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Turkey

Grain and Feed

Sharp Reduction in Grain Import Duties

2007

Approved by:

Ralph Gifford, Agricultural Counselor
U.S. Embassy

Prepared by:

Unal Sarigedik, Agricultural Specialist

Report Highlights:

In need of significant imports of wheat and feed grains, the Turkish Government has slashed import duties on grains, effective immediately. Duties on milling wheat and corn were reduced from 130 percent to 8 percent and 35 percent respectively. The duty on soybeans was lowered from 10 to 8 percent.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Ankara [TU1]
[TU]

The Turkish Government has slashed import duties for grains. The import duty for soybeans also was lowered slightly. Promulgated by a Council of Ministers Decree, published in the Official Gazette on November 28, 2007, the reductions are effective immediately. All interested traders and millers can now import at the reduced duty rates.

The duty reductions had been expected. The 2007 grain harvest was severely damaged by drought, creating shortages and price increases for both wheat and feed grains.

The Turkish Grain Board (TMO) recently purchased 164,000 MT of milling wheat and 175,000 MT of corn, but these purchases will be insufficient to meet the supply deficit, and substantially more grain imports will be necessary. Consequently the government made a decision to reduce the import duty for all traders and millers.

[See GAIN Report TU7050, Grain and Feed update, at <http://www.fas.usda.gov/gainfiles/200708/146291994.pdf>]

TURKEY: Import Duty Reductions for Grains and Soybeans Published in the Official Gazette of November 28, 2007					
HS Code	Commodity	New Duty Rate (%)		Old Duty Rate (%)	
		EU & EFTA	Other Countries	EU & EFTA	Other Countries
1001.10.00.00.19	Durum Wheat	5	5	100	100
1001.90.99.00.11	Milling Wheat	8	8	130	130
1001.90.99.00.12	Mixed Grain	8	8	130	130
1001.90.99.00.13	Spelt	8	8	130	130
1002	Rye	8	8	130	130
1003	Barley, All Feed and Malting	0	0	100	100
1004	Oats	8	8	60	60
1005.90.00.00.19	Corn	35	35	130	130
1007	Millet	35	35	130	130
1104.30.90.00.00	Other Processed Grains, not Wheat	10	10	45	45
1201.00.90	Soybeans	8	8	10	10

Domestic milling wheat prices currently are in the range of YTL 500-560 (USD 417-467) per MT at the Polatli Grain Exchange.

Corn prices currently are around YTL 410 (or about USD 341) per MT and YTL 510 (or about USD 425) per MT, with an average price of YTL 443 (or about USD 370) per MT at the Adana Commodity Exchange.

The government recently raised the import reference price for corn from USD 130 to USD 270. Any imports with an invoice value below the reference price must provide additional information to Customs or the ad valorem tariff will be charged on the reference price.