

**EU-Türkiye High Level Working Group on Trade****11 March 2025, İstanbul, ISO, 16.45****Deputy Minister Mustafa Tuzcu,****Ambassador Thomas Ossowski,****EU Director General for Trade Sabine Weyand,****Deputy Director General Fatma Canan Nilüfer Dora,****Representatives of Businesses Organizations,**

I'd like to greet EU delegation and all, on behalf of DEİK.

Türkiye and EU share a vital economic partnership, underpinned by significant trade and mutual investments volumes.

However, recent global challenges, including;

- The war between Ukraine and Russia,
- regime change in Syria,
- supply and value chain disruptions,
- recent declarations by new US administration,
- return of trade wars and technology wars, underscored strategic importance of strengthening this relationship.

While our economic ties moving, full potential remains untapped where we have a long term relationship, for over 60 years, however, relation has not been always joyful, unfortunately.

Despite these challenges, we believe in the strength and resilience of our partnership.

As a representative of Turkish private sector, I hold clear expectations that will directly affect our people and business communities, and we prioritize several key areas for immediate action.

I'd like to contribute to this roundtable with 5 messages:

First and foremost, modernization of Customs Union, where we'll celebrate 30th anniversary in the coming months.

This is paramount to unlocking full potential of our economic cooperation and ensuring that our trade and investment framework remains relevant in today's dynamic global economy.

As a response to Trump's trade war policy, EU accelerated its trade openness strategy to counter rising global protectionism, securing agreements with Mexico and Mercosur while resuming negotiations with Malaysia and India. We see no reason why Türkiye shouldn't be an integral part of this strategy.

Secondly, visa liberalization and transport quotas is an issue at the heart of business development and directly impacting Turkish businesspeople and require urgent resolution to facilitate smoother trade and investment flows.

I'm personally receiving at least one call each day from my members on their visa application to Schengen area.

My third message is related to Green Transition, where Türkiye possesses abundant renewable energy resources and can be a crucial green energy supplier for EU. Therefore, we encourage increased EIB and EBRD financing for renewable energy projects in Türkiye.

That being said, on February 26, European Commission announced its Clean Industrial Deal that, regulations will be introduced next year to give preference to products manufactured within EU, in EU public procurement and private sector tenders.

Since a significant part of our exports is directed to EU member states, we see a risk that our exporters may be harmed by this regulation that could also negatively impact our economic relations. We therefore encourage EU Commission to extend Made in Europe criteria to its Customs Union partners on that issue.

Regarding the Defence Industry, Commission's "Rearm Europe" plan is a crucial step toward defence and security of European continent. However, EU should refrain excluding European non-EU countries like Türkiye, UK and Norway from its recent defence industry initiatives, as collaboration in these sectors would not only foster innovation, but also enhance mutual security. Recent strategic alliance between Baykar and Leonardo is a perfect illustration in this respect.

Last but not least, to reenergize our relations, we should find ways to deepen our cooperation in third countries and work more closely on

issues such as Digitalization, Critical Raw Materials, Research, innovation and AI.

The intensification of high-level contact in recent months, resumption of European Investment Bank (EIB) activities in Türkiye and upcoming EU-Türkiye High-Level Economic Dialogue, represent positive steps.

We eagerly anticipate further progress in these areas.

As always, DEİK stands ready to support all efforts in strengthening Türkiye-EU partnership with an understanding of “Business Diplomacy” with 152 business councils.

In such uncertain times, we believe, a deeper economic integration will benefit both sides, enhancing European competitiveness and contributing to a more prosperous and secure future for our citizens.

Thank you.

**Nail OLPAK**

**President of DEİK**