

Switzerland-Türkiye: ***Complementary partnership*** in globally uncertain times

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At a glance

- economiesuisse took part in the Swiss-Turkish Joint Economic Commission in Istanbul with a Swiss business delegation.
- In an uncertain geopolitical environment, stable economic relations and the diversification of markets are becoming increasingly important.
- Türkiye is the 17th largest economy in the world and offers Swiss companies significant opportunities - despite high inflation and challenging conditions.

On May 8, 2026, *economiesuisse* and Swiss business representatives took part in the 12th Joint Economic Commission (JEC) between Switzerland and Türkiye in Istanbul. The meeting was chaired on the Swiss side by Ambassador Andrea Rauber Saxer, Head of Bilateral Economic Relations at SECO, and on the Turkish side by Hüsnü Dilemre, Director General of International Agreements and EU Affairs at the Turkish Ministry of Trade.

Broadening the basis of economic relations

The GWK took place in a challenging economic and geopolitical environment. Protectionist tendencies, regional conflicts and rising energy prices are increasing the pressure on open economies. This makes reliable partnerships all the more important. Türkiye is expanding its international relations with the Gulf states, the United Kingdom, Indonesia and Japan, among others. Diversification also remains key for Switzerland.

The 1992 free trade agreement between Türkiye and EFTA, which was modernized in 2021, forms an important basis for bilateral economic relations. It was the first free trade agreement concluded by Türkiye.

Strategic market with long-term potential

Türkiye is a market of great strategic importance for Swiss companies. The country is the 17th largest economy in the world and a G20 member. It combines a large domestic market with a location between Europe, Asia and the Middle East. This makes Türkiye an important regional production, trade and investment location.

In addition, Turkish companies have a strong position in the EPC (Engineering, Procurement and Construction) sector. After China, Türkiye is one of the world's most important countries of origin for internationally active companies. This underlines the country's important role in major infrastructure projects.

Further opportunities for Swiss companies exist in particular in digitalization, healthcare, financial services and regional trade. Around 350 Swiss companies are currently active in Türkiye, including Roche, Nestlé, Geberit, Weidmann, ABB, Mettler Toledo and Ammann. In 2024, Switzerland was the sixth-largest

foreign investor in Türkiye. Swiss companies were responsible for around 20,000 jobs in the country.

Opportunities despite structural challenges

Despite this potential, the general conditions remain challenging. High inflation makes long-term planning security difficult. In addition, Türkiye continues to have a low rate of foreign direct investment and investment in research and development also remains limited. This is reflected in relatively low exports of high-value goods. The Turkish government has recognized these challenges. President Erdoğan recently announced a comprehensive investment incentive program .

Further hurdles exist in terms of regulatory transparency, approval processes and non-tariff trade barriers. Simplified customs procedures and greater alignment with international standards could give an additional boost to economic relations.</p></div>

Constructive dialog in the pharmaceutical sector

A particular focus at the GWK was on the pharmaceutical sector. Swiss companies are suffering from a challenging Turkish pricing policy, particularly due to an outdated exchange rate mechanism for drug prices. This makes sustainable market conditions for innovative medicines more difficult.</p></div>

It is therefore positive that the Turkish side assured the GWK that it would actively tackle the problem with the involvement of all relevant stakeholders. The aim is a constructive dialog on price mechanisms in order to strengthen security of supply in the medical sector in Türkiye in the long term.</p></div>

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