

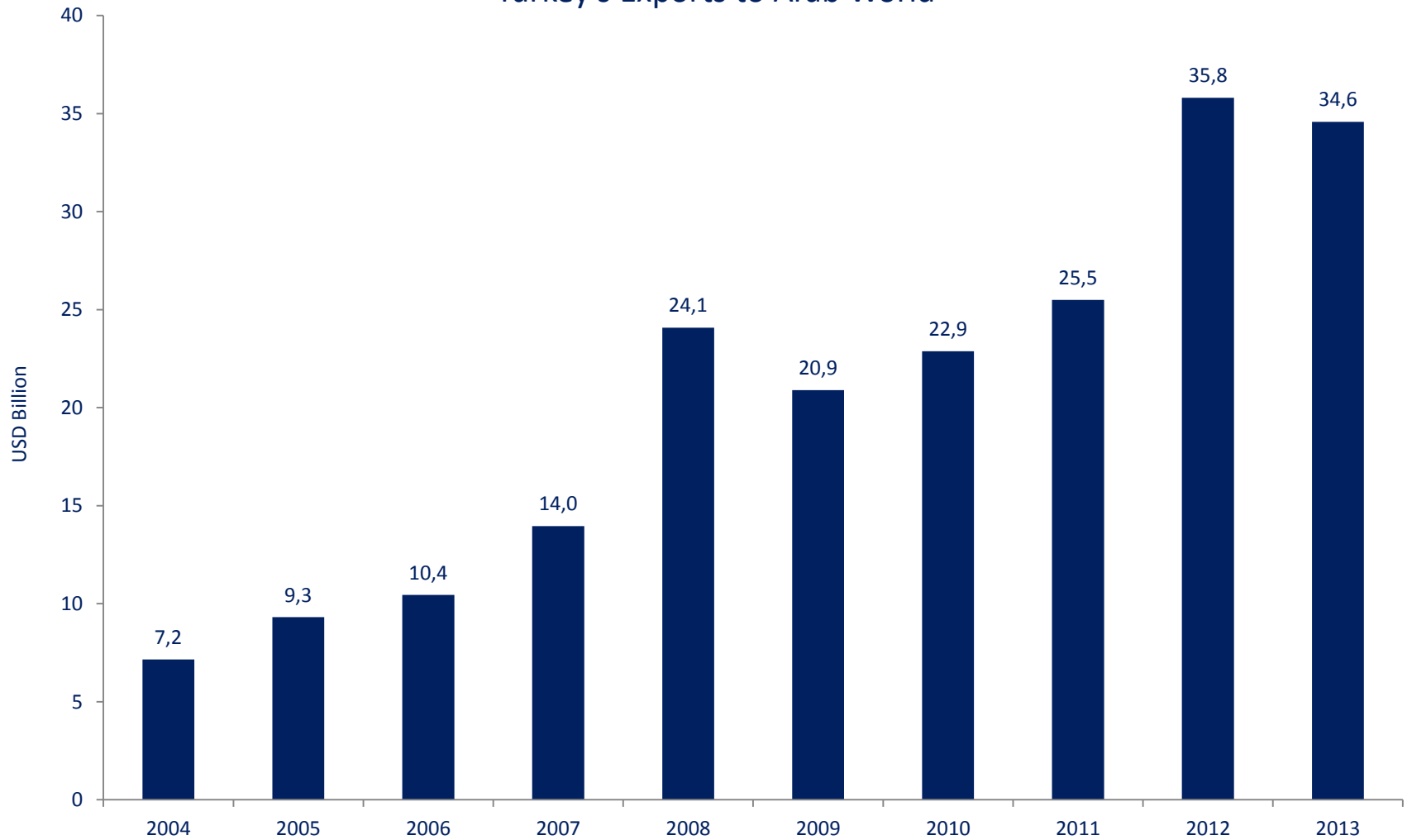
# Regional Trade Integration: Turkey and the Arab World

Mazen Soueid

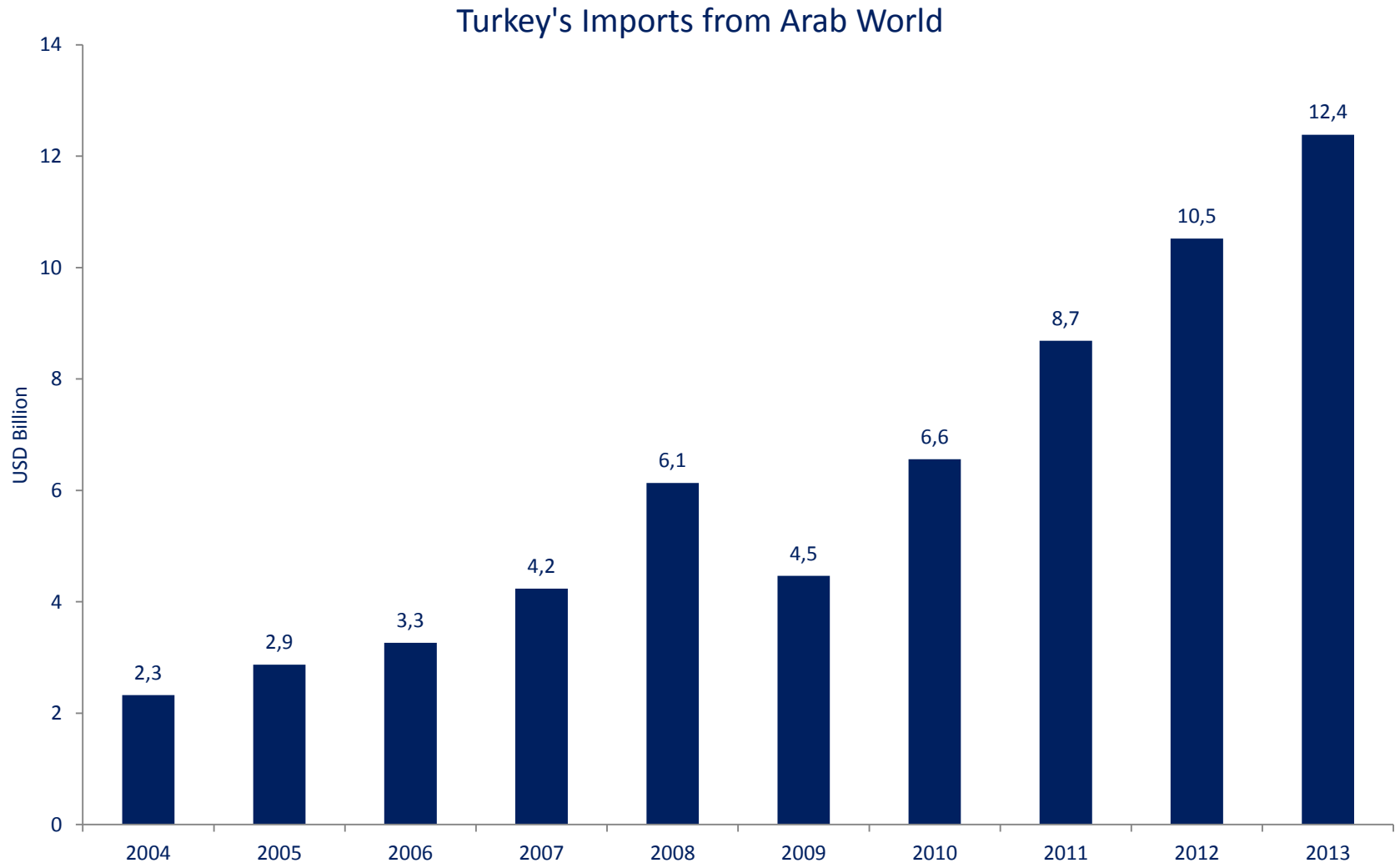
Chief Economist - BankMed

# Turkish-Arab Trade

Turkey's Exports to Arab World

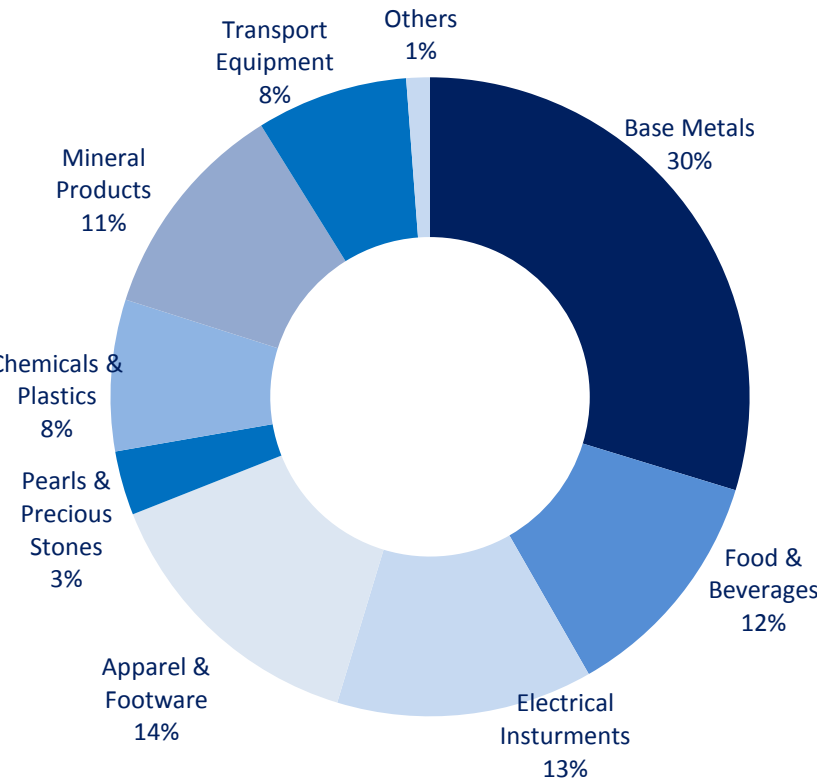


# Turkish-Arab Trade

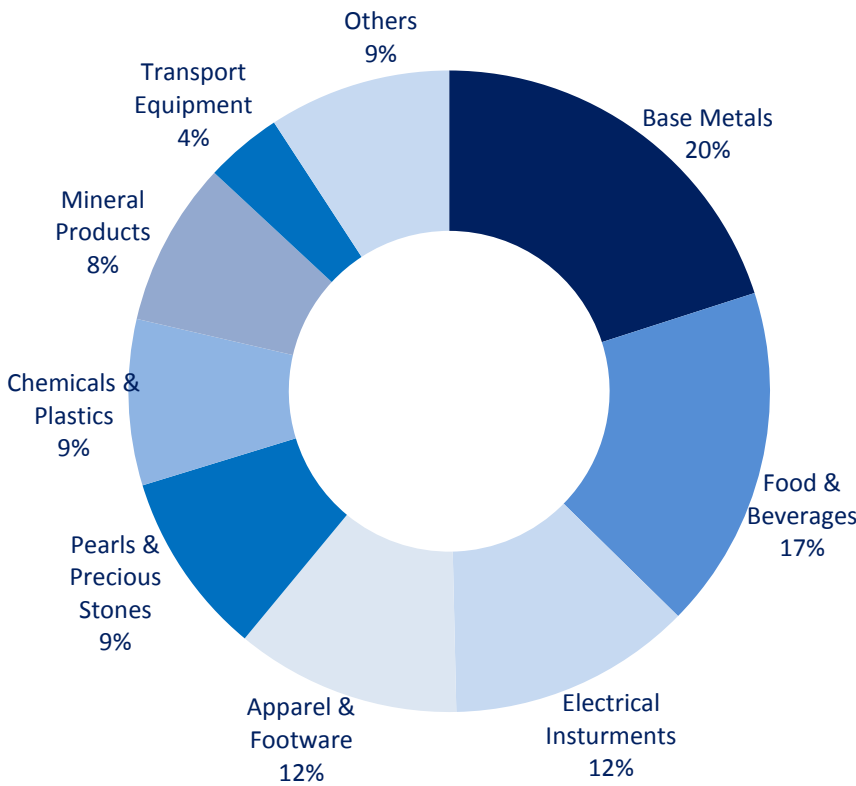


# Turkish-Arab Trade

Distribution of Turkey's Exports to Arab World by Category(2004)

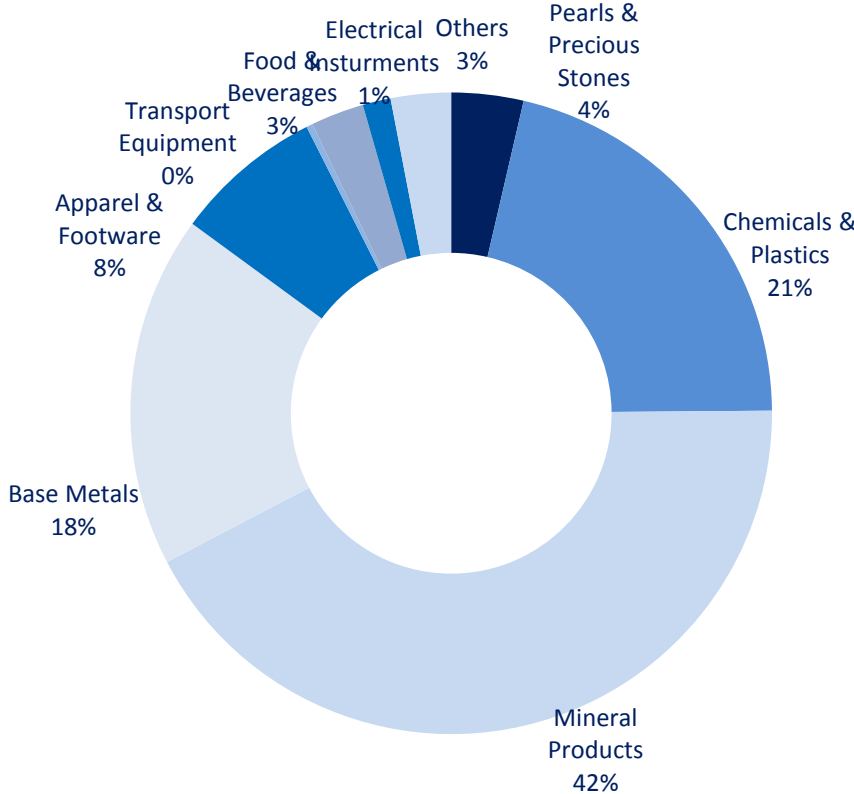


Distribution of Turkey's Exports to Arab World by Category (2013)

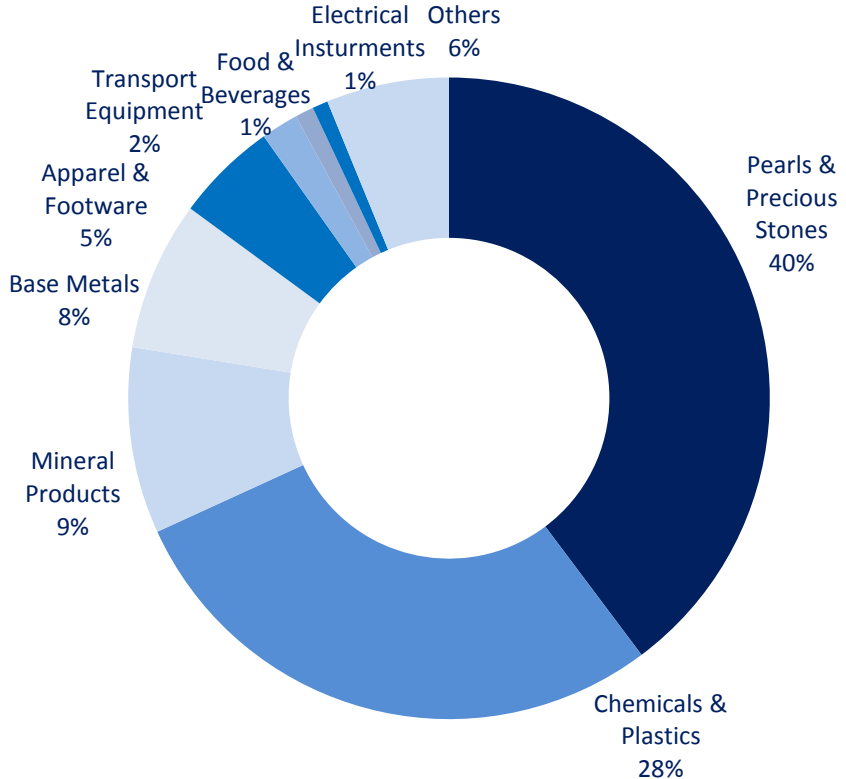


# Turkish-Arab Trade

Distribution of Turkey's Imports from Arab World by Category (2004)

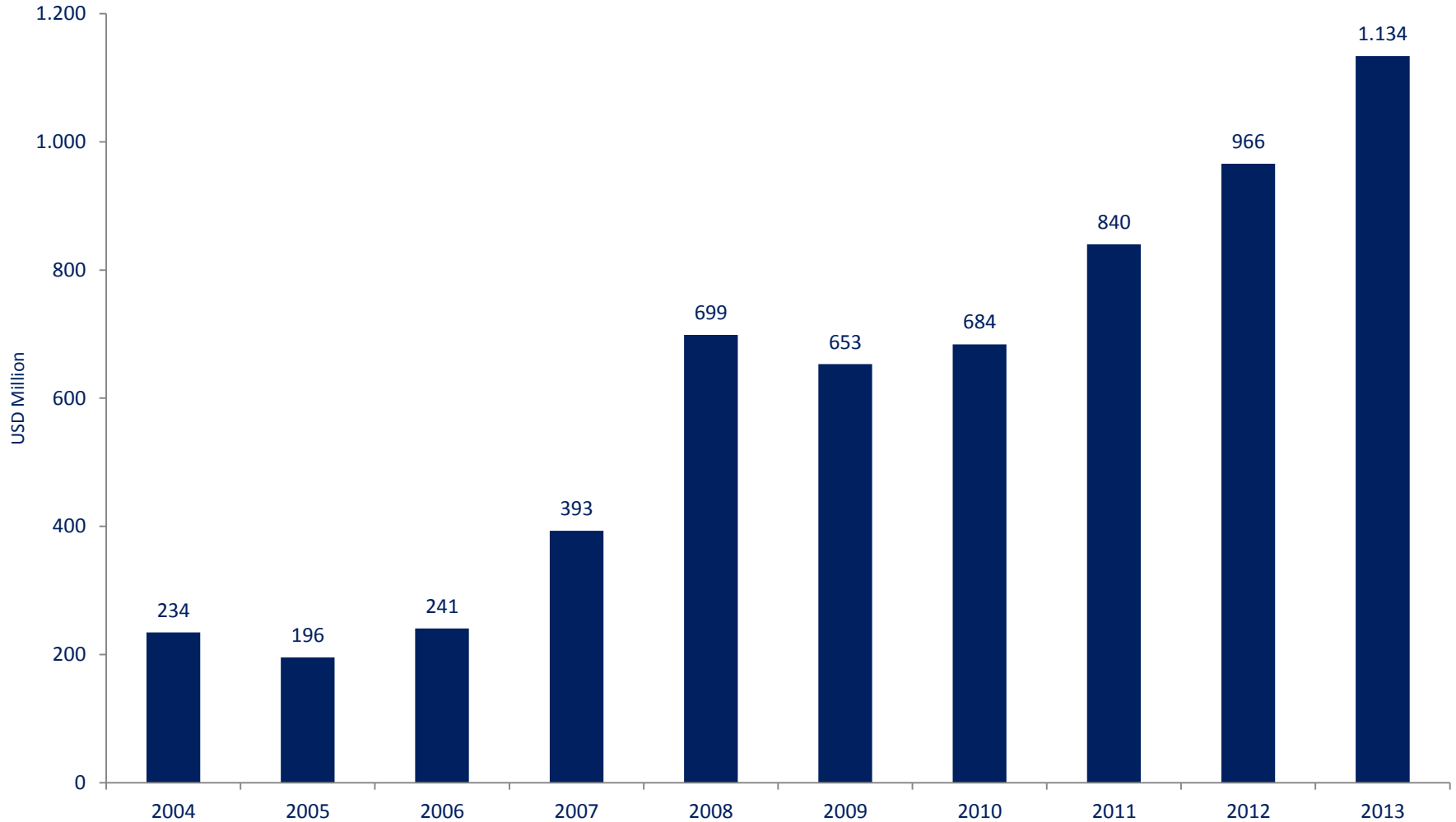


Distribution of Turkey's Imports from Arab World by Category (2013)



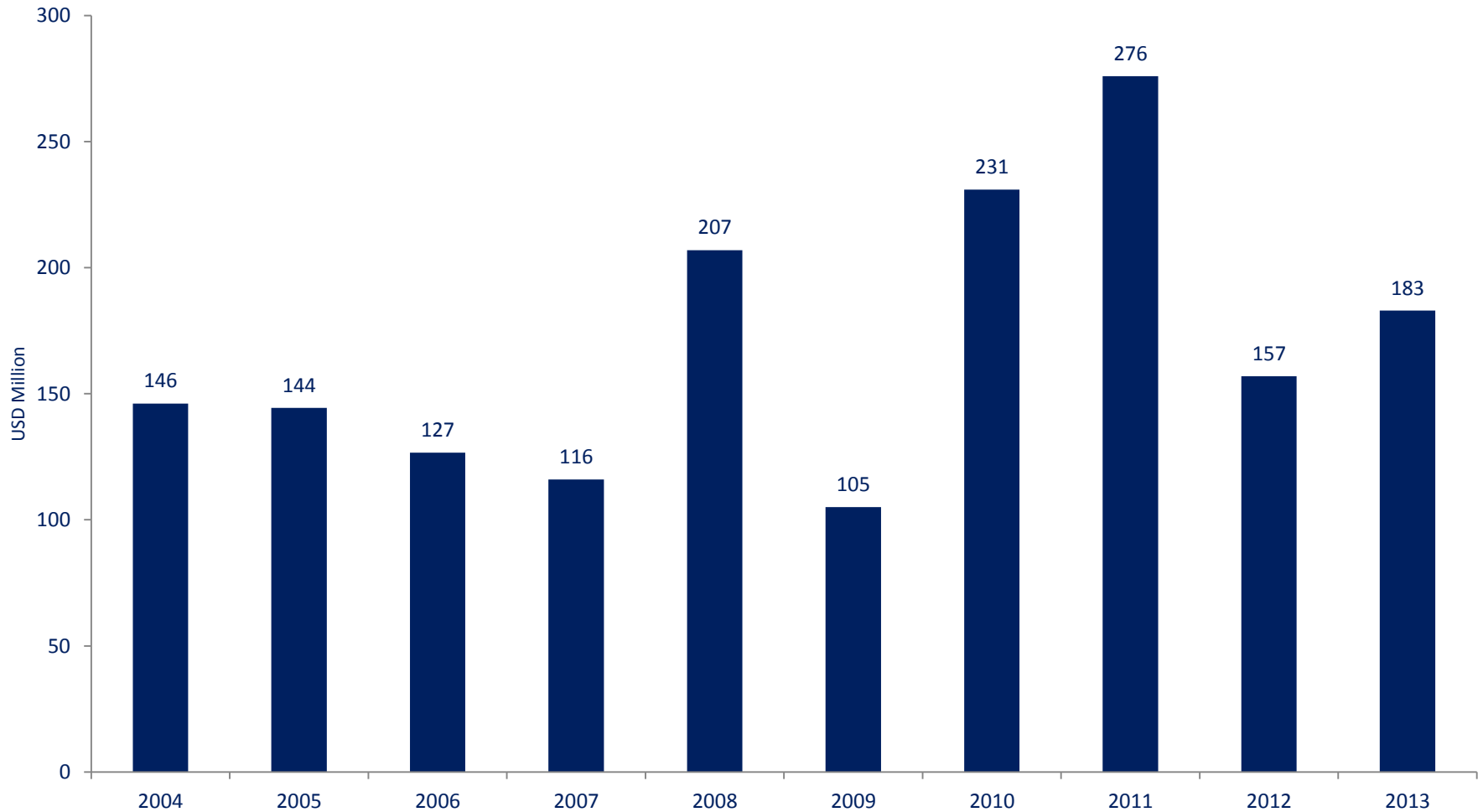
# Turkish-Lebanese Trade

Turkey's Exports to Lebanon



# Turkish-Lebanese Trade

Turkey's Imports from Lebanon



# Index of Economic Freedom 2013

The Index of Economic Freedom measures the degree of economic freedom and is divided into five categories: size of government, legal system & security of property rights, access to sound money, freedom to trade internationally, and the regulation of credit, labor & business.

Index of Economic Freedom 2013		
Country	World Rank /152	Score
Jordan	13	7.81
Lebanon	38	7.41
Turkey	68	7.06
Egypt	108	6.36



# Global Competitiveness Index 2013-2014

The Global Competitiveness Index attempts to quantify the impact of a number of key factors which contribute to create the conditions for competitiveness, with particular focus on the macroeconomic environment, the quality of the country's institutions, and the state of the country's technology and supporting infrastructure.

Global Competitiveness Index 2013-2014		
Country	World Ranking/148	Score
Turkey	44	4.45
Jordan	68	4.20
Lebanon	103	3.77
Egypt	118	3.63

# Global Competitiveness Index 2013-2014

## Quality of Overall Infrastructure

World Ranking/148	
Jordan	38
Turkey	49
Egypt	118
Lebanon	142

## Quality of Electricity Supply

World Ranking/148	
Jordan	38
Turkey	77
Egypt	107
Lebanon	148

# Network Readiness Index 2014

The Network Readiness Index reflects the factors driving the country's capacity to benefit from new information and communication technologies (ICT) in their competitiveness strategy and in the residents day-to-day activities.

The Networked Readiness Index 2014		
	Global Rank / 148	Score
Jordan	44	4.36
Turkey	51	4.3
Egypt	91	3.71
Lebanon	97	3.64

# ICT Development Index 2013

The ICT Development Index, published by International Telecommunication Union, is a composite index, which combines 11 indicators into one benchmark measure that monitors and compares developments in information and communication technology across countries.

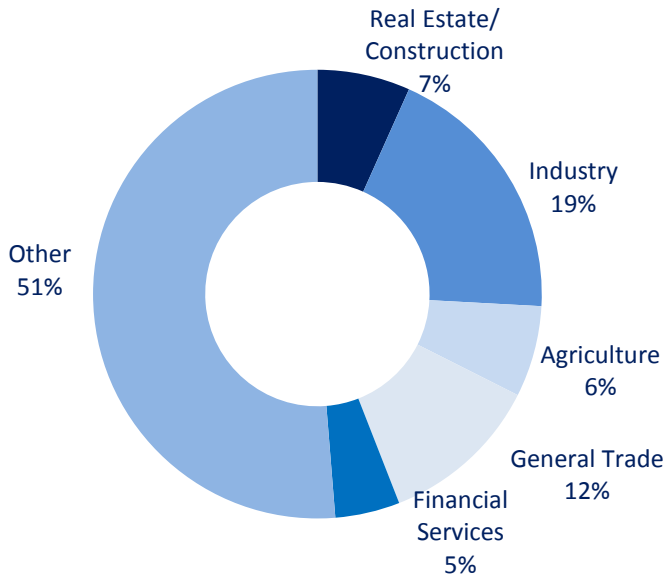
ICT Development Index 2013		
	Global Rank / 157	Score
Lebanon	52	5.37
Turkey	69	4.64
Jordan	76	4.22
Egypt	86	3.85

# Banking Sector Comparison

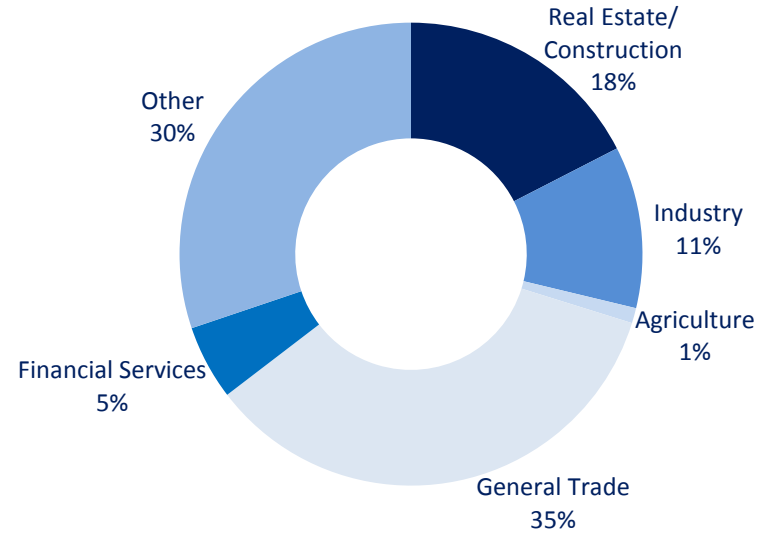
Year 2013	Banks Assets (% of GDP)	Banks Private Sector Loans (% of GDP)
Jordan	179%	79%
Lebanon	372%	94%
Turkey	93%	52%
Egypt	89%	29%

# Sectorial Distribution of Loans

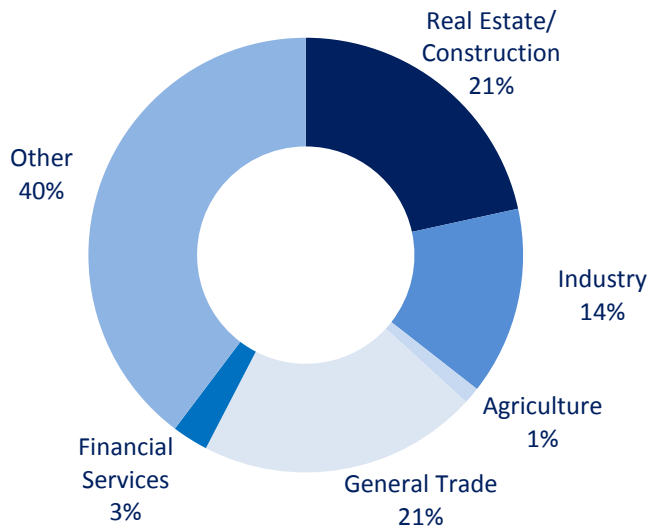
Turkey (December 2013)



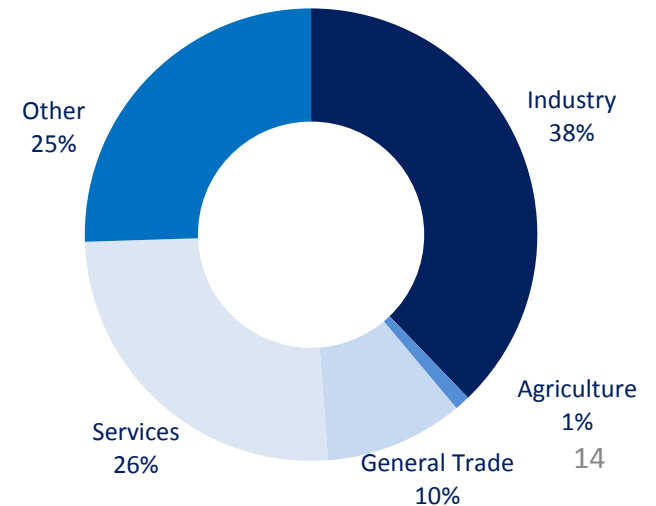
Lebanon (September 2013)



Jordan (December 2013)



Egypt (June 2013)



# Ease of Doing Business 2014

The Ease of Doing Business Index averages the country's percentile rankings on 10 categories in the World Bank's Doing Business Report. The ranking on each topic is the simple average of the percentile rankings on its component indicators.

Economy	Ease of Doing Business Rank	Starting a Business	Dealing with Construction Permits	Getting Electricity	Registering Property	Getting Credit	Protecting Investors	Paying Taxes	Trading Across Borders	Enforcing Contracts	Resolving Insolvency
Turkey	<b>69</b>	93	148	49	50	86	34	71	86	38	130
Lebanon	<b>111</b>	120	179	51	112	109	98	39	97	126	93
Jordan	<b>119</b>	117	111	41	104	170	170	35	57	133	113
Egypt	<b>128</b>	50	149	105	105	86	147	148	83	156	146

# Main Conclusions:

- Turkey trade with the Arab world has improved a lot over the last decade, but to the favor of Turkey in terms of higher trade surplus.
- The higher surplus reflects a more supportive business environment overall in Turkey and a more diversified economy.
- Enhancing trade does not require new trade agreements, but stronger efforts from Arab countries to reform, increase capacity and diversify their economies.
- Otherwise they will fail to reap the full benefits of trade.