

TOBB President M. Rifat Hisarcıkılıođlu:

Advantages of OIZs must be used in order to be a global supply base

Thanks to Covid-19, change in global supply chains have sped up and the flexibility for it has increased and anufacturers have moved towards these as it is widely realised that one-way supply solutions is not efficient. Turkey must take advantage of the organised industrial zones (OIZs) in order for it to be a global supply base.

The core of the industrialisation in Turkey, the OIZs continue to contribute to production and export across the country. The OIZs aim to attract investment towards less developed regions for them to prosper and contribute the development of industries across Turkey. They also aim to help industries to develop within designated areas, prevent environmental problems and disorganised industrialisation, use resources wisely, lead urbanisation, utilise IT technologies as well as situate and develop industrial branches within a specific goal. They shoulder a critical role nationwide for the national economy to progress, for it to be also modernised and internationalised via a common administrative, technical and infra-structural services network.

For Turkey's carbon-neutral goals renewable energy is a must for the OIZs

As the most well-planned industrial zones in Turkey, OIZs boast a lot of investment benefits for investors; for that reason, an investment within an OIZ



enjoys the benefits of a lesser zone when compared to that of one outside those zones. This means for investors advantages in customs tax, corporation tax, employer pension rate and interest support. Besides, there are also other incentives within those zones such as property tax exemptions, discounted land allotment and levy exemptions. Further, beside investment

benefits, they also promote for investors a centrally-governed concept away from red tape. As for increasingly critical green transformation, they too provide waste water filtration systems, extended greener areas and growth in renewable energy output and production of their own energies; working on recycling and zero waste processes. The infiltrated water is

planned to be used to water green areas within these zones. Renewable energy investments have particularly become ever more critical within Turkey's 2053 carbon-neutrality goal. To that end, renewable energy investments continue to grow within OIZs. Total renewable energy output across industrial parks have reached the capacity of 282 MW which is aimed to double by 2030.

Half of industrial output is within OIZs

Permission for mixed and specialised OIZs in Turkey is endorsed by the ministry for industries and technology while those focusing on agriculture based OIZs are endorsed by the ministry for agriculture and forestry; there are 344 OIZs under the ministry for industry and technology and 34 under the ministry of agriculture and forestry. There is manufacture in 270 OIZs of 378 that have been permitted; 30 is being nationalised; 38 under planning and permission stage and 40 is being infra-structure development stage. OIZs given permission for inception by the ministry of industry and technology and passed the foundation stage and began production has a 83% occupation rate

while the specialised ones have a 90% rate. 2.4 mil people are employed in these and round half of all production is made here across Turkey.

Over 5K employment rate is reached at those agriculture-based OIZs whose foundation stage is over governed by that ministry. There are total 31 agriculture-based OIZs across 27 cities, 8 of which has begun production already. 11 of 31 agriculture-base specialised OIZs were founded in and after 2020 during the time of the pandemic. Agriculture-based specialised OIZs mean a lot of potential for the country especially when there is severe sceptism across the globe regarding food safety. By making that structure stronger, we can further improve our national-local production capacity as well as export output. Besides, our agriculture-based specialised OIZs play a critical role thanks to their well-planned structures, and output of clean, quality and reliable food production. There is at least one (OIZs) in each city that is approved and production is ongoing in 77 cities. Bursa plays a major role with its 16 active OIZs taking up a considerable part of planned industrial output. There are 13 OIZs each in Izmir, Kocaeli and

Tekirdag. There are 10 in the capital, 8 each in Istanbul and Konya and 7 each in Aydin and Afyon.

We can be a supply base

Thanks to Covid-19 change in global supply chain has sped up. Need for flexibility in supply chains has increased and manufacturers have moved towards such systems as it was seen clearly that one-way supply chain solutions is inefficient. In particular, developed economies such as US and Europe have already begun to seek alternative solutions steering away from one-way market solutions and enhancing market variety. To that end, trends that come afore are; increase in automation in production and digitalisation and in parallel to that need for up and reskilling of work force, the importance of increasing flexible and fast supply capacity as well as domestic and local production. Turkey stands positively out from its rivals in this region thanks to its production capacity, strong work force, dynamic entrepreneur ecosystem and fast transport performance. In addition to all these advantages, also taking advantage of competition benefits of OIZs, we can make a stronger case to become a global supply base.





“Togg is not just a car, rather a challenge”

There has been an opening ceremony at the Togg serial manufacture plant at the Gemlik campus graced also by the president; representing one of Turkey’s biggest ever projects. TOBB president who also attended and spoke at the ceremony said ‘Togg is not just Turkey’s local and national aim of car manufacture but rather it is a challenge.

TOBB president and Togg BoD chair M. Rifat Hisarcıklıoğlu stated in his speech that they all met in a very special day and that they are lucky that it was during this office; Turkey clinching a centennial dream. Conceding that there is a long way to go and much to do byt he pointed out that “it is not easy to rock the boat yet as Turkish entrepreneurs, we do do that and shall continue to do so.” As Turkey enters a new era, the republic embraces a new dimension adding that Republic of Turkey is the companionship of millions that have become comrades of these lands; their best masterpiece. He stated that we are a nation that has come this far fighting tooth and nail and 29th October is the day which marks the inception of republic; a merry proud day for us all. Setting out on a journey amid Ataturk’s famous words “May the freedom

of this nation be graced by the nation’s dedication and resolution again” he stated that we are a nation that is reborn through its ashes and as the Turkish business circles we continue to produce and sell and grow likewise the republic.

Ataturk’s goal to reach the prosperity levels of developed nations has always been cherished by us all and will surely continue to do so. “Taking this opportunity, I’d like to remember Ataturk and all his comrades as well as all our veterans and martyrs with pride respect and love.”

We manufactured more than just a car

TOBB president reminded that back in 2017 they made a promise to the nation by responding to the president’s call adding that that day they promised the whole nation that as the Turkish business

circles, we are ready to succeed as long as the nation has faith in us.” He added that they set out on this journey by the support of the president as well as the 5-strong shareholders; Anadolu Group, BMC, Turkcell and Zorlu Holding; taking on some really tough competitors. He stated that the cards have been dealt again post pandemic in global economy adding that “thank god, we are proud that we managed to keep our promise we gave our dedicated nation. He said they are all so very proud with the 1300 strong Togg team and the partners as well as the republic of Turkey and whole Turkish nation. He conceded that they were unable to protect the legacy of Devrim initiative that was a century ago and that this is a once in a hundred year opportunity that we must stick to and protect as it is more than just a car manufacture story.