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Erdoğan's visit to South Korea: new prospects for Turkey's nuclear energy sector?

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Turkish President Recep Tayyip Erdoğan visited South Korea on 2–4 November, where he met President Lee Jae Myung and representatives of major South Korean industrial and technology companies. The two sides signed five memorandums of understanding. Four of them covered energy (including renewables and hydrogen technologies), critical raw materials, science and technology and investment promotion. The fifth, signed by Turkey's state-owned nuclear energy company TÜNAŞ and the Export–Import Bank of Korea (KEXIM), provides for the joint development and assessment of financing models for additional nuclear power plants in Turkey. It also envisages establishing a working group to coordinate further work. Beyond nuclear energy, the two leaders announced plans to expand defence cooperation, including the joint production and export of arms to third countries. They also discussed the need to update the free trade agreement in force since 2013. However, no major contracts or binding investment decisions were announced.

The visit reflects Ankara's efforts to expand industrial and technological cooperation with South Korea. Nuclear energy could become the most significant new area of this partnership, with South Korean companies potentially taking part in the construction of the Sinop nuclear power plant. More broadly, Turkey hopes that closer ties with Seoul will help it secure the capital and technology needed to continue modernising its economy.

Commentary

- **South Korea is becoming one of Turkey's key industrial partners in Asia,** building on an established record of cooperation, particularly in the defence sector. Turkey manufactures T-155 Fırtına self-propelled howitzers based on the South Korean K9 Thunder design and has equipped the first batch of its domestically designed Altay tanks with South Korean powerpacks (engines and transmissions). South Korean companies also have a presence in Turkey's automotive industry (Hyundai's manufacturing plant) and railway sector (rolling stock production by Hyundai EURotem). This track record has strengthened Ankara's perception of Seoul as a promising partner for future industrial and technological projects. The memorandums signed during the visit reflect both countries' interest in extending their cooperation into new sectors.
- **The memorandum on nuclear project financing suggests that Ankara is seriously considering South Korean involvement in the construction of the Sinop nuclear power plant, partly because of its negative experience of working with Russia on Turkey's first**

nuclear power plant at Akkuyu. Ankara's priority is to secure an investment model that offers favourable financing terms while ensuring the participation of Turkish companies in the plant's construction and operation. The Akkuyu plant is being built by Rosatom-owned Akkuyu Nükleer A.Ş. under a build-own-operate model. While this arrangement reduces Ankara's direct financial burden, it also gives Rosatom long-term control over the facility. The war in Ukraine has highlighted the risks associated with this dependence. Western restrictions on Russia have hampered the project's financing and component deliveries, contributing to construction delays. Continued reliance on Russia for nuclear fuel and maintenance services also poses a long-term risk to Turkey's energy security. Ankara therefore wants to avoid replicating this model at Sinop and retain greater control over the project. The TÜNAŞ–KEXIM memorandum could help establish an alternative framework for cooperation, including favourable financing terms. Although the agreement does not determine the choice of contractor, the ongoing discussions on technology and financing strengthen Seoul's position among Ankara's potential partners.

- **Despite expanding industrial cooperation, Turkey's trade with South Korea remains heavily skewed in Seoul's favour, prompting Ankara to seek greater South Korean investment.** In 2025, Turkish exports to South Korea amounted to just $1.14 billion, while imports were approximately nine times as high. However, this imbalance does not necessarily mean that the trade relationship is disadvantageous for Turkey. A significant share of South Korean exports to Turkey consists of materials and components used by Turkish manufacturers to produce goods such as cars and electronic equipment, which are also exported to the EU market. Ankara nevertheless seeks to derive greater economic benefits from these ties by attracting more South Korean investment in manufacturing. Updating the bilateral free trade agreement could also help strengthen economic relations. However, Turkey's persistent macroeconomic problems, which undermine its attractiveness to foreign investors, may constrain further inflows of South Korean capital.