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Report Name: Fresh Deciduous Fruit Annual

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Report Highlights:

The apple production for Turkey in Marketing Year (MY) 2021/22 is expected to be 4.28 million metric tons (MMT), slightly less than the 4.3 MMT of apple production in MY 2020/2021 due to frost damage in some regions in late May. Total pear production is forecasted to be 535,000 MT, down about 3 percent from 550,000 MT of pear production in MY 2020/21. The table grape production forecast in Turkey for MY 2021/22 is about 1.94 MMT, 12 percent less than MY 2010/21 due to frost damage in the late spring. Fresh fruit exporters are hopeful for the new marketing year with a weak Turkish Lira supporting additional exports.

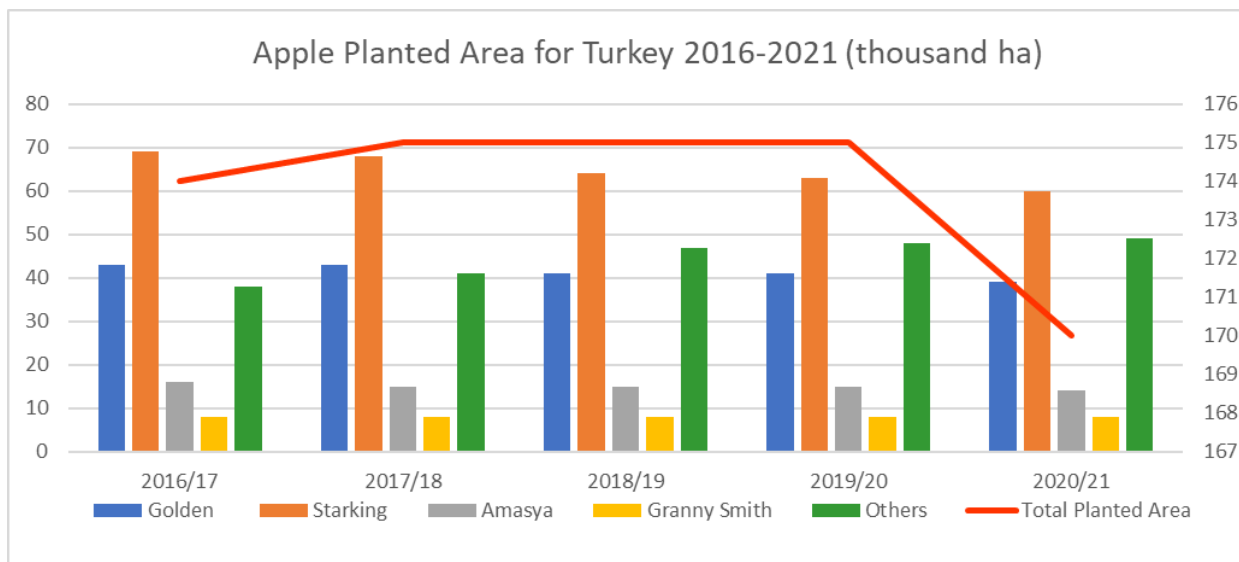
CROP AREA

Apples

Apples have traditionally been the most economically significant deciduous crop in Turkey, followed by table grapes and pears. 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 to produce hundreds of varieties of apples, but only a few of these are marketed commercially.

As seen in Figure 1, the production area of Starking and Golden varieties of apples have decreased over the years whereas the production area of other varieties such as the Starkrimson Red Delicious, Scarlet Spur, and Red Chief have increased. The main reason for these changes is that Middle Eastern countries such as Iraq, Syria, Libya, and Saudi Arabia are the top export destinations for Turkish apples and consumers in those countries prefer the red color and sweet apple varieties. Therefore, Turkish apple producers are changing their production to meet that demand.

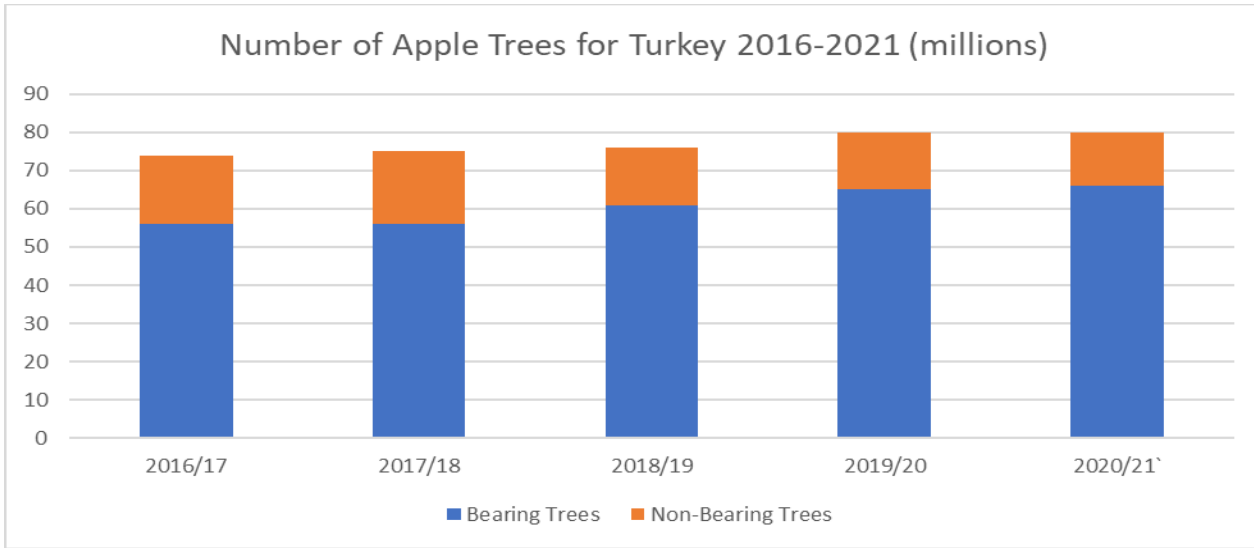
Figure 1. Planted Area of Apple Trees for Turkey 2016-2021 (thousand ha)



Source: TurkStat, 2021

Over the years, the number of bearing apple trees has increased whereas non-bearing trees have decreased. Farmers learned to use modern techniques and cultivation methods to produce higher quality apples in many different varieties, which increased the number of bearing apple trees over the years in Turkey (Figure 2). Most of the apple trees are in central Turkish regions around cities such as Karaman (14 percent of production), Nigde (13 percent), Konya (10 percent), and Isparta (9 percent).

Figure 2. Number of Apple Trees in Turkey 2016-2021 (millions)

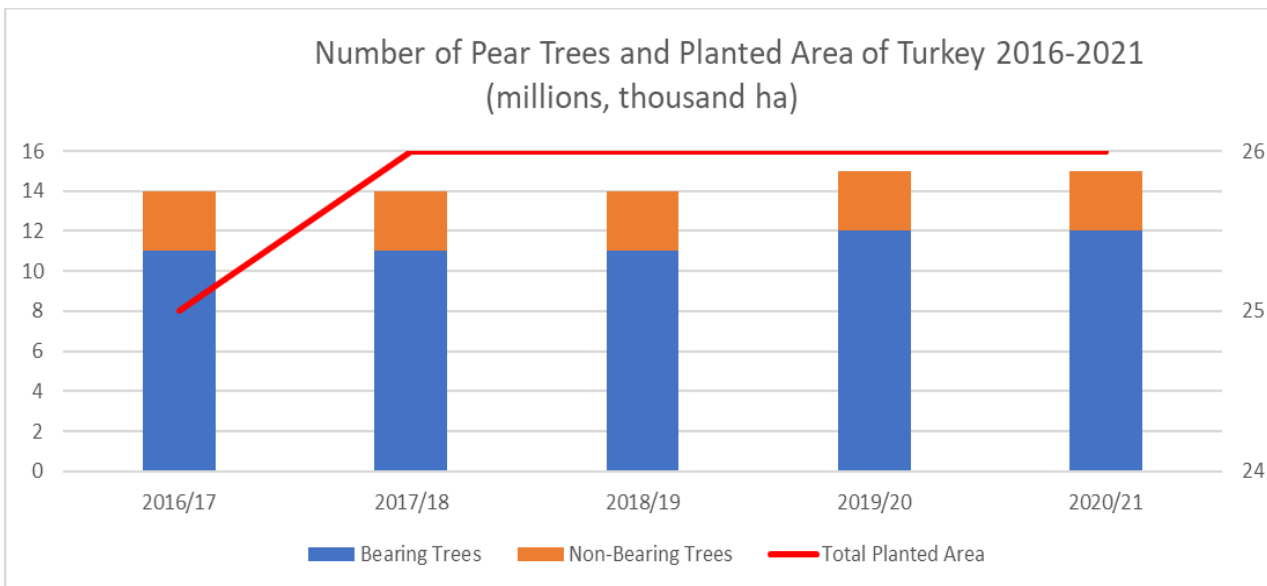


Source: TurkStat,2021

Pears

The major varieties of pears in Turkey are Santa Maria, Akca, Mustafabey, Cassia, Williams, Ankara, and Deveci. Enjoying increasing demand, Turkish farmers have invested in new orchards, uprooted non-commercial varieties, and replanted with trees suitable for export markets in recent years. The planting area of pears increased around three percent over the last five years (Figure 3).

Figure 3. Number of Pear Trees and Planted Area in Turkey 2016-2021 (millions, thousand ha)

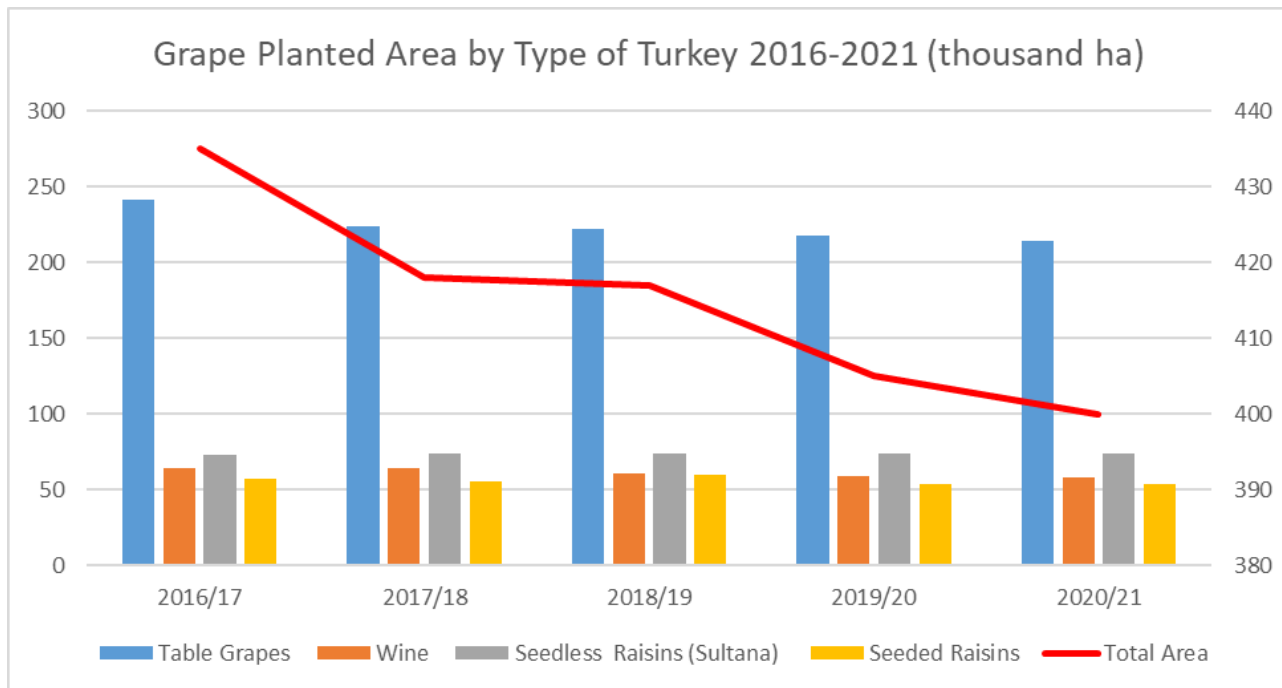


Source: TurkStat,2021

Table Grapes

Grapes are grown in many regions throughout Turkey, and traditionally grapes 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. Manisa, Mersin, and Denizli Provinces are the main table grapes producers. As shown in Figure 4, Turkey's grape production area is around 400,000 hectares (ha) with table grapes consuming the largest percentage of the planted area.

Figure 4. Planted Area of Grapes by Type for Turkey 2016-2021 (thousand ha)



Source: TurkStat,2021

PRODUCTION

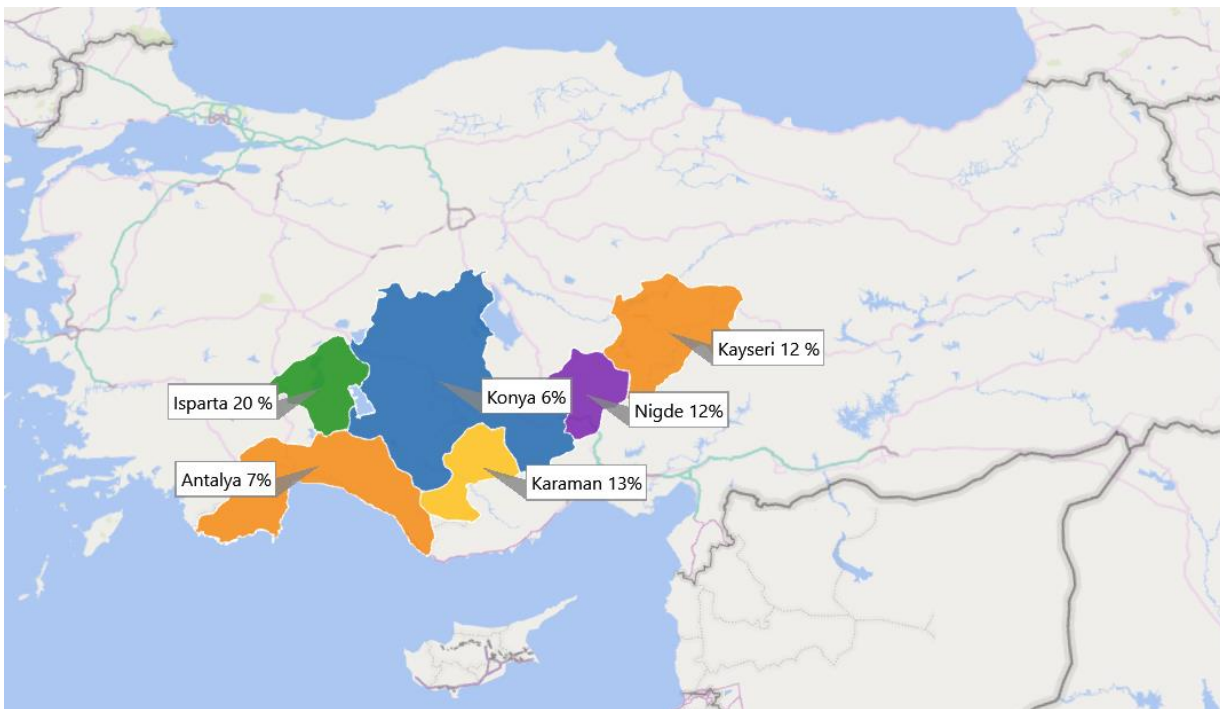
Due to increasing export opportunities, Turkish farmers have invested in new orchards, uprooted non-commercial varieties, and replanted with trees suitable for export markets in recent years. There are also new private sector entities with investments in juice production and fruit exports. Over time, commercial production of fresh deciduous fruits has accounted for a larger portion of overall production. For this reason, while former post estimates were based on post's field travel observation of commercial orchards, production data in this report has been prepared based on Turkey's official data reflecting total production.

Apples

For the MY 2021/22 season, total apple production is forecasted to be to 4.28 million metric tons (MMT), slightly less than the 4.3 MMT of apple production in MY 2020/2021. Harvest started around July and continued until October with favorable weather conditions. Farmers in major growing areas are generally satisfied with the yield in MY 2021/22, although some farmers suffered frost damage in some regions of Karaman province due to the sub-zero temperatures in late May.

Commercial orchards are generally located in the southern part of central Anatolia and the Mediterranean regions. As shown in Figure 5, approximately 45 percent of all commercial apple production comes from three provinces: Isparta, Karaman, and Nigde. Isparta is the largest apple producing province with about 730,000 metric tons (MT) of apples annually. Commercial apples are also grown in Antalya, Konya, and Amasya. Karaman with 500,000 MT of production is the second largest production center with 12 million trees and around 13 percent of total production of Turkey. Karaman 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.

Figure 5. Top Apple Producer Provinces of Turkey

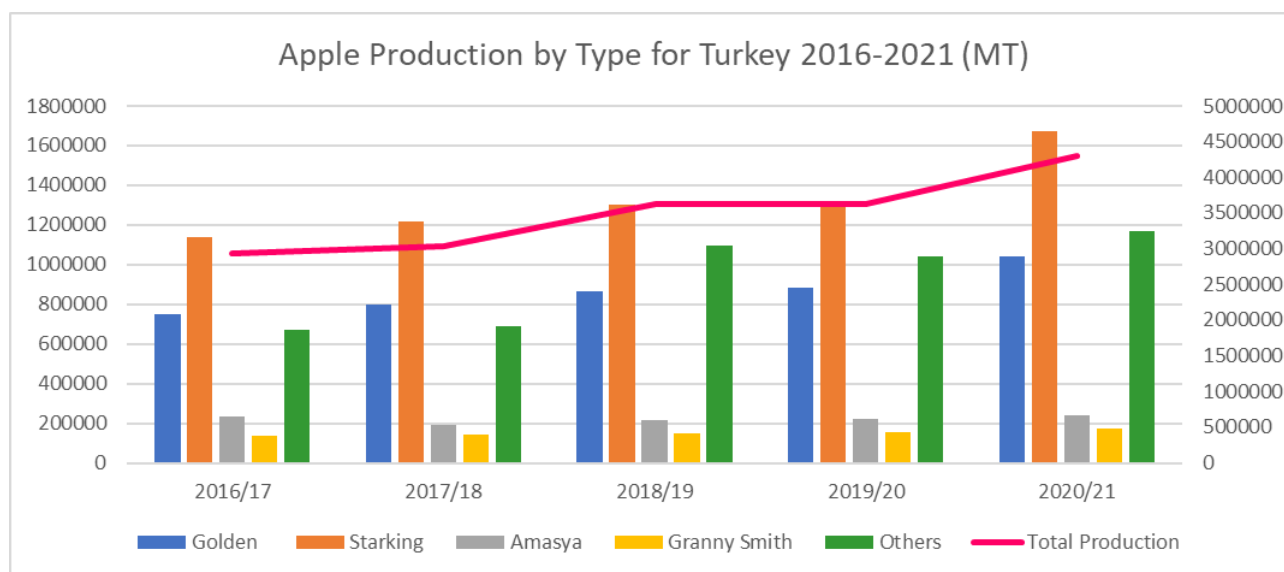


Source: TurkStat, 2021

The main apple varieties are Starking, Golden, Amasya, and Granny Smith, which represented 72 percent of all production in MY 2020/2021. Starking (Red Delicious) is the most popular variety and constitutes about 38 percent of total production with about 1.6 MMT (Figure 6). Over the last five years,

production of other varieties of apples increased around 30 percent. The main reason for this change is that consumer prefer red and sweet apple types¹ such as the Starkrimson Red Delicious, Scarlet Spur, and Red Chief. This is especially true for the top export destinations for Turkish apples located in the Middle East. This has increased the variety and overall amounts of commercial apple production (Figure 6).

Figure 6. Apple Production of Turkey by Type 2016-2021 (MT)



Source: TurkStat,2021

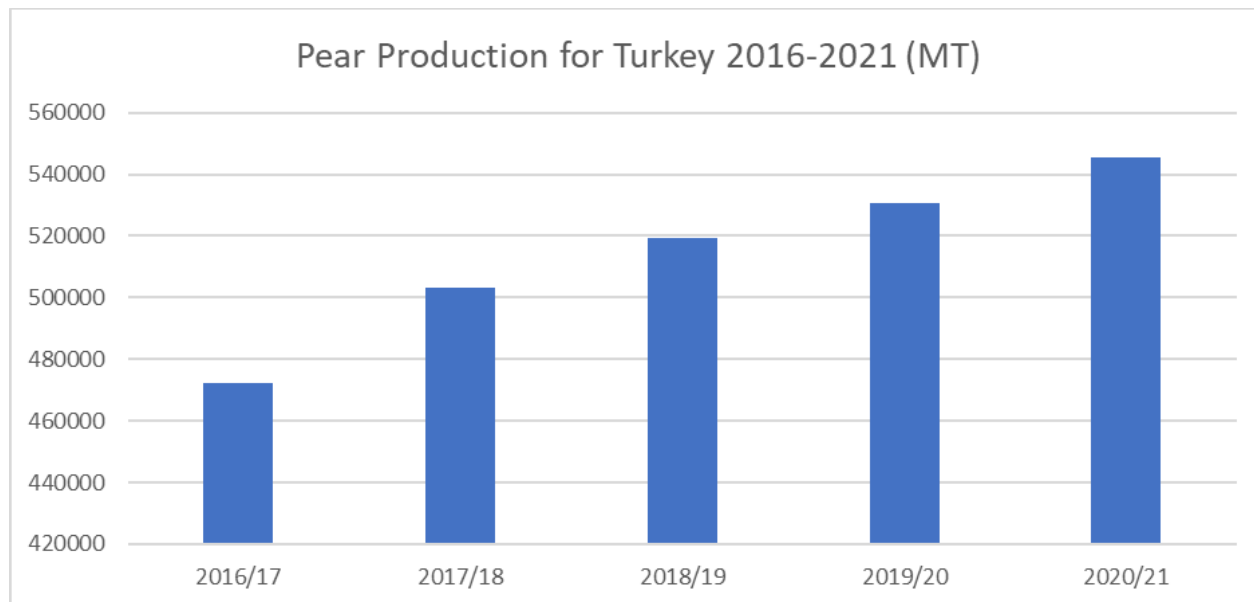
Pears

For the MY 2021/22 season, total pear production is expected to be about 535,000 MT, down about 3 percent from 550,000 MT of pear production in MY 2020/21. Generally, harvest starts around July and continues until October, but whether conditions have caused Turkish pears to be harvested later than usual in MY 2021/22. However, MY 2021/22 is expected to be a good season for pear producers with high production volume and relatively higher prices compare to last year's prices.

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 the Aegean and Mediterranean regions, concentrated in cities like Bursa, Yalova, Antalya, Ankara, Konya, and Burdur. Both domestic and foreign pear varieties are grown in Turkey. Pear production in Turkey has increased by 15 percent over the last five years due to the increasing demand from foreign export markets, especially Russia, Iraq, and Romania. (Figure 7).

¹ <http://www.turktarim.gov.tr/Haber/368/en-cok-starking-ve-golden-uretiyoruz>

Figure 7. Pear Production of Turkey 2016-2021 (MT)



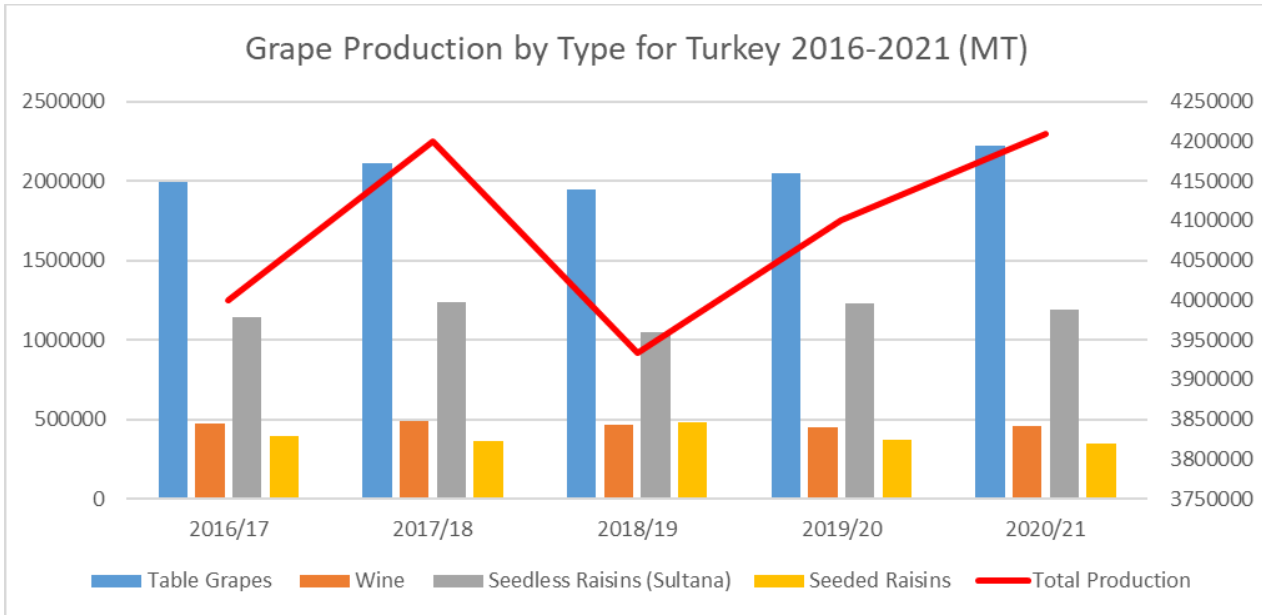
Source: TurkStat,2021

Table Grapes

Turkey produced approximately 3.7 million MT of fresh grapes for all purposes in MY 2020/21, including raisins. The table grape production forecast in Turkey for MY 2021/22 is about 1.94 MT, 12 percent less than MY 2020/21 due to frost damage in Manisa on the Aegean in the late spring. According to local producers, for MY 2021/22 the above-average temperatures during this year's Turkish winter led to early sprouting in some vineyards, raising concerns about potential frost damage. Indeed, some key grape growing areas of Turkey experienced sub-zero temperatures in February and March.

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. Manisa, Mersin, and Denizli Provinces are the main table grapes production centers. Table 8 shows grape production of Turkey by uses over the last five years.

Figure 8. Grape Production in Turkey by Use 2016-2021 (MT)



Source: TurkStat,2021

CONSUMPTION

Apples

Apples are one of the most preferred fresh fruits in Turkey due to their widespread availability, traditional use, and large number of varieties. Traditionally, about 80-90 percent of Turkey’s apple production is consumed as fresh fruit. About 15 percent is processed into juice, canned products, vinegar, or dried products, and about five to ten percent is exported as fresh produce.

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. 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.

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 during the times of year local grapes are in season.

Almost half of Turkey's total grape production was consumed as fresh table grapes, about 38 percent was dried and sold as raisins (including seedless sultanas that are primarily exported), and the remainder was processed, primarily for molasses and wine production in MY 2020/21.

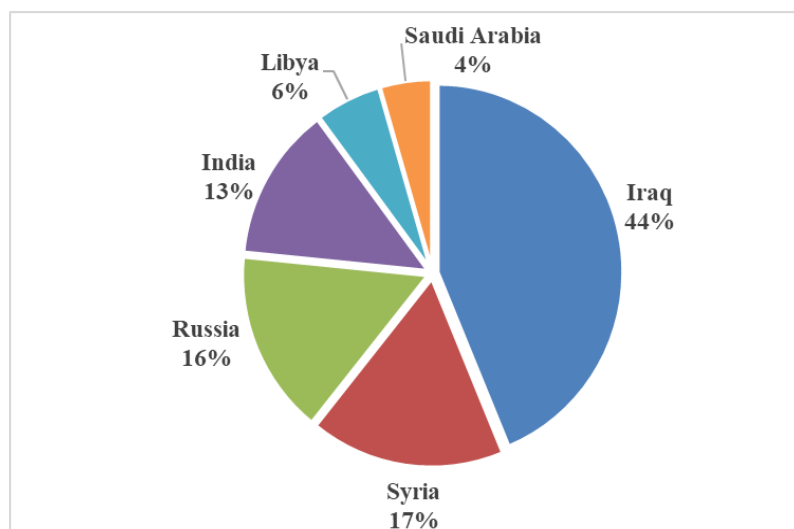
As of October 2021, the average domestic price in retail markets for apples is about 6-9 Turkish Lira (TL; \$0.62-0.93) per kilogram (compared to 6-7 TL; \$0.73-\$0.86 last year). Pears are sold for 9-10 TL (\$0.93-\$1.05) per kilogram (about 6 TL; \$0.73 last year), and grapes are sold for 9-10 TL (\$0.93-\$1.05) per kilogram (6-7 TL; \$0.73-\$0.86 last year). Price increases are lower than the rate of TL depreciation against other currencies, meaning despite the slight increase in nominal prices, the real prices of these fruits are lower than previous years. (Note that as of October 2020 \$1 = 9.5 TL compared to \$1 = 8.2 TL a year before.)

TRADE

Apples

During the first three months of MY 2021/22 (July to September 2021), total fresh apple exports were about 53,000 MT, up 22,000 MT compared to the same period in the last marketing year. The apple export forecast for MY 2021/22 is 300,000 MT, which is in parallel with production, assuming continuing demand from neighboring countries.

Figure 9. Turkey's Top Export Destinations for Apple as a Percentage (2016-2021)



Source: Trade Data Monitor

Turkey's top export destinations generally are contiguous countries such as Iraq, Syria, and Russia. In addition to other regional countries with proximity to Turkey such as Libya, Saudi Arabia, and India (Figure 9). While the agricultural exports of most countries faced severe declines, Turkey's fresh fruit and vegetable exports increased more than 25 percent in the first quarter of 2020 despite the COVID-19 health crisis. According to Turkey's Mediterranean Exporters' Association, exports of fresh fruit and vegetables increased to \$640

million. Turkey's exports of apples to India increased rapidly over the last five years (Table 1).

Table 1. Turkey's Top Fresh Apple Export Destinations 2016-2021 (MT, HS 080810)

Partner	Year Ending: June (Metric Ton)				
	2016/17	2017/18	2018/19	2019/20	2020/21
Iraq	168,754	60,484	132,747	37,196	34,019
Syria	11,307	32,985	47,751	30,989	45,215
Russia	461	47,297	8,510	40,132	60,727
India	4,114	10,474	20,892	29,055	67,573
Libya	1,148	3,546	4,037	15,741	30,534
Saudi Arabia	6,550	9,821	17,275	8,801	2,652
Other	22,629	23,873	45,429	46,467	46,328
Total	214,963	188,480	276,641	208,381	287,048

Source: Trade Data Monitor

Turkey also imported 350 MT of apple in MY 2020/21. The main suppliers are Chile and Northern Cyprus.

Pears

During the first three months of MY 2021/22 (July to September 2021), total fresh pear exports were about 24,200 MT, similar to the same period in the last marketing year. The pear export forecast for MY 2021/22 is 70,000 MT, slightly less than last year, in parallel with the slightly lower production numbers. Turkey exported 73,300 MT of pears in MY 2020/21, up 20,000 MT compared to the previous year, attributable to the increasing demand of the Russian market with about 28,000 MT in exports.

Other export destinations for pears are Iraq and Romania with 17,100 MT and 7,500 MT respectively (Table 2).

Table 2. Turkey’s Top Fresh Pear Export Destinations 2016-2021 (MT, HS 080830)

Partner	Year Ending: June (Metric Ton)				
	2016/17	2017/18	2018/19	2019/20	2020/21
Russia	132	15,931	10,473	18,219	28,170
Iraq	7,086	12,096	14,656	12,770	17,100
Romania	299	2,273	2,436	5,745	7,579
Turkmenistan	955	1,608	3,086	882	1,144
Bulgaria	117	1,462	881	1,370	2,017
Saudi Arabia	1,657	1,629	1,197	756	600
Other	5,713	8,681	9,141	11,123	16,721
Total	15,959	43,680	41,870	50,865	73,331

Source: Trade Data Monitor

Table Grapes

During the first four months of MY 2021/22 (June to September 2021) total table grape exports were 135,000 MT, up about 20,000 MT compared to same period in last marketing year. Russia (73,000 MT) and Ukraine (28,000 MT) are the leading markets in first four months. The table grape export forecast for MY 2021/22 is 215,000 MT, even with the decrease in production, based on continuing demand and higher prices in the top export markets, including Russia and Ukraine

Russia, Ukraine, Belarus, Saudi Arabia, Germany, and Poland are top export destinations of table grapes for Turkey over the last five years accounting for 80 percent of overall table grape exports (Table 3).

Table 3. Turkey’s Top Table Grape Export Destinations 2016-2021 (MT, HS 080610)

Partner	Year Ending: May (Metric Ton)				
	2016/17	2017/18	2018/19	2019/20	2020/21
Russia	-	162,696	88,067	101,909	116,591
Ukraine	23,211	27,576	20,478	31,018	35,830
Belarus	49,425	15,357	11,695	10,612	7,712
Saudi Arabia	17,768	13,422	13,881	9,997	5,165
Germany	11,422	11,005	7,689	7,776	6,645
Poland	8,871	11,396	5,794	7,773	6,968
Other	62,538	38,222	31,695	36,017	35,951
Total	173,235	279,674	179,299	205,102	214,862

Source: Trade Data Monitor

POLICY

Stable export demand and government support have helped Turkish farmers to invest in new stone fruit orchards. Producers who are registered with the Ministry of Agriculture and Forestry are eligible for government subsidies. The Government of Turkey (GoT) has not announced detailed agricultural subsidies for 2022, but the general government budget for 2022 has recently been announced. According to the Official Gazette, the total budget for agricultural subsidies for the will increase around 12 percent for 2022. The highest shares of the subsidies will be given for fuel, fertilizer, and agricultural insurance.

Despite the increase in agricultural subsidies, agricultural production costs are outpacing the increase in supports.to GoT statistics, the price of fertilizer has increased more than 36 percent and the price of one liter of fuel increased around 70 percent compared to 2020. The sales prices of deciduous fruits have also increased but are not keeping pace with the Turkish lira currency depreciation. (Note that as of October 2020 \$1 = 9.5 TL compared to \$1 = 8.2 TL a year before.)

Turkey also subsidizes juice exporters through an export refund program. The refund is 360 TL (\$37)/MT on up to 15 percent of the export shipment, not to exceed 12 percent of the total value of the exports.

Duties for imports of fresh apples, pears, and table grapes are provided in Table 4.

Table 4. Import Duties for Fresh Apples, Pears, and Table Grapes

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

Source: Resmi Gazete (Turkish Formal Newspaper),
<https://www.resmigazete.gov.tr/eskiler/2020/12/20201231M3.pdf>

Production, Supply, and Distribution (PS&D) Tables (MT)

Apples, Fresh Market Year Begins Turkey	2019/2020		2020/2021		2021/2022	
	Jul 2019		Jul 2020		Jul 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	174000	174000	175000	175000	0	171000
Area Harvested (HA)	174000	174000	175000	175000	0	171000
Bearing Trees (1000 TREES)	64500	64500	65000	65000	0	66500
Non-Bearing Trees (1000 TREES)	15000	15000	15000	15000	0	14500
Total Trees (1000 TREES)	79500	79500	80000	80000	0	81000
Commercial Production (MT)	3470000	3470000	4150000	4150000	0	4136000
Non-Comm. Production (MT)	150000	150000	150000	150000	0	150000
Production (MT)	3620000	3620000	4300000	4300000	0	4286000
Imports (MT)	1200	440	1000	350	0	400
Total Supply (MT)	3621200	3620440	4301000	4300350	0	4286400
Domestic Consumption (MT)	3412100	3411350	4031000	4013350	0	3986400
Exports (MT)	209100	209090	270000	287000	0	300000
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	3621200	3620440	4301000	4300350	0	4286400

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

Pears, Fresh Market Year Begins Turkey	2019/2020		2020/2021		2021/2022	
	Jul 2019		Jul 2020		Jul 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	26400	26400	26400	26400	0	26400
Area Harvested (HA)	26400	26400	26400	26400	0	26400
Bearing Trees (1000 TREES)	11550	11550	11600	11600	0	11800
Non-Bearing Trees (1000 TREES)	2800	2800	2800	2800	0	3000
Total Trees (1000 TREES)	14350	14350	14400	14400	0	14800
Commercial Production (MT)	510000	510000	530000	530000	0	515000
Non-Comm. Production (MT)	20000	20000	20000	20000	0	20000
Production (MT)	530000	530000	550000	550000	0	535000
Imports (MT)	100	144	200	200	0	100
Total Supply (MT)	530100	530144	550200	550200	0	535100
Domestic Consumption (MT)	479200	479144	480200	476900	0	465100
Exports (MT)	50900	51000	70000	73300	0	70000
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	530100	530144	550200	550200	0	535100

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

Grapes, Fresh Table Market Year Begins Turkey	2019/2020		2020/2021		2021/2022	
	Jun 2019		Jun 2020		Jun 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	406000	406000	417000	417000	0	400000
Area Harvested (HA)	406000	406000	417000	417000	0	400000
Commercial Production (MT)	1930000	1930000	1880000	2100000	0	1820000
Non-Comm. Production (MT)	120000	120000	120000	120000	0	120000
Production (MT)	2050000	2050000	2000000	2220000	0	1940000
Imports (MT)	400	390	300	300	0	300
Total Supply (MT)	2050400	2050390	2000300	2220300	0	1940300
Fresh Dom. Consumption (MT)	1845300	1845390	1785300	2005300	0	1725300
Exports (MT)	205100	205000	215000	215000	0	215000
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	2050400	2050390	2000300	2220300	0	1940300
(HA) ,(MT)						

Attachments:

No Attachments