


Economic Relations Between Türkiye and Somalia: Prospects and Challenges

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Abstract

Somalia occupied a secondary status in Turkish foreign policy until recently. However, the popular 2011 Erdogan visit to Mogadishu and the following wide aid campaign marked a turning point in Türkiye's Somalia policy. This study explores the evolution of Turkish-Somali relations and focuses mostly on Türkiye's economic engagements in Somalia. The paper seeks to analyze the Turkish policy shift from aid-oriented to economic-centered relations with Somalia. It evaluates Turkish Foreign Direct Investments in Somalia and analyzes its impact on Somalia's economy.

The paper concludes that Türkiye's economic engagements in Somalia are laid on strong foundations of mutual interests, and therefore it is expected to be constant and booming. On the other hand, the Turkish business and investment communities face three main challenges in their business endeavors, namely, security, political instability and business policies and legal challenges. The study recommends these challenges to be mitigated and resolved immediately and accordingly in order to strengthen this relationship into a strategic partnership and mutual interdependency level.

Keywords: Türkiye, Somalia, economic relations, foreign direct investment.

1. Introduction

The relationship between Somalia and Türkiye dates back to the 16th century when the Ottoman Empire was engaged with the Muslim Somali states in the Horn of Africa. The main aim of that relation seemed purely based on security and economic interest. During these times, Ottomans incorporated the country's most important port cities, Zeila and Berbera (Akalin, 2014: 17) and cooperated with Adal Sultanate in its fight against the Aksum Empire of modern Ethiopia (Lewis, 2002: 129).

However, Türkiye's relations with Somalia declined with the collapse of the Ottoman Empire and the establishment of the Republic of Türkiye in 1923. The newly established Republic of Turkey's pursuit of a western-oriented foreign policy (Tepecikoğlu, 2012: 62) and the partition of Somalia by the colonial powers were some of the reasons that changed the relationship. At the time, there was probably nothing that both states could have offered each other.

Later in the 1960s, Türkiye foreign policy started to engage with African states and pursued an open policy towards the African continent, thus, paved the way for Somalia-Türkiye relations to resume. Somalia opened its embassy in Ankara in 1976, whereas Türkiye also established its embassy in Mogadishu only after three years in 1979. Yet, this relationship did not last long as Somalia state collapsed in 1991 and the country went into a harsh civil war.

Türkiye's foreign policy has been going under transformation since the rise of the AK Party (Justice and Development Party) in the early 2000s. AK Party pursued an open foreign policy towards Africa and underlined that Africa is crucial for Türkiye in terms of diplomacy, foreign policy, economy etc. The Africa Action Plan of 1998, the declaration of 2005 as the 'year of Africa' articulated Türkiye's interest in the continent. The popular visit of the then Türkiye prime minister Recep Tayyip Erdogan to

Somalia in 2011 was a breakthrough in the relations between the two countries. Following that visit, Türkiye has been labeled as an active actor and partner in Somalia.

This paper explores Türkiye-Somalia relations and concentrates on Türkiye's economic engagement in Somalia. It also seeks to analyze recent Turkish foreign direct investments (FDI) in Somalia. The opportunities and challenges surrounding this economic relation are also examined. It also seeks to discover the factors that contribute to the consistency of trade relations. It seeks to find an answer for Turkish economic interests in Somalia and the future of the relationship between the two states.

The study used the interview method to collect relevant information from different institutions and relevant officers, including the ministry of commerce and industries, the ministry of planning, investment and economic development, the investment promotion office, Mogadishu port managers and the Turkish business community in Somalia. Interviews were conducted between April and July 2022. Relevant information from the interviewed officers is presented in a relevant place throughout the paper.

2. Background of Türkiye-Somalia Relations

As stated in the introduction section, modern Türkiye's relationship with Somalia started in the mid-1970s due to the open policy pursued in Türkiye's foreign policy. This relationship did not last long as Somalia state collapsed in 1991. There were international efforts to stabilize Somalia in the early stages of the Somali conflict. Türkiye, as a NATO member, joined the peace stabilization efforts led by the United Nations in 1992 (Sönmezoğlu, 2016: 740). It contributed around 900 forces to UN-led UNOSOM I and II missions in Somalia (Koçer, 2006: 57). On the other hand, Turkish humanitarian aid agencies contributed to the international humanitarian efforts in the country to alleviate the crisis

since the early 1990s. Trade relations between the two countries have been under scratch in recent years.

Along with Türkiye's Africa Action Plan of 1998 and Year of Africa in 2005, Türkiye was granted an observer seat in the African Union (AU) in 2005. The first time Türkiye and Somalia held bilateral official talks was in 2007 when Somalia president Abdullah Yusuf Ahmed met with then Türkiye's prime minister Recep Tayyip Erdogan at the sidelines of the AU meeting in Addis Ababa (Siradag, 2017: 93).

On August 2011, the then Turkish Prime Minister Erdogan visited Mogadishu amid severe drought and famine in the country. Thus, making Erdogan the first highest non-African leader to visit Somalia in two decades (Shinn, 2016). The main objective of the visit was considered to draw the world attention to famine-hit Somalia and to contribute to alleviating that humanitarian crisis. This visit marks a turning point in Türkiye's relations with Somalia. The following reopening of Türkiye's Mogadishu embassy in November 2011, hosting the Istanbul Somalia Conference in May 2012 and spearheading the OIC's aid projects to Somalia were among the initiatives Türkiye has taken to materialize its relation with Somalia.

Türkiye's engagement in Somalia started with a wide humanitarian aid campaign in 2011. The effectiveness of the aid campaign and the wide public support achieved have created a positive image of Türkiye. Türkiye's engagement in Somalia has been motivated by economic, political and security interests (Yukleyen and Zulkarnain, 2015: 102) though humanitarian and development aid has played a crucial role in strengthening such relations.

Aid has played a significant role in Türkiye's Somalia policy. Türkiye's Somalia policy would never have been successful without the wide 2011

aid campaign. Somalia experienced Türkiye's largest ever humanitarian aid campaign overseas and was flooded with millions of dollars in aid (Dahir, 2018: 43). In 2013, Türkiye's aid to Somalia has surpassed the overall aid provided by Türkiye to the Sub-Saharan African countries (Türkiye MFA, 2016). According to TİKA's Annual Development Assistance Reports, Türkiye provided 805 million dollars to Somalia through TİKA and other Turkish Non-governmental organizations (NGOs) from 2011 to 2017.

Since the beginning, Türkiye intended to deal with Somalia not on a donor beneficiary basis, but as mutual win-win relations with reciprocal economic and political interests. Such policy perceptions from the Turkish side and the wide public acceptance from the Somali side have speeded strengthening the relations on sustainable foundations. The following section will describe the economic relations between the two states and how it grew up throughout the time.

3. Türkiye's Economic Engagements In Somalia

Türkiye preaches its engagement in Africa is all about the 'economy'. Türkiye looks at the continent from an economic perspective and has seen it as a potential investment for the Turkish economy (Bayram, 2014: 265). In his book *Horizons of Turkish Foreign Policy in the New Century*, former Turkish president Abdullah Gül stated that Turkish foreign policy does not and should not overlook the continent, given that it is the next destination for international investments. Former Prime Minister of Türkiye Ahmet Davutoğlu went far and narrated that Africa will be a central economic and political power at the end of the 21st century (Davutoğlu, 2001:185). Türkiye established its relations with Africa on such basis and policy conceptions, and that expresses exactly how Türkiye's policy towards Africa is visioned.

The economic and trade relation between Türkiye and Somalia has been at a low level since the 2000s. Despite the fact that this relationship has been continuing, but it has grown tremendously since 2011. Soon after, "Türkiye positioned itself as a key humanitarian actor, other interests [including economic interests] came into play" (Wasuge, 2016: 15). Türkiye seemed to have the intention of investing in the long-term of its economic relations with Somalia (Abdulle, 2019: 467). Moreover, Türkiye moved from being an economic footnote in Somalia to its fifth-biggest source of imports within the six years spanning 2011-2017 (Rossiter and Cannon, 2018: 5). Furthermore, Somalia was [earlier] considered "in the close radar" of Türkiye, not only in politics but also in terms of trade, economy, and culture (DEİK, 2017).

Somalia's economy has been transforming from the wrecked condition since the collapse of the central government in the 1990s. Despite all the odds in the country, the private sector proved the possibility of economic development without a state. Somalia's economy performed more effectively and more efficiently during the civil war than the pre-anarchy period, and the private sector has proved to be a relatively effective provider of key social services (Leeson, 2007: 692).

Somalia's Gross Domestic Product (GDP) is estimated 7.3 billion USD, GDP per capita is 500 dollars, and the expected economic growth rate in 2021 was 3.3% (The World Bank, 2022). Livestock trade is the main economic activity in the country, and it accounts for 40% of the GDP and 65% of the exports (Leeson, 2007: 691). Furthermore, according to The Global Economy (2018), Foreign Direct Investment (FDI) composes 5.21% of the total GDP. Almost 70% of the economic growth is generated in urban areas (Hassan, Mohamed, & Isak, 2018: 112). Additionally, the effectively functioning private sector and assistance from the diaspora contributed efficiently to the economic growth in the country (Webersik, Hansen, & Egal, 2018: 22).

The role of FDI, remittances from the Somali diaspora, and the informal trade with neighboring countries are also critical factors in the Somali economy. The FDI in Somalia has recently been increasing as the country's political and security situations are heaving to be stable. The economic and financial reforms in recent years may have also contributed to the course. According to the Global Somalia Diaspora (2019), the country receives about 1.3 billion dollars annually from the diaspora all around the world. In 2014, remittances from the Somali diaspora accounted for 35% of the total GDP (UNOCHA, 2014).

Based on the economic figures listed in the above paragraph, it is easier to recognize how important is the FDI flow to a country which suffered the absence of the role of the state in the economy. The status of the country's economy, i.e. lack of economic infrastructure, lack of industries, and informal businesses has sparked a negative trade balance in the country. Somalia's exports are mainly agriculture, livestock and fishery related products. Moreover, it imports almost everything from far countries such as China, Gulf States, and some African states. Table 3.1 shows Somalia's exports, imports and trade balance.

As seen in the table, Somalia's economy has a negative trade balance which signals the need for sustainable economic partners. Among the top exporters to Somalia is United Arab Emirates (UAE), Ethiopia, India and China (CBS, 2019). Türkiye occupied a footnote position in Somalia's economy earlier than 2011 but has recently been strengthening its position with considerably increased exports to Somalia. Within a short period of time, Türkiye has been seen investing in several sectors of education, health, infrastructure, and security.

Somalia's imports from Türkiye have recently increased tremendously. Türkiye became the 6th exporter to Somalia in the very same year (2011) due to its open-door policy to Somalia. Türkiye's share in Somalia's

imports has been steadily increasing from 2% in 2011 to 7.1% in 2019 (CBS, 2019).

*Table 1:
Somalia Exports, Imports & Trade Balance (1000 USD).*

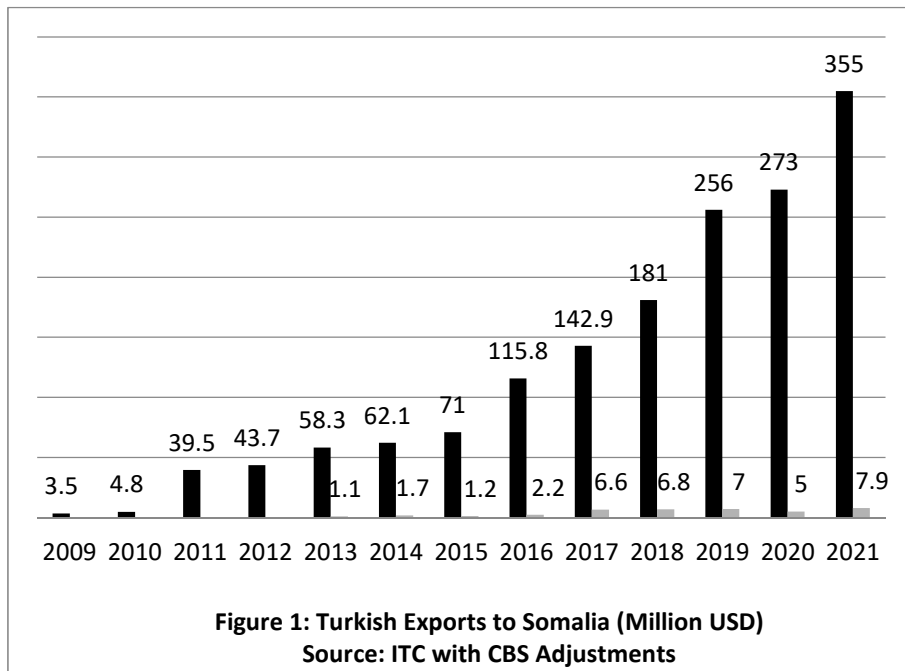
Year	Exports	Imports	Trade Balance
2009	190,680	813,326	-622,646
2010	293,906	919,051	-625,145
2011	398,884	1,196,865	-797,981
2012	505,113	2,169,853	-1,664,740
2013	644,924	2,521,830	-1,876,906
2014	643,785	2,349,488	-1,705,703
2015	691,623	2,512,531	-1,820,908
2016	628,311	2,732,660	-2,104,349
2017	389,384	3,334,273	-2,944,889
2018	481,200	3,470,768	-2,989,568
2019	41,000	4,207,000	-3,791,000
2020	296,000	4,236,000	-3,940,000
2021	165,000	3,172,000	-3,007,000

Source: International Trade Center (ITC); World Bank Database and Turki Statistical Institute (TÜİK)

Figure 1 presents Türkiye's exports to and imports from Somalia. As shown in the figure, Türkiye's exports to Somalia have been increasing from time to time and hit a percentage increase of above 7000% within ten years. It is worth noting that the goodwill and the positive public

image that Türkiye received from its wide humanitarian aid campaign have impacted the trade flow between the two states. A comparative study conducted earlier showed that Turkish aid flow to Somalia had a positive relationship with its exports (Abdulle & Gurpinar, 2019: 55).

The collapse of the central government of Somalia in 1991 disturbed all features of the state apparatus and destroyed government institutions and buildings. This has created a lack of infrastructure and non-industrialization of the economy. Turkish business community has in their entry policy, perhaps have seen this as an investment opportunity to be involved in state building and, of course, revenue generation. The choice of a Turkish-owned business to invest in the country's biggest airport and



port in Mogadishu hints at the strategy Türkiye has been pursuing in its economic engagements.

Turkish businesses have spread throughout the country. The trade-related agreements between the two countries have created unforeseen

opportunities for Turkish companies that operate in Somalia. For the first five years of its engagement since 2011, the two countries have signed or were in the process of signing at least 15 bilateral agreements (Wasuge, 2016). Turkish investments have fueled growth and buoyed the appetite for private investment (SOMINVEST, 2020).

“The major Turkish investments in the country are focused in the sectors of education, health, construction, real state and financial sectors” notes Mohamed Dubo, Director of Somalia Investment Promotion Office. This clearly denotes how Turkish business communities are targeting the key economic sectors of Somalia. Additionally, the Central Bank of Somalia (CBS), on the 2nd of July, 2022, approved a banking license for Turkey's Ziraat Katilim bank after “fulfilling all licensing requirements of CBS”. This approval “allows the bank to establish and operate branches in Somalia” (CBS, 2022), and allows the Turkish business community to deeply keep involved in Somalia's financial and economic streamlines. The CBS noted that this “will add value to the development of Somalia’s financial sector and contribute to the growth of our economy (CBS, 2022). The bank is expected to contribute to Somalia's bid to rebuild its economy after decades of civil war (Blomberg, 2022). Furthermore, this bank is expected to ease the way Somalia does business with the external world as it suffers from poor financial institutions and infrastructure. “Opening a new international bank, like Ziraat Katilim, could assist Somalis, particularly business communities who send and receive money from abroad. It makes the country's contact with international markets easier and makes Somalia's financial industry more transparent.” noted Omar Jimale, an investment advisor at the Somalia Investment Promotion Office.¹

4. Türkiye’s Economic Interests in Somalia

Economic growth is favorably impacted by export expansion to foreign markets (Beckerman, 1997: 65). Additionally, it is argued that trade openness has positive effects on economic growth (Yucel, 2009: 37).

Based on these conclusions, it is easier to underline that the growth Türkiye's economy has been making for the last two decades created the need to find new export markets. Thus, Africa has been generally considered a favorable destination for Turkish exporters and investors. In East Africa, Somalia strategically represented the best market for its exports due to the economy which was underdeveloped and non-industrialized. The general fact that Tepeciklioglu (2017) argued about Türkiye's economic interests in Africa applies to Turkish interests in Somalia. She argued that Turkish exporters, in their search for alternative export markets, are considering Africa to have the potential to meet their economic interests.

The economy played an equally important role in Türkiye's developing relationship with Somalia (Cannon, 2019: 33). Yet, it cannot be ignored that the regional power rivalry between Türkiye and Gulf states in the Horn of Africa has also been critical, in some way, in Türkiye's Somalia economic policies. Additionally, Türkiye's ambition to re-orient itself in global politics is one of the factors that drive its substantial engagement in Africa (Ozkan 2012: 117) Türkiye, in its huge economic investments in Somalia, formulated its policy to compete with the rival regional powers like the UAE and Saudi Arabia. The overtaking of Mogadishu airport by a Turkish company from UAE-based SKA company in 2013 hints about the kind of soft power and economic influence competition between Türkiye and the Gulf states.

Somalia has untapped natural resources and is believed to contain considerably unexploited reserves of oil. Estimates suggest that Somalia's offshore oil and gas fields could contain 110 billion barrels. Seismic surveys conducted by Soma Oil and Gas and Spectrum Geo suggest that Somalia has promising oil reserves along the Indian Ocean coast, of which total offshore deposits could be as high as 100 billion barrels (VOA, 2019). These reserves of natural resources have been an increasingly important factor for countries interested in strategic

economic relations with Somalia. Türkiye is not exceptional from the list. It is also argued that Türkiye is considered among the foreign actors which intend to utilize African energy resources (Ozkan, 2012: 119). In 2012, Genel Energy International, which is jointly owned by Turkish and British businessmen, was awarded an onshore oil and coal exploration license in Somaliland (Şeker, 2017).

Accordingly, Türkiye might be interested in Somalia's non-processed natural resources. This may currently seem as a shallow idea due to Türkiye's humanitarian aid championship in Somalia. Yet, the economy is considered, even by Turkish officials, central to Türkiye policy in Somalia. From there, it can be emphasized that Türkiye is strategically interested in Somalia's natural gas and oil reserves in the future.

Türkiye's economic engagement in Somalia is motivated by *three* main interests. *Firstly*, finding an expanded export market for Turkish products is considered one of the main foreign policy objectives of Türkiye. *Secondly*, as Türkiye is now considered the 19th largest economy in the world (WordData, 2022), it utilizes its relations with Somalia to orient itself as a regional economic power. This is reflected by its sustained focus on expanding its trade ties with Somalia. *Lastly*, the future utilization of Somalia's untapped natural resources. Turkish interests are considered matching with Somalia's both short- and long-term economic ambitions. This compatibility is what makes their bilateral economic relations to be laid on strong foundations.

5. What Should Somalia Focus on in this Relation?

Turkish FDI in Somalia does not only contribute to economic growth but also creates new job opportunities. According to Nor and Masron (2018), Türkiye's investments in Somalia are expected to create new jobs, bring new technologies to the country, teach new skills to the domestic workers, enrich the private sector, develop the economic

infrastructure of the country and provide adequate corporate social responsibility. Furthermore, they revealed that Turkish FDI in Somalia possibly would lead to conflict reduction and peace building. Somali government's recent economic reforms are considerably aimed at creating an environment which supports and attracts foreign investments.

Somalia has been under anarchy for nearly two decades. The collapse of the central government in 1991 caused the devastation of the state apparatus. The state collapse has also created a haphazard situation of an unbalanced market in which the economy is almost dependent on products/services imported from abroad. This unbalanced economy created shortages in necessary products and services, and the Somali government's weak institutions are still unable to balance this economic haphazardness. Additionally, the non-industrialized economy of the country, the shortage of the necessary goods/products has created the need for giant investors to cover the shortage in the markets. This is where Türkiye's role comes into play. Somalia is currently in need of investors who are able to meet these deficits in the short and long term. Şeker (2017) argues that Turkish capital investments in Somalia create value for Somalia's economy in the long run.

Failed economies never recover easily. Somalia's economy is currently in need of quick recovery to synchronize with the political and security developments. The economic growth and openness that countries in East Africa are experiencing require in turn Somalia as well to recover. Foreign investments and domestic entrepreneurship seem the best way for Somalia to grow its economy. Somalia's bid to join East Africa Community (EAC) adds to the course. Recently, as Somalia's President formally requested the EAC to consider the country's application to be the eighth partner. However, local economic reforms and international interventions from the IMF and the World Bank might also play a crucial role. In this case, Türkiye

has a lot of know-how to contribute to the process of recovering Somalia's economy. If the Somali government intends to learn from the Turkish experience, it would be an opportunity of transferring know-how, industrialize and restructure its economy.

Somalia's exports are dominated by livestock. It accounts for 61% of the total exports with an annual monetary value of 406 million US dollars in 2019 (CBS, 2019). Most of Somalia's exports go to countries other than Türkiye. Additionally, it maintains a negative trade balance with Türkiye. Somalia's top exported products, such as agricultural products, live animals and fish also come at the top of Türkiye's imports (ITC Trademap, 2019). This creates an opportunity for Somalia to grow its exports to Türkiye in the medium and long terms. Thus, increasing the exports to Türkiye might be an incredible interest to the country's economy.

Along with this background, Somalia should focus on key strategic issues in its economic relation with Türkiye. *First*, to attract more Turkish investments. *Second*, to cover the goods/service shortage in the local market from the Turkish economy. *Third*, to get an export market for Somali products in the Türkiye market. *Fourth*, as Somalia endeavors to industrialize its economy, it should focus on importing the necessary know-how for economic industrialization from Türkiye.

Furthermore, the political and economic strategic priorities of Somalia and the domestic circumstances are in favor of these interests. Thus, Somalia should utilize these interests and catch the opportunity at the gate. If these interests are achieved, it will move the economic relationship between the two states to the next level, a strategic economic partnership.

6. Challenges Facing Türkiye's Investments in Somalia

The most notable Turkish firms that currently have investments in Somalia include Favori LLC and Albayrak group which handle the management of Aden Abdulle International Airport and Mogadishu Port respectively. *“Turkish businesses are investing in every sector, from construction to education and health sector”* says Abdi Guled, an official from the Ministry of Commerce and Industries of Somalia, *“They’re doing a very much needed job for Somalia economy.”*²

There are several challenges facing Türkiye's investments in Somalia, which can be determined as follows:

Security Challenges

Security remains the principal challenge facing Turkish businesses in Somalia. *“As the security is not stable, it affects the movements of foreign businessmen/investors in the country.”*³ Al-Shabaab remains the biggest security threat in the country and has previously threatened and attacked Turkish targets in the country, including businessmen and engineers (AA, 2020).

Al-Shabaab attacked the building of the Turkish embassy in Mogadishu in July 2013. An investigation by the Voice of America's Somali Service journalist also revealed that Turkish Airlines and the Turkish military training camp were the intended targets for attempting to blow up the Daallo Airlines in 2016 and the deadly 14 October 2017 Mogadishu Attack respectively (Maruf, 2017). Turkish businessmen and engineers have been killed in Somalia on different occasions (BBC, 2020; Aljazeera, 2021). These incidents have restricted the movements of Turkish businessmen in the country and negatively affected their ambitions of doing business in Somalia.

Political Instability

Somalia is a fragile state which suffers from weak public institutions where the government is not yet able to fulfill its strategic goals solely without international partnerships. Somalia's 9th National Development Plan (NDP-9) recognized political stabilization, rebuilding state institutions, improving economic resilience, and reducing poverty as the key priorities for the country. This led to increased trade and FDI flow in Somalia.

Türkiye's economic engagements in Somalia are mainly driven by the Turkish state's priorities and governed by its policies. So, political challenges and the level of understanding between the two states might affect trade relations at any period of time. A manager of a Turkish company in Mogadishu argued that "Somali politics affect business and trade flow from Türkiye."⁴ Bureaucracy in the Somali government is not well institutionalized, and "this causes delays in the formal processes of each business activity action" added the official. This argument is verified by the director of the Somalia Investment Promotion Office who stated that "due to bureaucratic issues, bilateral trade and investments agreements are not yet passed by the parliament."⁵

Business Policies and Legal Challenges

Somalia preserves an informal economy which is based mainly on livestock and remittance transfer companies (DEİK, 2018). In regulating procedures, legal and judicial institutions are not strong enough to deal with emerging business complexities. Businesses in Somalia work under tough haphazard conditions, weak government regulations and a weak formalized tax system. For the past few years, Somalia has consistently been ranked position 189 out of 189 in the 'Ease of Doing Business' world rankings as produced by the World Bank and published in its annual flagship report. The ease of doing business score indicates an

economy's position in the best regulatory practices compared to other economies in the world while being benchmarked using identical parameters (The Somalia Investor, 2020). In 2020, Somalia was listed as the lowest country in the Ease of Doing Business rank (World Bank Group, 2020), which shows the level a country can suffer from weak regulations and legalities.

Av. Ali Sheikh Aden, a Somali lawyer, argued that “Somalia has no laws and regulations specifically designed for business and commercial issues to deal with foreign investors.”⁶ The roles of the CBS, Ministry of Commerce and Industries, The Somali Chamber of Commerce and Somalia Investment Promotion Office are basically intermingled.⁷ Henceforth, such weakness in formal legal institutions and procedures will ultimately lead to misunderstandings with foreign investors. Av. Ismail Omar, a legal advisor for one of the Turkish companies in Mogadishu, stressed that “Turkish companies suffer from high informality when they are dealing with government institutions; in addition, burdensome bureaucracy discourages them.”⁸

7. Conclusion

Türkiye has shown a commitment to its Somalia policy. Its economic relation with Somalia has been stipulated by its humanitarian and development aid efforts. Since 2011, Türkiye has been actively involved in Somalia's economic and political arena. It has strived to increase its trade and investments in Somalia. Moreover, the trade volume between the two countries has been increasing tremendously. Exports from Türkiye to Somalia have increased in the record from 3.5 to 273 million US dollars within ten years from 2011-2021. This marks the significance of the economy in these bilateral relations. Economically, Türkiye's products have wide acceptance among Somali consumers. Somali business community leans to Türkiye as an export destination instead of the traditional exporters (Obsiye, 2019). Turkish investments are widely seen in the

construction, health, education, finance and service sectors. Plans and agendas to widen investments in financial services are in place, and this will create a breakthrough in Somalia's finance sector.

This study concludes that Somalia represents an important export market for Türkiye. Thus, the shape of the future economic relationship should be built upon the potential of the Somali market. The Somali side should use this potential in its favor to develop cooperation mechanisms and better future prospects. The current challenges faced by Turkish business communities in Somalia are described as security, political instability, and legal challenges. This triangle of challenges should be mitigated and resolved in order to look forward to further bilateral mutual economic engagements. The Turkish side has shown commitment and interest in its policy. In return, Somalia has lots of expectations from its Türkiye economic relations, but the dynamic political and security developments in the country require very cautious planning of the kind of partnership required to move to the strategic cooperation level.

The growing economic relations, together with the security partnership, and the expectations from the fruits of the last decade's efforts will necessitate moving the current cooperative relationship to a new level of strategic partnership. Turkey's economic-focused foreign policy towards Africa will, and should, never overlook the geopolitically and strategically important state of Somalia which might complement its interests in the wider Horn of Africa region and Africa in general as well. On the other hand, Somalia should build its expectations from this partnership on the foundations of good faith, mutual interest and its potential to craft strategically better relations and fulfill the responsibility towards Türkiye; but the dynamic political and security developments in the country and the Horn of Africa region require very cautious planning of the kind of partnership required to move to the strategic partnership level.

Notes

- ¹ Interview with Omar Abdi Jimale, investment Promotion Advisor at the Somalia Investment Promotion Office, Ministry of Planning, Investment and Economic Development, on the 23rd of July, 2022.
- ² Interview with Abdi Gule, International Trade Advisor at the Ministry of Commerce and Industries, in Mogadishu on October 2021
- ³ Interview with Mohamed Dubo, Director of Somalia Investment Promotion Office in Mogadishu on June 2021.
- ⁴ Interview with a manager of a Turkish construction company in Mogadishu on June 2021.
- ⁵ Interview with Mohamed Dubo, Director of Somalia Investment Promotion Office in Mogadishu on June 2021.
- ⁶ Interview with Av. Ali Sheikh Aden in Mogadishu on May 2021.
- ⁷ Interview with Mohamed Dubo, Director of Somalia Investment Promotion Office in Mogadishu on June 2021.
- ⁸ Interview with Av. Ismail Omar, a legal advisor for a Turkish company in Mogadishu on April 2021.

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