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Required Report - public distribution

Date: 10/31/2017

GAIN Report Number: TR7044

Turkey

Fresh Deciduous Fruit Annual

Fresh Deciduous Fruit Annual 2017

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Report Highlights:

The Fresh Deciduous Fruit Annual Report for Turkey covers fresh apples, pears and grapes. MY2017/18 production is expected to be lower for all deciduous fruits in Turkey compared to the previous year. Post's apple production forecast is reduced to 2,750,000 MT, as there was some hail damage during June. Demands from neighboring countries for deciduous fruit are continuing. Pear and grape production are also lower compared to the previous year.

Turkey Fresh Deciduous Fruit Annual Report 2017

Production

Even though there are many apple, grape and pear varieties grown in Turkey, most of these are not commercial varieties. However, some large commercial orchards were established in recent years, which grow commercial varieties with better quality seedlings and modern agriculture methods. Most of the production in large and commercial orchards is exported as they grow new varieties that are in high demand in export markets.

Apples

Apple production in MY2016/17 increased ten percent over the previous season to 2,900,000 metric tons (MT) due to good weather during flowering, followed by an increased fruit set. Yields were high in the southern part of Central Anatolia.

For the 2017/18 marketing year, Post forecasts apple production decreases to 2,750,000 MT, as there was some hail damage during June, despite a hopeful spring period during flowering. Farmers who were not able to sell their products to export markets were unhappy with the low domestic prices.

Turkey is one of the largest producers of apples in the world, behind China and the United States. Turkey's diverse geographic regions allow for production of 460 varieties of apples, but only 10 of these are marketed commercially. Apple trees can be cultivated in different parts of Turkey with a variety of different physical and climatic conditions, but approximately 50 percent of all commercial apple production comes from three provinces: Isparta, Karaman and Nigde. Around 600,000 MT of apples are produced in Isparta. These cities are located in the southern part of Central Anatolia and the Northern Mediterranean Regions. Commercial apples are also grown in Antalya, Eregli, Denizli, Yalova and Amasya cities. *Amasya* is the most popular local variety and constitutes about 10 percent of total production.

Almost half of the apples grown in Turkey are *Red Delicious (Starking)* and about one third are *Golden Delicious*. *Granny Smith*, *Fuji*, *Gala*, *Jonagold*, and *Braeburn* varieties are also becoming more popular. New varieties are becoming increasingly popular among growers due to their higher export potentials.

According to Turkish official data, the total number of all apple trees are estimated at about 73 million in 2016, up 55 percent from 2007; at that time the number planted was 47 million. Farmers have gradually been replacing old trees with varieties which are more popular in export markets. The numbers are increasing regularly because of growing demand for Turkish fruits in export markets and government support to the sector.

Pears

Pear production in MY2016/17 has increased to 440,000 metric tons (MT) from 415,000 MT, due to good weather during flowering. For the 2017/8 season, Post forecasts pear production will decrease to 420,000 MT, as there was some hail damage during June.

Many different varieties of pears are grown in Turkey and are harvested throughout the year. Almost 50 percent of the production comes from the Marmara region, followed by Aegean and North Mediterranean regions, concentrated in cities like Bursa, Yalova, Antalya, Ankara, Konya, and Burdur. Both domestic and foreign pear varieties are grown in Turkey. The major varieties are *Santa Maria*, *Akca*, *Mustafabey*, *Cassia*, *Williams*, *Ankara* and *Deveci*.

Table Grapes

Grapes are grown in many regions throughout Turkey and are a significant commercial crop. Seedless grapes are mainly grown in the Aegean Region (Western Turkey). Marmara Region (North-west Turkey) produces grapes for wine production and for fresh consumption. The earliest varieties come from the Mediterranean Region (Southern Turkey). Harvest season begins in early May in the Mediterranean Region and continues until late October throughout Turkey. Twenty percent of this production is consumed as fresh and the rest is dried. See Turkey **Raisin Annual Report** for details.

Table grape production increased approximately 17 percent in MY 2016/17 compared to the previous year, reaching 2,350,000 MT. The increase was mostly due to favorable weather conditions in grape production areas. Grape production forecast in Turkey for 2017/18 is 2,120,000 MT, down 10 percent from MY 2016/17 due to sporadic frost and hail damage during the spring in some regions of Manisa and Izmir.

Consumption:

Apples

Apples are one of the most preferred fresh fruits in Turkey due to their widespread access, traditional use, and a large number of varieties. Traditionally, about 90 percent of Turkey's apple production is consumed as fresh fruit. About five percent is processed into juice, canned products, vinegar or dried products, and about five percent is exported fresh.



Apple prices and popular varieties in a supermarket in Ankara, Turkey.

There is a lack of consumer awareness in terms of varieties. Consumers recognize apples according to their colors (such as red, yellow and green) and taste. Turkish consumers prefer medium-sized apples

weighing approximately one kilo per 6 pieces. Turkish consumers usually prefer Red Delicious at the beginning of the season, and Golden Delicious after the New Year. This is because Red Delicious apples become softer a few months after they are harvested unless they are kept in cold storage properly. Controlled atmosphere storage facilities, however, allow apples to be marketed throughout most of the year. Amasya apples can be marketed longer than Red Delicious without controlled storage facilities.

Apples are sold for about 3 TL per kilogram, pears are sold for 4 TL and grapes are sold for 3 TL as of October 2017 in the markets (average domestic prices in retail markets). Generally speaking, the price that farmers receive is about one third the retail prices.

Pears

About 90 percent of pears are consumed fresh. Three to five percent are exported, and the remainder are canned. Pear consumption per capita is about 5 kg annually. The most preferred varieties are Santa Maria (constitutes 30 percent of total production), Deveci (20 percent), Ankara (10 percent), Williams (10 percent), Keiffer (5 percent) and Akca (5 percent). An increasing number of cold storage facilities helps to store and serve fruits until the spring.

Table Grapes

Consumption of grapes is around 35 kg per capita, which is one of the highest consumption rates for all fresh fruits in Turkey. Fresh grapes are seasonal and are available throughout summer until the middle of autumn and consumption is heavy during the season. Grapes are mainly sold in loose format, which is preferred by consumers, but packaged grapes are also available in supermarkets and hypermarkets.

Trade

Although Turkey is among the top deciduous fruit producing countries, exports traditionally have not been high compared to production. The major reason for the low export volume has been the lack of new varieties which are preferred in many importing countries. Recently, while Turkish exporters have been seeking new markets for Turkish fruits, farmers have gradually been replacing old trees with varieties which are more popular in export markets.

Apples

Iraq, India, Saudi Arabia, and Syria, were the top three export destinations for Turkish apples in MY 2016/17, making up 88 percent of all Turkish apple exports. The largest export destination was Iraq with 166,000 MT of apple. Turkish apple exports increased from about 112,000 MT in MY 2015/16 to 213,000 MT in MY 2016/17. This was mainly due to abundant harvest as a result of favorable weather conditions and strong demand from the Iraqi market. Apple export forecast for MY2017/18 is 200,000 MT, which is in parallel with production. Apple imports decreased slightly to 845 MT from 1,068 MT in MY 2016/17. Chile and France were the main suppliers in MY 2016/17. Post forecasts apple imports will remain at about 1,000 MT in MY 2017/18.

Pears

Pear exports decreased from 25,000 MT in to 16,600 MT in MY 2016/17 due to poor demand from neighboring countries. Iraq, Russia, and Saudi Arabia have been the top export destinations for pears. Pear export forecast is 17,000 MT in MY 2017/18. Imports are negligible at 51 MT and 86 MT in MY 2015/16 and MY2016/17, respectively.

Table Grapes

Russia, Bulgaria, and Ukraine are the top destinations for Turkish table grape exports. Depending on the year, 85 to 95 percent of all exported fresh grapes are seedless varieties. In MY 2015/16, Turkey exported about 175,000 MT of fresh grapes, down 30 percent from 256,000 MT in MY 2014/15. In MY 2015/16 the main export destination was Russia with 118,000 MT, which is 67 percent of all fresh grape exports. In MY 2016/17, grape exports are expected to be lower at 172,000 MT, due to losses from Russian market which were partly compensated with increased exports to Belarus and Georgia. Table grape export forecast is 175,000 MT for MY 2017/18, assuming stable demand from traditional markets.

Stocks

There are no official stocks of fresh deciduous fruits in Turkey. Apples and pears are stored mostly in cold storage facilities. Eighty five percent of all storage facilities are cold storage and the rest are atmosphere-controlled facilities. Even though there is no data for stocks, the total storage capacity is 1 million tons. With the help of government grants, total cold storage capacity in Turkey is increasing each day. Table grapes are not stored for notable periods of time, whereas for apples and pears, the harvested prime quality produce goes directly to cold storage and is marketed from there.

Policy

Fresh deciduous fruits are mostly sold domestically and a relatively smaller amount is exported through private traders and specialized marketing cooperatives. There are a number of cooperatives in each growing region throughout Turkey, but none of them are exceptionally large and their budgets are usually limited. Recently, the number of cold storage facilities has been increasing through the help of government support which helps traders to supply fruits during the year.

Stable export demand and government support have helped Turkish farmers to invest in new orchards. There are payments for producers who are registered in the Ministry of Food, Agriculture, and Livestock's (MinFAL) farmer registration system. According to the official announcement in 2017, MinFAL provides support of 130 Turkish Lira (TL)/Ha of fuel and fertilizer. To farmers who plant new orchards, MinFAL provides 1,000 TL/Ha to help farmers buy standard dwarf fruit saplings and establish orchards, or they pay 4,000 TL/Ha for those who buy government-certified dwarf saplings to ensure higher quality trees are being planted in Turkey. MinFAL also supports organic farming and good farming practices. The GOT also implemented an insurance program for orchards. The GOT provides a 50 percent grant for companies who establish new plant nursery facilities for fruit tree saplings.

The GOT allocated 28 Million TL (USD \$7.6 Million) for certified sapling support for the entire fruit sector (including deciduous, stone fruits and citrus trees) in 2017. (Note exchange rate \$1 US = 3.7 TL as of October 2017).

There are no subsidies provided to fresh deciduous fruit exporters, but a communiqué published in 2017 notes that the government will provide 155 TL/MT reimbursements for processed fruit exports.

Duties for imports of fresh apples, pears, and table grapes are provided below.

Table- 1: Import Duties for Fresh Apples, Pears, and Table Grapes Product

| Product | Tariff Code | Duty (percent) |
|------------------|--------------------|-----------------------|
| Fresh Apples | 0808.10 | 60.3 |
| Fresh Pears | 0808.30 | 60.3 |
| Fr. Table Grapes | 0806.10 | 54.9 |

Production, Supply and Distribution Data:

| Apples, Fresh Market Begin Year | 2015/2016 | | 2016/2017 | | 2017/2018 | |
|------------------------------------|------------------|-------------|------------------|-------------|------------------|-------------|
| | Jul 2015 | | Jul 2016 | | Jul 2017 | |
| | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| Turkey | | | | | | |
| Area Planted | 170000 | 170000 | 107500 | 107500 | 0 | 107500 |
| Area Harvested | 170000 | 170000 | 170000 | 170000 | 0 | 170000 |
| Bearing Trees | 50000 | 50000 | 55000 | 55000 | 0 | 55000 |
| Non-Bearing Trees | 15000 | 15000 | 15000 | 15000 | 0 | 15000 |
| Total Trees | 65000 | 65000 | 70000 | 70000 | 0 | 70000 |
| Commercial Production | 2540000 | 2540000 | 2550000 | 2750000 | 0 | 2600000 |
| Non-Comm. Production | 200000 | 200000 | 150000 | 150000 | 0 | 150000 |
| Production | 2740000 | 2740000 | 2700000 | 2900000 | 0 | 2750000 |
| Imports | 1300 | 1068 | 1000 | 845 | 0 | 1000 |
| Total Supply | 2741300 | 2741068 | 2701000 | 2900845 | 0 | 2751000 |
| Fresh Dom. Consumption | 2532000 | 2529068 | 2376000 | 2577845 | 0 | 2441000 |
| Exports | 109300 | 112000 | 215000 | 213000 | 0 | 200000 |
| For Processing | 100000 | 100000 | 110000 | 110000 | 0 | 110000 |
| Withdrawal From Mkt | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Distribution | 2741300 | 2741068 | 2701000 | 2900845 | 0 | 2751000 |
| | | | | | | |

(HA) ,(1000 TREES) ,(MT)

| Pears, Fresh Market Begin Year | 2015/2016 | | 2016/2017 | | 2017/2018 | |
|-----------------------------------|------------------|-------------|------------------|-------------|------------------|-------------|
| | Jul 2015 | | Jul 2016 | | Jul 2017 | |
| | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| Turkey | | | | | | |
| Area Planted | 220000 | 220000 | 230000 | 230000 | 0 | 230000 |
| Area Harvested | 220000 | 220000 | 230000 | 230000 | 0 | 230000 |
| Bearing Trees | 15000 | 15000 | 20000 | 20000 | 0 | 20000 |
| Non-Bearing Trees | 20000 | 20000 | 20000 | 20000 | 0 | 20000 |
| Total Trees | 35000 | 35000 | 40000 | 40000 | 0 | 40000 |
| Commercial Production | 395000 | 395000 | 400000 | 420000 | 0 | 400000 |
| Non-Comm. Production | 20000 | 20000 | 20000 | 20000 | 0 | 20000 |
| Production | 415000 | 415000 | 420000 | 440000 | 0 | 420000 |
| Imports | 100 | 51 | 200 | 86 | 0 | 75 |
| Total Supply | 415100 | 415051 | 420200 | 420086 | 0 | 420075 |
| Fresh Dom. Consumption | 380900 | 380096 | 394200 | 393432 | 0 | 393075 |
| Exports | 24200 | 24955 | 16000 | 16654 | 0 | 17000 |
| For Processing | 10000 | 10000 | 10000 | 10000 | 0 | 10000 |
| Withdrawal From Mkt | 0 | 0 | 0 | 0 | 0 | 0 |

| | | | | | | |
|---------------------------|--------|--------|--------|--------|---|--------|
| Total Distribution | 415100 | 415051 | 420200 | 420086 | 0 | 420075 |
| | | | | | | |
| (HA) ,(1000 TREES) ,(MT) | | | | | | |

| Grapes, Fresh Market Begin Year | 2015/2016 | | 2016/2017 | | 2017/2018 | |
|------------------------------------|------------------|-------------|------------------|-------------|------------------|-------------|
| | Jun 2015 | | Jun 2016 | | Jun 2017 | |
| Turkey | USDA Official | New Post | USDA Official | New Post | USDA Official | New Post |
| Area Planted | 295000 | 295000 | 300000 | 300000 | 0 | 300000 |
| Area Harvested | 295000 | 295000 | 300000 | 300000 | 0 | 300000 |
| Commercial Production | 1885000 | 1885000 | 2200000 | 2200000 | 0 | 2000000 |
| Non-Comm. Production | 120000 | 120000 | 150000 | 150000 | 0 | 120000 |
| Production | 2005000 | 2005000 | 2350000 | 2350000 | 0 | 2120000 |
| Imports | 1000 | 803 | 1000 | 804 | 0 | 1000 |
| Total Supply | 2006000 | 2005803 | 2351000 | 2350804 | 0 | 2121000 |
| Fresh Dom. Consumption | 1831400 | 1830397 | 2181000 | 2175435 | 0 | 1946000 |
| Exports | 174600 | 175406 | 170000 | 172369 | 0 | 175000 |
| Withdrawal From Market | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Distribution | 2006000 | 2005803 | 2351000 | 2350804 | 0 | 2121000 |
| | | | | | | |
| (HA) ,(MT) | | | | | | |