

The Turkish Perspective

JULY 2019 ISSUE 72

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BRIEFING Ankara and Tokyo look to seal free trade agreement

BRANDS Stylishly Furnished Apartments: Blueground



The list of **top 1000 exporter companies**, which shape the Turkish economy by exporting from Turkey to all corners of the world, has been announced by the **Turkish Exporters Assembly**.

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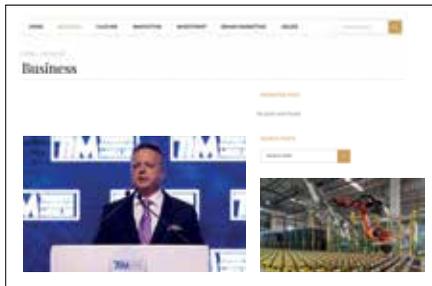
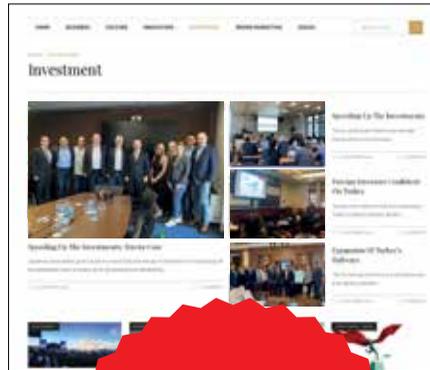
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More than a magazine, the Turkish Perspective will now be more interactive and responsive, as expected from Turkey's main voice for international audience.

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Editorial



İSMAİL GÜLLE
CHAIRMAN (TIM)

OUR MISSION IS 24/7 EXPORT, OUR VISION IS EXPORT 4.0

Despite many challenges in global trade and the biggest financial attack towards our economy in the history of our Republic, the success of 2018, continued in the first five months of 2019. In order to make our exporters' success permanent, we have declared 2019 as 'The Year of Sustainability and Innovation.'

WITHIN ONE YEAR SINCE WE TOOK OFFICE AS the new TIM management, we have always felt the support and expectations of our 83 thousand exporters and focused firstly on 'digitalization.' We have defined the "Export 4.0" vision as "5G", the short for 'Strong Turkey', 'Strong Economy', 'Strong Export', 'Strong Human Resources' and 'Strong Infrastructure and Export Ecosystem.'

For our exporters' today and future, improving more digital export processes and conventional ways, based on '24/7' principle, focusing to change the system limiting our exporters to depend on working hours, we defined our main objective as "A Turkey with Foreign Trade Surplus". TIM is now not only an institution that explains the export figures, but also a think tank that conducts a comprehensive analysis of global trade data, prepares academically deep market and product research, presents a road map to our exporters with the 'TIMTANK' model and conducts studies that will strengthen the global perception of our exports.

We continued the success of 2018 we closed with records, in the first five months of 2019. To make our exporters' success permanent, year 2019 was declared as the 'Year of Sustainability and Innovation.' Therefore, we are at the stage of completing our new web page design and content, TIM mobile application and ALO TIM (444 0 846) projects.

This year we declared as "The Year of Sustainability and Innovation" in exports; has started with innovations especially since January, with the support of the Ministry of Trade and the Ministry of Treasury and Finance. Beginning to calculate our exports under the 'General Trade System' completing the legal arrangement of 'Exports with Passengers', accelerating the digital transformation process in customs through "Paperless Export Application" and "Transit Vehicle Program" will accelerate our export operations in the future.

Today, the digital transformation integrating in all areas of our lives and destructive innovation caused by it, give us news about a new future of

We are transforming Turkish Exporters Assembly (TIM) from an institution only announcing export numbers into a think tank making comprehensive analyzes of global trade data, preparing market and product researches with academic depth, presenting a road map to our exporters with the "TIMTank" model and conducting studies that will strengthen the global perception of our exports.

artificial intelligence from production to finance, the internet of objects and block-chaining technologies. In order to better understand this situation Turkey Innovation Week hosted this year 101 local people and foreign speakers and 40 thousand visitors, where we constantly emphasized on the share of value-added production and "of high-tech products" in our exports.

TIM has become one of the first institutions that come to mind when entrepreneurship and innovation is in debate in Turkey. While the InovaTIM family, the first of the two projects we have undertaken within the scope of university-industry cooperation, reached 2,950 people, the number of companies applying to our InoSuit Program, we started in the seventh period, reached 324. We started to spread to all parts of Turkey on behalf of entrepreneurship "TIM-TEB Venture Houses" project hosting new products and ideas and continuing to operate in 10 provinces with more than 850 newly educated entrepreneurs.

Having the motivation of taking exports, the most powerful pillar of Turkish economy even farther and the mission "Turkey With Foreign Trade Surplus" we gathered two summits: "Delegates Workshop" and "TIM Regional Assemblies". Thanks to these meetings, the SCT and VAT issues expressed by our leather and automotive sectors have been resolved with light speed. Again, very critical steps have been taken regarding the VAT refunds of our exporters. As of the beginning of June, an arrangement was made in article 24 caused our exporters problems in declarations.

TIM, being Turkey's sole and exclusive address of exports and keeping the priceless unity we created, we will continue to make export the most powerful pillar of our economy and Turkey the emerging power center of global trade in the upcoming period.

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First

ENERGY, TOURISM, AVIATION, EDUCATION, PURCHASE, HEALTH...



ENERGY

TURKEY'S SECOND DRILLSHIP TO OPERATE IN EAST OF CYPRUS BY JULY

Turkey's second drilling ship Yavuz will operate off the Karpas Peninsula to the northeast of the island of Cyprus. The vessel scheduled to start drilling in the region in early July.

BASED ON seismic works launched five to six years ago, the exact location of the first drill of Yavuz will be determined by geology and geophysics studies of the vessel and it will take place at a depth of approximately 1,000 meters on the seabed and some 3,000 meters of drilling will be made and the ship

will move to its second location once the first drill is completed.

The 229-meter (750-foot) Yavuz, which has previously drilled in the waters off several countries including Kenya, Tanzania and Malaysia, has 150 staff, of which 53 percent are Turkish nationals. This number will increase to 180 during the drill.

Turkey's first drilling vessel Fatih has already started searching for gas and oil in the waters located in Turkey's continental shelf some 40 nautical miles off the western Paphos city of Cyprus. The area is claimed by the Greek Cypriot Administration within its unilaterally declared exclusive economic zone (EEZ)

although it is not among the areas unilaterally licensed by Nicosia for hydrocarbon activities. The ship's operations prompted Nicosia to issue international arrest warrants for Fatih's crew members, although it is unlikely that the Greek Cypriot administration would attempt to arrest the personnel or that other

countries would take the warrants seriously.

Speaking at the launching ceremony for the vessel, Minister of Energy and Natural Resources Fatih Dönmez warned "external actors" cooperating with the Greek Cypriot government, saying they should not pursue "illusions" that will not yield results.

TOURISM

CAPPADOCIA, TURKEY TO HOST 1st HOT-AIR BALLOON FESTIVAL

Turkey will host a hot-air balloon festival for the first time in Cappadocia, the otherworldly touristic hub famed for its fairy chimneys.

The Cappadocia International Hot-Air Balloon Festival, set for July 3-7, will be organized by the Ürgüp Municipality in the central Nevşehir province.

During the event, some 150 hot air balloons will take six different flights and 20 balloons of various shapes from nearly a dozen countries will take to the skies. The festival will also feature a night glow event with a balloon inflated and lit up in sync with pulsating rhythmic music.



ENERGY

EBRD to Invest €250M in Turkish Energy Sector

TURKEY'S ENERGY SECTOR has been attracting around €250 million (\$280 million) per year from the European Bank for Reconstruction and Development (EBRD) and the bank plans to maintain the same levels of financing in 2019 as well, Managing Director for Sustainable Infrastructure Group at the EBRD said on June 19.

The EBRD has invested directly about €1.6 billion in the energy sector in Turkey in 22 cases with loans, equity and bonds.

Nandita Parshad, Managing Director for Sustainable Infrastructure Group of the EBRD stated that the average amount the

bank invested in Turkey's energy sector is €250 million.

This year, the EBRD has already invested \$100 million in a stake of İçtaş Sürdürülebilir Enerji Yatırımları, the renewable energy arm of Turkey's IC Energy Holding, she said. The firm owns a portfolio of 10 hydropower plants with a total capacity of 400 megawatts.

"With the injection of the EBRD funds, it now plans to invest in wind farms and solar projects with a combined capacity of up to 250 megawatts. Equity is a great way for us to support the further growth of renewable energy in Turkey," Parshad said.

EDUCATION

Istanbul Blockchain School Opens

TURKEY CAPITAL MARKET ASSOCIATION (TCMA) and implemented by the Istanbul Development Cooperation Agency Istanbul Blockchain School Project launch, held in Istanbul. Launched with the participation of project partners the latest technology revolution, Blockchain technologies and trained manpower in Blockchain Turkey were mentioned issues. Istanbul Blockchain School Project, with the basic awareness and specialized training will be given on the Blockchain technology aims to contribute to the IT sector in Turkey. The Blockchain School of Istanbul is set out with the goal of expanding Blockchain literacy to make the masses aware of this technology and to train individuals who can implement projects that will meet the needs of Turkey and especially cities with Blockchain specialization trainings.



AVIATION

ISTANBUL AIRPORT TESTS AUTOMATED PASSPORT CONTROL

Turkey's General Directorate of Security and İGA, the group which built and will operate Istanbul Airport for 25 years, will soon introduce an automated passport control system at the mega airport to get passengers to go through customs faster.

Customs officers have already started conducting tests on the system. The system permits quick passport control at the airport in an easy and convenient self-service process. Travelers will undergo biometric verification using face recognition and fingerprints during this system.

There are currently 30 automated passport control counters at the new airport.

Without waiting in any queue, all of passengers above the age of 18, who use chipped passports, can use this system. Passengers complete their passport procedures in 18-20 seconds.



AVIATION



ISTANBUL AIRPORT SERVES 10M PASSENGERS IN 57 DAYS

The IGA administration announced that Istanbul Airport served 10 million passengers in 57 days since it started operating at full capacity on April 6. Esra Yeşilöz, who became the 10 millionth passenger at the airport, was welcomed with flowers and a gift by airport officials.

Airport operator IGA announced last month's passenger and flight traffic report on its official Twitter account: some 35,696 flights were performed from the airport last month, including 17,814 arrivals and 17,882 departures.

Meanwhile, 5.2 million passengers, including around 2.6 million arrivals and 2.6 million departures, used the airport in May. In the same period, the total number of processed baggage was 3.4 million items.



PURCHASE

Naspers Buys Turkish Digital Payments Firm Iyzico for \$165m

Naspers's PayU agreed to buy Turkish Iyzico in its biggest fintech acquisition yet.

THE DEAL WILL EXPAND the Dutch unit's exposure to Turkey's e-commerce market, which is growing at more than 10% a year, the company said. The acquisition must still be approved by regulators and is expected to close in the next few months, it said.

"We are constantly looking for ways to augment the naturally high organic growth in our markets by investing in new technology, as well as market consolidation," said Mario Shiliashki, head of payments at PayU.

"Turkey, in particular, is a market with extremely high potential and we are excited to significantly accelerate our

presence and growth there" said Shiliashki.

Iyzico was founded in 2013 and is used by small and medium-sized companies in Turkey as well as global companies, including Amazon and Nike.

Turkey is an attractive area for payments because only a fraction of the three-million or so small- and medium-sized business in the country use digital payments and e-commerce infrastructure, said Barbaros Ozbugutu, CEO and co-founder of Iyzico. High internet penetration and a young population suggest there is large potential for growth, he said.

HEALTH

Gilead Sciences, Pharmactive Pharmaceuticals Signed Production Agreement

US-BASED GILEAD Sciences, the state went into production in collaboration with the pharmaceutical industry to produce drugs Pharmactiv in line with the strategic priorities of domestic production in Turkey. The agreement on local production has participation by Gilead Sciences and General Manager of Turkey Sebnem Girgin Pharmactive drug was signed by Chairman Haluk Sancak.

Under the project, Hepatitis and HIV drugs in the area, will be produced in cooperation with the Drug Pharmactive Turkey. Annual sales in the world reach \$ 1 billion. The project, which will start with the expected Hepatitis B drug, is expected to continue with the production of innovative HIV drug.

HEALTH

ALVOTECH AND ABDI IBRAHIM PARTNER ON BIOSIMILARS IN TURKEY

Icelandic biosimilars company Alvotech and leading Turkish drugmaker Abdi Ibrahim have entered into an exclusive partnership for the manufacturing and commercialization of Alvotech's biosimilar portfolio for the Turkish market, the companies announced.

Under the partnership, Alvotech will be responsible for the development and joint supply of multiple high value biosimilar assets from its current product pipeline, while Abdi Ibrahim will be responsible for joint manufacturing from its own facility, along with the registration and commercialization of these assets in Turkey.

The partnership is based on shared values and a joint commitment to drive positive change for patients in Turkey. In partnering with Abdi Ibrahim, Alvotech will gain entry into Turkey's fast-growing biosimilar market which has seen double digit growth during last years and will be one of the first companies that has access to localization advantages through Abdi Ibrahim manufacturing capabilities.

agility

/ə'dʒɪlɪti/

noun

The productive and dynamic business culture of Turkish exporters which allows them to work with many of the world's leading brands.



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Panorama



BY HAKAN GLDAĖ
ECONOMICS JOURNALIST

TURKEY MAY UNTIE THE KNOT IN THE EASTERN MEDITERRANEAN

Exploration activities conducted in the shade of navies in the Eastern Mediterranean, the world's new power-sharing area, can enter into a peaceful and economic orbit only with the partnership of Turkey.

TURBULENCE IS EXPERIENCED IN MAJOR SEAS AROUND TURKEY. Waters are 'warming up' a metaphor that diplomacy editors like. Energy is the focus of this warming. Who will have the energy resources?

And will the security of energy be ensured? In the background, we are experiencing a worldwide hegemony competition that goes beyond an energy struggle.

Nowadays, one of the most intensely competitive seas is the Eastern Mediterranean, one of the most popular hydrocarbon areas of our time. Of course, the most popular for the European Union...

Europe is almost like a hungry animal for energy resources. But unfortunately Europe is unlucky in terms of energy resources. Energy security has a critical importance for the EU.

The emergence of a total of 3.5 trillion cubic meters of natural gas reserves in the Eastern Mediterranean, the largest being in Egypt, has created the hope and opportunity for the EU not to depend on its only distributor channel, such as Russia and Ukraine, the only supplier of energy resources for the EU. In this context, the EU is immediately "showing its paws" to all at-

tempts to undermine the safety and sustainability of its oil and gas lines. It is clear that it will continue to react.

RUSSIA AND USA ARE AT A CHESS DRAW

What makes the situation even more complicated and somewhat dangerous is that Russia has different rivalries in this region. First, transferring gas from the Eastern Mediterranean -which has become a natural gas lake- to Europe, is contradicting with Russia's interests. Secondly, Russia was trying to regain its global power position internationally, even before the discovery of natural gas off the coast of Egypt and Southern Cyprus. And it saw the Eastern Mediterranean as the most effective region for this. Developments in Syria made Russia's job easier. Now there is intense competition between the US and Russia over who will have a word in these waters.

For now, it is possible to speak of a 'chess draw' between two great powers. Even the fact that both military forces have 12 warships in the waters of the Eastern Mediterranean close to Syria is an ironic projection of that chess draw... However, the new matches will undoubtedly bring new moves and combinations.

EASTMED PROJECT WITHOUT TURKEY RAISES COSTS

Ibn Khaldun strongly emphasizes that geography is the fate of a country. The presence of natural gas has complicated things in the Eastern Mediterranean even more. There are many countries around this sea. However, the riparian states can neither form an “exclusive economic zone” nor determine the continental shelf. Every country has its own view and claims. None can agree on these claims. Competition is exacerbated by the involvement of great powers in the business.

An example of this is experienced amongst the Greek Cypriot administration, Turkey, Greece and the European Union. Everybody’s got their sleeves rolled up to strengthen their position. Greece and Southern Cyprus have pushed the EU and the power which is starving for energy backing them. In this process, new alliances, and thus new friction points are emerging.

One of them is the pipeline project for the transport of natural gas in the Eastern Mediterranean to Europe called EastMed.

The button has not yet been launched for EastMed, which the European Commission has called a “joint interest project”. The project has been postponed for many times. It doesn’t seem easy to be realized neither.

Firstly although the shortest route for a pipeline is to pass through Turkey and that is the most appropriate option, Turkey is planned to be excluded from the project and that makes EastMed extremely costly.

Firstly although the shortest route for a pipeline is to pass through Turkey and that is the most appropriate option, Turkey is planned to be excluded from the project and that makes EastMed extremely costly.

Secondly political reasons... In particular, the Cyprus problem between Turkey, Greece, Southern Cyprus and Northern Cyprus considerably complicates the implementation of the project.

The Eastern Mediterranean Gas Platform which gathered at the beginning of this year is also far from providing solutions to the problem. Even if Turkey is not included in the pipeline Project, it is not easy to stand against subsequent political developments’ challenges.

TURKEY IN THE GAME WITH ITS OWN SHIPS

In fact, Turkey showed a lot of effort to negotiate with international energy companies and participate in the drilling activities around the island of Cyprus for a period of time. However, this effort was not answered.

Turkey said that the search activities should be done by considering the rights of the TRNC (Turkish Republic of Northern Cyprus). It gave the message to other parties: “If necessary, let’s engage in search activities together”. However, these approaches did not find any response.

This time Turkey, has launched its own research and drilling ships. For a while American, Italian, French companies were

operating natural gas drilling activities, this time Turkish ships, Fatih and Yavuz started.

It started, yes but this process increased the ‘hostile’ attitude against Turkey also. Now the question of what the ap-

CHRONOLOGY | *How did we get to this point in the Eastern Mediterranean?*

- The history of exploration of natural gas and oil in the Eastern Mediterranean goes back to 70 years ago. The first systematic searches began in the 1950s on the coast. In the 1970s and 90s searches turned to deeper waters. Natural gas reserves that were found started to be extracted in the late 1990s and early 2000s. But the amounts were very low. It didn’t even meet Israel’s own need.
- **In 2002**, the research vessel Northern Access from Norway which was operating a seismic survey on behalf of Southern Cyprus administration was stopped and removed from the area by the TGC Giresun frigate which took abroad from Turkey’s Aksaz military base.
- **In 2004**, Greek Cypriot Administration of Southern Cyprus’ attempt to to determine ‘Exclusive Economic Zone’ prompted Turkey to take action. Turkey sent a notice to the United Nations declaring where Turkey’s interests exit.
- **In 2007** Southern Cyprus launched an international tender for hydrocarbon exploration.
- **2009** is an important milestone for the Eastern Mediterranean. The first major natural gas exploration took place at Tamar, 90 km away from Haifa, at a depth of 1700 meters, which was accepted within Israel’s ‘Exclusive Economic Zone’. It is estimated that there are 80 billion cubic meters of natural gas in the ‘Tamar’ field, which means palm tree and is used as a female name in Israel. The discovery brought political debates to the region. Lebanon, in particular, claimed that much of the discovered field was within its jurisdiction.
- **In 2010**, Israel discovered an even greater reserve than Tamar area and named it the ‘Leviathan site’ after a legendary sea monster in the Torah. That also led to even greater objections and controversies. The natural gas reserve at a depth of 1500 meters is 622 billion cubic meters and the amount of natural gas alone is sufficient to meet Israel’s 40-year need.
- **In the same year**, the Greek Cypriot Administration made an agreement with the Israeli about maritime borders. Turkey declared the agreement void because it disobeys the TRNC’s jurisdiction and interests.
- **In 2011**, the tender of the Greek Cypriot Administration to NobleEnergy, which was conducting a search on behalf of Israel, was concluded. Natural gas was found in the area called Aphrodite 30 km west of the Leviathan field which was 160 km south of Limassol. This first natural gas field of Southern Cyprus has a depth of 1700 meters and a capacity of 129 billion cubic meters.
- **In 2012**, the discussion of the areas of authority on the Eastern Mediterranean intensified. The conflicting maps increased the tension. Prepared by the Turkish scientists, the map of Turkey’s

appropriate sanctions are is being discussed in Brussels. At every opportunity Turkey is reminded that it still hasn't signed the United Nations Maritime Law Treaty that foresees to determine the boundaries of the Exclusive Economic Zone (MEB) and hasn't allowed the activities of drilling vessels in controversial zones.



Source: Stratfor

WITHOUT TURKEY THERE'S PROBLEM

Whatever the reason is, it is very clear that the route taken against Turkey is an invitation to problems. Turkey's neighbors in the Mediterranean have currently increased the dose of their irresponsible approach. In particular, the Greek Cypriot Administration, which declared that it would sabotage Brussels policies including 'enlargement of the EU', has taken the EU in a grip.

Indeed, the EU remains a part of the problem rather than solving it in the Eastern Mediterranean, too. Leading actors of the Union do not help at all. The most concrete example of this is the provocative steps taken by France, which seems to have been willing to exhibit its military power.

In Turkish we have a saying "approaching the fire with bel-lows". And the US is running to a fire in the Eastern Mediterranean with a gas can in hand, as it does in many parts of the world. The Trump administration is clearly taking sides, let alone taking steps to reach a compromise in the region.

As a result, the mechanisms to reduce tension in the region and to lead the parties to reconciliation and resolution are not working. Every actor seeks to benefit from this situation for

its own benefit. The Eastern Mediterranean is in danger of being divided into areas of penetration.

There is no need to be an oracle to predict that the conflict base will increase in an environment where the US abandons the role of 'order-making power', the absence

of a sound international governance system to compromise, and perhaps most alarmingly, in the absence of proper efforts to reestablish a common ground between countries.

TURKEY IS AN IDEAL AND STRATEGIC PARTNER

However, there is still an opportunity for all countries in the region to benefit fairly from the wealth of the Eastern Mediterranean. In order to solve the problems, one of the great powers of the region, Turkey needs to be called for partnership for this new energy field of the world.

According to the experts in the field and diplomacy and political circles if disputes should be left aside both because of its the geographical location and its strong infrastructure for production and industry, Turkey is an ideal partner for all development projects in the Eastern Mediterranean including the pipeline project.

Turkey claiming to be an 'energy hub' in the region, approaches all these initiatives warmly because of its goals.

A compromise will eventually be reached in the Eastern Mediterranean. What is important is to reach the compromise without a "crash" in the region with all the battle and drill ships in the region and without a conflict erupting. If empathy and economic reason can come into play, it is not difficult to create wealth in the Eastern Mediterranean at the lowest cost!

Exclusive Economic Zone of the Mediterranean shows a region of 145 thousand square kilometers whereas Greek scientists prepared another map showing a region reduced to 41 thousand square kilometers in a sense trapping Turkey only to a region around Antalya and Iskenderun Bay.

- **10 years after the Northern Access event, in 2012**, the Ministry of Energy and Natural Resources of Turkey licensed Turkey Petroleum Corporation (TPAO) for exploration activities in the Eastern Mediterranean.
- **In 2015**, Egypt found the largest natural gas reserve ever in the Eastern Mediterranean. The discovery was made by ENI, the leading Italian energy company. The

natural gas reserve of Zohr, which is 150 km off the coast of Egypt, is 850 billion cubic meters. Production will begin at the end of this year. The target is 30 billion cubic meters per year. In 2018, Egypt explored the Nur site, about 50 km north of the Sinai Peninsula. It has not yet been announced how large the reserve is. However, it is estimated to be a Zohr-sized reserve.

- **In 2018** the second natural gas reserve in Cyprus was also discovered. The natural gas field called Calypso, the mysterious goddess of Oddeus and found as the result of the researches of ENI, is at a depth of 3,837 meters, with a total of 2,774 meters at sea. The size of the reserve has not yet been announced.

Feasibility studies are ongoing. Estimates range from 169 billion cubic meters to 226 billion cubic meters.

- **In 2019**, the representatives of Israel, Greek Cypriot Administration, Greece, Italy, Jordan and Palestine met in Cairo. After the meeting, the 'Eastern Mediterranean Gas Forum' was announced. The aim of the Forum was to design the Eastern Mediterranean dish as an energy base and to cooperate in the use of the region's resources. Three countries of the Eastern Mediterranean, Turkey, Lebanon and Syria did not attend the meeting.
- **This year**, at the end of February, in a process which increased Turkey's objections, ExxonMobil and Qatar Petroleum partnership, reached

a natural gas field and named it after the symbolic owl 'Glaucus' which belongs to the goddess, Minevra representing wisdom in Greek mythology and at the same time a marine creature. According to preliminary estimates, the capacity of the Glaucus-1 reserve is between 142 and 227 billion cubic meters. The Greek Cypriot Administration declared the discovery to be the largest reserve of Cyprus.

- **Turkish Naval Forces Command carried out Denizkurdu-2019**, the largest planned exercise in the history of the Republic, with the participation of 131 ships, 57 planes and 33 helicopters in three seas surrounding Anatolia, including the Eastern Mediterranean.



WHY EASTERN MEDITERRANEAN GAS?

The Eastern Mediterranean basin, which has not received much attention in the past, has been the center of attention in recent years.

This is due to the decline in production in relatively old sites such as the North Sea and the near-end of the easy oil era. Attention began to focus on deeper waters and natural gas.

Currently, energy giants such as Total, ENI, BP, Shell, Exxonmobil, QatarPetroleum operate in the region.

According to the US sources, the total amount of natural gas reserves determined so far in the Eastern Mediterranean is approximately 3.5 trillion cubic meters.

Around 3.5 trillion cubic meters of natural gas is produced annually in the world.

In other words, if all of the reserves in the Eastern Mediterranean are activated, it will meet the world's natural gas demand for only one year. There are around 195 trillion cubic meters of proven natural gas reserves in the world. Nearly 1.5 percent of this consists of the Eastern Mediterranean gas.

Russia has the largest natural gas reserves in the world with 35 trillion cubic meters. Iran has 33 trillion and Qatar has 25 trillion cubic meters of natural gas reserves. Middle East is the region with most natural gas reserves which is about 80 trillion cubic meters. The reserves of the Commonwealth of Independent States, which includes Russia and Turkmenistan, are 60 trillion cubic meters.

The region with the world's least natural gas reserves is Europe with 3 trillion cubic meters.

Therefore, natural gas reserves in the Eastern Mediterranean, especially around the island of Cyprus, are of great importance for Europe.

Europe consumes approximately 450 billion cubic meters of natural gas annually. It imports more than half of it from Russia. It wants to reduce its dependence on Russia and increase its alternatives. ■

ENERGY EQUATION MEDITERRANEAN

HYDROCARBON EXPLORATION BY NEIGHBORING countries in the Mediterranean has led to increased tensions in recent years. Oil and gas research in the Eastern Mediterranean, particularly around the island of Cyprus and in certain other locations, is of huge importance for these neighboring countries in terms of energy security.

On the other hand, Turkey's recent oil and gas research activities in the Eastern Mediterranean have put the region's energy equilibrium on the agenda of actors actively operating there.

In this context, top global energy companies arrived in the region and began competing with one another to obtain their share of energy research and transfer projects, which are expected to be worth billions of dollars. The energy equilibrium in the Eastern Mediterranean presents various problems but also opportunities for cooperation among the parties involved.

The following compilation provides answers to the top 10 questions regarding this energy equilibrium:

1 Which countries are currently active and want to benefit from the energy sources of the region?

Geographically, the region is neighbored by Turkey, the Turkish Republic of Northern Cyprus (TRNC), Egypt, Greece, Lebanon, Syria, Libya, Israel and southern Cyprus. All of these parties are pursuing active policies in the energy-rich region.

Despite not bordering the region, the U.S., Russia, the U.K., France and Italy also seek to maintain their influence in the region.

2 What is the estimated size of hydrocarbon reserves in the region?

According to data provided by the U.S. Geological Survey, the Levant region of the Eastern Mediterranean -- which includes Syrian coasts -- holds a reserve of 1.7 billion barrels of oil and 3.5 trillion cubic meters of natural gas.

3 Which energy companies currently operate in the Eastern Mediterranean?

Turkish Petroleum Corporation (TPAO), U.S.-based ExxonMobil and Noble Energy, France's Total, Italy's Eni energy company, South Korea's Kogas, Qatar Petroleum, British Gas (BG) of the U.K. and Israel's Delek Drilling and Avner Oil are currently the main actors operating in the region.

4 How many parcels do natural gas and oil research regions include?

The region is composed of 13 so-called research parcels which were unilaterally announced by southern Cyprus.

IN THE EASTERN IN 10 QUESTIONS

Neighboring countries and international actors conduct hydrocarbon research, triggering new regional equilibriums.

Writing By Ali Murat Alhas- Oğuzhan Özsoy



Parcels 1, 2 and 3 are located in the north; parcels 4,5,6,7,8,9 and 13 are in the middle whereas parcels 10, 11 and 12 are located in the south.

5 On which parcels do parties conflict on the Exclusive Economic Zone (EEZ) in the Eastern Mediterranean?

The only regions where Turkey and TRNC's right claims do not collide with the so-called EEZ unilaterally declared by southern Cyprus are the 10th and 11th. There are still hot debates regarding all of the other parcels.

6 Which companies operate in the 13 parcels?

Italy's Eni and South Korea's Kogas have a joint license to operate in the 2nd, 3rd and 9th parcels; Eni holds 80% of the partnership whereas Kogas holds 20%.

Eni and Total have equal shares in 6th and 11th parcels. Eni is the only one with a license in the 8th parcel.

As for the 12th parcel, Israel's Delek Drilling has a 30% share, whereas Noble Energy of the U.S. and BG of the U.K. hold 35% shares respectively.

In the 10th parcel, a partnership between ExxonMobil and Qatar Petroleum currently possesses their so-called licenses. Negotiations regarding the 1st, 4th, 5th, 7th and 13th parcels are ongoing.

7 What is Turkey's policy in the Eastern Mediterranean?

Turkey argues that Turkish Cypriots have equal rights with Greek Cypriots, so TRNC must benefit from the hydrocarbon resources in an equal manner.

Ankara has emphasized that it does not recognize the EEZ areas unilaterally declared by southern Cyprus, where energy companies and the U.S., U.K., France and Italy operate.

The Turkish administration has underlined that it would not allow these parties to conduct research and production operations in the areas colliding with Turkey's sea realm of authority.

In addition, Turkey has repeatedly stressed that southern Cyprus is not a state representing the whole island, so it has no right to create EEZs or tender them for contracts.

As southern Cyprus could trigger an illegal situation in the island's northern, eastern and southern areas -- where parties do not conflict on operational zones -- TRNC gave license areas to Turkish Petroleum Corporation. As a result, it reacted

to southern Cyprus' attempts to create EEZs by forming parcels despite not representing the whole Island.

8 Does Turkey conduct research operations in the region?

Turkey's drilling ship Fatih (Conqueror) actively carries out research and drilling activities in the A,B,C,D,E,F and G areas which were licensed by TRNC.

Above-mentioned areas are included in the EEZs declared by Turkish Cypriots. Furthermore, Turkey's second drilling vessel, Yavuz, is to be operational in the region as of July.

9 What is the policy southern Cyprus pursues in the region?

The competing energy companies and countries such as the U.S., France and Italy -- which directly or indirectly own these companies -- see southern Cyprus as if it had sovereignty over the whole island and claim their licenses are legitimate.

For energy research and extracting operations, southern Cyprus works together with external actors such as the U.S., Italy and France, whereas it collaborates with regional actors such as Israel, Egypt and Greece for energy transfer.

10 What is East-Med pipeline project? Can this project exclude Turkey from the energy equilibrium in the region?

The East-Med pipeline project aims to transfer Mediterranean gas to Europe through Israel, southern Cyprus and Greece.

In light of the geological fragility of the region and length of the pipeline, the projected pipeline is not viewed as feasible from technical and economic angles.

On top of this, this project -- which is also supported by the European Union -- goes through Turkey's territorial waters.

In order to be able to operate on a legal basis, the actors in the controversial region must act taking Turkey into account. ■



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Briefing

FOREIGN TRADE, INVESTMENT, TECHNOLOGY, SOFTWARE, ENTREPRENEUR, AEROSPACE...



FOREIGN TRADE

ANKARA AND TOKYO LOOK TO SEAL FREE TRADE AGREEMENT

Following the signing of an economic cooperation agreement between the European Union and Japan that took effect on Feb. 1, Ankara and Tokyo have ramped up efforts to ink a free trade agreement to ensure a balanced development of bilateral trade.

“We are particularly working on a free trade agreement (FTA) with Japan and these steps have intensified over the recent period,” Minister of Trade Ruhsar Pekcan said.

Speaking of the G20 Trade and Digital Economy Ministerial meeting held in

Tsukuba, Japan, the Minister said they attended important sessions within the scope of the meetings and held productive discussions, noting that Turkey is sided with sustainable, inclusive, rule-based, fair and free trade. Pekcan emphasized that she carried out very

productive meeting with Japan’s Minister of Economy and Trade Hiroshige Seko. The bilateral trade volume between the two countries reached around \$4.6 billion, according to Pekcan, who said despite an upward trend in the relations in the recent period, there is a disparity in

the bilateral trade. According to the data compiled from the Turkish Statistical Institute (TurkStat), Turkey’s exports to Japan totaled \$479.4 million last year while its imports came at \$4.1 billion, which points out the huge gap between the bilateral trade.

In the period of January to April this year, the unbalance in the bilateral trade volume has been sustained. Turkey's purchases of Japanese products were calculated at around \$1.3 billion while its sales to the far eastern country only totaled \$190.3 million, the TurkStat data showed. Minister Pekcan highlighted that Turkey supports the idea

of a sustainable, inclusive, rule-based and fair free trade. As part of her G20 agenda, the trade minister also met Canada's Minister of Trade Diversification Jim Carr and signed a memorandum of understanding for the establishment of the Joint Economic and Trade Cooperation Committee (JETCO). ■



Turkey and Canada sign MoU on economic, trade cooperation

Turkey and Canada signed a memorandum of understanding to strengthen relations in the fields of trade, industry, services and investment.

Minister of Trade of the Republic of Turkey, Ruhsar Pekcan and her Canadian counterpart Jim Carr signed the Joint Economic and Trade Commission's (JETCO) MoU at the G20 Ministerial Meeting on Trade and Digital Economy in Tsukuba, Japan.

"We believe that the agreement will contribute to increase commercial relations and investment between Turkey and Canada and pave the ways for business people," Pekcan said.

She went on to say that if the countries sign a free trade agreement it will be an important tool for reaching higher bilateral trade volume and creating legal basis for trade relations.

For his part, Carr stressed their desire to improve trade relations and increase mutual investment between the two countries. He also mentioned that Turkey and Canada could cooperate on education. ■



FOREIGN INVESTORS URGED TO INVEST IN TURKEY

Energy and environment ministers of the G20 countries gathered in Japan for the first time in the group's history.

FOREIGN INVESTORS should put their funds into Turkey's expanding economy, the Minister of Environment and Urbanization of the Republic of Turkey, Murat Kurum said at a G20 meeting in Japan.

"We call on foreign investors to make investments in our growing country, which is profitable in terms of investment opportunity," Murat Kurum said during a session at the G20 Ministerial Meeting on Energy Transitions and Global Environment for Sustainable Growth in 2019 in Nagano.

Speaking at the gathering, Minister of Energy and Natural Resources of the Republic of Turkey, Fatih Dönmez said that during Turkey's presidency in 2015, they started discussions of

energy access, adding that these were "very effective" in raising global awareness.

"In this regard, continuity, follow-up, and monitoring are very valuable," he was quoted as saying in a statement.

Dönmez also stressed the energy access of displaced people. "This is very important issue and there is still a long way to go," he added.

Also speaking, Minister of Environment and Urbanization of the Republic of Turkey, Murat Kurum stressed the importance of reaching an international agreement on marine litter and microplastics.

Kurum said that in a period of just six months, by prohibiting free plastic bags in most cases, Turkey reduced its use by 80%. ■

INVESTMENT

FAR-EASTERNS ARE IN ISTANBUL FOR INVESTMENT

This year's stop of the organization organized by the Chinese-based Sacotech Company every year was Istanbul, which has recently become more attractive to the Chinese, rather than a Far Eastern city. 1,000 business people met in Istanbul to make new investment discussions.



investment discussions in Turkey. The employees of the Company who participated in the organization in which Taiwanese singer and actor Richie Jen who is known to be Tarkan of the Far-East participated did shopping in various points of Istanbul and made significant contribution to the economy. A special team of 35 people located in the group held bilateral business meetings during their stay in Turkey.

After the Historical Peninsula and Dolmabahçe Tour, the group made a significant contribution to the economy of Istanbul by doing shopping in shopping malls and stores

FOUNDED IN 2003, Sacotech, the online auction platform based in China, chose Istanbul for its annual organization, which it organizes with its employees and senior executives from different countries. Within the scope of the meeting organized by RSS Travel, 1,000 Sacotech employees coming from China and Taiwan met in Istanbul which has recently increased its attractiveness for Chinese people in order to make new



AGENDA IS THERMAL POWER PLANT AND NEW INVESTMENTS

Within the Turkey trip organized by RSS Travel, a special team of 35 people who visited Amasra and Ankara as well as Istanbul held bilateral meetings to purchase mines and collieries after their contacts related to the thermal power plant planned to be established in Amasra. After the Historical Peninsula and Dolmabahçe Tour, the group in Istanbul made a significant contribution to the economy of Istanbul by doing shopping in shopping malls and stores.

FAR EAST IS AN IMPORTANT MARKET FOR TURKEY

"Far-East is an important and emerging market for Turkey recently. We provide an intensive tourist flow to Izmir, Antalya and Cappadocia with Istanbul being in the lead" said Selçuk Gümüüş, the Chairman of Board of Directors of RSS Travel, who gave information on the Turkey meeting of Far-Eastern business people. "With the organization in which Taiwanese singer and actor Richie Jen who is known to be Tarkan of the Far-East participated, we hosted considerable number of business people in Istanbul. We are going to reunite remarkable number of tourists and business people from Far-East with Turkey in the future." stated Reşat Taç, the other Chairman of the Board of Directors. ■



TECHNOLOGY

MICROSOFT TECHNOLOGY CENTER OPENS IN ISTANBUL

Microsoft's new technology center will allow Turkish startups to export their solutions and is expected to generate an economic value of TRY 2.5 billion.

THE U.S. TECHNOLOGY giant Microsoft opened a brand new technology center in Istanbul on Thursday. This is the company's first new-generation technology center in the Middle East and Africa region.

Minister of Industry and Technology, Mustafa Varank stressed that the opening of the new Microsoft Technology Center is proof of trust in Turkey and demonstrates the technological development in the country. "This center is expected to make a TL 2.5 billion contribution to the Turkish economy," Varank said.

A significant number of Turkish firms will operate in the center to open operations in the global market, the Minister stressed, adding, "In other words, Microsoft will be a gate for Turkish companies to the world market."

The Microsoft Technology Center will provide room for the development of solutions for digital transformation, smart production systems and artificial intelligence (AI). The center, Varank noted, will respond to domestic and foreign needs of the agriculture, production, health care, energy, automotive, finance and retail sectors with new generation technologies.

"We will take all the necessary steps to make Turkey one of the main countries of new technologies, such as digital transformation and artificial intelligence," he said.

Firms will have the opportunity to experience more than 150 solutions in the areas of the "internet of things" (IoT), cognitive services, smart cities and smart houses. The center will allow local startups

to develop technological solutions and offer them to the global market.

Minister Varank noted that Turkey's road map for digital transformation and AI-based technologies is nearly complete and the country is taking firm steps to realize its goal.

"Our focus is to produce advanced technology for digital development. We put immense effort in innovation in Turkish industry and the economy," Varank said.

Varank drew attention to the significant incentives provided for firms located in technoparks, research and development (R&D) centers and design centers. The support of the ministry is not limited to financial incentives and tax reduction but also include mentor and consultancy services with expedited programs.

Almost half of the 5,300 firms operating technoparks operate in the information and software sector, Varank said.

In the last three years, 4,600 software firms have received TL 81 million in financial support from the Small and Medium Enterprises Development and Support Administration (KOSGEB).

Ali Taha Koç, head of the presidential digital transformation office, said the launch of the center is an exemplary step for international companies that plan to invest in Turkey.

MICROSOFT CENTER TO SUPPORT TECH EXPORTS

Microsoft Turkey General Manager Murat Kansu said the Microsoft Technology Center, which was opened in Istanbul



Murat Kansu said that they want to make Turkey a center for technology.

right after major cities such as Paris and Oslo, was a source of pride for Turkey.

Kansu stressed that this step showed the confidence Microsoft, which has had a strong presence in Turkey since 1993, has in these lands and people. “We will accelerate the digital transformation of our partners with our state-of-the-art technologies powered by the cloud platform,” he said. “We will present companies examples of transformation projects that we carry out in the world and in Turkey and experience the transformation of ideas from dream to reality together.”

In addition to adding power to the digital transformation of companies in Turkey, Kansu said that the Microsoft Technology Center would also host products from emerging software companies in Turkey; thus supporting the software exports of the country.

“We aim to increase the number of our partners who display their solutions at the Microsoft Technology Center. In our technology center serving the Middle East and Africa Region, businesspeople will come from abroad to check out the new generation technologies developed by our business partners. We will serve as a bridge connecting our local software and domestic solutions with the overseas markets through the international groups we host,” Kansu continued. “With the Microsoft Technology Center, the first new-generation technology center in the Middle East and Africa region, we want to make our country a center for technology. We will contribute to Turkey becoming a technology-exporting country with local software companies promoted worldwide through the power of our center.” ■

SOFTWARE

DOMESTIC SOFTWARE LABOR IN THE MARKING OF FOREIGN COMPANIES

Many companies abroad have begun to work with developers in Turkey since last year.

HAVING grown 15 percent and reaching 131.7 billion TL, Turkey's information and communication industry has doubled its size in the last five years according to the data of TUBİSAD. In this market, the software has a size of TL 18.3 billion. The interest of foreign institutions towards the software experts in Turkey plays a big role in the rapid growth of the software market, which grew by 20 percent in the last year.

Niyazi Bekiroğlu, CEO of SanalUzman.com, an online work platform, has noted that recently many foreign companies turn their eyes to the software experts in Turkey, projects carried out for these companies have been increased and the momentum has been revealed thanks to the skilled labor force also states that: “Reports show that there is a 17.3 percent change in software exports between 2014 and 2018. Today, especially in the software industry, the main factor in the preference of investors



Niyazi Bekiroğlu, CEO of SanalUzman.com, an online work platform, has noted that recently many foreign companies turn their eyes to the software experts in Turkey

in our country is cheap but high quality workforce. The rapid increase in costs in developed countries causes foreign investors to turn to countries with well-trained and qualified workforce. The qualified labor force, proved itself thanks to the international successes they've achieved, is increasing in recent years, therefore the interest of foreign investors in the software sector is increasing at this rate.

“USA, UNITED ARAB EMIRATES AND MALTA ARE AHEAD”

Having stated that they have produced software solutions for many foreign institutions within SanalUzman structure and Bekiroğlu also mentioned that “We are able to follow the increasing interest from the demands coming to our system. Last year, we conducted about \$ 3 million work in software field in the United States, the United Arab Emirates and Malta. We still continue to develop special software projects. About 85 qualified software specialists integrated into SanalUzman.com took part in the mentioned projects.”

Bekiroğlu stated that they are working on a special project for the software experts and future demands in this field due to the

attention directed to them continued his words as follows: “We have a special project for developers that we are currently working on. We are working on a system where the software developers who are capable of matching the project announcements opened by the employers will be matched by the system so that the most appropriate project-expert meeting will be realized as soon as possible.

Having mentioned that freelance working system which is becoming widespread in Turkey day by day provides for foreign companies to interest in local software experts, Bekiroğlu mentioned that “Today, more than half of the millennials (Generation Y) started to work freely. 36 percent of the US workforce alone, is more than 57 million people are working freelancers. The number of freelancers is expected to increase as the young population starts working. In our country, 800 thousand people are expected to move to flexible work in 2025”

For more information about the online business platform SanalUzman, which combines employers and freelancers who do not prefer to be employed full-time or find it difficult to find experts for their projects; you can simply visit www.sanaluzman.com. ■

“Today, more than half of the millennials (Generation Y) started to work freely. 36 percent of the US workforce alone, is more than 57 million people are working freelancers”



ENTREPRENEUR

Firefly takes its place in New York after San Francisco and Los Angeles

TURKISH ENTREPRENEURS RAISE \$30M FROM TWO MAJOR TECH FUNDS

Smart media platform Firefly, founded in San Francisco by two young entrepreneurs Kaan Günay and Onur Kardeşler raised \$30 million of new investment from two giant venture capital funds leading the global technology sector.

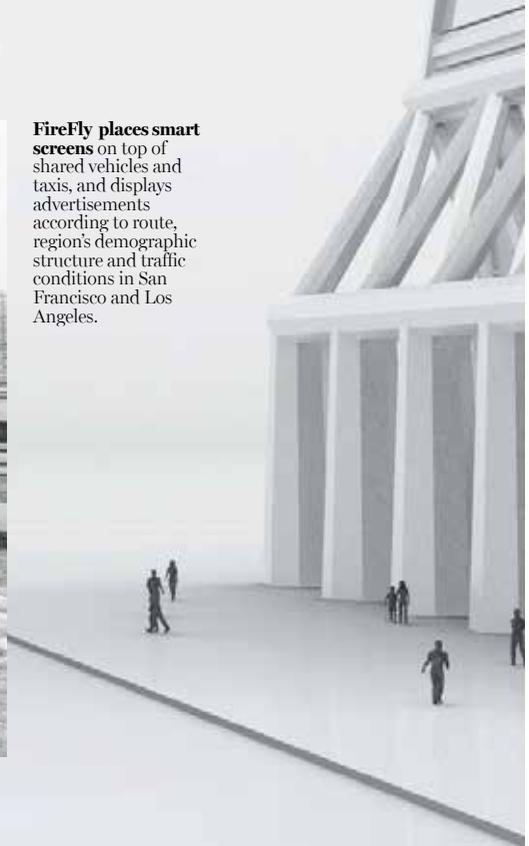
NFX, the existing investor of Firefly, also joined the Serial A investment led by GV (formerly Google Ventures). Firefly had received an investment of \$21.5 million in December 2018 as well.

The company announced its entry to the New York market following the investment. It took over outdoor advertising solutions provider STRONG's digital operations, which controls 50 percent of digital taxi toppers market in New York.

“We have become the fastest growing smart media platform in the US in a short time. We represent the next generation of advertising technologies. We are excited to carry our innovative software to New York. We have hired 50 software developers for our new Istanbul office after the investment we received in December 2018. Our investment will continue and we aim to increase the number of our software developers to 100 in the near future” said Firefly CEO Kaan Günay. “Firefly



FireFly places smart screens on top of shared vehicles and taxis, and displays advertisements according to route, region's demographic structure and traffic conditions in San Francisco and Los Angeles.



Los Angeles. The company recently attracted \$30 million of investment from two giant venture capital funds leading the global technology sector. NFX, the existing investor of Firefly joined the Serial A investment led by GV (formerly Google Ventures). Firefly had received an investment of \$21.5 million in December 2018 as well.

The company, founded in San Francisco in 2017 also announced its entry to the New York market following the investment. It took over outdoor advertising solutions provider STRONG's digital

operations, which controls 50 percent of digital taxi toppers market in New York.

FIREFLY WILL DOUBLE ITS EMPLOYMENT IN TURKEY

"We have become the fastest growing smart media platform in the US in a short time. We represent the next generation of advertising technologies. We are excited to carry our innovative software to New York. We have hired 50 software developers for our new Istanbul office after the investment we received in December 2018. Our investment will continue and we aim to increase the number of our software developers to 100 in the near future" said Firefly CEO Kaan Günay.

Everybody wins

Stating that Firefly has a business model beneficial for all its stakeholders, Günay said, "We are creating additional income up to 15 percent for taxi drivers and shared vehicles. We cooperate with local administrations. The announcements of the Amber Alert System for missing children are displayed on our screens. We have allocated 10 percent of our screen inventory for NGOs, local small businesses and other local government announcements"

GV: FIREFLY IS CREATING A NEW AD FORMAT

Commenting on their investment towards Firefly, "Firefly is creating a significant new ad format at scale. In addition to taxis, the scale of rideshare networks has created a huge opportunity for digital outdoor advertising based on city blocks and timing. Kaan, Onur and the Firefly team have managed this process very well so far, showing how motivated they are to provide data to cities in the long run" GV General Partner Adam Ghorarah said in a statement. ■

is creating a significant new advertising format at scale" GV General Partner Adam Ghorarah said.

Firefly, the smart media platform venture founded by young entrepreneurs Kaan Günay and Onur Kardeşler, completed its the new funding round. The company places smart screens on top of shared vehicles and taxis, and displays advertisements according to route, region's demographic structure and traffic conditions in San Francisco and Los





FOREIGN TRADE

BREXIT WITH DEAL IN FAVOR OF BOTH TURKEY AND UK

“Turkey expects Brexit with a deal, which would be favorable for both sides,” Minister of Trade Ruhsar Pekcan said at a forum in the capital city, Ankara.

MINISTER OF TRADE Ruhsar Pekcan and UK International Trade Secretary Liam Fox met for the Brexit process. The two Ministers discussed Turkey’s Chambers and Commodity Exchanges Union (TOBB) at home - the future of trade relations between the United Kingdom spoke at the meeting.

Turkey will continue to enhance economic relations with the U.K. regardless of the latter’s exit from the EU with or without a deal, Minister of Trade said. Pekcan added, Turkey desires to cooperate with the U.K. especially in the Middle East, Africa, Central Asia, the Balkans and Far East.

Speaking at the forum, Liam Fox, Britain’s Secretary of State for International Trade, said the ties between the two countries is deemed

“We expect Brexit with or without deal will not have a negative impact on bilateral economic relations between Turkey and the U.K.,” Hisarciklioglu said.



more important after Brexit. Fox added that British companies are encouraged to invest more in Turkey.

U.K. aims to launch an independent trade system after leaving the EU, and Turkey will be an important partner to the country. Brexit is an opportunity and not a threat to the relations with Turkey, Fox said.

Rifat Hisarciklioglu, Head of Turkey’s Chambers and Commodity Exchanges Union (TOBB), said nearly \$10 billion of the U.K.’s investments in Turkey is the most concrete indicator of confidence in the country’s economy and future. He underlined that Turkey and the U.K. are important trade and investment partners.

“We expect Brexit with or without deal will not have a negative impact on bilateral economic relations between Turkey and the U.K.,” Hisarciklioglu said. He called on the two countries to sign a free trade agreement, saying it will be the “best commercial model”. ■

TRADE TIES WITH TURKEY HAVE GREAT POTENTIAL

“The trade and investment ties between the U.K. and Turkey have a great potential”, said the U.K.’s International Trade Secretary.

LIAM FOX SAID A BIG OPPORTUNITY LIES IN THE COMPLEMENTARY NATURE OF BOTH ECONOMIES, PARTICULARLY IN FINANCIAL SERVICES, IN LEGAL SERVICES, EDUCATIONAL SERVICES AND LIFE SCIENCES.

“All of these areas and more, I think we have got an ability to work together,” Fox said.

He noted that the U.K. is the world’s second biggest services exporter and has a lot of expertise in a lot of areas where a benefit into joint ventures and collaborations could be brought by the two countries.

Fox also said that the U.K.’s skills in project management enable both countries to have the ability to improve their economies and to help the Turkish economy grow and mature more quickly.

“That is a win-win for both of us,” he said. “It means more jobs and more prosperity here in Turkey, but it also for the U.K. means a potentially bigger market to sell into.”

The U.K. is among Turkey’s top trade partners -- second largest market for Turkish products and seventh largest source for the country’s imports. Last year, Turkish exports to the U.K. amounted to \$11.1 billion while its imports from the U.K. totaled \$7.4 billion.

“The degree of improvement in our trading relationship means that we are already performing better than the targets that were previously set,” Fox said. Over the last decade, the bilateral trade volume between the two countries surged from \$9.4 billion to \$18.5 billion.



In the same period, Turkey attracted \$7.2 billion foreign direct investment from the U.K. while Turkey’s overseas investments in this country totaled some \$2.5 billion.

The British Minister stressed that the U.K. is one of the top three investment destinations in the world, with its predictable/fair/equitable legal system, skilled workforce, regulatory and stable free market, low and sustainable taxes.

Over the last decade, the bilateral trade volume between the two countries surged from \$9.4 billion to \$18.5 billion.

In the same period, Turkey attracted \$7.2 billion foreign direct investment from the U.K.

“All I would say is that any country that wants to get that level of inward investment that the U.K. currently gets need to look at all those issues. “When you get that stability and you get the regularity certainty, then you become more attractive destination for investment,” he added.

INDEPENDENT TRADE POLICY

Speaking about the possible post-Brexit trade policies, Fox said the U.K. wants to be an expansive outward looking liberal country, encouraging free trade wherever it can.

“We have got 21 working groups with a range of countries to look at how we scope out potential future, trading and investment relationships.

“And we have got continuity agreements so that we can ensure in the event of a no-deal with the EU that our trade continues with as little interruption as possible,” he added.

Pointing out his opinion about Brexit with or without a deal, Fox said he has consistently voted in parliament for a deal with the EU. “I think that is the best and least disruptive way in which we can carry out the instructions of our voters which were to leave the EU itself,” he added.

Upon a question about Turkey-EU model, Fox said the customs union locked the U.K. into too close alignment with the EU having to follow the bloc’s rules without having the ability to settle.

“We have made very clear that we do not want to be in the customs union with the EU,” he said.

“After 45 years, we want to have an independent trade policy, which we think customs union would not allow us to have. “We want to be free to set the terms and conditions of the trading relations we have around the rest of the world,” he added. ■

AEROSPACE



TURKEY'S FIRST DOMESTIC FIGHTER JET INTRODUCED AT PARIS AIR SHOW

A model of Turkey's first domestically developed combat aircraft was introduced Monday at the Paris Air Show, one of the world's largest aviation fairs.



TAI General Manager Temel Kotil told that the company aims for the jet to be the best combat aircraft of Europe.



The TF-X National Combat Aircraft (MMU) is being developed by Turkey's leading aerospace engine designer and manufacturer, Turkish Aerospace Industries (TAI), with an aim to replace the F-16 aircraft, which are in the inventory of the Turkish Air Forces Command and are considered to be gradually deactivated as of the 2030s.

TAI General Manager Temel Kotil told that the company aims for the jet to be the best combat aircraft of Europe.

Kotil said that the jet is on schedule to make its maiden flight in 2025, adding that the fifth-generation jet has similar features with Lockheed Martin's F-35s jets.

For the development of the first national fighter jet, Turkey and the U.K. signed a memorandum of understanding during President Recep Tayyip Erdoğan's visit to the U.K. on May 13-15, 2018.

The fifth-generation fighter jet will be realized within a project-based incentive system. Preliminary design activities received a TL 4.8 billion incentive certificate under the incentive program. The project will employ 3,200 people, with an indirect employment contribution estimated to be around 11,200.

Turkey will, after the U.S., Russia and China, take its place among the countries in the world that have the infrastructure and technology to produce the fifth-generation fighter jet.

The aircraft has new generation features including low visibility, internal gun housing, high maneuverability, increased situational awareness and sensor fusion.

Other Turkish defense products on display at the air show include the ATAK and Gökbey helicopters, ANKA unmanned aerial vehicle and Hürjet. The ATAK helicopter will perform a demonstration flight during the fair. ■



AEROSPACE

937 PARTS OF THE F-35 ARE MANUFACTURED BY TURKS

Turkey's leading aircraft, space and defense industry firms produce a total of 937 pieces of USA's F-35, including 5 critical ones.

THE US DEPARTMENT OF Defense, Pentagon announced that Turkish pilots in the United States under F-35 training no longer fly at the air base in Arizona.

USA announced this decision by referring to the purchase of S-400 missiles and if it excludes Turkey out of F-35 program that would put Turkey in a difficult situation.

BILLION DOLLAR PROJECT CAN BE WASTED

The major aircraft industry companies in the country produce and export the most critical parts of the F-35. At this point, a sanction that will be applied to Turkey may mean billion-dollar project to be wasted.

Turkey's leading aircraft, aerospace and war industry companies produce parts for US' pride, F-35. At total 937 parts, of which 5 are critical parts, are manufactured in Turkey. Although it can be claimed that these parts could be outsourced, Turkey has currently a single and a leading position in this market.

BLOOMBERG WROTE THE IMPORTANCE OF TURKEY

US-based Bloomberg Businessweek issued an article reminding the whole world Turkey's critical role in the F-35 project.

In its evaluation stating that "Turkey is a global leader in the production of aerospace products" Bloomberg



published an article with the title "Lockheed's F-35 of Turkey there is the problem." The article underlined that the F-35's USD 12 billion worth of parts such as the cockpit, screen equipment are manufactured by 10 Turkish companies making Turkey the only source of those parts.

8 TURKISH COMPANIES WHO HAVE SUPPORTED THE DEVELOPMENT AND/OR PRODUCTION OF F-35/F135

- Alp Aviation currently manufactures F-35 production airframe structure and assemblies, production landing gear components and over 100 F135 production engine parts to include titanium integrated blade rotors.
- Ayesas currently is the sole source supplier for two major F-35 components – missile remote interface unit and the panoramic cockpit display.
- Fokker Elmo manufactures

40 percent of the F-35 Electrical Wiring & Interconnection System (EWIS) and will also deliver and support TAI with all center section wiring systems. Fokker Elmo is also developing the EWIS for the F135 engine, for which a major share is produced in Fokker Elmo Turkey in Izmir.

- Havelsan has been instrumental as the Turkish lead for developing the construct of the future Turkish F-35 Integrated Pilot and Maintenance Training Center (ITC) and associated training systems in Turkey.
- Kale Aerospace has been supporting the F-35 since 2005. In conjunction with Turkish Aerospace Industries, they manufacture and produce F-35 airframe structures and assemblies. Kale Aero also supports Heroux Devtek as the sole source supplier for all three

variants landing gear up lock assemblies. Additionally, Kale Aerospace has also established a joint venture in Izmir with Pratt & Whitney and is manufacturing production hardware for the F135 engine.

- ROKETSAN and Tubitak-SAGE are the Turkish joint leadership team who strategically manage the development, integration, and production of the advanced precision-guided Stand-off Missile (SOM-J) which will be carried internally on the 5th Generation F-35 aircraft.
- Turkish Aerospace Industries (TAI) has been strategically supporting the F-35 Program since 2008. The company currently supplies production hardware that goes into every F-35 production aircraft. In conjunction with Northrup Grumman, TAI manufactures and assembles the center fuselages, produces composite skins and weapon bay doors, and manufactures fiber placement composite air inlet ducts. Additionally, TAI is strategically manufacturing 45 percent of the F-35's including Air-to-Ground Pylons and adapters which is Alternate Mission Equipment (AME). Additionally, Turkish Industry are going to have significant Industrial Participation role supporting Lockheed Martin and Pratt and Whitney for F-35 aircraft sustainment and F135 engine production and sustainment. Turkey has been given the approval to build its own F135 engines and was also selected to have the first European Regional F135 Engine depot overhaul capability. Both the engine production and overhaul will take place at the 1st HIBM in Eskisehir. ■

SEED

Turkey's Leap Forward in SEED PRODUCTION AND EXPORTATION

Seed production has increased by 266 percent in the last decade and reached a level of 1 million 59 thousand 300 tons in 2018. The sector had a foreign trade surplus for the first time ever in 2018.

IN ACCORDANCE WITH the data provided by Turkish Seed Union (TÜRKTOB - founded in 2006) which serves as the only umbrella public organization of the seed sector with its 50 thousand members, the sector creates an annual added value of average 4 billion USD for the national economy. We reach a trade volume of 10 billion USD, when the entire commercial functions and the participation of the indirect sectors are added to this figure.

"WE HAVE A 20 MILLION DOLLARS OF FOREIGN TRADE SURPLUS"

While stating that the current global seed production value is estimated to be 50 billion USD, Chairman of the Board of Directors of TÜRKTOB Savaş Akcan said: "With a seed production volume of 750 million USD, Turkey ranks the 11th position in the global market. Our goal is to reach a level of 1.5 million tons certified seeds and an export level of 250 million USD by 2023. Our sector had a trade surplus for the first time in the year 2018. Thus, we had a foreign trade surplus of 20 million USD.



We are working to ensure that there will also be an upward trend in the year 2019. In 2018, around 1 million and 60 thousand tons of certified seeds were produced in Turkey. Whereas the amount of the seeds used was 2 million 800 thousand tons. Our seed production meets 40 percent of our needs. When we raise the rate of using certified seeds over 70 percent, we will be achieving the real success. As the seed sector, we are ready to meet this demand."

"WE HAVE INCLUDED 171 DOMESTIC SPECIES OF SEEDS INTO OUR GENE BANK"

Stating that as TÜRKTOB, they have been representing a sector exerting intensive efforts to ensure the



diversification of Turkey's national and domestic species as well as the active use of our own seeds in the agricultural production; Chairman Akcan added that they have been carrying out a project named "In Search of Seed" with the purpose of the protection and collection of our genetic resources and putting these into the use of our sector, and that they managed to include 171 domestic species of seeds into our gene bank.

"PARTICULARLY SEED AND GREENHOUSE CULTIVATING COMPANIES ARE BUILDING SOLID, STRONG, LASTING BUSINESS RELATIONSHIPS AT GROWTECH"

Delivering a statement with regard to the Growtech 19th International Greenhouse, Agricultural Technology and Livestock Equipment Fair to be held between 27-30 November in Antalya (Turkey), which is the biggest international fair in greenhouse industry in the world, TÜRKTOB Chairman Savaş Akcan stated that the fair plays a crucial role primarily for seed growing as well as the Turkish agricultural sector and economy." Akcan said "Growtech continues to be an indispensable meeting



1,06
MILLION TONS

In 2018 1 million and 60 thousand tons of certified seeds were produced in Turkey

\$250
MILLION

Goal: 250 million USD export by 2023



“This year, we are getting prepared to host over 90.000 visitors from more than 130 countries and 850 exhibitors from over 30 countries.”



“TURKEY SELLS SEEDS OF 260 MILLION USD TO 80 COUNTRIES”

Pointing out that seed growing is now a strategic industry with a current capacity of exporting 260 million USD of seeds to 80 countries, Engin Er, the Director of Growtech Fair said: “Our goal is to provide new market opportunities to the exhibitors and visitors this year, as in previous years; and accordingly to raise their export potentials. This year, we are getting prepared to host over 90.000 visitors from more than 130 countries and 850 exhibitors from over 30 countries. We have the “Hosted Buyer Program” that involves bilateral negotiations with buyers from 51 countries under the coordination of the Ministry of Trade of the Republic of Turkey and West Mediterranean Exporters Association (BAİB).”

“OVER 90.000 VISITORS FROM MORE THAN 130 COUNTRIES WILL MEET IN ANTALYA”

Antalya has been hosting the biggest greenhouse and agriculture exhibition



Growtech for 19 years while holding 42 percent of the greenhouse production land in Turkey. Exhibitor Brands will be categorized in 5 different main categories as: ‘Greenhouse and Irrigation Technologies’, ‘Seed’, ‘Plant Nutrition and Protection’, ‘Tractor and Agricultural Machinery’ and ‘Livestock’ at the fair to be held at Antalya Expo Center between 27-30 November on the exhibition area of 50.000 sqm.

“AUTHORITIES OF INTERNATIONAL AGRICULTURE INDUSTRY WILL DISCUSS THE GLOBAL AGENDA OF THE SECTOR AT GROWTECH”

Within the context of Antalya Growtech, the 12th ATSO Growtech Agricultural Innovation Awards Ceremony will be organized in cooperation with Antalya Chamber of Commerce and Industry. By means of the Agricultural Innovation Awards, the private sector institutions and public agencies operating in agricultural sector as well as the innovative products and services creating sectoral awareness and added value to agricultural production will be awarded. While today’s topics on agriculture will be elaborated by the representatives of the sector during the Agricultural Talks, held for the 3rd time this year, Growtech will also host the 4th Plant Breeding Projects Market to be organized in collaboration with Akdeniz University-Technology Transfer Office. In the scope of the international conference program of Growtech, panels will be organized with the participation of the representatives from Turkish Seed Union (TÜRKTOB), Association of Greenhouse Construction, Hardware and Equipment Manufacturers and Exporters (SERKONDER), Antalya Branch of the Chamber of Agricultural Engineers of the Union of Chambers of Turkish Engineers and Architects (TMMOB); Association of Fertilizer Manufacturers, Importers and Exporters (GUID); and the representatives of the Provincial Agricultural and Forestry Directorate of Antalya. Additionally there will be a contentful conference program where national and international speakers discuss the global agenda on the sector during Growtech as well. ■

point of the seed growing sector in respect of both the number of visitors and their quality. We, as TÜRKTOB, are carrying on our efforts to participate to the fair with our corporate booth and the events that we hold.” Stating that their sector is content with the business volume at the fair, Akcan said: “Particularly the seed growers and green house cultivation companies are establishing substantial business contacts. The synergy which is created with buyers coming from various countries within the scope of Hosted Buyer Program, turns into commercial connections in a very short amount of time.”

CRUISE PORT

GLOBAL PORTS HOLDING MARKED WORLD TRAVEL AWARDS

Lisbon Cruise Port awarded Europe's Leading Cruise Port for the fifth time.



OPERATED BY WORLD'S largest cruise port operator Global Ports Holding (GPH) marked the cruise categories at the World Travel Awards, one of the most prestigious awards of the international tourism and travel industry. Lisbon Cruise Port, operated by GPH, a subsidiary of Global Investment Holdings, has been named the Europe's Leading Cruise Port for the fifth time. As well, one of the port destinations of GPH, Venice was chosen as the Europe's Leading Cruise Destination.

The 26th World Travel Awards was held this year. 13 candidates competed in the Europe's Leading Cruise Port category, 5 of



Four of the 13 candidates competing in Europe's Leading Cruise Destination category were GPH's port destinations. Bodrum, Kuşadası, Lisbon ports were nominated in this category, while Venice received the award.



which were operated by GPH, including Barcelona, Kusadasi, Antalya, Venice and Lisbon. In this category, Lisbon Cruise Port received the award. Lisbon Cruise Port, which was previously awarded in 2012, 2015, 2016, 2017, won the award for the 5th time in this category.

Four of the 13 candidates competing in Europe's Leading Cruise Destination category were GPH's port destinations. Bodrum, Kuşadası, Lisbon ports were nominated in this category, while Venice received the award.

THE TERMINAL BUILDING BROUGHT TWO AWARDS

Global Ports Holding, operating 17 ports in 9 countries, 15 of which are cruise ports and 2 of which are commercial port, put into service the Lisbon Cruise Port terminal in 2017 following a EUR24 million investment and two-year construction process. The state-of-the-art terminal, which was described by the authorities as 'extraordinary' with its superior technology and impressive design and was awarded 'Best City' in the 2017 Wallpaper Magazine

Design Awards. The terminal itself won 'Best Rehabilitation Urban project' at the SIL Portuguese Real Estate Fair 2017.

GPH added Venice Cruise Port to its network in 2016. ■



Turkey's New Entrepreneur Force

TİM-TEB Start Up Houses are intended to encourage, develop and strengthen **innovative entrepreneurs and start-up businesses** that generate high added value and have export potential.



TEB

STARTUP HOUSE

timlegirisim.com

AVIATION

Turkish Airlines Celebrates Its 30th Anniversary In Japan

Turkish Airlines Unveils New Commercial Featuring Brand Ambassadors Yuto Nagatomo and Hideto Tanihara



CELEBRATING ITS 30th anniversary in Japan, Turkish Airlines unveiled a new commercial featuring popular professional football player Yuto Nagatomo at Palace Hotel Tokyo on May 29, 2019. The football star fresh from his win with the Turkish club Galatasaray, who is also an ambassador of the award-winning airline, was present at the launch event.

The new commercial filmed in Turkey also featuring golf player Hideto Tanihara, is built around a conversation between the two sportsmen on board Turkish Airlines Business



Class seats, highlighting the importance of traveling in comfort to help them perform at their best in every game. The theme of the commercial compares traveling in comfort to the feeling of being in the comfort of your own home.

“As we commemorate our 30th anniversary in Japan, we are glad to be working with two of Japan’s finest sportsmen who have demonstrated their tenacity and drive to succeed and give their best in every game. Their spirit and

determination in delivering their best in their respective sports is very much admired and more importantly very much aligned with that of Turkish Airlines. We believe that powerful brands are built on connection to audience and Mr. Nagatomo and Mr. Tanihara’s presence will tie in strategically to our ambitious global growth and expansion plan,” said Ms. Seda Kalyoncu, SVP, Corporate Communications of Turkish Airlines.

After the screening of the new commercial, Yuto Nagatomo shared with the media his



experience flying with Turkish Airlines and said, "Comfort and accessibility to a wide network of destinations around the world are important factors to me. Being well-rested while traveling helps me better prepare for my games. I enjoy the top-notch services and ambience at the Business Class Lounge of the newly opened Istanbul Airport. I am thankful for this partnership with Turkish Airlines and for the amazing Turkish hospitality that I have experienced with them."

In line of its global expansion strategy, Turkish Airlines has been moving forward with ambitious plans to remain competitive while building on its brand promise to help travellers widen their world. As the airline that flies to more countries than any other, connecting travellers to over 309 destinations in 124 countries, the airline has also recently completed its great move to its brand new home, the modern and expansive Istanbul Airport which has been touted as the new center of the global aviation sector.

"We believe that powerful brands are built on connection to audience and Mr. Nagatomo and Mr. Tanihara's presence will tie in strategically to our ambitious global growth and expansion plan," said Ms. Seda Kalyoncu, SVP, Corporate Communications of Turkish Airlines.



Frequency increase in Tokyo-Istanbul flights

This year marks the 30th anniversary of Turkish Airlines flying to Japan. As a testament to Turkish Airlines' commitment to grow in Japan and ahead of the 2020 Tokyo Olympics and Paralympics, Turkish Airlines will resume direct flights from Osaka to Istanbul and increase the frequency of the Tokyo-Istanbul route to 11 flights weekly.

Turkish Airlines continues to fulfill its responsibilities in the events taking place in Japan

On the other hand, with the declaration of 2019 as the 'Turkish Culture Year' in Japan, the economic and cultural interactions between the two countries have increased. Within the framework of this special year, Turkish Airlines continues to fulfill its responsibilities in the events taking place in Japan.



Ahead of the 2020 Tokyo Olympics and Paralympics, Turkish Airlines will resume direct flights from Osaka to Istanbul and increase the frequency of the Tokyo-Istanbul route.

Turkish Cargo, the air cargo brand of Turkish Airlines, which provides services to 124 countries of the world, became the sponsor carrier of "The Treasures and the Tradition of 'Lâle' (Tulip) in the Ottoman Empire" exhibition in Japan within the scope of Turkish Culture Year. The air cargo brand carried 186 pieces from various museums in Istanbul to first Tokyo, the capital of Japan, and then to Kyoto. ■





INVESTMENT

TURKISH AUTOMOTIVE SECTOR OFFERS LUCRATIVE INVESTMENT OPPORTUNITIES FOR INVESTORS

The foundation of Turkey's automotive industry dates back to the early 1960s. During a period of rapid industrialization and progress, this key sector transformed

itself from assembly-based partnerships to a full-fledged industry with design capability and massive production capacity. The Customs Union Agreement (CUA), which

came into force in 1996, was a cornerstone for the Turkish automotive industry. After the CUA, both OEMs and automotive suppliers integrated their manufacturing

bases and Turkey became an export hub for global manufacturers. Turkey is now home to 9 global brands, which makes it number one in the region.

Highlights of the Turkish Automotive Market

Global brands have invested nearly **USD 15 billion** in their operations in Turkey since 2002.



Turkey, the **leader of light commercial vehicle production** in Europe, ranked 5th in Europe's automotive production list.



The **CAGR** of the vehicle market is around **14%** for the term 2002-2017.



30 of the top 50 global suppliers have production facilities in Turkey.



More than **1.5 million vehicles** were produced in Turkey in 2018.



Average export rate of **OEMs** in Turkey is **85%**.



Turkey is home to **more than 430 tier-one suppliers**.



Suppliers in Turkey have more than **150 R&D centers** accredited by the Ministry of Industry and Technology.



INVEST IN TURKEY ATTENDS AIRLINE EXECUTIVE SUMMIT 2019

The Investment Office attended the Airline Executive Summit 2019, held on June 18-20 in İstanbul. Organized by Spain's travel technology company Amadeus, the summit brought together executives of the aviation business and included exclusive panel sessions entitled "Retail Success" and "Innovation Through Partnership" that featured speakers from global stakeholders.

"FUTURE OF THE AUTOMOTIVE INDUSTRY" WORKSHOPS CONVENE IN USA



Hosted by the Investment Office in collaboration with various stakeholders from the public and private sectors, the second edition in a series of the "Future of the Automotive Industry"

workshops showcased ideas about the future vision of the Turkish automotive industry, and was attended by a number of Turkish employees from global automotive companies in Michigan.

Meanwhile, the third edition of the workshops was held at Stanford University, drawing considerable interest from Turkish employees from technology companies based in Silicon Valley.

INVESTMENT OFFICE HOSTS GERMAN DELEGATION IN İSTANBUL

The Investment Office hosted a German delegation in İstanbul on June 14-16 as part of its global efforts to showcase Turkey's business climate and to reinforce global investor perceptions. Among the German delegation were a member of the German Parliament, two aldermen from Hamburg Mitte Region, and executives of German companies.

Investment Office President Arda Ermut briefed the delegation on Turkey's current economic outlook, reform process, and investment environment.



EVENTS



JUNE 21 | TOKYO – JAPAN

Investment Office's latest seminar in Tokyo on Turkey's investment climate and economic outlook drew intense interest from the Japanese business community. Investment Office Country Advisor Yuichi Aoki addressed the participants with a speech that was followed by a productive Q&A.



JUNE 19 | ISTANBUL – TURKEY

Necmettin Kaymaz of Investment Office spoke at the Turkish Corporate Restructuring Forum in Istanbul, where he underlined Turkey's attractive investment climate and how FDI has exponentially increased in Turkey over the past 17 years, surpassing USD 210 billion. Mr. Kaymaz also emphasized that local and international companies in Turkey have been successfully managing corporate finance.



JUNE 18 | DUBAI, ABU DHABI – UAE

Turkish fintech companies and UAE-based investors and financial institutions exchanged views during multiple events held in Dubai and Abu Dhabi in cooperation with the Investment Office, the Turkish Consulate in Dubai, and Fintech Time. Companies presented their business cases to UAE investors and discussed possible cooperation opportunities during one-on-one meetings, while also getting briefed on the region's economic outlook by the Turkish Ambassador in Abu Dhabi and Consul General in Dubai.



JUNE 12 | SEOUL – SOUTH KOREA

Investment Office Country Advisor Taha Saran delivered a presentation entitled "Turkey as an Investment Destination" to the top executives of South Korean companies in a business seminar that was co-hosted with the Industrial Bank of Korea (IBK) and Hankuk University of Foreign Studies (HUFS) in Seoul. The event opened with a keynote speech by IBK Executive Vice President Choi Seok-Ho and HUFS Dean Prof. Oh Chong-Jin. Director General from Korea EXIM Bank Prof. Jo Yang-Hyeon also delivered a presentation on Turkey's economy and its investment environment for South Korean investors.



JUNE 4-5 | MADRID – SPAIN

Necmettin Kaymaz of the Investment Office shared Turkey's track record and experience in public private partnership at "PPP2025" in Madrid, Spain, highlighting the role of international financial institutions and investors in Turkish PPP market.

More than 65.000 companies have INVESTED IN **TURKEY**



how about you?

average annual real
GDP growth rate

5.5%

2002-2018

13th largest
economy in
the world

GDP at PPP prices, 2017

more than

804.000

university graduates
per year

average annual real GDP
growth rate forecast in OECD

5.2%

2015-2025

\$784 billion
of GDP at
current prices
2018

82 million

of population
with half under the age of 31

INVEST IN TURKEY

Presidency of the Republic of Turkey Investment Office, the official investment advisory body of Turkey, is a knowledge-center for foreign direct investments and a solution partner to the global business community at all stages of investments. It provides customized guidance and qualified consulting before, during, and after entry into Turkey.





The list of top 1000 exporter companies, which shape the Turkish economy by exporting from Turkey to all corners of the world, has been Turkish Exporters Assembly.



Turkish Exporters Assembly (TIM) has gathered for its 26th Ordinary General Assembly and held the awards ceremony for export champions of 2018. Speaking at the ceremony held with the participation of President Recep Tayyip Erdoğan, TIM President İsmail Gülle said: “In 2018, our firms, which entered the top 1000 list, increased their export volumes to \$102.8 billion, with an increase of 11 percent compared to the previous year, that is 1.5 times the increase in global trade. Our country, Turkey is growing and will grow with the fuel of our exports which are our pride in the global arena. From now on our vision is “Turkey in the Information Competition.”

Turkish Exporters Assembly (TIM) which is the single umbrella organization of 61 exporters union, 13 of the general secretariat and nearly 85 thousand exporters has held its 26 Ordinary General Assembly and the awards ceremony for export champions of 2018 in Istanbul, hosted by the president of TIM İsmail Gülle and participated by President Erdoğan. The Minister of Treasury and Finance Berat Albayrak, the Minister of Trade Ruhsar Pekcan, the Minister of Family, Labor and Social Services Zehra Zümriit Selçuk, the Minister of Culture and Tourism Mehmet Nuri Ersoy, the Minister of Industry and Technology Mustafa Varank, the Minister of Transport and Infrastructure Mehmet Cahit Turhan, members of the Sector Council, the heads of exporters' associations, representatives of public, private and non-governmental organizations and company executives participated to the General Assembly. Awards to the top 10 exporter companies in Turkey in 2018, were given by President Recep Tayyip Erdoğan. Last year, the top 10 companies that reached the highest volume of exports were; Ford Automotive Industry, Toyota Automotive Industry, Tofaş Türk Otomobil, Kibar Foreign Trade, TGS Foreign Trade, Tüpraş, Vestel Trade, Arçelik, Oyak-Renault Automobile, Habaş Industrial and Medical Gases, in order. In addition, top 27 companies

which held the leading position in each distinct export sector were also awarded in the ceremony.

PRESIDENT ERDOĞAN: “WE TRUST YOU, YOU TRUST US TOO”

In his speech for the Turkish Exporters Assembly's (TIM) 26th Ordinary General Assembly and awards ceremony for export champions of 2018, President Erdoğan said: “We're very close to change Turkey from being a country with a current account deficit to a country with current account surplus. We trust you, and you also trust us. We have implemented huge reforms in every field to support our exporters. In order to support our exporters last year, we have allocated TRY2 billion last year and TRY3.1 billion this year. We have increased the capital of Türk Eximbank from TRY3 billion to TRY10 billion. Last year we provided \$44.2 billion of financial support to the sector. Thus, we have financed 26 percent of our total exports. Now I want to give you extra good news. Today I signed it and tomorrow it will be published in the Official Gazette. We bring exemption to foreign exchange sales that are made to industrial registry certificate holders and exporters' associations. Now, our exporters will not pay foreign exchange tax of 1 per thousand when buying foreign currency. We prevent the measures taken for foreign exchange speculation to affect exporters.”

GÜLLE: "TURKEY IS GROWING WITH EXPORT"

TIM President İsmail Güllü said: "Mr. President, today, has made us all, the family of exporters, very happy by giving the good news which the 85 thousand exporters have been waiting for a month by accepting our demand for tax exemption for the foreign exchange sales of banks which is 1 thousandth of foreign exchange. As it has always been, our President, we have felt once again that he is still with the exporter and has always opened our way. We give him our gratitude. Our first 1,000 exporters survey, announced today and anticipated by our exporting family every year, points out that the top 1000 firms increased their export volumes by 11 percent to \$102.8 billion in 2018, an increase which is 1.5 times more than the increase in the global trade same year. 155 companies, which were not on the list last year, were qualified to be in the top 1000 list with their export performances in 2018. The 2018 survey underlines the fact that our companies from 50 different provinces showed the success of getting into the list and have posted a signature to spread export sector throughout Turkey. In the fourth quarter of 2018, the contribution of net exports to growth reached the highest level with 8.4 points. In the first quarter of 2019, we managed to increase this figure to 9.4 points and strengthened the rise of our economy with exports. Turkey, our country, is growing and will grow with our exports which are pride in the global arena."

"\$200 BILLION WILL BE REACHED IN 2020, A YEAR THAT'S ABUNDANT OF FIRSTS"

İsmail Güllü stated that the difference between the General Trade System and the Private Trade System, in 2018, was \$8.9 billion with gap of 18 percent. Güllü pointing out that the number of countries which Turkey has an export volume over \$1 billion to is 39, announced the following: "Compared to the previous year, 6 countries climbed above the threshold. These countries are Czechia, Switzerland, Libya, Portugal, India and Qatar. The country that fell below the \$1 billion threshold was Turkmenistan."

Commenting on the issue of when Turkey will get over the \$200 billion export psychological barrier Güllü said, "2020 is a beautiful year, with lots of firsts. Thus we have set a target of \$200 billion for our exports in 2020."

Prof. Dr. Kerem Alkin, general secretariat of TIM speaking at the summit said: "Turkish economy is perceived 30 percent worse than it really is outside. They are trying to portray us as one of the countries in trouble. 50 percent of the economy is psychology. We fight against bad perception."

GÜLLE: "OUR NEW VISION IN EXPORT: TURKEY IN THE INFORMATION COMPETITION"

Saying that exportation is about national motivation and achieving global successes Güllü continued his speech as followed: "We the exporters, as legioners of Turkey's trade diplomacy on the field can say the following in the light of current global developments: From an export policy based on the principle of being 'cheap but the quality' we are transforming to a new approach and re-writing our vision and mission based on the competition of information. From now on, our vision is 'Turkey in the Competition of Information. Information Competition means not restructuring production, but rather restructuring to achieve higher value-added production. And Information Competition ultimately means 'Turkey with Foreign Trade Surplus'. Esteemed President; we've promised you a 'Turkey with Foreign Trade Surplus'. And for this, we are working with all our strength to implement high value added, brand, design, R&D, innovation and whatever civilization orders. We focused on a renewed production ecosystem which prioritized digital transformation and supported mechanisms crowned by 2nd and 3rd generation reforms. While conveying our thanks once again for the support that our state has given for production, investment and employment so far, it is as clear as day that digital and technological transformation also needs new generation state supports, as Mr. President underlined in every speech of his. Of course, while presenting these wishes and suggestions to our state, we are also aware of the need to turn these supports into high value-added exports. If we say our vision is 'Turkey in Information Competition', we should work right for it. Our sectors should start to work as soon as possible for their technological renewals, digital infrastructures and new structures that will enable them to make quick and effective decisions in line with our 'New Export Master Plan'."

"In the first quarter of 2019, we managed to increase the net export figure to 9.4 points and strengthened the rise of our economy with exports. Turkey, is growing and will grow with exports which are pride in the global arena."





Turkey On The Offensive For Export

“TURKEY’S TOP 1000 EXPORTERS” WHICH WERE ANNOUNCED BY TURKISH EXPORTERS ASSEMBLY, HAS RAISED ITS EXPORTS TO \$102.8 BILLION. THE FACT THAT THESE COMPANIES WERE OPERATING IN 50 DIFFERENT PROVINCES IS SEEN AS AN INDICATION THAT WINDS OF EXPORT SPREAD THROUGHOUT THE WHOLE TURKEY.

The executives of the companies that received awards in the organization of TIM, in the family photo with President Recep Tayyip Erdoğan and the Ministers.

According to Turkish Exporters Assembly’s (TIM) **“Top 1000 Exporters of Turkey’s 2018”** survey of this year, which is the 17th of its kind, Top 1000 companies conducted a total of \$102.8 billion of exports increased by 10.5 billion compared to the previous year. The fact that these companies are operating in 50 provinces is the biggest indicator that Turkey’s export sector has spread throughout the whole country. While automotive



industry is not leaving the leading position, Turkey's export leader was Ford Automotive. The second place was Toyota's and Tofaş was in the third. The first three were thus unchanged.

Kibar Dış Ticaret A.Ş., which ranked 6th in the previous year, rose to the 4th place with \$2 billion 720 million of exports, while TGS Dış Ticaret AŞ, which ranked 12th in the previous year, increased by 7 rows to reach the 5th place with an export of \$2 billion 591 million. In the 6th place was Turkey Petroleum Refineries Inc., with an export worth of \$2 billion 467 million. Vestel Ticaret AŞ. is in the 7th place with an export of 2 billion 255 million dollars, while Arçelik A.Ş. kept its 8th place with 1 billion 937 million dollars and 9th place was Oyak-Renault Otomobil Fabrikaları A.Ş.'s with \$1 billion 784 million. Habaş Industry and Medical Gases Manufacturing Industry Inc. ranked 10th with \$1 billion 544 million, improving its rank by one compared to the previous year.

Turkey's top 10 exporters added value per kilograms (kg) per was 2.76 dollars. According to 2018 data the average of Turkey is 1.33 dollars, while the average of the top 1000 exporters is 1.37 dollars. In the first 500 exporters, the value added per kg was \$1.40, while in the top 100 it was \$1.60. The same figure is close to \$4 in Japan, \$3.7 in Germany, and \$2.54 in South Korea. The value added per kilogram of the US is 2.53 dollars. Turkey's 2023 export target value-added performance is 2 USD per kg.



1000 2018 TÜRKİYE'NİN İLK 1000 İHRACATÇI FİRMASI TOP 1000 EXPORTERS OF TURKEY

TİM
TÜRKİSH
EXPORTERS
ASSEMBLY

TURKEY'S 50 CITIES ARE IN THE LIST WITH 440 FIRMS, İSTANBUL TAKES THE LEAD

According to the results of the research, apparel and garment sector was the first with 154 companies, chemicals and products sector the second with 106 companies, and automotive sector the third with 102 companies. While 440 of the companies in the first 1000 were based in Istanbul, Istanbul was followed by İzmir with 76 companies and Kocaeli with 67 companies. In the regional distribution, 600 companies from the Marmara Region, 146 from the Aegean Region and 83 from the Central Anatolia Region managed to enter the list, while the fact that companies that were entitled to enter the Top 1000 list in were located in all 7 geographical regions drew attention. Among the cities that export more than \$1 billion, Trabzon lost its place to Eskişehir.

THEY HAVE ENFORCED EMPLOYMENT

The average number of employees of the top 1000 exporter firms was 781 in 2018, indicating that only these firms provided close to 800 thousand jobs. In 2016, the same number was 704, which means that the most successful exporters backed employment with a amount of about 100 thousand in only 2 years.

THE NUMBER OF COMPANIES EXCEEDING \$1 BILLION ROSE TO 13

In the top 1000 exporters survey, the number of companies exporting over \$1 billion increased from 10 to 13 compared to the previous year, while the number of companies exporting over \$100 million increased from 145 to 171. The firm at the 1000th position in the list of 2018 exported \$21.6 million. This figure was \$19.5 million in 2017, while 2016 was \$18.2 million. It was noted that 66.3 percent of the top 1000 companies were manufacturer and exporter companies.

155 NEW COMPANIES ENTERED THE LIST THIS YEAR

155 of the top 1000 exporters were not present in the Top 1000 Exporters List in 2017, but entered the list in 2018. Companies with entering the list with highest ranks are as followed Tatmetal Çelik (158), Mitaş Industry (175), Gemlik Fertilizer Industry (233), Corbus Metal (258), Rexport Foreign Trade (319), Yenigün Construction (326), Göymen Gıda (351), Turquoise Yacht Industry (383), Yıldızdemir Steel Industry (407) and Sahra Food (419).

Apparel and garment sector was the first with 154 companies, chemicals and chemical products sector the second with 106 companies, and automotive sector the third with 102 companies.



FORD OTOSAN

TURKEY'S TOP 10 COMPANIES In Export

General ranking	Firms	2018 Export(\$)	Export change rate
1	FORD OTOMOTIV SAN. A.Ş.	5.682.762.433,05	18,5%
2	TOYOTA OTOMOTIV SAN. TÜRKİYE A.Ş.	4.598.412.782,39	3,5%
3	TOFAŞ TÜRK OTOMOBİL FAB. A.Ş.	2.997.681.305,53	-6,6%
4	KİBAR DIŞTİC. A.Ş.	2.719.787.015,19	8,2%
5	TGS DIŞTİC. A.Ş.	2.591.293.127,15	170,5%
6	TÜRKİYE PETROL RAFİNERİLERİ A.Ş.	2.466.974.750,88	-10,8%
7	VESTELTİCARETA.Ş.	2.254.759.359,45	7,1%
8	ARÇELİKA.Ş.	1.936.987.240,00	6,7%
9	OYAK-RENAULT OTOMOBİL FAB. A.Ş.	1.784.071.563,30	-44,0%
10	HABAŞ SİNAYİ VE TIBBİ GAZLAR İSTİHSAL ENDÜSTRİSİ A.Ş.	1.544.049.678,32	55,1%

FORD OTOMOTIV SAN. A.Ş.

Despite the challenging conditions in the domestic market, Ford Otosan increased its sales revenues by 31% last year with its export-oriented strategy and increased the share of exports in its income to 82%.

With its \$5.7 billion revenue in 2018 it has continued its export leadership in Turkey and the industry. Being the export champion of Turkey in the last four years and of the automotive sector in the last 8 years, the company exported vehicles and parts to 94 countries in 5 continents in 2018. In 2018 its exports volume increased by 11% to 328,892, reaching a record level. In addition, it accomplished 74 percent of Turkey's total commercial vehicle exports alone with this figure.

Ford Otosan, today produces 71 percent of all commercial vehicles and 83 percent of the Ford Transit models sold in Europe in Turkey. In order to meet the increasing demand for its products, as of September 2018, it increased its capacity from 415 thousand units to 455 thousand units as a result of the 52 million dollar capacity increase investment it initiated in 2017.

Last year, one of the most important achievements on behalf of the company and Turkey was to be awarded with the prize of International Truck of the Year (IToy) 2019 because of new attractive Ford Trucks F-max which is entirely produced by Turkish engineering and crafting by getting reviews of 23 jury members representing 24 European countries. Ford Otosan stands out in the global competition with its engineering experience in the heavy commercial vehicle sector and its deep-rooted legacy of nearly 60 years.





5 global automotive companies, that use Turkey as a production, logistics and distribution hub, are among the top 10 exporters.

TOYOTA OTOMOTIV SAN. TÜRKİYE A.Ş.

Last year, with the production of 260 thousand 300 units of Toyota, 235 thousand automobiles were exported. Thus, it exported 90 percent of its total production and generated revenues of \$4.6 billion. With \$4.4 billion worth of exports in 2017 the company had received the award as the second largest exporter in Turkey. In 2018 also, it kept its position.

Toyota started the production of the new Corolla Sedan which has a hybrid version with an additional investment of \$260 million last January. It successfully transferred previously gained experience with Hybrid technology and TNGA infrastructure from C-HR to new Corolla.

Toyota Motor Manufacturing has increased its direct investment to Turkey to \$2.6 billion with its 12th generation Toyota Corolla Sedan which made it a hybrid base, thus clearly laid out its belief to Turkey.

With the new Corolla Sedan, export destinations worldwide have reached from 100 to 150 countries. Corolla has the title of the best-selling car in the world. Today, Toyota models produced in Sakarya are used all over the world.

TOFAŞ 50th

TOFAŞ TÜRK OTOMOBİL FAB. A.Ş.

Celebrating its 50th anniversary in 2018, Tofaş accounted for 19 percent of Turkish automotive industry production; 18 percent of the exports alone by producing 302,000 units.

In 2018, it took 11.7 percent of the market share in the automobile and light commercial vehicles market with the brands of Fiat, Fiat Professional, Alfa Romeo, Jeep, Ferrari and Maserati. Fiat brand, consumed its position in second place in the ranking of automobile and light commercial vehicle total sales with a market share of 11.3 percent and 70 thousand sales. Egea Sedan has reached the continued success of Turkey's most preferred vehicle again, a success of sale performance in three consecutive years since it started its first production.

In 2018, Tofaş ranked 3rd in the export ranking with 244,000 units and the company generated US \$3.1 billion in export revenue. As a result of these activities, it created a foreign trade surplus of \$1.3 billion. Tofaş's export volume reached 3 million in its 50th year. Fiat Doblò model constituted 1 million 493 thousand 851 units of 3 million units of exports. Fiorino model followed the leader of exports Fiat Doblò with 830 thousand exports.

Today, 75 percent of its production is exported to 80 countries in different parts of the world. About 80 percent of its exports are to Western European countries.





CEO Ali Kibar received the award on behalf of Kibar Holding.



KIBAR DIŞTİC. A.Ş.

With its 22 companies and nearly 7500 employees, operating in various sectors from aluminum to the automotive industry, from food to packaging Kibar Foreign Trade, one of Turkey's leading industrial groups exports 60 percent of its production.

With its installed capacity reaching of 300 thousand tons annually in the flat aluminum industry, Turkey's leading provider Assan Aluminum is one of the three largest producers of aluminum foil in Europe with a production capacity reaching 100 thousand tons. Previously operating with an export rate of 75 percent of its production, the company reached 80 percent by the last quarter of 2018.

Assan Aluminum exports to more than 70 countries on four continents including Germany, France, England, Netherlands and North America.

Assan Panel, the pioneer organization of the sandwich panel sector, is preparing to play a more active role abroad in the coming period. Exporting to about 70 countries from Turkey Assan Panel will increase its the export ratio of 35 percent to 50 percent in the Caspian region, Africa and the Middle East in the next three years with new investments. Hyundai Assan, being one of the top five companies in the sector in Turkey increased the rate of exports in its production from 80 percent to 92 percent. Hyundai Assan plans to launch 4 new car models in 2019, 2020 and 2021 within the scope of new investments in the automotive sector in the coming period.



TGS DIŞTİCARET A.Ş.

TGS Foreign Trade taking the 10th position in the top exporters of Turkey with \$1.005 million of export volume in 2015 and \$1,014 million in 2016, was in the first place in the ready-made clothing and apparel sector in the same years. With the export figure of \$968 million, it has re-achieved the success of the previous years in 2017. TGS FOREIGN TRADE INC finished 2018 with an export figure of \$2,600 million and became the 6th company to reach the highest export figure by including Turkey's various leading export firms into its structure, thus doubling its power in 2017.





TÜRKİYE PETROL RAFİNERİLERİ A.Ş.

In 2018, Tüpraş supplied a total of 24.5 million tons of crude oil in 20 different types from 12 countries, including domestic crude oil, to form the most cost-effective charging composition. With the support of commercial sales, the Company sold 29.8 million tons of products, including 25.6 million tons of domestic sales. As a result of its experience in crude oil supply, high production power and effective financial management, its net profit reached TRY3.8 billion in 2018.

The Company invested \$ 138 million in refining operations. Together with investment projects aimed at saving energy and reducing emissions, Tüpraş achieved 865 thousand Gcal energy savings and 247 thousand tons of CO₂ emissions reduction.

Ditaş, a subsidiary of Tüpraş, which continues to provide service with a total capacity of 11 tankers and a carrying capacity of 622 thousand DWT, has started an investment of scrubber in 4 tankers with a total carrying capacity of 330 thousand DWT in order to comply with the rules of 2020 International Maritime Organization. Turkey's first private rail operator, Körfez Ulaştırma A.Ş., capital owned entirely by Tüpraş, started operations in 2018 and carried 1.8 million tons of product.



Chairman of Zorlu Holding
Ahmet Nazif Zorlu received the award on behalf of Vestel.



VESTEL TİCARET A.Ş.

VESTEL



In 2018, Vestel successfully continued its competition with global giants in the global market by focusing on R&D and innovation. Vestel technology was Turkey's export champion in the electrical and electronics field for the 21st time delivering its technology to 155 different countries. 70 percent of its revenue came from exports. In 2018, the company's turnover reached TRY15.9 billion with a 31% increase compared to 2017 due to the strong growth in export revenues and 75% of sales revenue was generated by export revenues. Export revenues in 2018 increased 48%.

With the new ODM projects taken in the European market, the positive impact of capacity increases made during the year and more emphasis on export markets, Vestel's white goods exports grew strongly in 2018, reaching its highest level ever. On the other hand, TV sales to Europe under Toshiba license and white goods sales under Sharp license increased in double digit in 2018. Vestel finished 2018 with a record net profit of TRY401 million and a strong increase in operating profitability.



On behalf of **Koç Holding**, which entered the top 10 exporters list with 4 companies, CEO Levent Çakıroğlu received the award from President Erdoğan.



ARÇELİK A.S.

Arçelik, with its past of 64 years, creates significant economic value both in Turkey and abroad. It finds solutions to ease consumers' lives with products and services offered in nearly 150 countries. While reinforcing its presence in all of the markets it operates with its strong brands, it continues to invest to strengthen its global growth.

Arçelik maintained its leadership in the solo segment with the Beko brand in the European white goods market, where competition is at its highest level, and increased its market share and profitability in its largest markets, Europe and MENA region. With the Beko Gulf FZE sales company established in the United Arab Emirates, the number of sales and marketing offices worldwide reached 34. Arçelik maintains its market leadership with Defy in South Africa, Dawlance in Pakistan and Arctic in Romania.

The company has strengthened its impact area with new investments ranging from USA to Taiwan, Russia to South Africa, UK to Australia with 5 new investments, and has agreed for a joint ven-

ture with Voltas within the Tata Group, a group of India's leading companies, within the framework of Silk Road strategy. In 2018, with the joint venture company named Voltbek, introduced the 'Voltas Beko' branded products to the Indian market. It plans to start trial production this year in its refrigerator factory, which was founded in Gujarat province last year and is expected to reach a production capacity of 3 million units.

Arçelik carries a further step forward in international competition with a new investment of smart TV factory started in 2018 Saray, Turkey worth of TRY500 million, of which 65 percent of the production is exported to 48 countries.

With 17 R&D centers and more than 1500 R&D employees worldwide, it continues its success by developing innovative technologies that respond to the habits and needs of consumers in the countries where it operates. Arçelik balances the domestic market volatility with foreign sales and increased its consolidated turnover by 29% over the previous year to TRY26.9 billion.





OYAK RENAULT

OYAK-RENAULT OTOMOBİL FAB. A.Ş.

On its way to produce cars in Turkey which started 50 years ago, Oyak Renault has managed to become one of the leading brands in the automobile production and exports sector with its successful performance.

From the first day it started its operations to today it produced most favorable automobiles in Turkey such as Renault 12 and Megane Sedan.

In terms of production performance, the OYAK-Renault plant is among the top 3 Renault Group plants. In 2018, the company reached record figures in the production and export of automobiles, engines and chassis. 336,888 cars, 602,421 engines, 239,591 gear box, 708,670 units of chassis were produced.

The most important project in 2019, which it celebrated its 50th anniversary; the company will focus on the production of the new Clio, a new flagship model that the Renault Group will market the world which will be produced in the factory in Turkey for the first time.

OYAK-Renault continued its investments for the production of new generation automobiles last year, and in March 2018, OYAK-Renault launched a new press line investment, which doubled its sheet metal production capacity. In addition to the new press line with an investment of approximately 33 million Euros, in line with the Renault Group's global strategy, it laid the foundation of a 100 million euro high-pressure aluminum injection plant for the manufacture of engines to be used in new generation vehicles.



Chairman of HABAŞ Mehmet Başaran received the award on behalf of HABAŞ.



SİNAİ VE TIBBİ GAZLAR İSTİHSAL ENDÜSTRİSİ A.Ş.

Its fundamentals laid by Basaran Topkapi Oxygen Plant which was founded by Hamdi Basaran (1913-1987) in 1956, HABAŞ Group is one of the leading organizations in Turkey in the Industrial and Medical Gases, Iron and Steel, LPG, Natural Gas, Heavy Machinery Manufacturing, energy and banking sectors. HABAŞ Group continues its activities with an uninterrupted, effective and sustainable growth perspective.

As HABAŞ continues its leadership in a number of areas where it operates in Turkey, it continues to carry the flag of championship of top exporter of long and flat steel for the last 10 years as well.

Another sector that HABAŞ is leading is iron and steel industry sector which is one of Turkey's most important sectors. HABAŞ iron and steel plants, which started production in Aliğa in 1987, today have the capacity to produce 4.7 million tons of liquid steel. Having exported most of its production to various countries on five continents, HABAŞ's exports in 2018 amounted to \$1.5 billion.





Sector CHAMPIONS



Steel

Last year, steel exports rose by 20.4 percent in terms of amount to 21.3 million tons, reaching higher figures in value terms. In 2018, the Turkish steel industry increased by 36.1 percent to \$15.5 billion and became the world's sixth largest exporter of steel. The steel sector was the fourth sector amongst all industries exporting 9.3 percent of Turkey's total sum.

Sector Leader

HABAŞ SİNAİ VE TIBBİ GAZLAR



2017
Export

\$11.4
billion



2018
Export

\$15.6
billion



Change
in Export

36,1%



TON

2018 Export
in Amount

21.4
million tons



Cement, glass, ceramic and soil product

In 2018, total exports of cement, glass, ceramics sectors increased by 10.4 percent compared to 2017 and reached \$3 billion.

Sector Leader

ŞİŞECAM DIŞ TİC. A.Ş.

Şişecam Group is among the most traditional institutions of Turkey and a global player today in all the essential areas of glass such as flat glass, glassware, glass and glass packaging and glass fiber and in the business segment consisting of soda ash and chromium compounds. It has 43 production facilities in a total of 13 countries such as Turkey, Germany, Italy, Bulgaria, Romania, Slovakia, Hungary, Bosnia and Herzegovina, Russian Federation, Georgia, Ukraine, Egypt and India.

Today Şişecam is the third largest producer of glassware in the world and the fifth largest producer of glass packaging and flat glass in the world. As one of the top 10 soda ash producers in the world, the group is also the world leader in chrome chemicals.

Şişecam Group is the export leader in the "Cement, Glass, Ceramics and Soil Products" category. In 2018, continuing its investments and growth, it produced 4.9 million tons of glass, 2.4 million tons of soda ash and 4.1 million tons of industrial raw materials and increased export-oriented efforts in all of its fields of activity.



Sales revenue in 2018 increased 37.4 percent rate and reached TRY15.6 billion. It got revenue of \$2 billion obtained from international sales of which \$760 million were exported from Turkey.

With an investment expenditure of TRY2.6 billion in 2018, the Group continued to add social and economic value to all geographies in which it operates.

Şişecam Science, Technology and Design Center, one of the world's leading R&D centers, has applied for 13 new patents in 2018 and has reached 19 patent registrations and 45 patent applications in total.

Sisecam with an experience of over 80 years, 22 thousand employees, sprawling production facilities to 3 continents and 150 countries and as a community on an international scale, is proud to demonstrate its success as a global brand representing Turkey in world markets.



Ferrous non-ferrous metals

The sector's exports, which were \$6.8 billion in 2017, increased by 18.8% in 2018 and reached \$8.1 billion. According to the 2018 data, Turkish iron and non-ferrous metals sector ranks 23rd in the world with an export amount of \$8.2 billion.



Leather and leather products

In 2018, leather and leather products sector exported approximately \$180 billion to 180 countries with an increase of 9.5% compared to previous year. Exports increased in 60% of the export markets of the Turkish leather and leather products sector.

Sector Leader

DSD DERI SANAYICILERI DIŞ TICARET A.Ş.

It was established in 1998 as a foreign trade company with the partnership of 139 industrialists in the sector. It serves over 200 exporters with its growing exports over the years, expanding customer structure to other sectors and a transaction volume of \$400 million annually.



Electric and electronic

Electrical-electronics sector being one of the leading exporting sectors of Turkey, follows the automotive, apparel, chemical and steel sectors ranking 5th among the industrial sectors in 2018 with a 7 percent share of total export volume of Turkey.

The sector's exports, which were grouped under 4 main titles, increased by 7.9 percent in 2018 compared to the previous year and totaled \$11.3 billion. Exports were \$3.7 billion in white goods sector, \$3.15 billion in electronics, \$2.67 billion in electrical distribution equipment and \$1.97 billion in cables.





Hazelnut and products

In year 2018, when the hazelnut and its products sector succeeded in breaking the annual export record in terms of quantity, the sector exported 279,251 tons of hazelnuts and generated \$1,635 million of foreign exchange revenue.

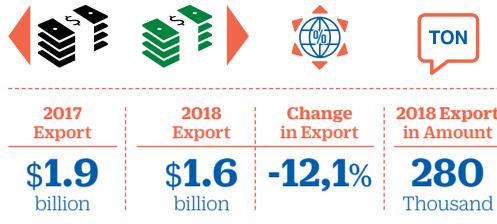
Sector Leader

FERRERO FINDIK İTHALAT İHRACAT VE TİC. A.Ş.

Ferrero Group, established as a family company in the Piedmont region of Italy, is one of the leading companies of the global confectionery and chocolate sector with its history dating back to the 1940s and a total turnover exceeding 10 billion euros. The Ferrero Group has 40,000 employees, 22 production sites and 9 agricultural companies in 53 countries.

Ferrero Group as one of the leading players in the hazelnut market of Turkey, increased its investments in Turkey by establishing a factory in Manisa in 2013 making the site one of the most important production centers of the group. Group is committed to the strategic importance it refers to Turkey and bought Oltan Gıda which operates in Turkey in 2014, thus has established Ferrero Fındık partnership.

The company seeing Turkey as a long-term strategic partner, is increasing its investments every year in cooperation with the Turkish farmers. From this perspective, Ferrero desires to reach 50,000 farmers within the next 5 years under the Precious Agricultural Practices Program. Ferrero Hazelnut targets \$150 million investment in 2019 in Turkey.



Ship and Yacht

In 2018, the Ship, Yacht and Yacht Services sector exported a total of \$991 million. Turkey's yacht exports rose to \$181 million, ferry exports rose to \$148 million by the end of 2018

Sector Leader

TERSAN TERSANECİLİK SAN. ve TİC A.Ş.

Tersan was Turkey's Ship and Yacht Building Sector export leader in 2018 just as it was for the last 6 years.

Tersan grew by 20% in 2018 compared to 2017. The company's contribution to employment in 2018 increased from 2200 to 3100 people with all its subcontractors. In 2019, this number is planned to reach 4000.

In 2018, 4 Norway, 1 United Kingdom-flagged vessels' production was completed, represented Turkey all around the world with Tersan brand. Again in 2018, a first in Turkey, 125 meters long, 25 meters wide two cruise ships complete construction contract was signed by Tersan. These 2 passenger ships, whose main machines will work with LNG, will have 6000 KW hour energy storage (battery) systems.





Carpet

In 2018, Turkish carpet sector exports increased by \$2 billion 266 million and increased by 4,7% compared to the previous year. This export value is equivalent to approximately 1.3% of Turkey's exports now.

With a share of 84.1% in carpet exports in 2018 and exports of \$1.9 billion, machinery carpets took the first place in the sector. The export figure of the tuft carpet, which ranks second with 13.2%, was \$300 million. In addition, \$51 million handmade rugs and \$9 million rugs were exported.

Sector Leader

ERDEMOĞLU DIŞ TİC. A.Ş.

Erdemoglu Foreign Trade, which has spent 2018 very efficiently in meeting the strategic targets by successfully taking the right position in the face of changing market conditions, has exported to nearly 100 countries worldwide. Merinos Halı, one of the Erdemoğlu Group companies, which has the strength of its qualified staff and high-tech production track, has managed to stand out from its competitors with its product groups formed with the right market analyzes and get a large share from the cake in the market. Today, Merinos is the world's largest manufacturer of machine made carpets.



2017 Export	2018 Export	Change in Export	2018 Export in Amount
\$2.2 billion	\$2.3 billion	4.7%	750 Thousand



Apparel

Turkish apparel sector increased its exports by 3.6 percent in 2018 to \$17.6 billion. The sector showed a positive trend both in employment and production in 2018. While the manufacturing industry grew by 1.5 percent, ready-to-wear reached 4.7 percent growth with three times higher performance. The increase in production caused a record in employment. In the period of August-December 2018, an average of 5 thousand new jobs were created every month.



2017 Export	2018 Export	Change in Export	2018 Export in Amount
\$17 billion	\$17.6 billion	3.6%	1,2 million tons



Service

Exporting \$43.7 billion in 2017, the Turkish Service Sector increased by 11.4% in 2018 and reached \$48.6 billion in exports. The Turkish Service Sector, which generated a foreign trade surplus of \$20 billion in 2017, contributed to the national economy by generating a foreign trade surplus of \$25.4 billion in 2018, an increase of 27%.



2017 Export	2018 Export	Change in Export
\$43.7 billion	\$48.6 billion	11.4%



Cereals, pulses, oil seeds and products

The Cereals, Pulses, Oil Seeds and Products Sector completed the year 2018 with a 5% increase in exports and reached \$6.7 billion of export. Data for the first four months of 2019 shows that the sector's exports have so far increased by almost 5%. This momentum is expected to accelerate in the coming months and the sector is expected to complete 2019 with exports worth \$7.5 billion.

Sector Leader

İSTANBUL GIDA DIŞ TİC. A.Ş.

Turkey's most established food group Yildiz Holding began its brand journey with a single brand in 1944 and today it has with a range of over 300 in 6 continents. It can reach a region where more than 4 billion consumers take place and is leading a major global operation. Increasing its share in global markets with global and regional brands with a wide range of food and non-food products in a wide geography.

40 percent of the group's income comes from overseas activities and exports. In 2018, the Group increased its exports by 21 percent to \$628 million and exports to more than 100 countries on 6 continents.

İstanbul Gıda, which has achieved significant success in exports since 2010, was founded in 1987 to sell and market Ülker products abroad. Over the years opating in more than 100 countries with mor than 200 distributors with major brands such as Ülker, McVitie's, Godiva, exports from Turkey to the world. In 2017 the group has continued its success as the top exporter in the. Exporting to many countries in the world such as Germany, USA, UK, Venezuela, Peru, Ghana, Madagascar, the group is the market leader in both frozen food and margarine. With more than 2,500 employees, it exports to 70 countries on 6 continents.



2017 Export	2018 Export	Change in Export	2018 Export in Amount
\$6.4 billion	\$6.7 billion	4%	9,4 million tons



HVAC-R

The export of the sector in 2018 exceeded the export figures of all previous years and reached to the level of \$4.5 billion. Last year, exports of the sector managed to grow by 15.75 percent compared to the previous year. At the same time, imports dropped from \$5.6 billion to \$5.3 billion in 2018. The ratio of exports to imports has reached 85 percent.

Sector Leader

BOSCH TERMOTEKNİK İSITMA VE KLİMA SAN.VE TİC.A.Ş.

Bosch Thermotechnology is the world's leading supplier of energy efficient heating systems, hot water solutions and cooling systems. Bosch's Manisa plant, the largest combi factory in the world, exports 70% of its production to 5 continents and more than 40 countries and heats more than 800,000 homes. With exports worth of 2.1 billion euros it constitutes 1.5% of Turkey's total exports. Established on an area of 109 thousand square meters, the factory has been a base for both designing and developing its products for 27 years.



2017 Export	2018 Export	Change in Export	2018 Export in Amount
\$3.9 billion	\$4.5 billion	15.8%	1 million tons



Chemicals and chemical products

The chemical industry, with 10.3 percent share in Turkey's total exports, increased by 8.27 in 2018 to \$17.4 billion of exports and finished third after the garment and apparel industry and the automotive industry. While the sector exported the most to Egypt in 2018, Germany, Iraq, USA, Spain and Italy ranked among the top five countries of export destination.



2017 Export	2018 Export	Change in Export	2018 Export in Amount
\$16 billion	\$17.4 billion	8.3%	19,6 million tons



Dried fruit

Dried Fruit exports of Turkey increased 4% on the basis of the amount compared to the previous year in 2018 with an increase of 510 588 tons, total export revenue reaching \$1 billion 388 million with an 8% increase.

Sector Leader

AYDIN KURUYEMIŞ SANAYİ VE TİC. A.Ş.

Established in 1979 as a local family business in Siirt, Aydın Kuruyemiş moved its headquarters to Istanbul in the following years. Today, Aydın Kuruyemiş continues its production in its plants all around Turkey and has an important place among domestic and foreign firms. Aydın Kuruyemiş has expanded its investments day by day and increased its business volume consistently. There are Regional Directorates in Gaziantep, Siirt, Mersin, Ankara and İzmir. In addition, Siirt, Istanbul, Mersin, Gaziantep and Sakarya (Hendek) factories placed over 100,000 square meters, performs with more than 500 experienced staff.



2017
Export

\$1.3
billion

2018
Export

\$1.4
billion

Change
in Export

8.5%

2018 Export
in Amount

511
Thousand



Mining products

In 2018, the mining sector exports amounted to 26.3 million tons in terms of quantity and \$4.56 billion in terms of value. Compared to the last year an increase of 6.63% was experienced in terms of amount, but the monetary value decreased by 2.72%. Exports of natural stones, the main material of the construction sector, amounted to \$1.91 billion.

Sector Leader

ETİ MADEN İŞLETMELERİ GEN. MÜD.

Eti Maden with the help of its production, marketing and investment policies increased its sales by 11%. In 2018, in return for the sale of 2.45 million tons of boron products, for the first time sales revenue was over \$1 billion consisting of 97% of export revenues. It also strengthened its world boron sector leadership with 59%. In 2018, the Company increased its investments and made an investment expenditure of approximately TRY387 million.

Thanks to the power given to the organization by Turkey having 73% of the world's boron reserves, Eti keeps its position in the sector as the "Reliable and Sustainable Supplier". In order to maintain its position, the Far East market -especially China- which accounts for 55% of world boron consumption and 59% of exports will continue to be the focus of the organization in 2019 as well. In order to strengthen its position in the global market, the Company targets a 60% market share in 2019.



2017
Export

\$4.7
billion

2018
Export

\$4.6
billion

Change
in Export

-2.7%

2018 Export
in Amount

26,3
million tons





Machinery and machinery accessories

The sector, which increased its exports by 15 percent on average every year in the last 18 years, reached the export figure of \$17.1 billion in 2018 and became one of the three industrial groups that increased its exports the most.

Sector Leader

TÜRK TRAKTÖR VE ZİRAAT MAK. A.Ş.

Türk Traktör with an uninterrupted market leadership in Turkey was able to move that title to 12 years. Also being Turkey's first tractor exporter increased its export by 21% compared to the previous year, and accomplished 91% of Turkey's total tractor exports, alone. Today, Turkey's leading tractor manufacturer's products are used in more than 130 countries.

Despite the challenging market conditions last year, the company produced a total of 34,114 tractors and 30,914 engines. According to these results, in 2018, 72% of the total tractor production in Turkey was realized alone by the company.

The company sells 80% of its exports to the American and European markets.



2017 Export	2018 Export	Change in Export	2018 Export in Amount
\$6.1 billion	\$7.3 billion	20.3%	1,3 million tons



Fruit and vegetables

In 2018, the exports of fruit and vegetable products reached \$1.56 billion and amounted to 1.75 billion kg. This corresponds to an increase of 10.5% in value and 8% in quantity compared to the previous year. Germany, Iraq, USA, the United Kingdom and the Netherlands were the top five countries with the highest share in Turkey's export market, and these countries accounted for approximately 50% of total exports of the sector.

Sector Leader

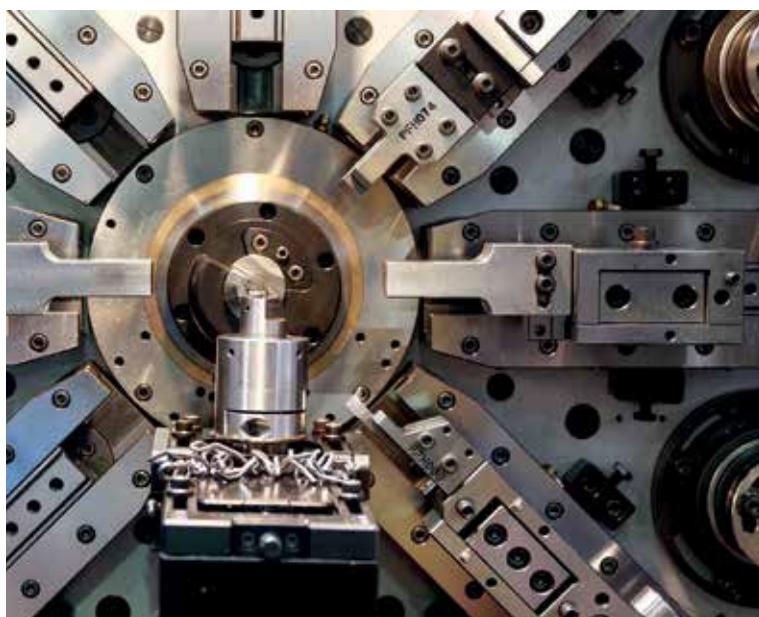
ALTUNKAYA İNŞ. NAK. GIDA TİC. A.Ş.

Altunkaya Group of Companies is located in Gaziantep and operates in many sectors. It represents Turkey in the international markets of food, beverage, health and hygiene products, packaging, agriculture and livestock sectors with over 10 brands. With nearly 2000 employees, it is constantly growing and developing.

Altunkaya group of companies was registered as the most exporting company of fruit and vegetable products sector this year as it was in the last 5 years.



2017 Export	2018 Export	Change in Export	2018 Export in Amount
\$1.4 billion	\$1.6 billion	10.5%	1,8 million tons



Furniture, paper and forestry products

In 2018, the furniture, paper and forestry products sector increased its exports by 12.8 percent to \$5 billion 15 million and increased its share in Turkey's total export to 3.1 percent ascending 0.3%.

Sector Leader

HAYAT KİMYA SAN. VE TİC. A.Ş.

Hayat Kimya born in Turkey, with 32 years of experience in FMCG sector globalizing 14 powerful brands such as Bingo, Molfix, Molped, Papia and Familia, contributes also to the quality and reliability of the Turkish brand perception. It continues globalizing after founding new

organizations in Africa, Asia, Algeria, Egypt, Iran, Morocco, Russia, Nigeria, Pakistan in 2018 and Kenya in 2019 after its first foundation in Turkey.

Hayat Kimya, the world's 5th largest branded diaper manufacturer (9.7 billion units) and the largest producer of tissue paper in the Middle East, Eastern Europe and Africa (490 thousand tons), has a strong production capacity. Turkey earned some "firsts" such as first child detergent, first double-sided soft toilet paper thanks to Hayat Kimya.

Today, it reaches millions of homes around the world with strong brands in more than 100 countries on 5 continents from Madagascar to Chile, Yemen to Mongolia. For the last 3 consecutive years, it is among Turkey's 50 largest exporters.



Jewelry

In 2018; jewelry sector consisting of approximately 35 thousand retailers, 6 thousand manufacturers and 300 thousand employees exported worth \$4.4 billion with an increase of 35 percent compared to 2017.

Sector Leader

İSTANBUL ALTIN RAFİNERİSİ ANONİM ŞİRKETİ

İAR is one of the 68 respected refineries in the world that have entered the "Good Delivery List". It is also among the top 10 refineries in terms of capacity. In 2018, the company realized twice the export of its imports and with its total exports; it is in the top 10 of all sectors in production and export and takes the 1st place in jewelry export.

In the world refining industry, İAR, as one of the top 10 refineries recognized worldwide, continues to work on the base of increasing the trust, quality and speed in service. In order to increase its share in the world market it focuses on innovative products and customized products not only in the "bullion" market but also in the gram-gold and coin market and continues to strengthen its place with new investments.



Automotive

In the Turkish automotive industry, exports reached \$31.6 billion with an increase of 11 percent in 2018. The record which was broken in 2017 with \$28.5 billion export was already left behind in 11 months in 2018. Thus, the automotive industry renewed its export record in the history of the Republic and completed the year as the export leader for the 13th consecutive year.

In 2018, exports of main goods excluding passenger cars increased by double digits, while passenger car exports increased by 5% to \$12.4 billion.





Defence and aerospace

Turkish Defense and Aviation Sector has now 4 companies among the top 100 defense companies in the world.

In 2017, the exports, which were realized as \$1 billion 738 million, increased by 17.1% in 2018 and got over \$2 billion. After the foundation of the sector union in 2011, export volume of the sector increased by 130%.

Sector Leader

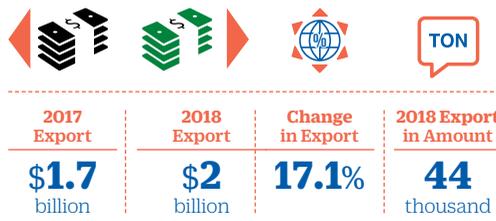
[TUSAŞ TÜRK HAVACILIK VE UZAY SAN. A.Ş.](#)

The Turkish aviation and space industry, which started its adventure 45 years ago, embarked upon great successes after 2005 after reaching a hundred percent national capital. Since then it has gained the knowledge and experience it has accumulated to meet the needs of all security forces, especially the Air Force Command and operates with its experience and existing discipline.

Its biggest goal is to strengthen the national defense with New Generation Basic Training Aircraft HÜRKUŞ, unmanned aerial vehicle ANKA and his family, T129 ATAK, GÖKBAY, Heavy-class assault, T70 General Purpose Helicopters, National Combat Aircraft, Jet Training and Light Attack Aircraft HÜRJET and satellite studies and also achieve great success in exporting and thus contribute to the country's economy.

Furthermore, as an F-16 company, it has made progress in the field of aluminum and titanium composites, producing subsystems for the world's leading aviation companies such as Lockheed, Martin, Airbus and Boeing. 2 percent of the world's composite capacity is met in TUSAŞ facilities. In addition to the existing 600 thousand square meters facility, the construction of a new production area of 100 thousand square meters continues.

Aiming to become one of the top 10 players in the world's aviation industry, Türk Havacılık ve Uzay Sanayii is acting with a 10-year growth plan, which also includes the decision that the growth rate should be far beyond the industry.



Aqua and animal products

Turkey's exports of fishery products increased by 13 percent in 2018 compared to the previous year and reached \$958 million. Turkey exported 156 thousand 580 tons of aquatic products and reached a revenue of \$851 million in 2017.

Sea bass, sea bream and trout-dominated aquaculture exports rose 13 percent last year to \$958 million. Exports in seafood products rose to 177 thousand 659 tons.

Sector Leader

[KILÇ GIDA ÜRÜNLERİ İTH. İHR. VE TIC. A.Ş.](#)

In 2018, Kılıç Deniz Ürünleri exported \$175 million worth of products and was awarded by far as the leader of the seafood sector.

Kılıç Deniz increased the number of countries which it exports to 63. And with its 2000 personnel, even in the last harsh quarter of 2018, increased its export compared to the previous year and reached its target of TRY 1,4 billion in 2018.

Kılıç Balık being Turkey's leader company in the business of offspring fishing to fish feeding, exports to 63 countries in European quality both in terms of health standards and delicious flavors with a 65,000-ton capacity as a fully-integrated seafood company.

With its sales and logistics teams that can reach all over the world, the company has participated in fairs in the aquaculture sector and has reached a wider audience. Seafood producers are introducing trout, salmon trout, rock perch, tuna and flounder to the world in two important fairs organized with a large number of participants from the export and aquaculture sector.





Ornamental plants and products

Turkey's ornamental plants and products exports rose 17% in terms of value compared to the previous year in 2018 and reached \$100 million. The Netherlands ranked first in the export targets of the sector, while Uzbekistan, the United Kingdom, Germany, Azerbaijan, Iraq, Turkmenistan, Georgia, Romania and the United States were other top ten countries.

Sector Leader

DM YATIRIM İNŞAAT SAN. VE TİC. A.Ş.



Textile and raw materials

In 2018, textile exports increased by 5 percent to \$8.5 billion exports reached 193 countries and regions. Among the first thousand exporters of Turkey, 162 garment and 69 textile companies exist. Turkey exporting \$338 million in fabric in and \$2.1 billion in apparel was the world's fourth biggest exporter in within the denim sector.

Sector Leader

AK-PA TEKSTİL İHRACAT PAZARLAMA A.Ş.

In 2018, Ak-Pa continued to be one of the leading export companies with a record export figure of \$438 million since its establishment. Ak-Pa rose 4 steps to the 166th place last year in the Fortune 500 list which evaluates Turkey's highest performance companies. The foundations of Ak-Pa were laid in 1976 when the need for a company to carry out international marketing and export activities of Akkök Holding was born. Today it exports to more than 90 countries on 6 continents. Ak-Pa's exports since its foundation have reached \$8 billion.

The biggest advantage of the company in the sector in terms of export is that it provides services in integration with the group manufacturer companies and successfully reflects the power of



the holding. The manufacturing companies of the Group are Aksa Akrilik Kimya, Ak-kim Kimya, DowAksa and Gizemfrit A.Ş.

Aksa Acrylic which was founded in Yalova in order to meet the needs of Tukey for acrylic fiber reached a production capacity of 5.000 tons/year in 1968 and today 315,000 tons/year. It's the world's largest and Turkey's only producer of acrylic fiber. AKSA Acrylic meets approximately 68% of the demand for acrylic fiber in Turkey, 18% of the world acrylic fiber market.,



Tobacco

The tobacco and tobacco products sector exceeded the \$1 billion threshold in 2018, and exports totaled \$1 billion 11 million, including \$383 million of leaf tobacco and \$628 million of tobacco products.

Leaf tobacco exports increased by 24% in 2018 compared to the previous year, reaching 60,000 tons of exports. In terms of value, there was a 10% increase compared to the previous year. The countries to which the sector exported the highest number of leaf tobacco were USA, Belgium and Indonesia.

Sector Leader

PHILSA PHILIP MORRIS SABANCI SİGARA VE TÛTÛNCÛLÛK SAN. VE TİC. A.Ş.

In the last 5 years, with an investment in İzmir Torbaşı close to \$500 million using new technology, PhilSa to double its production and the Torbalı factory became Philip Morris International's (PMI) largest production facility in the world. Over the last 3 years, the company has exported over \$200 million to more than 20 countries.

Company distributes products manufactured by it, directly and through distributors in Turkey, delivering to approximately 150 thousand points of sale licensed, and creates jobs for about 6,000 people directly and indirectly.



PMI is the biggest receiver in the world for the orient type tobacco which is produced by the tens of thousands of tobacco farmers in Turkey and has a brand value in the international market tobacco. It purchased tobacco worth of over \$2.2 billion for the past 15 years for use in factories in different places. In addition, PhilSa continues its R&D activities related to tobacco production, training programs on good agricultural practices, mechanization and equipment support and investments for sample farms.



2017 Export	2018 Export	Change in Export	2018 Export in Amount
\$946 million	\$1 billion	7%	142 thousand



Fresh fruit and vegetables

Fresh fruit and vegetable exports amounted to 4.5 million tons in 2018, an increase of 14%, and an increase of 4% in terms of value to \$2,3 billion.

The most exported products were lemon, tangerine, tomato, cherry, cherry and orange. The countries which the sector exported most to were Russian Federation, Iraq, Germany, Romania and Ukraine respectively.

Sector Leader

UÇAK KARDEŞLER LTD. ŞTİ.

Uçak Kardeşler Şirketler group which started its activities in fruit and vegetable sector in 1970 has become the EIB first in 2010-2016-2017-2018 and the "Champion of Turkey" in 2017 and 2018 f fresh fruit and vegetable sector thanks to its qualified, unique, robust and reliable brand understanding.

Uçak Kardeşler carefully selects the Global G.A.P. certified products, collects them without harming its naturalness, and processes them in hygienic conditions in an 45,000 m² large packaging facilities and delivers them to its customers with refrigerated vehicles with a capacity of 800-1.000 tons/day, 7 days 24 hours.

It serves wit cold storage facilities with the total capacity of 30,000 tons of product and processing and packaging facilities in the fertile region of Turkey such as İzmir Seferihisar, Manisa Alaşehir, Antalya Kas-Ovaköy, Isparta with a capacity of 200,000 tons annually.



Olive and olive oil products

Turkey's olive exports increased by 16% in terms of amount as compared to the previous season from 58,000 tons to 68,000 tons, and the export value increased by 15% from \$110 million to \$127 million. Table olives were exported to 113 countries and 5 free zones.

On the other hand, olive oil exports increased by 49% from 44 thousand tons to 66 thousand tons and increased by 46% in terms of value from \$174 million to \$255 million. A total of 121 countries and 4 free zones of olive oil was the target of exports.

Sector Leader

NEJAT ATALAN DIŞ TİCARET A.Ş.
(OLIOARTE)

Since its establishment in 1956, our firm has been active in production and trade of olive oil in Turkey's Aegean Region and beginning in 2001 started and developed expertise in the area of exports of olive oil.

With the construction of the Pancar Torbali facility near İzmir over 12,000 m² open space and 4,000 m² indoor space, the company was first in Turkey to offer consistent quality of olive oil throughout the season thanks to its temperature controlled stainless steel tank farm, which enabled the company to gain respect in both domestic and export markets with production capacity of 24000 tons per year of which 75% are exported to mainly in Italy, Spain, USA and mostly specialised in North America , as well as, Far Eastern, African for fish canning industry and South American markets.



Content: Elevate Your Extended-Stay Experience With Blueground's Stylishly Furnished Apartments! P59 BGNmobi: Successful Domestic Software Company P62

Brands

REAL ESTATE, SOFTWARE..



Blueground, offers accommodation services in Istanbul with over 300 properties ideally located and carefully decorated apartments in popular areas such as Etiler, Maslak, Levent, Nişantaşı, Bebek, Göktürk, Caddebostan and Ataşehir.

Moving to a new city, completing a long-term project for work overseas, renovating your place, undergoing medical treatment far from home, or simply testing out a new locale before deciding whether to move?

Even though there are housing options for any of these situations, most come with caveats: extended-stay hotels are expensive, have limited space and lack privacy. Most importantly though, none of these options feels like home, which is why renting a furnished apartment is worth considering. A fully furnished, thoughtfully equipped apartment enables you to show up and start living the moment you step foot into a new city.

That's where Blueground makes all the difference. Blueground blends real estate know-how with technological capabilities to create a streamlined, hassle-free experience for the highly mobile consumer. Blueground maintains more than 2,000 apartments in nine cities across the world, including Istanbul, Athens, Dubai, New York, Los Angeles, San Francisco, Boston, Chicago, and Washington DC.

A HASSLE-FREE EXPERIENCE THAT DOESN'T SKIMP ON STYLE

Blueground's mission is to solve the central conundrum of leasing an apartment in an unfamiliar city, a process which is often a costly,



Blueground maintains more than 2,000 apartments in nine cities across the world.



time-consuming for tenants and landlords alike. "We do all the legwork so you can focus on living your life," says Berker Yağcı, Manager of Blueground Turkey. "We're providing a better at-home experience that's typically more spacious and more affordable than a hotel."

Blueground's globe-trotting team leverages city knowledge and a keen eye for design and technology to source its inventory of modern apartments in top-

blueground

In 2018, Blueground have exported TRY 23 million of furniture and household goods for our 2000 apartments, which we manage in 9 cities on 3 continents.

notch locations. Customers can view apartment photos, sign a lease, and pay rent all online, tenants also get access to a dedicated mobile app that allows them to communicate with Blueground's on-call client experience and guest services teams. To top it all off, Blueground's plethora of holdings ensures that if you would like to experience a new neighbourhood, you can be seamlessly transferred to another apartment under the same flexible agreement.

MODERN SOLUTIONS FOR MODERN PROBLEMS

Blueground was founded in 2013 by Alex Chatzieleftheriou to solve a problem he'd experienced first-hand: why was it so hard for business travellers to find a high-quality turnkey apartment that felt like home? To meet that need, all of Blueground's furnished apartments are fully equipped down to the last detail, with





premium modern furnishings, high-speed wifi, luxury linens, high-end gadgets (think smart TVs, wireless speakers, and coffee makers), and thoughtful design touches. The spaces have all been negotiated, stocked, and prepped in advance, so you can show up and immediately start living your life.

This deal is beneficial for landlords too as they don't have to risk a loss of income from a vacant apartment. Blueground often leases apartments before they even hit the market, with the goal of holding them for many years. This ensures landlords a steady cash flow and financing solutions that maximize a property's annual yield.

"Moving somewhere should be an exciting experience," Yağcı says. "For us, it's about stylish apartments in vibrant neighbourhoods, with efficiency and transparency to create a living experience our guests love." ■

TURKISH FURNITURE IN THREE CONTINENTS OF THE WORLD!

Blueground provides accommodation services through carefully selected apartments. These apartments worldwide are furnished with Turkish textile, products, and accessories, which create both aesthetic and smart living spaces for their guests. The company aims to raise furniture export up to 40 million TL in 2019 and strives to expand to new markets.

As mobility is growing, Blueground intends to ensure that people feel at home wherever they choose to live. This will be achieved through its innovative business model in the real estate and hospitality sector. All living spaces are technology oriented, fully equipped, and modernly furnished and are ideally located in 9 of the world's most metropolitan areas. Apartments are rented at least for one month.

Blueground apartments in either America, Dubai, Athens or Istanbul are designed with furniture, textiles and accessories supplied from Turkey. Blueground Founding Partner Kurtuluş Korkmaz said: "On the first day of their arrival, we offer our guests a living space with every detail. In 2018, we have exported 23 million TL of furniture and household goods for our 2000 apartments, which we manage in 9 cities on 3 continents. This number increased six times in a year compared to our first year in

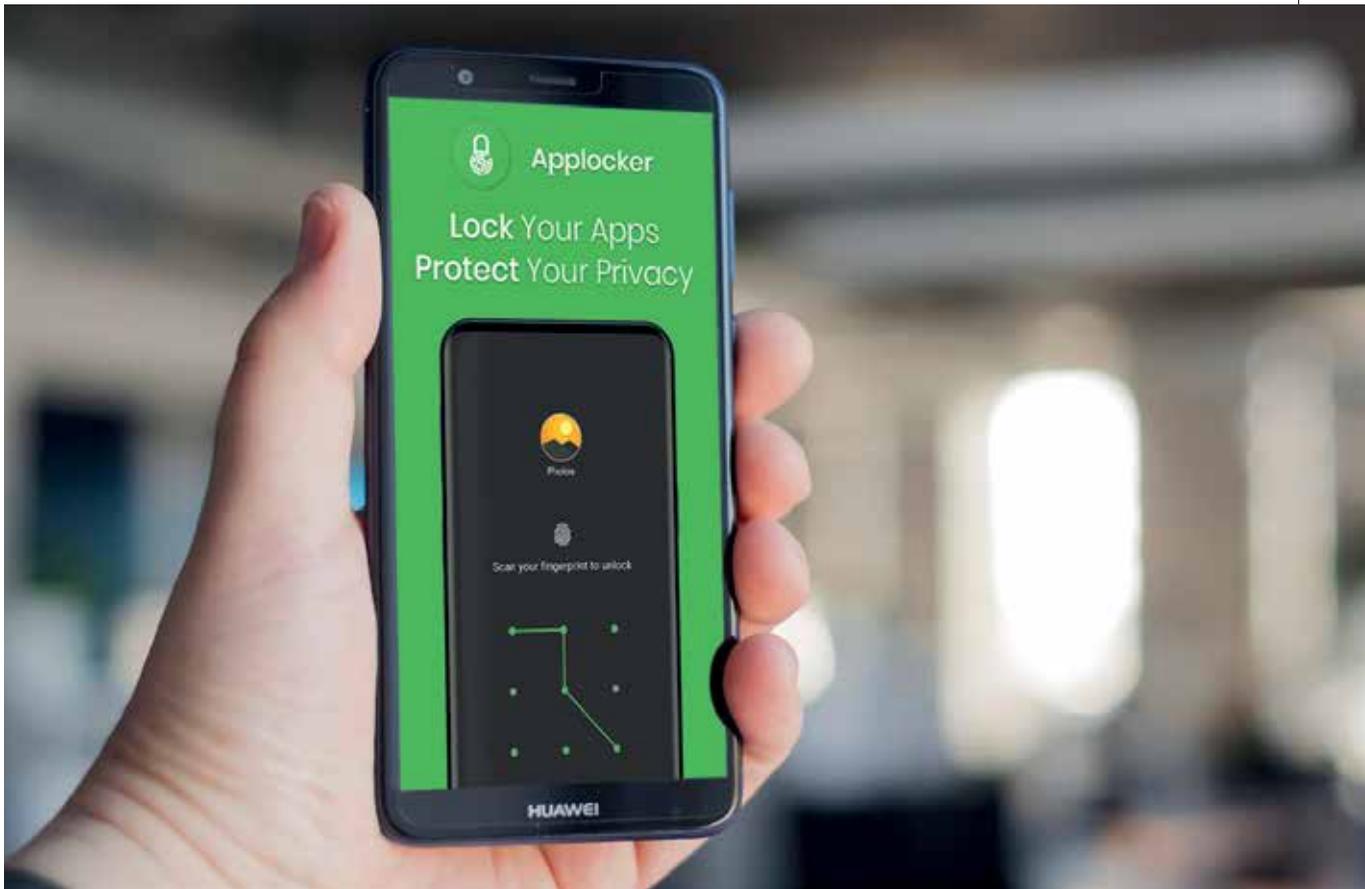


2017. We work with over 40 suppliers from all over Anatolia. Our furniture and furnishings are from Ankara, Kocaeli, Denizli and Istanbul, our home textile products are from Denizli, our carpets are from Isparta, Konya and Karaman, our lightings are from Istanbul and Ankara, and our marble accessories are from Afyon. We transport them to countries in which we operate."

In short, Blueground introduces Turkish furniture to the world with its business partners.

In this way, it contributes to the economy by employing 2000 employees. The company was born in Athens and it is growing in Istanbul. Therefore, signature products of all apartments reflect the warmth of the Aegean region and the meticulously planned details are inspired by the geography in which the company was born. By 2023, Blueground aims to operate in 50 cities and offer more than 50.000 apartments.





SOFTWARE

BGNmobi:

SUCCESSFUL DOMESTIC SOFTWARE COMPANY

The Turkish software company BGNmobi has reached 100,000,000 users in 45 countries with its mobile applications.

BGNmobi, one of the successful companies of Turkey in the mobile application sector, gathers attention with its global success. BGNmobi works to provide users a smarter, faster and more reliable mobile device experience with its mobile applications developed and used worldwide.

BGNmobi was founded in 2017 by Burak Göncü. In addition to being an operating system developer at an early age, Burak Göncü, the CEO of the company, provided consultancy to many domestic and foreign device manufacturers on updating system software. Göncü, aspiring to create a global brand by developing

BGNmobi revisits Game Booster, and updates it with AI algorithms and re-releases it in 2018

his own products, developed his first mobile application 2009. Game Booster, the first game optimization application developed for Android devices, reached 8 million downloads with 4.8 out of 5 user ratings in 15 countries.

Having developed dozens of applications as an individual developer from 2009 to 2017, Göncü reached millions of people. Decided to institutionalize in 2017, he reaches 50 million people in the first year of BGNmobi and is awarded by Google as the best developer firm in the Utility software category.

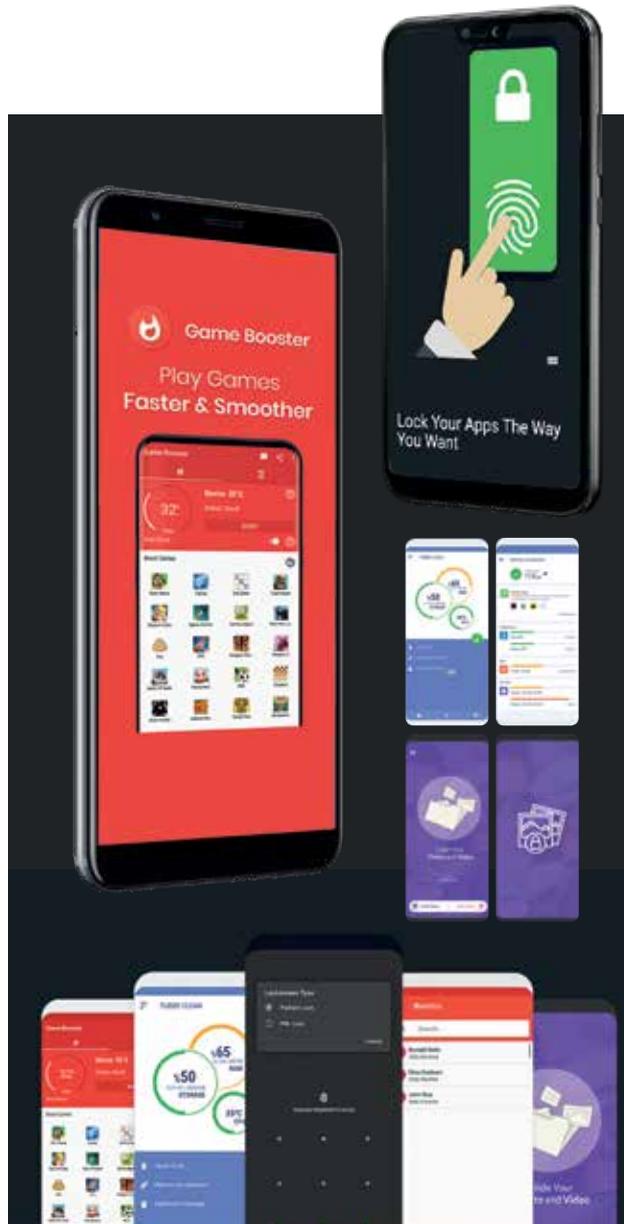
BGNmobi revisits Game Booster, one of Burak Göncü's first applications, and updates it with AI algorithms and re-releases it in 2018. By identifying the games installed on

the mobile device, the application performs a scan to optimize the system resources required on the device for the game being run. It optimizes the system and provides a high-performance gaming experience to provide the user with a smoother experience, aiming to get the most out of CPU, RAM and GPU hardware.

BGNMOBI HAS DEVELOPED A STRONG PRODUCT FAMILY

Another application developed by BGNmobi with this awareness is DNS Changer. Unlike its peers, it is the first Android application on the Android operating system that allows DNS change without the need for system authorization (root). Users manually select and can connect to the desired DNS server and perform speed tests of DNS servers from within the application. With the 'Connect to the fastest DNS' function in the application, the device connects to the fastest DNS server in the environment, providing a faster and secure web experience. Today the DNS Changer app has reached 10 million downloads in more than 25 countries. On popular worldwide sites like Lifehacker, "How to change DNS on Android devices?" DNS Changer is offered as the answer to the question.

BGNmobi has developed a strong product family with the products it has developed in a short time. Game Booster, DNS Changer, Applocker, Net Optimizer, BGN Launcher are the leading mobile applications. In 2019, the Company signed a high-level partnership agreement with Google with the products



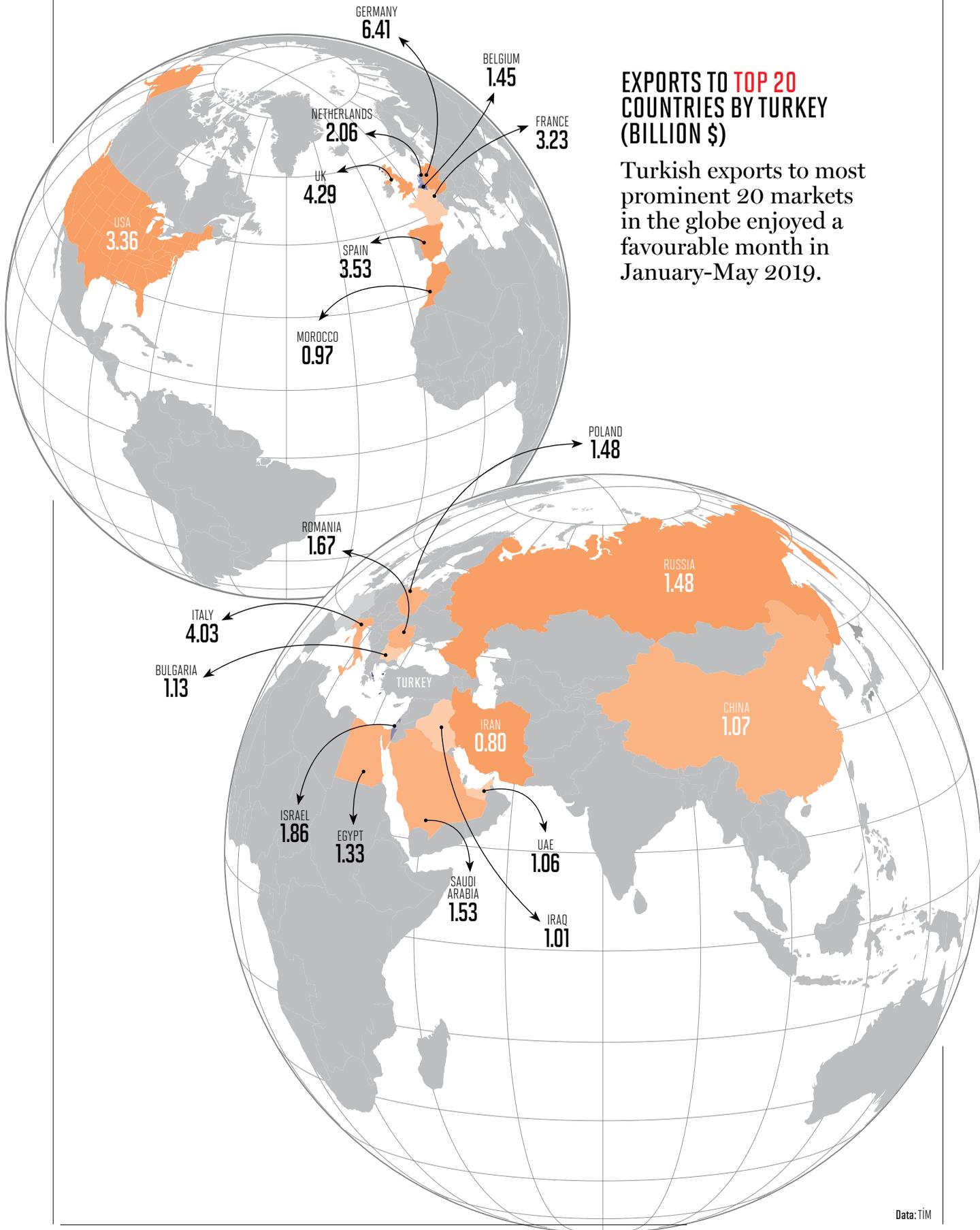
BURAK GÖNCÜ
CEO BGNmobi

"Our different mobile devices offer us different experiences. What I mean by experience is that mobile devices are faster, more efficient or battery life is more successful. Applications on mobile devices significantly affect this experience. With our products that we have developed from this point of view, we ensure that users get the most efficiency from their mobile devices without the need of technical and engineering knowledge and often with a single touch."

on offering the efficiency software pre-loaded to device manufacturers.

BGNmobi puts its signature under successful software projects in our country and in the world today and adds value to the national economy and mobile application market by marketing its mobile products to more than 45 countries globally. ■





A STAR ALLIANCE MEMBER 

WELCOME ON BOARD: BALI

The airline that flies to more countries than any other
now flies to one more destination
Flights starting from 17th of July



TURKISH AIRLINES

A STAR ALLIANCE MEMBER 



ALWAYS IN STYLE



TURKISH AIRLINES