



**CEPS POLICY BRIEF**

# **HOW AND WHY THE EU SHOULD RETHINK TURKEY-CHINA RELATIONS**

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## SUMMARY

Not all countries are able (or willing) to take sides in the increasingly tense US-China rivalry and this might create new opportunities to increase the EU's competitiveness. Against this backdrop, this CEPS Policy Brief critically examines Turkey-China relations within the broader context of Turkey's foreign policy evolution under the Justice and Development (AKP) government and the global shift towards multialignment. It challenges the perception – common in EU circles – that Turkey is strategically pivoting towards China.

Instead, Turkey's engagement with China is characterised by opportunism and hedging, rather than a coherent or institutionalised realignment. There are three key pillars – discursive, institutional and political-economic – that shape Turkey's China policy. While Turkey's rhetoric indicates a multipolar vision and critiques the liberal international order, these shifts are not matched by institutional capacity or strategic planning.

In fact, there are clear deficiencies in bureaucratic expertise, a lack of Asia-focused diplomatic infrastructure and a reliance on informal political networks. This is why Turkey's foreign policy approach is driven by domestic constraints and global uncertainty and shouldn't be viewed as a 'grand strategy'.

To help the EU better navigate its relationship with Turkey, it should start by undertaking two policy actions, namely including Turkey in its wider China strategy and the Global Gateway. This would include the European Commission taking the lead in mapping Turkey's strategic supply chain exposure to identify overlapping areas of dependence or opportunity with the EU, as well as launching joint programmes with Turkish stakeholders to anticipate and manage Chinese expansion in key sectors, and to better engage Turkish civil society to reinforce EU values. Promoting a values-based bilateral relationship to counterbalance China's influence would also help the EU's quest for competitiveness and its security goals.



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## INTRODUCTION

The slow but steady decline of the liberal international order amidst the multitude of economic, political, and social crises in the post-Cold War era has created room for the rise of alternative centres of attraction and power, with China being the most prominent. The multitude of power centres in the world has led to debates about multipolarity and [multialignment](#).

*Multipolarity* implies that middle powers and developing countries align with one of these power centres. In contrast, *multialignment* holds that these countries actually have more agency than typically assumed in the ‘battle of offers’ powered by intensified geopolitical and geoeconomic competition. As such, how the governments and businesses of middle powers and developing countries interact shapes the various parts of the international order through their multiple alignments. Having the ability to shape the various options on offer is not the same as merely having the option to choose.

However, not all middle powers are equal in terms of their capacity and power to engage with multiple alignments. Examining Turkey’s ‘Asian pivot’ reveals an interesting case study on how such agency emerges, as well as the bottlenecks and blockages that stop it from achieving its objectives – especially amidst multiple crises playing out around it.

Turkish foreign policy in the 21st century is shaped by intensified competition, both regionally and globally. For more than a decade, it has shifted between its historical commitment to the EU and the US and its overtures to emerging regional and global powers. The [‘Strategic Depth’ strategy](#) of the early 2000s has given way to multiple regional-scale policies such as [‘Zero Problems with Neighbours’](#) and [‘Asia Anew’](#) from the 2010s onwards.

Generally labelled by outside observers as an ‘Asian pivot’, there have been at least three dimensions to Turkey’s realignment/overtures.

*First*, Turkey’s foreign policy discourse has featured the ‘polyalignment’ vocabulary, alongside a revisionist tone towards the liberal international order. This can be seen in Turkey’s representation in bodies such as the UN and in domestic discussions on foreign policy. [‘The world is bigger than five’](#) is the symbolic statement of this revisionism.

*Second*, there have been several statements from Turkish foreign policy representatives – including President Erdoğan himself – over Turkey potentially joining the Shanghai Cooperation Organisation (SCO), the BRICS and other rising regional and transnational organisations of the ‘Global South’. This is the institutional dimension.

*Third*, there has been a plethora of agreements and Memoranda of Understanding that promised state-to-state collaboration in key economic sectors such as logistics, industry and finance between Turkey and China, Gulf Cooperation Council countries and other Asian states. These agreements were partially followed by collaborations that had a real impact on these sectors. For Turkey-China relations, Turkey joining of the Belt and Road Initiative (BRI) in 2015 is a critical part of the political economy dimension.

Nonetheless, there are firm economic, institutional and discursive anchors of Turkish alignment that originated during the Cold War but are still present to this day, albeit with some revisions. Trade with the US and Europe is strong and consistent; Turkey is firmly present in NATO and Turkish foreign policy discourse, though with occasional fluctuations, never advocates a [rupture with the US or EU](#).

## CHINA IN THE EUROPEAN NEIGHBOURHOOD – TURKEY-CHINA RELATIONS IN THE AKP ERA

Political issues dominated Turkey's relations with China until the late 1990s. Turkey recognised the People's Republic of China in 1971 but lacked a coherent China policy until after the Cold War.

One of the most persistent sources of friction has been the [Uyghur issue](#), where strong diaspora activism and domestic political pressures have periodically disrupted bilateral ties. The final government before the decades-long rule of the Justice and Development Party (AKP) was the first to realise that Turkey couldn't – and shouldn't – avoid China, given China's rapidly expanding economic power. This was why the leadership of the Uyghur diaspora was relocated away from Istanbul as a gesture of goodwill to China.

The AKP came to power in 2002, soon after this major turning point in bilateral relations. However, the first decade of AKP rule was still characterised by ambivalence towards China, given then-Prime Minister (now President since 2017) Erdoğan's political alliance with the Uyghur community. The full switching of alliances from the Uyghur diaspora to China happened when the then-Minister of Energy (also Erdoğan's son-in-law), Berat Albayrak, [pursued](#) Chinese investments as part of his proactive energy policy. This 'energy pivot' ended rather prematurely when Albayrak, and coincidentally, his interlocutors in China, were all purged around the same time in late 2020.

The second decade of AKP rule saw the development of deeper relations with China as Turkey became one of the earliest signatories of the BRI in 2015. [Kumport](#), one of Istanbul's ports, was bought by China's COSCO around the same time and branded as the BRI's first port, even though it has never become a central node on the BRI network. China

has been involved in Turkey's energy sector, both in [traditional technologies](#), [renewables](#), and in negotiations to construct [nuclear](#) power stations.

Turkey has also signed several agreements with Chinese institutions over the last 10 years, starting with an agreement to [merge](#) Turkey's Middle Corridor project with Chinese BRI routes, officially referred to as the 'harmonisation' of the two projects. Besides trade and investment, there were several [financial agreements](#) that served as lifelines for the AKP government during various deep economic crises. Huawei has dominated Turkey's telecoms sector for at least a decade and is now making its way into the [renewables sector](#). Most recently, a joint venture in the [EV](#) sector marks the latest stage of bilateral economic relations.

## WHAT'S IN A PIVOT? TURKEY-CHINA RELATIONS FROM PERCEPTIONS TO ACTIONS

The erosion of Turkey's relations with the EU in the mid-2010s converged with escalating rhetoric on the need for an 'independent foreign policy', a sentiment also shared by China, Russia and the regional organisations dominated by these two powers, such as the SCO and the BRICS. Europe's ongoing security crisis since the Russian invasion of Ukraine has exacerbated European fears that Turkey was drifting away towards a potential alliance with Russia and/or China, marked by values and goals not aligned with the EU's own values and goals.

In fact, the EU's perceptions about Turkey's drift away from its transatlantic alliances stem from assumptions based on its foreign policy rhetoric, rather than measurable institutional or socio-economic transformations. A [pivot](#), however, is a foreign policy reorientation that shifts a state's diplomatic, military and economic weight towards a new regional or functional focus, signalled rhetorically and backed by resource reallocation.

There are three pillars that shape Turkey's China policy, namely, *discursive*, *institutional* and *political-economic*. In Turkey's case, while the discursive pillar is vital for announcing major foreign policy commitments, it isn't backed by institutional capacity building and private sector buy-in – and thus why Turkey's China policy shouldn't be seen as a real pivot.

### VISIBLE DISCURSIVE SIGNALLING

The discursive shift is arguably the most visible and advanced component of Turkey's attempt at a pivot, particularly in its relations with China and other non-Western actors. Key rhetorical markers – such as the 'Strategic Depth' doctrine and the now well-known phrase 'The world is bigger than five' – signal a fundamental rethinking of Turkey's place

in global affairs. These narratives challenge what the AKP sees as the West's dominance in global politics and emphasise multipolarity, sovereignty and civilisational pluralism.

These discursive tools are supported by certain institutional moves as Turkey has increasingly referenced and engaged with entities like the SCO, the BRICS and even the Association of Southeast Asian Nations (ASEAN). However, having observer status in these regional organisations doesn't necessarily mean formal and binding alignments. These institutional commitments also act as discursive tools that bolster AKP Turkey's claim to geopolitical independence. They are primarily empty rhetoric as they don't contribute to institutional capacity building for an Asia-focused foreign policy or intensified economic engagements.

In contrast, some of this rhetoric primarily serves a domestic political function. The AKP's national electoral [rhetoric](#) is both Islamist and nationalist, glorifying the Ottoman imperial past. Thus, rhetorical tools that hint at regaining Turkey's past strength in the former Ottoman territories and anti-Westernism disguised as anti-imperialism resonate well with its domestic voter base. However, while actions and rhetoric related to Turkey's immediate neighbourhood help the AKP consolidate political power at home, others, such as participating in ASEAN Summits, remain invisible – if not incomprehensible – to most Turkish people.

The main opposition parties fall short of developing a viable alternative to the AKP's 'Asia Pivot' and particularly its China policy, for two reasons. Historically, the main opposition party, the Republican People's Party (CHP), is known for its pro-Western orientation that also deemphasises Turkey's imperial past. Besides, the 20 years of AKP rule has deprived the CHP of human and financial resources to develop a well-thought-out foreign policy that would respond well to global power shifts.

Specifically, the CHP doesn't have its own China policy to replace the AKP's if they ever return to government. In 2023, the CHP's former leader, Kemal Kılıçdaroğlu, unilaterally announced the '[New Silk Road Project](#)' that commits to fully aligning with China's BRI. However, the announcement was accompanied by a [Twitter](#) post that called Xinjiang '[East] Turkestan' and, amidst these mixed messages, it wasn't endorsed by either China's official representatives in Turkey, nor pro-opposition public opinion. This confusing political signalling by the political elite on both sides of the political spectrum is largely due to the lack of institutional capacity in terms of expertise and knowledge accumulation to facilitate a foreign policy reorientation.

## A LACK OF INSTITUTIONAL CAPACITY

Even though [policy documents](#) announcing a new foreign policy orientation towards Asia have been published, a complete reorientation of Turkey's external engagements requires massive institutional transformation – and even the Ministry of Foreign Affairs (MoFA) lacks the incentive for it. Expertise and training oriented towards a diplomatic and commercial presence in Asia is missing and, in its absence, the capacity for a consistent and efficient pivot is crippled.

During fieldwork interviews with members of the Turkish bureaucratic elite, as well as other civil society stakeholders, the lack of such a presence – and even the lack of a clear motivation for sustained and detailed presence – was frequently discussed. This is most observable in MoFA. The Turkish Foreign Ministry was never traditionally organised in a way to promote regional specialisation. During the AKP era, ministerial branches and desks were reorganised, but, according to our interviewees, the ministerial staff have not been motivated enough to invest in expertise on Asia or China. This lack of expertise can also be seen in the Ministry of Transportation and Infrastructure (MoTI), despite the buzz created for joint infrastructure projects with China.

Critically, this transformation has not been uniformly embraced even within MoFA. There's still a strong cohort of diplomats and technocrats whose professional experience and worldview are still deeply anchored in Euro-Atlantic norms and institutions. Without a coherent institutional commitment and the necessary resources for capacity building, discursive shifts are likely to remain performative rather than transformative.

Across the different bureaucratic sectors, there's still a lack of familiarity with the so-called Chinese way of doing things. During our interviews, bureaucrats referred to their Chinese counterparts as 'those Chinese', regardless of which state or business entity they were dealing with at that precise moment. It doesn't help that the leader-to-leader diplomatic style is preferred, thus not giving enough exposure to institutional negotiations.

Unlike in Asia, Turkey's relations with its immediate neighbours, such as Iraq, and with European states, benefit from substantial institutional experience, despite regional instability. These ties foster both regulatory and social familiarity, including through civil institutions like business associations. In Asia, the lack of familiarity, confounded with the lack of communication between the presidential and ministerial bureaucracies, creates a hedging environment that is largely confined to the President and the small cadres around him, without trickling down to influence or drive ministerial norms, capacity or culture.



## THE VOLATILE POLITICAL ECONOMY OF BILATERAL RELATIONS

The political economy of Turkey-China relations is defined by a paradoxical mix of deepening interdependence and chronic instability. While trade volumes have increased steadily over the last 20 years, the relationship remains [asymmetric](#). Turkey imports significantly more than it exports, with Chinese-manufactured goods dominating the trade balance, while Turkish exports remain low in value-added content. This imbalance is politically tolerated due to broader strategic calculations but domestically, it undermines the government's proclaimed objectives of economic sovereignty, symbolised in the slogan 'produce local and national'.

Chinese investment in Turkey is often channelled through bilateral agreements signed by the top-level leadership of both ruling parties, bypassing institutionalised economic planning or competitive procedures. While notable infrastructure projects, such as the [Kumport](#) acquisition and telecommunications ventures led by Huawei, have materialised, others, like the Konya Metro, have floundered due to unresolved financing bottlenecks, regulatory uncertainty and diplomatic frictions related to issues such as the Uyghur question. Swap deals with Chinese financial institutions and agreements in the automotive and energy sectors indicate more diversification, yet these remain opportunistic rather than strategic.

The gap between ambition and execution reflects deeper systemic issues. [Crony capitalism](#) shapes Turkey's internal investment landscape, limiting the capacity of transnational capital to operate smoothly, particularly for Chinese actors unfamiliar with local informal practices. Failed or stalled ventures, including nuclear and renewable energy negotiations, are the result of weak regulatory capacity and the personalised nature of economic diplomacy.

The EV sector has recently witnessed such high-level political manoeuvring without much transparency. Turkey imposed tariffs on Chinese EV companies comparable to EU tariffs, to attract EV investment amid competition with central and eastern European EU Member States and the Eastern Neighbourhood countries.

This is why BYD's decision to open a factory in Manisa, Turkey, was presented as a success story. However, analysts and local stakeholders have [claimed](#) that BYD plans to build an end-of-production-chain assembly line so that its EVs can be labelled as Turkish products, allowing them to bypass European tariffs, rather than transferring technology and know-how to the Turkish automotive industry. Other issues surrounding BYD's upcoming investment include the elimination of arable land for factory construction, limited local employment opportunities due to the use of Chinese engineers and workers, and the risk



of pushing the Turkish EV brand, TOGG, out of the market – all while adding little to no value to the domestic automotive industry.

In this fragmented context, political economy outcomes don't substantiate a discursive pivot towards China, revealing instead a hedging strategy that's constrained by domestic institutional and financial deficits. The Konya Metro project showcases the limits of Turkey's attempted pivot to Asia, especially regarding China, highlighting the gap between official rhetoric and material outcomes.

Despite Turkey joining the BRI in 2015 and the announcement of metro construction soon after, the Konya Metro remains unfinished as of 2025, stalled by a lack of financing. The project reflects the entanglement of crony capitalism – where politically connected firms like Taşyapı unexpectedly won tenders over the more established [‘Gang of Five’](#) – and strained diplomatic ties, especially over the Uyghur issue, which led to China refusing to approve investment insurance. The 2019 untransparent invitation-only tender and its 2024 cancellation reflect broader dysfunction in Turkey's informal and opaque policy environment. Bureaucratic scepticism of Chinese partners and structural deficiencies in tender design further contributed to the breakdown.

Ultimately, the Konya Metro case underscores how Turkey's hedging strategy with China has failed to facilitate and deliver beneficial infrastructure projects, exposing a much deeper mismatch between geopolitical ambitions and domestic institutional capacity.

## SECURITY – OR WHERE POLITICS MEETS ECONOMICS

In 2013, the China Precision Machinery Import-Export Corporation (CPMIEC) was provisionally chosen by Turkey as the leading candidate to supply a new long-range air and missile defence system as part of the major national Turkish Long-Range Air and Missile Defence System (T-LORAMIDS) project.

However, NATO raised strong concerns over its incompatibility with alliance systems, issues over technology transfer and procurement complications. Ultimately, US pressure led Turkey to [cancel the contract](#) in 2015. The deal was officially cancelled during the G20 Summit held in Turkey, where President Xi Jinping was scheduled to meet Erdoğan to signal a new era in bilateral relations, coinciding with Turkey joining the BRI and China's acquisition of Kumport. Some Turkish stakeholders expressed the belief that the cancellation's timing during the summit was perceived by the Chinese as a 'loss of face' and that this perception partially explains, according to interviewees, why the promise of closer bilateral ties never materialised.

This episode might seem like a confirmation that Turkey's security system is anchored in the West. However, two years after the Chinese deal was cancelled, Turkey purchased the S-400 system from Russia, signing a deal in 2017 and taking delivery of it in 2019 despite much opposition from NATO and the US. This deal with Russia happened due to Turkey's perception that the US was harbouring the mastermind behind the 2016 failed coup attempt against Erdoğan. Consequently, the US removed Turkey from the F-35 fighter jet programme and imposed sanctions under the Countering America's Adversaries Through Sanctions Act (CAATSA). This was the first time [sanctions](#) were used against a US ally. With all this in mind, the cancelled Chinese deal rather reflects Turkey's weak commitment to its Asia pivot rather than a strong commitment to the transatlantic alliance.

A decade after the air defence system affair, Turkey has now developed its own defence industry and is a potential exporter to both [European](#) and [Asian](#) counterparts. The next security-related tussle has been unfolding since 2023, this time in the field of rare earth elements, which are central to the defence industry.

Specifically, Turkey's Beylikdüzü region is home to 17 recently discovered metallic elements, including neodymium, dysprosium and lanthanum. These [rare earth elements](#) play vital roles in high-tech and defence applications, such as permanent magnets for electric vehicles and wind turbines, catalysts, lasers, aerospace systems and precision-guided munitions. In October 2024, Turkey and China formalised a [Memorandum of Understanding](#) (MoU) to collaborate on mining and processing these rare earth elements. Shortly afterwards, in March 2025, Turkey joined the US- and EU-led [Minerals Security Partnership](#) (MSP). Established in 2024, the MSP forum brings together the transatlantic allies and key mineral-producing countries, including Kazakhstan, Namibia, [Ukraine](#) and Uzbekistan, in an effort to counterbalance China's dominance in the critical minerals sector.

Because China near-monopolises critical rare materials (CRM) processing technologies and currently [weaponises](#) its industrial advantage over the US and the EU, Turkey's strategy to attract joint venture investments in its Beylikduzu reserves signals yet again a lack of commitment to China rather than a pivot towards it. Turkey's willingness to engage both China and the transatlantic community – often simultaneously and contradictorily – reflects pragmatic calculations shaped by shifting domestic priorities and global uncertainties in the absence of a 'grand strategy'.

That's why defence and critical minerals merely serve as arenas where Turkey is seeking to enhance its autonomy – and not to signal a major geopolitical realignment.

## POLICY RECOMMENDATIONS FOR THE EU ON THE EVE OF A HISTORICAL EU-CHINA SUMMIT

Multialignment is a challenge for Turkey but it's also a major issue for the EU, as shown by the ebbs and flows in statements from the EU's leadership on the eve of the EU-China Summit on 24-25 July 2025. The EU appears to be shaping its China strategy largely in relation to its broader US strategy.

However, China's engagement with the European neighbourhood also influences its geoeconomic impact on the EU. Thus, the EU's relations with surrounding countries should also be viewed in this light, on top of bilateral and regional considerations. And this is why Turkey is such a case-in-point.

As explained throughout this Policy Brief, Turkey's pivot to China is far from what the EU perceives it to be. On the contrary, despite the smoke and mirrors surrounding the Asia Anew strategy, there's still ample room for collaboration with Turkey – and indeed, for rethinking the EU's China policy within the European Neighbourhood's wider geographical context. Therefore, the EU should:

### (1) Include Turkey both in its China strategy and Neighbourhood Policy

Currently, EU institutions, such as the European Commission's DG GROW, DG INTPA and the EEAS, plan and implement the EU's China strategy, while Neighbourhood countries fall under the remit of DG ENEST (which includes Turkey) and DG MENA. However, China's impact on European industries and markets is better understood by also considering its relations with these neighbouring countries.

In the current geopolitical landscape, and without a comprehensive grand strategy on Turkey's part, DG ENEST (possibly with MENA's support) should undertake an extensive mapping exercise of the European and Chinese presence in Turkey's critical supply chains. This would help identify sector-specific patterns of dependence or opportunities and provide a basis for more nuanced policy responses aligned with the EU's competitiveness strategies.

### (2) Include Turkey in Global Gateway thinking

A more forward-looking approach would involve developing joint programmes with Turkey's sectoral representatives and business associations in advance of potential Chinese acquisitions or expansions in sectors identified as strategic by the EU. This would allow for better coordination between regulatory foresight and industrial preparedness. The [Global Gateway](#) offers the perfect platform to do this, due to its new development concept based on critical infrastructure investment. These joint programmes would align

with the EU's global partnership strategy and its recent announcements on the [Clean Industrial Deal](#) and the [International Digital Strategy](#).

Moreover, engaging Turkish civil society actors through the Global Gateway could help counterbalance the predominantly transactional character of Turkey's bilateral relations with China. Cooperation in areas such as labour rights, environmental standards and sustainability could promote greater alignment with European values in bilateral engagements.

## CONCLUSIONS

Turkey's engagement with China is opportunistic and fragmented rather than a coherent pivot. Domestic politics, weak institutional capacity and informal policy channels prevent the development of a stable or strategic China-oriented foreign policy. Since 2018, efforts to deepen ties have intensified, particularly in infrastructure and energy.

However, these efforts are often channelled through personalised and informal political networks rather than institutionalised state mechanisms. This has led to uneven outcomes, particularly in the logistics sector, where 'informalisation' has undermined coherence and effectiveness.

Discursive ambition is one thing – institutional reorientation is quite another. While policy initiatives such as the 'Asia Anew' strategy have been developed, the institutional infrastructure required to support such a shift is mostly underdeveloped. A genuine pivot away from the Euro-Atlantic axis would require profound changes within Turkey's foreign policy apparatus – not only in terms of personnel and training but also in bureaucratic culture, language proficiency, and regional expertise.

And, finally, Turkey's lack of a grand strategy for multialignment may yet prove to be an opportunity for the EU to pursue its competitiveness and security – in close collaboration with its neighbourhood.



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