

FAST FACTS



Turkey

Export Opportunities in Turkey

In 2016, Turkey ranked 29th among U.S. export destinations and 33rd among Virginia export destinations. Some of the top opportunities for U.S. exporters in Turkey include:

- » Aerospace
- » Defense
- » Electrical Power and Renewable Energy
- » Environmental Technologies
- » Information & Communication Technologies
- » Medical Technologies and Healthcare
- » Education Services
- » Safety and Security

Map of Turkey



(U.S. Central Intelligence Agency)

Top Virginia Exports to Turkey

Export Category	2016 Value	Change 2016/2015
All Commodity Chapters	\$ 90.8	-46%
Mineral Fuels and Oils	\$ 25.7	-64%
Iron And Steel	\$ 13.5	-14%
Electrical Machinery	\$ 9.5	84%
Paper & Paperboard	\$ 7.3	-44%
Wood Pulp	\$ 5.6	-25%
Misc Chemical Products	\$ 4.8	4%
Industrial Machinery	\$ 3.5	-23%
Base Metal	\$ 2.8	-19%
Medical Instruments	\$ 2.8	114%
Wood Products	\$ 2.0	41%

In US\$ millions (World Trade Atlas)

U.S. Exports to Turkey



In US\$ billions (World Trade Atlas)



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Opportunities in Turkey for Exporters

Defense

Turkey is bolstering its forces due to regional conflicts and a failed 2016 coup. On top of US\$ 8.4 billion in 2017 MoND allocated spending, US\$ 2.7 billion will be spent on the Gendarmerie, now part of the Interior Ministry (this was \$2.4 billion in 2016). The addition of many units, however, means US\$18.7 billion in defense spending is projected. Top prospects include:

- » Air platforms
- » Aircraft parts and components
- » Naval systems
- » Telecommunications equipment
- » Radar/sensors
- » Arms and ammunition

Information/Communications Technology

Spending on hardware, software, IT services, and telecommunication services is expected to reach \$22.3 billion in 2017 - 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

Sources: [U.S. Commercial Service](#), International Data Corporation, Mönch Publishing, and Mondaq.com

Medical Technologies and Healthcare

Turkey has a population of 79 million and is a growing market for medical technologies and healthcare services. For this, \$24.3 Billion is allocated from the central budget to MoH and Public Hospitals and Health Institutions. U.S. companies should find representatives in the Turkish market with strong business development capabilities. Medical equipment exports to Turkey must adhere to Turkish customs. Top prospects include:

- » Pre-screening and diagnostics devices
- » Dental equipment
- » Remote patient monitoring devices
- » Telemedicine systems
- » Cancer treatment devices

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

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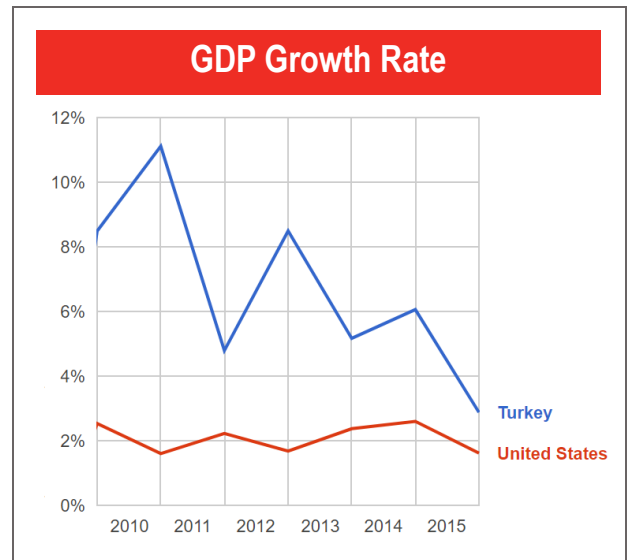


Economic Overview

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. Populist spending measures have slowed structural reforms and generated financial market volatility. Besides investor concerns about the political situation, Turkey's weak economy is marked by low domestic saving, a high current account deficit, rising unemployment, and elevated inflation. Fortunately, government debt remains low at about 32% of GDP.

(U.S. Central Intelligence Agency)



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.
- » Business dress is conservative. You will be expected to wear a suit and tie. Outside the big cities and especially in the East of Turkey both women and men should wear more conservative clothing. Women are advised to refrain from exposing their legs and arms and to ensure clothes are not tight-fitting. Men should not wear shorts.
- » Do not use deadlines or pressure tactics as the Turks will use this to their advantage and reverse the tactic by threatening to cancel agreements or end negotiations. Be patient.

Turkish people generally go on summer vacation around July-August.

(Kwintessential)

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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: Market Reports

[Turkey Country Commercial Guide](#)

[Doing Business in Turkey](#)

[Ease of Doing Business Report](#)

[Business in Turkey](#)

U.S. Commercial Service

Embassy of the United States

World Bank

Export.gov

Online Resources

[Turkey Overview](#)

[Turkish Tax System](#)

[Kwintessential Turkey](#)

Global Edge - Michigan State University

Revenue Administration

Kwintessential Guide to Turkey

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