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Editorial



MEHMET BÜYÜKEKŞ

TURKEY NOW HAS HIGHER HOPES FOR THE FUTURE

July has been a month which numbers are seen as positive for Turkey.

s the rate of unemployment decreased by %9,3 (April), our industrial production in May increased by 7% compared to last year's same period. It gave a positive signal for growth in second quarter of 2016. Yet the current deficit also decreased 33% compared to last year's same month, according to temporarily numbers of June our export has increased by 8,9%.

But unfortunately all these great developments are left in the shade of betrayals' coup attempt who are a small group in Turkish Armed Forces on the night of 15 July 2016. The attempt which targeted the unity and solidarity of Turkey and its citizens' lives took its place in the history of our republic as a black mark. But our nation banding together didn't stay silent and filled in the quarters and wrote the immortal legend of the public's will. During the betrayal attack defeated by unity and solidarity of Turkish nation and the courage and resolution of citizens, many of our citizens martyrized and got hurt, but they didn't step back on defending the democracy.

As the representative of 65.000 Turkish exporters we, Exporters Unions and Turkish Exporters Assembly, are proud to say that we don't recognize any other will than public's will and we reprobate the junta enthusiasts. We are going to aplomb against to all anti-democratic attempts.

Raise in our economy will continue without slowing down thanks to the

strong will that our nation has revealed in a body. Our exporters are delivering their orders as nothing has happened and our commercial relations with our partners abroad are continuing without a disruption. The most significant indicator that shows this is the increase in our export after a week from the coup attempt by 16%.

In the process after the coup attempt our government, Central Bank and related institutions took precautions to sustain the financial stability. Thanks to the precautions there wasn't a shock in markets and deficiency in Turkish Liras showed a tendency of recovery. In a word; Turkish economy has passed the test in practically and financial markets despite the betrayal attempt. Banding together of Turkish nation in a body and clearance of gang nested in the state for a coup shows us that our government is going to continue economic reforms and in the next period Turkish economy will continue its stable raise.

The time is the time for us to work harder, produce more and export more.

As exporters we are more hopeful from the future now!





More than 46,500 foreign companies have already invested in Turkey. How about you?





































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- The fastest-growing economy among the OECD members with an average annual growth rate of 4.2% (OECD 2014-2030)
- A population of 78.7 million, with half under the age of 30.7
- Access to Europe, Caucasus, Central Asia, the Middle East and North Africa
- 17th largest economy in 2014, over \$1.5 trillion GDP at PPP (IMF 2015)
- Highly competitive investment incentives as well as exclusive R&D support
- Around 735,000 university graduates per year

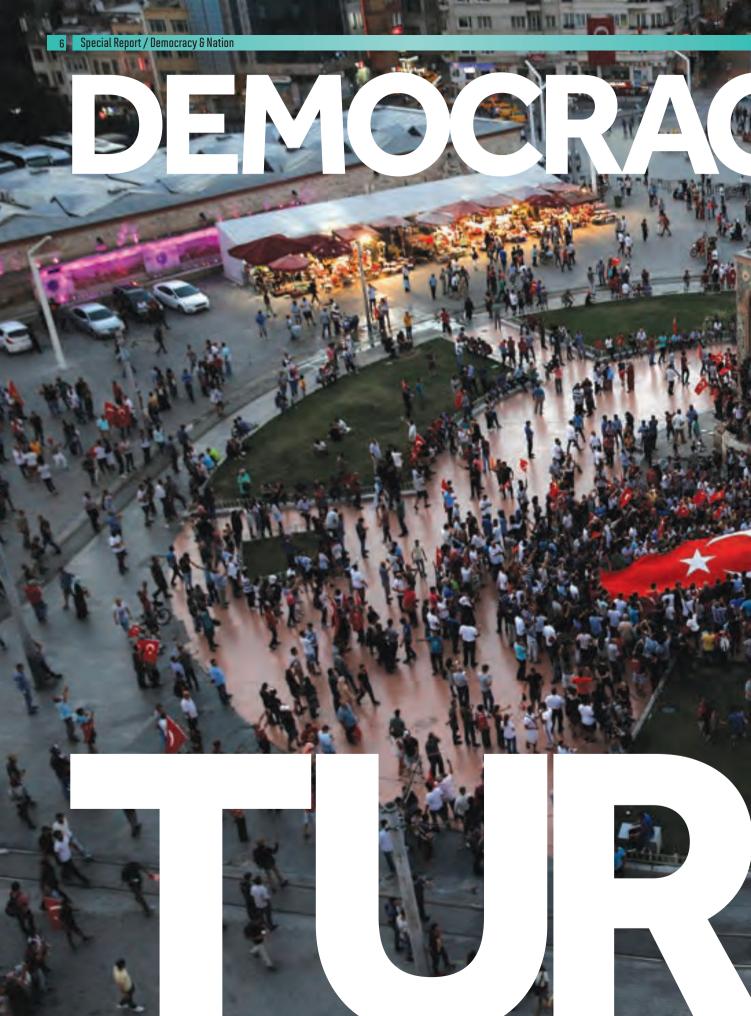
REPUBLIC OF TURKEY PRIME MINISTRY
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Special Report









etin Doğan was trying to understand what is happening while he left his house around 10 pm on July 15 to reach the Atatürk Airport. What was he defending while the tanks were crushing all the vehicles standing in their way and ignoring the people on the road? It was clear that he was supporting the democratic rights that he has gained in last 15 years.

"Advancing through the soldiers, I yelled 'I am a Turkish soldier, whose soldiers are you?', "he added. "Then the tank stopped but I continued shouting at them. I was surrounded by soldiers. Suddenly the tank started moving again and I lay down in front of the right track of the tank. It stopped again." Doğan was one of the thousand heroes who took the streets of Turkey.

The attempted coup organized by the terrorist group within the army, to abolish the government and take control of the legislative and executive structure of the country was an attack to democracy. Turks rushed into streets to stop this illegitimate attempt and showed that they are in side of democracy against to violence.

When a small group of soldiers in Turkish Armed Forces tried to take over the government on Friday night of July 15, the first idea that came to people's mind was another ISIS attack. A coup attempt was not even an option for anybody. However the poorly organized group of soldiers within the army believed that they had a chance despite of the support from their high-ranking officers.

But terrorist attack of this junta faced great resistance of people. Terrorist group which couldn't persuade themselves, even told lies to the soldiers under their authority for taking them to streets against to public. The most common lie told to the privates was "We are in an operation against a terrorist attack and our duty is to protect the safety of public".

Despite the betrayed military officers trying to drag the country into chaos, puclic's will and resolution to defend democracy and the democratically elected president and government helped to repel the coup attempt. President Recep Tayyip Erdoğan's and Prime Minister Binali Yıldırım's speeches on TVs in the night of coup attempt addressed streets to the people. Citizens without any fear took the streets and stood

METINDOĞAN WHO WAS PHOTOGRAPHED LYING IN FRONT OF THE TANK, SAID HE RAN TO ATATURK AIRPORT TO DEFEND THE PUBLIC'S WILL AND DEMOCRACY AGAINST SUCH A TERRORIST ATTACK

up for democracy. Protest against to be trayed soldiers led a country-wide resistance.

President Recep Tayyip Erdoğan who said: "I invite our nation to squares. I have not seen a stronger force than the nation." on live TV via FaceTime call with a journalist after the coup attempt hindered the plans of the junta. Also Binali Yıldırım on live declared: "Those who attempted this madness will pay the heaviest price" People with the courage they received from their elected authorities flew over all the streets and squares of the country.

People with Turkish flags in their hands got on tanks, disarmed betrayed soldiers and took back control of raided institutions. Yet the fire opened by betrayed soldiers from helicopters and planes, people never thought of drawing back. To break the motivation of civilians, betrayed fighter jet pilots and helicopters bombed the Parliament. Tanks in control of betrayed soldiers drove toward people on the streets and ran over many.

Following a call from President Recep Tayyip Erdoğan, tens of thousands Turks filled the streets











Citizens of Turkey on the night of coup attempt without any fear took the streets and stood up for democracy. Protests against to betrayed soldiers led a country-wide resistance.

People continued to fill the city sqaures every day for celebrating their victory over terrorist attack even after the night of coup attempt.

nationwide to celebrate democracy's victory over failed military coup. The crowds flooded main streets and squares of large cities like Istanbul, Turkey's biggest city, the capital Ankara, third biggest city of Turkey İzmir, a major city of Eastern Anatolia Diyarbakır.

The public's reaction to the coup attempt increased after midnight. Early in the morning it became apparent that the small number of betrayed soldiers started to surrender to both the people and the security forces in Turkey. At Saturday afternoon the acting chief of staff made a statement declaring that the terrorist attempt has failed.

The view of unified Turkey against to this terrorist organization instilled hope for the future to public. People from different ideological backgrounds gathered at same place and gave a struggle against to anti-democratic terrorist organization together. Also many parliamenters from all political parties in the parliament gathered in the Parliament building to defend democratic structure of Turkey.

Nationalist Movement Party (MHP) chairman Devlet Bahçeli on the night of terrorist attempt called Prime Minister Binali Yıldırım and said the attempted intervention to public's will is not acceptable. According to a statement from the Prime Ministry, Bahçeli said his party is in solidarity with the Turkish Republic. Bahçeli also made a written statement, saying an attempt at suspending democracy and ignoring the national will is a big mistake against Turkey. "The price Turkey will pay will be considerably high in the event of a civil war in Turkey. As Turkish people, we need to be distant to all kinds of interventions risking our national unity and integrity." he said.

Turkey's main opposition, Republican People's Party (CHP) chairman Kemal Kılıçdaroğlu, declared that the community should have a unified reaction to every coup attempt.

"This country was wracked with coups. We do not want to go through the same troubles. We'll protect our republic and democracy; keep our commitment to the free will of our citizens. So, whoever does, wherever it comes, we should take a joint stance against the coup as we take a joint stance against terrorism" he said.

Turkey has gone through critical four elections in last two years with the attendance over 80% of its citizens. Over 95% of the public's will is represented in the Parliament. President Recep Tayyip Erdoğan who took approximately 21 million votes of total 56 million, is protected against to coup attempt by all the parties as it can be seen from the common statement declared by the Parliament.

Despite the negative perception about the multiparty sociological infrastructure of Turkey in the international community Turkey achieved to unify and passed the test of being a union against to enemies successfully.

People of Turkey who has been interrupted by coups and coup attempts over the history suffered a lot on the issue of lack of democracy. After each intervention to democracy the Turkish public reacted negatively. In the light of past experiences gained by pain Turkish public this time reacted faster and didn't let their freedom to be taken from their hand.

The group which attempted for a coup was in the target of Turkey's legal institutions because of their efforts to gain power in state illegally. The group which was named FETÖ after the clerk, Fetullah Gülen, lives in USA was called a terrorist group by President three years ago. But the perception management ability of the terrorist group was so powerful that they even convinced international community that they weren't linked with illegal instruments. The fight of Turkish government against to this terrorist group in legal terms was introduced as a witch hunt by the media power that FETÖ controlled. But the terms today shows the rightfulness position of Turkish government.

All of us have the same question in mind: How will this extreme event affect the Turkish market and the business?

In order to make a substantial evaluation, the unique character of the country and the recent coup/uprising experiences of the neighbor countries should be taken into account.

Let's start with the Turkish market and the reactions considering the business. On the early hours of July 20, the day the state of emergency was declared, the Deputy Prime Minister Mehmet Simsek appeared on TV and assured the market and the investors by saying the cabinet will take every precaution to prevent the market from being negatively affected by the changing atmosphere in Turkey. He underlined that the economy was a priority for them and any decision to be taken or the reforms to be made would be market-friendly. Later, he joined a teleconference organized jointly by Goldman Sachs, HSBC, JP Morgan, Credit Suisse and BGC Partners where he declared that the government was determined to continue its commitment on the market economy.

So, although Turkey is going through a rough patch, country's history with coups, terrorism and the restless region made it resistant to such crisis. But the occasional interventions from the military lost influence as the civil forces evolving around the ideal of democracy gathered strength and the governments kept ruling the country within their limited time and the land continued to prosper with the policy of adapting the world market and the dynamics.

Over the years, Turkey developed a muscle against surprises. Of course, the military intervention was not the only one that caught both the government and the public unguarded. There were earthquakes, global financial crisis, fallen neighbor countries,



OVER THE YEARS, TURKEY DEVELOPED A MUSCLE AGAINST SURPRISES. THE INTERNAL AND EXTERNAL FACTORS ALL TOGETHER HELPED TURKEY OBTAIN A DEFENSE MECHANISM

strategic changes in the region, intense conflicts with old friends, religious polarization, new trends that caused a gap between different groups of society etc. The internal and external factors all together helped Turkey obtain a defense mechanism or even better, immunity against challenges. Against all these, the country managed to sustain its growth by remarkable numbers and kept the economy in a secure, reliable and stable status. The realistic scenarios on growth attracted many actors and motivated them to play in Turkey. The foreign direct investments increased by 32% in 2015, while the economy's overall growth was 4%, which was 0.5% more than the International Monetary Funds expectations for the country.

While its eastern neighbors' struggled with turmoil, uprising and social division, Turkey successfully fulfilled the position of G20 Presidency in 2015, which helped the country keep its focus on





international politics, cooperation and innovation in various fields. The G20 Presidency was a great opportunity for Turkey in order to prove its position as a role model in the region. Being a role model was an ideal for the country since the establishment of the Republic of Turkey, a country that has chosen democracy and secularism for its almost 100% Muslim citizens. The recent coup attempt was an unfortunate event for the country for sure, but at the same time, it was a challenge that tested the devotion of people to the principle of democracy and whole nation passed it. The global business world had an idea about the functional system and the relaxed conditions of Turkish economy and now the whole world is aware of the fact that the country is not likely to let this fundamental tradition go away.

The ideal of being a role model puts a lot of pressure on Turkey both in political and economic terms but the country seems to manage it well. Let's look at the recent history of countries, which Turkey, with its maturing democracy, is trying to be a model for.

Many analysts have been asking the question if Turkey was ever going to taste the Arab Spring. They thought it would spread to Turkey to, since the country was in the same region and it shared the similar cultural values. They thought the nation would get caught with the wind up rebellion. But they overlooked the fact that what Turkey been developing around the principles and applications of free trade, global partnership, international laws, and strategic cooperations along with the mindset of global citizenship. The country have provided its citizens values that they would not like to lose but instead preserve with passion, as they did on the day of the recent coup attempt. And those are the values that enable that defense mechanism be so functional and effective.

Considering the global terror attacks, the whole

The G20 Presidency and being the host of 13th Organization of Islamic Cooperation Summit was a great opportunity for Turkey in order to prove its position as a role model in the region.



world can benefit the notion of defense mechanism or the immunity against challenges that Turkey develop. For a very long while, people experienced the globalization in fields of trade, technology, travel and communication, and now the world came to a point where all the nations experience the crisis at once, free from its locations.

The global terror attacks has been a heartbreaking proof of it. France and Germany suffered the ISIS attacks as well as Turkey did. But the economic and social reactions of Turkey after the attacks have been softer than other countries. Because of the immunity and strong social and economic infrastructure that country gained over its past experiences, the day after the crisis life has turned into normal conditions just like it wasn't interrupted.

The thing happened in last crisis was same. Citizens who struggled against anti-democratic intervention in the night of 15 July, didn't change their routines the next day. At 9:00 am on Monday everybody was continuing their life, opening their shops, going to their shifts. The only change in their life is the democracy celebrations organized in streets at nights. Even today people are gathering in large squares and shouting out their support to the democracy every evening.

TURKISH POLITICAL LEADERS GOT TOGETHER AND GAVE A MESSAGE OF UNIFIED TURKEY AGAINST ANTI-DEMOCRATIC TERRORIST ORGANIZATION

> A common sense is needed where all political parties open dialogue channels and agree to reconcile

DEVLET BAHÇELİ LEADER OF MHP





"The determined

DETAILS OF THE MEETING

President Erdoğan invited the political party leaders through a letter which stressed the significance of unity during such critical times. The meeting itself has been described as a historic event in Turkish politics due to it being the first of its kind.

AUGUST 2016 ISSUE 37





"NOV, W HAVE HIGHER HOPES"



An extra-ordinary incident took place on July 15. What was that?

The painful incident happened on 15 July is a terrorist attack which can be defined as dishonorable, inglorious and deprived from the humanitarian values. This attempt is the biggest and most collective betrayal of our history. There isn't such a similar incident anywhere on the world.

But our nation's rush to the streets with honorable stand, courage and dignity warded off this bad incident.

The Prime Minister defined the group who are related with the terrorist attack as "FETÖ" before. How do you define the role of this group in this terrorist attack?

It is clear that this terrorist attack is done by FETÖ from the proofs that came to light after the incident and suspect's statements. Already the organization was acting against to Turkey especially in international area and they were sabotaging the peace, economic stability and investment era as they find a chance to. But nobody was expecting that they will degrade themselves this much, shooting the citizens.

We know that the organization we mentioned before has manipulations on Turkey's perception in international era. How do you expound this issue from the perspective of foreign investors?

Parallel terror organization has become to an important point as a result of their lobbying activities abroad that they can even dominate some international institutions. Besides the betrayal attack they organized in recent period they are preparing news for the media abroad by manipulating the realities systematically. They are trying to stumble Turkish economy by effecting the ideas of non-governmental organizations and foreign investors.

But we are decisive on not giving them an opportunity. We aspire to inform all the world against to this betrayed organization's lobbying activities. In this context, we sent information letters to all the expats in Turkey, to all the non-governmental organizations that we have communication abroad, to international press institutions and to the importers that export products

WE ASPIRE TO INFORM THE WHOLE WORLD AGAINST THIS ORGANIZATION'S BETRAYAL AND LOBBYING ACTIVITIES

from Turkey by our exporters. Besides, we are going to organize a meeting of ambassadors by inviting all the ambassadors.

What has happened to the perception of Turkey which was positive in international area until last several years and this perception started to change in a negative way?

There are many efforts of this parallel organization, but they couldn't be successful and they will not be successful in the future. We are doing our best against to smear campaigns of this betrayed organization and and we are going to continue our studies without surrendering. We are always in touch with abroad. Us, our government and our non-governmental organizations are working day and night to present the investment era in a healthy way.

After the terrorist incident our Deputy Prime Minister Mehmet Şimşek made a tele-conference with foreign investors immediately and informed the investors about the situation. The day after our Central Bank has declared the precautions that they started to implement. Because of all this steps the investing era didn't effected.

How will the next term reshape in sight of your opinion?

An elimination has started for the betrayed organization which leaked into the state bureaucracy. It is very important to complete the process for the health of the state. In addition to this judiciary process is going to start for the people who has a role, directly or indirectly, in July 15. We have a full trust to judgement and justice mechanism. We are sure that people are going to get the right punishments after a fair judiciary process.

As exporters we think, with the help of state of emergency this process will finish as fast as it can and state of emergency will be dissolved in three months. In economic perspective all the institutions are operating normally. We are going to turn back to our norms with the end of state of emergency.





ECONOMI SUSTAIN-ABILITY

specially easing the bureaucratic structure in export the target was to construct an economy based on high added value production. 2023 targets and Turkey's efforts to reach these targets disturbed many interest groups. This disturbance was brought forward by President Recep Tayyip Erdoğan many times. But international community insisted on not accepting it.

Last illegitimate terrorist attack to democracy and public's will by small group of soldiers showed to the public that Turkish governments which were claiming that there is a threat to Turkey's economy by some interest groups were true. According to economists fail of terrorist attack against to stability of Turkey will strengthen the economic structure of Turkey.

After the failed occupation of Turkish governing institutions by betrayed soldiers on July 18, Monday Deputy Prime Minister Mehmet Şimşek made a statement and said: "This disgraceful attempt will have only a minor impact on the country's economy."

Speaking ahead of the markets opening Şimşek, who has special responsibility for economic matters in Turkey added "The Turkish economy will be one of the fastest-growing economies among OECD countries in 2016. It is clear that the coup attempt to have a limited impact on the Turkish economy."

GDP increased by 4.8 percent in the first quarter of 2016 compared to the same period last year, making Turkey one of the fastest growing economies

WITH THE STABILE GROWTH OF ITS ECONOMY TURKEY ALWAYS HAVE BEEN UNDER SPOTLIGHT

in Europe and among Organization for Economic Cooperation and Development members. He added: "We had a nightmare and it is left behind... Our message is very clear, there isn't any reason to panic." According to Şimşek's statement Turkey will continue economic reforms.

Naci Ağbal who also talked on an issue which matters economy sphere closely said: "New capital repatriation law would not provide capital coming from abroad with unconditional or unlimited protection from possible legal probes."



"Incoming assets will be reported to the tax authorities, put into banks, and registered in the system. The parties that bring and use [the capital] will be transparent. And if there was other evidence or data, this draft does not offer immunity from probes, audits, or analyses," Ağbal added.

Another critical development happened in last month in Turkey's economy were the injunctions declared by the Central Bank.

The Central Bank has announced a raft of measures to minimize the adverse effects of the terrorist attempt to take over the control of the country, including unlimited liquidity.

"The Central Bank will provide banks with necessary liquidity, without limits," announced the Central Bank

4.8%
Turkey's GDP Growth in 2016 Q1

1.8% EU's GDP Growth in 2016 Q1

17%
Eurozone's GDP Growth in 2016 Q1

1.8% USA'S GDP Growth in 2016 Q1

in a written statement on Monday, July 17, following top level meetings done the day before. In the statement it was also noted that the commission rate for the intraday liquidity facility will be zero.

The announcement was made after Deputy Prime Minister Mehmet Şimşek's tweet which was saying: "Turkey's macro fundamentals are solid and the government is taking all necessary precautions."

Announcement which contains following seven articles were declared by the Cental Bank:

The following measures have been taken for the efficient functioning of markets:

- 1) The Central Bank will provide banks with needed liquidity without limits.
- 2) Commission rate for the Intraday Liquidity Facility will be zero.
- 3) Banks will be allowed to place foreign exchange deposit as collateral without limits for needed Turkish lira liquidity.
- 4) Banks' current foreign exchange deposit limits of around 50 billion US dollars may be increased and utilization conditions (collateral and cost) may be improved if deemed necessary.
- 5) All markets and systems (the Electronic Fund Transfer and the Electronic Security Transfer and



JSI Credit Rating instution in Japan declared that downgrading the rate of Turkey according to data in hand is impossobbile for now.

Settlement systems) will be left open until final settlement of transactions.

- 6) Market depth and prices will be closely monitored.
- 7) All measures will be taken to ensure financial stability, if deemed necessary.

After the terrorist attack against to democracy another institution that made a statement was Banking Regulation and Supervision Agency. President of the agency Mehmet Ali Akbar said, "Our system is normal, routine work continues. There is nothing to worry about" he said.

Also a number of leading Turkish business organizations have underlined the significance of the national will and democratic values in the wake of the July 15 failed terrorist attempt in a joint declaration on July 18, vowing to make investments.

The heads of the Anatolian Lions Businessmen's Association's (ASKON), the Foreign Economic Relations Board (DEİK), the Chamber of Maritime Trade (DTO), the Istanbul Chamber of Industry (İSO), the Istanbul Commodity Exchange (İSTİB), the Istanbul Chamber of Commerce (İTO), the Independent Industrialists and Businesspeople Association (MÜSİAD), the Malls and Retailers Federation (TAMPF), the Exporters Assembly of Turkey (TİM), the All Industrialist and Businessmen's Association (TÜMSİAD), the Travel Agencies Association of Turkey (TÜRSAB) and the International Investors Association (YASED) said that democracy defeated the July 15 black mark.

"As the representatives of the business world, we know that it is only possible for our democracy to deepen and our economy to strengthen through a civil administration. Non-democratic powers will create huge damages to our economy and ruin all of our gains as a country," they said.

"We will continue to grow our economy by working and investing more," they noted, adding it was now time to act with common sense.

Not only the domestic authorities but also international authorities don't expect a decrease in Turkey's economic structure. Renaissance Capital's Turkey Bulletin Turkish Renaissance in its July issue pointed out the S&P's decision on downgrading Turkey's credit rating and said: "Fundamentally both budget and debt balances would not justify a downgrade in our opinion."

Another comment also underlined S&P's decision was Commerzbank's report after the coup attempt. It also criticized the decision and said: "Yesterday's S&P downgrade was only symbolic."

Timothy Ash who works for Bloomberg is another economist who finds S&P's decision poor. He said: "S&P already had Turkey a notch below Fitch/ Moody's, at BB+, I.e. junk. This says more about the credibility of S&P and Turkey at this point in time. So S&P now rates Turkey two notches below South Africa - that is ridiculous in my view given their ratios (Turkey's are better). And does SA have a better institutional framework - not two notches better?"

Ash also compared Turkey's current situation with the other countries who share the same credit rating and said: "Meanwhile, S&P now rates Turkey equal to Bahrain, and Croatia. Turkey has a public sector debt/GDP ratio half that of Croatia, and a faultless record of paying. All that said, in any event, arguably S&P's rating was not that important, given that Fitch/Moody's are IG, the two IG notches that Turkey still needs, and S&P were junk anyway."

As a result we may say that Turkey has gone through a really critical process but passed the test successfully in the meaning of economic structure. Expectations from the future is high and the tendencies of the markets show us Turkey will keep its leader position in the region with its stable infrastructure.

"We will continue to grow our economy by working and investing more," they noted, adding it was now time to act with common sense.

INTER-NATIONAL AUTHORITIES DON'T EXPECT A SHUFFLE IN TURKEY'S ECONOMIC STRUCTURE



Discover the potential

A junction of civilizations!

We are a country that sheds light on the future in this land holding continents and bringing civilizations together with our proud history and belief.

Turkey has brought together its historical and cultural values in its new brand and now shows its power and tells its story to the whole World!



FDIFLOW KEPS TTC

PACE

urkey thanks to its stable economic infrastructure didn't affect financialy by the terrorist attack against to its democracy. Coup attempters who aimed to tear up the confidence of international community to Turkish economy are stopped by the public's will.

Following the coup attempt, the precautions taken by Central Bank and declarations made from the Ministry of Finance and Ministry of Economy, markets and investors restored their trust to Turkish economy. Besides the governmental institutions of Turkey, non-governmental organizations also took responsibility to ease the artificial chaos created by some interest groups.

According to the head of the International Investors Association (YASED), Ahmet Erdem, the coup attempt in Turkey will not have any effect on the stance of foreign investors about the country. Ahmet Erdem who made a statement underlined the importance of this process saying "It is the time to take steps to strengthen democracy and the rule of law in the country."

"We don't expect the devastating developments over the weekend will have any effect on the stance of international investors about Turkey. The road has opened to take steps that will further strengthen our democracy and the rule of law. Such steps will enable foreign investors to have more confidence in Turkey," said

FOREIGN INVESTORS' ACTIONS PROVEN THEIR STRONG BELIEF IN THE ECONOMIC PROSPERITY OF TURKEY

YASED head Ahmet Erdem.

He added foreign investors made long-term investment decisions and their actions showed their confidence in the country where they invested. He noted that as the foreign direct investors in the country, they were against any intervention in the functioning democracy. "We are very happy that the coup attempt against a legitimate government – which was elected by the public's will failed," he added. He noted further steps to strengthen democratic rule and the rule of law should be taken now.





International companies which operate in Turkey for long years also contributed the message of International Investors Association. Companies which emphasized their determination to continue investment in Turkey also declared their confidence to the Turkish economy.

Shell Turkey which started its operations in Turkey 93 years ago said that they always plan their investment from long-termed perspective. The chairman of the company Ahmet Erdem stated the failure of the attempted coup has consolidated Shell's confidence and belief in Turkey's future. He also said: "By foiling this attempted coup, Turkey showed the whole world its commitment to multi-party democracy and the rule of law. This paved the way for steps which will further cement democracy, strengthen the economy and the rule of law"

CEO of Vodafone Turkey Gökhan Söit in made a statement and said: "Our confidence continues in Turkish market, where we have been operating for a decade." He also noted Turkey is an important and fast-growing market for them.

Corporate Communications Director of BP Turkey Murat LeCompte stated that BP does not deem it necessary to change investment plans in Turkey in activities which include oil refinery, distribution, and marketing. "We will continue to expand in Turkey within the company's strategy," LeCompte said, adding that the country is a key and strategic place for BP on a global level.

LeCompte also hailed Turkey's influence in the energy sector, highlighting the important international projects which are taking place in the country; namely, the Baku-Tbilisi-Ceyhan pipeline and the TANAP, Trans Anatolian Natural Gas Pipeline project.

Mercedes-Benz Turkey was another company which made a statement just after the coup attempt and shared their ideas with the public. They noted that Turkey is going through hard times, adding that the company, which has operated in Turkey for 49 years, considers itself to be a part of the country even in times of economic and political challenges, and that they believe it is the right decision to invest in the country. In the statement declared from the company it is said: "Today, the most important indicators of our confidence in Turkey are our total investment of more than 950 million euros and more than 6,000 employees. Our production and sales operations are continuing in a normal course as planned. We believe the whole country will return to a peaceful atmosphere soon."

Unilever which operates in a wide range of products, said their company has been operating in Turkey for more than 100 years, and has a long-term perspective. Addressing their investments in Turkey they noted that they will continue at full speed. "We are proud that we invest in Turkey, create more than 5,000 jobs here; that we have an understanding of high-quality production, business process and human resources policies. We are determined to progress in this direction." they said.

CEO Allianz Turkey Aylin Somersan-Coqui underlined that the company continues to offer service to its customers without a hiccup. "We will handle the losses of our customers and compensate for them. As a company which has contributed to the development of national economy with an investment of one billion euros over the past eight years, we will continue to improve our society's quality of life." she said.

DenizBank General Manager Hakan Ateş said they are properly meeting all requirements of their customers during this process and will do their best to continue to do so. Ateş noted that DenizBank will increasingly maintain its support for strategic projects for the future of Turkey and its customers, continuing, "We believe that Turkish Republic will come out of this sad incident stronger, as it has from all crises."

As a result we may say that globally prestigious companies who already operate in Turkey are confident with the economic and financial situation in Turkey and they aren't expecting any challenges in future.

Besides the companies who already operate in Turkey many global companies are waiting their turn to step in Turkish market. LM Wind Power is one of those companies. The company which is the biggest in its sector, producing wind tribune, is ready to operate in Turkey, Bergama. Company which invested more than 40 million dollars to the business today doesn't hesitate to take responsibility in the market after the coup.





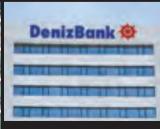
By foiling this attempted coup, Turkey showed the whole world its commitment to multi-party democracy and the rule of law. This paved the way for steps which will further cement democracy, strengthen the economy and the rule of law. SHELL TURKEY

Today, the most important indicators of our confidence in Turkey are our total investment of more than 950 million euros and more than 6,000 employees. MERCÉDS BENŽ

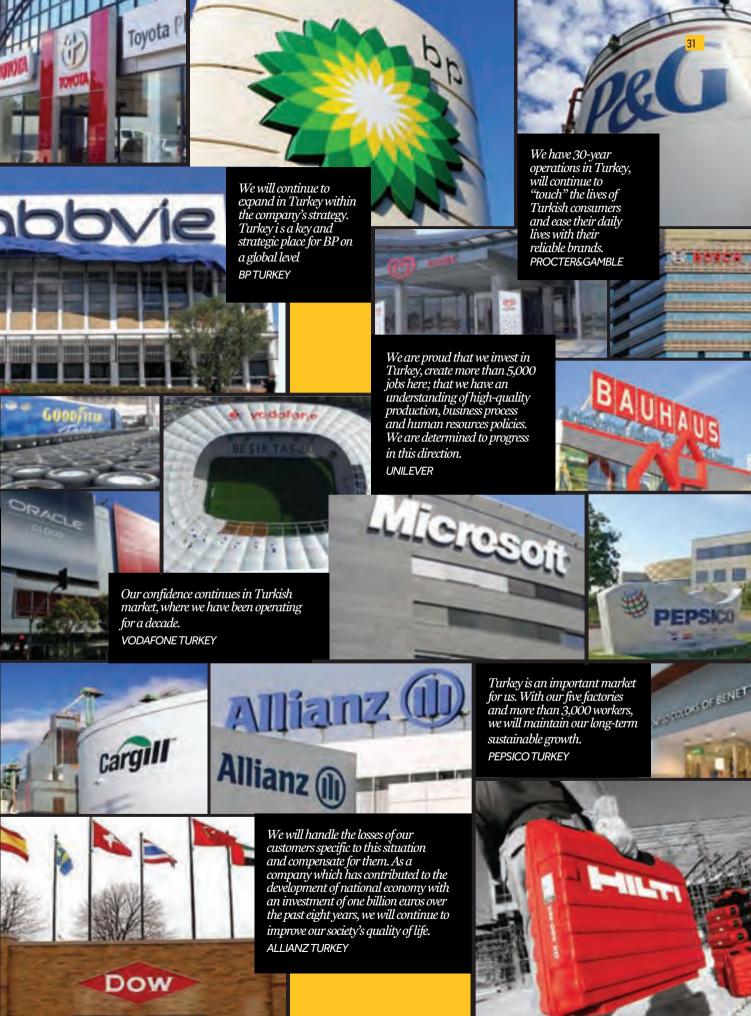
> Our most important task is to continue to work and produce for our country, without compromising on constitutional principles and the rule of law, which is the guarantee of peaceful social coexistence.

UNITINTERNATIONAL

(i)



We believe that Turkish Republic will come out of this sad incident stronger, as it has from all crises. DENIZBANK





THEREIS NO REASON FOR THE DEVELOPMENTS IN TURKEY TO NEGATIVELY AFFECT INVESTORS' DECISIONS

What was the incident that Turkey gone through on the night of 15 July? How do you define it?

On the evening of July 15, 2016, a faction of the Turkish Armed Forces directed by the Gulenist Terrorist Organization FETO (which is led by Fetullah Gülen), attempted to stage a coup in various cities of Turkey, particularly in Ankara and Istanbul. From the very beginning, the people of our country stood up against the attempt and sided with the democratically elected leader, President Recep Tayyip Erdoğan. Both the police and public prosecutors immediately took necessary measures to reinstate civil law and order in the country. Unfortunately, the coup plotters killed 246 people and injured over 1,500, many of them civilians. As a response to the coup attempt, President Recep Tayyip Erdoğan announced a three-month state of emergency that came into effect after the meetings of the National Security Council and the Council of Ministers on July 20, 2016. The declaration was published in the Official Gazette on July 21, 2016, and approved by the Parliament the same day.

INVESTORS' APPETITE CONTINUES

Who do you think is the organizer of this attack? Is it related to the organization that Presinden Recep Tayyip Erdoğan called FETÖ 3 years ago?

As you may well know, Turkey previously faced a different type of coup attempt on December 17, 2013, which directly sought to damage the democracy in the country via various baseless allegations against Recep Tayyip Erdoğan and some public institutions. At that time, it was evident to all of us that the attempt was directed by the so-called cleric Fetullah Gülen, who resides in the US. After reviewing conclusive evidence, the Turkish Judiciary decided to define Gulen and his persecutors as a terrorist organization. This terrorist organization was given the name FETO. Today, there is no doubt that the recent coup attempt on July 15, 2016 was staged again by FETO. The so-called cleric, in a recent video, has praised the coup attempt and threatened Turkish people who supported the elected leader and the government with death. This shows just what kind of a menacing madness the Turkish people are faced with.

Can this organization manipulate the perception of Turkey in the West? What do you think about their power in international community?

We do not think that foreign investors place a premium on FETO's harmful propaganda against Turkey. Concerns that the recent failed coup attempt will affect the rising momentum in Turkey's financial system are not reasonable. A series of policy measures, such as easing liquidity conditions, was taken by the Central Bank of the Republic of Turkey to encourage financial markets and to prevent the banking system from being exposed to the negative effects. Moreover, the banking system in Turkey recovered quickly in the aftermath of the 2001 and 2008 crises, and has proven resilient during temporary shocks in the past. The likely short-term effects of this attempt will not be accompanied by any deterioration in major economic indicators. Moreover, early feedback from international investors indicates growing confidence

and an increased appetite for investment in Turkey. In addition, prominent business associations in Turkey, such as the Turkish-British Chamber of Commerce and Industry (TBCCI) and the American Business Forum in Turkey (Amcham) voiced their support for Turkey's democracy right after the attempted coup, and condemned the intervention marking their commitment to existing and new ventures.

Turkish people themselves showed greater confidence in Turkey's financial system and institutions following the attempt. There were no lines at ATMs, and deposit holders did not have a serious demand for cash withdrawals or foreign exchanges. The depreciation in Turkish lira was limited. Stakeholders in the Turkish financial system are well aware that financial markets are overcoming the uncertainty and are stabilizing with good speed, which in return allows business engagement to resume fully. Furthermore, the Turkish government's new structural reforms in the pipeline, the low probability of early elections, and strong domestic confidence, will altogether stimulate the economy in Turkey.

How do you expect the future to be and what will the role of this night will be in Turkey's future perspective?

The markets responded with confidence to these recent events, given that security has been restored and that the public has strong support for the government. This will result in a more stable political environment. With regard to FDI, investors should not be concerned about the future of the Turkish economy. Predictability remains for investors thanks to the single-party government that now enjoys stronger popular support following the coup attempt on July, 15. Furthermore, the government continues its dedication to reforms towards improving Turkey's business and investment environments as well as reforms for accession into the EU. EU negotiations have recently been revitalized with a new Chapter of the EU acquis opened, and Turkey and the EU have declared a joint decision to start talks to expand and modernize the Customs Union next year.

There is no reason for the developments in Turkey to negatively affect investors' decisions to come to the country. Key factors for investors' economic operations are untouched. Turkey still meets many of the major competitiveness criteria of international investors, such as ongoing economic growth, sound policy framework, market size and profitability, and competitive labor costs. The attempted coup is unlikely to affect the growth prospects of Turkey since there are no budget crunches and the balance of payments is decreasing.

In the context of the newly announced State of Emergency, which is expected to last at most three months, Prime Minister Binali Yıldırım stated that "Turkish government continues its commitment to the rule of law" and the cabinet members stressed that the government will maintain its commitment to market rules, and the Turkish markets will continue to operate with all their institutions.

In terms of Turkey's trade relations with the world, no fluctuation is anticipated. As relations with the been growing robustly over the past 14 years with an annual average real GDP growth rate of 4.7 percent. Turkey stands out as one of the fastest growing economies in the world. Moreover, the country achieved a growth rate of 4.8 percent in the first quarter of 2016, despite the overall modest recovery in the global economy. Turkey is the 17th largest economy in the world, and would be the 6th largest in the EU. It is also the 20th most popular FDI destination globally. Our country has ambitious targets to become a stronger global actor by 2023, the 100th anniversary of the foundation of the Republic.

Turkey, perhaps unfortunately, is no stranger to such catastrophic events; however, the country has shown its resilience by emerging stronger each time. We welcomed three million Syrian refugees and have managed to mitigate a number of risks with our neighbors. Our ability to cope with just about any situation imaginable is one of the reasons we were ranked as the 4th fastest growing economy

TURKISH PEOPLE THEMSELVES SHOWED GREATER CONFIDENCE IN TURKEY'S FINANCIAL SYSTEM AND INSTITUTIONS FOLLOWING THE ATTEMPT



Russian Federation continue to improve, Turkey's trade with Russia will increase as will Turkey's performance in tourism. Furthermore, with improved relations we expect new investments from Russia in the energy, infrastructure, transportation, and agriculture sectors.

What is your message as Investment Support and Promotion Agency ad-nd what will your future steps will be?

Turkey has been and will be able to retain sound macroeconomic fundamentals thanks to supportive fiscal and monetary policies. The Turkish economy has The Turkish economy has been growing robustly over the past 14 years with an annual average real GDP growth rate of 4.7 percent.

among the G20 members in 2015. With modern management practices, a young and qualified work force, a stable economy despite temporary shocks, a reformist investment climate, developed infrastructure, a central location with easy access to 1.6 billion customers in the region, low taxes, generous incentives, and a sizeable domestic market, Turkey awaits foreign investors with all the opportunities it has to offer.

As a consequence of the failed attempt, a series of policy measures were taken by the government on July 20. Following the meetings of the National Security Council and the Cabinet, a three-month state of emergency was declared by President Recep Tayyip Erdoğan. We, as the Investment Support and Promotion Agency of Turkey, prepared an informative guide on the state of emergency and its potential impacts on the economy. This guide was distributed to all of our contacts around the world. We stated that this measure is aimed at holding coup-plotters accountable and ensuring that those involved are identified and brought to justice swiftly. The state of emergency will not include any restrictions on movement, gatherings, or free press, and will not impact day-to-day lives of individuals. We also sent an explanatory e-mail to more than ten thousand contacts about what happened in Turkey, and we will continue bringing foreign investors up to speed through various promotion activities.



The growing economy of the World!

We are a country known for its innovation, with a young spirit growing passionately. We are the masters of change.

Turkey has brought together its historical and cultural values in its new brand and now shows its power and tells its story to the whole World!

TURKEY NOW HAS A DECISIVE ROLE TO PLAY



M. İLKER AYCI Turkish Airlines' Chairman of the Board and the Executive Committee

How do you define the incident on the 15th of July?

The heinous attempt that targeted our democracy, people's will and freedom through our elected President, Government and National Assembly was perpetrated by a clique that is sadly rooted in our armed forces with their ringleaders based abroad. It is nothing but a treacherous terror attack aimed at our nation.

This terrorist organization, known for its previous attempts on Turkey's national unity, stability and peace, rightly sensed its nearing demise as a result of the resolute struggle against itself led by our President H.E. Recep Tayyip Erdoğan and mobilized its army-uniformed militants for a last act. This attempt was summarily defeated by our people.

What were the motivations of this terrorist group?

Thanks to Turkey's political stability, Turkey now has a decisive role to play in world affairs. Our increasing global influence and noble stand against injustice are keenly followed from far corners of the world, stretching from Africa to Latin America.

A mission like this, when coupled with a deeprooted history, a consistently growing economy on solid pillars and a strong democracy, makes Turkey for some international circles, a power that should be neutralized. Today, it is an undisputable fact that terrorism poses a threat to the entire world. We must make one thing clear; this attempt not only targets our democracy and elected representatives but our THE ATTEMPT AIMED AT TURKEY'S NATIONAL WILL, UNITY AND DEMOCRACY WAS FITTINGLY ANSWERED BY THE PEOPLE

economy, stability and our national identity.

One can only guess the dark days that would have awaited Turkey, our nation and our economy had this heinous attack succeeded. The defeat of this attempt by an evil force equipped with tanks, fighter jets and heavy weaponry, at the hands of our people armed with nothing but our flags and patriotism has turned into a legendary tale of resistance with hardly any analogues in history. The heroic resistance of our people that crushed the attack shows that no matter which tools and puppets are used to threaten our country, they are doomed to fail when confronted with our people's patriotism, wisdom and unshakeable will.

As a prestigious member of business world, what do you think about Turkey's image in global market? How did the incident affect it?

As I have previously mentioned, this treacherous attempt on the image of an emerging Turkey aimed not only our country and nation but also at the values that our country represents.

The struggle for democracy that Turkey's united people and political leadership went through

won praises from all the world and multiplied the strength of our message.

The continuous trend in Turkey's accomplishments in several fields during the last 14 years, even in the face of crisis', terror incidents and the latest heinous attempt on the 15th of July, shows the confidence and trust our people have in their elected leadership. This unwavering and everlasting trust reinforced our country's status as an 'island of stability' and made it rise as a 'fortress of democracy' in its region. Despite the turbulence that some regional countries are going through, Turkey retains its attractiveness in the eyes of international investors with its strengthening democracy, integration with the global economy and numerous investment opportunities.

How did Turkish Airlines react to this incident? What were the precautions taken by you? How did you handle the crisis?

As one of the main targets of the attempt was the main hub of Turkish Airlines, Istanbul Ataturk Airport,

our brand quickly set up a crisis center to ensure the safety of our passengers. During the first hours of the crisis we had to divert 35 flights to other airports and our staff was alerted to reduce the inconvenience that our passengers might experience. We kept close contact with our transit passengers whose flights were interrupted and made them lodge at nearby hotels, met their needs and later safely got them to their destinations. We offered easy rebooking and refunds for our affected passengers. The decisive stand of our people and leaders were key motivators for us during the whole ordeal.

As Turkey's flag carrier we were alert and ready at all times and actively took part in our President H.E. Recep Tayyip Erdoğan's safe transportation and landing at Istanbul Atatürk Airport in close cooperation with the Office of the Presidency, Ministry of Transport, Maritime Affairs and

Communications and Ministry of Interior. We kept our morale high with the messages from our President and Prime Minister H.E. Binali Yıldırım and resumed normal operations within hours thanks to the efforts of our flight crews, cockpit attendants, ground services, technicians and other staff.

With the attempt now left behind and Turkey progressing surely and rapidly on the right course, we would like to extend our thanks to our business partners; Boeing, Airbus, Bombardier, Aercap, Embraer, General Electric, Capital Aviation Services, Pratt & Whitney, Honeywell, CFM International and Panasonic and wish to further our cooperation with them. Our fast resuming of normal operations was done with the help and contributions of Turkey's Ministry of Transport, Maritime Affairs and Communications, Ministry of Interior, TAV Airports, General Directorate of State Airports Authority, Directorate General and Turkish

Ground Services, Turkish Opet and

DO&CO.

What are you expecting from the future?
How should Turkey act and how do you think

Turkey will act?

The attempt aimed at Turkey's national will, unity and democracy was fittingly answered by the people. Turkey has demonstrated a clear preference to go on the path lit by Turkey's President H.E. Recep Tayyip Erdoğan. We have to work harder to realize our true potential and should strive to make our country even greater.

We do not need new formulas to reach our goals. The political leadership, the very embodiment of our national will, has the capability, motivation and resolution as to create a new momentum. As Turkey's Most Valuable Brand and Europe's Best Airline, Turkish Airlines, will continue to proudly fly its flag even higher in all corners of the world to be worthy of its home country and people.

Turkey is continuing to huge investments without any doubt.
Osman Gazi Bridge
which opened in June
was one of them.



TURKEY INSPIRES THE REGION

urkey opening a new chapter its history, begun in 2002, was on the brink of structural changes.

As the Soviet Union collapsed and the question of reform and democratization emerged

As the Soviet Union collapsed and the question of reform and democratization emerged in its former republics, The Economist announced Turkey to be the "Star of the Region" and a model particularly for the newly independent Central Asian republics. Roughly a decade later, the idea of Turkey as a "model" was raised once again, this time by U.S. President George W. Bush, when he launched the Broader Middle East and North Africa Initiative after intervening against Saddam Hussein in Iraq. In both cases, Turkey's "model" credentials were promoted by the West because Turkey was both a secular Muslim country and a democracy with a liberal market and close ties to the West.

After the Justice and Development Party took over the country in 2002 elections, strategic importance of the region has increased significantly due to transportation projects in the Middle East, North Africa, Central Asia and Russia, the transport of oils and natural gases to Europe via the Mediterranean and to the Far East over Israel. Also developing more rigorous and friendly relations with Muslim countries in the Middle East to enhance its efficiency. TURKEY,
DESCRIBED
AS A ROLE
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DEVELOPING
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MADE A HUGE
PICK



Turkey, described as a role model to the developing countries, made a huge pick.

Also Turkey's strategic role for Western World, being a crucial partner of United States of America and European Union in the region following the collapse of Soviet Union, let Turkey to be under the spotlights of the world.

In 1999, the European Union formally adopted Turkey as a candidate and since the Justice and Development Party, (AK Party), came up to power in 2002, it has declared that it supports Turkish EU membership. Labelled as a conservative democrat party by European countries, AK Party has been likened to the European Christian Democratic parties. Turkey has achieved significant progresses on social, political, economic and international domains since the AK Party came to power.

The Justice and Development Party won all the elections that it attended by emphasizing Turkey's application for membership to the European Union through improvement of democracy, human rights and rule of law, eradication of the military in state affairs, economic development and conservative social values. During the first and the second term of the AK Party which were described by Prime Minister Erdoğan as his "apprentice" and "foreman" terms in office, the AK Party has undertaken the democratic reforms that are necessary to comply with the EU criteria.

The political stability brought economic raise. Regional trade has boomed: Turkey's exports to the Middle East more than doubled between 2002 and 2010 as a share of total exports, reached 20%.

A robust and heavily regulated financial sector escaped the worst of 2008's global crisis while steady flows of foreign investment and tourism have been complemented by healthy domestic industries. GDP grew 8.9% in 2010, among Europe's best and outpacing worldwide recovery. Per capita earnings have doubled reaching \$10,079 in 2010. The goal for 2023 is around \$25,000

J. Faisal in World Economic Forum said: "Although not being an oil-based economy, Turkey has managed to surpass many of its rich Middle Eastern counterparts and its debt-burdened Western neighbors, who have long denied it membership to the European Union. As all this was happening, a staggering 31.5 million foreign tourists visited Turkey last year, mostly from Europe, the Arab World, Eastern Europe and Japan. Turkey has certainly regained its leadership position on the world's stage and the post-Arab Spring Middle East has a lot to learn from it."

Turkey's separation of the political and economic spheres is another fundamental example of the country's success throughout its development. The process of economic liberalization led to the creation of an independent Turkish business community that became capable of criticizing the government and keeping it in check. Such an arrangement improved the nation's democratic structure and facilitated the growth of nongovernmental sources of domestic funding, while significantly enhancing civil society.

Most importantly, Turkey's experience is very attractive to other countries because of the fact that it is also consistently evolving and improving its democratic institutions. Its level of political and economic development allows the Turkish experiment to serve as a significantly more relevant model for the Middle Eastern states than any other case. Turkey's proximity and cultural affinity with the countries in the region provides Turkey with a unique position as a credible role model, as opposed to successful cases from other regional contexts. Turkey is playing a major role in the Syrian crisis, hosting meetings for opposition forces that seek to bring peace.

Turkey, described as a role model to the developing countries, made a huge pick. The betrayed organization of coup attempters in the state somehow started to worry about their chances to take under control the governing mechanism. So they used their ability to manipulate media and sensation abut Turkey. Turkey survived through the economic crisis in 2009 that world suffered. Despite its success in crisis management Turkey has been criticized by international community on economic and political structure of the country. The last attempt clearly shows us that this critics are the imagination of coup attempters who leaked in the state bureaucracy.

QATAR



JABER AL-HARAMI Editor in Chief of Al Sharq Newspaper

THE NIGHT OF DIGNITY THAT STUNNED THE WORLD

The Turkish people witnessed the magnitude of the development and advance under the rule of the AK Party.



Turkey or Justice and Development Party were not alone in the battlefield of democracy yesterday night. But people with honor from around the world were present in this battlefield, even from afar.

So why was this support for Turkish President Recep Tayyip Erdoğan in the Turkish night of dignity, not only from his own people – that marched in millions in squares, but from all Arab and Islamic populations?

We have seen the support of President Erdogan and his party since they assumed power his support for Arab and Islamic causes in different ways. One of the many manly situation of Erdogan was his stand in the Davos Economic Forum in 2009 in the face of Israeli Prime Minister Shimon Perez in

defense of Gaza. He uncovered the lies of the Zionists and their crimes during Gaza War.

We have known about Erdogan his embrace of millions of our Syrian brothers, and other Arabs who sought a safe haven in Turkey, after they chased away by the regimes of their home countries.

We have only known that he restored the mosques their roles, to the minarets the call to prayers, to the veil its sanctity, to the Turkish citizen his dignity, and to the Turkish state its identity. We only know that Erdogan has transformed Turkey from a marginal country, standing helpless begging the European Union, owing \$26 billion to the International Monetary Fund, into a country that ranks 16th in the international economy, after it ranked 111th. Now it owes zero dollars to the IMF. It even credited the IMF \$5 billion. Not Turkey is self-dependent in all its industries, including the military. In less than ten years, the annual per capita income has leapt to \$13,000, against a meager \$2700 back then.

The AKP, under the leadership of Erdogan, managed to make a quantum leap, hardly seen internationally, in education, health, economy, infrastructure, military power. It is enough to know that during these years, the following happened: The Turkish GDP in 2013 was \$1.1 trillion. Erdogan helped Turkey leap from 111th place to the 16th, or ten ranks every year, leading it now into the G20.

For the first time, Turkey could under civilian rule manufacture the first armored tank, first aircraft, first

submarine, first military multi-task satellite, and is considering manufacturing the first Turkey-made aircraft carrier.

In ten years, Erdogan built 125 new universities, 189 new schools, 510 new hospitals, 169000 new modern classrooms, so that the number of students does not exceed 21, while the health insurance is now covering all citizen in the country.

Turkey exports totaled \$23 billion before the AKP came to power, now it reached \$153 billion, accessing 190 countries around the world. Cars take the biggest bite of the Turkish exports followed by electronics. Now, one in three electronic sets sold in Europe is Turkish.

This is the Turkish president, that all the people rose when they heard his 12-second statement, in which he called upon the people to go down the squares and the airports, not to protect Erdogan, but to defend the path of democracy, not to return to military domination on political life, which summarizes the bitter experiences the Turkish people lived four times in the past.

Only moments passed before the squares thronged with the masses who answered the call of the president. The people stood against the tanks of the clique that did the coup, hoisting the Turkish flag. We did not see a citizen raising the photo of Erdogan, as it is the nation that is jeopardized.

In May 2013, I was on a visit to Turkey among a limited media delegation in the tenth anniversary of the AKP rule. I visited Khabar TV, as part of my schedule. I sat with a Turkish girl, who works as a program producer, in a small hall. She did not wear the veil. She wore a short skirt and smoked. The municipal elections were at the doors. I asked her about her choice in the elections. I thought she was going to vote for a secular party. But she answered without delay that she would vote for the AKP. I said "excuse me, but your dress says you are a liberal person away from any party with Islamic ideology." She interrupted me saying that that she does not care about the ideology of the party and the she only looks for what the party has introduced for her. Listing the achievements of the party, she said a Turkish family was not be able to own a used car, but today each family has more than one new car. "Our salary was less under \$2700 in 2002," she said, adding that their salaries reached \$13000 today.

I was astonished by this unveiled girl, with her logical and modern thinking. I recalled this situation while I watched yesterday a majority of unveiled women during the protest and how an unveiled girl helped another who is veiled when she fell to the ground.

These multitudes who came bearing the coffins around Turkey, going down the squares answering the call of a president who suffers an attempted coup. The people came out, because they have lived the descent life that he provided for them. He was a guardian of the nation, rescuing it from the bottom to the top of nations, giving Turkey today international presence respected by the whole world.

Even opponents of Erdogan or the opposition, was all

united, despite their political differences. Even the zest of those against him was stronger and more intense. This was clear in the statements of the former president Abdullah Gul, saying "this is Turkey not some country in Africa." The same applied to former Prime Minster

Ahmed Daoud Oglo. They did not disperse over the nation at the times of intensity and distress. They put their differences aside and stood side by side in the battlefield. They were marked with greatness like knights in adversary, maintaining their honor. I wish the Arabs can learn that lesson.

They were all united under the flag, that encompasses all the Turks, including supporters and opponents. They carried no banners of Erdogan. The people did not dance after the fail of the coup. They rather used the streets and the squares as mosques for the dawn prayer after the coup failed, unlike other Arab countries which used the squares and electoral committees for dancing and singing.

During his speech in Ataturk Airport, Erdogan sent important messages after he landed there. The planes that we own and weapons that we buy are for the protection of the country, and not for the killing of the people, he said. He addressed the army saying "you are the army of (prophet) Muhammad, who should never raise their arms to the citizens."

The army of (prophet) Muhammad carried a lot of messages, the neatest of which is Mohammed al-Fatih, who conquered Constantinople or Istanbul today. Therein is the heritage of the Turkish people and its ancestors. They are the grandsons of the conquerors to give them pride and honor.

The arms that countries buy by the sweat of the people and by taking away from its sustenance, should never be directed in the end to the chests of the people, but who knows this!! There is Bashar annihilating his people with weapons he bought with the money of the people.

The difference between Erdogan and basher is that Bashar faced the people with the tanks, while Erdogan faced the tanks with the people.

The Turkish people aiming for freedom and democracy and opposing of the army to the political life, after bitter experiences, even if they have to give from their blood. Because freedom cannot be won without blood.

The Turks did not leave the squares at that night, but they stayed to maintain the fruits of their path and to confirm their support for the legitimacy of their government. Also, they wanted to confirm to the whole world that they are united with their president with no bargaining on their homeland.

The Turkish people gave the greatest examples during the failed coup attempt. Turkey after 15 July 2016 is not the same as before that date. The APK that won 52% in the late elections has gone beyond that now. No party would dare again to on a insane maneuver like that on that night, as the Turkish people has reached democratic maturity and will not accept to go back to militarizing their civil institutions again.

Thanks for the Turkish. You taught the Arabs another lesson.



KHALID JAABIR
Director of Al Sharq
Studies&Research Center

THE STORMY TURKISH NIGHT

People were screaming and fleeing around us in panic on the streets of "Taksim" Square.

Sadness mingled with joy, tears with smiles, despair with optimism, fear with hope, darkness with light, life with death, past with future, the military with the people, repression with democracy, the coup with legitimacy, The "Turkish One Thousand and One Night", gathered

contradictions, feelings, emotions and sensations under one umbrella.

We were all perplexed waiting while seconds and minutes crawled. People were screaming and fleeing around us in panic on the streets of "Taksim" Square in Istanbul where we resided. We thought that another terror had hit Istanbul after the recent incident in Ataturk Airport, we did not expect to see military movements, led by officers from the second division and their acolytes, they attempted a coup against the Turkish state institutions, failed to respect democracy, hence, turning the clock back.

How did these officers think, plan and orchestrate this horrible act? Why did they fail to succeed as it happened in 1960, 1971 and 1980? In addition to the 1997 coup against the late leader Necmettin Erbakan?! Many can't understand and absorb this paradox easily.

Times have changed, new generations, ideas, values, habits and behaviors of different have all sprung up, multiple networking and persuasive communication tools that overwhelm hearts and minds have been developed.

The coup plotters equipped themselves inside and outside Istanbul and Ankara capital, with heavy tanks on the ground, war of planes in the sky, light and heavy weapons, in addition to direct targeting and killing decisions, destruction and explosions and firing, but they ignored the power of the public, digital media and social communication means, hence, their plot failed.

The use of smart-phones and new media tools led great number of Turkish people to the streets in the face of the soldiers and tanks and foiled the coup. They raised national flags that bore no image of any leader, cheering in love for the country stability and continued development. Despite deep-rooted differences, Turkish opposition parties as well as various Turkish factions, stood together against the coup plotters.

It's a lesson to the Arab world to enforce constitutions, activate the state's institutions of democracy, where people learn the duties and national rights, and sacrifice their lives to protect the nation's continuity, stability and prosperity. But does the Arab world heed these kind of lessons??.

Dubai to show its support to legally elected government of Turkey colored a skyscrapper ib the colours of Turkish flag.





TURKEY



MEHMET AKİF OKUR Assoc. Prof. Dr.

AFTER THE "NORMALIZATIONS"

Prospects for the Economic Dimensions of Rapprochements between Turkey and Russia/Israel

It is not easy to realize that which of the crises, killings of Turkish and American citizens in Mavi Marmara or the shooting of the Russian jet, more unsettled the calculations related to the Middle Eastern power games. But it is clear that Turkey's simultaneous rapprochements with Israel and Russia captured world's attention and changed the direction of expectations in the region although there are still lots of unanswered questions.

Economic issues are among the most intriguing of them. Those three countries had had significant volumes of bilateral trade and joint mega projects before their ties were damaged. Now, they are in the preliminary phase of negotiations to revive broken deals and open up new commercial opportunities.

Following the reconciliatory contacts, Moscow lifted economic sanctions which were imposed after the Su-24 incident, targeting mainly tourism and food sectors of Turkey.

Before the crisis, Russian travel agencies were among the best customers of Turkey's seaside resorts. In 2014, about 4.4 million Russians visited Turkey. According to the available data, at least 3.3 million of them were tourists. The revenue from Russian tourists was \$3.5 billion. And expectations were higher for the coming seasons because of the downing of a passenger jet over the Sinai Peninsula made alternative destinations riskier. But, after the ban of the Russian government, these numbers declined dramatically. In May 2016, the loss in the amount of Russian tourists was around 92 % compared to the same month of 2015.

Turkish agricultural products were also among the items in the black list of Moscow. In 2014, total value of Turkish exports to Russian markets was about 6 billion dollars. When we compare the numbers from the first four months of 2015 with 2016, 61.5% decrease can be seen.

During the crisis period, Turkey has continued to import Russian gas and wheat. Despite debates which have attracted large public attention, Turkey has remained as the second-largest buyer of Russian natural gas. And Russia is still Turkey's largest natural gas supplier. Both countries also have not significantly changed their positions on gigantic projects like Akkuyu nuclear power plant and Turk Stream, although there was no meaningful progress about them.

Today, exchanges of positive messages and increasing diplomatic traffic between Ankara and Russia fuel hopeful analyses for the future of economic relations. A recent report, prepared by Ata Investment, calculates the potential benefit of the reconciliation to the Turkish economy as 10 billion dollars over the next two years. So, repairing ties with Russia promises a contribution to the Turkish economy, by helping Turkey finance its current account gap.

In the case of Israel, the picture is interestingly different. During the last six years, while the relations between Ankara and Tel Aviv have been at political low point, economic relations have reached to a high point. In 2014, bilateral trade between Turkey and Israel amounted to record \$5.44 billion dollars.

This background shows that, what makes reconciliation economically significant, especially for Israel, is not delayed trade opportunities but the possibility of cooperation to exploit natural gas reserves worth hundreds of billions of dollars under the Eastern Mediterranean.

According to estimates based on a geological survey carried out by U.S. a decade ago, about 3,450 billion cubic meters of gas exist in the Levant basin covering the area between the shores of Cyprus and Israel. A recent study published by a senior geoscientist for the French energy company CGGVeritas shows gas reserves in "three sedimentary basins, Levantine, Cyprus, and Latakia, located in offshore Syria". New findings indicate that the size of the gas reserves in the region may three times larger than the earlier estimations.

Israel needs to find a route to deliver its gas to potential consumers. The most profitable option for Israel is to build a pipeline towards Europe via Turkey. Turkey, trying to diversify gas supplies, is itself a huge market. Many European countries also want to diversify their gas supplies not just because of economic reasons, but also with security concerns which has arisen especially after the Russian annexation of Crimea.

So, the business interests related with the gas industry are among the main motivations of Israel during the process of restoring ties with Turkey. Ankara is the cornerstone of any strategy which can unlock vast natural gas wealth of the Eastern Mediterranean. The Cyprus part of the puzzle also confirms this truth. For an economically feasible natural gas export strategy, reserves in the territorial waters of the Cyprus island should be integrated to the joint project. But to achieve this, political hurdles have to be removed. Support of the international community to a kind of solution acceptable for Turkey about Cyprus issue is also necessary. It means that all roads in the "gas game" lead to Ankara.

It becomes more clear, when we think of the Russian position in the European markets visa a vis potential Eastern Mediterranean gas supplies. Russia has to find an alternative destination for its gas exports other than Ukraine within the coming years. And again, Turkey is over the most feasible route. Therefore, simultaneous normalizations with competing players trying to reach Europe give Ankara a significant leverage in the solving process of this great energy problem.

Because the parameters of the issue is not limited with economic calculations, geopolitical concerns will also affect the decisions. This reality may encourage those three countries to converge their positions on some current regional crises in favor of stability. Because, building future material interests over the pillars of peace searching efforts rather than continuing to involve longing conflicts for selfish advantages will best serve the prosperity of the Turkey, Russia, Israel and the whole region. Although it is not easy to make promising predictions under the light of the hard breaking experiences from the last few years; while there's life, there's hope...



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WHERE ISTURKEY HEADING TO?

urkey is facing various problems about the perception that is created in Western media and public.

With the development of communication technologies people all over the world get in touch with each other easily. Especially social media and lack of ethical values in this channel make it to struggle against artificial news and rumors. Besides Turkish people who live abroad or people who are interested in politics, people from every sociological and economic background today hold talks with foreign officials frequently as part of their daily life routine, have been witnessing a growing antipathy toward Turkey, especially in last three years. The perception of Turkey in the U.S. and EU between 2002 and 2010 was quite positive, but we see it now dimming. One of the assertions on this sharp change claims West has vacillates between democracy and its interests in almost all its choices regarding the Middle East.

Turkey has gone through a development process in last decade, in the meanings of economic progress and democratization by adapting its infrastructure to European Union norms. While Turkey was at the top of its progress fallen neighbor countries, strategic changes and intense conflicts in the region came in front of the country as obstacles to challenge.

TURKISH
NATION
EXPECTS
A MORE
OBJECTIVE
APPROACH TO
TURKEY FROM
WESTERN
WORLD



Turkey trying to manage the crisis gone through many breaking points. But the bureaucracy and the government passed the test. For example when the world was suffering from global economic crisis after the bankrupt of Lehmann Brothers, Turkish President Recep Tayyip Erdoğan who was the prime minister in that time claimed that crises will touch slightly to Turkey. Western media and some interest groups said that it was impossible but with the result they were shocked. Because Turkey was one of the countries which was affected least from this crisis.

Besides the financial fluctuations world faced a new problem in this period; global terrorism. Turkey who is in the center of these terrorist attacks suffered a lot in different attacks. But even the day after Turkish people knew to turn back to daily routine and didn't surrender to terror's psychology. But on the other hand western countries who also faced these terror attacks couldn't snap out of it. One crucial example for this is France.

As it is known today Turkey and France both declared state of emergency (SoE). Especially in Turkish public there are same questions in minds: "Turkey and France declared SoE against to terrorism they face. France is under attack of ISIS terrorism and Turkey is under attack of terrorists who leaked into the state and attempted to a coup. Why there is a double standard against to these two situations? Why international community is in the fair of France's SoE and why are they against to Turkey's SoE?"

State of emergency in France contains special rights for the for security agencies like:

- 1. house arrest without a court order,
- 2. searches without a court order,

- 3. closing the websites,
- 4. dissolving radical associations and organizations,
- 5. Forbidding demonstrations
- 6. restricting the freedom of movement
- 7. defining particular zones to protected areas
- 8. closing demonstration areas, meeting points or pubs
 - 9. disarming legally owned weapons

There have been 77 arrests in the houses, immediately after the état d'urgence (state of emergency) several hundreds of people are arrested.

By the 25th of May almost 3600 house searching were done by security agencies. As a result of that 600 courts processed and very few of them are related to the terrorism. Especially even many civil rights organizations are against this état d'urgenc why do international community doesn't criticize it?

President Recep Tayyip Erdoğan who always underlined the artificial perception that is created in western media in 2014 said: "There is a psychological war against Turkey in the western media, based on complete lies. Each day, some international newspapers come up and conduct a perception operation. Turkey is not a country that will bow either to domestic treason networks or to perception operations abroad"

Turkish public who is on side of their popularly elected President Recep Tayyip Erdoğan with the terrorist organization's failed coup attempt are mostly thinking that this organization had strong ties with western media and they manipulated them to write to the detriment of Turkey.

It is hoped that in following days western world will adopt a more objective approach to Turkey.

TURKEY

WHY TURKEY D/WON'T FAIL?



METİN TABALU Turkish Exporters Assembly, Deputy Secretary-General

hen it comes to time of crisis,
beginning with the essential tools to
initiate effective crisis management
requires sticking to your core values
and core strengths as the best option... and Turkey
as a nation did this very well during the most recent
crisis of the very long democratic history of the nation.
Some people might consider this as a failed coup
attempt, but instead this was truly a success story of
the democratic aspirations of an 80 million society. No
single entity, organization or fellow of this diverse and
dynamic society was late in responding against this
attempt, recover and move forward.

Governmental institutions in finance have just announced that the people just exchanged more than \$10 billion to the local currency after the coup, showing strong belief in and firm stance behind currency performance of the Turkish Lira. Central Bank has proactively taken all the cautions to dampen the temporary effects of this event and sustain the liquidity in the markets.

Turkey, experiencing strong growth figures for the last 7 years post the global financial crisis would continue to grow in remaining quarters of this year. The aggressive macroeconomic reforms and incentives being done for the last year will also start paying off, adding an additional momentum onto the existing trends.

Not much far from the current day, people will see the images for success, hospitality, stability, trust and growth when they Google search Turkey, and Turkish investment climate. This has been the case until recently and will be case from now on. When there is a shock, the short-term may look volatile, however long term trends driven by core values and strengths will remain valid. Such shocks are somewhat a compressed simulation of the interaction of core strengths into a very short time frame. It is just like the best way to observe the behaviors of nanoparticles in quantum physics, things that you may have hard time to observe in normal conditions.

Then comes the question, what are those core values and assets of this vibrant country? Let's highlight some of them as principle reflections post this major challenge we have faced.

First of all, Turkish people have perceived their collective strength, thus fundamentals of democracy triumphed definitely over this attempt. Turkish nation quickly accommodated to the situation, and immediately reacted to the coup attempt by proving highest level of sovereignty, dignity and respect for democracy. This is not particular to that night but is a strong capability of Turkish people in managing crisis within the appropriate time window, at any setting. This might be a failure at an automotive production line or congestion in the operations of an airport as a hub. People are responsive, emotional, powerful and reactive in positive way with the sense of urgency and are good problem solvers. This is what the foreign business owners, expats and managers observe among different sectors and regions of the country via their investments and interactions with local people.

Another long-term asset is flexibility and commercial innovation. Turkey is a huge and diverse market with incredibly high variety of consumer segments enabling the enhancement of continuous innovation. New trends pushing the changes in digital user experience are driving the proliferation of continuous innovation... and Turkey is utilizing this with smart and education labor force both for services and goods industries. Furthermore, flexibility is the key asset for fueling this commercial innovation.

Courage, leadership and taking initiative was also key while the entire society did not miss the window of opportunity. It was vital to react on time and collaborate, and we did so. All stakeholders involved were positively unified, resulting in extraordinary resilience under time pressure. This in turn is another key characteristic of the Turkish people in dealing with crisis situations. Situations requiring immediate decisions under time pressure and criticality. Situations requiring togetherness and unification.

Being united as the Turkish exporters, Turkey will continue boosting productivity, innovation capabilities furthering export driven growth with free-market economy. This theme will be the basis of operating full force to attain the 2023 goals among all goods and services exporter industries. The principles of a democratic government laid out at the foundations of Republic established in 1923, preparing for the 100th anniversary in 2023 would remain at the core.

Core values and principles are timeless assets. They can not be discounted by any factor and would materialize whenever the situations need so. This is not only valid at the macro level but also is a fact at the macro level. Not only in developing strategies but also executing them. Not only in administration but also in operations. We will continue to invest and deliver with our institutions while creating more value with better connectivity to the rest of the world.

Content: A New Gate for Exporters P50 First Turkish Trade Centers in Dubai P50 Chosen as the Best 6 years in a row P52 Challenges in Migration Management P54 Editor: Mustafa Yiğit



POLITICS

REDEFINING TURKISH CITIZENSHIP

Inspired by American Green Card Turkey is ready to unveil Turquoise Card, which will provide qualified foreigners with the opportunity for permanent employment.

BY AYŞENUR BEYAZ

ntil 2000s Turkey lost its skilled workforce with brain drain to developed countries especially in the areas of medicine, engineering and the social sciences. The reason people left Turkey was that "Turkey couldn't present them efficient and beneficial working conditions." Also

political and economic instability were additional reasons for skilled people's decision on leaving Turkey and living abroad.

With the effects of developments in economic and financial conditions in last decade share of brain drain decreased gradually in Turkey. Also after the reforms and legislative regulations Turkey became an attraction center in the region for skilled workforce

Turquoise Card came up as an idea of Ahmet Davutoğlu government in 2015. Turquoise Card intends to strengthen the Turkey's labor force where dynamism and multiple colors gather under one roof. Besides being a system to attract skilled workforce, Turquoise Card also aims to encourage investors to invest in Turkey.

A press meeting was held by Nurettin Canikli, Deputy Prime Minister, after the draft law passed from the parliament on the employment of foreigners which aims to attract qualified labor and capital into the country. In his meeting in 13 June, Canikli declared that a series of regulations would be introduced to improve the employment conditions of foreigners.

Canikli said: "Skilled workers from abroad and qualified investors able to support development, make investments and contribute to technological advances, will be given a Turquoise Card' enabling them to stay and work in Turkey permanently."

"We will unveil a Turquoise Card, which will provide qualified foreigners with the opportunity for permanent employment. Short-term foreign workers and interns will also get a permit to work," he said.

Turquoise Card will bring a scoring system for foreign workers. Educational background, language skills, professional experience and other qualifications of foreign workers will be assessed through this system. Foreigners who can pass a predefined threshold will be able to qualify for a Turquoise Card.

Naci Ağbal Minister of Finance who talked on Turquoise Card and said: "Our aim is to attract capital and high-quality labor into Turkey. He also said: "There will be a threshold in offering residence permits or citizenship to foreigners who already own property in Turkey. For example, we will not offer such advantages for foreign owners of properties that are worth under a certain price," adding that Turkey lures property investors mainly from the Gulf countries, Europe, the Turkic republics and northern countries.



The basis of the Turquoise Card program includes a list of the following items: Foreign nationals who have a degree will be given a number of privileges, international students will have the right to get work, foreign businessmen will receive official permission for the work in Turkey at the time of business activities, if foreigners looking for a short period job, they will easily receive a work permit.

Turquoise Card will bring a scoring system for foreign workers.
Foreigners who can pass a predefined threshold will be able to qualify for a Turquoise Card.



EXPORT

A NEW GATE FOR EXPORTERS

Panama - Guatemala Trade Delegation Carried Out As Planned Despite The Coup Attempt.

Turkish Exporters
Assembly, despite the coup attempt on 15th July, carried out the Panama Guatemala trade delegation with 23 participants between July 17th-22th in cooperation with Turkish Airlines as planned. During the delegation business forums and bilateral meetings were organized together with the counterpart institutions, NGOs and the Ministries both in Panama and Guatemala.

The purpose of the trade delegation towards aforementioned countries was to create an opportunity for the Turkish exporters to meet new importers, distributors and suppliers from the Latin American region, learn about their

doing-business practices and ways to penetrate deep into the market, search for new investment grounds and discover the business potential in such a distant and different geography. Against this background, both Panama and Guatemala are located at a significant geography which allows the Turkish exporters to be able to expand into the Central and Latin American countries.

In order to meet the Turkish exporters, approximately 70 Panamian companies in Panama and 80 Guatemalan companies in Guatemala attended the bilateral business meetings realizing almost up to 300 business interviews.

Furthermore, the trade delegation was welcomed



with such enthusiasm by the public and private sectors both in Panama and Guatemala. Panama's Vice-Minister of Foreign Trade and Vice-Minister of Tourism as well as the Minister of Economy of Guatemala respectively, attended to the business forums. During the business forums, it has been expressed repetitively that both Panama and Guatemala expect more and more interest and investment from the Turkish business sectors as well as business NGOs and representatives of both Latin American countries emphasized their intentions to contribute to bilateral trade opportunities with Turkey.

The purpose of the trade <u>delegation towards</u> aforementioned countries was to create an opportunity for the Turkish exporters to meet new importers.



TRADE

FIRST TURKISH TRADE CENTER (TTC) IN DUBAI

First Turkish Trade Centers in Dubai are going to be opened by TIM A.S. with the support of Turkish Ministry of Economy.

urkish Trade Centers are being established with its offices and showrooms to be the introduction center of Turkish exporters and their products, to assist them in warehousing and logistics, to give services legally and financially and to help them entering the market.

Within this project, first Turkish Trade Centers in Dubai are going to be opened by TIM A.S - with the support of Turkish Ministry of Economy to start & increase the business cooperation between Turkish manufacturers&exporters and Dubai companies.

"TIM TTC Gulf Consulting FZE "company, which was established by TIM A.S on 11.07.2016 in Dubai World Trade Center Free Zone with 100% Turkish capital, will be one of the main factors for Turkish Trade Centers in Dubai - in convenience between Turkey and Dubai trade.

Turkish companies from different sectors, which will be in Dubai Turkish Trade Centers, will catch the opportunity to introduce their products and sectors by using the marketing communication in Dubai and by easy-speedy

contacts, they will serve Dubai companies the timeadvantage and secure trade.

In Turkish Trade Centers, which are going to be located in Dubai World Center in the building Offices-1, at first stage, there will be Turkish companies from 2 sectors, which are readywear, and air-conditioning. But it is expected to receive a lot of demands from different sectors in the short time.

Turkish Trade Centers, which will have a positive role and which will create an add-value in trade for both countries, are being planned to start its activity -officially- in October 2016.



A Message from a Dear Friend

World CEO of Saffron Brand Consultant, the agency which designed Turkish Brand. Jacob Benbunan e-mailed to the President of Turkish Exporters Assembly Mehmet Büyükekşi on the night of coup attempt. The message begins with Benbunan's admiration and respect to Turkish nation's great courage and says: Dear Mehmet Bey; Just two words or respect and admiration to the great and brave people of Turkey. Power cannot be taken by force and what the Turkish people did yesterday was admirable. The world must discover the potential that brave people like Turkey's have.

With warmest regards Jacob

AVIATION

Chosen as the Best for 6 years in a row

The flag carrier once again recognized as a leading player in the global airline industry.

Turkish Airlines has received "Europe's Best Airline" award for the sixth consecutive year in the 2016 Skytrax World Airlines Awards. Skytrax is the most prestigious global airline passenger survey organization of the aviation industry. The rating system that Skytrax has developed evaluates traveler experiences across a wide range of airport services and then evaluates key performance indicators - from check-in, arrivals, transfers, shopping, security and immigration right through to departure at the gate.

Receiving the award for six years in a row proves the sustainability of Turkish Airlines' success. The rewards known as "the Oscars of the aviation industry" are given based on the data gathered from over a million questionnaires completed by nationalities worldwide. The best companies are determined by independent researches which were organized by Skytrax and attended by more than 19.2 million passengers in 550 airports; the winners received their awards at the ceremony in London.

As the carrier that flies to more countries than any other airline, Turkish Airlines serves 290 destinations in 116 nations across the globe, and additionally picked up four awards this year, which include "Best Airline in Europe," "Best Airline in Southern Europe," "Best Business Class Dining Lounge" and "Best Business Class On-Board Catering."





The awards are given according to the data gathered from travellers across the globe in each year.

Airlines' Chairman of the Board and the Executive Committee stated; "The Skytrax World Airline Awards are the result of the largest airline passenger satisfaction survey in the world. Every year it delights us that millions of travelers again recognize Turkish Airlines as the 'Best Airline in Europe'. Our company continues to be renowned for its seamless services, including our dining and in-flight entertainment experiences. The awards marks a continued period of success for us."

Including this year's awards, Turkish Airlines has been chosen as the "Best Airline in Europe"



M. İlker Aycı Turkish Airlines' Chairman of the Board and the Executive Committee received the award.





Receiving the
award six years in
a row proves the
sustainability of
Turkish Airlines'
success.

for six years, "Best Airline in Southern Europe" for eight, and "Best Business Class Dining Lounge" for two years in a row. Turkish Airlines once again received the "Best Business Class On-Board Catering" award in addition to 2013 and 2014. Behind this award lies the Flying Chef service, offered by Turkish Airlines on long-distance Business flights, and a renewed menu with delicious treats.

Receiving the award from Skytrax CEO Edward Plaisted, Chairman of the Board and the Executive Committee of Turkish Airline M. İlker Aycı also said: "Turkish Airlines gladly shares this award and success with the Turkish civil aviation industry. Having been chosen the "Best Airline in Europe" for the last six years by passengers all across the world is very honorable. It is an excellent feeling for the whole Turkish Airlines family with more than 40,000 employees and our business partners. These awards in general are also an encouragement for us in our goal to be the best airline company in the world with our unique and innovative services. I'd like to thank all the hardworking members of Turkish Airlines family and our dear passengers who share this joy with us today. I also would like to renew our promise that we will repeat this success in the long years to come."







In the European-Turkish framework, the demographic challenges are common, so that it is necessary to coordinate and find mutually beneficial solutions together. The EU-Turkey Joint Plan 2015 indicates the importance of such cooperation. Since 2014, Turkey is one of the largest refugee-hosting countries in the world with more than 3 million non-European refugees. Turkey alone provides a massive and unique humanitarian aid to refugees especially from Syria. Turkish economy has already spent more than $\mathfrak E$ 8 billion of its own resources on addressing this crisis. This is indeed a huge amount when compared to EU's proposed aid of $\mathfrak E$ 3 billion to Turkey.

The sensitive question is: How will the Turkish economy that grew almost 6% last year, handle such a demographic shift? A new International Monetary Fund study shows how long and painful the process of integration of the emigrants can be. According to the United Nations statistics, Turkey has received about half of the Syrian refugee inflows since March 2011. That is the equivalent of ca. 3% of Turkey's own population. According to the

March 2011. That is the equivalent of ca. 3% of Turkey's own population. According to the

Economic Policy Research Foundation (TEPAV), since 2011, Syrians or Syrians with Turkish partners have set up 4000 new businesses. This development shows that the Turkish economy is on the way to integrate die immigrants into its daily business. This is actually the only natural way to enable the immigrants to become an equal partner of the Turkish society.

While handling with the migration management within Turkey gets a unique possibility to manage such an issue also in the EU

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While handling with the migration management within Turkey and its economy, Turkey gets a unique possibility to manage such an issue also in the EU an international level as an acting part of the system. The international agencies that are focused on migration are UNHCR, IOM, ICMPD, and many others. Not to forget, the refugee crisis and Brexit in the end could lead to the total disintegration of the EU. These two crises reminds us past political movements in nation states. The nationalist movements in several EU-countries gain in importance and we have votes in this year and 2017. In the coming year in France, the Netherlands, and Germany in 2017 parliamentary votes. a referendum in Hungary on EU refugee policy, a rerun of the Austrian presidential election and a constitutional referendum in Italy in this year will take place.

A very significant step in this context is the membership of Turkey in the International Centre for Migration Policy Development (ICMPD), which stands before. ICMPD, established in 1993 by Austria and Switzerland, is an international organization in

FND TRAFFICKING

What is human trafficking? Human trafficking has been likened to modern -day slavery that subjects children, women and men to force, fraud, or coercion for the purpose or commercial sexual exploitation or forced labor. This horrific practice can include prostitution, pornography, and sex tourism as well as labor for domestic service, factory or construction work, and migrant farming.

Victims suffer from physical, emotional, and sexual abuse, and rarely have access to an education or to health care.

Some runaway groups estimate that young people is solicited for sex within 48 hours of running away or becoming homeless in the U.S.

Anyone can be trafficked regardless of class, education, gender, or age when forcefully coerced or lured by false promises.



Human trafficking is extremely profitable, generating an estimated \$150 billion in yearly profits.

Labor trafficking occurs in a wide variety of industries. Sex trafficking is facilitated in numerous ways.

LABOR TRAFFICKING

Restaurants Bars Hotels Agriculture Construction Traveling

sales crews

SEX TRAFFICKING

Brothels Strip Clubs Escort and massage services Pimp-controlled prostitution On the street On the internet

while enabling the control of the movements, finding possibilities of integration and participation and finally developing a new common migration regime, that must be very much emphasized that ICMPD will act as a bridge and mediator between Turkey and EU.

Migration is about people and this has to be communicated intensively!

Turkey was known in Europe as a country of emigration. From 1960s to 1990s, millions of Turkish workers migrated to western European countries. But for the last 5 years, Turkey has also become known as a country of immigration and transit to the European Union for irregular migrants from Asian countries such as Syria, Afghanistan, Bangladesh, Iraq, Iran and Pakistan.

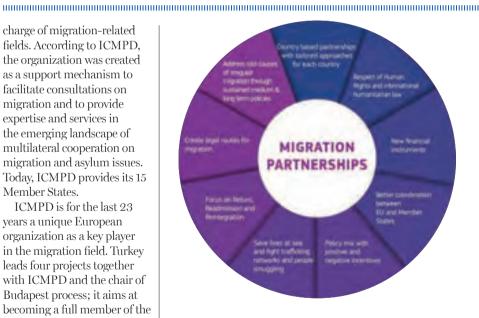
Due to its geographical location, Turkey is a major transit country for illegal immigrants to the EU. In the last decade, wealth accumulation in Turkey has been great; it now finds itself as a major focal point in illegal immigration. Taking into consideration that the tragedy of ten thousands of migrants who threaten their lives to cross the Mediterranean, it is very clear that no country can act by itself to overcome this 'migratory' pressure. Exactly here, ICMPD could play a unique role to develop strategies.

Turkey will surely use this opportunity to develop common strategies in favor of solving the problems and manage the migration. A Turkish proverb says "Sütten ağzı yanan yoğurdu üfleverek yer" and this means "once burnt twice shy". Because, Turkey had and still has in its geography enough experiences which show that an irregular migration is a human tragedy.

charge of migration-related fields. According to ICMPD, the organization was created as a support mechanism to facilitate consultations on migration and to provide expertise and services in the emerging landscape of multilateral cooperation on migration and asylum issues. Today, ICMPD provides its 15 Member States.

ICMPD is for the last 23 years a unique European organization as a key player in the migration field. Turkey leads four projects together with ICMPD and the chair of Budapest process: it aims at becoming a full member of the organization by the end of this year, since the membership negotiations takes place already for the last 6 years. Sure, with the membership of Turkey, ICMPD will gain a new dimension concerning its positioning and tasks, not only towards Turkey but also in the international arena.

The changing patterns of immigration into Turkey and Turkey's target becoming a member of the EU all created



necessary preconditions for a new structuring of immigration and asylum policies. Exactly during in such period, the Syrian refugee crisis took place so that the Turkish government had to meet the international standards in this regard. So, Turkey's first comprehensive Law on Foreigners and International Protection was published in 2013, since then there are important

projects financed and carried by Turkey and ICMPD's member and partner states co-operatively.

Given this new perspective, the question of balancing of mutual and bilateral interests between Turkey and EU remains to a core and very sensitive issue. Since ICMPD acts in the EU-level as a signpost to overcome the main challenges and to solve migration crisis

Agenda IFAIRS, EXHIBITIONS, SUMMITS, AND MEETINGS



Turkish Fabric:

ADRESS FOR ELEGANCY

Turkey is able to connect not only the bridges of continents, but also the buyers and suppliers.

BY KARACA BOZGEYİK

stanbul Textile and Raw Materials Exporters Union (ITHIB) is a leading entity representing the textile exporter of Turkey with its members over 4000. Activating throughout the country, ITHIB members deal with the production and export of various textile products such as yarn, fabric, home textile, industrial/technical fabric and ITHIB represents its members pursuant to the

interests of the textile sector and aims to encourage the sustainable development of Turkish textile export. In addition to this, ITHIB aims to protect the common interests of Turkish textile sector both in the national and international platforms and also at governmental level, accessories, İsmail Gülle acts as the Board Chairman of Istanbul Textile and Raw Materials Exporters Union since 2003.

Turkish textile industry RELIES ON THE QUALITY OF PRODUCTION

Turkey has gone through a crazy night on 15 July. How do you define that night? What happened?

I have to express with regret that what happened on 15 July night was a terrible attack on the working of democracy and against people's will, which was never interrupted over more than 30 years in Turkey.

The terrorist attack, was fierce, ruthless, without honor and completely against the Turkish nation as a whole. The attack specifically targeted our nation, our security forces and even our National Assembly with an aim to discredit the faith of Turkish people over democracy.

Terrorism, especially originated from radical beliefs which do not have a ground on Islam is affecting many countries in the world. However, this attack in Turkey demonstrated how terrorism can be dangerous and become a threat to the very existence of civil life and democracy.

We, all Turkish citizens have to thank to our President Mr. Recep Tayyip Erdoğan, who started the brave reaction to this terrorist attack, to our Prime Minister Mr. Binali Yıldırım, to our nation who never hesitated to react against the threat targeting their own lives and will, to our security forces who gave a great effort to suppress the attack, to our government, to our politicians who demonstrated a common ground against



the attempt on democracy and last but not the least to the Turkish Armed Forces, who quickly realized and dismissed this group who established themselves in critical positions over years.

How did this incident affect your sector?

The attack which was started on Friday night and successfully suppressed by the same morning did not affected the civil life as social life returned to its normal conditions before Monday thanks to the well-established and strong Turkish democracy, social framework and economy. Apparently, we are experiencing a great shock as a nation, but we are also content to see that eventually this terrorist group is eliminated from the security forces and public institutions.

We believe this incident will have no effect over the textile industry and the whole production industries in Turkey. As democracy is prevailed within the country, we are now more eager to embrace our acquisitions. The right to guarantee property rights, the sustainability of working conditions and all other connected rights in working life are still in effect without any interruption.

What are Turkish producers' and firms' advantages in global market compared their rivals?

Turkish textile and apparel industry is among the leading textile and apparel industries of the world. The main competitiveness of textile and apparel production in Turkey is certainly the availability of efficient production capacity from yarn to fabric and to final product of ready wear and home textile with all the finishing and other supplier industries.

The geographic location of Turkey is helping the industry to utilize shorter lead times. Additionally, the custom union with the EU and free trade agreements in force with many trading partners, Turkish textile industry have easy market access within a great trading area.

Additionally, Turkish textile industry relies on the quality of production and design capacity of the industry to satisfy its customers in all over the world. Especially since the last 15 years, we market our products with our own brand names thanks to the increasing brand quality of Turkish products in the world.

What is the importance of your sector in Turkey's 2023 targets?

Within the 2023 Export Strategy, Turkish textile industry targets to increase its export value to 20 billion US Dollars in 2023, the centenary of Turkish

Turkish textile industry relies on the quality of production and design capacity of the industry to satisfy its customers in all over the world.



Republic's foundation. Together with apparel industry, 60 billion US dollars of exports is targeted by the year of 2023.

Textile industry has been a traditional and leading industry within Turkish economy since the Ottoman period. As Turkey is a cotton producing country, the industry started with cotton processing and continued with a substantial level of investments in polyester fiber production, fabric and all other textile finishing operations. Today, Turkish textile industry is competitive in production from rawmaterial to final good, as well as in organizing the supply chain and promotion of high quality textile goods in international markets.

For the year 2023, Turkish textile industry targets to enhance its potential in non-wovens, technical textiles and multifunctional textiles. Turkish technical textile industry, today, with the export value of more than 1.5 billion Dollars and the emerging trends in some specific products like nonwovens, easy care and noniron multifunctional fabrics for garments or bullet-proof and heat resistant protective fabrics for various vocational wear, cord fabric and other products for automobiles,

sacks and bags with technical features, metalized yarns and fabrics, products of high tenacity yarns and fabrics, and in all other technical textile goods, offers a thriving potential for introducing innovative products in good quality complying to the EU and the international standards.

What are your sector's expectation from the future?

Turkey is able to connect not only the bridges of continents, but also the buyers and suppliers, and the innovators and entrepreneurs in every platform. It is indeed the existence of a dynamic business environment and also the strong industrial base that leads Turkey to be one of the fastest growing countries in world economy in recent years.

Turkish textile industry, in this prosperous environment, is revealing its potential in every segment of the industry, as well as in world trade, with increasing export values and innovative products. Turkish textile industry is also promising a bright future for the development of every kind of sophisticated, hightech, functional and high performance technical textile products that can be used in every field of industry from automotive to construction, agriculture to healthcare, etc.

Power of Turkish Fabric:

WE ARE DRESSING THE WORLD

İTHİB will be the national representative of Turkey in the world's most prestigous fabric fairs.



THE LONDON TEXTILE FAIR

The London Textile Fair which was held in 13-14 July 2016 took place in United Kingdom's capital city London. Our union attends to this fair as national representative of Turkey twice a year. Fair takes place in The Business Design Centre in London. Total area of the fair is around 4.000 square meters. The place that companies who attend to fair with ITHIB hold 400 square meters of the area. Number of companies who attend to fair with ITHIB is around 50. It is declared that Turkey is in the second row according to the data declared by fair management on the issue "Countries Attend To Fair With Most Companies."

The London Textile Fair is the biggest and most prestigious fair which gathers all textile producers, designers and distributors from all over Europe in London.

The fair hosts more than 420 attender companies from Italy, United Kingdom, Spain, Japan and Turkey. More than 5000 agents, consumers and designers meet each other in London Textile Fair twice a year in January and July.



MUNICH FABRIC START

Munich Fabric Start Fair which will be held between 30 August-1Septemer 2016 is a fair that İTHİB represents Turkey in a national level for years. Fair takes place in Munich Order Centre & Zenith Hall twice



a year. Total area of the fair is around 30.000 square meters. İTHİB attender companies hold around 700 square meters of the area. Companies who attend to far from Turkey is around 90 and 25 of them are national representatives. Germany is the country which imports most textile and raw materials from Turkey. Munich Fabric Start is one of the most prestigious fairs of

hosts many producers and consumers around the world. The main components of the fair are cloth and accessories. Fair Fabrics consists Additionals, Asia Saloon and Bluezone sections. Attenders to the fair increases gradually. 950 companies attend to fair from 36 countries. Turkey is in the third row among the countries which attend to fair with most companies.

the world in textile sector and

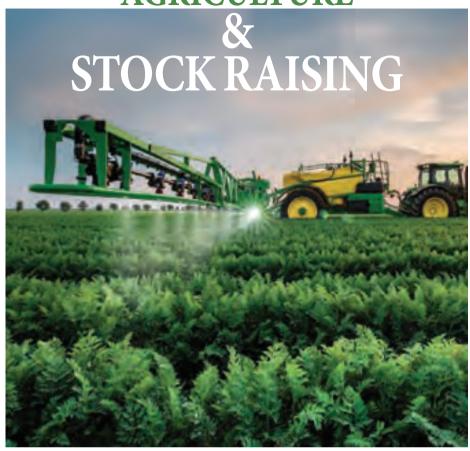
İTHİB represents Turkey in internationalfairs as national representative of the country.



PREMIERE VISION PARIS

Premiere Vision Paris Fair will be held in 13-15 September 2016 in France's capital city Paris. ITHİB attends to the fair as national representative of Turkey. Fair is held twice a year in Paris Nord Villepinte Parc des expositions area. Total area of the fair is around 35.000 square meters and national representatives who will attend to fair under coordination of İTHİB will take up around 2.000 square meters of the total area. İTHİB will supply the needs of the attenders in its trend and info desks and represent Turkey ideally. 80 companies from Turkey will attend to the fair and 26 of them will be national representatives of Turkey under the coordination of İTHİB. Total number of the attender companies to the fair will be around 1800. As it is known Première Vision Paris is one of the most important meeting points of the apparel fabric consumers, designers and producers. Also it is known as a vital information source for next year's fashion trends.

AGRICULTURE





ÇORLU ORION MALL

In Turkey agriculture and stock raising is keeping its seat based on its contribution to national income and provide economic development to industry sector. Çorlu Tarımtech's Fair which is going to be held for the ninth time will take place between the dates 03-07 August. Specialist in their fields will inform the attenders on the issues of seed, fruit growing, irrigation and technologies of green housing, tractor and equipment's, storage systems, refrigeration, ventilating.



85TH GENERAL TRADE'S FAIR IEF-IZMIR

25 AUGUST-10 SEPTEMBER

Eighty fifth General Trading's Fair will be held at İzmir Fairground between the dates 25 August and 10 September. Important innovations in commerce and many other sectors will be introduced in the fair. Health, food, automotive, vehicles, heavy equipment, overall machine, furniture, finance, communication technologies and telecommunication just as basic fields of economy will be introduced to attenders



PROMOTURK PROMOTION CNR Istanbul

31 AUGUST-04 SEPTEMBER

From all over the world and Turkey many souvenir, crystal and glass products, pencils, electronic products, tables and wall clocks, pressed materials, key holders, plaquets, travel kits products will be exhibited in fair of 30. Corporate Communication and Promotional Items. Great amount of participants are expected to attend.



TUNNEL EXPO TURKEY Istanbul Congress Center-Yeşilköy SEPTEMBER 01-04,

Nowadays, Turkey is one of the most important countries in the world by the emergence of the tunneling activities. Tunneling Association will held Tunnel Production Technologies and Equipments Fair which will be organised for third time. Tunnel boring machine and equipments, paver finishers, machines of concrete, Tunnel Scada Management Systems as construction Technologies and equipment will be introduced at the fair.

AUGUST

Figures

TURKEY'S INDUSTRIAL PRODUCTION INDEX IS ON THE RISE

Industrial production index has increased 1,5 % on May than April. Also industrial production has increased by 5,6 % compared to May of the previous year.

2015 May Production Index:

2016 May Production Index: **2016 April** Production Index:

123,2

130,5

127,7

Other means of transport's

Motor land vehicles, trailer, semitariler's manifacturing Computers, electronics and optics' products manifacturing

12%

manifacturing

11,1%

10,5%

*In case of compared to May of the April, 2016

Data: TUIK

STAFFING IS UP UNEMPLOYMENT IS DOWN

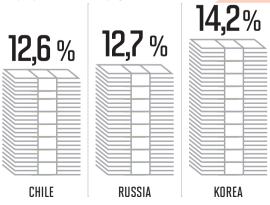
Staffing which the seasonally adjusted has increased 94 thousands people by 27 million 75 thousands people compared to the same period of the previous year, as employment rate has been 46,4 %.

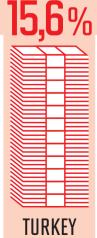
Unemployment which is seasonally adjusted has decreased 44 thousand people by 3 million 43 thousands people compared to the same of the previous year. The unemployment rate has been 10,1% with 0,2 percentage points decrease.





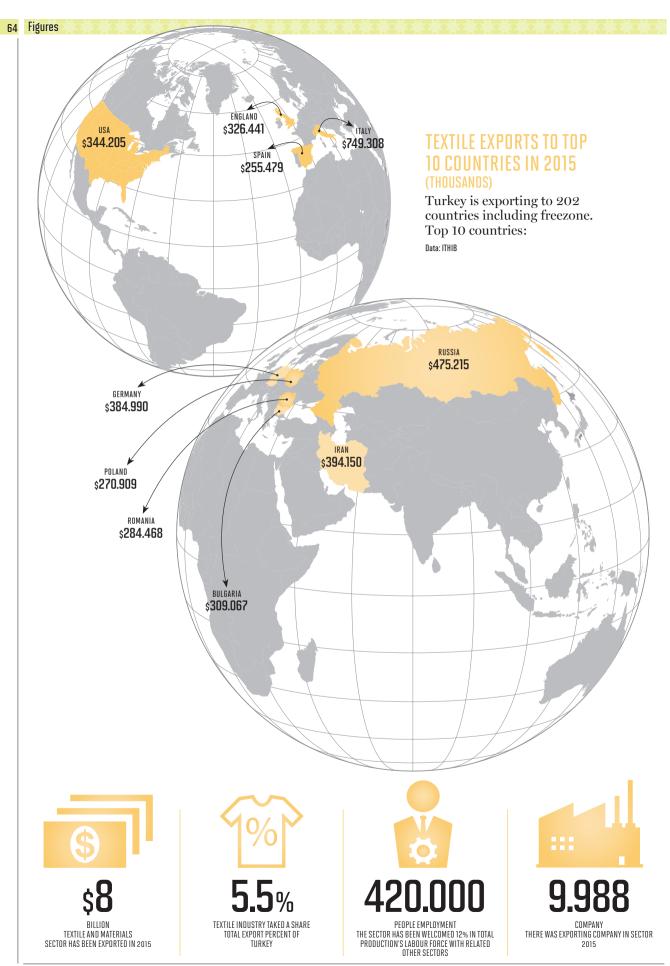
In developing countries, capital adequacy has been calculated as it is seen in the diagram below. Turkey has more capital adequacy than other developing countries.







Data: IMF-FSI, BDDK





ENJOY THE JOURNEY, NOT JUST THE FLIGHT

Our Istanbul lounge hosts some of the finest luxuries available, to ensure your experience is much more than just a plane ride.



LIVE PIANO MUSIC

Performed on a grand piano. We have one on each of the two floors.



SUITE ROOM

For the longer layovers, take your time, relax and wait for the world to catch up with you. Please contact Lounge Istanbul for additional information.



DINING AREA

All meals are expertly crafted with only the finest of ingredients and techniques.



MASSAGE TREATMENTS

Take the weight off your shoulders with one of our expert in house massage therapists.



CAR RACING GAME

Spend your time racing around Istanbul rather than the airport.



GOLF AREA

Play a full 18 anywhere in the world before you even leave the airport.

Voted World's Best Business Class Lounge and World's Best Business Class Lounge Dining at the 2015 Skytrax Passenger Choice Awards.









EUROPE'S BEST AIRLINE FOR THE 6TH YEAR IN A ROW



