

Machinery Industry in Turkey



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A. Overview

▶ Introduction

- **6th** largest machinery manufacturer in Europe. (Source: Turkish Machinery Promotion Group, 2015)
- **9,319** manufacturers in 2015, employing more than **135 thousand** people. (Source: Social Security Institution, 2015)
- High collaboration and integration with the **European** machinery industry.
- High level of **engineering** skills.

Availability of Qualified Engineers 2014 (0: Not Available, 10: Available)	
Turkey	7.08
Czech Rep.	6.22
Romania	6.70
Poland	5.58
China	5.96
Hungary	6.77
Bulgaria	3.89

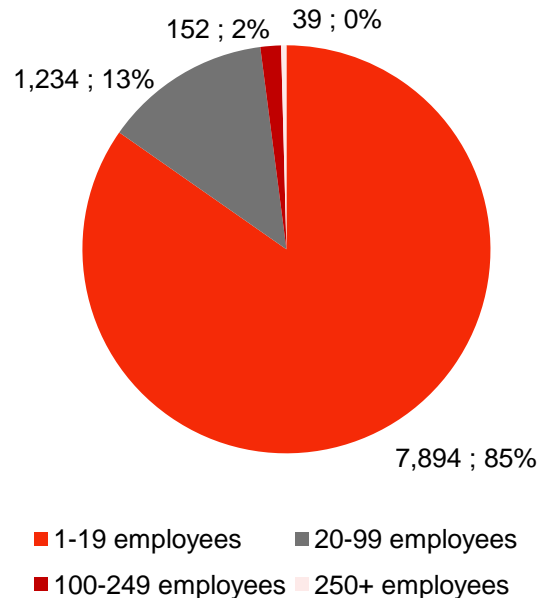
Source: IMD World Competitiveness Yearbook 2014 (Taken from the web site of Investment Support and Promotion Agency of Turkey)



▶ Manufacturers

- Manufacturers are mostly **SMEs** with a flexible working style.
- 85% of the manufacturers with less than 20 employees
- Only 39 companies with more than 250 employees

Distribution of Machinery Manufacturers By Number of Employees, 2015





▶ Foreign Trade

- Exports to more than **200** countries, mainly to the EU. (Source: Turkish Machinery Promotion Group, 2015)
- Machinery exports / total exports of Turkey: **8.3%** in 2014. (Source: Association of Machinery Manufacturers, 2015)
- Machinery imports / total imports of Turkey: **10.3%** in 2014. (Source: Association of Machinery Manufacturers, 2015)
- EU's share in Turkish machinery foreign trade (HS: 84): **49%** in exports, **57%** in imports in 2014. (Source: Turkish Statistical Institute, 2015)
- Exports / production: **45%** in 2014. (Source: Association of Machinery Manufacturers, 2015)
- Imports / domestic sales: **61%** in 2014. (Source: Association of Machinery Manufacturers, 2015)

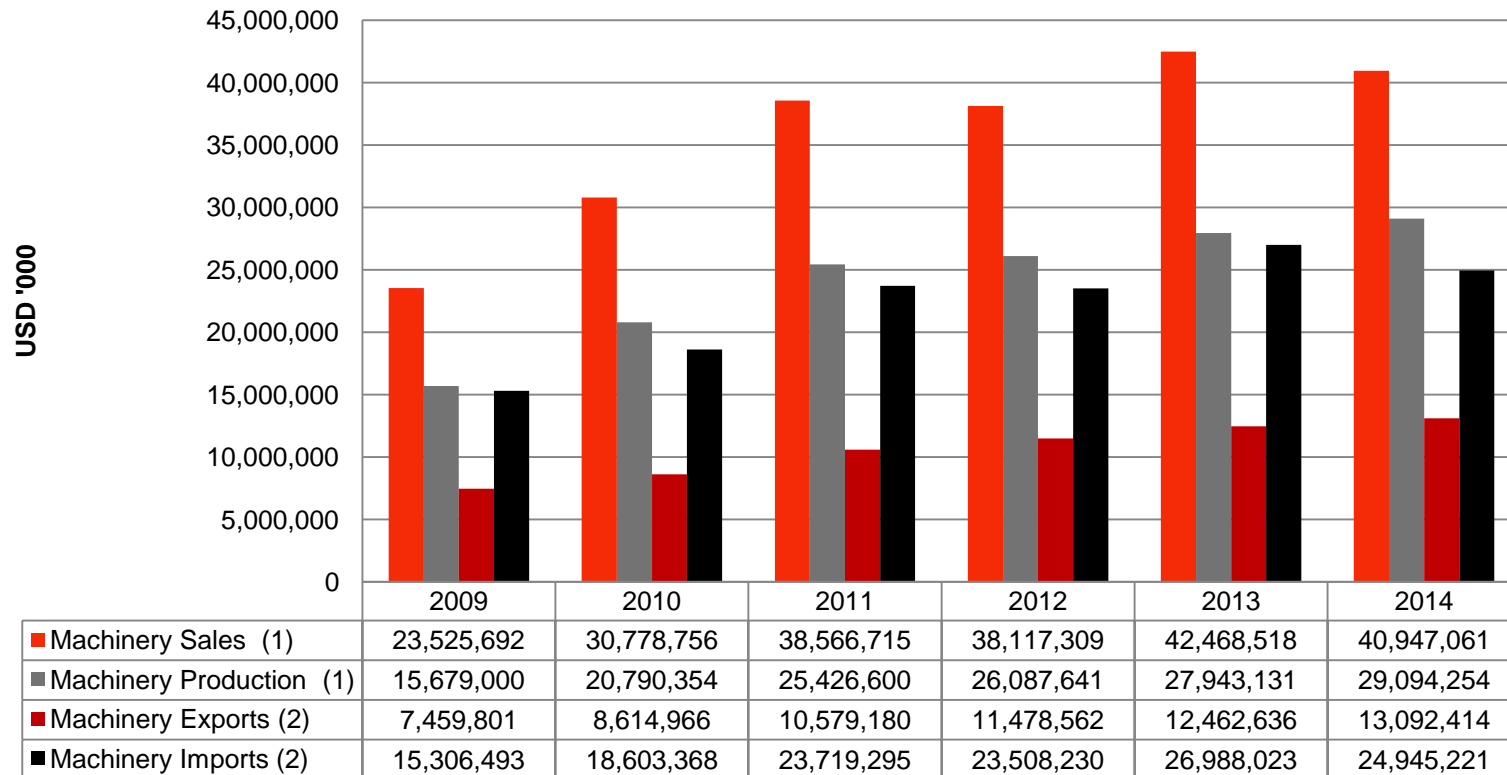


B. Market Volume

▶ Market Volume of the Machinery Industry

- Domestic sales volume of machinery market was nearly **USD 41 bn** in 2014.

Machinery Industry in Turkey



HS84 total (excl. HS841821, HS841829, HS8469-8473)

Source: (1) Association of Machinery Manufacturers, 2015; (2): Turkish Statistical Institute, 2015



B. Market Volume

▶ Market Volume of the Machine Tools Industry

- The market volume of machine tools is estimated to be **USD 1,227.0 mn** in 2014 and forecasted to be **USD 1,266.9 mn** in 2015. (Source: Gardner Business Media, Inc., 2015)
- Turkey is the **12th** largest machine tool market in the world in 2014. (Source: Gardner Business Media, Inc., 2015)
- The volume of machine tool production in Turkey is estimated to be **USD 722 mn** in 2014. (Source: Gardner Business Media, Inc., 2015)
- Turkey is the **12th** largest machine tool manufacturer in the world in 2014. (Source: Gardner Business Media, Inc., 2015)
- Turkey is estimated to be the **8th** largest importer of machine tools in 2014, with an import volume of **USD 989 mn**. (Source: Gardner Business Media, Inc., 2015)
- Turkey is estimated to be **15th** largest exporter of machine tools in 2014, with an export volume of **USD 484 mn**. (Source: Gardner Business Media, Inc., 2015)



▶ Main Product Groups Manufactured Domestically

- Food processing machines
- Packaging machines
- Flour milling machines
- Feed processing machines
- Agricultural and woodworking machinery
- Material handling and lifting machines
- Construction and mining machinery
- Paper and printing machines
- Washing, drying and dry cleaning machines
- Textile machinery
- Leather processing machinery
- Rubber and plastic processing machinery
- Metal working machinery & machine tools
- Rolling mill, foundry machines and moulds
- Office machinery
- Air conditioning units
- Industrial furnaces
- Boilers and burners
- Power turbines
- Pumps and compressors
- Valves
- Engines and spare parts



D. Main Companies

▶ Largest Manufacturers

- Turkish machinery manufacturers are mostly **SMEs** and only a few of them are large scale.

Company	Net Sales (TRY mn, 2013)*	Product Groups
Hidromek-Hidrolik ve Mekanik Makina	720.1	Backhoe loaders, wheeled excavators, crawler excavators, special purpose excavators
Durmazlar Makina	344.5	Press breaks, shears, punches, laser cutting, plasma cutting, plate rolls, profile bendings, bandsaws, iron workers, corner notchers, manuals
Putzmeister Makine	165.8	Concrete pumps, floor screed and mortar machines, industrial pumps
Ermaksan Makina	150.3	Laser cutting, plasma cutting, punch presses, press brakes, shears, iron workers
Baykal Makina	130.1	Press breaks, shears, punching machines, laser cutting, plasma cutting, waterjet cutting, hydraulic notching machines, vertical machining centers
Akyapak Makina	71.4	Plate bending machines, profile bending machines, pipe bending machines, drilling machines, plasma machines, welding solutions

*EUR 1 = TRY 2.528 in 2013

Source: Istanbul Chamber of Industry, Bursa Chamber of Commerce and Industry, company web sites, 2014



- ▶ 2023 targets for the Machinery Industry
 - Exports revenue: **USD 100 bn**
 - Share in world market: **2.6 %**
 - Average annual growth rate until 2023: **17.8%**
 - Share in total exports of Turkey: **20%**
 - Become one of the **top 5** machinery exporting countries in the world



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