Turkey’s ‘Mega Projects’ Propel the Country towards 2023 Targets

Large scale infrastructure, energy, and transportation projects throughout Turkey are progressing rapidly.

Designed to contribute to the 2023 vision, which is a set of goals to be reached by the Republic of Turkey’s centennial in 2023, these projects represent the culmination of the giant leap taken in the last decade towards a well-developed and prosperous Turkey that seeks to count itself among the world’s top 10 economies.

Exceeding USD 100 billion in total worth, the highways, bridges, airports, power plants and other mega projects remain on schedule. In addition to infrastructure related projects, rapid progress is also being made in the development of domestically designed and produced automobiles and aircraft.

**ENERGY**

**Akkuyu Nuclear Power Plant**

Rising in Mersin on the Mediterranean coast, the construction of the hydraulic facilities of the Akkuyu Nuclear Power Plant began in April, 2015. Scheduled to go online in 2020, the USD 22 billion project is being built by the Russian state-owned nuclear energy corporation Rosatom utilizing the latest technologies and safety features.

Looking to diversify its sources of energy and reduce dependence on imports, Turkey plans to have three operational nuclear power plants by 2023. A French-Japanese consortium will build the country’s second nuclear power plant in Sinop on the country’s Black Sea coast, while a third plant is in the planning stage.
TANAP and the Turkish Stream

Designed to carry natural gas from Azerbaijan’s Shah Deniz field to Turkey and beyond, the Trans-Anatolian Gas Pipeline’s (TANAP) construction is progressing rapidly. The first flow of gas through the USD 12 billion pipeline project is expected to start by 2018. TANAP will connect to the Trans-Adriatic Pipeline (TAP) on the Turkish-Greek border. Apart from TANAP, Turkey and Russia have reached an agreement on a gas pipeline project dubbed ‘Turkish Stream’, which will carry natural gas from Russia to Turkey and onwards to Europe by crossing under the Black Sea. This pipeline is expected to have an annual throughput of 63 billion cubic meters. Linking suppliers in the East and customers in the West, both projects will increase Europe’s energy security while bolstering Turkey’s role as an international energy hub.

Canal Istanbul

Canal Istanbul is an artificial sea-level waterway that will be built parallel to the Bosphorus and will connect the Black Sea to the Sea of Marmara. At a planned 47 kilometers in length and 150 meters in width, Canal Istanbul will provide relief to shipping traffic, particularly oil tanker traffic, passing through the Bosphorus. The canal has a designed capacity of 160 vessels a day and is scheduled to be completed by 2023 at a cost of USD 15 billion.

Istanbul’s Third Airport

Istanbul’s third airport, set to be one of the largest in the world in terms of passenger capacity, is under construction in the Arnavutkoy district of Istanbul. Tendered to a consortium of five Turkish companies, Cengiz-Kolin-Limak-Mapa-Kalyon, for EUR 22 billion in May, 2013, the airport project will be realized through the built-operate-transfer method and is currently expected to cost an additional EUR 10 billion to complete. Once fully complete, Istanbul’s third airport will relieve the heavily congested Ataturk Airport, becoming both the main hub of Turkish Airlines (THY) and a new layover location for a multitude of airline companies given its prime location between Europe, Asia, Africa and the Middle East.

Eurasia Tunnel and Marmaray

The Eurasia Tunnel is the key component of a motorway that will allow drivers to cut the travel time from Kazlicesme on the European side to Goztepe on the Asian side of Istanbul to 15 minutes. To be opened later this year, this two-deck tunnel will pass under the Bosphorus and will have a capacity of 120,000 vehicles per day. Once complete, the Eurasia Tunnel will complement the Marmaray, another undersea tunnel already in operation linking the European and Asian sides of Istanbul via a rail line.
The city of 15 million inhabitants is already a major center of trade and business and is perfectly suited to assume the role of an international finance hub with its well-regulated markets, a vibrant economy, solid banking system, skilled labor force and advantageous geographical location.

Aiming to provide services in all segments of the finance sector, the integrated complex on the Asian side of Istanbul will span over 2,500,000 square meters of land. It will comprise office space, residences, a conference hall, a shopping mall and a hotel.

On schedule to be completed by 2018, Istanbul Finance Center will also house the head offices of the country’s governing bodies of financial markets, state-owned banks, and related businesses.

The North Marmara Highway Project will boast the world’s widest and longest combined road and rail bridge, the Yavuz Sultan Selim Bridge.

The Yavuz Sultan Selim Bridge will become the third bridge to span the Bosphorus strait, adding yet another link between Europe and Asia. Ictas Insaat of Turkey and Astaldi of Italy are building the bridge, named after a prominent Ottoman sultan.

The USD 4.5 billion highway will link the Marmara Sea ports of Tekirdag with the major industrial center of Sakarya, considerably shortening the route between the two while allowing the freight transportation to bypass Istanbul’s busy city center.

The highway lies adjacent to Istanbul’s third airport, which is under construction in the northwestern section of Istanbul’s European side.

Gebze-Orhangazi-Izmir Highway

The highway project shortening the overland travel distance between Istanbul and Turkey’s third largest city, Izmir, is being built at an investment cost of USD 7.5 billion. The 3 kilometer-long Izmit Bay Bridge, an integral part of the highway, will be the world’s fourth longest suspension bridge upon the project’s completion by March, 2016.
UPCOMING EVENTS

B20 Turkey Conference | Ankara, TURKEY
3 - 5 September 2015

The Business 20 (B20) outreach group is an influential platform bringing together business leaders from G20 economies and advocates for critical issues for enterprises.

This year, ISPAT will be a sponsor to the B20 Turkey Conference that will take place in Ankara in scope of the B20 meetings.

ISPAT President Arda Ermut will deliver the welcome speech in the panel no. 73 entitled "Global FDI and Capital Allocation Around the World: The Impact of Tax", addressing hot topics such as trade barriers and lack of coordination between governments.

UK-Turkey Business Forum | Istanbul, TURKEY
17 September 2015

Corporations, professionals, government officials, academics, and individuals engaged in or intending to do business in or between Turkey and the UK will participate in the UK-Turkey Business Forum. ISPAT’s Necmettin Kaymaz will contribute to the event as a panelist in the Cross Border PPP Panel.

ASSOCHAM Global Investors’ India Forum (GIIF) | New Delhi, INDIA
23 - 24 September 2015

The World Association of Investment Promotion Agencies (WAIPA), along with ISPAT and other member agencies will participate in the Global Investors’ India Forum (GIIF) to be held by the Associated Chambers of Commerce and Industry of India (ASSOCHAM) in New Delhi. ASSOCHAM is the oldest and one of the leading chambers of industry in India.

GIIF is dedicated to facilitating cross border investments, business development, strategic collaboration and policy advocacy. The event will be inaugurated by the Indian Minister of Finance, Minister of External Affairs, and Minister of Commerce and Industry, while the WAIPA Presidency will be represented by its Vice President, who will deliver a keynote address at GIIF.