

ADAPTING THE LOGISTICS AND SUPPLY CHAIN SECTOR TO TURKEY'S GROWING ECONOMY

Istanbul , September 3rd 2014
3rd Black Sea Ports and Shipping

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DHL

20 years ago, 1994



1994

GDP , 3.887.902.914 \$

Currency Crisis

23.3 bil \$ import

18.1 bil \$ export

588.341 TEUs

DHL

10 years ago, 2004



2004

97.5 bil \$ import

63.2 billion \$ export

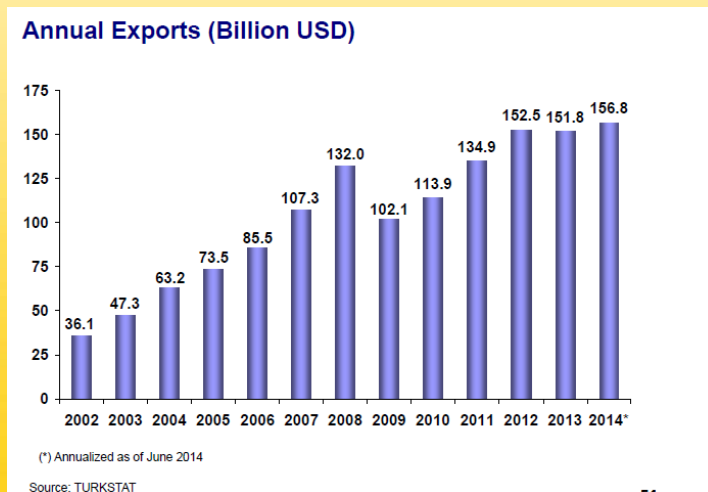
3.081.351 TEUS

Today , 2014

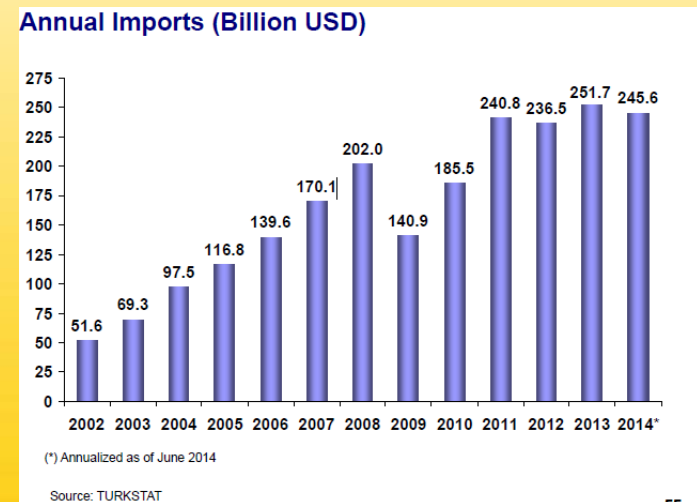


2014

With a Gross Domestic Product (GDP) of \$786 billion, Turkey is the 18th largest economy in the world.



Exports 156,8 billion \$

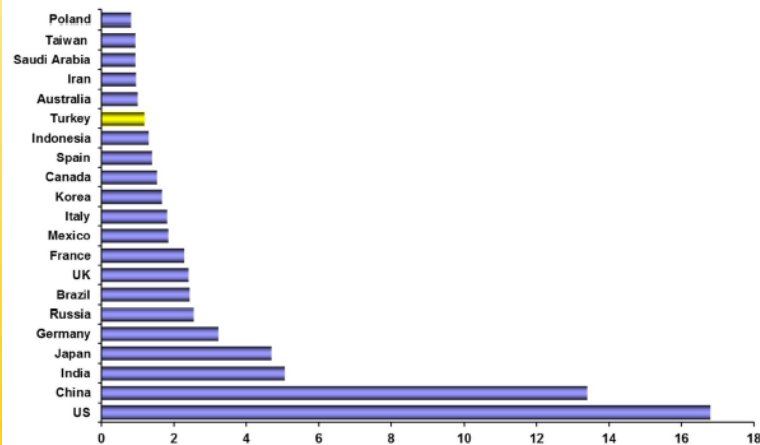


Imports 245,6 billion \$

2014

The GDP value of Turkey represents 1.32 percent of the world economy.

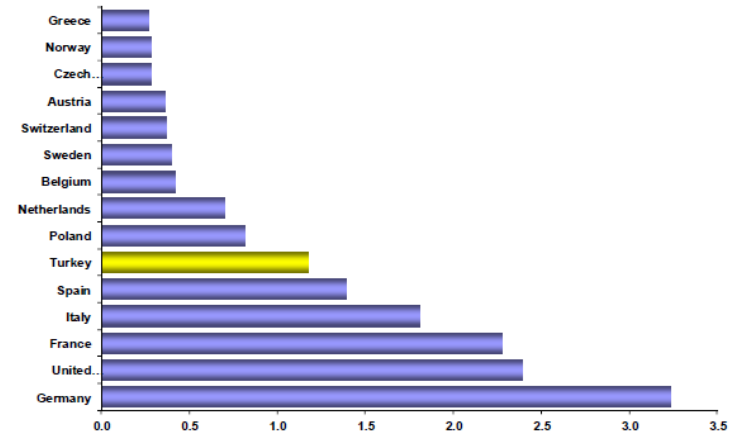
World's Biggest Economies
(GDP based on Purchasing Power Parity, Trillion Dollar, 2013)



Note: China, Iran, Italy, Korea and Turkey 2013 estimates.

Source: IMF, World Economic Outlook, April 2014

Europe's Biggest Economies
(GDP based on Purchasing Power Parity, Trillion Dollar, 2013)



Note: Sweden, Italy, and Turkey 2013 estimates.

Source: IMF, World Economic Outlook, April 2014

2014

Transport Intelligence indicates that apart from Russia, Turkey is the only European country to be perceived as a major logistics market.

Turkey has one of the largest and youngest labor pools in Europe with more than 65 percent of its population aged between 24 and 54. The strength of Turkey's labor force is reflected in the logistics industry. Investors can easily hire a talented workforce at a competitive cost to address the complex demands of the industry.

7 million TEUS

Logistics industry constitute approx. 10-15% of the total global GDP and is an integral portion of Turkey's economy.

Market Size by Country –Europe (€m)

Country	Air					Sea					Total				
	2012	2013	Growth 12-13	2017	CAGR 13-17	2012	2013	Growth 12-13	2017	CAGR 13-17	2012	2013	Growth 12-13	2017	CAGR 13-17
Germany	3,748	3,574	-4.6%	3,932	2.4%	5,564	5,282	-5.1%	6,071	3.5%	9,312	8,856	-4.9%	10,004	3.1%
United Kingdom	3,373	3,130	-7.2%	3,658	4.0%	1,739	1,655	-4.9%	2,077	5.8%	5,113	4,784	-6.4%	5,735	4.6%
France	1,922	1,842	-4.1%	2,029	2.4%	2,395	2,263	-5.5%	2,604	3.6%	4,317	4,105	-4.9%	4,633	3.1%
Italy	1,156	1,115	-3.5%	1,192	1.7%	2,431	2,261	-7.0%	2,491	2.5%	3,587	3,377	-5.9%	3,683	2.2%
Netherlands	1,268	1,244	-1.9%	1,369	2.4%	2,117	2,035	-3.9%	2,339	3.5%	3,385	3,280	-3.1%	3,708	3.1%
Belgium	511	486	-4.9%	527	2.0%	1,217	1,165	-4.3%	1,310	3.0%	1,728	1,651	-4.5%	1,837	2.7%
CEE	400	408	2.1%	491	4.7%	1,183	1,150	-2.8%	1,502	6.9%	1,583	1,559	-1.5%	1,993	6.3%
Spain	489	455	-7.0%	486	1.7%	1,171	1,153	-1.6%	1,269	2.4%	1,660	1,608	-3.2%	1,755	2.2%
Turkey	588	683	16.1%	798	4.0%	1,229	1,219	-0.8%	1,610	7.2%	1,817	1,902	4.7%	2,408	6.1%
Sweden	370	313	-15.5%	368	4.1%	638	610	-4.3%	772	6.1%	1,008	923	-8.4%	1,140	5.4%
Switzerland	751	782	4.1%	893	3.4%	224	213	-4.9%	258	4.9%	975	995	2.1%	1,151	3.7%
Austria	227	215	-5.5%	238	2.6%	541	516	-4.7%	600	3.8%	768	731	-4.9%	838	3.5%
Ireland	604	579	-4.1%	669	3.7%	82	76	-7.5%	94	5.4%	686	655	-4.6%	763	3.9%
Finland	201	208	3.8%	224	1.8%	381	359	-5.7%	400	2.7%	582	568	-2.4%	624	2.4%
Denmark	160	137	-14.8%	151	2.6%	338	323	-4.5%	375	3.8%	498	459	-7.8%	526	3.5%
Norway	161	183	13.7%	206	3.1%	330	308	-6.4%	368	4.5%	490	491	0.2%	574	4.0%
Greece	104	96	-7.4%	113	4.3%	176	166	-5.5%	212	6.3%	280	262	-6.2%	325	5.5%
Portugal	145	141	-2.6%	155	2.4%	111	109	-1.4%	126	3.6%	255	250	-2.1%	281	2.9%
Russia	688	665	-3.4%	762	3.5%	1,072	1,053	-1.8%	1,284	5.1%	1,761	1,718	-2.4%	2,046	4.5%
Europe	16,866	16,257	-3.6%	18,260	2.9%	22,939	21,918	-4.5%	25,762	4.1%	39,805	38,174	-4.1%	44,022	3.6%

Source: Transport Intelligence

Note: Some figures have been restated due to the figures for Central and Eastern Europe and Russia being restated.

Tomorrow, 2023 targets

Turkey in 2023

One of the top 10 economies in the world

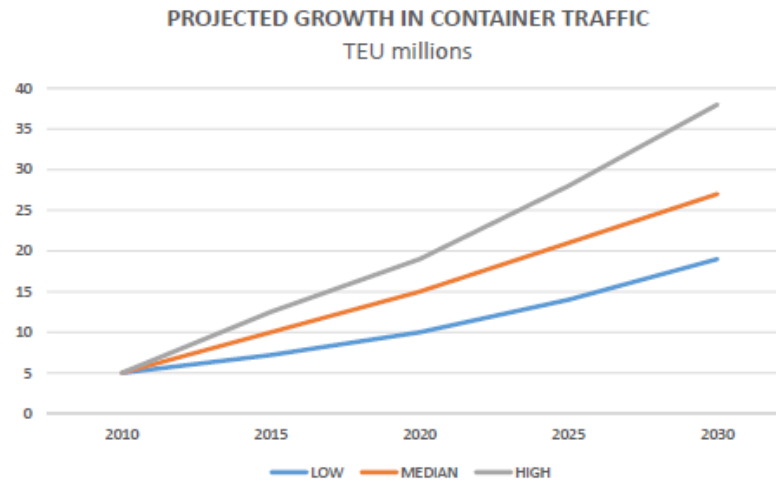
GDP: circa \$2 trillion

Population: 82 million

Export: \$500 billion

Single digit Inflation and Interest rates

2023 Expectation of TEUS



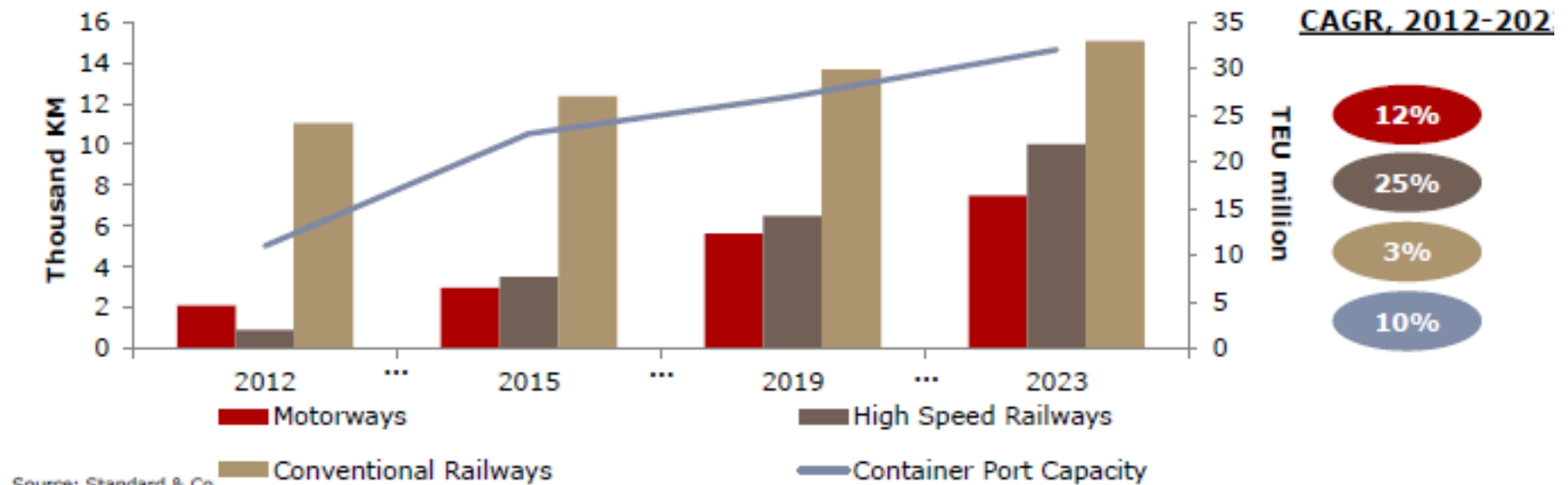
2013 - 2023 CAGR of 9% = 18.6m TEU
CAGR of 12% = 25m TEU
CAGR of 15% = 33m TEU

2023 strategic plans

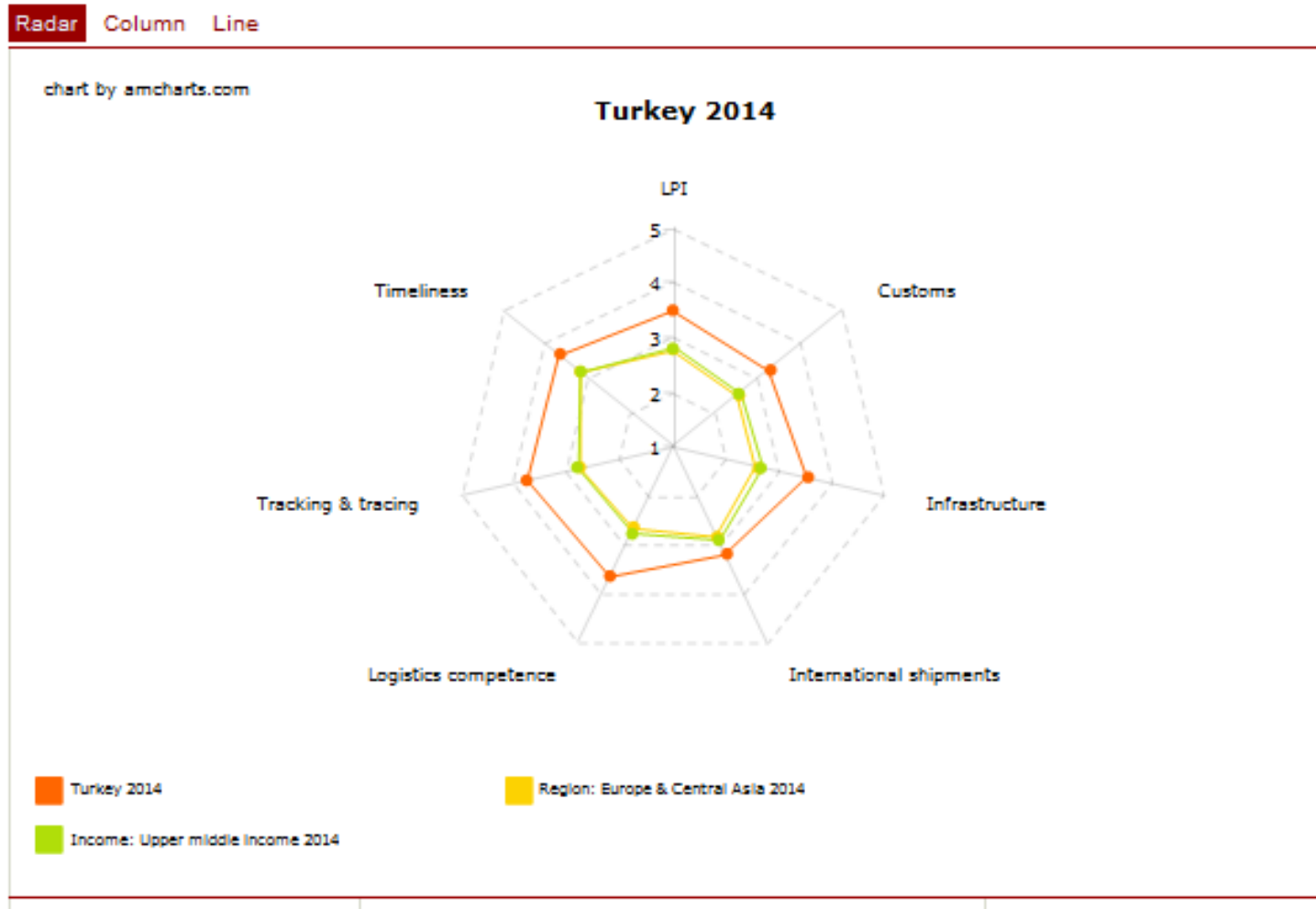
- **Connect main ports with railways**
- **Transfer ports in Aegean/Mediterranean/Marmara/Blacksea**
- **To have at least one of top 10 ports in the world by 2019**
- **32 million TEU handling capacity for container transport**
- **Handling 500 million tons of solid & 350 million liquid load**

Growth Expectations of Turkish Logistics Industry

Figure 9: Growth Projections of Turkey



Turkey LPI 2014 score is 3,50



WE are getting there ...

AEO
Single Window Application
E customs

Baku-Tbilisi-Kars Railway

Investment and
Incentive Support

New Highway Projects

33 million TEUS ?

New Ports



Thank YOU for your
attention

