

## ENCOURAGING GROWTH IN THE WORLD'S LEADING MINERAL BELT

Dear Guests, Ladies and Gentlemen.;

As you know, and as some of the esteemed speakers have mentioned before me, Turkey is on a mineral belt where one of the most important mineral deposits of the world are located. Since the first era of the history mining activities have been going on in these territories for a long time. The first mining for placer gold had been done by Lidyans and the first gold coin was printed by Lidyans again in B.C. 600 in Sardes which is located in Salihli district in Manisa, in the Western Anatolia. In addition to these, silver, bronze and gold sculptures and some trinkets had made their mark on this era.

Important mining activities carried out in the Ottoman era also. Written records about the mining activities in Anatolia and in Rumelia between 1546-1779 have found in the records of the Council of Ministers (which is called as Divan-ı Hümâyun )

In the near future, Mineral Research and Exploration Institute Directorate General (MTA) and Etibank General Management were established by Noble Atatürk in 1935, during the first years of the foundation of Turkish Republic, for purpose of making the mining the leading sector for country development. Those two prestigious institute and management worked hard with an effort to discover underground sources and mineral potential of Turkey. Besides, those two managements had rendered Turkey's Mineral potential into an important source of national economy, and led a movement which impulses mining sector on the basis of correct information and with proper steps with a great effort in modern and contemporary sense.

Turkey is the important component part, important ring in the development of the mining. Why it is important? As we all know Turkey is located on a mineral belt where one of the most important mineral deposits of the world are located. Nearly all of the known metallic minerals, energy and industrial raw materials deposits are existent in various places of our country and production activities have been running on in most of them. Great part of the boron minerals in the world are located in Turkey. Turkey is also one of the assertive countries in the world in terms of chromite and trona reserves. In recent years, especially discovery of the new epithermal gold deposits shows that Turkey can become an assertive position in terms of Gold mining. It is possible to expand those examples. Besides its geological position, Turkey's geopolitical and geographical position also requires Turkey to become a part of mining development. We can easily notice it when we look at the

map of the world. As it is located in the middle of the continents of Europe, Africa and Asia and the fact that as if it marks the juncture among those three continents, increase its importance. Due to the fact that Turkey is a peninsula and it has a lot of ports makes the mine exportation and shipment with ease. It is also one of the important elements.

In order to create new mining opportunities around the country and to afford development in mining sector in an extensive sense is undoubtedly possible with supporting the mining sector, increasing its courage and to promote various incentives about every subject. The growth in the mining sector is only possible with the government incentives.

I personally believe that, beside economic incentives provided by the government, it is necessary to provide moral support initially. Because, first of all the companies or the people, who make investment on mining, should be high motivated, comfortable and peaceful morally and in all respects.

Why I am talking about these? During the last 15-20 years, I emphasize, residents from the districts where the mining corporations especially on gold and nickel minings are located were ill-informed, set against miners and mining and undesirable events were experienced. These misinformings and misdirections depressed the investor companies and discouraged the workers. Written and visual media effected the residents in a negative way by publishing incorrect publications. Because of these reasons I witnessed some of the investors have ceased the investments and some of them abstained from make an attempt. The solution of this problem is making accurate publications and explaining the origin of the mining to residents first and then to all public opinion, telling that mining is an important sector in terms of the development of the country, instead of avoiding the mining, encouraging the mining is beneficial for the country and the individuals. And trying to become sure that residents are on miners side by eliminating all the doubts. In my opinion, it is one of the most important steps of encouraging the development.

Another important step to encourage the mining sector is to serve all the previous studies to the mine investors especially during the research and development studies and provide all type of facilities maximally. These are providing satellite photographs, topographical and geological maps, geophysical and geochemical data. As you all can understand, to be informed accurately is the most important thing in the mining as in the other sectors. Mineral Research and Exploration library and archives should be

available to mining sector researches. All the geological reports and geological maps should be provided with an ease. Here it is necessary to emphasize that one of the most important government incentives is to provide support in order to carry out research and development studies according to the international standards.

In order to have laboratories which make mine analyses are valid in international dimensions and in order to receive reliable analysis reports, all types of facilities should be provided regarding with the importation and obtaining of all sorts of devices and machines which will be used during the analyses , including tax and importation credits.

To make the mineral search activities cheap is one of the important elements. I have to emphasize that especially drilling activities are very expensive. It is necessary to prevent this and make the drilling less costly. It is important to give priority to guarantee that drilling activities should be done by experts in terms of international norms. In addition to that there is another issue which is about supplying cheap fuel to miner during the drilling activities. But I will mention about it later on.

Another important way to encourage development in mining field is to minimize bureaucratic difficulties and, moreover to eliminate them. It is necessary to make it easy to get all the bureaucratic permissions during the research and operating processes. Forest permissions head this list. Getting the forest permissions is a great problem during both the research and the operating activities. It is necessary to consider this important issue sensitively and to solve this problem.

To support the mining sector to insure cheap fuel in order to encourage growth in the mining field is one of the leading factors. Diesel oil and natural gas should be provided to miner less than their market prices. If necessary, a separate fund can be formed for this issue. Especially during the searching activities with drilling the spent diesel oil costs very expensive and it increases the drilling cost. With the cheap fuel, the cost of drilling activities can be decreased to a reasonable level.

Besides the fuel, cheap electricity should be provided to the mining sector. Regarding with this matter, a great encouragement application of Turkish Republic Government is on the agenda. And, this is about some facilities such as providing all sorts of encouragements, exemption from some taxes and obtaining cheap credits in case of

mining companies produce their own energies. If it becomes true, a giant and important step would be taken in regards with encouraging the growth.

In addition to this, it is necessary to provide the water which will be used during the mining activities in a cheap and easy way. For example, if there is no existing stream source where the mining activities are carried, it is important to provide water which will be obtained from the barrages and the small lakes which are belong to the country in a cheap way and to make it easier to do the transportation of the water to the area where the activities are carried in a cheapest way. It is required to provide all sorts of easement about obtaining ground water to the mining sector and to make privileges.

Another important issue is the taxes. It is required to provide tax relief to all the institutions and workers who are working in the mining field. In my opinion, it is one of the greatest encouragements about the growth. Tariff reductions and customs duty exemptions should be scheduled for the importation of the heavy construction equipments which are used in this field. And maximum tolerations and easements, and cheap credits should be provided for the production of these equipments.

In the near future mining sector is also included to the encouragement package which was prepared by the Turkish Republic Government and which has not coming into force yet. It is very important improvement. Especially the fact that mining would be included in 5th Zone encouragement and VAT exemption would be applied on some entries, will smooth the path for mining sector and miners. We are all waiting for it to come into effect as soon as possible. When this law for the encouragement to comes into effect, mining sector will be improved in a great way.

The number of joint ventures in the field of mining are more when comparing with the past years. Especially when the research of the epithermal gold deposits comes to order in the end of 1980's the number of the foreign entrepreneurs who were eager to make investment in Turkey was increased in a sudden and exploitable gold and silver reserves were found in some areas where searching and inquiry activities were carried. The production activities are still being carried on some of those areas. Of course the number of the joint venture is not enough. But with the help of encouragement package which has not come into effect yet, we guess that the number of the entrepreneurs will be increased and the investments will be accelerated.

Actually, without doubt, there is a lot to say about " Encouraging Growth in the World Mining Belt". But as you can understand I could just brought forward these issues.

In summary, in all fields of the casual life including economy, industry, social and cultural fields, encouraging the growth is possible with encouraging the mining, glorifying the the mining sector and smooth the path for people and froundations who make investments on mining field.

On this opportunity, I would like to greet all of you with respect and love. And I hope this meeting will make positive contributions to mining sector.