

The Turkish Perspective

APRIL 2019 ISSUE 69

ECONOMY | BUSINESS | FOREIGN TRADE | ANALYSIS



**MAKE TRADE
NOT WAR**

TRADE WARS PUT THE WORLD INTO
A NEW ORBIT. THE REMAINING
COUNTRIES ARE CLEAR:
MORE TRADE

agility

/ə'dʒɪlɪti/

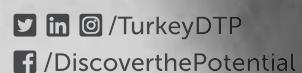
noun

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

Turkey

Discover
the potential

turkeydiscoverthepotential.com

 /TurkeyDTP
 /DiscoverthePotential

Contents

05 FIRST

- 05 | Updating Customs Union with EU is Priority
- 06 | Turkey Ready to Mass Produce Electric Buses
- 07 | First Domestic Automotive Laboratory is Established
- 08 | New partnership with Aston Martin
- 09 | Petrochemical Industry Zone to Ceyhan

11 BRIEFING

11 | BIRTHPLACE OF CIVILISATION: GÖBEKLİ TEPE

The world's earliest temple at Göbekli Tepe predate pottery, metallurgy, the invention of writing, the wheel and the beginning of agriculture.

11



13 | THE CULTURAL HERITAGE OF HUMANITY IS ENTRUSTED TO THE TURKS

18 | A TURKISH EXECUTIVE LEADING DERMATOLOGY INDUSTRY

19 | TURKEY IS THE HUB OF MANUFACTURING, MANAGEMENT AND TALENT

20 | NEW DELL TECHNOLOGIES RESEARCH: TURKEY IS THE MOST DIGITALLY MATURE COUNTRY OF EMEA

In a report revealing that emerging markets are the most digitally mature, Turkey comes first place in EMEA region in terms of digital maturity.

21 | KPMG'S ENERGY-2019 REPORT: TURKEY WILL BE A KEY COUNTRY IN LNG



34 COVER

MAKE TRADE NOT WAR

TRADE WARS PUT THE WORLD INTO A NEW ORBIT. THE REMAINING COUNTRIES ARE CLEAR:

MORE TRADE

42 INDEPTH



22 | TO FOCUS ON TURKEY'S INVESTMENT ENVIRONMENT

25 | SAMSUNG BOOSTS PRODUCTION IN TURKEY

Samsung is expanding its investments in Turkey, the largest market in MENA region.

26 | TURKISH EXPORTERS PREPARE FOR LANDING IN CHINA

28 | TURKISH AIRLINES PRESENTS NEW CABIN UNIFORMS AT ACCLAIMED FASHION SHOW AT ITB BERLIN

Attended by Turkey's Minister of Culture and Tourism



28

Mehmet Nuri Ersoy, this year's ITB Berlin witnessed the new stylish cabin uniforms of Turkish Airlines.

30 | TURKEY INAUGURATES INFRASTRUCTURE INVESTMENTS, HERALDS NEW ONES

53 BRANDS

53 | LEADING MOBILITY AND CONNECTIVITY TECHNOLOGIES

56 | A PARADIGM SHIFT IN TURKISH JEWELRY

58 | NATURAL FIBER REINFORCED COMPOSITES

60 | RAISING A GENERATION TO CHANGE THE WORLD

62 AGENDA

FAIRS, EXHIBITIONS, SUMMITS, MEETINGS IN APRIL

63 FIGURES

THE FIGURES OF TURKISH EXPORTS IN FEBRUARY, 2019

Online

theturkishperspective.com

The Turkish Perspective

MANAGEMENT

PUBLISHER ON BEHALF OF TURKISH EXPORTERS ASSEMBLY/ CHAIRMAN OF THE TURKISH EXPORTERS ASSEMBLY

İSMAIL GÜLLE

STRATEGIC PARTNER

PRESIDENT OF THE PRESIDENCY OF THE REPUBLIC OF TURKEY INVESTMENT OFFICE

ARDA ER MUT

MANAGER IN CHARGE

PROF. DR. KEREM ALKIN

PUBLICATION BOARD

M. İLKÖR AYCI
BİLA EKSİ
ENİSE DİDEM ELMAS
MEHMET FATİH BİLİCİ
MUSTAFA KAMAR
OKAN İNCE
FURKAN KARAYAKA

PUBLICATION MANAGEMENT

PRESIDENT
MEHMET MÜCAHİD DEMİR
mdemir@theturkishperspective.com

VICE PRESIDENT
YAŞAR MAMATİ

PROJECT COORDINATOR
AHMET DAMGACIOĞLU
adamgacioglu@theturkishperspective.com

EDITORIAL

EDITOR

TAMER İSITIR

REPORTER

ALPEREN CEVİKASLAN
BEKİR BİLGİLİ
İREM GÜNSÜN

EUROPEAN COORDINATOR
İNANÇ ATILGAN

CONTRIBUTORS
HÜSEYİN BARANER
HATİCE KÜBRA ERİSİR
SILA TÜRKPENÇESİ

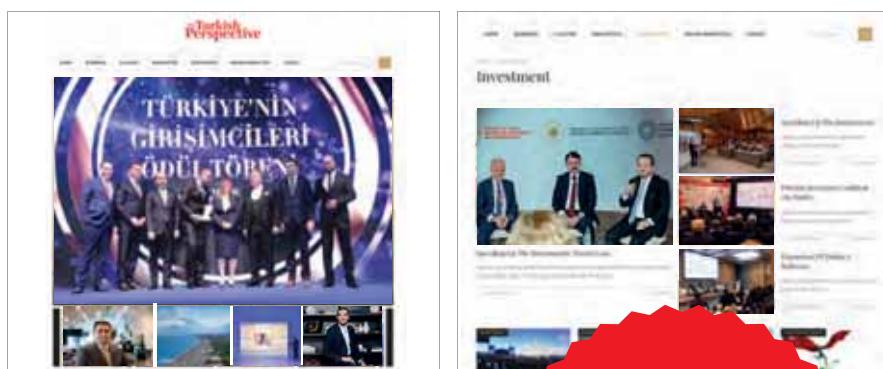
DESIGN

CREATIVE DIRECTOR
AHMET SAİD ÇELİK
acelik@theturkishperspective.com

PRINTING

PROMAT BASIM YAYIN SAN. VE TİC. A.Ş.
ORHANGAZI MAH.1673 SOK. NO.34
ESENÝURT-İSTANBUL/TURKEY
T.+90 212 622 63 63 F.+90 212 605 07 98
info@promat.com.tr

BUSINESS
CULTURE
INVESTMENT
INNOVATION AND SCIENCE
VIDEO OF THE DAY
NEWS
BRAND MARKETING



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

info@theturkishperspective.com

MEDYA^{TR}

CONTACT

T.+90 212 216 19 48
info@medyatr.com.tr
www.medyatr.com.tr

Neither text nor photographs from this publication may be reproduced in full or part without acknowledging the source and securing prior permission from the publisher.

Editorial



İSMAIL GÜLLÜ
CHAIRMAN (TIM)

BOTH PRODUCTION AND VALUE ADDED SHOULD INCREASE

Bringing women on in business is one of our efforts to disseminate exports to all parts of the population. The other one is the dissemination of export culture to Anatolia. For this purpose, we held the assembly meeting in Erzurum last month which was held in Gaziantep previously.

WHEN WE TOOK OFFICE, we promised to increase exports with all our enthusiasm and effort, and we said that we will implement many projects for this purpose. With our 83 thousand exporting companies, we have executed the duty for our country by breaking a record for exports in history of the Republic, despite all the difficulties in last year. With the new record, the first two months of this year did not disappoint us.

One of the first projects we implemented was the establishment of the TIM Women's Council, which we established in October. Women who are half of our lives, our mind, our love, our family, unfortunately, are not in the place they deserve in business life. We see and know that businesswomen, who are interrupted due to various reasons, face a higher number of problems than businessmen. We have established the Women's Council to solve the problems of women entrepreneurs and exporters, to increase the number of women in the export family and to develop projects in a wide range of areas. We have announced record exports in Ankara together with the TIM Women's Council, which was formed by the women working in the management and supervision boards of our Exporters' Associations.

In the statement we made with the Minister of Trade, Ruhsar Pekcan, she gave the good news that the Export Office of Women and Young Entrepreneurs was established. Such work will enable our women to reach the places they deserve faster.

On the other hand, in the last month we held the 2nd TIM Delegates Workshop with the participation of Minister of Treasury and Finance, Berat Albayrak and Minister of Trade, Ruhsar Pekcan. Representatives of our 27 exporters had directly conveyed their sectoral demands to the authorities. Our ministers quickly got back to these demands. In the automotive and leather industries, the SCT resettlement application has begun to have rapid results in the sectors. We would like to thank our government for showing that it supports the exporter at every opportunity.

Bringing women on in business is one of our efforts to disseminate exports to all parts of the population. The other one is the dissemination of export culture to Anatolia. For this purpose, we held the assembly meeting with Southeastern Anatolia Exporters' Association in Erzurum last month which was held in Gaziantep previously. Hosted by Eastern Anatolia Exporters' Association, which is responsible for 17 out of 81 Turkish provinces, we have discussed the problems of companies, we tried to analyze the opportunities. There is a great potential in Eastern Anatolia as in every side of the country. There are many investment opportunities to mobilize the potential of the region, which is also a very important point for the border countries and logistics.

On every occasion, we express that producing and exporting is not enough, it is absolutely necessary to increase the

value added. We also underline that this is firstly possible with the development of design culture. Our exporters' associations continue to maintain the work that we carried out and which has become country-wide with Design Week Turkey event, through the design competitions in their own sectors. Within the last month, our ready-to-wear and jewelry sectors made a final in design competitions, the most successful areas in creation of value added and we put a lot of importance to them. These kinds of competitions are the best tools for bringing designers together and introducing young talents to the industry.

We emphasize that as much as design, innovation is indispensable for value added. As TIM, which had been the first institution in Turkey for adoption of innovation concept, we have striven to create awareness and make the importance of this issue understood well through the events we have organized since 2012. This year's Turkey Innovation Week, will take place in early May. Internationally professionals will meet the public in Istanbul.

In order to achieve our goal "Turkey with foreign trade surplus", we will continue to create projects in order to increase the value added of our exports with both women's participation in production and expansion to Anatolia, as well as design and innovation.

Wishing that the spring will bring peace and economic growth to our country...

More than 65.000 companies have INVESTED IN TURKEY



how about you?

average annual real
GDP growth rate

5.5%

2002-2018

average annual real GDP
growth rate forecast in OECD

5.2%

2015-2025

13th

largest
economy in
the world

GDP at PPP prices, 2017

more than

804.000

university graduates
per year

82 million

of population
with half under the age of 31

INVEST IN TURKEY

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

Content: Updating Customs Union with EU is Priority **P05** Turkey Ready to Mass Produce Electric Buses **P06** Çimsa to Buy Cement Plant in Spain **P07** New partnership with Aston Martin **P08** Nike to Set up Factory in East Turkey **P08** Petrochemical Industry Zone to Ceyhan **P09**

First

FOREIGN TRADE, PRODUCTION, PURCHASE, AUTOMOTIVE, REAL ESTATE, ECONOMY, INVESTMENT, INDUSTRY, BUSINESS



FOREIGN TRADE

UPDATING CUSTOMS UNION WITH EU IS PRIORITY

Turkey and the European Union have compromised on that the existing customs union needs to be upgraded, during the high-level talks held in Istanbul.

TOPIFICIALS from Turkey and European Council have met for the third High Level Economic Dialogue Meeting in Istanbul. Participated by the numerous business people and officials, the issues of visa exemption, update of customs union,

promotion of bilateral investments, political and trade relations, and economic reforms has been discussed in the meeting.

“We addressed the importance of the dialogue in light of the recent global developments,” Minister of Treasury

and Finance, Berat Albayrak told a joint press conference. Laying emphasis on the “quite fair” trade balance between Turkey and the EU, Albayrak said: “We agreed on strengthening economic cooperation in a sensitive approach.” Also mentioning the update

of customs union, Mr. Albayrak stressed that the agreement should be realized as soon as possible for the benefit of both sides.

According to the latest data from Turkish Statistical Institute, foreign trade volume between Turkey and the EU valued \$164.8

Minister Albayrak and Vice President Katainen met for the 3rd high-level economic dialogue.

billion in 2018, up 3.6 percent year-on-year. Last year, the country’s exports to the EU totaled \$84 billion, making the 28-member block Turkey’s main trade partner. Turkey’s imports from the EU totaled \$80.8 billion, over the same period. ▶

Speaking right along side Mr. Albayrak, Vice President of European Commission, Jyrki Katainen asserted that Turkey is the top trade and investment partner of the bloc with deep relations including concrete cooperation on migration, energy, security, environment, and transportation. Mr. Katainen reminded that a €275 million (\$315 million) agreement to be signed following the conference for co-financing the Halkali-Kapikule Railway Line Project, which connects Istanbul to the border crossing with Bulgaria, as a genuine part of the EU's freight transport strategy.

Underlying the significance of maintaining political dialogue instead of microphone diplomacy, Mr. Katainen noted that talking to each other is always more vital than talking about each other. He also said that despite its candidate status for the EU membership, Turkey is seen as a European country. Mr. Katainen dubbed the economic reforms planned by Turkish officials "promising, interesting, and needed" as well.

Minister Albayrak stressed that the agreement should be realized as soon as possible for the benefit of both sides.

PRODUCTION

Turkey Ready to Mass Produce Electric Buses



TURKEY HAS all the means to become a mass producer of electric buses, the General Manager of bus manufacturer Temsa said. Hasan Yildirim stressed that the Turkish automotive market entails great opportunities and offers great potential.

"If you look at the number of cars per 1,000 inhabitants — a critical metric for Europe — in Turkey it's 183, in Italy it's 704, in Poland 683, and in Bulgaria nearly 500. Looking only at these numbers we can clearly see that

the Turkish market offers great opportunities," he said.

By 2050, two-thirds of the world's population is expected to live in cities, Yildirim said, adding that the automotive sector will have a big role to play in improving the quality and comfort of life. Yildirim expressed confidence that Turkey's infrastructure investments will grow parallel to the sales of electric vehicles in the country. He also revealed that Temsa currently has three electric bus models ready for mass production.

PURCHASE



ARÇELIK BUYS SINGER BD'S 57% STAKE

Home appliances company Arçelik has agreed to buy Netherlands-based Retail Holdings Group which has a majority stake in Singer BD, one of the leading home appliance retailers and manufacturers in Bangladesh, to enlarge its foothold further in Asia-Pacific market.

Under the agreement, Arçelik's wholly owned subsidiary Ardutch B.V., would acquire Retail Holdings B.V., the company that controls 57 percent of Singer BD shares in a deal worth of \$75 million.

Singer BD is the largest retailer of consumer durables, with 385 stores and 720 wholesale dealers, in Bangladesh. Its turnover in 2018 was Tk 13.70 billion (approximately \$164 million) and net profit after tax was Tk 920 million (approximately \$11 million).

THE TURKISH MARKET OFFERS GREAT OPPORTUNITIES

Number of cars per 1,000 inhabitants (a critical metric for Europe)



AUTOMOTIVE



FIRST DOMESTIC AUTOMOTIVE LABORATORY IS ESTABLISHED

Aiming to reduce foreign dependency and turn Turkey into a production-base, Independent Industrialists' and Businessmen's Association (MÜSİAD) carried out a significant work in domestic and national automotive production. In Kocaeli, the first domestic automotive laboratory TESTTURK Inc was established with the joint venture of 20 businessman members of MÜSİAD for the purpose of testing automobiles, tractors and construction equipments.

Enabling the country to keep 10 million TL intrastate by the moves done and works performed, TESTTURK Inc has the intent of closing a nation-wide crucial deficit in field of Defence and Space Industry through investing TRY 100 million till 2023.



PURCHASE

Çimsa to Buy Cement Plant in Spain

Turkey's Çimsa has agreed to buy a white cement plant from Spain-based Cemex.



CIMSА ÇIMENTО, one of Turkey's largest cement producers, has announced that it has agreed to buy a white cement plant from Spain-based Cemex.

The company said in a filing with Borsa Istanbul that it will pay \$180 million for the Bunol cement plant. "Talks regarding the sale agreement are still ongoing," Çimsa added.

The acquisition of the cement plant in Spain will be carried out either by an existing subsidiary abroad or a subsidiary to be established for this purpose, Çimsa explained.

Çimsa, owned by Sabancı Group, was founded in 1972. It conducts its operations with its five integrated plants in the provinces of Mersin,

Eskişehir, Kayseri, Niğde and Afyonkarahisar; a grinding facility in Ankara, and cement packing facilities in a terminal in the Marmara region and Malatya.

According to the information on the company's website, Çimsa is one of the first three brands in the world in white cement production.

It has terminals in Hamburg (Germany), Trieste (Italy), Sevilla (Spain) Alicante (Spain), Famagusta (Northern Cyprus) Constanța (Romania) and Novorossiysk (Russia).

Consolidated net sales of Çimsa increased by 14 percent to TRY 1.7 billion (\$311 million) in 2018 from the previous year, while its net profit declined by 32 percent to TRY 155 million.

ÇIMSА IS ONE OF THE FIRST 3 BRANDS IN WHITE CEMENT PRODUCTION IN THE WORLD

**TRY 1.7
BILLION**

CONSOLIDATED NET SALES
OF ÇIMSА IN 2018

**TRY 155
MILLION**

NET PROFIT IN 2018

REAL ESTATE



PROPERTY SALES TO FOREIGNERS SKYROCKETED

The amount of house sales to foreigners soared 92.1 percent year-on-year to 3,321 units last month, according to the Turkish Statistics Institute (TURKSTAT).

Revealed data show that the same figure was up 78 percent last year compared to 2017, while it rose nearly 82 percent on an annual basis in January.

As the figures reported, İstanbul was the most preferred location among buyers with 1,440 sales in the month. Prominent resort city Antalya follows it with 672 and the capital Ankara with 196.

Iraqis took 1st place in the list of buyers with 628 properties, followed by Iranian, Russian, Afghan and Jordanians with 307, 236, 166 and 150 house sales, respectively, the data showed.



ECONOMY

TURKISH ECONOMY GROWS 2.6% IN 2018

While the economy of Turkey grew 2.6% in 2018, it shrank 3% in the last quarter of same year according to the data published by the country's statistical authority TURKSTAT. Expectations were down by 2.6 percent in the fourth quarter and growth by 2.5 percent for the whole year.

Turkey's gross domestic product (GDP) at current prices increased by 19.1 percent in 2018 compared to the previous year, amounting to 3.7 trillion Turkish liras (some \$784 billion), TurkStat said.

The institute noted that the value added increased by 1.3 percent in the agricultural sector and 1.1 percent in the industry sector last year, while decreased by 1.9 percent in the construction sector. The total value added of the services sector, consisting of trade, transportation, accommodation and food service, increased by 5.6 percent.



PARTNERSHIP

NEW PARTNERSHIP WITH ASTON MARTIN

Ak Automotive, has geared up for a new partnership with Aston Martin, one of the most prestigious automotive brands in the world.

In this scope, Turkish Ak Automotive has started working on the British luxury car manufacturer's pedal molds and engineering services. Ak Automotive Production Manager Canan Gökmən stated that the company intends to be one of the top five companies in the Turkish mold industry. After stepping into the sector in 2015 in Bursa Nilüferköy, they moved their operations to Bursa Organized Industrial Zone in the last quarter of 2018, she added.

Gökmən said that they strived to invest in new machinery and equipment with high technology to increase the capacity and quality of their new facilities. "In our new plant, we made an agreement to add a large size press trial to our machine line, which has a very important place in our sector," she said. "With the press to be commissioned soon, we will increase the quality of our products and double our capacity."

INVESTMENT

Nike to Set up Factory in East Turkey



International sportswear brand Nike will establish a factory in eastern Turkey and provide 5,000 jobs, Turkish President Recep Tayyip Erdogan said. Erdogan vowed to make

the eastern province Turkey's manufacturing hub, adding that the government will continue to support the textile industry in Ağrı. Taking its name from an ancient Greek goddess of victory,

Nike is sponsoring many football teams including national teams of Brazil, England and France as well as Spanish club Barcelona. Nike is also the official apparel supplier for NBA -the American top-tier basketball league - since July 2017. It currently sponsors Turkey's national football team, Istanbul-based football club Galatasaray and basketball heavyweights Fenerbahçe Beko.

BUSINESS

TURKISH BUSINESS CONFIDENCE JUMPS 5 PERCENT

The business confidence index increased by 5 percent on a monthly basis to reach 102.1 in March, the Turkish Central Bank said on March 25.

That followed the 4.5 percent month-on-month improvement in business sentiment recorded in February.

The 100-point level on the index separates optimism from pessimism.

Seven of the business sentiment survey's eight main sub-indices rose in March on a monthly basis, the Central Bank data showed.

The sharpest increase was registered in the sub-index measuring the total amount of orders in the past month. The related index soared 16 percent in March compared to February. The sub-index related to the total amount of current orders also increased 11 percent on a monthly basis.



INVESTMENT**\$30 MILLION GEOTHERMAL GREENHOUSE OPERATIONS**

The development of a \$30 million geothermal greenhouse operations project has been kicked off in Kırşehir, Turkey.

The project of planned around 477 hectares will significantly increase Turkey's geothermal greenhouse operations. The project is developing a greenhouse on 477 hectares of land in Karakurt village of Kırşehir.

Underlining the point that geothermal resources of Kırşehir and health management have a significant potential in greenhouse, Kırşehir Mayor Yasar Bahceci said "This investment is extremely valuable for Turkey and Kırşehir. Currently there are 4,300 hectares in total installed geothermal greenhouse area of Turkey. Here we make a significant increase in investment size, corresponding to almost 8 percent in Turkey" found in the descriptions.

**INDUSTRY****Petrochemical Industry Zone to Ceyhan**

Ceyhan Petrochemical Industrial Zone project will position Turkey as the global production base in the field.



THE CEYHAN Petrochemical Industry Zone project slated for Ceyhan, Adana, an intersection in terms of supply and demand, will contribute \$2 billion to the reduction of foreign dependency and thus the current account deficit in petrochemical products. Standing out as the biggest project of the petrochemical industry, one of the most important development resources of developed countries, the Ceyhan Petrochemical Industrial Zone project will position Turkey as the global production base in the field. Gearing up for the first investment in the Ceyhan Petrochemical Industrial Zone with Algeria's national energy company Sonatrach and South Korean GS Engineering and Construction (E&C), Rönesans Holding will

undertake the management and infrastructure development of the region with the Dutch Port of Rotterdam, which is also serving as a front in attracting international investors to Ceyhan.

The introductory meeting of the Ceyhan Petrochemical Industry Zone, in which Rönesans Holding is taking part as the managing company in cooperation with the Dutch Port of Rotterdam and the Adana Chamber of Industry (ASO), was held yesterday in Adana. Participating in the event was Minister of Environment and Urbanization Murat Kurum and Rönesans Holding Chairman Erman İlhak along with the representatives from the Algerian, South Korean and Dutch partners of the \$8 billion investment.

**FOREIGN TRADE****KAPIKÖY CUSTOMS GATE WILL ENLARGE TRADE VOLUME WITH IRAN**

The Kapıköy Customs Gate in the eastern province of Van, which has been modernized with an investment of TRY 112 million with the aim of developing tourism and trade with Iran, with which Van has the longest border, will be contributing significantly to the regional economy.

The customs gate, the foundation of whose modernization was laid in the Saray district in Van over two years ago, was opened on March 19.

Bilateral trade between Turkey and Iran is poised to be increased with the Kapıköy Customs Gate; established by the Ministry of Trade on an area of 70,000 square meters, it has all of the up-to-date equipment such as an x-ray scanning system, search hangar, a smuggled goods warehouse, luggage x-ray unit for passengers, camera systems, passenger hall and social reinforcement areas.





Turkey's New Entrepreneur Force

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



TEB

STARTUP HOUSE

Content: The Cultural Heritage of Humanity is Entrusted to The Turks **P13** Special Preparation For Guest of Honor **P14** Heaven on Earth: Antalya **P16** A Turkish Executive Leading Dermatology Industry **P18** Turkey is The Hub of Manufacturing, Management and Talent **P19** New Dell Technologies Research: Turkey is The Most Digitally Mature Country of Emea **P20** Samsung Boosts Production in Turkey **P25** Turkish Exporters Prepare For Landing in China **P26**

Briefing

TOURISM, CULTURE, MANAGEMENT, INVESTMENT, DIGITALIZATION, ENERGY, INTERVIEW



TOURISM

Birthplace of Civilisation:

GÖBEKLI TEPE

The world's earliest temple at Göbekli Tepe predate pottery, metallurgy, the invention of writing, the wheel and the beginning of agriculture.

BY İREM GÜNSİN

The oldest temple in the world, Göbeklitepe is about 7,500 years older than the Egyptian Pyramids and Stonehenge Monument. The ancient site, which had been on UNESCO's World Heritage Tentative List since 2011, was included in the prestigious list. The decision came during the 42nd UNESCO World Heritage Committee session in Manama, Bahrain.

According to Dr. Klaus Schmidt, director of the excavation at Göbeklitepe, the site dates back 11,500 years, to the tail end of the Stone Age. The predominant understanding was that during this time, hunter-gatherers roamed the Earth, never settling, living as each day came. The huge Göbekli Tepe complex, however, brings this view into question.

The eldest human trace in the history of earth changes everything we'd known.

It consists of large, T-shaped pillars with animal carvings, huge stone rings, and a vast amount of rectangular rooms, many believed to have religious importance. One theory is that this site was not used for domestic purposes, but for rituals and sacrifices and the site at Göbekli Tepe is believed by some to be the oldest religious complex known to modern



President Recep Tayyip Erdogan made the official opening of Göbekli Tepe with Chairman of Doğuş Group Ferit F. Şahen.

man. For this reason, the site has often invited breathless comparisons to the “origin of religion,” which has long been associated with the Fertile Crescent and the ancient Sumerians, who invented written language.

Announcing that 2019 was declared as the Year of Göbekli Tepe, President Recep Tayyip Erdogan made the official opening of Göbekli Tepe by his speech following: “We are announcing 2019 as the year of Göbekli Tepe. Not only Göbekli Tepe but also Gaziantep, Mardin, Adiyaman provinces will be included in this business. This ancient settlement area has that attractive nature to the attention of the whole world.”

Doğuş Group, the

The discovery of Göbekli Tepe has the potential to change much of our understanding of the dawn of civilization.

Turkish-based international conglomerate, has already invested \$15m in Göbeklitepe – a major archaeological site home to the oldest cult structure in the world. According to the partnership with the Turkish Ministry of Culture and Tourism will see Doğuş Group become the sole partner of the major Neolithic site. “Göbekli Tepe is our zero point in time,” Chairman of Doğuş Group Ferit F. Şahen said in a press release. The sponsorship of Doğuş Group at Göbeklitepe was shown as a case study within the scope of “private institutions in the long-term support of cultural heritage” in the 40th UNESCO World Heritage Committee held in Istanbul in July 2016.

FIRST ATTEMPT OF PERMANENT SETTLEMENT

Equally curious is the fact that before this discovery, there was no evidence of hunter-gatherers ever erecting large monuments and buildings, making this perhaps the world’s oldest known architecture. Nearby the site is Karacadağ Mountain, a mountain that geneticists believe to be the birth place of many of today’s cultivated grains. It’s theorized that Göbekli Tepe could be showing us a transition period, depicting nomadic cultures’ first attempt to farm, which would later bring about permanent settlement.

The discovery of Göbekli Tepe has the potential to change much of our understanding of the dawn of civilization, and especially the role that agriculture played. It had previously been assumed that permanent human settlements first arose when humanity gained the ability to farm – which allowed them to live a more stable life than hunting and gathering did. However, the construction of Göbekli Tepe predates the development of agricultural practices by quite some time, suggesting that some humans



LYCIA MUSEUM

The museum includes features on Lycian culture, artefacts, the life of St Nicholas, the early era of Christianity, second century ancient pier management. In one area of the museum, reflections on Lycian artworks are interpreted.



GÖBEKLI TEPE

The Göbekli Tepe ancient site is remarkable with the first patriarchal thought, the first terrazzo flooring and the first statues and reliefs of the Neolithic Age. The first agricultural activity may have been conducted in this region.



MUSEUM OF TROY

Located 800 meters from the archeological site of Troy, museum is honoring this heritage and is a medium to tell the rich history of Troy in relation to its natural, cultural, artistic and archeological context.



ZEUGMA MUSEUM

The splendid collection of Zeugma Mosaic Museum in Gaziantep alone is probably sufficient to attract enthusiasts of history and culture to visit Turkey. The “Gypsy Girl” mosaic is considered to be the most important artifact of the museum.

had created permanent settlements long before they started farming.

FASCINATING SIMILARITIES

The depictions of vultures at Göbekli Tepe have parallels at other Anatolian and Near Eastern sites. The walls of many of the shrines at the large Neolithic settlement of Çatal Höyük (in existence from approximately 7500 BCE to 5700 BCE) in south-central Turkey were adorned with large skeletal representations of vultures.

One theory put forward to explain the prominence of vultures in the early Anatolian Neolithic is in the context of possible excarnation practices suggesting a funerary cult. After death, bodies would have been deliberately left outside and exposed, perhaps on some kind of wooden frame, where their skeletons were stripped of flesh by vultures and other birds of prey. The skeletons would then be interred somewhere else. Perhaps the ritual of excarnation was the focus of a cult of the dead practiced by the inhabitants of Göbekli Tepe, as it certainly seems to have been elsewhere in Anatolia and the Near East in the Pre-Pottery Neolithic.



BOĞAZKÖY MUSEUM

The museum located in the scene where excavation uncovered the artifacts from the museum and around the store and exhibit. It's dominated by the works of the Chalcolithic period, Early Bronze, Hittite, Phrygian, Roman and Byzantine periods.

CULTURE

THE CULTURAL HERITAGE OF HUMANITY IS ENTRUSTED TO THE TURKS

The precious legacies of ancient civilizations are being unearthed by the archaeological excavation and restoration works of the Turks for 200 years.

BY SILA TÜRKPENÇESİ



ANATOLIA HAS BEEN the home of many civilization, empire, and perhaps the first civilized people in the world. It is possible to see the traces of this magnificent past that started with the Early Neolithic age in almost every city of the country. The archaeological excavations in Turkey started in the early 1800s and late in 1800s, one of the world's largest archaeological museum, Istanbul Archeology Museum was founded, led by Turkey's first official archeologist Osman Hamdi Bey. This historical remains and artifacts found in this land remind us that how much Turkey has a great cultural heritage. Archeology and restoration work carried out in Turkey, which hosts the most eminent example of world cultural heritage,

The Hagia Sophia was built by two famous architects of the period, in line with the order of Emperor Justinianos.

unearth the hidden aspects of history each passing day.

THE PLACE WHERE TWO CIVILIZATIONS MEET: HAGIA SOPHIA

Located in Sultanahmet, Istanbul, the ancient Hagia Sophia is considered to be the heart of the city. From the Byzantine period until today; many earthquakes, fires, attacks and looting have been seen in the building but it still standing. It still retains its mystical and fascinating texture.

It is the largest church built in Istanbul by the empire,

goes back the Eastern Roman Empire. The structure, which was of great importance at the time in terms of religion and politics, was one of the most important symbols for the empire. Its location points to one of the 7 hills of the historical peninsula and watches Istanbul with all its splendor where it stood, since the Byzantine period.

The Hagia Sophia, which we saw today, was built by two famous architects of the period, in line with the order of Emperor Justinianos. In order for structure to be more glorious by the command of the Emperor; From Egypt, Ephesus Artemis, Syria, Anatolia; In other words, the most beautiful architectural pieces from all over the world were collected and used in the architecture of Hagia Sophia. In the period, the church, where coronation ceremonies were held, served as a cathedral for the empire.

Having an inestimable value historically and architecturally, Hagia Sophia has been visited by world-famous voyagers throughout history. It has seen the greatest damage during the fourth Crusade had occurred; many places of the structure were destroyed during the occupation, burned and looted.

In 1453, after the con-

quest of Istanbul by Sultan Mehmet the Conqueror, Hagia Sophia was repaired and strengthened. The building was converted into a mosque by the order of the Sultan. The most famous architect of the time was Sinan the architect. According to the static calculations made by the architect, the minarets serve as supporting pillars for Hagia Sophia. This is one of the biggest reasons that structure had been able to make it today. It has been restored throughout the Ottoman Empire period and has undergone many restorations, thus the best protection ensured for the building.

After the proclamation of the Republic, Hagia Sophia, which was converted into a museum in 1935, was opened for the visit of local and foreign tourists. The structure, which has become the symbol of Turkey, considered to be the eighth wonder of the world according to several researchers. Some of the maintenance, repair and restoration works are still in progress. In order to protect the structure and to prevent the situation that visitors miss out the chance of seeing the structure, government has taken great care and provided

Many archaeological
artefacts were found
during the work that
started in Yenikapi.

the restoration of the building into sections. Although some of the restoration work are still in progress, for the visitors whishing to see, the doors of Hagia Sophia is open every day.

ISTANBUL'S SURPRISES KEEP COMING

Along with the restoration works carried out in structures which became symbols of Turkey, archaic and immense historical background of the geography shows up with some surprises as well. One of them is Yenikapi excavation.

For the first time in history, a metro project under the Bosphorus was being designed to connect Asia and the European continent. Many archaeological artefacts were found during the work that started in Yenikapi. The Metro project area is one of the most comprehensive archeological excavation sites in Istanbul. The most surprising of these pieces is the Byzantine-era Theodosios Port, one of the largest ports of the ancient world that we know.

After the archaeological studies that continue day and night, there are many artifacts and findings were discovered that belong to the Neolithic, Byzantine, Hellenistic, Classical, Roman, Ottoman and Republican periods. The unique history of Istanbul is once again revealed.



TOURISM

SPECIAL PREPARATION FOR GUEST OF HONOR

Prepared to break the record of the year in tourism, Turkey identifies specific strategies for the target markets. In 2019, there will be special offer for Russians in many areas.

RIGHT AFTER WIDE coverage by Frankfurter Allgemeine Zeitung (FAZ), one of Germany's leading daily newspapers, Turkey just appeared in a special 16-page publication prepared by Komsomolskaya Pravda, one of Russia's most esteemed newspapers.

The publication, organized by the Hamburg-based international content management agency UCOM Global, similarly emphasized that Turkey is a tourism paradise and invited Russians to see the country.

It is worth noting that these publications were prepared in a one-week interval by leading media groups in two countries that send the largest number of tourists to Turkey.

This new 16-page publication was prepared by Komsomolskaya Pravda, which has the highest circulation figures in Russia. Leading Russian reporters Marina Lugovaya, Svetlana Dzheyelan, Tatyana Fedosova, Sergey Chernykh and Marina Anikeyevaa introduced Turkey to Russian readers in their own words, urging





Business class services will now be provided to Antalya, Bodrum, Izmir and Dalaman airports with scheduled flights.

them to “go to Turkey for a holiday” just like their German counterparts.

This publication, distributed at the MITT Moscow International Tourism Fair, featured a statement by the Minister of Culture and Tourism, Mehmet Nuri Ersoy. That Ersoy made such a detailed statement to a foreign publication reveals how important they are to the country’s promotion.

Pointing to the strong tourism link between the two countries, Ersoy said Russian tourists hold are very important for Turkey in terms of quantity and quality, adding they have very special, qualified plans for Russia with regards to tourism. “For high-income Russians to choose Turkey instead of Europe, we offer the necessary infrastructure, opportunities and tourism in line with their wishes and quickly realize projects in accordance with this goal,” Minister Ersoy said.

Since business class services will now be provided to Antalya, Bodrum, Izmir and Dalaman airports with scheduled flights, he said



Minister Ersoy said that to bring the country to the position it deserves in world tourism, they started to implement their new promotion strategy.



they included Russian as a mandatory language in tourism vocational high schools as of 2019.

“We will continue to take similar strong steps. Any project related to investment, transportation and personnel training will be completed quickly,” he added.

Since this year was declared Turkey-Russia Culture and Tourism Year, Ersoy said Russia would be the “Guest of Honor” at many events, with the opening event to be held on April 8 at the Bolshoi Theater.

NEW DESTINATIONS FOR RUSSIAN TOURISTS

Minister Ersoy mainly focused on tourism targets for Russians in his statement and shared information about general tourism strategies as the publication was delivered in Russia.

Noting that they revised the tourism target for 2023 from 50 million tourists and \$50 billion in revenue to 70 million tourists and \$70 billion, Ersoy said that to bring the country to the position it deserves in world tourism, they started to implement their new promotion strategy.

“We are planning to enter the top six this year in the number of tourists,” he said.

“We will also carry tourism outside known destinations. For example, we plan to create new tourism areas in the Mediterranean region, especially in Mersin, in a few years. The Aegean region will become popular for Russians in the coming period as well. We are starting to explain the prominent features of all our cities through a promotional campaign.”



The symbol of overseas tourism is undoubtedly Turkey

Also writing a piece in the publication, Sergey Markov, Secretary General of the Russian-Turkish Public Forum, said that American tourists see Paris and France as a symbol of tourism abroad, while Germans prefer Italy, and the British choose Spain in this regard, underlining for today's Russia the symbol of overseas tourism is undoubtedly Turkey.

Markov said while Russians feel very comfortable in Turkey, many factors such as visa-free travel, an all-inclusive system, geographical proximity, numerous flights and the ability to change rubles in the country attract Russian tourists. Russians also care about cultural tourism, and the Aegean has great potential in this regard, Markov wrote, stressing that if the number of Russian-speaking staff, guidance in Russian and translations in hotels increase, Turkey will gain a major competitive advantage.



TOURISM

HEAVEN ON EARTH: ANTALYA

Along with its breath-taking beauty, historical wealth and stunning ancient sites, Antalya will be the most important meeting point in the world within next 20 years.

BY HÜSEYİN BARANER

ANTALYA IS A CITY where three out of four seasons are spring and the other is summer, where you can ski on a magnificent mountain in the morning and swim in the deep blue waters of the Mediterranean in the afternoon.

The spectacular coastal city of Mediterranean region Antalya fascinates all the people who are welcomed by, worth-to-see through its magical atmosphere, relaxing by its sparkling waters and favorable climate. One of the stunning beauties placed on earth, the city should must be

included in every one's bucket-list to be visited. Discovery of Antalya dates back to ancient times. In the 1st century BC King of Pergamon Attalus Philadelphus II ordered his men to find the most beautiful place on earth; he wanted them to find "heaven on earth". After a long search

Antalya is expected to be the most remarkable meeting point, resort and settlement in the world within next 20 years.



all over the world, they discovered this land and said "This must be heaven" and King Attalus founded the city. As it's described "the pearl city of the Mediterranean and the Turkish Riviera", Antalya hosts more than 11 million foreign guests, from all over the world on a yearly basis. As the fourth most visited city in the world, Antalya is one of the world's foremost tourism destinations.

After the last economic crisis Turkey experienced, tourism sector recorded a great recovery and served as a lever in country's economy. Taking all into consideration, Antalya is expected to be the most remarkable meeting point, resort and settlement in the world within next 20 years. Therefore, with the support of public, private sectors and foreign investors, the following 12 predictions regarding the future of Antalya are expected to be the real-facts in the next period.



FUTURE EXPECTATIONS: ANTALYA ON THE CARDS

12 possible investment & trade options and scenarios that will be realized in future Antalya.



1 The interest of international tour operators on five continents in Antalya will increase in the coming years. The new style and concept marketing and sales companies and even their associations in Antalya will bring new structures and commercial formations that we do not yet know today.

2 In the next 20 years, Antalya will become one of the most significant settlement centers of the world. As much as vacationers, there will be those who come to settle. For foreigners, huge 200 - 2000 digit villages will be established in Antalya.

3 Antalya will further expand its spa, wellness, fitness and sports facilities and will also turn into a soft boutique clinic center. Brand hotels will expand their spa facilities and add boutique clinics to their facilities. Antalya will produce and host the world's largest events. 365 days a year, worldwide international events will be held for all kinds of customer demands.

7 In cruise tourism, Turks will start to make names as both owner and operator. The first multi-partnered luxury cruise ships with Turkish flags will serve international customers as back to back from Antalya Cruise Port.

8 There will be direct flights to three airports of Antalya from 300-400 airports worldwide, weekly or daily. Some airports will be connected to Antalya as a flight flat rate. In other words, people will have the right to fly to Antalya at least 10 times a year in agreement by paying an annual fixed price.

4 In the European markets, the Turkish Riviera will have a significant place in the hotel-like residential elderly care center business especially in line with new customer demands.

5 Antalya Kaleiçi will be transformed into a Anatolian Cultural Center. The most important touristic towns and cities of Anatolia will create a great marketing and representation platform in Antalya by offering cultural and touristic products. Worldwide auctions will take place with the AntalyaAntika festival.

6 Antalya itself will be marketed as a green-botanical city, and every tourist entering Antalya via Gazipaşa will receive a Sapling Certificate issued in his name.

9 Property prices in Antalya will be very high. With the new life concepts, lifestyle, inhouse health and wellness systems, Antalya real estate will gain new dimensions. Numerous hotel brands will start investing in village projects. Brand hotels will set up villages in the same concept depending on their existing hotels and will offer new housing and hotel services to international customers who want to live in Antalya for long term.



10 The belief of local development will increase; the local projects will gain very important dynamism. As in the case of Germany, similar to the Sparkasse system, Antalya Development Bank will be established.

11 Antalya will become the world's largest open-air integrated sports and camp center: in 70 disciplines, self-titled organizations of world-brand teams will be operating.

12 There will be a gourmet line on the slopes of the Taurus Mountains. Future governments and municipalities will give a few acres to the gourmet experts. Small gastronomy weighted businesses will embellish the whole Anatolia as a diamond-chain.



MANAGEMENT

A Turkish Executive

LEADING DERMATOLOGY INDUSTRY

Global companies rely on the Turkish minds and skills. Can Öngen is one of them. An Outstanding Executive Leadership Award owner Öngen, leads Nestlé Skin Health business in more than 80 countries.

TURKISH EXECUTIVE, Can Öngen has been leading Nestlé Skin Health's commercial organization over 80 markets since 2017. He received an Outstanding Executive Leadership Award for his exceptional performance throughout the company's transformation in 2018. Öngen is the driving force behind the significant investment and growth across the International Markets (including Turkey) for the exclusive skincare solutions offered by Nestlé Skin Health.

THE FIRST TURKISH EXECUTIVE TO RECEIVE THE OUTSTANDING EXECUTIVE LEADERSHIP AWARD

Öngen serves as the Vice President at Nestlé Skin Health, responsible for the Latin America, Europe, Middle East, Africa, Asia, Australia and Japan. He is the first Turkish executive to receive the Outstanding Executive Leadership Award.

Öngen explains the role of the company's restructuring and building the strong team spirit in earning the award, delivered by the company's General Managers: "We created a leaner organization by bringing three regions — Europe, Latin America, and Asia — under one roof. We reinvested our savings in our global brands and key



Nestlé Skin Health launched its branch office in Turkey in 2016 to serve as a hub to manage a total of 28 countries

markets. These organizational changes have strengthened our market penetration strategy. In 2018, we achieved the market-leading position in most of the key markets and strengthened our leadership position in others. We also exceeded our financial and organizational goals within the international markets and increased our investments significantly in Brazil, Germany, China and Turkey."

TURKEY SERVES AS HUB TO MANAGE 28 COUNTRIES

Nestlé Skin Health launched its branch office in Turkey in 2016 to serve as a hub to manage a total of 28 countries. Öngen states, "Turkey is a substantial market for us; it is a shining star. We manage the operations of Eastern Europe, CIS and Israel from our newly established branch office. Throughout the last two years, we have built good relations with dermatologists and business partners through extensive investment and revitalized the market by holding high-level scientific meetings, symposiums and training sessions for healthcare professionals. He says: "There is an increased demand for skincare products in Turkey, which has a population of 80 million. Consumers' awareness has significantly increased. Consumers are aware of the risks of using not registered skincare products. Products should be safe and used under health care professional recommendation."

Headquartered in Switzerland, Nestlé Skin Health boasts a net annual sale of about \$3 billion. It employs nearly 5,000 staff and has three R&D centers. The Company products are being sold over 100 countries.

"Nestlé Skin Health offers special solutions mainly for the acne care, baby skincare, and sun care market valued at \$17 billion globally, the dermal fillers and toxin cosmetic products market valued at \$5 billion, and the dermatological topical prescription products market, worth nearly \$9 billion" notices Öngen.

THE INDUSTRY GROWS BY 6% EVERY YEAR

Acknowledging the global growth of the dermatology industry, Öngen states, "The industry growth is expected

at about 6 percent every year. The growth in some segments, such as fillers and aesthetic solutions, is much stronger. We grow above the market growth rate, and we intend to keep the same growth trend over the next five years."

Öngen also emphasized that aesthetic solutions, such as dermal fillers, are becoming a significant and reliable alternative to surgical procedures. He goes on to say that: "We will see more development of these products in the future. New formulas of fillers and toxins will be available in one to two years. Ongoing researches will provide stem-cell products to be used not only in dermatology and aesthetics but also in other fields too. We are also working on special solutions for dark spots, redness, and acne."



CAN ÖNGEN

Vice President - Nestlé Skin Health

Öngen graduated from Marmara University's Faculty of Pharmacy in 1987 and continued his education at the Business Institute of Business Administration of Istanbul University. Öngen started his career at Alcon in 1990, and became its General Manager at the age of 27. In 2003, he moved to Switzerland to take regional roles, managing first the Middle East and Central Europe and later Western European markets such as the UK and Germany. In 2014, he moved from the ophthalmology to the dermatology industry and joined Nestlé Skin Health as VP, to lead Europe, Middle East, and Africa (EMEA). In early 2017, he added Latin America (LATAM) region in his responsibilities. Since September 2017, he is the Vice President and Head of International Markets at Nestlé Skin Health, covering over 80 countries and generating more than half of the sales revenue of the company. Öngen completed several Executive Leadership Programs including IMD and Harvard Business School.

INVESTMENT

Turkey is

THE HUB OF MANUFACTURING, MANAGEMENT AND TALENT

Prometeon Turkey, the base of operations for 75 countries comprising one of the 4 main regions of the Prometeon Tyre Group, invests 115 million dollars into reinforcing its position as the hub of manufacturing and talent for the Group.

ESTABLISHED IN İZMİT, Turkey in 1960 as the country's first domestic tyre manufacturer, Prometeon Turkey continues on its growth path defined by a plan that involves investing 115 million US dollars in manufacturing capabilities, which will boost the company's production values by 75% from 2017 to 2020.

Prometeon Turkey, Middle East, Africa, Russia, CIS CEO Alp Günvaran noted that Prometeon Turkey had extensive knowhow and experience as a licensed manufacturer of Pirelli-branded truck, bus, agro and OTR tyres for nearly 60 years, continuing:

"Turkey is the base of operations for one of the 4 main regions of Prometeon across the world, and is a hub of management, manufacturing and talent for the entire Prometeon Tyre Group. The 'Turkey, Middle East, Africa, Russia, CIS' region consists of 75 countries and is governed from Turkey. The group has 3000 employees in the region, which accounts for one-third of the Group's total turnover. Our Izmit plant has state-of-the-art technologies that enable us to make premium products. Currently, we manufacture approximately



Alp Günvaran explains the structure of Prometeon Turkey: "Prometeon Turkey is a member of the Prometeon Tyre Group, the world's only tyre manufacturer focusing solely on industrial tyres, and manufactures and markets Pirelli-branded Truck, Bus, Agro and OTR tyres under license from Pirelli. Prometeon Tyre Group, the former Pirelli Industrial, operated within the Pirelli Group until March 2017. Since that date, Prometeon and Pirelli have been separate companies."

1 million industrial and commercial tyres every year. We also produce and test more than 7000 prototypes for Prometeon Tyre Group. On the other hand, Prometeon Turkey is the only manufacturer in Turkey that is capable of making high-technology tyres in certain outsize dimensions."

PRODUCTION TO INCREASE BY 75% AND EXPORTS TO DOUBLE BY 2020

Günvaran said that the tyres manufactured in the İzmit plant were offered both to the domestic and export markets, continuing: "We export more than 50% of our production. Our key market is Europe, and our current export volume is 125 million dollars. The direct foreign investment of 115 million dollars will boost production by 75% until 2020, enabling us to employ more people and double our export capability."

THREE TURKISH NATIONALS IN PROMETEON'S EXECUTIVE MANAGEMENT

Besides Prometeon Turkey, Middle East, Africa, Russia, CIS CEO Alp Günvaran, the Prometeon Group has two other executive-level Turkish nationals: Prometeon Americas CEO Murat Akyıldız and Remzi Ejderoğlu who is responsible for Information Technologies. Günvaran noted that some 20 Turkish nationals had been appointed to international positions from Europe to China in the last 2 years, continuing, "This makes Turkey a hub of talent for the Group. The projects and initiatives we work on in Turkey are exported and implemented in other countries. We offer training to the employees and teams of other Prometeon entities at our ProCampus training center in Turkey.



DIGITALIZATION

New Dell Technologies Research:

TURKEY IS THE MOST DIGITALLY MATURE COUNTRY OF EMEA

In a report revealing that emerging markets are the most digitally mature, Turkey comes first place in EMEA region in terms of digital maturity.

DESPITE THE RELENTLESS pace of disruption, the latest Dell Technologies Digital Transformation (DT) Index shows many businesses' digital transformation programs are still in their infancy. This is evidenced by the 78% of business leaders both in Turkey and the world who admit digital transformation should be more widespread throughout their organization.

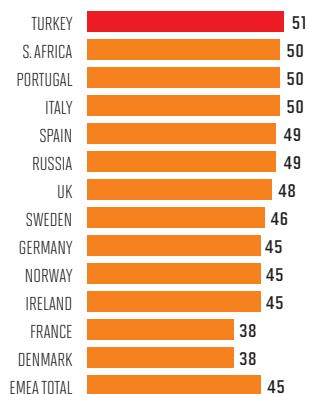
Dell Technologies, in collaboration with Intel and Vanson Bourne, surveyed 4,600 business leaders (director to C-suite) from mid- to large-sized companies across the globe to score their organizations' transformation efforts.

The study revealed that emerging markets are the most digitally mature, with India, Brazil and Thailand topping the global ranking. In contrast, developed markets are slipping behind: Japan, Denmark and France received the lowest digital maturity scores.

Turkey came first place in front of South Africa and Portugal in EMEA region. What's more, emerging markets are more confident in their ability to "disrupt rather than be disrupted" (53%), compared to just 40% in developed nations.

Accordingly, organizations in Turkey are investing in cybersecurity (70%), IoT tech (52%), artificial intelligence

MATURITY BY EMEA COUNTRIES
AVERAGE SCORE OUT OF 100



Average benchmark group scores. Base: all 2018 EMEA respondents (Analysis showing the average scores)

(44%) and compute-centric approach (59%) as new solutions and innovations to enable digital business over the next 1-3 years. Within the scope of five year investment plans, 93% of business leaders in Turkey are decisive to use emerging tech to predict customer demands and manage resources, while

EMEA's average is 74% and the global average is 77%.

The DT Index II builds on the first ever DT Index launched in 2016. The two-year comparison highlights that progress has been slow, with organizations struggling to keep up with the blistering pace of change. While the percentage of Digital Adopters has increased, there's been no progress at the top. Almost four in 10 (39%) businesses are still spread across the two least digitally mature groups on the benchmark (Digital Laggards and Digital Followers).

"In the near future, every organization will need to be a digital organization, but our research indicates that the majority still have a long way to go," says Michael Dell, Chairman and CEO of Dell Technologies. "Organizations need to modernize their technology to participate in the unprecedented opportunity of digital transformation. The time to act is now."

Benchmark Groups	Description	Today Global	Today Turkey
Digital Leaders	Digital transformation is ingrained in their DNA	5%	4%
Digital Adopters	Have a mature digital plan, investments and innovations in place	23%	31%
Digital Evaluators	Gradually embracing digital transformation; planning and investing for the future	33%	37%
Digital Followers	Make very few digital investments; tentatively starting to make plans	30%	25%
Digital Laggards	Do not have a digital plan; limited initiatives and investments in place	9%	3%

ENERGY

KPMG's Energy-2019 report:

TURKEY WILL BE A KEY COUNTRY IN LNG

Report analyzes the energy market, accordingly, increasing tendency in natural gas towards LNG in international trade may creates opportunities for Turkey.



KPMG TURKEY'S Sectoral Outlook Series Energy Report analyzes dynamos of economy, sectors and sheds light on Turkish sector in the light of global changes. According to the report, LNG trend will run the world. There is a high probability for Turkey to be the key country of its region due to its strategy and investments by playing the trump card correctly.

The report indicates that energy need in Turkey and the world gradually increases by the impact of urbanism and economic developments. In the report, the urbanization of the world and in Turkey's energy needs and the impact of economic development is said to be increasing. According to BP's calculations, primary energy consumption increased by 2.2 percent compared to

the previous year due to the strong growth in the world economy in 2017. This figure is the highest level since 2013. The average of the last 10 years was only 1.7 percent. The report stressed that under these conditions the world energy sector tried to build a different system to better meet the growing need but had difficulties.

KPMG Turkey's Energy Sector Leader, Ümit Bilirgen, explains the state of sector in Turkey within the frame of current economic table as follows:

"Turkey is a fast-growing economy, energy consumption also follows an increasing trend in parallel. Turkey's annual primary energy consumption in the last 25 years rose from 55 million tons of oil equivalent to 155 million tons. However,

Turkey has the chance to be the key country of its region due to both country's storage capability and strong agreements.

with high dependence on foreign primary energy sources, Turkey has a large amount of foreign trade deficit and current accounts deficit. Therefore, while developments in global energy prices are reflected directly in the country's energy bill and external financing needs, they put further pressure on Turkish financial assets. On the other hand, Turkey has the chance to be the key country of its region in terms of natural gas due to both country's storage capability and strong agreements."

Stating that the expectations for restructuring of loans in terms of energy investments increased in the new period, Bilirgen said: "The presence of power plants based on electricity generation from natural gas and other thermal sources, and especially the presence of power plants with low efficiency will continue to be a bleeding wound in the sector. On the other hand, increasing population, urbanization and export-oriented economic development ensure that energy demand remains strong despite short-term fluctuations. Therefore, it is expected that total energy demand will continue to increase at a slower pace."

INCOMING TREND: LNG

Bilirgen expressed that utilization components of energy sources may change thanks to Turkey's renewable energy investments and internal orientation efforts in energy: "The increasing incentive and regulatory role of the government is crucial for new balances. There are strong convictions that the government's approach to domestic production, as well as the search for oil and gas exploration, can be reflected in a short time. There is a serious trade trend in natural gas in the world, especially in favor of LNG. Authorities explain this case as 'LNG Trend is coming'. Within the framework of both country's storage capability and gas pipe resulting strong agreements, Turkey may take more actions at this point for the chance to be the key country of its region in terms of natural gas."

Low volatility is considered to be one of the realities of the recent era. Investment costs fall by half in solar industry and one third in wind industry will increase appetite in this area and make Turkey an export base with domestic production."



**Managing Partner of
Grow in EMEA,
Ali Riza Babaoglan**

INTERVIEW

To Focus On Turkey's Investment Environment

Turkey is a prominent country by the advantages that it offers foreign investors. Large and small many foreign companies determine Turkey as their focus due to these advantages. So, what about Turkey's unknown advantages and post-investment processes?

BY TAMER İŞTİR

LEADERS SAY YOU abandoned your investment plan in a company in Turkey. Then this company increased its value incredibly within 1 year. Think about the regret you will experience and be prepared to Turkish companies' surprises. We discussed the investment anatomy of Turkey with Managing Partner of Grow in EMEA, Ali Riza Babaoglan, who witnessed similar investment stories.

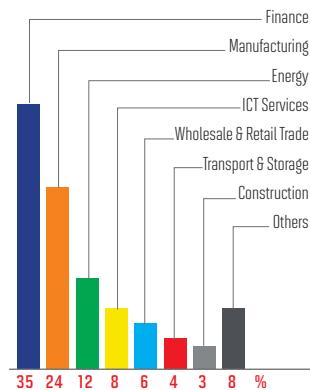
Let's begin with an unspecific question. What unknown advantages Turkey has besides its well-known advantages? What

kind of charms do investors see we're not aware of?

To compare the investment values of countries in the world; issues such as the ease of starting a company, ease of getting construction or building permits, access to the most basic requirements such as transportation and electricity, credit and tax advantages are taken into account. The World Bank, accordingly, annually publishes the assessment of the ease of investment and the scores of the countries.

However, there are issues that are not measured

FDI INFLOWS TO TURKEY BY SECTOR



Resource: Turkey Investment Office

here, and these are usually generated after investment. For example, the population is one of these issues. Another is the ease and distance to the larger populations. We have a very young and active population. It is also important to find valuable, trained labor force in terms of consumption. In addition to this, there is quick access to places with large population density, such as the European Union, Russia, the Middle East and Central Asia. These are the advantages that make the difference compared to other countries.

Which position does Turkey holds on a global scale by the ease of investment?

When we look at World Bank's related report, Turkey is still the 43rd country by a score of 74.33 still in 2019 and comes in front of countries such as Bulgaria, Romania, India. The average of Europe and Central Asia is 72.34 which shows that Turkey positioned at above the average.

Which areas the investments made in Turkey shift to? What are the sectors you can call advantageous ones?

According to the data of the Central Bank, between 2003 and 2017, -35 of each- 100 investment, which we look at in the distribution of foreign investments coming to our country, goes to finance sector, -24 to manufacturing sector, -12 to energy sector and -8 to technology field. The remaining- 21 is divided as -6 to Retail, -4 to Transportation and -3 to Construction. We are working

with the aim of increasing the share in sectors such as technology and energy which we believe will provide added value.

The countrywide distribution of this investment is 11.9% from the UK, 11.6% from the Netherlands, 9.4% from the Gulf, i.e. the Middle East.

In addition to our expertise in Technology and Energy, we follow the opportunities from different fields on behalf of our investors. For example, we have analyzed different sectors in Turkey through a Kuwaiti investment group that reached us and later became our client and have investigated the health sector in detail which they are interested in.

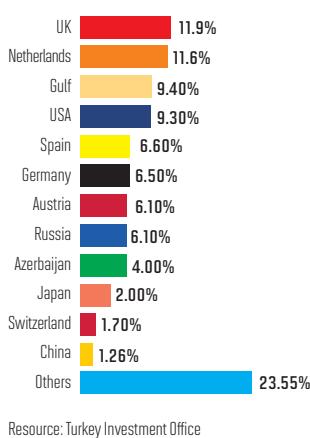
We talked about both the risk and opportunity sides of the recent consolidations and mergers in the sector and shared our analyzes with our investors. We also showed the city hospital projects of the Ministry of Health and made visits to them. When they see enough steps in our country; They mentioned that they wanted to invest in innovative solutions in the field of health by reaching us via a different structures with Chinese and Pakistani partners. We have done a few more visits and we have observed that Turkish citizenship through investment has also attracted a lot of interest.

Due to its growing population, its location and ease of access to large populations, we are in a very valuable position in terms of attracting investments and our passport is at a very valuable point. This leads many investors with visa and travel disabilities to our country's citizenship and offers direct access to 115 countries if they have a maroon passport. With the



'We received the Highest Exporting Enterprise Award presented by Minister of Trade Ms. Ruhsar Pekcan and Chairman of Turkish Exporters' Assembly Mr. Ismail Gülle. As a partner and investor of the Company, we also took place at the event'

FDI INFLOWS TO TURKEY BY COUNTRY



Green Passport provided to exporters, visa-free entry is possible to many countries including European Union countries. We, as Grow in EMEA, have been providing citizenship services for many investors through investment since 2017, and we have recently started the process of the Pakistani group that I mentioned in the past months.

So what problems investors experienced entering the Turkish market?

Investment is directly related to trust. Every investor wants to develop and grow by investing in areas that he or she can trust. None of the investors would like to invest all or majority of his existing capital, usually they'd like to take small steps at the beginning.

When we look at our country, there are many issues that can offer opportunities to investors and provide diversity. However, issues such as the lack of informing investors correctly and language and communication problems can be experienced from time to time. This can frighten investors who are trying to warm up in small steps, and prevent them from signing up for larger investments from time to time.

Investors should be able to work with the right and effective consultancy firms and to prevent the loss of funds while trying to grow their funds.

How do you see the progress of investments in Turkey and in the world? How do you evaluate the current reflexes of investors?

According to the United Nations' UNCTAD data, despite the relative global economic and commercial growth, global investment flows decreased by 23% in 2017 from US \$ 1.86 trillion in 2016 to US \$ 1.43 trillion. The main determinant in this decline is the decline of investments in developed countries. Global mergers and acquisitions also decreased by 23% to US \$ 666 billion. New investments made from scratch saw the lowest annual level since 2003 and saw the figure US \$ 571 billion with a decrease of 32 percent. This can be considered as a negative indicator on a global scale in terms of long-term growth dynamics.

However, in 2018, we invested in technology and directed our investors to this field. An interesting story regarding this issue happened in the process of introducing a company named REM People to a group of investors in the field of Retail Technologies. The respective investor group was interested in the company, many meetings were held in detail, and then the investment was abandoned, stating that the company's solutions were not mature enough to grow abroad. Of course, it is important to note that the 2018 fluctuations and the decrease in investment appetite in the global arena also have an effect.

But then we invested in project because we believe in the company. In other words, we invested in a company that we found and believed for our investors. Afterwards, the company started to grow abroad, including the Middle East, Asia and Europe with the support we provided. Then they've started to receive great offers and clients and created powerful success stories again and again, thus we received the Highest Exporting Enterprise Award presented by Minister of Trade Ms. Ruhsar Pekcan and Chairman of Turkish Exporters' Assembly Mr. İsmail Güllü. As a partner and investor of the Company, we also took place at the event.

Then, when we started to meet again with the related investor group, they realized that the company value had increased and that they had missed a great opportunity.

Taking this as a reference, we use our ability to act quickly and effectively as a boutique and result oriented company; we find kind of businesses that we would invest in and present them to our clients. In most projects, we get shares or we are encouraged by the investor and we are building JVs together.

What kind of investment opportunities are available abroad, what kind of advices you can give to Turkish investors?

For a long time I have been an active member of Outbound Investments Business Council of Foreign Economic Relations Board (DEİK) and Execution Board Member of Kuwait Business Council. According to the Foreign Investments 2018 Index, which has been published every year by our business council, the global foreign investment amounted to US \$ 4.1 trillion in the 1990-2000 period, and this



Turkish passport is at a very valuable point, according to the latest reaches it is worlds strongest 39th passport. This leads many investors with visa and travel disabilities to Turkish citizenship and offers direct access to 115 countries if they have a maroon passport. With the Green Passport provided to exporters, visa-free entry is possible to 155 countries including European Union and others!



Managing Partner of Grow in EMEA, Ali Rıza Babaoglu

"I am an investment expert who has received Computer Engineering and MBA training and has maintained almost all of my professional life on investment consulting.

I worked as a Manager for SAP, IBM, and Director of LinkedIn. Finally, while I was working for LinkedIn, we held plenty of works to establish and develop a market in Turkey and get into different markets. We were the investors thereby I had the opportunity to learn every aspect of investment through experience. In Grow in EMEA

which I'm the Managing Partner of, we provide guidance and support services to foreign investors who are interested in our country, especially in the Technology and Energy sectors since 2015. For the last four years, we have encouraged the investors of six different nations to invest in our country with twelve different investments. We invest in companies as well with our clients, especially in the technology sector. We have investments and company sales stories. Some of these have become well-known success stories in the industry."

rate increased by 5.4 times to 22.4 trillion US dollars between 2000-2017. In the same period Turkey, on the other hand raised the number of investments made abroad by 24-fold and reaches a level of USD 40 billion.

According to the report, the United States, which was the winner of the past two years, has transferred the leadership to the United Kingdom this year. Turkish companies, which are trying to globalize their investments, have determined the UK as a base through an intermediary company they established or direct investments. The United Kingdom became an attractive place to invest in through especially its proximity to Turkey and ease of access to consultants within the frame of issues such as international law, finance and investment.

The country stands out with its tax advantage compared to other developed western countries, flexibility in the process of establishment and ease of use of the currency. In 2017, 18% of the transactions of foreign investments and acquisitions of Turkish companies were realized in the UK.

We, as Grow in EMEA, offer direct support and services for the globalization of Turkish companies starting from the Middle East and commercialization in the world arena. Especially in regions close to our culture, there are great chances and job opportunities for middle level investors. We believe that investments in countries such as Kuwait, Bahrain, Saudi Arabia, the United Arab Emirates and Qatar, where individual relations are also important, will be more prominent in the future as important issues of our Turkish business people.



FORUM

Samsung Boosts PRODUCTION IN TURKEY

Samsung is expanding its investments in Turkey, the largest market in MENA region.

SAMSUNG ADDS new ones to its production in Turkey. Taking the first steps towards its production by TV-assembling, South Korean tech giant will expand its portfolio with vacuum cleaner models which it's going to start manufacturing in Marmara Region as of May. Boosting its production of white goods and built-ins in Turkey is one of the future plans of Samsung, within a short term.

Speaking at the Samsung MENA Forum 2019 in Antalya, Samsung Electronics Turkey Chairman DaeHyun Kim stressed that understanding Turkey's dynamics is essential to be permanent in Turkey and added "We first expanded our service and after-sales services, followed by the expansion of our channel and dealer structure. Now



One of the most important issues is that more premium products are sold in Turkey than in Europe

we are placing great emphasis on our investments and co-operation on the production side. Samsung wants to be permanent in Turkey. Therefore, we are investing in three pillars consisting of service, channel and production.

Kim underlined that Turkey is a very big and young country with 20 million households. He noted that 1 million households, which corresponds to 5 percent of this figure, have the purchasing power in the premium segment. "This is an advantage for us. In fact, one of the most important issues is that more premium products are sold in Turkey than in Europe," he further stressed. "The average screen size of TVs sold in Turkey is larger than in Europe. In order for Turkish consumers to reach better products, we need to produce

To show the importance
that it attaches to Turkey, Samsung made MENA Forum in Antalya, participated by 18 countries

top models such as 65-inch and 75-inch televisions in Turkey."

TURKEY IS THE LARGEST MARKET IN MENA REGION

In his speech, Vice president of Consumer Electronics Sales and Marketing at Samsung Electronics Turkey, Mert Gürsoy said "To show the importance that it attaches to Turkey, Samsung made MENA Forum in Antalya, participated by 18 countries. Turkey is a substantial market for Samsung, also the largest market in MENA region. We gathered with our partners in Turkey to represent how Samsung technologies improve the consumers' lives and create values for them."

Claiming that many of brands reduced their investments and some quit the market in consequence of the misanalysis of Turkey's dynamics, channel and production framework, Mert Gürsoy told that as Samsung, they declare 2019 as the year of investment and structuring and continued: "We will proceed to open new stores here, there and anywhere in Turkey. We are aiming to rise our number of stores to 450 by the end of 2020 with a new hybrid channel that will improve our distribution network. In addition to this, we will continue our intensive cooperation in both white goods and TV categories in the chain channel and increase our market share. In 2019, we will implement investments in accordance with our multi-channel strategy, which will bring online sales channels that has increasing importance in emerging market dynamics and traditional retailing together on a common platform."

EXPORT

TURKISH EXPORTERS PREPARE FOR LANDING IN CHINA

Nearly 100 Turkish companies are preparing for export fair China International Import Expo, landing on the heart of the Asian market.



C HINA INTERNATIONAL IMPORT EXPO (CIIE), which has been attracting excitement all over the world and attracting 10 trillion dollars import in 5 years, will open its doors in Shanghai on November 5-10 this year for the second time.

Under the auspices of Ministry of Trade, in coordination with Turkish Exporters' Assembly and undertaken by Istanbul Chemicals and Chemical Products Exporters' Association, the National Participation Organization and nearly 100 Turkish companies are preparing for the expo, to land on the heart of Asian market with 4 thousand square meters of exhibition space.

Speaking at the introductory meeting of the fair, Chairman of TIM Ismail Gürler expressed that the amount of cooperation agreements held at the fair which they attended with 38 companies last year was \$ 620 million.

Stating that they expect more intense interest and larger trade agreements this year, Gürler said: "Our traditional markets, as you

know, are being shaken by trade wars and Brexit. Moreover, the slowing global demand has also caused to revision of expectations towards global trade performance. The EU's growth performance in 2018, which is our biggest trading partner, was realized as 1.8 percent, below 2 percent. Therefore, it is one of the most important issues to draw new routes and enter new markets."

Indicating that exporters should focus on the trade between China and Turkey and as much as traditional markets they should also get into and extend in Asian markets, which potential future top markets, Gürler stressed that current and future demands are centered in these countries.

The amount of cooperation agreements held at the fair which attended with 38 companies last year was \$ 620 million.

Expressing that, "The heart of commerce will beat where number of people is the top" Gürler said such import-export fairs which national participation occurs will initiate to take bigger steps by the mutual win-win formula with China in terms of Turkey's multilateral foreign policy.

"This step taken by our exporters will reflect the relations between two countries in future and will play a significant role in implementation of new projects. The import volume of Turkish exporters, which is expected to reach 3 trillion US dollars, is among the priority targets of TIM," he said.

HUGE CONTRIBUTIONS TO GROWTH BY EXPORTERS

Mentioning 2.6% growth rate of Turkey's economy in 2018, Gürler spoke as follows: "In the second half of 2018, we have seen how the effects of attacks toward our economy reflected on growth figures. While our GDP contracted by 3% in the last quarter, we managed to grow by 2.6% throughout the year. The most remarkable point here is that net of exports contributed to the growth in the last quarter by 8.4 points. Exports were the biggest supporters of our growth figures in the last quarter, when domestic demand contracted and public expenditures remained almost the same. Throughout the year, we see that net of exports contributed 3.6 points to growth. At the point reached today, everyone knows that, as always, our country is well aware of how to elude this process with the least damage, and that exports are indispensable for our country. As TIM, we will continue to serve our country by contributing more than 83 thousand exporters by working harder this year as well, by waving the flag of our country all over the world, both in growth and investments, as well as in employment."



Marathon of Innovation

InovaLIG is offering the companies to leave their competitors behind by strengthening the organizational innovation management.



IMProve

academy



AVIATION

Turkish Airlines Presents New Cabin Uniforms at Acclaimed Fashion Show at ITB Berlin

Attended by Turkey's Minister of Culture and Tourism, Mehmet Nuri Ersoy, this year's ITB Berlin witnessed the new stylish cabin uniforms of Turkish Airlines.

TURKISH AIRLINES, which has been setting trends in aviation for years, does not leave the duty of flag-carrying to anyone in cabin crew fashion.

Turkish Airlines showcased its new uniforms for its cabin crew at a fashion show at the International Tourism Fair (ITB) in Berlin, on March 6, with the attendance of Turkey's

Minister of Culture and Tourism, Mehmet Nuri Ersoy.

Eleven female and male flight attendants presented the new uniforms to ITB guests at the Berlin Exhibition Grounds on a six-meter-long catwalk. They were designed by Ettore Bilotta, an haute couturier living in Milan, who worked closely with the flight attendants in the design process.

The result is a symbiosis of style, functionality and wearing comfort - inspired by many classic elements of Turkish culture. The airline's new uniforms integrate traditional patterns of handcrafted glass, ceramics and calligraphy with contemporary textures and details. The collection combines the shapes and colours of the Bosphorus with a new "flow

detail" symbolising the effortless energy that flows through Istanbul as one of the most dynamic cities in the world and interface between East and West. Besides clothes, the entire collection includes hats, gloves, bags and other accessories.

Ms. Seda Kalyoncu, SVP Corporate Communications of Turkish Airlines, said, "Turkish Airlines is known



for its excellent service and peerless brand experience. It is extremely important to us that our passengers have an incomparable travel experience when they are onboard our aircraft. It is equally important to us that our on-board staff not only identify with Turkish Airlines with their appearances, but also comfortably dressed for any climate around the world in order to serve our guests in optimum conditions. We have taken this step with our new cabin uniform. A uniform that has not only

been developed together with the staff, but also adds a touch of classic haute couture with its practicality."

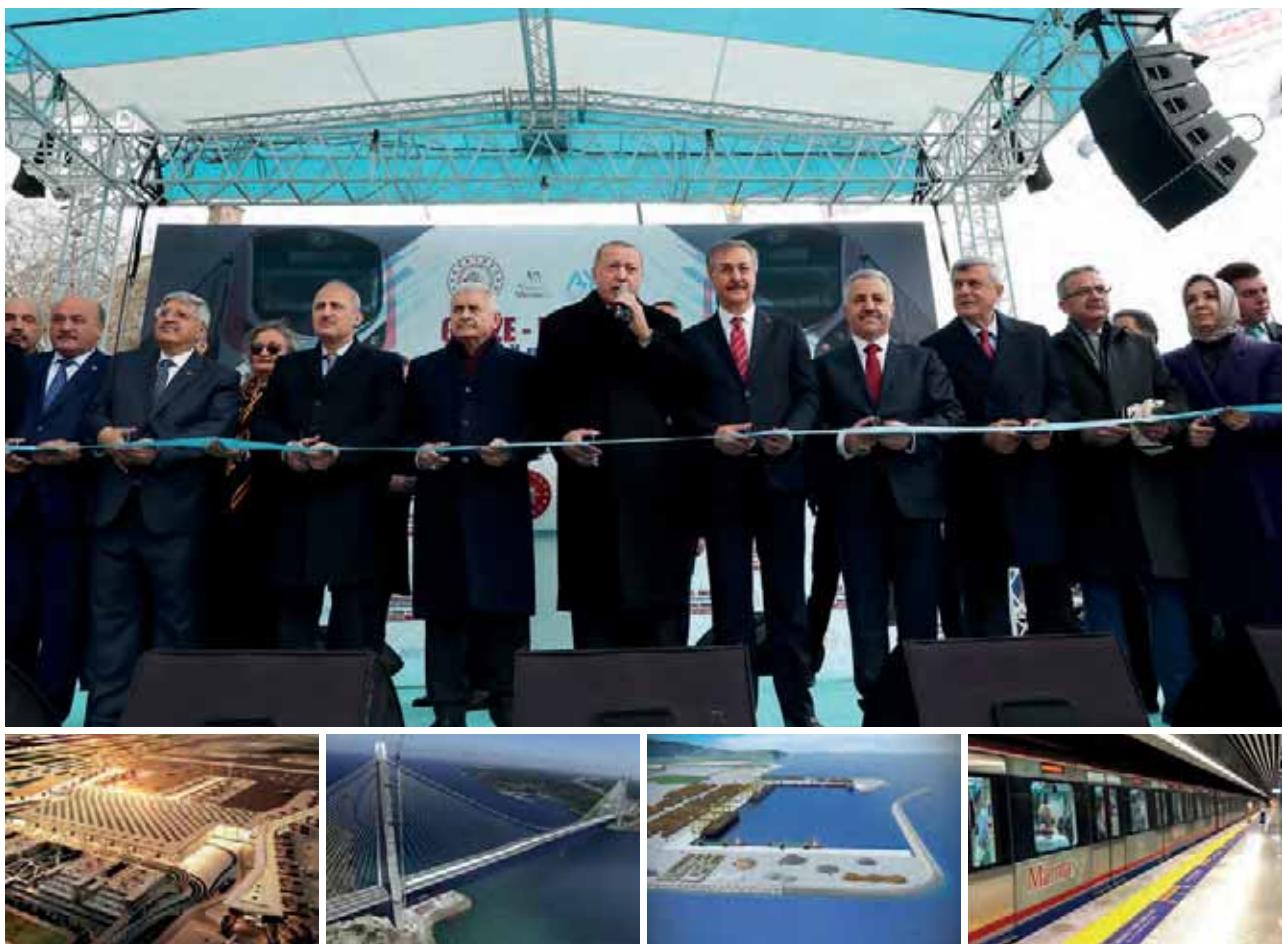
The new cabin uniforms are important for Turkish Airlines yet for another reason: The airline, flying to more international destinations than any other, is in the middle of an exciting phase of change. In addition to changing its uniforms, Turkish Airlines is changing its hub also, by moving to its new home base, Istanbul Airport. Ushering in a new era, the international

The new cabin uniforms also mark a new era for Turkish Airlines. Completing the move to its new home, Istanbul Airport, the airline aims to take its peerless brand experience to a new level.

hub not only meets all the requirements of the modern aviation industry, it is also a gateway to the world. With its location between East and West, the airport promises to bring the world even closer together.

In addition to the high-class service itself, it is the sincere Turkish attitude to life and the unique hospitality of its geography that the airline wants to keep sharing with the world. The collection combines all these aspects - carried by the airline's face: the cabin crew.





INVESTMENT

TURKEY INAUGURATES INFRASTRUCTURE INVESTMENTS, HERALDS NEW ONES

In the lead up to the local elections on March 31, 2019, President Recep Tayyip Erdogan held public meetings throughout Turkey, where he inaugurated a number of infrastructure investments and heralded new ones in the pipeline.

Addressing citizens in Zonguldak on March 4, President Erdogan said that Port of Filyos, which will be the main export center of the entire Black Sea region, will be completed in 2023.

On March 12, President Erdogan opened the Gebze-Halkalı suburban railway line in Istanbul. Around 1.7 million passengers will be transported daily on the line, which will significantly contribute to relieving Istanbul's traffic burden.

In Ankara on March 14, President Erdogan heralded a new railway line to be built between the district of Keçiören and Esenboğa Airport.

The North Marmara Highway was extended

to the Çatalca district of Istanbul on March 16. President Erdogan said that the project, which also encompasses the new Istanbul Airport and the Yavuz Sultan Selim Bridge, will lower to less than an hour what at times could have been a three hour commute between Çatalca and Kurtköy.

Speaking in Izmir on March 17, President Erdogan acknowledged that the Istanbul – Izmir Highway Project, which will shorten the

drive between the two cities from 8 hours to 3.5 hours, will be completed in 2019.

Along with all these investments, mega projects such as Canal Istanbul and the Grand Istanbul Tunnel will be built in Turkey. Almost 30 percent of Turkey's infrastructure investment need till 2023 is expected to be made through public-private partnerships, which is the reason why international investors are maintaining a keen interest in these projects.

REAL ESTATE GIANTS GATHER AT MIPIM 2019 IN NICE

The world's largest real estate fair, MIPIM 2019, brought together Turkish real estate giants and businesspeople with government officials on March 12-15 in Nice, France. Along with over 200 Turkish institutions and organizations, Minister of Environment and Urbanization Murat Kurum and President of the Investment Office Arda Ermut also attended MIPIM this year.

Participating in the fair, Minister of Environment and Urbanization Murat Kurum said, "During the course of the 3-day trade visit, 1 million business cards changed hands. This is very important." Minister Kurum added that the Turkish construction industry ranks second after China, and that Turkey has USD 11 billion worth of investments



in 36 countries. During MIPIM 2019, Kurum also held investor meetings with executives of companies from the UK, the Netherlands, France, Russia, Germany, and several countries in the Middle East.

Speaking at MIPIM, President of the Republic of Turkey Investment Office Arda Ermut said that Turkey welcomed more than USD

210 billion in investment to date from 2002, with USD 55 billion of that coming from real estate and related sectors. "We are in a period where uncertainty in the world is increasing, FDI is going down, and investors are cautious. Investments in the world have been moving downwards for the last three years and fell to around USD 1.2 trillion in

2018. This is the same as the figures at the time of the global financial crisis. Many more actors are trying to get a share of a shrinking pie. While vying for this share, the sectors where you can reach significant volumes in direct investments, such as real estate, gain importance," said Ermut.

According to TurkStat, real estate sales to internationals increased by 78.4% in 2018, nearly reaching 40,000 - the highest number ever. The majority of the buyers came from Iran, Saudi Arabia, Russia, and Kuwait, in order. Legislative amendments that eased citizenship with investment limits for foreigners, campaigns launched by real estate developers and banks, and favorable foreign currency exchange rates were the main reasons behind this record. Moreover, the January figures showed that real estate sales to international buyers in Turkey skyrocketed by 81.9% y/y, reaching 3,168.

AMCHAM TURKEY / ABFT HOLDS 15th GENERAL ASSEMBLY MEETING

American Business Forum in Turkey - AmCham Turkey held its 15th General Assembly Meeting on March 15, 2019, in Istanbul.



Speaking at the meeting, Investment Office President Arda Ermut underlined that the needs and priorities of Turkey and the US overlap significantly in the economic and commercial fields. "The Investment Office - the only authorized authority in Turkey in terms of FDI - has always bestowed a special

priority on the United States, and it continues to do so. Since 2002, we have attracted more than 11.8 billion dollars in FDI made by more than 1,800 US companies operating in Turkey. We see room for growth in this figure because the United States is one of the top FDI sources in the world. For this reason, the United States is one of

the countries most visited by the Investment Office," said Ermut.

The CEO of Citibank Turkey, Serra Akçaoğlu, was reelected as the Chairperson of AmCham Turkey during the General Assembly meeting. AmCham Turkey's 110 member companies employ 90,000 people in Turkey and provide a value-

added of USD 54 billion for the Turkish economy.

Previously in September 2018, President Recep Tayyip Erdoğan received representatives of the US companies in Turkey along with board members of AmCham Turkey/ABFT at a roundtable meeting at the Presidential Complex in Ankara.

AGENDA OF THE INVESTMENT OFFICE IN MARCH INCLUDED MEETINGS AND SEMINARS AROUND THE GLOBE

FEBRUARY 13,
MILANO - ITALY

The Republic of Turkey Investment Office and the Italian Trade Agency held a seminar on industrial zones and opportunities for Italian companies in Turkey. Investment Office Country Advisor to Italy Gino Costa informed the participants about the investment environment in Turkey.



FEBRUARY 27,
GAZİANTEP - TURKEY

The Republic of Turkey Investment Office participated in the Venture Capital seminar held by the Gaziantep Chamber of Industry in Gaziantep.

During the event, A. Burak Dağlıoğlu was the moderator of a panel with venture capital fund managers, while A. Cüneyt Selçuk presented on the Turkish startup ecosystem.



FEBRUARY 28,
NUR-SULTAN, KAZAKHSTAN

Necmettin Kaymaz of the Republic of Turkey Investment Office, Muhammed Gülyurt of the Turkish Ministry of Health, and Sule Kılıç of EBRD shared Turkey's public private partnership experience in healthcare at a seminar held in Nur-Sultan (Astana), Kazakhstan.





MARCH 3-6, TORONTO - CANADA

Ahmet İhsan Erdem of the Investment Office delivered a presentation on Turkey's investment climate at the Mining Investment Opportunities Seminar held by the Ministry of Energy and Natural Resources at PDAC2019 in Canada.

Top executives of international mining companies attended the event, which was opened with a keynote speech by Mithat Cansız, Deputy Minister of Energy and Natural Resources and Head of the Turkish delegation.

MARCH 15, ISTANBUL

Investment Office President Arda Ermut was on Bloomberg HT, where he spoke about the latest developments in Turkey's FDI environment.

Ermut talked about 2018 FDI results and gave insights into the sectoral and geographical breakdown. Other topics included expectations for 2019, sectoral priorities, and global roadshows.



SURGE IN FDI INFLOWS TO TURKEY CONTINUES IN 2019

A long with the global slowdown, 2018 was a fruitful year for Turkey with regard to FDI inflows. Figures and news show that 2019 will surpass the previous year. Some of the investment announcements of global companies in March 2019 are as follows:

Chinese textile giant Texhong announced the decision to invest in Turkey's Kayseri Organized Industry Zone. The Republic of Turkey Investment Office has been involved in this process for the past couple of years.

- Multinational hospitality company Hilton will be further

expanding its investment in Turkey's tourism sector. With three hotels on the way under the Curio brand, Hilton will also invest through another brand, Motto.

- Qatar's Flora Group will invest in a joint factory with Turkish electric engine manufacturer Sezgin Motor. As part of the USD 30 million investment, the Qatari company will bring both capital and technology to Turkey. The factory will produce refrigerator engines for Turkey's two leading companies.

- American giant Nike is set to move its only production center

in the Middle East and Europe to Turkey's eastern province of Agri as part of the Tekstilkent project in the province. The textile productions processed at the production center, where around 5,000 people will work in two years, will also be exported via Agri.

- Saudi Arabia's Afrina Holding announced plans to raise 30,000 cattle with an investment of USD 18 million in the city of Elazığ.

- German-Turkish Chamber of Commerce and Industry (AHK) opened a new bureau at the Union of Chambers

and Commodity Exchanges of Turkey (TOBB) in Ankara to further strengthen bilateral economic ties. Speaking at the opening ceremony of the new bureau, Minister of Industry and Technology Mustafa Varank said: "AHK Turkey, which celebrates its 25th anniversary, has been contributing to the development of economic ties between the two countries." Minister Varank added, "we host more than 7,000 German companies that have an investment volume over USD 14 billion and employ 140,000 people."



MAKE TRADE NOT WAR

By Tamer Işitir



Trade wars put the world into a new orbit. While the main actors of the war are trying to curb each other with various instruments, the remaining countries are clear: More trade.

Years are memorized in history lessons. And every year is identified with a war or conquest. 1853: Crimean War. 1871: Franco-Prussian War. 1914: World War I. 1939: World War II... Is history only history of wars? Economy has its own history. When we say 1929, the Great Economic Crisis comes to our mind. **2008 is identified with the Great Financial Crisis.** How is 2018 going to go down in history? And of course 2019.

In 2018, the US President Trump fulfilled his election promises. He began to take a series of economic measures to "make America great again". These measures, however hit the liberal international economic order, which the US had been the biggest sponsor of for a century, and even guarded by its Navy. New customs policies first for China, then the EU, Canada and even for Mexico, technology and industrial espionage accusations, refusing to recognize some of the World Trade Organization regulations based on national security justifications, even threats to withdraw completely from the WTO...

We saw them all in 2018. Is this the beginning of a war? Will 2018 be remembered in the future as the year that the trade wars began?

Weird things happen in wars. Unexpected alliances are established. All equations get reconstructed. The world turns into a strange place. In 1939, the whole world was

amazed by the alliance between Hitler and Stalin, and a year later Churchill was Stalin's greatest ally.

2018 was a strange year, too. Xi Jinping advocated globalization against Trump: "It is wrong to blame globalization and free trade for the problems of the world."

10 years after the big financial crisis in 2008, the liberal US wants the liberal international economic order to be laid down and Communist China, on the other hand, takes on the role of the knight in defending globalization.

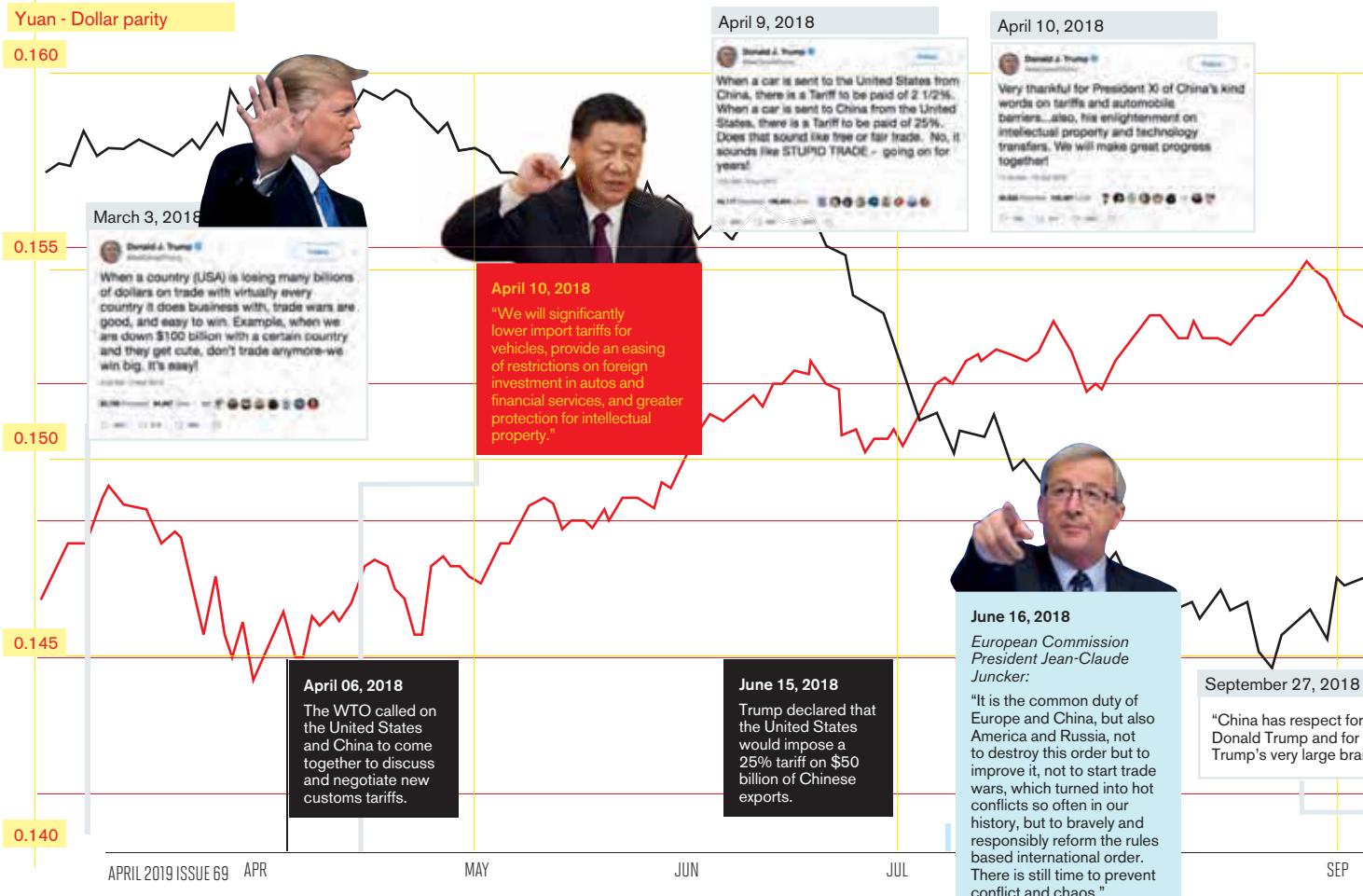
TRUMP: THE WAR DID NOT START; WE'VE ALREADY LOST IT YEARS AGO

Trump refuses to accept that he initiated a trade war. The most important claim of the parties during any war is this: we are not aggressive. We're fighting to defend ourselves. In March 2018, the response

PHOTOGRAPH BY GAO FLICKR

VOLTAGE DECREASED ON DECEMBER 1

Trade wars hit both Yuan and the most important public equity values in the US. However, with the declaration of ceasefire on December 1, both Yuan and American companies get a bit recovered.



of Donald Trump, who was accused of starting trade wars by introducing tough customs tariffs to protect the steel and aluminum industries of the United States, was similar: "that war was lost many years ago by the foolish, or incompetent, people who represented the U.S." He added: "Now we have a trade deficit of \$500 billion a year, with intellectual property (IP) theft of another \$300 billion. We cannot let this continue."

Is this rhetoric true? Can 25-years of globalization, liberalization and free trade order around the world be called a defeat or trap for the United States? Donald Trump claims that he does not oppose free and fair trade. On his favorite communication channel Twitter, he stated that China applies 25% custom tax to US cars, while the U.S. applies only 2.5% to Chinese cars, and he added: "Does that sound like free or

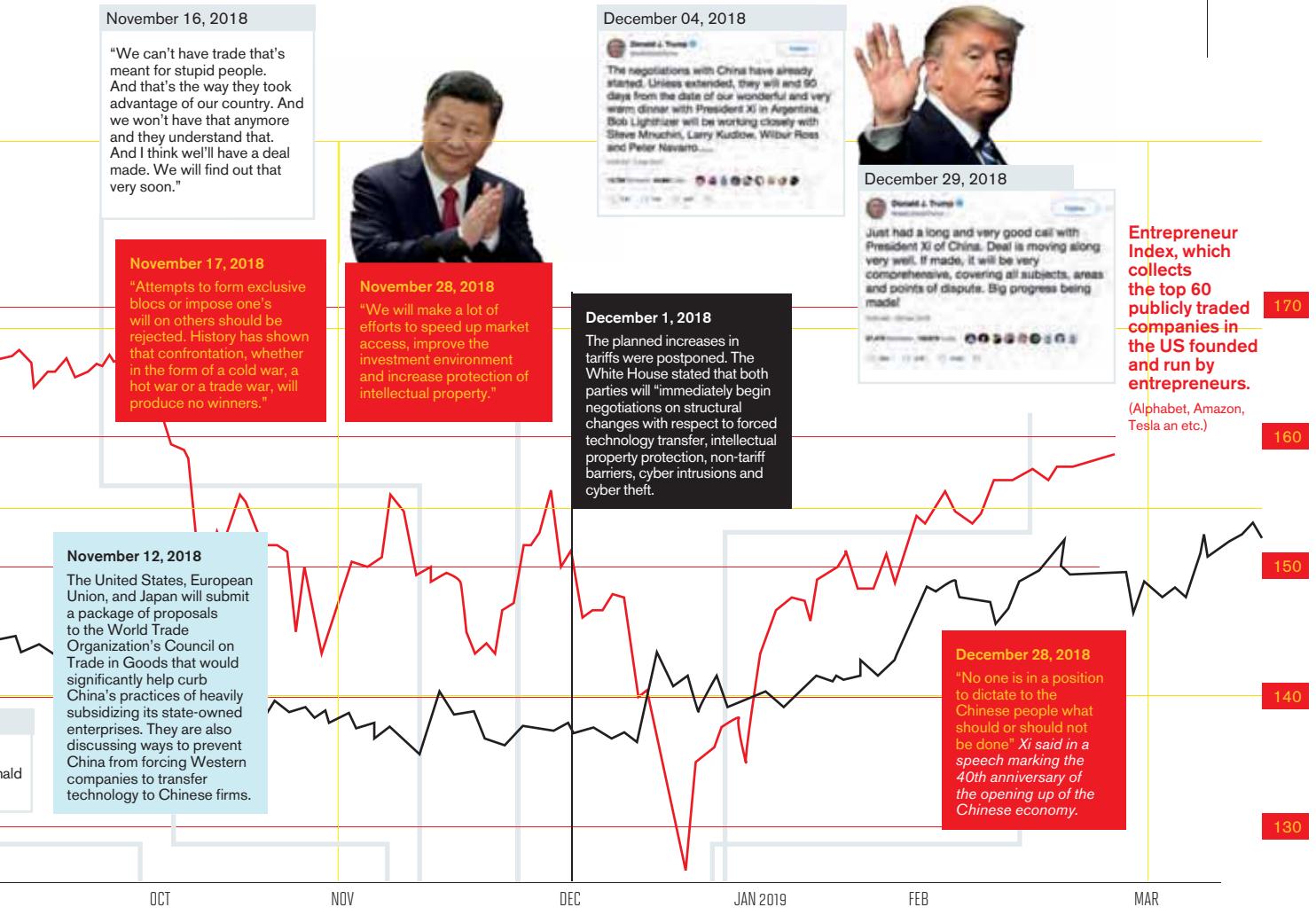


At the start of the first working session of the G20 summit in Hamburg.

fair trade. No, it sounds like STUPID TRADE – going on for years!"

Interestingly, in the first decade of globalization, similar objections were asserted against US presidents George Bush and Bill Clinton. The US was making use of globalization and free

trade, and the world turned into a free market for the US, while the rest of the world argued that the US market was not free for them. However, even if the quarter century of globalization was not stable, it can still be considered as the longest and most prolonged expansion





Group of 7
summit in
Canada, on
June 9, 2018

President Donald Trump and China's President Xi Jinping leave a business leaders event at the Great Hall of the People in Beijing on November 9, 2017



of the world economy. This quarter revealed China as an economic giant. But it was a period of growth for the US, too. It can even be said that the miracle of globalization is a US-Chinese partnership, a story of cooperation. It was not a smooth period. 1997 Asian Financial Crisis. 1998 Russian Financial Crisis. These crises had been overcome as regional crises with global effects. In 2000-2002, the crisis that took place in history as the Dot Com Balloon Crisis. That crisis itself took place in the US at the heart of globalization.

According to some, this crisis was only deferred even if the crisis was over. This was a postponement that led to an even more severe and chronic crisis, the 2008 Financial Crisis. In short, the growth lasting from 1990 to 2019 was not at all smooth and uninterrupted. Was it sustainable? This is now open to discussion. The possibility of the US turning to isolationist policies raises new possibilities.

The President of the United States has declared the United States as defeated by the globalization and China as the winner. Although this is a propagandist, one-sided and exaggerated discourse, -the United States and China have grown together in the last 25 years, not despite of each other- it doesn't matter if it's wrong or right. If one of the partners of globalization says I'm no longer in this game, and this partner is the biggest partner, then a new situation and balance will emerge. What is important is not past economic data and truths, but who will do what after that?

WHY IS THE US BOTHERED? IS THIS JUST A TRUMP ISSUE?

Now let's look at the last 10 years, not the last 25 years. Both the US and China may have benefited from this quarter-century industrial, financial and commercial partnership, but the US claims now that it gave up most of what it earned. According to the PPP calculation, the Chinese economy first outperformed the US economy in 2014. If the growth performance of the two countries continues at this rate, in 2032, nominally, China's GDP is expected to surpass the United States and China will be the world's largest economy. The issue is not that the United States does not benefit from globalization, but China benefits more. This phenomenon became clearer after the 2008 Crisis.

CONSIDERING THE GDP (PPP) RECOVERY BETWEEN 2007-2017

The expected economic recovery after the 2008 Financial Crisis was slower than expected. Considering the GDP (PPP) between 2007 and 2017, the US has remained far behind China, although it has the third largest recovery figures.

1. CHINA 14147 billion US \$
2. INDIA 5345 billion US \$
3. US 4913 billion US \$
4. EU 4757 billion US \$
5. INDONESIA 1632 Billion US \$
6. TURKEY 1024 Billion US \$

On the other hand, in terms of trade balance, the US experiences a bigger deficit every year compared to China. The US trade deficit with China, which was 12.6 billion US \$ in 1991, rose to 83.8 billion US \$ in 2000. While Bill Clinton discussed trade sanctions against China under the pretext of human rights abuses, The paradigm that, a more liberal China will lead to a more democratic China, dominated politically. Or rather, the profit of partnership with China was much more attractive. Bill Clinton left China aside its isolationist policies and ensured the US to lead China as a member of the WTO. George Bush continued this policy. According to Trump, the main problem is that China, as a member of the WTO, exploits the advantages of free trade to the fullest but does not fulfill its requirements. In terms of US-Chinese trade, figures at first sight seem to confirm it.

In the US-China trade in 2001, the US had a \$83.1 billion deficit, but in 2002 it was \$103.1 billion, when China became a member of the WTO. And by 2017, it increased to \$375.6 billion.

In 2018, the US launched mutual customs wars with China. And even this year, the US trade deficit with China has not decreased yet! It rose to \$382.3 billion.

According to Trump, as a result of an unfair trade, which does not fulfill the requirements of free trade, the United States has transferred a fortune of \$300 billion to China every year. The accusation isn't all that. An official investigation launched on the Trump's order



revealed that there was a fortune transfer ranging from \$225 billion to \$600 billion, from the US to China each year through industrial espionage and cyber espionage.

Trump proposes three solutions. Either the WTO imposes China the necessary sanctions or the WTO membership of China is dropped or the US withdraws from the WTO. All three suggestions may result in the collapse of the WTO system.

However, the figures are misleading when taken unilaterally. Even if we ac-

cept China's membership of WTO in 2002 as a turning point, we have to discuss the performance of the US against the EU also, not only against China.

Trade deficit of the US with the EU in 2001 was US \$64.6 billion, but in 2018 it was \$154.2 billion. In other words, while the US trade deficit with China was 4.6 times higher in 17 years, the deficit with the EU increased by 2.4 times.

Total trade deficit of the US also increased rapidly in these 17 years. In 2001, foreign trade deficit of the US was \$411.9 billion, but it rose \$789.8 billion in 2018. That is, in 17 years, while the US trade deficit with China was 4.6 times higher and the deficit with the EU increased by 2.4 times, trade deficit with the whole world increased by a rate of 1.9.

In short, the issue is not only a Trump issue. It's an issue of the US. Foreign trade deficit of the US is constantly increasing. And not only Republicans, but also the Democrats, argue that the United States should take a precaution. Trump's spouts about the trade problem with China are some of the few issues which both parties support.

The leader of the Democrats in the House of Representatives, Nancy Pelosi, who is in conflict with Trump in all matters, supports Trump's policies against China's "unfair business" practices and even wants these policies to go further: "human rights are also integral to a fair trading relationship in countries like China that exploit prison labor, engage in other unfair labor practices, and stifle free speech and dissent."

In other words, those who think that the phenomenon of trade wars are something unique to Trump is wrong. Democrats and Republicans in the United States are on the same page in this issue. It's an issue of the US. The US sees the fall back and is preparing to take the initiative.

TRUCE AND THE RESULT OF THE FIRST CONFLICT

On December 1, the US administration announced the first truce in the Customs Wars. It has been announced by the US administration that if the US cannot get the requested compromises over China,

THREE FRONTS: US-CHINA, US-EU, EU-CHINA

While the US-China war is on the front line when it comes to the trade war, this is in fact a misleading description.

The tension between the US and China is very huge, but the US-EU partnership and its tension are coming immediately after that. And the EU-China partnership and its tension determine the third major area of conflict.

From the point of view of the US, trade deficit is an issue of China first, then the EU's. Even though the total trade deficit of the US has increased steadily, the share of China and the EU in this deficit has been much faster. Even though China is pointed when a scapegoat is needed, the EU can see that it will be its turn soon.

The EU is concerned that the first conflict between the US and China, which started as

customs wars, will spill over the US-EU front. As a matter of fact, when the customs wars began, the EU gave the first reaction. Because the new custom tariffs brought by the US for steel and aluminum imports were only for China at first, but with the date of June 1, 2018, the EU was included in the same tariffs and this affected the EU much more than China. Explaining that the EU would respond to its aggressive customs policies in the same way, The European Commissioner for Trade Cecilia Malmström said "We cannot let any country force our companies to surrender this hard-earned knowledge at its border. This is against international rules that we have all agreed upon in the WTO." The US-EU

front, however, is now cold. The EU also filed a formal complaint against China to the WTO, shortly after the United States made an official application to the WTO similarly against China's unfair dumping, industrial espionage and forced technology transfer policies.

Thereafter, trilateral negotiations between the United States, the EU and Japan began to regulate the WTO policies and determine the measures that the WTO could take against China.

The first stage of the trade war ended in this way. The US-EU conflict was postponed. At the issue of the US-China conflict, the EU and Japan took their positions.



it will continue with new customs tariffs on March 1, 2019. But by February 28 global markets were eased off by the news that the truce was prolonged at least for now. Donald Trump has extended the deadline to raise tariffs on Chinese goods beyond this week's initial deadline, saying that progress had been made in the latest round of talks. China has promised to buy more American goods, including soybeans and energy products.

Now that the truce has been extended, let's look at the outcome of the storm-like customs wars in a year. China raised the customs tariffs on items covering \$110 billion from the United States. China's imports from the US is \$111 billion. In other words, China has run out of bullets.

The US has applied a tariff of 25% on \$250 billion of imports from China. The US imports from China \$493 billion in total. In other words, as the US has not run out of bullets, if there will no agreement with China until March 1, 2019, 25% customs tariff will be put into use in \$200 billion of new products.

Although the US seems to be stronger as a result of the first economic collision, the political situation is slightly different. On one side of the front, the Chairman of the Communist Party of China, Xi Jinping, declared himself as the "perpetuating for life" president of the party congress. Trump could lose his chair if trade wars will have a negative impact on the US economy.

In 2018, the Chinese economy remained at the lowest growth rate of the last 28 years with 6.4 percent. All the economic indicators of the US tended

4 CLAIMS AND 4 DEMANDS: ACT OF WAR

Every war has a reason. When we talk about the trade war, it seems like the US President Trump is the one who raises the reasons for the war. But we can say that business world of the US has these claims as a whole – for now. Now let's see where the other forces like the EU, Japan etc. are located around these four claims

1st CLAIM

China makes the use of free trade but it does not bear its burden. Getting into all world markets particularly with the WTO membership, China does not let its commercial partners benefit its tremendous market. Its import regime is mainly conservative. China also prevents the consumption of imported products within the country by using informal means of party-state control.



The EU also supports this claim. Most of the Third World countries, too. Trump's protective and aggressive customs policies first hit North American partners Canada and Mexico. Referring China as a World trade problem, Jorge Guajardo, former Mexican ambassador to China said "One thing the Chinese have had to acknowledge is that it wasn't a Trump issue; it was a world issue. Everybody's tired of the way China games the trading system and makes promises that never amount to anything". It is not a coincidence that this statement was made immediately after the renewal of the US-Canada-Mexico Agreement on September 24, 2018.

2nd CLAIM

China is the country that receives the most direct foreign capital investment in the world, but also imposes partnerships with state-controlled companies on international companies that want to invest in the country. The aim of these partnerships is to transfer the capital investments and the advanced technologies of Western companies through R & D projects, to the Chinese partners.



The EU supports this claim the most. They almost strategically collaborated with the United States. EU Chamber of Commerce President Jörg Wuttke's complaint is similar: "From the National People's Congress, we again hear that foreign companies are supposed to get equal treatment, but I'm not buying this anymore."

3rd CLAIM

In addition to allegations of leakage of intellectual property through obligatory partnerships from Western companies, the Trump administration has accused China of direct technology theft and industrial-cyber espionage. According to FBI Director Christopher A. Wray, China is the biggest threat in terms of industrial espionage and theft: "There's no country that's even close to China." China is claimed to be responsible for 50~80% of cross-border intellectual property theft worldwide, and over 90% of cyber-enabled economic espionage in the U.S.



China's Made in China 2025 program formed the same reaction not only to the US front but also to the EU front. Within the framework of this new program, the EU sources find China's aim of World leadership in robotics, space technology and artificial intelligence sectors. Therefore, the EU accuses China to commit technology theft from Western companies, institutes and universities.

4th CLAIM

China produce its export goods cheap by artificially devaluing its currency Yuan and eliminates the other competitors with an unfair competition. China rejects this claim and argues that China's stability in world trade is based on stability in the Yuan. Yuan has actually devalued 2.8% in the last six months. However, this could be a result of the custom showdowns that started, as well as China's response to US customs policies.



On these four fronts, the US wants China to sit at the table or be removed from the WTO. The US also asserts that WTO's sanctions are very inadequate and slow, if the WTO does not take the necessary measures unilaterally, they will take them and they take so.

to improve. Unemployment reached the lowest level of the last 18 years with 4.1%. Trump's most prominent electoral pledge was to create new business opportunities. However, the year 2018 was also the year when the US trade deficit with China reached its highest level in history, interestingly. In short, trade wars did not de-escalate the international trade, but aggravated on the contrary. However, it increased the anxiety and risk perception in the markets.

WAR AND RISK

In terms of game theory, it is clear that in a two player comparison, the trade battle results in a lose-lose situation for both of the players. But in real life this is a more complex game. In the US-EU, US-China, EU-China bilateral cases, the trade war can be profitable for some players. For example, in a three-player scenario where the US and the EU take a common stand against China, they may well be a result of win-win-lose. The EU's complaints over China's party-state audits over the economy exceed those of the United States. In 2016, the EU's direct investment in China remained at 8.5 billion euros, a record decrease of 23 percent.

Another scenario is that the US can negotiate with the EU on the bargaining table by using the customs wars that it is conducting against China as an excuse and bring up the trade deficit on this front.

It is a less likely scenario for China to build a bloc against the US with the EU or against the EU with the US. China is the status quo power that is currently trying to maintain the relations it has established with these two economic giants. So it wants to avoid trade wars by making minimum concessions.

All of these different possibilities weaken the claim that a trade war causes all sides to lose and the belief "unshakability of the free trade order". Yes, the battle causes everyone lose, but if there will be a winner at the end, the long-term gains can cover short-term losses. That's Trump's promise.

WAR AND OPPORTUNITY

War creates risk and danger. But doesn't it create an opportunity? Trade war may also result in the opposite of what is claimed. Trade wars can expand the world trade or it can shrink it. In the long run both outcomes are possible.



Vladimir Putin, Angela Merkel and Emmanuel Macron have gathered in Istanbul for a four-way summit with Turkey's president Recep Tayyip Erdogan on November 27, 2018.

This war, which Turkey isn't in it but will directly feel the side-effects, may reveal many opportunities.

It seems like it's impossible for Turkey to be blind-folded in the face of these developments. Even though China's membership of the WTO in 2002 caused a great acceleration for world trade, it did not reduce the contradictions and polarizations in the system but enhanced. These polarizations led to customs wars between the US and China today. A similar war can be experienced between the US- the EU and the EU-China. Some argue that the customs war can lead to more aggressive trade wars, trade wars can lead to economic wars and even a new Cold War and armament race.

It's clear that it's not just Trump's issue. Trade war can also evolve into an economic war. Volkswagen was fined \$ 23 billion by the US due to the emission scandal in 2015, which was an early signal. Cases filed against Apple and Google in the EU was another signal. And finally the US has had Huawei's CFO arrested in Canada this year on charges of cyber espionage. Can all these be indicators of the war spilling over from trade to economic area?

WHAT ABOUT TURKEY?

Since 2002, the year of China's membership of the WTO, Turkey's trade balance with China, the US and the EU has been effected negatively. While our trade deficit with China was 1 billion 100 million dollars in 2002, this deficit in-

creased to 20 billion 434 million dollars in 2017. This is an increase of almost 20 times. Turkey's trade deficit with the US and the EU did not increase at the same rate, but have increased in this period and remained more stable.

Turkey did not only increase the trade partnership with the EU region by the Customs Union Agreement between the EU and Turkey, but attracted more foreign direct investment from the EU just in 17 years more than the whole history of Republic. But China's foreign direct investment in Turkey was very limited during this period, which its exports to Turkey increased 16 times since 2002 thanks to the Customs Union Agreement between Turkey and the EU. China failed to enter even the top 20 countries that made foreign direct investment in Turkey. China grabbed the leadership in industrial production in the global arena with a 25-year uninterrupted US and EU cooperation. But the US and the EU are now questioning this cooperation. China does not intend to give up on the leadership. Turkey may initiate a new commercial partnership strategy with China, which as a country is compressed in the EU-US front, in more advantageous conditions and on a more stronger ground.

Turkey is the fifth among the countries that recovered its economy rapidly after 2008 Crisis. Trade Wars offer Turkey risks as far as creating new opportunities as a reliable trading partner to maintain this performance.



Turkish Fashion Week

TURKEY AS A FASHION



One of the textile centers of the world, Turkey steers the fashion world through its fashion designers preferred by lots of world-wide known celebrities and brands.

By Hatice Kübra Erişir

Passion of Fashion

Turkey takes firm step as hosting international fashion showcases it presents its own a selection of leading Turkish designers who has been stars such as Rianna, Madonna, and ro Many Turkish fashion d such as Hussein Chalayan Turkey and met her clients

CELEBRITIES AND BIG COMPANIES IN

Besides pursuance of world standards, Turkey has for 20 years. Catering for the world's majority of has an industry featuring the latest production The innovations brought by the technology access are satisfying for the followers at this ing fashion giants while offering their own World-famous Turkish fashion designers, has been pioneers in the issue of drawing with the local brands such as Koton, Sarar, rımod, Desa, İpekyol and Mavi Jeans and giants in fashion design throughout among our successful designers who has started their work in the country and brought 150 prestigious points in the world.



PURSUIT OF TURKISH FASHION DESIGNERS

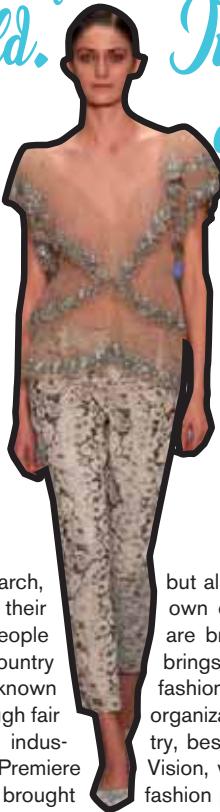
influenced the fashion industry through pioneer designs needs in terms of production and providing raw material, techniques with R&D studies and new tech investments. age, opportunities such as transportation and fast point. Turkish brands are hosting the world's leading style to the world with its multicultural advantage. Erdem Moralioğlu, Hussein Chalayan and Bora Aksu, world's attention to Turkey's fashion talent. And now Roma, Que, Machka, Tween, Network, De- countless brands, Turkey became one of the the world. Özlem Süer and Arzu Kaprol are an important place in the world market, who their own designs to the customers in more than

FASHION: AT THE COALFACE IN ISTANBUL'S DISTRICTS One of the world's top tourist destination, Turkey offers a wide range of service spectrum in terms of both domestic production and imported products to its foreign visitors and able to cater for all segments. Dress-making culture of Turkey's Culture Capital İstanbul, which takes orders in an old-fashioned way is especially famous in this regard with its Pera district. Now, in the districts richly composed with historic fabric such as Beyoğlu, Nişantaşı and Galata, lots of boutiques hosts world-famous designers' showrooms and produc tion ateliers. Designers, who welcome foreign customers from almost every point of the world, of fer design and consultancy services to many foreign brands as well as haute couture services.

INDUSTRY IS GROWING UNDER THE LEADERSHIP OF ACADEMIA AND BUSINESS Turkey closely follows developments and even initiates, also follows the world by many foundations, institutions and organizations aiming to progress in all aspects of fashion industry. İstanbul Textile and Apparel Exporters' Association (İTKİB) is one of the leading institutions and it is composed of four units. These are the İstanbul Apparel Exporters' Association; İstanbul Textile and Raw Materials Exporters' Association; İstanbul Leather and Leather Products Exporters' Association; İstanbul Carpet Exporters' Association.

Dress-making culture of Turkey's Culture Capital İstanbul, which takes orders in an old-fashioned way is especially famous in this regard with its Pera district.

toward becoming the heart of the fashion world. As well as entrusted with creating imperial class celebrities such as designer steers the world of considered to be the genius via more than 150 stores



In this issue we present age for world famous duchess of cambridge fashion with their aes mindoffashion, Ozlem throughout the world.

Not only providing raw materials, production and research, design competitions to explore young designers within their result of these competitions, many successful young people the leading countries of the world and every year, the country in fashion design. When we look at the history of well-known have played an important role. I Attracting attention through fair every year in all areas of textile number of visitors year by year. One fair brand of textile and fashion Istanbul. In order to explore the fall in the textile sector came together tention of Eastern and West apparel industry in order to

I Along with Istanbul, production, such as international fairs. I It city makes world-hosts the pioneer Suits and Evening year, also organizes discovery and sup-world and to be given to the de-Turkey consists tions. Along with their Mimar Sinan University many talents in textile and national students abroad. bul. The Istanbul Fashion national certificates and

and fashion indust- of them, Premiere industry, brought winter fashion of at the Istanbul Convention Center.

ern European and Middle Eastern companies by adding important players to meet the increasing demand of European ready-to-wear fashion brands.

Turkish fashion world develops at metropolises which has versatile Izmir, Antalya, Gaziantep and again, is introduced to world market via is impossible to not mention another metropolis of Turkey, Izmir. The wide progress in bridal design, production and trade. It also fair IF Wedding Fashion Izmir: International Wedding Dresses, Gowns Fair. The fair, which hosts billions of guests every an international wedding dress design competition for the port of young designers. I To follow fashion around the one of its pioneers are enough to explain the importance signer besides technology and production. In this regard, very successful and well-established educational institu-

well-established education history for more than 130 years,

Fine Arts Academy and Marmara University have been educating

fashion design for many years - exchanging international students and

I In addition, there are also many successful private institutions in Istanbul Academy and Vakko Esmode also train many fashion designers with inter-collaborations and put them into service for the fashion world.

Attracting attention through fair organizations, Turkey hosts prestigious international trade fairs every year in all areas of textile and fashion industry, besides a significant increase is observed in the number of visitors year by year.





Hussein Chalayan

GENIUS AMBASSADOR BETWEEN IMAGINATION AND REALITY

Turkish Cypriot fashion designer Hussein Chalayan, who has left his 25 years of design life behind with a great overall sense of success, is one of the greatest genius designers in the world. He won the British Designer of the Year award for two consecutive years and was honored in 2006 with the Great Britain's Order of Merit and the 2013 Fashion Visionary Award. Preferred by many famous celebrities around the world, Chalayan became famous mostly with the iconic clothes he designed for Lady Gaga and Björk. In fact, it would be wrong to say he is only a fashion designer but he is literally an artist.

He makes a good fist of every area which he's inspired and directed to. The movie *Absent Presence* directed by Chalayan and starring Tilda Swinton was shown at Turkish pavilion of 51st International Venice Biennale, designed by Chalayan. The artist, who brings his exhibition consisting of painting, sculpture, video and sound installations to his audience in London and Istanbul, closely follows the technology and development in the field of fashion and deeply in-

stils the futuristic themes in his designs. He makes indelible impressions with his fashion shows. He says that he saw his works as a therapy and that this should be true for all who produce it. Chalayan said that he feels like he is from London but his heart is from Istanbul. He also asserted that Turkey's atmosphere consisting of a mixture of cultures and the people who'd love to chat effects him very much. On the other hand, London the city embracing of all cultures and open to all views of the course is a great feature for the process of production and creation, he says. Chalayan has done wonders again with his first spring summer creation. Over a wide range of designs that blend the forms with fluid fabrics details, which are also carefully drawn and catch the eyes. The image of the woman he created is the woman who develops herself, learns and pursues her dreams. Saying "**This was always the case because I grew up with women like this around me.**", Chalayan builds awesome bridges between imagination and reality through his designs.





Özlem Süer

THE MODERN QUEEN OF ROMANCE

Özlem Süer has a worldwide success story. Süer, who acquired a trade formation during her time in the sector, established her company through a decision she made in one night. Süer, has started by setting the principle "moral and world-class production is the most important". With a total of 40 performances and exhibitions in the fashion centers of the world such as Düsseldorf, Tokyo, London, Milan, Moscow, Paris and Berlin, it has become a design brand known in the world with its stance close to art beyond its industrial identity, and fashion sense. **Istanbul-based designer offers a legendary atmosphere in her second-degree historical monument building "ÖZLEM SÜER HOUSE" in Nişantaşı.**

The House is one of the must-see addresses in the Istanbul edition of Louis Vuitton City Guide. Süer offers design consultancy services to many companies and offers appetizing designs in Avant Garde Couture, Pret a Couture, ready to wear areas every season. Besides, the very special bond



with fabrics that the first brand comes to mind when we talk about bridal industry in Turkey, Özlem Süer forges is quite interesting; she says the most inspiring ones are the fabrics and textured surfaces. One of the most distinctive features is the search for new mold and form with drape technique in a color palette composed of tones of one color. In addition to being a worldwide designer, Süer meets with her students at Mimar Sinan Academy, a well-known university in the country. Mentioning about the importance of being with young people in the process of creation Süer says "patience and apprenticeship during the training is very important". Süer, who has taken part in overseas design associations and congresses, has been conveying her work through academic seminars and workshops in universities. The Özlem Süer brand, which has an intense working pace, meets its followers at 150 prestigious locations in many countries such as England, Italy, Japan and Kuwait throughout the world and inspires young fashion designers.



Dilara Findikoğlu

REBELLIOUS, NOBLE AND CREATIVE

Young designer Dilara Findikoğlu, her name is already heard around the world and more to be heard. Dilara succeeded in transforming the riot inside her into a huge movement with her creative energy, as well as she did not resign herself to fate. In fact, she showed that she is an artist rather than a stylist. I call her "artist" because she stands tall against general concerns of this sector and pursue her dreams to the full extent; this makes her very strong. After graduating from the Italian High School in Istanbul, Dilara argued his father by saying that she wanted to study fashion design in London. "When I received another school proposal from my father, I told him that if you don't send me to London, I'll run away from home. I want to be a world-wide known person." And London. She emphasizes that what is important for her is to live in London, before she studied Central St. Martins. London, she says, has many differences and an endless source for press and prestige. Dilara Findikoğlu dressed the most important celebrities and stars of the world, a few of them were Madonna, Rihanna and Lady Gaga,

so that each one wore the clothes she designed as a fan of her. The success of the climbing steps of the fashion designer fashion show his latest fashion show in spring summer collection in London. In addition, it started to be included in social responsibility projects. The designer climbed the steps of success one by one, her latest fashion show spring summer collection was introduced in London. In addition, she started to be included in social responsibility projects. Within the scope of World Human Relief, she designed a t-shirt for the campaign titled "Send Girls to School" and all the income is delivered to the girls. **Dilara, who expressed that she will find more in her own roots, is a designer who does not ignore the cultural richness of her country and finds her roots in the designer's own Turkish heritage and past identity.**

In addition, Dilara's designs which have an expressionist and protest style, of course appeals to the adventurous women, moreover empower them. Dealing with the styling side as well, Dilara brings fashion design and art on the same page in this area also. The objects she chooses add depth and mystery to the clothes. Her path looks much longer and full of a great overall sense of success. One of the young talents must to follow.



Erdem Moraloğlu

ROYAL CLASS DESIGNER

Erdem Moraloğlu, a Turkish fashion designer who shook Britain and then world fashion under the Erdem brand he created, was chosen as Man of the Year in 2015 Year's Awards Ceremony held in London by British Harper's Bazaar magazine in December 2015, and in 2014 he was awarded as the Designer of the Year by the British Fashion Council Awards. Founded in London in 2005, ERDEM has become the symbol of many versatile and powerful women. Erdem Moraloğlu studied at the prestigious Royal College of Art in London and founded his brand after graduation. Bringing lively prints together with detailed craftsmanship, the brand creates delicate and elegant looks for brave women.

The image of woman he created sets a magical atmosphere with these details. Erdem is the choice of celebrities such as Michelle Obama, Sex and The City series, known as Carrie Bradshaw Sarah Jessica Parker, Sienna Miller, Kate Winslet, Lara Stone, Marion

Cottillard, Michelle Williams, Julianne Moore, Anne Hathaway, Keira Knightley, Emma Stone and besides, the famous brand is mostly preferred by the British Royal Family Duchess Kate Middleton. ERDEM presents designs to its customers in the most outstanding 170 stores including Barneys New York, Bergdorf Goodman, Dover Street Market, Selfridges, Harvey Nichols, Le Bon Marche, Tsum and Saks Fifth Avenue in New York. Recently, the brand has created successful collaborations; In 2017, the brand took part in the ERDEM x HM partnership and the 2018 beauty collection, Strange Flowers Collection created by NARS & ERDEM and the Royal Ballet costume designing commission for Christopher Wheeldon made Corybantic Games.



The image of woman he created sets a magical atmosphere with these details.



Erdem is the choice of celebrities such as Michelle Obama, Sienna Miller, Lara Stone, Michelle Williams, Anne Hathaway, Keira Knightley, Emma Stone and besides, the famous brand is mostly preferred by the British Royal Family Duchess Kate Middleton.



Bora Aksu

A WORLD STAR FROM DETAIL TO INTEGRITY

Born in Izmir, Turkish designer Bora Aksu received his first acclaim when he graduated from Central St Martin's MA in 2002. He carries his work based in London. Aksu organized his first fashion show in London Fashion Week in the same year and won the New Generation Fashion Winner Award four times in a row. Bora's collection was honoured as 'the star of the show' by The Daily Telegraph, The Guardian and The Independent. Aksu designs, which have been the favorites of many celebrities, have become famous with celebrities such as Keira Knightley and Kirsten Dunst. In 2012, Bora Aksu was asked to attend the WGSN Global Fashion Awards' Panel of Jurors. He was also chosen as Designer of the Year at Turkey Elle Style Awards. Creating a very different signature throughout his career, Aksu offers powerful views for romantic, seductive, elegant and classy women. In his designs, he impresses all with fine handcraft and pattern designs; offers quite an elite look. Aksu, who has designs in prestigious places in many parts of the world, recently opened sev-

eral stores in Far East. The spring summer creation that Bora Aksu presented to audiences during London fashion week was like a veritable feast. Elegant pattern designs were used gracefully. The depth was formed by the contrast of all size patterns that determine the differences. **The designs, which blend classic patterns with the old, present a fresh meeting with today.** Highlighted by the layered fluffy skirts and draped arm details, this creation calls fans over a unique dream.



Born in Bursa, Ayşe and Ece Ege sisters continue their magnificent designs in Paris. The success of the brothers is due to the fact that they are united in two different areas. Ayşe Ege graduated from the Boğaziçi University, De-

partment of Tourism and Hotel Management. After high school, Ece Ege wanted to study fashion in Paris. When she finished school in Paris, she stayed there to realize her dream of creating a fashion organization. She started her first job by preparing a collection of shirt designs in collaboration with a friend. They achieved great success with their first collections. After that, Ayşe Ege joined the duo to create the Dice Kayek brand. In 1992, Ayşe and Ece Ege prepared their first collections. The turning point for the sisters was the famous PAP Fair in Paris. **Ayşe and Ece Ege, who had to exhibit their collections in the back of beyond corner of the fairground since they were a brand that no one had heard of, was discovered by the world's largest store chains and the most prestigious boutiques.**

Dice Kayek

by Ayşe-Ece Ege Sisters

A MAGICAL GARDEN IN PARIS

Then, the fashion shows started and Dice Kayek became one of the world's leading brands. In 2003, as a brand Dice Kayek, who made their way into being a brand in fashion design, they made costumes for a play by Gertrude Stein at the Bobigny Theater. In the same year, they were awarded with the "Femme en Or" (Golden Women) award in the field of fashion in France. In Turkey, they were accepted to DTM's Turquality Programme which aimed to make Turkish brands recognised abroad. In 2004 they produced Uma Thurman's costumes for the Prime film. They signed a consulting and distribution agreement with Mitsui and Co, one of Japan's largest trading companies. The duo accelerated efforts in Turkey, developed the brand "Machka" with Ayaydin Group. Having the distinction of being the first corporate brand cofounded with designer, Machka offers accessible clothes to stylish and classy woman with sense of humour. The Dice Kayek brand, which won The Most Successful Women (France Euro Méditerranée) award of the European Mediterranean Association of France in a ceremony held in the French parliament building in December 2010, today reaches consumers in exclusive boutiques in 35 countries. They are expanding their success every day.





Aslı Filinta Modernizing Traditional Sense of Fashion

Born and grown in Turkey, Aslı Filinta has become famous with her designs throughout the world just before she has become well-known in her country. Studying economics and working in the financial sector for a short time, Filinta is now one of the leading designers of the fashion world with her brand. In March, on the second day of Mercedes-Benz Fashion Week Istanbul, she introduced a collection consisting of recycled materials and invited us both for questioning and movement under the headline question "Is this the world of justice?", in former synagogue Zülfaris in Karaköy.

Your designs which gather traditional and trending on the same page are very well known. Previously, you have been mentioned often through your designs dedicated to Rumi and Mimar Sinan. Which story did you choose to face fashion lovers this time?

Exploring my own history, culture, roots, finding stories that have created a spark inside my brain is the only point that connects me to this busy paced work and this is my luxury. To understand the design logic of Mimar Sinan, to absorb the feelings of Nazim Hikmet in his poem 'About Living', then to understand Leyla Gencer's commitment to her roots gives me a different pleasure. I am very happy to create a research and learning process about my culture on my own in this heavy workload and it is impossible not to be influenced as I learn further.



"I am very happy to create a research and learning process about my culture on my own in this heavy workload."

As you say "Is this the world of justice?", are you referring to a design generated from revolt or expostulation? What's in the background of the theme, what kind of story do you tell?

I'm questioning now whether we can give the world as much as we took. In my own inner world, I began to make sense of being truly fair. We make new designs for each season, we feed our creativity, but can we be sensitive on our perspective of consumption? What can we bring back into life? For example, I started by finding the formulas that will make my 3 year old son's 3 times worn clothes grow 3 years more. As we shared this on social media, our customers asked us to do the same application for shrink-wrapped cashmere sweaters. With different or similar fabric insertions on both sides and underarms, it is becoming a new design as well as prolonging the life of the products!





The latest fashion show of Aslı Filinta was held in Zülfaris, which was the synagogue, and is now the Center of the Beautification and Protection Society of Karaköy.

WHAT IS CALLED "TASTE" UNDERMINES CREATIVITY

In a place like Zülfaris, you preferred a presentation accompanied by a baglama. What was the feeling that led you to this choice?

"İnsanlar" was a band that I wanted to present together for a long time. They are modernizing the music of our own in a unique way.

How would you describe your design language? From the point where you started; How and where has it evolved right?

First, I tried to design so that others like it, then I said, "Actually, I don't really mind if others like what I designed, if I like it's more than enough". Now I'm sure that what is called "taste" undermines creativity.

In addition to being a designer, what kind of advantages did your economic education offer you? What do you recommend to young designers about brand marketing?

I never dreamed of being a designer, and I read seriously in the Department of Economics in Bilkent, I couldn't have graduated otherwise, but Parsons The New School was an excuse to move in New York. I didn't graduate from Parsons, I took the lessons I wanted to learn, I even left every lesson I took. Since I didn't have a fashion education, I didn't apply for a job because no one would hire me, and when I was in New York I created my own brand. I'm one of those who prefer to learn through experience, I don't have much patience to read schools for years. The fact that I studied economics was very useful in understanding how to maintain consistency of the supply and demand curve in the fashion sector!

TURKISH WOMEN ARE THE MOST BEAUTIFUL

In the fashion show, you only allow Turkish models play, what is the reason?

In all fashion shows in Turkey, 70% or even 80% of models preferred are foreigners. As I determine model crew, I saw that I couldn't get the emotion and excitement that I wanted in foreign models. Then I decided at that moment. After all, I was trying to create stories inspired by the land of this place, it was necessary to feel my story was complete. Dolce Gabbana also shows only Italian models, and the whole world respects that. I'm upholding the idea that Turkish women need to be supported in all areas seriously as far as I concern, Turkish women are the most beautiful in the world.



Discover the potential of Turkey, now on social media!



Turkey

Discover
the potential

discoverthepotential.com

Content: Leading Mobility and Connectivity Technologies **P57** A Paradigm Shift in Turkish Jewelry **P60** Natural Fiber Reinforced Composites **P62** Raising a Generation to Change the World **P64**

Brands

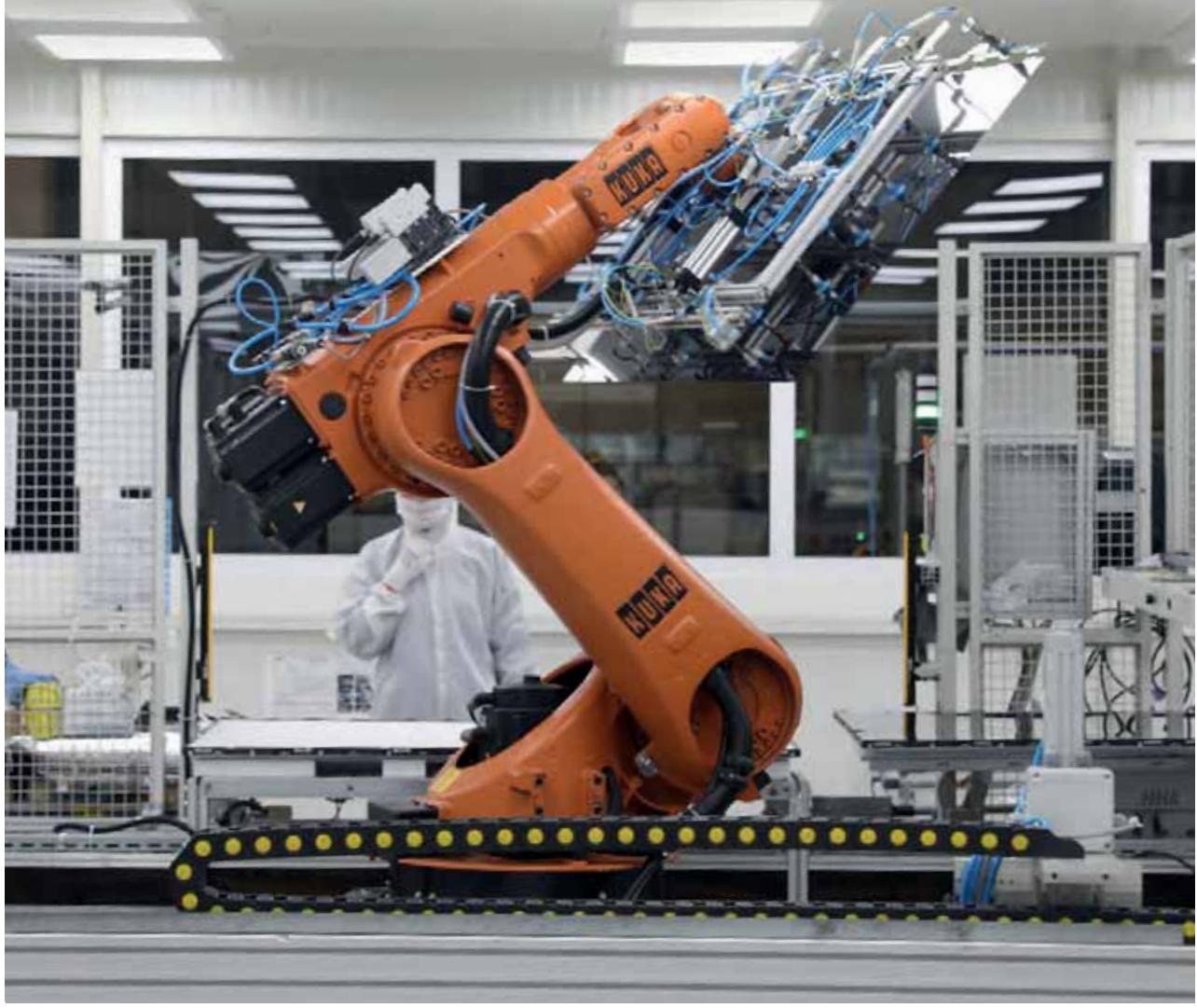
TECHNOLOGY, JEWELRY, INNOVATION, START-UP

TECHNOLOGY

LEADING MOBILITY AND CONNECTIVITY TECHNOLOGIES

Turkish technology giant Vestel aims to be the first company completing its transformation by maintaining its leadership in Industry 4.0.

BY BEKİR BİLGİLİ



VESTEL GROUP OF COMPANIES operates in white goods, electronics, digital products - IT, lighting and defense industry industries. Producing several devices from televisions to white goods at the Vestel City located in Manisa, Vestel employs technologies such as AI, robots and IoT at its factory. At these factories with daily production capacity of 87,000 units, Vestel produces the products developed and designed by our Turkish engineers.

As one of the companies investing in Industry 4.0, Vestel aims being the first company completing its transformation by maintaining its leadership in this area. Vestel does not see Industry 4.0 only as a robotic production or automation project, and endeavors to make digitalization a company culture from production stage to sales, and after-sales services to customer services. For the future vision of Vestel in long term, Industry 4.0 concept as well as "Mobility" and "Connectivity" technologies constitute an important part of the R&D efforts. Services offered under the concept of Smart Houses, Smart Cities and Internet of Things will be areas which Vestel will win a name for itself.

PRODUCTION IN DARK ROOM

Employing technologies such as AI, robots and IoT at its factories, Vestel carries out some of the productions in dark rooms where only robots are operated. As no human is employed in this section where white goods are produced, all the operations are carried out in a dark room equipped with sensors and infrared cameras. In this way, both the electricity consumption and heating costs reduce. And the production efficiency increases.



AI is used for quality control processes. AI recognizes the products' models, runs different tests accordingly, and solves the problems, if any. Self-driving vehicles are also used at the Vestel City. The boxes containing the main boards of several technological products from smartphones to white goods are transported to the relevant units with self-driving vehicles.

STANDS OUT WITH ITS R&D INVESTMENTS

R&D and innovation are very important for Vestel. Vestel has 8 R&D centers and 1.600 R&D engineers globally. As one of top 3 Turkish companies among the first 1,000 companies in the world with highest R&D spending, Vestel reserves 2 percent of its turnover to R&D every

year. Furthermore, in 2017, Vestel entered the top 50, as the only Turkish company, to the list of 100 companies with highest number of applications to the European Patent Office. This indicates the success of Turkish engineers.

GLOBAL GROWTH IS THE FOCAL POINT OF ITS LONG TERM STRATEGY

Vestel continues to develop and product world-class technology. IoT vision is not only limited with smart houses. Vestel has presence in several areas of the smart city ecosystem such as smart mirrors, smart canes, urban lighting, electric car charging units etc. Vestel listens to its consumers, takes their requests into account, and produces technology accordingly. Within the scope of Smart Life 2030 vision, it

Vestel entered the top 50, as the only Turkish company, to the list of 100 companies with highest number of applications to the European Patent Office.



Vestel exports to 155
countries as the export champion of Turkey for the last 21 years in the electric-electronic.

will be produced at the Vestel City. And the collaborations with another world giant, Amazon, still continue. Thanks to the TVs with Amazon Alexa, all the devices in the house can be controlled through TV. Vestel also continues its collaborations with world-renowned brands such as Daewoo Electronics, Toshiba, and Sharp.

EXPORT CHAMPION OF TURKEY

Vestel gets 75 percent of its revenue from export, and offers its technology to three fourth of the world. Vestel exports to 155 countries as the

export champion of Turkey for the last 21 years in the electric-electronic. Vestel is the second largest producer in the European TV market, and is among top five producers in the white goods market. The primary export market is Europe. Smart products are the leading export products in this geography. With the biggest share in becoming the export champion, television production is the main market. On the other hand, Vestel continues with its rapid growth in the Eastern Europe market. In addition to Europe; Australia, India, Africa, Middle East, Oceania, and Latin America markets are among the important export regions. Products produced according to the cultural and social habits of each country are one of the most important reasons of success. On the other hand, collaborations with world-renowned brands positively affect the export. 75 percent of the sales are obtained from export. In 2018, export revenues have increased by 48 percent to US\$ 3 billion.



produces quieter machines that consume less energy and water with a sustainability and environment-friendly approach. It follows up the trends, shapes its products accordingly, and creates new technologies and new trends. Vestel lists its strategy for the upcoming period as mobile devices, wearable technologies, electric cars, battery technologies, and cloud services. And global growth is the focal point of its long term strategy.

Vestel continues to collaborate with world-renowned brands in order to further strengthen its position in export. Within the scope of collaboration with Google, which was recently announced at the Mobile World Congress (MWC) in Barcelona, Android TVs with Android Pie operating system



JEWELRY

A PARADIGM SHIFT IN TURKISH JEWELRY

As a jewelry brand that counts world-renowned figures like Madonna, Naomi Watts, Britney Spears and Anne Hathaway among its customers, Kismet By Milka inspires every woman to create the future of her dreams.

BY İREM GÜNSEN

DRIVEN BY THE IDEA of evolving, growing and constantly “moving forward”, Kismet by Milka, the Turkish fine jewellery brand has spread its’ wings and is living its’ prime. Created by Milka Karaagacli herself, the brand is a reflection of the designers’ take on womanhood. After a whirlwind career in advertising, she realised that

she had to feed the urge to create that constantly lived inside of her. It was after coming to realisation that she had a lot to say to the world about women that her brand began to form. The brand became her very own platform in which she was able fully express herself and her perception towards women in the form of jewellery...

EMPOWERMENT OF STRONG WOMEN
A strong, independent woman who never stops dreaming and fighting for her dreams is the epitome of the Kismet by Milka woman. The complexity of women make them a perfect subject to study. Beneath each and every layer a woman decides to reveal, lies a different secret. It’s hard to define what a woman is.

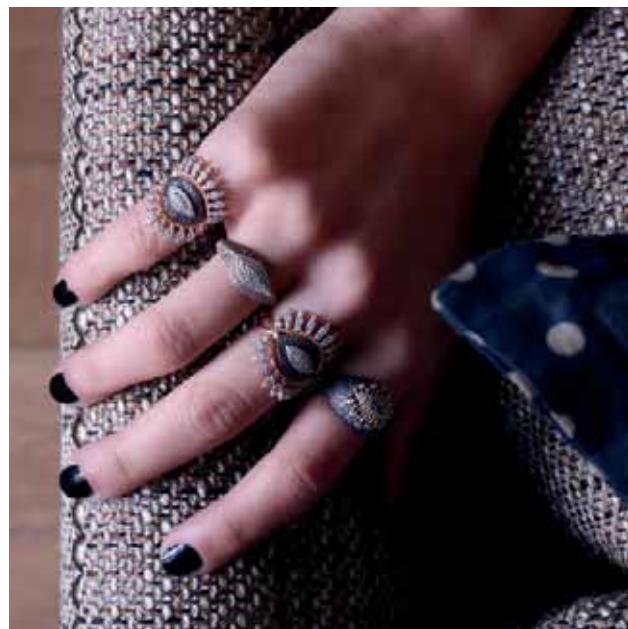
Within their puzzling nature lies passion, hardwork and a constant desire of betterment; both in terms of themselves and their surroundings. This sea of emotions that propel women to constantly move forward has inspired and continues to inspire Milka. The depth of a woman is so vast that she unconsciously continues to reflect something

new throughout her life while never aiming to settle. Let alone this trait of women, helps the designer, Milka Karaagacli remain inspired at all times. Milka's muse were the women she had seen throughout her life and with them by her side both metaphorically and physically she brought Kismet, her brand to its' 10th year. The little girl who braided her own bracelets at Buyukada, happened to find herself as the creator of Turkey's first ever "design fine jewelry" brand. Then comes the question... What's her story? While continuing her career in advertising, Milka had to constantly travel back and forth to London. While doing so, she always brought gifts with her for her close friend Marta. This one time, she brought her an evil eye necklace, that later on became part of Marta's skin. The designer got so inspired by the positive reaction the "evil-eye" had received that she decided to take a leap of faith and leave her 15 year old career in advertising behind. Not so long after this daring action, Kismet by Milka was born. Nowadays, the "evil-eye" has turned into the brands' iconic symbol and at it's 10th year has been refurbished to meet it's buyers yet again.

"We mold our lives and our future with each decision we make. It's one's self that holds the power behind his/her fate" Karaagacli says. The word "Kismet" means luck, fate, destiny. All of these words are intertwined with the "future". Karaagacli believes that this brand is her own "Kismet", her own destiny...

COMBINATION OF LUXURY AND CASUALNESS

As previously mentioned, Kismet by Milka is the flag holder of the "fine jewelry" category in Turkey. 10 years ago, the jewelry market didn't



have diversity. There were two options. People either bought jewelry that was sold at traditional jewelers and these pieces were so heavy that they did not fit daily life. On the other end of the spectrum lay jewels that weren't made out of precious metals. Instead, semi precious stones, gold plating, sterling

silver or bronze was utilized. Basically, there was no in between. Kismet filled the gap of this non-existent market. The pieces brought to life by Kismet were easily carried from day to night, yet were made out of gold and precious gems. The brand created a segment that luxury and casualness mingled and this resulted in the perfect blend. Kismet by Milka was not only a change in the market, but also a change in Turkish habit. The idea of what jewelry meant for the ordinary Turk had began to alter.

Today, when people hear the name Kismet they think of jewelry that's always different and personal. Surpassing borders of its' hometown, Kismet has now turned into a global brand and can be seen worn by the likes of Madonna to Beyonce and Rihanna, Meghan Markle to Julia Roberts and many more names to count... Nevertheless, just as the Kismet by Milka woman who never stops dreaming, the brand as well refuses to be content with the success it has earned and continues to move forward at all times...



The little girl who braided her own bracelets, happened to find herself as the creator of Turkey's first ever "design fine jewelry" brand.



Surpassing borders of its' hometown, Kismet has now turned into a global brand and can be seen worn by the likes of Madonna to Beyonce and Rihanna, Meghan Markle to Julia Roberts and many more names to count...





B-Preg offers sustainable, green and innovative material solutions to companies in the automotive industry.

INNOVATION

NATURAL FIBER REINFORCED COMPOSITES

B-Preg, a Turkish start-up offers an eco-friendly innovative solution from lab to market for automotive industry targeting CO₂ emission level.

BY İREM GÜNSÜN

IN THE AUTOMOTIVE sector, fossil fuel vehicle producers are expected to pay a total of \$2 billion in total, as they do not meet the 2021 target CO₂ emission limit values. The major problem for the replacement of fossil fuel vehicles by new generation eco-friendly hybrid or electric vehicles with low CO₂ emissions is the limited driving distance. Making no concessions on safety, the automotive sector is looking for technologies to lighten vehicles in the

purpose of reducing CO₂ emissions in fossil-fueled vehicles by decreasing fuel consumption in short term and provide longer driving distances in eco-friendly vehicles in long term.

At this point, there is a Turkish start-up with an innovative solution, B-Preg! Founded in 2017, B-Preg set out to develop materials that will help reduce the carbon emissions of the transport sector, in order to reduce the pace of global warming; focuses on the

material vertical. B-Preg offers sustainable, green and innovative material solutions to the OEM and TIER-1 companies in the automotive industry.

A MORE ECO-FRIENDLY SOLUTION ON GLOBAL SCALE

B-Preg is a corporate specialized in natural fiber reinforced composites. The first company in this field in Turkey. With its original production method and production line, it competes with global players in the

market of natural fiber reinforced composites. Easing off the intensive work steps in production process such as energy, chemical and labor, the start-up simplifies production and offers a more eco-friendly solution in comparison with its global competitors in France, Switzerland and the UK. Thanks to the production technique and production line, the production range of B-Preg is diversified in a wide range of 0.1 - 2.5 m, while competing products

offer solutions ranging from 0.18 to 0.4 m.

Established by a young researcher who completed her doctoral studies in textile field Burcu Karaca Uğural and Erhan Sessizoğlu, who had worked as a senior executive for more than 15 years in the automotive sector, B-Preg tries to turn a laboratory-based technological discovery into great success story on a global scale.

For this purpose, the start-up recently joined the JEC World 2019, the largest composite exhibition in the world, and introduced the thermoplastic UD (unidirectional) prepreg structures which are developed by the end of 2018 on a global scale. This is a pretty unique example for a startup working on deep technologies, in terms of developing technology in a short time and moving it to the global showcase!

FAR BETTER PERFORMANCE

UD-Flax, developed by B-Preg, is a polypropylene film structure with unique mechanical and acoustic properties, where the flax fibers are oriented in a single direction. Long-standing studies in the laboratory and the results of newly completed sector trials have confirmed that 1 - 1.5 mm thick composite plates produced with UD-Flax achieve very similar or better mechanical performance than glass-mat reinforced thermoplastics (GMT).

Moreover; 2 - 3 mm composite plates produced with UD-Flax offer far better insulation / weight performance than EPDM sound barriers, providing up to 40 dB of audio transmission loss.

The start-up has an experienced team of textile, machinery and bio-composite engineers and stands on with the support of The Scientific and Technological Research Council of Turkey, the Royal Academy of Engineering Innovation Leaders Program and Uludağ Automotive Industry Exporters' Union.



Easing off the intensive work steps in production process such as energy, chemical and labor, B-Preg simplifies production and offers a more eco-friendly solution in comparison with its global competitors in France, Switzerland and the UK.





START-UP

Raising a Generation to CHANGE THE WORLD!

With the philosophy of Atatürk, Minorprenuers explore the potentials of children and let them pursue their dreams.

BY IREM GÜNSEN

EDUCATION DIRECTOR and also one of the co-founder of Minorprenuers, İlker Elal have learnt to code in his young ages and have started to work as a freelancer. He focused to be an artificial intelligence engineer. He got chances to work in Emotient & Deepmind which are the most important AI companies in the world acquired by Google & Apple. Operation Director and other co-founder of Minorprenuers, Ahmet Yağız Aktaşlıoğlu have worked as a marketing & project manager in Romania & brand manager

in entertainment industry. İlker has founded his first startup when he was a high school student. However it has failed because of lack of knowledge about financial management. Yağız has been earning his money since his primary school days. When they entered the university and met each other they have founded an entrepreneurship club together. They have managed the staffs of Webit Congress which is the biggest marketing and blockchain summit in the world. Thanks to Webit they have huge worldwide network.

After their first Webit Congress, in 2012 they founded an e-learning platform for students who study for IELTS, YDS, SAT together. In months they have met lots of youth ones aged 14-20 who invented something for the world. When they have heard those ones could not get any help by others. Then they introduce them to important people that they have known in Turkey. However they could not find enough people that they wanted to help those children. Being children of colonels has learnt them a lot about their country and history. As a

result of that, they believe that if they have a chance to create any goodness for their country and also for the world itself, they have to do it which necessary to make it real. Because of this reason they have exited from their startup and acquired enough capital to build and grow Minorprenuers.

Minorprenuers was founded to work with children and teenagers aged 7-25 to build creative, social individuals out of them who never give up in October 2015. İlker & Yağız started to research to find an answer that question, "What do we have to do to help those children who have enough potential to create something?" While they were researching about it, they have realised that people have failed 96 percent about their dreams because of the lack of knowledge about themselves." We do not know ourselves. We do not know how we can learn anything by ourselves and because of it we do not guess why & when we will fail. Because of lack of knowledge +90% of entrepreneurs have failed even they had got billion dollar investments.

THEY FOUND THE BEST SOLUTION IN THEIR OWN COUNTRY!

For these reasons, they have visited many countries and talked with lots of schools, governments who has successful education systems. However they found the best solution in their own country! About almost 90 years ago founder of Republic of Turkey have shown the way that they have to walk on. Mustafa Kemal Atatürk's vision about education have been their light on journey of Minorprenuers. They have decided that "We will

discover potential of the youth ones aged to 7-25 and re-model our education systems for each learning styles of every student! This will be our solution for the future!" They put together Ataturk's vision with technology of today.

19 May 2016, first course of Minorpreneurs which is prepared by a vision almost 90 years ago met with students. The vision and the new education system have worked! 36 different students under 18 years old -they called them minorpreneurs- have founded 15 different startups. In 9 months team of Minorpreneurs always hold their hands of their students on their journey to make them successful. Therefore they have succeeded lots of achievements! They have won 23 different prizes from competitions in Turkey and those students have earned totally over 50.000€ from their startups in 6 months. In Turkey, only %0,02 of startups earn approximately 1000\$ yearly. Considering this ratio, Minorpreneurs were 100 times more successful with their education programs! Because of those achievements they have invited to Web Summit which is biggest technology and startup summit in the world and they have become the Turkey ambassador of Web Summit. Until 2019 they have been successful about selecting 37 startups from Turkey to the Web Summit.

MINORPRENEURS HAVE WON OVER 300 PRIZES WORLDWIDE
With the power of Hackquarters, one of the most important startup accelerator program in Turkey, they have been



MinorEdu will be the world's first blockchain based e-learning platform that has an AI to learn the learning styles of its students.

continuing to achieve lots of more! In 3 years Minorpreneurs have worked 4 different private schools, 17 companies and they have 256 minorpreneurs (students) now. Those minorpreneurs have won over 300 prizes worldwide. 4 of them became a TEDx speaker and one of them was the youngest one in MENA. They have won 83 university scholarships thanks to their startup achievements. Their startups have managed their operations in 24 countries, created 118 job opportunities and have earned totally over 1.800.000 \$ since they have started. Last year one of minorpreneurs have

founded an e-sport team called Gamers of Future – in shortly GoF – to train youth ones who have potential about being an e-sport player. Gamers of Future in its first season in e-sport arena they were the 5th team in Turkey's Super League. In their second season they were the 2nd team in the league. They played at Final of Turkey's National Cup and they got chance to join the world cup. Besides the team of Minorpreneurs,

their students try to educate youth ones to create a better future for them.

MINOREDU WILL BE THE WORLD'S FIRST BLOCKCHAIN BASED E-LEARNING PLATFORM

Minorpreneurs also have managed a campaign called "Children Who Will Enlighten Our Future" and with this campaign they have been going to the rural areas to educate children who have a potential and try to give them scholarships to make the world a better place. They have been developing an e-learning platform about this project called MinorEdu. MinorEdu will be the world's first blockchain based e-learning platform that has an AI to learn the learning styles of its students and re-model and re-schedule all education programs for each student. Alumni of MinorEdu will become the founder of the next billion dollar tech companies. Lots of investors have started to talk with Minorpreneurs to join the board of directors as an investor of MinorEdu to get a chance to be the first investors of the founders of next Tesla, Airbnb, Hyperloop ...etc.

Finally we want to share their motto, which is a phrase from Atatürk "You won't compliment anyone to be great. You won't cheat anybody. You will see the real purpose for the world and you will walk to that goal. Lots of people will be against you, and everybody will try to turn you from your way. But you will resist it. They will stack endless obstacles in front of you. You will overcome these barriers one by one by preparing yourself for the most difficult conditions. After these, you'll laugh at people who called you, "Big".

Agenda

FAIRS, EXHIBITIONS, SUMMITS AND MEETINGS IN THE NEXT MONTH



25 APRIL 2019

MARKETING MEETUP 2019

UNIQ ISTANBUL

The eagerly-anticipated Marketing Meetup 2019 will bring internationally-renowned speakers face-to-face with the audience during UNIQ Istanbul on April 25th. Marketing Meetup is noted for challenging clichés by shifting the focus on business intelligence, analytics and intellectuality. This year's meetup is poised to embrace the "happiness" theme as part of the UNIQ Istanbul on April 25th. Marketing Meetup will play host to resounding, prominent names this year. Global Teacher Prize winner, Andria Zafirakou, will throw light on the importance of creativity in education. Shed Simove, once dubbed the "Marketing God", will share 3 ways to develop incredible ideas.



61ST AYMOD INTERNATIONAL FOOTWEAR FASHION FAIR
CNR EXPO YEŞİLKÖY
03 – 06 APRIL 2019

New products and services will be introduced at AYMOD - International Footwear Fashion Exhibition, the second largest footwear exhibition worldwide, exhibitor companies will display their latest products and increase their trade volume. 20 thousand professional buyers are expected at the exhibition which will be held on 60 thousand sqm.

APRIL
11-13

HERITAGE ISTANBUL
HILTON ISTANBUL BOSPHORUS



New technologies give opportunities for cultural heritage by causing worldwide interest, enriching communication and techniques. Aiming at gathering the institutions working for preserving, keeping and transferring the cultural heritage to the future with sectoral suppliers, HERITAGE ISTANBUL which is organized by the motto "Securing the Future for the Past" will be held for 4th time in Hilton Istanbul Convention and Exhibition Center.

APRIL
04-07

AUTOMECHANIKA ISTANBUL
TÜYAP FAIR CONVENTION AND CONGRESS CENTER



As a meeting place for the industry, dealership trade and maintenance and repair segment, Automechanika Istanbul provides a major platform for business and technological knowledge transfer.

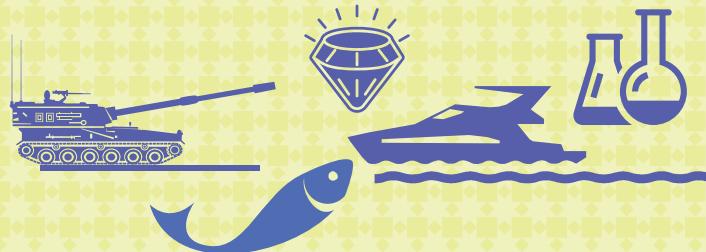


Solarex Istanbul Fair, which will be organized by the coordination of TR Ministry of Trade and General Secretariat of Istanbul Minerals and Metals Exporters Union (IMMIB) will bring together the industry's leading companies and a large number of professional visitors. Interesting events which are including expert names in their fields, shed light on sector professionals.

SOLAREX İSTANBUL
İSTANBUL FAIR CENTER
04 – 06 APRIL 2019



Automechanika Istanbul will open its doors again for the 13th time in Istanbul on April 4th. The location of Turkey makes Automechanika Istanbul the most important international trade platform of the region for all domestic and foreign companies that plan to make investments in neighbouring countries' market.



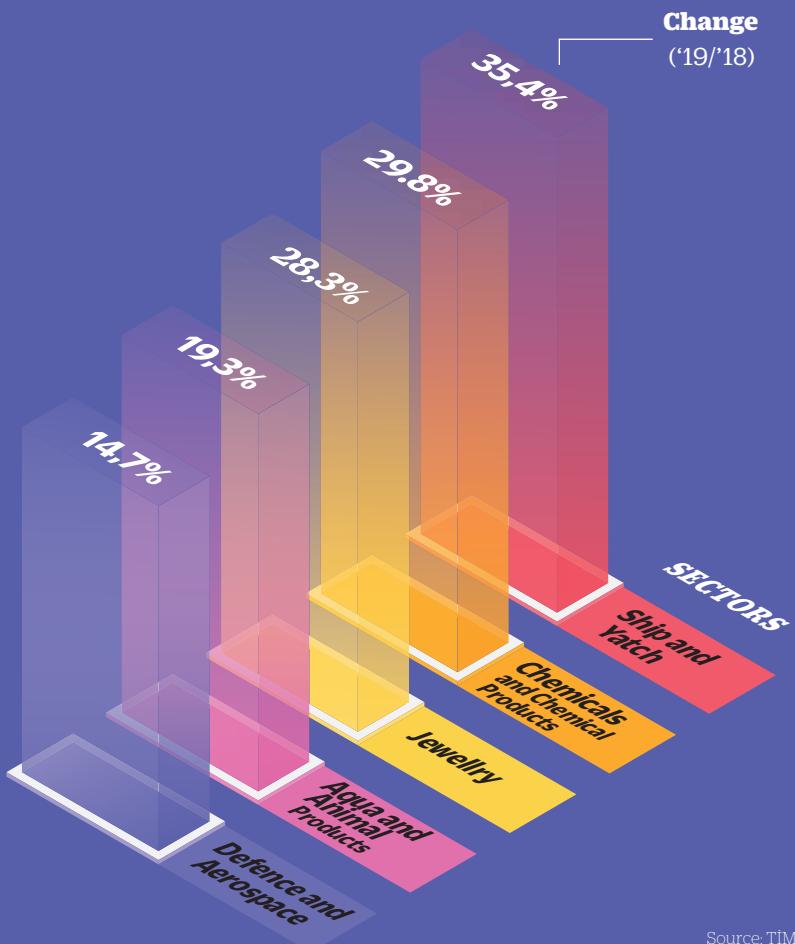
Figures

FEBRUARY EXPORT VOLUME HITS RECORD HIGH

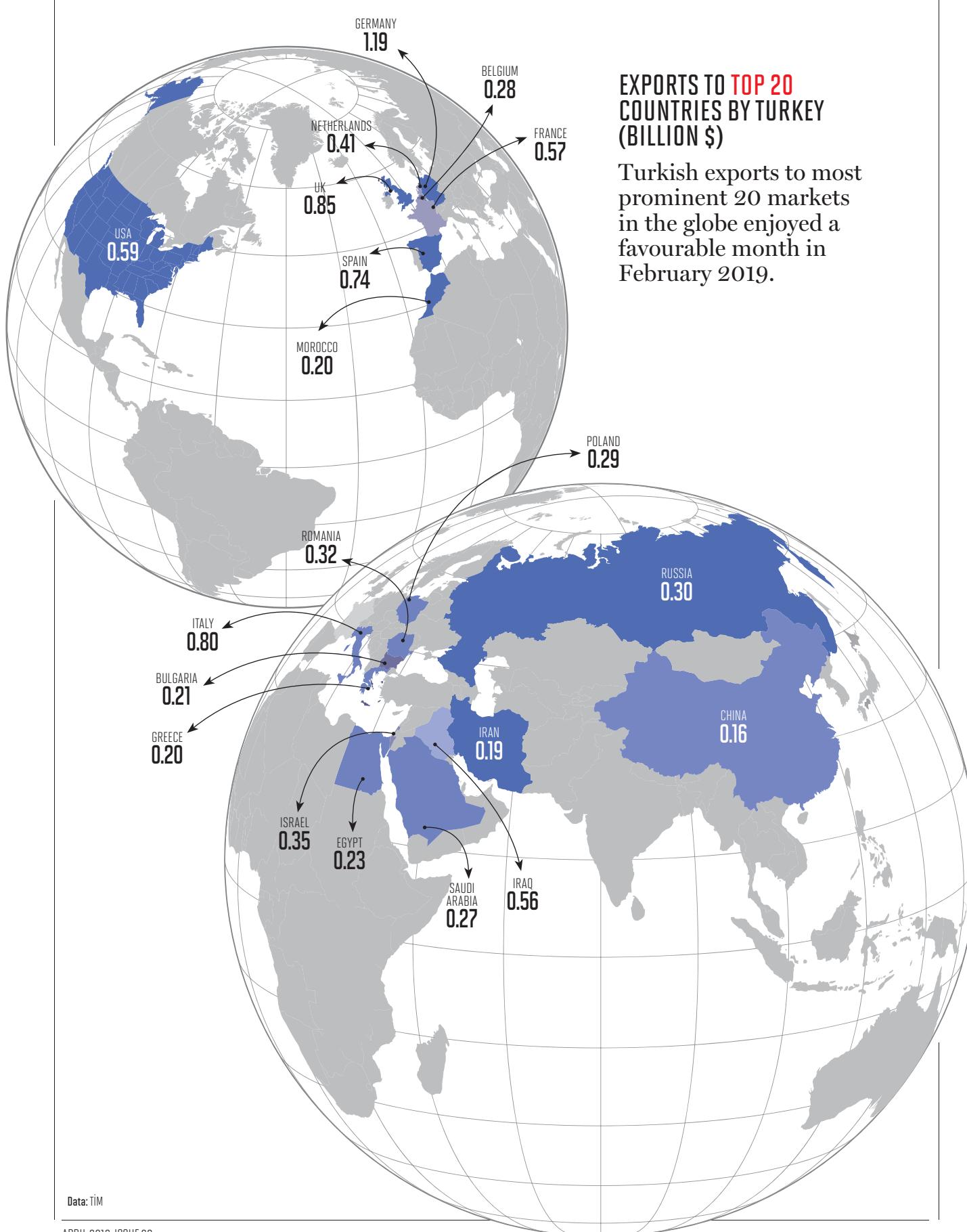
**Shattering the record through the history of Turkey,
the highest export volume of February observed in 2019.**

SECTORS	2018 (\$1000)	2019 (\$1000)	Total share in 2018 (%)
Ship and Yatch	56.242	76.164	0,6
Chemicals and Chemical Products	1.260.230	1.635.174	10,3
Jewellry	195.475	250.813	2,6
Aqua and Animal Products	177.209	211.337	1,5
Defence and Aerospace	149.655	171.627	1,2

The export figures are boosted in 2019. In February, export volume increased by 3.7 percent compared to the same month of the previous year and reached 14 billion 312 million dollars. These figures are the highest export figures of February month throughout the history of Turkey. While the import figures reduced by 18.7% and worth 16 billion 161 million dollars, rate of exports meeting imports rose to 88.6%. Taking all these data account, remarkable increases were observed in following sectors; aqua and animal products, chemicals and chemical products, ship and yatch, defense and aerospace and jewelry. Exports of 19 sectors increased.



Source: TIM





NEW STYLE FOR
THE NEW AIRPORT



TURKISH AIRLINES

WIDEN YOUR WORLD

JOURNEY TO THE NEW HOME OF TURKISH AIRLINES

The airline that flies to more countries than any other
awaits you in the world's new aviation center

ISTANBUL AIRPORT



TURKISH AIRLINES

WIDEN YOUR WORLD