

# Türkiye

Factum Scale:



## Ease of doing business 4

- Türkiye boasts a favorable geostrategic position as a gateway between Europe, Northern Africa, the Middle East, and Central Asia creating access to a [population of 1.5 billion with a market value of USD 20 trillion](#).
- The government of Türkiye has and continues to enact [major infrastructure projects](#) attracting foreign investment and creating ample business opportunities.
- Türkiye is ranked 34th out of 190 countries on the [World Bank's Ease of Doing Business Score](#), making it one of the most business-friendly markets in the world.
- However, Türkiye continues to be burdened by a [currency crisis](#) leading to a weakening Turkish lira, high inflation, high energy import costs, and volatile unemployment. Foreign investors may find bargain investment opportunities.

## Fluency in English 3

- Türkiye, ranked 64 out of 111 countries in terms of English fluency, has a **'low' English** proficiency, and ranks 2nd to last in Europe, according to the [Education First English Proficiency Index](#). Be prepared with an interpreter when doing business here.
- The official language of Türkiye, Turkish, is spoken by nearly [90% of the population](#) (~75 million), with infusions of Kurdish (11%), Arabic (1%), and other languages.
- In 2013, the **Curricular Innovation in Teaching English as a Foreign Language** was introduced, where students as early as grade 2 began learning the language to boost national proficiency levels.

## Economic Stability 3

- Türkiye is the [104th freest economy](#) out of 177 markets analyzed, and ranks 22nd out of 25 in the region.
- The country has a **very high human development score** of 0.838, ranking 48th out of 191 countries, allowing for a high quality of life in health, education, and income opportunity.
- In 2023, Türkiye experienced two devastating earthquakes creating an economic drag on top of an already looming currency crisis. [The macro situation for Türkiye remains risky](#) although recent political developments may stabilize economic uncertainty.
- The income inequality amongst the Turkish population is relatively equidistant in the world, similar to the United States on the [Gini Index](#).

## Tariffs & Regulations 5

- Türkiye and the European Union have a [Customs Union](#) that adopts the EUs common external tariff on industrial products and eliminates custom duties on their bilateral trade.
- Türkiye has a [large portfolio of free trade agreements](#) (FTAs) with 22 active FTAs, current negotiations for 17 FTAs, and a newly-launched initiative to begin discussions with 9 new countries/blocs.
- Türkiye places [high tariff protection](#) on agricultural products, however the EU Customs Union agreement and other free-trade agreements allows duty-free access to Türkiye's largest trading partners.
- Türkiye is poised to become a significant regional player in Europe and the Middle East, especially in the agricultural and energy sectors.

## Culture & Business Etiquette 5

- As a predominantly Islamic country, it is vital to [schedule meetings around the five daily prayer times](#) and pay attention to important holidays like Ramadan.
- **Punctuality is important** and expected of foreign executives and visitors, even if the host is not on time.
- It's wise to offer your product or services multiple times as an initial decline is common. To sincerely refuse an offer, it's common to [place your hand on your chest](#) while doing so.
- When touching, gesturing, or in other actions, it is critical to **use your right or both** hands when doing so. In Islamic principles, the left hand symbolizes removal of dirt or for cleaning and should always be avoided.

## Labor 4

- Türkiye boasts an **abundant youthful workforce** with half of the population [below the age of 31](#).
- The Turkish [labor force participation rate](#) is 51.4%, lower than the world average rate of 60%, and the lowest among OECD countries. Unemployment is a national issue.
- The labor force in Türkiye is **highly educated** with [76.5% of the working age population](#) having completed some level of advanced education.
- [Among OECD countries](#), Türkiye has the **highest broad labor underutilization rates** (due to low participation of women), the 3rd highest market insecurity, 2nd highest job strain, and ranks below the OECD average in terms of income rates.