A gecrei Pith devised by the Department of Foreign Ailairs to build a harbour in Turkey to get around coal exporting sanctions was dropped after the outbreak of the Gulf War. The schem was apparently to have been financed bl the private sector, but under control of ihe departmentis planning division. then htaded by the present ambassador to France, .Vlarc Burger.

The FM lirst reported the existence of the plan after mWS that the SA Police had requested R250 000 of slush funds from Foreign Affairs to sponsor two Inkatha rallies (Curfew Affairs July 26).

About thrte years ago, SA coal exports to Belgium came under severe pressure. This ilted in lhe release of Belgian citizen ielena Pastoars, who had been convicted under SA Stcurity laws. Her release was negotiated between Foreign Minister Pik Botha and his Belgian counterparts Leo Tindemans f When coal exporting contracts were up for renewal.

The FM has learnt that Tindemans was under pressure from socialists in the Belgian parliament. They pressed for Pastoorsi release after COsaccused Klaas de Jonge (who was holed up in the Dutch embassy for months) had been given permission to leave SA. De Jongels departure coincided with the release of the SA Defence Forceis Major Wynand du Toit from an Angolan jail and French priest Pierre Albertini from Ciskei. Botha this Week refused to comment on the Pastoors issue. ul cannot deny or confirm it. Various factors are considered when a person in Pastoorsi position is released. Some of these factors are confidential and I cannot iment on them."

ut the Foreign Minister did offer an explanation 10 the FM why the Turkish harbour scheme did not get off the ground.

"The desperate need which existed a few years ago to obtain secure, long-term coal contracts was no longer essential to the coal industry. The Gulf War had also had a major impact . l ."

Botha continued: uThe private sector was also concerned about the fact that in matters of this nature there never can be a guarantee. Should the private sector, however. be interested (in continuing with such a scheme) I believe that the Turkish government might be interested in discussing the matter.n Botha and Coal industry representatives met for the first time at Newlands House in Cape Town (Bothais official residence), probably at the' beginning of 1989. A scheme was mooted to b uild a harbour on the Turkish coastline near the Canakkale cement factory on the approaches to the Dardanelles. The FM has also learnt that Botha paid a secret visit to Tterey at that time _ but he

FINANCIAL MAIL - AUGUST - 16 - 1991 - 35 would not confirm this.

According to documents and maps in the possession of the F M, it appears that plans for the construction of a coal terminal were looked at as early as January 1988. Johannesburg financial consultant Ian Forbes tells

the FM that he was involved with the project _- doing feasibility studies _ at that time. A Christiani & Nielsen report. which deals with proposals for the iiCanakkale Cement Marine Terminal for coal and iron ore," is dated February 10 1988. According to the report, the site was first visited on January 19 and 20 1988 in order to assess the technical feasibility of the proposals. At that stage, Forbes and his partner, I Canakkale Cement Works

Proposed Turkish

harbour project

Storage area /

Existing

EXISCING

Black Sea

V , Istanbul

Canakkale

TURKEY New jetty

Source: CHRISTIANI 5 ME LSEN

.Iurgen Weiss of Austral Trade International, had been in contact with a former Finance Department official in Zurich, Chris van der Walt, and his associate. Gert Peter. Van der Walt died a couple of months ago.

Van der Walt put Forbes and Weiss in touch with John Branscombe, a retired businessman who had offices in Paris and Germany, and operated a bank account out of Geneva. Contact was also made with a COlonel Varda, an undercover Turkish military intelligence officer.

Through a top Turkish civil servant, Oz Turkman, Forbes worked with Yussuf Ozal, a brother of the then Turkish PM, Turgut Ozal (now Turkish president). Forbes told the FM that he had been doing the feasibility studies with the Turkish State Planning offices through Yussuf Ozal m who had apparently also been involved with arms exports from SA to Turkey.

According to the FMS sources, the ownership of the plant would have remained with the shareholders and financiers until their investment had been covered by the operation. Thereafter the Turkish Electoral Au-CURREIT AFFAIRS

, gumc/W 7-02.: fiwluj Pruitt? harbour that was beached thority would have taken ownership of the coal power station # a system known as BOT (build, operate and transfer); The sources say that SA's private sector share would have been very small.

"Our attempt was primarily to obtain reasonably large long-term coal exporting contracts. Our task was to investigate the possibilities and then to involve the private sector. We advised. made contact and designed the planstw one source told the FM. According to the Christiani & Nielsen plans, another proposal envisaged the construction of a second jetty with ship loaders and unloaders.

The budget costs for the second proposal were estimated at \$25m, which excluded handling equipment. The report stated that these are llballapark figures and arrived at in a limited time span." Forbes reckons the final project would have cost \$110m (about

R525m) including the handling equipment. Major coal exporters this week confirmed that they were present at the Newlands House talks. Amcoal chairman David Rankin says he attended the meeting but uAmcoal was not in favour of the projectfi Rand Minesl Allen Sealey echoes the sentiment. ttWe looked at the project as a coal industry and a committee was put together to investigate what likely size port would be needed. Having looked at the project as a whole we felt it was not economically viable. uWe could notjustiliy it and I think it was Genminls Brian Gilbertson who on behalf of us alL signed a letter in which we __ in a friendly way i informed the department of our reservations."

Sealey says he seriously doubts that Rand Mines would in future be interested in such a scheme.

ttBut I cannot talk for the industry We would not consider it unless something unforeseen happens. The Turkish market on its own did not justify the port they had envisaged? Rankin says Amcoal would not consider entering into such a scheme in future. Forbes, who says he did feasibility studies, claims that he received no payment. itThe question then is, who got the boodleT' The FM's Foreign Affairs source says that in the end no money was spent, apart from a small amount for some of the feasibility studies of their own. Eddie Bolhu UMKHONTO WE SIZWE

Ungrusped nettle

The MIC is again facing the problem of divided loyalties.

Umkhonto we Sizwe (MK). the ANC's