

Project Interview 10

Interviewee: Ahmet Kurt

Sector: Telecommunication / GSM

Date: 25 September 2019

Location: OSİAD, Ankara

Within the scope of the “Customs Union for SMEs” Project, we interviewed Mr. Ahmet Kurt who is representing the Telecommunication / GSM Sector. Mr. Kurt started his career as a Central Technician in 1976 at Ankara Telephone Headquarters. He was appointed Chief Technician in 1978. He graduated from the Gazi Education Institute Physics Chemistry Biology Department in 1982. In 1983 he started to refer to NETAŞ as a Maintenance Technician for PBX systems. In 1984 he was appointed to the Ankara Regional Directorate of Turk NETAS. With the privatization of NETAŞ IN in 1998, he started trading life in 1998 by establishing Ankara NETMON with 15 partners. In 2009 he was elected to the OSIAD Board of Directors. He was brought to OSIAD as Vice President in 2011, to OSIAD President in 2015.

Currently Mr. Kurt is the Chairman of the board of directors of Ankara NETMON A.Ş., former Chairman and currently member of Ostim Industrialists' Association of Business People (OSIAD) and has Ankara University Technology development center Advisory membership. He also carries out the duties of the University Industry Business Association platform membership.

We asked Mr. Ahmet Kurt;

- what the main problems are within the current Customs Union agreement for the Telecommunication/GSM Sector,
- if there were any bottlenecks in the Telecommunication/GSM Sector resulting from the lack of modernization of the Customs Union,
- what they expect from the modernization of the Customs Union,
- if he had any suggestions on how to benefit from this process and increase the competitiveness of SMEs.

Below, we present Mr. Ahmet Kurt's response:

“Telecommunication/GSM Sector falls under the Information and Communications Sector. The Customs Union, as you know, covers trade in industrial goods and excludes primary agriculture, services and public procurement; **which means the Telecommunication/GSM Sector is not included in the agreement.** It is very crucial to involve services in the modernized agreement. **In case of a modernization where services will be included there will be an increase in export to the EU as well as an increase in production. Whereas if the**

CU is regulated as an FTA between the parties, Turkey's export to the EU will decline. Furthermore, it would mean a great setback for the trade relation between two countries.

In the OSTİM area, where we also work, there are 15.600 companies. 90% of them have 1-10 employees. **There is lack of R&D, lack of resources, product development processes take longer and it is hard to compete with the rest of the world. Such problems face by SMEs in this sector need to be addressed for sure.**

On the other hand, Turkey's telecommunication sector, in general, has competitive and successful big firms that even challenge worldwide big telecommunication/GSM companies despite these challenges. We are currently involved in a 5G Project and we are developing a domestic and national GSM network in Turkey, whose 90% of network is monopolized by Huawei. There are 16 companies, universities, public institutions involved in this project. We are also investing in regional development and we have clustering system which is very successful.

Turkey has the potential to do good business and we have the will to make good business with the EU. The first step for our sector would be to include the services sector and when doing so business people, universities and other stakeholders should be consulted."