

# Turkish president's visit

## Building Turkey-Japan partnership for the future

Both key and influential players in their regions, Turkey and Japan are enjoying warm relations on every level, thanks to the vision and farsightedness of their leaders, H.E. President of Turkey Recep Tayyip Erdogan and H.E. Prime Minister Shinzo Abe, who made the rapprochement possible and laid out the plans for an even brighter future.

Stretching back more than a century, the defining moment in the relations between the Turks and the Japanese was a naval disaster that happened off the coast of Japan. The legacy of the Ertugrul frigate, sunk in a storm on its return voyage from a goodwill visit to Japan in 1890, brought the two geographically distant, but heartily close, peoples together, creating a bond out of a tragedy.

Resting on mutual understanding and sympathy, Turkish-Japanese relations have always remained warm, with a slow, but steady, progress to match the level of kinship that exists between the peoples.

### Two leaders, one vision

In recent years, a series of high-level visits between Turkey and Japan proved to be the boosters the two nations needed to turn a long-standing friendship into a strategic partnership. A new era in Turkish-Japanese relations began with official bilateral visits by the leaders of both countries that opened new windows of opportunities for business, trade and investment.

The Investment Support and Promotion Agency of Turkey (ISPAT), the only official organization on a national level that is tasked with promoting Turkey's business and investment opportunities worldwide, proved instrumental in drawing Japanese investment into key sectors, including energy, finance, infrastructure, automotive and retail. Having staged investment sem-



inars all over Japan, ISPAT led campaigns, often with the assistance of Japanese companies already doing business in Turkey, creating awareness among Japanese business circles. Japanese businesspeople that attended ISPAT-organized investment seminars in Japan, were briefed by their compatriots on Turkey's business climate firsthand, added Turkey to their list when seeking growth overseas.

It is the result of these close contacts and meetings that the business ties between the two countries are getting firmer each day, with Japanese investment into Turkey picking up and more and more Japanese companies considering including Turkey in their overseas expansion plans. Japanese companies that have established business operations in Turkey now number more than 200 and the number continues to grow.

From banking to automotive and food products to baby goods, Japanese companies have found a central business location that is itself a sizeable market and, with a location between Europe and Asia, offers easy access to Eastern Europe, Central Asia, the Middle East, North Africa and beyond.

### Strong fiscal credentials

As crucial as they are, Turkey's unique geographical location nor its 78 million-strong youthful population are not the only things luring Japanese investors to the country in increasing numbers. Other major factors are Turkey's remarkable economic accomplishments in the last decade; the country more than tripled its GDP since 2002, reaching \$800 billion as of the end of 2014. Placing itself

among the top 20 economies of the world, Turkey became a magnet for foreign investments, as \$145 billion dollars of foreign direct investment (FDI) poured into the country over a period of 10 years. These figures gain true meaning when compared with the \$15 billion the country attracted in the 79 years since the foundation of the republic until the beginning of the Justice and Development Party rule in 2002.

With such strong economic credentials, even when there is political upheaval in some countries in our vicinity, Turkey stands as a safe haven of stability for Japanese investors, having fully embraced democratic principles and resolutely working on further improving its business environment.

### Towards the 2023 vision

Japanese contributions to Turkey's 2023 vision, a set of targets, including becoming one of the top-10 economies in the world with a GDP of \$2 trillion and reaching an export volume of \$500 billion by the Republic of Turkey's centennial, have been enormous. Infrastructure projects on a huge scale that support the 2023 vision such as the energy cooperation deal inked in 2013 that calls for the building of a nuclear power plant on Turkey's Black Sea coast by a Japanese-led consortium and expected to cost \$22 billion, indicate the level of involvement by Japan in Turkey.

Several other infrastructure projects including the Marmaray, the first undersea crossing passing under the Bosphorus and the Izmit Bay Crossing Bridge, the fourth-largest suspension bridge in the world, have been shouldered by Japanese companies, pioneers in construction and engineering.

Correctly read by many Japanese investors, these signals



President of the Republic of Turkey Recep Tayyip Erdogan

and the political alignment of the Turkish and Japanese governments regarding global issues indicate much greater cooperation in the near future. And rightly so, as the current levels of business, trade and investment ties between Turkey and Japan are far from reflecting the true potential of the two countries.

Japan, one of the world's-largest FDI contributors, has invested \$1.4 billion in Turkey over the last five years — a mere fraction of the total of \$500 billion the country invested globally over the period. Once again, the political leadership, intent on forming a strategic partnership, has taken the necessary steps, as

talks for an economic partnership agreement (EPA) between Turkey and Japan have reached advanced stages and once talks conclude, the EPA will form the basis of a more balanced trade of goods and services between Turkey and Japan.

Another, but often less-explored area of cooperation between Turkey and Japan, is joining forces to do business in third-party countries. Turkey with its strong historic, cultural and trade ties to its surroundings, teaming up with Japan, which is known for its economic power, technological leadership and pioneering corporations in every field, can bring enormous benefits not only to the region,

## Biography of President Recep Tayyip Erdogan

Recep Tayyip Erdogan was born in Istanbul on Feb. 26, 1954. He graduated from Marmara University's Faculty of Economics and Administrative Sciences in 1981.

Since his youth, Erdogan has chosen to intertwine his social life with politics. From 1969 to 1982, he was also actively interested in football, which taught him the significance of teamwork. These years coincided with the time when the idealistic young Erdogan began to be interested in social and national problems and stepped into politics.

Assuming active responsibilities at the students' branch of the National Turkish Students' Association during high school and university, he was elected head of the MSP Beyoglu Youth Branch in 1976 and head of the MSP Istanbul Youth Branch the same year. Holding this position until 1980, he served as a consultant and senior executive in the private sector during the Sept. 12 era when political parties were closed down.

Erdogan returned to politics with the Welfare Party, established in 1983, and was elected the party's Beyoglu district head in 1984. In 1985, he was elected the party's Istanbul provincial head and, the same year, became a member of the Welfare Party's Central Executive Board.

In local elections on March 27, 1994, Erdogan was elected mayor of Metropolitan Istanbul. During his term, he produced correct diagnoses and solutions to the chronic problems of Istanbul, one of the world's most important metropolitan cities through his political abilities, the importance he attached to teamwork and successful management in human resources and financial issues.

On Dec. 12, 1997, while addressing the public in Siirt, he read a poem from a book,

which was recommended by the National Education Ministry and published by a state agency, being sentenced to prison for reading it, ending his time as mayor.

After serving four months in prison, he established the Justice and Development Party.

Erdogan, who was not a candidate for MP during the elections in Nov. 3, 2002, joined the deputy renewal election held on March 9, 2003, in Siirt. Taking 85 percent of the vote, he became a deputy from Siirt for the 22nd term.

Taking over the Prime Minister's office on March 15, 2003, Erdogan implemented a number of reforms of crucial importance in short order with his ideal of a brighter and constantly growing Turkey.

Erdogan, in addition to his fruitful initiatives described as a turning point in the history of the country in its bid to join the EU, has taken significant steps toward the resolution of the Cyprus problem and toward the development of efficient relations with many countries through his rational foreign policy.

As general chairman of the AK Party, he won a great victory during the parliamentary elections held on July 22, 2007, establishing the 60th government of the Republic of Turkey by winning 46.6 percent of the vote.

Winning 49 percent of the vote, he arose triumphant at the end of the parliamentary elections held on June 12, 2011, and established the 61st government.

Elected the 12th president on Aug. 10, 2014, Erdogan is the first president of Turkey elected by popular vote.

*This text is an edited excerpts from the official website of the Presidency of the Republic of Turkey*

## President's agenda in Japan

The President of the Republic of Turkey Recep Tayyip Erdogan, together with his wife, Mrs. Emine Erdogan, is paying an official working visit to Japan through Oct. 8.

During his stay in Japan, the president and his wife are scheduled to make a state call on Their Majesties Emperor Akihito and Empress Michiko for a luncheon in honor of the president and his wife.

Prime Minister Shinzo Abe will hold a summit meeting and host a dinner for the president.

This is Erdogan's third visit to Japan after coming in January

2014, and his first as president.

Despite having an overly busy schedule during the short visit, Erdogan will address a gathering of Japanese businesspeople at Tokyo's Imperial Hotel to share his views and thoughts on the current and future of Turkish-Japanese economic cooperation. Jointly organized by ISPAT, the Japan External Trade Organization (JETRO) and the Bank of Tokyo-Mitsubishi UFJ, the "Turkey Investment Seminar" on Oct. 8 will bring the best of business opportunities to the Japanese investor community.



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## INVEST IN TURKEY

- One of the fastest growing economies in the world and the fastest growing economy in Europe with an average annual real GDP growth rate of 4.7% over the last twelve years (2002-2014)
- Access to Europe, Caucasus, Central Asia, the Middle East and North Africa

- A population of 77,7 million with half under the age of 30,7
- Around 610,000 university graduates per year
- The fastest growing economy among the OECD members with an average annual growth rate of 4.2% (OECD 2014-2030)

- 17th largest economy in 2014, over \$ 1,5 trillion GDP at PPP (IMF 2015)
- Highly competitive investment incentives as well as exclusive R&D support

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