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Amendment Proposed on Rice Regulations in Turkey

Report Categories:

Grain and Feed

Policy and Program Announcements

Retail Foods

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Report Highlights:

The Ministry of Food, Agriculture and Livestock (MinFAL) announced a draft Turkish Food Codex Communiqué on Rice which allows for up to a 5% threshold for unintentional blending, up from a zero tolerance level. According to Turkish market sources, retail sector will be happy for this increased tolerance up to 5 percent of a different rice variety in rice package. With this realistic threshold, the government can now crack down on the problem of blending of cheaper rice varieties because they can sort out the difference between unintentional blending which can happen during production, transport, and processing at under 5%, and purposeful blending and mislabeling of varieties/qualities/origins which has become an issue. Rice is a mainstay in the Turkish diet, and the United States is consistently a top supplier of rice to Turkey.

Highlights

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Traditionally Turkey produces about 500,000 MT of rice every year and imports 200-300 thousand MT of rice, milled equivalent. In the last five years, the United States has exported between \$45-70 million of rice per year to Turkey, going up to \$140 million in 2014.

Rice import; classified by process (MT)								
	MY 2014/15				MY 2015/16*			
Country	Rice in the Husk	Husked rice (Brown)	Semi-Wholly milled rice	Broken rice	Rice in the Husk	Husked rice (Brown)	Semi-Wholly milled rice	Broken rice
U.S	100,852		1,224		61,656			
Russia	106,483		0		42,968			
India			61,233	416			17,452	5
Thailand			4,547				439	
Brazil					26,343			
Pakistan			5,104		25		4,884	
Greece	3,100		15,333				8,287	
Italy			33,829		47		17,483	
Bulgaria	11,852	2,801	0		11,136	4,058		
Others	28,658	60	17,671		8,154		4,761	
Total	250,945	2,861	138,941	416	150,329	4,058	53,306	5

*September 2015-May 2016

Current Situation

In terms of the domestic market, recently one of the main issues is the blending of different varieties. According to the current legislation on rice, there is actually a zero tolerance for rice blending, and in the case of detection of any different type of rice on contrast with the label on the package, there is a fine and it is a source of stress for the sector.

Despite this rule, some rice companies have been blending different varieties of rice to have better

prices, but due to the different cooking and flavor characteristics of different types and qualities of rice, this creates some consistency and quality problems. Eventually, after consumers have experienced this inconsistency in the rice they have been purchasing, it has led to a frustration and mistrust of rice, which eventually is decreasing demand.

Because the current zero tolerance rule is not realistic for industry to meet, it has made it difficult for the government inspectors to identify and punish certain companies who are purposefully blending-in lower price rice varieties and labelling them as 100% higher price varieties. With the new 5% threshold proposed rule, MinFAL inspectors can more easily test for and punish the entities that are purposefully blending and mislabeling rice and will be able to distinguish them from companies which have normal low percentages of accidental blending from transport or processing.

The Ministry of Food, Agriculture and Livestock (MinFAL) announced the new draft Turkish Food Codex Communiqué on Rice on August 1, 2016 on its website, which is accessible in Turkish at: <http://www.tarim.gov.tr/Sayfalar/Detay.aspx?OgeId=1400&Liste=Mevzuat>.

The original legislation covering rice is the Turkish Food Codex Communiqué on Rice, published in the Official Gazette dated January 7, 2011 and Numbered 27808, which aims to ensure that husked rice, milled rice, parboiled rice, and cracked rice are produced with the right techniques and sanitary procedures. It further sets forth the product features each type of rice and the rules and procedures of preparation, processing, packaging, conservation, storage, transportation and sales. Different rice varieties, classes, groups, types and origins are not allowed to be blended and supplied. There is only one amendment in the new proposed draft. The amendment adds that unintentional blending due to production, transportation or processing *is* allowed up to 5 percent.

According to industry sources, Turkish rice industry is supportive of this amendment and expects it will improve the recent problems with blending and mislabeling.

Comments on the new proposed amendment will be accepted by MinFAL until August 28, 2016. After evaluation of comments, new Communiqué on Rice is expected to come into effect around the end of 2016 or early 2017.

Other Issues in Rice Import

Importers have also been facing some issues caused by regulations. They are still concerned about the risk of possible rejection from genetically engineered products (of corn or soy dust of GE traits not approved for use in Turkey, which even at unavoidable low levels can cause the shipment to be rejected). Another issue which has impacted imports of rice in the past and remains a concern for importers is the white tip nematode on Turkey's pest list. Though this pest is endemic in Turkey, GOT rejects consignments where this pest is present, and they are not allowing mitigation methods.