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Yelda Ulu Colin, general manager of GE Healthcare in Turkey, offers her insider take on the country's city hospitals project, highlighting the strengths of the Turkish PPP model and ultimately offering her view on the state of the Turkish medical devices industry as a whole.

You have been heading GE Healthcare in Turkey for more than four years now. Can you describe GE Healthcare's footprint in Turkey and illustrate why Turkey is an important market for the company?

I have been in the Turkish healthcare market for over 25 years. I joined GE in 2013, and in 2014, I took the lead of the company's healthcare business in Turkey. Given my experience, I can say that Turkey is an important market for the strategic growth of GE and that GE is a crucial company for the development of healthcare in Turkey – where we have an excellent, symbiotic relationship.

GE Healthcare has been in Turkey for around 30 years and we have around 300 employees, 200 of whom serve Turkey and 100 carry out roles responsible for Emerging Growth Markets Region. Due to its unique location bridging Asia, Europe and the Middle East, as well as its skilled workforce, we are using Turkey as a regional hub with a big potential to expand both our team and business in the country. We have a strong footprint in Turkey, with more than 59,000 units of medical equipment installed in over 3,000 medical institutions. We geographically cover the entire country

with our broad service team including more than 60 service engineers that service *only* Turkey.

Turkey is a promising market for GE Healthcare for a few reasons. First, there is the young and talented working population that is well educated and ambitious. Second, Turkey is geographically strategic; not only for trade purposes but also for the academic infrastructure. We are tapping into Turkey's well-established medical and research institutions that are interested in owning and effectively using high-tech innovations. It is for this reason that we have introduced many of the newest medical technologies first in Turkey, and also as one of the firsts globally. This decision is backed by the talented staff that will ensure the endeavour's success. Moreover, we are incorporating local medical staff in the process so that they can work with the best technologies and increase the broader calibre of medical training in Turkey.

As I said earlier, Turkey and GE have a mutually beneficial relationship.

Given your history in the Turkish medical devices market, what would you say have been the main trends and dynamics that you would like to highlight to our international audience?

As you know, one of the priorities in the Turkish government's 'Vision 2023' was to renovate the Turkish healthcare system and underlying technologies. One way of doing this is via PPP (private-public partnership) to build so-called 'city hospitals' which are aiming to provide high-quality healthcare services at a very large scale. For instance, Ankara Bilkent Hospital will be the biggest hospital in Europe once fully opened. Currently, there are 29 PPP campus projects already planned in Turkey, of which eight are already operational. This private-public partnership endeavour is the most important change impacting the Turkish medical devices market.

How has GE gotten involved in Turkey's investment in the PPP-model hospital?

GE has been involved right from the beginning – we provided more than 90 percent of the medical equipment installed in Mersin, Turkey's one of the first operational PPP hospitals. We have a broad portfolio ranging from the imaging devices to, lifecare solutions, ultrasound and services. Almost every segment of this wealthy and technological advanced portfolio has been installed in Mersin.

We are also providing Bilkent hospital with equipment, which is expected to be partially opened in the first quarter of 2019. This facility will be also special by being the largest hospital in Europe

once fully opened. It is a key achievement for us at GE, which was also recognized by Mr Kieran Murphy, our global Healthcare CEO, with his visits to the campus many times.

We are also perhaps the only technology company that contributed to PPP projects by directly investing capital – As GE we committed equity investment in GAMA-TÜRKERLER Joint Venture Company as a minority stakeholder in the Izmir Bayrakli and Kocaeli Healthcare Public Private Partnership (PPP) projects, together valued at ~$1.3 billion. Hopefully, both of these hospitals will be opened within two years where we will provide our broad and deep technology portfolio and services in both of these campuses to the Turkish healthcare system.

Furthermore, through our Enterprise Solutions department, we have provided consultancy for the technology, construction and operations planning at the administrative level to the PPP hospital construction projects in Turkey. We have our own professional architects, industrial engineers, and other consultants that work with the government in designing state-of-the-art facilities. This department has also gained traction with private providers, green field hospitals, and other healthcare providers. Our goal is to ultimately bring the top-of-the-line practices from around the world to our clients in Turkey.

Regarding next steps, I think that the PPP hospitals in Turkey are perfect candidates to implement GE's Command Center. This is a service providing high technology IT and monitoring systems that thoroughly keep track of a hospital's key performance indicators. As GE, we have already implemented the Command Center in the United States' Johns Hopkins Hospital and Canada's Humber River Hospital, and it has been proven successful. It helps administrators anticipate logistical overflows in early stages and prevent any bottlenecks. This is a necessity in the PPP hospitals, as they are quite large both in size and patient flow, and also must provide services within the terms of the concession agreement between stakeholders. The Command Center could help both the public and the private entities in this partnership.

Do you believe that the "city hospital" model will contribute to ensuring Turkish patients access higher technology products, as a result of the hospitals' specializations?

I fully believe that this model will help Turkish patients access the highest technology in the shortest possible time. The government was wise to implement a PPP system, as it can wield the financial power and technological prowess of the companies investing in the construction of the upcoming city hospitals.

The scheme that the government has come up with is appropriate for the business and beneficial for the Turkish people – as a Turkish citizen myself, I know that my family and I will soon have access to the best medical technology on the market in every corner of the country. I am proud of this project, and our staff is proud of the work that they are doing in helping Turkey become a healthier country.

And, of course, there is an economic benefit that comes with a modernized Turkish healthcare infrastructure – medical tourism is expected to strengthen, which will provide a boon for the economy.

Moreover, there is a sizeable accumulated experience of investors and operators in Turkey. Here, we have been successfully using the PFI (private finance initiative) model for 15 years. Turkey hosts the providers that have the capacity to buy our equipment, install it in a government hospital, operate the system for three years, scan the patients, and do the reporting. If Turkey can help other markets, such as those in the Middle East, Russia, CIS, Eastern Europe and Africa, attain the capacity to implement these complicated systems as well, it will be a significant business opportunity for our country.

I believe that the experience gained in various stages of PPP projects will open future export opportunities, too. Turkish EPCs (engineering procurement construction) are globally number two in infrastructure. Now, a significant amount of EPCs have garnered PPP experience; after all, they are the partners of the government in the PPP model. They know how to invest, operate, and construct in complex environments. Many other countries in this region are interested in the PPP model, and it provides Turkey an exceptional opportunity to export our expertise to these regions.

Turkey’s localization policy is a hot-button theme among the medical devices sector: in the past two years, localization of medical devices has risen from 15 percent to 18 percent, and the government’s target is to get this figure to 20 percent. What are the conditions needed to incentivize companies to further invest in Turkish, localized production?

At the moment, there is a big dependency on foreign manufacturing in medical devices. The government is currently trying to enact policies to catalyze knowledge transfer from big, global companies like GE to the Turkish manufacturing sector. This effort is not only focused on the pharmaceutical sector, but also on medical devices; the government is actively promoting the domestic production of MRI, CT, Ultrasound, Monitoring and X-ray equipment.

GE Healthcare was one of the first proponents of this initiative that production should take place in Turkey alongside strong and experienced, domestic business partners. We have been developing the business model for the past two or three years, and we are currently ascertaining which technologies we can bring to Turkey in the future. We are in continuous communication with industry stakeholders, and overall, we believe in Turkey. GE is an ideal partner for the government, and we are excited to see how this project develops. I expect that we will be known as a success story for Turkish production in the near future.

On the whole, I think that the Turkish localization policy will help the country reduce its trade deficit and ignite our economy.

You have invested in PPPs, you work with private hospitals, and you are localizing your production in Turkey. Out of all of these different endeavours, which do you prioritize in your future strategy?

If I were to travel to 2023, I would like to see GE as a local manufacturer in Turkey. Moreover, I would like to see the PPP campuses up and running successfully.

But perhaps foremost, as the country is headed towards a demographic (and thus an epidemiological) shift, I would like to see Turkey handle an increasingly ageing population prudently. As the population is very young at the moment, Turkey does not have to deal with many chronic illnesses that are pervasive among older communities (such as breast cancer, dementia etc.) *en masse*. Turkey needs to be preemptive and establish a healthcare infrastructure that is capable of treating these ailments on a large scale before they manifest. We are already working on it, as a company– for example, GE is already promoting awareness about cancer where early diagnosis plays an important role. We are also working with a private hospital group in providing cancer screening including breast, cervix, lung and colon. It is my dream to see a Turkey that is well equipped to diminish chronic diseases and prevent their development as the population begins to age.

Do you have any final messages to our international audience on behalf of GE?

GE is a conscientious company. We are proud of our role in increasing the quality of healthcare in Turkey and touching the lives of people in moments that matter. As a Turkish citizen and a GE employee, it brings me great pride to benefit the Turkish people. GE believes in Turkey and will

continue to invest in this promising country. Even when tough times present themselves, we never give up on Turkey. Our dream is to turn Turkey into a manufacturing hub exporting to the globe. And, overall, we want to expand our role as a trusted and pivotal member of the healthcare environment by helping the government, patients and our business partners create a sustainable healthcare system in Turkey that can benefit all parties.

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