

Yes, the foreign investor needs a working permit. In order to work, the foreign investors should get a Citizenship Number of the Republic of Turkey, beginning with "9" from the Ministry of Internal Affairs.

**2- Is it possible for foreign investors to get "a firm registration certificate" without any working permit or establishing a company?**

It is not possible for foreign investors to get "a firm registration certificate" without any working permit (without getting a Citizenship Number of the Republic of Turkey) or establishing a company.

**3- Can foreign citizens perform individual farming activities? Is it mandatory to establish a company?**

They can perform individual farming activities and it is not mandatory for them to establish any company. However, as it is mentioned above, the foreign citizen should get a working permit by getting a Citizenship Number of the Republic of Turkey and have a firm registration certificate.

**4- If, the foreign citizen is an individual farmer, can he and/or she get registered in the FRS (Farmer Registration System)?**

Yes. The foreign citizen can get registered in the Farmer Registration System after getting a Citizenship Number of the Republic of Turkey.

**5- If, the foreign citizen establishes a company, can his and/or her company get registered in the Farmer Registration System (FRS)?**

Yes. The firm can get registered in the Farmer Registration System with a valid tax registration number of the firm.

**6- Is it necessary to get any license from the Municipality or the related Ministry for the farmstead to be established? If, yes, what are the license requiring situations?**

It is necessary to get the land usage permit from the Municipality which will be submitted to the District Directorate of Agriculture for proving that the land to be used belongs to the foreign citizen or leased by him and/or her. In addition to this, other supporting documents such as the land registry certificate and/or leasing agreement and other documents of proof can be requested. Furthermore, if the business to be established within the municipal adjacent area, it should be licensed by the related municipality. The rest of the required details are shared in the following of this text.

**7- What are the main steps to be followed by the foreign citizens for establishing farmsteads?**

- The foreign investor can purchase or lease a farmland for the farmstead to be established by him and/or her; however he and/or she should previously get information about the farmland to be purchased and/or leased by him and/or her from the Provincial Directorate of Food, Agriculture and Livestock. Then, if the foreign citizen purchases the farmland, he and/or she should apply to the Provincial Directorate of Agriculture with the investment statement and project within 2 years upon purchase. In addition, the foreign citizen should submit of a letter of guarantee about the activity to be performed by him and/or her to the land registry directorate and the provincial directorate of agriculture. In this phase, it will be registered that the farmland is purchased by a foreign citizen.
- It is necessary for the foreign citizen to get a Citizenship Number of the Republic of Turkey beginning with "9" from the Ministry of Internal Affairs (the General Directorate of Population and Citizenship Affairs). The Citizenship Number of the Republic of Turkey is mandatory for getting a working permit.
- Then, the foreign investor applies to the district directorate of agriculture with the Land Registry Certificate and/or Leasing Agreement and the land use letter issued by the related municipality (or an electricity and/or water invoice).
- If, the foreign citizen establishes a firm, he and/or she gets a registration number from the Ministry of Finance and then makes an application to the district directorate of agriculture with the papers mentioned in the 3rd clause.
- The district directorate of agriculture makes the registration of the entrepreneur in the system. (there is a fee about 50 TRY)
- Then, the foreign citizen gets "the firm registration certificate" and begins its activities.

- ❖ While, an investor who wants to carry out commercial animal husbandry establishes his and/or her business, he and/or she must get it registered and licensed, because in accordance with current regulations, the livestock activities are considered within the scope of "non-sanitary enterprises class".
  
- ❖ If, the business is:
  - out of the municipal adjacent areas, it should be registered and licensed by the Provincial Special Administrations;
  - within the municipal adjacent areas, it should be registered and licensed by the related Municipalities,
  - and within an Organized Industrial District, it should be registered and licensed by the corporate entities of the related Organized Industrial District. As the papers requested vary based on the location where the business is located, roughly the following papers are requested:
    1. the Application form,
    2. If, the applicant is a real entity, the identity card and/or if the applicant is a corporate entity, the commercial registry gazette, the list of authorized signatories, the chamber registration certificate, the land registry certificate if the entity is the owner and/or the leasing contract, if the entity is a tenant,
    3. The certified location plan indicating the location where the business will be established and the health protection strip is marked,
    4. The project and descriptive reports prepared in accordance with the qualities and quantities of the pollutants related with the precautions to be taken in order to prevent environmental pollution,
    5. The source of water where the fresh water and utility water are supplied where there is not any city water supply as well as the bacteriological and chemical analysis reports of the water, if the water supply is well water, the water use certificate to be issued by the State Hydraulic Works and the letter from the Provincial Directorate of Health related with the usage purpose of the water,
    6. The EIA approval certificate or EIA not required certificate or out of the scope of EIA (to be issued by the Provincial Directorate of Environment),
    7. The report to be issued by the fire station indicating that the precautions required for fires and explosions are taken,

8. The managing director contract (only for 1st Class facilities)
9. The application letter for the environmental permit (if the business is subjected to an environmental permit, the environmental permit will be obtained after the business begins its activities and the environmental permit certificate will be submitted to the administration),
10. The Passageway Permit Certificate,
11. The operation license (to be issued by the Social Security Agency if there are more than 50 employees),
12. The occupancy permit (this permit is issued by the Municipalities or the Department Directorates of Zoning and Reconstruction of the Special Provincial Directorates of Administration),
13. Physician agreement (for the businesses employing more than 50 employees),
14. Local Zoning Plan,
15. Cost per square meter and application,
16. The occupational health and safety commitment letter,

In addition to these, the main issues to be taken into consideration by a foreign investor desiring to carry out animal husbandry are compiled in the document titled as "the Cattle Raising" which has been prepared by the General Directorate of Livestock of the Ministry of Food, Agriculture and Livestock. It will be useful for the foreign investor to examine the aforementioned document provided in the following link.

<http://www.tarim.gov.tr/HAYGEM/Belgeler/Hayvanc%C4%B1l%C4%B1k/B%C3%BCy%C3%BCkba%C5%9F%20Hayvanc%C4%B1l%C4%B1k/2017%20Y%C4%B1l/B%C3%BCy%C3%BCkba%C5%9F%20Hayvan%20Yeti%C5%9Ftiricili%C4%9Fi.pdf>

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