

**TOBB President M. Rifat Hisarcıklıoğlu:**

# Turkey's entrepreneurial spirit has managed to become a dynamo in export

Turkey has made incredible progress in the last 20 years in terms of integration into the world order and export increasing its export volume by 7 folds increasing its share in international trade over 1% for the first time. Our entrepreneurial spirit as well as dynamic and bold business style have all brought us here. In order to reach higher ground in export from now on, we must in particular turn to e-trade and broaden our horizons.

**T**urkey's export was 254 billion USD in 2022 with a 13% increase from last year and import was 364 billion USD with a 34% increase from last year. Foreign trade volume has reached 618 billion USD with a 25% increase. Export via TL too increased in 2022 by 93% reaching 129 billion TL. In 2022, compared to the previous year, 60 cities export revenue increased and two cities stalled. Istanbul was the champion with 99 billion USD, followed by Kocaeli with 19 billion, Bursa 16 billion and Izmir 14 billion. Ankara registered 12 billion USD, G.Antep 11 billion USD, Manisa, Sakarya and Denizli 5 billion USD and Hatay 4 billion USD. Konya, Kayseri, Adana, Mersin, Antalya, Tekirdağ, Kahramanmaraş, Eskişehir, Samsun, Trabzon and Mardin all exceeded 1 billion USD.

## Most export was to Germany

Germany was the country that attracted most export with 19 billion USD and automotive industry made the most



export with 4 billion. USA got the 2nd place with 14 billion USD and chemicals and chemical products worth 2 billion USD was the highest exported items. UK was the 3rd biggest in list with 12 billion USD with automotive industry worth 4 billion was the highest. The no of countries Turkey exported to over 1 billion USD last year was

47 with a 4% increase compared to the previous year.

## Industrial sector is all time high

The industrial sector reached an all time high last year with a total of over 186 billion of export registering a 9% increase compared to the previous year thus

reaching an all time high comprising 73% of the whole export registered last year. The automotive industry as the powerhouse of export reached 31 billion USD last year with a 6% increase compared to the previous year. EU countries comprised 65% of these whole sales among countries sitting atop. Turkish automotive industry registered export to the EU countries was a total of 20 billion USD with a 6% increase last year.

### **Export of defense industry reaches an all time high**

Turkish defense and aeronautical industry closed 2022 with a new record. While import rate in defense industry reached below the levels of 2 billion USD, the export rate increased to 4,4 billion level with a 37% increase. The rate of industrial export per kg was 48 USD in 2021 while it was 56 USD in 2022. The agricultural sector went past 34 billion USD of export last year reaching an all time high with a 15% increase from the previous year. Export of agricultural products registered the 14% of total export last year. Turkey's export of mines reached 6,5 billion USD in 2022 with a 9% increase from the previous year.

The highest export was of metallic ores with 2 billion USD, natural gems taking the 2nd place with 2 billion USD apiece and industrial minerals with 1 billion USD at the 3rd place.

### **We are getting stronger in export of services**

We too continue to develop our position globally in export of services. Over the last 20 years we raised it from the levels of 14 billion USD to 61 billion level. It is expected as of end of year that it reached 85 billion USD. It is expected to go past the threshold of 2 billion USD level in the continuously growing health sector of export of services. We plan to get more share off circa total 90 billion international health services market becoming the biggest in the region as well as a major player globally.

On the other hand, Turkey made huge progress in the export of media [of films and TV Series] in the past 10 years taking the 2nd spot only after the USA. Turkish TV series meet their audiences across Latin America to Far East and Africa to the Middle East with a total of 800 million viewers

reaching a total of 750 million USD as of last year.

Turkey has made huge progress in the past 20 years in terms of integration in to the international markets and export. It increased its export by 7 folds increasing monthly rate of 3 billion USD to over 21 billion USD.

While back in 2002 only 33K companies contributed to the export total, last year this was over 111K. The no of cities exporting over 1 billion USD rose from 5 to 24 in the same period. There is not a single city that has not exported. We managed to get a total share of over 1% in international trade for the first time.

Our entrepreneurial spirit as well as bold and dynamic business style all contributed to this result. Henceforth, in order to reach greater goals, we must increase the no of exported goods as well as no of exporters. We must be more active in e-trade particularly broadening our horizons. Those who have narrow range also have narrow horizon. Those who have broader ranges hold a better chance to explore the world than those with narrower ones.



## TARGET FOR TURKEY IS 2023

**“We can  
increase our  
regional power  
with trade and  
investment”**



TOBB President M. Rifat Hisarciklioglu had a review of 2022 and outlook of 2023. He pointed that Turkey must strengthen its position as a regional and global economic power with more trade and investment.

**H**e noted “countries in this region want to further integrate themselves in to global economy and global values chain. Our past experiences show that we can form new partnerships thanks to our fast-adapting and dynamic nature thus get the biggest proportion.” Hisarciklioglu said that global stagnation became clearer and more common as there occurred source and demand problems in energy and food, rising inflation, geopolitical tensions and wars contrary to the belief that global economy would recover faster post-pandemic. He added all these factors whose effect are expected to last longer mean a point of stress on the growth of global economy next year as it only grew a 3.2 in 2022 and 2.7 in 2023. Ever since there was a global financial crisis in 2009, Turkish economy has managed to grow non-stop, which was successful in distinguishing itself from the others both during the pandemic and current period of global stagnation. 6% growth was clinched in the last 9 months of the year which was also reflected in the employment rate. In the last 2 years, 4.9 more people have been employed.

### **“We must strengthen our position as a global economic power”**

He also noted that the private sector, because of its dynamic nature, has quickly adapted itself to the situation post-covid globally and that our share of global export has considerably risen reaching an all time high in that period. Though there is indication and expectation of stagnation in main export

staples, export exceeded 250 billion USD and manufacture and employment reached all time high both which is clear sign of a strong economy. He stressed that Turkey is the country that boasts the biggest capacity of industrial manufacture and by expanding our axis and generating more trade and investment we must strengthen our position as a regional and global powerhouse. He noted “countries in this region want to further integrate themselves in to global economy and global values chain. Our past experiences show that we can form new partnerships thanks to our fast-adapting and dynamic nature thus get the biggest proportion.” He also talked about promising sectors of the future; that digital and green transformation will both be at the forefront of future is inevitable; therefore, ICT and energy sectors shall both be at the focal point.

### **“As private sector, we must continue manufacture, employment, investment and export”**

TOBB president, M. Rifat Hisarciklioglu underlined that they see every new calendar year as a new hope and opportunity and that as we are entering a new year as real sector, we are very hopeful that the improvements in the economy shall continue to manifest. Thanks to population structure, manufactural capacity and central location, he said, we are one of the countries with the biggest potential of growth and that we must continue manufacturing, employment, investment and export. We must focus not on risks but opportunities and continue to make progress cautiously but also

resolutely by expanding our axis. He noted that Turkey is a great country and that we have “determination, belief and opportunity to get past every problem we face”. It is important that we keep to togetherness and unity and fraternity as we are stronger together. He added in 2023 instead of uncertainty hope should reign and that he wishes for real sector to have a period of consistent growth.

### **“There is no industrial space left in industrial estates”**

M. Rifat Hisarciklioglu noted that they expect Turkish economy to show a 5% strong and stable growth next year and that it will be reflected positively both in employment and investment. He pointed out that positive impact of economic management in terms of cost management and financial improvement is felt and that thanks to growing interest in investment in private sector, there is literally no industrial space left in industrial estates. He talked about the need for generating more plots across Anatolia for industrial investment; adding that government must focus on reforms. We see now the positive results of past actions. As TOBB, in collaboration with the government, we take action to counter the problems of manufacturers. We recorded a historical success thanks to the extensive improvement of circles of business and investment by TOBB in coordination of private sector. We reached an all time high in “Doing Business” that comprises 190 countries in easiness index of business and investment climbing up to the 33rd position from 60th. We must continue our progress.