

Expanding Prison Construction in Turkey as an Incentive for Businesses Close to the Regime

Since 2016, the number of prisons built by the ruling Justice and Development Party (AKP) in Turkey has been on the rise. Between July 2016 and March 2021, 131 new prisons were constructed, and 100 further facilities are currently being considered by the government--. The rate of construction since 2017 has more than doubled when compared with that of the four years preceding the failed coup of 2016. The purpose of this expansion in penitentiary facilities is to stifle dissent amongst the population with increased threat of imprisonment. This threat extends beyond political opponents: journalists and economists who publish data without first seeking approval from the government may face a jail sentence of up to three years, for example.¹

An August 2021 report by [Foreign Policy](#) used satellite imagery to track the rates of Turkey's prison growth and found that the rate of construction has more than doubled since the failed 2016 coup. Prisons have also grown in size, with the average floor space increasing by 50% since 2016, and most two-story models being replaced by three-story ones. The expansion meets the needs of a prison population that has grown from 180,000 before the coup, to 300,000 in 2019. In 2020, Turkey's incarceration rate was the highest in the Council of Europe.

TDP has tracked the tenders and companies involved with this exponential expansion and found connections to many Erdogan- and AKP-linked businesses with histories of benefitting from tender-rigging. After the attempted coup in 2016, the government put in place an emergency law which removed limitations on the construction of new prisons. This law was also used to ensure that construction bids for these new facilities were won by companies close to Erdogan and the ruling AKP. The penitentiary system in Turkey is currently supplied by multiple businesses and companies who have benefitted from corruption and AKP tender rigging.

It is therefore evident that the interests of the government and of private businesses are both aided by the creation of new penitentiary facilities, serving as it does the dual function of stifling dissent within the population and providing financial opportunities for businesses with links to the government.

Analysis of these tenders shows that, while not the largest companies with the most direct ties between their CEOs and President Erdogan, links do exist between the construction firms and the AK Party, and some of these companies are subsidiaries of larger conglomerates with deep connections to Erdogan's party. All have been found to work with various government ministries or municipalities linked directly or indirectly with the AKP's political structure.

Prison location	Tender cost (TL)	Winning company	Ties with the AKP and Erdogan
Konya (High-Security Women's Open	741 million 500 thousand	Cengiz İnşaat	Cengiz Insaat Holding, owned by Mehmet Cengiz, won the tender.

¹ https://www.business-standard.com/article/international/jail-terms-likely-for-publishing-unapproved-data-in-turkey-report-122041401160_1.html



Penitentiary Institution"; Konya L-Type Penitentiary Institution and 35 Block Shift Lodging ²			The tender was called out by the ministry of justice, though not because of legal considerations. ³ Mehmet Cengiz is one of the 'Gang of five' - the name given to the five businessmen close to President Erdogan, who have won nearly all tenders during his incumbency. Cengiz has won multiple tenders due to his ties with the president and the ruling party. ⁴
Konya	541 million 142000 ⁵	Limak Holding ⁶ İntaş Taahüt and Bahadır Engineering (Since 2020). ⁷	The CEO of Limak Holder is Nihat Özdemir - also a member of the 'Gang of Five'. Limak Holding has a record of rigged tenders and corruption since 2013. ⁸
Aksaray	51Million TL	Varyap/ Sibar Yapi	Varyap's CEO is Süleyman Varlıbaş who

² The penitentiary institutions in Turkey are divided into 15 types of prisons. The L-type prison is designed for 15,084 inmates. <https://www.hurriyet.com.tr/yasam/l-tipi-cezaevi-nedir-hangi-suclular-yatar-41939590>

³ <https://gazetemanifesto.com/2017/basimiza-tas-yagacak-akpden-cengize-ihale-soku-122006/>

⁴ <https://www.turkishminute.com/2021/10/07/o-govt-cengiz-holdings-offshore-company-and-assets-revealed-in-pandora-papers/>; <https://ahvalnews.com/uk-turkey/erdogan-business-ally-cengiz-may-buy-british-steel>

⁵ <https://www.adalet.tv/konya-ceza-infaz-kurumu-kampusu-ihalesi-yapildi/2899/>

⁶ <https://gazetemanifesto.com/2022/tkhdn-nato-uyarisi-bugun-rusya-yarin-turkiye-hedef-olacaktir-491107/>

⁷ <https://www.patronlardunyasi.com/haber/541-Milyonluk-yeni-cezaevi-ihalesini-hangi-muteahhit-kazandi/254037>

⁸ <https://turkishminute.com/2020/12/08/what-is-the-gang-of-five/>



			has personal ties with Erdogan; as does Sibar Yapı's CEO Çetin İnsan. ⁹
Sarıçam	385 million	Diymar İnşaat /Akar İnşaat	Akar CEO Remzi Akar received (jointly with Diymar İnşaat) the bid from the AKP without any transparency of procedure. ¹⁰
Çorlu	358 million	Yavuz Dekorasyon İnşaat	Yavuz CEO Recep Ekşi hails from the city of Kocaeli where he is linked to AKP infrastructures. ¹¹
Burdur	333 million	Ermit Mühendislik İnşaat	Ermit won other tenders due to ties with AKP members in several municipalities who have links to Erdogan. ¹²
Ankara	315 million	Kur İnşaat /SMS İnşaat	According to a journalistic investigation both companies appear on the list of businesses who have won tenders due to the AKP's effort. ¹³
Ereğli	281 million	Kur İnşaat /SMS İnşaat	

⁹ <https://ilerihaber.org/icerik/baslik-123618.html> ; <https://beyazgazete.com/haber/2011/5/15/varlibas-holding-in-patronu-suleyman-varlibas-tan-bayraktar-a-ovgu-851420.html>

¹⁰ <https://www.noktabursa.com.tr/2022/01/31/akar-insaat-in-patronu-remzi-akar-in-aldigi-ihaleler-milli-piyangodan-farksiz/>

¹¹ <https://www.enkocaeli.com/haber/3697253/recep-eksinin-arsasi-bir-sonraki-aya-kaldi>;
<https://www.kocaelihalkgazetesi.com/haber/9489814/iste-gungor-arslanin-ses-kocaelide-yazdigi-son-yazilar>

¹² <https://twitter.com/FikrinYok/status/1144236594930565120/photo/1>

¹³ <https://haber.sol.org.tr/haber/akp-isi-ihale-olmayan-tesise-65-milyon-verdiler-321466>



Kırşehir	287 million	Bahadır Mühendislik /Aras İnşaat	
Erzincan	266 million	Rec İnşaat /Tesan İnşaat	REC Insaat is a subsidiary of Ronesans Holding, a favorite contractor of the AKP and Erdogan that was implicated in the Pandora Papers leak. ¹⁴ Rec works jointly with Tesan Insaat. ¹⁵
Antalya	226 million	Diyar İnşaat/ Akar İnşaat	Akar Insaat and Diymar Insaat work jointly. Akar has previously received other government building contracts in Anatolia. ¹⁶
Adana	201 Million	Diyar İnşaat / Akar İnşaat ¹⁷	Akar Insaat and Diymar Insaat work jointly. Akar has previously received other government building contracts in Anatolia. ¹⁸
Giresun Şebinkarahisar -	72.3 million	Nurpa Enerji and Rast Madencilik	(See below)
Siirt	103 million TL	Nurpa Enerji and Rast Madencilik	(See below)

¹⁴ <https://www.sozcu.com.tr/2022/ekonomi/saray-muteahhidine-dev-bir-ihale-daha-6984166/>

¹⁵ <https://www.sehrinpatronlari.com/mobil/haber/remzi-akar-in-aldigi-ihaleler-milli-piyango-dan-farksiz-60211.html>

¹⁶ <https://www.gelecekgundem.com/yasam/akp-yakin-sirketler-45-katirilyona-cezaevlerini-yapiyorlar/5201/>

¹⁷ <https://www.emlak365.com/turkiyede-insa-edilen-yeni-cezaevleri-tartisma-yaratti>

¹⁸ <https://www.gelecekgundem.com/yasam/akp-yakin-sirketler-45-katirilyona-cezaevlerini-yapiyorlar/5201/>



Tunceli	81.9 million TL	Nurpa Enerji and Rast Madencilik	Neither company had any background in prison construction, and both have a record of gaining other nationwide tenders. ¹⁹ Nurpa Enerji and Rast Madencilik work jointly on various projects. The owner of Nurpa Enerji is Nuri Parlak, who was involved in corruption and tender rigging allegations. ²⁰ In 2019, Nurpa Enerji and other companies illegally received tenders in the city of Mardin due to their contacts with AKP governors of the town. ²¹
Samsun/Kavak	152	Demars İnşaat	Demars Insaat won the closed tender to construct Samsun/Kavak Penitentiary Samsun/Kavak prison. ²²

¹⁹ <https://www.dw.com/tr/%C3%BC%C3%A7-ayda-cezaevi-in%C5%9Faat%C4%B1na-556-milyon-lira/a-57159128>

²⁰ <https://mezopotamyajansi35-com.translate.goog/tum-haberler/content/view/163120? x tr sch=http& x tr sl=tr& x tr tl=en& x tr hl=en& x tr pto=sc>

²¹ <https://amp.artigercek.com/haberler/mazbatalar-paravan-sirkete-verilen-milyonluk-ihale-icin-geciktirildi-iddiasi>

²² Ibid.



Kütahya Domanıç -	17.5 million TL	Evrensel Yol İnşaat AŞ	Elazığ and Istanbul Municipalities, headed by the AKP, awarded tenders to Evrensel Yol İnşaat AŞ at the cost of 236 million TL (Istanbul) and 19 million TL (Elazığ). ²³
Adıyaman	194.2 million TL.	Demars İnşaat ²⁴	Demars Insaat won the closed tender to construct Samsun/Kavak PenitentiarySamsun/ Kavak prison. ²⁵

²³ <https://twitter.com/EmepBagcilar/status/509986478743887872/photo/1>;
<https://www.sozcu.com.tr/2021/gundem/akpli-belediye-mahkeme-kararini-yok-saydi-6705632/>;
https://twitter.com/fatih_selek/status/1227248548510564354

²⁴ <https://www.dw.com/tr/%C3%BC%C3%A7-ayda-cezaevi-in%C5%9Faat%C4%B1na-556-milyon-lira/a-57159128>

²⁵ Ibid.