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Turkey

Stone Fruit

Annual Report

2005

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Report Highlights:

After deciduous and citrus fruits, stone fruits account for approximately 14 % of overall fruit production in Turkey. Turkish 2005 stone fruit production is expected to improve over last year' s results. Cherries and peaches are the main stone fruit exports although dried apricots are also an important export product. The European Union is the primary market for these products.

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Executive Summary

Turkey's climate has supported its growth as a major producer of fruits and vegetables. In fact, as Turkey looks to begin negotiations for eventual membership in the European Union, fresh fruits and vegetables are the main commodities, which will probably be very competitive in the European market. After deciduous and citrus fruits, stone fruits account for approximately 14% of overall fruit production in Turkey. Most stone fruit except for apricots are consumed fresh and the majority is consumed on the local market. Although Turkey is well known for dried apricots, peaches and cherries have become the major fresh stone fruit exports for Turkey.

Turkish 2005 stone fruit production is expected to improve over last year's results. In 2004, most fruit production in Turkey suffered from a frost in April, which followed a mild winter. Some fruit trees had blossomed prior to the frost, which limited yields.

Tree area for most stone fruit is not expected to change drastically in 2005 and 2006. In fact, stone fruit area has not changed dramatically since 1995, although production has more than doubled. The number of cherry trees is expected to increase slightly given the export potential. Most cherry and peach production is consumed and exported as fresh fruit while apricot and plum production is primarily used for dried fruit.

On the trade side, cherries and peaches are the primary export products. Peach, cherry and apricot exports have increased dramatically over the past 3 years and exporters are looking to expand production to take advantage of this situation.

Under Secretariat of Foreign Trade, Export Promotion Center (IGEME) does not provide any specific support either to stone fruit producers or to stone fruit exporters. They, however, conduct general activities such as organizing fairs, trade shows abroad and carrying out training (workshops, seminars, educational programs). They also conduct market research on international markets and organize Turkish Export Product Exhibitions abroad.

Production

Cherries

Cherry production in 2005 is expected to improve given improved weather conditions. In 2004, most fruit tree production suffered from a late season frost and an early blossoming which hurt production.

Among fresh fruits, sweet cherries have become very popular in both foreign and domestic markets. Due to favorable weather conditions, total production is expected to rebound from 2004 levels. The current cherry (sweet and sour) production estimate is 400,000 MT for 2005. In cooperation with private sector the GOT is beginning to implement modernization projects for cherry growers. These projects include training of producers on modern agriculture techniques, providing equipment and assisting producers in establishing modern facilities.

Industry contacts stated that approximately 85 percent of sour cherry production is used for processing into canned products, marmalades, and fruit juices. The rest is usually sold fresh on the domestic market. Processed cherries account for 15-20% of total sweet and sour cherry production.

Table 1: Fresh Cherries, PS & D

Turkey Fresh Cherries, (Sweet & Sour)							
	2003	Revised	2004	Estimate	2005	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		01/2004		01/2005		01/2006	MM/YYYY
Area Planted	0	25500	0	26000	0	26500	(HA)
Area Harvested	0	0	0	0	0	0	(HA)
Bearing Trees	0	14000	0	14500	0	15000	(1000 TREES)
Non-Bearing Trees	0	5200	0	0	0	0	(1000 TREES)
Total Trees	0	19200	0	14500	0	15000	(1000 TREES)
Commercial Production	0	350000	0	400000	0	450000	(MT)
Non-Comm. Production	0	0	0	0	0	0	(MT)
TOTAL Production	0	350000	0	400000	0	450000	(MT)
TOTAL Imports	0	15.7	0	15	0	15	(MT)
TOTAL SUPPLY	0	350015.7	0	400015	0	450015	(MT)
Domestic Fresh Consump	0	0	0	0	0	0	(MT)
Exports, Fresh Only	0	39748	0	40000	0	50000	(MT)
For Processing	0	0	0	0	0	0	(MT)
Withdrawal From Market	0	0	0	0	0	0	(MT)
TOTAL UTILIZATION	0	39748	0	40000	0	50000	(MT)
		TS=TCU		TS=TCU		TS=TCU	

In the past 3 years approximately 15% of total cherry production was exported. Industry contacts do not expect a tremendous increase in cherry exports in 2005. In order to increase exports, about one third of producers are being registered under the EUROPECAP program. EUROPECAP is a program initiated by 5 retailers in EU to set guidelines for the import of agricultural products and it is mainly concerned about the production process. EUROPECAP is not compulsory in order to import to EU nor is it an official governmental program. Producers registered under EUROPECAP receive training, get advice on spraying and conduct laboratory tests. Major private Turkish exporters are leading this process and are encouraging smaller producers to participate in the program. They are expecting an increasing number of farmers to be registered in 2005. Registration in EUROPECAP will hopefully increase the opportunities for Turkish stone fruit producers to export to EU countries. Cherries are mainly grown in the Central Anatolia and Marmara regions. Organically grown cherries account for approximately one percent of total production.

The number of fruit bearing trees has not increased as much as production. Even though the number of trees did not increase tremendously, production levels have been increasing at a faster pace. Major reasons for this are improved production methods, increasing number of educated farmers, better pruning technique and better usage of fertilizers. There are an increasing number of big and modern orchards being established in Turkey. They tend to be between 500- 1000 dekar (10 dekar= 1 hectare). Industry contacts are expecting Turkish sweet cherry exports to be 100,000 MT by 2010 with the developments in the sector and the ongoing popularity of cherries both domestically and internationally.

Apricots

Like cherries, apricot production in 2005 is projected to increase compared with 2004 given improved weather conditions. The producers are expecting a good harvest in 2005 and are estimating a 20% increase in production from 2004.

Turkey is the leading producer of apricots in the world. As a result almost 90 percent of the crop is used for dried apricot production in Turkey. Fresh apricots are difficult to store and transport. They also have a short shelf life as well. Turkey is also the leading producer of dried apricots in the world.

In addition to Malatya, a city in South Eastern Turkey, apricots are also produced in Eastern and Central Anatolia as well as the Mediterranean region. It takes four kilograms of fresh apricots to produce one kilogram of dried product. Turkish consumers prefer apricots from Malatya. Apricots produced in Malatya are considered the best type for dried production. This is mainly due to soil, weather conditions and also the sugar content in Malatya apricots. Approximately ninety-five percent of the apricots produced in Malatya are used for processing, including fruit juices and dried fruits. According to local producers, trees had still not blossomed as of early April, so most producers are not expecting frosts to affect the crop like it did in 2004.

Table 2: Fresh Apricots, PS & D

Turkey Fresh Apricots							
	2003	Revised	2004	Estimate	2005	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		01/2004		01/2005		01/2006	MM/YYYY
Area Planted	0	63,500	0	63,800	0	64,000	(HA)
Area Harvested	0	0	0	0	0	0	(HA)
Bearing Trees	0	11350	0	11500	0	11700	(1000 TREES)
Non-Bearing Trees	0	2120	0	2000	0	1800	(1000 TREES)
Total Trees	0	13470	0	13500	0	13500	(1000 TREES)
Commercial Production	0	300000	0	350000	0	370000	(MT)
Non-Comm. Production	0	0	0	0	0	0	(MT)
TOTAL Production	0	300000	0	350000	0	370000	(MT)
TOTAL Imports	0	0	0	0	0	0	(MT)
TOTAL SUPPLY	0	300000	0	350000	0	370000	(MT)
Domestic Fresh Consump	0	0	0	0	0	0	(MT)
Exports, Fresh Only	0	7931	0	10000	0	12000	(MT)
For Processing	0	0	0	0	0	0	(MT)
Withdrawal From Market	0	0	0	0	0	0	(MT)
TOTAL UTILIZATION	0	7931	0	10000	0	12000	(MT)
		TS=TCU		TS=TCU		TS=TCU	

Peaches and Nectarines

Turkey accounts for approximately 3 percent of total peach production in the world. Peaches and apricots have the highest production among stone fruits. Peaches are supplied to domestic market for about 5 months. Even though peach production is very high among the stone fruits there is no association that deals with the peach industry or farmers. Most peach orchards are relatively small and there are many producers in the Turkish market. Recently some producers began to establish larger orchards. In the past, peach production was focused mainly in the Marmara Region, in northwestern Turkey. Bursa was the main center of this production. Currently peach orchards have expanded to the Aegean and Mediterranean Regions in addition to the Marmara Region.

The season for peaches begins in early June and finishes at the end of October. The quality and the productivity of peaches have increased in the recent years due to importation of young trees by the government for planting.

Table 3: Fresh Peaches& Nectarines, PS & D

Turkey Fresh Peaches & Nectarines							
	2003	Revised	2004	Estimate	2005	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		01/2004		01/2005		01/2006	MM/YYYY
Area Planted	0	25400	0	25600	0	25800	(HA)
Area Harvested	0	0	0	0	0	0	(HA)
Bearing Trees	0	13500	0	13800	0	14000	(1000 TREES)
Non-Bearing Trees	0	2150	0	2150	0	2150	(1000 TREES)
Total Trees	0	15650	0	15950	0	16150	(1000 TREES)
Commercial Production	0	370000	0	370,000	0	0	(MT)
Non-Comm. Production	0	0	0	0	0	0	(MT)
TOTAL Production	0	370000	0	370000	0	0	(MT)
TOTAL Imports	0	15	0	16	0	17	(MT)
TOTAL SUPPLY	0	370015	0	370016	0	17	(MT)
Domestic Fresh Consump	0	0	0	0	0	0	(MT)
Exports, Fresh Only	0	20153	0	30000	0	35000	(MT)
For Processing	0	0	0	0	0	0	(MT)
Withdrawal From Market	0	0	0	0	0	0	(MT)
TOTAL UTILIZATION	0	20153	0	30000	0	35000	(MT)
		TS=TCU		TS=TCU		TS=TCU	

Plums

Of all stone fruit production in Turkey, plums have the fewest trees and lowest production. Even though the number of fruit bearing plum trees is very low, there has been a slow but steady growth since 1984. In comparison to other stone fruits we can say that plums are the most vulnerable to changes in weather conditions as some plum trees blossom earlier than other fruit trees and are more susceptible to frosts in early spring.

Another disadvantage in the production process is the characteristic of plum orchards. About 90% of orchards are grown with other fruit trees. Only about 10% of plum orchards are exclusively devoted to plum production. This creates difficulties in spraying and fertilization and it also affects pest control. Mixed fruit orchards also inhibit pruning of plum trees as well.

Table 4: Fresh Plums & Prunes, PS & D

Turkey Fresh Plums & Prunes							
	2003	Revised	2004	Estimate	2005	Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	
Market Year Begin		01/2004		01/2005		01/2006	MM/YYYY Y
Area Planted	0	18400	0	18400	0	18400	(HA)
Area Harvested	0	0	0	0	0	0	(HA)
Bearing Trees	0	7450	0	7500	0	7500	(1000 TREES)
Non-Bearing Trees	0	1150	0	1100	0	1100	(1000 TREES)
Total Trees	0	8600	0	8600	0	8600	(1000 TREES)
Commercial Production	0	200000	0	200,000	0	200000	(MT)
Non-Comm. Production	0	0	0	0	0	0	(MT)
TOTAL Production	0	200000	0	200000	0	200000	(MT)
TOTAL Imports	0	13	0	10	0	10	(MT)
TOTAL SUPPLY	0	200013	0	200010	0	200010	(MT)
Domestic Fresh Consump	0	0	0	0	0	0	(MT)
Exports, Fresh Only	0	2906	0	5500	0	6000	(MT)
For Processing	0	0	0	0	0	0	(MT)
Withdrawal From Market	0	0	0	0	0	0	(MT)
TOTAL UTILIZATION	0	2906	0	5500	0	6000	(MT)
		TS=TCU		TS=TCU		TS=TCU	

Consumption

Cherries

The increasing popularity of cherries in the domestic market is mainly due to changes in consumer preferences and precautions taken to improve food safety. Instead of shopping at traditional open-air bazaars, larger numbers of consumers prefer to shop at supermarkets. Approximately 85 percent of sour cherry production is utilized in processing industry.

Apricots

Even though it is very hard to estimate the percentage of consumption of dried and fresh apricots separately it is fair to say that majority of the fresh apricots are consumed domestically and the volume of fresh apricot exports is not as significant as dried apricots. Turkey does not import apricots.

Plums

Most of the plum produced in Turkey is consumed domestically or used in processing industry for jam, marmalade and dried fruit.

Peaches and Nectarines

Peaches are popular domestically. Turkey's peach and nectarine imports are minimal and exports are high in comparison to other stone fruits.

Trade

Cherries

Mainly the high quality of cherries led to the significant increases in export volumes in recent years. Exported sweet cherries are usually better quality and are not supplied to the domestic market with the exception of production from small farmers. Even some producers harvest different products for the domestic and export markets. Higher quality and larger cherries are normally exported.

Cherry exports more than doubled between 2002 and 2004 and it is not expected to be more than 40,000 MT in 2005. There is an increasing interest in cherry production in Turkey and industry contacts estimate that in the next five years cherry orchards might increase in size and quality. With the adoption of EUROPECAP program more and more EU countries prefer to buy cherries grown in Turkey. The major importing countries are United Kingdom and Germany.

Table 1: Export Trade Matrix, Fresh Cherries

Turkey Fresh Cherries, (Sweet&Sour)			
Time Period	Jan-Dec	Units:	Metric Tones
Exports for:	2003		2004
U.S.	-	U.S.	-
Others		Others	
Germany	12940	Germany	17452
United Kingdom	4924	United Kingdom	5700
Netherlands	4666	Netherlands	4937
Russia	2283	Italy	4382
Italy	2249	Russia	2566
Austria	1959	Belgium	227
Belgium	1815	Austria	996
France	1366	Sweden	572
Sweden	449	Northern Cyprus	246
Spain	425	France	230
Total for Others	33076		37308
Others not Listed	805		2440
Grand Total	33881		39748

Apricots

Industry contacts state that approximately 95 percent of dried apricots are exported. One of the issues producers are facing while exporting to the EU is the sulfur level used in order to color the crop. The EU allows apricots to have maximum 2000 ppm sulfur level. Turkish exporters therefore process dried apricots to meet the requirements.

Exports of fresh apricots increased close to 60 percent between 2002 and 2004 while export value more than tripled. Germany and Russia are the leading markets for Turkish exports.

Table 2: Export Trade Matrix, Fresh Apricots

Turkey Fresh Apricots			
Time Period	Jan-Dec	Units:	Metric Tones
Exports for:	2003		2004
U.S.	-	U.S.	-
Others		Others	
Germany	2932	Germany	2897
Netherlands	657	Russia	2658
Saudi Arabia	608	Netherlands	805
Italy	499	Saudi Arabia	740
Russia	398	United Kingdom	182
Kuwait	211	Romania	171
Austria	181	Kuwait	121
United Kingdom	143	Austria	80
Greece	131	Belarus	71
U.A.E.	75	France	31
Total for Others	5835		7756
Others not Listed	239		175
Grand Total	6074		7931

Peaches and Nectarines

Of all stone fruits more fresh peaches and nectarines are exported followed by cherries. Still less than 10 percent of production is exported. Most of the peach production is consumed in the domestic market. As a common trend for all stone fruits, peaches are also used in processing sector for marmalade, fruit juice and jam. The farmers tend to sell their product to established exporting firms and these firms have the facilities for packing and transportation. Turkey mainly exports peaches to Saudi Arabia, Germany and Russia.

Table 3: Export Trade Matrix, Peaches and Nectarines

Turkey Fresh Peaches & Nectarines			
Time Period	Jan-Dec	Units:	Metric Tones
Exports for:	2003		2004
U.S.	-	U.S.	-
Others		Others	
Russia	18624	Saudi Arabia	11338
Saudi Arabia	14410	Russia	5611
Germany	3001	Germany	1241
Romania	1519	Kuwait	475
Greece	1243	Northern Cyprus	388
Kuwait	975	Romania	258
Netherlands	692	Netherlands	214
U.A.E.	492	U.A.E.	187
Northern Cyprus	432	Oman	137
Austria	390	Austria	64
Total for Others	41778		19913
Others not Listed	2449		240
Grand Total	44227		20153

Plum

There are not many large companies in Turkey that export plums and the export volume is very low compare to other stone fruits. Especially in 2004, plum exports dropped dramatically from 2003. In 2003 exports were 5,889 MT and in 2004 it dropped down to 2,906 MT due to a frost that hit crops in April 2004. Even though the total production did not change much from 2003 to 2004, the crops that were hit with the frost were mainly the ones used for export. Industry contacts are expecting an increase in 2005 exports.

There are no government programs to promote exports. The major importing countries have traditionally been Saudi Arabia and Germany but in 2003 and 2004, Russia became one of the top importers of Turkish plums.

Table 4: Export Trade Matrix, Fresh Plums & Prunes

Turkey Fresh Plums & Prunes			
Time Period	Jan- Dec	Units:	Metric Tones
Exports for:	2003		2004
U.S.	-	U.S.	-
Others		Others	
Saudi Arabia	1656	Saudi Arabia	1400
Germany	1647	Germany	514
Austria	740	Russia	298
Russia	595	Netherlands	236
Netherlands	499	Sweden	63
U.A.E.	109	Northern Cyprus	63
Switzerland	96	Romania	54
Kuwait	88	Kuwait	40
Greece	77	Austria	37
Northern Cyprus	72	Switzerland	36
Total for Others	5579		2741
Others not Listed	310		165
Grand Total	5889		2906

Stocks

There are no official stocks for stone fruits.

Marketing Policy

The GOT does not have a specific export promotion regime for stone fruits and there are no export subsidies for stone fruits either. Apart from Kayisibirlik, cooperative that operates in apricot and dried apricot sector, there is no specific cooperative for stone fruits in Turkey. Turkish stone fruit producers, as well as other farmers in Turkey, enjoy direct income payment, payment made to farmers per dekar (0.1 of hectare) of their farm. Most producers are expecting the direct income payment regime to change slightly in the near future. The GOT recently announced a reduction in electric fees used for irrigation projects. It, however, does not include fruit producers yet, but MARA officials stated that in the near future it would include fruit producers as well.

The private sector takes the lead in marketing of stone fruits. Major exporters encourage small farmers to register under EUROPECAP. They also put effort in education of producers and modernization of agricultural facilities in rural areas.