Export Opportunities in Turkey

In 2017, Turkey ranked 28th among U.S. export destinations and 19th among Virginia export destinations. Some of the top opportunities for U.S. exporters in Turkey include:

- Aerospace
- Defense
- Electrical Power and Renewable Energy
- Savory Snacks
- Information & Communication Technology
- Healthcare
- Education Services
- Safety and Security

Top Virginia Exports to Turkey

<table>
<thead>
<tr>
<th>Export Category</th>
<th>2017 Value</th>
<th>Change 2017/2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Commodity Chapters</td>
<td>$204.3</td>
<td>125%</td>
</tr>
<tr>
<td>Mineral Fuels &amp; Oils</td>
<td>$97.3</td>
<td>279%</td>
</tr>
<tr>
<td>Fruits, Seeds, Grains</td>
<td>$22.1</td>
<td>-∞</td>
</tr>
<tr>
<td>Paper &amp; Paperboard</td>
<td>$10.0</td>
<td>36%</td>
</tr>
<tr>
<td>Aircraft &amp; Spacecraft</td>
<td>$9.2</td>
<td>418%</td>
</tr>
<tr>
<td>Food Residues</td>
<td>$8.9</td>
<td>-∞</td>
</tr>
<tr>
<td>Cotton</td>
<td>$7.8</td>
<td>689%</td>
</tr>
<tr>
<td>Electrical Machinery</td>
<td>$7.1</td>
<td>-25%</td>
</tr>
<tr>
<td>Misc. Chemical Products</td>
<td>$5.5</td>
<td>13%</td>
</tr>
<tr>
<td>Iron &amp; Steel</td>
<td>$5.3</td>
<td>-61%</td>
</tr>
<tr>
<td>Base Metal</td>
<td>$4.1</td>
<td>45%</td>
</tr>
</tbody>
</table>

(U.S. Central Intelligence Agency)
## FAST FACTS

### Opportunities in Turkey for Exporters

#### Transportation and Logistics

Turkey’s transportation and logistics sector has tripled in value since 2002. Moreover, Turkey is a major transit country and a key freight destination. Urbanization has caused traffic issues for Turkey’s 80 million people. By 2023, Turkey aims to transport 625 billion tons of cargo.

Top prospects include:
- Traffic engineering and management
- Electronic detection and security systems
- Variable message and communication systems
- Lighting systems
- Marine technology

#### Information & Communications Technology

Spending on hardware, software, IT services, and telecommunication services has reached $32 billion - even with the weakening Turkish Lira against the US dollar. ICT spending in Turkey is expected to grow faster than the world average, especially in the healthcare vertical (7.5% CAGR from 2015-20). The largest vertical is currently telecommunications, valued at US$1.0 billion.

Top opportunities for U.S. exporters include:
- Cyber security and forensics solutions
- Consumer electronics
- Smart phones
- 4G related technologies and services

#### Electrical Power & Renewable Energy

Turkey is Europe’s 6th largest electricity market. The 2017 power generation growth rate was 7.7%, while demand increased by 5.6%. Turkey will spend $110 billion on energy investments by 2023, principally for nuclear, wind, and hydroelectric. Turkey also imports coking coal and steam coal from the U.S., although a 5% tariff was recently imposed.

Top prospects include:
- Smart grid systems
- LNG Facilities
- Geothermal power plant equipment

#### Aerospace

Turkey is an emerging aerospace hub for markets in Europe, the Middle East, and North Africa. With its proximity to developed and emerging markets, namely 50 countries within three hours flight time from Istanbul, and a growing economy and population base, Turks have come to rely on domestic and international air service increasingly over the past decade.

Top prospects include:
- Aircraft/aircraft parts
- MRO activities
- Satellites and launch services
- Civil aviation and air traffic control systems

(US Commercial Service)
Turkey

FAST FACTS

Economic Overview

Turkey’s largely free-market economy is increasingly driven by its industry and service sectors, although its traditional agriculture sector still accounts for about 25% of employment. The automotive, petrochemical, and electronics industries are rising in importance and have surpassed textiles within Turkey’s export mix.

After Turkey experienced a severe financial crisis in 2001, Ankara adopted financial and fiscal reforms as part of an IMF program. The reforms, along with aggressive privatization, strengthened the country’s economic fundamentals and ushered in an era of strong growth, averaging more than 6% annually until 2008. However, after weathering the global financial crisis thanks to well-regulated financial markets, the economy contracted in 2016 and saw its sovereign credit rating downgraded by three credit rating agencies in 2017. Besides investor concerns about the political situation, Turkey’s weakening economy is marked by low domestic saving, a high current account deficit, rising unemployment, and elevated inflation. The national currency collapsed in 2018 as the U.S. and Turkey clashed on a number of diplomatic issues. Fortunately, government debt remains low at about 28% of GDP.

(CIA World Factbook)

GDP Growth Rate

Turkey

United States

Cultural Guide

- Discussions may start slowly, with many questions that may seem irrelevant to the purpose of your visit. It is extremely rude to insist that your colleagues get to the point.
- First appointments are more social than business-oriented since Turks prefer to do business with people they know.
- Have all printed material available in both English and Turkish. Presentations should be well thought-out, thorough, and backed up with visual aids such as maps, chart and graphs.

(Kwintessential)
Virginia Economic Development Partnership - International Trade offers a number of export-related services to Virginia businesses, including trade missions and market research by our Global Network of in-country consultants. These services are available to all Virginia exporters.

For more information, please visit our website: ExportVirginia.org

Additional Resources

- **Turkey Overview**  
  Global Edge - Michigan State University

- **Turkish Tax System**  
  Revenue Administration

- **Kwintessential Turkey**  
  Kwintessential Guide to Turkey

- **Turkey Country Commercial Guide**  
  U.S. Commercial Service

- **Ease of Doing Business Report**  
  World Bank

- **Business in Turkey**  
  Export.gov

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