

# Newsletter: Future of Belarus-Turkey business: agreements at Belarus Investment Forum



On 13 November in Istanbul the Belarusian Investment Forum was finished. The fact that there were nearly 600 participants confirmed a great interest of the two countries in mutual investment.

Turkey is interested in establishing joint ventures in Belarus to enter the markets of the Eurasian Economic Union. “We are moving away from simple trade and aim at the development of cooperation

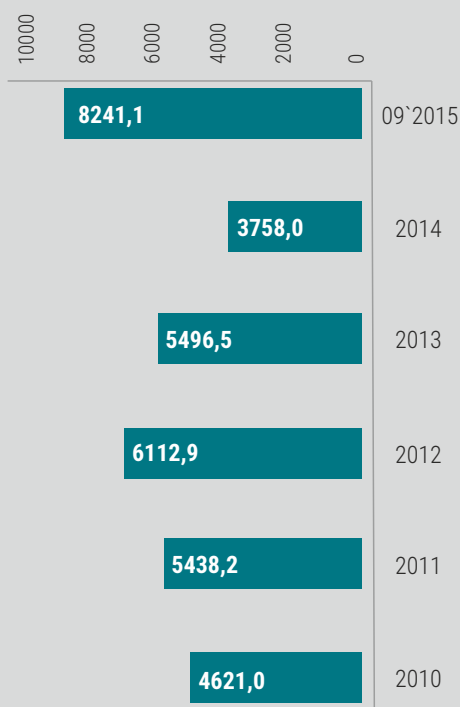
ties and the creation of businesses both in Turkey and Belarus, — said Igor Bely, Belarusian Consul General in Istanbul. — The Turks are good traders.

They know where to start and how to use market opportunities. They are now interested in Belarus as a gateway to the Eurasian Economic Union, for the establishment of enterprises in our country and further sales throughout the EAEU”.

“Mainly there are businesses operating in the textile and automotive fields, specializing in the production of agricultural products”, — said Igor Bely.



## FDI from Turkey to Belarus, thsd USD (net basis)





During the Forum, the National Agency of Investment and Privatization presented the opportunities for business development in Belarus, including concrete investment projects.

“Belarus pays considerable attention to improve business environment in the country — said Director of NAIP Natalia Nikandrava. — In particular, according to the latest Doing Business Ranking, annually publishes by the World Bank, Belarus has been recognized as one of the top reformers in the world and for the number of reforms over the last 10 years, it is on the fourth place among 189 countries of the world.”

On the Opening day of the Belarusian Investment Forum, about 20 documents, aimed at development of economic relations between the two countries, have been signed.

The Development Bank of Belarus and the Istanbul Stock Exchange have signed a Memorandum of

Belarus has investment interests in Turkey. First of all, it is about creating a tractor assembly plants, automotive vehicles, dump trucks. “As it turned out, they have a great shortage of forage harvesters is the class that we produce,” — said Andrei Kobyakov. According to him, several tests are now actively being held, and if all goes well, major contracts will be concluded for the supply of equipment and in the future an assembly plant in Turkey will be established.

In 2016 Belarus and Turkey plan to increase bilateral trade up to \$ 1 billion.

“The main target is to increase bilateral trade to \$ 1 billion next year. Now we have about \$ 600 million. This is absolutely a real challenge, and it is an interim”, — said Andrei Kobyakov. This is absolutely a real challenge, and it is an in-between task”, — said Andrei Kobyakov. He expressed his strong belief in timeliness of the Belarusian Investment Forum in Turkey.

This is the very time when the Turkish side is very active, looking for proper partners in the world. Today's talks with the Minister of Economic Affairs show that there is a strong intention for the development of relations with Belarus. The partners are energetic and assertive, they are ready to hold next meeting of the committee on trade and economic cooperation early in the near year", — stated the head of the Belarusian government. And we are talking about specific areas of mutual interest.



Understanding. The signing of the memorandum is the result of consistent work of the Development Bank to enter regional financial markets, which are new for Belarusian borrowers. The document is aimed at promotion of cooperation and strengthening of partnerships between the parties on a wide range of issues.

“To talk about specific transactions is a bit prematurely. The memorandum is a platform for the further advancement of our interests in the Turkish stock market, whose potential we appreciate very much. Today, Istanbul is an important regional financial center, and our partner, the Istanbul Stock Exchange is ranked fourth in the world in terms of liquidity in the rating of the World Federation of Exchanges. Therefore, the Development Bank will focus special attention to the intensification of relations with Turkish partners”, — commented on the signing Chairman of the Development Bank Sergei Rumas.



Bellegprom Concern together with Turkish partners is planning to organize the production of accessories. “We managed to reach agreements with a number of Turkish companies to address issues of joint ventures for the

production of accessories on the existing production facilities of Bellegprom. Now in Belarus, we do not produce these products. And there are no such enterprises on the territory of the former Soviet Union, all accessories are purchased,”- said Deputy Chairman of the Concern Nikolai Rogozhnikov.



Turkish partners of Belarusian companies were invited to the annual spring exhibition “BELTEXLEGPROM.” “We will participate in a similar event in Bursa,” — he stated. A memorandum on cooperation between Bellegprom Concern and the Association of Textile and raw materials for the textile industry of Istanbul (ITHIB) was signed.

“A large visit is to be organised in December, the possibilities to increase supplies of products of Orsha Linen Mill — linen fabrics, finished products, home textiles will be examined,” — said Nikolai Rogozhnikov.

The possibilities of purchasing raw materials in Turkey for Kamvol were considered. In particular, the purchasing of viscose and other components that are not produced in Belarus, but necessary for the manufacture of high quality marketable fabrics have been discussed.

Belneftekhim Concern signed contracts for \$ 50 million. “The annual turnover of goods of Belneftekhim Concern in Turkey is around \$ 40 million. Today, eight contracts for \$ 50 million have been signed at the Investment Forum”, — said director of the trade and distribution network of the Concern Alexander Arhriptsev. Also investment projects of ten companies in the amount of \$ 10 million to \$ 150 million have been presented. Investment projects are mainly related to the increase in production volumes and the subsequent introduction of products for export.

Traditionally Belneftekhim Concern delivers fiber and yarn products to Turkey. “We comply with the strategy of presence and at the same time work with final consumers,” — said Alexander Arhriptsev.

Business representatives and officials of the two countries participated in the Forum. The Belarusian delegation included the representatives of the National Agency of Investment and Privatization, the Ministry of Economy, Ministry of Foreign Affairs, the National Bank, the Development Bank of the Republic of Belarus, the Industrial Park Development Company, the Administrations of Mogilev FEZ and Grodnoinvest FEZ.



The business part of the Turkish delegation was represented by the following areas: automotive industry, construction, engineering, pharmaceuticals, chemical industry, iron and steel industry, tourism, energy, textiles, trade, production of auto parts and components, banking, information technology, consulting services, logistics, engineering production of agricultural machinery, furniture, medical equipment, beverages, food products, glass and so on.



institutions took part in the Forum: Turkcell, Anadolu Efes, DeFacto, DOĞUŞ İnşaat, Danis Beton, Emsas Insaat, Hema Endüstri, Indeks, Nobel Ilac, Nurol Holding, Sarar, Sunar Misir, Sekerbank, Türkiye Bank, Ziraat Bank and others.

The following Turkish officials expressed interest in the event: the Foreign Economic Relations Board of Turkey, Turkish Export-Import Bank, the Istanbul Chamber of Commerce, the Association of Exporters of Turkey and the Foreign Ministry of Turkey.

The Belarusian Investment Forum was organized by the National Agency of Investment and

Privatization, the Embassy of the Republic of Belarus to the Republic of Turkey, the Consulate General

of the Republic of Belarus in Istanbul, the Ministry of Economy, and the Ministry of Foreign Affairs.

