

Turkey: Europe - Middle East Trade Link

The following article was submitted by the Commercial Division, Canadian Embassy, Ankara, Turkey.

Mystique abounds — but Canadian companies need not be leery when it comes to doing business with Turkey.

Building on a decade of change, Turkey has been transformed from a predominantly agricultural community to an international exporter of manufactured goods. It is also a major tradelink between Europe and the Middle East.

And, for Canadian exporters, the business is there, be it in direct exports, technology exchanges, or joint ventures.

Five-Year Plan

Turkey's Five-Year Development Plan (1990-1994) will take the country into the forefront of producing and exporting nations.

Main points of the Plan call for an annual growth rate of 7 per cent, an annual increase in personal consumption expenditure of 7 per cent, annual exports of US\$22.5 billion, and annual imports of US\$23.6 billion.

To achieve these targets, the Turkish government has virtually abolished import tariffs and trade barriers and allows a free repatriation of profits in a positive step to encourage the import of foreign equipment, expertise and investment.

Export Opportunities

Canadian manufacturers provide a wide range of products needed in Turkey. In particular, there are numerous opportunities in such sectors as communications, environment, advanced technology, transport, defence, metals, power, energy, mining, oil and gas, education, healthcare, and construction.

Other areas worth exploring include: licensing or joint venture agreements in plastic composites and chemicals, heavy materials handling equipment, mining equipment, heating systems, environmental products and controls, agribusiness, industrial machin-

ery, tools and dies, vocational education and telecommunications.

The agriculturally self-sufficient country, with 57 million inhabitants, also has a fast-growing middle class consumer market which, in 1990 alone, attracted US\$1 billion in foreign investments.

In particular, sectors such as capital and consumer goods, raw materials and components show a rapid growth.

The Country

Located partly in Asia and partly in Europe, between the Black and Mediterranean Seas, Turkey has a thriving economy. The people are among the most honest in the world and anxious to make new business connections.

Although a Moslem country, its government operates on secular principles and, in fact, strongly leans in the direction of Europe — proof of which is its relationship with the North Atlantic Treaty Organization (NATO) and the European Community (EC).

Turkey's application for full membership in the European Community has encouraged producers to invest heavily in upgrading their finished output to meet European standards (enabling them to compete successfully in the European market).

Liberalization in the Eastern Bloc is offering new export opportunities to new markets in that direction.

Turkey also is strategically placed to play a major role in supplying goods and services to Iran, Saudi Arabia and Kuwait as they revive and rebuild their economies in the wake of the war.

Istanbul Trade Hub

Istanbul is Turkey's centre of industry, banking and commerce.

With a population of 8 million, Istanbul is Turkey's largest city and largest trading centre — being the source of 70 per cent of all imports and 35 per cent of all exports. It is the base for the vast

majority of Turkey's agents, importers and distributors.

The Chamber of Commerce has 110,000 member companies.

Subject to a planned US\$1 billion infrastructure development, Istanbul soon may be one of Europe's major international business centres. The city's massive telecommunications, hotel and services development program will, in itself, attract direct foreign investment.

Istanbul features a modern, well-equipped international airport linking the city with all other Turkish commercial centres and the rest of the world.

The city also is the site of Canada Fair, a bi-annual technology transfer and industrial cooperation fair organized jointly by the Canadian International Development Agency (CIDA) and the private company, Sirtec, of Montreal. Canada Fair'90 was such a success that plans are now underway to open a permanent office in Istanbul.

Export Support

Exporters to Turkey have access to various forms of financial support — from World Bank, the Export Development Corporation (EDC), the Canadian International Development Agency (CIDA), and the Program for Export Market Development (PEMD).

They can also rely on the expertise of the active staff in the commercial section of the Canadian Embassy in Ankara. These trade professionals are ready to assist you.

Why not contact them today, describing your business and interests. Among other forms of assistance, they will respond with a list of contacts and opportunities.

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