

# NEWSLETTER

Economic update | Past and upcoming events | Cultural update



Dutch  
**BUSINESS ASSOCIATION**  
Turkey

## Welcome, Welkom, Hoşgeldiniz

We start our June Newsletter with a word of welcome by our Board Member Gregor van der Mark, Managing Director of our valuable DBA member DAF Trucks Turkey.



**Dear Dutch Business Association Members,**

I am Gregor van der Mark 54 years of age, born and raised in Hilversum, the Netherlands. Living in the most beautiful area in Istanbul, Kalamış with my wife since 2016.

Studied Economics in Amsterdam and have had several software/data related jobs before I started to work for DAF Trucks N V in Eindhoven in 2006. DAF Trucks is one of the most well-known high quality heavy commercial vehicle producers in the world. DAF recruited me for a specific project: “DAF Telematics”. My knowledge of how to market a product that involves data collection and system integration was a benefit for DAF. The project became a success; the board of management noted my effort and working style.

The board promoted me to senior Area Director in 2008 for the department Sales Operations from DAF, this department takes care of the sales of DAF products around the world. Most of these countries do not have DAF owned sales units.

In my roles as Area Director, I was responsible for Turkey and Israel as main markets, Bulgaria, Greece, Georgia, Qatar, Kazakhstan and Nigeria as sub markets.

Working in Turkey from 2008 was exciting especially we had to overcome the crisis coming from Europe. A lot of traveling, customer visit and "Çay" visits made it possible to survive that economic crisis. I learned right then that Turkish crisis's are steep down and up.

In 2014 I was appointed Managing Director for DAF Trucks Turkey and since 2016 the company is operational active. For a startup company it is an interesting market and the dynamics in both economy as well political are somewhat different in comparison with The Netherlands or any other countries I have worked in. For me as a businessperson it is most interesting to see the dynamics and differences between Turkish businesses and European business. The approach, the execution, the quality, culture habits is different, but with the right mix of sensitivity, it is possible to move forward and reach common goals.

I hope that my contribution to the Dutch Business Association will be of impact for the entire Dutch/Turkish community and that people can benefit in a good way. Looking forward meeting you all on one of our marvellous events.

Regards,  
Gregor van der Mark

## Economic Update

Policy determination remains critical after the recent bout of volatility for normalisation in financial conditions as well as anchoring expectations and achieving further stability. As an unsurprising adjustment following a financial shock, correction in external balances has been stronger with ongoing slowdown in economic activity weighing on imports and higher competitiveness contributing to exports growth. Further correction in 1H19 before rising gradually in 2H19.

1Q quarterly growth return to positive territory driven by public consumption and strong loan extension by the public banks. On the supply side, services, construction, industry and professional administrative/support service activity stand out as sectors that drag the growth most. The expanding budget deficit suggests that public consumption growth cannot be sustained, while loan growth has already lost some momentum. Also, there has recently been a sharp reversal in consumer confidence. These factors increase concerns about the sustainability of 1Q performance

Fiscal targets for 2019 are challenging, though budget performance so far reveals a noticeable weakening in the underlying trends with sharp divergence between the tax and primary expenditure growth rates.

Despite the current supportive environment, we do not foresee a change in the CBT's policy stance in the near term given a) challenging geopolitical backdrop increasing event risks in the near term b) despite easing in the headline and core, inflation dynamics has remained difficult as annual services inflation remained unchanged in May at 15.15%, close to the highest level realised for the first time since early 2004,

reflecting inertia and relatively high cost factors notwithstanding the weakening in growth momentum c) deterioration in the budget performance this year so far on the back of continuing weakness in tax generation and strong growth in primary expenditures.

Weak economic activity and spending pressures along with ongoing uptrend in interest expenditures pull 12M rolling budget deficit to the above of the target set for 2019 in the New Economy Program d) dollarisation trend in deposits: reflecting impact of elevated inflation and low real return in TL investments (despite recent widening in interest rate differential between FX and TRY deposits), residents have increased their FX deposits by close to US\$32 billion since September, mostly driven by households. The trend takes the share of FX deposits to above 55% of the total in late May.

## Past Events April – June

### Seminar on Earthquake Risks / 16 April 2019

On 10th of April, DBA organised a successful seminar about Earthquake Risks in Istanbul in cooperation with Boğaziçi University Kandilli Observatory & Research Institute. The event was sponsored by Eureka Sigorta which is the managing company of the Turkish Catastrophe Insurance Pool (TCIP). Keynote speaker was Prof. Dr. Mustafa Erdik; Emeritus Boğaziçi University, President Turkish Earthquake Foundation. The seminar topics were as followed;

- Earthquake scenarios in Istanbul and worldwide prominent scientists' views.
- How big companies can manage earthquake risks in Istanbul.
- Preparedness of İstanbul and Turkish emergency management strategies.

After the seminar, there was room for questions, networking and discussion at the cocktail.



## King's Day / 26 April 2019

On the 27th of April, DBA members celebrated the King's Day with local partners at the Consulate General of the Kingdom of the Netherlands hosted by Consul General Bart van Bolhuis. Traditionally, guests were dressed in Orange to celebrate this National Holiday with music and Dutch food.



## ING BANK Global Economic Update / 22 May 2019

In cooperation with ING Bank Turkey, DBA organised a Global Economic Update Seminar with guest speaker James Knightley, Chief International Economist of ING Bank. The interesting and popular seminar continued with a business networking reception at the Palais d'Hollande.



## The Future of Artificial Intelligence by TAZI / 18 June 2019

DBA in cooperation with Tazi.ai which manufactures artificial learning products; organized a seminar about "Artificial Intelligence" with guest speaker Prof. Dr. Zehra Çataltepe at Palais de Hollande hosted by Consul General Bart van Bolhuis on 18 June. The seminar continued with a business networking cocktail.



## Future Events

We hope to see you all in September, at our “Back to Business Party”. Please check your mail for the invitation.

For October, we plan a second seminar with an economic update.

## Cultural Update

### **14 - 29 June: Gurbette - photo exhibition 50 years of Turkish labour migrants – Ankara**

Over half a century ago, the first Turkish migrant workers came to the Netherlands. In honour of this anniversary (1964-2014), Atlas Cultural Center (AAC) organized nationwide activities in the Netherlands in 2014. The exhibition portrays 25 Dutch and 25 Turkish immigrant workers, who were photographed by Coby van Wageningen. The photos show visitors the lives of Turkish workers in the Netherlands and how they contributed to Dutch society. It gives an insight into the history of people with Turkish descent in the Netherlands, which has exceeded 450.000 people today. It also shows how Dutch culture has influenced the immigrants and how this is reflected in their daily lives. The exhibition will be opened on Friday 14 June by the Ambassador, H.E. Marjanne de Kwaasteniet, in the presence of former Turkish minister of Labour Ali Naili Erdem, who visited the Netherlands in June 1968 to discuss labour migration from Turkey. The opening will take place at 18:30 hours at Zülfü Livaneli Kültür Merkezi in Ankara. The exhibition is open to the public between 14-29 June.

### **11-30 June: The 47<sup>th</sup> İstanbul Music Festival, 2019**

This is the most prestigious event on the city’s calendar. It consists of no less than 30 performances of classical music, opera and dance performed in historic locations, among which the Haghia Irene church – a unique chance the get a glimpse of its interior. For more information please visit: <https://muzik.iksv.org/tr>

### **3 July: Seminar ‘Music of the Streets: Diversity and Claiming the Public Space’ – Istanbul**

The Netherlands Institute in Turkey (NIT) and the Consulate General in Istanbul are co-creating several programs under the theme of livable cities in 2019. The second event in the scope of this cooperation is on July 3rd and will be about the street musicians in Istanbul. Street music is a means for these diverse groups to experience and showcase their identities, and socialize via the affective and sensuous calling of music and dance. Besides live performances of beloved street music bands, there will be a talk by Evrim Hikmet Öğüt. She is assistant professor in Musicology at the Mimar Sinan Fine Arts

University and has been working on the musical expressions of migrant communities in Istanbul and the street musicians. And there will be a presentation by Wim Selles; he is following the street musicians of Istanbul for nearly five years. If you like to attend the event on July 3rd or want more information please visit: <http://www.nit-istanbul.org/>

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