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Turkey

EXPORTER GUIDE ANNUAL

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Report Highlights:

The Turkish market offers both rewards and challenges to the U.S. exporter. It has a large and growing population that is rapidly changing its consumption patterns. Historically, export opportunities have been be for U.S. bulk commodities than for high-value consumer products. High tariffs, numerous non-tariff barrier competition from both domestic industries and Europe have limited U.S. access to this market. In October 2 new biotech regulation was published effectively blocking biotech and biotech products imports. Significa U.S. processed food exports to Turkey include condiments, snack foods and Tex-Mex products.

Post:
Ankara

Executive Summary:

In 2008, the agriculture sector (agriculture, hunting, forestry, and fishing) accounted for only 9.2 percent of GDP. Total exports have increased from $47 billion in 2003 to just over $132 billion in 2008. Total imports have increased from $69 billion in 2003 to just over $201 billion in 2008. This resulted in a $69 billion trade deficit in 2008. In 2008, bilateral agricultural trade between Turkey and the United States was about $2.23 billion. U.S. agricultural exports to Turkey ($1.74 billion) exceeded U.S. imports from Turkey ($0.49 billion). Although Turkey remains a major market for bulk and intermediate agricultural products from the United States, it also has potential as a market for consumer products. It is expected that by 2020, 14 million households could be classified as middle class, up from just 5.9 million in 2000.

Despite significant tariff and non-tariff barriers, U.S. agricultural exports to Turkey reached a record $1.75 billion in 2008. Turkey was the top single country overseas market for DDGs and a top 10 single country overseas market for U.S. agricultural exports overall. Turkey was also the second largest market for exports of U.S. cotton, tallow, and corn oil. Cotton sales of $536 million provided almost one-third of the total 2008 U.S. export value. Exports of rice, soybeans, soy meal, feeds & fodders, vegetable oils, tree nuts, tobacco, forest products, planting seeds, live animals, pet foods, dairy products, and pulses all reached record highs in 2008.

The regulations on food and agricultural products are generally prepared and published by the Ministry of Agriculture and Rural Affairs (MARA). However, there are also regulations published by other Ministries, such as the Ministry of Finance and the Ministry of Health. Most Turkish agriculture-related regulations, laws, communiqués, directives, and notifications are available on the website of the General Directorate of Protection and Control (GDPC) of MARA: www.kkgm.gov.tr. Some of the regulations have an English translation available on the same website.

On October 26, 2009 a regulation on biotech food and feed was published in the Official Gazette (no: 27388). Unfortunately this regulation is heavily biased against biotech products and it effectively blocks all biotech product imports.

Turkey's total retail grocery market continues to grow and modernize. Consumer-oriented agricultural exports from the United States to Turkey have increased from USD 98 million in 2004 to USD 194 million in 2008.

SECTION I. Market Overview

I.1. Economic Situation

The Turkish economy had steadily improved since the 2001 financial crisis until the recent global crisis. Before the crisis, 2009 GDP was projected to grow by 5%, however recent announcements project a 6% decrease in GDP. The government officials are optimistic about 2010 and their projected growth rate is 3.5%.

The most recent unemployment rate is 12.8% and the inflation rate (compared to the September 2008) is 5.27%. This is still a major improvement from the 2002 level of 29.7%. It should be noted that the basket used by the government for calculating the inflation rate is widely contested. Current exchange rate is 1.48 YTL/USD.

In 2006 Turkey ranked 16th in terms of amount of total FDI received and in 2007 imports were up 21.8% from 2006. However the recent global financial crisis, the power struggle between secularists and the ruling party have all negatively effected foreign investment in the Turkish economy.

Agriculture remains a key part of Turkey's economy, employing about a third of the workforce and generating most of the rural income. While still important, the agricultural sector has been declining relative to the industrial and service sectors. In 2008, the agriculture sector (agriculture, hunting, forestry, and fishing) accounted for only 9.2 percent of GDP. Total exports have increased from $47 billion in 2003 to just over $132 billion in 2008. Total imports have increased from $69 billion in 2003 to just over $201 billion in 2008. This resulted in a $69 billion trade deficit in 2008. In 2008, bilateral agricultural trade with the United States was about $2.23 billion: U.S. agricultural exports to Turkey of $1.75 billion which exceeded U.S. imports from Turkey of $0.48 billion. Although Turkey remains a major market for bulk and intermediate agricultural products from the United States, it also has potential as a market for consumer products: it is expected that by 2020, 14 million households could be classified as middle class, up from just 5.9 million in 2000. This change will transform the Turkish food market and boost import demand, which should create new export opportunities for U.S. producers. Changing demographics including more working women and a more urban population along with growth in tourism also favor increases in demand for quality and variety.

Turkey forged a customs union with the EU in 1996 and is currently an associate member of the European Union. In October 2005, EU accession negotiations were started however the road to EU accession has been a rocky one and in 2007 the negotiations were temporarily put on hold. Thus far negotiations have been completed on only one chapter out of 35. The agricultural portion of Turkey's EU membership negotiations began in early 2006. Given the sensitivity of the agriculture sector, these negotiations have been both comprehensive and controversial. Eight chapters have been blocked since the end of 2006 due to tensions about Turkey's strained relations with Greek Cyprus.

Turkey's economy –-like its culture-- is a blend of both the modern and the traditional. Turkey has a vibrant private sector and government involvement is diminishing, as shown by the recent privatization of the oil and communications industries. The agricultural share of GNP continues to decline, while the industrial and service sector shares increase. The textile and apparel sector continues to be one of Turkey's most important sectors overall. The food processing sector is well developed, although it suffers from high input prices due to domestic production and import policies. However the food processing sector also enjoys significant tariff and non-tariff protection from import competition.

I.2. Demographic Developments and Market Developments

Turkey has a population of about 70.5 million. About 70.5 percent of the population lives in urban areas, and 17.8 percent lives in Istanbul. About 50 percent of Turkey's population is under the age of 28. Over the past 30 years, about a third of the population has shifted from rural to urban areas, although about a third of all Turks still live in rural settings. Unemployment continues to be a serious problem, running around nine percent.

Urbanization and smaller household size- The share of the urban population increased from 44 to 70.5 percent over the past few decades. In Istanbul (population 12.5 million), Ankara (population 4.5 million), and Izmir (population 3.7 million) there was a decrease in household size from 5.5 to 4.5 individuals per household between 1978 and 2000. Family size is predicted to continue to decrease.

Growing number of working women- The share of working women has increased from 15 to 28 percent of the workforce during the last two decades. Also the percentage of families with a female head of household increase from 8.7 percent in 1990 to 12.8 percent in 2006. As a result, home cooking decreased and recreational and social dining increased resulting in an increase in convenience oriented meals and food service.

Growth in tourism- Turkey has a strong and rapidly growing tourism industry. The number of foreign tourists (mostly European) increased by 18.6 percent from 19.8 million tourists in 2006 to 23.5 million tourists in 2007. Tourism revenues followed the same trend with a 10 percent increase from 16.8 billion in 2006 to 18.4 billion in 2007. However in the same period, spending per tourist decreased from USD 728 in 2006 to USD 679 in 2007.

I.3. Consumer Buying Habits

Major changes in the lifestyles, incomes and consumption patterns of Turks in the last decade, in spite of sporadic down-turns in the economy, means they are now increasingly prone to eat meals outside of the home. A new and faster pace of life has also led people to find quicker meal solutions for their shortened lunch hours. In Turkey about 40 percent of household income is spent on food, compared to 10 percent in developed countries. This number is about 50 percent for lower-income Turkish consumers, and much of it is non-processed. Socialization over food is an important aspect of Turkish culture. This fact combined with the young population, increasing number of working women, and increased out of home socialization has led the fast food industry to become a USD 3.5 billion market

Turkey's total retail grocery market for 2008 is estimated by Euromonitor to be USD

$69 billion per year, and this sector continues to grow and modernize. Although supermarket and hypermarket outlets are expanding, small, specialized neighborhood outlets still play an important role in the Turkish retail market. The vast majority of available products are produced locally using local ingredients.

I.4. The Market for U.S. Products in Turkey

Historically, export opportunities to Turkey have been better for U.S. bulk commodities such as soybeans, soybean meal, vegetable oils, corn and cotton than for high-value consumer products. However, in October 2009 a new biotech regulation was published effectively blocking biotech food and feed imports. High tariffs, non-tariff and competition from domestic industries and Europe have limited U.S. access to this market. However, significant U.S. processed food exports to Turkey include condiments, snack foods and Tex-Mex products.

The following is a summary of the advantages and challenges facing U.S. exporters in Turkey.

Advantages	Challenges
Change in retailing structure has opened new areas for branded import items.	It is hard to compete with locally produced items. The Customs Union with the European Union creates an advantage for EU exports to Turkey.
Some U.S. products (mainly bulk and intermediate commodities) are better priced than local products.	October 2009 a new biotech regulation was published effectively blocking GMO and GMO products import. There is significant tariff and non-tariff protection for locally produced foods and agricultural products.
U.S. products have a good image in Turkey and Turkish consumers welcome U.S. style products.	There are some very high import duties on both bulk and processed products.
International retailers that market a wide	There is a well-developed local food-processing sector supplying most

range of imported products have great influence on purchasing patterns.	product segments in the marketplace.
There is a growing demand for specialized products such as diabetic and diet foods, ready-to-eat foods and frozen foods, which are mostly imported.	U.S. food products are weakly promoted in Turkey. Competition for shelf space has led to high costs for introducing new products.

SECTION II: Exporter Business Tips

II.1. Local Business Customs/Practices

A visitor to Turkey can see the "modern," the "ancient" and the "traditional" all wrapped into one as East, literally, meets West. Business practices in Turkey can appear "Western" or "European" on the surface, but important cultural complexities exist. For those who plan on working in, or supplying to this market, it is advisable to read up on modern Turkish culture and business practices.

Personal contact is still very important for most if not all business transactions. In addition to building trust in relationships, establishing a personal relationship with the importer can assist the exporter in meeting the sometimes-daunting documentation requirements. Many importers and distributors prefer direct contact with suppliers and exporters as there is a feeling that agents and middlemen complicate transactions and lower profits.

In general, Turks are usually not as direct as Americans. They generally avoid confrontation. Criticism is often approached in an indirect manner.

Many importers and distributors also like to identify and import unique products that are not currently available on the market. Therefore they may ask for guarantees of exclusivity if agreeing to introduce a new to market product. Agents who have been assigned to the region by large foreign food manufacturers have frustrated a number of importers in Turkey by being unresponsive.

II.2. Consumer Tastes and Preferences

On the one hand, Turkish tastes and preferences are very conservative. Fast-food restaurants, as well as most Turkish restaurants, specialize in traditional dishes, the most common of which is kebabs (of which there are several varieties) served with fries and bulgur or rice. Outside of Istanbul and Ankara, or the tourist destinations of Izmir, Antalya and the Aegean resorts, it is hard to find any foreign influence in the cuisine. On the other hand, the demographics in Turkey are driving many changes. Increased foreign travel by Turks and by tourists to Turkey is stimulating significant changes in attitudes and consumption patterns. Moreover, rapid urbanization and the growing number of two-income families are increasing the demand for processed foods. Istanbul and Ankara have not only multinational fast food chains, but also support some independent ethic restaurants such as Tex-Mex restaurants, Thai restaurants, Japanese restaurants, etc.

Consumer expectations have also changed significantly. Faced with an increasingly diverse range of products, quality and price, consumers have become more demanding. In response to changing consumer expectations, large food retailers, especially international companies, are demanding higher quality standards from Turkish food manufacturers. This has led to new investments and improvements within the processing sector. Consumers in larger cities are more aware of international trends, have higher disposable incomes, and have automobiles to reach large warehouse-sized stores. Middle- and upper-middle income shoppers are drawn to larger stores, especially if they provide imported and specialty items.

The rapid change in consumption patterns has led Turkish food processors to invest in ready-to-eat meals and frozen food products. There are currently about twenty companies in Turkey that are in the frozen food and ready-to-eat meal market, offering a range of products.

II.3. Food Standards & Regulations

Food Laws

The regulations on food and agricultural products are generally prepared and published by the Ministry of Agriculture and Rural Affairs (MARA). Most Turkish agriculture-related regulations, laws, communiqués, directives, and notifications are available on the website of the General Directorate of Protection and Control (GDPC) of MARA: www.kkgm.gov.tr. Some of the regulations have an English translation available on the same website. However, there are also relevant regulations published by other Ministries, such as the Ministry of Finance and the Ministry of Health. The legal infrastructure of agriculture is mainly based on communiqués rather than on laws. The reason for this is that the Turkish constitutional system does not allow laws to be adopted, amended or abolished easily. Therefore governments have traditionally preferred to publish communiqués as a way to make regulatory changes. Currently, the main target of Turkish food and agriculture policy is to harmonize the related laws and regulations with the EU *acquis communitaire*. Sometimes it appears that this concern overwhelms other concerns such as national interest and farmers' interests. Moreover, the Turkish government rarely informs the public or international bodies such as the WTO about possible or actual regulation changes in advance. In addition, the same regulations can be applied inconsistently by different provincial directorates and at different times.

Currently Turkey's principle law governing food is the *Production, Consumption and Inspection of Food Law*, number 5179. This law has been in force since May 27, 2004, when it replaced the June 24, 1995, regulation number 22327. The purpose of the current law, as outlined in its first article, is to ensure food safety & the hygienic production of all food products and food packaging materials, to protect public health, to establish the minimum technical and hygienic criteria for food producers, and to set forth the principles of monitoring production and distribution. The law amends the framework of the Turkish Food Codex which covers the analytical methods of monitoring the quality and hygiene standards of foods, additives, aroma materials, pesticides, and the rules for packaging, storing, and forwarding in a way to establish further adaptation to the European Union regulations. This law has resulted in the creation of the National Food Codex Commission whose responsibility is to prepare, review and approve all changes to the Turkish Food Codex, including those changes that take place through EU harmonization. There are currently 25 sub-committees working on specific revisions to various aspects of the Turkish Food Codex.

In addition to the 2004 Food Law, the Turkish food industry and food imports are regulated by several other related laws and regulations: the November 16, 1997, *Turkish Food Codex*, the June 8, 1998 *Food Regulation* and a September 1, 2003 Notification related to the control processes during the import phase and the approval of the Control Document (import license) of the packaging materials that are in contact with food and food materials. The current Turkish Food Codex and all amendments, new regulations, notifications, are available at the GDPC website. In addition, bulk or semi-processed plant materials and meat and dairy products are subject to *Plant Quarantine Law* (Law No: 6968) and *Animal Health Law* (Law No: 3285). The Plant Quarantine Law is in force since 1957, and in 2003 it was amended by regulation to ensure EU harmonization. The most recent version of the law can be found at: http://www.kkgm.gov.tr/regulation/regulations.html and an explanation can also be found in GAIN TU7007.

The majority of food and non-food imports require what Turkey calls a "control certificate". A control certificate is in essence an import license. It is granted to the importer at the discretion of the import officials. As per the *Standardization in Foreign Trade Communiqué* of January 17 2007, the import process for each product begins with an application for issuance of a control certificate. The process is described in Communiqué No. 2003/31, which is posted online, in English, at: http://www.kkgm.gov.tr/regulation/com/Com_Approval.html

All food products for which a control certificate is required are listed with the HS customs codes in the second and the third Article of Communiqué 2007/21 and in Annex-IVA of the *Communiqué on Standardization in Foreign Trade*. These products include cereals, milling industry products, oilseeds, animal and vegetable fats, residues, dairy and fish products, live trees and other plants. A few food products such as coffee, natural gums, vegetable saps and extracts, vegetable waxes, and cocoa are not required to have a control certificate prior to import, but should have the necessary documents to be cleared from customs. Products that don't need a control certificate are listed in Annex-IVB of the same Communiqué. For processed products, these certificates are required for each shipment.

Most recently in December 2008, the *Communiqué on Standardization in Foreign Trade for Import Products* was published by the GDPC. This further defined some of the procedures for obtaining control certificates and for determining expiration dates of the control certificates. Accordingly, the control certificates are valid for a period of between 4 and 12 months, depending on the product. The communiqué in Turkish can be found at: http://www.kkgm.gov.tr/teblig/2009-5.html. Control certificates are sometimes used as an instrument to deny or delay the importation of some products.

While many U.S. foods are imported into Turkey without problems, some U.S. companies have encountered difficulty complying with demands from import officials for certificates that are not normally issued in the United States. For example, sometimes port officials ask for certificates with the wording "safe for human consumption" or "freely sold in the United States" but the U.S. FDA will not normally write these statements on their export certificates. Sometimes exporters can get Certificates of Free Sale at their state level Department of Agriculture, Department of Health, or other local offices. Requirements and standards for some imported foods may be stricter than both those currently applied in the EU and those applied to domestically produced products. Pet foods are one example. The Turkish food law requires that products be inspected at the point of entry as well as at the wholesale and retail levels.

Labeling Requirements

The Communiqué Regulating the Packaging and Labeling of Food Materials is dated August 25, 2002 and numbered 2002/58. This regulation was prepared within the framework of harmonization with the EU Directives 2000/13/EEC on the Labeling, Presentation and Advertising of Foodstuffs, 90/496/EEC Directive on Nutrition Labeling of Foodstuffs, and Directive 80/232/EEC on the approximation of the laws of the member states relating to the ranges of nominal quantities and nominal capacities permitted for certain prepackaged products. This regulation was amended once in 2004 and twice in 2006.

On December 4, 2008, the GDPC published changes to the Turkish Food Codex Regulations on General Labeling and Nutritional Labeling of Food Products for comments. GDPC is currently refining the comments and it noted that the final communiqué will be ready by the end of 2009. The proposed contents of this communiqué include changes to the definition of the terms "nutrient items", "nutritional declaration", "bioactive component", "health declaration", "probiotic microorganism", and "serving size". The proposed communiqué also contains changes to: nutritional declaration criteria about food components such as (low energy without energy, low fat non fat etc.), sizes of food servings, and labeling format. An unofficial translation of the announcement is in FAS GAIN report TU8044 and is available on the FAS website, www.fas.usda.gov.

Every food product in the market has to be labeled clearly, completely and accurately in the Turkish language. An imported food item, however, may arrive in its original package, but a permanent 'sticker' label, in Turkish, must be attached to the package before it is marketed. Other languages in addition to Turkish may also appear. Labeling requirements are enforced by the Ministry of Agriculture and local municipality officials. This regulation sets forth in detail, under what circumstances a food product can be labeled, for example, as "light", or "no sugar" or how the vitamin and mineral information should be stated. The regulation also details any warnings that must be indicated under certain ingredients.

Biotechnology Regulation

On October 26, 2009 "Regulation on the Import, Processing, Export, Control and Inspection of Food and Feed Products Bearing GMO's and GMO Components" was published in the Official Gazette (no: 27388). Unfortunately this regulation is heavily biased against biotechnology and it effectively blocks all biotech product imports. The regulation went into effect on its publishing date. For a more detailed description of the new biotech regulation, please refer to "New Turkish Regulation Blocks Imports of Biotech Food and Feed" report TU9042 available on the FAS website www.fas.usda.gov.

For a more detailed description of Turkey's food regulatory system, please refer to FAS Food and Agricultural Import Regulations Report (FAIRS) TU9027 and FAIRS Certificates Report TU 9037 available on the FAS website www.fas.usda.gov.

II.4. Trade Policy Review

Despite significant tariff and non-tariff barriers, U.S. agricultural exports to Turkey reached a record $1.75 billion in 2008. Turkey was the top single country overseas market for DDGs and a top 10 single country overseas market for U.S. agricultural exports overall. Turkey was also the second largest market for exports of U.S. cotton, tallow, and corn oil. Cotton sales of $536 million provided almost one-third of the total 2008 U.S. export value. Exports of rice, soybeans, soymeal, feeds & fodders, vegetable oils, tree nuts, tobacco, forest products, planting seeds, live animals, pet foods, dairy products, and pulses all reached record highs in 2008. Of these, the most notable increases were in rice, pulses and seafood exports, which all increased by over 500% and tree nuts, tobacco, forest products, planting seeds and dairy products, which all more than doubled. Notably, the market for live cattle, closed for four years, opened in July 2007; resulting in sales of $6 million in both 2007 and 2008. This makes Turkey the fourth largest market in the world for U.S.

live breeding cattle, and growth is expected.

Turkey joined the WTO with developing country status and signed the Agricultural Agreement in 1995. Turkey committed to reducing food and agricultural tariffs by a simple average of 24 percent over ten years. According to the Under Secretariat of Foreign Trade, this commitment was met by the end of 2004 and Turkey has no further commitments to reduce tariffs. This has resulted in some extremely high tariffs.

Turkey also stifles trade with non-tariff barriers including import licensing, import quotas, seasonal bans on imports and the implementation of restrictive phytosanitary regulations. Some restrictions are well-calculated, intentional efforts to protect domestic producers by limiting trade; other restrictions seem to be accidental --the result of poor regulations, poor infrastructure and poor implementation.

Turkey has a mixed record when it comes to liberalization of its agricultural sector. Government support programs, many of them a result of political forces unconnected to supply and demand, often shield producers from market signals, making policy tools ineffective. The IMF and World Bank have been pressuring Turkey to decrease its crop-specific production support as part of an overall effort to reform and liberalize the agricultural sector and in 2006, Turkey adopted a new Agriculture Law in order to implement its "Agricultural Strategy Paper 2006-2010". The Law puts emphasis on increasing productivity and ensuring food security but gives lower priority to food safety and consumer related matters. Previous policies defined support linked to production as a key instrument of agriculture policy. However, the Minister of Agriculture announced that the direct income system will be eliminated and replaced by premium payments to producers sometime this year and for most products it was. The government introduced a premium system for grains for the first time in MY 2005. Its aim was to allow producers to sell their crop not only to TMO, but also to any trader or miller in the market, and still receive this premium as long as they could document the sale. Thus, it was anticipated that TMO would not have to buy large quantities of grains. However, this policy did not work well and TMO bought the largest quantities it had ever bought as a result due to larger supply. However for livestock various specific support programs to livestock producers were cancelled and replaced by one general program per head. The change in livestock policies at the same time of low milk prices and lower domestic consumption has led to the widespread slaughter of dairy cows in 2008 and the closure of over 1000 dairy operations. Turkey also provides export subsidies for a number of agricultural products, such as vegetables, honey and eggs (see TU8028 for a full list). Most export subsidies come in the form of public debt forgiveness or subsidies for inputs such as fuel, fertilizers, etc. Turkey also maintains in inward processing regime that allows imports of certain products, such as wheat and sugar, with reduced tariff levels if they are to be used for the manufacture of exported goods. Turkey also has a complex and market distorting sugar law. This law sets quotas on sugar and fructose production, sets the price for domestically-produced sugar well above the world market price. The law also sets a duty on imported fructose of 135 percent.

Systemic government involvement in the agricultural sector substantially restricts and distorts markets, shields producers from price signals, and denies private sector participants the ability to effectively plan business and trade decisions. Turkey is taking steps to harmonize its agricultural policies and trade regulations with the European Union; however many revised regulations are not, in fact, harmonized with EU regulations. In addition, most changes in regulations become effective immediately with little or no notification to trading partners. This often results in unnecessary disruptions in trade. Turkey has a very poor track record on notifying new regulations to the WTO SPS and TBT bodies.

Turkey continues to use non-tariff barriers, including SPS requirements, to restrict imports of many food and agricultural products, such as all meat and meat products, including poultry, and has de facto bans on the import of other products as it does not freely issue import licenses. Port officials sometimes demand documentation that is not in keeping with standard international practice and certification requirements are vague and inconsistently applied.

Turkey does not follow OIE guidelines for handling animal health issues. For example, in reaction to low pathogenic avian influenza outbreaks, Turkey requires unnecessary steps to be taken for imports of products containing poultry meat or eggs, including pet food and highly processed products.

The Ministry of Agriculture's General Directorate for Protection and Control is responsible for the safety of imported and domestic products through inspection and quarantine services. Currently, one of its main focuses is the harmonization of Turkish legislation on veterinary, phytosanitary and food safety with EU standards. This has made it more difficult for U.S. agricultural exporters, as the government has made changes to import requirements which become effective immediately with little or no notification to trading partners. In addition, these new laws are not always implemented or enforced consistently at every port, making it difficult for traders to comply.

A portion of U.S. agricultural exports; especially meat, poultry and high-value items; are transshipped to other destinations via Turkey's free trade zones. The Free Trade Zone at the Port of Mersin in southeastern Turkey has become a significant transit point for shipments of U.S. poultry and other products into Iraq, Azerbaijan and other countries. The total value of this trade is difficult to estimate except for poultry products, which cannot legally enter Turkey. U.S. exports of poultry products consigned to Turkey for re-export in 2008 topped $66 million.

Turkey forged a customs union with the EU in 1996 and is currently an associate member of the European Union. Turkey began EU accession talks in October 2005. So far negotiations have been completed on only one chapter out of 35. The agricultural portion of Turkey's EU membership negotiations began in early 2006. Given the sensitivity of the agriculture sector, these negotiations have been both comprehensive and controversial. Turkey has free trade agreements with Bosnia and Herzegovina, Croatia, Egypt, Israel, Morocco, Macedonia, Palestinian Authority, and Tunisia.

For a more detailed description of Turkey's trade policy, please refer to the FAS Trade Policy Monitoring Report, TU9008, available on the FAS website www.fas.usda.gov.

II.5. Import Process

In order to import any food product to Turkey, an importer must first submit a written application to the Turkish Ministry of Agriculture (MARA)'s General Directorate of Protection and Control. Attached to the application letter must be the following documents:

1. A completed import permit form obtained from MARA/Protection and Control;
2. A Proforma Invoice.
3. An Analysis Report providing physical, chemical, microbiological and heavy metal specifications of the product. Frozen seafood is exempt from this requirement. A statement about dioxin is also required in some cases.
4. For consumer-ready products, a sanitary or phytosanitary certificate from a government food inspection agency of the country of origin stating that the product meets the phytosanitary requirements of the importing country, is fit for human consumption and/or is freely marketed in the country of origin.
5. A sample of the Turkish label for the product.
6. For alcoholic beverages, a "distribution certificate" provided by the producer's company to the importer and/or distributor indicating that the Turkish company is authorized to market and deliver the product in Turkey.
7. For "special" foods such as diet foods, foods for diabetics, vitamins, baby foods, etc. the importer must provide a written declaration that he/she will not advertise the foodstuff in such a way as to mislead the consumer.

The importer will normally receive written approval along with an import permit (control certificate) from the Ministry of Agriculture within one or two weeks.

II.6. Customs Process

Importers need to present an approved import permit, bill of lading, certificate of origin, sanitary or phytosanitary certificate, analysis report (physical, chemical, etc.) and other standard import documents to Customs upon entry of the product. Note: Port officials sometimes reject copies, even notarized copies, of documentation, and insist on originals. If an original document cannot be submitted, problems will be minimized if the notarized seal placed directly on the copied original, not on a separate page. The Ministry of Agriculture officials take samples for testing to confirm the analysis report, and test results are generally available in two to three days. Bulk or semi-processed commodities are subject to further inspections for compliance with either the Plant Quarantine Law or the Animal Health Law.

Section III: Market Sector Structure and Trends

III.1. Retail Food Sector

Turkey's total retail grocery market for 2008 is estimated by the Euromonitor to be worth USD $69 billion per year and the sector continues to grow and modernize. Consumer-oriented agricultural exports from the United States to Turkey have increased from USD 98 million in 2004 to USD 194 million in 2008.

The number of modern retail outlets and discount stores has been steadily increasing and is expected to grow for many years to come. Large supermarket chains are increasing their penetration into smaller cities and discount chains are increasing their number of stores in the major cities. The retail market sector is very dynamic, as mergers and acquisitions are taking place constantly as larger companies buy smaller chains in order to increase their market shares. For example in 2005 the number one chain in Turkey, Migros, bought the number three chain, Tansas. In addition the number two chain, Carrefour, bought the number four chain, Gima. In February 2008 another major acquisition took place when Migros -which had a 20 percent market share and was owned by one of the most prominent business conglomerates in Turkey- was sold to a London based firm.

Economic development in recent years has helped these modern market chains to increase their number of stores, number of customers and total amount of sales while the number of traditional grocery stores has declined. Traditional food sellers, mainly open-air bazaars and *bakkal*s, are estimated to control 58 percent of the market, while organized modern markets compose 42 percent. It is expected that by the year 2010 modern stores will dominate the market. The unregistered economy is supported by a long-standing tradition of open-air bazaars and small stores called *bakkal*s throughout the country. The still very high share of traditional businesses has resulted in unreliable data for the sector.

By the end of 2007 the total area of western style shopping malls reached 1.5 million square meters. There has been a significant amount of construction in this sector and the area is expected to soon reach 3 million square meters. In Istanbul alone there are 59 operational shopping malls and 46 more are currently being built. In addition, 37 are in the project development phase. While the food courts in the shopping malls usually attract both domestic and foreign fast food restaurants, recently built upscale malls such as Canyon and Cities also include full service restaurants, which serve some foreign dishes.

Positive economic conditions since 2001 have increased the number of car owners, which has increased mobility and contributed to the increase in sales at modern retain chains. In the same period, a decline in credit card interest rates stimulated the utilization of credit cards in the modern food markets. Moreover, member discount cards at modern retailers became very popular since their introduction in 1998 and have both improved customer loyalty and boosted sales. Some of the products that show growth potential include alcoholic beverages (especially beer and wine) and functional foods.

Although there has been improvement in the Turkish economy, various obstacles remain that hinder growth in the retail sector. These include high prices for processed food, high import taxes on food, and unequal income distribution.

The classification of food retail outlets in this report is based on outlet size:

Hypermarkets	: Over 2,500 m2
Large Supermarkets	: 1000 to 2,500 m2
Supermarkets	: 400 to 1000 m2
Small Supermarkets	: Less than 400 m2
Markets	: 100 to 50 m2
*Bakkal*s	: less than 50 m2.
Convenience & gas station stores	: Similar in size to *bakkals* and markets

The following is a summary of the advantages and challenges facing U.S. exporters in the Turkish retail food sector:

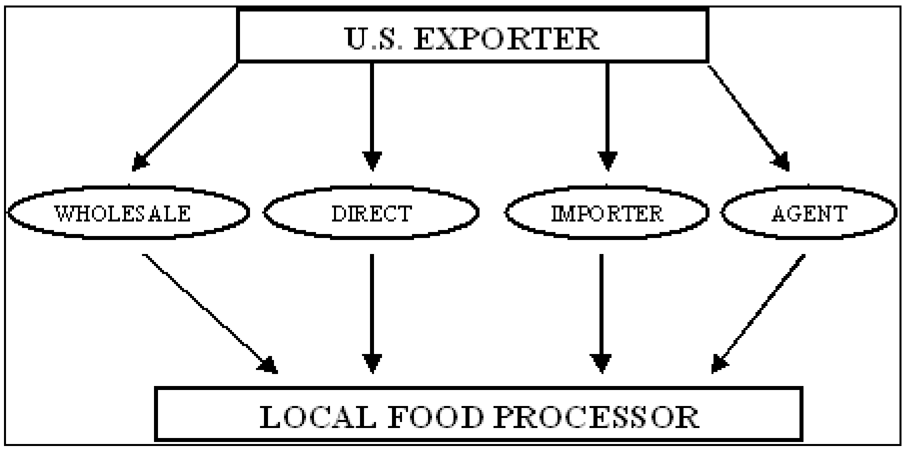
Advantages	**Challenges**
Growth of modern retail stores leads consumers to discover new products, and to become more aware of imported brands.	Customs Union with the EU and harmonization of regulations creates pr and logistical advantage for European products.
Some U.S. products are better priced than local products, such as pulses. Exchange rate fluctuations can affect this balance.	European and other neighboring countr enjoy lower freight costs and shorter sh times compared to the United States.
The significant increase in purchasing power of the Turkish consumer combined with the good reputation of U.S. food products help increase demand for high quality U.S. products.	There are high import duties on many agricultural products. (Up to 135 perc bulk agricultural commodities 170 perc processed food products)
International retailers that market a wide range of imported products have positive influence on purchasing patterns.	The local food processing sector is well developed and high quality goods are s competitive prices. The rich diversity in agricultural production provides ingredi for most sub-sectors.
There is a growing demand for specialized products such as Tex-Mex, diabetic and diet food, ready-to-eat food and frozen food.	U.S. food products are weakly promote Turkey. High shelf fees charged by the chains lead to high costs for introducing products.

For a more detailed description of Turkey's retail food market, please refer to FAS

Ankara Report TU4005, available on the FAS website www.fas.usda.gov.

III.2. Food Processing Sector

Large food processors have direct access to ingredient suppliers, and they are generally direct importers. On the other hand, small and medium sized food processors do provide ingredients from importers, international company representatives and wholesalers.



Artisanal products sold at "mom-pop" type stores have been a traditional bottleneck for the development of the packaged processed food market. The increasing number of supermarkets, hypermarkets, wholesale markets have increased sales of packaged and processed food.

The retail sector is one of the leading sectors in the Turkish economy. Industry sources estimate the total grocery store retail volume as USD 91 billion compared with 2005 volume as USD70 billion. Approximately US 40 billion is the estimated volume for the retail food market. In 2007, traditional food sellers, mainly open-air bazaars and mom-pop stores, are estimated to control 58 percent of the market, and organized modern markets compose 42 percent. It is calculated that modern retail stores are increasing their market share on average about two percent per year. The still very high share of traditional businesses in the overall retail sector has resulted in not very reliable turnover information for the sector.

Mergers and acquisitions caused further consolidations in the market. Gima has been acquired by Carrefour and Tansas by Migros. This allowed the Gima and Tansas to have easier access to capital and a sophisticated distribution network which in effect further developed and expanded the market.

The increasing popularity of large-scale supermarkets allow for a greater variety of products at lower prices for consumers and are driving the packaged food market forward. With the global economic crisis, discount supermarkets are gaining in popularity. For a more detailed description of retail sector, please refer to "Turkey

Retail Sector Market Brief" report TU7013 available on the FAS website www.fas.usda.gov

Advantages	Challenges
High export potential due to geographic proximity both to EU, Russian and Middle East markets.	EU exporters enjoy lower transportation costs.
The legislative framework needed to combat the unregistered economy is nearly complete. Implementation will ultimately enforce fair competition.	Turkey's presence in the EU customs union and continuing accession talks usually give EU suppliers a price advantage due to lower import duties and a regulatory advantage due to harmonization of regulations within the member/candidate states.
Being a candidate for EU membership coupled with the latest economic improvements makes Turkey a favored destination for FDI in the region.	Turkey places high import duties on many bulk agricultural commodities, processed food products and alcoholic beverages.
Additional demand for food products comes from the strong and growing tourism sector.	Recent trends in the tourism sector for low priced all-inclusive deals favors domestic food consumption by tourists.
The excellent reputation of U.S. food products is leading to increasing demand as economic conditions and purchasing power improve.	Turkey has a well-developed food-processing sector with quality products and competitive pricing. There is a rich base of agricultural production, providing ingredients for this sector.

For a more detailed description of Turkey's food processing sector, please refer to FAS Ankara Report TU 9000 available on the FAS website www.fas.usda.gov.

III.3. HRI Food Service

One growing trend in Turkey is to go out for breakfast or brunch at pastry shops, cafes, and restaurants. This developing part of the restaurant market usually offers open buffets and all inclusive fixed prices. This being the case, most of the menu items are domestically procured. Small amounts of imported food items are served in 5 star hotel's brunch menus, but the share is negligible.

Major changes in the lifestyles, incomes and consumption patterns of Turks in the last decade, in spite of sporadic down turns in the economy, means they are increasingly prone to eat meals and socialize over food outside of the home. A new and faster pace of life has also led people to find quicker meal solutions for their shortened lunch hours. An increasing number of fast food chains and restaurants in newly established shopping centers and hypermarket complexes are growing evidence of this newly emerging demand. This has led to the rapid development of two niche sectors; fast food and institutional food service.

One of the major problems in Turkey's HRI industry is the volume of unregistered establishments. For example, according to official figures of the Ministry of Culture and Tourism, as of 2006 there were 3344 hotels and resorts. However according to information from the Turkish Hotel Federation this number is actually around 6000 establishments.
Total food service revenue in 2007 is estimated to be about USD 19.5 billion. There is a trend in the HRI food service of shifting away from the traditional type of restaurants towards catered meals and fast food. The institutional catering sector has shown rapid growth in recent years, reaching USD 6.5 billion in 2007.

Though there is promising growth in the HRI sector as a whole, opportunities for U.S. food imports in large quantities remain limited, since it is possible to supply most food ingredients through domestic sources and import costs are exaggerated by high duties and complicated import procedures. For example, meat imports are banned and import and consumption taxes on wine are over 200 percent.

As a result, imported food and food ingredient consumption remains low – about 10 percent in hotels and restaurants that feature foreign cuisine, and only 3 percent in local HRI food service institutions. Imported items include rice, corn, pulses, chickpeas, vegetable oil (corn oil, soy oil), beans and other items used for catering such as specialty imported cheeses, hams, sauces, pastries, tropical fruits, seafood and alcoholic beverages.

The following is a summary of the advantages and challenges facing U.S. food products in the HRI Sector in Turkey:

Advantages	**Challenges**
The number of western fast food outlets is continuing to increase.	The Customs Union with the EU created a privileged position for EU country imports to Turkey.
Some U.S. products are more competitively priced than local products.	Transportation costs are less for products from neighboring countries.
The young and urban segments of Turkish society are becoming more receptive to new products and tastes.	There is a well-developed local food-processing sector providing most needed items.
The number of foreign cuisine restaurants	European (French & Italian) and Far Eastern

(Asian, Fusion, Italian etc.) and international hotel chains is increasing.	cuisine are still dominant in the foreign themed restaurants and hotels. High tariffs prevent the import of many specialty ingredients.

Section IV: Best High-Value Product Prospects

The best high-valued products for the imported food market (retail) are internationally recognized branded food products. These types of products in general account for 30 percent of overall imported food products. These include cocoa and instant coffee, chocolate and confectionary goods, cookies and crackers, breakfast cereal, cheese, alcoholic beverages, sauces, seafood and pet foods. A change in wine and beer import and distribution regulations now allows imported products to be sold in the retail market. This created new opportunities for U.S. wine and beer to be sold in the Turkish market, although taxes are high. Functional food items such as food supplements and "sports drinks" also represent a new opportunity for U.S. exports since it is a new sub-sector seeing rapid growth.

Section V: Key Contacts and Further Information

Organization	Contact Name	Address	Phone	Fax
The Union of Chambers of Commerce, Industry, Maritime Trade And Commodity Exchanges of Turkey/ *Turkiye Odalar ve Borsalar Birligi (TOBB)*	Mr. Rifat Hisarciklioglu Chairman	Ataturk Bulvari 149 Bakanliklar Ankara, Turkey	(90-312) 413-8000	(90-312) 418-3268
Ankara Chamber of Commerce / *Ankara Ticaret Odasi*	Mr. Sinan Aygun Chairman	Eskisehir Yolu Uzeri, II. Cadde No.5 06530 Sogutozu Ankara, Turkey	(90-312) 285-7951	(90-312) 286-2764
Ankara Chamber of Industry/ *Ankara Sanayi Odasi*	Mr. Nurettin Ozdebir Chairman	Ataturk Bulvari 193 06680 Kavaklidere Ankara, Turkey	(90-312) 417-1200	(90-312) 417-5205

Chamber of Marine Trade/ *Deniz Ticaret Odasi*	Mr. Metin Kalkavan Chairman	Meclisi Mebusan Cad. No: 22 34427 Findikli Istanbul, Turkey	(90-212) 252-0130	(90-212) 293-7935
Istanbul Chamber of Industry / *Istanbul Sanayi Odasi*	Mr. Tanil Kucuk Chairman	Mesrutiyet Cad. No.:62, 34430 Tepebasi Istanbul, Turkey	(90-212) 252-2900	(90-212) 249-5084
Istanbul Chamber of Commerce / *Istanbul Ticaret Odasi*	Mr. Murat Yalcintas Chairman	Resadiye Cad. 34112, Eminonu Istanbul, Turkey	(90-212) 455-6000	(90-212) 513-1565
Aegean Chamber of Industry / *Ege Bolgesi Sanayi Odasi*	Mr. Ender Yorgancilar Chairman	Cumhuriyet Bulvari 63 35210 Pasaport Izmir, Turkey	(90-232) 455-2900	(90-232) 483-9937
SET-BIR (Union Of Dairy Producers)	Mr. Erdal Bahcivan, Chairman	Sehit Ersan Caddesi, Coban Yildizi Sok. No:1/ 14 Cankaya, Ankara, Turkey	(90-312) 428-4774	(90-312) 428-4746
BESD-BIR (Union of Poultry Producers)	Mr. Zuhal Dasdan, Chairman	8. Cadde, Cetin Emec Blv., 86 Sok. No.5A, Ovecler, Ankara	(90-312) 472-7788	(90-312) 472-7789
Turkish Flour Millers Federation/ *Turkiye Un Sanayicileri Federasyonui*	Mr. Erhan Ozmen, Chairman	Konrad Adenauer Cad. 248 No1/2, Yildiz, Ankara	(90-312) 440-0454	(90-312) 440-0364
Turkish Feed Millers Association/ *Turkiye Yem Sanayicileri Birligi*	Mr. Ulku Karakus, President	Cetin Emec Blv., 2. Cad., No.38/7, Ovecler, Dikmen-Ankara	(90-312) 472-8320	(90-312) 472-8323

Turkish Seed Industry Association/ *Turkiye Tohumcular Birligi*	Mr. Hakki Safak, Chairman	Mithatpasa Cad. 50/4 Fazilet Apt. 06420 Yenisehir, Ankara Turkey	(90-312) 432-0050	(90-312) 432-0050
Union of Pasta Producers/ *Makarna Sanayicileri Dernegi*	Mr. Murat Bozkurt, Secretary General	Cinnah Cad. No. 59/5, Cankaya, Ankara	(90-312) 441-5548	(90-312) 438-3433
Foreign Economic Relations Board / *Dis Ekonomik Iliskiler Kurulu - DEIK*	Mr. Rona Yircali Chairman	TOBB Plaza Talatpasa Cad., No.3, Kat:5 , 34394 Gultepe - Levent Istanbul, Turkey	(90-212) 339-5000	(90-212) 270-3092
Turkish-American Business Association / *Turk-Amerikan Isadamlari Dernegi*	Mr. Ugur Terzioglu, Chairman	Buyukdere Cad., Tankaya Apt., No.18, Kat:7, Daire:20, Sisli, 34360 Istanbul,Turkey	(90-212) 291-0916	(90-212) 291-0647
Turkish Industrialists and Businessmen Assn./ *Turk Sanayicileri ve Isadamlari Dernegi- TUSIAD*	Ms. Arzuhan Yalcindag Chairman	Mesrutiyet Cad., No.74 80050 Tepebasi Istanbul, Turkey	(90-212) 249-1929	(90-212) 249-1350
Assn. of Bursa Industrialists & Businessmen / *Bursa Sanayici ve Isadamlari Dernegi- BUSIAD*	Mr. Mehmet Arif Ozer Chairman	Kultur Park Ici Arkeoloji Muzesi Yani, 16050 Bursa, Turkey	(90-224) 233-5018	(90-224) 235-2350
Assn. of Foreign Capital Coordination /	Mr. Piraye Antika Chairman	Barbaros Bulvari Murbasan Sok.,	(90-212) 272-5094	(90-212) 274-6664

Yabanci Sermaye Koordinasyon Dernegi-YASED		Koza Is Merkezi B-Blok, Kat:1 34349 Besiktas, Istanbul, Turkey		
Independent Industrialists and Businessmen's Assn./ *Mustakil Sanayici ve Isadamlari Dernegi - MUSIAD*	Dr. Omer Cihad Vardan Chairman	Sutluce Mah. Imrahor Caddesi, No. 28, Beyoglu, Istanbul	(90-212)222-0406	(90-212) 210-5082
The Banks Association of Turkey / *Turkiye Bankalar Birligi*	Mr. Ersin Ozince Chairman	Nispetiye Cad., Akmerkez B3 Blok, Kat:13-14 80630 Etiler Istanbul, Turkey	(90-212) 282-0973	(90-212) 282-0946
Turkish Industrial Development Bank / *Turkiye Sinai Kalkinma Bankasi A.S.i-TSKB*	Mr. Halil Eroglu Chairman	Meclisi Mebusan Cad., No.:161 34427 Findikli Istanbul, Turkey	(90-212) 334-5050	(90-212) 334-5234
Union of Turkish Agricultural Chambers / *Turkiye Ziraat Odalari Birligi*	Mr. Semsi Bayraktar Chairman	GMK Bulvari No:25 Demirtepe Ankara, Turkey	(90-312) 231-6300	(90-312) 231-7627
Chamber of Agricultural Engineers / *Ziraat Muhendisleri Odasi*	Mr. Gokhan Gunaydin President	Karanfil Sok., 28/12 Kizilay Ankara, Turkey	(90-312) 444-1966	(90-312) 418-5198
Chamber of Forest Engineers / *Orman Muhendisleri Odasi*	Mr.Ali Kucukaydin, Chairman	Necatibey Cad., 16/13, Sihhiye Ankara, Turkey	(90-312) 229-2009	(90-312) 229-8633
Market and Public Opinion Researchers	Mr. Temel Aksoy,	Istiklal Cad., Imam Adnan Sok., No 1,	(90-212) 249-2319	(90-212) 249-9956

Assn. / *Pazarlama ve Kamuoyu Arastirmacilari Dernegi*	Chairman	Kat:3, 34435 Beyoglu Istanbul, Turkey		
Advertising Firms Association / Reklamcilar Dernegi	Mr. Jeffi Medina President	Istiklal Cad., No.407, Kat;4, Beyoglu Istanbul, Turkey	(90-212) 243-9363	(90-212) 243-9370
Advertisers Association / *Reklam Verenler Dernegi*	Mr. Hakan Guner, President	Nispetiye Cad. Yanarsu Sok. Mustafa Celik Apt. No: 58 D2,Etiler, IStanbul	(90-212) 351-5548	(90-212) 351-5748
Food Importers Association / *Tum Gida Ithalatcilari Dernegi-TUGIDER*	Mr. Mustafa Manav President	Buyukdere Cad. No:64/13 Somer Apt. Kat:5 Mecidiyekoy, Istanbul Turkey	(90-212) 347-2560	(90-212) 347-2570
Beverage Producers Association / *Mesrubatcilar Dernegi MEDER*	Mr. Haldun Erkli President	Bedri Rahmi Ataturk Bulvari, Ata Apt. No: 231/16 Kavaklidere Ankara	(90-312) 426-6151	(90-312) 426-0638
Turkish Franchising Association / *Ulusal Franchising Dernegi-UFRAD*	Dr. Mustafa Aydin President	5. Yol Mahallesi Inonu caddesi No 40 Sefakoy Kucukcekmece Istanbul	(90-212) 425-6151	(90-212) 425-5759
Paper and Paper Pulp Industrialists Foundation / *Seluloz ve Kagit Sanayicileri Vakfi*	Mr. Erdal Sukan Chairman	Buyukdere Cad., Cinar Apt., No95, Kat:3, D:11-12 Mecidiyekoy Istanbul, Turkey	(90-212) 275-1389	(90-212) 217-8888
Turkish Clothing Manufacturers	Mr. Ahmet Nakkas	Mehmet Akif Cad., Haydar	(90-212) 639-7656	(90-212) 451-6113

Assn. / *Turkiye Giyim Sanayicileri Dernegi*	Chairman	Akin Is Merkezi No.: 2, 1. Sok., No.23, Kat:5 Sirinevler Istanbul, Turkey		
International Overland Transporters Assn. / *Uluslararasi Nakliyeciler Dernegii*	Mr. Tamer Dincsahin, Chairman	Nispetiye Cad., Seheryildizi Sok., No.10, Etiler Istanbul, Turkey	(90-212) 359-2600	(90-212) 359-2626

V.1. Important Regulatory and Governmental Contacts

Ministry of Agriculture and Rural Affairs/ *Tarim ve Koyisleri Bakanligi*	Mr. Mehmet Mehdi Eker, Minister	Eskisehir Yolu, 9. Km., Lodumlu, Ankara	(90-312) 287-3360	(90-312) 286-3964
General Directorate of Protection and Control/ *Koruma ve Kontrol Genel Mudurlugu*	Dr. Muzaffer Aydemir, Director General	Akay Cad. No. 3, Bakanliklar, Ankara	(90-312) 417-4176	(90-312) 418-6318
General Directorate of Production and Development/ *Uretim ve Gelistirme Genel Mudurlugu*	Ali Karaca, Director General	Eskisehir Yolu, 10. km Eski Koy Hizmetleri Binasi, Lodumlu, Ankara	(90-312) 287-3360	(90-312) 287-0041
Turkish Grain Board/ *Toprak Mahsulleri Ofisi*	Mesut Kose, Director General	Milli Mudafa Cad. No.18, Kizilay, Ankara	(90-312) 416-3000	(90-312) 416-3400
Ministry of Industry/ Sanayi	Mr. Nihat Ergun,	Eskisehir Yolu 7.Km.,	(90-312)	(90-312)

Bakanligi	Minister	No. 154, Sogutozu, Ankara	219-6500	219-6738
Undersecretariat of Foreign Trade/ *Dis Ticaret Mustesarligi*	Tuncer Kayalar, Under Secretary	Eskisehir Yolu, Inonu Bulvari No: 36, Emek, Ankara	(90-312) 204-7500	(90-312) 215-7018
Undersecretariate of Treasury/ *Hazine Mustesarligi*	Mr. Ibrahim Halil Canakci, Under Secretary	Inonu Bulvari No:36, Emek, Ankara	(90-312) 204-6000	(90-312) 212-2297
Ministry of Environment & Forestry/ Cevre ve *Orman Bakanligi*	Prof Dr. Veysel Eroglu, Minister	Sogutozu Cad. No 14/E, Ankara	(90-312) 207-5000	(90-312) 207-6299
Ministry of Health/ *Saglik Bakanligi*	Prof. Dr. Recep Akdag, Minister	Mithat PAsa Cad. No:3 Sihhiye, Ankara	(90-312) 585-1000	(90-312) 431-4879
Ministry of Finance/ *Maliye Bakanligi*	Mr. Mehmet Simsek, Minister	Dikmen Cad. No. 2, Bakanliklar, Ankara	(90-312) 415-2900	(90-312) 425-0058

V.2. Company Profiles of Leading Processors

TURKEY: COMPANY PROFILES OF LEADING PROCESSORS			
Sector and Company Name	**End-use Channel (Retail, HRI, Wholesale)**	**Plant/Company Location**	**Procureme Channels**
FRESH FRUIT			
Alara Tarim Urunleri San. Ve Tic. A.S. Mr Kerim Taner Tel: 90-224-280-8040 Fax: 90-224-371-7272 ktaner@alaraagri.com	HRI / Retail	BURSA	Direct
Taris Uzun Tarim Satis Koop. Birligi	HRI / Retail	IZMIR	Direct

Mr. Alı Rıza Turker Tel: 90-232-463-5500 Fax: 90-232-421-0066 muhaberat@taris.com.tr			
Ozler Tarim Urunleri Mr. Savas Keser Tel: 90-322-454-5143 Fax: 90-322-453-1372 marketing@ozler-tarim.com.tr	HRI / Retail	ADANA	Direct
UniFrutti Mr. Arturo Aravena Storaker Tel: 90-324-454-0860 Fax: 90-324-454-0858 aaravena@unitarim.com.tr	HRI / Retail	MERSIN	Direct
DAIRY PRODUCTS			
Pinar Sut Mamulleri A.S. Mr. Ergun Akyol Tel: 90-232-436-1515 Fax: 90-232-482-2200 ergun.akyol@pinarsut.com.tr	HRI / Retail	IZMIR	Importer/ Direct
Ak Gida San ve Tic A.S./Ulker Group Mr. Huseyin Avci Tel: 90-264-554-0000 Fax: 90-262-554-0020 akgida@superonline.com	HRI / Retail	SAKARYA	Importer/ Direct
Sutas Sut A.S. Mr. Muharrem Yilmaz Tel: 90-216-572-3050 Fax: 90-216-573- 46 12 sutas@sutas.com.tr	HRI / Retail	ISTANBUL	Importer/ Direct
Danone Sut Ms. Serpil Timuray Tel: 90-216-425-5690 Fax: 90-216-425-5680 serpil.timuray@danone.com	HRI / Retail	ISTANBUL	Importer/ Direct
SEK Sut - Tat Konserve - Maret Mr. K. Omer Bozer Tel: 90- 216-430 00 00 Fax: 216-430 80 11	HRI / Retail	ISTANBUL	Importer/ Direct
BEVERAGES			
Aroma Meyve Sulari ve Gida Mr. Mahmut Duruk Tel: 90-224-371-3939 Fax: 90-224-371-3949 aroma@aroma.com.tr	HRI / Retail	BURSA	Importer/ Direct
Dimes Gida San ve Tic A.S. Mr. Enver Diren Tel: 90-232-877-1400	HRI / Retail	IZMIR	Importer/ Direct

Fax: 90-232-877-0520 enver@diren.com.tr			
Coca-Cola Icecek A.S. Mr. Tuncay Özilhan Tel: 90- 216-528-4000 Fax: 90-216-365-8457 deniz_yucel@cci.com.tr	HRI / Retail	ISTANBUL	Importer/ Direct
Tamek Gida Mr.Haluk Oget Tel: 90-212-284-7766 Fax: 90-212-281-6839 info@tamek.com.tr	HRI / Retail	ISTANBUL	Importer/ Direct
Anadolu Efes Beer Mr. Tuncay Ozilhan Tel: 90-216-586-8000 Fax: 90- 90 216-389-5863 ir@efespilsen.com.tr	HRI / Retail	ISTANBUL	Importer/ Direct
Turk Tuborg/Carlsberg Ms. Roni Kobrovsky Tel: 90-212-366-4000 Fax: 90-212-276-2554 info@carlsberg.com.tr	HRI / Retail	ISTANBUL	Importer/ Direct
MEY ICKI A.S. Mr. Galip Yorgancioglu Tel: 90-212-373-4400 Fax: 90-212-373-4404 info@mey.com.tr	HRI / Retail	ISTANBUL	Importer/ Direct
Kavaklidere Wines Mr. Zeki Dogan Tel:90- 312 847 5073 Fax:90- 312 847 5077 kavak@kavaklidere.com	HRI / Retail	ANKARA	Importer/ Direct
Doluca Wines Ms. Ali Kutman Tel: 90-212-698-9830 Fax: 90-212-698-9838 info@doluca.com	HRI / Retail	ISTANBUL	Importer/ Direct
SUGAR AND CONFECTIONARY			
ETI Gida Mr. Basri Akcasoy Tel: 90-222-236-0892 Fax: 90-222-236-0416 etigida@etigida.com.tr	Wholesale / HRI / Retail	ESKISEHIR	Direct
Kent Gida & Cadburry Mr. Ozcan Tahincioglu Tel: 90-262-653-8090 Fax: 90-262-654-1930 info@kent.com.tr	Wholesale / HRI / Retail	KOCAELI	Direct
Kraft	Wholesale / HRI /	ISTANBUL	Direct

Gianluigi Arduini Tel: 90-216-489-5200 Fax: 90-216-489-5216	Retail		
Ulker Gida San ve Tic A.S. Mr. Murat Ulker Tel: 90-212-567-6800 Fax: 90-212-613-9090 ulkeras@ulker.com.tr	Wholesale / HRI / Retail	ISTANBUL	Direct
Nestle Mr. Geoffrey Watson Tel:90-212-329-6000 Fax:90-212-329-6043	Wholesale / HRI / Retail	ISTANBUL	Direct
SEA FOOD			
Dardanel Gida San A.S. Mr. Niyazi Oren Tel: 90-212-346-0510 Fax: 90-212-346-0523 dardanel@dardanel.com.tr	HRI, Retail	ISTANBUL	Direct
Kerevitas Mr. Mehmet Can Arkan Tel: 90-212-695-0000 Fax: 90-212- 676-0123 trade@kerevitas.com.tr	HRI, Retail	ISTANBUL	Direct
Pinar Deniz Urunleri Mr. Ufuk Demir Tel: 90-232-726-0265 Fax: 90-232-726-0260 ufuk.demir@pinardeniz.com.tr	HRI, Retail	IZMIR	Direct
CANNED FOOD			
Penguen Gida A.S. Mr.Aykan Sozucetin Tel: 90-224-470-1010 Fax: 90-224-4701515 aykan.sozucetin@penguen.com.tr	Wholesale / HRI / Retail	BURSA	Importer/ Direct
Tamek Gida Mr. Haluk Oget Tel: 90-212-284-7766 Fax: 90-212-281-6839 info@tamek.com.tr	Wholesale / HRI / Retail	ISTANBUL	Importer/ Direct
Tukas Mr. Ahmet Uysal Tel: 90- 232 865 15 55 Fax: 90- 232 865 11 45	Wholesale / HRI / Retail	IZMIR	Importer/ Direct
Tat Konserve –Sek Sut -Maret Mr. K. Omer Bozer Tel: 90- 216-430-0000 Fax: 90-216-430-8011	Wholesale / HRI / Retail	ISTANBUL	Importer/ Direct
Kerevitas Mr. Mehmet Can Arkan	Wholesale / HRI / Retail	ISTANBUL	Importer/ Direct

Tel: 90-212-676-0110 Fax: 90-212- 676-0123 trade@kerevitas.com.tr			
EDIBLE OILS			
Edirne Yag Sanayi (Olin) Mr. Okyar Yayalar Tel: 90-(284) 235 06 30 Fax: 90-(284) 235 06 20 olin@olin.com.tr	Wholesale / HRI / Retail	EDIRNE	Importer/ Direct
Marsa Sabanci Gida A.S. Mr. Alp Pidik Tel: 90-(0216) 544 14 14 Fax: 90-0216) 325 57 90 alp.pidik@marsa.com.tr	Wholesale / HRI / Retail	ISTANBUL	Importer/ Direct
Trakya Birlik Mr. Rafet Sezen Tel: 90-284-214-5522 Fax: 90-284-225-30 60 trakyabirlik@trakyabirlik.com.tr	Wholesale / HRI / Retail	EDIRNE	Importer/ Direct
Orucoglu Yag San ve Tic A.S. Mr. Celal Oruc Tel: 90-272-221-1133 Fax: 90-272-221-1132 info@orucogluyag.com.tr	Wholesale / HRI / Retail	AFYON	Importer/ Direct
MEAT & POULTRY PRODUCTS			
Pinar (Red Meat & Turkey) Mr. Zeki Ilgaz Tel: 90-232-877-0900 Fax: 90-232-877-0950 zekiilgaz@pinaret.com.tr	HRI, Retail	IZMIR	Direct
SEK Sut - Tat Konserve - Maret Mr. K. Omer Bozer Tel: 90- 216-430 00 00 Fax: 216-430 80 11	HRI, Retail	ISTANBUL	Direct
Banvit (Poultry & Red Meat) Mr. Omer Gorener Tel: 90-266-733-8600 Fax: 90-266-733-8618	HRI, Retail	BALIKESIR	Direct
Seker Poultry Mr. Osman Bor Tel: 90-266-733-8420 Fax: 90-266-733-8423 osmanbor@sekerpilic.com.tr	HRI, Retail	BALIKESIR	Direct
Keskinoglu Poultry Mr. Mehmet Keskinoglu Tel: 90-236-472-2572 Fax: 90-236-414-4517 keskinoglu@keskinoglu.com.tr	HRI, Retail	MANISA	Direct
HIGH VALUE ITEMS			

Dolfin Gida Mr. Cem Bensason Tel: 90-212-612 47 00 Fax: 90-212-612 47 57 dolfin@dolfin.com.tr	HRI, Retail	ISTANBUL	Direct
Demak Trade Nikola Marincic Tel: 90-212-289-0033 Fax: 90-212-289-8033 info@demaktrade.com	HRI, Retail	ISTANBUL	Direct
Koza Gida Mr Kerem Sezer Tel: 90-212-332-2040 Fax: 90-212-332-0700 info@kozagida.com.tr	HRI, Retail	ISTANBUL	Direct
ADCO Food Industry and Trade Mr. Randolph Mays Tel: 90-212-322-0400 Fax: 90-212-322-0419 randy@kemergida.com	HRI, Retail	ISTANBUL	Direct

Note on Trade Data and Tables A to F:

In mid 2006 the Turkish government stopped publishing complete trade data. According to the policy, if a given item is traded by three or fewer companies in any month, trade figures were shown as zero. Consequently, in the past years, it has become impossible to supply accurate import numbers. However in early 2009, Turkish government re-started publishing trade data. Hence, the previously published data was extensively revised. The tables below show the most recent data available.

Table A. Key Trade and Demographic Information

Agricultural, Fish & Forestry Total Imports From All Countries, USD and US Market Share (%): 2008	11.815 billion (16 percent)
Consumer–oriented agricultural total Imports From All Countries, USD and U.S. Market Share (%): 2008	1.545 billion (8.3 percent)
Cotton Imports From All Countries, USD and U.S. Market Share (%): 2008	1 billion (61.: percent)
Total Population	70.5 million
Number of Major Metropolitan Areas	7
Percentage of woman in the work force	28%
Unemployment rate	12.80%
Per Capita GDP 2008 (U.S. Dollars)	$10,436
Current Exchange Rate (US$ 1 = Turkish Lira)	1.48
Source: Global Trade Atlas, Turkish Statistical Institute, Central Bank of the Republic of Turkey	

Table B: Food and Agricultural Imports

Food and Agricultural Imports to Turkey (USD 1,000,000)						
Products	2006		2007		2008	
	World	U.S.A.	World	U.S.A.	World	U.S.A.
Live Animal	14.456	0.770	22.502	2.953	39.221	12.410
Coarse Grains	19.548	0.215	283.163	83.022	460.319	142.904
Fresh Fruits	100.486	0.053	137.418	0.080	146.528	0.237
Soybean Meal	63.913	26.370	99.278	39.708	159.000	52.682
Fruit and Vegetable Juices	23.597	0.071	34.668	0.268	35.591	0.455
Wine and Beer	5.032	0.296	4.805	0.180	6.687	0.256
Tobacco	172.308	26.803	220.168	32.292	287.125	40.623
Vegetable Oils	693.332	66.195	640.340	79.710	1,458.520	97.442
Soybeans	266.116	168.575	412.070	148.131	643.381	226.611
Hides and Skins	337.172	13.484	327.897	12.738	235.933	4.794
Logs and Chips	291.522	6.588	315.484	10.402	179.955	6.511
Cotton	971.573	530.951	1,279.813	818.718	999.871	618.919
Agricultural Products Total	5,363.816	1,067.957	7,480.517	1,586.504	10,539.482	1,838.562
Agricultural Fish and Forestry Products Total	6,385.207	1,101.961	8,735.392	1,630.979	11,815.630	1,901.382
Source : Global Trade Atlas						

Table C. Turkey's Consumer–Oriented Agricultural Imports (USD 1,000)

Turkish Consumer-Oriented Imports - Top 15 Suppliers			
	2006	2007	2008
Germany	139.892	159.890	160.792
Netherlands	97.858	120.741	133.965
United States	64.507	72.061	127.789
Italy	79.231	94.319	115.130
Ecuador	60.263	94.143	99.532
Poland	40.770	56.377	78.118
France	47.731	52.346	66.029
Thailand	29.722	34.779	55.892
Spain	36.155	37.473	51.137
Ukraine	23.525	39.458	49.029
Denmark	30.185	32.864	44.056
Switzerland	24.866	21.862	40.873
United Kingdom	24.785	37.219	36.461
China	12.252	24.017	32.976
Australia	16.261	29.503	32.550
World	1,065.746	1,319.108	1,545.390
Source : Global Trade Atlas			

Table D. Top 15 Suppliers of Fish & Seafood Products (USD 1,000)

Turkish Fish and Seafood Imports - Top 15 Suppliers			
	2006	2007	2008

Norway	31.579	41.494	51.694
India	2.648	4.688	7.360
United States	0.506	0.636	7.019
France	17.163	8.751	7.000
Morocco	9.086	7.041	6.103
Georgia	0.825	0.500	4.028
New zealand	0.160	0.531	3.779
Greece	6.519	8.095	3.018
Tunisia	2.019	0.695	2.896
Italy	0.611	1.521	2.804
Libya	2.086	2.280	2.629
Uzbekistan	0.269	2.887	2.628
China	1.206	1.002	2.147
Singapore	1.165	1.363	1.940
Spain	2.604	1.534	1.760
World	85.336	98.417	120.487
Source : Global Trade Atlas			

Table E. US Exports of Agricultural, Fish and Forestry Products to Turkey (USD 1,000)

Product	2006	2007	2008
	1000$	**1000$**	**1000$**
BULK AGRICULTURAL TOTAL	695,541	1,022,005	977,454
WHEAT	0	11,845	5,677
COARSE GRAINS	0	77,476	73,038
RICE	4,114	1,123	75,519
SOYBEANS	139,493	126,102	213,738
COTTON	512,417	767,115	536,325
TOBACCO	23,031	17,828	46,732
PULSES	1,257	1,092	10,488
PEANUTS	0	51	25
OTHER BULK COMMODITIES	15,228	19,372	15,911
INTERMEDIATE AGRICULTURAL TOTAL	205,843	350,679	523,690
SOYBEAN MEAL	20,650	41,553	52,202
SOYBEAN OIL	2,203	36	149
VEGETABLE OILS (EXCL SOYBEAN OIL)	58,924	79,392	110,515
FEEDS & FODDERS (EXCL PET FOODS)	27,976	96,444	238,466
LIVE ANIMALS	573	5,785	6,589
HIDES & SKINS	14,964	12,808	5,595
ANIMAL FATS	61,197	91,629	82,233
PLANTING SEEDS	5,603	6,242	12,939
SUGARS, SWEETENERS, & BEVERAGE BASES	1,602	521	1339
OTHER INTERMEDIATE PRODUCTS	12,150	16,269	13,663
CONSUMER-ORIENTED AGRICULTURAL TOTAL	128,927	122,924	194,465
SNACK FOODS (EXCL NUTS	1,670	825	2520
BREAKFAST CEREALS & PANCAKE MIX	22	62	25

RED MEATS, FRESH/CHILLED/FROZEN	0	404	420
RED MEATS, PREPARED/PRESERVED	7	17	49
POULTRY MEAT	64,711	55,274	66,004
DAIRY PRODUCTS	7,062	4,141	12,435
EGGS & PRODUCTS	2,161	251	0
FRESH FRUIT	15	130	144
FRESH VEGETABLES	21	60	397
PROCESSED FRUIT & VEGETABLES	1,518	907	1810
FRUIT & VEGETABLE JUICES	136	157	383
TREE NUTS	30,116	44,115	88,035
WINE & BEER	254	202	246
NURSERY PRODUCTS & CUT FLOWERS	1,017	86	110
PET FOODS (DOG & CAT FOOD	4,774	4,707	5,646
OTHER CONSUMER-ORIENTED PRODUCTS	15,441	11,586	16,252
FOREST PRODUCTS (EXCL PULP & PAPER)	9,389	16,236	41,369
LOGS AND CHIPS	5,233	4,100	18,603
HARDWOOD LUMBER	2,010	1,122	2,080
SOFTWOOD AND TREATED LUMBER	350	118	0
PANEL PRODUCTS (INCL PLYWOOD)	954	7,782	16,655
OTHER VALUE-ADDED WOOD PRODUCTS	841	3,115	4,030
FISH & SEAFOOD PRODUCTS, EDIBLE	1,127	1,313	9,370
SALMON, WHOLE OR EVISCERATED	38	0	5
CRAB & CRABMEAT	0	0	54
ROE & URCHIN (FISH EGGS)	0	84	217
OTHER EDIBLE FISH & SEAFOOD	1,089	1,229	9,093
AGRICULTURAL PRODUCT TOTAL	1,030,311	1,495,607	1,695,608
AGRICULTURAL, FISH & FORESTRY TOTAL	1,040,827	1,513,157	1,746,347
Source: Bico Reports			
*Note: Poultry meat exports to Turkey are transshipments from Mersin Free Trade Zone and it is not included in to the country total imports.			

Table F: Consumer Food and Edible Fishery Products

Turkey Imports (US$ Million)	Imports from the World			Imports from the U.S.			U.S. Market Share		
	2006	2007	2008	2006	2007	2008	2006	2007	2008
CONSUMER-ORIENTED AGRICULTURAL TOTAL	1,065.75	1,319.11	1,545.39	64.51	72.06	127.79	6.1%	5.5%	8.3%
Snack Foods (Excl. Nuts)	75.65	86.75	116.86	0.27	0.44	0.64	0.4%	0.5%	0.5%
Breakfast Cereals &	19.61	20.70	23.58	0.02	0.01	0.01	0.1%	0.0%	0.0%

Pancake Mix									
Poultry Meat*	N/A	N/A	N/A	64.71	55.27	66.00	N/A	N/A	N/A
Dairy Products (Excl. Cheese)	68,360.33	94,262.83	115,450.14	7.86	2.12	11.10	0.0%	0.0%	0.0%
Cheese	16.53	27.11	18.83	0.06	0.06	0.10	0.4%	0.2%	0.5%
Eggs & Products	103,261.00	14.07	12.63	2.74	0.62	0.16	0.0%	4.4%	1.3%
Fresh Fruit	100.49	137.42	146.53	0.05	0.08	0.24	0.1%	0.1%	0.2%
Processed Fruit & Vegetables	55.73	75.36	106.47	1.04	1.78	4.24	1.9%	2.4%	4.0%
Fruit & Vegetable Juices	23.60	34.67	35.59	0.07	0.27	0.46	0.3%	0.8%	1.3%
Tree Nuts	83.76	107.32	163.75	14.75	27.81	64.62	17.6%	25.9%	39.5%
Wine & Beer	5.03	4.81	6.69	0.30	0.18	0.26	5.9%	3.7%	3.8%
Nursery Products & Cut Flowers	48.87	52.40	57.74	0.26	0.10	0.13	0.5%	0.2%	0.2%
Pet Foods (Dog & Cat Food)	16.74	19.86	26.94	6.99	5.35	7.58	41.7%	26.9%	28.2%
Other Consumer-Oriented Products	525.59	621.06	687.62	30.10	33.23	38.26	5.7%	5.3%	5.6%
FISH & SEAFOOD PRODUCTS	85.34	98.42	120.49	0.51	0.64	7.02	0.6%	0.6%	5.8%
Other Fishery Products	60.35	63.66	80.00	0.36	0.50	6.94	0.6%	0.8%	8.7%
Source: Global Trade Atlas, Bico Reports									
*Note: Poultry meat exports to Turkey are transshipments from Mersin Free Trade Zone and it is not included in to the country total imports.									