



# TURKEY JAPAN

**PARTNERSHIP FOR AFRICA  
PANEL & B2B MEETINGS**

**18 JUNE 2019, İSTANBUL**



## TURKEY-JAPAN PARTNERSHIP FOR AFRICA PANEL & B2B MEETINGS

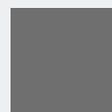


Turkey-Africa Business Councils under the umbrella of The Foreign Economic Relations Board of Turkey (DEİK) plays a catalytic role to strengthen Turkey-Africa trade, economic and cultural ties through its bilateral business council mechanism linked with 50 counterpart organizations (Federations, Chambers & Development Agencies etc.) in 45 African countries.

In line with Turkey's African Opening policy, Turkey-Africa Business Councils create platforms for private sector and relevant shareholders for new partnerships. The Councils emphasize the importance of enhancing business relations with strategic partners in African market.

Turkey's relationship with Africa goes a long way back in history and Japan has been an important contributor to economic growth in the African continent.

Japan is also an important trade and economic partner with the trade volume of 3.9 billion USD (2018) as well as one of the leading allies of Turkey, based on long-standing relationship and hosting a Turkish community of more than 4753 people while there are about 200 Japanese companies in Turkey.



Founded in 1986, Turkey-Japan Business Council has been effective in developing economic and cultural relations between the two countries, leading businesspeople from both countries to collaborate in specific sectors such as infrastructure-construction, energy, tourism, hi-tech and so on and performing promotional activities to mutually increase the level of trade and investment. With its genuine counterpart organization Keidanren, the Business Councils hold annual Joint Meetings to maintain the connection among businesspeople, to generate new corporation areas through examining specific topics and to inform the businesspeople on bilateral trade, investment and cultural relations. 25<sup>th</sup> Turkey-Japan Business Council Joint Meeting will take place on 1<sup>st</sup> November 2019 in Tokyo and collaboration of two countries in Africa will be one of the significant sessions of the above-mentioned meeting.

Besides these deep relations between Turkey and Japan, forming structure of mutual cooperation for the third countries shall inevitably bring increases to the export volumes and consequently positive impact to the growth rates and in case models are set for different opportunities, then this cooperation shall have high efficacy and sustainability.





This new partnership may unlock more value in Africa and increase the share of participation of the two countries by exploring and developing joint projects in trade, capacity building, health, infrastructure, energy and connectivity in Africa and Japanese technology combined with Turkish frugal engineering and construction experience to execute larger scale projects in an economical manner. These synergized efforts may also achieve food security in Africa and promote skill development.

The key areas for partnership and cooperation are Food & Agriculture, Energy, Infrastructure, Construction & Contracting, Building Materials, Health, Durable Consumer Goods and Machinery sector.

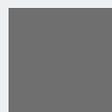
The Panel & B2B meetings aim to encourage the business communities of the two countries to cooperate in Africa to increase their share of participation while decreasing the competition in some markets, to explore and develop joint projects in trade, capacity building, health, infrastructure, energy and connectivity in Africa, to achieve food security, to promote skill development and to enhance export & investment credit and to be able to share their expertise and high engineering capabilities in projects requiring special technology as well as complementing each other in their weak points.

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In the opening speeches; Mr. Masayuki Tanimoto, Regional Head for Europe, the Middle East and Africa of JBIC, discussed the importance of the panel and mentioned the presence of similar events in European countries as well as in the UK.

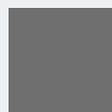
Mr. Tanimoto said that they, as JBIC, represent a governmental financial institution and they are doing promotion of a collaboration with partners, especially in the field of infrastructure. It is told by him that the story has begun about two years ago with the United States' approach to them with the aim of collaboration in the infrastructure projects in the pacific area. While he was saying that this year, 2019, was the Turkish year in Japan, he revealed that he had found out that there were a lot of excellent companies in Turkey.



Mr. Tanimoto talked about his first visit to Turkey, which was more than 25 years ago and his second visit was in the last year. He said, while his visit, he had found out that there were a lot of sophisticated, good, excellent and international companies in Turkey. He pointed out that as JBIC, they promote infrastructure projects and as Japan they lack of good sponsors, good constructors and many things. He emphasized that especially in Africa they need a partner. After that, he announced that this year in Tokyo they will have a big conference about Africa for TICAD (Tokyo International Conference of Africa's Development). He claimed that Turkish people and Japanese people have to get to know each other and he said he was seeing this cooperation is a start for new possibilities in Africa and Central Asia.

Finally, he announced that they will open a new representative office in Istanbul this year and he says that it is the sign of how committed they are to the relationships with Turkey and Japan.

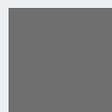




The Chairman of Turkey-Japan Business Council, Mr. Şerif Tosyalı emphasized the historical relations between Turkey and Japan. Quoting Mr. Tosyalı, *"From the beaches of Kushimoto to Tehran, from the Marmara Earthquake to Fukushima, we have always stood by each other. We wrapped our wounds together, worked and produced together. Taking into our historical connections consideration, we vigorously feel that it is certainly obvious that our friendship and cooperation are such in a way that goes beyond to the trade and investment and always will continue to grow."*

Additionally, he mentioned the increasing level of protectionism at the global level, which eventually leads trade wars. Considering the changes in the economic trends, Turkey and Japan still stand side by side, he said. In this perspective, *"As Turkey-Japan Business Council, we are highly motivated to promote bilateral economic and investment relations between two countries and to continue building strong partnerships, especially in Africa Region"* he added.

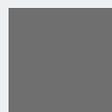




Regarding Turkey's "Africa Opening Policy" and Japan's "Asia-Africa Growth Corridor", he shared detailed information on two countries' investments and sectoral interests in Africa with the participants. As of 2018, Turkey's total investments in Africa worth 6.5 billion USD, whereas Japan's total investments worth at least 10 billion USD. The eagerness of both countries to expand their scope in the region within the sectors of infrastructure, construction, energy and technology is expected to lead further cooperation.

Lastly, he mentioned the goals of Turkey-Japan Business Council, including organizing and fostering the facilitations with the aim of increasing partnership with Japan in Africa Region; mutually increasing the awareness of tourism potential of both countries and promoting the shared culture among both countries' citizens; carrying out the studies to map out the ways to attract Japanese financial funds to Turkey with the aim to use them in the joint investments; Organizing high level meetings on the transfer of Japan's hi-tech to Turkey; and arranging PR activities and promotion days in Japan to strengthen bilateral trade and tourism relations.



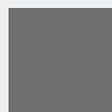


In accordance with the goals of Business Council, he referred to the annual Turkey-Japan Business Council Joint Meetings with the participation of high-level businesspeople of both countries. He announced that 25<sup>th</sup> Turkey-Japan Business Council Joint Meeting will take place on 1<sup>st</sup> November 2019 in Tokyo and invited the distinguished guests to Tokyo for the meeting.

The Vice Coordinator Chairman of Turkey-Africa Business Councils, Mr. Fatih Volkan Kazova started his speech by expressing his gratitude to Türk Eximbank, JBIC, TCA and JETRO and stated that the meeting will make positive contributions to trade and investment relations between the two countries.

At the beginning, Mr. Kazova explained the importance and the role of DEİK in the Turkish business community and said that: *"DEİK plays a catalytic role in strengthening Turkey-Africa trade, economic and cultural ties through its bilateral business Council mechanism linked with 50 counterpart organizations in 45 African countries."*





Additionally, he mentioned the relations of Turkey-Africa in the last 15 years. He emphasized that Turkey's presence in the African continent increases gradually and while the trade volume was \$5.4 billion in 2003, it has reached to \$21.5 billion at the end of 2018. He also stated that the number of Turkish embassies was 21 in 2014 and now it has reached 41.

Moreover, for the cooperation in the third countries, he said that: *"Besides these deep relations between Turkey and Japan, forming structure for mutual cooperation in the third countries shall inevitably bring increases to the export volumes and consequently positive impacts to the growth rates and in case models are set for different opportunities, then this cooperation shall have high efficacy and sustainability."*

Finally, Kazova stated that the companies of the two countries can cooperate in the sectors such as food & agriculture, energy, construction & contracting, health and durable consumer goods and emphasized that they can sign important projects by joining the powers of the two countries especially in the construction sector.





Mr. Murat Nesimoğlu, the Head of Free Zones, Overseas Investment and Services from Ministry of Trade, started his speech by giving information about the Turkish construction sector and the projects realized in foreign countries.

Mr. Nesimoğlu said that according to the ENR 2017 Top 250 International Contractors List, while there are 14 Japanese construction companies, 46 Turkish companies. On the other hand, the revenue of Turkish companies was 23,2 billion dollar, the Japanese companies was 25,3 billion dollar.

Moreover, he said that: *"As of the end of 2019 May; Turkish overseas contracting companies have undertaken 9,735 projects worth of 385 billion USD in 123 countries."*

Finally, he mentioned the cooperation possibilities in the third countries and said that by combining the entrepreneurial abilities and market experience of Turkish companies, financial capabilities and technology of Japanese companies, successful projects can be signed.

[For the presentation: http://www.deik.org.tr/contents-fileaction-19096](http://www.deik.org.tr/contents-fileaction-19096)



## SUCCESSFUL CASES OF COOPERATION BETWEEN TURKISH AND JAPANESE COMPANIES

As the moderator and the first speaker, Mr. Başar Arnoğlu introduced the activities of Yapı Merkezi in Africa, Middle East and especially in Sub-Saharan Africa. Carrying out premier projects focused on infrastructure and railways in above-mentioned regions with the partners such as Mitsubishi, Kajima Cooperation and Obayashi. He defined the Dubai Metro Project as a successful cooperation example in a third country which was conceived as catalyst for more tourism and more economic growth.

Additionally, he shared his views on Turkey and Japan cooperation, its scope and the strengths of both countries. For the Japanese firms, he stated that the factors such as large companies' effective governance system, financing, technology and their relations with other powerful and global companies make them advantageous. As for Turkish companies, the quick decision-making mechanism due to family owned structures, their ability to adjust market easily and familiarity to the region makes Turkish companies best partners for Africa region.





He defined the Dubai Metro Project as a successful cooperation example in a third country which was conceived as catalyst for more tourism and more economic growth. Along with the other projects, Yapı Merkezi's presence in Africa is in the following:

- 390 km railway in Ethiopia, on-going
- 535 km railway in Tanzania, on-going
- 57 km suburban rail system Senegal, on-going
- Tramways and railways in Algeria, mostly completed
- Tramways in Morocco, completed
- Bridges and Buildings in Sudan, completed
- Development and tender experience in: Uganda, Kenya, Tunis and Ghana

[For the presentation: http://www.deik.org.tr/contents-fileaction-19090](http://www.deik.org.tr/contents-fileaction-19090)



Mr. Burak Talu, the Vice President of Turkish Contractors Association, started his speech by giving information about Turkey Contractors Association and said that TCA was founded in 1952 and carries on the activities as a non-profit and non-governmental organization.

Firstly, he explained the strengths of Turkish contractors like having rich experience in diverse markets, experience with extensive partners and also cost effective service at international standards.

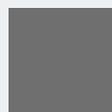
Moreover, he mentioned the top markets of Turkish contractors and according to data of Ministry of Trade, in 2018, Sudan and Algeria are among the first 10 countries.

Mr. Talu also touched on the projects previously realized by Turkish and Japanese companies and said that projects such as Fatih Sultan Mehmet Bridge and İkitelli Hospital could be an example for the cooperation.

In addition, Mr. Talu also gave information about the projects carried out in third countries as well as Djibouti, Kazakhstan, Russian Federation, Iran and other countries that the Turkish and Japanese companies realized.

[For the presentation: http://www.deik.org.tr/contents-fileaction-19092](http://www.deik.org.tr/contents-fileaction-19092)





Ms. Zehra Sayar, the Head of International Relations and Reinsurance of Türk Eximbank, started her speech by giving information about Türk Eximbank's corporate structure, stated that Eximbank is a wholly-owned subsidiary and operate under the Ministry of Trade.

Sayar, also gave information about the activities of Türk Eximbank in the African continent and stated that Türk Eximbank's entry into the continent took place in 2006 and the amount of loans provided so far is about 1.1 billion dollars and.

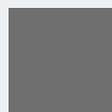
Additionally, she mentioned the MOU that was signed between Türk Eximbank and JBIC in February 2018. Thus, Turkish and Japanese companies will be able to realize projects in Africa and the two institutions could provide financial support to Turkish and Japanese companies.

Railway project in Ethiopia, water project in Ghana, stadium project in Cameroon and conference center project in Senegal are some of the projects that were financed by Türk Eximbank in the continent.

Ms. Sayar finally said that the completion of energy infrastructure, road and railway, modernization of health facilities and access to electricity will add more value to Africa.

[For the presentation: http://www.deik.org.tr/contents-fileaction-19094](http://www.deik.org.tr/contents-fileaction-19094)





As the Chairperson of the Japanese Society of Istanbul, Mr. Kazuo Inada gave examples of the successful cases of cooperation between two countries. Starting with the activities of Mitsubishi Corporation in Turkey, he said that Mitsubishi Corporation contributed many partnerships with the primary Turkish companies in the sectors including investment, global environment, living essential, energy, machinery and industrial finance, logistics and development. He also drew attention to the close relations with JBIC and the corporation.

Due to the strong domestic demand, the number of companies which establish sales hubs in Turkey as well as manufacturing/exporting companies is increasing. Taking advantages of Turkey's geographic location, some Japanese companies establish branches/representative offices/subsidiaries in Turkey to cover Europe, Central Asia, Middle East and Africa. He said and added the perspective of Turkish companies on partnering with Japanese companies including the funding mechanisms such as JBIC, know-how and experience acknowledgement, Japanese technologies and Japanese brands creates opportunity for Turkey. Lastly, he emphasized the importance of construction execution capability, flexible and speedy decision making, overseas expansion ability and strong demand base, competitive labor force and land transportation to EU Countries as the assets of Turkey to collaborate with, which are eventually generating win-win situation.

[For the presentation: http://www.deik.org.tr/contents-fileaction-19100](http://www.deik.org.tr/contents-fileaction-19100)



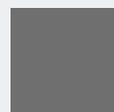


Mr. Ryuta Suzuki, the Advisor for Preparation of Representative Office of JBIC in Istanbul, talked about the strengths of Japanese and Turkish companies, Suzuki said that Turkish companies have strong potential thanks to the strong market share of Turkish companies in the construction sector and the advanced technologies owned by Japanese companies.

Using case studies, Mr. Suzuki highlighted possible ways in which JBIC and the Türk Eximbank could work together when funding is needed. Mr. Suzuki proposed a one stop shop model where both will offer two different services as one. For instance JBIC providing the funding and Türk Eximbank offer insurance. Mr. Suzuki also mentioned the criteria of evaluating the Project in order to determine Japan's involvement.

[For the presentation: http://www.deik.org.tr/contents-fileaction-19098](http://www.deik.org.tr/contents-fileaction-19098)





As the Consul General of Japan in İstanbul, Mr. Hisao Nishimaki said he was happy to know JBIC will open representative office in Turkey, which will be the 17<sup>th</sup> office of JBIC abroad. He also said that the corporation between the companies of both countries is clearly a sign to the world that Japan believes Turkey has a great opportunity, potential, and bright future despite a tough economy in Turkey nowadays.

Mr. Hisao Nishimaki told that Turkey has a role of stability for a long time. Japan is committed long- term investments in Turkey. Opening of JBIC office is an extended example of this commitment. Furthermore, he referred to the fact that the Japanese government supported Turkey for a long time such as 2<sup>nd</sup> Bosphorus and Osmangazi Bridges. He also stressed that they did not only support big projects, but they also support Japanese and Turkish companies which serve in Africa, Central Asia by giving information, credit, and humanitarian assistance.

He said that the implication for Turkish and Japanese companies was very rare in Africa 20 years ago. But during the last 20 years, many things changed in Africa and Japanese firms have intentions to cooperate with Turkish companies in emerging countries, especially in Africa.

Last but not least, he shared the details of the 7<sup>th</sup> TICAD, which will be held on August, 28 2019. 2008 was the first time Turkey attended to this conference. He emphasized Turkey and Japan corporation create new opportunities in future.







## B2B MEETINGS



## DEİK FOREIGN ECONOMIC RELATIONS BOARD OF TURKEY

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