



## Construction a strategic sector for **development**

The construction sector is hailed as the locomotive of the industry worldwide with over 200 subsidiary sectors connected to it and the amount of employment it creates. Public and private sector projects ranging from transportation to energy; infrastructure to urban transformation, undertaken by Turkish contractors internationally have enabled the construction sector to grow rapidly in

Turkey. Following the slump of 2012, the construction sector recovered rapidly in the beginning of 2013, reaching a 7% growth rate. However, it entered a slowing down period in 2014.

According to the data provided by the Turkish Statistics Institution (TÜİK), a cost increase of 5.8% was observed for construction in the first month of 2014. In the second half of 2014, despite 3.8% increase in private

construction, public construction which makes up an important part of the sector performance decreased by 2% resulting in general slowing down in the sector. Following the rapid growth of 5.2% in the first quarter, an economic shrinkage began. In the second quarter, growth rate fell to 2.7% and to 1% in the third quarter. The sector ended the year with 2.2% growth.

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## Market volume of the health sector reaches **3.4 trillion USD**



From Asia to Europe; from Africa to the USA, there is increased demanding for healthy foods, exercise, integration with nature, yoga and similar sports throughout the whole world. Spa treatments, considered beyond the means of most, alternative and complementary healthcare and weight loss programs are on the rise with the proliferation of the middle class. While medical care cures sickness, wellness, various healthy living habits, diet, exercise and treatments focus on the prevention of illness.

According to the research conducted by SRI International the global business volume of health tourism including, healthcare, beauty and medical operations, yoga and Spa-Wellness, has reached 3.4 trillion USD. According to the report, health tourism grew by 12% globally in 2013. While tourism has grown by 9% in recent years, this figure has jumped to 36% for health tourism.



The “Report on Investment Outlook on Growing Islamic Markets 2015” compiled by data provider Thomson Reuters and Islamic market focused research and consultation company DinarStandard, was announced at the Global Islamic Investment Avenues 2015 conference in Bahrain.

Reporting that the national income of 57 Islamic countries adds up to 6.7 trillion USD with Indonesia placing first with 870 billion, followed by Turkey with 820 billion USD. Turkey rose to second place in 2013 by attracting 13 billion USD in direct foreign investment. Turkey increased the amount of direct foreign investment it drew in by a compound 11% between 2009 and 2013. In first place in the tourism and transportation sectors among Islamic countries with an export income volume of 51.8 billion USD, Turkey had the largest sector volume in terms of domestic spending with 95 billion USD.



## IIF Chairman Adams: “G20 is in good hands with Turkey”

Institute of International Finance (IIF) held a G20 conference in Istanbul on the 8th and 9th of February, 2015. Giving the opening speech of the conference, IIF Chairman and CEO Timothy Adams said in regards to Turkey as G20 Term Chair, “G20 is in very good hands.” Stating that there are various obstacles to financial globalization since the financial crisis, Adams said, “The markets are fragmented. There are obstacles to the flow of capital. We see a fear of globalization by capital throughout the world. The difficulty here is returning to the days of free flow of capital over borders, globalization and robust economic growth, attaining success in financial terms and in growth. For decades, we lived in a period of economic and social progress and development. This is what the flow of capital is capable of.”

## Reviewing the Customs Union in the shadow of the TTIP



Overshadowed recently by rapidly developing political events recently, the Transatlantic Trade and Investment Partnership, a free

trade agreement between the European Union and the USA. The TTIP is, as evidenced by its name, is not just a FTA, it is an economic partnership; it might even be considered an economic integration. The reason for this is that it includes not just the lifting of customs rates but also has chapters on the formation of a comprehensive partnership.

There is an intense effort in Turkey in regards to the TTIP on every platform. Industrialists, public administration institutions, civil society organizations and universities are holding meetings, seminar, workshops and conferences on the matter. The reason TTIP is so significant is that the agreement will have immense effects on Turkey’s economy. This stems from our membership in the Customs Union without also being a member of the European Union.

## Hisarcıkloğlu: “Turkey’s internet hub is Erzurum”



The Changing World and Erzurum’s New Opportunities Economic Consultation Forum discussing the obstacles to the development of Erzurum’s economy and development was held by the Erzurum Governorship, Greater Erzurum Municipality, the Union of Chambers and Commodity Exchanges of Turkey (TOBB), Erzurum Chamber of Commerce and Industry (ETSO), Erzurum Commodity Exchange (ETB) and the Economic Policy Research Foundation of Turkey (TEPAV).

Speaking at the opening of the meeting, TOBB President M. Rifat Hisarcıkloğlu stated that cities, as opposed to countries have risen to prominence globally in regards to economy and said, “As of 2014, 50% of the world’s economy is being circulated within the world’s 600 large cities. Six years later, this ratio will have risen to 60%. Erzurum must stand among these cities.”



## Nicosia Economic Forum urges for the start of negotiations for Cyprus

Forming the Nicosia Economic Forum, the Union of Chambers and Commodity Exchanges of Turkey (TOBB), Cyprus Turkish Chamber of Commerce and Industry (KTTO) and the Hellenic Chambers Union held the third meeting of the Forum in Athens. Attending the meeting presided over by TOBB President M. Rifat Hisarcıklıoğlu were the Turkish delegation including TOBB Board Treasurer Faik Yavuz, Gaziantep Chamber of Industry (GSO) Chairman Adil Konukoğlu, TOBB Organized Industry and Technology Zones Inc. (BIS Inc) Board Chairman Ahmet Şekeroğlu and the Economic Policy Research Foundation of Turkey (TEPAV) Director Prof. Dr. Güven.



The agreed upon decisions were announced to the public following the meeting in a joint press release. The release urges the restart of the negotiations for Cyprus. Stating that the present deadlock is of no use to any party involved, "We believe that the negotiations should be conducted to achieve results in a constructive environment in reaching a win-win scenario."

## TOBB ETU wins Turkey National Agency's Erasmus-Quality Award

TOBB University of Economy and Technology (TOBB ETU), has been awarded Erasmus-Quality (E-Quality) Award, awarded by the European Union Education and Youth Programs Center for good conduct in the field of student internship mobility. TOBB ETU Deputy Rector Prof. Dr. Adem Şahin accepted the award from Higher Education Council (YÖK) Deputy Chairman Prof. Dr. Şaban Çalış. Also attending the award ceremony were TOBB ETU Erasmus Institution Coordinator and Computer Engineering Department Head Assoc. Dr. Erdoğan Dođdu and Foreign Affairs Director Fisun Talay Yavuzcan.



## Advantages of the founding of the Asian Infrastructure Investment Bank

Efforts are underway by China and BRICS countries (Brazil, Russia, India, China and South Africa) to establish the Asian Infrastructure Investment Bank's (AIIB) number of founding members has increased to 57. According to the Chinese Treasury website, the application period to become a founding member of AIIB ended on the 15th of April, 2015. Founding members of the AIIB are:

China, Turkey, France, Germany, Bangladesh, Brunei, Cambodia, India, Indonesia, Italy, Jordan, Kazakhstan, Kuwait, Kyrgyzstan, Laos, Luxembourg, Malaysia, Maldives, Malta, Mongolia, Myanmar, Nepal, New Zealand, Oman, Pakistan, Philippines, Qatar, Saudi Arabia, Singapore, Sri Lanka, Switzerland, Tajikistan, Thailand, United Arab Emirates, United Kingdom, Uzbekistan, Vietnam,



Iran, Spain, South Korea, the Netherlands, Brazil, Georgia, Austria, Finland, Denmark, Australia, Russia, Egypt, Norway, Sweden, Israel, South Africa, Azerbaijan, Iceland, Portugal and Poland.

The AIIB is viewed

as an alternative to the International Monetary Fund and the World Bank. The bank is planning to begin activities by the end of 2015 with a total capital of 100 billion USD, 50 billion of which China has pledged to provide.