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Results of Third Tender for Live Slaughter Cattle

Report Categories:

Agriculture in the Economy

Trade Policy Monitoring

Livestock and Products

Halal

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Report Highlights:

The Turkish Meat and Fish Institute (EBK) held an import tender for 8,000 MT of live slaughter cattle on May 20, 2010 in Ankara. This will be the third tender held by EBK under the new import quotas announced April 30, 2010. The first and second tenders were cancelled due to insufficient bids. The final results of the third tender were approved by EBK.

General Information:

The Turkish Meat and Fish Institute (EBK) held an import tender for 8,000MT of live slaughter cattle on May 20, 2010 in Ankara. This is the third tender to be held by EBK under the new import quotas, announced on April 30, 1020. The first and second tenders (held May 4 and 6) were cancelled due to insufficient bids.

Fourteen companies purchased tender documents for the most recent tender. Seven companies attended the tender and six of them placed bids. One company, Denmark-based Mb Food, was eliminated during the bidding because of incomplete documents.

Turkey: Companies attending third EBK tender	
Name of Company	Origin of company
Kreata Dermata Konotinis E.P.E	Greece
Mb Food A/S	Denmark
Atlantic Halal Meat LLC	United States
Altintern Handels Gmbh	Austria
Khaled Hijazi & Ghosheh Ltd. Co	Jordan
Ditura S SRO	Slovakia
Hacılar Halal Meat	Germany

In the first round of bidding Kreata Dermata Konotinis E.P.E offered 500 MT of live slaughter cattle for delivery to the EBK Sakarya slaughterhouse for 1,480,000 Euro. Mb Food A/S offered 500 MT of live slaughter cattle to be delivered to the EBK Istanbul slaughterhouse for 1,460,000 Euro and Altintern Handels Gmbh offered 1000 MT of live slaughter cattle for delivery to the EBK Sakarya slaughterhouse for 2,780,000 Euro.

In the second round, Kreata-Dermata Konotinis E.P.E submitted a second offer which was 1,300,000 Euro to supply 500 MT of live slaughter cattle.

In addition, Khaled Hijazi & Ghosheh Ltd. Co submitted an offer to supply 8,000 MT of slaughter cattle for 31,450,000 USD in the first round, and then lowered the offer to 29,730,000 USD in the second round. Although Khaled Hijazi & Ghosheh Ltd. Co submitted an offer to supply the whole tender, EBK only approved their bids for seven lots, for a total of 5,500 MT. The final results of the third tender, which are given in the table below, were approved by EBK. The net average delivery price is 10.5 TL/kg

Turkey: Result of tender held May 20				
EBK slaughterhouse (name of city)	Quantity of tender (MT)	Delivery time (days)	Tender winner companies	Offered price
Adana	1,000	40	Khaled Hijazi & Ghosheh Ltd. Co	

Sakarya	1,000	50	Khaled Hijazi & Ghosheh Ltd. Co	
Sakarya	1,000	40	Khaled Hijazi & Ghosheh Ltd. Co	
Istanbul	500	30	Khaled Hijazi & Ghosheh Ltd. Co	
Istanbul	500	30	Khaled Hijazi & Ghosheh Ltd. Co	
Istanbul	1,000	40	Khaled Hijazi & Ghosheh Ltd. Co	
Ankara	500	50	Khaled Hijazi & Ghosheh Ltd. Co	
Total for Khaled Hijazi & Ghosheh	5,500			20,075,000 USD
Ankara	1,000	30	Hacılar Helal Meat	2,700,000 Euro
Sakarya	500	30	Dituria S SRO	1,272,500 Euro
Sakarya	1,000	50	Altintern Handels Gmbh	2,740,000 Euro

Khaled Hijazi & Ghosheh Ltd. Co is planning to ship the cattle from Uruguay and the other companies are planning to ship from Hungary.

EBK is planning to announce on June 4, 2010 a tender for 4,000 MT of live fattening steers, and may hold this tender on or around June 14, 2010. The age of the animals should be between 6 and 12 months.

Meanwhile, the Konya Red Meat Producers Union has criticized the decision to allow live cattle imports and is claiming that it will hurt domestic producers. The Union announced its intention to file a complaint with the Council of State, in an attempt to get the tender cancelled by the court.