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New Rules by Turkish Government on Poultry Feed Restrictions

Report Categories:

Poultry and Products

Biotechnology - GE Plants and Animals

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Agricultural Situation

Grain and Feed

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Report Highlights:

The new implementation period for a law on poultry feeding will which will impact the Turkish poultry sector starts on January 1, 2016. From then on, feeding poultry with feedstuffs derived from poultry by-products will be prohibited. Turkish poultry sector representatives have petitioned MinFAL to postpone this implementation for ten years, otherwise the poultry sector will have to import more feedstuffs in order to meet feeding needs. Importing feed to Turkey is very difficult because of Turkey's Biosafety legislation. MinFAL is decisive to implement this rule as of January 1, 2016.

According to poultry sector representatives, 300,000 MT of feedstuffs were produced from poultry by-

products in 2014, with 230,000 MT produced from poultry meal (meat and blood meal) and 70,000 MT from animal fats.

According to sector predictions, when they are unable to use poultry-by products, Turkey will need to import 400,000-500,000 MT more soybeans, 30,000 MT Di Calcium Phosphate (DCP), and 80,000 MT fats to meet feed needs. For this reason, production costs will inevitably increase, and because of Turkey's biosafety legislation and the few number of biotech events which have been approved for feed import to Turkey, the sector believes it will be nearly impossible to import a sufficient amount of plant-based feed.

Turkey Implements New Rule for Poultry Sector Feeding Strategy to begin January 1, 2016

Abbreviations used in this report:

BESDBIR	Turkish Poultry Producers and Breeders Association
DCP	Di Calcium Phosphate
EU	European Union
GE	Genetically Engineered
IPR	Inward Processing Regime
MT	Metric ton (1,000 kg)
MMT	Million Metric Tons
MinFAL	Turkish Ministry of Food, Agriculture and Livestock

General Information:

Following a five year transitional period, new Turkish Legislation on poultry feeding will go into effect on January 1, 2016, at which point feeding poultry with feedstuffs derived from poultry by-products will be prohibited. Turkish poultry sector representatives have petitioned MinFAL to postpone this implementation for an additional ten years, otherwise the poultry sector will have to import feedstuffs, which due to the few approved biotech events approved for import to Turkey, will be nearly impossible. MinFAL has been very decisive this issue and plans to implement this rule as of January 1, 2016.

Background:

The legislation harmonized with the EU on "animal by-products not intended for non-human consumption" was published and came into force on December 24, 2011. By this legislation, producers were given a five year transitional period to develop alternatives to processed animal protein for feeding terrestrial animals and farmed fish. The transitional period ends on January 1, 2016. According to the legislation, "animal by-products" means entire bodies or parts of animals, products of animal origin, or other products obtained from animals which are not intended for human consumption, including oocytes, embryos, and semen.

The legislation was published in line with EU regulation 1069/2009/EC on "laying down health rules as regards animal by-products and derived products not intended for human consumption and repealing Regulation (EC) No 1774/2002 (Animal by-products Regulation)," which prohibited feeding animals with animal proteins of the same species in response to a number of BSE (Bovine Spongiform Encephalopathy) cases that had occurred in the EU. The legislation prohibits feeding terrestrial animals (excluding fur animals) with processed animal proteins derived from same species carcasses or parts of

carcasses, feeding ruminants with animal protein (excluding feedstuffs derived from milk products), and feeding farmed fish with processed animal proteins derived from same species fish meat and other meat parts.

Turkey is import-dependent for plant-based protein for animal feed. Turkey imported 2.6 million MT of soybean and soybean meal in 2014. (For more detailed information: GAIN Report Number: TR5060, Date: 11/25/2015)

According to the feed sector, Turkey imported 9 million MT of feedstuffs in total worth \$3.8 million in 2014. Two million MT of this was imported within the Inward Processing Regime (IPR): free zones in Turkey without import taxes where goods are processed and then exported. Feedstuffs import has been increasing every year in relation to an increase of mixed feed needs of the sector.

The main challenges for the Turkish feed sector are feedstuffs shortages, high import taxes, the inward processing regime, Turkey's biosafety legislation and implementation of those laws, laboratory analysis, animal by-products legislation, unfair competition, and live cattle and carcass import. Additionally, the Turkish Lira's value against many foreign currencies, including the U.S. Dollar, has been dropping, making imports more expensive.

Ten Year Extension Request by Poultry Sector:

Poultry by-product has high protein value and reduces the costs of poultry meat production by supplying cheap protein for the animals. For this reason, producers have petitioned MinFAL to extend the transitional period for ten years in order to complete necessary infrastructural developments for destroying poultry by-product wastes or using them for other purposes before the implementation comes into effect. However, MinFAL is not intending to extend the transitional period because it has already given the sector five years for preparation and development of alternate feed products or using those animal wastes for other purposes (e.g. for the pet food industry). According to MinFAL, this implementation prohibiting feeding poultry with feedstuffs derived from poultry by-products needs to be carried out effectively since Turkey has commitments to the EU as part of their of EU harmonization process.

According to BESDBIR, the waste quantity derived from poultry meat production was 800,000 MT in 2014. They have concerns about how this huge quantity can be destroyed without creating environmental pollution. They add that the operations worth \$100 million producing poultry by-product will be redundant if those animal wastes could not be processed within those operations for the other purposes.

More imported feeds will be needed:

According to poultry sector representatives, 300,000 MT of feedstuffs were produced from poultry by-products in 2014, with 230,000 MT produced from poultry meal (meat and blood meal) and 70,000 MT from animal fats. Post estimates poultry by-products make up roughly 8% of the protein needs of the feed sector, the rest of the protein is soy-based. Typically around twenty eight percent of poultry feed is protein.

Following this implementation, industry believes that the high valued protein feed derived from poultry by-products will need to be sent to the garbage, even though Turkey has a shortage of protein-based feedstuffs. They also add that Turkey will need more protein-based feed and will have to import it if

using feedstuffs derived from the poultry sector is prohibited.

According to sector predictions, Turkey will need to import 400,000-500,000 MT more soybeans, 30,000 MT DCP, and 80,000 MT fats to meet feed needs. For this reason, production costs will inevitably increase. Additionally, the sector believes that the government should revise its biosecurity legislation to be in line with EU regulations, as they claim the current system will not be sustainable to meet feed needs. Following the implementation, the sector will need to import more feedstuffs, much of which contains certain trace amounts of biotech traits the sector claims are not permitted for import under the current biosecurity legislation. The sector believes it will be almost impossible to import a sufficient variety of feed that the Turkish poultry sector will need to counterbalance the prohibition of poultry by-product feedstuffs.

According to MinFAL, the sector is threatening the Ministry that they will have to import GE soybeans for feed, which due to the current law is very difficult. MinFAL claims that the Biosafety Board in Turkey has approved the GE soybean traits that the world currently uses, so import should not be a problem. While some additional event approvals were recently made, Turkey has approved far fewer biotech events for import than the European Union and trace amounts of unapproved events can cause shipments to be rejected. Import issues caused by the biosafety law during MY 2014 prevented the industry from receiving supplies in timely fashion and many shipments were rejected and sent to different destinations, causing significant losses for the industry. For more detailed information, please see GAIN Report Numbers: TR5019, Date: 4/15/2015, TR5027, Date: 6/5/2015, TR5030, Date: 6/16/2015, TR5037, Date: 7/21/2015, and TR5055, Date: 11/5/2015.

Rising Prices:

According to poultry sector representatives, Turkey's economy will lose \$240 million per year as a result of implementing of the poultry feeding prohibition. The feed derived from poultry by-products is a high valued energy source and the deficit will have to be counterbalanced with fats. According to the sector's predictions, there will be a deficit of 80,000 MT fats and this quantity will need to be sourced through imports. Since red meat prices in Turkey are currently high, poultry meat will not play its important role in reducing meat prices if production costs in the sector rise. The sector also believes that this implementation will cause environmental pollution, since by-products will not be used and there are no incineration facilities in Turkey. Despite the suggestion given by MinFAL concerning using poultry by-products in the pet food sector, the sector believes that pet food consumption is not financially comparable in Turkey and it is not the solution. Incineration facilities, biogas, or manure processing establishments should be established with government support and biosafety measures should be taken during by-product incineration to prevent against spreading animal diseases.