

## **Turkish President's call to prepare ground for CEPA with India Trade, FDI & cooperation in infra projects key to deepen economic ties: PM Modi**

**NEW DELHI, 1 May 2017:** The President of Turkey, Mr. Recep Tayyip Erdogan, has expressed his country's desire to start talks on a Free Trade Agreement (FTA) with India and prepare the ground for eventually arriving at a Comprehensive Economic Partnership Agreement (CEPA) in order to deepen and diversify economic and business cooperation between the two countries.

Speaking at the **India-Turkey Business Summit, organized by FICCI** in collaboration with the Ministry of External Affairs, Government of India, CII and ASSOCHAM here today, Mr. Erdogan said the volume of trade between Turkey and India stood at US\$ 6.4 billion in 2016. This was way below the potential, he said and added that Turkey's exports to India were US\$ 652 million and imports from India stood at US\$ 5752 million. This imbalance in trade need to be rectified, he emphasized.

President Erdogan said that the Turkish economy grew at 7.1% between 2011 and 2015. This dipped to 2.9% in 2016, but this year growth was projected at 4.5%. The country offered a large domestic market, a disciplined work force, laws were enacted to promote investments and great importance was being attached to structural economic reforms.

Turkey, he said, could partner India in its 100 smart cities project. At the same time, both countries could leverage the untapped potential in renewables, nuclear energy and tourism.

**India's Prime Minister, Mr. Narendra Modi**, pointed out that India and Turkey were among the 20 largest economies of the world. Both nations had shown remarkable stability and their economies were based on sound economic fundamentals and immense goodwill between its people. "The time has come to take more aggressive efforts to deepen the economic relations which was possible through trade, FDI inflows and cooperation in a variety of projects.

Mr. Modi said there was great business opportunity for Turkish companies to partner with Indian companies in India's flagship programmes such as 'Make in India', 'Digital India' and 'Start up India'. The focus of his government was on creating a business-friendly climate in India. The GST legislation was another milestone to create a uniform business environment.

He said that Turkish companies should cash in on the unfolding opportunities in developing India's infrastructure. Plan were afoot to build 50 million houses by 2022, metros in 50 cities, high speed trains, upgradation of highways and modernization of the Indian railways. The country was establishing new ports and modernizing old ports, upgrading airports and improving connectivity to the remote corners of the country.

The Prime Minister said that was scope for business cooperation in the area of hydrocarbons, mining and food processing and urged business chambers of both countries to engage more closely to give a fillip to two-way investments and trade. He assured his personal care and cooperation in making India an even better destination to do business.

In his welcome address, **Mr. Pankaj Patel, President, FICCI and CMD, Zydus Cadila-Cadila Healthcare Ltd.**, stated that Turkey's geo-strategic location and India's rising economic stock in the region and globally, should and must be ideally utilized by the businesses of both the countries for reaching to their domestic markets and that of their neighboring countries. He urged Indian industry representatives to reach out and make potent business plans to capitalize on the economic vibrancy of Turkish economy for mutual gains.

Mr. Patel said that before business to business connects effectively take deep roots, it was important to establish people-to-people connect between the two countries.

**Mr. Omer Cihad Vardan, DEiK President**, said that the 153-member Turkish business delegation, representing diverse economic sectors were keen to join hands with Indian companies for the mutual benefit of both countries. He expressed confidence that trade relation between Turkey and India would grow rapidly and see a doubling of the trade volume soon.

**Ms. Shobana Kamineni, President, CII and Executive Vice-Chairperson, Apollo Hospitals Enterprises Ltd.**, in her remarks, said that the convergence of our two economies has immense potential across many platforms. Turkey can be India's gateway to opportunities from energy connectivity with Central Asia to vibrant markets in the EU. Likewise, India represents a powerful destination for Turkish industry in its infrastructure, manufacturing and services aspirations. Turkey's strengths in infrastructure sync with India's quest for infrastructure, just as India's strengths in IT dovetail with Turkey's quest to develop its knowledge sector.

In his closing remarks, **Mr. Sandeep Jajodia, President, ASSOCHAM and CMD, Monnet Group** thanked President Erdogan and Prime Minister Modi for giving the contours of India-Turkey economic cooperation and providing a road-map for furthering India-Turkey relationship. India, said, was poised to become one of the most powerful economies globally and understanding the importance of bilateral ties with its foreign counterparts, he assured on behalf of all the three chambers to extend industry's support and joining hands with Government of India to play a key role in promoting bilateral ties.

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