



TOBB President M. Rifat Hisarcıklođlu: Focus will be on a sustainable growth approach

According to the 2021 Annual Program of the Presidency of Turkey with the expectation that consumption and investment decisions which have been postponed for some time due to Covid-19

pandemic will be implemented, the growth rate of the gross domestic income (GDI) is estimated to be 5.8 percent in 2021 fuelled especially by the increase in domestic demand.

Decreasing uncertainties about the pandemic, increasing predictability based on the improvement in financial conditions and recovery in consumer and investor confidence and revival of postponed consumption and investment expenditures will contribute to the growth in GDI.

With the increase in export of goods and services and general recovery in domestic demand, growth in industrial added value is expected to be higher than the growth in GDI. The agriculture industry is estimated to contribute more than the long term average.

Policies and measures stipulated in the "New rebalancing, new normal, new economy" approach announced in the New Economy Program (YEP) are planned to be implemented rapidly and efficiently next year.

In this regard the priority will be on re-establishment of macroeconomic balances, and a comprehensive and sustainable growth approach focused on high priority reforms, employment, technology and efficiency built on this new balance.



Income per capital in 81 cities

The Economic Policy Research Foundation of Turkey (TEPAV) provided an estimation for GDP values in 81 cities in Turkey between 1992 and 2019. In 2019 there was less number of cities in the high income group compared to 2018. When we focused on 2019, there was less number of cities in the high income group compared to 2018.

Turkey has moved up from the middle-

low income group to middle-high income group in the beginning of 2000s. Turkey has not reached yet to its target of becoming a high income country in the last 15 years.

The 10 biggest cities of Turkey in 2019 according to the TEPAV's for Gross Domestic Income (GDI) estimations for each city are Istanbul, Ankara, Izmir, Bursa, Kocaeli, Antalya, Konya, Adana, Gaziantep and Manisa. While Turkey had a growth rate

of 0.9 percent in 2019, Ankara and Konya which were among the biggest cities of Turkey had a contraction of 2.0 percent and 1.8 percent respectively. On the other hand Gaziantep and Manisa which are also in the top 10 cities had a growth rate of 3.7 percent and 5.1 percent respectively. Thus Manisa which was 11th in 2018 moved up to the top 10 cities with the highest GDP list with its performance in 2019.

"State aids helped the real sector survive"

M. Rifat Hisarcıklioğlu, President of the Turkish Union of Chambers and Commodity Exchanges (TOBB) participated in the 4th State Aids Summit organized as a webinar by Antalya Chamber of Commerce and Industry (ATSO) with the participation of Ruhsar Pekcan, Ministry of Trade. In his speech TOBB President Hisarcıklioğlu explained that Antalya offers the complete package being an agriculture, tourism, trade and technology center and added, "In line with the importance of the city, Antalya TSO provides guidance to entrepreneurs and takes actions that help SMEs to grow. Antalya TSO is involved in all efforts which can provide benefits and added value to Antalya's economy."

TOBB President Hisarcıklioğlu, "Credit Guarantee Funds, loan packages, tax and SGK payment postponement, more efficient



and widespread use of employment initiatives such as short time working allowance provided by our government have played an important role and helped our real sector/economy survive."

Ruhsar Pekcan, Ministry of Trade told that Turkey has to maintain dynamism

in export being a country with big goals in economic growth and development and added, "In parallel to the economic growth goals of Turkey, our top priorities are to increase export with added value based on technology, R&D, design with our export initiatives."



Geographical signs of Aydın

Ayдын is a city built on fertile lands irrigated by Büyük Menderes River where nature embraces culture... The city has been home to many civilizations due to its geographic location and each of these civilizations has left their mark in the region.

These fertile lands, proud home to many unique artifacts of these civilizations and are also very rich in food and agricultural products grown and produced by local and traditional farming.

Herodotus describes fertile lands and

climate of Aydın with these words "The place with the most beautiful land under the sky and climate on Earth as we know". Geographical signs grown on these lands are highly important in supporting local production and rural growth, achieving sustainable and traceable product quality, fighting counterfeit products and becoming a brand city... Aydın Fig is the second registered Turkish product and the first to have an origin marking in the European Union. In history not only the fruit but also leaves, roots and resin of the fig tree have been used as remedies. Fig has always been important for people from the past to present and Turkey is the leading fig producer in the world. Fig is grown almost in every region in our country however almost all of high quality dried figs are produced in Aydın.



Diyarbakir is waiting for Investors

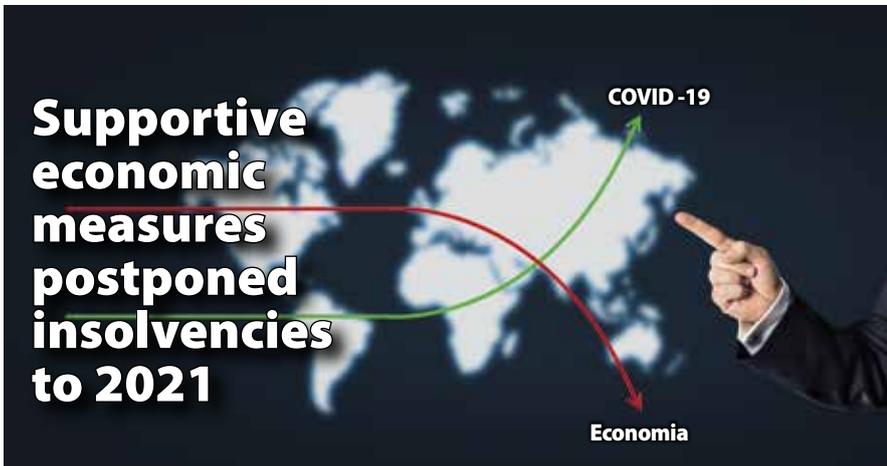
A significant trade center in the regional basis, Diyarbakir is also the regional distribution center of many brands and products for its logistics and human resources opportunities. The main issue of the city is that it still maintains its old perception and image in the eyes of its target markets and in the most parts of Turkey. The city currently aims to attract new investors with new

projects while also trying to change the current perception.

TOBB Board Member and the Chairman of the Commodity Exchange Market of Diyarbakir, Engin Yeşil said, "The potential of our city has not fully benefited from. Once all meadows are opened to husbandry and agricultural lands are provided with more water, the current wealth will be at least doubled with



increased efficiency and quality." Chairman of the Diyarbakir Chamber of Commerce and Industry, Mehmet Kaya said, "First of all, Diyarbakir is a city that differentiates itself from others with its intangible and tangible cultural heritage as well as its local cultural richness and diversity. One of our main goals is to preserve and maintain this cultural diversity and benefit from it for economic purposes."



Covid-10 economic measures and state aids announced by the world governments have technically postponed business insolvencies however significantly higher number of insolvencies was expected in 2021.

In the report titled "Covid-19 is creating

an insolvency time bomb" published by Euler Hermes, the number of insolvencies is anticipated to increase by 35 percent worldwide. Anticipated increases for regions in 2021 (compared to 2019) are as following: USA 57 percent, Brazil 45 percent, China 40 percent, UK 43 percent, Spain

41 percent, Italy 27 percent, Belgium 26 percent and France 25 percent. Anticipated increase in insolvency for Turkey is 31 percent in the report.

According to the data of International Institute of Finance (IIF) the number of business insolvencies worldwide has decreased this year compared to previous year. The analysis of IIF data by Axios underlines how economic measures against Covid-19 have technically prevented insolvencies for now and postponed an insolvency crisis.

Based on the data, economic measures in France, South Korea, Singapore, Denmark and Belgium have reduced the number of insolvencies in August 2020 by 30 to 44 percent. While the number of insolvencies has increased in USA and Sweden among developed countries by 2 and 5 percent respectively, it has increased by 9 percent in Turkey despite the measures.