

Dan Brouillette
Secretary of Energy
United States Department of Energy
Forrestal Building
1000 Independence Avenue, SW
Room 7A-257
Washington, DC 20003

May 20, 2020

Dear Secretary Brouillette,

I write to you as chairman of the oldest bilateral trade organization in Turkey, the Turkey-US Business Council (TAİK). I believe that cooperation between our two countries can lead to an increase in both American and Turkish jobs, and broad-based economic activity es. Our member companies have already invested billions of dollars into the United States and we are employing thousands of Americans. Our members currently import nearly 1 million ton of Liquefied Natural Gas (LNG) making Turkey the second biggest LNG importer from the US in Europe and Central Asia, after Spain. At this stage, we feel that we can now build on four years of progress and increase sales of LNG from the US to Turkey.

The dramatic increase of production since President Trump targeted energy independence has paved the way for this opportunity, which has benefited the US with thousands of new jobs. At the same time, demand has risen rapidly in Turkey, which is one of the fastest growing energy markets in the world.

Volumes of LNG shipped from the US to Turkey have grown almost 250 per cent since 2016, but this is currently only a fraction of Turkish energy use – we can do much more. Several long-term contracts for gas supply to Turkey are due to expire within the next two years. This means there is a clear supply and demand match – if we can align partners on both sides.

The US has the chance to sell large volumes of gas while supplanting Iran, Qatar and Russia as major suppliers to Turkey as the geopolitical landscape is shaken up.

I would like to engage your office on several key points:

1. Coordinating with the White House to encourage understanding that a new energy deal with Turkey is a win-win for our two economies;

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- 2. Identifying any relevant trade and regulatory barriers on the US side and work with us as we ensure our members adhere to the rules and do not face undue delays;
- 3. Working together to connect US energy producers with Turkish energy suppliers

The difficulties we have all faced during this Covid-19 crisis cannot be understated. And for those responsible for guiding countries and private sectors forward, the right kinds of collaboration and partnership will be very important. The recent developments mean the world is embarking on a new era for trade. Partnership opportunities range beyond the LNG space: Turkey stands ready to be a major economic partner to the United States in a variety of other fields, including agriculture and manufacturing.

President Trump and President Erdogan spoke in November 2019 of expanding annual trade between our two countries to \$100 billion dollars. Dramatically increased LNG sales would be a major step to delivering this.

I have copied this letter to President Trump.

Sincerely,

Mehmet Ali YALÇINDAĞ

Chairman

Turkey-U.S. Business Council (TAİK)

CC: The Honorable Donald J. Trump, The President of the United States



George Ervin "Sonny" Perdue III Secretary of Agriculture **United States Department of Agriculture** Jamie L. Whitten Federal Building 1400 Independence Avenue, SW Room 200-A Washington, DC 20250

May 20, 2020

Dear Secretary Perdue,

I write to you as chairman of the Turkey-US Business Council (TAİK). I believe that cooperation between our two countries can lead to an increase in both American and Turkish jobs, and broad-based economic activity as Turkey is exceedingly well-positioned to serve as an expanded market for American farmers. TAİK, Turkey's oldest business council, and our member companies have already invested billions of dollars into the United States and are employing thousands of Americans. We want to continue and grow our partnership.

In 2018, the United States exported \$1.4 billion of agricultural products to Turkey. We import soybeans and grains - products which I know are crucial to states such as Iowa, Kansas, North Dakota and Louisiana. Turkey is also a significant importer of US cotton.

With a young and growing population, Turks are open to new products and new markets. There are major opportunities for growth.

I would like to engage your office on several key points:

- 1. Working together on identifying new opportunities and connecting companies who can work together on both sides;
- 2. Identifying any relevant trade and regulatory barriers on the US side and work with us as we ensure our members adhere to the rules and do not face undue delays;
- 3. Coordinating with the White House to encourage understanding of the clear-cut economic advantages of enhancing trade with the Turkish agricultural sector.

This period of pandemic is an enormously challenging time. There has been a grave amount of loss and tragedy. Yet many of us need to look forward to what's next and how we can ensure economic recovery and revitalization.

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I see a new era for trade dawning around the world and for our two countries, the opportunities extend beyond agriculture: Turkey stands ready to be a highly impactful economic partner to the United States in a raft of other fields, including energy and manufacturing.

Well before COVID-19 and the new set of economic and partnership needs created by this crisis, President Trump and President Erdogan spoke in November 2019 of expanding annual trade between our countries to \$100 billion dollars. Dramatically increased agriculture exports from the US to Turkey would be a major step to delivering this.

I have copied this letter to President Trump.

Sincerely,

Mehmet Ali YALÇINDAĞ

Chairman

Turkey-U.S. Business Council (TAİK)

CC: The Honorable Donald J. Trump, The President of the United States



Wilbur Ross **Secretary of Commerce U.S. Department of Commerce** 1401 Constitution Ave NW Washington, DC 20230

May 20, 2020

Dear Secretary Ross,

I hope this letter finds you well despite the challenges we are all facing in these extraordinary times. We have taken your priorities and worked with our members to adjust our infrastructure in order to better supply American markets. As a result, we have recently finalized new partnerships and US brands such as Walmart have signed on to source products from Turkish manufacturers, including packaging materials.

With the support of the Boston Consultancy Group we researched the best ways to substantially increase our imports from the United States while creating more American and Turkish jobs. I have attached some of the summary conclusions to this letter.

Today, Turkey is already a growing trading partner of the US. The US exports approximately \$12 billion in goods to Turkey and imports almost \$11 billion in goods from Turkey. As you know, in November 2019, President Trump and President Erdogan spoke of expanding annual trade between our two countries to \$100 billion dollars. Your visit to Turkey and your decisive approach in identifying concrete steps needed to realize that vision has been pivotal to our current efforts.

We have already identified several opportunities that would secure greatly increased trade between our countries. I recommend an initial focus on LNG and agriculture imports from the US. At the same time, Turkey could boost exports of white goods and automotive parts diversifying America's supply chain away from China, a stated goal of the Trump Administration.

I will write to your Cabinet colleagues at the Department of Energy and Department of Agriculture to promote these specific opportunities for US exports. However, we need your involvement to lead the effort from a level overseeing the opportunities across all industries.

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I would like to explore with you the options around export financing to support US-Turkey trade. We believe this would unlock \$18 billion of US exports to Turkey by September 2021. We need your leadership to make this moment a leap forward to the goal of \$100 billion trade.

The recent efforts of the Trump Administration have created groundswell of awareness on the topic of reorienting the US supply chain away from China. With export financing in place, Turkey would be in a position to increase its role in a diverse and reliable global supply chain. During the current crisis, Turkish manufacturers demonstrated the nimbleness and skill needed to quickly adapt to market needs. Turkish companies have manufactured and exported Personal Protection Equipment (PPE) to more than 80 countries – with a significant shipment donated and exported to the United States.

I would like to count on your support and hope we can work together to realize the opportunities in front of us.

Sincerely,

Mehmet Ali YALÇINDAĞ

Chairman

Turkey-U.S. Business Council (TAİK)

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