



The 2022 Status of Airports and Terminals Operated with the "Public-Private Partnership" Model in Turkey

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"Privatization", which has existed in various forms for centuries, has sometimes appeared through methods such as the transfer of business rights / concessions or the transfer of public privileges. Some public privilege transfers have been applied by countries such as the Ottoman Empire, Germany, France, and England.

From the historical perspective, the most notable applications which would be considered as privatizations, are:

- The Suez Canal, built as a joint venture between England, France and Austria, whose operational rights were obtained from the Egyptian Government for 99 years.
- Public areas such as the tramway, electricity, gas administration, Haydarpaşa Port and Tunnel, all of which were built by foreign companies with concession agreements in Istanbul, for operations during the Ottoman Empire period.

Developing technology, rapid population growth, and increasing investment needs of society have created a requirement for new resources at this time. Prioritized investment needs which are in-line with this development strategy, especially for large infrastructure "Public-Private Partnership" projects, have started to gain importance with additional "Risk Sharing" joint action scenarios in the public and private sectors.

As an alternative financing method to public resources, the "Build-Operate-Transfer (B-O-T)" model, which can be considered as a partial privatization, has been the most widely used model of "Public-Private Partnership" projects since the 1980s.

Using this investment model, services that could not be realized quickly with the state budget or for which the budget was insufficient, were accomplished with the help of the private sector. In this restructuring, while the aim was to provide public services in a more effective and higher quality manner, the state's focus on the essential duties that it had to complete by itself, without further growth, ensured that social welfare was increased. Thus, a new source of financing is foreseen that will ensure efficiency in the production of services.

This process, as a result of the increase in globalization, creates the parallel need for access to air transport. Therefore, the most important fields of activity are airport operations and terminal operations (*as well as some ground handling services*). Using the B-O-T model financing for these activities has started to affect the national aviation infrastructure development at the same time as global development.



...as organizations providing international financing began to prefer crediting projects instead of giving loans to the states, the B-O-T method became the preferred project design model for the countries in need of foreign financing. The B-O-T method has also become the favored method because it does not impose new costs on the public and repayments are done over time by purchasing goods or services. This opportunity has made aviation/airport focused applications even more advantageous.

At this stage, the General Directorate of State Airports Administration, which started the B-O-T model applications related to airport terminal(s), decided to open a tender for the Antalya Airport International Terminal (1st Stage) and formed a commission to prepare the relevant specifications.

This application was the beginning of the B-O-T projects, which is a privatization application in the field of airport and terminal construction and management in the country. The initiative showed that Turkey demonstrated exemplary airport and terminal construction financing practices and many countries followed their lead in global aviation.

The last stage of this development process, which has lasted a quarter of a century in total, was Istanbul Airport (2018), where the construction and operation of the airport and terminal, along with some ground services, were covered. This project has drawn the widespread attention of the world in terms of its location, content, dimensions and advanced technologies used.

This process was reshaped over the last two years because of the effects of the pandemic on the world economy. I wanted to identify the current situation of the B-O-T applications that I followed with Antalya Airport:

Airport	Airport Administrator	Terminal Operator						
		Phase I	Phase II	Phase III	Phase IV	Phase V	Phase VI	Phase VII
Antalya	DHMI	BAYINDIR (07.1996 - 1998-)	BAYINDIR+FRAPORT (1999-)	BAYINDIR+FRAPORT ÇELEBI & İC (2005-)	FRAPORT ÇELEBI & İC (2006-)	FRAPORT & İC ÇELEBI & İC (2007-)	FRAPORT & İC (2009)	FRAPORT & TAV (05.2018-)
Atatürk (Closed)	DHMI	TAV (1999-2018)						
Bodrum-Milas	DHMI	TAV (05.2014/22.10.2015-)						
Dalaman	DHMI	YDA (2009-)	YDA+FERROVIAL (06.2022-)					
Esenboğa	DHMI	TAV (23.01.2004/16.10.2006-)						
Gazipaşa	DHMI	TAV (4.01.2008/13.07.2009-)						
Istanbul	İGA	İGA (3.05.2013/29.10.2018-)						
Izmir	DHMI	HAVAŞ+BAYINDIR (16.08.2004-)	TAV (09.09.2006-)					
Sabiha Gökçen	HEAŞ	LİMAK+GMR+MAHB (20.03.2008-)	LİMAK+MAHB (02.2014-)	MAHB (2013-)				
Zafer	DHMI	İC (28.07.2010-)						
Zonguldak	ZONHAV	ZONHAV (1999-2002-)	ZONHAV (2007-)					
Alaçatı (Cancelled)	DHMI	TERMINAL (2009-2009)						
Çukurova (C. In Progress)	DHMI	FAVORİ (20.11.2020-)						
Ercan	TRNC, MoTCW	TERMINAL&TASYAPI (2012-)	????TASYAPI (2017-)					

Turkish Operators
FRAPORT, Almanya
TAV, ADG, Fransa
MAHB, Malezya
FERROVIAL, İspanya

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I hope the detailed content (*with political, military, and economic implications*) of each initiative and the development of related processes would be evaluated individually and comparatively...

...I suggest those would be the subject of further scientific studies in higher education institutions, especially the universities with aviation education programs, with the support and participation of relevant aviation organizations.



References

1. Can EREL; "[CAN'CA Those Who Left A Mark on the Development of Industry in Turkey](#)"; ISBN 978-605-125-753-2; March 2014.
2. DHMI Annual Report 2021.

