

India, Turkey set up study group for FTA

India and Turkey have set up a joint study group to work towards a bilateral free trade agreement.

This was announced by Indian Prime Minister Manmohan Singh after talks with visiting Turkish Prime Minister Recep Tayyip Erdogan Friday evening at the stately [Hyderabad](#) House here.

'We agreed to establish a Joint Study Group to examine the feasibility of concluding a bilateral FTA,' Singh said.

He added both countries have set a target of bilateral trade at \$6 billion by 2010. The current trade figure is about \$2.6 billion.

'Turkey's strong strategic location offers vast opportunities for Indian companies. Equally, our own development plans and infrastructure requirements provide huge opportunities for Turkish investment into India,' he said.

Singh noted that the areas of energy cooperation, particularly hydrocarbons, science and technology, culture, tourism and people-to-people contacts, were ripe for closer ties.

'We both expressed our satisfaction on our ongoing contacts in the field of defence, and felt there was further scope for cooperation in this area,' noted Singh.

Besides, India particularly thanked Turkey for its support in the Nuclear Suppliers Group for allowing for a special exemption for trade with a non-NPT country.

The first visit to India by a Turkish prime minister in eight years began Friday, with a ceremonial welcome in the forecourt of Rashtrapati Bhawan and then a short drive to lay a wreath at Rajghat, the mausoleum of Mahatma Gandhi.

External Affairs Minister Pranab Mukherjee then met the visiting dignitary, before Erdogan made a formal call on President Pratibha Patil.

In the afternoon, Erdogan addressed a business luncheon hosted by leading Indian business chambers.

As the visit comes against the backdrop of the financial crisis that has badly hit Turkey, Erdogan called for more Indian investment in his country.

He noted that the time was not for protectionism, but regulation with more emphasis on regional cooperation.

After the delegation-level talks in evening, Manmohan Singh alluding to the current crisis, stated, 'The crisis has highlighted the urgent need for reform of international institutions.'

'It is also an opportunity for India and Turkey to leverage their mutual complementarities to infuse dynamism into the global economy,' he added.

Interestingly, the Indian and Turkish leaders last met at the G20 summit of developed and developing countries on the financial crisis in Washington Nov 15.

Turkey has been in talks with the International Monetary Fund for a financial stimulus package, which is likely to be announced soon.

After completing his engagements in Delhi, Erdogan will also visit Agra and Bangalore.

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