India-Turkey Trade and Economic Relations: Prospects for the Future

Executive Summary

1. India and Turkey enjoy a historical connect that goes back over a two millennia. At a time when Turkey and India have emerged as economic force to reckon with in their respective regions and beyond, the time has come for both the countries to aggressively reach out to each other for mutual gains.
2. This report and today's forum is to establish and cement existing opportunities and also find newer aspects of furthering the relations, business and people to people interaction between India and Turkey. This report has attempted to give a brief insight into the potential industries depicting avenues that are available to business communities of India and Turkey.
3. India is one of the fastest growing free market economy with a sustainable development model built on a solid foundation of entrepreneurial energy, youthful dynamism and creativity. India and Turkey will be benefited by stronger ties in the background of inherent and complementary economic strengths of each other.
4. While Turkey and India have a long history of doing business with each other, as a percentage share of national data, this is minimal on both sides and there is huge potential to increase the bilateral engagement. There may be cooperation in facilitating FDI inflows not only between large corporate but also between small and medium enterprises (SMEs) on both sides. More foreign investment flow from Turkey would lead to more jobs and skill development in India. At the same time Turkish global competitiveness will improve. Enhanced economic activities will also lead to job expansion in Turkey.
5. India has made enormous strides in its economic development in the past two decades. India is also well positioned to leverage strengths in today's knowledge-based global economy; to capture the Knowledge Process Outsourcing (KPO) space which is the next wave in global outsourcing. The growth of the IT sector in India symbolizes the potential of Indian industry to perform according to world-class standards.
6. Current focus on energy security is timely, with the vast majority of the global population spread in marginal and emerging economies, the challenges of energy demand and its affordability has become fundamental to the quality of life. Turkey, India as well as other countries require ensuring global energy security on sustainable basis. This challenge also opens new vistas for global business opportunities both for developed nations and also for emerging economies like India and Turkey.
7. The fact that India has a strong and stable political system, based on parliamentary democracy and a fast and modern economy that attracts foreign investors reveals the potential for establishing a strategic partnership and international cooperation. This represents a unique opportunity also for Turkey to develop joint initiatives aimed at fostering trade, business and cultural relations.