

# Turkey P3 Market Snapshot

The ambitious infrastructure projects launched by the Turkish Government have been of great interest to local and international investors as well as contractors. Turkey has been investing continuously in large infrastructure projects such as energy production and transmission, water supply projects, highways, railways and airports as well as massive housing projects. The contracts are mostly dominated by European, US or Far East countries in partnership with local companies. Many of the projects are also delivered through PPP models based on BOT (built operate and transfer) type of contracts. On April 2014, treasury also issued a regulation to provide guarantees for the borrowing of investments over 500 million TL (approximately 250 million CAD) which is expected to support financial sustainability of these investments. In light of the Canadian infrastructure development and PPP capabilities, we have been working to create awareness in Canada of the opportunities in Turkey and, likewise, to promote Canadian capabilities in the local market as well.

Global Affairs Canada has been promoting linkages with Canada to enable experience exchange and commercial opportunities. A successful Canada - Turkey PPPs in Infrastructure Conference was organized by the our Consulate in Istanbul in January 2014, with workshops held in Istanbul and Ankara, with the outcome of promoting Canada's models for PPPs, showcasing Canadian expertise in this area and identifying opportunities for capacity

building in Turkey for Canadian leaders in this area.

According to a recent TEBA investment news report, the investment cost for 2,195 projects identified in the current Public Investment Program (2015) increased 8.9% from the previous year. The projects have a total budget of 477 billion TL (approximately \$250 billion CAD). These present huge opportunities for Canadian companies in a number of areas but especially in construction, finance, technical engineering, ICT and innovation as well as in facility and resource management. Large investments are planned mostly in healthcare, transportation and energy sectors. For example, The Turkish Ministry of Health has an ambitious agenda of building over 34 new metropolitan hospitals including cities like Istanbul and Ankara. The projects are delivered through PPP model.

In our Department's Infrastructure Sector Analysis and Priorities for the Trade Commissioner Service 2016-2017 Turkey is identified as an important emerging market with respect to infrastructure, with the focus on 'seeking partnerships for both in-market opportunities and to access other foreign market opportunities. For instance, Turkey is planning and implementing a sizeable number of infrastructures projects and they are receptive to partnering with Canadian companies. Moreover, partnerships with Turkish companies can open opportunities for Canadian firms in other markets, such as the Middle Eastern markets' and in Africa.

