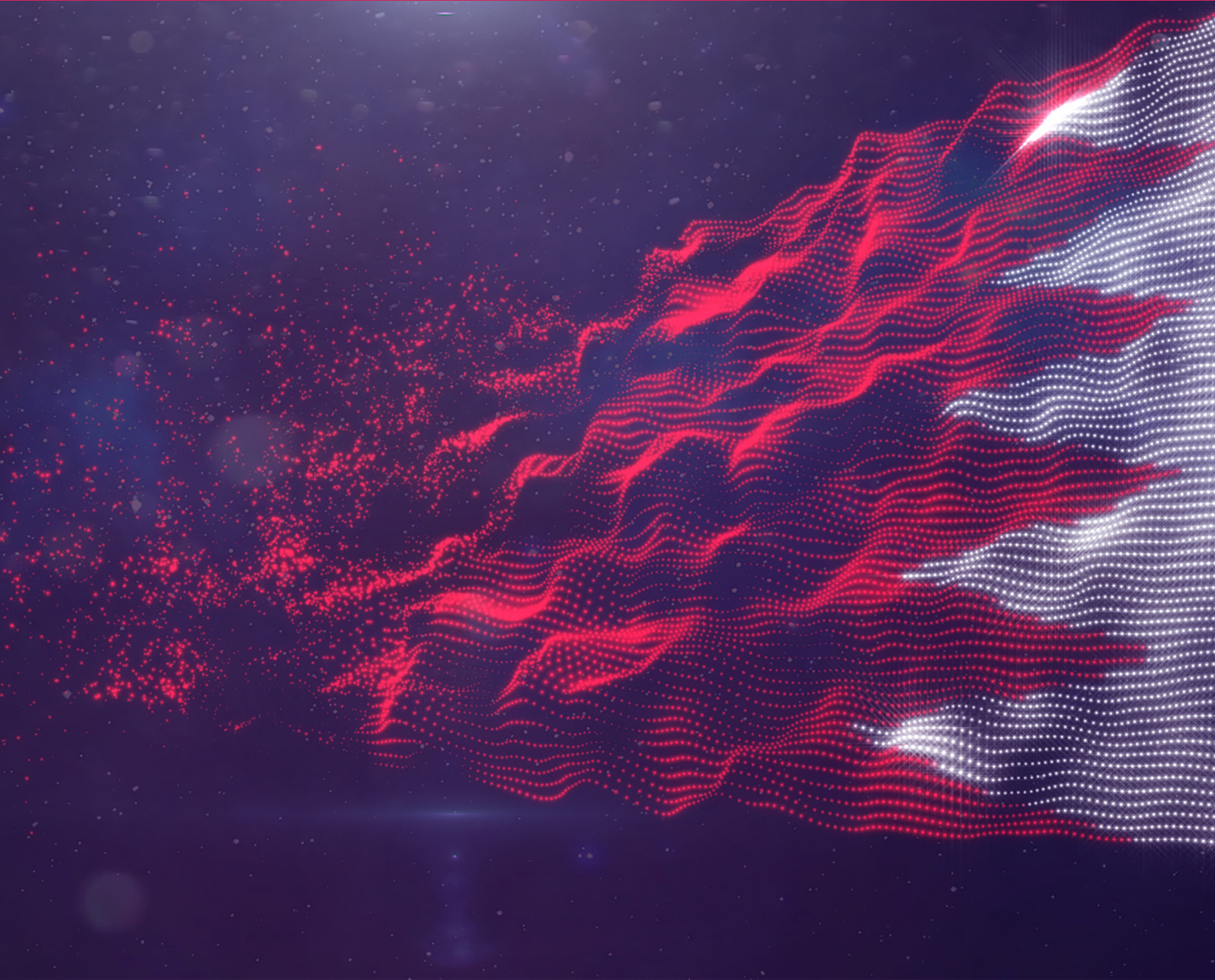




TÜRKİYE-BAHRAIN INTERCONNECTED BUSINESS

24 June 2020 | Zoom Video Conference System





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Panelists

- **BİLGÜN GÜRKAN**
Chairperson of DEİK Turkey-Bahrain Business Council
- **NAİL OLPAK**
President of DEİK
- **SAMEER ABDULLA NASS**
Chairman of Bahrain Chamber of Commerce and Industry
- **DR. BİLAL İLHAN**
Research and Data Management Unit Manager, Investment Office of Presidency of the Republic of Turkey
- **AHMET ALTUĞ OĞUZ**
Member of Executive Board, DEİK/Health Business Council

Total Number of Registered Participants: 140

SUMMARY

DEİK Turkey-Bahrain Business Council in cooperation with Bahrain Chamber of Commerce and Industry (BCCI) organized Turkey-Bahrain Interconnected Business meeting on 24 June 2020 with the participation of Mr. Nail Olpak, President of DEİK and Mr. Sameer Abdulla Nass, Chairman of BCCI. The event was moderated by Mrs. Bilgün Gürkan, Chairperson of DEİK Turkey-Bahrain Business Council, started with opening speeches by Mr. Nass and Mr. Olpak and was followed by presentations and networking meetings in agri-food, healthcare and pharma sectors.

Dr. Bilal İlhan from Investment Office of Presidency of the Republic of Turkey delivered a presentation titled 'why invest in Turkey?', and Mr. Ahmet Altuğ Oğuz, Member of Executive Board of DEİK/Health Business Council, delivered a presentation on Turkish healthcare and pharma sector.

The presentations were followed by networking meetings in the sectors of agriculture-food, healthcare and pharma. Company representatives from both countries met virtually to discuss business and trade opportunities. 140 participants from Turkey and Bahrain attended the virtual event.



BİLGÜN GÜRKAN

Chairperson of DEİK
Turkey-Bahrain Business Council

Thanks to today's technology we can have these meetings over the virtual platform and I hope that we will have a fruitful one.

As DEİK Turkey-Bahrain Business Council we work on a voluntary basis to contribute to better economic relations between our countries. As the Chairperson of the Business Council I am also the Turkey Representative of Bank of Bahrain and Kuwait. In addition, we have among our Board Members Bahrain Economic Development Board (EDB) and Al Baraka Turkey, and our Senior Representatives are present with us today.

We organized this meeting together with Bahrain Chamber of Commerce and Industry, and I would like to thank our colleagues there for all their efforts. Today's meeting will consist of opening speeches and presentations followed by networking meetings in the sectors of food, healthcare and pharma.

In normal times, there are minimum three flights everyday between Turkey and Bahrain, operated by Turkish Airlines, Pegasus Airlines, and Pegasus. The number of tourists coming to Turkey is increasing each year. Bahrain is very well developed for business and for foreigners to live, and it is one of the safest places in the region.

Together with Bahrain Economic Development Board (EDB) we organize various events to promote Bahrain for Turkish investors. In today's event, we also wanted to have a presentation on why to invest in Turkey, and to discuss what Turkey can offer for foreign investors in different sectors.



NAİL OLPAK

President of DEİK

I am very glad to be with you in the organization of our new online meeting series called “Interconnected Business Series”. Our aim is to gather our Business Councils and other Organizations for business and investment opportunities and sectoral business meetings.

And thanks in particular to Bahrain Chamber of Commerce and Industry (BCCI) for being here with us and efforts to improve our cooperation so far.

This meeting will also followed by sectoral meetings and I believe that, we will hold many meetings in this series with you. So far, as DEİK, in the last three months we held more than 400 meetings, which means 8 to 10 meetings a day.

It seems BCCI has been a pioneer in this among GCC countries, and we wish that this cooperation leads to more fruitful cooperation in our region.

Allow me to give a brief introduction of DEİK.

Foreign Economic Relations Board, DEİK, is a business platform that has been continuing its activities on voluntary based private sector memberships for 35 years. In order to enhance investment and trade between Turkey and the other countries, we continue our works with an understanding of “business diplomacy”. We have 146 country to country based business councils all over the World. Our Turkey-Bahrain Business Council is one of them.

Our Turkey - Bahrain Business Council was founded in 2006 carrying on its activities, and today it is acting under the leadership of Bilgün Gürkan in order to increase trade and investment between our two countries. Furthermore, our Business Council continues its activities in cooperation with important business and trade partners such as Bahrain Chamber of Commerce and Industry.

The fact that Bahrain Economic Development Board (EDB) is among our members creates opportunities for the promotion of business opportunities in Bahrain for DEİK members.

As for what did we do in the pandemic process?

As DEİK, during this pandemic, we had an understanding of saying “we are not suspending our work, we’re not shutting down”. Of course, our health is the most important thing in our life and this is our priority so we should take all necessary steps to prevent the pandemic, but we should also consider the health of our companies as well as care of the people we work together, and I believe, this was the best method to save our lives and jobs.

الصديق ملح الحياة (Al Sadiq milh u al haya). This Arabic proverb explains how deep and important our friendship as Turkish and Bahraini nations.

Friendly relations between Turkey and Bahrain developed based on mutual respect and sincere ties. Our cordial friendship has also positively affected our economic relations. There are important investments between the two countries. King of Bahrain His Majesty Hamad bin Isa Al Khalifa has visited Turkey for the opening ceremony of the third Bosphorus Bridge and our President Mr. Recep Tayyip Erdoğan has visited Bahrain in previous years.

Of course there are important investments between the two countries. However, we are far from our trade volume target with Bahrain. As the business community we should improve our economic relations more. As the Turkish Business World, we should also strive to diversify the investments in Bahrain, especially with the members of BCCI.

Now, I would like to express some points which may help to develop our bilateral relations with Bahrain:

- First of all, ensuring the visa liberalization between Turkey and Bahrain is very crucial to improve our mutual economic relations.
- We should develop our cooperations in these specific sectors:
 - Health tourism, (As Turkey and Bahrain, we're leading countries in the health tourism)
 - Health itself is another sector we should continue cooperating in together.
- E-commerce, we all know how effective it is.
- Consultancy
- Education sector
- Technology
- Agriculture
- Construction products
- Eco-friendly technologies and clean energy
- Fields such as aluminum, petro-chemistry, iron-steel
- Cooperation within third countries is also quite important.

Dear Business Colleagues,

During the Covid-19 process, Bahrain brings under control of the situation by taking quick actions. I believe that, we will survive this situation with minimal damage. I also believe that, the one who guaranteed the supply chain and got the confidence of its counterpart during this pandemic, will certainly be the winner.

Thank you again for joining us and thank you to our audience today.



SAMEER ABDULLA NASS

Chairman of Bahrain Chamber
of Commerce and Industry (BCCI)

I would like to extend our greetings on behalf of Bahrain Chamber of Commerce and Industry, our Board Members, and the business community of Bahrain. The number of memberships at BCCI exceeds 40.000 consisting almost of all sectors. I would like to thank Mr. Nail Olpak and Mrs. Bilgün Gürkan and the participating business community for their presence today.

We look forward to boost the business relationship between Turkey and Bahrain and to build on what we have developed in the financial sector so far. As Mrs. Bilgün Gürkan mentioned, Al Baraka Bank has a strong presence in Turkey, and also Turkish companies are available in Bahrain in many sectors such as construction, pharmaceuticals, food and beverage.

We look forward to constructive meetings in today's food, healthcare and pharma sectoral meetings. We have company representatives from both sides that could shed light on the available opportunities in these sectors.

As you know Bahrain is also looking forward to inviting the business community in Turkey to look at opportunities for investment and industrial development in Bahrain. There is a master strategy that Bahrain prioritizes which is pharmaceutical development and manufacturing, and we think that there is a huge opportunity to develop an industry in this sector.



DR. BİLAL İLHAN

Research and Data
Management Unit Manager
Investment Office of Presidency of the
Republic of Turkey

WHY TO INVEST IN TURKEY?



First of all, I would like to express my gratitude to DEİK and BCCI for giving us this opportunity to provide some insights on the investment climate in Turkey. Let me start with briefly highlighting the functions of the investment office. We were established in 2006 as the Investment Promotion Agency of Turkey, and recently restructured as the investment office in 2018. We are a governmental agency directly reporting to His Excellency the President of Turkey within our mandate. We are equipped with private sector approach and public sector capabilities, and acting as investor solution partner, thereby facilitating investments at all stages.

Our services address a wide range of needs and requests coming from the investors, such as providing general and customized business information, sector analysis and reports, providing site selection support, arrangement of meetings with governmental bodies and other stakeholders, providing after sales services, matchmaking arrangements with local partners, and establishing business linkages.

Talking about the potential of Turkey as an investment destination, the impressive growth rate of Turkey over the last 16 years with 5.3%, places Turkey as the 13th largest economy in purchasing power parity terms in the world and positively decoupled Turkey against its competitors.

With this growth performance, Turkey's economy has more than tripled over the same period of time and domestic consumption, put it differently, local consumption demand has been the main driver behind this growth performance. This outstanding enhancements in affordability and consumption has been reflected as higher income per person, which is almost tripled over the course of last 16 years and the number of automobile stocks in 2018 reached three times that of in 2002 in less than two decades.

In addition, exceeding 83 million of population, the number of urban cities with populations over one million became 23. This illustrates that the domestic market has enlarged remarkably within 18 years. Furthermore, the business players are able to access to the European Union markets, thanks to the Customs Union signed in 1995, and some more 27 countries markets with over 350 million population through free trade agreements.

In addition, the domestic market is geographically and logistically well connected with the rest of the world. As such, Turkey's geostrategic location provides investors in Turkey easy access to the surrounding lucrative markets. Therefore, some globally active multinational companies are choosing Turkey as a manufacturing, exporting, as well as a management hub.

Further looking into the dynamics of the domestic market, Turkey's favorable demographic structure has been a key driver of economic growth. With half of its population under the age of 33, Turkey stands out as the country with the largest youth population in Europe with increasing working age population and stable dependency ratio.

Turkey's education system has been upgraded to support a skilled labor pool, so that it can meet business requirements. Turkey is featured as a country which provides a large qualified and cost competitive labor pool.

While having natural assets such as young population and geographic location, it would be impossible to attract foreign investment without a business friendly investment climate. Thanks to the implementation of sweeping reforms in many areas and showing persistency on introducing many more, Turkey has accomplished milestones in reducing number of days to set up a company, liberalizing foreign direct investment regulations, easing down bureaucracy, and creating friendly environment in doing business.

Moreover, Turkey has tremendously improved its investment climate through reforms offering investors protection and equal treatment. Furthermore, Turkey also offers lucrative incentives, ranging from manufacturing incentives to research and development and innovation support. Turkey is well aware of the significance of research and development in investments in order to move up the value chain.

So, impressed by Turkey's key qualities and advantages, which I explained briefly so far, foreign investors from all around the world have been coming to Turkey. As a result, Turkey attracted tremendous amount of foreign direct investment over the past 17 years.

I would like to also paint a picture regarding the AGRI food industry of Turkey to briefly give an idea about the visibility and attractiveness of this particular industry from an investor's perspective. According to the latest available stats, Turkey is the second largest country in Europe in terms of agricultural economy, the second largest agricultural economy among OECD countries and the first flour exporter in the world.

Looking at some crucial economic indicators in agricultural sectors such as agricultural land, arable land, total exportation of agricultural products, Turkey has outstanding statistics showing the size and potential of the sector.

Turkey has shown a successful development in terms of the size of the animal production volume by producing over 22 million tons of milk, which made Turkey the leading milk and dairy producer in the region.

Turkey has already had a large and growing livestock market, due to the increasing domestic demands. Sectors such as confectionery, ice cream, frozen food, among others, are the main drivers increasing demand in livestock products. With over 22 million tons of processed raw milk and over 1 million tons of red meat production, Turkey offers a variety of opportunities for the investors to be a player in the market.

On top of that Turkey is the fifth largest poultry exporter in the world. Turkey benefits from increased local and regional demand growth and there is a strong potential for growth in exports. Also proximity to the Middle Eastern countries creates a good deal of opportunities through Halal food industry.

Opportunities in the sector are provided for the potential investors thanks to the fact that more greenhouses are expected to grow quickly and production in greenhouses will increase significantly. There are already foreign operators in the greenhouse sector, mostly from Netherlands and Germany.

The government has ambitious targets in the sector and therefore offers advantageous incentives. Coming to the aquaculture sector, Turkey dominates markets in several European countries and has the potential to create new market opportunities in large foreign countries such as Russia and the United

States. Turkey's exports of fishery and aquaculture products have risen to more than 170,000 tons with close to 1 billion American dollars in value.

Organic farming is another attractive sector for investors in Turkey. Ample land, over 2 million tons of production capacity and the large number of organic crops with extensive number of farmers showed the market potential.

Turkey is also significantly advantageous for maritime transportation, which allows agri-food producers to export without facing difficulty.



AHMET ALTUĞ OĞUZ

Member of Executive Board
DEİK/Health Business Council.

TURKEY: YOUR PARTNER IN HEALTHCARE



Thank you for this opportunity to present healthcare system in this nice meeting. DEİK Health Business Council was established in 2010 with healthcare providers, private hospitals, medical travel companies, pharmaceutical manufacturers and medical equipment suppliers and manufacturers.

Our main supporters are the Ministry of Health, Ministry of Trade, Ministry of Foreign Affairs and Turkish Airlines. What we basically do is launching and developing bilateral health collaborations between Turkish private healthcare sector and its counterparts abroad. Those counterparts are mainly; corporate structures such as Ministries of Health, social security schemes, insurance companies, military or private hospitals, defense ministries, central banks, medical associations and foundations. Promotion of Turkish medical services, pharmaceuticals and medical products abroad is one of the most important areas for us. As the Health Business Council we organize incoming and outgoing doctors, pharma companies and press delegations. And we foster educational and technical cooperation in healthcare services in most countries.

We have 55 members, and among them are 25 hospitals, 15 pharmaceutical and biotech companies, in addition to insurance and medical travel companies, medical equipment suppliers and construction companies.

In 2018, over 550.000 International patients came to Turkey to get their medical treatment and %90 of these services were provided by private healthcare sector. I would like to emphasize the Turkish pharmaceutical industry in Turkey by giving brief information on that. Turkish pharmaceutical industry is over 100 years old and has a valuable experience in Turkey. First Pharmaceutical and Pharmacy law dates back to 1929, and GMP is in force since 1982.

EU regulations were implemented in the 1990's in Turkey, so the regulations are the exact same with the European Union. Our regulatory body Turkish Medicines and Medical Devices Agency (TMMDA) is a member of PIC/S and ICH, which shows international standards are applied in all GMP and registration documentations. As Turkey we have over 100 production facilities, 28 certified R&D centers (by Ministry of Industry), over 10.000 registered products, and over 35.000 highly educated and well experienced personnel.

Turkey's pharma market is 2.4 billion boxes and over 7 billion USD as of 2019. We can roughly say that half of this is coming from imported products, while the other half is produced locally. Turkey ranks as 16th in world pharma market with 7 billion USD and its market share is 0.7% in the global market. In 2019, Turkey exported to over 170 countries with the value of 1.4 billion USD while the global pharma market volume has been 2 billion USD.

As for the ongoing Covid-19 pandemic, Turkey has been successful in the treatment process. The mortality rate is one of the lowest in the world. We owe this success to the reforms implemented in the health system during the last 15 years. I would like to mention the factors behind Turkey's Covid-19 success and spillover effect briefly:

- Successful Management of public health planning and organization through provincial and central governments with strong cooperation,
- Ministry of Health's dedication for fighting with Covid-19 and strong cooperation with several public and private authorities,
- Strict and careful Covid-19 patients track system (filiation),
- Control of all frontiers,
- Protection of elderly people (+65) and youth (0-18) by strict lockdowns for 2 months,
- Well-established hospitals and cutting edge medical technologies,
- Dedicated, devoted physicians,
- Experienced intensive care doctors,
- Innovative and technological medical products, medical treatments and drugs that are efficient in struggling with Covid-19 were developed during the pandemic,
- For instance; an efficient drug that declared positive outcomes in Covid-19 treatment called "favipiravir". It was developed / synthesized by Turkish scientists and will be produced in Turkey,
- Plasma treatment is also provided to Covid-19 patients in pandemic hospitals,
- Turkish ICU ventilators, PPE's, computer-based tomography devices, autonomous UV-C disinfection robots



TÜRKİYE-BAHRAIN INTERCONNECTED BUSINESS

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