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**Report Name:** Raisin Annual

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**Prepared By:** Dila Ikiz

**Approved By:** Michael Conlon

**Report Highlights:**

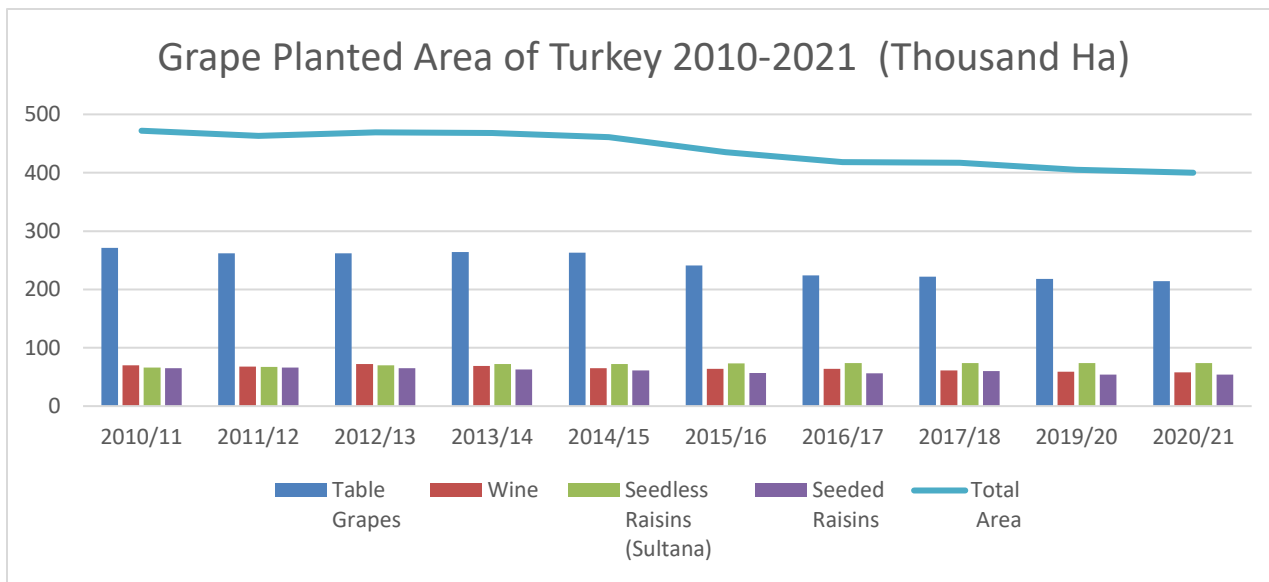
This report focuses specifically on sultana raisins, which are a dried seedless grape variety indigenous to the Aegean region of Turkey and are grown mostly in the regions of Manisa, Izmir and Aydin. Turkey's raisin production is forecast at 250,000 metric tons (MT) in MY 2021/22, slightly down from MY 2020/21 due to frost damage that occurred in Manisa during the late spring. In MY 2021/22, raisin exports are forecast to drop slightly to 220,000 MT because of the economic downturn caused by Covid-19. The European Union and the United Kingdom continue to be the top export destinations for Turkish raisins.

## Turkey Raisin Annual 2021

### Crop Area

Turkey is one of the major raisin producers and exporters globally. With over 1,200 different grape varieties being grown in the country, Turkey is one of the genetic centers for grapes in the world. As shown in Figure 1, Turkey's grape planted area is around 400,000 hectares (ha). However, there has been a historical downward trend in the total cultivated area for grapes because of urbanization and farmers switching to more profitable crops. Nonetheless, grapes planted for raisins remain stable at 74,000 ha buoyed by a robust export market.

**Figure 1. Vineyards of Turkey (2010-2021)**

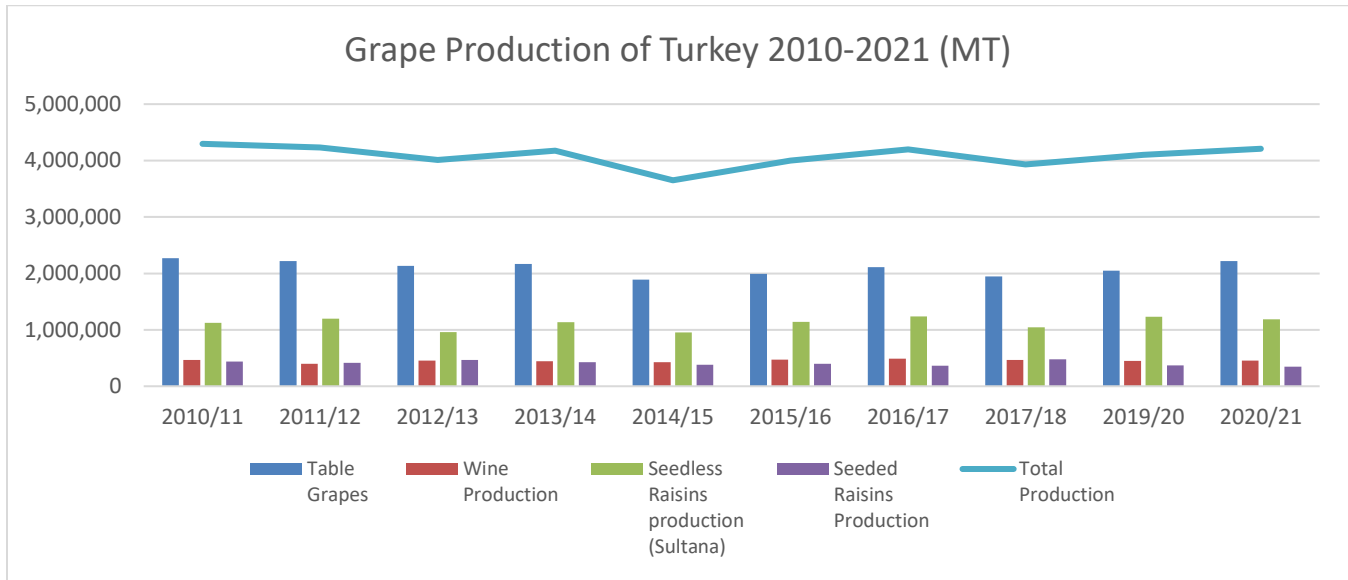


Source: TurkStat,2021

### Production

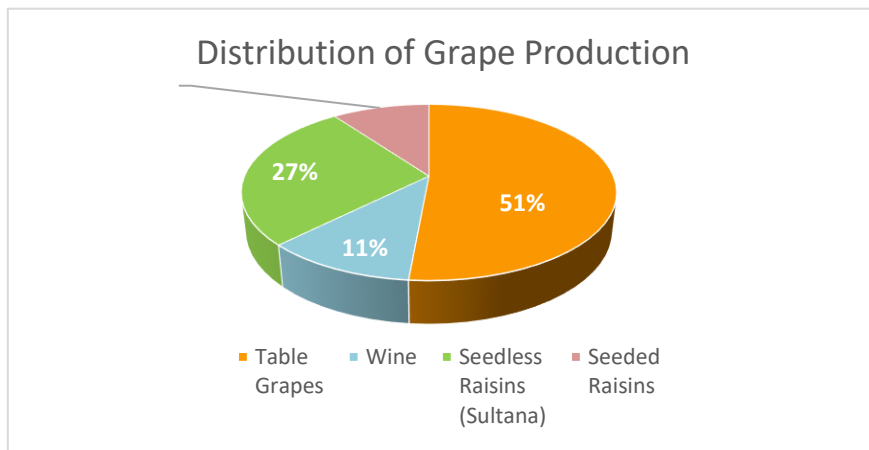
As Figure 2 indicates, over the last ten years grape production has stayed stable at around 4 million metric ton (MT). This is the result of improved varieties and technological advancements, which offsets the decline in planted area. Turkey is producing around 1.2 million metric tons of fresh grapes for raisins each year.

**Figure 2. Grape Production of Turkey (2010-2021)**



Source: TurkStat, 2021

**Figure 3. Distribution of Grape Production of Turkey (2010-2021)**



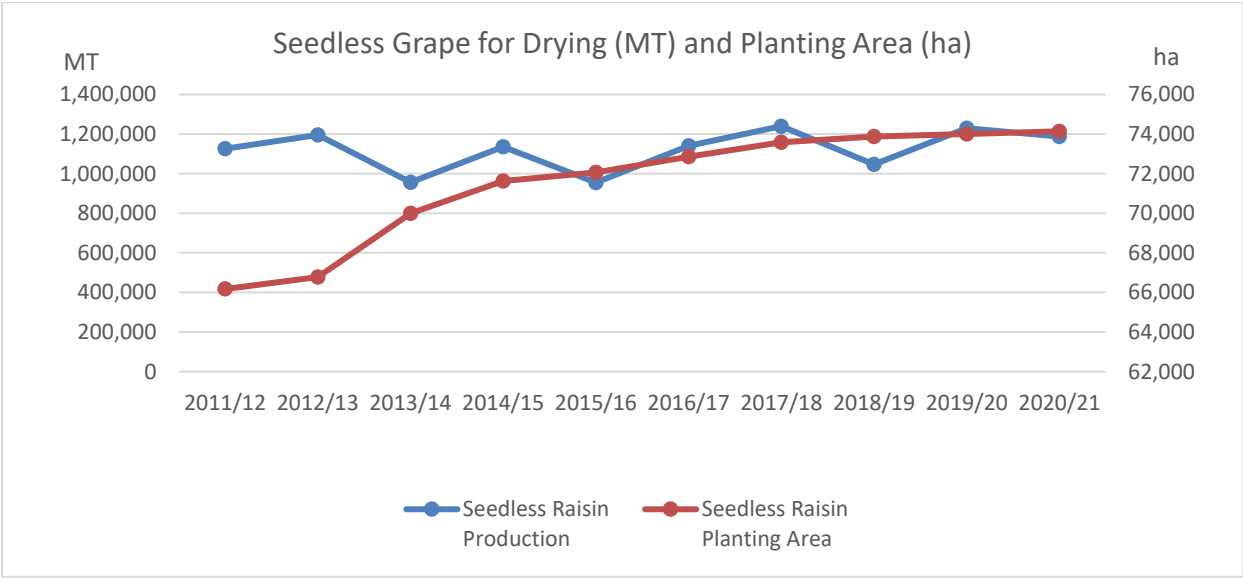
Source: TurkStat, 2021

The Aegean region is the most important grape producing region in Turkey and mainly produces seedless grapes used for raisins. Table grapes make up about 51 percent of production, whereas drying grapes make up 38 percent (27 percent for seedless raisins and 10 percent for the seeded raisins), and 11 percent is for wine production. The Marmara region surrounding Istanbul as well as Central Anatolia and Southeast Anatolia produce table and wine grapes.

In MY 2021/22, Turkish sultana raisin production is expected to decrease slightly to 250,000 MT from a planted area of 74,000 hectare (ha), due to frost damage in Manisa in the late spring. According to local sources, for MY 2021/22 the above-average temperatures during this year’s Turkish winter have 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. The Turkish Ministry of Agriculture announced the production for sultana raisin to 271,000 MT for MY 2020/21 on their website [Republic of Turkey Ministry of Agriculture and Forestry](http://www.gida.gov.tr).

Turkey has a comparative advantage in exports of sultana raisins. Sultana raisins have gained a reputation over the years for quality, increasing the potential for exports. Figure 4 shows the increase of sultana raisin planting area and production from 2011 to 2021. Farmers are changing to cultivate their land to grow sultana raisin over the years because of higher profits from exports. Volatility in the production comes from the unexpected weather conditions and fertility of the soil. After 1990 the Turkish government adopted a development policy to increase agricultural productivity in Turkey. The Turkish Ministry of Agriculture gives subsidies and trainings to farmers to adopt superior cultivation and irrigation systems. Over the last 10 years, seedless grape production is on average around 1.1 MMT and accounts for 38 percent of the overall grape production. When dried, approximately 4 kg of grapes results in 1 kg of raisins.

**Figure 4. Seedless Grapes for Drying (MT) and Planted Area (Ha) (2010-2021)**



Source: TurkStat,2021

## **Policy**

To regulate the domestic raisin market for sustainable production and keep the export price at a stable level, the government, exporters, and producers work together. The Turkish Grain Board (TMO), a government affiliated company, has bought surplus raisins to keep the price at stable levels in recent years. The Ministry of Agriculture announced an intervention price for raisins at 12.5 TL/kg in August 2020.

The Ministry of Agriculture emphasized that grapes are a strategic product for Turkey and that they have an important place in the country's agricultural exports. It is also underlined that the Ministry provides grape producers with diesel and fertilizers, supports them in improving good agricultural practices (both open field and greenhouse), organic agriculture, small family businesses and applying bio-tech pest controls. The Ministry also pointed to the 50% financial support in investments related to processing, cold storages, and packaging.

## **Consumption**

Most grapes are consumed in Turkey as a fresh fruit in the summer and dried fruit in the winter, but some grapes are used as an ingredient to produce molasses, dried fruit pulp, Turkish delight, wine, and vinegar. Despite Turkey's leading role in the production of raisins, domestic consumption is not stable. Domestic consumption varies based on production levels and quality, exports, and domestic price. In general, domestic consumption for raisins in Turkey is on average between 35,000 MT and 50,000 MT in a year. In MY 2021/22, sultana raisin domestic consumption is forecast to be about 38,000 MT, the same as in previous years.

## **Stocks**

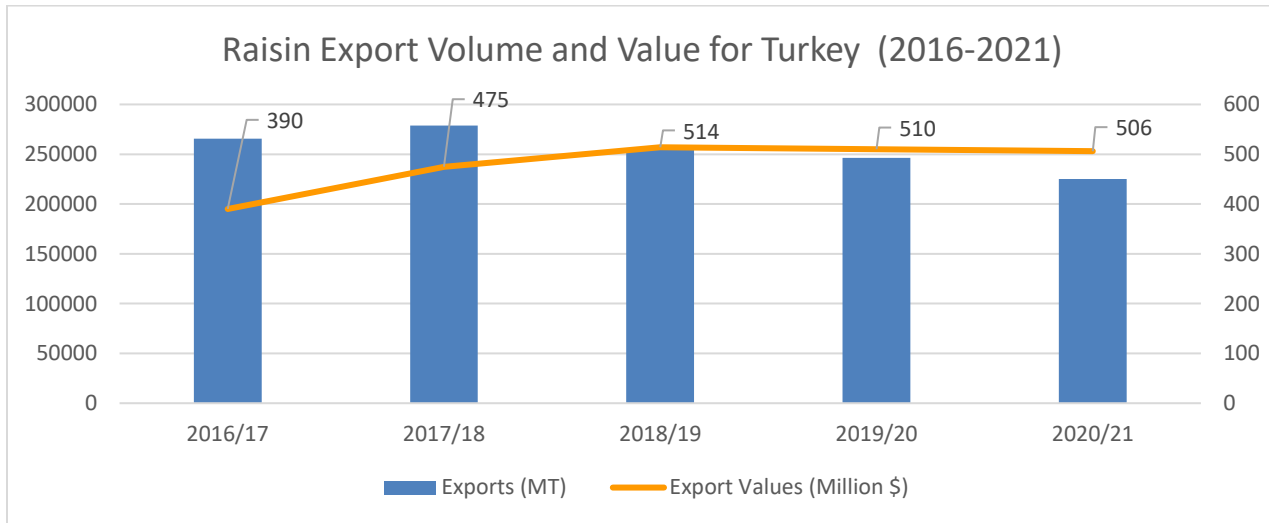
Domestic stocks vary based on production levels and exports. In MY 2021/22, ending stocks are forecast at 24,100 MT, down 7,000 MT compared to MY2020/21, in parallel with decreased production and assuming a stable demand for exports. In the long run, Turkish exporters aim to improve export markets and increase stock capacity to 50,000 MT to prevent volatility in export prices.

## **Trade**

In MY 2021/22, raisin exports are forecast at 220,000 MT, even though production is expected to be lower than the previous year. Turkey has a stable demand for raisins from EU countries and the United Kingdom. To fill this demand Turkish producers will use their ending stocks to compensate for the decrease in production. Furthermore, the Turkish Lira (TL) is still weak compared to the other currencies, which supports demand in export markets. In the first ten months of MY 2020/21, Turkey exported 189,000 MT of raisins, compared to 210,000 MT in the same period of MY 2019/20. Turkey exported about 246,000 MT of raisins valued at approximately \$504 million in MY 2019/20, which is expected to decrease around eight percent in MY2020/21. For MY 2021/22, raisin imports into Turkey are forecast at 1,000 MT, similar to the previous year.

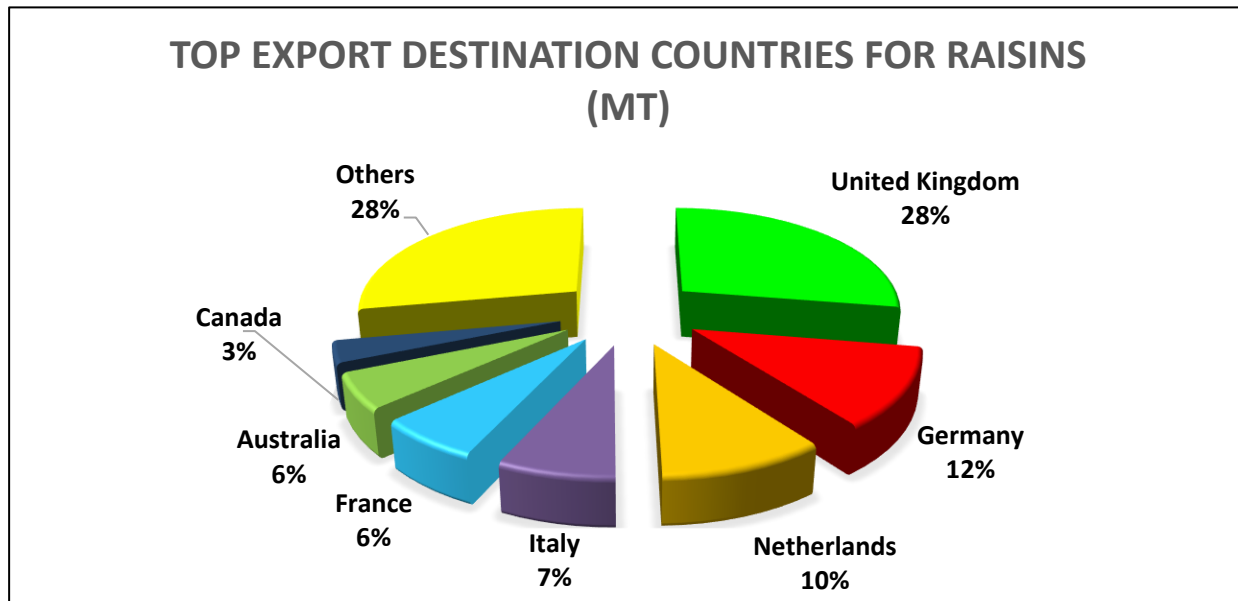
Turkey is the world’s leading raisin exporter accounting for about 40 percent of total global raisin exports. Over the last five years, Turkey exported per year approximately 254,000 MT per year worth \$479 million of raisins (see Figure 5). However, due to Covid-19 and an economic downturn in much of the world, Turkey’s export volume has slightly decreased recently. However, exports are expected to recover quickly in the upcoming year.

**Figure 5. Raisins Export Volume and Value for Turkey (2016-2021)**



Source: Trade Data Monitor, 2021

**Figure 6. Top Export Destinations for Turkey (2016-2021)**



Source: Trade Data Monitor, 2021

EU countries and the United Kingdom are the top export destinations for Turkish raisins. Figure 6 shows the top seven export destination countries for Turkey over the last five years. The United Kingdom 28%, Germany 12%, and the Netherlands 10% are the top three countries for Turkish raisin exports.

Turkey has a comparative advantage in raisin exports. To improve the competitiveness of Turkey in the raisin trade, Turkish authorities are training farmers to produce high quality products and use more organic pesticides. Also, cooperatives and government organizations are establishing brand and promotion activities all around the world for Turkish raisins and other dried fruits.

TARIS Sultana Raisins Cooperative and the Izmir Commodity Exchange are the two price determinants in the market. The former announces the advance procurement prices in the beginning of the season and the latter is the main cash market for raisins.

Generally, TARIS purchases around 15-20 percent of total production. The cooperatives of the union are spread across the Aegean Region, located in the western part of Turkey. The vineyards of TARIS members have a good reputation in the region regarding the yield and the quality of the product.

According to TARIS, seedless grapes are generally grown on small farms, averaging about 1.3 hectares. They estimate that nearly 65,000 growers produce seedless grapes in Turkey, and about half of all raisin producers are members of TARIS. Each year TARIS announces a procurement price for raisins, which also serves as a support price. TARIS is required to buy raisins from its members, but members are free to sell to other buyers and they often do. TARIS is the largest exporter of raisins from Turkey. Although there are numerous firms in the dried fruit processing and export business in Turkey, the top ten firms are estimated to control about 80 percent of the raisin export market.

Currently, raisins from MY 2020/21 are traded at 10-13 Turkish Lira (TL)/kg at the Izmir Commodity Exchange (1 US dollar = 8.56TL as of the date of this report), compared to 9-12 TL/kg during the last marketing year. Daily current prices of raisins can be followed at the Izmir [Commodity Exchange website](#).

## Production, Supply, and Distribution (PS&D) Table (MT)

Raisins Market Year Begins Turkey	2019/2020		2020/2021		2021/2022	
	Aug 2019		Aug 2020		Aug 2021	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
<b>Area Planted</b> (HA)	0	74000	0	74000	0	74000
<b>Area Harvested</b> (HA)	0	0	0	0	0	0
<b>Beginning Stocks</b> (MT)	0	0	0	22100	0	31100
<b>Production</b> (MT)	0	305000	0	271000	0	250000
<b>Imports</b> (MT)	0	1700	0	1000	0	1000
<b>Total Supply</b> (MT)	0	306700	0	294100	0	282100
<b>Exports</b> (MT)	0	246000	0	225000	0	220000
<b>Domestic Consumption</b> (MT)	0	38600	0	38000	0	38000
<b>Ending Stocks</b> (MT)	0	22100	0	31100	0	24100
<b>Total Distribution</b> (MT)	0	306700	0	294100	0	282100
(HA) ,(MT)						

### Attachments:

No Attachments