

Reigniting Southeast Asia Cooperation: Opportunities between Turkey and the Philippines

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Moderator İlkem Şahin,
Trade Attaches, Panelists,
Business Representatives of Turkey and Philippines,
Dear Participants,**

Thank you very much İlkem Bey,

It's my honor to welcome you again on behalf of Foreign Economic Relations Board of Turkey DEİK and myself. I wish a healthy day to all of us.

It is a pleasure to meet our dear friends from the West of the Pacific Ocean. Today, we will discuss the business and investment environment and opportunities in the Philippines with our esteemed Deputy Ministers,

Ambassadors & the business world and discuss the opportunities to deepen our friendship.

Coronavirus represents a global paradigm shift in the way we do business. Now, more than ever, companies will need to be increasingly mobile. That means thinking digital and building in resilience. Business will need to make significant changes as consumer habits change, supply chains readapt and restructured.

We were all speaking about Globalization for years and yet we started the discussions about Glocalization recently and it seems we'll concentrate more on that after this pandemic. Now we're discussing the risks of depending on a single source which increase the vulnerability of supply chain. We're questioning logistics again and we're talking more about the concept of "accessibility" rather than the concepts of proximity or distance. The market diversification and rethinking of global supply chain management in a shifting trade environment, potential new markets have gained an increased significance arguably more than ever.

It seems, not only our daily habits or style of doing business is moving towards a new normal, but also finance sector is shifting to an alternative role. For instance, Federal Banks started direct investment support programs which was not very common so far.

I firmly believe that those who are capable of adapting to difficult conditions and those who can manage to keep the supply chain, who can give sufficient confidence to counterparts, will lead the change for a better world and be the winner.

Dear Participants,

The Philippines is a member of the Association of Southeast Asian Nations (ASEAN) and the Asia-Pacific Economic Cooperation (APEC), one of the dynamic economies with the highest growth rate in the Asia-Pacific region. Our relations with the Philippines is progressing steadily in political, economic, defense industry and cultural fields. The friendship and diplomatic relations between our countries stemmed from the Turkey-Philippines Friendship Treaty signed in 1949.

As a sign to the given importance to Asia region, Asia Anew Initiative was launched under the coordination of Turkish Ministry of Foreign Affairs and our Minister H.E. Mevlüt Çavuşoğlu declared this initiation in August 2019, which highlights the assessment of the potential for cooperation between Turkey and Asian countries. Turkey aims to further develop its current historical and cultural ties with Asia countries and we aim to cooperate with the countries in the region especially in high technology, energy and Industry 4.0, infrastructure and reconstruction.

In this context, it is important to develop and deepen our trade and investment relations with the Philippines, an ASEAN member country. Let me also state that our country has been a Sectoral Dialogue Partner of ASEAN since 5 August 2017 and we have diplomatic mission representatives in every ASEAN member country. As an indicator to the given importance to the Philippines and the region, it is my pleasure to say that we established ASEAN Working Committee with the relevant Business Councils under the umbrella of DEİK/Asia-Pacific Business Councils.

Our bilateral trade volume with Philippines in 2019 is 262 million \$ which does not reflect the potential and I believe, in order to increase this

number to a more satisfactory level for our countries, our business communities should communicate more and more.

Now, I would like to express some points which may highlight the way for developing our bilateral relations with Philippines:

- The Philippines is strategically located for the ASEAN market of approximately 650 million people. Country is the gateway to the Asian market for Turkey with the Regional Comprehensive Economic Partnership projected to be signed in 2020. We closely follow the developments in the region and we are aware of the great potential for Turkish investors, especially in the fields of construction, energy and food.
- The country is one of the most comfortable countries to live in Asia for foreigners. It's easy to find highly educated and English speaking employees. Also, working fees are low.
- Significant infrastructure projects were created in various regions of the country within the framework of the "Build Build Build" program, presented by the administration of President Rodrigo Duterte. 75 large infrastructure projects are planned by the end of 2022. In addition, it is also planned by the government to focus on infrastructure projects in the 3-years period between 2020-2022.
- The Philippines imported \$ 25.7 billion from China in 2019, and China's share in the Philippines' imports is 22.8%. We know that China ranks 1st in the Philippines' import. In the context of the COVID-19 pandemic crisis, I believe top Philippine officials understand the importance of market diversity. Turkey is going to fill

some fields that will change in the global supply chain. I believe that we will increase our cooperation to the maximum level in the normalization process.

I would like to end my words with a brief introduction of DEİK.

Foreign Economic Relations Board, DEİK, is a business platform that has been continuing its activities on a voluntary based private sector membership 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-Philippines Business Council is one of them.

Our Turkey - Philippines Business Council was founded in 2011 carrying on its activities and today is acting under the leadership of İlkem Şahin in order to increase trade and investment between our countries. Furthermore, our Business Council continues its activities in cooperation with Philippines Chamber of Commerce and Industry.

During the pandemic, we're having video conferences and meetings which goes on with our business council members, with ambassadors and trade missions and time to time with our Ministers. We have been actually working harder than ever.

We're discussing possible solutions in these meetings; networking and information sharing enabled us to convey this information immediately with the authorities, with the ministries, and in many cases directly with the ministers. So, once the solution is found and immediate and effective action

followed. This means not only weathering the storm, but also seizing the opportunities that grow from it.

I would like to finish my speech with a Philippines saying: **“A broom is sturdy because its strands are tightly bound.”**.

As the Turkish and Philippine business world, I believe that we will move forward by bonding with each other more closely in the coming period.

Thank you for your attention.

Nail OLPAK

President of DEİK