

## TURKEY

applications for the bank-supported scheme were first invited in summer 1986 (MEED 22:8:87).

Companies heading consortia include:

- UK: **Balfour Beatty International**
- South Korea: **Hyundai Engineering & Construction Company**
- West Germany: **Bilfinger & Berger; Strabag Bau; Hochtief**
- China International Water & Electric Corporation; **China State Construction Engineering Company**
- Sweden: **Skanska**
- Italy: **Impregilo; Vianini**
- Japan: **Maida Construction**
- Turkey: **Guris; Dogus; Erg Insaat; Sezai Turkes-Feyzi Akkaya**
- Turkey/Japan: **Enka/Kajima Corporation.**

Until December 1987, the release of tender documents was held up by the dispute between the World Bank and the DSI on the number of bidders to be included on the shortlist. The DSI wanted more, to increase competition. The final details are now being added to the tender documents by the DSI and its Japanese consultant, **Electric Power Development Company (EPDC)**. The documents should be sent out to bidders in mid-April.

The project's total cost, including interest servicing, is expected to be more than \$700 million. Much will be externally financed. This includes a World Bank B-loan co-financing deal of about \$360 million, arranged and signed before the DSI invited prequalification applications in August 1986.

The scheme calls for the construction of a 199-metre-high rockfill dam on the Goksu river in Icel province, plus a 420-MW power station. Construction will take seven years.

## IN BRIEF

● Turkey will be able to find its required balance of payments needs in 1988, and has no intention of rescheduling, central bank governor Rusdu Saracoglu says. He outlined a comprehensive debt servicing strategy until 1991 to a meeting of the country's main bank creditors in London on 17 March. In 1988, the government still has to find about \$1,100 million to cover its shortfalls, Saracoglu says. However, the outcome of a DM 300 million (\$179.5 million) bond issue in the Frankfurt market in the week ending 12 March was very promising, he adds. In future, the central bank will seek securitised borrowing in favour of commercial syndications, he says. According to the strategy's projections, debt servicing declines slightly in 1989 and eases significantly in 1990. The current account deficit will drop to around \$400 million by 1991, slowing down external debt accumulation. The total debt stock will then stabilise at around \$42,000 million-45,000 million. By the end of the 1990s, the debt stock will decline, particularly in relation to expanding trade and gross national product (GNP), Saracoglu says.

● The UK's **Tilden Industries** has a \$3.5 million subcontract to supply site accommodation to

the local **Dogus** for its main contract to build part of the trans-Anatolian highway from Edirne to Kinali. The firm will supply 88 buildings for one main and seven ancillary camps. The subcontract is for completion by the end of April.

● The second Bosphorus bridge will open on 29 May, three years after construction began, officials say. The 1,100-metre toll bridge is being built by a consortium of the local **Sezai Turkes-Feyzi Akkaya (ST-FA)**, and **Ishikawajima-Harima Heavy Industries (IHI)** and **C Itoh & Company**, both of Japan. Bids were returned on 8 February for construction of a third bridge across the Bosphorus. ST-FA is the low bidder, but is being challenged by the UK's **Trafalgar House** with the local **Enka**; the venture's subcontractors include the two Japanese companies.

● The local **Sezai Turkes-Feyzi Akkaya (ST-FA)** and the US' **Westinghouse Electric Corporation** have formed a partnership to set up a joint-venture electronics enterprise. The venture will eventually produce radars.

● Construction work has been completed on the \$1,000 million Karakaya hydroelectric project in the southeast. Work on the 173-metre-high wall of the dam began in 1976. Two of the four power units have started up; the last two will be commissioned by November. Their combined output will total 7,500 million kWh annually. The lake behind the dam covers 300 square kilometres.

● The vehicle industry's output increased by 34 per cent in the first two months of 1988, the Automotive Industry Association says. A total 34,087 vehicles were produced, compared with 25,401 in the corresponding period of 1987. Output of trailers increased by 250 per cent to 42 vehicles, of minibuses by 45 per cent to 304 and of cars by 39 per cent to 22,008. **Fiat** licensee **Tofas** produced most — 5,398 — cars in February.

● The local **Penta Dis Ticaret's** exports rose to a record \$271 million in 1987, president Faruk Erkoc says. Imports totalled \$55 million. Both imports and exports comprised chemicals, plastics and fertilisers. Erkoc says Penta will make a final decision soon on a scheme to build a styrene monomer and a polystyrene plant locally, with annual output of 100,000 tonnes and 60,000 tonnes, respectively. An investment company, **Penta Petrokimya**, is being set up for the scheme. Financial adviser is **Bankers Trust Company**.

● State cement conglomerate **Citosan** is next in line for privatisation, following the sale of government shares in telecommunications manufacturer **Teletas**, officials say (MEED 12:3:88). The state economic enterprise operates five cement works, which have been subject to heavy demand in the past two years because of the construction mini-boom, particularly in housing. The plants may be sold off separately to increase the privatisation's chances of success. People living near the works will be encouraged to buy shares.

● Thirty-three firms have applied to bid for the consultancy commission to design the Tahtali dam, part of the Izmir water supply scheme. The project, for the State Hydraulics Works (DSI), comprises a water intake structure, pumping station, treatment plant and off-take canal.

● Ankara municipality has received Higher Planning Council approval to import 1.1 million tonnes of purified coal for winter 1988/89. The

municipality's coal utility, **Belko**, will now invite bids.

● The tender closing date for a contract to build a slab heating furnace at **Eregli Iron & Steel Works (Erdemir)** has been extended to 23 May. The plant is on the Black Sea.

● Revenues from the first Bosphorus bridge in 1987 totalled TL 4,679 million (\$4 million), the State Institute of Statistics says.

● Affiliates of state-owned **Black Sea Copper Enterprises (KBI)** are targeted to produce 25,000 tonnes of blister copper in 1988, KBI general director Rifat Kont says. The two-fold increase on 1987 will result largely from the start-up of a plant at Samsun. Concentrated copper output is expected to rise to 193,000 tonnes this year from 116,000 tonnes in 1987.

● State-owned **Turk Hava Yollari (THY — Turkish Airlines)** started weekly flights to Tunis on 22 March as part of a worldwide expansion programme. Flights will initially be on Sundays only; a Wednesday service will be added in July. THY plans to start flying soon to Algiers on Thursdays and will add New York, Oslo, Basle, Tokyo and Sydney to its destinations in 1988, officials say.

● A military court has sentenced nine members of the left-wing Turkish Workers' Peasants' Liberation Army (TIKKO) to death, and 15 to life imprisonment, according to the semi-official Anatolian news agency. Three hundred and seven members of TIKKO — a Kurdish-linked faction of the proscribed Turkish Communist Party-Marxist Leninist (TKP-ML) — have been on trial since 1984. The court acquitted 132 defendants, and jailed 126 for up to 24 years each. The cases against a further 25 were dropped or linked to other cases still being heard.

● An Istanbul court has banned two books, *Tropic of Cancer* by Henry Miller and *Sudaki Iz* (Shadow on the Water) by local author Ahmet Altan. They were banned under a 1927 obscenity law revived in 1986.

● Minister of State Yusuf Bozkurt Ozal returned from Jordan on 20 March after talks on ways of increasing co-operation in economic, financial, electricity and irrigation projects. In talks with Prime Minister Zaid al-Rifai, Ozal discussed plans to establish a committee with Egypt and Syria to study the possible linking of the four countries' electricity grids. The two men also discussed Turkey's proposals for a massive "peace" pipeline project running from two rivers in the southeast to Jordan, Syria, Iraq and the Gulf.

● A total 1,014 foreigners were being held in local prisons at the end of 1987, the largest number since 1983. One hundred and sixteen, including 97 Iranians, are being detained on drugs charges, the Istanbul daily *Cumhuriyet* says.

● South Africa was criticised by Minister of State Ali Bozer for its occupation of Namibia at a UN seminar on the territory in Istanbul on 22 March. Diplomats say Turkey's hosting of the seminar and a call by Foreign Affairs Minister Mesut Yilmaz on 21 March for sanctions against Pretoria are part of efforts to improve the country's diplomatic image. An imminent trade ban has been discounted, but diplomats say Prime Minister Turgut Ozal wants to attract support in the developing world for disputes such as Cyprus. Trade with South Africa was