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Turkey

Fresh Deciduous Fruit Annual

Turkish Apple and Grape Production See Modest Growth

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Report Highlights:

As expected, overall MY 2011 was a good year for Turkish fresh deciduous fruits. Production of all fruits increased slightly compared to the previous year and is predicted to increase in MY 2012 as well. Exports of apples and table grapes are estimated to increase in MY 2012.

Executive Summary:

MY 2011 was a stable year for all deciduous fruits. Production of apples increased about 8 percent in MY 2011 compared to the previous year and reached 2,700,000 MT. Production is estimated to continue increasing in MY 2012 as well.

In addition to this, table grape and pear production increased in MY 2011 compared to the previous year and reached 2,200,000 MT and 390,000 MT, respectively. These increases were mostly due to good weather conditions throughout the growing and harvest seasons.

Middle Eastern and Eastern European countries continued to be the top export destinations for Turkish fresh deciduous fruit in MY 2011. MY 2012 is regarded as an average year for Turkish exporters. Exports of apples and table grapes are predicted to increase slightly in MY 2012. Pear exports are expected to decrease slightly compared to MY 2011.

Commodities:

Apples, Fresh

Grapes, Table, Fresh

Pears, Fresh

Production:

Deciduous fruit producers usually run small operations; however a few large commercial orchards were established in recent years, which use better quality seedlings and newer technology. Most of the production in the large and commercial orchards is exported as they grow new varieties which are in high demand in importing countries. There is an increasing trend of establishing new orchards specifically for export oriented production as it is more profitable.

Apples

Apples have traditionally been the most economically significant deciduous fruit crop for Turkey, followed by table grapes and pears. Turkey's diverse geographic regions allow production of many different varieties of deciduous fruit.

Apple production in some parts of Turkey was affected negatively by the weather conditions in MY 2011. Despite bad weather conditions apple production increased about 8 percent compared to MY2010 and was 2,700,000 MT in MY 2011. The weather conditions were favorable during blooming in most parts of Turkey in MY 2012 so industry contacts predict that production will increase by 7 percent to 2,900,000 MT.

Apples are grown in many regions across Turkey but approximately 50 percent of all commercial apple production comes from three provinces; *Isparta*, *Karaman* and *Nigde*. These provinces 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*.

About half of the apples grown in Turkey are Red Delicious (Starking) and about one third are Golden Delicious. Amasya is the most popular native variety that is grown, which constitutes about ten percent of total production. The 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 potential.

Table Grapes

Table grape production increased slightly from MY 2010 level in MY 2011 and reached 2,200,000 MT. Heavy rains in some production areas were the major reason for a slight increase and not a significant leap forward. MY 2012 table grape production is estimated to be the same level as MY 2011.

Grapes are grown in many regions throughout Turkey and are a significant commercial crop. Seedless grapes are mainly grown in the Aegean Region. The Marmara Region produces grapes for wine production and for fresh consumption. The earliest varieties come from the Mediterranean Region.

There are no official statistics about the breakdown of grape utilization; industry contacts estimate that 50 percent of total production is used for fresh consumption. The rest are dried, utilized in pectin and its derivatives, or used in the wine and spirits industry.

Pears

Just like other deciduous fruits, pear production was steady in MY 2011 compared to the previous years. Production increased slightly from 380,000 MT in MY 2010 to 390,000 MT in MY 2011. The production is estimated to be the same as MY 2011 level in MY 2012 since weather conditions were stable in most pear growing areas.

Many different varieties of pears are grown in Turkey and harvested throughout the year. There are both domestic and foreign varieties. The major varieties are Santa Maria, Akca, Mustafabey, Cassia, Williams, Ankara and Deveci.

Although pears are grown throughout the country, production is concentrated in the Southern Marmara, Northern Mediterranean, and Central Anatolia Regions, including Bursa, Yalova, Antalya, Ankara, Konya, and Burdur Provinces.

Consumption:

Apples

Traditionally about 90 percent of Turkey's apple production is consumed as fresh fruit. About five percent are processed into juice, canned products, vinegar or dried products, and about one or two percent are exported. The remainder is lost to damage, and was added into domestic consumption in the production, supply and demand tables in this report.

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 Delicious without controlled storage facilities.

Table Grapes

Industry sources estimate that about 40 percent of Turkey's grape production is consumed as fresh table grapes, about 35 percent is dried (including seedless sultana primarily for export markets), and about 15 percent is processed, primarily for wine production which has been growing rapidly in recent years (about 10 to 12 percent annually). Grapes are also processed into *raki* (a traditional distilled alcoholic drink), juice, and vinegar. Of the share marketed as fresh grapes, 85 to 90 percent are consumed domestically, 8-10 percent is exported and the remainder is not suitable for use and has been added into the domestic consumption calculations in this report.

Pears

About 90 percent of pears are consumed fresh. Three to five percent are exported, two to three percent are canned, and the remainder is unsuitable for use.

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 popular in many importing countries. The turmoil in the Middle East also affected export markets due to problems with logistics. Therefore, exports of all deciduous fruits decreased slightly in MY 2011.

Apple

Iraq continued as the top export destination for Turkish apples in MY 2011. This was mainly due to the geographic competitive advantage of Turkish apples and less stringent quality demands of Iraqi people compared to consumers in European markets. Both in MY 2010 and in MY 2011 exports to Iraq continued to constitute about half of total apple exports. In MY 2012 apple exports are predicted to increase about 12 percent from 65,000 MT of MY 2011 and reach 73,000 MT.

Table Grapes

Both MY2010 and MY 2011 were good years for Turkish exporters. Table grape exports were 236,400 MT and 235,000 MT, respectively. MY 2012 is also estimated to be a good year. Grape exports are predicted to increase about 2 percent in MY 2012 compared to the previous year and reach 240,000 MT.

This continued increase in the recent years was mostly due to price competitiveness since price sensitivity is rather high in major export destinations for table grapes. Russia, Bulgaria and Ukraine continued to be the top three export destinations for Turkish table grapes.

Pear

Pear exports were recorded to be 22,500 MT in MY 2011 and are predicted to decrease slightly in MY 2012. Iran and Saudi Arabia continued to be the top export destinations for pears in MY 2010 and in MY 2011. Exports are estimated to be 20,000 MT in MY2012.

The Middle East and some European countries are the major importers of Turkish deciduous fruits. Iraq, Saudi Arabia and Egypt are the primary destinations for Turkish apples and Saudi Arabia, Romania and Germany are the major markets for pears.

Stocks:

Apples, as well as some pears and grapes, are stored in atmosphere-controlled and climate-controlled storage facilities for short time periods so there are no notable stocks for these crops.

Policy:

Ministry of Economy (formerly known as Undersecretariat Foreign Trade) published a communiqué on export subsidies for apples on April 6, 2011. According to the communiqué, the Turkish government provides USD 50 per MT to apple exporters annually. This subsidy, however, is not given in cash, but can be deducted from utility costs; such as electricity and water, or can be deducted from taxes.

There are no subsidies provided to pear and grape exporters.

Duties for imports of fresh apples, pears, and table grapes have not changed since they were announced on January 1, 2004.

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

Product	Tariff Code	Duty (%)	Effective Date
Fresh Apples	0808.10	60.3	January 1, 2004
Fresh Pears	0808.20.10 & 0808.20.50	60.3	January 1, 2004
Fresh Table Grapes	0806.10	54.9	January 1, 2004

Marketing:

Fresh deciduous fruits are sold domestically or 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 remarkably large and their budgets are usually limited. They help small growers market their products domestically and do not do any marketing overseas.

Production, Supply and Demand Data Statistics:

Apples, Fresh Turkey	2010/2011		2011/2012		2012/2013	
	Market Year Begin: Jul 2010		Market Year Begin: Jul 2011		Market Year Begin: Jul 2012	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	165,000	165,000	0	165,000		165,000
Area Harvested	165,000	165,000	0	165,000		165,000
Bearing Trees	40,000	40,000	0	40,000		40,000
Non-Bearing Trees	12,000	12,000	0	12,000		12,000
Total Trees	52,000	52,000	0	52,000		52,000
Commercial Production	2,500,000	2,500,000	2,700,000	2,700,000		2,900,000
Non-Comm. Production	0	0	0	0		0
Production	2,500,000	2,500,000	2,700,000	2,700,000		2,900,000
Imports	4,800	4,800	5,500	5,000		4,500
Total Supply	2,504,800	2,504,800	2,705,500	2,705,000		2,904,500
Fresh Dom. Consumption	2,327,500	2,327,500	2,540,500	2,540,000		2,731,500
Exports	77,300	77,300	65,000	65,000		73,000
For Processing	100,000	100,000	100,000	100,000		100,000
Withdrawal From Market	0	0	0	0		0
Total Distribution	2,504,800	2,504,800	2,705,500	2,705,000		2,904,500

Grapes, Fresh Turkey	2010/2011		2011/2012		2012/2013	
	Market Year Begin: Jun 2010		Market Year Begin: Jun 2011		Market Year Begin: Jun 2012	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	295,000	295,000	0	295,000		295,000
Area Harvested	295,000	295,000	0	295,000		295,000
Commercial Production	2,150,000	2,150,000	2,200,000	2,200,000		2,200,000
Non-Comm. Production	0	0	0	0		0
Production	2,150,000	2,150,000	2,200,000	2,200,000		2,200,000
Imports	700	700	500	500		500
Total Supply	2,150,700	2,150,700	2,200,500	2,200,500		2,200,500
Fresh Dom. Consumption	1,914,300	1,914,300	1,950,500	1,965,500		1,960,500
Exports	236,400	236,400	250,000	235,000		240,000
For Processing	0	0	0	0		0
Withdrawal From Market	0	0	0	0		0
Total Distribution	2,150,700	2,150,700	2,200,500	2,200,500		2,200,500

Pears, Fresh Turkey	2010/2011		2011/2012		2012/2013	
	Market Year Begin: Jul 2010		Market Year Begin: Jul 2011		Market Year Begin: Jul 2012	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	215,000	215,000	0	215,000		215,000
Area Harvested	215,000	215,000	0	215,000		215,000
Bearing Trees	10,000	10,000	0	10,000		10,000
Non-Bearing Trees	2,000	2,000	0	2,000		2,000

Total Trees	12,000	12,000	0	12,000		12,000
Commercial Production	380,000	380,000	390,000	390,000		390,000
Non-Comm. Production	0	0	0	0		0
Production	380,000	380,000	390,000	390,000		390,000
Imports	1,300	1,300	1,200	1,200		1,000
Total Supply	381,300	381,300	391,200	391,200		391,000
Fresh Dom. Consumption	345,700	345,700	361,200	358,700		361,000
Exports	25,600	25,600	20,000	22,500		20,000
For Processing	10,000	10,000	10,000	10,000		10,000
Withdrawal From Market	0	0	0	0		0
Total Distribution	381,300	381,300	391,200	391,200		391,000