



Republic of Turkey
Ministry of Transport Maritime Affairs
and Communications

PPP EXPERIENCES IN TRANSPORT SECTOR

**1st MEETING OF THE COMCEC TRANSPORT WORKING GROUP
(March 28th, 2013, Ankara)**

Legal Basis of PPP Practice in Transport Sector in TURKEY

**NOT A SINGLE FRAMEWORK LAW, BUT THERE ARE SEVERAL LAWS
SUPPORTING PPP IMPLEMENTATION.**

- Law No. 3465 on Commissioning of Entities other than the General Directorate of Highways to Build, Maintain and Operate Access Controlled Motorways (Highways), 1988 (6001-SK 2010)
- **Law No. 3996 on Realization of Certain Investments and Services within the Framework of Build-Operate-Transfer Model, 1994.**
- Law No. 4046 on Privatization Practices, 1994. (3291 SK-1994, 3974 SK-1994, 5398 SK-2005)
- Law No. 5335 Amending Certain Laws and Decrees Having Force of Law, 2005.

LIFE CYCLE OF PPP HIGHWAY PROJECTS



Republic of Turkey
Ministry of Transport Maritime Affairs
and Communications

PROJECT DEFINITION

PREPARATION OF BASIC DESIGN

ECONOMICAL & FINANCIAL FEASIBILITY STUDIES
& REPORT OF THE PROJECT

APPLICATION TO HIGH PLANNING COUNCIL TO
RECEIVE AUTHORISATION

PREPARING TENDER DOCUMENTS FOLLOWING
THE HIGH PLANNING COUNCIL AUTHORISATION

APPROVAL OF TENDER DOCUMENTS BY MINISTER OF
TRANSPORT MARITIME AFFAIRS AND
COMMUNICATION

ANNOUNCEMENT OF TENDER NOTICE

LIFE CYCLE OF PPP HIGHWAY PROJECTS



Republic of Turkey
Ministry of Transport Maritime Affairs
and Communications

REQUESTERS START AS A PARTY AFTER
ANNOUNCEMENT OF TENDER NOTICE

REQUESTER WHICH PROPOSED THE BEST BID IS
CHOSEN BY TENDER COMMITTEE AND APPROVED
BY MINISTER

AFTER THIS STAGE THIS REQUESTER CALLED AS
CONTRACTOR

SIGNING OF CONTRACT

REALIZATION OF THE MOTORWAY PROJECT

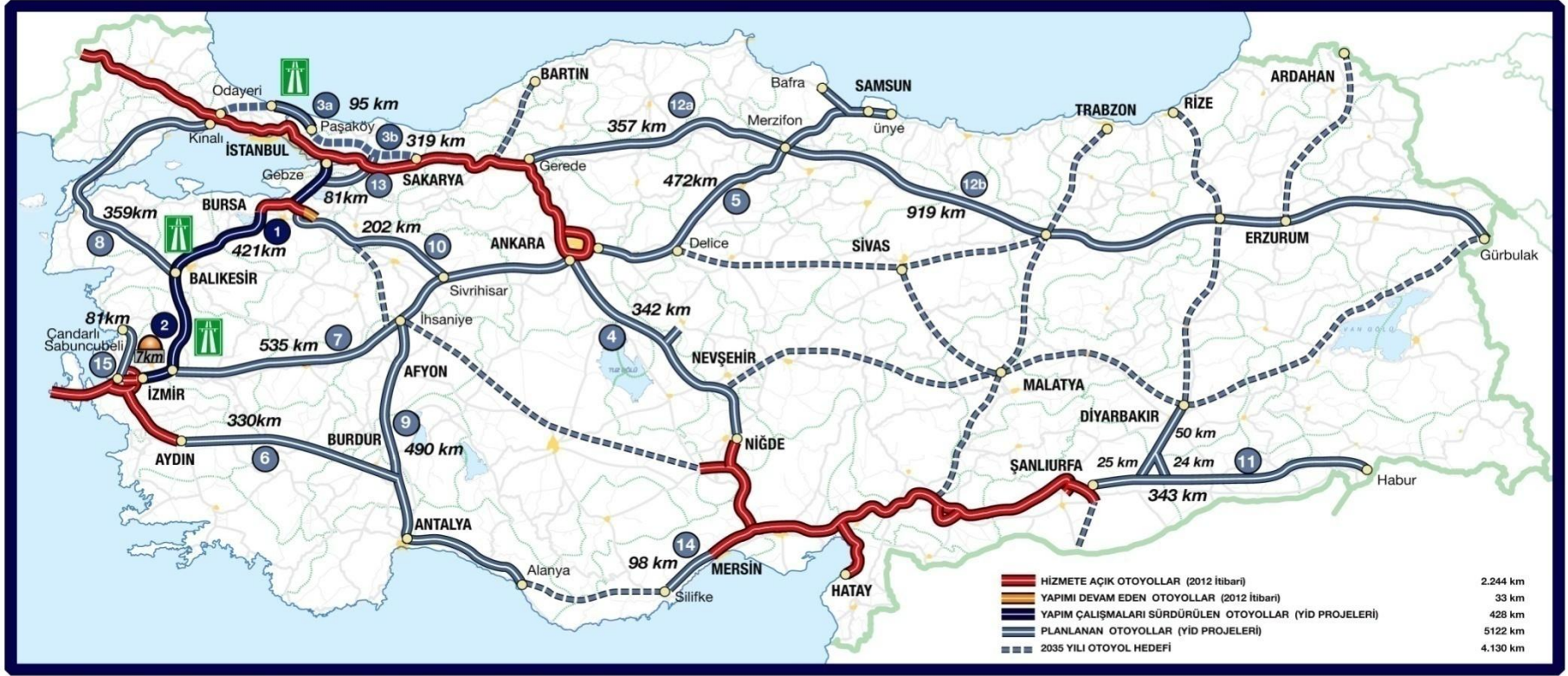
OPERATION OF MOTORWAY

TRANSFERRED BACK TO THE GOVERNMENT
AT THE END OF THE OPERATING TERM

SOME IMPORTANT FEATURES OF PPP IMPLEMENTATION AGREEMENT

- **THE GOVERNMENT HAS THE RIGHT TO ASSUME THE FINANCING OBLIGATIONS OF THE PROJECT COMPANY, IN THE EVENT THAT THE IMPLEMENTATION AGREEMENT IS TERMINATED PRIOR TO THE EXPIRY OF THE OPERATING TERM.**
- **ADMINISTRATION SUPERVISES THE PROJECT IN BOTH CONSTRUCTION AND OPERATION PERIOD**
- **DEMAND GUARANTEE (MEANING A GUARANTEE THAT THERE WILL BE AT LEAST A MINIMUM TRAFFIC FLOW)**
- **EXEMPTIONS FROM VALUE ADDED TAX, STAMP DUTY AND FEES**
- **EQUITY PART OF THE FINANCING OBTAINED BY THE PROJECT COMPANY SHOULD BE AT LEAST 20% OF THE EXPECTED FIXED CONSTRUCTION COST OF THE PROJECT.**

BUILD-OPERATE-TRANSFER PROJECTS IN ROAD SECTOR



YİD Projeleri Kapsamında Yapım Çalışmalarına Başlanan Projeler

- 1 - Gebze-Orhangazi-Izmir Otoyolu .
- 2 - Sabuncubeli Tüneli

421
7
428 km

YİD Projeleri Kapsamında Planlanan Projeler (km)

- 3/a - Kuzey Marmara Otoyolu /Odayeri-Paşaköy Kesimi (3.Bogaz Köp.Dahil) (YPK'sı alınmıştır)
- 3/b - Kuzey Marmara Otoyolu
- 4 - Ankara-Niğde Otoyolu
- 5 - Ankara-Kırıkkale-Delice-Samsun Otoyolu
- 6 - Aydın-Denizli-Burdur Otoyolu

95
319
342
472
330

- 7 - Ankara-Izmir Otoyolu
- 8 - Kınalı-Tekirdağ-Çanakkale-Balıkesir Otoyolu
- 9 - Afyonkarahisar-Antalya-Alanya Otoyolu
- 10 - Sivrihisar-Bursa Otoyolu
- 11 - Şanlıurfa-Habur Otoyolu (Diyarbakır Bağlantısı Dahil)
- 12a- Gerede-Merzifon-Gürbulak Otoyolu Projesi,Gerede-Merzifon Kesimi
- 12b- Gerede-Merzifon-Gürbulak Otoyolu Projesi,Merzifon-Gürbulak Kesimi
- 13 - Yalova -İzmit Otoyolu
- 14 - Mersin-Silifke (Taşucu) Otoyolu
- 15 - Çiğli-Aliağa-Çandarlı Otoyolu

535
359
490
202
442
357
919
81
98
81

TOPLAM

5.550 KM

5.122 km



Republic of Turkey
Ministry of Transport Maritime Affairs
and Communications

PPP PRACTICES IN ROAD SECTOR

❖ **23 Highway Service Facilities realized by BOT Model according to Law No 3465 .**

- Investment Cost of each facility is about 3-5 Million US \$

❖ **Göcek Tunnel: According to Law No 3996.**

- Construction period : 2 years
- Operation period : 26 years
- Investment Cost is about 9.5 Million US \$

ONGOING PPP PROJECTS

- ❖ **GEBZE-ORHANGAZI-İZMİR MOTORWAY (INCLUDING İZMİT BAY CROSSING AND CONNECTING ROADS)**
- ❖ **NORTHERN MARMARA MOTORWAY, ODAYERİ PAŞAKÖY SECTION (INCLUDING 3. SUSPENSION BRIDGE) PROJECT**
- ❖ **SABUNCUBELİ TUNNEL PROJECT**
 - Investment Cost is **62 Million** US \$

GEBZE-ORHANGAZI-İZMİR MOTORWAY



- ✓ Gebze-Orhangazi-İzmir Motorway is one of the biggest Built Operate Transfer (BOT) projects in the world which includes World 4th suspension bridge (İzmit Bay Bridge) with longest central mid span (1550 m).
- ✓ Project consists of 377 km motorway + 44 km connecting roads, 421 km length at total.
- ✓ Total investment cost of the project is about 6,3 billion \$)
- ✓ The BOT Contract was signed at 27.09.2010. According to contract , the contractor will build the project in 7 years, and operates the motorway for 15 years and 4 months.
- ✓ Length of the road between Gebze-İzmir will be shorten by 140 km. Travel time will decrease 9 hours to 4 hours.

GEBZE-ORHANGAZİ-İZMİR MOTORWAY

(INCLUDING İZMİT BAY CROSSING AND CONNECTING ROADS)



1- GEBZE – ORHANGAZİ
43 Km

2- ORHANGAZİ – BURSA
34 Km

**3- (BURSA – KARACABEY) Ayr. –
(BALIKESİR – EDREMIT) Ayr.**
123 Km

**4- (BALIKESİR – EDREMIT) Ayr. –
İZMİR**
177 Km

GEBZE-ORHANGAZI-İZMİR MOTORWAY

(INCLUDING İZMİT BAY CROSSING AND CONNECTING ROADS)

- **Construction period: 7 years**
- **Operation period :15 years and 4 months**
- **Total Investment Amount: 6.3 billion \$**
- **Bridge Toll Price for car : 35 \$**
Motorway Toll Price for car :0.05 \$/km
- **4 Section for Traffic Guaranteed**
- **Expropriation by Administration, Appointed Company pays 400 million TL**
- **Consultancy works up to % 2.5 of sub total of Total Investment Amount paid by Appointed Company**
- **In cases where the termination of the Agreement used loans are paid by the Treasury.**

NORTH MARMARA MOTORWAY

Odayeri-Paşaköy (including 3rd suspension bridge)

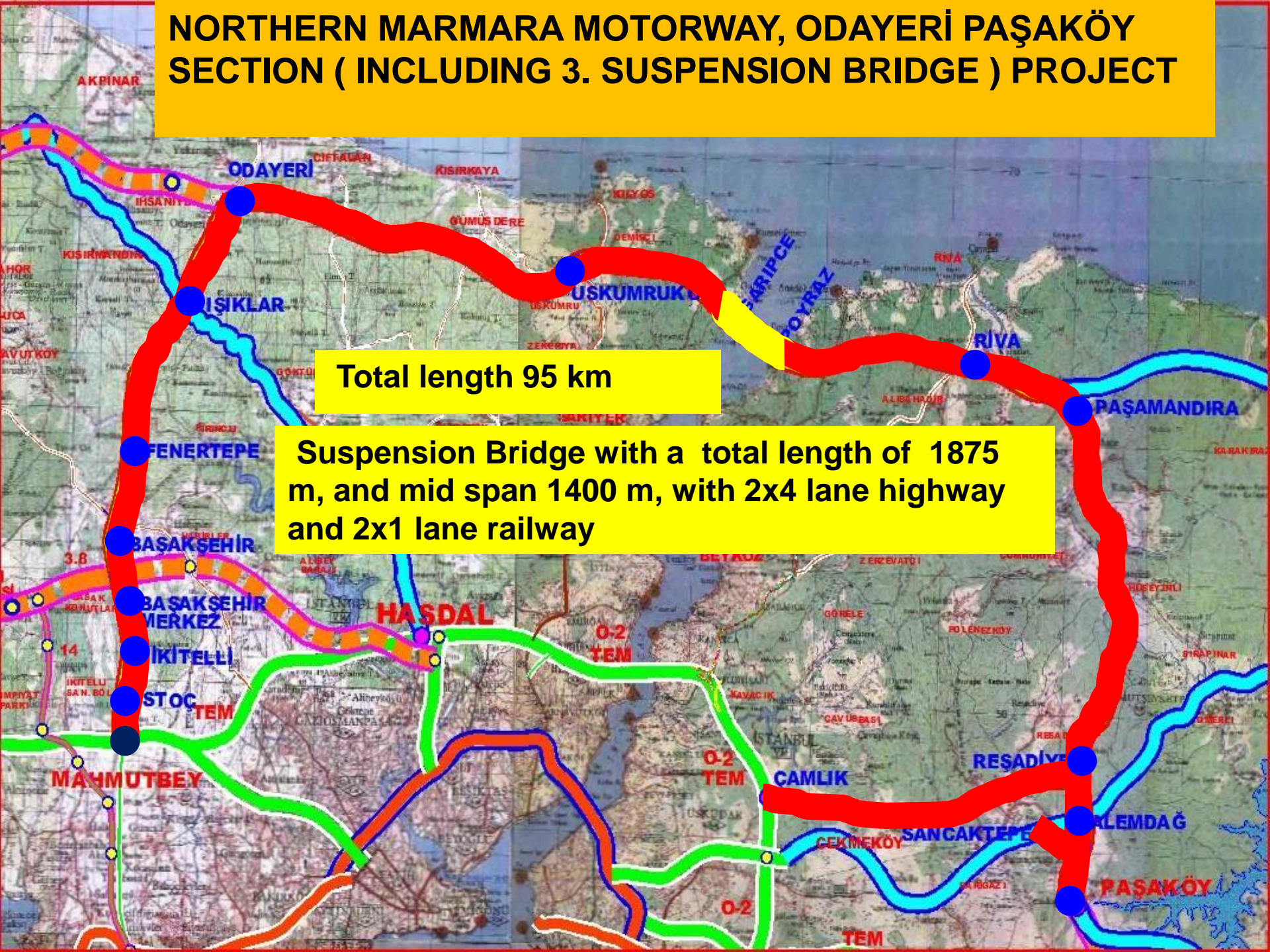


- ✓ **Marmara region is densely populated and economically developed. As a result, decrease in the road service capacity inherits the economical activities and results in loss of time, work force and money.**
- ✓ **The aim of the project is to decrease the traffic congestion at 2 suspension bridges on Istanbul Strait with an alternative suspension bridge that will be located on the north of Istanbul close to Black Sea region**
- ✓ **Approximately 1875 meter long 3rd Strait bridge, which has 2x4 lanes of motorway and 2x1 lanes of railway, is the most prominent part of the project.**

NORTHERN MARMARA MOTORWAY, ODAYERİ PAŞAKÖY SECTION (INCLUDING 3. SUSPENSION BRIDGE) PROJECT

Total length 95 km

Suspension Bridge with a total length of 1875 m, and mid span 1400 m, with 2x4 lane highway and 2x1 lane railway



SOME INFORMATION OF IMPLEMENTION CONTRACT

- Construction period: 2 years and 6 months
- Operation period :7 years, 8 months and 20 days
- Total Investment Amount: 2.5 billion \$
- Bridge Toll Price for car : 3 \$
Motorway Toll Price for car :0.08 \$/km
- The Tolls are updated every year with the base of the Coefficient of United Nations Statistics Office .
- In cases where the termination of the Agreement used loans are paid by the Administration /Treasury.

PPP EXPERIENCE IN LAND TRANSPORT REGULATION

VEHICLE INSPECTION STATIONS





Republic of Turkey
Ministry of Transport Maritime Affairs
and Communications

VEHICLE INSPECTION STATIONS

- **VEHICLE INSPECTION STATIONS**
- **In 2004, the construction and operation of Vehicle Technical Inspection Stations was privatized, based on PPP model. The Establishment and Operation of Vehicle Inspection Stations was tendered for 613.5 Million \$.**
- **A consortium (Akfen-Dogus-TÜV SÜD) was authorized to build and operate Technical Inspection Stations for 20 years.**
- **Public Service Concession Agreement signed among the Prime Ministry Privatization Authority, MoTMAC and Consortium (15.08.2007)**
- **Recently, 196 fixed and 73 mobile stations have been established, investment amounted to 470 Million \$, project completed in 2009**
- **35.743.754 vehicles have been inspected so far**
- **3.500 employment by private sector**



PPP IN TURKISH AIRPORTS





PPP IN TURKISH AIRPORTS

- **First model is “Built-Operate-Transfer (BOT)”**
- **Other model is “Transferring the operational rights of passenger terminals within airports.”**

AIRPORT BOT PROJECTS



Under the Law No 3996.



First model is “Built-Operate-Transfer (BOT)” REALISED BOT TENDERS

PROJECT NAME	TOTAL INVESTMENT
ATATÜRK AIRPORT INTERNATIONAL TERMINAL	397.793.500 \$
ANTALYA AIRPORT I.ST INTERNATIONAL TERMINAL	75.902.000 \$
ANTALYA AIRPORT II.IND INTERNATIONAL TERMINAL	85.386.000 \$
DALAMAN AIRPORT INTERNATIONAL TERMINAL	91.997.688 \$
ESENBOĞA AIRPORT DOMESTIC AND INTERNATIONAL TERMINALS	233.009.917 \$
ADNAN MENDERES AIRPORT INTERNATIONAL TERMINAL	180.413.715 \$
MİLAS-BODRUM AIRPORT INTERNATIONAL TERMINAL	123.658.047 \$
ZAFER AIRPORT	65.715.000 \$
ÇUKUROVA AIRPORT	464.764.505 \$
TOTAL	1.718.640.372 \$

THE BENEFITS of BOT AIRPORT PROJECTS IN TURKEY

- 9 airport terminal projects
- 1,7 billion \$ total investment
- 103 million additional capacity
- 2.250.000 m² in 1,5 years
- 110.000 people employed.
- 322.355.000 \$ tax is paid within operation period.



THE SECOND MODEL: TRANSFERRING OPERATIONAL RIGHTS

- Under the Law 5335 Article 33:
Transferring operational rights of airport passenger terminals and under construction facilities.
- **Transfer management right by renting.**

FEATURES OF OPERATIONAL RIGHT TRANSFER MODEL

- Repairment - maintenance and renewal.
- Fixed renting amount.
- No passenger guarantee.
- Revenues to private sector company.
- Inspect and observe by government.
- Maximum 49 years.

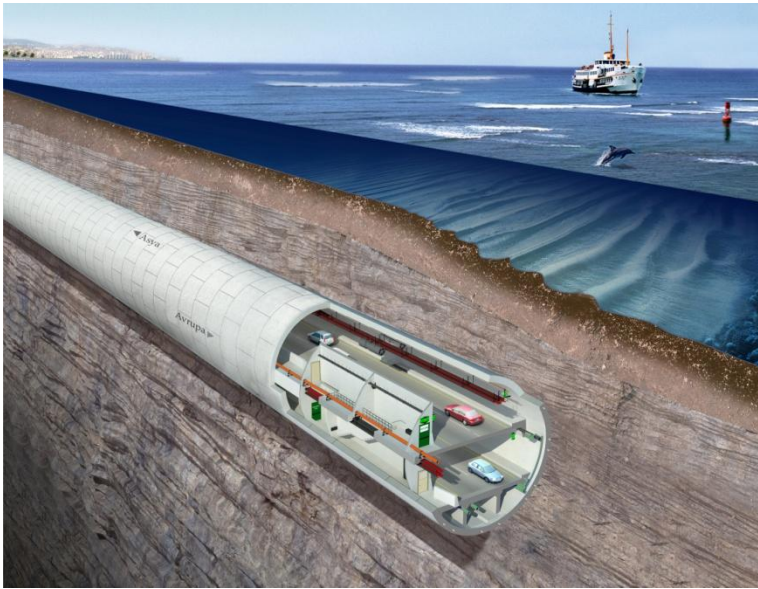


REALISED RENTING TENDERS

	RENTAL AMOUNT
ATATÜRK AIRPORT DOMESTIC INT. LINES, MULTILAYERED CARPARK &GENERAL AVIATION	3.000.740.000 \$
ANTALYA AIRPORT 1ST INTERNATIONAL TERMINALS, CIP, DOMESTIC TERMINAL	3.193.000.000 \$
ANTALYA AIRPORT 2ND INTERNATIONAL TERMINAL	
ANTALYA-GAZİPAŞA AIRPORT	% 65 NET PROFIT OF EACH YEAR
ZONGULDAK-ÇAYCUMA AIRPORT	EACH YEAR %01,06 of endorsement
İZMİR A.MENDERES AIRPORT INT. LINES, CIP AND DOMESTIC TERMINALS	935.740.000 \$
AYDIN ÇILDIR AIRPORT	% 7 NET PROFIT OF EACH OPERATION YEAR
T O T A L	7.129.480.000 \$

PPP PROJECTS IN PORTS

Name of Project	Investment Amount	Annual Usage Fee
Güllük Port	\$16.642.226	\$1.350.000
Turgutreis Marina	\$22.000.000	\$70.000
Çanakkale Kepez Port	\$14.600.000	\$376.000
Bodrum Passenger Dock	\$9.660.000	\$125.000
Didim Marina	\$70.000.000	\$25.000
Çeşme Marina	\$15.000.000	\$1.555.000
Sığacık Marina	\$12.750.000	\$803.924
Yalova Marina	\$10.000.000	\$770.000
Alanya Marina	\$7.500.000	\$110.000
Mersin Marina	\$20.000.000	\$102.380
Kaş Marina	\$11.607.480	\$372.400
Highway Strait Tube	\$1.224.000.000	25 million vehicle/year, 4 \$ + Value-Added Tax per vehicle



Highway Strait Tube – EURASIA TUNNEL

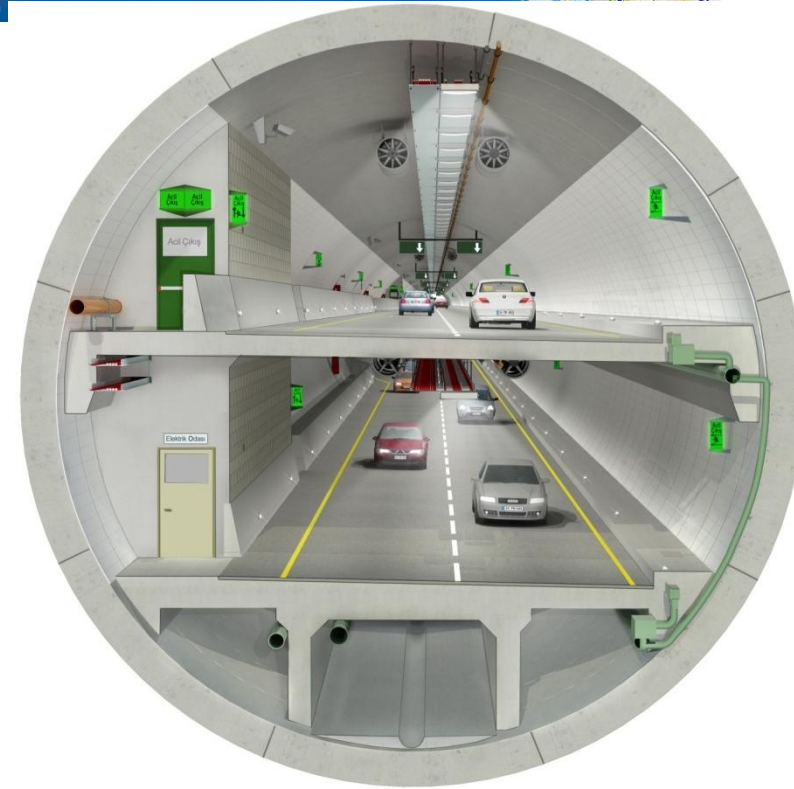
Consisting of three parts including the project area with a total length of 14.6 km (Section 2), of which 5.4 km is in the underground. The 3.4 km length of the cut and cover tunnel excavation is under the sea. Tunnels with Austria tunnels opening methods is approximately 2.0 km

excavation diameter	:13.7 m
---------------------	---------

outer diameter	:13.2 m
----------------	---------

inner diameter	:12.0 m
----------------	---------

concrete coating thickness	: 60 cm
----------------------------	---------



Thank you for your attention



Republic of Turkey
Ministry of Transport Maritime Affairs
and Communications