Results Profile: Turkey

Overview

Turkey has eliminated extreme poverty. It has already achieved Millennium Development Goal 5 ("Improve Maternal Health") and is well on its way to reaching other Millennium Development Goals by 2015. Turkey works with the International Bank for Reconstruction and Development (IBRD) towards achieving fast, sustained and equitable growth. This partnership has delivered on a number of fronts including macroeconomic stabilization; the development of a clean, sustainable, and reliable energy sector; and improved health outcomes.

Full Brief—6 Pages
Turkey - World Bank Partnership: Some Highlights and Results—PDF, Jan 2011

Challenge

Today Turkey is the world’s sixteenth-largest economy, with 75 million inhabitants and a per capita annual income above US$ 8,700 (2009). Since 2001, Turkey has stabilized its economy and has built its regional and international profile, pursuing a foreign policy based on the principle, in the words of Foreign Minister Davutoğlu, of “zero problems with neighbors”. Accession to the European Union, initiated in 2005, remains a firm long-term aim. Through a long and close relationship with IBRD, Turkey has been able to achieve notable results across a range of sectors, namely:

Approach

Turkey has eliminated extreme poverty. It has already achieved Millennium Development Goal 5 ("Improve Maternal Health") and is well on its way to reaching other Millennium Development Goals by 2015. Turkey works with the International Bank for Reconstruction and Development (IBRD) towards achieving fast, sustained and equitable growth. This partnership has delivered on a number of fronts including macroeconomic stabilization; the development of a clean, sustainable, and reliable energy sector; and improved health outcomes.

Results

70%

increase in electricity transmission from 2002 to 2009
Solid fiscal and debt management, consistent monetary and exchange rate policy, and overhauled banking regulation and supervision have driven growth, improved social outcomes, and cut poverty:

- 2002-07 growth averaged nearly 7 percent, cutting poverty to 17 percent from 27 percent.
- Public debt as a share of GDP was halved to 39 percent (2008) from 78 percent (2002).
- Turkey was one of the few developing countries able to respond to the unfolding global financial crisis in 2008/09 with both discretionary fiscal stimulus (1.2 percent of GDP) and aggressive monetary expansion (interest rates cut by more than 10 percent). Economic growth in 2010 should exceed 6 percent.

The energy sector is increasingly transparent and reliable, and is more secure for industry development:

- An increase of 70 percent in electricity transmission from 102 TWh in 2002 to 172 TWh in 2009 and a nearly 30 percent rise in peak capacity, from 21GW to 29.9GW.
- Transmission expansion and upgrades have enabled an estimated additional 4.6 million households to receive improved power supply.
- The reliability of electricity supply nearly doubled. There were 12,675 hours fewer electricity interruptions in 2008 than in 2004.
- Renewable energy grew dramatically. Electricity produced from privately owned renewable generation facilities more than doubled.

Over a very short period Turkey has transformed its health system:

- Over 96 percent of the population now has health insurance coverage and 80 percent are satisfied with public health services, according to a EuroPEP Survey in 2008.
- A child in Turkey is nearly three times more likely to live beyond the age of five than in 1990, as reflected in data that showed child mortality in 2008 at 23.9 per 1,000 live births compared with 60.9 per 1,000 live births in 1990. Turkey is on target to achieve MDG Goal 4 (“Reduce Child Mortality”) by 2015.
- A mother is five times less likely to die in childbirth than in 1990; the maternal mortality ratio in 2008 was 19.4 deaths per 100,000 live births. In 1990 it was 100 deaths per 100,000 births. This means that Turkey has already achieved MDG Goal 5 (“Improve Maternal Health”), which was due in 2015.

Partners

Strong working relations with civil society are an important part of the Turkey-World Bank partnership. Academia, think tanks, private sector associations and businesses, as well as non-governmental organizations (NGOs), are engaged in the analytical and policy work the World Bank undertakes with the authorities. The European Commission is also a key partner in Turkey, as are UNICEF and UN Development Programme (UNDP). Collaboration with IFC and EBRD resulted in the preparation of Turkey’s clean technology investment plan. Close cooperation with Germany’s KfW and UNDP has also been effective in providing technical assistance to improve energy efficiency in Turkey.
Moving Forward

The World Bank is committed to serve Turkey. Our goal is to help improve the lives of the Turkish people. Dialogue with stakeholders will inform the development of the next Turkey-World Bank Country Partnership Strategy (FY12-15).