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Voluntary _ Public

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Turkey

Post: Ankara

Meat and Fish Institute announced slaughter cattle import tender

Report Categories:

Livestock and Products

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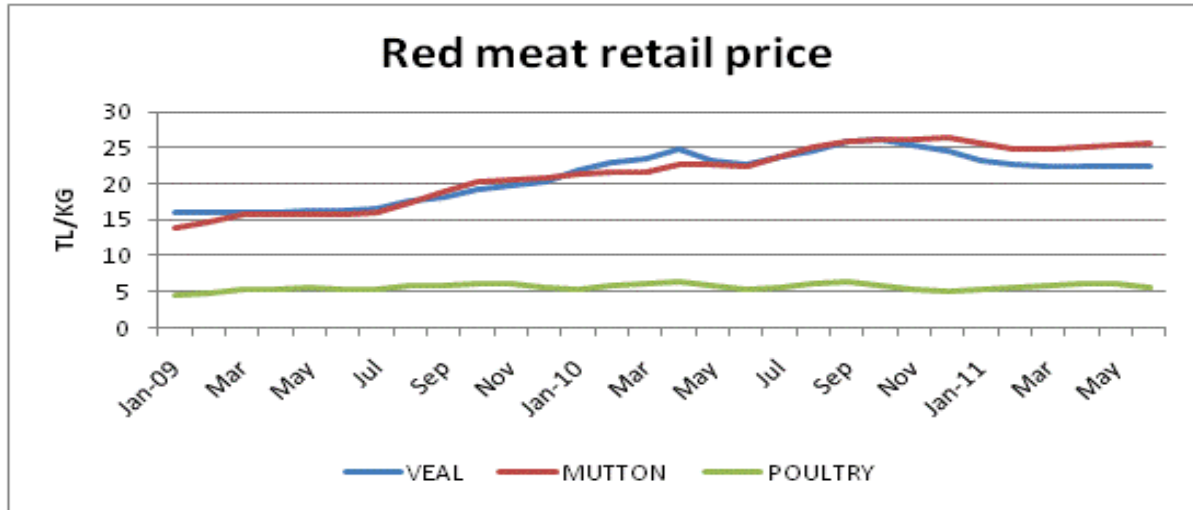
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Report Highlights:

Domestic red meat prices started to increase again and to counteract this trend, the Turkish government took steps to increase imports before the holy month of Ramadan begins. The Meat and Fish Institute (EBK) announced a tender for 10,500 MT of live slaughter cattle will be held on August 01, 2011.

General Information:

The decline in red meat prices did not last, and started to increase again recently. Prices are expected to increase during the Ramadan period, which starts in August.



Carcass meat prices increased dramatically and reached 16.5 TL/kg in the first months of 2010. Then government decided to import red meat, slaughter cattle and feeder cattle. The carcass meat price dropped to 11-12 TL/kg in the first months of 2011. The price increase started again in June 2011 and reached a peak of 15 TL/kg in July 2011. The reasons for high red meat prices are the lack of sufficient numbers of slaughter cattle and high feed prices. Due to the Biosafety Law, corn and soybean imports stopped for a long time. Soybean imports resumed but biotech corn import are still not allowed. This led to increases in the domestic wheat and barley prices as more of these products are being used for feed. The domestic corn price increased to 450 USD/MT.

Turkey: Beef imports (MT)		
Country	2010	2011*
Poland	21,468	28,971
Germany	13,136	17,067
France	2,829	11,601
Italy	2,218	3,443
Austria	3,381	2,971
Others	7,656	5,479
Total	50,688	69,532

January-May, 2011

The United States and Turkey held negotiations on import protocols for red meat and for slaughter and feeder cattle however unfortunately no agreement could be reached. The main beef supplier to Turkey is currently the EU countries. This trend also helps Turkey to fulfill its obligation to import 19,000 MT of meat every year, which is contained in an agreement signed by Turkey in 1996.

There are very few countries with a protocol for slaughter cattle and feeder cattle imports to Turkey. Uruguay and Australia became the biggest suppliers of Turkey after signing their

agreements recently.

Turkey needs to import feeder cattle in order to solve its red meat crises in the future. According to estimates, at least 300,000 head of feeder cattle should be imported to solve red meat supply crisis in the short term.

Turkey: Slaughter and Feeder cattle imports (Head)		
Country	2010	2011*
Uruguay	69,351	45,543
Hungary	35,041	34,378
Australia	7,036	37,639
Brazil	4,530	0
Others	4,063	3,982
Total	120,021	121,542

January-May, 2011

History of government reaction to high red meat prices

1. In response to high red meat prices, the Turkish Council of Ministers announced an import quota for 100,000 MT of live slaughter cattle and beef on April 30, 2010, valid until December 31, 2010. These quotas were allocated to the Meat and Fish Institute (EBK) via public tenders. EBK produced 43,000 MT of meat in 2010. They produced 16,000 MT of meat in 2009.
2. The EBK import tenders did not result in a decrease in meat prices, so on August 7, 2010 the customs duty for imported live fattening cattle was decreased from 135% to 40% until 04/01/2011 and on August 13, 2010 and custom duty on live slaughtering cattle was decreased from 135% to 40% until 12/31/2010
3. Fattening cattle and slaughter cattle imports did not sufficiently decrease meat prices, so on September 19, 2010 the customs duty on live slaughtering cattle was decreased to 30% and for live lamb (less than one year old) the import duty was reduced from 135% to 20%. On the same day, the duty on red carcass meat was reduced from 225% to 30% until January 1, 2011
4. On December 22, 2010 the import quota which was allocated to EBK, on April 30, 2010 it was extended to December 31, 2011 and the lowered duties for red meat and fattening and slaughtercattle were extended.
5. In February 2011, domestic producers asked the government to either ban meat imports or increase the customs tax to 70% in order to protect them from competition from imported meat.
6. On March 19, 2011, the customs tax on carcass meat increased from 30% to 45%.
7. On May 14, 2011 the customs tax on carcass meat increased from 45% to 60%.
8. The 300 TL/head premium was removed on July 1, 2011.

9. On July 2, 1011 the customs tax on carcass meat increased from 60% to 75%.

Tender specifications

Interested parties may get information about the procurement by contacting the addresses and numbers given below

General Directorate of Meat and Fish Institution - Address: Oğuzlar Mah. Ceyhun Atıf Kansu Cad. 1370. Sok No:10 Çankaya/ ANKARA; Phone: 0090 3122843670; Fax: 090 3122863702; E-mail: ihale@ ebk.gov.tr ; Name of the Contact Person: Ender AKBABA

Information about the subject work of procurement

Of the subject matter of the procurement; 10,500 MT of live slaughter cattle, HS Code, if any: 0102.90, date of tender: August 1, 2011 at 10:00 local time.

Places for delivery

PLACES FOR DELIVERY AND QUANTITY FOR 2,500 MT

To Adana Combine	600 MT
To Diyarbakır Combine	400 MT
To Erzurum Combine	400 MT
To Yozgat Combine	200 MT
To Sakarya Combine	500 MT
To Sincan Combine	400 MT

PLACES FOR DELIVERY AND QUANTITY FOR 4,000 MT

To Adana Combine	600 MT
To Diyarbakır Combine	500 MT
To Erzurum Combine	600 MT
To Yozgat Combine	600 MT
To Sakarya Combine	400 MT
To Sincan Combine	400 MT
To Ağrı Combine	400 MT
To Van Combine	500 MT

PLACES FOR DELIVERY AND QUANTITY FOR 4,000 MT

4,000 MT to Türkgeldi Enterprise of General Directorate of Agricultural Enterprises in Lüleburgaz /TEKİRDAĞ

Technical Specification of live slaughter cattle tender for the 2,500 MT lot

Eligible countries:

U.S (except States of Texas, Alabama and Washington), Brazil (except Parana region), Uruguay, Argentina (except Corientes and Misiones regions), Chile, New Zealand, Australia

Specification

- Eligible breeds shall be Angus, Hereford, Simmental, Charolais, Limousin, Belgian Blue and Brown Swiss and cross breeds.
- Ages shall be between 12 and 24 months.
- Their gender shall be male. Live weight shall be minimum 350 kg with high performance.
- Animal shall carry their breeds characteristics and shall not have any physical defects (leg, eye, ear, etc. parts).
- None of the animals shall be accepted for importation without health examination and check.
- There shall be readable ear tag on the animal providing individual identification.
- Estrogenic, androgenic, gastrogenic or veta-chronist material applications for other purposes should not be performed on animals other than treatments with stilbene or thyrostatic materials or zootechniques.

Required documents

- Required documents in accordance with communiqué numbered 2000/32 " Required documents for issuing control document at importation of live animals other than animals for breeding and animal substances effectuated by printing in Official Gazette dated 22.09.2000 and numbered 24178, communiqué numbered 2010/31 on Official Gazette numbered 27643 dated 16/07/2010 "Communiqué about Required Documents for Issuance of Control Document at Importation of Live Animals for Butchery and Breeding", communiqué printed in Official Gazette number 27800 (5. Repeated) dated 29/12/2010 and Communiqué Regarding the Importation of the Products Subject to Inspection of Ministry of Agriculture and Rural Areas" (Communiqué No.2011/5) shall be submitted.
- If the entrance to the country be implemented more than in one custom, separate control document shall be issued for each custom transaction. For this reason required number of documents shall be issued considering the number of entrance customs.
- Veterinary Sanitary Certificate required by Ministry of Agriculture and Rural Areas General Directorate of Protection and Control for importation of live cattle for slaughter shall be approved by exporting country's veterinary service and shall be signed by exporting country's Veterinary Surgeon.
- Selection report shall be prepared in three copies by personnel assigned by Ministry of Food, Agriculture and Livestock and original copy shall be together with the delivery.
- If not indicated in Veterinary Sanitary Certificate, analysis report attesting the live cattle for slaughter are free of hormones and antibiotics shall be submitted together with the Health Certificate.

Tests

Brain samples of 5% butchered animals following the importation shall be subject to BSE scanning by sampling model in an authorized laboratory and the products provided from alive animals shall not be launched to the market until results are obtained.

Samples to be taken from 25% of the animals for antibiotics and hormones and be sent to a laboratory for residue monitoring and products shall not be released to the market until the results are obtained.

Other conditions

ANIMAL SELECTION AND INTERIM INSPECTION:

Interim inspection commission assigned by Meat and Fish Institution shall make the pre-selection of the animals subject to procurement from exporting countries according to technical specifications. And these preselected animals; shall be examined by the staff assigned by Ministry of Food, Agriculture and Livestock from the point of documents and health conditions required for the importation of live cattle for butchery.

Interim inspection committee assigned by Meat and Fish Institution shall supervise the loading of the selected animals onto decontaminated transportation vehicles. Required examinations for live slaughter cattle brought to delivery places shall be implemented by Inspection and Acceptance Commission and acceptance of the animals shall be made after review of relevant documents of the animals after the animals have been observed for 24 hours in the paddocks.

WEIGHING

Port weighing performed by the Custom Directorate where the commodities are delivered shall be accepted. However as the delivery system is DAP, payment shall be effectuated on the basis of the average weight calculation sent to each delivery Combine determined by reducing the total weight by 8% for repletion waste.

Technical Specification of live slaughter cattle tender for the 8,000 MT lot

All specifications stated above and moreover

- Ages shall be between 24 months and 30 months.
- Their gender shall be male. Live weight shall be a minimum of 350 kg and a maximum of 500 kg.