



SME Finance in Türkiye and KOSGEB Support Model

Workshop on

**“Designing Implementation Strategies for
Innovative SME Financing Support Mechanisms”**

16-17 September 2026

Ankara, Türkiye

This Project is funded under the 13th Call for Project Proposals of COMCEC Project Funding



SME Finance Framework in Türkiye

Who Turkish SMEs are, their weight in the economy, the public institutions involved, and how financing has grown 2018–2025.

The KOSGEB Support Model

What KOSGEB is, how it is funded, its instruments, and how it works with banks and credit guarantee institutions.

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MICRO

Employees
< **10 employees**

Net Sales / Balance Sheet
≤ **TRY 10 Million**

SMALL

Employees
< **50 employees**

Net Sales / Balance Sheet
≤ **TRY 100 Million**

MEDIUM

Employees
< **250 employees**

Net Sales / Balance Sheet
≤ **TRY 1 Billion**

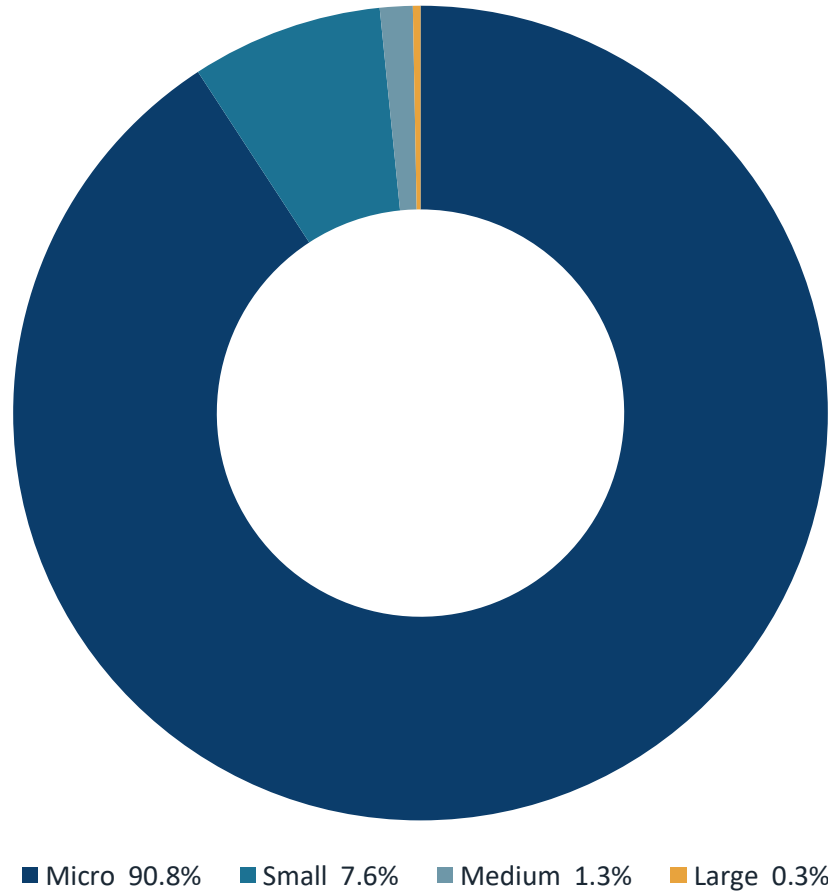
3.9 Million SMEs in Türkiye — **99.6%** of all registered enterprises (TÜİK, 2024). KOSGEB's own database covers 1.77 million of them.

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COMCEC

Share of Enterprises by Scale



SME Contribution to the Economy (TÜİK, 2024)

68.5%
of Employment

44.1%
of Turnover

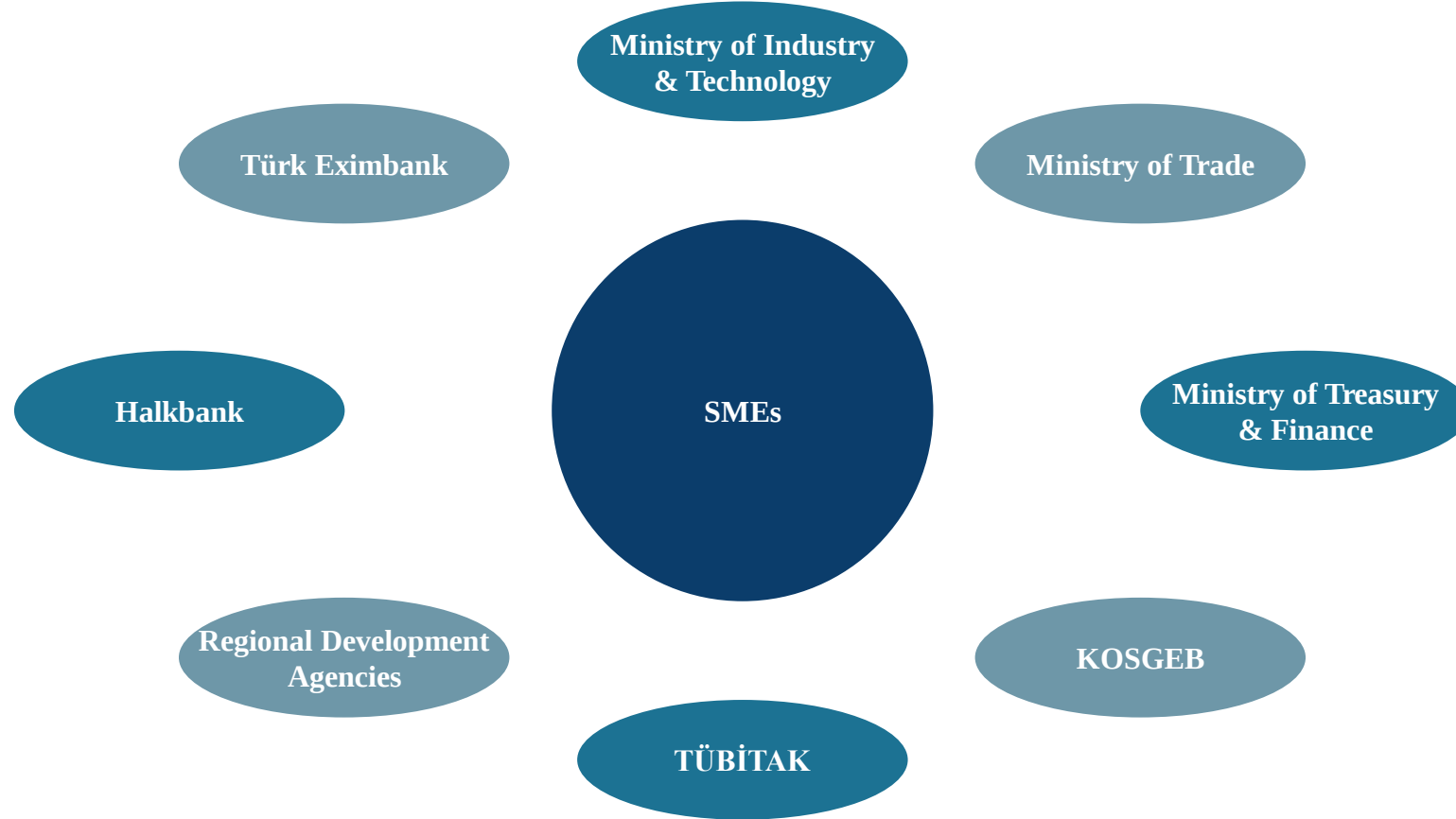
28.8%
of R&D Spending

43.5%
of Personnel Cost

29.6%
of Exports

15.9%
of Imports

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01

Grants

Entrepreneurship, R&D and innovation projects, export promotion, green and digital transition projects

02

Tax & Social Security Incentives

R&D and innovation, large investments, venture capital / private equity investments

03

Soft Loans & Credit Guarantees

Entrepreneurship, green and digital transition, capacity building, strategic investments

04

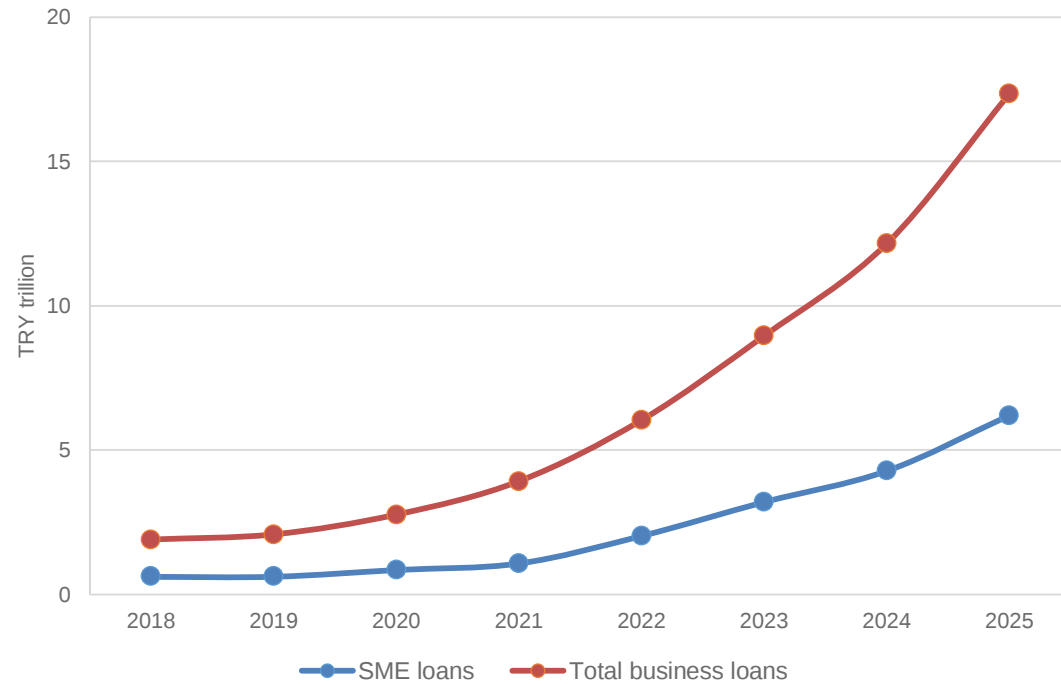
GVCs, Fund of Funds, Accelerators

Support for start-ups and scale-ups entering global value chains

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Business loans

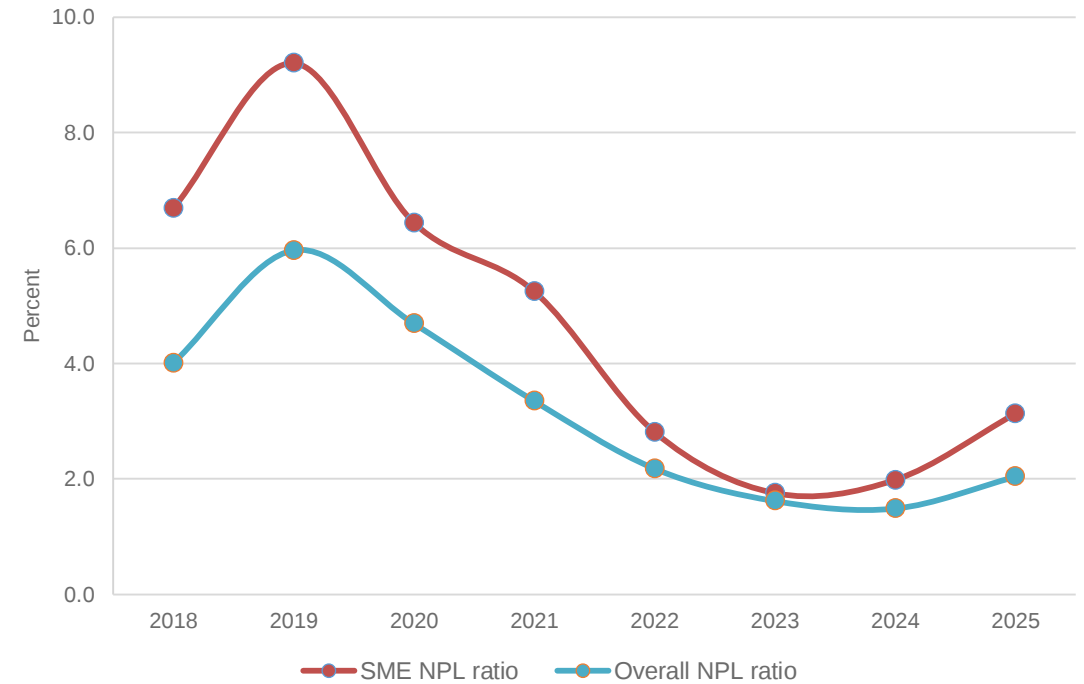


2025

SME loans reached TRY 6.2tn and represented 35.7% of total business loans.



Non-performing loan ratios



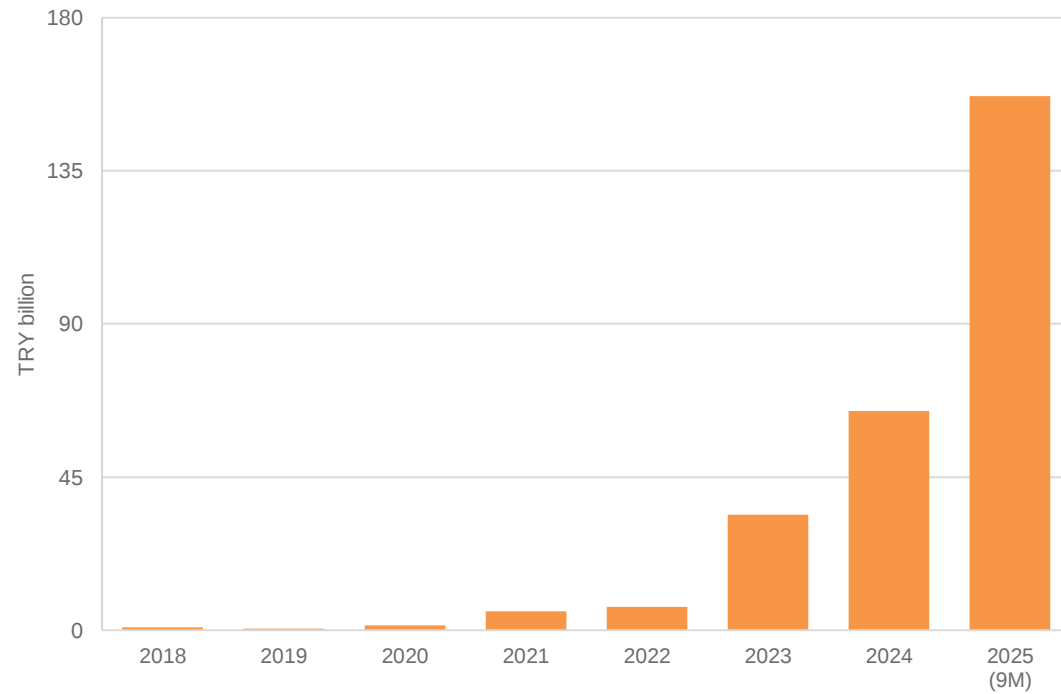
2025

The SME NPL ratio rose to 3.13%, compared with 2.04% for total loans.





Venture and growth capital

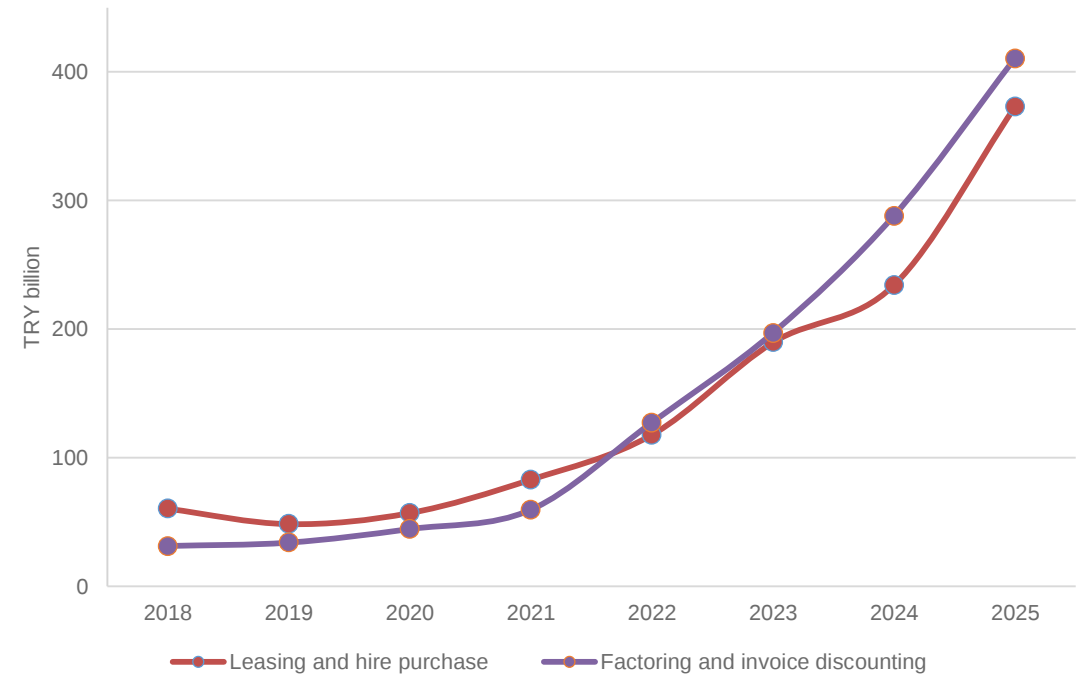


2025, first nine months

Venture and growth capital investment reached TRY 156.8bn.



Leasing and factoring



2025

Leasing reached TRY 372.7bn; factoring reached TRY 410.3bn.





KOSGEB Mandate

- Increase the share and efficiency of SMEs in the economy
- Increase the competitiveness of SMEs
- Realize industrial integration in line with economic developments

81
Provinces

83
Directorates

107
Representative
Offices

39 Technology
Development
Centers (TEKMER)

~2,000
Personnel

1.77 M
SMEs in KOSGEB
Database



Entrepreneurship

Developing entrepreneurship and the entrepreneurial ecosystem

Growth & Capacity Building

Scaling up and capacity building of businesses

Global Competitiveness

Raising technology levels, commercializing innovation, integrating into global supply chains

KOSGEB Strategy

Twin Transformation

Climate change, green growth, resource efficiency, circular economy and digitalization

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Turkish Government Budget

~USD 200 M

SOURCE

Central government budget

CHANNELS

Credit Guarantee Institutions (KGF, KFK, İGE), public & private banks, venture capitalists

USES

Entrepreneurship, capacity building, global competitiveness, scale-up, access to finance

IFIs, IDAs & the EU

~USD 500 M

PARTNERS

EBRD, World Bank, JICA, KfW, EU FRIT

INSTRUMENTS

Grants, development loans, disaster relief funds

USES

Disaster relief, green transformation, digital transformation, women's entrepreneurship



Program	Type	Key Terms
Entrepreneurship	Reimbursable/VC funds	TL 1.5M to new enterprises, zero interest, 6-mo grace + 4 installments in 1yr/ 5 Venture Capital Fund to fund start-up
Green Industry	Reimbursable	World Bank credit (USD 250M); circular economy & solar projects; zero interest, 1yr grace + 6 installments/2yrs
Digital Transformation/AI	Interest Rate Subsidy/Reimbursable	EBRD credit line to banks (EUR 150M); KOSGEB covers 20 pts of interest; TL 20M in 36 months / TL 5M, 24 months
Capacity Building - Competitiveness / R&D Innovation	Interest Rate Subsidy/ Grant/ Reimbursable	Banks disburse, KOSGEB covers 20 pts of interest; TL 75M in 36 months / TL 10M to commercialize R&D and innovation outputs; 1yr grace + 6 installments in 2yrs
Ecosystem Development	Grant / Reimbursable	TL 100 M to incubators/ TL 5 yearly to sectoral development centers (ex. modal factories)

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TRY 284.4 Bn
in support provided to 1.4
million SMEs to date

85,000
women entrepreneurs
launched businesses with
KOSGEB support

TRY 48 Bn
in entrepreneurship
support to 189,000
businesses

2 Million
entrepreneur candidates
trained

320,000
business visits carried out

TRY 14.9 Bn
2026 budget (as of 31 July
2026)

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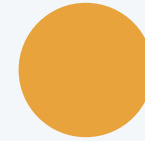
KOSGEB

Application intake, technical evaluation,
monitoring, and interest subsidy



Banks

Financial evaluation and disbursement of
the credit line



Credit Guarantee Funds

Provide collateral (KGF, KFK, İGE)

KOSGEB's Wider Institutional Data Network

**Ministry of Industry
& Technology**

Ministry of Trade

**Ministry of National
Education**

**Revenue
Administration**

**Social Security
Institution**

TOBB & TESK

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01. KOSGEB

Program Sponsor & Coordinator

- Allocates interest support budget.
- Conducts technical & strategic evaluation of applicant projects.
- Coordinates communication with banks and KGF.

02. PARTNER BANKS

Financial Creditors & Assessors

- Provides loan capital from bank resources.
- Executes traditional financial and creditworthiness checks.
- Manages repayment schedule and credit risk collection.

03. KGF (Credit Guarantee Fund)

SME Guarantor / Collateral Provider

- Extends bail/guarantees for collateral-constrained SMEs.
- Minimizes structural collateral barriers.
- Allows eligible SMEs to access the credit ecosystem.

04. SMEs (Beneficiaries)

Primary Applicants & Drivers

- Submit structured business plans or financial applications.
- Deploy credit capital to drive employment & production.
- Deliver final progress reports to KOSGEB.



1

SME Application

APPLICANT: SME

The SME submits an application with an eligible project plan through KOSGEB's digital portal.

2

Initial Evaluation

**EVALUATOR:
KOSGEB**

KOSGEB reviews basic eligibility. Rejections or incomplete files go back to Step 1 for revisions.

3

Joint Screening

**KOSGEB &
PARTNER BANKS**

Simultaneous checks: KOSGEB assesses strategic feasibility; Banks perform moral & risk profiling.

4

Board Review

**DECISION-
MAKER: BOARD**

The joint Board convenes to evaluate the combined findings of the feasibility and bank risk reports.

5

Final Decision

**DECISION-
MAKER: BANK**

Final financing approval. Approved credit is disbursed to the SME; denied requests are recycled.

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Thank You

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