

TURKEY AND THE KRG



SIGNS OF BOOMING ECONOMIC TIES

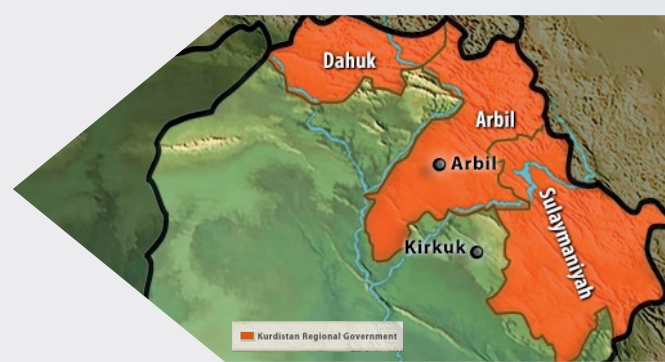
SONER CAGAPTAY, CHRISTINA BACHE FIDAN, AND EGE CANSU SACIKARA · Design by Larisa Baste



RAPID RISE

2007 The Kurdistan Regional Government (KRG) of Iraq—feeling encircled by Iran and Syria and threatened by resurgent nationalism in Baghdad—breaks its isolation by reaching out to Turkey.

TODAY Through trade, investment, and travel, Turkey and the KRG now enjoy a strong economic relationship, which favors Turkey as the larger and more advanced economic power.



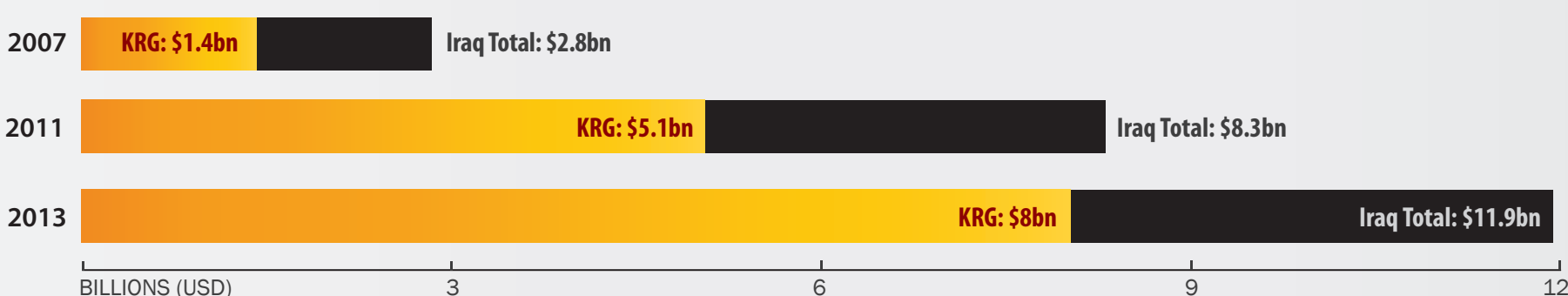
Map from KRG-Iraq, Representation in the United States



Photo credit Aero Icarus, Flickr

TURKEY HAS BECOME THE KRG'S DOMINANT IMPORT PROVIDER

Turkish Exports to Iraq with Estimated Exports to KRG including goods re-exported from KRG to the rest of Iraq



Export data: TUİK-Turkish Stat. Ins.; Estimated share of exports to KRG based on interviews with former Turkish diplomat and experts.

By comparison, excluding oil and gas, Iraqi exports to Turkey—and by extension, KRG exports—are negligible, ranging from \$87 million to \$153 million between 2007 and 2014.

Year	Exports to Iraq	KRG's Est. Share	Est. Exports to KRG
2007	\$2,844,767,091	50%	\$1,422,383,546
2011	\$8,310,129,576	61%	\$5,060,868,912
2013	\$11,948,905,271	67%	\$8,029,664,342

If measured as an independent country,

THE KRG WOULD RANK AS TURKEY'S 3RD LARGEST EXPORT MARKET



Country Rankings for Turkey's Export Destinations

2007	2011	2013
1 Germany	1 Germany	1 Germany
2 UK	2 UK	2 UK
3 Italy	3 Italy	3 KRG
4 France	4 France	4 Russia
5 Russia	5 Russia	5 Italy
6 Spain	6 KRG	6 France
...
19 KRG	11 Iraq*	11 Iraq*
19 Iraq*		

* Excluding KRG. Source: Turkish Ministry of the Economy, Turkish Statistical Institute; Iraq and KRG data from previous table.



Selected Turkish Investments/Projects in KRG

	DUHOK	ERBIL	SULAYMANIYAH
Airports	1	1	0
Gvt. Buildings	1	3	2
Hospitals	0	1	1
Hotels	0	2	0
Housing	4	3	1
Industry	2	10	2
Infrastructure	2	4	4
Power Plants	2	1	2
Schools	0	4	1

Icons from the Noun Project, created by: Olivier Guin (airport), Syaqa Fickle (gvt. building), Mister Pixel (health), Nick Holroyd (hotel), Kelcey Benne (housing), Jason Dilworth (industry), Masha Eizner (power plant), PJ Souders (school).

TURKEY IS BUILDING THE KURDISTAN REGION



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ECONOMIC TIES HAVE BOOSTED TOURISM AND TRAVEL

Turks Exiting from Habur Gate Entering KRG/Iraq

2006	2010	2013
481,371	1,298,319	1,209,904

151% INCREASE

Weekly Flights between Turkey and KRG (Erbil and Sulaymaniyah)

2007	2011	2014
0	40	78

NEARLY DOUBLED IN 3 YEARS

Erbil airport officially opened in 2011. Number of flights based on airline websites, CAPA, media articles and airports' flight schedules. Based on high season flight frequency.



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