

Post Show Report on Automechanika Istanbul, 2022

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1. Executive Summary

The most prominent meeting platform for the Auto Industry Sector "Automechanika Trade Show" was held from June 2-5, 2022 at TÜYAP Fair Convention and Congress Center, Istanbul, Turkey. Automechanika Istanbul, the world's 3rd largest automotive fair organized by the collaboration of Messe Frankfurt Istanbul and Deutsche Messe brought together over 900 exhibitors from 35 countries with the professionals of the industry. The Exhibition attracted trade visitors from Turkey, Eastern Europe, Central Asia, Middle East and North Africa.

Pakistan has been participating in the event for many years. In the Automechanika Istanbul, 2022; 11 companies participated from Pakistani side. As per the feedback of exhibitors, this event has provided an opportunity to strengthen existing relations and developing interaction with new potential buyers in these markets. Some exhibitors are going to have potential Joint Ventures with Turkish companies working in Trucks assembling and auto parts manufacturing.

Some serious concerns were raised regarding late decision of TDAP to participate in the event and the location of Pakistan Pavilion. As a whole, exhibitors were satisfied with the arrangements done by the TDAP and the Consulate General of Pakistan in Istanbul.

2. A brief Overview of Automechanika Istanbul, 2022

Automechanika Istanbul is the meeting place for the industry, dealership trade, and maintenance and repair segment, it provides a major platform for business and technological knowledge transfer. Bringing the major players in the Turkish and European industries together, this fair has become a meeting point, for Turkey as well as for the surrounding regions. It brings together all relevant professionals from the Automotive Manufacturing, Distribution, and Repair sectors in the region and it provides opportunities for Small and Middle Enterprises to step up in the market.

Automechanika Istanbul, 2022 expo was participated by around 900 exhibitors coming from more than 35 countries. Six (06) countries including Pakistan organized national pavilions. Exhibitors linked to numerous profiles like Distributors and Channel partners of OEMs and other manufacturers, Accessories manufacturers, Accessories retailers and distributors, Manufacturers of original equipment, components and spare parts and many more participated at the Fair. At the expo, products like special equipment for motor vehicle for tuning, performance systems, batteries, bodywork, roof systems and more will be showcased by the exhibitors.

3. List of Companies Participated

Pakistan has been participating in the event for many years. In the Automechanika Istanbul, 2022, nine (9) companies participated under the TDAP's country pavilion and two (2) companies participated privately from Pakistan.

a. Companies Participated through TDAP

Among these 11 companies following nine companies participated under the flag of Trade Development Authority of Pakistan.

Sr.#	Company Name / Address/ Contact No	Name of the Focal Person	Product /Sector
1	Panther Tyres Limited, 97-B, Aziz Avenue, Canal Bank Road, Lahore Phone#0423-111554444 Ext 119 Mobile#0300-4434459 email: rizwan.shah@panthertyres.com	Rizwan Shah, Senior Manager Export	Motorcycle Tyres, Agricultural Tyres, Motorcycle Tubes, Commercial Tubes
2	Atlas Batery Limited, D-181, Central Avenue, S.I.T.E, Karachi Ph#021-3581911-15 Fax#021-35877916 Mobile#0300-2921923 Email:umair.younus@abl.atlas.pk	Umair Younus, Manager Business Development	Automotive Batteries
3	Darson Industries Pvt Ltd GT Road Wazirabad Phone# 055-6603616 Mbile# 0321-6447777 export@darson-industries.com	Abdul Hamid Chief Executive	Automotive Parts, Rubber Hoses
4	Thermosole Industries (Pvt) Ltd, 140 Main Quaid-e-Azam Industrial Estate, Kotlakhpat, Lahore Factory: 445/468, Sundar Industrial Estate, Lahore Phone#042-35117859 mobile # 0333-4411442 Email:zeeshan@thermosole.com	Agha Zeeshan Khan, GM Business Development	House Pipes, Expansion Tanks, Timing Belts
5	Infinity Engineering Pvt Ltd 13-KM sheikhupura Road, Lahore phone # 042-37164081-82 Mobile # 0335-4887700 email: bilal@infinityengg.com	Bilal Gauhar Manager Marketing & business Development	Crank shaft, Connecting rods, Cam Shafts, Brack Assy, Carriers, gears, Steering Assy, Clutch Assy
6	Ahmad Traders, 60-61 Badami Bagh Centre, Phase II, Badami Bagh, Lahore Ph#0423-8020111, 0423-7722455, 0423- 7732000 Fax#0423-7722774 Mobile#0300-4617390 Email:zahmad7390@gmail.com	Zeeshan Ahmad, Partner	Diesel Fuel Injection Pumps, Disel Fuel Injection Parts, Injectors, Nozzles etc

7	Royal Tech Private Limited 1-KM Kattar Bund Road, Thokar Niaz Baig, Off, Multan Road, Lahore Phone#0423-5299428, 4235299513-15 Mobile#0300-0564403 Email: zeeshanamjad112@gmail.com, royaltechpltd@gmail.com	Zeeshan Amjad, PPC Manager	Lift Body, Distributor Body, Pressure Values, Steering Gyunder Shafts
8	Ravi Autos Sundar Pvt Ltd 382-383 S.I.E Waiwinf Road, Lahore Phone# 042-35298541-7 Mobile# 0308-4444040 email: Shoaib.Bokhari@ravisundar.com, info@ravisundar.com	Syed Shoaib Bokhari Incharge Exports	pump assbly, Pump Assbly Oil, Cylinder Block, Aluminmium Aloy Ingot
9	Matchless Engineering Private Limited, 14-KM GT Road, Near Quaid E Azam Intercange, Lahore Phone#0423-6557605 Fax#0423-6555736 mobile: 0322-4295321 Email: matchlessengineering@gmail.com	Irfan Ahmad Qureshi, Chief Executive	Front Support 265, Sump Lub Oil 640, Sump Lub Oil 385, Fly Wheel 385, Cover Reat PTO, Hyderaulic Lift Body

b. Companies participated independently

Following two companies participated independently in the event.

Sr.#	Company Name / Address/ Contact No	Name of the Focal Person	Product /Sector
1	Peoples Steel Mills Ltd. Javedan Nagar, Manghopir, Karachi - 75890, Pakistan. Mob: 0300-8544438. PABX: (92-21) 36770126-28. Fax: (92-21) 36770112, Email: marketing@psmltd.com, Website: www.psmltd.com	Muhammad Khalilullah Shareef. General Manager (Marketing)	High Speed Tool Steels Case Hardening Steels Ball Bearing Steels Heat Resisting Steels Plastic mould steels Armour Steels Hot work Tool & Die steel
2	Pakistan Accumulators Mob: +92 321 5125117.	Usman Qureshi	Batteries.

4. Feedback of Companies

Pakistan enjoys a certain niche in OEM authorized auto-parts and has developed specialized skills in catering to their needs both domestically and at select international markets. According to the feedback provided by the exhibitors, among companies that visited their stalls, 60% – 70% were

international companies/buyers. Prominent participation was from Iran, Iraq, Syria, Russia, Poland, Jordan, Libya and Eastern European and North African countries. Serious inquiries were made and business leads were established. Some exhibitors are going to have potential Joint Ventures with Turkish companies working in Trucks assembling and auto parts manufacturing. All the exhibitors were satisfied with the services and assistance provided by the TDAP and the Consulate General of Pakistan (Feedback forms of 9 companies under TDAP Pavilion are attached). According to the feedback provided by the exhibitors, 290 Turkish companies and 693 international companies visited their stalls. The conduct and display of all exhibitors was also satisfactory.

Pakistani exhibitors raised following points

- Owing to late decision of the TDAP to participate in the event, cost of participation increased, hotel reservation of exhibitors became an issue, and location of Pakistan Pavilion was compromised. Had the decision been taken on time, more companies would have participated by securing early bird discount. Pakistani pavilion should be comprised of at least 20-30 companies.
- Pakistan Pavilion design should be standardized. Pakistan Pavilion design of Istanbul Automechanika 2019 was worth replicating.
- Graphics have to be printed beforehand on Pakistan Pavilion. Companies should be approached well in time for provision of material that has to be printed on their booths.
- Every exhibitor has its own need. Stalls should be designed as per need of the exhibitor. Location and size of booth of exhibitors should be decide as per products exhibited. Companies are willing to pay more for big spaces.
- Delegation comprised of potential buyers formed by Automechanika under Buyers Delegation Program should be invited in Pakistan pavilion. Our exhibitors are willing to foot the bill in this regard.
- The major chunk of visitors were new customers. 30 – 40% visitors were existing customers while remaining were new ones. Moreover, 80% international visitors were from Middle Eastern and Northern Africa countries.
- Inclusion of Turkey in the gray list of Financial Action Task Force (FATF) has impacted exports as special approval is required by the State Bank of Pakistan. Moreover, in case of exports to Iraq, delivery of goods and payment are done in UAE.
- There are logistic issues particularly when transportation is done via land through Iran.
- Ravi Autos participated for the first time in the event. Most of the inquiries received by Ravi Autos were from distributors not OEMs. The company has gained expertise in developing graded steel pellets. It has been observed that Europe is getting out of production of many auto parts. Therefore, there is great export potential for Pakistani companies.
- TDAP should make provision of at least three (3) days for the exhibitors for their visit to the respective manufacturing units, Auto parts markets etc. after the Fair. Normally, no significant cost will be borne by TDAP. However, incorporation of some extra days in the visit plan will assist companies in maturing most of the trade negotiations in business deals.

The Consulate would arrange such visits and only transportation cost may be borne by the TDAP.

- Some of the exhibitors have reservations regarding the unsupportive behavior of organizer, Messe Frankfurt Istanbul, in many matters.

5. Observations

Turkey is going to reduce duties on the imports of tyres and accumulators from Pakistan through Pakistan – Turkey Preferential Trade Agreement (PTA). Therefore, there is great potential of Joint Ventures and exports of rubber tyres and tubes and accumulators.

Cost of production has increased a lot in Turkey. Resultantly, Pakistani products have become cost effective. It is time to ingress into the auto parts and allied industrial goods market of Turkey. Moreover, as Turkey is a gateway to tap Eastern European, North African and Middle Eastern countries; there is great opportunity to tap different markets in the region.

6. Recommendations

a. Location

Location of Pakistan Pavilion should be improved. In coming editions, TDAP must reserve its Pavilion preferably in Hall - 3 instead of Hall – 10.

b. Participation of Companies

TDAP has to make efforts to increase participation of companies in the event. In this regard, companies may be categorized on the basis of their export profile. Different ratio of subsidies should be available for different categories, keeping in view participation by the new comers.

c. Representation of companies in different halls

Moreover, companies may be categorized on the basis of industry they belong. In Automechanika, different halls are reserved for different types of industries. Therefore, instead of combining different types of industries under one pavilion, TDAP should reserve spaces in different halls as per type of industry the company belong. For instance, rubber companies should be placed in the hall where other rubber companies are exhibiting.

d. Size and designing of Pavilion

Seeing is believing. Appearance matters a lot. The theme of Pakistan Pavilion should be standardized. As per the exhibitors, Pakistani Pavilion in Automechanika Istanbul 2019 was beautifully designed. Same pavilion design may be replicated. Moreover, the size of booth for exhibitors should be adjusted as per products they are going to exhibit.

e. Preparation for participation

TDAP must initiate the process of participation well in time. Resultantly, companies will be able to secure Early Bird discount. Moreover, this thing will encourage more companies to participate in the event.

f. Visit of Pakistan Pavilion by international delegations

TDAP must engage Messe Frankfurt well in advance regarding visit of delegations formed under Buyers Delegation Program. These delegations are comprised of potential buyers. Although, the organizer has put some charges on it, yet, companies participating in the event would be ready to bear those charges.

g. Redressal of payment issues

Following documentations are required by the SBP while dealing with company operating in countries that are included in the gray list of Financial Action Task Force (FATF).

- Certificate of incorporation
- NTN (Registration certificate)
- Details of Directors
- Company profile

It is pertinent to mention that most of the companies are reluctant to provide these documents as SBP then asks further documentation. Therefore, the State Bank of Pakistan should be taken on board for addressing this issue.

h. Separate PCT code for graded and non-graded steel pellets

National Tariff Commission and Pakistan Customs should be engaged in developing separate PCT codes for Graded and Non-graded steel pellets. In Pakistan, some companies have gained expertise in developing graded pellets. However, currently, both graded and non-graded pellets are being treated under one PCT code.

i. Organization of webinars for educating Pakistani companies regarding trends of Turkish auto market

Webinars should be organized to educate Pakistan companies regarding trends and requirements of Turkish Auto market. In Turkey, European, Japanese and Korean Auto companies are very active. Therefore, Pakistani companies should develop expertise in aftermarket of these companies. Moreover, meetings should be scheduled with Turkish accreditation companies.

j. Consistency in participation in the event

International companies weigh consistency. Participation of Pakistani companies should be ensured in all subsequent events.

7. Pictorial of Pakistan Pavilion












