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Turkey

Agricultural Situation

Privatization of TIGEM Farms

2001

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Report Highlights:

The Ministry of Agriculture was reported to have accepted offers for privatization of the four TIGEM Farms. The High Planning Council has yet to approve the privatization. Offers for other six farms listed in the first round were reported to have been either withdrawn by the private firm because of the current financial crisis or rejected by the Ministry.

Includes PSD changes: No
Includes Trade Matrix: No
Trade Report
Ankara [TU1], TU

The Government of Turkey (GOT) opened the first group of ten TIGEM farms to proposals for privatization last year, but it took more than 12 months for decisions to be reached. The economic crisis in Turkey which began last fall complicated the process. However, recent news reports indicate that offers for four out of ten farms were accepted by the Ministry of Agriculture. Offers for the remaining six farms were reported to have been either withdrawn by the proposing company, or rejected by the Ministry. The Ministries decision still need approval from the High Planning Council.

The Ministry is reported to have accepted the following offers:

FARM NAME/Company

1. Acipayam/Denizli by Koc-Ata Group
2. Gole/Ardahan by Koc-Ata Group
3. Kazova/Tokat by Dimes Company
4. Dalaman/Mugla by Ankara Genc Girisimciler Grubu

According to the reports, Koc-Ata Group will construct a barn for 1,000 head of cattle and a slaughterhouse at Gole Farm. Every month, 700 head of feeder cattle will be delivered to the farm. The same group will be constructing another integrated facility at Acipayam Farm for 8,000 head and produce under contract farming with neighboring farmers. Koc-Ata Group has already established a large dairy farm in the GAP region, in Sanliurfa, with European cattle.

Dimes is also planning to do contract farming on livestock and horticulture in Tokat. Dimes is already active in milk processing and fruit juice and wine producing in Tokat and Izmir.

Ankara Genc Girisimciler Gurubu is a newly established group with an emphasis on organic production. They are planning to produce organic citrus at Dalaman on 600 hectares and will develop a drip irrigation system on 250 hectares of orchards with fruit drying and packing facilities.

Proposals which were reportedly not accepted or are "on hold" include:

1. Cicekdagi Farm in Kirsehir
2. Gelemen Farm in Samsun
3. Hafik Farm in Sivas
4. Kumkale Farm in Canakkale
5. Karasu Farm in Sakarya
6. Karacabey Farm in Bursa

Another ten TIGEM farms are expected to be authorized for privatization after the initial group is completed.