



Asian Strategy & Leadership Incorporated
Dedicated To Creating A Better Society

Two-way trade growing

Published on October 29, 2020 by NST



Turkish Ambassador to Malaysia Dr Merve Safa Kavakcı (centre) at the Turkish- Malaysia Business Forum held in Kuala Lumpur last year, which saw the participation of more than 220 companies from both countries.

TURKEY is Malaysia's third largest trading partner in West Asia, while Malaysia is Turkey's largest trading partner within Asean.

With a trade volume of US\$2.2 billion in 2019, Turkey is committed to developing economic and trade relations with Malaysia.

Both countries signed a Free Trade Agreement (FTA) that entered into force on August 1, 2015. This was Turkey's first FTA with an Asean country and the second in the Asia-Pacific region after South Korea. Today, Turkish and Malaysian companies have almost no tariff barriers for goods subject to bilateral trade.

In July 2019, former Prime Minister Tun Dr Mahathir Mohamad paid an official visit to Turkey. This was an important and significant visit which saw the defence industry and trade among others, being reviewed and discussed for strengthened cooperation.

In December the same year, Turkish President Recep Tayyip Erdoğan and five of his ministers from the Turkish cabinet attended the Kuala Lumpur Summit and had very fruitful meetings with their Malaysian counterparts. Both leaders presided over the signing ceremony of fourteen business to business documents.

In May 2020, Muhyiddin Yassin and Erdoğan held a phone conversation. Both leaders reiterated their willingness to further strengthen cooperation in many fields.

These high level engagements have shown the importance given to bilateral business and trade relations by the two countries and their will to enhance cooperation.

Turkey offers many opportunities for foreign importers and investors with the country's highly developed industry, wide range of industrial and agricultural production, high quality products and unique logistic opportunities.

Its strategic location provides access to 53 countries including all European countries, Russia, Middle East, Middle Asia and Northern Africa, and access to 1.6 billion people with the potential of 8 trillion dollars of trade volume.

The Customs Union between Turkey and the European Union, which took effect in 1996, allows free movement of industrial products and processed agricultural products between Turkey and EU. Since then, Turkish companies started to adjust their production in accordance with the EU standards leading to higher-quality production.

To facilitate trade between both countries, Turkey-Malaysia Business Council was founded in 1995 and is operating through the Foreign Economic Relations Board (DEİK) in Turkey and the Asian Strategy and Leadership Incorporated (ASLI) in Malaysia.

The Turkish side co-chairman of the council is Hasan Gümüş, chief executive officer of Yayla Agro A.Ş. Yayla Agro is the Turkish market leader in the pulses industry and exports pulses and ready to eat food to more than 50 countries. The co-chairman of the Malaysian side is Sunway Group deputy executive chairman Tan Sri Razman Hashim.

The council aims to deepen relations between the two countries by promoting and facilitating trade, investment, technical cooperation, and knowledge sharing across various sectors.

It also opens avenues for direct trade contact between entrepreneurs in Malaysia and Turkey, further developing commercial and industrial relations.

There are a considerable number of Turkish companies doing business in Malaysia.

Evyap is the largest Turkish investment in Malaysia, producing personal care and hygiene products in Johor. Haus manufactures centrifuge technologies for separation, used especially in the palm oil industry and wastewater treatment plants.

Prota Asia offers software solutions for structural design, while Novaplast manufactures polyethylene pipes and connectors under the brand VESBO. Tepe Kimya produces PVC stabilators and Polin Waterparks builds waterpark projects in Malaysia and the Asian region.

Beko is a competitive Turkish home appliances brand with stores in Malaysia, offering high technology goods and small home appliances. Dalin, which produces personal care products for babies and children, is present in Malaysia's largest stores. A famous Turkish textile brand LC Waikiki has four stores and another well-known brand De Facto is also facilitating with three stores in Malaysia.

Turkey has great potential as a production hub and export base for the Malaysian companies. With its young, highly educated population, skilled labour force and competitive market place, offers vast opportunities for the Malaysian companies to grow their business network not only within the country but also across the European Union, the Middle East and North Africa and the Caucasus region.

The world is going through unprecedented challenges due to Covid-19 pandemic. During this uncertainty, as two Muslim countries, sharing the same values and understanding, Turkey invites more Malaysians to explore Turkish products, enjoy their quality and variety, and calls Malaysian manufacturers and investors to use Turkey as a production and management hub for reaching out to the other side of the world