

Energy Market in Türkiye

2026



PRESIDENCY OF
THE REPUBLIC OF TÜRKİYE
**INVESTMENT &
FINANCE OFFICE**

**INVEST IN
TÜRKİYE**

**20 YEARS
OF EXCELLENCE**



Energy Sector Outlook

Growing Economy Leads Growing Energy Market

86m

Population: 86,000,000
1st in Europe

12th

12th biggest economy
GDP-PPP \$ 3.5 (trillion)



Strategic location between
Europe and Asia

6th

6th largest electricity market
in Europe with
more than 122 GW (2025)

3rd

3rd biggest electricity consumer
in Europe



Türkiye's first Nuclear
Power Plant (4,800 MW)

3rd

Europe's 3rd
largest natural gas market

6th

6th in Europe in solar
energy capacity

1st

1st Europe's Fastest-Growing
BEV Market in 2025

6th

6th in Europe in wind
energy capacity

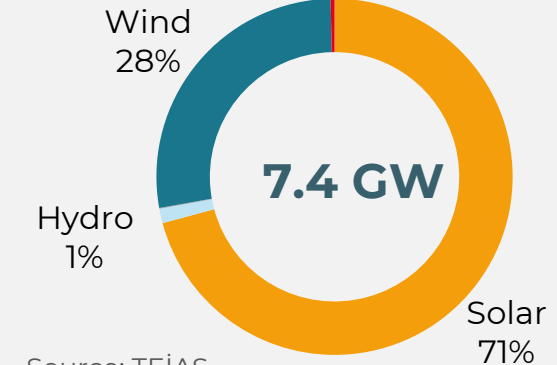


Production In New
Natural Gas And Oil Fields

4th

4th in the world in geothermal
energy capacity

Renewable Capacity Additions (2025)



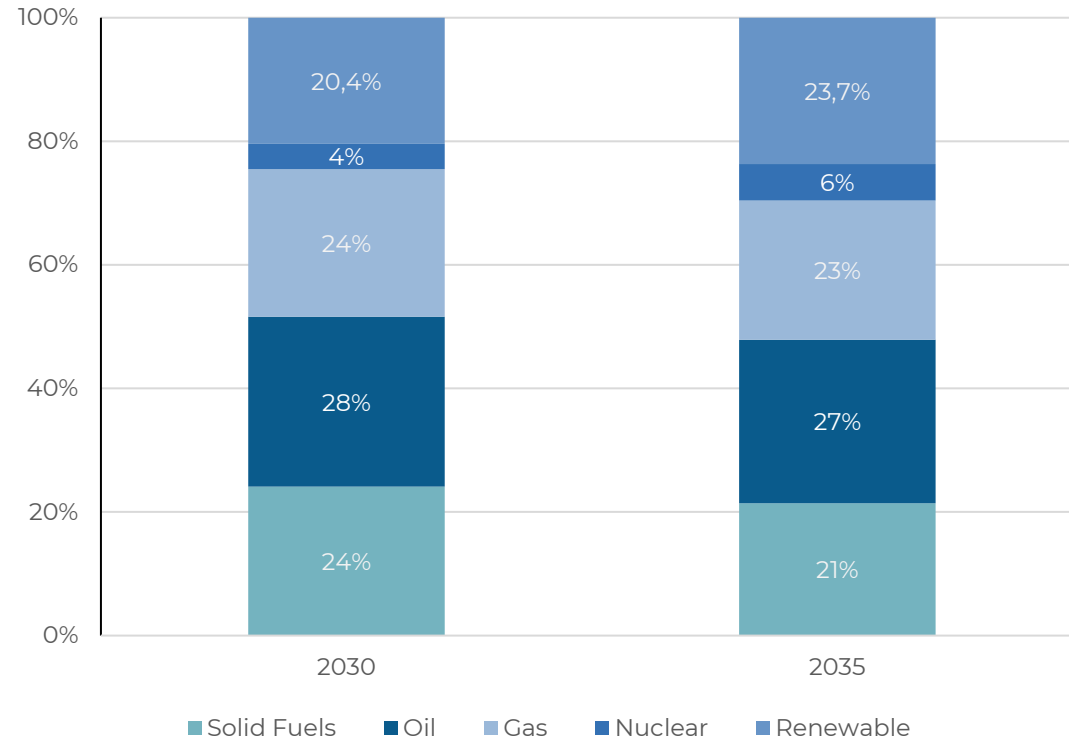
Source: TEİAŞ



Energy Sector Outlook

Increasing Share of Renewable Technologies

Primary Energy Consumption Scenario by Source



- Increasing share of nuclear and renewables
- Decreasing share of fossil fuel consumption

Final Energy Consumption by Sector (2035)

38.8%
Industry

26.4%
Transport

20.7%
Residential

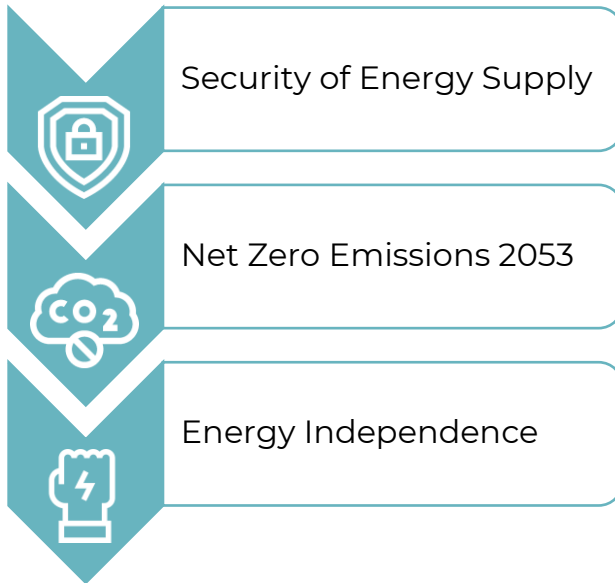
14.1%
Service



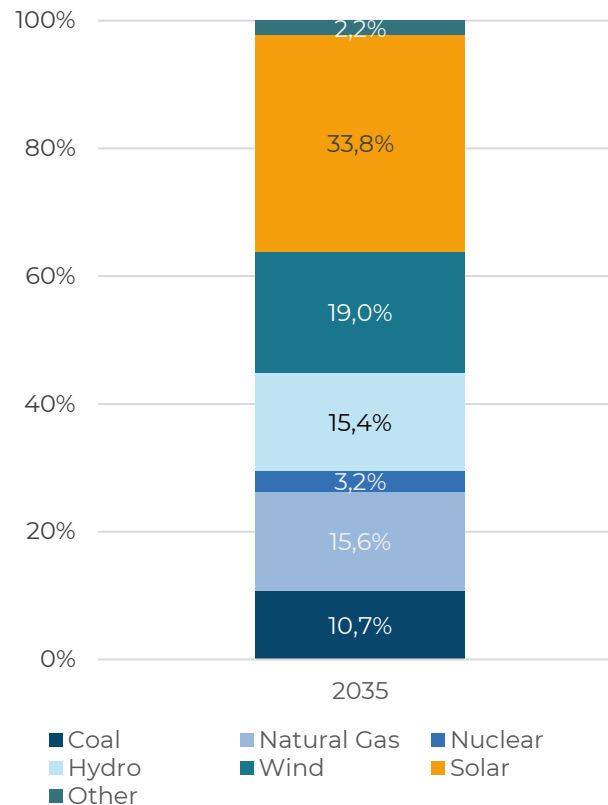
Policies And Targets

Ambitious Target to Become a Net Zero Economy

Main Energy Policies



Capacity Shares by Source (2035)



2035 Targets

- 120 GW Wind + Solar Capacity
- 55% Renewable Generation Share
- 200B USD investment on clean energy transition
- 80B USD investment on transmission line



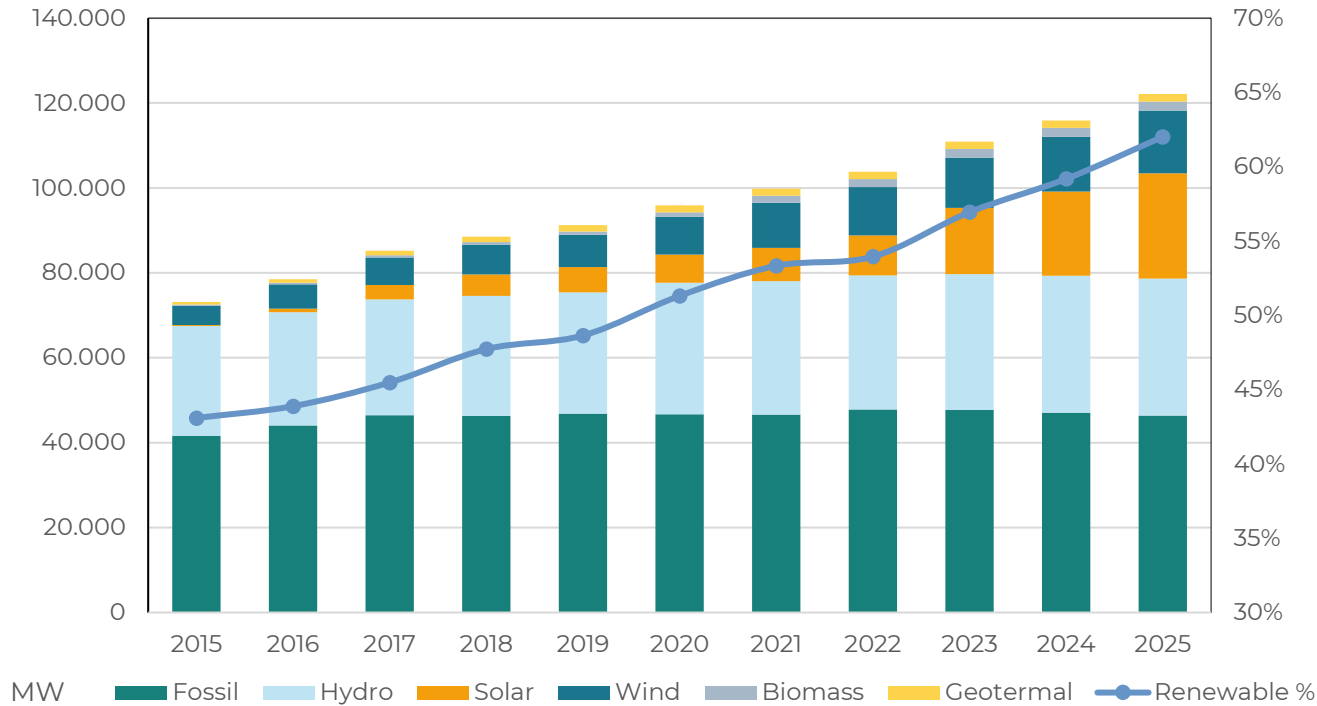
Electricity Market



Installed Capacity

Share of Renewables Has Reached 62%

Installed Capacity by Source (MW)



Türkiye stands out with its highly balanced and resilient electricity capacity mix

Renewable energy share in installed capacity shows consistent growth

Installed Capacities by Source (2025)

Geothermal Capacity : 1.8 GW
Wind Capacity : 14.8 GW
Solar Capacity : 25.6 GW
Hydro Capacity : 32.3 GW

Coal Capacity : 21.9 GW
Natural Gas Capacity : 24.0 GW



Key Institutions

Different Institutions Provide a Stable Market

MENR

Strategy and Policy Maker

The Ministry of Energy and Natural Resources is the main governmental body responsible for carrying out energy policies.

EMRA

Independent Regulator

The Energy Market Regulatory Authority is responsible for regulating and supervising the electricity, natural gas, and oil markets.

TEIAS

Transmission Operator

The Turkish Electricity Transmission Company is the state-owned monopoly that owns and operates electricity transmission market in the country.

EUAS

Public Generation

The Electricity Generation Company owns and operates the state-owned power plants and following July 2018 also took over the wholesale trading responsibilities of TETAŞ (former state-owned wholesale electricity company).

EXIST

Market Operator

The Istanbul Energy Exchange is the market operator responsible for operating the day-ahead, intra-day and balancing markets in the country, and has managed the eligible consumers in the spot markets since 18 March 2015.

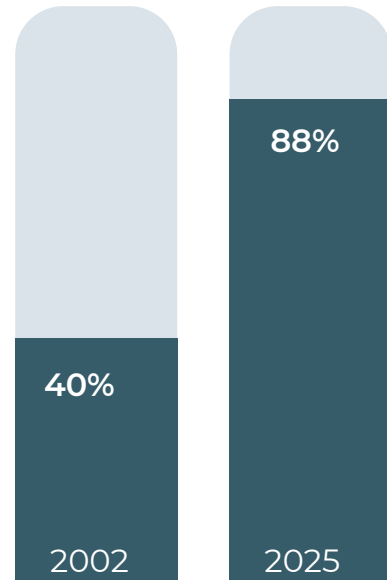


Market Structure

Liberal Market Since 2001

Generation

1,824 power plants



Private Sector Share
in Electricity Generation

Transmission

State-owned monopoly
TEIAS runs balancing
market and ancillary
services.

Wholesale

Spot market operated by
EXIST since 2015. OTC
market is run through
brokers.

Distribution

21 distribution regions have
been operated by private
entities since 2013.

Retail

Regulated market for
about 51,9 M consumers.
Eligible consumer limit
is 500 kWh.

Transmission Line Length
76,777 km

Distribution Line Length
1.4 million km

1,400 km
High Voltage Direct Current (HVDC) Transmission Line
by 2028

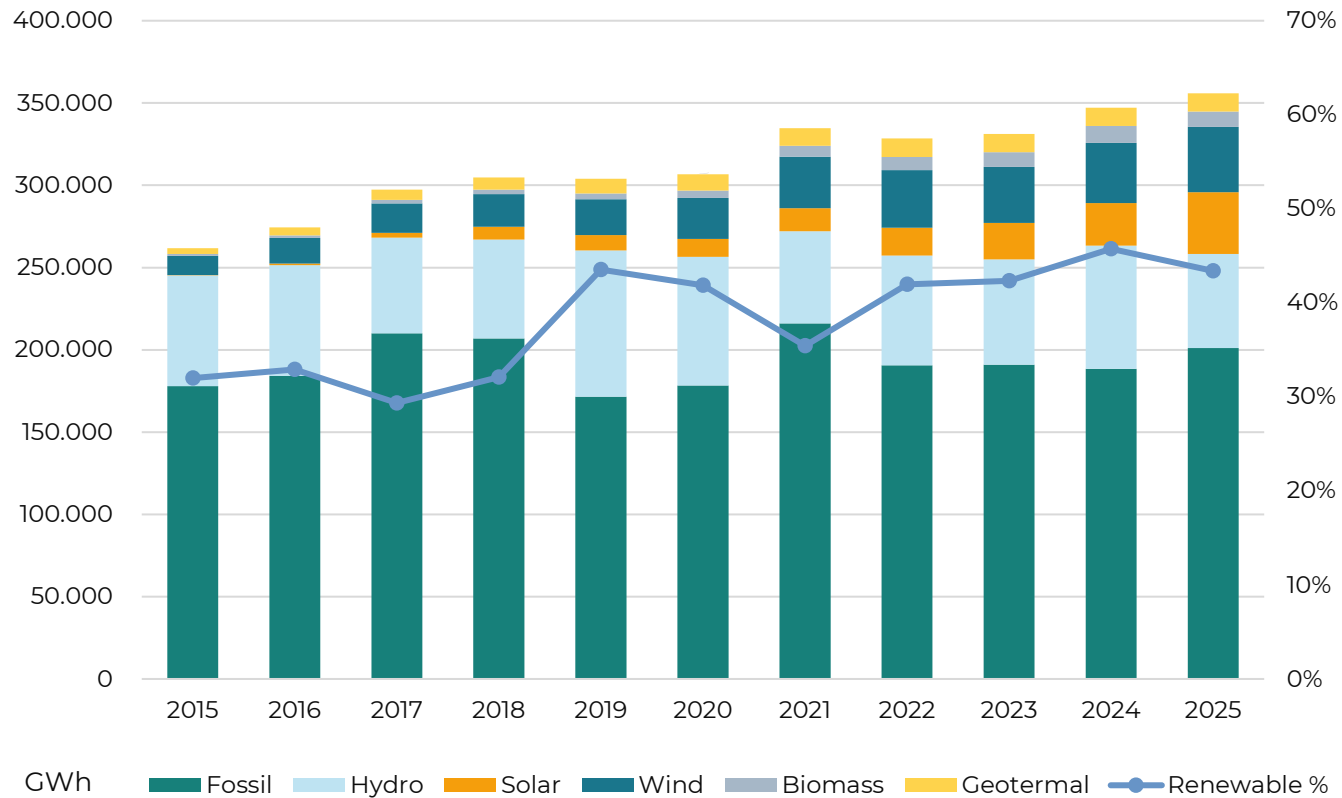




Generation

A Mixed Electricity Generation

Electricity Generation by Source



- Coal: One-third of electricity generation
- Hydroelectric: Decreased due to drought
- Renewable: Increasing share

Electricity Generation in 2025

Total Generation **356 TWh**

Renewable Generation Share **43.4%**

Wind Generation Share **11.1%**

Solar Generation Share **10.5%**

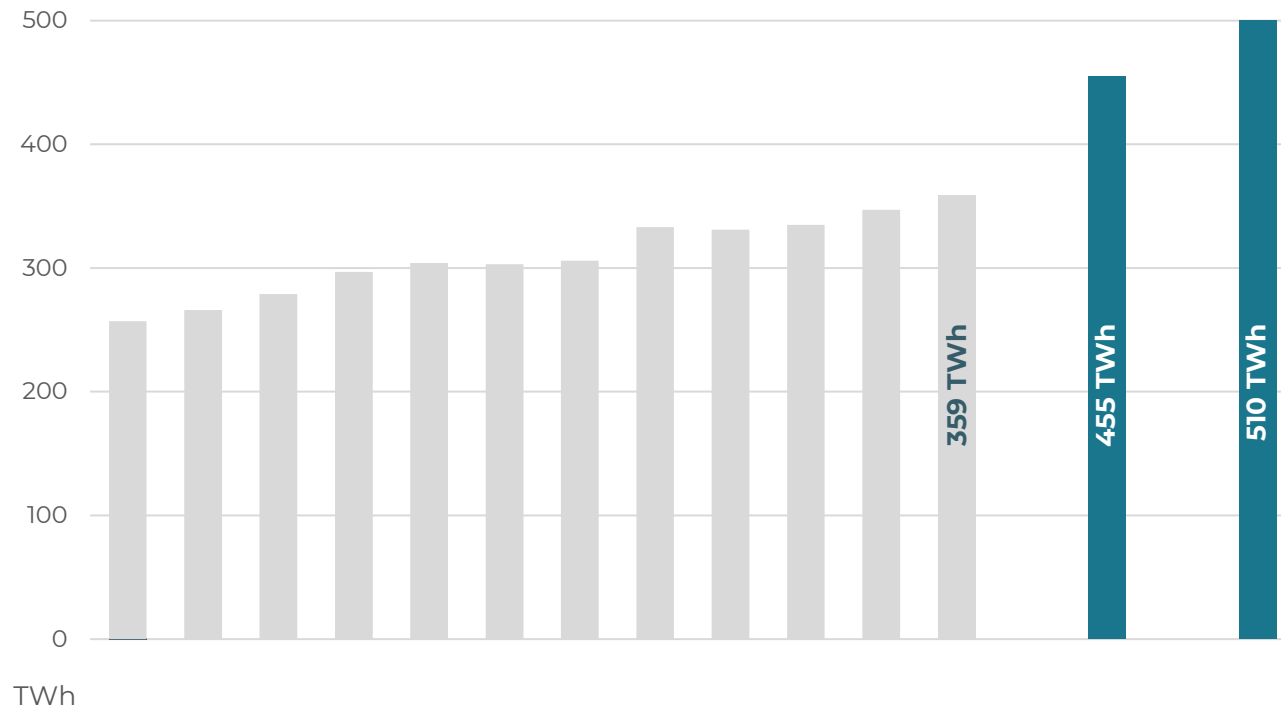
Generation Share **3.1%**



Electricity Demand

Industrial Expansion Leads Strong Demand Increase

Electricity Demand and Projections



- Electricity demand keeps increasing
- 3rd biggest electricity consumer in Europe
- ~**30% of the growth** in total electricity demand in Europe in 2025 came from Türkiye.

Number of Consumers

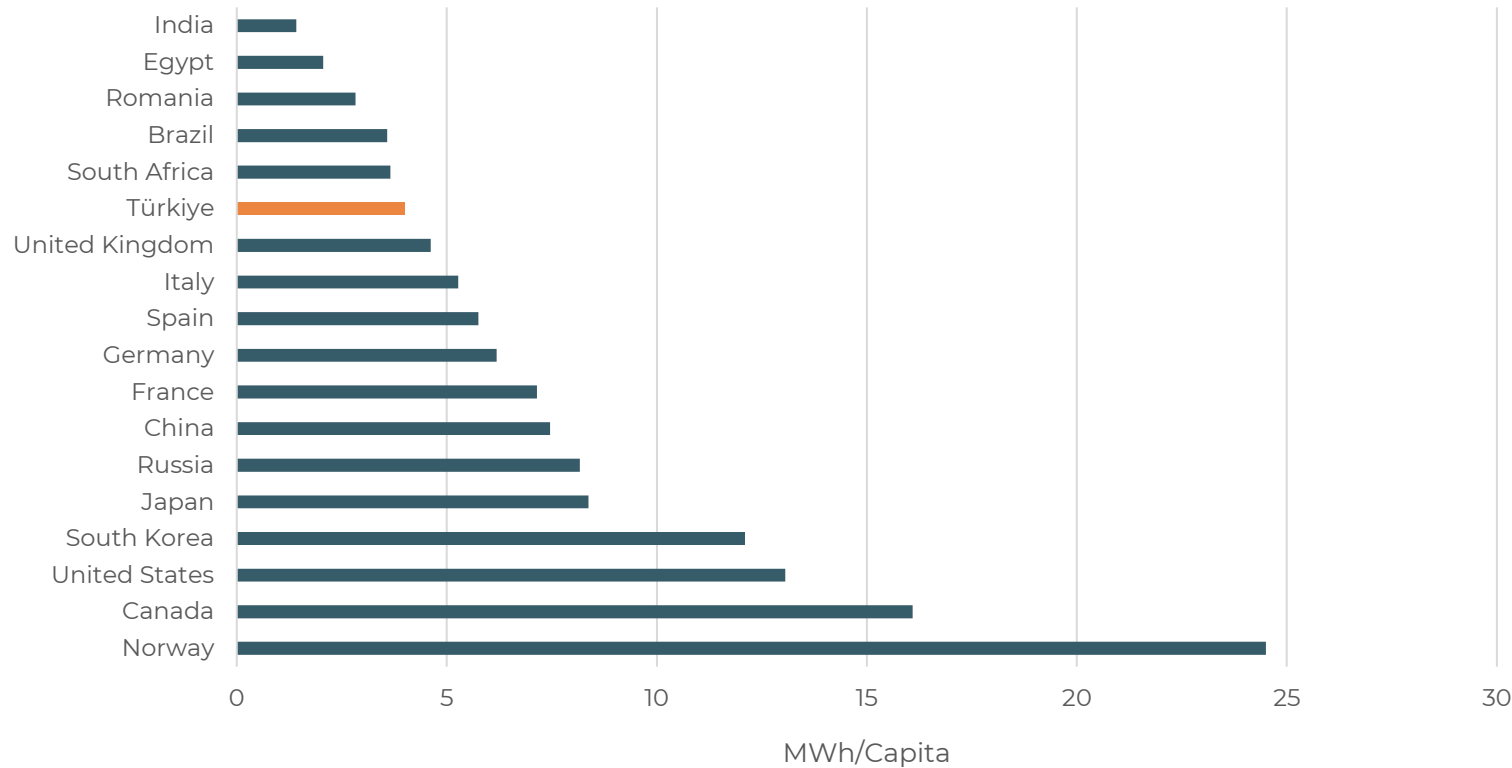
2022	→	48,563,259
2023	→	49,726,481
2024	→	50,693,630
2025	→	51,916,422



Energy Consumption

Room for Consumption Increase

Electricity Consumption MWh/Per Capita (2025)



Per capita electricity consumption is expected to increase with more;

Electrification

Industrial production

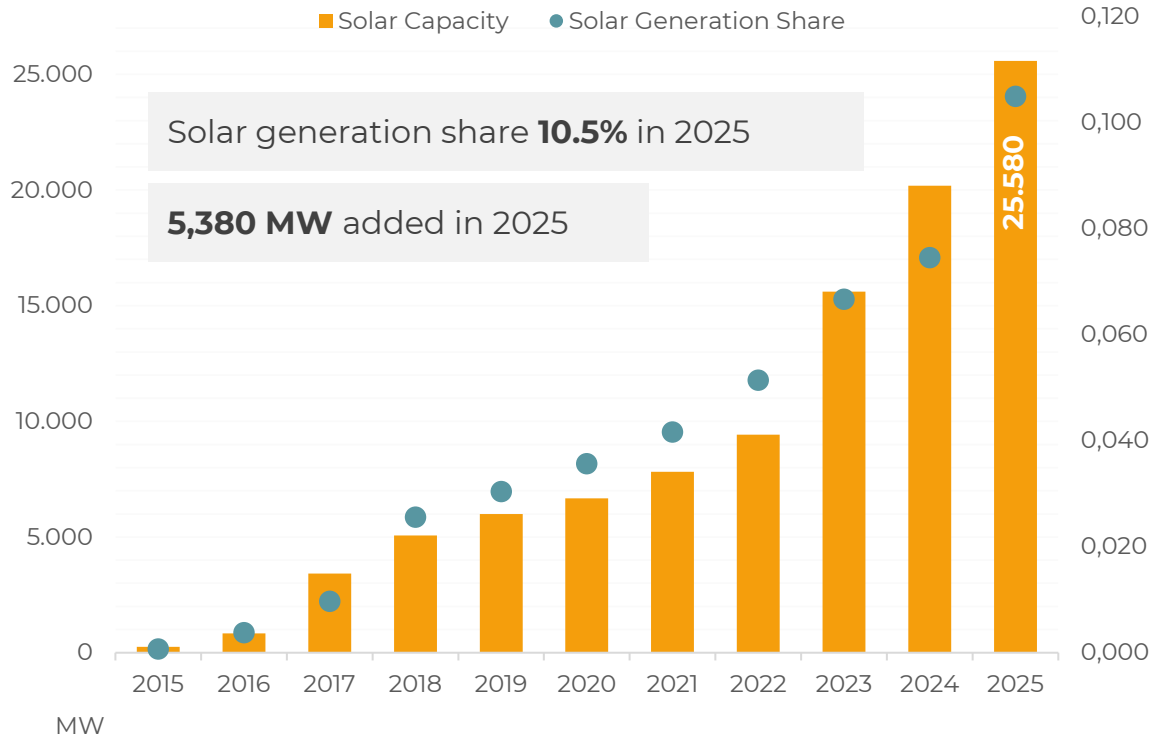
Artificial intelligence applications



Solar Market

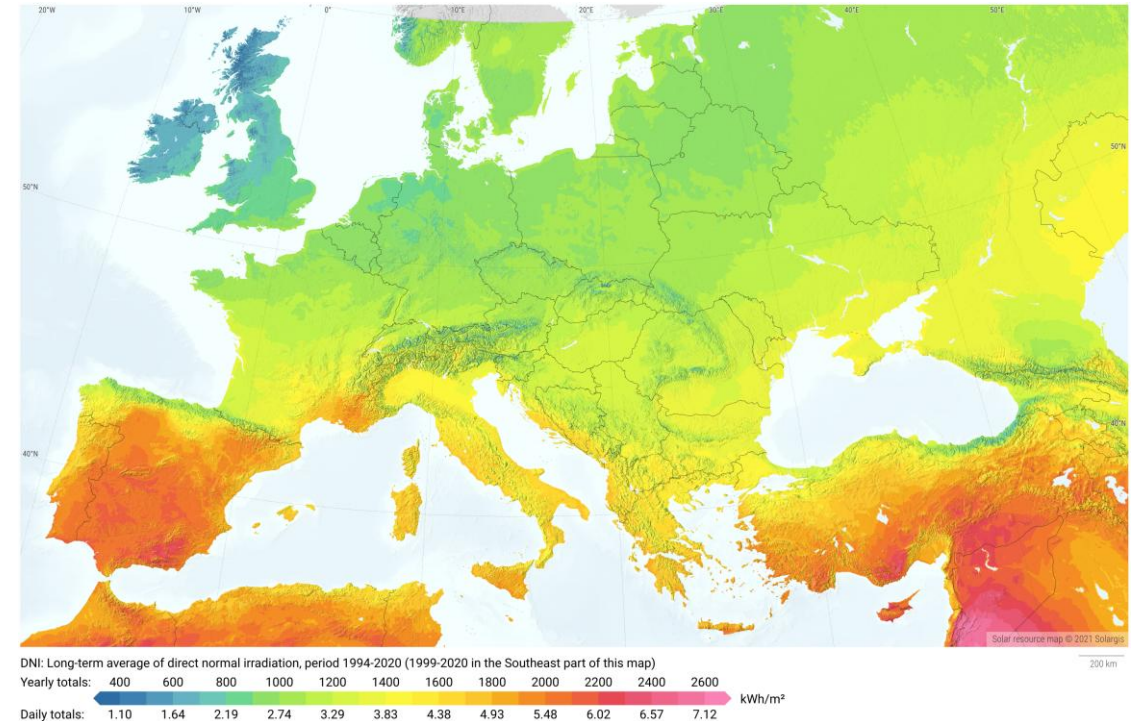
90% = Share of Self-consumption

Solar Installed Capacity of Türkiye



Solar Energy Potential

Average annual sunshine duration: **~7.5 hours/day**
Average annual solar energy amount: **1,527 kWh/m²**



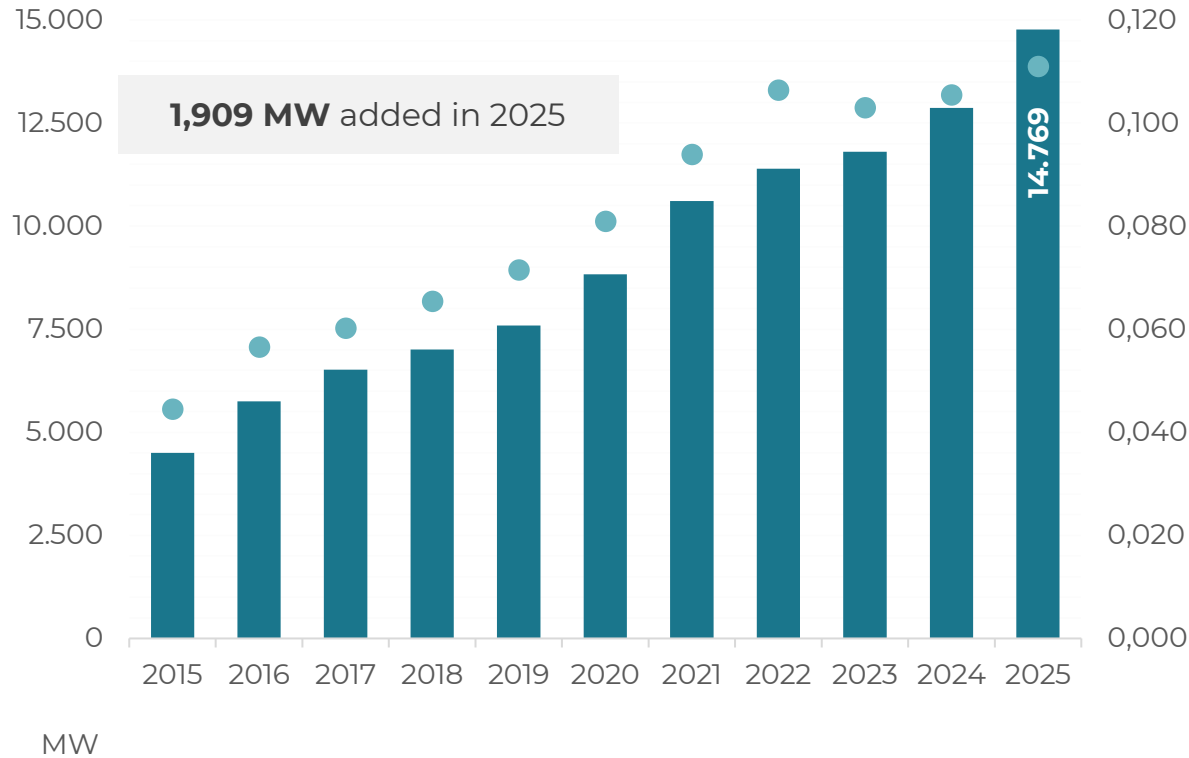


Wind Market

High Potential in Onshore and Offshore Market

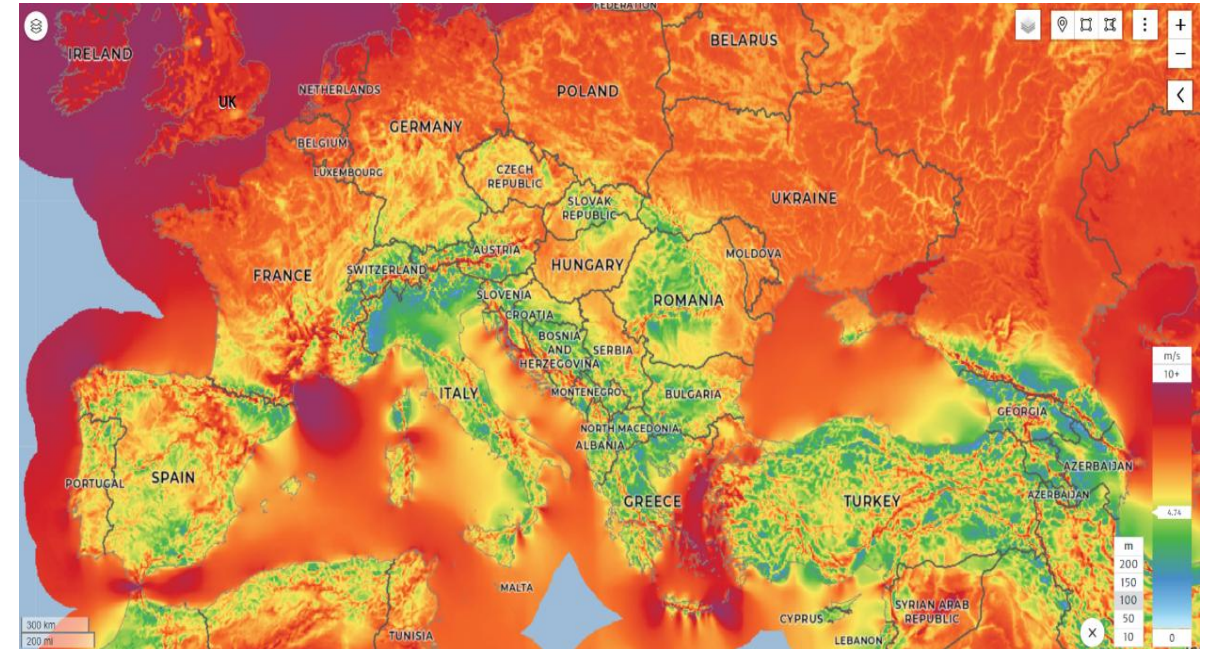
Wind Installed Capacity of Türkiye

■ Wind Capacity ● Wind Generation Share



Wind Energy Potential

Wind generation share 11.1% in 2025
Increased hybrid capacity with solar power plants

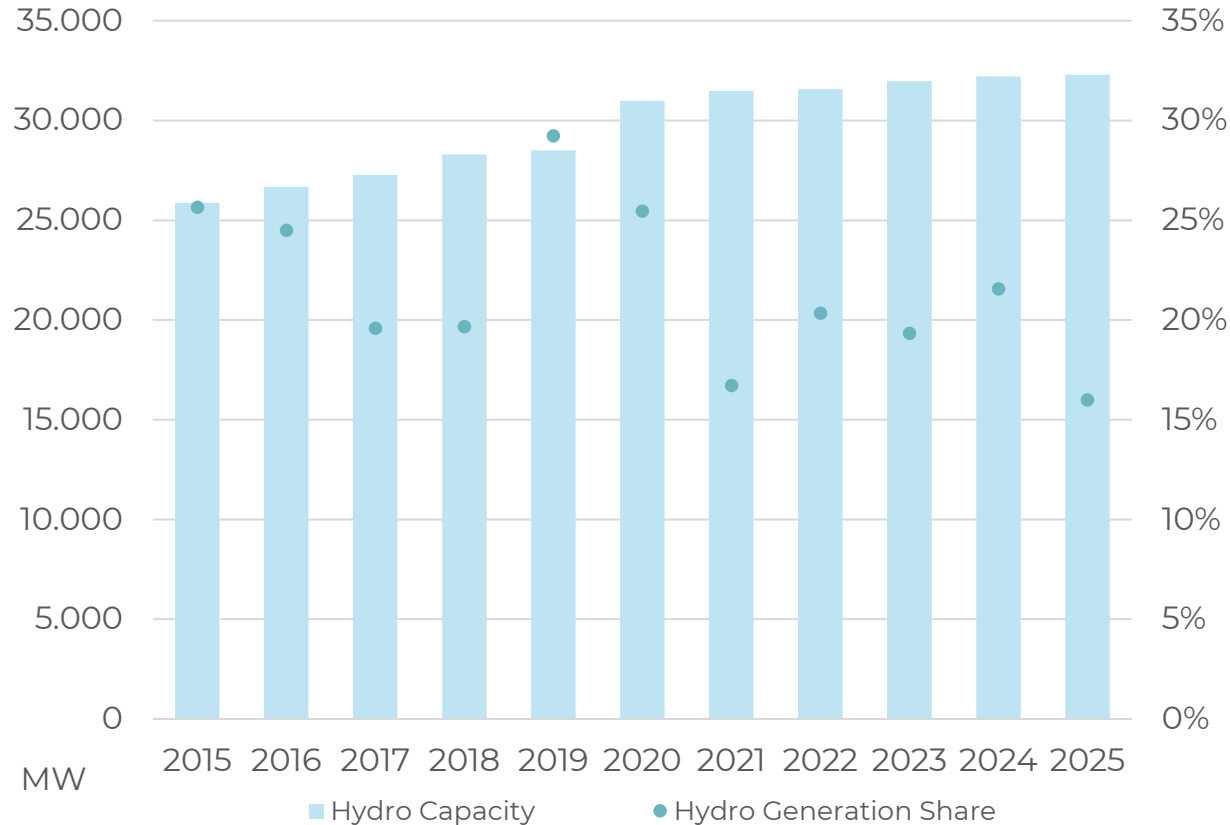




Hydro Market

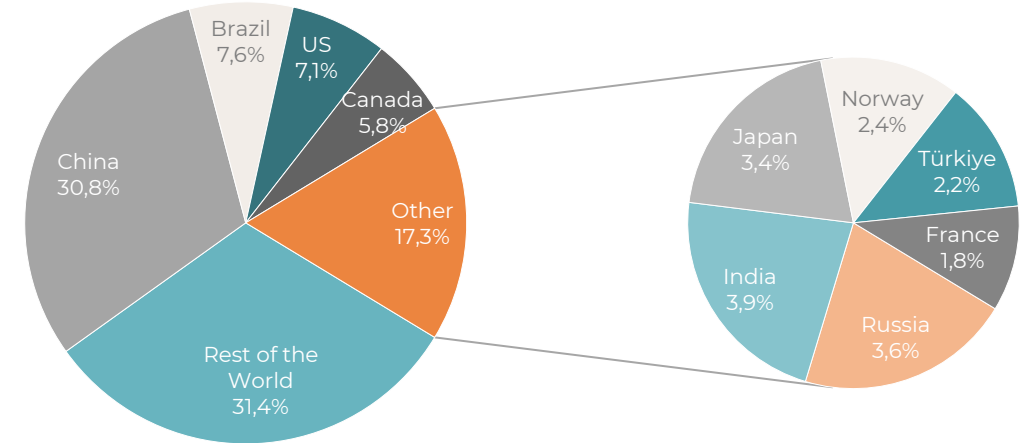
A Stable Generation Source for Türkiye

Hydro Installed Capacity of Türkiye



Source: TEİAŞ, Ember

Hydropower Global Capacity, Shares of Top 10 Countries and Rest of World, 2025



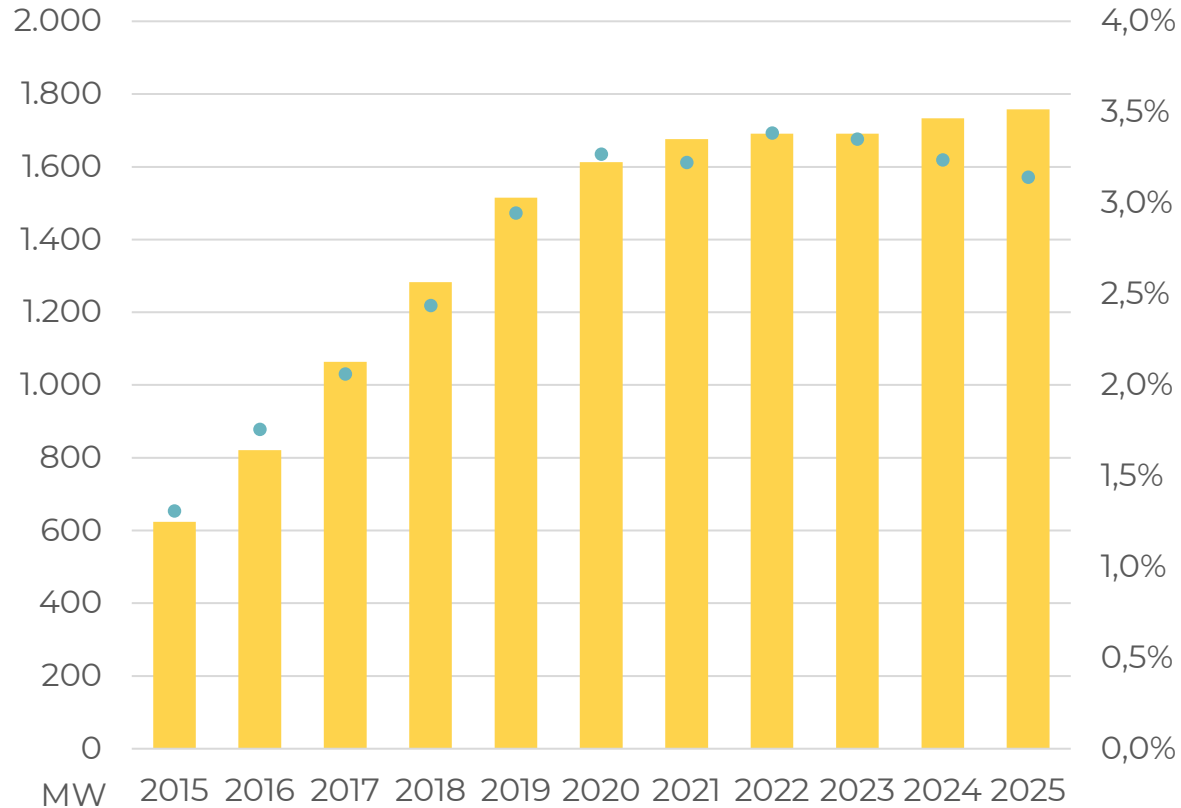
- **2nd** biggest hydro capacity in Europe
- Hydro generation share **16% in 2025**
- Well-established hydropower market



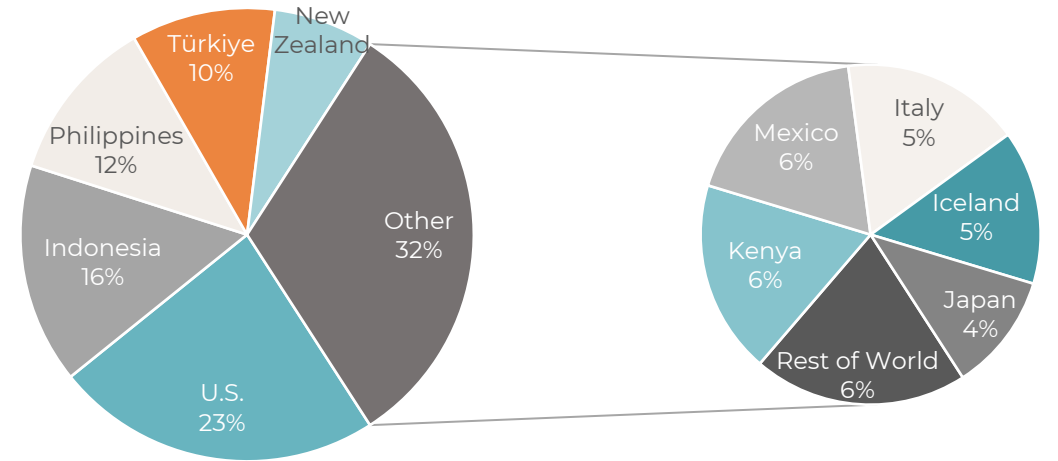
Geothermal Market

4th Largest Geothermal Market in the World

Geothermal Installed Capacity of Türkiye



World Geothermal Installed Capacity Ranking (2024)



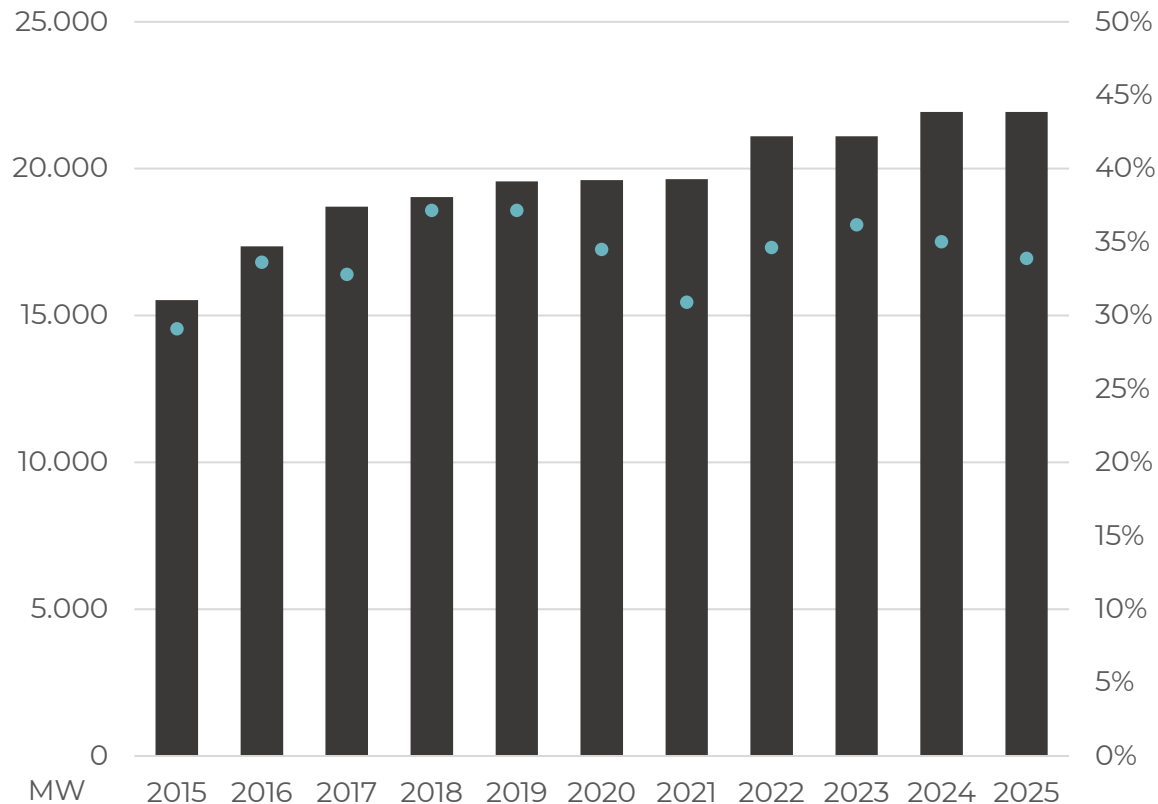
- Great potential in geothermal energy
- Geothermal generation share 3.1% in 2025



Coal Market

33% of Electricity Generated Coal-based in 2025

Coal-Based Installed Capacity of Türkiye



- 68 coal-fired power plants producing electricity
- 10.2 GW local and 10.4 GW imported coal-based thermal capacity
- Imported coal-based generation has 21.5% share and domestic coal-based generation has 12.4% share in 2024
- 2035 target: 24.3 GW installed capacity

Coal Production and Import (2025)

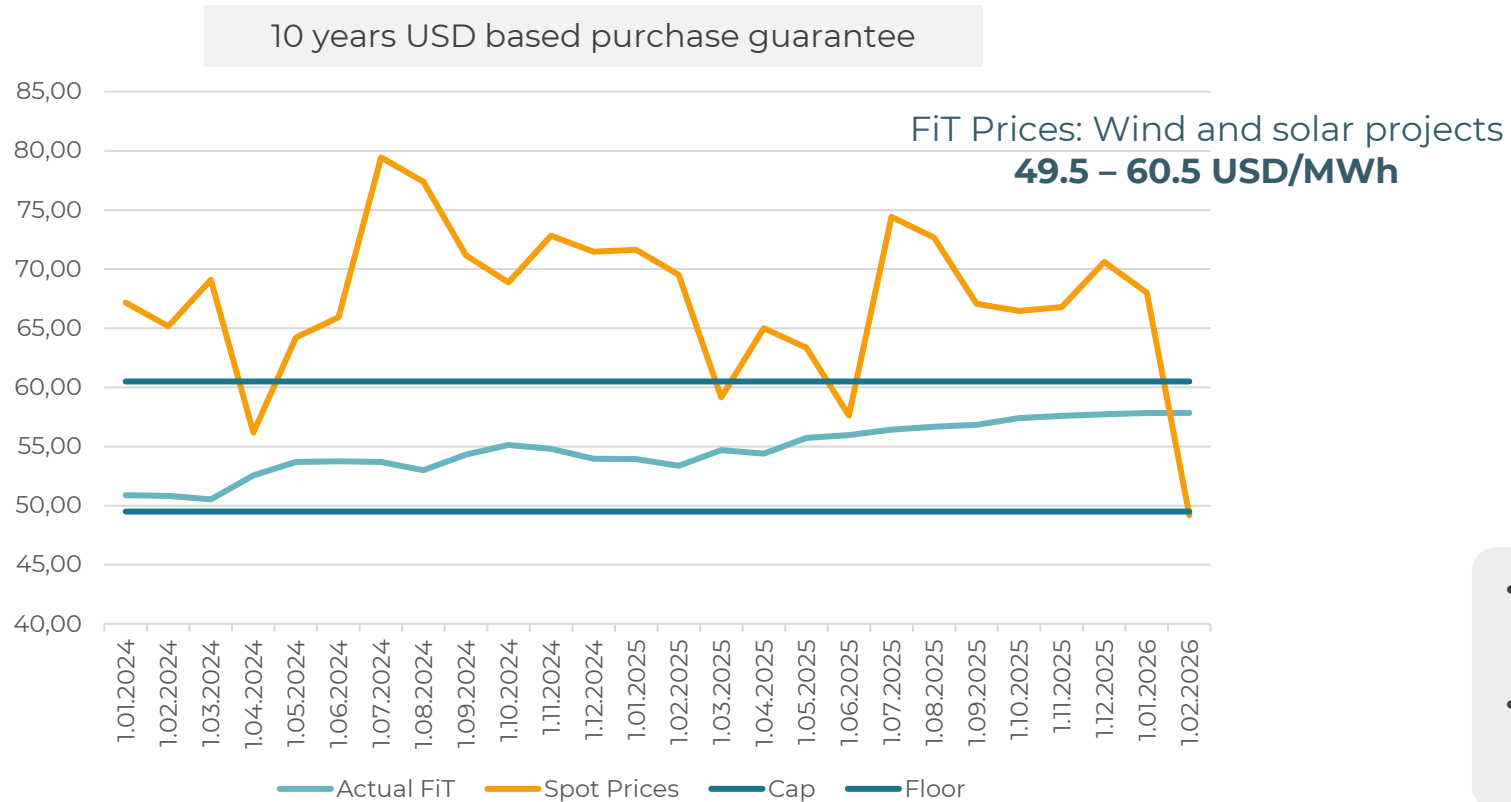
- 62.4 million tons of lignite and 1.35 million tons of hard coal run-of-mine production
- 116 million tons of lignite per year and 2 million tons of hard coal production target per year by 2028



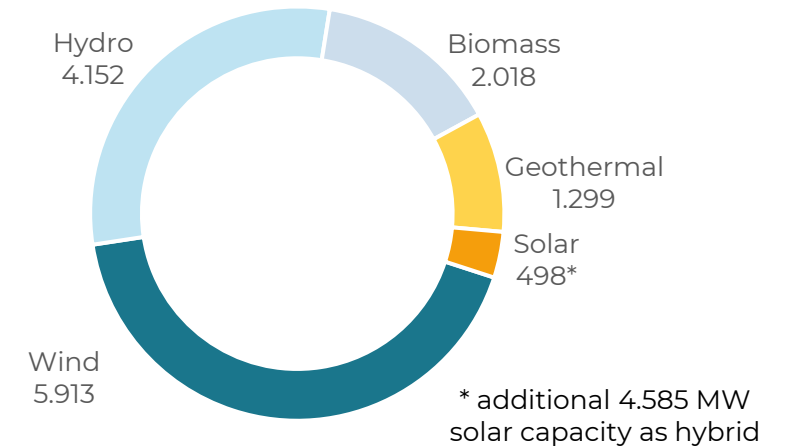
Feed-in Tariff

Fit Provides USD Based Guaranteed Cash Flow

FIT (USD/MWh)



Renewable Energy Support List
by Source 2026 (MW)



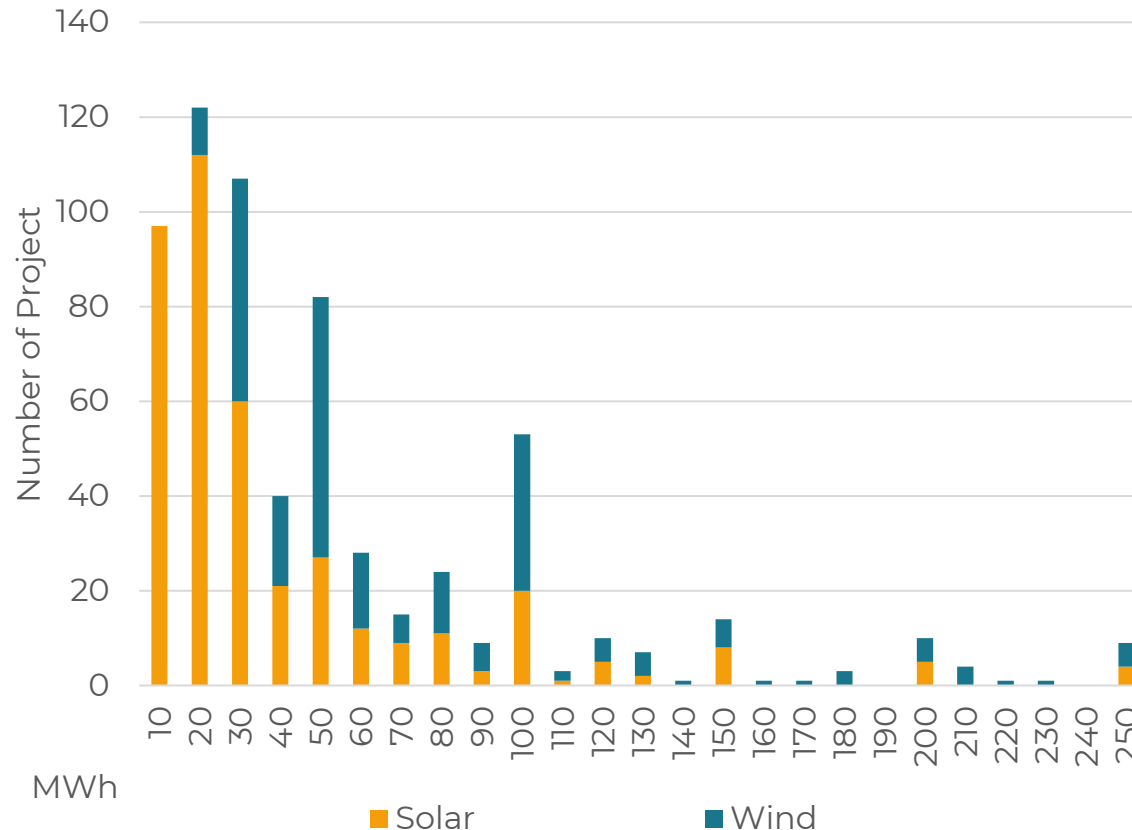
- Local content premium is applicable for 5 years (10 years for BESS)
- Premium in combined wind and solar power plants with ESS



Battery Energy Storage

Huge Interest on BESS in Türkiye

BESS Application Numbers by Capacity



10 years USD based purchase guarantee for generation

FIT Floor – Cap Prices: BESS integrated projects
58.5 – 71.5 USD/MWh

Local component premium:

10 years for BESS

5 years for wind and solar

	Pre-licensed		Licensed		Project Medians (MWh)
	Project Number	Capacity	Project Number	Capacity	
 SOLAR	372	14.3 GWh	276	1.7 GWh	20
 WIND	252	19.7 GWh	24	1.0 GWh	50

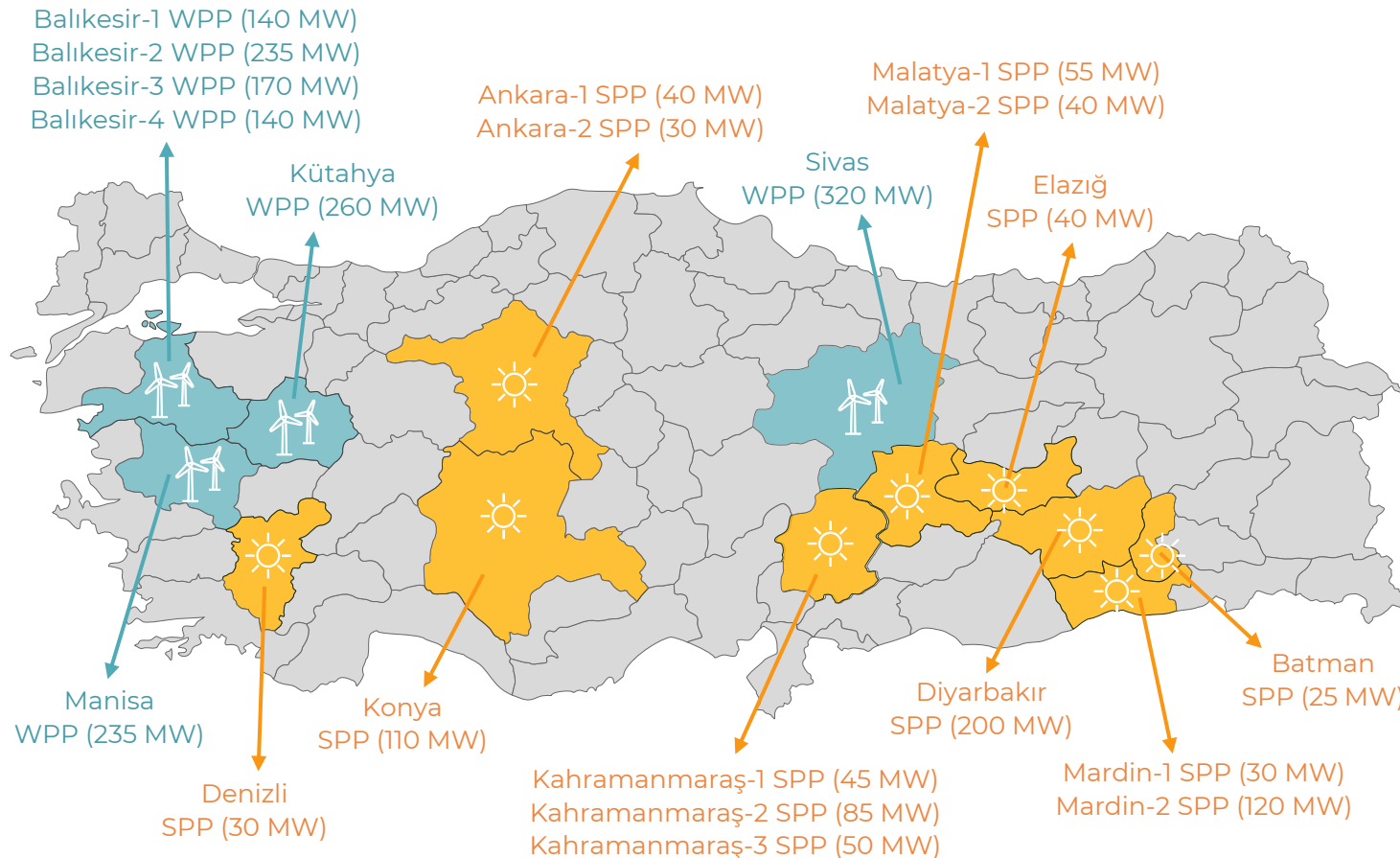
*As of early 2026



Renewable Auctions

Annual Auctions Are on the Agenda for Wind and Solar

YEKA Wind & Solar Auctions 2026



YEKA 2026	SOLAR	WIND
Application Date	13 October 2026	
Total Capacity	900 MW (14 projects)	1,500 MW (7 projects)
License Term	49 years site usage	
Early Operational Advantage	First 5 years: free market sales (min. 47.5 Euro/MWh)	First 6 years: free market sales (min. 47.5 Euro/MWh)
Auction Feed-in Tariff	Floor: 3.25 Euro/kWh Cap: 5.50 Euro/kWh	Floor: 3.50 Euro/kWh Cap: 5.50 Euro/kWh
Contribution Fee	At floor price: ascending EUR/MW contribution fee from EUR 10,000/MW	
Support Period	20-Year Guaranteed Purchase at the Auction Price	
Local Content Requirement	PV cells must be locally manufactured (wafer onward)	Min. 55 Local Content Points (tower, blades, gearbox etc.)

More Nuclear Is the Key to Succeed in Energy Transition



Nuclear Power Plant

First Unit of the 4.8 GW Akkuyu NPP Expected to Operational by End-2026.

Once completed, the plant will meet about 10% of domestic electricity needs.

More nuclear power plants are being planned in Sinop and the Thrace region.

SMR technologies are also in consideration.

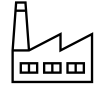
20 GW Nuclear Power Capacity Target by 2050, Including 5 GW from SMRs.



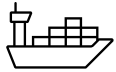
Equipment & Incentive

Reliable Partner to Support Europe's Green Transition

Strong and Integrated Wind Equipment Ecosystem



+ 130 manufacturers



Export to 45 countries



85% export, 15% domestic market sales



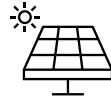
20,000 direct labor force

Strong Ambitions on Producing PV Panels

Türkiye ranks 1st in Europe and 4th in the world in PV panel production capacity



High tech PV panel manufacturers



+ 20 GW/year panel producing capacity



20 GW/ year cell producing Capacity by 2028

Enabling Energy Transition Through Critical Battery Equipment

Giga-factories are on track

Utility size batteries in line with the renewable expansion

Developing EV market

Incentives for Equipment Manufacturing

The incentive program and the amount provided for equipment manufacturing vary depending on the technology of the equipment, the size of the investment, and the region where it is made.

Call based HIT-30 Incentive Program

- VAT Exemption
- Customs Duty Exemption
- Tax Reduction
- Interest Rate Support
- Land Allocation
- Social Security Premium Support



Developing Technologies

New Technologies Are Supported by the Government



Battery

- Giga-factories are on track
- Investments in vehicle and battery production are supported with the HIT 30 incentive program
- Developing EV market
- Utility size batteries in line with the renewable expansion



Green Hydrogen

- Strong potential to become a key hydrogen exporter in the future
- 5 GW electrolyzer capacity by 2035
- Hydrogen production cost target of \$2.4 by 2035



SAF

- An important hub for int'l flights
- 2 ongoing projects
- Important market for export

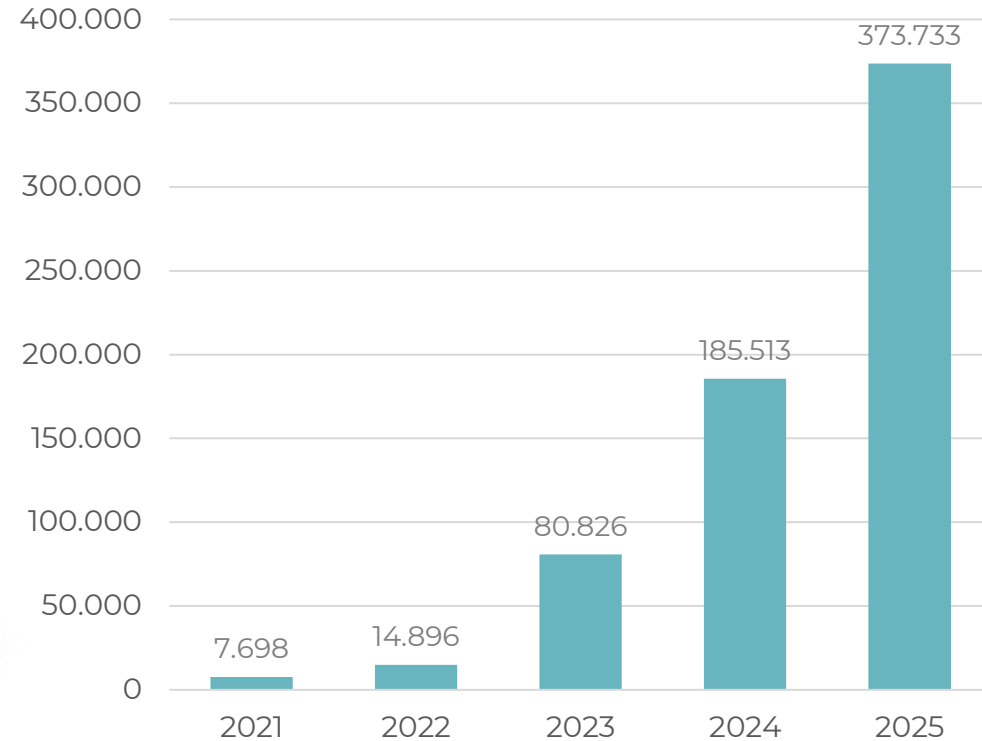


EV Market

Future Mobility Has a Huge Potential in Türkiye



Total Numbers of Electric Vehicles



25% of vehicle sales
Electric & Hybrid (2025)

~164% p.a.
CAGR (2021–2025)

4th BEV Market Europe | 2025

Türkiye: Europe's **Fastest-Growing BEV Market** in Early 2025



EV Market

Fast-Growing EV Charging Infrastructure

Charging Points & Market Players

Density Of Charging Points



Charging infrastructure is expanding in parallel with increasing EV adoption.



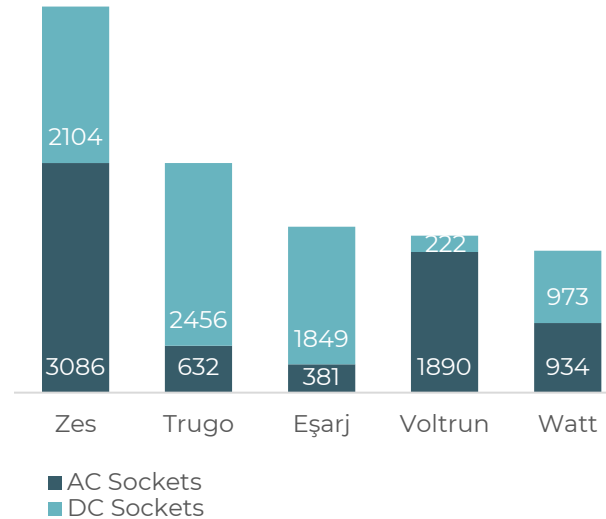
39K charging stations across Türkiye (2025)



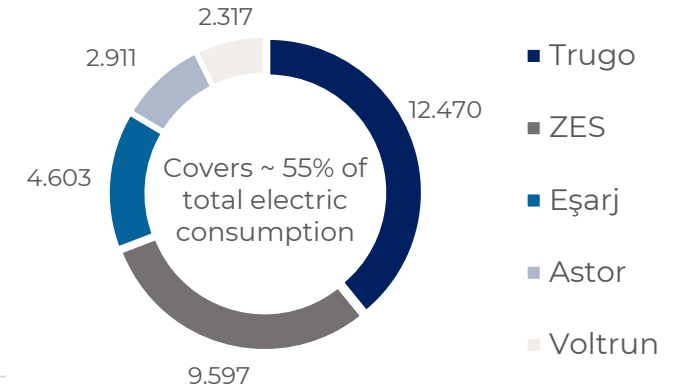
Station density is highest in major cities, yet nationwide coverage supports both daily use and intercity travel.

Electricity Consumption (MWh)

Number of Sockets



- 180+ license holders
- ~ 7.8 Total Installed Charging Capacity (kW) per Charging Unit



- Top 10 covers ~47% of total number of chargers
- Total Installed Charging Capacity 20.9 GW

*As of early 2026

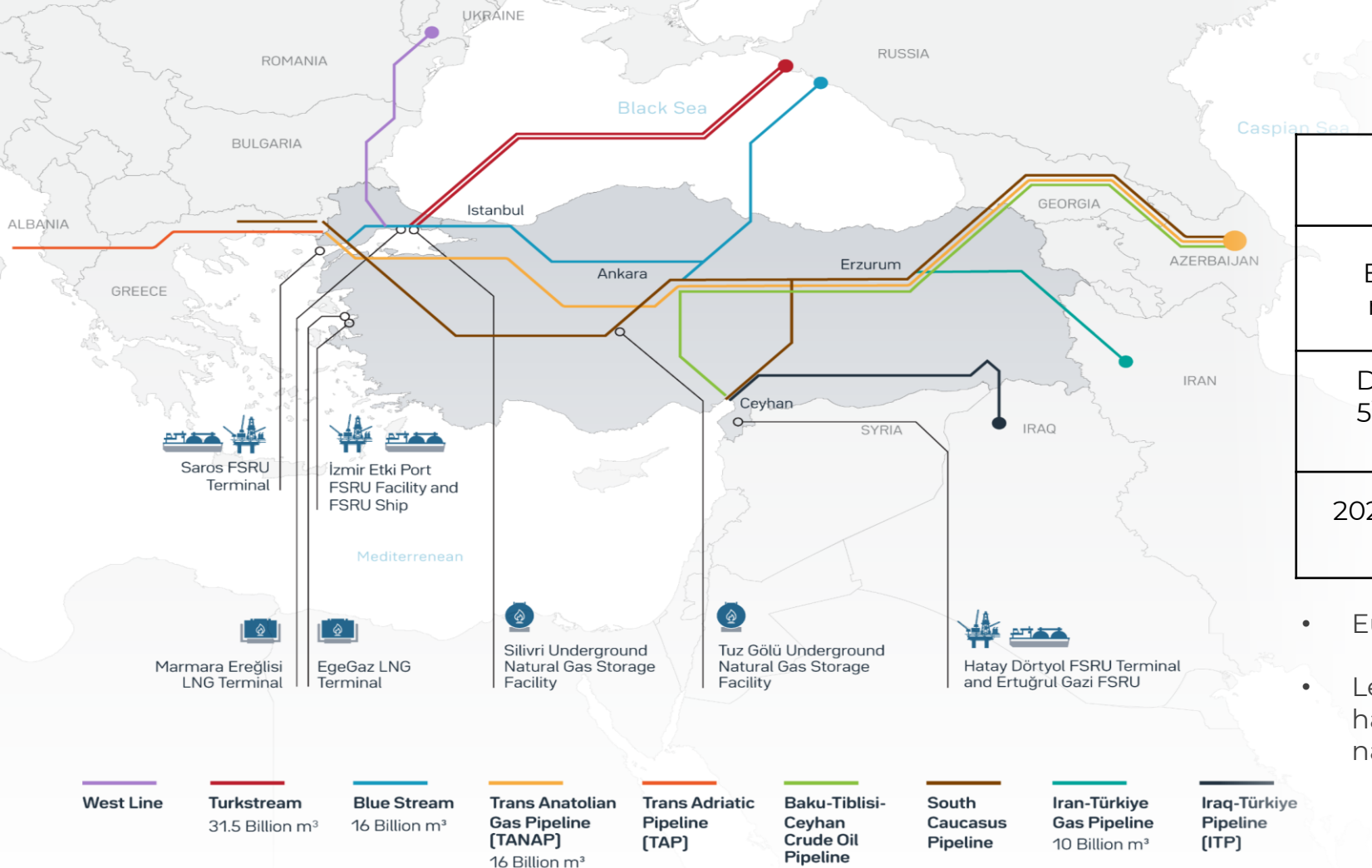


Natural Gas & Oil Market



Natural Gas & Oil Market

A Natural Hub for International Trade



Natural Gas & Oil Market Overview 2025

Natural Gas	Oil
Europe's 3rd largest natural gas market	Total imports 50.3 million tons, driven by crude oil for domestic refining
Distribution network 5 th longest in Europe (220,000+ km)	Active Offshore Exploration: 4 Drillships and 2 Seismic Vessels
2025 total consumption: 58.66 bcm (2025)	Ceyhan Energy Hub: Global Gateway for BTC and Iraq Pipelines

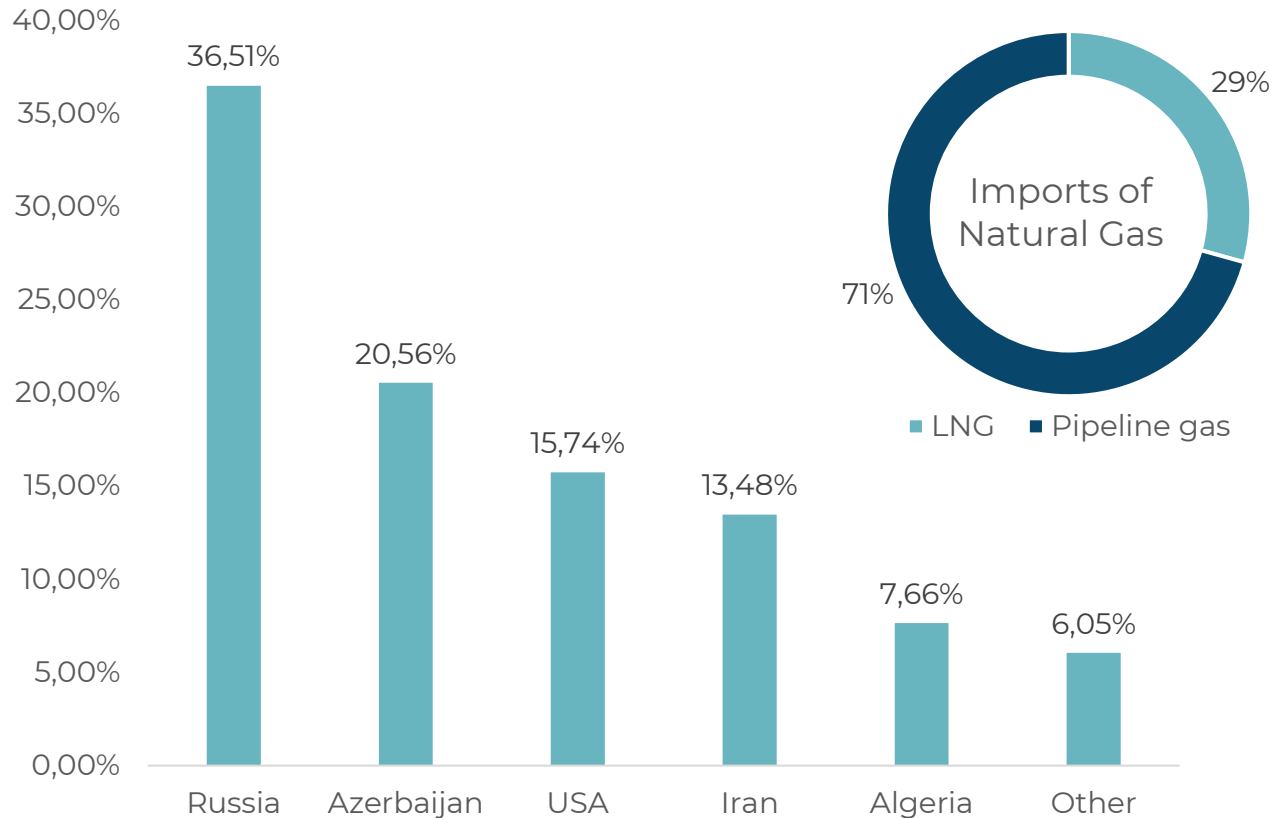
- Europe-Asia energy corridor
- Leveraging its strategic location and scale, Türkiye has evolved into a regional hub for refining, natural gas, and energy trading.



Natural Gas Market

Promising Domestic Exploration and Production

Natural Gas Imports Breakdown By Countries 2025



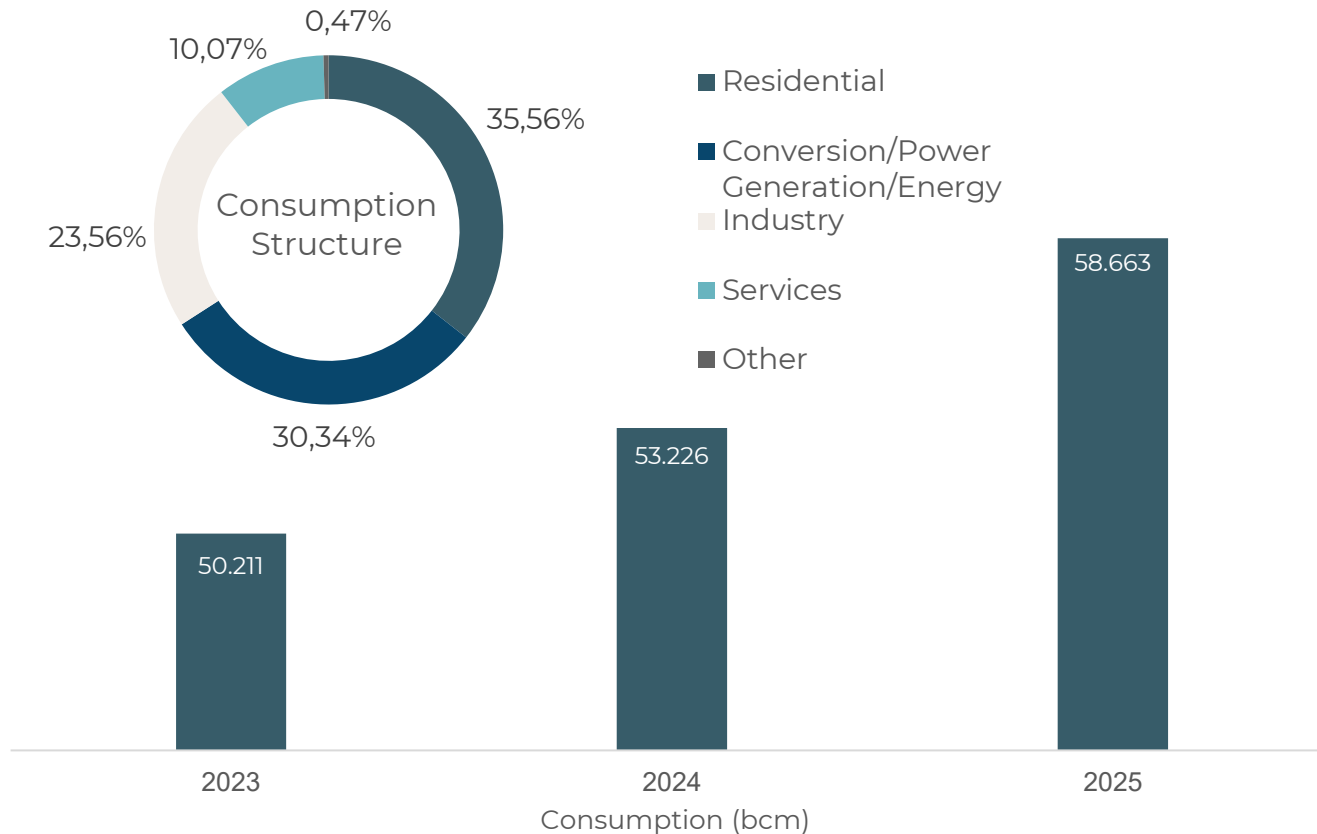
The goal of reducing Türkiye's dependence on energy imports.

- 710 bcm of natural gas was discovered in the Sakarya gas field in the Black Sea.
- ~3 bcm of natural gas production in 2025 from the Sakarya gas field. 2028 target: 15-20 bcm/year
- Total Annual production: ~3.11 bcm (2025)
- Total imports: 58.34 bcm (2025), 15+ import license holders
- Total exports: 2.28 bcm, to Bulgaria, North Macedonia, Hungary, Serbia, and Syria (LNG and Pipeline exports)



Diversified Demand Across All Economic Segments

Consumption Structure and Distribution



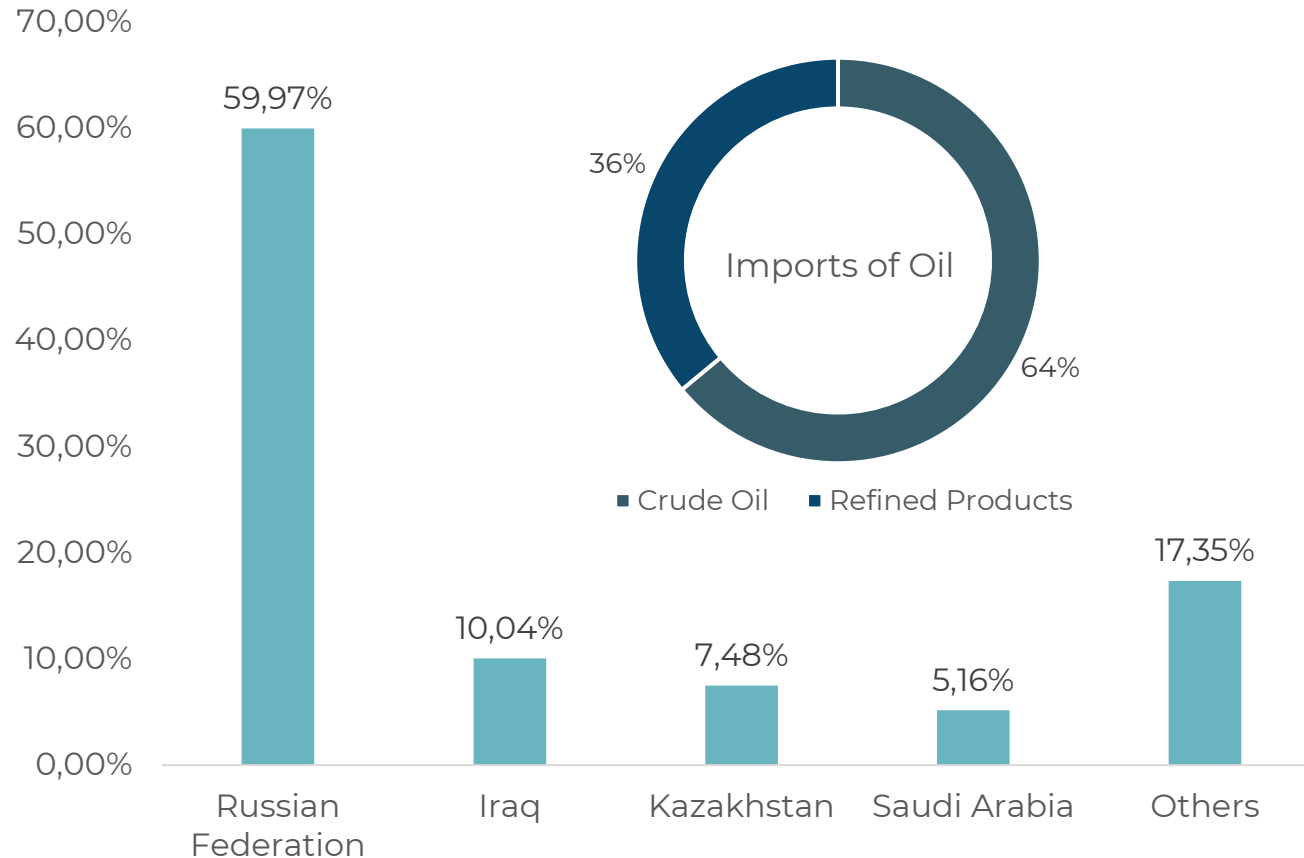
- **73 distribution, 40+ wholesale** companies
- Total Consumers: **22.8 Million**, 840,000+ added in 2025
- **3rd in Europe** by number of consumers
- Transmission **pipeline: 20,000+ km**
- Well-diversified consumption across residential, power generation, and industry
- Seasonal demand patterns: Residential peaks in winter, industrial remains stable year-round



Oil Market

Linking Global Oil Supply Chains

Oil Imports Breakdown By Countries (2025)



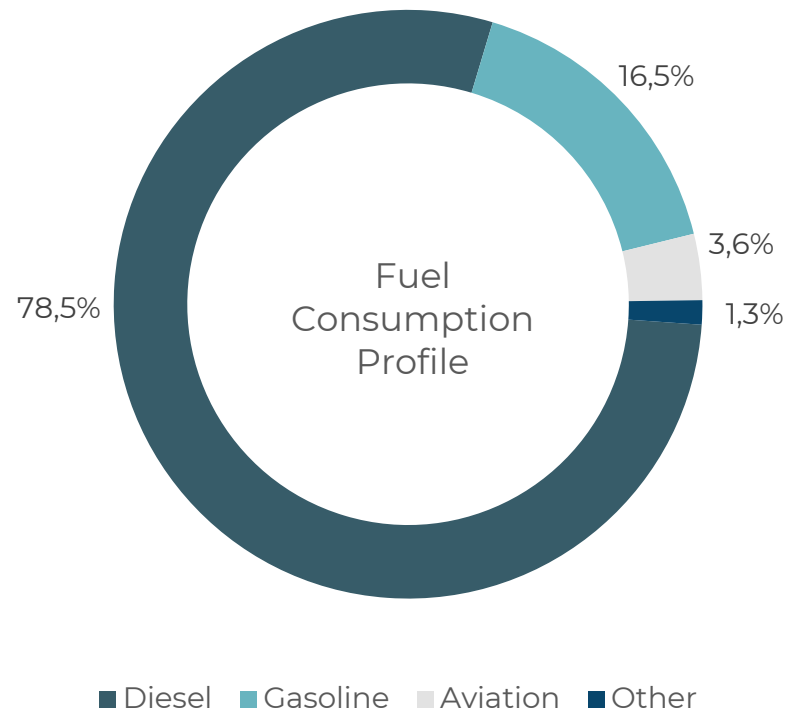
High Domestic Demand Drives Robust Refining and Trading Opportunities. Türkiye turns low-cost crude into high-value refined exports.

- Total imports: **50.3m tons in 2025** (crude+fuel)
- **Imports** sourced from **40 countries**
- **5 Major Refineries** with 85-95% utilization rates
- Total Exports: 14.9m tons (fuel)
- Exporting to 140+ countries via 30+ licensed export companies
- Recent major onshore discoveries in the Şırnak/Gabar region are transforming domestic production.



Powering the Domestic Oil Market

Demand Dynamics & Competitive Market Structure

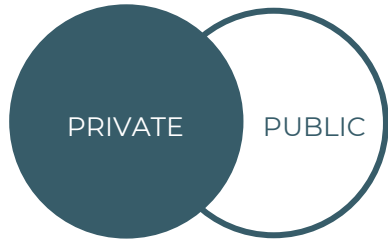


- Retail & Distribution: **30+ licensed distributors** create a highly competitive downstream market.
- **34.5m tons** domestic fuel demand in 2025
- Top 3 players control ~65% of the market (Petrol Ofisi: 25%, OPET: 20%, Shell & Turcas: 20%)
- **~7.2m tons of strategic and commercial storage**, offering significant blending and trading hub potential.

Diesel dominance ensures stable baseline demand regardless of the EV transition pace, supported by a highly regulated, transparent, and competitive distribution network.



Assist You Before, During and After Your Entry Into Türkiye



**PRIVATE SECTOR APPROACH
WITH PUBLIC SECTOR CAPABILITIES**



**A GOVERNMENTAL AGENCY
REPORTING TO THE PRESIDENT**



**ACTING AS YOUR
SOLUTION PARTNER**



General & customized
business information &
Sectoral analysis &
reports



Site selection support to
find appropriate location/
land for your investment



Arrangements of
meetings with
governmental bodies
and other stakeholders



After Sales



Facilitating your
investment at all stages



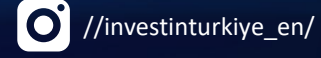
Matchmaking with local
partners & establishing
business linkages



Project launch & Press
release Services



Facilitating your
visit to Türkiye



nexus
OF THE **WORLD**