

CONSTRUCTION AND MINING MACHINERY

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Construction is one of the key sectors in Turkey, being one of the main drivers of private and public investments. As a result of economic reforms Turkey has established a large and strong construction industry in a short time.

Apart from the Middle East and North African market in which Turkish contractors have great share of civil engineering and electromechanical erection work, the former USSR and some European countries have opened their construction market to Turkish Contractors. Today, they are working in four continents and over 70 countries, using all the financial, managerial and technological instruments of international contracting standards.

The development of construction industry has resulted in a large and diversified production of building materials sector, a dynamic contracting and engineering services and young, but a well established construction and mining machinery sector.

The share of the construction and mining machinery sector reaches 6.5% of production and 9.6% of exports of the machinery industry of Turkey. Growth of the sector closely depends on the development of the construction sector. Today Turkish construction and engineering companies are able to design, erect, build and operate almost all kinds of civil and industrial projects such as: Dams, hydroelectric and thermal power plants, industrial plants, airports and seaports, large scale petroleum and natural gas pipelines, fertiliser plants, petrochemical complexes and refineries, motorways, tunnels, bridges, large housing projects, hotels and all kinds of sophisticated buildings. In the period of 1972-2009 about 700 Turkish contractors have completed over 4600 projects in 70 countries. The total value of the projects undertaken by Turkish contractors abroad reached \$148 billion in the same period.

Turkey is one of the world's richest countries in minerals. Excluding petroleum and coal, there are approximately 4,400 mineral deposits in Turkey. Today, 53 different minerals are produced. Turkey is a major producer of boron minerals, feldspar, marble, baryte, celestite, emery, limestone, magnesite, perlite, pumice, copper and chromite. Modern production equipment, the presence of new technologies and methods have been very important factors in the development of the mining sector of Turkey. Developments in the mining sector, especially in the marble production, have accelerated the growth of the mining machinery sector.

Production

The Turkish construction and mining machinery industry manufactures and exports various kinds of construction and mining machinery including; pulley tackles, hoists other than skip hoists, winches, capstans, jacks, derricks, cranes, straddle carriers, works trucks fitted with a crane, forklift trucks, other work trucks fitted with lifting and handling equipment, lifting, handling, loading and unloading machinery, self propelled bulldozers, graders and excavators, moving, grading, scraping and boring machinery for earth, stone and mineral elements, spare parts of construction machinery, special purpose motor vehicles for persons and goods, work trucks and lifting equipment for factories and airports.

The Turkish construction and mining machinery sector has been producing lifting machinery especially cranes since 1970. Bridge and tower cranes, cranes designed for mounting on road vehicles and cranes used in the iron and steel sector have important share in the production of cranes. Small and medium sized companies dominate the crane industry. Approximately, 50 companies are operational in the crane sector. Some of the companies have specialized in the production of certain models by means of mass production. For instance, the production of special type high capacity cranes is performed successfully by 10 large companies.

In Turkey, there are a few big companies producing small capacity machines called forklifts, backhoe loaders, hammers and excavators. Backhoe loaders and excavators are among the fast developing products in the sector. At present, the share of backhoe loaders is about 40% in the total sales of construction and mining machinery. The share of excavators is about 30%. It is expected that this tendency for backhoe loaders and excavators will continue.

The Turkish construction and mining machinery industry is composed of about 500 companies with medium and small sized companies dominating the industry. About 100 of these are manufacturing companies, 10 of which are large-sized. The number of people employed in this sector is approximately 16,000. Manufacturing sites are mainly located in the Marmara, Central Anatolian and Aegean Regions of Turkey. Istanbul, Konya and Ankara are the major cities in construction and mining machinery and parts production. BMC, Temsa, Hema, Hidromek, Çukurova İnşaat Makineleri ile Parsan Makine Parçaları Sanayi A.Ş. are important companies which are included in the list of 500 largest companies in Turkey prepared by Istanbul Chamber of Industry.

Exports

One of the most promising subsectors of the Turkish machinery industry in exports is construction and mining machinery. Turkish construction and mining machinery producers compete with world-wide well known producers in Turkish market as well as in foreign markets.

Total exports of the sector reached US \$928 million in 2009, with a 30% decrease compared to the previous year. Main export products are machinery for sorting, screening, separating, washing, crushing, grinding, mixing or kneading earth, stone, ores or other mineral substances, machinery spare parts, special purpose motor vehicles for persons and goods, self propelled bulldozers, graders and excavators, lifting, handling, loading and unloading machinery, derricks and cranes. Among product groups, machinery for sorting, screening, separating, washing, crushing, grinding, mixing or kneading earth, stone, ores or other mineral substances and construction and mining machinery spare parts are the most traded items. The total share of these groups in the total exports of construction and mining machinery is about 58%. The other important export products special purpose motor vehicles for persons and goods account for 15% of the total exports of the sector.

Turkish-made construction and mining machinery are exported to over 140 countries in the world in 2009. Major export markets are Germany, Algeria, Iraq, Libya, Italy, Russia, and Iran.

Turkey's Export of Construction and Mining Machinery (Value: million US \$)

PRODUCTS	2006	2007	2008	2009	Share of Major Export Markets for 2009 (%)
Pulley tackles, hoists other than skip hoists, winches	15	21	22	23	China 30, Iran 12, Libya 7, India 6, Belgium 6
Derricks, cranes	22	33	45	53	S.Arabia 11, Morocco 10, Russia 8, Algeria 7, Egypt 6
Forklift trucks	4	8	11	8	Turkmenistan 17, Iraq 9, Azerbaijan 8, France 7, Georgia 6
Lifting, handling, loading and unloading machinery	52	74	91	77	Russia 9, Germany 8, USA 7, Azerbaijan 5, Ireland 5
Self-propelled bulldozers, angle dozers, graders and excavators	41	88	111	73	Algeria 33, Libya 7, Tunis 6, Turkmenistan 5, Irak 5
Moving, grading, scraping and boring machinery for earth, stone and mineral elements	16	19	28	18	Uzbekistan 23, Georgia 7, Algeria 7, Germany 6, Israel 5
Machinery for sorting, screening, separating, washing, crushing, grinding, mixing or kneading earth, stone, ores or other mineral substances	302	421	507	288	Germany 20, Italy 12, United Kingdom 7, Iran 6, Netherlands 5
Spare parts	148	272	342	248	Libya 13, Russia 9, Algeria 8, Almany 6, Iraq 5
Special purpose motor vehicles for persons and goods	78	177	173	136	Irak 23, Syria 14, Libya 7, Azerbaijan 6, Turkmenistan 5
Work trucks and lifting equipment for factories, airports	1	3	1	1	USA 30, Sudan 20, Tunisia 13, Iran 7, Israel 4
TOTAL	680	1.114	1.332	928	Germany 9, Algeria 7, Iraq 7, Libya 6, Italy 4, Russia 4, Iran 4

Source: The Undersecretariat of Foreign Trade (DTM)

The Turkish construction and mining machinery manufacturers/exporters follow European and international standards and norms. The obligation to affix the "CE Mark" has started in the Turkish market in 2002.

Six trade fairs related to the construction and mining machinery industry will be held in Turkey. Detailed information about these fairs are listed at "<http://www.fuarrehberi.org.tr>" web site which is an official web site of the Union and Chambers of Commodity Exchanges of Turkey.

"MARBLE FAIR", International Natural Stone and Technology Fair in Izmir in March,

"KONYA", Construction Materials and Building Technologies Fair in Konya in April,

"CONSTRUCTION AND WORK MACHINES FAIR", in Tekirdağ in May,

“KOMATEK”, International Construction Machinery, Technology and Products Fair in Ankara in May,

“NATURAL STONE”, International Marble, Natural Stone Products and Technologies Fair in Istanbul in November,

“ANATOLIA STONE”, Anatolia Natural Stone, Marble and Technologies Fair in Antalya in November.