## Türkiye-Kyrgyzstan partnership fuels Middle Corridor's rise.

On Feb. 9, Kyrgyzstan's Prime Minister Akylbek Zhaparov embarked on an official visit to the Turkish capital of Ankara. This visit was characterized by his participation in a business forum that attracted nearly 500 entrepreneurs. In his remarks made in Ankara, Zhaparov emphasized that the relationship between Kyrgyzstan and Türkiye has ascended to a new level, a development underscored by the signing of a 62-article action plan aimed at fostering the growth of bilateral relations.

In the wake of these discussions, the 11th session of the Türkiye-Kyrgyzstan Joint Economic Commission was convened, co-chaired by Vice President Cevdet Yılmaz and Zhaparov. This session was notable for the execution of the "Protocol Amending the International Road Transport Agreement," initially signed on April 28, 1992, in Bishkek, along with the "Memorandum of Understanding between the Turkish Exporters Assembly and the Kyrgyz Export Promotion and Investment Agency." These agreements signify a mutual commitment to deepening economic cooperation. Furthermore, both nations have articulated an ambition to increase their trade volume to \$5 billion (TL 161.83 billion).

Plans are also underway for President Recep Tayyip Erdoğan to conduct an official visit to Kyrgyzstan, during which a High-Level Strategic Cooperation Council Meeting is scheduled to be held in Bishkek. This sequence of events and agreements highlights the evolving dynamics and the strengthening of the partnership between Kyrgyzstan and Türkiye.

For Türkiye, the modernization of the customs system with Kyrgyzstan, the reduction of trade costs, the development of the transport-logistics system, the development of hydroelectric power station infrastructure, agricultural technologies, the defense industry, tourism sectors, telecommunications, micro carbon industry, minerals, metal and precious stone mining, textiles

and food processing are priority areas. Türkiye will also support the realization of Kyrgyzstan's National Development Strategy for 2018-2040.

The recent period has witnessed a dynamic progression in the relations between the two countries, underscored by a significant increase in their trade volume. In 2022, the bilateral trade volume surpassed \$1 billion and saw a 42% increase to \$1.6 billion in 2023. This upward trajectory is expected to continue, with the target set at \$2 billion by 2024. Between January and November 2023, Türkiye's exports to Kyrgyzstan reached \$961 million, while imports from Kyrgyzstan stood at \$204 million. The business landscape in Kyrgyzstan is notably marked by the presence of nearly 500 Turkish-capital firms operating across a variety of sectors. Turkish contractors have been instrumental in the Kyrgyz economy, having completed 93 projects with an investment value of approximately \$1 billion. Currently, 300 Turkish companies are actively engaged in Kyrgyzstan, with total investments exceeding \$250 million. Türkiye's role as a key investor in Kyrgyzstan was particularly evident in 2022 when it became the largest investor in the Kyrgyz economy.

## Strengthened ties through high-level visits, collaboration

Recently, there has been an increase in the number of mutual visits and events between the two countries as well. For example, in February of this year, the Türkiye-Kyrgyzstan Business Forum was conducted with the participation of Zhaparov, Kyrgyzstan Chamber of Commerce and Industry President Temir Sariev, and Turkish participants, including Yılmaz, Union of Chambers and Commodity Exchanges of Türkiye (TOBB) head Rifat Hisarcıklıoğlu and Foreign Economic Relations Board (DEIK) President Nail Olpak, in collaboration with TOBB and DEIK. Furthermore, Foreign Minister <u>Hakan Fidan met with his Kyrgyz counterpart Zheenbek Kulubaev</u> in Bishkek earlier this year, discussing health, energy, finance sectors and regional security issues. On Feb. 8, Transportation and Infrastructure Minister Abdulkadir Uraloğlu convened with Kyrgyz Transport and Communications Minister Tilek Tekebaev and their respective delegations at the ministry.

For Türkiye, investments in Kyrgyzstan are not merely aimed at accessing the Kyrgyz market. Such investments are considered a gateway to a much broader geographical area due to the Eurasian Customs Union, representing a market of 180 million people. Additionally, Kyrgyzstan's proximity to China cannot be overlooked, as the Chinese market is also significant. Kyrgyzstan was the first country in the Commonwealth of Independent States to join the World Trade Organization (WTO). The reshaped political map of Eurasia over the last 30 years necessitates cooperation between these two countries within the framework of the Organization of Turkic States (OTS).

Türkiye places significant importance on railway transportation in its relations with Kyrgyzstan. It should be noted that the operation of the Baku-Tbilisi-Kars railway line, launched in 2017, has established a continuous railway infrastructure over <u>the Middle Corridor</u>. It is also noteworthy that a decision to liberalize bilateral and transit transportation was made during the Mixed Commission Meeting on Land Transportation in 2021. These decisions are expected to not only boost trade between the two countries but also enhance East-West trade, with a forecasted strengthening of the Middle Corridor given the changes in the supply chain and the increasing demand for road transportation.

'Middle Corridor will be stronger'

Furthermore, the increase in trade between Türkiye and Kyrgyzstan is expected to strengthen the Middle Corridor. Uraloğlu mentioned that new initiatives are being planned to increase the trade volume between Türkiye and Kyrgyzstan, stating, "The Middle Corridor will become a stronger route worldwide."

Uraloğlu expressed that steps are being taken to enhance transportation relations between Türkiye and Kyrgyzstan, with activities accelerating in this domain. He recalled a recent meeting with Tekebaev and his delegation, emphasizing the multifaceted continuation of transport sector relations between the countries. Tekebaev expressed an interest in strengthening cooperation with Türkiye by exploring alternative corridors, aiming to enhance transportation collaboration between the two countries. Uraloğlu highlighted the focus on road and railway areas, indicating that new steps in transportation will significantly contribute to improving relations between the two countries. Uraloğlu mentioned a decision to liberalize bilateral and transit passages in the road sector, asserting: "The signed protocol will formalize this matter. It was agreed to implement the 'E-Permit' system for the issuance of transit documents in electronic format with Kyrgyzstan."

He also emphasized the importance of multimodal transportation with Kyrgyzstan concerning the Middle Corridor, noting discussions about the contributions of a railway line, approximately 310 kilometers (190 miles) long and under project development between China and Kyrgyzstan, to railway transportation and the Middle Corridor. The enhancement of trade between Türkiye and Kyrgyzstan is anticipated to solidify the Middle Corridor as a more potent global route.

In recent decades, Türkiye's positions in the Middle East, North Africa and the Eurasian region have been strengthening. Central Asia holds a special place among the regions to which Türkiye is increasingly turning its attention, becoming a center of power. Mutual visits and bilateral relations between officials of Türkiye and Central Asian countries are strengthening and gaining strategic importance. Following the acquisition of independence, Central Asian countries have been diversifying their economic relations in recent years, developing their relationships with global powers and Türkiye as well. What began as humanitarian and cultural cooperation has now transformed into political and economic collaboration.