

## Review VLI-IPI Event „Packaging market in Turkey“

IPI International Packaging Institute, July 2<sup>nd</sup> 2010

Four expert speakers, Ms. Raphaela Stricker from Trade Coordinator Asia; Mr. Dogan Erberk, Secretary General of Packaging Manufactures in Turkey; Prof. Zehra Ayhan from Mustafa Kemal University and Mr. Behcet Ciragan from Elopak presented the world of packaging in Turkey in a series of insightful and lively sessions.

In terms of population, Turkey's 76'805'524 (2009) inhabitants live in the 17<sup>th</sup> most populous country in the world.

The investment potential is good and the middle-class is growing. Wages are low and the domestic infrastructure sees constant investments in order to serve the growing economy. The country has recently signed bilateral agreements on the promotion and protection of investments with 82 other countries. Foreign investors have the same rights and liabilities as local investors. Further, Turkey has one of the most competitive corporate tax rates in the OECD region. It is a newly industrialized country. The World Bank classifies Turkey as an upper-middle income country. With its optimal location between Europe and Asia, there is also proximity to the East as it was historically always a crossroads

The packaging sector in Turkey arose from agricultural origins and is nowadays based on the strong food industry. Packaging does basically not make productions for stocks, but serves to market industrial and agricultural products. Meanwhile, the packaging sector arose to \$ 2'368'000'000 per year according to 2008 figures published by Turkish statistics institute. Packaging consumption has become \$ 82/person per year in 2009 which is approximately the world average. 55% of all packaging is consumed by food, beverage and agricultural industry. 10% goes to the chemical and pharmaceutical industry, 5% is used for building materials and the rest is consumed by other sectors.

Packaging companies have been established in close proximity to manufacturing industries. Most of them settled in the greater area of Istanbul, followed by Izmir/Manisa and then in various locations of Anatolia. From the 2500 packaging companies in Turkey are approximately 1500 located in and around Istanbul, another congested area resides in Izmir/Anatolia with about 200 companies.

The Turkish packaging industry's growing average was 10% in the recent years. In the period 2004 – 2009 Turkey was the fastest growing national packaging market, faster than India. The forecast for all packaging sectors is 7% growth for 2010.

The Turkish education system is divided into two categories: formal and informal. The formal education contains pre-school, primary and secondary school, high school and university, the informal means taking an apprenticeship after primary school.

There is no packaging school or institute yet, as well as no department at universities, but there are a lot of different faculties teaching packaging courses, e.g. Faculty of Engineering or Faculty of Science and Art. Master- and PhD programs are available.

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