



**SCREENING CHAPTER 20
ENTERPRISE AND INDUSTRIAL POLICY**

AGENDA ITEM XIV : MARITIME INDUSTRIES

**Country Session: The Republic of TURKEY
4 - 5 May 2006**



CONTENT

- Overview
- Capacity utilisation
- Policy documents
- Legal framework
- Institutions Involved
- Consultation mechanism
- Tools, Instruments and Finance



OVERVIEW

Shipyards in Turkey

- Private Shipyards
- State Owned Shipyards
- Navy Shipyards



PRIVATE SHIPYARDS

- Private shipyards are located on the coastline of Turkey, but main shipyard area is in Istanbul/Tuzla.
- Total number of private shipyards is 44 with a building capacity of 1,100,000 DWT/year.
- In Istanbul/Tuzla there are 32 shipyards, 9 floating docks, 7 yacht building places.



PRIVATE SHIPYARDS (CONT'D)

Private shipyards have a capacity of;

- 1.1 million DWT/year new shipbuilding,
- 10 million DWT/year repair and maintenance,
- 400,000 tons/year steel processing,
- 35,000 DWT new shipbuilding as one piece.



STATE-OWNED SHIPYARDS

- Halic Shipyard with 11,100 DWT/year new shipbuilding capacity,
- Camialti Shipyard with 20,800 DWT/year new shipbuilding capacity.



NAVY SHIPYARDS

There are 4 navy shipyards, with the following shipbuilding capacities;

- Golcuk 30,000 DWT/year,
- Istanbul 143,000 DWT/year,
- Izmir 3,000 DWT/year,
- Taskizak 10,000 DWT/year.

Istanbul Shipyard has 150,000 DWT new shipbuilding capacity as one piece.



SUMMARY OF CAPACITIES

SHIPYARDS	SHIP BUILDING (DWT/year)	REPAIR & MAINTENANCE (DWT/year) (*)	STEEL PROCESSING (tons/year)
PRIVATE	1.1 million	10 million	400,000
PUBLIC (State-Owned +Navy)	217,900	--	54,577
TOTAL	1,317,900	10 million	454,577

(*)Estimate

SOURCE : Undersecretariat for Maritime Affairs & GİSBİR



SHIP BUILDING SHARE OF TURKEY IN THE WORLD

- Turkey has a share of 0.70% in shipbuilding capacity.
- New orders to Turkish shipyards was 0.70% in 2004.
- Deliveries from Turkish shipyards was 0.51% in 2004.



SHIP REPAIR AND MAINTENANCE

YEARS	TURKISH FLAG		FOREIGN FLAG		TOTAL	
	Quantity	GRT	Quantity	GRT	Quantity	GRT
2001	241	1,345,000	342	1,666,000	583	3,011,000
2002	409	2,213,000	243	1,155,000	652	3,368,000
2003	386	1,935,000	505	2,902,000	891	4,837,000
2004	840	1,327,000	498	3,405,000	1,338	4,732,000

Source: Undersecretariat for Maritime Affairs

SOME STATISTICAL DATA (2004)

- Total number of vessels delivered was 65, with total GRT of 181,560 and 26 (40 %) of these were product and chemical tankers with total GRT of 101,430 (56 %).
- Total number of vessels for new orders was 32 with total GRT of 126,550 and 25 (78 %) of these were product and chemical tankers with total GRT of 96,250 (76 %).

Source: OECD 2005



SOME STATISTICAL DATA FOR THE FIRST HALF OF 2005

- Total number of vessels delivered was 37 with total GRT of 101,230 and 17 (46 %) of these were product and chemical tankers with total GRT of 85,670 (85 %).
- Total number of vessels for new orders was 15 with total GRT of 112,490 and 8 (53 %) of these were product and chemical tankers with total GRT of 100,550 (89 %).

Source: OECD 2005



AREA OF SPECIALISATION IN TURKEY AND IN EC

- Statistical data about 2004 and 2005 shows that the Turkish Ship Building Industry is focused on the **product and chemical tankers**.
- “CESA – Community of European Shipyards Associations Annual Report 2004-2005” shows that, in EC the first type was container vessels (32.1 %), second type was passenger vessels (21.2 %) and product and chemical tankers were the third, with 13.9 % share.



IMPORT and EXPORT VALUES

(Mio Euro)

	IMPORTS	EXPORTS
2000	141.1	114.1
2001	733.5	318.3
2002	502.9	280.3
2003	119.4	360.8
2004	290.8	502.8
2005	905.9	924.6

Source: TURKSTAT



CAPACITY UTILISATION (SHIPBUILDING and REPAIR)

2000	48.7 %
2001	62.3 %
2002	79.5 %
2003	73.2 %
2004	87.3 %
2005	91.3 %

Source: TURKSTAT



POLICY DOCUMENTS

- Development Plans
- Annual Programmes

LEGAL FRAMEWORK

- Decree Law No 491 For The “Establishment and Tasks of Undersecretariat For Maritime Affairs” (OG 19/08/1993 – 21673)
- Law No 3621 “Coastal Zone” (OG 17/04/1990 – 20495)
- Law No 4922 “The Protection of Safety of Life and Property at Sea (MARPOL)” (OG 14/06/1946 –1258)



INSTITUTIONS INVOLVED

Undersecretariat For Maritime Affairs	Certification of ships, laying down rules related to shipbuilding
Ministry of Transport	General coordination
Ministry of Finance	Allocation of public land
State Planning Organisation	Development Plans
Ministry of Environment and Forestry	New facility investments and environmental issues
Ministry of Public Works and Settlement	Preparation of zone (land use) plans



INSTITUTIONS INVOLVED (CONT'D)

Ministry of Agriculture and Rural Affairs	Certification (related to fishing licence) of fishing vessels
Defence Industry Executive Committee	Decision making body on marine defence industry
Turkish Coast Guard Command	Coastal safety issues
General Directorate of Coastal Safety and Salvage Administration	Abandoned and wrecked ships on land or ports



CONSULTATION MECHANISM

Ad-hoc Committee on Shipbuilding	Reports for National Development Plans
Turkish Ship Builders' Association	Consultation about existent shipbuilding facilities
Chambers of Maritime Commerce	Consultation on commercial subjects



Tools and Instruments

Institution	Public Support Programmes
Undersecretariat of Treasury	Support for investments, Regional development, SMEs
Undersecretariat for Foreign Trade	Support for training, R&D and SMEs
TURK EXIMBANK	Export credits and insurance
KOSGEB	Support for SMEs
Ministry of Finance, Turkish Revenue Administration	Tax exemption and exceptions, public land sales, regional aid
Ministry of Industry and Trade	Regional aid, R&D support (Organised Industrial Zones, Technology Development Zones)
TUBITAK	Support for R&D



INSTRUMENTS-TOOLS AND FINANCE

- Law on “Development of Maritime Commercial Fleet and Support of Shipbuilding Facilities” no 2581, OG 21 January 1982 / 17581
- Law on Defence Industry and Undersecretariat for Defence Industries No.3238 (Official Gazette 13.11.1985, no:18927)



Thank you for your attention