



Gulf Research Center
Knowledge for All

Türkiye - GCC Relations



Updated August 2024

1. Key Domestic Developments

Türkiye, a transcontinental country bridging Europe and Asia, operates as a presidential republic. The country has experienced a series of significant domestic developments in 2023 and 2024 that have shaped its political, economic, and social landscape. These years have been marked by pivotal events, legislative changes, and socio-political shifts that have profound implications for its future trajectory.

Türkiye's political scene was marked by general elections in 2023 where President Recep Tayyip Erdoğan and his ruling AKP faced a united opposition. Despite the devastating earthquake in February 2023, which caused significant loss of life and infrastructure damage, President Recep Tayyip Erdoğan managed to secure re-election later that year. The government's swift response to the disaster, though criticized, played a key role in maintaining public support. The tragedy also fostered a temporary sense of national unity and solidarity, bridging deep political divides as the nation rallied together in the aftermath. This collective resilience and Erdoğan's perceived leadership during the crisis helped him win the election by a narrower margin, reflecting both his administration's crisis management and the polarized nature of Turkish politics.

In 2024, Türkiye continues to face significant economic challenges, marked by high inflation, currency volatility, and substantial external debt obligations. The growth rate is expected to slow to 3.0% in 2024, following a more robust rate of 4.5% in 2023, on the back of weaker export performance amidst European economic downturns and ongoing internal economic pressures. The Central Bank of Türkiye has raised its policy interest rate to 50% to curb inflation, which remains high at 71.6% as of June 2024. The country's external financing needs are considerable, with external debt payments projected to reach \$200 billion and a current account deficit of \$35 billion. Efforts to stabilize the economy include a shift back to conventional monetary policies and strategic investments in technology and infrastructure,

aiming for a gradual decline in inflation to 33% in 2024 and single digits by 2026. Despite the challenging economic landscape, Türkiye is navigating this period with a focus on fiscal stability and investor confidence.

Türkiye undertook several critical domestic reforms addressing economic, judicial, social, environmental, and security challenges. To stabilize the economy, the government implemented tighter monetary policies and fiscal adjustments to curb inflation and stabilize the Turkish lira. In the judicial realm, reforms aimed at reducing political influence and improving efficiency were introduced, including changes to the judge appointment process. Socially, significant investments were made in healthcare and education, with new hospitals being constructed and educational curricula modernized to improve access and quality. Environmentally, Türkiye adopted more stringent policies to tackle pollution and invest in renewable energy projects, reflecting its commitment to global climate goals. On the security front, the government continued to enhance counter-terrorism efforts and address both domestic and regional threats, underscoring the ongoing importance of national security.

Key Economic and Social Data in Türkiye at a Glance

- **GDP:** \$1.114 trillion USD (2024)*
- **GDP per capita:** \$10,674 USD (2022)
- **Annual Growth Rate:** 5.5% (2021)
- **Inflation:** 53.86% (2023)
- **Population:** 86,302,975 (2023)
- **Unemployment Rate:** 9.6% (2024)
- **Credit Rating:**
 - Standard & Poor: B+ with a positive outlook (2024)
 - Moody's: B1 with a positive outlook (2024)
 - Fitch: B+ with a positive outlook (2024)
 - DBRS: BB (high) with a negative outlook (2016)



2. Türkiye's Foreign Policy

As global uncertainties and competition intensify, Türkiye has positioned itself as a key diplomatic actor on the international stage. In 2024, Türkiye's foreign policy is marked by adaptability and assertiveness, reflecting its commitment to promoting stability and security while defending its national interests. Ankara's proactive engagement in managing global crises—such as the COVID-19 pandemic and efforts towards cease-fires in Ukraine and the Israeli-Palestinian conflict—demonstrates Türkiye's efforts in bringing about a degree of stability in the region. The anticipated U.S. sale of F-16 fighter jets, contingent on Congressional approval, could significantly enhance Turkish-American relations, alongside its ties with Canada and Sweden. Conversely, a failure to secure this deal could strain relations with Washington.

Türkiye's diplomatic maneuvering also involves re-engaging with Greece and navigating complex interactions with the European Union, where a far-right shift in the European Parliament might challenge progress. Efforts to broker a cease-fire between Russia and Ukraine, potentially facilitated by Russian President Vladimir Putin's visit to Ankara, will remain a focal point of Turkish diplomacy. Türkiye's approach includes transforming competition into cooperation, especially in contentious areas like the Zangezur Corridor, while continuing its counterterrorism efforts against the PKK. Additionally, Türkiye aims to fortify its strategic partnerships with Gulf states, advance the Organization of Turkic States, and mediate conflicts between Azerbaijan and Armenia. By championing peace initiatives, advocating for justice in conflict zones, and expanding its influence through new defense and energy partnerships, Türkiye is set to navigate the shifting global landscape and assert its role as a pivotal regional power.

Türkiye is actively working to improve relations with Baghdad after a period of tension over issues such as water-sharing agreements and military operations in northern Iraq against the

PKK, which were often carried out without Iraqi approval. This effort is a crucial component of Ankara's new regional strategy, which aims to broaden its diplomatic influence by providing economic and security benefits to its partners. By doing so, Türkiye hopes to make diplomatic cooperation more appealing. Furthermore, the Development Road Project (DRP) positions Türkiye as a strategic conduit for Gulf countries seeking access to European markets. Türkiye has expressed its frustration over being left out of other regional connectivity initiatives, particularly the India-Middle East-Europe Economic Corridor (IMEC), which comprises sea lanes between India and the Gulf and across the Mediterranean.

Türkiye's foreign policy towards the Palestinian issue has been marked by strong opposition to Israeli actions. Erdoğan's approach contrasts sharply with the pre-Erdoğan period, emphasizing support for Hamas, ideologically aligned with the Muslim Brotherhood. Relations between Türkiye and Israel have fluctuated significantly, particularly following Erdoğan's 2009 Davos confrontation with then-President Shimon Peres and the 2010 Gaza flotilla incident. Despite normalization of ties in 2022, relations soured again after Hamas' October 7 attack and subsequent Israeli military actions, leading to a harsh stance from Erdoğan and the recall of ambassadors.

3. Türkiye-GCC Fact Sheet

Türkiye's Trade in Goods with GCC Countries in 2023 (in \$USD)

Country	Total Trade	Export Value	Import Value
Bahrain	\$577.59M	\$160.72M	\$416.87M
Kuwait	\$688.06M	\$583.61M	\$104.45M
Oman	\$1.40B	\$412.99M	\$996.76M
Qatar	\$1.33B	\$791.12M	\$543.03M
Saudi Arabia	\$5.65B	\$2.62B	\$3.03B
United Arab Emirates	\$20.12B	\$8.59B	\$11.53B

Note: Data of 2023 is initial.

Source: Trade Map



Establishment of Diplomatic Relations

- **Saudi Arabia:** 1932
- **Kuwait:** 1969
- **Qatar:** 1972
- **Bahrain:** 1973
- **United Arab Emirates:** 1973
- **Oman:** 1973

Key Turkish Officials with Responsibility for the Gulf Region

- **Minister of Foreign Affairs:** Hakan Fidan
- **Minister of National Defence:** Yaşar Güler
- **Minister of Trade:** Prof. Ömer Bolat



Key Research Centers and Think Tanks

- Center for Türkiye's Economic and Strategic Studies (TESAM)
- Foundation for Political, Economic and Social Research – SETA
- Turkish Economic and Social Science Foundation (TESEV)
- Turkish Foreign Policy Institute (FPI)
- Edam

Key Experts

- Soli Özel - Professor of International Relations at Kadir Has University
- Galip Dalay – Brookings Institution
- Henri Barkey, Professor of International Relations, Lehigh
- Ali Bakir – Assistant Professor in Ibn Khaldon Center for Humanities and Social Sciences, Qatar University
- Sinem Cengiz - Researcher and Political Analyst, Qatar University

4. Key Developments in Türkiye-GCC Relations

Since 2021, Türkiye-GCC relations have notably improved, driven by Türkiye's economic needs and strategic interests. Economic ties have strengthened through significant investments and trade agreements, particularly with Saudi Arabia and the UAE. Strategic partnerships have been reinforced with increased military cooperation. Diplomatic engagements have expanded, with more high-level interactions and regional participation. Türkiye's role as a counterbalance to Iranian influence is crucial for GCC states, though complexities in Türkiye-Iran relations persist. Regional conflicts involving Türkiye also impact its GCC ties. Overall, Türkiye-GCC relations have evolved into a more cooperative and strategically aligned partnership.



Türkiye-Saudi Arabia

- March 2024: The Turkish trade ministry announced that Türkiye and the Gulf Cooperation Council (GCC) had agreed to start formal negotiations toward a Free Trade Agreement (FTA).
- November 2023: Turkish President Recep Tayyip Erdogan visited Riyadh to attend the 8th Extraordinary Islamic Summit on Gaza.
- March 2023: The “Saudi-Turkish Business Forum” was held in Riyadh, with over 450 participating companies. Three trade cooperation agreements were signed.
- March 2023: Saudi Arabia and Türkiye announced an engineering automation project for the Middle East, with the Saudi-Turkish Business Forum setting a goal of exceeding \$10 billion in the trade exchange between Riyadh and Ankara.
- February 2023: Saudi Arabia operates airlift for medical and relief aid to Türkiye in response to the 2023 earthquake, with aid worth over USD 48.8 million.
- November 2022: HRH Prince Mohammed bin Salman meets President Recep Tayyip Erdogan during the G20 summit in Bali. Saudi Arabia and Türkiye discussed Riyadh placing a \$5 billion deposit at Türkiye’s central bank.
- November 2021: Türkiye’s Vice President Fuat Oktay met with the Saudi Minister of Commerce, Majid Bin Abdullah Al Qassabi in Istanbul.
- November 2021: Turkish Foreign Minister Cavusoglu and his Saudi counterpart, Prince Faisal Bin Farhan, agreed to work on positive issues on a common agenda and to hold their regular communications.
- November 2021: This was followed by President Erdogan announcing plans to visit the country intending to mend relations with Saudi Arabia after Türkiye’s exporters reported issues in trade relations with the former country.



Source: Saudi Gazette

Türkiye-United Arab Emirates

- March 2023: The UAE and Türkiye signed a pact aiming to more than double bilateral trade volumes to between \$40 billion and \$45 billion within five years. This agreement builds on previous defense-industry cooperation.
- Post-earthquake 2023: GCC states provided relief aid following the earthquake in Türkiye and Syria. Türkiye’s ambassador to Saudi Arabia thanked GCC leaders and congratulated H.E. Jasem Albudaiwi on his appointment as GCC Secretary General.
- February 2022: President Erdogan visited the UAE, resulting in thirteen agreements in sectors including defense, trade, technology, and agriculture.
- November 24, 2021: UAE President Shaikh Mohammed Bin Zayed al-Nahyan visited Türkiye. President Erdogan reciprocated with a visit to the UAE on February 12, 2022.
- November 2021: UAE Crown Prince Mohammed bin Zayed visited Türkiye, leading to ten Memoranda of Understanding (MoUs) in finance, investment, energy, trade, and the environment, including a \$10 billion Emirati fund for strategic investments in Türkiye.
- January 2021: Türkiye announced a \$5 billion currency swap deal with the UAE to bolster financial support amid economic challenges.

- January 2021: The GCC's 41st summit ended the feud with Qatar and opened the way for improved ties with Türkiye, leading to expanded economic and security cooperation.

Türkiye-Qatar

- June 9 2024: The Sixth Joint Ministerial Meeting of the Strategic Dialogue between the Cooperation Council and the Republic of Türkiye, was held in Doha, Qatar, His Excellency Shaikh Mohammed bin Abdulrahman Al Thani, Prime Minister and Minister of Foreign Affairs of Qatar, chaired the meeting. The session was attended by Their Highnesses and Excellencies, the Ministers of Foreign Affairs from the GCC countries, as well as His Excellency Hakan Fidan, Minister of Foreign Affairs of Türkiye.
- July 2023: President Erdoğan visited Qatar to mark the 50th anniversary of diplomatic ties between the countries. President Erdoğan and Sheikh Tamim signed a joint declaration, pledging to further strengthen the bilateral relationship.
- In response to the Türkiye-Syria earthquake of 2023, Qatar committed to donating 10,000 mobile homes, previously used during the 2022 FIFA World Cup, to the affected areas. The initial shipment was sent in February, and by June 24, 2023, Qatar had finished delivering the entire consignment.
- November 2022: Türkiye and Qatar were in the final stages of talks for Doha to provide up to \$10 billion in funding for Ankara, including up to \$3 billion by the end of the year.
- Qatar's Foreign Minister Shaikh Mohammed Bin Abdulrahman Al Thani discussed strengthening humanitarian and political efforts with Türkiye's Foreign Minister, Mevlut Cavusoglu. Issues included regional files, such as the situation in the Palestinian territories, Iraq, and Syria.
- President Erdogan visited Qatar in 2021 including attending the fifth meeting of the Türkiye-Qatar high strategic committee. The two sides signed

multiple agreements in economic and technical fields including on industrial and technological cooperation, urbanization, and bilateral trade.

Türkiye-Oman

- April 2024: Oman and Türkiye signed a 10-year gas supply contract. Starting in 2025, Oman will provide Turkish company Botas with 1 million metric tons of gas annually.
- On January 30, 2023, Oman's Liquefied Natural Gas signed a long-term agreement with Türkiye's BOTAS Petroleum Pipeline Corporation to supply 1 million metric tons of liquefied natural gas every year for 10 years. Oman LNG will start supplying gas to Türkiye in 2025 as per the binding agreement. The agreement was signed by Hamed al Naamany, CEO of Oman LNG, and Burhan Ozcan, chairman of BOTAS, in Muscat.
- Oman has promoted stronger ties with Türkiye to enhance security and stability in the region by bolstering trade relations between the countries. Areas of cooperation include health and tourism.
- In February 2021, the Turkish Minister of Foreign Affairs Mevlut Cavusoglu paid a visit to Oman where he met with his counterpart Sayyid Badr Al Busaidi. He was also received by the Deputy Prime Minister, Sayyid Fahd Bin Mahmoud Al Said.

Türkiye-Bahrain

- March 2024: Dr. Shaikh Abdullah bin Ahmed Al Khalifa, the Undersecretary of the Ministry of Foreign Affairs for Political Affairs, met with Ahmet Yıldız, the Deputy Foreign Minister of Türkiye, during the third Antalya Diplomacy Forum. The discussion focused on reviewing and enhancing the areas of cooperation and friendship between Bahrain and Türkiye, with the aim of advancing the mutual interests of both countries.
- In January 2022, Foreign Minister Mevlut Cavusoglu paid a visit to the Kingdom of

Bahrain upon the invitation of Dr. Abdullatif bin Rashid Al Zayani, Foreign Minister of Bahrain. FM Cavusoglu stated that both states can increase trade and economic ties including a meeting of the economic action plan that they can hold the economic commission meeting in March 2022, aiming for more cooperation in areas such as the defense industry and health.

- On January 31, 2022, Foreign Minister Mevlut Cavusoglu met with the Crown Prince and Prime Minister Salman bin Hammad Al Khalifa to review the steps to be taken to further advance both state's cooperation.

Türkiye-Kuwait

- May 2024: Türkiye and Kuwait signed six cooperation agreements in the fields of defense, diplomacy, and trade, during a visit by Kuwaiti Emir Sheikh Meshal al-Ahmad al-Sabah to Ankara. This marked Sheikh Meshal's first foreign trip outside the Arab world since he took office in December. The visit also coincided with the 60th anniversary of diplomatic relations between Türkiye and Kuwait, recalling the previous visit by the late Kuwaiti Emir Sheikh Nawaf al-Ahmad al-Jaber al-Sabah to Istanbul in 2017.
- January 2023: Türkiye's defense firm Baykar is set to deliver drones to Kuwait valued at \$370 million.
- In April 2021, Kuwaiti Foreign Minister Sheikh Ahmed Nasser Al-Sabah paid a two-day visit to Ankara. He was the co-chair of the second meeting of the Türkiye-Kuwait joint committee for cooperation. The first meeting was held in October 2013.
- Kuwait and Türkiye collaborate in the context of the humanitarian sphere. For example, in recent years, Kuwait hosted three International Humanitarian pledging conferences for Syria to support the three million Syrian refugees who were hosted by Türkiye.

The first round of negotiations for a Free Trade Agreement (FTA) between the Gulf Cooperation

Council (GCC) and Türkiye was completed on August 2, 2024. Held in Ankara, the discussions involved representatives from the six GCC nations—Qatar, Kuwait, Saudi Arabia, the UAE, Oman, and Bahrain. The Turkish Trade Ministry reports that the initial framework for the FTA was established, and the parties exchanged their demands and expectations. Future negotiations will continue under the framework agreed upon in March 2024 by Turkish Trade Minister Omer Bolat and GCC Secretary General HE Jasem Albudaiwi.



The FTA builds on the longstanding cooperative relationship between Türkiye and the GCC, initiated with the 2005 'Framework Agreement for Economic Cooperation' and further developed through discussions in 2018. This new agreement aims to boost bilateral trade and offer new opportunities for the private sector. Türkiye's GDP reached a record \$1.1 trillion last year, while the GCC's combined GDP surpassed \$2.4 trillion. Turkish firms are active in the GCC, particularly in telecommunications, contracting, and health tourism, with Turkish contractors having completed projects worth \$77.5 billion in the region. The GCC is also looking to invest in Türkiye's food, logistics, transportation, pharmaceutical, and technology sectors.

Despite this positive momentum, consensus among GCC states on Türkiye's role in the Middle East and North Africa remains elusive. Relations have been marked by historical complexities and mistrust, including criticism from the UAE over Türkiye's support for the Muslim Brotherhood

and tensions during the Qatar blockade (2017-2021). However, with the resolution of the GCC rift in January 2021, relations have begun to improve, setting the stage for renewed economic and cultural engagement.

5. Supporting Documents

Publications

- GCC-Türkiye Relations: Dawn of a New Era – Gulf Research Center – June 2015

Araa Publications

- Turkish Mediation to Stop the War Unlikely; Biden Urges Türkiye to Side with the West and Open Dialogue with Ankara



Source: Gulf International Forum

Events

- The Gulf Research Center organized the GCC-Türkiye Economic Forum from November 11-13 in Istanbul, aiming to boost economic collaboration between GCC countries and Türkiye. Jointly organized with the International Cooperation Platform (ICP), the event featured over 450 participants, including more than 200 Turkish and Gulf companies, and was supported by key entities such as the General Secretariat of the Gulf Cooperation Council and the Foreign Economic Relations Board of Türkiye (DEIK).
- On September 27, 2023, Dr. Abdulaziz Sager and Mr. Cengiz Özgencil held a roundtable introduction meeting for the “GCC-Türkiye Economic Forum” in Istanbul. The meeting included Ambassadors of the GCC in Türkiye and representatives from the Turkish ministries of foreign affairs, trade, and investment.
- On September 18, 2022, Dr. Abdulaziz Sager welcomed Mr. Cengiz Özgencil at the Gulf Research Center’s headquarters in Riyadh.
- On November 14, 2022, Dr. Abdulaziz Sager spoke at the Sir Bani Yas Forum on a panel discussing ‘Iran, Türkiye, and the Arab World,’ hosted by the UAE Ministry of Foreign Affairs and International Cooperation in partnership with the Atlantic Council.



Gulf Research Center
K n o w l e d g e f o r A l l