

افغانستان آزاد – آزاد افغانستان

AA-AA

چو کشور نباشد تن من مباد بدین بوم ویر زنده یک تن مباد
همه سر به سر تن به کشتن دهیم از آن به که کشور به دشمن دهیم

www.afgazad.com

afgazad@gmail.com

European Languages

زبان های اروپایی

<http://www.atimes.com/turkey-seeking-place-maritime-silk-road/>

Turkey seeking its place in the Maritime Silk Road

By ALTAY ATLI

FEBRUARY 26, 2017

China's "One Belt, One Road" (OBOR) is a grand plan of enhanced connectivity between countries of the Eurasian landmass, promising infrastructure development, increased trade, welfare creation through joint investments and people-to-people exchanges. Countries along the route are enthusiastic about the project, looking forward to benefit from the OBOR in the form of Chinese finance, physical investment and technology.

Turkey is no exception in this sense, and in fact, Turks feel that as it is their country literally and geographically linking Asia with Europe, and the West with the East, they should have a special position on the OBOR. The Turkish government has already signed a number of agreements with China, mainly on cooperation in railway infrastructure development and integration of Turkey's own projects of road connectivity toward the Caspian and Central Asia with the OBOR. An intra-bureaucracy working group specially dealing with Turkey's engagement with OBOR was established by the Turkish ministry of foreign affairs with inputs from the ministries of transportation, energy, economy and customs. In the meantime, the interest is shared by civil society actors as well, with Turkish academia increasing its focus on China-related studies, and the business community launching a number of OBOR-related networking events. The Turkish-Chinese Business Council is working on a plan to erect a monument on the Turkish portion of the Ancient Silk Road, similar to the monument in Xian.

While the Turks are very much interested in the land-based OBOR and trying to figure out what benefits can be in store for them, the seagoing version of the modern Silk Road, the Maritime Silk Road (MSR) project of China, has so far drawn much less attention, which is puzzling given that Turkey is a country littoral to three major seas, the Black Sea, Mediterranean and the Aegean. This neglect, however, seems to be reversing now, as there is an emerging debate in Turkey on whether and how it should be a part of the MSR.

It is Greece, and not Turkey, which is China's strongest maritime partner in this part of the world, and the Turks accept this fact. The port of Piraeus near Athens has been gradually upgraded since 2009 with Chinese investment, and as of August 2016, China Ocean Shipping Company (COSCO) owned a controlling share in the facilities. Having reached an annual container volume of 3.67 million TEU in 2016 (projected to increase to 5 million TEU by 2018), Piraeus is the largest container port in the eastern Mediterranean, and a major entry point for Chinese products into the European markets. Given the long running close partnership relation between Greek ship owners and Chinese shipping companies, it is no surprise that Piraeus has become the center of China's activities in the region. The port of Piraeus has reached a size five times larger than the Turkish port right across the Aegean, the port of Alsancak in İzmir. While the Turks do not see a possibility to dethrone the Greeks as China's closest maritime partner in the region and to replace Piraeus with a port of their own, they nevertheless believe that Turkey can have a place for itself in the MSR with its ports; the objective not being to overtake the Greek facilities, but to complement them.

Chinese companies have already started to invest in Turkey's port infrastructure. In 2015, a consortium of COSCO, China Merchants Holdings International and China Investment Corporation spent US\$920 million to buy a 65% stake at the Kumport Terminal on the outskirts of Istanbul. While from the Turkish perspective this is seen as an important first step for Turkey's involvement in the MSR, two other ports are considered to be carrying greater potential in this respect. One is the port of Çandarlı, located north of İzmir, within viewing distance from the Greek island of Lesbos. Çandarlı is the closest Turkish port to Piraeus and it is located in a favorable position for carrying containerized products from Istanbul and the Marmara region to Europe. The problem is that this port, with 12 million TEU capacity, still lacks the infrastructure for intermodal transportation such as railroad and land connection, and bureaucratic procedures are scaring off potential investors. Chinese investment through the MSR is seen as a possible solution to the problem.

The other option considered for Turkey's integration with the MSR is upgrading the port of Mersin on Turkey's eastern Mediterranean coast or establishing a new maritime hub along the Mersin-İskenderun line. In either case, it will be Turkey's closest port to the Middle East, advantageous for receiving container ships passing through the Suez and providing easy access to the North African markets, Iran and the land routes of OBOR.

All of these options can create significant value both for the MSR's prospects and Turkey's shipping industry. Turkey is not a global shipping giant like Greece, however, it still has a number of strengths, which, in addition to the country's geographical location, can make Turkey an integral part of the MSR. To start with, Turkey's port capacity is already increasing. According to the 2016 data released by the ministry of transportation, the total annual volume of

international container handling in Turkish ports was 8.8 million TEU. This figure was only 3.9 million TEU in 2006. What Turkish ports need is not an increase in handling capacity, as this is already taking place; what is more crucial is an infrastructure improvement that will make the ports suitable for intermodal transportation by equipping them with railway links and land road connections. This is precisely the point where Chinese investment through OBOR/MSR is expected to enter the scene.

Another strength in this respect is that both shipping companies and port operators of Turkey are in a process of expanding their size and global outreach. The 11 largest shipping companies of Turkey are reported to have total assets nearing US\$6 billion, and these companies are able to provide sophisticated shipping services in the entire Euro-Mediterranean region. Moreover, Turkish port operators have embarked on an overseas buying spree, purchasing stakes in ports around the world. Turkish companies are either operators or stakeholders in 29 different ports, and while most of them are in Europe, new purchases were made in 2016 in Bangladesh, Ecuador and Burkina Faso. As Turkish companies grow in scale and experience, prospective partnerships with Chinese giants such as COSCO offer more promising collaborative frameworks.

MSR is not only about economics, there is a geopolitical side to it too, and Turkey cannot escape this fact. In a recent workshop held by Koç University Maritime Forum, a platform that brings together academics with shipping industry professionals and retired admirals, the question of possible geopolitical consequences of Turkey's participation in the MSR was brought to the table. The workshop was held in a museum ship anchored at Istanbul's Golden Horn coast next to a semi-submerged submarine, a perfect spot for holding discussions on this issue. Two important questions were raised: as China increases its cooperation with Greece, and Turkey remains on the margins of the MSR, how would China position itself in the case of a conflict between Greece and Turkey in the Aegean? And second, if China invests in Turkish ports and receives large, even controlling shares in these facilities, can they turn into "dual use" ports engaging both in commerce and military use? What would this mean for Turkey's relations with China on one hand, and with its Western allies on the other?

These questions will need to be answered in due course. Until then, the Turks and the Chinese who are already investing in Turkey's railways will be exploring possibilities for cooperation in the maritime sector.