

South Africa seeks further engagement with Turkish companies

South Africa's top trade official on Monday underlined the vital importance of bilateral trade ties with Türkiye and called on the Turkish business community wishing to expand into Africa to foster investment and trade ties.

A member of the BRICS group along with Brazil, Russia, India and China, and a member of the G20, South Africa ranks as one of Africa's leading economies due to its strong financial infrastructure and advanced mining sector.

South Africa remains Türkiye's most important trading partner in sub-Saharan Africa, home to all of the continent's top 10 companies.

"I believe that the trade relationship between South Africa and Türkiye is absolutely important," South African Trade and Industry Minister Ebrahim Patel said in an interview with Anadolu Agency (AA).

He highlighted Türkiye's strategic location, large population and economic importance, emphasizing that South Africa is the industrial center of sub-Saharan Africa and the industrial base of the continent.

Patel noted that this situation makes Türkiye and South Africa strong partners, noting that Turkish companies already have significant investments and production sites in South Africa.

Assessing Türkiye's huge industrial capacity, Patel said, "As Turkish companies expand and grow in the Turkish market, there is a need to establish centers elsewhere in the world. With a strong legal framework and financial base. "South Africa is a suitable destination for major Turkish companies." I would like to work on the continent. "

Noting that Africa's population is growing rapidly and is expected to double past China and India by 2050, Patel said, "Smart companies and investors should come early and produce here." It would be wise to establish a base."

"Then they will become part of our growth story. We look forward to meeting Turkish companies visiting South Africa," he said.

Bilateral trade volume

Ilker Elalp, Commercial Counselor of the Turkish Embassy in Pretoria, assessed the business relationship between the two countries and pointed out that bilateral trade, which reached \$3.3 billion in 2022, decreased to \$1.95 billion last year. did.

Mr. Elalp attributed this decline to global developments, low economic growth in South Africa, and the Türkiye earthquake disaster. He also emphasized that the decline in petroleum asphalt exports from more than \$1 billion in 2022 to about \$200 million in 2023 played an important role.

He further noted the significant increase in the number of trade delegations from Türkiye and highlighted the great benefits of trade incentives with South Africa, which is included in the Ministry of Trade's list of target and priority countries. did.

He said that as of 2023, Türkiye mainly exports petroleum products, machinery, white goods, auto parts, and household textile products to South Africa, and mainly exports coal, gold, chrome, manganese, auto parts, and camera lenses. He said it was imported.

Elalp reiterated that South Africa, which is home to the continent's most powerful financial institutions, continues to serve as the gateway to Africa for Turkish businesses and remains its most important trading partner south of the Sahara. . He advised Turkish companies to closely monitor green energy, infrastructure and transmission line tenders to be announced in 2024.

Key points when doing business in South Africa

Abubekir Salim, Chairman of the Türkiye South African Business Council of the External Economic Relations Commission (DEIK), highlighted the strong cultural ties between Türkiye and South Africa, saying that South Africans have always welcomed Türkiye as their second home. He said that he felt comfortable there. their country's homeland.

"The ease or difficulty of doing business in a country has to do with the way its people treat you. South Africa has always welcomed Turks as their second home and is a country that makes them feel like home. " he said.

Salim highlighted South Africa's institutional structure, saying that doing business there is not difficult, but takes time and results are not achieved immediately, but once achieved, continuity is established.

He pointed out that Türkiye has made great progress in trade with South Africa over the past decade, starting with President Recep Tayyip Erdoğan's visit to South Africa and continuing to build closer ties between the two countries. He pointed out that it was due to the process.

He said that despite similar stances in foreign policy between the two countries, trade volumes were below what they should be, adding: "We are negotiating, establishing relations and creating opportunities for both trade and investment. and should far exceed these."

South African businessman Kashif Wikom similarly emphasized the strong cultural ties between the two countries, noting that he has special feelings for Türkiye, especially as a South African Muslim.

"We are exploring mutual trade opportunities. Our doors are wide open to Turks. We would like to see more Turkish products in South Africa and more South African products in Türkiye. "I think so," Wycombe said.

Turkish businessman Nejdet Ciskaoğlu expressed his pleasure in employing more than 200 people in South Africa through investments made over the past seven years and communicated his aim to expand investments in South Africa.

However, he noted hurdles stemming from slow bureaucratic processes, one of the difficulties faced in investing in the country. "Unfortunately, the provision of incentives and support to foreign investors is flawed. There is," he said.

"South Africa needs to open the door for foreign investors so that when they come, they can take other investors with them."

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