

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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POLICY

Voluntary Public

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GAIN Report Number:

Turkey

Post: Ankara

Policy change to fodder imports

Report Categories:

Promotion Opportunities

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Report Highlights:

The current Agriculture Quarantine regulation bans the import of soil, forage, hay and straw. Due to insufficient production of barley and feed wheat Turkey is considering removal of the ban and a reduction of the customs tax, which varies from 90% to 130%.

General Information:

The Ministry of Food, Agriculture and Livestock (MINFAL) wrote a letter to the Ministry of Economy suggested a reduction of the customs tax for forage crop materials such as alfalfa, straw, hay, vetch and sainfoin.

Turkey invested heavily in the dairy farm sector in the last five years. MINFAL supported live animal imports and the Turkish Agriculture Bank gave subsidized credit to farmers who would like to establish a new dairy farm. These investments are now in risk due to the increased price of roughage products. MINFAL announced that they will support feeder and dairy cattle producers by 300 TL/head and decrease the customs tax of roughage products, the VAT for roughage products from 8% to 1%, and change the Agriculture Quarantine regulation to allow imports.

The Turkish Dairy Breeders Association has applied to MINFAL to restrict forage crop exports due to an increase in roughage crop exports, especially to Middle Eastern countries.

The price of straw increased to 500 TL/MT in 2012 from 120 TL/MT in 2011. Similarly the price of Alfalfa increased to 700 TL/MT in 2012 from 300 TL/MT in 2011.

The major reasons for this shortage are the increased investment in dairy and feeder farms, the decrease in barley and wheat straw production, and a shortage of feed wheat.

Post will continue to report on this issue as we learn of new developments in the customs tax or changes to the regulation.