

TRANSPORTATION IN TURKEY



Republic of TURKEY
Ministry of Transport and Communications

COUNTRY REPORT

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I. INTRODUCTION

In general terms, transport is the movement of people and goods from one point to another. The technological advances dramatically changed the means and the ways of transport. Roads and railways were constructed and the ships were modernized. With these developments, people and goods has been able to travel long distances in a shorter time period.

Transport today is of great importance for countries for their economic and social development. In order to improve people's access to social services such as health and education, countries need to ensure transportation in a cheap and safe way within their borders as well as with other countries. A good transport system may substantially increase agricultural and industrial production as it enables products to reach markets at competitive prices. It may also boost foreign trade and enhance tourism revenues and ultimately national income.

Due to its unique geographical position, improving transport is a priority for Turkey's economic and social development. In recent years, Turkey has made significant investments and legal arrangements to improve and diversify its domestic and international transportation. These efforts had positive impact on production and

contributed to the development of its foreign trade and tourism.

This report is prepared to be submitted to the Exchange of Views Session on "Impact of Transport Networks on Trade and Tourism" to be held during the 27th Session of the Standing Committee for Economic and Commercial Cooperation of the Organization of Islamic Cooperation (COMCEC). It provides brief information on the current situation on Turkey's transport sector and highlights the efforts made for the development of the sector in the future.

In the first section, the report gives figures on Turkey's international trade and tourism which have increased dramatically in recent years. The second section focuses on the current situation in the sub-sectors of the transport while the third section investigates the national and international efforts for the development of Turkish transport sector.

II. IMPACT OF TRANSPORT ON TRADE AND TOURISM IN TURKEY

Good transportation infrastructure and services are important preconditions for increasing trade, and achieving economic development. Because, the situation of a country's transport sector determines the transport costs and the degree of access to domestic and foreign markets, all of which impact the country's development prospects. Given the same factor endowments, countries with higher transport costs will often achieve lower real incomes because more resources need to be employed for transportation, thereby realizing fewer gains from trade.

Smooth, cost-effective and safe transport of exports and imports is a priority for Turkey. In this regard, investments in all modes of transport have been increased since 2003 and regulatory framework in this area has been improved.

In order to facilitate international transport, Turkey is undertaking an ambitious reconstruction and modernization program for its customs with a view to making them more effective to facilitate its trade, especially with its immediate neighborhood. Within this framework, several customs have been, or are being modernized through public-private partnership models. Turkish Union of Commerce and Commodity

Exchanges (TOBB) is heavily engaged in this process.

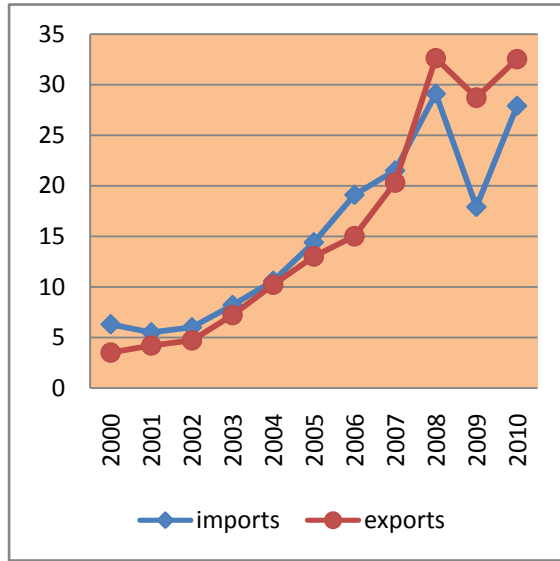
Shipping is the most usual method of transportation for Turkey's exports and imports, with respective shares of 46.0 percent and 59.1 percent. Second to shipping for Turkey's foreign trade is road transportation, with a share of 41.7 percent for exports and 23.6 percent for imports. Airport transport comes as third (TUIK: 2011).

In order to meet the increasing demand of private sector, Turkey has increased the capacities of the ports and expedited the bureaucratic formalities in shipping.

Turkey also increased its bilateral and multilateral efforts to improve international transport. In this regard, Turkey continued cooperation efforts in various international platforms and signed and ratified various bilateral and international transport agreements. These efforts are given in details in the relevant section of this report.

These efforts in the area of transportation have had an important role in Turkey's foreign trade increased dramatically in the first decade of the new millennium. During this period, Turkey's exports increased 310 percent and reached 113.8 billion US Dollars in 2010 versus 27.7 billion US Dollars in 2000. Turkish imports also boosted and reached 185.5 billion US Dollars versus 54.5 billion US Dollars in 2000.

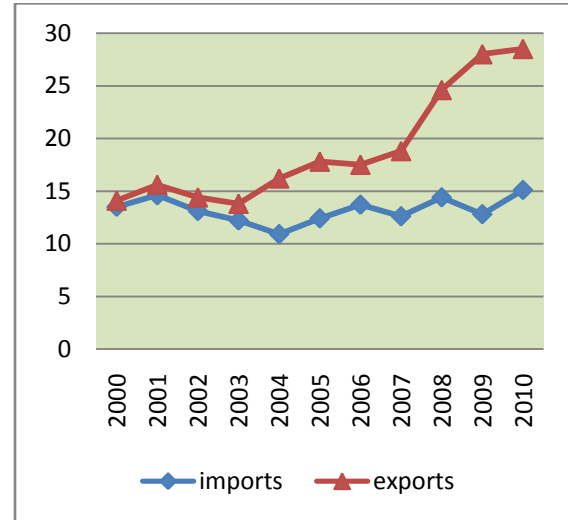
Figure 1: Turkey-OIC Trade (Billion US Dollars)



Source: TÜİK

During the above mentioned period, the destinations of both exports and imports have also been diversified. For example, the share of EU in total Turkish exports decreased to 46 percent in 2010 versus 56 percent in 2000. On the other hand, the share of OIC Member States increased to 28 percent in 2010 versus 12 percent in 2000. During this period, the share of Turkish imports from the OIC Member States increased to 15 percent in 2010 versus 11.5 percent in 2000.

Figure 2: Share of OIC Countries as a Group in Turkish Foreign Trade



Source: TÜİK

Despite the stable increase of Turkish trade with other OIC Member States as a group, the rate of increase differs among the Member States. Within the OIC Member States, neighboring and geographically closer Member States as a group have the biggest share in Turkey-OIC trade. On the other hand, Turkey has limited trade with the Member States which are located in long distance. Transport costs, increasing in parallel with distance, are one of the important factors causing this result. However, with the positive impact of globalization, technological developments and new partnership and solidarity to be developed among the OIC Member States, trade with all the Member States may reach its real potential in near future.

Another area that the transport plays a key role is the tourism sector. Transportation

makes connection between demand (tourists) and supply (product of tourism) side of the tourism system and thus becomes an integral part of tourism activities. Good accessibility, which is determined by the transport services provided, is essential for the development of any tourist destination.

Transportation systems of countries, as an essential component of successful tourism development, have an impact on tourism experience which defines how and where tourists will travel. If accessibility is inhibited by inefficiencies in the transport system, it is possible that tourists will seek alternative destinations.

Among modes of transport, the air transport industry is a vital part of the increasingly globalised tourism and connecting people across continents. After the liberalization of air transport industry in the world, the availability of cheap air transport can also be considered as one of the main driving forces in international tourism growth. Air transport is indispensable for tourism, which is a major engine of economic growth, particularly in developing economies because over 50 percent of international tourists travel by air.

Tourism has become a major growth sector in Turkey's economy, has contributed significantly to foreign exchange earnings and has generated demand for other activities including transportation and construction.

Turkey's performance in terms of tourist arrivals and tourism revenues is substantially above the world averages. In 2010, 28.6 million tourists visited Turkey, and tourism receipts amounted to 20.8 billion USD. Turkey has a share of 3.1 percent in terms of tourist arrivals and 2.6 percent in terms of tourism receipts, in the world tourism market. Turkey, which has a share of 5.6 percent in terms of tourist arrivals and 5.3 percent in terms of tourism receipts in the European tourism market, ranks seventh in terms of tourist arrivals among the top 20 tourism destinations in the world, and ninth in terms of tourism receipts.

Air transport is a fundamental component of Turkish Tourism, providing the vital link between tourist generating areas and destinations in Turkey. In 2010, 68.3 percent of foreigners arriving in Turkey preferred air transport as a means of transportation. Usage of road transport by foreigners arriving in Turkey increased by 15.2 percent in 2010 and had a share of 24.3 percent among total arrivals. Share of seaway as a means of transport is only 7.2 percent among arrivals in Turkey. The following table represents overall tourist arrivals according to means of transport for the years indicated. Overtime, it is expected that air transport will grow at a faster pace than surface transport, so the share of air transport will gradually increase.

Table 1: Foreign Arrivals in Turkey (Millions)

	2009	2010	percent Change (2009-2010)
Airway	18,9	19,5	3,15
Roadway	6	6,9	15,23
Railway	0,07	0,06	-4,37
Seaway	2,02	2,06	2,16
Total	27	28,6	5,74
Excursionist	1,57	1,63	3,82

Source: Ministry of Culture and Tourism

Note: Excursionists are included into total at seaway.

In recent years Turkish government launched new initiatives which made an important contribution to the development of tourism sector. For example, Turkish Government signed bilateral agreements with several countries to ease visa requirements while the Turkish aviation industry increased the number of direct flights from and to other countries and add new destinations to their flights.

Government policy has been to support and promote growth in the tourism sector in Turkey by improving infrastructure and by facilitating private investment in this sector, including both foreign and domestic investment. Tourism Strategy of Turkey-2023 involves arrangements to be made in relation to existing transportation system. Ministry of Culture and Tourism aims to eliminate transportation and infrastructure problems of densely populated and fastest growing centers in close cooperation with local governments. Turkish Government

also plans to restore the current airports and build new ones with a view to achieve the goal of spreading tourism activities countrywide. It is also aimed to increase the level of safety and accessibility of highway transport for tourism purposes. Arrangements for receiving cruise ships, rehabilitation of existing marinas and construction of new marinas are carried out to attract high-profile travelers to Turkey.

III. OVERVIEW OF TRANSPORT SECTOR IN TURKEY

3.1. Road Transport

Beginning from the 1950's, road transport has experienced a significant development process and now, it is considered as the dominant transport mode of Turkey. Due mainly to long-time neglecting of railway and maritime physical infrastructure, road transport as being the most appropriate mode for door-to-door transportation have given rise to concentration of freight and passenger transport on road network in Turkey. As of 2010, having 91,7 percent of passenger and 89,4 percent of freight transport, road transport constitutes a great share among the transportation modes in Turkey. As of the same year, share of road transport for passenger and freight are 85 percent and 44.3 percent respectively for EU-25. Transport demand in Turkey (measured in passenger-kilometers and tone-kilometer), has been growing. However,

freight transport, which is being realized 89,4 percent by highways, increases heavy commercial vehicle traffic as well as creates unsafe situation on the roads. Furthermore, high density of heavy vehicle traffic leads to quicker deterioration of the road structure.

Turkish total road network is over 64,865 km, of which more than 31,395 km are state roads, 31,390 km are provincial roads and 2080 km are motorways.



A view from a motorway in Turkey

Map 1: Turkey's Roads



Source: MoT

In parallel with the growth experienced in world trade volume in 1990s, Turkish road transport sector witnessed a dramatic increase in the role of private sector. Currently there are 1634 licensed firms in the international goods transport and 151 licensed firms in international passenger transport. Also there are 172.945 licensed firms in national goods transport and 359

licensed firms in national passenger transport. The total length of roads having hot mix asphaltic pavement capable of handling heavy axle loads including the motorways is 12,452 km in Turkey as of September 2011. The breakdown of road network with respect to surface type is given below in the table.

Table 2: Current Status of Road Network by Surface Type as of 1 January 2011 (Km)

ROAD CLASS	Bituminous	Surface	Stone	Stabilized	Earth	Other	TOTAL
MOTORWAY	2080	-	-	-	-	-	2080
STATE ROAD	8758	22146	75	162	47	207	31395
PROVINCIAL	1439	26783	137	1152	735	1144	31390
TOTAL	12277	48929	212	1314	782	1351	64865
Share in Total	18,9	75,4	0.3	2	1,2	2.1	-

Source: Ministry of Transport and Communications

Turkey has 0,54 highway density including rural roads. In terms of utilization of the intercity highways network, vehicle-km values increased to 10 percent, road freight (in tones-km) to 7,88 percent and passenger transport to 6,80 percent from 2009 till 2010.

Because of its dominant role in all modes of transport, improving the physical and design standards of road network has become a

necessity in recent years. In terms of design standards, the divided road network in Turkey currently reaches to 21.227 km including motorways as of September 2011.

In terms of physical standards, conversion of pavement into bituminous hot mix is continuing in parallel with heavy vehicle traffic volume.

Map 2: Map of Divided Road Projects



Source: MoT

One of the major issues in road transport is traffic accidents which have become a significant issue in the world. As traffic accidents leave casualties and injuries, and causes significant economic losses, development of physical and geometric standards aimed at increasing traffic safety, especially in highway transportation is given special emphasis in many countries.

A total of 1.104.388 road accidents have taken place in Turkey on urban and intercity roads, with total casualties of 4045, a total number of injured reaching 211.496 in 2010. Fatalities per 100 million vehicle-km resulting from traffic accidents are decreasing dramatically.

One of the most important goals in the divided road projects is to decrease the

number of traffic accidents through increasing traffic safety.

3.2. Rail Transport

Turkey has a state-owned railway system under the responsibility of Ministry of Transport and Communications which carries out supervision of Turkish State Railways (General Directorate of State Railways Administration- TCDD).

TCDD is a state-owned enterprise, founded for producing monopoly products, basic products, services and marketing them, and focuses on the public service aspect. Liability of the Enterprise is stipulated in its Articles of Association to construct new conventional, fast and high speed railway lines, operate, expand, renew the Railways,

Ports, Wharfs and Docks and perform complementary activities related to them.

4136 km of railway network of Turkish Railways was inherited from Ottoman Empire and remained in the national borders. As a result of the construction works of new railways started in 1924 after the proclamation of the Republic, approximately 3764 km of new lines were constructed and put into operation. After 1950, a transport policy which focused mostly on road transportation was adopted. In the first years of the Republic, approximately 134 km of railway line was built per year; however after 1950, average length of railway lines constructed per year decreased to 16 km.

On the other hand, the government of Turkey has given special attention and priority to railways among other transport

modes since 2003, which has resulted in allocation of large amount of investment and new rail transport policy both in passenger and freight transportation. Approximately 10 billion US Dollars investment was allocated to railway infrastructure between the years 2002 and 2010.

Currently, TCDD has 11,052 km conventional line and 888 km high speed line which finally equals 11,940 km lines in total. 93 percent of these mainlines are single-track; 3161 km of total lines are electrified and 3908 km of them are signaled. Electrified and signaled lines in overall lines are 26 percent and 33 percent respectively. Share of railways in freight transportation throughout Turkey is 5.3 percent and its share in passenger transportation is 1.6 percent.

Map 3: Railway Network



Source: MoT

Over the course of last 8 years, the TCDD has changed its freight transportation strategy and shifted to Block Train Operations from piece-by-piece transportation. 24.2 million tones freight was carried in 2010 and when it is compared with the transportation in 2002 freight transport amount was increased by 67 percent. Also, the freight transport income was increased by 206 percent.

There are 452 km sidelines which enable the connection of 326 freight centers (such as Factory-organized industrial zones) with main railway network. In terms of type of goods carried; ore, coal, container and international transportation account for the

78 percent of total transportation. Moreover, transportation of goods such as automobile, construction materials, food products etc. which were not carried in 2002 are now being transported by block trains.

With regard to international transportation, block trains are operated reciprocally from Turkey to Germany, Hungary, Austria, Bulgaria, Romania and Slovenia in west and to Iran, Pakistan, Syria, Iraq in east, and to Turkmenistan, and Kazakhstan in Central Asia. In this scope, 191 block freight trains are operated reciprocally per day including 158 domestic and 33 international trains.

TCDD is also involved in international, intercity, regional and combined passenger transportation. 5,5 billion passenger-km was procured by transporting 22,3 million passengers in 2010.

On the other hand, TCDD gives suburban services in Ankara and İzmir. 1.885 million passenger-km was procured in suburban passenger transportation by transporting 60 million passengers in 2010.

High Speed Train (HST) operation between Ankara and Eskisehir was started in 2009 as the first step of Ankara-Istanbul High Speed Train project. Recently, the second HST operation started between Ankara and Konya.



A view of High Speed Train

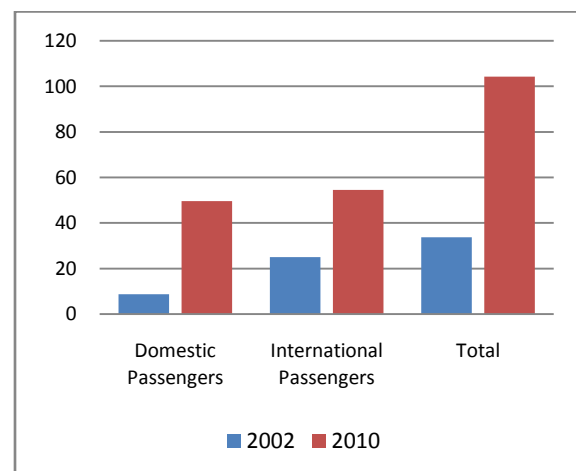
3.3. Air Transport

Turkey has had a tremendous development in the civil aviation sector during the last decade. In recent years, Turkey's civil aviation sector has grown ten times faster than the world average. Total air traffic

growth expected for Turkey in the reports of international civil aviation organizations like European Organisation for the Safety of Air Navigation (EUROCONTROL) and International Air Transport Association (IATA) for 2015 had already been reached in 2005, i.e. 10 years before the anticipated year. Main causes of this development are liberalization of the sector and economic growth in Turkey.

In 2010, total number of passengers in Turkish airports is around 105 million. 52 percent of total passengers is international passengers. Comparing these numbers to the ones in 2002 clearly shows how much Turkish civil aviation grew in recent years. In 2002, domestic passengers were approximately 8,7 million and international passengers were about 25 millions the total was around 34 million. The growth rate in the 2002-2010 period is 209 percent.

Figure 3: Total Number of Passengers in Turkish Airports (Millions)



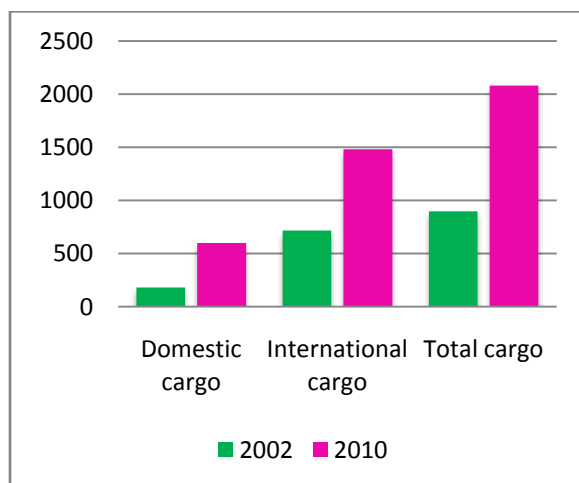
Source: MoT

In 2002, there were 110 aircrafts in Turkish fleet compared to the 340 aircrafts in 2010. The growth rate in this period is 210 percent.

In 2002, total numbers of transit flights, international flights and domestic flights were 155 thousand, 157 thousand and 218 thousand respectively. On the other hand, in 2010, total number of transit flights were 304.540, international flights were 536.350 and domestic flights were 489.980. The total number of flights was 1,3 million. The growth rate between 2002-2010 is 150 percent.

In 2002, near 896 thousand tons of cargo were carried by air. 181 thousand tons of this amount was domestic and 715 thousand tons were international. In 2010, domestic cargo jumped to 598 thousand tons and international cargo reached 1.4 million tons. The total was 2 million tons. The growth rate is 132 percent.

Figure 4: Air Cargo in Turkey (Thousand Tons)



Source: MoT

It is envisaged that annual average rate of increase in passenger traffic throughout Turkey will be 5 percent until 2020. It is predicted that daily traffic that will be contributed by Turkey to the air traffic will be 6000 until 2030. It is clear that the overall prospect of the civil aviation sector in Turkey looks promising.

The civil aviation sector in Turkey has been fully liberalized. Today, there are 8 scheduled, 4 non-scheduled and 3 cargo operators in the Turkish civil aviation sector flying to 46 domestic destinations and 130 international destinations in a scheduled system.

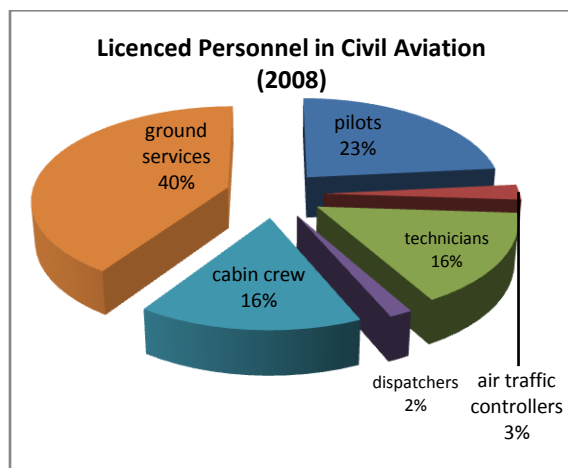
Turkish Airlines is still the leading carrier in Turkey. Being under the umbrella of Ministry of Transport and Communications, General Directorate of Civil Aviation (DGCA) supervises and monitors the air transport sector and General Directorate of State Airports Administration (DHMI) manages air navigation systems and most of the airports.

In order to supervise and control this growing air traffic in a more efficient and safer way, Turkey is implementing the “System Modernisation of ATM Resources in Turkey” Project, so called SMART Project. With the completion of this project, air traffic control in Turkey will be monitored from a single center, and accordingly the radar systems are also going to be updated.

With the projects Turkey has implemented, Turkish civil aviation sector has achieved success not only in the increase of flight traffic but also in many areas such as operating airports, ground services, air taxis, flight schools, maintenance services and cargo transport.

Human resources are indispensable in civil aviation sector. By the end of 2008, there were 7.206 pilots, 804 air traffic controllers, 4.865 maintenance technicians, 509 dispatchers, 4.900 cabin crew and 12.500 ground services employees in Turkey. Total number of licensed qualified personnel is 31.295.

Figure 5: Licensed Personnel in Civil Aviation Sector (2008)



Source: MoT

Turkey is also a model country for training civil aviation personnel. Turkish government subsidized flight schools by lowering fuel prices. Lowered costs of training programs resulted in an increase in flight school students. Private sector has

training programs in the civil aviation sector for both Turkish and foreign nationals.



Pilot Training - A view from Anadolu University School of Civil Aviation

3.4. Sea Transport

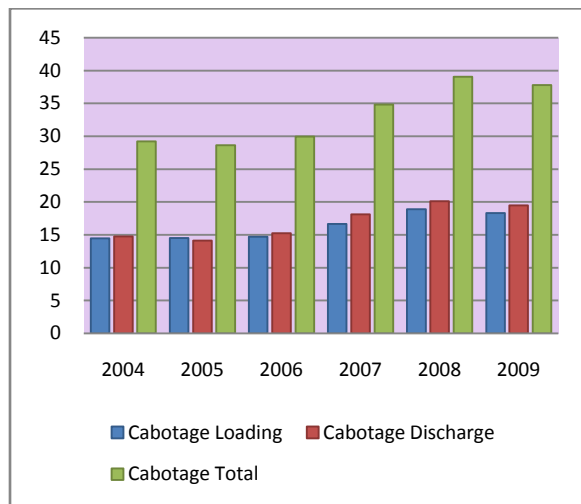
Turkey is located at the crossroads between Europe and Asia. This geographical location enables Turkish ports to handle significant amount of cargo between the Western and the Eastern points. Cargo coming from Europe and Americas are handled in transit to CIS Republics, Iran, Iraq, and the Balkans and vice versa. The length of Turkey's coastal borders is 8,400 km. Turkey has great potential in terms of intermodal transportation owing to its privileged geographical position amid European, Central Asia and Middle Eastern countries. Historically as a maritime country, Turkey attaches great importance to its maritime sector.

Maritime transportation is the most preferred method of transportation both in Turkey's exports and imports, with respective shares of 46.0 percent and 59.1

percent in total. 85 percent of the volume of Turkey's foreign trade transportation has been carried by sea.

The progress of Turkey's seaborne trade has been examined under two headings as maritime cabotage and international transportation in following parts.

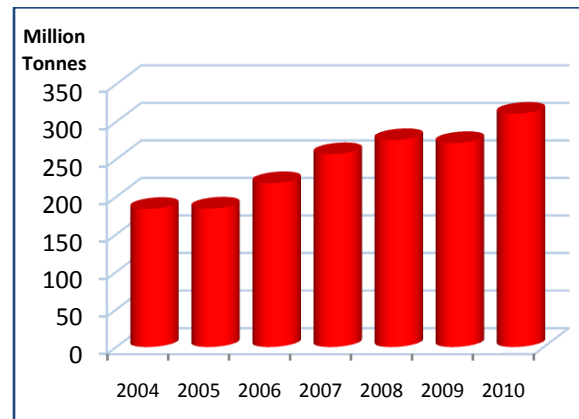
Figure 6: Cabotage Transportation (Million Tons)



Source: MoT

The amount of cargo (including import, export, cabotage and transit) handled in Turkish ports was 183.86 million tonnes in 2004, whereas it has reached 348.69 million tonnes in 2010 with an increase of 69 percent.

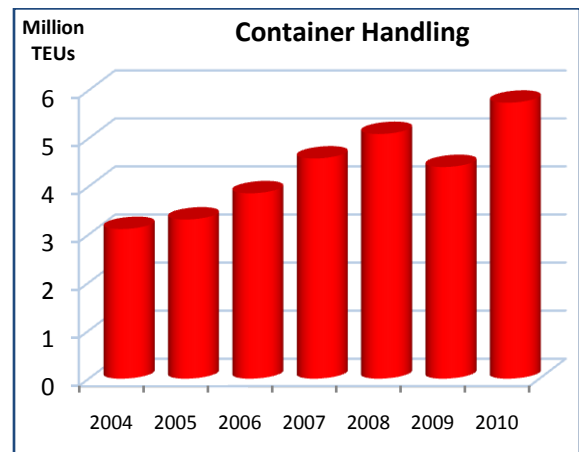
Figure 7: Seaborne Trade (Million Tonnes)



Source: MoT

The amount of container (including import, export, cabotage and transit) handled in Turkish ports was 1.95 million TEU¹ in 2002, whereas it has reached 5.7 million TEU in 2010 with an increase of 194 percent.

Figure 8: Container Handling (Million TEUs)



Source: MoT

Merchant fleet has grown due to increase in transport of cargo, passenger and vehicle .In

¹ The twenty-foot equivalent unit is an inexact unit of cargo capacity often used to describe the capacity of container ships.

order to develop maritime transport; fuel priced at annual average of \$ 272 million without Special Consumption Tax has been given to the Turkish Maritime Sector. It has been aimed to improve Turkish maritime sector and increase the number of vessels registered in Turkey by this policy.

The number of ships in the Turkish-owned shipping fleet (1000 GT² and above) was 568 in 2002, whereas in 2010 it has become 1.239 by an increase of 118 percent. Total tonnage of Turkish-owned fleet (1000 GT and above) was 9.329.000 DWT³ in 2002, whereas it has reached 18.671.000 DWT in 2010 by an increase of 100 percent.

Turkish-owned Merchant ships of 1.000 GT and over ranked 17th in the world in 2002, whereas it has ranked 15th in 2011. World's Merchant fleet has grown by 62 percent whereas Turkish owned merchant fleet has grown by 111 percent between the years of 2002-2011.

There have been important developments in the Turkish shipbuilding sector in recent years, and the sector has proved its ability in the international arena in many areas. Turkish shipbuilding industry has 37 shipyards in 2002, whereas the number of

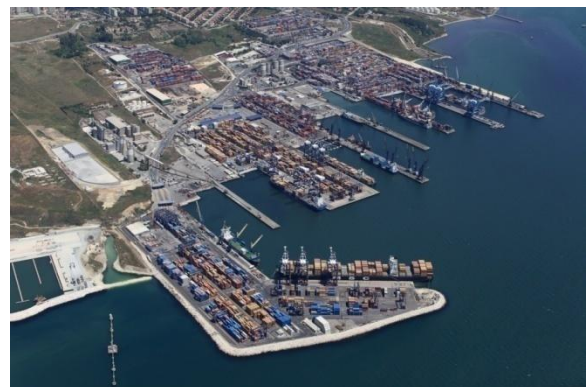
² Gross tonnage is a measurement of total capacity expressed in volumetric tons of 100 cubic feet; it is calculated by adding the underdeck tonnage and the internal volume of tween-decks and deck space used for cargo.

³ Deadweight Tonnage (DWT) is a measure of how much weight a ship is carrying or can safely carry. It is the sum of the weights of cargo, fuel, fresh water, ballast water, provisions, passengers, and crew.

Turkish shipyard has become 70 in 2010 and has managed to become well known throughout the world, especially in the construction of chemical tankers and container ships. Turkish shipyards ranked 6th in the world in terms of the number of new ship orders as of 2010. World's first floating 144 Megawatt power ship was built by Turkey which aims to meet electricity requirement of countries.

Turkey is one of the five major ship recycling countries in the world. Ship recycling and dismantling takes place in İzmir Aliaga located in the Aegean Region in Turkey. In 2002, 83 ships and 190.648 LDT ships were dismantled in Turkey whereas 229 ships and 410.380 LDT were dismantled in 2010 with an increase by 275 percent.

Turkey has more than 300 shore facilities as ports, wharves, marinas and fishing ports. Among these, 175 ports and wharves serve to international transportation.



A view from Ambarlı Port-Istanbul

Recently in Turkey, as parallel to world, there are specialized ports regarding the

handling of especially certain cargo groups. The most significant examples are Ambarli port which meets approximately 40 percent of Turkey's annual container traffic, Pendik Ro-Ro Terminal which meets approximately 50 percent of ro-ro traffic and Autoport (Izmit) which is expected to meet 25-30 percent of total car handling. Moreover, Aliaga, Samsun and Ceyhan regions meet the traffic of oil and its derivatives; Kusadasi, Istanbul, Izmir and Marmaris ports meet the large portion of the cruise passenger traffic.

Table 3: The Theoretical Capacity of Turkish Ports (2010)

Cargo type	Theoretical Capacity
Container	11.085.000 TEU
General Cargo + Dry Bulk Cargo	276.851.862 Ton
Liquid Bulk Cargo	148.900.782 Ton
Wheeled Cargo	3.674.800 Units

Source: MoT

Marine tourism revenues constitute 25 percent of Turkey's total tourism revenues. The Mediterranean basin which is one of the most important regions for the world yacht tourism increases its attractiveness for both commercial and amateur yachtsmen day by day. There are 25 marinas at Turkish coasts by the end of 2002, whereas this figure has reached to 36 marinas by the end of 2009. Thus, it has been an increase of 44 percent in 7 years. Turkey ranked fifth with a share

of 6 percent in the world list of yacht building.

Cruise ship tourism is the fastest growing sector of the travel industry. Annual growth rate has been 8 percent since 1980. Cruise ships which grow rapidly have 3000-3.500 tourist carrying capacity. Today's cruise industry gives an opportunity to its clients to visit the cities of many countries for a short (3-4 days) and long term (15 days and more).

In recent years, 14 million people have traveled by cruise ships worldwide. Most of these people are from USA (nearly 10 million) and from Europe and other countries (4 million). The cruise ships usually sail to the Caribbean. However there is an increase in the European ports in terms of cruise tourism. Turkish ports cumulatively received over one million tourists by cruise ships. Turkey gets a share of 0,05 percent as port of call from the cruise ship tourism.

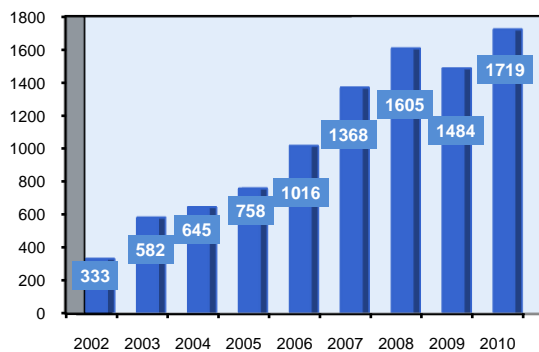
Turkey has two ports for cruise ships. Bodrum cruise port is the first comprehensive and modern cruise terminal of Turkey. Second one is the port of Marmaris. In recent years, ship and passenger traffic has been increasing at the cruise port of Marmaris year by year and has been a port of call for the large and modern cruise ships.

Increasing the number of cruise ports is a strategic priority of Turkey. According to

the 2023 Tourism Strategy of Turkey, 10 cruise ports including Galata and Haydarpasa districts of İstanbul will be constructed.

World Cruise Companies have taken İstanbul, İzmir and Antalya to their development program by declaring them as Home Port.

Figure 9: Number of Passengers Visiting Turkey by Cruise Ships (Thousands)



Source: MoT

The number of cruise ships calling to Turkish ports was 821 in 2002, whereas in 2010 the number has reached to 1.368 with an increase of 67 percent. The number of passengers visited Turkish ports in 2002 was 332.702, whereas in 2010 this figure has reached to 1.719.098 with an increase of 417 percent. In 2010, Cruise ships have visited Kusadasi, İstanbul, İzmir, Bodrum, Marmaris, Antalya, Dikili, Canakkale, Cesme, Gocek and Trabzon ports of Turkey.

3.5. Multi-modal Transport

Unique geographic location of Turkey offers important multi-modal transport opportunities. In line with the estimations in global containerization trend, especially in maritime transport, it is expected that over 60 percent of all cargo handled in Turkish ports will be containerized by 2020. This represents an approximate container volume of about 20-25 million TEU. This volume will be supplemented by the growing volume of container transport carried by rail and road.

In order to ensure maximum use of these opportunities, priority is given to:

- Improving transport in the North-South and East-West axes to better integrate Turkish transport with international transport networks;

- Improving intermodal transport facilities and services, to take advantage of the strong growth in container transport; and,

- Improving maritime connections and nodal points (seaports), to take advantage of their potential strategic role as industrial and logistic platforms.

Combined transportation is performed through maritime-railway connections in Haydarpasa, Derince, Bandırma, Alsancak, Samsun, İskenderun and Mersin Ports; and international combined freight transportation is carried out through railway-road

connections in Halkalı, Köseköy, Derince, Bozüyük, Çukurhisar, Ankara, Boğazköprü, Eskişehir, Kayseri, Başpınar, Biçerova, Mersin etc.

Within this framework, container transportation by rail was increased to 5,8 million ton/year by growing approximately 11 times in 2010 compared to 2003 in which 550 thousand ton/year container was carried. With the project on rail transportation with train-ferry connection between Samsun-Kavkaz ports, studies of which was launched in 2005; it is aimed to make Turkey a country having 400 million population in its hinterland and effective in north-south and west-east corridor. It is also targeted to bring the railways in maritime-railway combined transportation to the desired level by enabling that freight flow is provided from Russia to south and to Central Asia through Turkey.

Related to the transportation of wagons and containers on train-ferries between Turkey/Samsun and Russia/Kavkaz Ports, construction of Bogie Exchange Station in Samsun port was completed and official approval procedures have been begun after the Ministers of both countries signed Agreements and Contracts on this issue. Within the scope of this Agreement, it is planned to carry 500,000 and 1,000,000 tones freight per year.

Test runs were launched between Samsun-Kavkaz; and totally 5237 tones good transportation were performed comprising

3223 tones exports and 2017 tones import by 106 wagons with 9 test runs as of August 2010.

Furthermore, the list of train-ferry and RO-RO connections which are in use in Turkey is also submitted below:

RO-RO connections between;

- Haydarpaşa -Ilichevsky (Ukraine) Ports,
- İzmir – Ravenna – Monfalcone Ports (Slovenia),
- İzmir – Salerno – Savona Ports (Italy),
- İzmir – Mersin –Alexandria (Egypt) – Livorno (Italy) – Geneva (Italy) –Mostaghanem (Algeria) Ports,
- Pendik-Haydarpaşa-Trieste Ports(Italy)
- Ambarlı-Trieste Ports(Italy)
- Taşucu-Girne Ports(Turkish Republic Northern Cyprus)
- Mersin- Magusa Ports(Turkish Republic Northern Cyprus)
- Mersin –Trieste Ports (Italy)
- Çeşme – Trieste Ports (Italy)
- Rize – Poti Ports (Georgia)
- Samsun – Novorossiysk Ports (Russia)
- Trabzon-Sochi Ports,
- Zonguldak-Ukraine Ports,
- Train-ferry connections between Derince - Ilichevsky (Ukraine) Ports and between Samsun -

Kavkaz ports are currently in use.

Taking into account the massive increase in container traffic expected by 2020, the provision of safe and environment friendly transport and an efficient logistic system are considered indispensable pre-conditions for sustainable transport development in Turkey.

Railway transport is in principle well suited for container transport. The growing containerization is a great chance and at the same time a great challenge for railways in Turkey to regain a substantial share in freight transport and to provide a safer and a more environment friendly alternative for container transport. Considering the increase of container traffic to be expected by 2020, further container terminals and related logistic services will be required beyond 2011.

Modern logistic centers are planned to be established in areas which are close to

“Organized Industrial Zones” and convenient for technologic and economic developments as in other European Countries; and where there is a great freight potential and logistic needs of customers for freight are met by an effective road access and other facilities. Works for establishing 12 logistic centers has been underway to improve integrated combined transport in the country, which are Istanbul, Kosekoy (Izmit), Gelemen (Samsun), Hasanbey (Eskisehir), Bogazkopru (Kayseri), Gokkoy (Balikesir), Yenice (Mersin), Usak, Palandoken (Erzurum), Kayacik (Konya), Kaklik (Denizli), Bozuyuk (Bilecik) Logistic Centers listed in table below.

Samsun (Gelemen) Logistic Centre (LC) has been in operation since July 2007. Köseköy (Kocaeli) LC, Kaklık LC and Hasanbey (Eskisehir) LC are under construction. Bidding process for Bogazkopru LC is going on. Expropriation and project works for the other LCs are underway.

Table 4: Logistic Centers

No	Name	Expected Freight Volume (tones)	Logistics Area to be acquired (m ²)
1	Istanbul	6 million	3.390.000
2	Kosekoy (Izmit)	2 million	765.000
3	Gelemen (Samsun)	1.1 million	256.000
4	Hasanbey (Eskisehir)	1.4 million	769.000
5	Bogazkopru (Kayseri)	1.8 million	500.000
6	Gokkoy (Balikesir)	1 million	210.000
7	Yenice (Mersin)	900.000	342.000
8	Usak	250.000	140.000
9	Palandoken (Erzurum)	430.000	280.000
10	Kayacik (Konya)	1.68 million	300.000
11	Kaklik (Denizli)	500.000	120.000
12	Bozuyuk (Bilecik)	1.9 million	387.000

Source: MoT

Map 4: Logistic Centers and trans-shipment points



Source: MoT

IV. POLICIES FOR THE DEVELOPMENT OF TRANSPORT SECTOR

4.1. National Sectoral Policies

The 9th National Development Plan (2007-2013) identifies the main goals in transport sector for 2007-2013. According to the Plan :

- ✓ Priority will be given to increasing traffic safety in all modes of transport,
- ✓ There will be a shift to the corridor approach in the development of transportation projects,
- ✓ Priority will be given to Projects that will ensure integration of the EU Trans European Transport Networks with Turkey,
- ✓ Priority will be given to the implementation of the public-private partnership models in the construction and operation of large transport projects,
- ✓ A continuously updated and homogeneously structured transport database will be established.

- ✓ An administrative structure will be established to ensure coordination in decision making and programming processes.

Another important policy document is the Medium Term Programme. According to the 2010-2012 Medium Term Programme, the main objective in the transportation sector is to create a transportation infrastructure which is securing a balance among modes, is compatible with modern technological and international standards and is sensitive to the environment in due time, where transportation is conducted safely, economically and rapidly.

Complementary balance between transportation sub sectors and widespread use of combined transport are essential. Within this framework;

i) In realization of the transportation infrastructure investments, public-private partnership models will be made widespread.

ii) Traffic safety will be increased in all transport modes; maritime safety will be given priority.

iii) With utmost utilization of the EU funds, efforts for integrating national transport network to Trans-European transport, providing Turkish ports to take place on the main axis of EU Motorways of the Sea (MoS) and integration to the Single European Sky will be continued.

iv) The existing dual carriageway infrastructure works will be completed and also the standards of existing highways will be improved.

v) Turkish State Railways' (TCDD) quality of service will be increased and high speed train passenger transport will be made more widespread. TCDD will be restructured in order to reduce its financial burden on the public sector.

vi) In freight transport, the priority will be given to rail and maritime transport; ports will become logistics centers that enable combined transport via improving hinterland connections. Appropriate port areas will be determined, hub ports will be established, effective and efficient management of the ports will be ensured.

vii) In order to determine the medium and long term capacity needs of airports, studies will be conducted. In this framework, measures will be taken to promote regional air transportation.

viii) Studies in order to enhance the administrative capacity at the central and local level will be realized to ensure the efficiency and the productivity, during the planning, scheduling, realization and management stages of the infrastructure projects of urban transport.

The policies for the development sub-sectors are as the following:

4.1.1. Road Transport

Turkey having one of the most modern road transport fleets in Europe is closely following up the new developments in international platforms to integrate itself rapidly with the changing world.

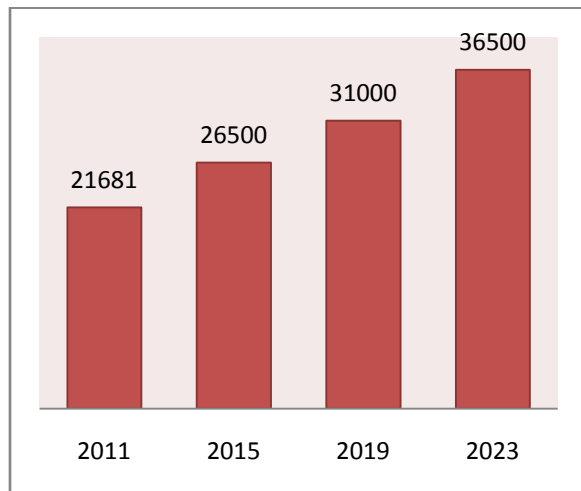
The main objective of Turkish Highways is to expand and improve the Turkish Road Network to meet the demand of the economic growth.

Turkey aims to capture 7 percent annual growth rate until 2023 and be the tenth largest economy in that year in terms of GNP with 2 trillion US Dollars. According to the prospects, by 2023 total population will be more than 85 million and the demand of total passenger and freight transport in all transport types is estimated at 625 billion tones-km and 500 billion passenger-km. The expected demand for passenger and freight transport on highways is projected to be 378 billion passenger-km and 422 billion tones-km.

To meet the expected demand in road transport by 2023, improving the physical, geometric standards and service levels of road network and development of road transport supported by new infrastructure projects are essential.

In this context, one of the most important targets is to increase the length of divided highways.

Figure 10: Planned total length of the Divided Highways 2011-2023 (kms)



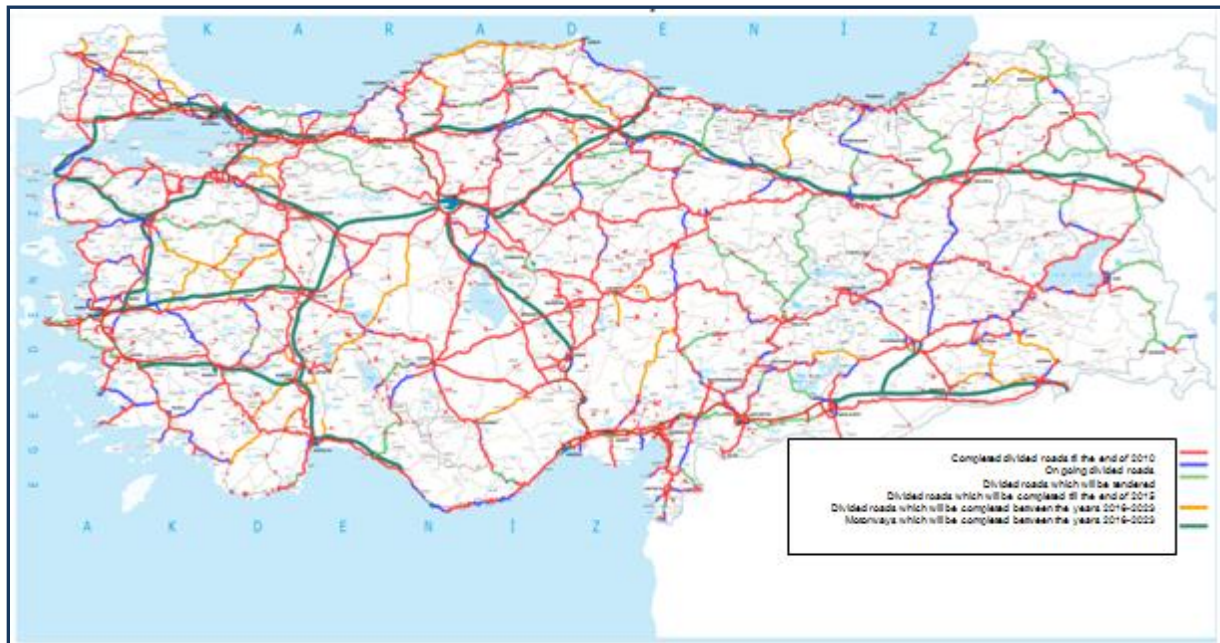
Source: MoT

Furthermore, the length of bituminous hot mix paved road of 11,564 km will be increased to 70,000 km by 2023.

Physical and geometric recruitment of North-South corridors is among the goal of year 2023, which aims to connect Black Sea Region to Southeast and Mediterranean Region via highways with high geometric standards.

Moreover, Vision 2023 aims to provide uninterrupted traffic flow within the country, which plays a key role in connecting Europe to Caucasus, Middle East and Central Asia. At the end of the period, Turkey's motorway network is intended to reach 7500 km.

Map 5: Planned Divided Roads Network by 2023



Source: MoT

The public funding is not able to afford highway investments adequately. Due to high cost of construction and rehabilitation of roads, financing new highway projects are quite challenging. Thus, financing mechanism on the basis of Public-Private Partnership (PPP) is one of the most effective alternatives to realize large scale highway projects by obtaining the necessary funds without causing public burden. In this regard, The Build Operate Transfer (BOT) model brings together the

investment dynamism and project experience of the private sector and the support of international finance institutions.

Gebze-İzmir Motorway Project is the first BOT project in road transportation sector of Turkey. The motorway will be 377 km in length and 44 km connecting road, crosses İzmit Bay thorough a 3000m-long suspension bridge which will be the world's 2nd suspension bridge, after Akashi Kaikyo Bridge with a central span of 1991m, with the longest main span of 1700 m long.

Map 6: Motorway Projects



Source: MoT

Vehicle surveys, inspections and road worthiness services were fully liberalized in 2005 and transferred to private sector. Vehicle survey and inspection services, which are being carried out by fixed and mobile modern and high-tech stations

located all over the country, has become a field that is bringing income to the Government while ensuring safety on roads and providing more quality services to the people. On the other hand, next to the Marmaray Project, the process has begun for

the construction of a highway tube tunnel for vehicles, connecting Europe and Asia under the İstanbul Strait. The İstanbul Strait Highway Tube Tunnel Project will be a two-laned and two-floored highway and realized by BOT.

Turkey, being aware of its geographic importance, spends great effort to establish transportation connections between Europe, Asia and Africa. The system of highways network in the country is significant to contribute to the national development as well as to the regional integration.

With regard to large and active national and international fleet, Turkey has restructured the sector with new legislative initiatives: “Road Transport Law” providing the legal basis for access to the market and to the profession was put into force in July 2003.

Following the framework law, “Road Transport Regulation” was enacted in 2004 and the said Regulation was revised in line with the new developments in June 2009. Road Transport Regulation is a secondary legislation elaborated in accordance with the relevant EU legislation further regulating access to the market and to the profession.

The main objective to draw up these regulations is to regulate Turkish road transport sector in conformity with the EU requirements and as well as to meet the necessities arising from globalization and regional integration initiatives which require to build a sector providing good quality, competitive and reliable services. These

regulations introduce 3 basic qualitative criteria for access to the transport market, namely, professional competence, financial competence and good repute. Also, a new licensing system was introduced in the domestic freight transport market for the first time. As a result, as of July 2011, roughly 487.000 licenses have been issued to domestic haulers – nearly 99 percent of the registered commercial road vehicles.

In order to increase road safety, some certain realms of road transport like transport of dangerous goods, roadworthiness tests as well as control stations for weight and dimension are being regulated in line with the actual needs and EU requirements.

Regulation on Transport of Dangerous Goods by Road was enacted and put into force in 2011. In conformity with the regulation effective in 2004, technical inspections and road worthiness tests of motor vehicles are now being carried out in Vehicle Technical Inspection Stations owned by real or legal persons who are authorized by the Ministry of Transport (MoT). In this context, totally, 203 fixed and 78 mobile stations were set up which are distributed according to vehicle number and geographical conditions of the provinces of Turkey. At present, MoT is in charge of the management and controls of weight and dimension of commercial vehicles as well as stations operating for this purpose. Existing 24 weight and dimension control stations were upgraded and renovated by using advanced technological equipment through

national funds. Furthermore, a comprehensive investment plan was prepared for increasing the number of control stations up to 160 until the year 2020. Additional 22 Weight and Dimension Stations will be built by EU Financial contribution. 44 new stations are also going to be established by using national funds, while the 23 existing stations will be renovated.

As a result of the improvements mentioned above, there has been a substantial increase in the number of inspections, aiming to increase road safety and reduce the damages on the road infrastructure. Thus, road accidents emanating from overloading or lacking technical standards were diminished roughly 30 percent.

One of the aims of the national transport policy is to increase cooperation between the public authorities and private sector by exploring private funds in the road transport area. Regarding the physical infrastructure for the facilitation of road transport at border crossing, Turkey has been successfully implementing a Public-Private-Partnerships (PPP) based approach which provides the upgrade and renewal of road transport border crossing gates technological infrastructure. Since the financial means of states for making necessary investments for infrastructure projects are often limited, Turkey prefers to cooperate with private sector for border gate renewal and upgrade. For example, İpsala border gate between Turkey and Greece, Kapıkule and

Hamzabeyli border gates between Turkey and Bulgaria, Sarp border gate between Turkey and Georgia, Gürbulak border gate between Turkey and Islamic Republic of Iran, Cilvegözü border gate between Turkey and Syrian Arab Republic, Habur border gate between Turkey and Iraq have been renewed through this scheme. By this way the congestion at these border gates is alleviated, the passes and legal procedures are also accelerated.

Another example for PPP is on the build and update of Vehicle Technical Inspection Stations. These stations are being established and operated by private sector for 20 years. Afterwards, the ownership will be transferred to public authorities (MoT).

4.1.2. Rail Transport

In the field of railways, operation and investment activities were kept with limited sources of finance till 2003. After 2003, development of the Railways became a priority. As a consequence, financial allocations for the investments in the rail transport sector were increased. The total financial resources allocated for the railway sector between 2003-2010 is 13,5 billion Turkish Liras in 2011 prices. In the railway sector, the main target is to provide fast, economic and safe railway transport and to increase its share in passenger and freight transport through improving its competitiveness. Accordingly,

✓ Construction of High Speed Line was started and

✓ Rehabilitation of the existing railway lines and fleet was expedited.

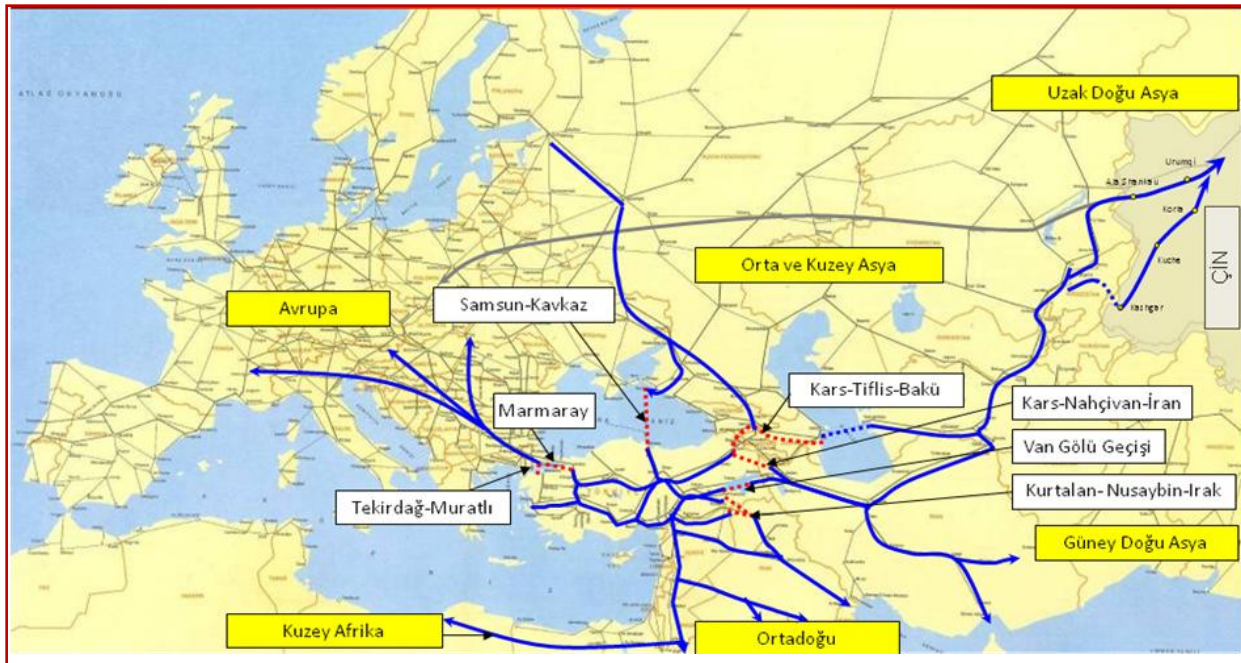
High Speed Trains were planned between the following locations:

- İstanbul-Ankara-Sivas,
- Ankara-Afyonkarahisar-İzmir
- Ankara-Konya

The construction of the first stage of Ankara-İstanbul High Speed Line namely Ankara-Eskişehir Section (206 km long) was started in 2003 and finalized in 2009. Ankara-Konya High Speed Train operations started in August 2011.

While the construction studies of Ankara-Sivas line are carried out, the tender preparations for Ankara-İzmir are ongoing.

Map 7: Turkey's Regional Railway Projects on the Main Transport Corridors



Source: MoT

When the projects on the transport corridors such as İstanbul-Kars-Tblisi-Baku, Kurtalan-Nusaybin-Iraq, Kars-Nahcevan-İran, Kavkaz-Samsun-Basra, İstanbul-Aleppo-Makkah and İstanbul-Aleppo-North

Africa are finished, the connections to Europe, Middle East, Central Asia and China will be assured and transport share of TCDD will be increased.

The ongoing investments of the railway sector are financed by the public funding. However, PPP financing model is planned for the construction of high speed train stations. The studies of tender with the BOT method for Ankara High Speed Train Station is also ongoing.

In parallel with the investments carried out to enhance and improve the existing railway network, new law drafts were prepared for re-structuring the Turkish railway sector.

The aim of the new law drafts are as the following:

- √ Liberalization of railway sector in free and fair conditions will be ensured and more quality and safer railway service will be given to customers by more feasible fares.

- √ A transparent and independent inspection and regulatory structure is designed to make this system sustainable.

- √ Operation license and safety license will be given to all public and private

railway operators that fulfill the conditions projected in the law. Thus, these operators will be able to transport freight and passenger with their own locos, wagons and staff.

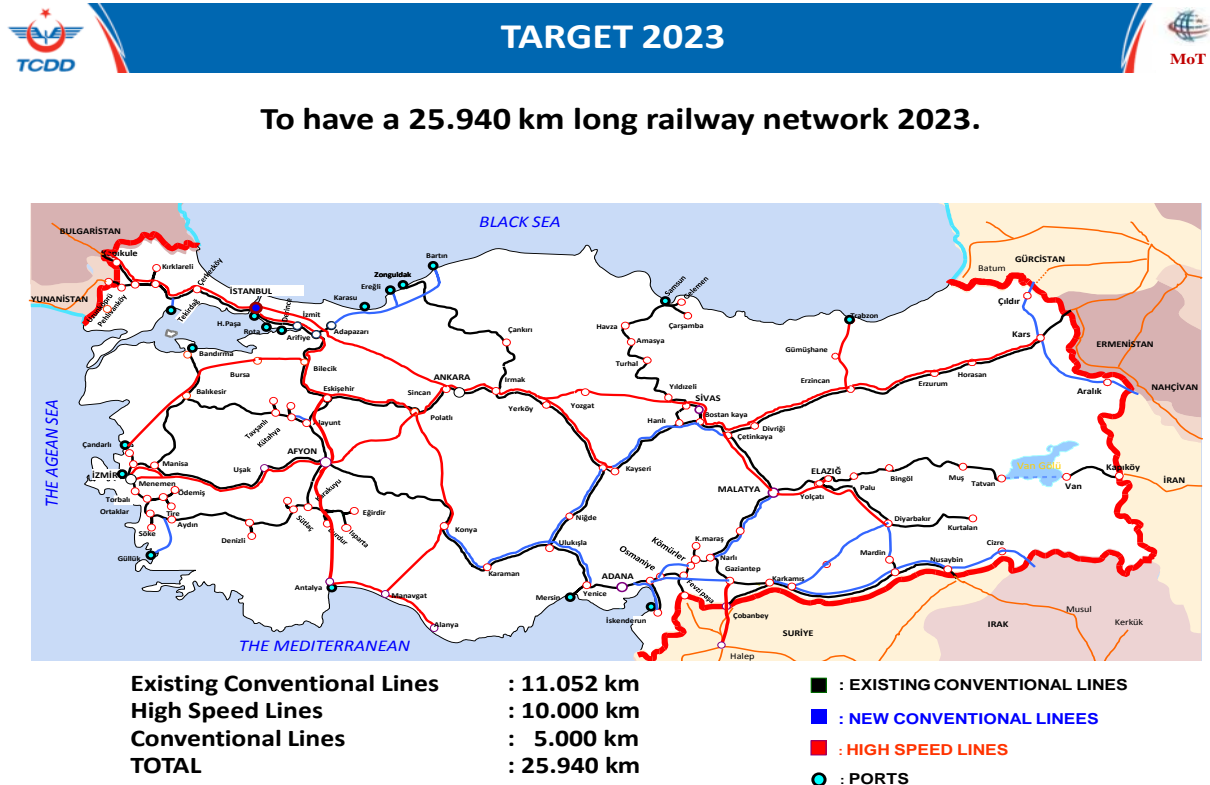
- √ By allowing more than one railway operator be active in the sector, it is aimed to ensure competition of railway sector within itself in fair and liberalized conditions.

- √ It is also foreseen that the railways' ability to compete with other transport modes, notably road, will be enhanced and strengthened.

- √ It is aimed to make up an Infrastructure Manager and Operator (for freight and passenger), independent from each other and having different legal entities, and to make the units go on their activities in a competitive environment.

Until 2023, it is aimed to reach almost 10.000 km of high speed railway lines and construct almost 5000 km of additional conventional railway lines.

Map 8: Turkey's Planned Railway Network by 2023



Source: MoT

4.1.3. Air Transport

Due to globalization and growth in air traffic, developing new airports and expanding the existing ones have become a necessity. The government of Turkey has initiated the process of privatizing its airports and “build-operate-transfer (BOT)” and “transfer of rights (TOR)” models have been adopted to develop the airports. In recent years, Turkey has also emerged as one of the preferred aircraft maintenance repair and overhaul (MRO) centers in the world due to its geographic and low cost advantage.

In coming years, Turkey aims to become one of the major MRO players in the region. The current fleets of countries which Turkey has regional cooperation is expected to be doubled and become 5.000. These numbers clearly demonstrate the potential of future MRO investments in Turkey.

In the civil aviation sector, Turkey has identified the future objectives. Through the necessary measures that would be taken and the investments that would be made, it is aimed to increase the total number of domestic and international airway passengers to over 350 million for each year.

Construction of one airport with a capacity of 60 million passengers/year and three airports with 30 million passengers/year capacity, are among the objectives of the sector. Another important target is to reach to a civil aviation fleet comprising of more than 750 aircrafts.

4.1.4. Maritime Transport

In the maritime transport sector, Turkey's investment and policy priorities are structured by the objective of ensuring improvement in the following fields: Turkish merchant fleet, Turkish ports, cabotage, financial policy, safety and security, protection of the environment, maritime education and training, new maritime trade links.

In parallel to the developments in maritime transportation sector in the world and to meet the needs of Turkish maritime sector, three hub-ports on the three side of the Anatolian peninsula namely Filyos Port on the Black Sea, Çandarlı Port on the Aegean Sea and the Mersin Container Port on the Mediterranean Sea, are planned.

Candarli Port, one of the major port project, will serve to the container transport as a hubport will increase its capacity to 12 million TEU/year by the revisions which will be made gradually. With regard to Mediterranean-Asia Access, Candarli Port has much more advantageous position than the Port of Piraeus. Filyos Port Project which is expected to take the pressure off

the Turkish Straits will serve to variety of cargo types such as ore, container, fuel etc. Its capacity will be 25 million ton/year. Mersin Container Terminal Project which will be the container transshipment centre is planned to meet future demand for Central Asia and the Middle East.

It is aimed that until 2023 one of the ports of Turkey would be among the top 10 ports in the world with respect to handling capacity. It is expected that, through the necessary investments, the total container handling capacity of all Turkish ports would be 32 Million TEU/year.

15 million passengers/year for the year 2023, is aimed in the cruise ship tourism. 7 new cruise ship ports is planned to be constructed until 2023.

4.2. International Cooperation

4.2.1. Bilateral Cooperation

In order to enhance bilateral cooperation with other countries, Turkey has signed several agreements in different sub-sectors.

In the area of road transport, Turkey has bilateral agreements with 58 countries.⁴ 20 of them are OIC Countries.

⁴ Turkey has signed bilateral road transport agreements with the following OIC Member States: Afghanistan, Albania, Azerbaijan, Bahrain, Iraq, Iran, Kazakhstan, Kyrgyz Republic, Kuwait, Lebanon, Egypt, Uzbekistan, Pakistan, Syria, Saudi Arabia, Tajikistan, Turkmenistan, Tunisia, Oman and Jordan.

In the railways sector, Turkey has bilateral agreements with several countries regarding the facilitation of international railway transport. Some of these countries are Bulgaria, Romania, Georgia, Azerbaijan, Iran and Greece.

In the field of maritime transport, there are 44 bilateral maritime transport agreements between Turkey and other countries. Furthermore, negotiations are continuing with almost 20 countries for maritime transport facilitation agreements.

In the civil aviation, Turkey has bilateral air transport agreements with 111 countries all over the world.

4.2.2. Multilateral and Regional Cooperation

Transport sector is also influenced through an intense network of international relations. International systems in different levels, define certain regional and international norms and standards in the field of transport. Within this framework, being one of the parties of leading regional and international organisations which establish transport related norms and standards, following their works closely and participating in the related studies and projects actively, is an essential part of Turkish transport policy.

United Nations Economic Commission for Europe (UNECE) is the primary international platform in which main international regulations are formed and

managed in Europe. With the lead of the UNECE, 57 international agreements and conventions related to transport have entered into force. Turkey is already a party to 21 of these agreements and conventions. Moreover, Turkey is carrying on the works to become party to several more agreements and conventions in the near future.

Some of these agreements and conventions define main international transport arteries and corridors. Standing as an important transit location for both the North-South and the East-West axis, Turkey's road and rail network constitute an important part of these arteries and corridors. Within the UNECE framework, Turkey is party to the European Agreement of Main International Traffic Arteries (AGR) and more than 9300 km of Turkish roads are E-Roads which are defined by AGR. Road network of Turkey is also included in the Trans-European North-South Motorway (TEM) Project.

Rail network of Turkey is also an indispensable part of international transport arteries. Almost 15 percent of the Trans-European Railways (TER) network passes through Turkey. Turkey's rail network is also a substantial part of European Agreement on Main International Railway Lines (AGC) and European Agreement on Important International Combined Transport Lines and Related Installations (AGTC).

Turkey, being also a prominent country in Asia, is a member of United Nations Economic and Social Commission for Asia

and the Pacific (UNESCAP) as well. Within this framework, Turkey actively participates to Trans-Asian Railway (TAR) Project and Asian Highways (A-Roads). More than 5200 km of A-Roads pass through Turkey.

One of the large-scale projects on the transport corridor planning between Europe and Asia is the Euro-Asian Transport Links (EATL) Project which was started with the cooperation between UNECE and UNESCAP in 2002. Turkey, as a natural transport bridge between Europe and Asia, is a very substantial component of the EATL Project. The projects of Turkey accepted as the priority projects for the connection of Europe and Asia, constitute a major part of the whole EATL study.

International Transport Forum (ITF), formerly European Conference of Ministers of Transport (ECMT), is another important international platform which Turkey actively participates. ITF is a strategic platform for discussing important transport issues and organizes annual summit of Ministers. Multilateral Quota System of freight transport licenses is managed by the ITF.

Turkey is one of the founding members of Economic Cooperation Organization (ECO), Organisation of the Black Sea Economic Cooperation (BSEC), Developing Eight Organisation for Economic Cooperation (D-8) and Organisation of Islamic Cooperation (OIC). Transport is one of the most important economic cooperation fields

which are being engaged by the ECO, BSEC, D-8 and OIC.

Within the ECO, an important agreement was signed among the members on the facilitation of transit transport activities. The Transit Transport Framework Agreement (TTFA), entered into force in 2006, has been the main framework for transport cooperation among the members. Turkey has been following and contributing to the works of each ECO working group established for the implementation of the TTFA. Also, two container train projects namely Islamabad-Tehran-Istanbul (2009) and Istanbul-Almaty (2002) Container Trains have been started in the ECO platform. However these container train projects still need further cooperation among the en-route countries.

Under the umbrella of BSEC, several significant memoranda of understanding related to the facilitation of road transport, establishment of a ring road corridor and motorways of the sea were signed among the members. Turkey concentrates its efforts in the BSEC in order to increase the transit potential of the region and to utilize the region's capacity in the most effective way.

Accepted as a candidate country for European Union (EU) membership in 1999, Turkey has intensified the efforts on harmonization with the EU in the field of transport as well. Within this framework, Transport Infrastructure Needs Assessment

(TINA) study was finalized in 2010 and national transport network of Turkey which will be integrated to the Trans-European Transport Network of the EU was defined.

Apart from wider organizations, Turkey has also been participating to works of the major international institutions and organizations dealing with the sub-sectors of transport.

In the field of civil aviation, Turkey is a member of International Civil Aviation Organisation (ICAO), European Civil Aviation Conference (ECAC), European Organisation for the Safety of Air Navigation (EUROCONTROL), Turkey-Middle East Aviation Group (T-MAG) and African Civil Aviation Commission (AFCAC).

In the field of rail transport, Turkey is a member of International Union of Railways (UIC), Community of European Railways (CER), Southeast Europe Railway Group (SERG), Intergovernmental Organisation for International Carriage by Railways (OTIF) and International Rail Transport Committee (CIT).

In the field of maritime transport, Turkey is a member of International Maritime Organisation (IMO), The Paris Memorandum of Understanding in Port State Control (Paris MoU) and the Black Sea Memorandum of Understanding on Port State Control (Black Sea MoU).

Turkey gives utmost importance to cooperation with the OIC Member States in the area of transport. In this regard, Turkey hosted the first Ministerial Meeting in the area of transport in 1987. However, cooperation in this field was far below the expectations.

Recently, the COMCEC Economic Summit held in 2009 requested the COMCEC to revitalize cooperation in this field. Accordingly, during the 26th Session of the COMCEC, Turkey offered to host an Expert Group Meeting (EGM) on Transport in Turkey in 2011. The said EGM was held in Izmir on 9 June 2011. The EGM reviewed the common obstacles and proposals for enhancing cooperation in this important area. The results will be submitted to the 27th Session of the COMCEC for approval.

V. CONCLUSION

As competition increased in parallel with the rapidly liberalizing world trade and as transportation distances became longer with the increasing role of global and regional scale organizations, the factor of speed became even more important.

This situation has increased the importance of transportation of raw materials and processed products to buyers at low costs and on time and has led to widespread use of multi-modal transportation systems supported by logistic services.

Passenger transport also became an important issue for countries because of its critical role in enabling people to reach basic social services and for increasing tourism.

Due to the inability to adequately develop the physical infrastructure of railway and maritime transportation in line with the increasing transportation demand and the fact that road transportation is the most suitable way for door to door forwarding in Turkey, the freight and passenger transportation is concentrated more on the highway network in Turkey. This situation has resulted in the emergence of an imbalanced and inefficient transportation system.

Turkey adopted new policies and programs in early 2000's with a view to develop the transport sector both locally and internationally. The main aim in new transport strategy is securing a balance

among all transport modes, as well as meeting modern technological and international standards.

The Turkish Government increased investments in transport sector, introduced new regulations, gave priority to public-private partnership and enhanced international cooperation.

As a result of these efforts, total length of road and rail networks are increased, the capacities of the ports are improved, air transport became more effective etc. Furthermore, the institutional and human capacity in transport sector has been increased.

Development of the transport will continue to be an important objective for Turkey in future. For this purpose, while new investments and regulations will continue to meet the rising needs, international efforts will continue to strengthen the connectivity with the other countries through bilateral and multilateral cooperation. In this context, Turkey pays utmost importance to cooperation with the OIC Member States.

Transport cooperation among the OIC members is vitally important for the Turkish transport policy. Turkey believes that in order to take the deserved share from the world trade OIC members must intensify the cooperation in the field of transport. Under the auspices of the Standing Committee for Economic and Commercial Cooperation of the Organization of the Islamic Cooperation

(COMCEC), cooperation in the area of transport may contribute to the economic and social development of all the member states.

To that end, Turkey hosted the Expert Group Meeting on Transport Cooperation in the OIC Member Countries which was held in İzmir-Turkey in 2011. The outcomes of this meeting serve our community to increase solidarity among the OIC Member States in this area which may also boost intra-OIC trade and tourism.