

# The Turkish Perspective

OCTOBER 2019 ISSUE 75

ECONOMY | BUSINESS | FOREIGN TRADE | ANALYSIS

**PANORAMA** Turkish challenge to nuclear powers  
**BRIEFING** Turkish Doctor was selected as "The Doctor of the Year" in Germany  
**IN DEPTH** Turkish Technology Festival, TeknoFest has broke the visitor record



**\$100.  
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000**

THE NEW SESSION  
**IN**  
 TR-US TRADE

INVESTMENTS  
 INCREASE,  
**BILATERAL TRADE**  
 GROWS



## ALLIES STEP UP A GEAR

TURKEY IS ENTERING A NEW ERA OF THE RECENT RISING EXPORT MOMENTUM. AFTER 2018, WHEN REPUBLICAN HISTORY RECORDS WERE BROKEN, FOR THE COOPERATION THAT WILL MAKE THE MOST IMPORTANT CONTRIBUTION TO THE EXPORT TARGETS OF 2023, THE TABLE WAS SET WITH THE USA. IN THE VISIT OF US MINISTER OF TRADE WILBUR ROSS TO TURKEY, THE TRADE VOLUME BETWEEN THE TWO COUNTRIES WAS DECIDED TO REACH USD 100 BILLION WITH THE COOPERATION OF 12 DETERMINED SECTORS AND THE ROAD MAP WAS PREPARED.



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the potential

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THE NEW SESSION IN  
TR-US TRADE  
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**\$100.  
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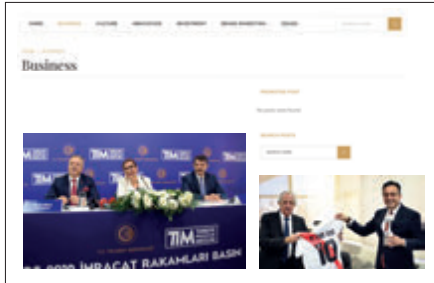
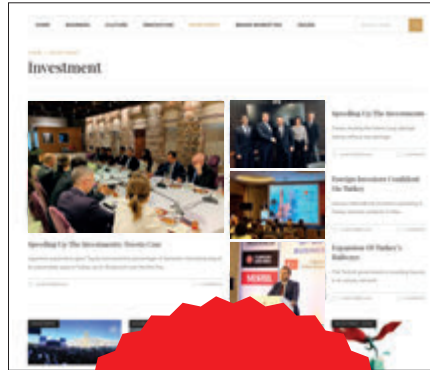
THE FIGURES OF TURKISH EXPORTS IN AUGUST, 2019

# Online [theturkishperspective.com](http://theturkishperspective.com)

## THE TURKISH PERSPECTIVE DIGITAL

The Turkish Perspective website is to be launched soon.

A NEW MEDIUM TO LEARN, ANALYZE AND MONITOR EVERYTHING ABOUT TURKISH ECONOMY AND BUSINESS, IS BORN. THE TURKISH PERSPECTIVE DIGITAL WILL SHARE THE LATEST NEWS, INTERVIEWS WITH DECISION MAKERS, PROVIDE IN-DEPTH ANALYZES AND WILL BE THE FOREIGNER'S GUIDE IN TURKEY REGARDING REGULATIONS AND LEGISLATIONS.



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 (TİM)

*At TEKNOFEST, We Were Nourished by the Energy of Youth;*

## WE GAVE THE MESSAGE OF INNOVATION TO THE FUTURE

**DEAR COUNTERPARTS;** First of all, I would like to mention our export figure announcement activity held by us, as TİM, in Sivas due to the 100<sup>th</sup> anniversary of Sivas Congress.

100 years later, once again, Turkey is in the middle of regional and global risks. Today we are fighting a similar one to the War of Independence we won 100 years ago. This time, our nation is clamped for the survival of our state. Today's victory is very important for the next 100 years of our country.

This time, the victory will be won with production, employment, and export.

In order to underline this fact and to keep alive the spirit of Sivas Congress, we announced the export data for August in Sivas. The support given and the interest shown proved the correctness of our decision.

We are proud of our nation and history once again.

Of course, it is necessary to put forward the concrete steps of the successes to be achieved through exports. The most important of these steps is to increase our share in the US market radically. In the context of the Trade Wars, this goal is closer than ever. The goal is to increase our trade volume with the US to USD 100 billion.

During the business visit of US Secretary of Trade Wilbur Ross to Turkey, we have made very intensive contacts that put this potential at the

center together with our Minister of Trade Ruhsar Pekcan, our Deputy Minister Tuna Turagay and our foreign trade bureaucracy. In the three of the five days that Wilbur Ross was in Turkey; we, as TİM, had very valuable working meetings with the US Trade Minister and his team.

Minister of Trade Ruhsar Pekcan met with Wilbur Ross and continued her contacts also during the last visit of our President to the USA.

Turkey has a global brand like Turkish Airlines in hand. This big brand is one of the values that will shorten distances for the exporter on the way to the US and open the doors of the USA. I would like to reiterate that we, as TİM, are open to all kinds of cooperation regarding export finance and logistics. Targets ahead of exports are our national targets.



TİM is an institution that acts with this perception. Export Master Plan is a plan prepared also with this perception.

With 5 sectors, 17 target countries, all the pioneering projects of the age such as technology greenhouses and blockchain technology were brought together with the Export Master Plan. TİM has set a timetable for the progress of this plan step by step. Together with all of our stakeholders, we will strive to achieve measurable tangible results adhering to the plan.

Again in September, one of the events that made us very happy was Teknofest. Teknofest is a unique event. There is no better organization to bring our young population together with the technology of the future. We, as TİM, also took part in TEKNOFEST with TİM Tent where İnovaTİM, İnoSuit, İnovaLİG, TİM-TEB Venture Houses projects were exhibited. Besides, our Minister of Industry and Technology, Mustafa Varank paid a very valuable visit to our tent. I believe that we have made strong participation focusing on innovation. We gave young brains messages of opportunities we are ready to create. We were fueled with their energy. As TİM, representative of 85 thousand exporters, our target is to be a Turkey creating, producing, and exporting the technology and to deliver the quality of Turkish goods to the whole world. Teknofest is a very good springboard for this. On behalf of our country, we thank everyone who contributed.

# More than 70,000 companies have INVESTED IN **TURKEY**



## how about you?



## 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.

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# First

ENERGY, ECONOMY, TRADE, INVESTMENT, PURCHASE, AWARD, REAL ESTATE, MANUFACTURE, SCIENCE, SPORT...



## ENERGY

# TURKEY IS REGIONAL LEADER IN RENEWABLE ENERGY

**Erdoğan attended to United Nation's Climate Action Conference with his wife, First Lady Emine Erdoğan.**

Recep Tayyip Erdoğan was speaking at a climate change summit at UN headquarters and said the problems the world faces require solutions that need regional and international cooperation.

**T**URKEY is a leading country in its region in renewable energy use", President said.

Erdoğan "Currently, we are meeting more than 30% of the electricity through renewable energy," said as he vowed to boost the current rate to 39% by 2023.

Turkey is also minimizing disaster risk while building climate-sensitive and energy efficient cities, he said.

President said Turkey planted more than 4 billion trees and plans to plant 11 million more by Nov. 11. "One of our 2023 targets is to increase

forest areas to 30% of the total area," he said.

In a bid to reduce greenhouse emissions and solve traffic congestion, Turkey is building subway lines, and will step up the length of intercity railway system by 50%, said the president.

Turkey will also reduce plastic bag consumption

by 75% in line with environmental goals.

Erdoğan said the Zero Waste project, initiated by first lady Emine Erdoğan, has been adopted in all cities and institutions across the country.

"We are expanding Zero Waste project in all of Turkey. By 2023, we will have switched

to Zero Waste system in nearly 400,000 buildings," he said. "We will increase the recovery rate of recycling from 13% to 35%."

Turkey is also working on roadmaps to make new buildings carbon neutral by 2030 and existing buildings by 2050.

## ECONOMY

## POSITIVE GROWTH EXPECTATION

The International Monetary Fund (IMF) announced in a report that it did not expect Turkey to go into recession in 2019.

The IMF predicted positive growth this year at roughly 0.25%, it said in a concluding statement of the 2019 Article IV Mission after monitoring of economic developments in the country. “Buoyed by expansionary fiscal policy, rapid state bank credit provision, a strong contribution of net exports, and more favorable market sentiment, the economy registered positive growth in the first half of 2019,” it said. Current positive market sentiment provides “good opportunity” to enact a set of reforms that would address vulnerabilities, strengthen policy credibility and set the economy on a higher and more sustainable growth path, it added. The report also stressed that the lira had recovered and that the current account had seen remarkable adjustment following a sharp depreciation in the currency in late 2018.

Import compression, a strong tourism season, improved market sentiment and geopolitical developments have taken pressure off the lira, according to the statement.

Clearer monetary and intervention policy would further boost credibility, it highlighted.

Underlining that inflation could drop to single digits over the coming months, it said: “High real policy rates, lira stability, favorable base effects, and resulting lower inflation have allowed the Central Bank of the Republic of Turkey to cut policy rates.”



## TRADE

## Turkey, Azerbaijan to Build Simplified Customs Frontier

**T**HE EIGHTH MEETING OF the Turkey-Azerbaijan Joint Economic Commission (KEK) was held under the chairmanship of Turkish Vice President Fuat Oktay and Azerbaijani Prime Minister Novruz Memmedovi with the agreement to contribute to the signing of a preferential trade agreement this year, to facilitate mutual trade and to expedite customs procedures.

Speaking at the meeting, Oktay announced they had signed the Eighth Term Joint Economic Commission Protocol during the meeting.

“The decisions taken by the commission today are indicative of our determination to move our economic relations further in many areas from trade to energy, transportation to education, agriculture to health on the basis of concrete actions,” Oktay said.

Ankara is determined to do its part in cooperation with Baku to prevent commercial and economic activities with

the Upper Karabakh and other occupied territories, Oktay added.

Upper Karabakh is the internationally recognized territory of Azerbaijan illegally occupied by Armenia through military aggression since 1991.

The Armenian occupation of the historical Azerbaijani lands led Turkey -- which sides with Baku in the conflict -- to close its frontier with Armenia.

The two compromised on all 147 topics discussed in the meeting, Memmedov underlined.

He stressed that the meeting would make a huge contribution to the development of close cooperation between the two sister countries.

Earlier in the day, Azerbaijani President Ilham Aliyev met Oktay in the capital Baku.

The two sides agreed on cooperation in the defense industry, as well as agriculture and pharmaceutical sectors.

## ECONOMY

## TURKEY'S EXTERNAL ASSETS AT \$244.6B IN JULY

Turkey's external assets amounted to \$244.6 billion as of July this year, the Central Bank of the Republic of Turkey (CBRT) announced.

Since the end of 2018, external assets jumped by 6.8%, while liabilities against non-residents dropped 1.1% to \$596.2 billion, the bank said in a statement.

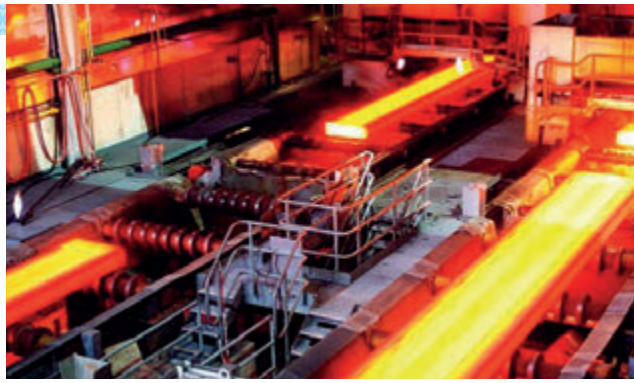
The bank stated that the net international investment position (NIIP) -- difference between external assets and liabilities -- posted minus \$351.5 billion at the end of July, versus minus \$373.6 billion at the end of 2018.

It noted, reserve assets increased 6.8% to reach \$99.4 billion, while other investment categories totaled \$95.5 billion, up 7.6%. “Currency and deposits of banks, one of the sub-items of other investment, recorded \$49.7 billion indicating an increase of 11.1% compared to the end of 2018,” the bank stressed.

It said direct investment -- equity capital plus other capital -- at the end of July rose by 3% to \$144.4 billion versus the end of last year. Lenders' total external loan stock slipped to \$74.8 billion last July, down 8.6% compared to the end of 2018, it highlighted.

“Total external loan stock of the other sectors recorded \$101.7 billion decreasing by 4.6%,” it added.





INVESTMENT

## Kardemir Plans New Blast Furnace Investment

Kardemir, one of Turkey’s largest steelmakers, has announced plans to establish a new blast furnace with an annual production capacity of 1 million tons.

**W**ITHIN THE SCOPE OF the 3.5 million ton steel production capacity target, as well as the performance increase and productivity, a new furnace has been decided to be established by the Board of Directors,” Kardemir said in a filing with Borsa Istanbul.

The company, however, did not provide the financial details, such as the estimated cost, of the new investment. Kardemir fired up its fifth blast furnace four years ago, in 2015.

In the first half of this year, the company’s liquid steel output reached 1.16 million tons, slightly lower than the 1.2 million tons of production in the same period of 2018.

Its primary sales amounted to 1.19 million tons in January-July, up from 1.12 million tons a year ago.

Kardemir managed to increase its sales revenue to 3.28 billion Turkish Liras (\$573 million) in the first half of this year from 2.55 billion liras a year earlier.

It posted a net income of 170 million liras for the first half versus 439 million liras of profit in January-June last year.

The company also produces billets, bloom, wire rods, rebar, profiles and round bars. It employs more than 4,000 people. Founded in 1937, Kardemir is Turkey’s one and only rail producer.

ECONOMY

## SECTORAL CONFIDENCE UP IN SEPTEMBER

Sectoral confidence in Turkey rose for services, retail trade, and construction in September compared with last month, the country’s statistical authority reported.

“Seasonally adjusted confidence index which was 89.1 for services in August increased by 0.2% in September to 89.3,” the Turkish Statistical Institute (TurkStat) said.

The retail trade confidence index stood at 97.6 this month, up 2.7% from 95 in August.

Seasonally adjusted construction confidence index -- 55.5 last month -- surged 8.3% in September to 60.1, according to TurkStat.

Sectoral confidence indices calculated from the monthly survey results are evaluated within the range of 0-200.

These indices indicate an optimistic outlook when the value is above 100, a pessimistic outlook when it is below 100.

TurkStat will release the next sectoral confidence figures on Oct. 25.

PURCHASE

## METITO BUYS TURKISH CHEMICAL FIRM

Multinational smart water management systems maker Metito, which is active in 46 countries globally, acquired majority shares of Turkish chemistry company Info Group.

Acquiring shares of the Turkish firm is a significant milestone for Metito, said Fady Juez, a member of the company’s executive board, during a signing ceremony in Istanbul. Metito will continue its experience, know-how, network, high-tech, capacity and success in Turkey, under the name of Info Group, he noted.

Noting that Mitsubishi Heavy Industries and the World Bank’s International Finance Corporation were shareholders of Metito, he said Info Grup will enjoy opportunities in Turkey and beyond.

Info Group will be a platform for chemistry in Turkey for Metito, but it plans to make more investment in the country in other fields such as engineering, supply, construction, and alternative energy, he underlined.

Turkey has changed incredibly in recent years and it will continue to take steps for growth and investments in numerous areas, especially energy, substructure, mining, tourism, transportation, and water, he highlighted.

He added that Turkey was an exciting market with its growing population and ongoing development.

AWARD

## Turkish Firm Won The Best Honey Award

**T**urkish firm was awarded for producing the best honey in the world in an international beekeeping gathering held in Montreal, Canada for its poly flora honey. The 46<sup>th</sup> Apimondia International Apicultural Congress brought together more than 6,000 participants from 80 countries between Sept. 8 and 12. An award ceremony was held to wrap up the international organization.

“Our family’s beekeeping tradition dates back to more than 300 years, we work hard to produce fine quality honey,” Celal Çay, the owner of Eğriçayır



## REAL ESTATE

## PROPERTY SALES UP 5% IN AUGUST

The number of residential properties sold in Turkey rose 5% year-on-year in August, the Turkish Statistical Institute (TÜİK) announced.

A total of 110,538 houses changed hands last month, TÜİK said in a statement.

TÜİK data showed that the number of properties sold to foreigners slipped 6.8% during the same period.

Of the total sales, 3,604 houses were sold to foreigners, including 43% (or 1,549 units) in Istanbul, the country's largest city by population.

Following Istanbul, the Mediterranean holiday resort of Antalya came second with sales to foreigners of 656 properties, while the northwestern province of Bursa ranked third with 228 units.

Official data showed that Iraqis topped the list of foreign buyers in August with 675 properties, followed by Iranians with 469 units, Russians with 212, Kuwaitis with 159, and Germans with 149.



## MANUFACTURE

## Turkey Looks to Raise Manufacturing's Share of GDP



**T**urkey is looking to significantly boost manufacturing's share of the nation's GDP by 2023, Mustafa Varank, the Minister of Industry and Technology said.

"We aim to raise the manufacturing industry's share of GDP to 21% in 2023, up from 16.5% over the last decade," Mustafa Varank and announce Turkey's industry and technology strategy for 2023.

Turkey aims for manufacturing industry exports to hit \$210 billion by making the industry more innovative and advanced while raising the added value per worker to \$35,000, Varank noted.

"As part of this, we hope to increase the share of medium- and high-tech products in manufacturing industry exports to 50%," he said.

The share of R&D expenditures in GDP is also aimed to reach 1.8%, said Varank.

"We will raise the human resources in this field (R&D)

to 300,000 and the number of researchers to 200,000," he said.

Turkey hopes to boost annual investments in technology-based businesses to 5 billion Turkish liras (\$880 million) by 2023, the nation's centennial, Varank added.

"In the fields of disruptive technology, we aim our country to create at least 23 smart products that will become global brands," he said.

Pointing out that worldwide, the number of unicorns -- privately held startups valued at over \$1 billion -- totals around 300, Varank said: "Let unicorns be established in our country and successfully make their mark, we even want them to be called Turcorns."

The country aims to have 10 such "Turcorns" by 2023, the nation's centennial, Varank added.

Varank also said that an artificial intelligence institute is being set up to do R&D work and added-value projects in the field.

## SCIENCE

## FACE OF 7,500-YEAR-OLD WOMAN FROM TURKEY



Scientists recreated the face of a 7,500-year-old Neolithic woman believed to be from Anatolia, based on the broken skull found near Gibraltar.

According to reports, the skull of the woman named 'Calpeia' was found in a cave in 1996.

Gibraltar National Museum Conservator Manuel Jaen was behind the recreation, reports said, adding that the project took around six months.

Based on the skull fragment, scientists analyzed part of Calpeia's DNA to figure out what she would have looked like when she was alive.

Professor Clive Finlayson, who also works at the Gibraltar National Museum, told the Gibraltar Chronicle that the Neanderthal woman lived in around 5,400 B.C. and had dark features.

Professor Clive Finlayson noted that 90% of her genes were from modern-day Turkey, while the remaining 10% were from local Mesolithic hunter-gatherers.

## SPORT

## TURKEY WIN SILVER MEDAL IN EUROVOLLEY 2019

Turkish women's national volleyball team became the 2019 CEV Volleyball European Championship runners-up, losing epic final to Serbia

2-3.

Turkey started 3-0 against Greece and went on to defeat Finland 3-2, Bulgaria 3-1 and France 3-0, ending Group A with 11 points in second. A tense game against Croatia followed in the Last 16 but Turkey managed to reach the quarterfinals with a 3-2 victory. Next, they took on the Netherlands and secured a 3-0 victory. Poland also proved a weak rival for Turkey who won the semifinals 3-1.

Top seed Serbia won the nail-biting final match against the tournament's host nation Turkey in the capital Ankara with the sets of 21-25, 25-21, 25-21, 22-25 and 15-13.

Turkey lost the final despite the huge support of Turkish fans at the Ankara Sports Hall. So Turkey was given their silver medal after finishing the EuroVolley 2019 in the second spot.



## SPORT

## Rıza Kayaalp Clinches Gold in World Wrestling Championships

Rıza Kayaalp made it into wrestling history at the World Wrestling Championships in Nur-Sultan, Kazakhstan.

Rıza Kayaalp made it into wrestling history at the World Wrestling Championships in Nur-Sultan, Kazakhstan.

With a 3-1 win over his Cuban opponent Oscar Pino Hinds at Barys Arena, Kayaalp became the first Turkish Greco-Roman wrestler to have won four world titles.

The 29-year-old Greco-Roman wrestler, competing in the 130-kilogram weight class, won the world titles in 2011, 2015 and 2017. He also won silver in the Rio 2016 Summer Olympics.

With his latest title Kayaalp also surpassed wrestling greats Hamza Yerlikaya and Selçuk Çebi, who have three titles in Greco-Roman wrestling each. He also equalized Hüseyin Akbaş's record in freestyle wrestling.

Kayaalp qualified for the semifinal by defeating his Chilean and Chinese rivals. Kayaalp won his bout against Cuban-Chilean Yasmani Acosta Fernandez in the first round of the tournament that started on Sept. 14 and was set against China's Lingzhe Meng in a match that ended in 4-0. He next took on Georgian wrestler Iakobi

Kajaia who he went on to defeat 5-1 in the quarterfinal.

Kayaalp challenged Germany's Eduard Popp in the semifinals and after a 1-0 victory in the first round, he breezed past Popp with a 4-1 bout and secured a spot for the Tokyo 2020 Olympics. With the victory, Turkey completed its Greco-Roman competitions in the world championships with one gold and one bronze.



## SPORT

## TURKEY CLAIM FIRST EVER EUROPEAN BRONZE MEDAL



The Turkish National Wheelchair Basketball Team, the 12 Brave Hearts, claimed the bronze medal at this year's European Championships, beating Germany 76-65. The Brave Hearts were also champions at the 2017 European competition.

Turkey's Ismail Ar said after the game:

"The German team started well and their shooting was crazy, but we came back and matched them and started to also shoot well; we played well to bring the game back. We wanted to win this game because this year we are a young team bringing four young players into the team, which makes it a little harder for us but this year we won bronze. It's my first European bronze in my career, I have silver and gold but first time with bronze. I hope next year in Tokyo we can build on this and medal."

Both Turkey and Germany had already secured their place at the Tokyo 2020 Paralympic Games ahead of the bronze medal game.

Turkish Economy Dictionary

# agility

/ə'dʒɪlɪti/

*noun*

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

Turkey

Discover  
the potential

[turkeydiscoverthepotential.com](http://turkeydiscoverthepotential.com)

[Twitter](#) [LinkedIn](#) [Instagram](#) /TurkeyDTP  
[Facebook](#) /DiscoverthePotential

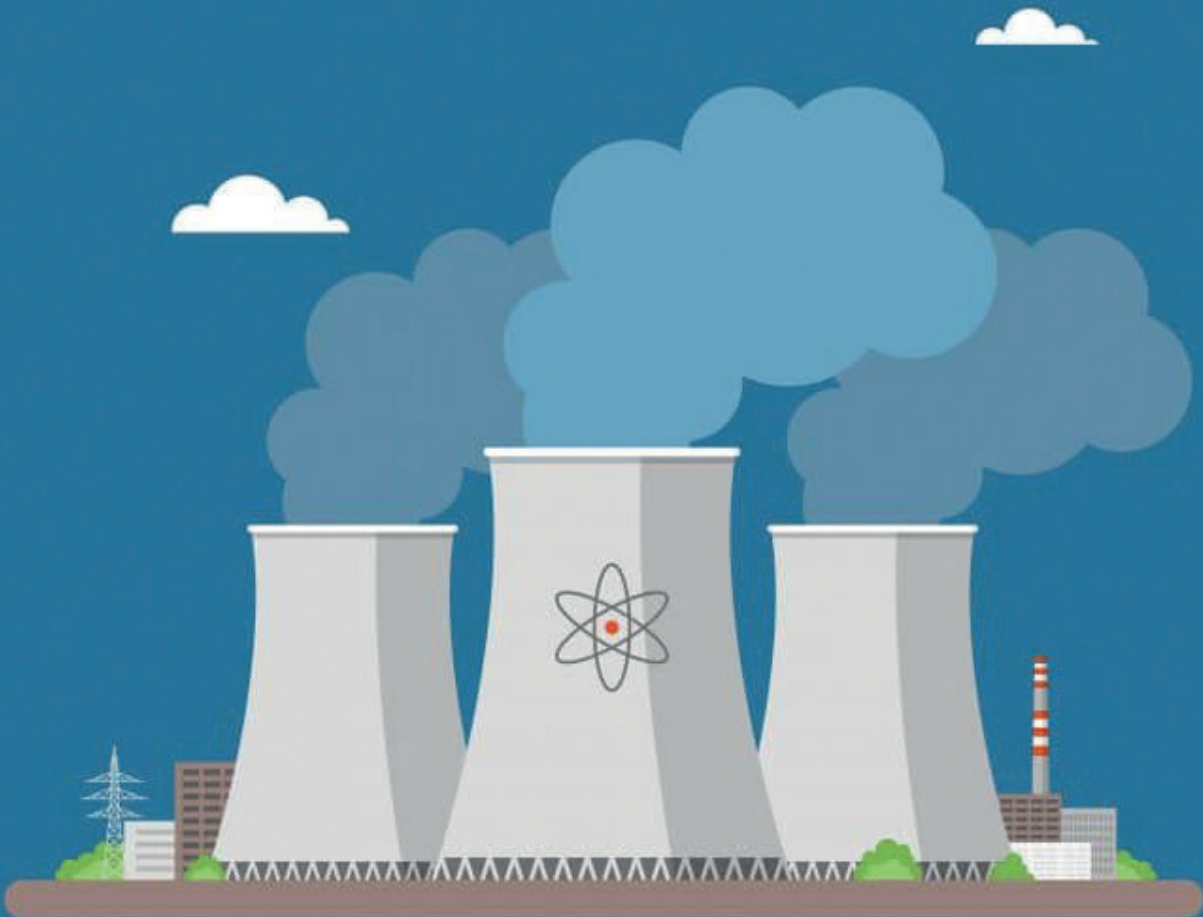
# Panorama



BY ONUR ERİM\*

## TURKISH CHALLENGE TO NUCLEAR POWERS

Turkey's contribution to world peace is growing everyday, hence it should surprise no one when the emerging superpower is also the newest nuclear power.



**I**NTERNATIONAL MEDIA HAVE TURNED THEIR EYE ON Turkey's nuclear war head acquisition and/or it's development when President Erdogan mentioned about the current unfair situation set by Treaty on Non-Proliferation of Nuclear Weapons(which Turkey signed in 1980) and The Comprehensive Nuclear Test-Ban Treaty (which Turkey signed in 1999).

### Will Turkey acquire or develop nuclear weaponry?

Most of the media outlets relayed the statement as an indication to Turkey's nuclear weapon ambition. But is this the case? Will Turkey acquire or develop nuclear weaponry? If yes, then there is another question. What changed President Erdogan's mind, who has been a firm voice in favor of nuclear disarmament. Or, did anything actually change? Let's have a deeper look into it.

The NPT entered into action in 1970 with noble purposes such as Non-proliferation, nuclear disarmament and peaceful use of nuclear energy. It would be very unfair to say that the treaty is a total fail. When the NPT was first being entertained, it was expected that about 30 countries will develop/acquire nuclear weapons without the treaty. Today, after almost 5 decades only 4 or 5 more states have nuclear weapons beside US, Russia, UK, France, China and possibly Israel, which already possessed nuclear weapons prior to 1970. Of course, per President Erdogan's anecdote "a president of a nation, has admitted to me to posses nuclear war heads, and that he will develop nuclear weapons despite US and Russia". I believe we could easily claim that there is quite a few nations with nuclear capabilities than admitted.

### What about US?

The anti-nuclear sentiment, has been, at least for the most part continued until Donald Trump started sitting on presidential seat. President Obama and Putin agreed upon reducing the number of Nuclear warheads and that actually inspired many others to not to possess nuclear weapons. Obama administration and EU succeeded to ban Iran from developing the nuclear weapon through diplomacy. Today, the anti-nuclear scene has taken a spin in the wrong path, which can, in most part be attributed to POTUS. Today President Trump pulled US from the JCPOA(The Joint Comprehensive Plan of Action) deal and that angered not only Iran but also many EU states. Iran has started gradual enrichment of Uranium. To counter Iran, US started backing Saudi Arabia and UAE to develop Nuclear weapons. On the other hand Israel's nuclear possession is ambiguous. But it's believed that Israel also has over hundred nuclear warheads, an estimate the Israeli authorities are neither accepting nor denying. Trump administration also unilaterally pulled itself out of Intermediate Range Nuclear Force (INF) treaty. President

Trump's decision to modernize US' nuclear force, was matched immediately by Russia to follow the same path after Washington cancelled the INF deal to reciprocate.

Analyzing President Erdogan's statement on acquiring or developing nuclear arsenal may or may not ultimately be judged as a definitive goal for Turkey to be a nuclear military power.

Dr. Ali Ahmed, director of Energy Policy and Security Program at Beirut American University says "Erdogan is right to criticize so many nations possessing nuclear war heads, but adding one more country to the list will be wrong"(\*\*). Globally this view pretty much summarizes most of the criticism to Erdogan's statement regarding nuclear war heads, however portraying his statement as a point of just possessing nuclear warheads is neither true nor just.



*It is no secret that  
Erdogan has a history  
of opposing weapons  
of mass destruction  
personally.*

### "Countries with nuclear power have no right to criticize countries trying to develop nuclear technologies"

It is no secret that Erdogan has a history of opposing weapons of mass destruction personally. It would also be ignorant to think that a state like The Republic of Turkey, fundamentally would ever use such weaponry for anything, but defensive purposes.

Let us also point out that, it is not the first time President Erdogan has talked about this issue. Back in May, 2018, in a speech he delivered to assembly of Turkish Ambassadors from around the globe, he stated "First we must clear Middle East of nuclear weapons, and then the rest of the world. Countries with nuclear power have no right to criticize countries trying to develop nuclear technologies. There is no justice the way things are"

### Erdogan's true goal is for a nuclear-weapon-free world

It is very clear, as it has been for years that President Erdogan is fundamentally against nuclear weapons. His true goal is for nuclear weapon free world. However, in a world where there has been no real and promising nuclear war head reduction, where such hostile governments like Israel have nuclear missiles, and where such monarchs as Mohammad bin Salman head kingdoms like KSA in the Middle East vigorously working on developing nuclear weapons, it would only balance power in the middle east and avoid wars of epic proportions.

### Turkey has a spiritual and historic duty to keep Middle East safe

The balance of power has done wonders to avoid major wars since World War 2. Turkey has a spiritual and historic duty to keep Middle East safe. Her contribution to world peace is growing everyday, hence it should surprise no one when the emerging superpower is also the newest nuclear power.

\* President of Dragoman Strategies,  
Contribution by Walid Muhammed / Analyst - Dragoman Strategies  
\*\* As appeared in an in article in dw.com article

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# Briefing

EXPORT, FESTIVAL, EVENT, AWARD, MACHINERY, SCIENCE, PHARMACEUTICAL...



## EXPORT

# EXPORTS CONTINUED TO SPEED UP IN AUGUST

Export figures for August were announced in Sivas where the foundations of the Republic of Turkey were laid. Turkey's exports showed an increase of 1.7 percent in August and reached USD 13 billion 150 million.

**Provisional foreign trade data** has announced for August in Sivas on the occasion of the 100<sup>th</sup> anniversary of Sivas Congress which laid the foundation of the Republic of Turkey.

**T**urkish Exporters Assembly (TİM), with the participation of Minister of Trade Ruhsar Pekcan has announced provisional foreign trade data for August in Sivas on the occasion of the 100<sup>th</sup> anniversary of Sivas Congress which laid the foundation of the Republic of Turkey. Exports in August, according to the General Trade System (GTS)

increased by 1.7 percent compared to the same month of the previous year and amounted to USD 13 billion 150 million. In the first eight months of the year, exports increased by 2.9 percent and reached USD 117.3 billion. The New Economy Program 2019 target was approached even closer with a score of USD 180.1 billion in the last 12 months.

TİM President İsmail Güllü indicated that with the decrease in seasonal effects in the last 4 months of the year, the year-end target will be surpassed easily by catching an increase of at least USD 500 million every month compared to the same month of the previous year and continued as followed: "In 2019, we are experiencing a rapidly updated agenda and

changing market balances in the global political economy, especially in terms of trade. Nevertheless, thanks to the dynamism and strategic decisions of our exporters, our exports continue to pave the way for our economy with the correct route determination. The contribution of net exports, which was realized as 7.4 points in the second quarter 2019 according to

the growth figures announced by TurkStat last day, once again highlighted the importance of exports in our economic growth. Since the beginning of this year, we expect our exports to continue their successful monthly figures. As a matter of fact, the performance of our exports in August was above our expectations despite the holidays. Especially as our value-added and price-quality performance increases, we are experiencing more sustainable achievements.”

### EXPORT MASTER PLAN SHEDS LIGHT ON THE FUTURE OF OUR ECONOMY

Commenting on the Export Master Plan that was announced last week by Ruhsar Pekcan, the Minister of Trade as the most important agenda of the last days for the export family, Gülle said:

“Export Master Plan, which is a road map of exports, one of the most important pillars of our economy, sheds light on the future of our country and economy on the way to our export targets while meeting the sector’s opinions and suggestions. Digital transformation, Industry 4.0, new generation incentives, new approaches to investment and all similar steps will have a multiplier effect on our exports. Achieving these moves immediately and following them up to date with impact analysis may lead to much higher export figures.”

Gülle indicated that with the reforms pioneered by Pekcan, the Minister paved the way for record exports figures and as TIM with their “Foreign Trade Surplus that Turkey” mission, target to reach the



USD 200 billion export value for the 2019-2020 period and 5G vision they continue to focus on revolutionary changes. Gülle stressed that they will continue trade diplomacy in all the regions and 223 countries in order to reach these goals. Gülle also stated that they will easily reach the targets set by the New Economy Program and the 11<sup>th</sup> Development Plan and export goal of USD 226.6 billion in 2023 will be easily achieved.

Gülle reminded that the e-commerce market volume is expected to reach USD 1 trillion in 2020 and drew attention to Turkey’s logistical location and airway network, claiming that these advantages will have a serious role in achieving the goals of the Export Master Plan for a e-commerce breakthrough.

### 1,219 COMPANIES STARTED EXPORTING IN AUGUST

Referring to the details of the export of August President of TIM noted these:

“First of all, I would like to express with great pleasure that 1,219 of our companies said ‘Hello’ to the exports market in August. 1,215 of these companies made

*“Thanks to the dynamism and strategic decisions of our exporters, our exports continue to pave the way for our economy with the correct route determination”*

their first export in August for this year, although they exported in the past years. While most of our companies which started exporting in August, opened their first declarations to Germany, Iraq and Azerbaijan, 40 of them opened to the USA and 29 of them to the Russian market.”

### EXPORTS TO 132 COUNTRIES INCREASED

In August, exporters managed to wave the Turkish flag in 223 countries and territories. Exports to 132 of these countries increased, while the increase in 108 countries was more than 10 percent, and over 50 percent in 56 countries. The top 3 countries with the highest exports were Germany with

USD 1 billion 123 million, England with USD 1 billion and Iraq with USD 633 million. 49.2 percent share of the total exports was shared by the top 10 countries, while the share of the first 20 countries was 65.7 percent. The European Union, which is Turkey’s largest export market, had a share of 48.2 percent in August.

### YALOVA INCREASED EXPORTS VOLUME BY 17 TIMES

Looking at the provinces exports in August, 45 provinces increased their exports. The top 3 provinces with the highest exports are Istanbul with USD 5.6 billion, Kocaeli with USD 974 million and Bursa with USD 953 million. The most remarkable increases are the cases of Yalova, Mupla and Malatya. Yalova reached USD 57 million by increasing its exports by 17 times, Muğla reached USD 44 million by increasing 36.8 percent and Malatya reaching USD 31 million dollars by a 34.4 percent raise. While Yalova’s export growth was influenced by the Ship and Yacht sector, the increase in the Aquaculture and Animal Products sector in Muğla and Malatya brought success.

### STEEL BECAME THE LEADING SECTOR IN EXPORTS TO 54 COUNTRIES

Steel was the leading sector in exports for 54 countries. With 45 countries, the Chemicals sector is the second, and in 35 countries the leading sector is Grain.

In terms of provinces; it was seen that 16 of the provinces carried out the most exports to Iraq. Iraq is followed by Germany with 12 provinces, USA and China with six provinces. ■



## FESTIVAL

# GAZIANTEP SHINES WITH GASTRONOMY FESTIVAL

Hailed as the “Food Capital of the World”, Gaziantep hosted the second edition of its international gastronomy festival, GastroAntep.



**C**hosen as one of the 7 most competitive cities by the World Bank, Gaziantep and being the first city representing Turkey in UNESCO’s Creative Cities Network (UCCN) in the field of gastronomy among 116 cities, Gaziantep is on its way to becoming one of the most important gastronomy centers in the world. At the GastroAntep International Gaziantep Gastronomy Festival, which was marked by workshops and panels of world-famous chefs and Turkish gastronomy professionals, about 1 million people who came to visit the festival from Turkey and abroad experienced unforgettable moments.



**In addition to 64 Turkish chefs;** 21 foreign chefs, 9 of whom are Michelin starred, from 13 countries took part in the festival.



The festival, which took place between 12-15 September, started with a colorful cortege. Besides the pepper and peanut harvests carried out with the participation of Mayor of Gaziantep Metropolitan Municipality Fatma Şahin, the city hosted delightful scenes for 4 days with various activities like concerts of popular artists, workshops, panels, exhibitions, kitchen workshops, and cooking competitions. In addition to 64 Turkish chefs; 21 foreign chefs, 9 of whom are Michelin starred, from 13 countries took part in the festival.

## FLAVOR AND ENTERTAINMENT FOR EVERYONE FROM 7 TO 70

In the GastroAntep festival, in addition to the speeches about Gaziantep Cuisine from the eyes of local gourmets, many panels and workshops were held, involving parents and their children. Participants had pleasant moments with “Academician Parents and Children Cake Making Workshop”. In addition to children’s workshops such as Wooden Mosaic Mandala, Craft Paper Gastronomic Patterns and Crazy Spoons; The Chefs of the Future Cooking Contest also attracted great attention.

## MICHELIN STARRED CHEFS COOKED WITH LOCAL PRODUCTS OF GAZIANTEP

Michelin starred chefs organized workshops using local products. ‘Local Chef’, the one and only gastronomy competition in the world with local products, was held within the scope of GastroAntep Festival. Competitions, devoted to chefs from different parts of the world and to students of the gastronomy department



**In the festival**, where gourmets and chefs from 40 countries participated, the unique Antep cuisine gained an international dimension again.



*The classic car cortege of 110 vehicles, organized by the Metropolitan Municipality within the scope of GastroAntep, attracted the attention of both citizens and foreigner visitors.*



of universities, were held. Thus, GastroAntep Festival has also become a platform where the region's agricultural food products are opened to the world, in addition to Gaziantep's gastronomic culture. Also, with GastroAntep Festival, gastronomy students in Turkey were provided internship opportunities in the global platform.

**4 TIMES INCREASE IN THE NUMBER OF VISITORS**

Evaluating the second year of the festival, Gaziantep Metropolitan Municipality Mayor Fatma Şahin said: "We set a target in this road and have aimed to tell the difference of Anatolia, the region and Gaziantep to the world. In order to prove that we are the flavor capital of the world, we attached great importance to the



international dimension and for the second time, we brought together professionals from San Sebastian, Lyon, Paris, and London. We brought together academics, students, children, disabled, artisans and all our people with gastronomy experts, who are trained in this business, in Gaziantep. With an amazing success, we increased the number of our visitors from 250,000

to approximately 1 million people this year. We aim to host 2 million visitors to our city next year. In the region and our city, there is a great taste and a great history and civilization. If you want to see five ancient cities, Ottoman, Seljuk, Hittite and Rome, come here! If you want to taste the flavors come from the sun, earth, and history, come here! Our table unites, shares, increases brotherhood. I believe that

we will establish world peace with our tableware. We will definitely carry Anatolia to the point it deserves in food and beverage tourism, gourmet tourism and cultural tourism."

Under the coordination of the Gaziantep Development Foundation (GAGEV), and the leadership of Gaziantep Metropolitan Municipality and being developed with a sustainable strategy, GastroAntep Festival, this year, met with its enthusiasts in corporate sponsorship of The Ministry of Culture and Tourism, Union of Municipalities of Turkey (TBB), Association of Turkish Travel Agencies (TÜRSAB) and İpekyolu Development Agency. ■

## EVENT

# SWISS DAYS 2019 EVENT HELD FOR THE FIRST TIME IN İSTANBUL

A total of 45 institutions were among the supporters of Swiss Days 2019 and more than 10,000 participants took part.



**S**WISS DAYS 2019, determining the Switzerland-Turkey agenda, was held. It was organized by Swiss Business Hub Turkey and Swiss Chamber of Commerce in Turkey for the first time in Istanbul with the support of the Consulate General of Switzerland.

Swiss Days 2019 was met with intense participation and interest far beyond expectations. Swiss Days 2019, which is a comprehensive and multi-layered organization to increase the economic and social relations between Switzerland and Turkey, was held at Yapı Kredi Bomontiada in Istanbul.

"We hope to be able to encourage a sense of togetherness not only during the event but also after this event" said Mehmet Yıldırım, Switzerland's Export and Investment Office Director (middle)



Introductory meeting which was hosted by Switzerland's Export and Investment Office Director Mehmet Yıldırım, President of the Swiss Chamber of Commerce in Turkey Arpat Şenocak and the Swiss Consul General in Istanbul Deputy Beat Schmid was held with the attendance of Şişli Mayor Muammer Keskin at Yapı Kredi Bomontiada.

Emre Tural, President of Robotics and Manufacturing Automation Group of ABB, which is one of the companies that support Swiss Days 2019, also gave information about the newly developed YuMi robot which made a surprise welcoming for the meeting.

## FIRST TIME IN TURKEY

During the meeting, the informations has been given about this unique platform which will present Swiss's art, culture, gastronomy, technology, education and more to Turkish visitors in Istanbul for the first time.

In addition to the mini-festival of culture, art and flavor inspired by the Swiss Alps, world-renowned economists and respected commercial-political figures that shape the future of Switzerland are expected to attend the Switzerland-Turkey Economic Forum. With the "Swiss Career Hours" which will be held in the aftermath of the Economic Forum, young visitors will have the opportunity to meet distinguished Swiss companies and contribute to their career planning. And also at the Blockchain conference, young participants will hear from the best experts in the field of the block chain, the biggest technological and financial revolution of the century. Koophub, which is offering business development consultancy, finance and strategy service to fintech companies in Turkey, will waiting the new entrepreneurs for New Technologies and Entrepreneurs Meeting.

## "THERE WERE INTEREST AND PARTICIPATION FAR BEYOND OUR EXPECTATIONS"

Stating that they experienced great happiness and excitement for Swiss Days 2019, Director of the Export and Investment Office of Switzerland in İstanbul, Mehmet Yıldırım said: "Relations, especially, in economic and cultural fields between Switzerland and Turkey have been moving to the desired point with increasing momentum in the last 10 years. We wanted to contribute to this positive picture. We are happy



Swiss Days 2019 was met with intense participation and interest far beyond expectations.

to offer a platform, in which they can evaluate Turkey better and in which they can introduce “being a Swiss” to Turkish people, to Swiss companies and institutions. We hope to be able to encourage a sense of togetherness not only during the event but also after this event. We are very proud of the trust and support of the international brands and Turkish Airlines as Turkey’s most valuable brands, in our event which is held for the first time.”

### “OUR RELATIONSHIP IS STRENGTHENED WITH SWISS DAYS”

Highlighted that they were very happy with the great interest to them in Swiss Days, Deputy of Consul General of Switzerland in Istanbul, Beat Schmid said: “We had a unique feast in İstanbul for three days. Our participants came together with companies operating in the fields of science, technology, fashion, education, and culture and knew Switzerland and Swiss companies more closely.

Thanks to this organization, I believe that ties between Turkey and Switzerland will be stronger.”

Respected names from the international economy and scientific world such as Dalith Steiger and Andy Fitze, Founder and Managing Partners of Swiss Cognitive; Faruk Eczacıbaşı, Vice President of Eczacıbaşı; Istanbul Technical University Research Associate Professor Altan Çakır; Ph.D, CERN, and Futuræ Technologies AG, CEO and Co-Founder Sandra Tobler participated at the Forum as speakers.

Organizations that contributed to Swiss Days 2019 were; ABB, Aujourd’hui la Turquie, Barry Callebaut, Davidoff, Eczacıbaşı, Eyüboğlu Çelik ve Hobi Ürünleri, Fairmont Quasar İstanbul, Firmenich, Fotokabin Türkiye, GFDS, Hapimag, Hilton İstanbul Bomonti Hotel & Conference Center, Hochalpin Institut Ftan, Home of Drones, La Prairie, Leysin American School in Switzerland, Lindt, Luzern Business, Migros, Mövenpick Hotel İstanbul, Nespresso, Nestle Türkiye, Netaş, Oerlikon Balzers,

Penergetic, Rawcut Design Studio, Roche, Sanitas Spa & Wellness, SICPA Türkiye, Müzekart, Schindler, Shangri-La Bosphorus İstanbul, Swatch Group, Swiss Centerdent, Swiss Cognitive, Swisstell The Bosphorus İstanbul, Swiss International Scientific School in Dubai, Swiss Learning, Tektaş Watches & Jewellery, The Adecco Group, Thedora Sevgi Doktorları, Tiffany & Co, Tooth Friendly Foundation, TEV, Türk Hava Yolları (THY), Union Bancaire Privee and Vakko. ■



Event was held with the attendance of Şişli Mayor Muammer Keskin at Yapı Kredi Bomontiada.

## EXPORT

# CHINESE LOVED TURKISH DRIED FRUITS



Dried fruit exports to China from Turkey increased by 183 percent in the first eight months.

**TURKEY GOT IN RETURN** for its promotional activities carried on in the Chinese market of seedless raisins, dried apricots and dried figs of which Turkey is the world leader in production and export. Dried fruit exports to China from Turkey increased 183 percent in January - August period of 2019 from USD 3.5 million to USD 10 million.

In order to strengthen the position of Turkish dried fruits in the Chinese market, Aegean Dry Fruit and Products Exporters Association attended Food2China 2019 Exhibition in Guangzhou, China on September 19-21, 2019 and thus, has added a new ring to its promotion activities.

Expressing that the direction of capital in the world has faced the East, the purchasing power of people in China has increased with each passing year which led it to become a priority to take a position in the Chinese market than ever before, Chairman of Aegean Dried Fruit and Products Exporters Association Birol Celep noted that they have been intensifying the promotion of Turkish dried fruits in China for the last 15 years and has begun to reap the fruits of these promotional activities.

## THE GOAL IS TO EXPORT USD 100 MILLION DRIED FRUITS TO CHINA

Stating that the Chinese people are enthusiastic about tasting new delicacies



and they consume fruits intensively in their daily lives, Celep added: "Today, China has a population of over 200 million wealthy and conscious of consuming healthy food. Dried fruit

**Dried fruit products** have many benefits to human health, especially sugar balancing, anemia prevention, anemia and iron deficiency relief, cancer prevention.

products have many benefits to human health, especially sugar balancing, anemia prevention, anemia and iron deficiency relief, cancer prevention, digestive, eye health protection, blood pressure regulation. We intend to introduce our dried fruits with these aspects and reach an export figure of USD 100 million in China at the end of 10 years."

## TURKISH FOOD INDUSTRY WILL BE IN CHINA FOR PROMOTION IN NOVEMBER

Informing that they will perform tasting and firing activities with the participation of all Turkish food products at the China International Import Fair to be held in Shanghai in November, Celep summarized the other promotional events to be organized in China as follows; "We have presented a joint project to Turkish Promotion Group. We will launch a promotional campaign in China. In our URGE project named Turkish Dried Fruits, China has been identified as one of our target markets. In the coming period, →



we are planning a Trade Delegation Organization to China within the scope of URGE Project. As Aegean Exporters Associations, we have declared 2019 as the Chinese Year. China Team, which we established within EIB, continues to work on projects that can be made in the Chinese market. We will have new promotional activities for the Chinese market in the coming period.”

While Food2China 2019 is organized by the Guangdong Importers Association, it is also supported by the government agency China Council for the Promotion of International Trade (CCPIT). Food2China 2019 Exhibition will be held for the 6<sup>th</sup> time this year and there will be 22 countries in an area of 20 thousand square meters. The fair is expected to be visited by 26,000 professionals.

At the opening of Food2China 2019 Fair, Chairman of Aegean Dried Fruit and Products Exporters Association, Birol Celep was among the names that cut the ribbon to represent Turkey. Visiting the stand of the Aegean Dry Fruit and Products Exporters Association, Turkey's Consul General of Guanco, Mehmet Kurtuluş Aykan and Guanco Commercial Attache Serdar Afşar shared their experience with the Chinese market.

### RAISINS HAVE BEEN THE MOST EXPORTED TO CHINA

In dried fruit export from Turkey to China in 2018 2019 season, seedless raisins took the first place with USD 4 million 973 thousand. Exports of dried apricots were recorded as USD 2 million 965 thousand while dried fig exports were recorded as USD 3 million 702 thousand. ■

## EXPORT

*Russia is the leading country in the export of*

# FRESH FRUIT AND VEGETABLES

2 million tons of fresh fruit and vegetables were exported from Turkey to 114 countries in 8 months of the year. Russia led the list.



Federation in the January-August period, earning 375 million 386 thousand 968 dollars. The country is followed by Germany with USD 159 million 802 thousand 289, Iraq with USD 98 million 414 thousand 511, Romania with USD 81 million 508 thousand 907 and Ukraine with USD 59 million 125 thousand 304.



**A**CCORDING TO THE compilation of the Eastern Black Sea Exporters Union data, USD 1 billion 207 million 84 thousand 507 income were generated out of 1 million 964 thousand 812 tons of fresh fruit and vegetable exports of Turkey to 114 countries in 8 months of the year.

In the fresh fruit and vegetable exports of Turkey in this period, the Russian Federation took the first place. 455 thousand 190 tons of fresh fruit and vegetables were sold to the Russian



**455 thousand tons** of fresh fruit and vegetables were sold to the Russian Federation in the January-August period.

### EXPORT TO RUSSIA INCREASED BY 8 PERCENT

On the other hand, in the same period, USD 70 million 517 thousand 179 income was generated from 85 thousand 438 tons of fresh fruit and vegetables exported from the East Black Sea to Russia. Russia again became the leading country of fresh fruit and vegetables in the exports. In 8 months of the year, USD 2 billion 394 million was exported to Russia in all sectors. Exports in this period increased by 8 percent compared to the same period last year. 77 percent of the exports made from Eastern Black Sea provinces to the Russian Federation in these 8 months were made from Trabzon. ■

## EXPORT

*Machinery sector focuses on*

## USA AND RUSSIA MARKETS

Machinery sector, raised its export 11.6 billion dollars in the first 8 months of the year, attaches special importance to activities to increase the trade to USA and Russia.



**S**ECTOR INCREASED the quantity of the products it exported by 13.8 percent compared to the same period of the last year and moved it above 2 million tons. Kutlu Karavelioğlu, the Chairman of Machinery Exporters' Association pointed out that the increase in machinery sales is quite high in a period when the economic recession experienced in OECD region adversely affects the fixed capital investments and said "We have to employ a strategy which will balance the pressure of the problems in global commodity trade on prices and also take a position to support the machinery manufacturers also in the domestic market".

The country to which the machinery sector made the highest amount of exports in the first 8 months was Germany, whose economy

*"We will conduct a new promotional activity special to USA under the 'Turkish Machinery' brand" said Kutlu Karavelioğlu.*



shrank 0.1 percent in the second quarter of the year. Turkish machinery sector made export sales amounting to 1.5 billion dollars to Germany; it also increases its exports to USA by 11.5 percent compared to the same period of the last year and moved it up to 876 million dollars. Kutlu Karavelioğlu, the Chairman of Machinery Exporters' Association stated that they attached special importance to activities to increase the machinery trade to USA and Russia in this period when the growth in Euro Region almost came to a halt and said:

"The product USA buys from Turkey the most is machinery where average price of our machines per KG reached 14.3 dollars. Considering that USA's share in global machinery import is 16.5 percent and that

more than 30 percent of its imports is from China, it is clear that USA's imposing new taxes on Chinese products presents new opportunities for machinery exporters. We will conduct a new promotional activity special to USA under the "Turkish Machinery" brand; we will spend extensive efforts to increase our annual export at the level of 1.3 billion dollars to more than 2 million dollars. In this process, we will increase our contacts in Germany and try to compensate the slowing down in that country".

"Russia will be one of our four largest markets again"

Karavelioğlu drew attention to the fact that in the 8-months period when the machinery export to Russia amounted to 308 million dollars the quantity of machinery exported to this country increased 21 percent; he indicated that they aim to speed up this increase in the last four months of the year and said:

"The contacts we established in Ekaterinburg in July together with the Ministry of Trade and Ministry of Industry and Technology had significant reflections in Russia. In the period of last 2 months our country exported machinery worth 84 million dollars to Russia despite the interruptions in festive holidays. We are working hard to get Russia in our four largest markets again. We will employ a multifaceted export strategy that will keep all of the countries investing in advanced technology under close watch and that will balance the pressure of the problems in global commodity trade on prices. We think that it is necessary to take a position to support the machinery manufacturers also in domestic market in a period when all economies have difficulty in growing". ■

## AWARD

## Turkish Doctor was elected as “THE DOCTOR OF THE YEAR” IN GERMANY

Making her name to the world with her success, Dr. Dilek Gürsoy received another most prestigious awards in Germany.

**THE FIRST FEMALE SURGEON** performing an artificial heart transplant in Europe, Dilek Gürsoy was elected doctor of the year in Germany. Gürsoy will receive the award given by the German Medical Award at a ceremony on 18 November in Düsseldorf.

Stating that the German Medical Award is the most important award given to physicians and medical institutions in Germany, Switzerland, and Austria, Gürsoy said: “The award given to me shows that I am on the right track. No matter how many difficulties I face, it makes me never give up my goals. It honors me and motivates me more.”

### FIRST ARTIFICIAL HEART TRANSPLANT

Indicating that the fact that she received the award has a great meaning in terms of her next projects and works, Gürsoy continued: “We are in 2019 and we are still using nearly 40-50 years of technology in the artificial heart. I performed the first artificial heart transplant in 2012 as a female surgeon. All this time has passed and we still use the same artificial hearts. No innovation was made. The artificial heart, which is currently used, receives energy from outside the body through the cable. It also works out loud. It is not very handy because it is both wired and audible. Patients have to carry a battery with them all the time.

“The award given to me shows that I am on the right track. No matter how many difficulties I face, it makes me never give up my goals. It honors me and motivates me more.”



The system we are working on eliminates the cable and there will be no disturbing sound. In order to realize all these works, it is useful to establish an artificial heart center in itself. My goal is to realize this; I devoted my work to it.”

Emphasizing that her vision is to produce an artificial heart that works for 10-15 years and to make organ transplantation unnecessary, Gürsoy said that she hopes that the artificial

heart system she is working on will be transferred to patients in the coming years.

Gürsoy continued: “The artificial heart that we work on will probably be used for humans after two to three years. We are currently experimenting with animals and it works very well. I’m hopeful; it does not last ten years; as I said, I think it will happen in two to three years. The French used it for people; it is unclear whether it works well. The important thing is manufacturing the machine no matter who is the manufacturer. As a doctor, I would like to use whatever artificial heart is better for the patient. The machine I work on is not the only matter; the more people work on it, the better for our patients. Besides, it is also good for us; after all, it is not clear what we will become in time.”

Dr. Gürsoy worked in the important clinics of Germany in the field of cardiac surgery and took part in the teams developing an artificial heart with the expert surgeons. Outside of Germany, involving in heart surgery in many countries of the world, including Turkey, and performing approximately 300 heart surgeries per year, Dr. Gürsoy continues her work in the Artificial Heart Transplantation Department of Helios Clinic in Siegburg. Her new studies aim to eliminate the cable and machine system, reduce complications and ensure that the artificial heart works completely within the body. ■

*Dr. Gürsoy had previously met with German Chancellor Angela Merkel and Merkel had praised Gürsoy.*



## SCIENCE

# THE BRA IDENTIFYING BREAST CANCER BY A TURKISH SCIENTIST

The inventor of the never-ending pacemaker Dr. Canan Dağdeviren has now developed a bra that identifies breast cancer.

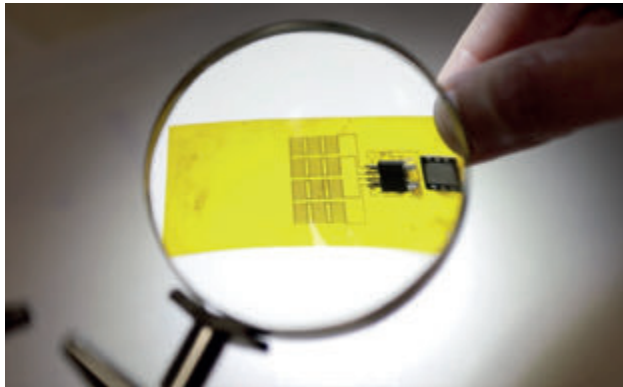


**She is the first** Turkish selected to be a member of the Junior Fellow of Harvard at Harvard University in the US.

the teachers were giving us a project and we had to work according to this project. When I was about to apply for a Fulbright scholarship, something very good happened that year. Fulbright began granting a doctorate scholarship that year. After completing my master's degree, I applied for a Fulbright doctorate scholarship and won in the first place in my field."

**S**OME OF YOU MAY HEAR her name for the first time, but the world knows her... Canan Dağdeviren, the inventor of the never-ending pacemaker, is one of the renowned names for her contributions to the scientific world. She is the first Turkish selected to be a member of the Junior Fellow of Harvard at Harvard University in the US. With her inventions, she managed to be included in one of the prestigious US magazines, Forbes' "Scientists Under 30" list. Besides, her name is also in the list of 'Inventors under 35' which is announced annually by MIT (Massachusetts Institute of Technology) publication Technology Review.

Inspired by his grandfather, who lost his life due to heart failure, stating that she decided to make an endless



battery for this disease, Dağdeviren said: "I searched for people who might be able to help me. I looked at the Far East, Asia, America. I finally found out that the teacher I wanted to work with was at the University of Illinois in the middle of America. The main reason for my Fulbright application was to be financially free. Because I wanted to work on my own project. Otherwise,

*"I think that we will complete the electronic bra, which is another project we are working on, at the beginning of next year."*

## ELECTRONIC BRA FOR 'BREAST CANCER'

Reminding that scientists, in general, are always inspired by nature, Dağdeviren indicated: "My projects are generally inspired by the illnesses of my family members or close friends. I think that we will complete the electronic bra, which is another project we are working on, at the beginning of next year. Five years ago, when my aunt was 50, we lost her because of breast cancer. I promised her. We are making a platform for the early detection of breast cancer. We don't need to be sick. This project is very important for us to get information. We make a thin, curved, flexible and sensitive technology that is compatible with the body, a part of our underwear, body and internal organs. ■



## PHARMACEUTICAL

# TURKEY SET TO BECOME A GLOBAL CENTER IN PHARMACEUTICAL PRODUCTION

There are approximately 500 enterprises, 81 pharmaceutical and 11 raw material production plants operating in this sector, in compliance with international standards.

**T**HE PHARMACEUTICAL INDUSTRY of Turkey is confident on its journey to become a global center of production. The policy for the local production of pharmaceuticals, as supported by the Ministry of Health will facilitate domestic production of pharmaceuticals worth 6.1 billion per year, increasing the share of local production from around 40 percent to



above 60 percent in terms of value. The Ministry's policy to push for domestic production of pharmaceuticals began to draw investments from various international pharmaceutical corporations including Novartis from Switzerland, Gilead Sciences from the US, Cinnagen from Iran, and Sanofi from France.

According to data from the Pharmaceutical Manufacturers Association (IEIS), in 2018, the hospitals and pharmacies channel of the pharmaceuticals market in Turkey grew 26.1 percent in value, reaching to TRY 30.94 billion. With reference to this figure, Cengiz Yaman, General Director of Artkim said that the industry providing employment for approximately 35 thousand individuals reached to an annual volume of TRY 33 billion with 2.3 billion boxes of medicine, in the first quarter of 2019. Noting how important steps for domestic sourcing, exports and value-added production are taken in the face of Turkey's dependence on imports in terms of raw materials and ingredients, Yaman said "this year will see the third iteration of the International Pharmaceutical Ingredients, Raw Materials and Technologies Exhibition - Pharmaist with the participation of more than 100

companies and represented companies at a space of 2,500 m<sup>2</sup> at Istanbul Expo Center, on 24-26 October, 2019, as an event focusing particularly on exports. We expect more than 3,000 professionals to visit from all over the Middle East, North Africa, Europe, Russia and the Commonwealth of Independent States, and the Balkans, including but not limited to Iran, Iraq, Saudi Arabia, Tunisia, Algeria, France, Italy, Azerbaijan, Russia, Ukraine.”

**PHARMACEUTICAL EXPORTS FROM TURKEY TO MORE THAN 160 COUNTRIES**

According to data from Istanbul Chemicals and Chemical Products Exporters Association (IKMIB), in July 2019 the exports of the chemicals industry rose to 1.7 billion dollars registering a growth of 17.7 percent over the comparable figure from the previous year. Based on this point Cengiz Yaman said “In 2019, the chemicals industry has kept its hold on the second place in terms of export volumes in Turkey. The pharmaceutical industry is among the most important sub-sectors of the wider chemicals industry, and



**Cengiz Yaman, General Director** of Artkim said that the industry providing employment for approximately 35 thousand individuals reached to an annual volume of TRY 33 billion with 2.3 billion boxes of medicine, in the first quarter of 2019.



*There are approximately 500 enterprises, 81 pharmaceutical and 11 raw material production plants operating in this sector, in compliance with international standards.*

has been exporting its products to more than 160 countries according to IEIS data, while producing more than 11,000 products for our people. There are approximately 500 enterprises, 81 pharmaceutical and 11 raw material production plants operating in this sector, in compliance with international standards. The deep roots and production experience of the industry, as well as its structure capable of quickly attuning to technological developments and producing added value make it one of the most strategically important sectors in Turkey. We are now ready to meet any chemical raw materials, inactive ingredients, components and technology needs of the industry, and facilitate its opening up to new markets, through Pharmaist.”

**THE MEETING GROUNDS OF THE PHARMACEUTICAL INDUSTRY, PHARMAIST, IS SET TO TAKE PLACE AT ISTANBUL EXPO CENTER, IN OCTOBER...**

The third iteration of the International Pharmaceutical Ingredients, Raw Materials and Technologies Exhibition - Pharmaist will take place at Istanbul Expo Center, on 24-26 October, with the participation

of more than 100 firms and an attendance of more than 3,000 professionals, at a space of 2,500 m<sup>2</sup>. The participants at the event will be leading names in “Pharmaceutical Components”, “Active Pharmaceutical Ingredients”, “Pharmaceutical Additives and Intermediate Products”, “Pharmaceutical Laboratory, Production Equipment, Testing-Measurement Devices”, “Pharmaceutical Packaging Technologies”, “Clean Room Technologies”, and “Turnkey Delivery Projects”. The visitor profile of the event will have a heavy emphasis on the decision-making bodies, senior executives, procurement officers, quality control and R&D departments, marketing-sales and production department management staff of the firms operating in the pharmaceutical industry.

**THE LATEST TECHNOLOGICAL DEVELOPMENTS WILL BE THE TALK OF THE TOWN, WITH BRAND NEW PRODUCTS AND FORMULAS BEING SHOWCASED...**

The conferences and panels to be organized in parallel to Pharmaist, in turn, will provide a venue to talk about the latest technological developments in the industry, with new products and formulas being showcased, with an audience including presidents of important industry associations, scientists, experts, and leading names of the business community from Turkey and overseas. The Hosted Buyer Programme to be organized within the framework of the tradeshow will provide the potential buyers and participants an opportunity to have bilateral meetings, whereas the appointment program to be shaped prior to the event will facilitate the establishment of the right contacts and stronger cooperation between sellers and buyers. ■



## AVIATION

# Turkish Airlines Becomes the Sponsor of River Plate

Enhancing its projects in South America after adding Mexico City and Cancún to its flight network, Turkey's national flag carrier sponsors River Plate.



**F**LYING TO MORE countries than any other airline, Turkish Airlines and the world-famous Argentinian football team River Plate announced their sponsorship collaboration on a joint press conference in Argentina. The sponsorship was reciprocally announced and celebrated with River Plate on a press conference held at River Plate Stadium nicknamed El Monumental, and attended by Turkey's Ambassador to Argentina, Vural Altay, Turkish Airlines Chairman of the Board and the Executive Committee, M. İlker Aycı, President of River Plate, Rodolfo D'onofrio and a large number of press members as

Turkish Airlines became the jersey sponsor of River Plate, one of the most prominent football clubs of Argentina.

With this cooperation, River Plate has started to compete in the field with the jerseys adorned with Turkish Airlines logo in the next three seasons. Also, the official uniform of River Plate featured Turkish Airlines logo during the match against Lanús on August 4th. Turkish Airlines also became the first airline company to sponsor River Plate, also known as "The Millionaires".

### "We Build a Strong Bond"

Emphasizing the importance of the cooperation between Turkish Airlines, which became

a global friend of sports and athletes with various sponsorship deals to this day, and River Plate, Turkish Airlines Chairman of the Board and the Executive Committee, M. İlker Aycı said, "We have been the airline that flies to more countries than any other airline for a considerable period of time. We reach over 310 destinations spread over five continents. While continuing the development of our network access strength, we also continue to establish strong bonds with different societies and communities across the world with our global sponsorships to various sports branches thanks to the encompassing nature of sports. With that in mind, we

are happy to be able to form such another connection with the Argentinian sports fans via this cooperation that we celebrate here today to become the jersey sponsor of River Plate, one of the most prominent football teams of the world."

### "An Important Moment for River Plate"

Regarding the jersey sponsorship of Turkish Airlines, President of River Plate, Rodolfo D'onofrio said: "It is a very important partnership for our club, being the result of a global vision that will enhance the expansion of both brands. Turkish Airlines is a worldwide brand and one of the most prestigious airlines in the world."

**President of River Plate, Rodolfo D'Onofrio said,** "In addition to this strong sponsorship, this is the connection of River Plate with the locations where Turkish Airlines brand reaches."



Also reminding that he stayed in İstanbul for a short time, D'Onofrio indicated: "I had the opportunity to see İstanbul Airport. It is a spectacular airport. A truly wonderful facility where the whole world can see the development of airlines and tourism directly."

D'Onofrio answered the question on the economic side of the agreement as follows: "Our relationship with the values of Turkish Airlines is more important than the economic income that we will benefit only by carrying them in our uniform. In addition to this strong sponsorship, this is the connection of River Plate with the locations where Turkish Airlines brand reaches. Let me give you an example; when the Turkish Airlines aircraft magazines show news about River Plates, millions of people will see it. When you get together with a star, you get more than economic benefits."

### **"Turkish Airlines' River Plate sponsorship will attract tourists to Argentina"**

Stating that sponsorship will be positively reflected in Argentina, D'Onofrio: "After agreeing on this cooperation, the Ambassador of Argentina in Moscow congratulated me and stated that this agreement would bring many tourists to Argentina. This will also apply to other parts of the world. This means a lot for our country."

### **Noted for its Promotive Sponsorship**

Turkey's national flag carrier Turkish Airlines, known for its support to various national and international names, teams and organizations, both professional and amateur, became the sponsor of world-famous football clubs and tournaments. Turkish Airlines' ads with famous athletes such as Lionel Messi, Kobe Bryant and Didier Drogba were also a big hit when they were broadcast.

**"We are happy to be able to form yet another connection with the Argentinian sports fans via this cooperation that we celebrate here today to become the jersey sponsor of River Plate"**

Turkish Airlines Chairman of the Board and the Executive Committee, M. Ilker Aycı

flight to Cancun, the most popular tourist centers in the American continent, after a one-hour waiting time on land. With this flight, Turkish Airlines increased the number of countries it flies to to 126 and with newly added Mexico City and Cancun, the number of cities in its flight network to 315. Mexico City and Cancun are the airline's 18<sup>th</sup> and 19<sup>th</sup> destinations in the Americas. The flights are expected to enhance ties between Turkey and Mexico in the upcoming period.

The airline will fly three times a week to the newly added destinations but the frequency increase is also on the table depending on the growth potential of the market. With new generation wide-body aircraft joining its fleet, Turkish Airlines is also seeking new markets in North America and is working on Seattle, Orlando, and Las Vegas to continue its growth in North America.

The number of passengers Turkish Airlines carried to Central and South America increased by 11.8 percent compared to last year to 296 thousand; to the Far East by 4.8 percent to 3 million 816 thousand; to Europe by 2.6 percent to 15 million 468 thousand 565; and to Africa by 1.7 percent to 2 million 354 thousand. ■

### **Turkish Airlines Grows Stronger in the Americas**

Turkish Airlines continues to wave the Turkish flag all over the world. Being aware of its position as a global brand, Turkish Airlines realized its longest flight and demonstrated its desire for rapid growth all over the world, especially in far regions such as South America. Turkish Airlines' scheduled flight from İstanbul to Mexico City ended with a two-hour

## INVESTMENT

## INVESTMENT OFFICE ATTENDS PRESIDENT ERDOĞAN'S OFFICIAL VISIT TO NEW YORK

**P**resident Recep Tayyip Erdoğan attended the 74<sup>th</sup> session of the United Nations General Assembly (UNGA 2019) in New York. Investment Office President Arda Ermut attended President Erdoğan's official visit to US, where several meetings were held.

On the occasion of the visit, on September 25, President Erdoğan attended the 10th Turkey Investment Conference and met with businesspeople, including top executives of global companies, NGOs, and senior representatives of the US business community. Speaking at the conference, President Erdoğan offered US corporate giants insights into Turkey's investment opportunities and provided updates on the economic agenda.



## US DELEGATION VISITS TURKEY



**H**eaded by the US Secretary of Commerce Wilbur Ross, a US delegation visited Turkey in September as part of efforts to boost bilateral trade between Turkey and the US.

In conjunction with this visit, Investment Office President Arda Ermut addressed a high-level US business delegation from the US Chamber of Commerce at

an executive meeting held in Istanbul. "As the Investment Office, we are more than willing to contribute to improving economic relations between Turkey and the US;

in particular to achieve the target to increase bilateral trade to USD 100 billion, as set by President Erdoğan and President Trump," said Ermut.

## INVESTMENT OFFICE MEETS WITH BUSINESSPEOPLE AT UK-TURKEY BUSINESS FORUM



**B**usinesspeople and officials met at the 10<sup>th</sup> UK-Turkey Business Forum in Istanbul, organized by the Turkish British Chamber of Commerce and Industry (TBCCI), to explore business and trade opportunities. The Minister of Trade Ruhsar Pekcan and Head of the Investment Office Arda Ermut gave keynote speeches at the event.

Speaking at the forum, Investment Office President Arda Ermut highlighted Turkey's investment opportunities for British investors and the strong economic relations between

Turkey and the UK. "The Turkish economy offers opportunities to British businesspeople in the automotive, chemical, defense, energy, and ICT sectors," said Ermut. The UK is the second-largest market for Turkish goods and the 7<sup>th</sup> largest source for the country's imports.

Also, Necmettin Kaymaz of the Investment Office moderated a panel on infrastructure, energy, and manufacturing with participants from BP, BAE Systems, Arçelik, TUGİAD, and Ankara Chamber of Commerce.

## INVESTMENT OFFICE HOLDS ROADSHOW IN HONG KONG AND MALAYSIA



**F**ollowing Malaysian Prime Minister Tun Dr. Mahathir bin Mohamad's official visit to Turkey in July, an investment seminar was held in Kuala Lumpur in collaboration with the Asia Strategic Leadership Institute (ASLI) to showcase Turkey's investment climate and business opportunities. After the opening speech by Malaysia Turkey Business Council Co-Chairman Tan Sri Razman Hashim and keynote by Turkish Ambassador to Malaysia Dr. Merve

Kavakçı, Investment Office Country Advisor A. Emre Büyükkılıç made a presentation.

On September 7, Büyükkılıç also delivered a presentation on the Turkish Citizenship Through Investment Program, addressing prospective investors at an exclusive event held in Hong Kong, where Turkish Consul General in Hong Kong Peyami Kalyoncu and executives from Turkish Airlines and the Commercial Counselor Office were also present.

## EBRD VISITS INVESTMENT OFFICE

**I**nvestment Office President Arda Ermut received top executives of the European Bank for Reconstruction and Development (EBRD) in Istanbul. Topics included the support for EBRD's activities and cooperation on several specific projects. EBRD remains strongly committed to Turkey and expects to invest EUR 1 billion in the country this year.



## INVESTMENT OFFICE HOSTS A DELEGATION FROM HONG KONG



**A working group meeting** that hosted a delegation of top executive business people from the Better Hong Kong Foundation (BHKF) was held on September 23-24, 2019 in Istanbul in order to strengthen the trade and investment cooperation between Turkey and Hong Kong.

The opening session of the event, which was held

on September 23, at the Presidency Dolmabahçe Office, was hosted by the Investment Office. The event featured multiple presentations on Turkey's investment climate and ways to boost trade and investment ties between Turkey and Hong Kong.

Addressing at the event, A.Burak Dağhoğlu of the Investment Office

highlighted the advanced and long-term strategic cooperation between Turkey and Asian countries. "Since 2002, we have attracted 6.7 billion dollars FDI, made by more than 1,800 Asian companies operating in Turkey. Share of Asian countries was 9.6 percent in Turkey's total FDI in the 2002-2010 period and this ratio increased to 15.2

percent during 2011-2018. Particularly from Hong Kong, we have attracted 600 million dollars FDI in the last 17 years. We are aware of the fact that this number is not sufficient because we know that being part of an empire on which the sun never set, Hong Kong carries more weight than its size, for both China and the world," said Dağhoğlu.

## OTHER EVENTS



### SEP 16 - HUSUM | GERMANY

Zeynel Kılınc of the Investment Office highlighted Turkey's attractive renewable energy environment in detail at the HUSUM Wind Fair in Germany.



### SEP 9 - İZMİR | TURKEY

The Investment Office presented on Turkey's strong fundamentals and its favorability as an FDI destination during the İzmir Business Days, which was held as part of the 88<sup>th</sup> İzmir International Fair.





#### SEP 4 - İSTANBUL | TURKEY

The Investment Office's A. Cüneyt Selçuk presented on Turkey's FDI climate and economy to Czech business professionals at the Turkey - Czechia Business Forum held in Istanbul by the Foreign Economic Relations Board of Turkey (DEIK).

#### SEP 2 - İSTANBUL

The Investment Office, in cooperation with the German Near and Middle East Business Association (NUMOV), hosted a German delegation of top executives from prominent companies and government organizations in Istanbul. Prior to their site visits, the delegation was briefed on Turkey's investment climate and business opportunities by A. Burak Dağlıoğlu from the Investment Office, who also addressed their questions during the Q&A session.



## FDI NEWS



The **Japan Bank for International Cooperation** (JBIC) is expanding its investment in Turkey by opening an office in Istanbul. This will be JBIC's first office in the past decade. The Investment Office assisted in the realization of this investment.



Turkish conglomerate Demirören Holding's subsidiary Şans Digital and Italy's **Sisal** agreed on a deal for the operating rights to Turkey's national lottery, Milli Piyango. The 51: 49 Turkish Italian JV will have operating rights for the next 10 years.



Europe's leading bus operator, **FlixBus**, has initiated the process to acquire Kamil Koç, Turkey's oldest and second-largest bus company.



**Facebook** launched Facebook İstasyon (Station) in Turkey, a community center to train businesses and entrepreneurs for the digital world. The initiative was jointly founded by Facebook, the Union of Chambers and Commodity Exchanges of Turkey (TOBB), and the Habitat Association.



American-founded German **DHL Express** announced a EUR 135 million investment in Istanbul Airport.



German **HDI** Insurance acquired Turkish insurance company ERGO Sigorta. The company is currently ranked 7th among top non-life insurance companies in Turkey.



German insurance services company **Allianz's** investments in Turkey have surpassed EUR 1 billion over the past decade. The company plans to further invest in the country's future by launching Allianz Teknik, where a Technical Earthquake and Fire Testing and Training Center will be established.

THE NEW SESSION IN  
TR-US TRADE

ALLIES STEP UP A GEAR:

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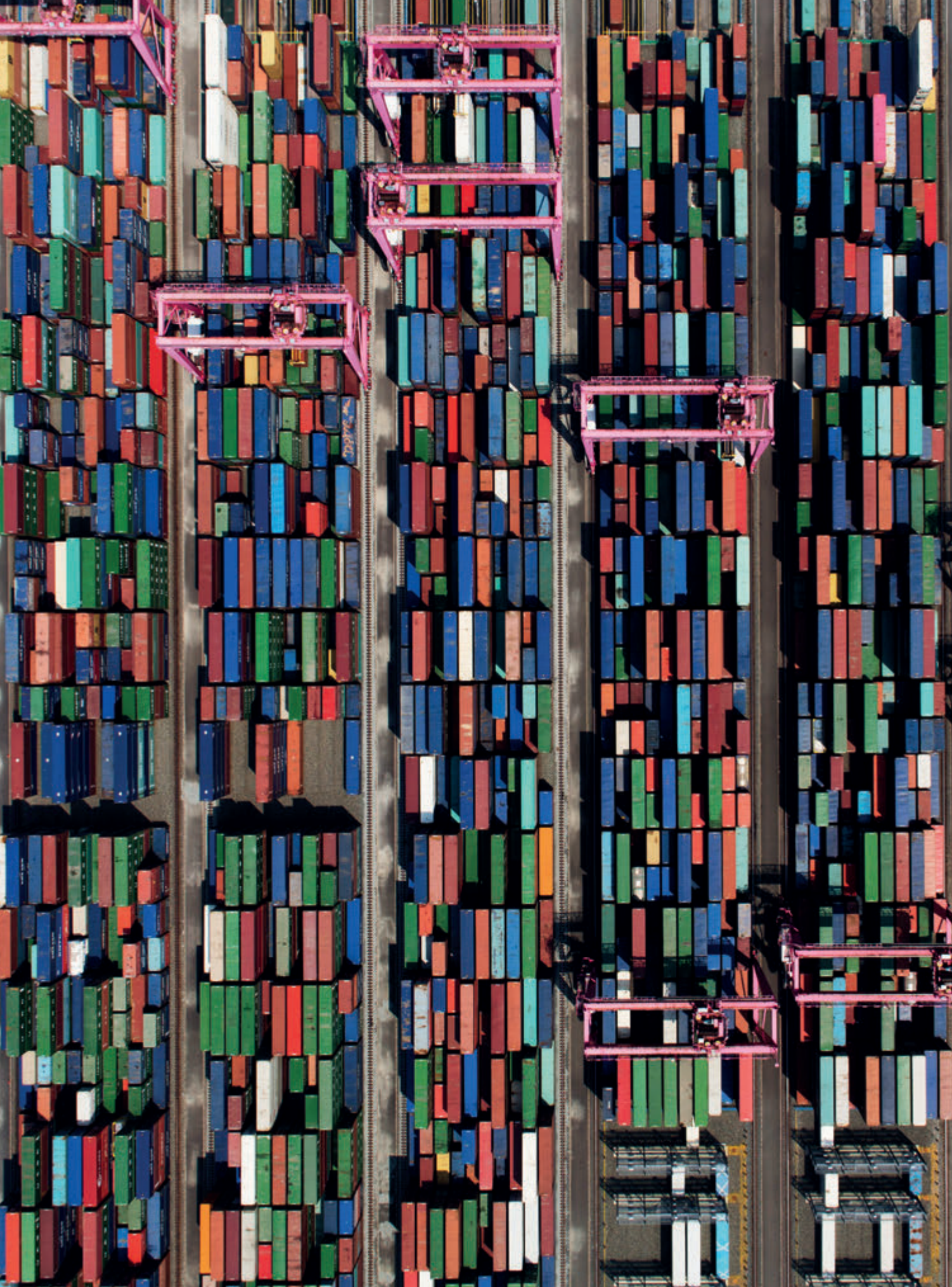


**TURKEY IS ENTERING A NEW ERA OF THE RECENT RISING EXPORT MOMENTUM.**

AFTER 2018, WHEN REPUBLICAN HISTORY RECORDS WERE BROKEN, FOR THE COOPERATION THAT WILL MAKE THE MOST IMPORTANT CONTRIBUTION TO **THE EXPORT TARGETS OF 2023**, THE TABLE WAS SET WITH THE USA. IN THE VISIT OF US MINISTER OF TRADE, WILBUR ROSS TO TURKEY, THE TRADE VOLUME BETWEEN THE TWO COUNTRIES WAS

DECIDED TO REACH **USD 100 BILLION** WITH THE COOPERATION OF **12 DETERMINED SECTORS** AND THE ROAD MAP WAS PREPARED.

BY TAMER İŞİTİR





**GLOBAL ECONOMIC RECESSION... TRADE WARS... SYRIAN CIVIL WAR... REFUGEE CRISIS...** YOUR POLITICAL PROBLEMS, COMMERCIAL PROBLEMS, SOCIAL PROBLEMS... NO MATTER WHAT PROBLEM IS ON YOUR AGENDA, YOU HAVE TO HAVE YOUR PARTNERS, FRIENDS, AND ALLIES WITH WHOM YOU WILL COOPERATE AT ANY TIME, REGARDLESS OF TIME AND CONDITION. SOMETIMES ENEMIES SEEM TO BE FRIENDLY; SOMETIMES YOU CAN BE FRIENDLY TO THOSE WHO APPEAR TO BE ENEMIES. THIS IS INHERENT IN POLITICS.

BUT YOU HAVE TO HAVE HISTORICAL ALLIES WITH WHOM YOU ARE ON GOOD TERMS AND SUPPORT EACH OTHER IN ANY CASE. RELATIONS BETWEEN **TURKEY AND THE UNITED STATES OF MORE THAN 100 YEARS CAN BE CONSIDERED AS AN EXAMPLE OF A HISTORICAL ALLIANCE.** THE CURRENT WARM RELATIONSHIP BETWEEN THESE TWO COUNTRIES POINTS TO A FUTURE IN WHICH ALLIANCE WILL PROGRESS FURTHER. IT MAY NOT BE FANCY TO THINK THAT IN THE NEAR FUTURE, THE NAMES OF **ROSS OR TRUMP WILL BE ADDED ALONGSIDE WILSON AND MARSHALL,** WHOSE NAMES ARE OFTEN SEEN IN TURKISH TEXTBOOKS.

**NOT DIPLOMATIC TREATS; DOPING PLAN** It all began when Trump, who met with President Erdoğan at the G-20 Summit in Japan, shared his proposal to increase trade between the two countries to USD 100 billion. Generally, such verbal consensus is perceived as diplomatic treats for governing the day -also towards domestic politics- by the leaders. But this time it was the opposite...

Let's go back a little. US Department of Defense said Turkey would be removed from the production partnership of the F-35 program when Turkey did not step back from the procurement process of Russia-made S-400 air defense systems. Besides, the US Congress had demanded economic sanctions on Turkey through CAATSA. This was an unprecedented crisis between Turkey and the US. In the meantime, another extraordinary development, which had never seen before, occurred. US Minister of Trade Wilbur Ross with delegations made a 5-day visit to Turkey.

Normally, diplomatic and commercial visits do not exceed 2 or 3 days. The duration of Ross' visit is enough to understand the seriousness of the situation. After the delegation set foot in Turkey, Ministers of Trade of the two countries, the private sector, and public representatives conducted meetings for days and ultimately, a

doping plan which would accelerate the verbal consensus, made in Japan in June between Trump and Erdoğan to increase trade volume by five times, was put on the table.

### **2 PIECES OF USD 50 BILLION**

We can leave the rest to Minister Ross' generous views shared with the media in parallel with his visit: "The two countries' USD 100 billion trade target has a detailed roadmap for each sector. This target consists of 2 pieces of USD 50 billion. One of these two is exports by Turkey, the other one is export by the USA. This may seem large compared to the current trade volume; but when you compare this target with the trade volume on the total goods and services side of the United States, we are over USD 5 trillion at this point. So this USD 50 billion is equal to 1% of our economy.

Negotiations for a free trade agreement with Turkey has not started yet. It normally takes years to negotiate for trade agreements. I think it took 8-10 years to make the Trans-Pacific Agreement. So we can't expect anything to happen in a very short time. And we have not even begun the negotiation process for such agreements. Instead, what we're focusing on right now is something





**Speaking at the 10<sup>th</sup> Turkey Investment Conference in New York,** President Erdoğan said: “We host almost every day international firms that want to invest in our country.”



that will ease the tensions between the two countries, and something that the two countries will quickly implement. We hope that we will then proceed on a more formal agreement path.”

**EXEMPTION APPLICATIONS ARE BEING EVALUATED IN STEEL**

Presenting an opinion on the S400s, Ross commented: “There is nothing new in the explanation (“We examine the sanctions to Turkey”) of the Treasury Secretary Mnuchin. We have a law called CAATSA, which contains certain provisions. Regardless of the outcome of the negotiations, it must comply with NATO requirements and rules. Because both the US and Turkey are NATO member countries. As I said, it is necessary to adapt to these conditions. This is the purpose of the ongoing negotiations.”

Concerning to the subject whether the USA will reduce the tax on the Turkish steel industry or not, Ross made these evaluations: “For some time, the Turkish steel industry has been subject to a 50 percent tax. This is a punitive customs duty. And I’m sure this has caused a decrease in trade volume. Universally applicable customs duty is 25%. So, in this case, it does not make a different challenge for Turkey. The countries where we have reduced



**Erdoğan family attended the reception, hosted by US President Trump at the UN General Assembly for the leaders.**



**During the G-20 talks in Japan,** Trump suggested Erdoğan to increase trade between the two countries.

these tariffs have agreed to comply with very strict quotas. We can take the example of South Korea. They agreed to apply a quota equal to 70% of all shipments from 2015 to 2017. In other words, tariffs are not provided to any country. But I want to add that. We received more than a thousand exemption applications from Turkish companies in the aluminum and steel industry. The basis of these applications is the products that are not

manufactured in the USA or products that are not produced in quantity and quality sufficient to meet the demands of the market in the USA. We accepted these applications. This corresponds to approximately 40% of Turkish companies. When we give an exemption, it is for the day they made. That is, no matter what customs tax they paid, they are refunded.”

### “SMALL COMPANIES MUST BE SUBCONTRACTORS OF LARGE COMPANIES”

Ross replied the question “Is there any questioning about the capacity of textile or a similar sector?” by saying: “Capacity is a problem. Industry consolidation is a problem. There are many small companies in the textile sector. Again, there are many small companies in the furniture industry. There are many small companies in the Turkish industries. In order to compete on an international scale, a certain scale is required. Because if Walmart stores were to be put in order, you won’t get 10 pieces from there, or 10 t-shirts. You must buy a thousand, maybe a million things. So the scale is an important problem. And we dealt with this question. Automation is another problem. Even the Chinese use a lot of automation. Automation is not very economical for small companies. You need larger companies for this. We advocate some degree of consolidation in these industries. We advocate that small companies become subcontractors of large companies.”

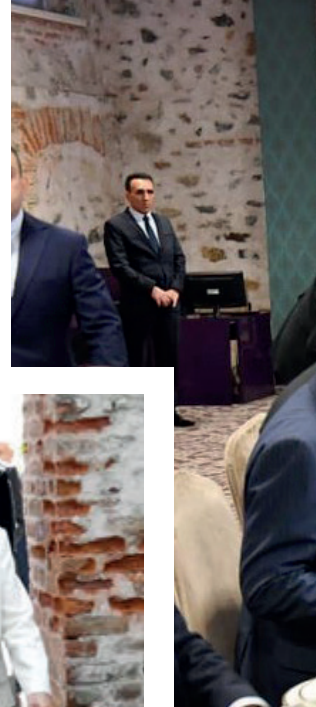
### NEGOTIATED WITH 52 TURKISH AND 43 US COMPANIES

Ross said that the concept of reciprocity in bilateral trade is crucial and it will boost both countries’ own trade volume. Reminding that he spent 5 days in Turkey for this purpose, Ross reported that they negotiated with 43 US firms with investments in Turkey and 52 Turkish companies in the US that want to evaluate business opportunities. Ross noted that the two countries should contribute equally to the USD 100 billion trade target and more than 1,700 American companies operate in Turkey, which is an advantageous start. Emphasizing on the need for studies for SMEs and the entrepreneurial spirit of Turkish SMEs going to America, Ross said that co-operation between states is not enough and that private sector cooperation is needed. Ross at the meeting, pointing to invest in Turkey instead of China, also found a positive response from the business world.

### PRIORITY SECTORS

Stating that there is no need for another report in the next process, there is a need for business people who will take responsibility, Ross stressed that now is the right time to invest in America.

In the joint press conference, Turkish Minister of Trade Ruhsar Pekcan with her counterpart.



Ross noted that Turkey is more advantageous than China for American companies. He added that states can remove barriers to trade, but that the private sector must be the leader in this initiative: “These will be approved by our President and President Erdoğan. After this first step, we want to continue with concrete results and steps that we can get immediate results. There are many sectors in this.”

clarified the sectors that are determined to take concrete steps: “We conducted fruitful discussions with Mr. Ross in his time in Turkey. We identified some sectors like textile, furniture, marble, automotive, civil aviation, cement and chemistry as priority sectors.

We have determined that some problems between the US and China will create significant additional trade volumes in various sectors and we are ready to supply products to the US.

We also mentioned the obstacles we face in sectors such as iron and steel, the results of our removal from the Generalized Preferences System (GSP) and the possible measures to be implemented in the automobile sector. We have forwarded our demands and suggestions on this subject to the US side. In this context, we shared our demands for exemption of our country from the additional customs duties known as SEC 232 as in some countries. We, as Turkey, are ready to work in close cooperation with the US. We will continue without interruption with Mr. Ross to achieve the USD 100 billion trade target.”

### “AMERICAN INVESTORS SHOULD BENEFIT FROM THE ADVANTAGES OFFERED BY OUR ECONOMY”

On the last day, the last stop of the US delegation was the Presidential Campus. Erdoğan received US Secretary of Commerce Wilbur Ross and his



**“We will continue without interruption with Mr. Ross to achieve the USD 100 billion trade target” said Mrs. Pekcan.**



entourage at the Presidential Complex.

Speaking at the reception, Erdoğan said he accepted the representatives of the American Turkish Council and the American Chamber of Commerce in February and said he was pleased to reunite with the leading representatives of the American business world after a short period of time.

Evaluated the visit as “a strong declaration of will to promote the economic and commercial cooperation between the two countries”, Erdoğan said: “Turkey has a long-established alliance relationship with the United States based on common values and common interests. This alliance has been tested with difficulty from time to time, and many others were survived. But with every challenge we have overcome, our alliance relationship is further reinforced.

#### **“WE WILL CROWN CLOSE DIALOGUE WITH A VISIT”**

Erdoğan said that he believes they will achieve a similar success today and added: “I have a sincere and strong dialogue with my friend, President Trump. We are in constant contact both on regional

issues and on issues concerning the two countries. I believe we will crown this close dialogue with Mr. Trump’s visit to our country in the coming period.”

Stressing that the two countries have strong relations at all levels in the political, economic and military fields, Erdoğan continued his speech as follows:

“Turkey, despite all the crises and turmoil in the region, maintains its stability and increases its economic and political power. Today, Turkey is the 13th largest economy in the world and the 5th largest in Europe according to the purchasing parity. Our entrepreneurs operate in almost every country and region of the world. There is a similar wealth in terms of the people and institutions investing in our country. Because we are a very attractive country in terms of easiness of doing business and investments. The trade volume of USD 20 billion between the United States and Turkey is well below our real potential.



In our recent talks with President Trump, we first discussed the trade volume as USD 75 billion. But later in our meeting in Osaka, we agreed to increase this to USD 100 billion. We have also started to take concrete steps towards achieving this goal. I believe that our meeting here with you will contribute to the strengthening of our economic cooperation. Hence, the fact that he sent the Minister here immediately after our telephone conversation with Mr. President is the best expression of our seriousness and sensitivity on this issue.”

**FREE TRADE NEGOTIATIONS WILL BEGIN**

“The fact that Mr. Ross, an experienced investor, takes this business and these meetings that Mr. Ross is actually in, is a step that I do not doubt this process will be carried out in the best way,” said Erdoğan and added: “We also raised the issue of starting a free trade agreement with my friend Trump. The relevant Ministers will start to work on this issue as soon as possible.”

Saying that American investors who invest in Turkey, create added value and provide employment are attached great importance, Erdoğan reported that over 800 thousand American firms operate in Turkey.

Mentioning that American direct investment in Turkey approached a total of 12 billion dollars between the years 2002-2018, Erdoğan underlined that they do not see these figures enough.

Emphasizing that they want more American companies to invest in Turkey and wish American companies to benefit more from the facilities provided, Erdoğan said they are ready to give all the support needed to every American investor coming to Turkey.

**TURKEY MEANS WIN-WIN**

Remarking that Turkey is an important production and logistics base in its region, Erdoğan continued as follows:



**Erdoğan received US Minister of Trade Wilbur Ross and his entourage at the Presidential Complex.**

“Our call for investment in our country is not just rhetoric or just a wish of goodwill. We have strong justifications and enormous advantages for this. First of all, this evaluation of Turkey as the production and logistics base will provide opportunities for both parties based on ‘win-win’. Our country’s location provides direct access to the Mediterranean, Caucasus, Central Asia, European and Middle Eastern markets. There is no other country in the world that can offer such effective access to both Africa and Asia and Europe. You can easily reach more than 60 countries on a 4-hour flight from İstanbul. Our young, highly educated population, business culture, infrastructure are among our most important advantages. For this reason, many global investors prefer to enter new markets with their Turkish partners. Despite the global economic recession, which is increasingly felt, the Turkish economy is still alive. Turkey continues to be one of the most important centers of attraction for international investors. With our dynamic market structure and the power to integrate into the global system, we are one of the most popular emerging economies of the coming period. We want American investors to benefit from all the opportunities offered by our economy.”

**Turkish delegation at the United Nations meeting under the leadership of Erdoğan, after US entourage’s visit.**





## TURKEY HAS A HIGH POTENTIAL IN THE 192 CRITICAL ITEMS

TURKISH EXPORTERS ASSEMBLY PREPARED A REPORT ON THE SUSTAINABLE INCREASE IN EXPORTS TO THE USA. IN THE REPORT, IT WAS DETERMINED THAT TURKEY IS A BIG POTENTIAL FOR THE 192 PRODUCT FOR THE US MARKET.



**S**tating that they have prepared a report for the sustainable increase in exports to the USA, Turkish Exporters Assembly (TİM) Chairman İsmail Gülle said: “We’ve found 192 items that Turkey has important potential for the US market. We conducted detailed analyzes on imports of US states and exports of Turkish firms. In light of this report, we, as TIM, will intensify cooperation to reach the right partners in order to strengthen our commercial relations with the US counterparts and the states.

Gülle thanked Ross for his visits and efforts to increase trade between the two countries and reminded that the US is the world’s largest market position.

Stated that the country in question imports an average of 2.5 trillion dollars a year, Gülle stated that instead of trading through a distributed exporter network, a trade network was established over companies based on economies of scale and capable of exporting at a high level, analyzing the strategies of Chinese and Asian economies, which have recently exported to the USA more intensely.

Gülle said: “The trade volume between Turkey and the US had reached 20 billion dollars last year. Today, when



we look at the data, close to 6500 companies exported to the United States in 2018. Our top 10 companies make one-fourth of our exports to the USA. Based on the current situation, and because we are the think tank of the Turkish export ecosystem, we prepared a report on the US market in April. In this report, among the thousand products that are the most subject of global trade, we have determined 192 items that Turkey has important potential for the US market. We conducted detailed

analyzes on imports of US states and exports of Turkish firms. In light of this report, we, as TIM, will intensify our business partnerships to reach the right partners in order to strengthen our commercial relations with the US counterparts.”

**“WE ARE READY TO DEMONSTRATE THE POWER OF OUR COMPANIES WITH TRADE DELEGATIONS, FAIRS, AND DIGITAL CHANNELS.”**

Indicating that Turkey has powerful exporters with great potential that will benefit both countries, İsmail Gülle stated: “As TIM, we are ready to demonstrate the power of these companies through trade committees, fairs, and digital channels. On the other hand, we know that there are US firms which have never entered Turkish, Eastern European, the Middle East, and Central Asian markets. We think it will be beneficial for these US firms to use Turkey as a strategic operations center. In this way, the USA will reduce, or even reverse, the foreign trade deficit of USD 40 billion in 47 countries in this geography. We are confident that our proposals will help us achieve our USD 100 billion trade target. As TIM, we are ready to do our part.”



## TURKEY-US FREE TRADE AGREEMENT SHOULD BE SIGNED

**RİFAT HİSARCIKLIOĞLU,**  
THE UNION OF CHAMBERS AND COMMODITY EXCHANGES OF TURKEY CHAIRMAN:

**T**urkey exports more than half of the industrial product to the European Union (EU) countries. This is how most concrete indication of the quality of the product produced and how competitive we are in Turkey. Manufacturers around the world focus on two markets: one of them is the US and the other is the EU market. They seek both quality and price competition. We make it here. Therefore, I believe that we will achieve USD 100 billion trade target with the USA.

We also expect support and assistance from politicians on some important issues to achieve the goal. First, between the United States and Turkey, a free trade agreement or a preferential trade agreement that will have a similar effect must be signed. Areas of strategic cooperation between the business world of our countries should be identified for innovation and development of new technologies.

A structure similar to the Binational Research and Development (BIRD) Agreement applied between the US and

**A structure similar to the Binational Research and Development (BIRD) Agreement applied between the US and Israel in 1977, should be established between Turkey and the US.**



Israel in 1977, should be established between Turkey and the United States. This initiative will provide favorable conditions for technology transfer, particularly through the private sector.

## REGIONAL HEADQUARTERS OF 60 US COMPANIES ARE HERE

**MEHMET ALİ YALÇINDAĞ,**  
CHAIRMAN OF THE TURKEY-U.S. BUSINESS COUNCIL:

**T**urkey may increase its exports to the United States in many sectors with its qualified production and low-cost structure. Improving the investment climate and strengthening the perception between the two countries will support both trade and long-term investments. The business world and government officials of both countries need to take quick action on this issue. Another issue that the American side draws attention to is the reduction of logistical costs between the two countries and the facilitation of customs procedures. It is thought to be important especially for LNG trade which the United States plans to export a higher amount to Turkey. 1400 companies are operating here. The regional centers of 60 of them are here. Ross' visit to Turkey is very significant.

In the closing speech at the 37th TAIK-ATC conference in the US last April, Trump's son-in-law and Senior Chief Advisor Jared Kushner said: 'In Turkey, we see a lot of potentials that we can not discover. And we have to meet this potential now.' These words are very important. The main purpose of the visit is not only to talk about strategic partnership but also to increase the Turkish-US trade volume to a new dimension."



## AFRICA CAN BE OUR COMMON MARKET

ADİL PELİSTER, CHAIRMAN OF İSTANBUL CHEMICALS AND CHEMICAL PRODUCTS EXPORTERS ASSOCIATION :



**W**e have directly proposed to Mr. Ross the establishment of a joint Chemical Sector Working Group with the relevant ministries

of the two countries. I believe our effort will not be wasted. Within the scope of our target to raise the trade volume between Turkey and the US to USD 100 billion, we will continue our efforts to increase the trade volume of the chemical sector to 15 billion dollars.

In the top countries with the highest chemical exports of Turkey, The US ranked fourth with USD 888 million 389 thousand of exports last year. On the other hand, our chemical imports from the USA in 2018 amounted to USD 3 billion 191 million. Our US trade volume with Turkey in the chemical industry is around USD 4 billion. We stated that we will be able to export easily wherever required from Turkey, especially near geography, in the pharmaceutical industry, which is one of our most important import items from the USA, if they realize new generation pharmaceutical products in our country. In this regard, we explained that our human capital and legislation, where we can establish joint R&D centers, easily allow this. In particular, we asked them to bear in mind that the target market could be Africa, and that our influence on this continent is getting stronger.

### POSSIBILITY OF COOPERATION IN RUBBER AND TIRE

We have indicated that we are open to cooperation in Turkey in the specialty of pelister, boron mine and its derivatives, composite materials, and bioplastic products. We have stated that our country can be a new production and export center in this field and also our American friends can benefit from it. There is a great opportunity, especially in rubber

and tire. There is a great opportunity to serve the American automotive manufacturing sector in Turkey.

In order to increase chemical exports to the USA, we participate in fairs organized for the chemical sub-sectors in the USA. We carry out sectoral trade delegation and project studies. One of them is IH & HS, the home and kitchen fair in Chicago. We organized a pharmaceutical sectoral trade delegation simultaneously with the 2019 BIO International Fair held in Philadelphia for our pharmaceutical sector. We will attend the International Rubber Fair in Cleveland to be held in October for our rubber industry and in November, within Turkey Promotion Group (TTG) project, we will go to Las Vegas.

## WE CAN REACH USD 5 BILLION IN TEXTILE

MUSTAFA GÜLTEPE, CHAIRMAN OF İSTANBUL APPAREL EXPORTERS' ASSOCIATION :



**T**urkey exports about 68 percent of the USD 18 billion ready-wear to the EU countries. The world's largest ready-wear market after the EU is

the USA with USD 103 billion. Turkey's exports of ready-wear products in the US in 2018 was only USD 600 million. There is an important opportunity ahead that excites us. The most advantageous sector is ready-made clothing and textiles in Turkey's USD 50 billion in US exports. We are already in the position of the highest priority in trade with the United States. We met with Wilbur Ross in Ankara as representatives of the sector components. If we can get the support of the political authorities of the two countries, we can increase our textile and ready-wear exports to the USA for USD 3 billion in the short term. In the medium term, there is no obstacle to reaching an export volume of USD 5 billion. We can sign at least 10 percent of the USD 50 billion export target of US as ready-made clothing and textiles.

## SUSTAINABILITY AND TECHNICAL TEXTILE WILL DETERMINE THE FUTURE

AHMET ÖKSÜZ, CHAIRMAN OF İSTANBUL TEXTILE AND RAW MATERIALS EXPORTERS ASSOCIATION :



**T**urkey is the 7<sup>th</sup> most important supplier in the world with a 3% share in the export of USD 340 billion global

textile and raw material. In the EU market, it is the second country with a share of 15.5 percent. Today, we get the most successful and high added value outputs of R&D and innovation activities from technical textile product group. However, we need to put forward a new perspective on the USD 100 billion trade target with the US. Our sector is taking a 20 percent share of Turkey's exports to the US. We are aware of our potential with the US. In this context, in our meeting with the US Trade Secretary Wilbur Ross, we stated that our sector does not have a capacity problem, we are not competing but complementary countries in the sector and our trade relations may increase rapidly if the Preferential Trade Agreement is signed between the two countries. Together with the ready-to-wear sector, we can easily export to the US for USD 5 billion.



# TURKISH TECHNOLOGY FESTIVAL THAT BREAKS THE VISITOR RECORD

TEKNOFEST ISTANBUL AEROSPACE AND TECHNOLOGY FESTIVAL FEATURED THOUSANDS OF CONTESTANTS FROM ALL OVER THE WORLD. TURKEY'S LARGEST TECHNOLOGY EVENT BREAKS RECORDS WITH 1.72 M VISITORS IN ITS 2<sup>nd</sup> YEAR.





**FEST**  
TEKNOLOJİ FESTİVALI  
TEKNOLOJİ FESTİVALI

**S**ome 1.72 million visitors attended Teknofest, a six-day technology and aerospace fair in Turkey's commercial capital, to see technological advances from both Turkey and worldwide.

With the latest figures, Teknofest Istanbul cemented its place among the top industry events in the world.

Co-organized by the Turkish Technology Team Foundation (T3) and the Ministry of Industry and Technology, the festival enjoyed an influx of primarily young people, as well as science and technology enthusiasts and visitors from all segments of society, from all professions and from all age groups and social environments in Istanbul Atatürk Airport.

Visitors had plenty to see, from UAVs, AI software, civil and military aircraft, to weapons, rockets, flying cars, unmanned vessels, robots, autonomous and electric cars, engines and communication systems.

Leading unmanned aerial platform and UAV developer Baykar Makina showcased its latest armed drone Akinci, an upgraded version of the company's trademark platform Bayraktar TB2 armed drone, for the first time in public.

Dubbed "the flying fish," the Akinci drone is an important step for Baykar to upgrade its UAV technology and has attracted a great deal of attention during the six-day event. The Akinci with nearly 1.5 tons of load can fly at an operational altitude of 40,000 feet and stay in the air for 24 hours.

The drone has just recently completed its first engine test and is expected to officially start serving Turkish security forces in 2020. Akinci is expected to carry out its first flight in October.

#### **TURKEY'S FIRST INDIGENOUS FLYING CAR, CEZERI, WAS PRODUCED AT LIGHTNING SPEED NINE MONTHS**

On the other hand, Baykar Makina's high-tech flying car prototype also made its debut in public at the Teknofest. Turkey's first indigenous flying car, Cezeri, was produced in a lightning-fast nine months. Cezeri can currently carry one person but its next version will have room for more. The vehicle is to be used for urban

transportation in the future.

Among others, one of Turkey's largest commercial and defense vehicle producer BMC displayed its newest armored pickup vehicle, which was named Tulga after company officials asked President Recep Tayyip Erdoğan to name the vehicle after a test drive on Saturday. The company aims to develop at least seven different models of the vehicle.

Turkish Aerospace Industries (TAI) exhibited a mockup of the National Combat Aircraft (MMU) for the first time in Turkey at the event.

This year, the festival featured 17,373 teams competing in 19 different areas such as flying car design, robotics, and model satellites.

During Teknofest, competitions were held including Flying Car Design Contest, Unmanned Underwater Systems Contest, Unmanned Aerial Vehicle Contest, and Turbo Fan Motor Design Competition.

#### **TOP AWARD-WINNERS RECEIVED MORE THAN 3 MILLION TURKISH LIRAS**

Ten thousand contestants were selected to compete from among 50 thousand applicants from middle school, high school, university teams and professionals to develop the technology products of the future. During the competitions, teams were provided with financial support of approximately 4 million Turkish liras (\$697,000), and top award-winners received more than 3 million Turkish liras (\$522,445).

The festival also featured numerous activities such as aviation shows, seminars, workshops, a drone championship, contests, and concerts.



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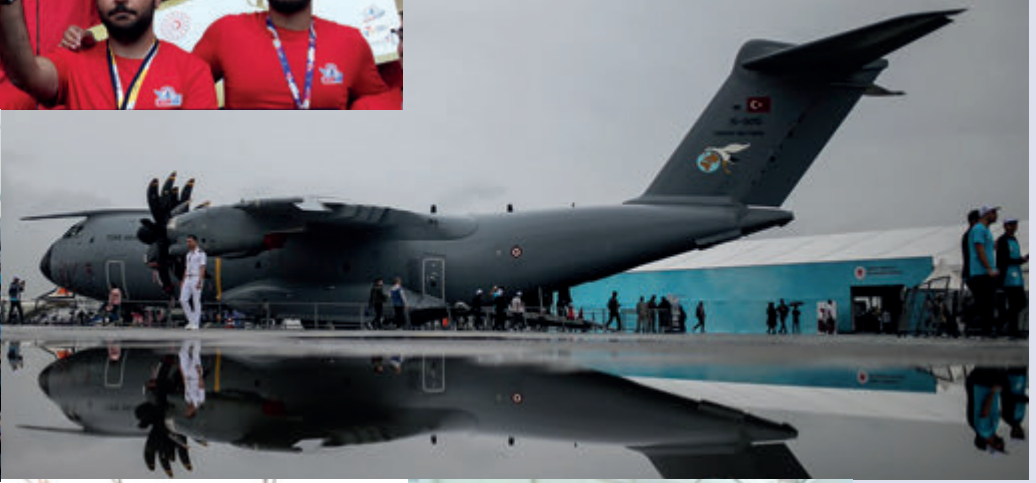


**President of the Republic of Turkey Recep Tayyip Erdoğan** also attended the high-tech festival.





**Turkish Aerospace Industries** (TAI) exhibited a mockup of the National Combat Aircraft (MMU) for the first time in Turkey at the event.



**The rate of participation** to the event, which hosted around 550,000 visitors last year, is higher this year, said Selçuk Bayraktar, the Chairman of the Turkish Technology Team (T3) Foundation. "While the event was visited by people from 60 countries last year, this year people came from 122 countries," he noted.



**The Minister Varank** said the government will develop a similar program for domestic researchers. "We will also aim to raise competence of researchers, who are working in Turkey or were sent abroad with public resources for studying in technology fields," he added.

**Turkey to continue its program to attract researchers**

Turkey will continue to conduct international fellowship program for outstanding research, Minister of Industry and Technology of the Republic of Turkey said.

During the Technology and Aerospace Festival, Teknofest Istanbul, in an assembly for the Turkish scientists abroad, **Mustafa Varank** invited

researchers to Turkey for contributing to the eco-system of science and teaching doctoral students in the country.

The fellowship was launched last November and used by nearly 250 international researchers from top-100 global universities and high-level public and private sector institutions.

Within the scope of the fellowship, 127 top-level scientists from 21

countries -- mostly Turkish expatriates -- were chosen to conduct research in Turkish laboratories.

Saying that researchers' experience is such a treasure, Varank stressed: "We want this treasure to turn into added-value, production and employment in our country."

Turkey wants to provide a strong connection between international and domestic researchers, he noted.

# TİM TENT WAS ALSO AT TEKNOFEST

**TURKISH EXPORTERS ASSEMBLY WAS AMONG THE SHAREHOLDERS OF TEKNOFEST. TİM'S TECHNOLOGY TENT ATTRACTED GREAT INTEREST BY VISITORS.**

**TİM TOOK PART IN TEKNOFEST** with TİM tent where İnovaTİM, İnoSuit, İnovaLİG, TİM-TEB Venture Houses projects are exhibited. Minister of Industry and Technology Varank visited the TİM tent and received information about the innovative projects of students and entrepreneurs. İnovaTİM family, called Innovation Ambassadors under the roof of TİM, also organized special events.

In the Droneup, Plant Growing Outside



"Teknofest, one of the most powerful symbols of the National Technology Movement, showed Turkey's approach to technology in a very good way to thousands of domestic and international exhibitors", Mr. Gülle said. Also Investment Office President Arda Ermut has attended to the festival.

Atmosphere, Recycling, Arduino, 3D printer, and Robotics workshops realized by İnovaTİM, the participants had the opportunity to implement the samples they had examined practically.

In the TİM-TEB Venture Houses stand, which was emerged to contribute Turkey in its development of entrepreneurship, technology and export fields, in partnership with TİM and Turkish Economy Bank (TEB), participants had the opportunity to see the BRODRONE racing drone, unmanned aerial vehicle; PrintLee, the platform for printing from the printer at the nearest location; TRIWI, which develops wearable technology against breast cancer; REDLAB, which develops applications with virtual reality and artificial intelligence and Pirahas having the first Amazon technology partnership in Turkey.





The interest of the participants in the workshops and innovative exhibitions held in TIM Innovation Tent was great.

In the stand established at TIM Tent for İnoSuit companies to increase company recognition, there is also an application point to bring together students seeking internship and companies looking for interns. The interest of the participants in the workshops and innovative exhibitions held in TIM Innovation Tent was great.

#### TECHNOLOGY IS AN INDISPENSABLE PART OF OUR LIVES

Turkish Exporters Assembly Chairman İsmail Gülle indicated that, at TEKNOFEST, they, as TIM, are very proud to be involved in the projects they support in the field of innovation and technology this year.

Indicating that TeknoFest, one of the most powerful symbols of the National Technology Movement, showed Turkey's approach to technology in a very good way to thousands of domestic and international exhibitors, Gülle added: "Technology is an indispensable part of our lives, from defense to biomedical, from finance to education. It is now almost impossible to access any service, to produce healthy and sustainable production and to ensure our safety without using technology."



Emphasizing that freedom cannot be guaranteed in any field as long as the technology only remains at the user level, İsmail Gülle continued: "Therefore, it is really of great importance for us, as Turkey, to be the designers, manufacturers, and exporters of today's technology, which is the first requirement of independence in today's world. Therefore, the steps we have taken today with the national technology move are the most important

steps taken in the name of riveting our place among the playmakers of the future. Hence, our goal as TIM, the representative of 85 thousand exporters, is to deliver the quality of Turkish goods to the whole world. In order to achieve this goal, we are working in full performance with the leadership of the President, with the relevant ministries and institutions of our government, public institutions, private sector companies, and universities."

#### TURKISH AIRLINES AND PRESIDENCY OF THE REPUBLIC OF TURKEY INVESTMENT OFFICE ALSO SUPPORTED TEKNOFEST

TEKNOFEST competitions are supported by ASELSAN, BAYKAR, İGA, İSBAK, ROKETSAN, TAI, Turkish Airlines, TÜBİTAK, and TÜRKSAT, while the festival is supported by AFAD, BMC, Presidential Investment Office, Presidential Digital Transformation Office, DHMİ, Ministry of Youth and Sports, Turkish General Staff, HAVELSAN, Ministry of Internal Affairs, Ministry of Culture and Tourism, Ministry of National Education, Ministry of National Defence, Presidency of Defence Industries, Civil Aviation, STM, TEİ, TR Motor, Turkcell, Bilişim Vadisi, Turkish Aerospace Industry, Turkish Aviation Association and Ministry of Transport and Infrastructure. ■

# Turkish Paints

## World is Better in Color



Turkish paint industry, assertive in every area of the paints and coatings with its product quality, competitiveness, innovative structure and production according to international standards, will continue to be the world's color.

[turkish-paints.org](http://turkish-paints.org)

Turkey

Discover  
the potential

**Content:** obilet.com's Journey Begins **P52** Turkish Power in Latin America **P56** Cheese for Four Continents from Half a Century Old Cheese Expert! **P58** Build Your Dream IoT Project **P60**

# Brands

FINTECH, ONLINE PLATFORM, HOLDING, FOOD, TECHNOLOGY...

FINTECH

## GET YOUR CUSTOMERS' FINANCIAL FINGERPRINTS

Do you really know and effectively measure  
credit risk of your customers?

Manage your credit risk more accurate,  
acquire new customers, increase your business volume,  
under favour of FANALIZ.

BY TAMER İŞİTİR

**A**takan Yücel, Ph.D. has been working at local and international banks for more than 10 years, and during his career, he's seen significant changes in the industry and the world itself. Having his bachelor degree from Yildiz Technical University in 2001, he in fact decided going on his academic studies due to Turkey's back then economic conditions. "I never thought about working for banks" he states as we sip our coffee and monitor the Fanaliz SaaS credit analytics system. "Fanaliz must be up and running to the most of it's capabilities." says Yücel, giving their customers all around Turkey the service standards they desire and deserve.

As he was on his career path as a Credit Risk Analytics manager, he's experienced too many downsizing decisions made for the manual credit underwriting teams. "The machine and algorithms kept beating human mind and evaluation capacity day after day" says Yücel. He points out the fact that banks have become able to decide on retail and SME (Small Medium Enterprise) banking products within seconds, creating hundreds of millions of Turkish Lira economy every single day when he left his career to enter a whole new world that he has never experienced as an entrepreneur. "We are now sitting on the other side of the table" says Yücel, smiling gently.



*Fanaliz is a decision support system that measures the payment affordability level of customers with whom companies have commercial relations. The credit risk decision for the customer is generated in a few seconds by applying advanced algorithms.*

#### THE CREDIT RISK DECISION FOR THE CUSTOMER IN A FEW SECONDS

##### **How do you introduce Fanaliz in its simplest form?**

**ATAKANYÜCEL:** Fanaliz is a fintech company building decision support systems that measure the payment affordability level of customers with whom companies have commercial relations. The credit risk decision for the customer is generated in a few seconds by applying advanced algorithms.

As a matter of fact, we do build analytical models that run on the servers of the company. The models include but are not limited to collection, early financial risk warning, collection agent to customer allocation, mode

of payment, customer onboarding and etc. In such case, we use internal data and do external crawling if needed.

##### **As far as I've gotten to know you so far, you had a comfortable life with all the benefits. What was the point of turning the Fanaliz idea into reality?**

"Putting on blinders have always been out of my interest. I've seen start-ups disrupting huge and financially stable companies. More than every 8 of 10 Fortune 500 companies of 60 years ago is no longer around. We're all witnessing great changes in the way people harmonize with technology and data both in terms of consuming and doing business. Can you believe it? An Internet genius comes out



of all most nowhere and forces a whole industry to innovate that has been using almost the same internal combustion engine for over a century! Internet has boosted and still is, countries are on the race for 5G technology, cloud systems are more affordable than ever, very powerful software companies are destructively forced to collaborate and compete at the same time with open source freeware, people are getting on the SaaS (Software as a Service) train faster than ever. Among all facts, it's very well known and observed in Turkey that most real economy firms



**“So in short;** we measure, model, validate and optimize. We are able to tell a firm their probability of losing an exact customer among their hundreds of thousands customer base” said Atakan Yücel, Co-founder of Fanaliz.



what is called “Smart money”. It’s not just the amount of cash invested in the company, but the network you can reach and other plus sides such as corporate governance. Our know-how in analytics and decision support systems are the core value of the business. We are one of the very first firms to integrate with Turkish Credit Bureau(KKB) from where we receive the credit risk and cheque reports of the customers. We do have other integrations, and we can also use our customers internal data to assess it’s customers. If a data source is sustainable and validated, you can make sure that Fanaliz can use it as inputs.

***It’s going to get a little bit boring; but what about the regulations? You know, GDPR and if not, Turkish Personal Data Protection Law?***

Due to our integrations, we have to fulfill some technical and legal responsibilities that are both mandatory and we believe a firm must maintain. KKB has the right to audit us,

as the governmental services we are connected to are logged to the extreme extend.

**NO LICENCE FEES, NO SERVER COSTS, NO HIDDEN BILLS**

***So what exactly is your value add?***

We help companies make decisions by data. All of the decisions are logged and we know why decisions are made. So in short; we measure, model, validate and optimize. We are able to tell a firm their probability of losing an exact customer among their hundreds of thousands customer base. We are able to tell a company which of their customers they should call first that significant day if they want to maximize their collection. We do tell in seconds if a company should engage in economic activity with the prospects.

Being data driven, data itself, prediction of business issues are buzzwords these days in addition to robotic process automation, machine learning, artificial intelligence. Such tools and concepts need qualified personnel to work on and great computing power. We serve our customers as if they are purchasing gas or electricity. They pay no more than they use! No licence fees, no server costs, no hidden bills.

***How’s Fanaliz doing now?***

To be honest, we’ve seen some barriers in the market first. It’s quite difficult for people to give up the way they decide on working conditions with a customer. The liberalization of data, digitalization emphasis made by our government and trade chambers are the facts that help Fanaliz spread it’s customer base. Holdings and firms trying to tract start-ups, accelerators, venture capitals

and related ecosystem helps the company in terms of public relations, sales and a lot more. The unfortunate economic fluctuation last year was one of the reasons Fanaliz gained some customers, because firms became more aware of financial risk management. Decrease in liquidity and increase in risk forced firms to do trades either with longer instalments or higher interests; or they would choose to go with more fixed costs with less sales. Apart from that, some corporate firms to which we quoted for model building went on and chose to work with the consulting firms that are founded years and years ago and abroad. Being relatively a young firm horrifies the potential customer and they go with the known one. Thanks God, we’ve proven our system by means of our initial customers who believed in us. Now, we have a lot of stories to tell and case studies to show. We sign very strict non-disclosure agreements with our firms. If they allow us to share the review and make the project a case study, we talk about it the next related sales potential we live. For example, a customer of ours achieved more than 20% increase in sales and 50% decrease in the operational time after implementing Fanaliz to it’s sales process. We are doing much better and we know we have way to go. We envision being a global tool for credit risk management.

***Atakan, thanks for having me over. Any last words?***

We believe the power of data to solve real world problems. Companies that want to improve their structure based on data may reach us and we will be happy to share our experience with further discussions. ■



follow banking industry as technology is tested and implemented there first. We had to bring that technology and know-how to all of the firms. Tenant screening, car rental decisions and business to business (B2B) transactions are among our plug and play products.

***So, how did you do it? I mean, the foundation of Fanaliz.***

It had it’s own aspects; however, I can summarize it as finding partners, developing the product and fulfilling the regulatory necessities. To open it up, in start-ups, you need

## ONLINE PLATFORM

# OBILET.COM'S JOURNEY BEGINS

obilet.com is an online platform that allows users to purchase bus and airplane tickets. Including more than 100 bus and 1000 airline companies, obilet.com provides users with the opportunity to compare and find the most suitable tickets to quickly purchase or cancel without demanding any extra charges.

BY MELİKE HOCAOĞLU ÇAĞLIÖZ



# F

ounded in 2012, by then university students, entrepreneur co-founders Ali Yılmaz and Yiğit Gürocak, obilet.com is advantageous for travelers who prefer to easily book tickets via the internet. Having started with the idea of creating a platform that would pioneer online bus ticket sales in Turkey, obilet.com has always been innovative in terms of providing infrastructure

and support both for the bus companies and the users. Having difficulties finding suitable tickets in the middle of a busy student life, Yılmaz and Gürocak established a platform that could help students, who have increasingly started being keen on online shopping, to find tickets with no effort and quickly. Therefore, obilet.com was born and gradually dominated the sector.

#### WHY OBILET.COM?

obilet.com has reached 400 million visitors since the day it was founded and ranks among the most visited travel sites in Turkey.

With obilet.com's innovative approach, users find it easy to buy tickets. By choosing among the leading bus companies and airlines, users can quickly find the best tickets for them and buy them safely.

Obilet.com can be contacted 24/7, with live support and a call center to help users before and after their travels.

The need to use technology in the travel sector has been increasing ever since the introduction of the internet and smartphones. As travel is also a rising trend all over the world thanks to the influencer marketing and social media platforms, the interest in online travel has also started to increase. Constantly making travel plans online, users also prefer to buy their tickets online.

Affected by the global online travel sector, Turkey also showed significant development. In the 2018 report announced by TÜBİSAD, online travel became the most growing field in e-commerce with 54 percent annual growth.

obilet.com is innovative

in terms of the services provided to users. When choosing the bus seats, users can even see the direction of the sun and purchase accordingly. With the "Empty Alarm," the passengers are instantly notified about cancelled tickets and the additional seats that can be selected, making life easier both for the companies and the passengers.

Having been visited by more than 15 million users per month, obilet.com continues to grow together with more than 150 co-workers and through the strong bond it has created with its users. obilet.com can be contacted 24/7, with live support and a call center to help users before and after their travels.

obilet.com is also influential for bus companies and ticket agencies, providing perfect ERP solution and technological infrastructure for bus companies so that they can easily manage and ease their operations. Adapting to obilet's reservation system, trade partners easily and quickly learn and start using the system immediately, for ticketing and billing.

#### 2018-2019 TRAVEL SECTOR IN TURKEY

If we compare 2017 year-end data with 2018 year-end data, we can see that the number of passengers, which was 193 million in 2017, grew by 8% at the end of 2018 and reached 210 million passengers.

According to January 2019 data, a total of 14 million passengers preferred airway transportation. If we compare it with January 2018, it can be said that the number of passengers decreased by 4% with 14,7 million passengers.





In 2018, the online travel market reached \$590 billion worldwide. By 2020, the industry is expected to exceed \$ 800 billion.



Istanbul was ranked 9<sup>th</sup> in the world's most popular holiday destinations in 2017, according to the Mastercard Index, which surveyed 162 cities in 2017.

The fact that 2018 was chosen as the Year of Troy was also influential in the development of tourism. 2018 was a very effective year in terms of celebrating and preserving the cultural and historical heritage of the Trojan Museum.

Tourism revenue reached \$ 29.5 billion, an increase of 12.3% over the previous year. Over 190.6 million overnights, there was a 22.4% increase over the previous year.

As of April 6, all Turkish Airlines flights at Atatürk Airport are canceled and all scheduled flights have been transferred to the new Istanbul Airport.

In 2018, the online travel market reached \$590 billion worldwide. By 2020, the industry is expected to exceed \$ 800 billion.

According to the global travel industry, luxury camping is leading the global travel trends of 2018, while volunteer tourism, luxury health tourism, and authentic food tourism are also on the list.

TOBB E-commerce Assembly Member, Ticimax

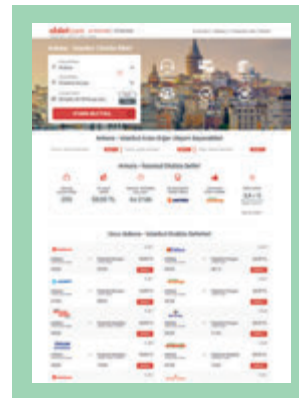


E-commerce Systems Founder Cenk Cigisi, a 57-percent decrease in the number of holiday-travel sites in the last 4 years, said the market size has grown 190 percent. According to these statistics, in 2018, Turkey ranks 14<sup>th</sup> in the world tourism revenue; 8<sup>th</sup> in the number of tourists.

Turkey's tourism dominance has returned in 2019. According to Germany's TUI AG, summer hotel reservations have increased by 40% compared to the previous year.

In the second quarter of 2019, 24 million visitors have visited Turkey, indicating a 17% increase in comparison with 2018.

Turkey has been visited most often by the tourists of England, Iran, Germany, Georgia, and Russia; 73% of international tourists have preferred air transportation.



*With obilet.com's innovative approach, users find it easy to buy tickets. By choosing among the leading bus companies and airlines, users can quickly find the best tickets for them and buy them safely.*

#### ENTREPRENEURSHIP AND TRAVEL SECTOR IN TURKEY

Approximately 200 million bus tickets are sold in Turkey each year and there are more than 300 serving bus companies. Therefore, the transportation market in Turkey is quite significant and sustainable. Qualified young workforce, cultural and natural resources, and various tourism activities enable Turkey to have an important tourism industry. Moreover, Turkey's vibrant economy is the 17<sup>th</sup> largest in the world with a GDP worth USD 857 billion. With a population of 90 million people, 60 percent driven by private sector, Turkey has the potential for economic growth.

Tourism is also an increasing power in the world. According to the World Tourism and Traveling Council, it is estimated that





tourism will be the greatest industry in the world in the years 2050s.

As such, tech entrepreneurship has been recognized as a key factor for achieving economic sustainability and growth while integrating the young population into the workforce. Currently, Turkey has more than 200 universities which offer degrees in technology, business and engineering. Therefore, Turkish tech-entrepreneurial ecosystem has a young workforce equipped with innovative and scientific thinking.

Moreover, as the country has candidacy for the European Union, Turkish business law, regulations and digital policies are largely in line with the EU guidance and the international standards.



Turkey's tech entrepreneurship ecosystem is one of the largest in the EMEA region. Turkey has especially proven success in e-commerce content and SaaS business models. Technology and the service that these companies provide evolve and develop according to the needs and the technological developments.

#### BLOG.OBILET.COM

blog.obilet.com has started with the intention of inspiring and helping travelers with various travel articles, travel tips, and guidance. Thanks to the content of the blog, readers are introduced to the most beautiful cities in Turkey and in the world.

Through planning their itineraries with the help of

blog.obilet.com, travelers can perfect their experiences by exploring the important historical, touristic and cultural structures and natural beauties that must be visited in the cities they have visited.

Questioning, researching, traveling and writing with great care, blog writers promote intercultural transport by introducing different cultures and inspiring those who would like to travel more. Through reading obilet's travel blog, travelers, who are in pursuit of exploring different cultures, can better connect with every part of the world and understand the region in which they are traveling.

By offering different alternative routes and holiday destinations, introducing the international and local festivals of the world and Turkey, recommending regions, ski resorts, beaches, hiking trails, national parks, as well as preparing city-specific food guides, the blog helps travelers to travel without difficulties. Readers can find all the tips on how to travel by bus and plane, how to find cheap tickets and campaigns, how to travel with children and animals, and information about check-in, baggage, visa, and passport procedures.

blog.obilet.com invites all travel lovers who wish to discover new tastes, new cultures, meet new people, and try new activities. ■





## HOLDING

# TURKISH POWER IN LATIN AMERICA

YILDIRIM Group of Companies is a Turkish industrial group, active in 9 different sectors and present in 51 countries on 4 continents. The Group subsidiaries represent a global force employing more than 13 thousand people worldwide.

BY MELİKE HOCAOĞLU ÇAĞLIÖZ

**T**he foundations of Yıldırım Group date back to 1963, when Garip Yıldırım established a modest construction materials trading company called Garip Yıldırım & Sons in Samsun, Turkey. The Group has continuously broadened its focus through new subsidiaries since its establishment. By entrepreneurship and constant innovation, it has evolved into an industrially diversified group of companies as well as one of the fastest growing Turkish industrial groups.

Nowadays Yıldırım is active in the sectors of metals & mining, coal & coke, energy, fertilizers & chemicals, port management, shipping & logistics, international trade,

construction & real estate and financial services.

Yıldırım Group's companies are well established among the world's top-ranked players in their respective industries. The mining subsidiary YILMADEN has achieved the position of world's 4th largest in the chromium industry and ranks 2<sup>nd</sup> largest in the High Quality High Carbon Ferrochrome production. The port management company YILPORT is currently listed as the world's 12<sup>th</sup> biggest container terminal operator while the company's goal is to rank among the top 10 by 2025. Moreover, Yıldırım Group has a major share in Turkey's fertilizer, coal and coke markets.



**Nowadays Yıldırım** is active in the sectors of metals & mining, coal & coke, energy, fertilizers & chemicals, port management, shipping & logistics, international trade, construction & real estate and financial services..

## STORY OF GROWTH IN LATIN AMERICA

When 9 years ago Yıldırım Group first entered the Latin American market, this part of the world was relatively unknown to most of the Turkish entrepreneurs. Even now, the Latin America's share still represents only around 2% in Turkey's total trade volume, however during the past decade we have seen mostly encouraging developments on both the commercial and diplomatic levels, such as opening of new embassies, continuing negotiations for Free Trade Agreements or increasing direct flight connections with the region.

Yıldırım's starting point for expansion to Latin America

was the trade of coal & coke, the key sector that stood also at the origin of the Group's successful growth. Colombia as the world's 5<sup>th</sup> biggest coal exporter was, naturally, a very interesting market for the coal business. It did not take long time for Yıldırım to recognize the potential that the region offers and only a few months after its initial trading experience, the company management decided not only to invest in Colombia but to establish Group's first-ever greenfield facility built from the ground up in the country. As a result, YILCOQUE was founded in 2013 in Cúcuta, with the main purpose to produce metallurgical coke required by Yıldırım's ferrochrome subsidiaries in Turkey, Sweden and Russia. The plant has 400 furnaces and can produce 150,000 tons of coke at full annual capacity.

Nowadays Yıldırım Group has become the biggest Turkish investor in Colombia. Besides operating the YILCOQUE plant, in 2016 Yıldırım acquired the biggest integrated coal mining project on the American continent, with over 700 million tons of proven reserves and 6 billion tons of resources. The project, developed by the Yıldırım's subsidiary Best Coal Company, is located in the Colombian department of La Guajira and is composed of 1 underground and 2 open pit mines, railroad and port projects.

The presence in Colombia has constituted a sort of entrance gate to the region and allowed Yıldırım Group to get a closer knowledge of the whole Latin American subcontinent. Having witnessed a significant economic progress over the past years, Latin America is continuing to strengthen its newly emerging middle class, which in turn drives domestic consumption and growth.



**YILPORT**, elaborated a comprehensive proposal for the modernization of the Port of Puerto Bolívar, located in the city of Machala in Ecuador.



However, one of the major factors that slow down the positive prospects for social and economic development is the lack of adequate infrastructure. It can be expected that a further growth of the region will be closely linked to the realization of the strategic infrastructure projects.

#### **AND THEN ECUADOR, PERU AND GUATEMALA PROJECTS**

In line with the considerations above, as well as encouraged by the positive investment experiences from Colombia, Yıldırım Group has started to focus on the infrastructure opportunities that the region is offering. In this respect, Yıldırım's port management subsidiary YILPORT, elaborated a comprehensive proposal for the modernization of the Port of Puerto Bolívar, located in the city of Machala in Ecuador. The proposal was submitted to the Puerto Bolívar Port Authority under the modality of Private Initiative and this marked the first time that a model of Private-Public Partnership was developed in Ecuador.

YILPORT Holding was awarded the Puerto Bolívar concession on 2015, while the framework agreement was signed on February 2016, during the ceremony organized on the occasion of President of Turkey Recep Tayyip Erdoğan's official visit to Ecuador, and with the presence of then President of Ecuador Rafael Correa.

The concession agreement has turned Yıldırım Holding into the biggest Turkish investor in Ecuador. YILPORT secured the rights to operate the Port of Puerto Bolívar for a period of 50 years and in return committed to execute its ambitious investment plan for the port, reaching the total amount of 750 million USD divided into 5 phases. After the realization of the 5 phases, with a total container capacity of 2,500,000 TEU, Puerto Bolívar is expected to become the biggest container terminal in Latin America.

The investment has a crucial importance for both YILPORT and the Ecuadorian State, as it represents a new strategic location to the

YILPORT's global network, and on the other hand, the increase of capacity and the improvement of shipping services will play a positive role in boosting the Ecuador's international trade volume.

The Port of Paita in Peru is under YILPORT's operations since 2015. With the capacity of 300,000 TEUs, Paita is the main port of Northern Peru and handles 10% of freight traffic in the country. YILPORT is currently working on the project of dredging and pier expansion in order to serve bigger vessels and increase the volume. YILPORT's vision for Paita is to turn the port into a strategic hub of intermodal connection in the Atlantic-Pacific region

Yıldırım Group's most recent addition to its Latin American assets is located in Guatemala. In 2018, the company took over the multi-purpose quay operations in the Terminal of Puerto Quetzal. Right after the takeover, YILPORT has started investing in Puerto Quetzal with 4 Mobile Harbor Cranes specially designed to load and unload up to super new Panamax-sized vessels. The aim of the investment is to attract more cargo to Puerto Quetzal on the Pacific Coast, as the effectivity and productivity in vessel operations is considerably increasing.

Yıldırım Group continues with its commitment to expand its Latin American presence and at the same time takes the pioneer role in promoting the region to its fellow investors in Turkey. Holding the presidency of Turkey-Ecuador Business Council and Turkey-Colombia Business Council at the Foreign Economic Relations Board of Turkey, Yıldırım is inviting Turkish and global business partners to discover the potential and the opportunities of Latin America. ■



## FOOD

# CHEESE FOR FOUR CONTINENTS FROM HALF A CENTURY OLD CHEESE EXPERT!

Muratbey leaves half a century behind in cheesemaking and transmits its innovative cheeses that are produced suitable for the healthy life trends to four continents.



**T**he story of Muratbey, the domestic brand of Turkey, started in 1960's. Erol family stepped into the cheese world in a small store in the historical district of Istanbul: Eminönü. And now they export the cheeses produced in their modern factory in Uşak that uses state of the last technology to four continents around the world. Brothers Necmi Erol and Recai Erol who transformed the best quality milk to delicious, healthy and innovative cheeses in their production facility that has 700 tons capacity in processing milk in one day with their love, fifty years of experience, and hard work. Along with creating new cheeses in 2 R&D centers, they are developing machinery and systems that will produce the cheeses.



**“We have received support from academicians and experts from various branches such as nutrition and dietetics, food, medicine, analytical chemistry, industrial design, communication-marketing”** said Muratbey Chairman of the Board Necmi Erol.

#### INTERNATIONAL “CUSTOMERS’ FRIEND” MEDAL AND “SUPERIOR EXCELLENCE” AWARD

Muratbey is the market leader in unique cheeses category with the innovative cheeses that they have developed by protecting the taste of traditional cheeses, irreplaceable components of any Turkish breakfast. In the last month, the firm deemed worthy of receiving the International “Customers’ Friend – Because It’s You We Care About” medal by one of the most important certification institutions of the world ICERTIAS from Switzerland. And the firm is also awarded Superior Excellence status because of connection and communication with consumers and customers.

#### THE ROAD OF INNOVATION STARTED WITH HELIX CHEESE

Muratbey has product range over 300 under the categories of Enriched Products, Innovative Products, Healthy Life, Gourmet, For Children, Treats, Traditional and most attention-grabbing innovative cheese of it is Helix (Burgu) Cheese.

The Helix was introduced to the Turkish market with “We’ve added intelligence to cheese and created Muratbey Helix” slogan, and it has a unique shape and taste. Its name in the export markets is Helix. Muratbey Chairman of the Board Necmi Erol said that the Helix is developed



to appeal to both the taste of the new generation and the ones focusing on healthy life and added: “We invented the machine produced the Helix. We have conducted so many consumer surveys before deciding the final shape, structure, and taste of the product. We have received support from academicians and experts from various branches such as nutrition and dietetics, food, medicine, analytical chemistry, industrial design, communication-marketing. Helix is loved by the whole world with its registered name in almost 60 countries. The mothers, especially, say that they can make their children eat cheese finally. The Helix makes us proud with its awards around the world. Lastly, it is awarded the “Best Cheese” by being in the first place in “World Dairy Innovation Awards 2018” that evaluates the most successful products in the dairy industry.”

Today, Muratbey is the only company that exports cheese to Europe from Turkey, and



*Lastly, it is awarded the “Best Cheese” by being in the first place in “World Dairy Innovation Awards 2018” that evaluates the most successful products in the dairy industry.*

it exports to many countries from Japan to Europe and especially the USA. And on top of that, it wins global awards with its unique cheeses. It continues to meet with cheese lovers around the world by participating in the most prestigious expos and organizations of the world.

#### CONTRIBUTES TO A HEALTHY LIFE WITH ITS CHEESES ENRICHED WITH VITAMIN D

The vision of the company is to develop products that will benefit community health around the world. And the company produced Muratbey Plus series enriched with Vitamin D to support solving vitally important Vitamin D deficiency problem increasing globally. And this is based on the fact that calcium can only be absorbed in body only in the presence of Vitamin D. The cheeses in the line includes 5 mcg (200 IU) Vitamin D in 100 grams.

Another innovative cheese of Muratbey is Misto cheese for children. Misto cheese supports the healthy growth of children and also delicious and fun to turn children into cheese lovers, even the ones do not like cheese at all. Low salted Misto meets the daily vitamin and mineral need in high amounts and contains 650 mg calcium, 16.50 gr protein, and 5 mcg Vitamin D in 100 grams. Misto and Plus line cheeses meet 33 percent of the daily Vitamin D need with its 100 grams. These cheeses are considered as “Perfect Vitamin D Sources” according to the American FDA standards.

The cheese king of Turkey that conducts “Women Adding Value to Cheese” project to support women who produce milk and defines them as milk fairies. And also, it aims to transmit its cheeses produced with the most quality milk, even the remote corners of the world. ■

## TECHNOLOGY

# BUILD YOUR DREAM IoT PROJECT

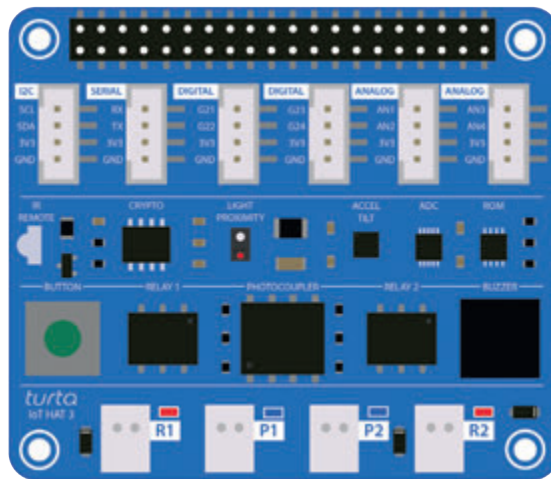
Turta designs and manufactures developer-oriented smart devices, IoT sensor boards to the global market and creates engineering how-to content.

**I**t all began with the idea of making some electronic circuit boards for a hobby. At that time, Umut Erkal, the co-founder was instructing smart technology conference series at the universities at different cities in Turkey. Umut made a do-it-yourself sensor circuit board to make teaching more practical. People loved that and showed their desire to purchase it, which was the beginning of the spark.

Turta entered the market with a simple add-on circuit board for Raspberry Pi computers. These are credit card-sized computers with a similar power of your smartphone. Turta's first Raspberry Pi add-on circuit was able to switch devices on and off such as desk lamps, fans, coffee makers, or control of door locks over the Internet. It was a straightforward device. Umut and a few friends built Turkey's maker movement together since his network included founders of all hardware stores in the region. They all placed the product on their online stores, and professional career of Turta began there.

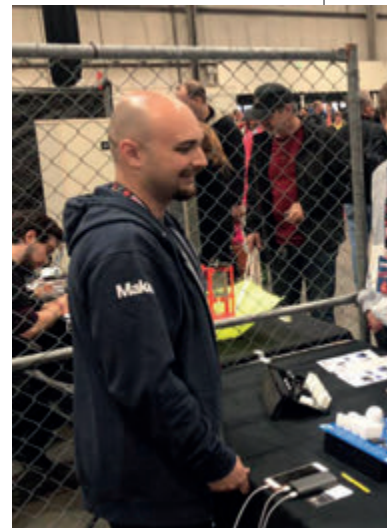
## HAVE AN MVP RECOGNITION FROM MICROSOFT

The advantage of entering the market with a relatively affordable and straightforward device helped to get on board for production, marketing, and customer relations with a reasonable budget. Turta might not have been as successful if it hasn't started small.



It was time to add something new to the product line. Umut also had an MVP (Most Valuable Professional) recognition from Microsoft, meaning they're doing events and hackathons together. One day, Microsoft asked him about organizing a countrywide Industry 4.0 training program. It was the time when Turta made its second, multi-functional education-oriented circuit board, designed for Microsoft's need. That device was carrying environmental sensors, industrial control inputs/outputs, infrared remote transceiver, motion-detecting sensors, and more than 20 functions on a credit card-sized device. It was the world's most advanced add-on for Raspberry Pi, that made Turta a promising brand. Together with Microsoft, they recorded an Industry 4.0 video training free for all. That was

*Turta has improved the modular sensor mechanism over and over again to improve the user experience.*



the time when the education series spread to thousands of students in 30 cities, thanks to volunteer educators worked as a team.

## TURTA RECEIVES A REQUEST FOR MAKING A COUNTRYWIDE IoT EDUCATION

After a while, Turta received a grant from TUBITAK (Scientific and Technological Research Council of Turkey) to make a modular IoT sensor system. Turta designed a modular sensor system consists of a tiny Internet-connected board and a smart socket for additional sensors. Turta modular system made it easier for beginners to learn the Internet of Thing without getting lost in the details. Turta has improved the modular sensor mechanism over and over again to improve the user experience. Just minutes after the final prototype tests are completed, Turta received a request for making a countrywide IoT education, backed by TIM (Turkish Exporters Assembly). It was super exciting to start selling a product in large quantities, minutes after you finished the product. Together with InovaTIM, Turta planned a training targeting 15.000 students in 35 cities. Turta has launched weeks of "Train the Trainer" activities and preparation, the education



*Umut and a few friends built Turkey's maker movement together since his network included founders of all hardware stores in the region.*



activities with the help of 500 volunteer educators. Thousands of students met with the Internet of Things with the support of the Ministry of Education. Many of them connected a device to the internet first time in their life. Young students learn that they can connect the world, is a game-changer. Above all, it was made with local Turkish hardware. That triggers more opportunities both for Turta and its students.

**TURTA ALSO WORKED ON A NEW CONNECTIVITY TECHNOLOGY CALLED NB-IoT**

Although the outcome of the event was excellent for the students, there were some misfortunes hidden in the background. The USD to Turkish Lira conversion rate was 1 to 4 when Turta signed the contract, but it raised over 1 to 6 on the production time. As electronic component deals are made by USD, they cost nearly got two times more



**Turta received a request for making a countrywide IoT education, backed by Turkish Exporters Assembly.**

expensive than projected. To avoid making students victimized, Turta continued with the production. That caused a monetary loss, and it was not so negligible for a start-up company. That was the moment when Turta decided to expand to the global market.

While working with educational programs, Turta also worked on a new connectivity technology called NB-IoT. It was a new cellular network standard for smart sensor devices, offering years of battery life. Turta worked with leading mobile operators to make first NB-IoT tests in Turkey and built some of Turkey's first NB-IoT based hardware.

**IT'S IN TURTA'S DNA TO TRY WHAT'S NEW**

Combining quality with simplicity also drew some attention of the Turkish aerospace industry. Some aircraft manufacturing companies in Turkey are using Turta modular IoT system to increase workplace safety and quality.

It's in Turta's DNA to try what's new. Last year they decided to open into the

global market. Turta opened its European company in Estonia. That allowed entering into the EU market with minimum cost and maximum flexibility. The process continued with an Amazon Europe store, learned how Amazon and its fulfillment work, and most importantly, how things work in the global market. However, the Estonian e-residency program is not optimized for physical goods businesses. There were difficulties on the customs side. So, the Estonian way of being global was not as great as expected. It was not the end but just the beginning of a more significant step.

At the beginning of 2019, Turta opens its global company, Turta LLC, in the United States with its co-founder Onur Tirpan. Since the prototyping process is much faster, there are no customs on supply-chain and no regulations on importing the production devices; Turta will continue its R&D operations in the US. That move brings more advantages, such as accessing to the established maker community, investor opportunities, and customers who can afford high-tech products.

Today, Turta combines production processes between China, Turkey, and the US. A production process that is optimized for the most beneficial production, a faster and smarter way to supply the needs of the current market.

Turta plans to expand into the AI-enabled device area, autonomous small-scale vehicle/drone controllers, modular and connected devices. There is a massive potential in the maker community. Combined with the industrial-grade hardware, Turta empowers makers to leverage their creations one step further. ■



# Agenda

FAIRS, EXHIBITIONS, SUMMITS, MEETINGS IN THE NEXT MONTH



06 - 08 OCTOBER  
REGNUM CARYA HOTEL, ANTALYA

## 10<sup>th</sup> TURKEY ENERGY SUMMIT

Organized under the auspices of the Ministry of Energy and Natural Resources of Republic of Turkey and with the support of the Energy Market Regulatory Authority (EMRA),

Turkey Energy Summit Turkey Energy Summit will be held between 6-8 October 2019, which unites senior-level representatives of public institutions and organizations of Turkey and regional countries with more than 1,500 national and international participants every year. Becoming a tradition as the "Biggest Gathering" of Turkey's energy markets, Turkey Energy Summit is the first and only organization that gathers the electricity, natural gas, fuel oil, and LPG markets under the same roof.

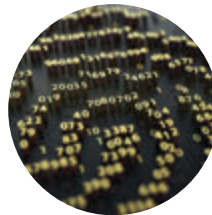
The effects of the transformation process in the energy markets of Turkey and the global energy markets, future trends, expectations and the needs of Turkey's energy markets in this process, changes created by digitalization in the sector, the change in the energy financing conditions, renewable energy conversion and all matters that are experienced in the East Mediterranean and the Middle East, which are of particular concern to Turkey and which affect the energy markets, are addressed in all aspects. While contributing to the future projections of the participants and the decision-makers, the Turkey Energy Summit aims to offer opportunities for the establishment of new collaborations in the region.

### 16 - 17 OCTOBER

12<sup>th</sup> Information Security and Cryptology Conference (ISCTURKEY) 2019

Authority, ANKARA

Organized by Information Security Association in cooperation with Gazi University (GÜ), Istanbul Technical University (İTÜ) and Middle East Technical University (ODTÜ) and supported by the Ministry of Transport, Maritime Affairs and Communications (UDHB) and the Information and Communication Technologies Authority (ICTA), participated by the European Network and Information Security Agency (ENISA) to the "European Cyber Security Month" platform activities, "12<sup>th</sup> International Conference on Information Security and Cryptology" will take place on 16-17 October 2019 in the conference hall of the Information and Communication Technologies Authority headquarters building.



### 9-12 OCTOBER

MAKTEK İZMİR 2019 FAIR

İzmir International Fair Center- MAKTEK İzmir 2019 Fair will take place on October 9 -12, 2019 İzmir International Fair Center Gazimemir, İzmir/ Turkey. The fair will be a significant stage in the development of the coordination and innovative collaborations between these strategic sectors.



### 30 - 31 OCTOBER

Smart Future World Expo: Smart Technologies Summit and Fair İstanbul Congress Center

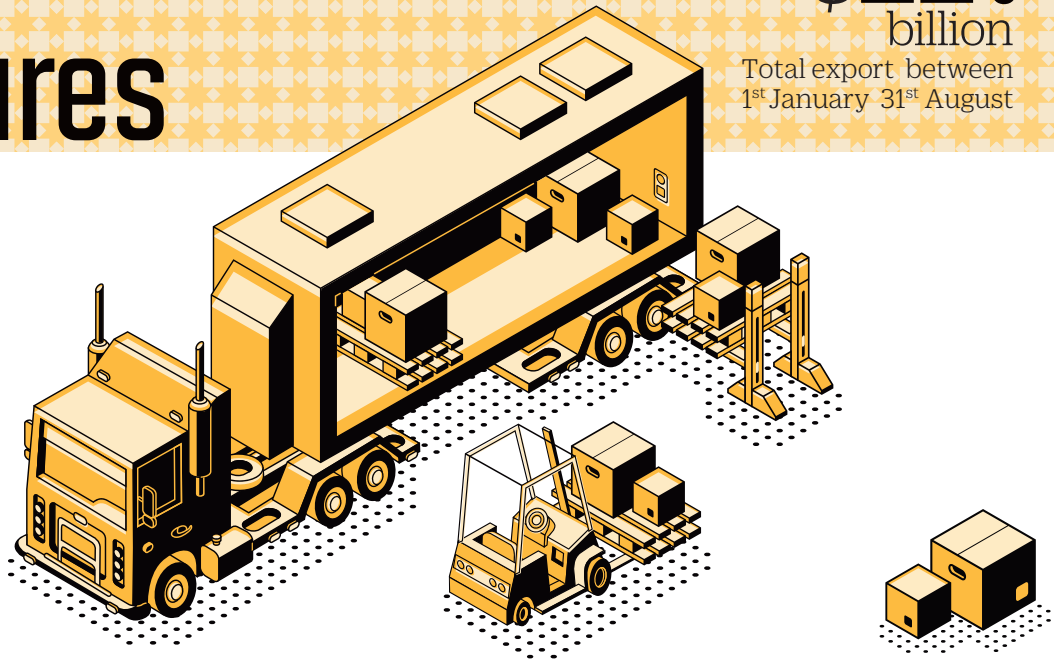
Turkey's most comprehensive technology and digital conversion event, Smart Future World Expo is the most important summit and fair of Turkey and the region, discussing the future based on digital transformation and intelligent technologies, which will take place in İstanbul Congress Center between 30-31 October 2019 with the slogan of "Digital SME Movement". Smart Future World Expo is organized with the support of important institutions and organizations of technology and the business world.



# Figures

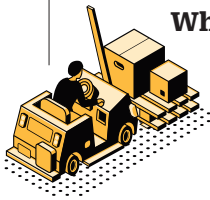
**\$117**  
billion

Total export between  
1<sup>st</sup> January 31<sup>st</sup> August








## TURKEY'S EXPORTS REACHED \$13.2 BILLION IN AUGUST, UP 1.7% FROM LAST YEAR

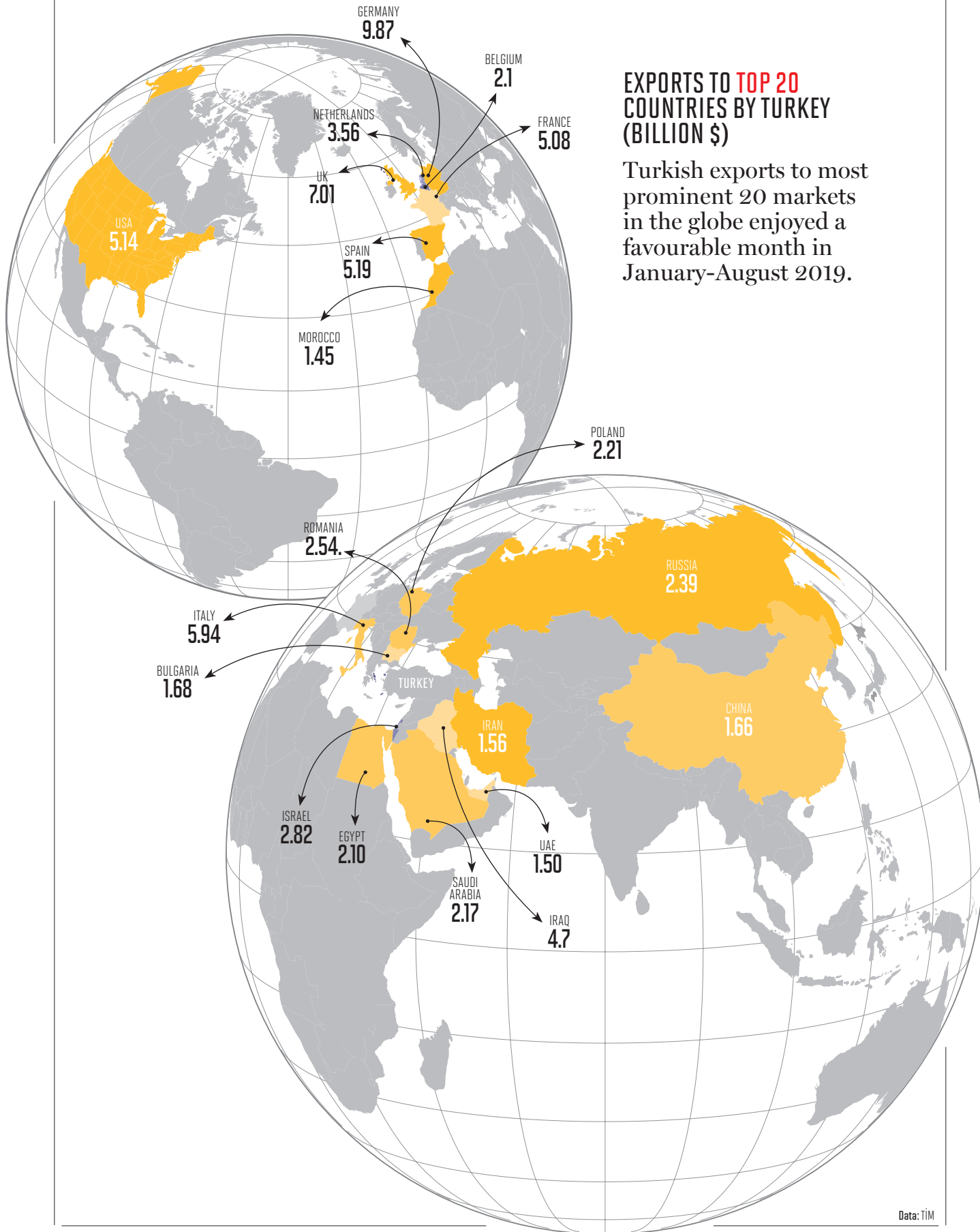
While the automotive sector reached the highest export figure in the 8-month period, the highest increase was realized in the defense industry.



The leader of August was the automotive sector, which increased its exports by 8.4 percent and reached USD 1.74 billion. The chemicals sector, which reached USD 1.63 billion with an increase of 19 percent, ranked second, and the Clothing and Apparel sector, which reached USD 1.4 billion with an increase of 1.2 percent, came in third. The sectors that increased their exports the most were Defense and Aviation with 46.5 percent increase to USD 175 million, Ornamental Plants with 30.2 percent increase to USD 6 million and Cement Glass Ceramic Soil Products with 29.5 percent increase to 286 million dollars.

SECTORS	January 1 - August 31 (Billion USD)		Total share in 2019 (%)
	2018	2019	
Automotive	20,8	19,9	17
Chemical	11,2	13,4	11.4
Apparel	11,7	11,8	10.1
Steel	9,5	9,4	8
Electronic	7,1	7,1	6.1

Increase Change Ratio % ('19/'18)				
Defense and Aviation	Chemical	Cement, glass, ceramic	Carpet	Machinery
				
38.2	18.9	18.2	9.2	9.2



# BOOK YOUR NEXT DREAM

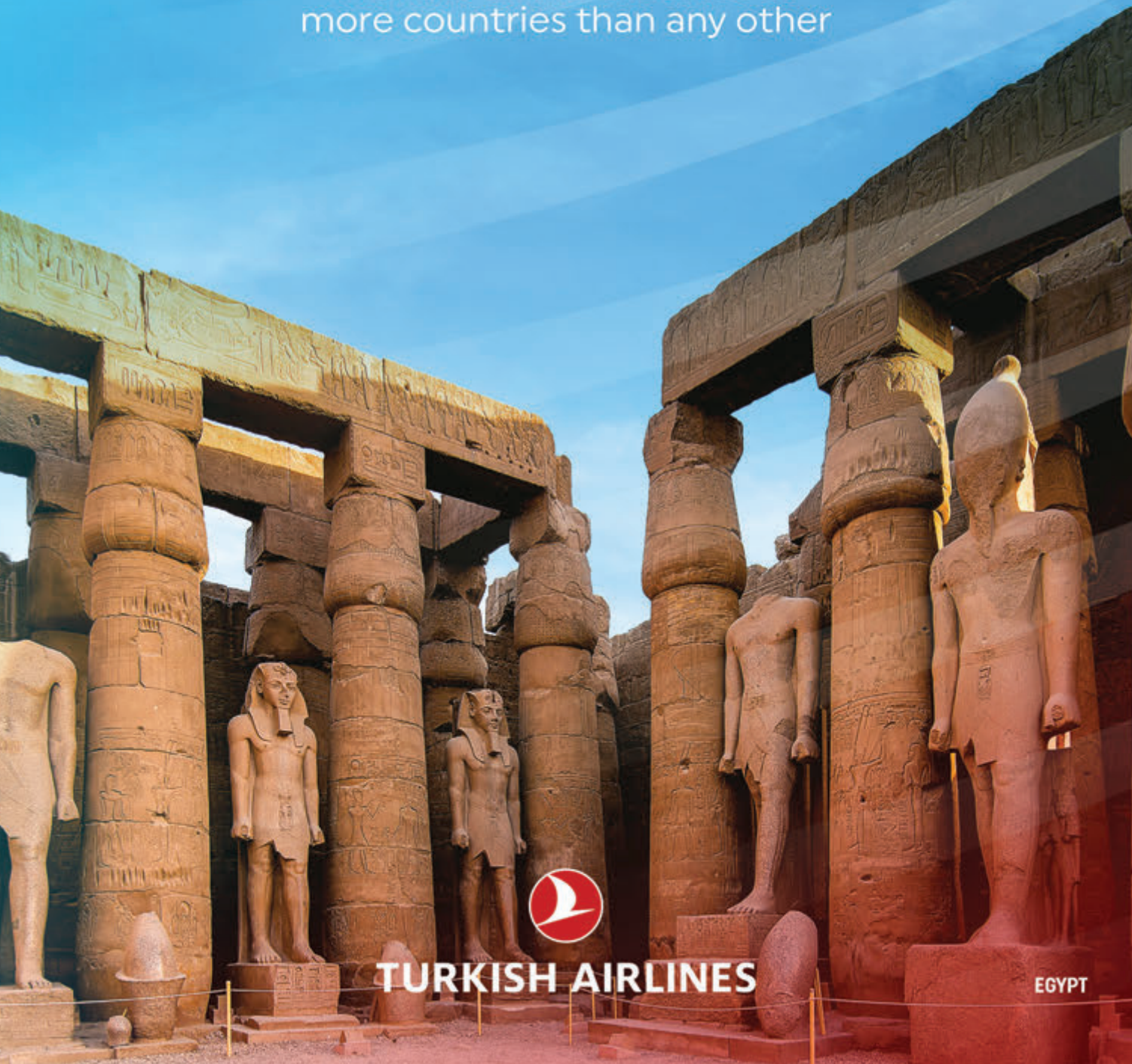
Enjoy your dream flight with the Boeing 787-9 Dreamliner.



**TURKISH AIRLINES**

# DISCOVER MORE: LUXOR

with the airline that flies to  
more countries than any other



**TURKISH AIRLINES**

EGYPT