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Briefing

HEALTH, INVESTMENT, FURNITURE, AUTOMOTIVE, POULTRY FARMING, AVIATION, INT'L AFFAIRS...



HEALTH

Medical Industry Draws

TOURISTS TO TURKEY

Medical tourism, lately one of Turkey's rising stars in the export of services, could be one of the country's greatest playing cards in reaching its 2023 targets.

BY NESRİN KOÇASLAN BY CEVAHİR BUĞU

TURKEY has yet another playing card to help it grow and reach its targets for 2023. Medical tourism, which exhibited significant development in recent years, is an important matter on the government's economic agenda. In turn, the private sector is showing greater interest in international

patients, establishing offices abroad, employing personnel specializing in this area. Turkey's health care sector is thus growing in a "win-win" fashion.

TURKEY'S SHARE IN MEDICAL TOURISM INCREASES

With the "Transformation in Health" policies that were

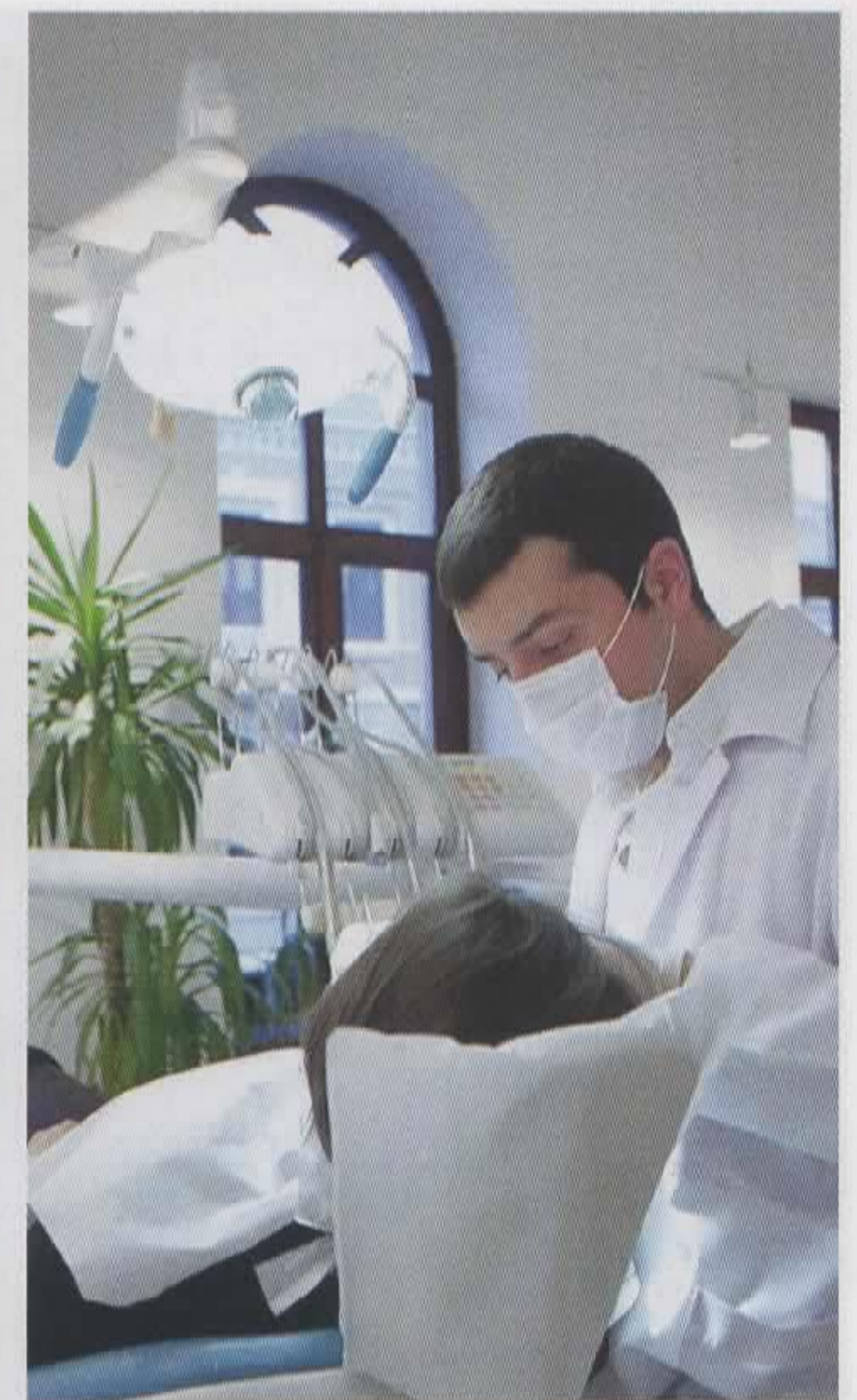
introduced in 2002 and the growth of the industry in recent years through investments and reforms, there is a visible increase in the industry's contribution to exports. According to data from the Ministry of Health's Medical Tourism Unit, medical tourism accounts for \$1 billion of total exports.

With this share, the industry is important to the \$500 billion export target for the year 2023 as well. The export of services, which includes medical tourism, is expected to account for \$150 billion of the total target, and medical tourism is expected to contribute \$20 billion to this figure.

The development of Turkey's health care sector and growing investments have had a positive effect on the medical tourism industry.

FREE ZONE PREPARATIONS

Turkey has taken important steps to advance medical tourism. “Foreigners who receive health care will speak of how advanced Turkey is in health when they return to their countries, contributing to Turkey’s image in social and political terms,” says Dr. Dursun Aydın, President of the Ministry of Health’s Medical Tourism Unit. In his speeches, he often emphasizes how important free medical zones are to the industry. “We must offer this system to the world with a unique conceptualization. Investors will be given tax-related advantages and bureaucratic services will be expedited. To encourage Turkish physicians who have served abroad for long years to come to free medical zones in Turkey, we plan to exempt them from compulsory service,” says Aydın, underlining the importance Turkey is giving to medical tourism. According to the Medical Tourism Unit’s plans, 85% of the free medical zones to be established will be set aside for the care of international patients, with the remaining 15% being designated for local use.



Medical tourism, which exhibited significant development in recent years, is an important matter on the government’s economic agenda.

PATIENTS FLOCK TO TURKEY

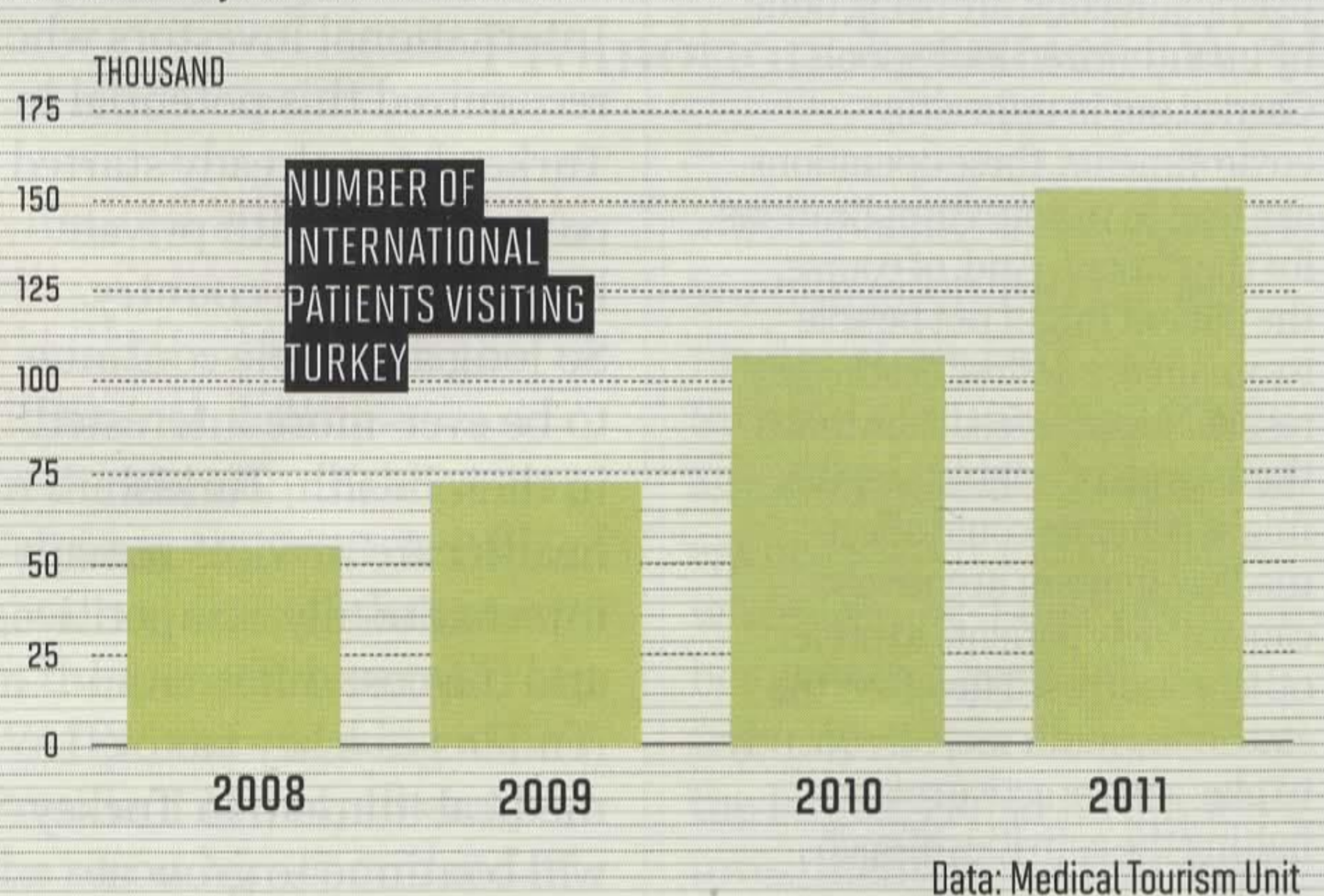
The effects of the tangible steps taken by Turkey in the field of medical tourism can be observed statistically. While the number of patients coming to Turkey in 2008 was 56,276, this figure rose to 156,000 in 2011, corresponding to an average increase of 150%. Ceylan Pirinçioğlu, Chairman and CEO of VIP Tourism, affirms these figures. He states that in the past, patients would travel from Turkey to Europe due to inadequacies in health care services in the country. As he points out, this situation has changed in recent years. The development of Turkey’s health care sector and growing investments have had a positive effect on the medical tourism industry, said Pirinçioğlu. Growth in this field will provide a positive contribution to tourism overall as well, he added.

STAR BRANCHES

International patients are choosing medical institutions in Turkey for almost every matter. Certain branches in the sector shine particularly brightly and attract the most patients; namely ophthalmol-

INCOMING INTERNATIONAL PATIENTS

International patients are choosing medical institutions in Turkey for almost every matter



1
MILLION

Medical tourist target for 2023

\$20
BILLION

Medical tourism revenue target for 2023

500
THOUSAND

International patient target for 2015

\$7
BILLION

Medical tourism revenue target for 2015

Data: Medical Tourism Unit

ogy, dentistry, orthopedics, cardiology, oncology, plastic surgery, and neurosurgery. Most patients come from Germany, the Netherlands, France, the Turkic republics, Austria, and Middle Eastern countries. Of the patients who come from abroad, 92% opt for private hospitals and 8% choose public hospitals. Dr. Melike Kūlahçı, General Manager of Transmed Klinik, which is active especially in the fields of plastic surgery and hair transplantation, says they have secured a 50% increase in the number of international patients over the past five years. Klinik 32 General Manager Ilgaz Özer says the number of incoming international patients corresponds with the strengthening of Turkey's economy and its increasing recognition abroad every year, and he adds that Turkish Airlines' successful strategy and the expansion of its flight network to more countries has helped the industry to become a powerful player internationally. Small formations that large clinics and private hospitals used to assemble themselves have been replaced by a large organization that includes tourism agencies and is supported by state incentives, says Ilgaz, and he emphasizes that medical tourism has gone beyond being a subsegment of general tourism and grown into a genuine industry of its own. Istanbul Cerrahi Hospital Chairman Melih Us notes that two million operations were conducted in Turkey a decade ago and that this figure has reached nine million today. With its acquired experience, Turkey has become a country of choice for international patients, says Us, and he adds that Turkey



Today, the Turkish health care sector stands out with its well-educated, trained human resources.



ILGAZ ÖZER

General Manager, Klinik 32

The number of patients coming in from abroad is increasing every year in proportion to the strengthening of Turkey's economy and growing recognition abroad. Thanks especially to Turkish Airlines' successful strategy and the expansion of its flight network to more countries, this market—virtually untouched five years ago—has become a large industry with many players. Small organizations that large clinics and private hospitals used to attempt by their own means in the past have now become a large organization that includes tourism agencies and is supported by state incentives. Medical tourism has gone beyond being a subsegment of general tourism and grown into a genuine industry of its own. While we are very selective and bound by capacity, we welcome 50–60 international patients per year on average.



DR. MELIKE KŪLAHÇI

General Manager, Transmed Clinic

With advertising and marketing incentives, the state has recently started providing conveniences to institutions that want to branch out abroad. These must increase, and the application stages must be relaxed as well. Furthermore, especially in the field of hair transplantation, there are more than two hundred establishments that can be characterized as clandestine. These kinds of operations, which should normally be performed by plastic surgeons, are being done by unauthorized individuals. Carried out in unhealthy environments, these operations can lead to various complications for the patient. And, of course, the patient might not be able to obtain the desired aesthetic result. Negative feedback that these kinds of establishments might generate could affect medical tourism negatively, causing new patients to prefer other countries. Therefore, the state must audit more frequently to play a more active role in halting the activities of such places.

stands out not only for its medical success but also for the additional services it offers to patients.

MEDICAL TOURISM TO CONTINUE GROWING

Today, the Turkish health care sector stands out with its well-educated, trained human resources. The fact that private hospitals and the state are attaching so much importance to medical tourism is influential in the industry's rapid growth. While recent actions by the Ministry of Health may have delighted the private hospital industry, Turkey still has much to accomplish in this area. International investors who recognized this potential in Turkey have already started partnerships with private hospitals in the country. So long as people continue to be ever-more interested in their health, Turkish health care services remain internationally competitive, and the cost differential remains as a key factor, medical tourism in Turkey will continue to grow at ever-greater speed.