

## TURKEY - In Brief

cannot afford its estimated \$1,500 million share, it is unlikely work will start on the scheme before 1990, they add. Agreement, nevertheless, has been reached to proceed with feasibility studies in 1988 (MEED 5:3:88, see Iran).

● The UK's **Marconi Communications System** has been awarded a \$1.2 million (\$2.04 million) contract to supply telecine equipment to state-owned **Turkish Radio & Television (TRT)**. This is Marconi's largest single order for several years, and comprises eight B3410-03 telecine systems, with spares, ancillary equipment, and training for engineers and operators.

● The **Turkish Electricity Authority (TEK)** is drawing up plans partially to denationalise its transmission and distribution departments. At first the privatisation will only involve the supply of electricity to a few provinces, according to TEK general manager Remzi Yucebas. The plan involves denationalising 70 per cent of the equity in these operations, with TEK retaining 30 per cent. A report will be submitted to the government in late April or early May; if it is approved, one province may then be selected for a pilot scheme.

● Brazil's **Embraer** is low bidder, out of six firms, with a quote of about \$6.3 million to supply two 18 to 30-seat passenger aircraft to the **Turkish Aviation Society (THK)**, says the Istanbul economic daily *Dunya*. The other bidders were West Germany's **Dornier** (\$7.3 million), **Metro** (\$7.7 million), **Beech Aircraft Corporation** (\$9.9 million), and **Jetstream** (\$12.1 million), all of the US, and the UK's **Short Brothers** (\$12.2 million).

● A four-year economic forecast, starting in 1988, drawn up by the State Planning Organisation (SPO) predicts that inflation will be brought down to 20 per cent in 1991. SPO chief Ali Tigrel says exports should total \$20,000 million in 1992, double the amount in 1987. The forecast also predicts the current account deficit will fall to under \$400 million in 1991.

● A three-year cultural exchange protocol will be signed with China in April, says Chinese Culture Minister Wang Meng. He began a one-week visit to Turkey on 13 March.

● Subsidies for fertiliser purchases in 1987 totalled TL 346,000 (\$300 million), representing 44.3 per cent of total spending by farmers on fertilisers. Total fertiliser consumption in 1987 was 4.9 million tonnes, valued at TL 779,600 million (\$677 million).

● US Defence Secretary Frank Carlucci will visit Ankara in April for talks on military aid and modernising the armed forces, according to official Turkish sources. Carlucci is due to meet Prime Minister Turgut Ozal, Foreign Affairs Minister Mesut Yilmaz, and Defence Minister Ercan Yuralhan. In February, the government finally ratified a side-letter to its US Defence & Economic Co-operation Agreement (DECA), which in effect extended it for another five years backdated to 1985 (MEED 5:3:88).

● The ruling Motherland Party (ANAP) has set a spending budget of TL 8,700 million (\$7.3 million) in 1988. Of this, donations will total TL 4,000 million (\$3.4 million), and the state will provide a subsidy of TL 2,000 million (\$1.7 million). The party has allocated TL 2,300 million (\$1.9 million) towards building and construction. Most of this will be for new headquarters on which work is expected to start in May.

● About 70,000 tonnes of the cotton crop may be surplus to domestic needs, says the

Liverpool weekly *Cotton Outlook*. However, whether exports are viable will depend on the level of payments to the Price Stabilisation Fund, which effectively amount to an export tax. Without the payments, domestic prices for Cukurova cotton would have fallen to a level where exports would be attractive at official exchange rates.

● State Minister Yusuf Bozkurt Ozal began a short visit to Jordan on 18 March. Ozal is in charge of economic affairs. Talks with Jordanian officials will concentrate on economic and commercial co-operation.

● Prime Minister Turgut Ozal opened the Manavgat hydro-electric dam project in the south on 11 March. The dam and power station, which cost TL 32,000 million (\$27.8 million), will generate 220 million kWh of electricity a year. Its transformers and switching gear were made by local joint-venture **AEG-ETI Elektrik**; West Germany's **AEG** supplied the hydroelectric equipment with Switzerland's **Vevey**.

● International bids will be invited for the joint production of mine-hunters as part of a programme to modernise the navy, according to military sources. Foreign companies with mine-hunting technology will be invited to submit bids in the next few months, they add. Turkey has a total 34 coastal and inshore mine-sweepers, but no mine-hunters.

● The Culture & Tourism Ministry says the TL 4,500 million (\$3.9 million) allocated to it in the budget is insufficient for new investments in 1988. It had asked for TL 28,500 million (\$24.5 million).

● About 1.5 million members of the main trades union confederation Turk-*is* staged a boycott of canteen lunches on 11 March amid nationwide protests for better pay and the removal of restrictions imposed on trades unions following the 1980 military coup. Prime Minister Turgut Ozal has said a Turk-*is* programme of planned rallies in major cities culminating in a general strike in May is illegal, and every measure will be taken to prevent it. Turk-*is* controls about two-thirds of the 3 million unionised workers in Turkey. It is calling for an increase in the minimum monthly wage of TL 74,500 (\$64), and an end to high inflation. Labour Minister Imren Aykut said recently she plans to review some curbs placed on trade unions during military rule from 1980-83 (MEED 12:3:88).

● Canada has ordered about 2,000 illegal Turkish immigrants to leave. However, the Canadian government has been accused of allowing the situation to develop since 1986 in order to justify new legislation tightening up on illegal immigration. The new law is before the Senate.

● **National Bank of Kuwait** has been awarded a mandate to arrange a \$200 million one-year loan by the **Turkish Petroleum Refineries Corporation (Tupras)** — MEED 12:3:88.

● Foreign debt outstanding at the end of 1987 amounted to \$37,293 million, according to government figures cited by the Ankara daily *Ebanewsletter*.

● A DM 17.5 million (\$10.5 million) subcontract has been awarded to the local **AEG-ETI** for the supply of 20 transformers to the Ambarlı natural gas power plant being built outside Istanbul. The contract was awarded by the local **Etmas**, a subsidiary of West Germany's **Siemens**. The first two transformers are scheduled for delivery in April.

● A leak in a crude oil pipeline between Batman and Dortol has been plugged, officials of state pipeline agency **Botas** say. The 400-kilometre pipeline runs between the Batman oil collecting centre and refinery to the Dortol terminal and carries crude produced by the **Turkish Petroleum Corporation (TPAO)** and the local subsidiaries of foreign oil majors. It also carries up to 15,000 barrels of oil a day that is trucked from Iraq. Iraq and Syria have been alerted about pollution of a Tigris tributary caused by the leak.

● Senior officials of the Economic Co-operation Organisation (ECO) grouping Iran, Pakistan and Turkey met in Ankara on 14 March to discuss the organisation's 1988 budget and programme.

● Bids from six ventures are being evaluated for consultancy studies on a water leakage control project by Ankara municipality's water and sewerage department (ASKI). The project is funded by a KD 852,000 (\$3.1 million) loan from the Kuwait Fund for Arab Economic Development.

● Five firms have been shortlisted to tender for road design and construction supervision by Adana municipality as part of the World Bank-supported Cukurova region metropolitan development project. The five firms, all local, are **Dar Muhendislik, BMB, Bel-Da, UBM** and **Kentkur**. Bids close on 1 April.

● Eleven firms have been invited to tender for a contract valued at about TL 4,000 million (\$3.4 million) for a project to rehabilitate and upgrade silos at Yerkey and Celikli by the Soil Products Office (TMO). They are **Tekfen, Kiska, Idil, Mapa, Dogus, Guris, Basak Makine, Metis, Kutlutas, Yuksel** and **Sezai Turkes-Feyzi Akkaya (ST-FA)**. Four foreign firms have been listed by TMO as possible subcontractors for mechanical and electrical works: West Germany's **Buehler-Miag, Redler Range Conveyors** of the UK, Hungary's **Agrikon** and **Socoma** of Italy. Bids are due on 11 April.

## UAE

### ADNOC abandons lone fight for fixed oil prices

Abu Dhabi's resolve not to discount oil prices has broken down. **Abu Dhabi National Oil Company (ADNOC)** has decided to offer its long-term Japanese contract buyers price adjustments on crude oil purchases, backdated to December. The emirate was until early March the only member of OPEC refusing discounts on the organisation's \$18-a-barrel reference price.

ADNOC's move follows weeks of rejection of Japanese demands for discounts. Industry observers expect the break with fixed prices to be followed by a steady increase in output, which dropped as low as 600,000 barrels a day (b/d) during the first quarter of the year.

Term buyers which maintained liftings over the first three months will receive rebates through deductions from invoices. The discount will be \$0.90 for December purchases, \$1.50 for January and \$2 for February. The effective price for the