

(Summary)
JICA Country Analysis Paper
for
Republic of Türkiye

Japan International Cooperation Agency

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JICA Country Analysis Paper (JCAP) is a paper in which countries are analyzed by JICA, as a development cooperation agency, from the viewpoint of development and is to be utilized in considering and providing effective cooperation to ODA recipient countries. JCAP provides information from the viewpoint of development for the government of Japan in formulating aid policies such as “country development cooperation policy”. It is also noted that actual cooperation and projects to be implemented shall be considered and determined in accordance with policies of the government of Japan, and budget of each fiscal year, etc.

Summary

(1) Current Situation and Major Challenges in Türkiye

- **Politics**: The long-standing administration of President Erdoğan and the Justice and Development Party (AKP) continues, having transitioned from a parliamentary cabinet system to a substantive presidential system in July 2018. Amidst controversial issues such as the response to the 2023 Southeastern earthquakes, economic policies, and discussions on the return to a parliamentary cabinet system, the ruling AKP lost votes in the March 2024 local elections, becoming the second largest party for the first time. Yet, the current administration has an opportunity to focus on key policies, such as economic restructuring, as elections are not scheduled until 2028, barring premature dissolution.
- **Economy**: The average GDP growth rate for the past 20 years (2002-2022) was 5.5%. The GNI per capita reached USD 11,730 (2023), which has more than doubled in the past 20 years, and Türkiye has become a country in transition to graduation of ODA. The poverty rate has also halved from over 20% in 2007 to 7.6% in 2021. On the other hand, income inequality has widened in recent years. Since 2017, inflation has consistently recorded double-digit rates amid the implementation of unconventional monetary policies by the Central Bank, carrying out interest rate cuts despite facing high inflation. Following the appointment of a new Minister of Treasury and Finance, the policy has returned to conventional one, and inflation rate has been gradually declining. Since 2018, it has faced challenges such as reduced investment from geopolitical tensions and political uncertainties, and a trade deficit because of excess imports, but their improvements have been observed recently. While the unemployment rate is declining, it is particularly high among young people.
- **Diplomacy**: It is a candidate country for EU membership and a member of NATO and the G20. It has been a key player in peace and stability not only in the Middle East and the Mediterranean region, intervening in regional affairs in Syria, Ukraine, Gaza, etc, but also in Sub-Saharan Africa and Central Asia, expanding its presence beyond its proximity. Since the fall of the Assad regime in Syria in December 2024, it has supported the return of Syrians and has participated in reconstruction efforts throughout Syria.
- **Society** : Although Türkiye ranked lower in SDGs' Index Score than other middle-income countries in the European region, the country is eager to achieve the SDGs by promoting its own initiatives. The working-age population is more than twice the size of the dependent population, marking a demographic dividend period. Urbanization has been progressing along with economic development, and the continuous challenges have emerged such as infrastructure development in urban areas, concentration of consumption, decline in food self-sufficiency, and disparities within and among urban areas.

- **Industry**: The industrial structure consists of services (51.7%), manufacturing (22%), production (including construction) (31.3%), and agriculture (6.5%). The tourism sector is predicted to continue to grow. The number of Turkish construction companies operating abroad is on the rise, with 40 listed among the world's top 250 international construction companies. More than 90% of employment is provided by micro, small, and medium enterprises (MSMEs), and the inflation and higher minimum wages are increasing the burden on employers.
- **Environment and Climate Change**: In October 2021, the country ratified the Paris Agreement, albeit conditionally as “a developing country,” and has embarked on full-scale efforts to address climate change, setting a goal of net-zero emissions by 2053. The sector with the highest GHG emissions is the energy, and the government has set clear targets for the power generation by the renewable energy. In urban areas, there are concerns about the deterioration of living environments and the increase of municipal waste. Core industrialized cities are also facing problems such as a lack of land for final waste disposal sites and tightened capacity of sanitary landfill facilities.
- **Disaster Risk Reduction and Reconstruction**: Given the presence of multiple active fault lines, the country has been severely damaged by earthquakes and has had the second highest cumulative number of deaths and injuries caused by earthquakes in the world. In recent years, flooding and landslides caused by heavy rains in several rural areas and forest fires in the southern coastal areas have occurred due to climate change. Therefore, an urgent need has arisen to strengthen the country's disaster management system and improve its disaster response capabilities. Although the government is promoting post-earthquake reconstruction efforts, following the 2023 Southeastern earthquakes, it is pointed out that the priority is on short-term reconstruction to restore normalcy, and that greater attention is needed to build a more sustainable and disaster-resilient country.
- **Vulnerable groups**: The country currently receives 2.9 million “Syrians Under Temporary Protection” (as of January 2025), in addition to over 200,000 forced migrants from Afghanistan, Iraq, Iran, and other countries under “international protection” (if they are considered broadly as refugees, it would become the second largest host country of “refugees” in the world). Protracted challenges are accumulating, such as the increased financial burden, integration into the host community, and access to the formal labor market and social services. At the same time, social inclusion of women, youth, people with disabilities, and the elderly is also a critical issue.

(2) Significance and direction of JICA's cooperation

Considering the current situation and major challenges in Türkiye, the direction of JICA's cooperation is **“strengthening mutually complementary partnership as**

cooperation with the country which has achieved a certain level of economic development". The details are as follows.

- Based on Türkiye's trust in and affinity for Japan, cooperation utilizing Japan's strengths, uniqueness, and characteristics will be effective, and is expected from the Turkish side as well.
- JICA continues and strengthens Japan's visible support by leveraging its expertise in disaster risk reduction, disaster management and post-earthquake reconstruction of the affected areas while paying attention to the perspectives of humanitarian-development nexus, Women, Peace and Security (WPS), and human security. Considering that many vulnerable groups are living in the areas affected by the 2023 Southeastern earthquakes, JICA will continue to provide cooperation to them.
- On the other hand, it is also important to launch new model of projects with Türkiye, which has achieved a certain level of economic development and is transitioning from being an ODA recipient to becoming an ODA provider, that will serve as a model for cooperation with subsequent middle-income countries in the future.

(3) Key issues and sectors to be addressed by JICA

Based on the "Country Assistance Policy for Türkiye" which is under revision, the Government of Japan and JICA are considering promoting the following 4 Priority Areas and 7 Cooperation Programs.

Basic Policy (Major Goal)	Deepening Strategic Partnership
Priority Area 1 (Medium Goal)	Assisting Sustainable Economic Development
Program for Improving the Environment	To contribute to the development and improvement of urban infrastructure (including regional cities) and of a quality energy supply system.
Program for Advancing Science, Industry, and Technology	To contribute to the enhancement of the economy's high value-addition and international competitiveness by strengthening research and development in the fields of science and technology and by fostering industrial human resources.
Program for Regional Development	To contribute to the development of areas that are less developed than the Marmara region.

Priority Area 2 (Medium Goal)	Improving Disaster Preparedness
Program for Strengthening the Capacity for the Disaster Prevention and Countermeasure	In line with the Sendai Framework for Disaster Risk Reduction and the perspective of Build Back Better (BBB), we aim to implement cooperation to improve capacity for proactive disaster risk reduction, disaster response, and better reconstruction measures to meet the needs of the affected areas, and leverage Japan's expertise and past cooperation achievements in the field. In addition, JICA positions Türkiye as a strategic hub for the dissemination of Japan's technologies and knowledge of disaster risk reduction and reconstruction to the neighboring countries. In the process, we also focus on strengthening public-private partnerships.
Priority Area 3 (Medium Goal)	Strengthening Strategic Partnership for Cooperation
Program for Strengthening Cooperation with Private Sector	To promote the utilization of Japanese technology and know-how and the growth of local MSMEs in order for Türkiye to solve development issues and for both Türkiye and Japan to pursue the common interests.
Program for Triangular Cooperation	To contribute to the cooperation implemented by Türkiye to the neighboring countries through third country training and more strategic and complementary partnerships between the two countries, taking into account Türkiye's geographical advantages.
Priority Area 4 (Medium Goal)	Supporting Individuals and Their Host Community in Need
Program for Supporting Individuals and Their Host Community in Need	Recognizing the importance of support for Türkiye, which hosts the largest number of Syrians to stabilize the Middle East region, it is to aim to provide not only emergency humanitarian assistance, but also support for the self-reliance of displaced people and cooperation for their peaceful harmonization with the host communities. Necessary assistance will be considered in the context of the situation in Syria after the collapse of the previous regime. Furthermore, women, youth, people with disabilities and the elderly, who are often left behind in development, will be actively considered as a target for support.

*Of the three-tiered structure (major goals, medium goals, and sub-goals), the description of sub-goals (development issues) is omitted because they overlap with the “Cooperation Programs”.