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Report Name: Fresh Deciduous Fruit Annual

Country: Turkey

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Report Category: Fresh Deciduous Fruit

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Report Highlights:

Marketing Year 2019/20 is forecast to be a better year for fresh deciduous fruits in general with pear and table grape production increasing, while apple production remains stable. There are crop quality issues related to hail damage reported for table grapes and apples in some parts of Turkey. Exports of all deciduous fruits are expected to be slightly higher compared to last year.

Production:

Apples

Deciduous fruit producers usually run small operations; however, some large commercial orchards were established in recent years, which grow commercial varieties with better quality seedlings and modern agricultural methods. Most of the production in large and commercial orchards is exported as they concentrate on growing new varieties that are in high demand in foreign markets.

For MY 2019/20, apple production is forecast at 3,000,000 MT, similar to last year. The winter was mild and left orchards in good condition. Spring weather conditions during flowering and fruit development were mostly good. However, there was some frost damage reported in some parts of Isparta.

Turkey is the one of the largest producers of apples in Europe. Traditional low-yielding orchards are still a major part of Turkish apple production, so Turkey is not currently a prominent exporter of apples. Turkey's diverse geographic regions allow for the production of hundreds of varieties of apples, but only a few of these are marketed commercially. Commercial orchards are generally located in the southern part of central Anatolia and the northern Mediterranean regions. Harvest starts around July and continues until October.

Approximately 50 percent of all commercial apple production comes from three provinces: Isparta, Karaman, and Nigde. Isparta is the largest apple producing province with more than 600,000 MT of apples annually, which is about 20 percent of the total production of Turkey. Commercial apples are also grown in Antalya, Konya and Amasya. Karaman is the second largest production center with 12 million trees and around 16 percent of total production of Turkey. It is becoming a prominent player in foreign trade with new investments that encourage traditional small apple growers to convert their orchard areas into more profitable types of apples with higher yields.

According to the Turkish Statistic Institute, the main apple varieties are *Starking*, *Golden*, *Amasya*, and *Granny Smith*, which represented 70 percent of all production in MY 2018/2019. *Starking (Red Delicious)* is the most popular variety and constitutes about 36 percent of total production.

Pears

The pear production forecast for MY 2019/20 is up about 10 percent to 490,000 MT due to favorable weather conditions during the winter and spring seasons.

Some large commercial orchards were established in recent years, which grow commercial varieties with better quality seedlings and modern agricultural methods, generally for export markets. Most of the production in large and commercial orchards is concentrated in new varieties that are in high demand in foreign markets.

Many different varieties of pears are grown in Turkey and are harvested throughout the year. Bursa, Marmara, Antalya, and the Mediterranean regions are the largest pears producers, accounting for more than 50 percent of the total production of Turkey. Both domestic and foreign pear varieties are

grown in Turkey. The major varieties are *Santa Maria, Akca, Mustafabey, Cassia, Williams, Ankara, and Deveci*.

Fresh Table Grapes

The table grape production forecast in Turkey for MY 2019/20 is at 1,950,000 MT, slightly higher than MY 2018/19. Hail damage occurred in some area in the Aegean Region during the summer season, which affected the quality in these areas. Farmers prefer to sell their grapes, which has quality issues as a dried form, similar with last season.

Grapes are grown in many regions throughout Turkey and are a significant commercial crop. About one-third of all production is seedless grapes. Seedless grapes are mainly grown in the Aegean Region (Western Turkey). The Marmara Region in north-west Turkey produces grapes for wine production and for fresh consumption. The earliest varieties come from the Mediterranean Region in the south. Harvest season begins in early May in the Mediterranean Region and continues until late October throughout Turkey. In spring 2019, harvest started two weeks later than last year.

Consumption:

Apples

Traditionally, about 80-90 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 to ten percent is exported as fresh produce. Apples are one of the most preferred fresh fruits in Turkey due to their widespread access, traditional use, and large number of varieties.

There is a lack of consumer awareness in terms of the differences among varieties. Consumers recognize apples according to their colors (such as red, yellow and green) and taste. Turkish consumers prefer medium-sized apples, expecting a bag of six apples to weigh about a kilo. *Starking, Golden, Amasya* and *Granny Smith* are the most preferred varieties for consumption in Turkey.

Through the use of controlled temperature storage facilities, apples can be marketed throughout the year. Current cold storage capacity in Turkey is more than 1 million MT and increasing yearly with new investments. Isparta is one of the provinces in Turkey where many cold stores are found because its geography and climate are suitable for growing several different kinds of fruit such as apples, cherries, and plums.

As of October 2019, the average domestic price in retail markets for apples are about 4-5 Turkish lira (TL) per kilogram (compared to 3.5- 4 TL last year). Pears are sold for 5.5 TL- 6 TL (5 TL last year) and grapes are sold for 5-6 TL (4-5 TL last year). Price increases are in line with normal inflation, which is currently about 20 percent. (Note that \$1 = 5.75TL)

Pears

About 90 percent of pears are consumed fresh. However, three to five percent are exported, and the remainder are canned. The most preferred varieties for domestic consumption 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 in the country helps to provide fresh fruit throughout the winter. Pear consumption is 5 kg per capita.

Table Grapes

The 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 the summer until the middle of autumn. Consumption is concentrated in the times of year local grapes are in season.

According to the Turkish Statistics Institute, almost half of Turkey's total grape production is consumed as fresh table grapes, about 38 percent is dried (including seedless sultanas that are primarily exported), and the remainder is processed, primarily for molasses and wine production.

Trade:

Although Turkey is among the top deciduous fruit producing countries, exports traditionally have not been high compared to production. Exports usually range between 5-15 percent of total production, varying by product and year. The major reasons for the low export volume has been the lack of new varieties grown in Turkey which are preferred in many importing countries and also the large domestic market for fruit within Turkey.

Apples

According to the Turkish Statistical Institute, during the first three months of MY 2019/20 (June to August 2019), total fresh apple exports were about 35,000 MT, up 5,000 MT compared to the same period in the last marketing year. The apple export forecast for MY 2019/20 is 280,000 MT, which is in parallel with production, assuming continuing demand from neighboring countries.

Turkey exported 276,000 MT of apples in MY 2018/19, valued at about \$ 89 Million. Neighboring countries Iraq and Syria are the main markets, constituting about 60 percent of total exports. India, Saudi Arabia, Turkmenistan, and Russia were the other prominent export destinations for Turkish fresh apples in MY 2018/19. The largest export destination was Iraq with over 130,000MT of apples, followed by Syria with almost 50,000 MT. An increase in Turkish apple exports in recent years has mainly been due to strong demand from neighboring Middle Eastern countries. The unit export price of apples from Turkey was \$310/MT in MY2018/19, compared to \$462 /MT in 2017/18 (The dramatic price difference is due to the depreciation of the TL against the dollar).

Table 1: Turkey's Major Export Destinations - Apples Fresh, MT (year ending June) – HS 080810

Partner	Year Ending: June (Metric Tons)				
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
Iraq	68,448	54,921	168,755	60,485	132,763
Syria	31,907	22,313	11,307	32,985	47,759
India	109	1,123	4,114	10,475	20,887
Saudi Arabia	328	1,375	6,550	9,819	17,311
Turkmenistan	630	1,620	3,014	2,326	9,675
Russia	11,848	3,056	461	47,297	8,511
United Arab Emirates	18	743	2,608	2,621	8,263
Other	14,287	24,049	18,155	22,472	31,550
Total	127,575	109,200	214,964	188,480	276,719

Source: TDM

Pears

In recent years, Iraq, Russia, Turkmenistan, and Romania have been the top export destinations for pears. The pear export forecast is 45,000 MT in MY 2019/20 assuming stable demand from the same markets. Pear exports decreased slightly to about 42,000 MT, valued at \$19 Million in MY 2018/19 due to a market losses in Russia, despite stable demand from neighboring countries compared to previous marketing year. The unit export price of Turkish pears was \$481/MT in MY2018/19, compared to \$548 /MT in 2017/18.

Table 2: Turkey's Major Export Destinations - Pears Fresh, MT (year ending June) – HS 080830

Partner	Year Ending: June (Metric Tons)				
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
Iraq	4,563	9,504	7,085	12,098	14,667
Russia	3,647	5,106	132	15,931	10,494
Turkmenistan	968	1,475	955	1,607	3,085
Romania	65	379	298	2,274	2,436
Syria	104	1,081	1,301	1,260	1,585
Saudi Arabia	1,378	2,195	1,657	1,627	1,199
Lebanon	0	390	222	885	1,047
Other	5,319	4,067	4,308	7,998	7,407
Total	16,044	24,197	15,958	43,680	41,920

Source: TDM

Table Grapes

According to the Turkish Statistical Institute, during the first four months of MY 2019/20 (June to September 2019) total table grape exports were about 113,000 MT, up about 20,000 MT compared to same period in last marketing year. However, when the late harvest period compared to last year is taken into account, export figures in July, August, and September are better than last year. The table grape export forecast for MY 2019/20 is 200,000 MT, assuming continuing demand from the top markets including Russia and Ukraine.

In MY 2018/19, Turkey exported about 180,000 MT of fresh grapes, down 35 percent from 280,000 MT in MY 2017/18 due to harvest quality issues related adverse weather condition. Russia, Ukraine, and Saudi Arabia are the top destinations for Turkish table grape exports, as seen Table 3. The unit export price was \$669/MT in MY2018/19, compared to \$702 /MT in 2017/18.

Table 3: Turkey's Major Export Destinations – Table Grapes, Fresh, MT (year ending May) – HS 080610

Partner	Year Ending: May (Metric Ton)				
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019
Russia	161,394	119,447	0	162,696	88,093
Ukraine	18,137	7,519	23,211	27,577	20,498
Saudi Arabia	5,293	8,797	17,768	13,421	13,880
Belarus	15,076	9,235	49,426	15,357	11,694
Germany	12,465	9,898	11,422	11,006	7,709
Iraq	258	0	2,856	6,940	6,194
Poland	,5009	5,163	8,870	11,396	5,794
Other	39,749	14,564	59,682	31,281	25,668
Total	257,381	174,623	173,235	279,674	179,530

POLICY

There are some subsidy payments for producers who are registered in the Ministry of Agriculture and Forestry's farmer registration system. Apart from general agricultural subsidies (like gasoline and other inputs), fruit growers can benefit from government support when they are establishing a new orchard. This support is given to growers as follows:

- For dwarf/semi-dwarf varieties: 100 TL/decare for standard saplings (\$1 = 5.75TL)
- For dwarf/semi-dwarf varieties: 400 TL/decare for certified saplings (\$1 = 5.75TL)

The government discontinued payments this year for growers who switched to modern varieties through grafting of certified saplings.

Turkey also subsidizes juice exporters through an export refund program, which allows a tax refund of 360 TL/MT on up to 15 percent of the exported quantity, not to exceed 12 percent of the total value of the exports.

Turkey provides a 175 TL/MT reimbursement for processed fruit exports, on up to 45 percent of the exported quantity, not to exceed six percent of the total value of the exports.

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

Table- 4: Import Duties for Fresh Apples, Pears, and Table Grapes

Product	Tariff Code	Duty (percent)	Effective Date (since)
Fresh Apples	0808.10	60.3	January 1, 2019
Fresh Pears	0808.30	60.3	January 1, 2019
Fresh Table Grapes	0806.10	54.9	January 1, 2019

Production, Supply, and Distribution Data Statistics:

Apples, Fresh Market Begin Year Turkey	2017/2018		2018/2019		2019/2020	
	Jul 2017		Jul 2018		Jul 2019	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	170000	170000	170000	170000	0	170000
Area Harvested	170000	170000	170000	170000	0	170000
Bearing Trees	55000	55000	59000	59000	0	59000
Non-Bearing Trees	15000	15000	15000	15000	0	15000
Total Trees	70000	70000	74000	74000	0	74000
Commercial Production	2600000	2600000	2850000	2850000	0	2850000
Non-Comm. Production	150000	150000	150000	150000	0	150000
Production	2750000	2750000	3000000	3000000	0	3000000
Imports	600	600	800	530	0	500
Total Supply	2750600	2750600	3000800	3000530	0	3000500
Fresh Dom. Consumption	2452100	2451600	2650800	2614530	0	2610500
Exports	188500	189000	240000	276000	0	280000
For Processing	110000	110000	110000	110000	0	110000
Withdrawal From Market	0	0	0	0	0	0
Total Distribution	2750600	2750600	3000800	3000530	0	3000500

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

Pears, Fresh Market Begin Year Turkey	2017/2018		2018/2019		2019/2020	
	Jul 2017		Jul 2018		Jul 2019	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	230000	230000	230000	230000	0	230000
Area Harvested	230000	230000	230000	230000	0	230000
Bearing Trees	20000	20000	20000	20000	0	20000
Non-Bearing Trees	20000	20000	40000	40000	0	40000
Total Trees	40000	40000	60000	60000	0	60000
Commercial Production	400000	400000	430000	430000	0	470000
Non-Comm. Production	20000	20000	20000	20000	0	20000
Production	420000	420000	450000	450000	0	490000
Imports	0	19	200	118	0	50
Total Supply	420000	420019	450200	450118	0	490050
Fresh Dom. Consumption	366300	366319	395200	398118	0	436050
Exports	43700	43700	45000	42000	0	44000
For Processing	10000	10000	10000	10000	0	10000
Withdrawal From Market	0	0	0	0	0	0
Total Distribution	420000	420019	450200	450118	0	490050

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

Grapes, Fresh Table Market Begin Year Turkey	2017/2018		2018/2019		2019/2020	
	Jun 2017		Jun 2018		Jun 2019	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	300000	300000	300000	300000	0	300000
Area Harvested	300000	300000	300000	300000	0	300000
Commercial Production	2000000	2000000	1780000	1780000	0	1830000
Non-Comm. Production	120000	120000	120000	120000	0	120000
Production	2120000	2120000	1900000	1900000	0	1950000
Imports	300	346	500	350	0	350
Total Supply	2120300	2120346	1900500	1900350	0	1950350
Fresh Dom. Consumption	1840600	1840646	1720500	1720350	0	1750350
Exports	279700	279700	180000	180000	0	200000
Withdrawal From Market	0	0	0	0	0	0
Total Distribution	2120300	2120346	1900500	1900350	0	1950350

(HA) ,(MT)

Attachments:

No Attachments