



Foreign Agricultural Service

**GAIN Report**

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## **Turkey**

### **Livestock and Products**

### **Privatization of TIGEM Farms**

**2000**

Approved by:

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#### **Report Highlights:**

**The Turkish High Planning Commission has agreed to begin to privatize some TIGEM (state) farms. The new General Director of TIGEM expects that offers will be solicited from the private sector within the next two months.**

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Includes PSD changes: No

Includes Trade Matrix: No

Unscheduled Report

Ankara [TU1], TU

The Turkish High Planning Commission has approved a framework to begin privatization of the state-owned TIGEM farms. According to Mehmet Ali Unal, TIGEM's new General Director and Board Chairman, bids will be solicited after one month or so for Phase One farms and decisions reached with three or four months. Given that this is Turkey, we expect the dates to slip a bit. Mr. Unal indicated that a number of Turkish firms have discussed with him their interest in several of the farms. He expects that they will draw upon both local and foreign technologies for their proposed projects (which could include dairy and livestock development) and urges U.S. firms interested in participating to contact their Turkish counterparts.

According to the agreed upon investment framework:

- 1) Ownership of the farms will remain with TIGEM
- 2) Proposed ventures will need to be within the areas of TIGEM's interests (i.e., agricultural production and/or agricultural industry)
- 4) TIGEM is prepared to make land, machinery and buildings available for rental, but not sale
- 5) Property rentals and proposals will be considered for all lengths of time
- 6) Proposals will be considered for all levels of joint share holdings-i.e. 25/75, 50/50 and 75/25

TIGEM plans to limit the farms which will be available for privatization in phase one to:

- Altindere State Farm in Van or Gole State Farm in Ardahan, in the Eastern Anatolia Region
- Gelemen State Farm or Karakoy State Farm both in Samsun, in the Black sea Region
- Boztepe State Farm in Antalya and/or Turkoglu State Farm in Kahramanmaras, in Mediterranean Region
- Kumkale State Farm in Canakkale and/or Acipayam State Farm in Denizli, both in the Western Anatolia
- Inanli State Farm in Tekirdag in Thrace Region.