United States Department of Agriculture
Foreign Agricultural Service

GAIN
Global Agricultural Information Network

Required Report: Required - Public Distribution **Date:** January 22, 2024

Report Number: TU2023-0042

Report Name: Citrus Annual

Country: Turkiye

Post: Ankara

Report Category: Citrus

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Report Highlights:

Fruit and vegetable prices in Türkiye reached their highest point in 2023 due to both high inflation and the country's struggle with high yield on citrus fruits. In MY 2023/24, citrus production in Türkiye is expected to increase around 90 percent to 7 million metric tons (MMT) due to favorable weather conditions in the spring and newly planted orchards in recent years. However, it is reported by Turkish producers that there are quality and fruit size issues due to low rainfall in spring 2023. Producers and exporters note that the Support Price Stabilization Fund (DFIF), which needs to be $80 per ton, is critical to their future profitability related to surplus production.

General Citrus Background

Fruit and vegetable prices in Türkiye reached their highest point in 2023 due to both high inflation and the country’s struggle with high yield on citrus fruits. In MY 2023/24, citrus production in Türkiye is expected to increase around 90 percent to 7 million metric tons (MMT) due to favorable weather conditions in the spring and newly planted orchards in recent years. However, it is reported by Turkish producers that there are quality and fruit size issues due to low rainfall in spring 2023. They believe that unusual climate factors have caused excessive production in MY 2023/24 and negatively affected the crop quality, therefore citrus producers need to sell their products at lower prices and under production cost. Lemon trees have been cut down by producers due to high input costs and low selling prices and planting areas have been converted to other horticultural crops which are more profitable. It is expected that the same situation will be seen with regard to tangerines trees.

Also, it is reported that there are yield losses of around 10-15% due to a lack of adequate cold chain logistics. According to Turkish citrus producers, this year’s harvest has been particularly difficult due to increasing production costs, economic uncertainties in export markets, and yield increases in competing markets such as Spain, Egypt, and Morocco leading to lower export prices.

Production costs in MY 2023/24 have risen substantially over the previous year due to increasing input prices. According to farmers, intensive efforts are required to maintain the trees through fertilization, pest mitigation, and irrigation. Higher energy, fuel, and electricity costs, as well as increasing labor costs, have become the main issues among citrus and orange juice producers. Fuel prices have increased 75.5 percent in 2023 when compared to the previous year. According to Turkish Statistical Institute (TurkStat), agricultural input prices increased 40.97 percent in September 2023, when compared with the same month of the previous year. On the other hand, minimum wage for workers has increased 220 percent in 2023.

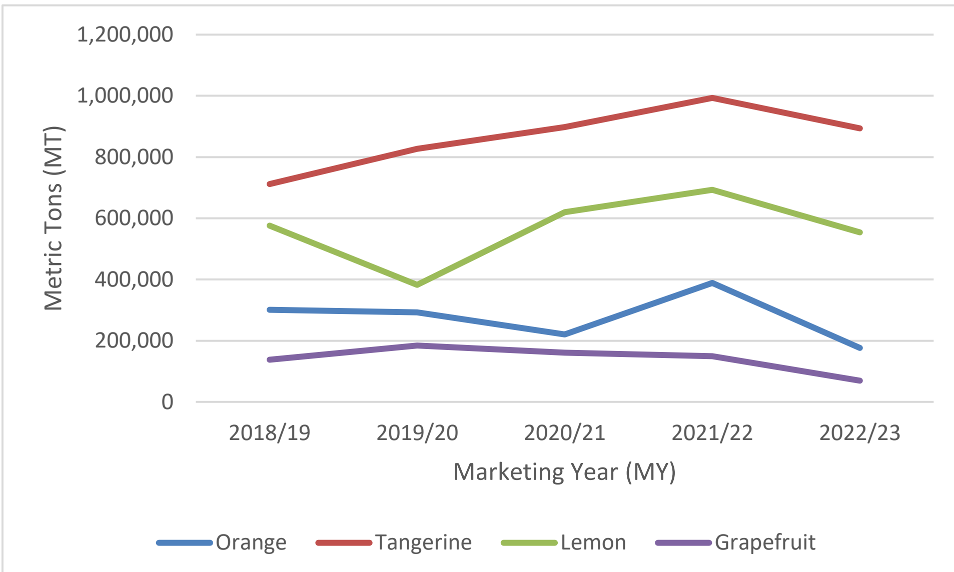
Exporters note that their export capabilities and profit margins have been decreasing year after year against stable exchange rates, despite high domestic inflations in retail markets and producer prices. Also, it has been noted that export subsidies have been requested from the Government of Türkiye (GoT) to overcome surplus production compete with other exporting countries, and rising export costs. Producers and exporters also note that the Support Price Stabilization Fund (DFIF), which needs to be $80 per ton, is critical to their future profitability related to surplus production. DFIF is a fund established within the budget framework in 1980, which aims to support sectors deemed important in terms of the country's economy, production, and employment in Turkiye and to provide subsidies for agricultural inputs.

Exporters also state that if DFIF is provided, it will enable packaging facilities to send fruits to distant export markets such as China.

With the Russia-Ukraine war, the devaluation of the Russian ruble, increasing export costs, rejected fruits due to pesticide levels, and difficulties reaching export credits, Turkish exports continue to face export difficulties. However, Turkish exporters remain hopeful that they can increase their exports to Russia, since there are still export sanctions from some European countries.

Turkish citrus exporters also have concerns about China`s increasing power related to the export of citrus to Russia, since currently Türkiye exports 60 percent of the total citrus imported by Russia. Also, they believe that South Africa, Egypt, Morocco, and Iran have become competitors with Türkiye on citrus exports to Azerbaijan. For this reason, exporters think that the quality of their fruit is crucial.

Figure 1. Turkish Citrus Exports by Products



Source: Trade Data Monitor, LLC

Harmonized System (HS) Codes:
Oranges 080510
Tangerines/Mandarins 080520, 080521, 080522, 080529
Lemons 080550
Grapefruits 080540
Orange Juice 200911, 200912, 200919

Abbreviations used in this report:

FAS	USDA Foreign Agricultural Service
TDM	Trade Data Monitor, LLC
MT	Metric ton (1,000 kg)
MMT	Million Metric Tons

GoT	The Government of Türkiye
MinAF	Turkish Ministry of Agriculture and Forestry
MY	Marketing year
PS&D	Production, Supply and Distribution
TL	Turkish Lira
TurkSTAT	Turkish Statistical Institute
USD	U.S. Dollar

Figure 2: Citrus Growing Areas in Turkiye

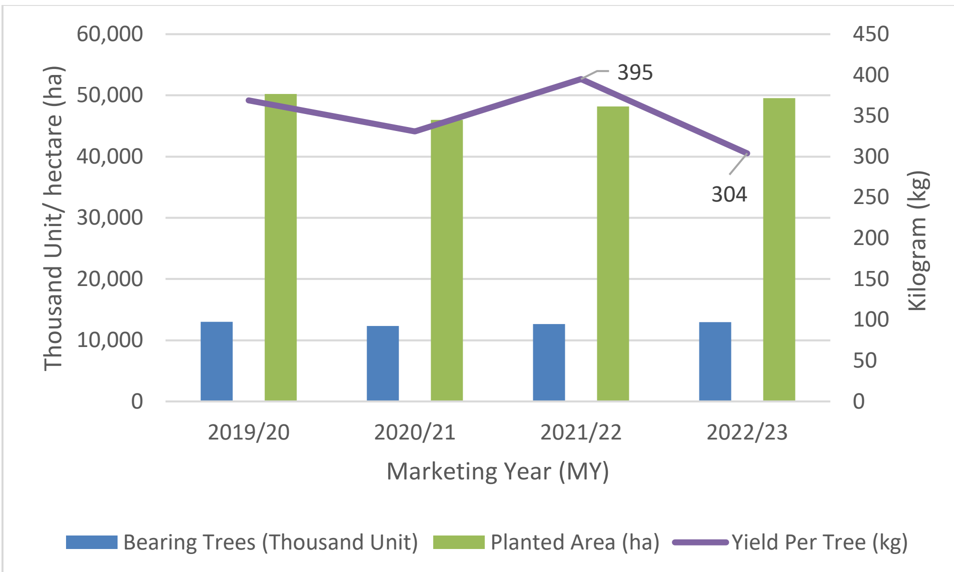
Source: Turkish Citrus Council.

Commodities:
Oranges, Fresh

Production:
In MY 2023/24, the orange yield is forecast to increase 31 percent to 1.73 MMT due to favorable weather conditions in spring 2023. The yield increase is expected to be seen mostly with the Washington variety, which accounts for 70 percent of total orange production. The yield increase is mostly going to be seen in the Aegean region. In MY 2022/23, Türkiye produced 1.32 MMT of oranges, which was 24.5 percent less than MY 2021/22 (1.75 MMT), due to freezing weather conditions reaching -7 C during the orange blossoming period in March 2022. This cold snap affected the maturity process of the fruit, despite a slight increase in bearing trees (Figure 3).

The majority of orange production in Turkiye can be found in *Antalya* province, and the orange harvest for MY 2023/24 started with early varieties such as *Navelina* and *Fukomato* on October 20. Farmgate prices have fallen 20 percent from the previous season, and are now 8-10 TL/kg ($0.2-0.3), though retail prices remain high at 20-25 TL/kg ($0.7-0.9)

Figure 3. Turkiye Orange Orchard Area(ha), Bearing and Non-bearing Trees and Yield Per Tree (kg), Marketing Years (MY) 2019-2023



Source: TurkSTAT, 2023

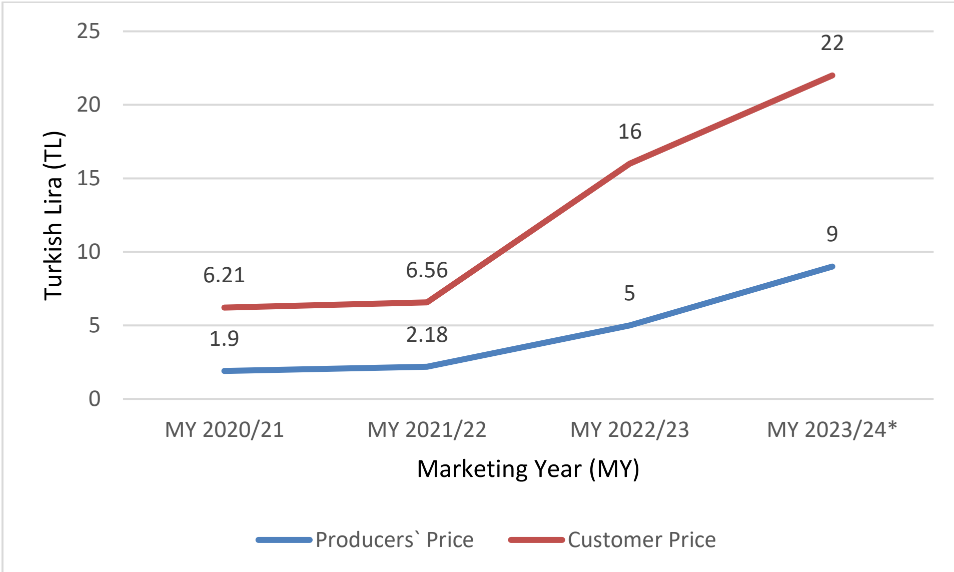
The Mediterranean fruit fly remains a major concern, causing quality and quantity losses. To combat the pest, the Ministry of Agriculture and Forestry (MinAF) has begun distribution of pheromone traps for fruit flies to farmers free of charge through provincial offices and member associations.

Consumption:

In MY 2023/24 orange consumption is expected to increase to 1.4 MMT due to higher production, however retail market prices are still high due to rising transportation and market costs such as electricity and packaging. Marketing Year 2022/23 orange consumption was realized at 1 MMT, 15 percent less than MY 2021/22 (1.3 MMT). According to the latest data published by TurkSTAT, orange consumption per capita was 9.8 kg.

The average retail price for oranges is about three times more than the farm gate price, as shown in Figure 4. This price difference is attributed to traders and transportation and logistics companies marking up the prices as the product makes its way to retail shelves. Other citrus products also face large price differences between the farmgate and retail stores for the same reason.

Figure 4. Orange Producers' Price versus Retail Market Price, MY 2020/21- MY 2023/24



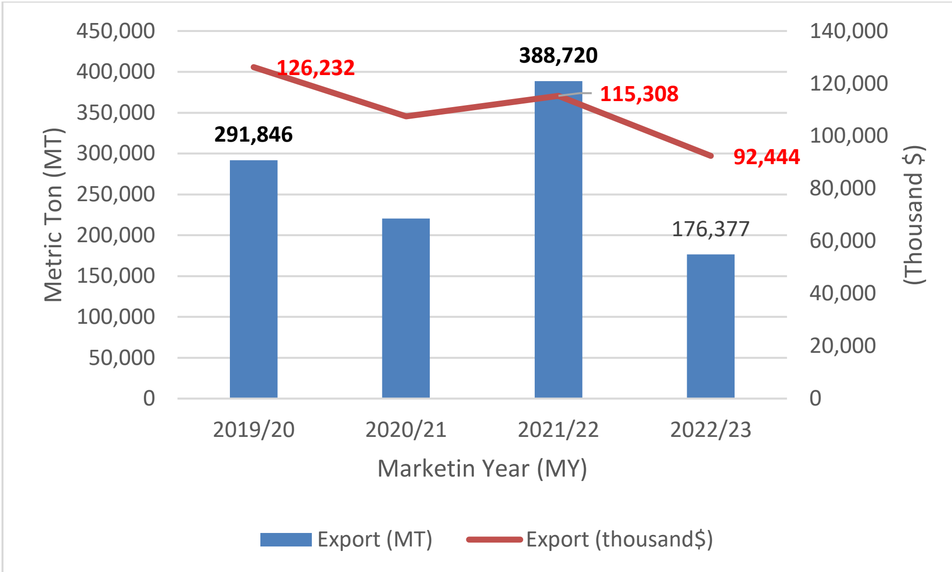
Source: TurkSTAT, 2023 (With exchange rate 28.8 TL to $1 USD as of December 2023)

Trade:

Orange exports in MY 2023/24 are expected to increase 39.7 percent to 246,000 MT when compared with the previous season, in correlation with increased yield and foreign demand. Despite these increases, though, Turkish exporters have concerns about competitor countries` high yields and their lower export. Turkish exporters continue to lobby for export subsidies and consider them crucial in order to cope with export costs and competition.

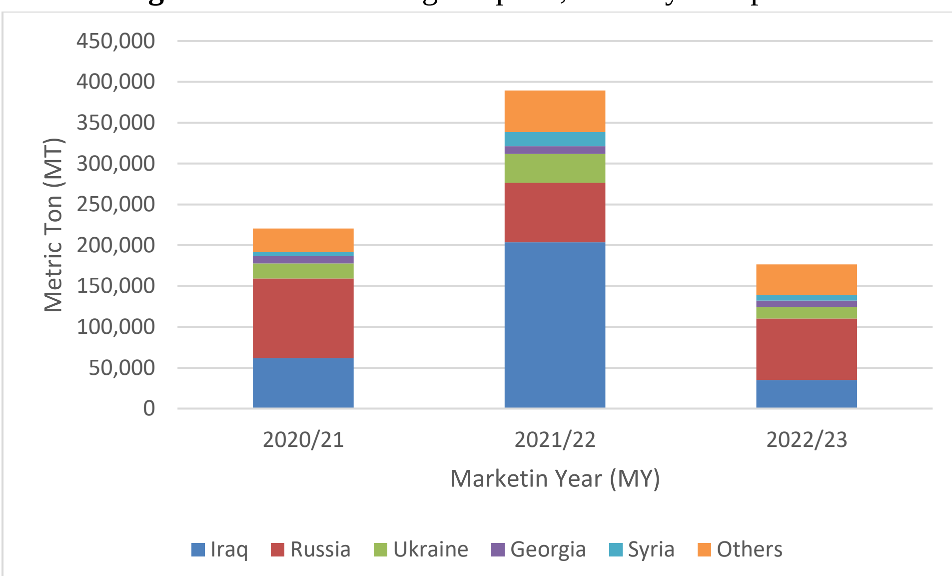
In MY 2022/23 Turkiye exported 176,377 MT of oranges, which was 54 percent less than in MY 2021/22 (389,000 MT). This decrease was based on the lower production due to freezing weather conditions during the orange blossoming period in March 2022, despite increased planting area and bearing trees. Additionally, the February 2023 earthquakes also influenced citrus exports, as 70 percent of Turkish production is from the Mediterranean region. In MY 2022/23, there was a significant decrease in orange exports to Iraq due to Turkish producers shifting to supply the Russian market which has more profitable export prices. Additionally, Iraqi producers are making concerted efforts to influence Iraqi financial institutions to lessen support for the imports of fruits and vegetables in order to support domestic production. Russia, Iraq, and Ukraine are the main Turkish orange export markets.

Figure 5. Turkiye Orange Exports (MT) and Export Value ($) Comparison



Sources: Trade Data Monitor, LLC

Figure 6. Turkish Orange Exports, Country Comparison



Sources: Trade Data Monitor, LLC

As of January 2022, to address MRL concerns, the EU and UK started requiring a conformity certificate for Turkish oranges. To qualify for a conformity certificate, shipments must be tested for certain residues prior to export. The requirement adds extra costs for exporters. Turkish orange exports to the UK are still subject to increased testing for pesticides on arrival. The rate of testing by shipment is 50 percent.

Imports:
Orange imports in MY 2023/24 are expected to stagnate at 30,000 MT due to surplus of domestic production. In MY 2022/23 Turkiye imported 31,000 MT of orange from the Turkish Republic of Northern Cyprus (TRNC). Turkiye's orange imports depend on domestic production, but the imports from TRNC are also a way for Turkiye to economically and politically support TRNC.

Table 1: PSD Oranges, Fresh
Production, Supply and Distribution Statistics:

Oranges, Fresh	2021/2022		2022/2023		2023/2024	
Market Year Begins	Oct 2021		Oct 2022		Oct 2023	
Turkey	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HECTARES)	48176	48176	49535	49535	0	51000
Area Harvested (HECTARES)	48176	48176	50000	50000	0	51000
Bearing Trees (1000 TREES)	12620	12620	12966	12966	0	14000
Non-Bearing Trees (1000 TREES)	1210	1210	1786	1786	0	1700
Total No. Of Trees (1000 TREES)	13830	13830	14752	14752	0	15700
Production (1000 MT)	1750	1750	1320	1320	0	1731
Imports (1000 MT)	45	45	43	31	0	30
Total Supply (1000 MT)	1795	1795	1363	1351	0	1761
Exports (1000 MT)	389	389	185	176	0	246
Fresh Dom. Consumption (1000 MT)	1296	1284	1068	1083	0	1394
For Processing (1000 MT)	110	122	110	92	0	121
Total Distribution (1000 MT)	1795	1795	1363	1351	0	1761
(HECTARES) ,(1000 TREES) ,(1000 MT)						

Commodities:
Tangerines/Mandarins, Fresh

Production:
MY 2023/24, overall tangerine production is forecast to increase 55 percent to 2.88 MMT due to favorable spring rains and temperature conditions during blossoming in March 2023. The tangerine harvest for MY 2023/24 started with early varieties such as *Eary-N*, *Okitsu*, and *Miho Wase* on September 25, at their normal harvest time.

Farmgate prices are 7-8 TL/kg ($0.2), and producers are still not able to compensate for their high production costs. On the other hand, consumer prices are also high at 20-30 TL/kg ($0.70- $1), which is a100 percent increase over the previous year. Turkish producers have concerns about harvest period labor shortages, while workers complain about low daily wages.

The yield in the Aegean region is expected to increase more than 100 percent due to favorable temperature conditions in spring 2023. However, rains in spring 2023 have caused the size of tangerines which are smallest then the previous seasons. Producers think that tangerines may not be fit for import specs of countries.

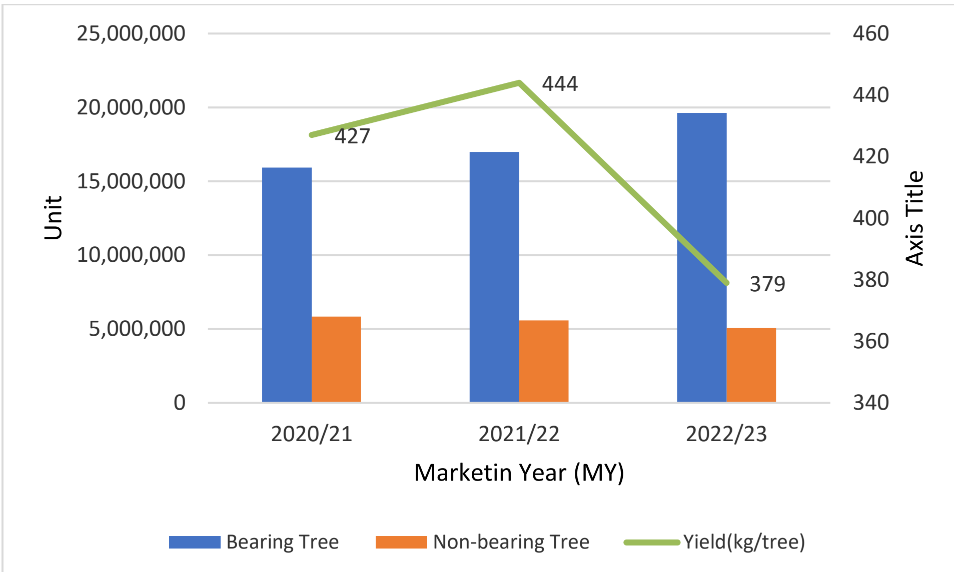
Picture 1. Tangerines Ready to Export from Aegean Region

The *Satsuma* variety is the most widely produced variety in the region and is crucial for both domestic consumption and exports. Eighty percent of total *Satsuma* production is sent to exports. Future production volume in the region is uncertain because of increasing construction and tourism investments on what was traditionally agricultural land close to the Aegean.

According to producers, the *W.Murkott* variety has been excessively planted due to its preferability by consumers, however producers have concerns about over production next year and decreasing profitability.

The MY 2022/23 mandarin production was 1.86 MMT, resulting from favorable weather conditions in the Mediterranean region. In MY 2021/22 Turkiye produced 1.81 MMT of tangerines. Most tangerines in Turkiye are produced in the Hatay province, on the Mediterranean coast bordering Syria.

Figure 7. Turkiye Tangerine Bearing and Non-bearing Trees and Yield per tree Comparison, MY 2020/21- MY 2022/23



Source: TurkSTAT, 2023

Tangerines are the most produced citrus fruit in Turkiye, with 84 percent of tangerines being produced in the Mediterranean region. *Satsuma* is the dominant variety in this region.

Tangerine producers are also struggling with labor shortages and rising input costs, such as fuel, electricity, fertilizers, and crop protectants. According to growers, tangerines are the most expensive fruit to produce. With producer prices remaining below production costs, about one third of tangerines remained in orchards without harvesting in MY 2023/24. Another problem facing tangerines producers is the effect of climate change, which has had a noticeable impact on the quality and quantity of fruit.

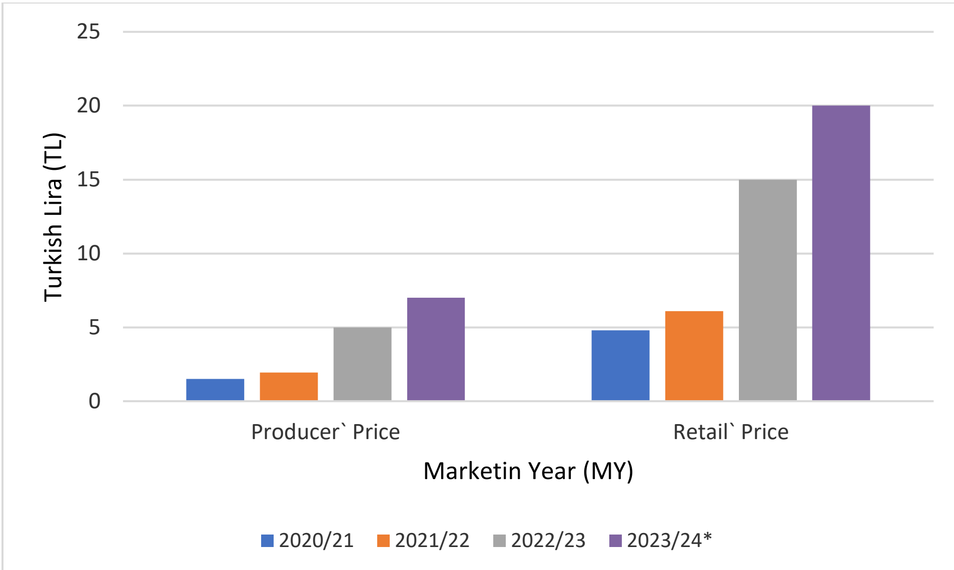
Consumption:

In MY 2023/24, Turkiye's domestic consumption of tangerines is estimated to increase to 1.59 MT because of high production. This is despite high market prices and ongoing efforts to increase export sales, as well as the later onset of winter (when Turks tend to eat more tangerines).

The mandarin consumption figure for MY 2022/23 is revised upward from the USDA official number to 1.02 MT. This increase is based on adequate domestic production and unexpected export decreases. In MY 2021/22, Turkiye's domestic consumption of tangerines was 872,000 MT due to increased orchard areas and bearing trees and increased consumption rates of 9.29 kg per capita.

Citrus producer representatives are calling on municipalities to buy fruits from farmers slightly above their cost and to deliver to the public at an affordable price. It is their hope that by doing so, they will increase domestic demand and reduce crop losses.
The alternative is that tangerines will be sold at a much higher price in the coming seasons if producers continue to uproot citrus trees due to a lack of demand.

Figure 8. Turkish Tangerines Prices at Local Markets and Gate Price Comparison



Source: TurkSTAT, 2023 (With exchange rate 28.8 TL to $1 USD as of December 2023). *MY 2023/24 consists of October 2023- November 2023 prices).

In Turkiye, tangerines constitute about 26 percent of total citrus consumption. However, due to low consumption, citrus producers warn that if production surplus cannot be used for increased exports, fruits will unfortunately be left to rot on trees, or it will lead to uprooting of trees.

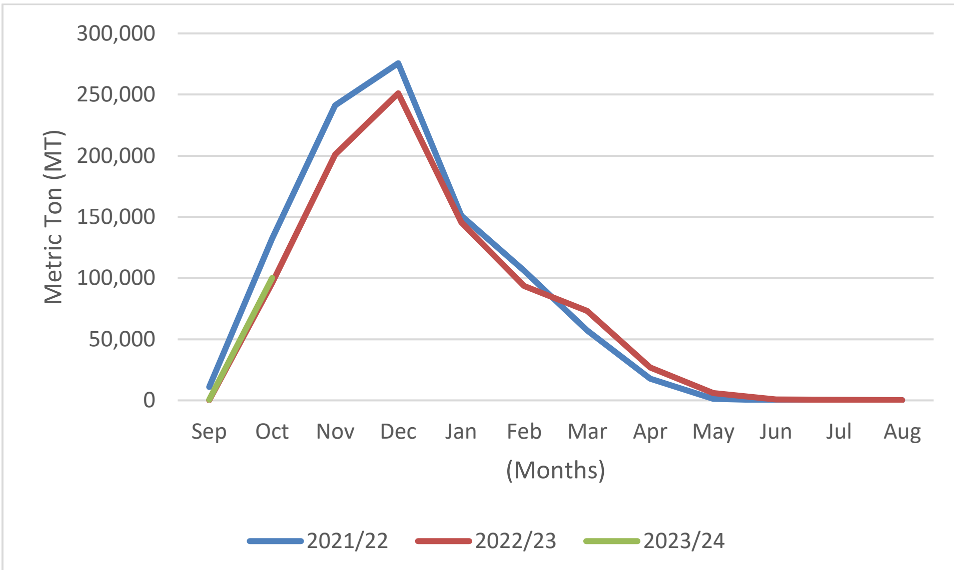
Trade:
Tangerine exports for MY 2023/24 are forecast to jump to 1.3 MMT due to both high yield and quality. Tangerine exporters believe that the yield in European Union countries will be low this year due to drought conditions, which will be advantageous for Turkish tangerine exporters. However, exporters continue to seek supports from the GoT regarding packaging, packaging materials, and transportation costs against high exchange rates. They also require the Support Price Stabilization Fund (DFIF), which should be set at $80/ton, but which has been applied as 1,500 TL ($52.5)/ton, in order to turn realize profits from this year's production.

Most *Satsuma* tangerines are being exported to Russia, Ukraine and Serbia. Exports to Iraq decreased last year, following the Iraqi government's decision to slow imports of fruits and vegetables in order to support domestic production. This also contributed to fluctuating export prices last year for Turkish exporters.

Tangerine exports in MY 2022/23 were realized at 894,276 MT, valued at $520 million due to lower yields, decreasing exports to Iraq, the Russia-Ukraine war, and recession in Europe. However, export revenue was stable at $520 million. Turkiye exported 993,000 MT of tangerines ($476 million) in MY 2021/22. (Figure 10)

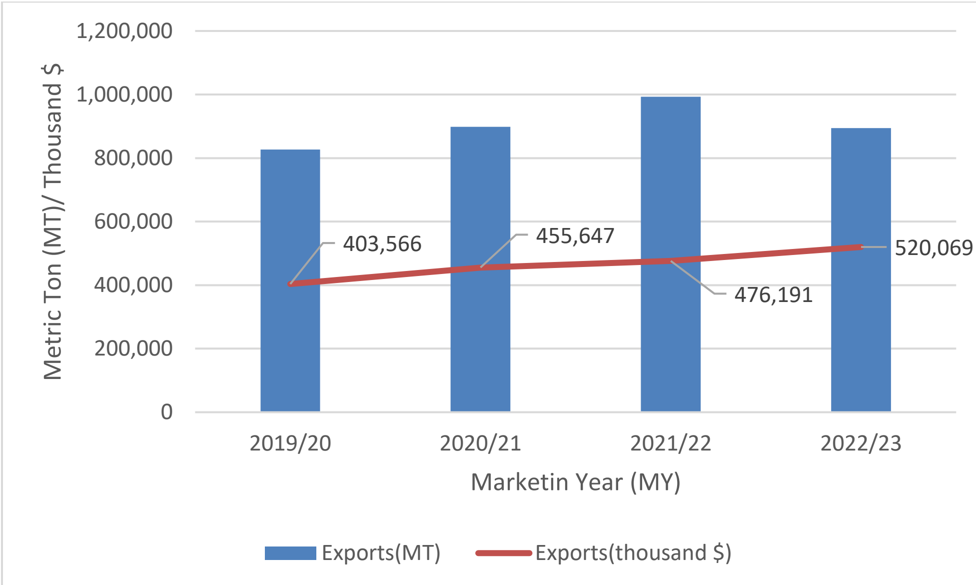
In Turkiye, the export season for tangerines starts in September and October, with strong demand from Iraq in MY 2023/24.

Figure 9. Turkish Tangerine Exports, Monthly Comparison Table from MY 2021/22 to MY 2023/24



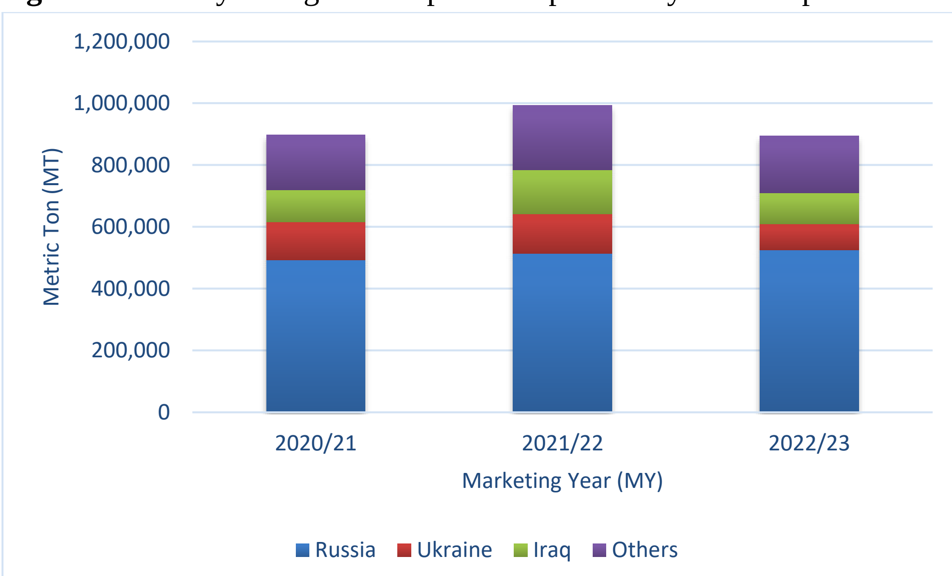
Source: Trade Data Monitor, LLC

Figure 10. Turkiye Tangerine Export Comparison in MT vs USD



Source: Trade Data Monitor, LLC

Figure 11. Turkiye Tangerine Export Comparison by Main Export Markets



Source: Trade Data Monitor, LLC

Like oranges, tangerine exports to EU countries require a conformity certificate. In addition, as of January 2022 Turkish tangerine exports to the UK are now subject to increased testing for pesticides on arrival. The rate of testing by shipment is now 50 percent.

Imports:
Tangerine imports in MY 2023/24 are expected to decrease slightly to 50,000 MT due to a surplus of domestic production. In MY 2022/23 Turkiye imported 52,000 MT of tangerines, mostly from the Turkish Republic of Northern Cyprus (TRNC). In MY 2021/22, tangerine imports were realized at 56,000 MT. Turkiye's tangerine imports depend on domestic production, but the imports from TRNC are also a way for Turkiye to economically and politically support TRNC.

Table 2: PSD Tangerines, Fresh
Production, Supply and Distribution Statistics:

Tangerines/Mandarins, Fresh	2021/2022		2022/2023		2023/2024	
Market Year Begins	Sep 2021		Sep 2022		Sep 2023	
Turkey	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HECTARES)	60719	0	67853	67853	0	69000
Area Harvested (HECTARES)	60719	0	67853	67853	0	69000
Bearing Trees (1000 TREES)	16987	0	19620	19620	0	21000
Non-Bearing Trees (1000 TREES)	5571	0	5053	5053	0	5000
Total No. Of Trees (1000 TREES)	22558	0	24673	24673	0	26000
Production (1000 MT)	1810	1810	1860	1860	0	2883
Imports (1000 MT)	53	56	56	52	0	50
Total Supply (1000 MT)	1863	1866	1916	1912	0	2933
Exports (1000 MT)	994	993	990	894	0	1341
Fresh Dom. Consumption (1000 MT)	868	872	925	1017	0	1591
For Processing (1000 MT)	1	1	1	1	0	1
Total Distribution (1000 MT)	1863	1866	1916	1912	0	2933
(HECTARES), (1000 TREES), (1000 MT)						

Commodities:
Lemons, Fresh

Production:
In MY 2023/24 lemon production is expected to increase 20 percent to 1.58 MMT due to favorable weather conditions during spring 2023. According to producers, although yields are expected to be

higher than the previous season, quality concerns and disease and pest issues at orchards have arisen due to climate change and uncontrolled tree planting.

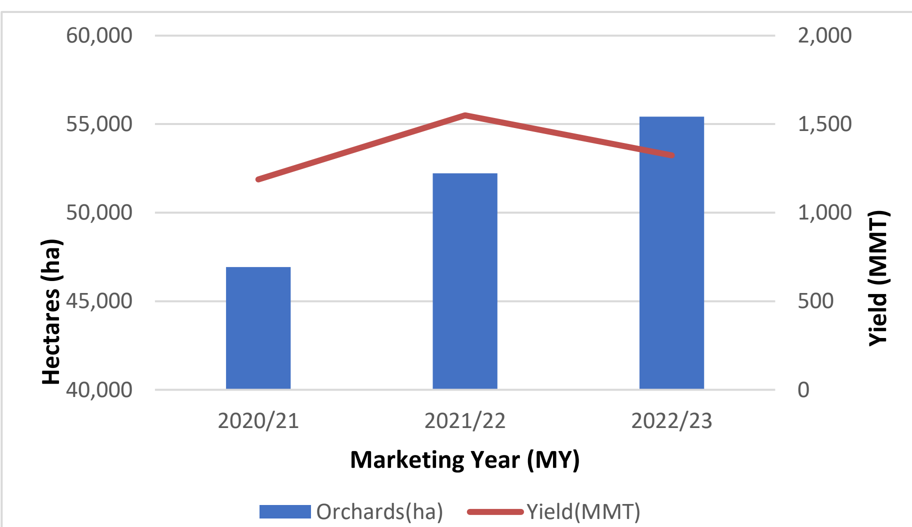
Lemon producers are disappointed by price decreases resulting from higher yields, after the export restrictions in 2021 and frost damage last year. For more information about the export restriction please see the latest GAIN- Citrus Semi-annual Report. On the other hand, the early lemon varieties in Mediterranean region are much smaller and of lower quality due to higher temperature conditions and lower humidity in August and July. In MY 2023/24, producer selling prices from orchards have decreased 40 percent when compared to MY 2022/23. For the same period, the biggest cost for production, fuel, increased 56 percent.

Turkish lemon producers continue to request "purchase supports" from the GoT in order to use lemons in food industry since there are excessive yields and most of the fruit is being left on the trees. Since the beginning of MY 2023/24 farmgate prices have fallen to 5-6 TL/kg ($0.2), below the previous season, and still are not enough to compensate their production costs due to high input costs.

MY 2023/24 started with *Mayer* variety lemons. According to producers, *Enterdonat* variety has been decreasing due to unfavorable weather conditions such as freeze and cold. Production of *Mayer* variety was steadily increasing up until this year since the variety is much more accustomed to cold weather conditions. Lemon orchards are more limited than some other citrus varieties in Turkiye since lemons are particularly sensitive to cold weather conditions.

Due to economic difficulties in production and exports, lemon trees have been cut down and converted to other fruit-bearing trees to increase profitability.

Figure 12. Lemon Orchards Area and Yield (MT) Comparison



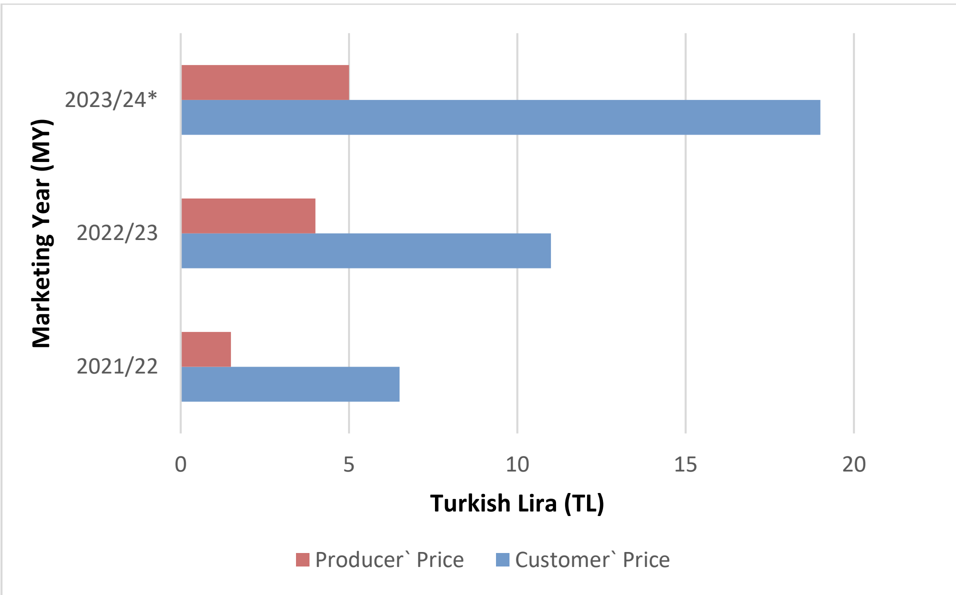
Source: TurkSTAT, 2023.

Marketing year 2022/23 lemon production reached 1.32 MMT, lower than the previous season due to freezing temperature conditions during blossoming in March 2022. Yield per tree in MY 2022/23 decreased to 90 kg from 114 kg when compared with the previous season. In MY 2021/22 lemon production was 1.5 MMT.

Half of the total lemon production in Turkiye is produced in Mersin province. The main problems reported by lemon producers in Turkiye are low farm selling prices versus high market prices, labor costs for tree trimming, diseases and pests, input costs (such as fuel, fertilizers, irrigation, and chemicals), crop quality, and marketing issues. The other important problem is the struggle to keep lemons in cold storage for export. Storage costs are expensive, and producers sometimes use workarounds; for example, producers in Urgup in Cappadocia use caves to store lemons.

Producers believe that Turkish citrus exporters should be supported by the GoT in terms of export subsidies. They think that the GoT` supports to citrus exporters would make benefit for citrus producers and producers would sell their fruits much more reasonable prices against high input costs.

Figure 13. Producer and Customer Price Comparison



Source: MinAF, 2023 (With exchange rate 28.8 TL to $1 USD as of December 2023). *MY 2023/24 includes the average data in September and October 2023.

In contrast to the low producer prices, supermarket prices are noticeably higher due to an increase in costs such as packaging, transport, and labor during the marketing process. Turks usually consume lemons fresh.

Consumption:

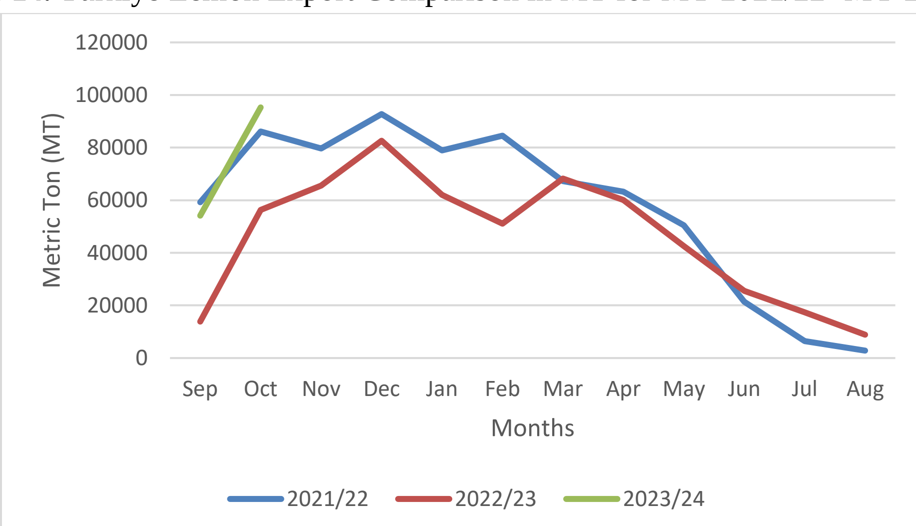
In MY 2023/24, lemon consumption is estimated to increase 24 percent to 900,000 MT due to high yields, however, lemon prices at domestic markets have been continuing to increase. Post included the number of fruits loss potentially unsold into consumption section. Consumer prices increased 60 percent in November 2023 when compared with the same month of the previous year, despite decreasing farmgate prices. The biggest price gap between supermarkets and orchards was seen in lemons in October 2023 at 650 percent.

In MY 2022/23 lemon consumption was 720,000 MT due to decreasing domestic lemon demands. High input and processing costs are increasing lemon prices at domestic markets. Also, the earthquake in February 2023 negatively affected lemon consumption by reducing transportation from the orchards to cities and reducing labor power at orchards. In MY 2021/22, lemon consumption was 760,000 MT due to high production and decreasing lemon prices at markets.

Trade:

In MY 2023/24 lemon exports are expected to increase 15 percent to 637,000 MT due to supply. However, exporters have concern about lower demand from Russia and Ukraine due to decreasing purchasing power, increasing logistic costs, high yields in competitor exporting countries, and excessive planting of *Mayer* variety lemon trees without planning, which caused quality issues. According to exporters, the government's ban on lemon exports in 2021 to prevent domestic shortfalls amid the pandemic hampered Turkish lemon exports and caused export markets to loosen. Lemon producers are now requesting subsidies from the GoT to convert their excessive production into lemon sauce or juice to make them more value-added.

Figure 14. Turkiye Lemon Export Comparison in MT for MY 2021/22- MY 2023/24.



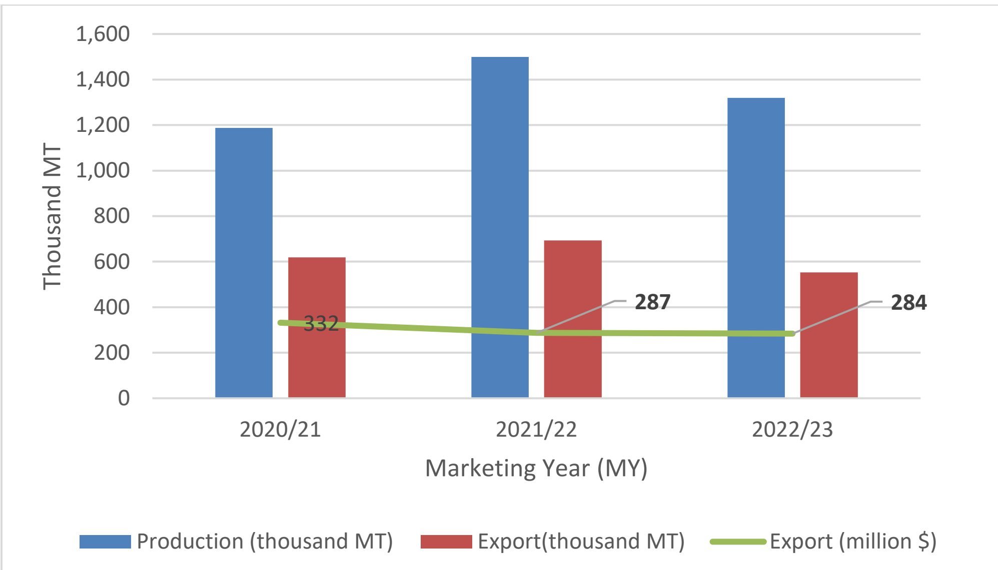
Source: Trade Data Monitor, LLC

In MY 2022/23 lemon exports were 554,000 MT, 20 percent lower than the previous year due to the lower harvest and decreased demands from foreign markets due to global lemon production increases and rising logistics costs. However, the total value was $284 million, like last year, due to higher export prices, especially for exports to Russia. Iraq and Russia are the main export markets for Turkiye. Additionally, most of the exporting companies were affected by the earthquake in February 2023. According to exporters, only 20 percent of the total lemon production was exported before the earthquake, and the rest was left on trees.

In 2021/22, Turkiye exported nearly 693,000 MT of lemons, valued at $287 million, which is 11 percent more on a volume basis than the previous year. Turkiye generally exports half of its total lemon production, and the export season starts in September every year with the *Meyer* and *Enterdonat* varieties.

As of January 2022, Turkish lemon exports to the EU and the UK are subject to increased testing for pesticides. The rate of testing by shipment has now been raised to 50 percent.

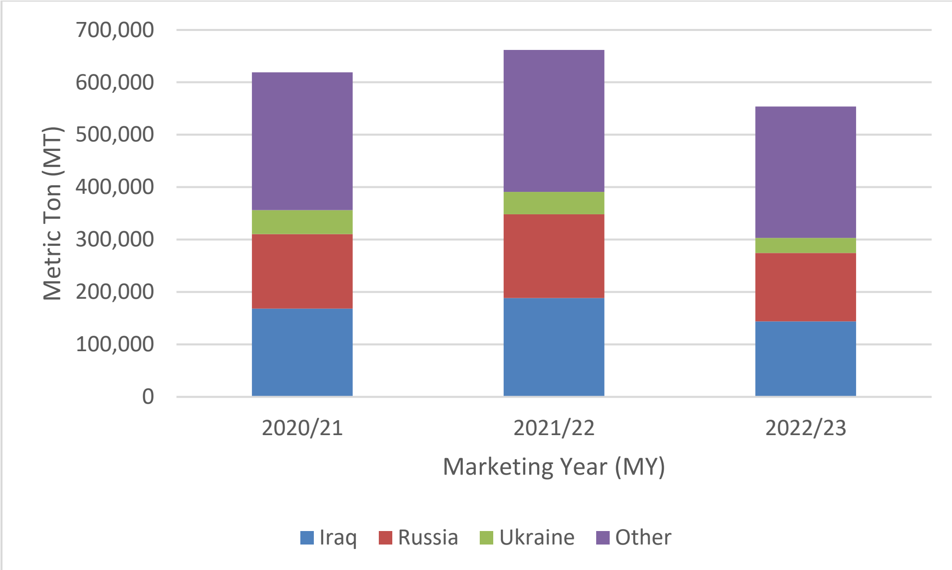
Figure 15. Lemon Production and Export Comparison, MY 2020/21-MY 2022/23



Source: Trade Data Monitor, LLC and TurkSTAT, 2023

The Mediterranean fruit fly remains the biggest concern among producers and exporters, as the pest is the reason for many of the rejections of Turkish lemons at EU and Russian ports. Excessively high MRLs account for the rest of the rejections. Turkiye has started to implement biological methods and traps supported by MinAF to combat the Mediterranean fruit fly. Additional concerns are the low unit export prices and the residues of products used to extend longevity in storage.

Figure 16. Turkish Lemons Top Export Markets, Comparison in MT



Source: Trade Data Monitor, LLC.

Turkiye imported a very low quantity of lemons, mostly from the Turkish Republic of Northern Cyprus (TRNC). Turkiye imports lemons from TRNC to economically support its close political ally, depending on the level of production there.

Table 3: PSD Lemons/Limes, Fresh
Production, Supply and Distribution Statistics

Lemons/Limes, Fresh	2021/2022		2022/2023		2023/2024	
Market Year Begins	Sep 2021		Sep 2022		Sep 2023	
Turkey	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HECTARES)	52233	52233	55426	55426	0	56500
Area Harvested (HECTARES)	52233	52233	55426	55426	0	56500
Bearing Trees (1000 TREES)	13539	13539	14699	14699	0	15500
Non-Bearing Trees (1000 TREES)	4112	4112	4676	4676	0	4600
Total No. Of Trees (1000 TREES)	17651	17651	19375	19375	0	20100
Production (1000 MT)	1500	1500	1320	1320	0	1584
Imports (1000 MT)	5	3	5	4	0	3
Total Supply (1000 MT)	1505	1503	1325	1324	0	1587
Exports (1000 MT)	693	693	600	554	0	637

Fresh Dom. Consumption (1000 MT)	762	760	675	720	0	900
For Processing (1000 MT)	50	50	50	50	0	50
Total Distribution (1000 MT)	1505	1503	1325	1324	0	1587
(HECTARES) ,(1000 TREES) ,(1000 MT)						

Commodities:
Grapefruit, Fresh

Production and Consumption:
In MY 2023/24, grapefruit production is expected to increase 9.5 percent to 217,000 MT due to favorable weather conditions during spring 2023. In MY 2022/23, grapefruit production was 198,000 MT, 20 percent lower than the previous year due to freezing temperatures in March 2022. Orchard areas and bearing tree decreased in MY 2022/23. Most of the grapefruit in Turkiye are produced in the Adana province. In MY 2021/22 grapefruit production reached 249,000 MT. Since production costs are high, as is the case with other citrus products, producers are not satisfied with the lower consumption and the low sales prices at farmgate and in wholesale markets.

In MY 2023/24, grapefruit consumption is expected to increase 14.7 percent to 117,000 MT due to sufficient supply. However, exporters believe that the consumption number also includes fruit losses since domestic demand for grapefruit is very small in Turkiye, and the fruit is mostly consumed as fresh-squeezed juice. Grapefruit consumption for MY 2022/23 was 102,000 MT, which is almost the same as MY 2021/22 (103,000 MT).

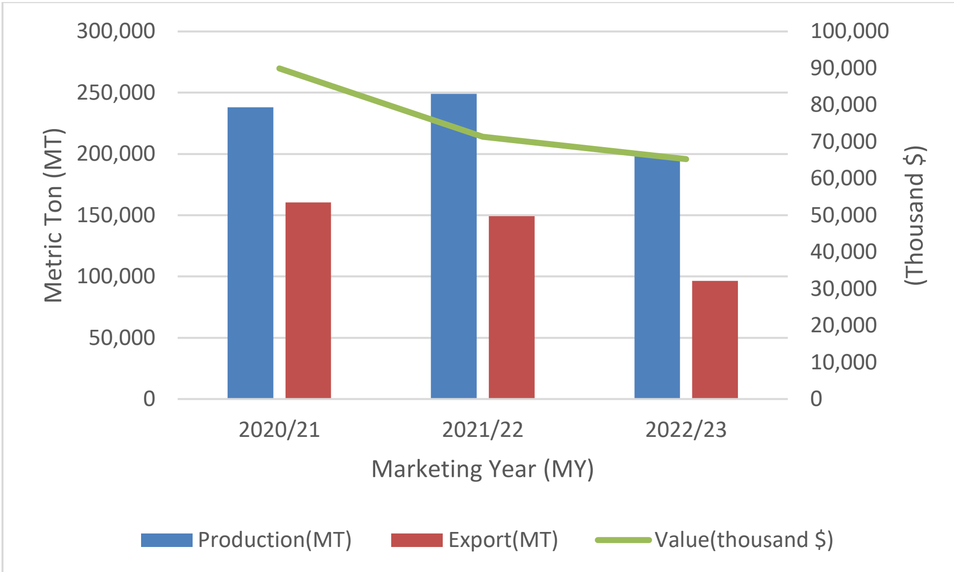
The gap between lower farmer wholesale prices and higher retail market prices remains a concern for farmers. In October 2023 retail prices were 169 percent higher than producer prices. Although grapefruit is not widely consumed in Turkiye, retail prices are still three times more expensive than farmgate prices.

Trade:
In MY 2023/24, grapefruit exports are expected to be 100,000 MT, 4 percent higher than MY 2022/23, due to expected higher export demand. The main export destinations are Russia, Poland, and Romania. Twenty percent of total grapefruit exports are sent to Russia. Exports have started with *Ruby Red, Rio Red* and *Marsh Seedless* varieties for MY 2023/24.

In October 2023 Turkiye exported 28 percent more grapefruit as compared with the same month of the previous year, most of which was sent to Russia. In MY 2022/23 grapefruit exports were 96,300 MT, valued at $65 million, 35.5 percent lower than MY 2021/22. In MY 2021/22, grapefruit exports were 149,359 MT and valued at $71 million. However, Russia is always a promising export market for

Turkish grapefruit. Turkish exporters believe that exports to Russia will recover since Russia has discontinued the import ban for Turkish grapefruits due to MRL and labelling concerns.

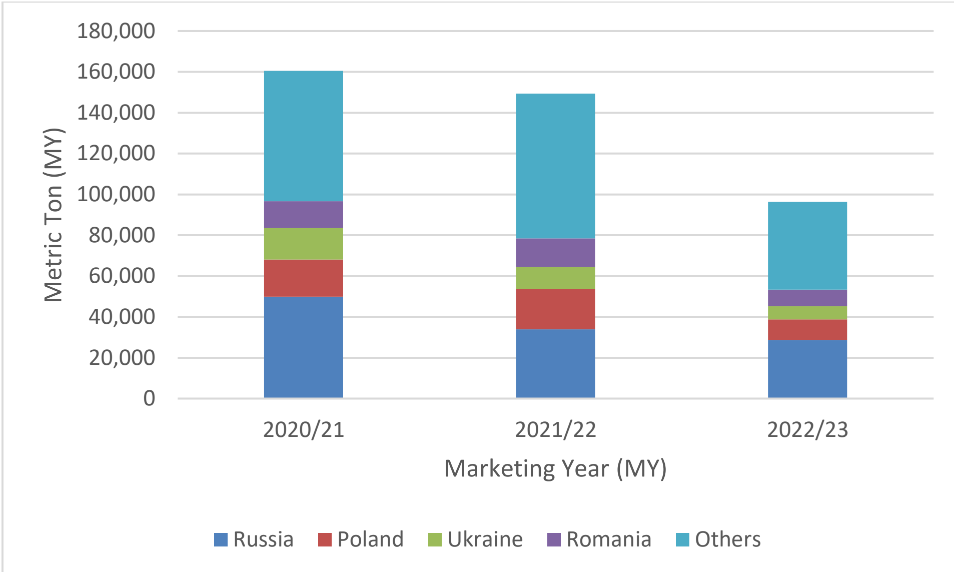
Figure 17. Turkiye's Grapefruit Production versus Exports (MT and $), MY 2020/21 –MY 2022/23



Source: Trade Data Monitor, LLC

Due to climate change, especially extreme temperatures, Turkiye is struggling to maintain sweetness in its grapefruit, and most grapefruits are sour and bitter. For this reason, Turkiye is not a stable supply market but is a backup possibility if the other large exporting countries are not able to produce enough grapefruits in a given year. Turkiye also has a geographic advantage for exports of citrus fruit to Iraq; however, grapefruit exports to Iraq are very small due to a lack of traditional grapefruit consumption in Iraq.

Figure 18. Turkiye's Grapefruit Exports by Top Destination, MY 2020/21 -MY 2022/23



Source: Trade Data Monitor, LLC

According to Turkish exporters, exports of citrus to geographically distant countries are becoming more difficult and expensive due to costs to meet technical requirements such as cold chain storage and rising transport costs.

Table 4: PSD Grapefruit, Fresh
Production, Supply and Distribution Statistics

Grapefruit, Fresh	2021/2022		2022/2023		2023/2024	
Market Year Begins	Oct 2021		Oct 2022		Oct 2023	
Turkey	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HECTARES)	5039	5039	4982	4982	0	5000
Area Harvested (HECTARES)	4900	4900	4700	4700	0	4800
Bearing Trees (1000 TREES)	1189	1189	1073	1073	0	1200
Non-Bearing Trees (1000 TREES)	27	27	68	68	0	40
Total No. Of Trees (1000 TREES)	1216	1216	1141	1141	0	1240
Production (1000 MT)	249	249	198	198	0	217
Imports (1000 MT)	4	4	1	1	0	1
Total Supply (1000 MT)	253	253	199	199	0	218
Exports (1000 MT)	149	149	126	96	0	100

Fresh Dom. Consumption (1000 MT)	103	103	72	102	0	117
For Processing (1000 MT)	1	1	1	1	0	1
Total Distribution (1000 MT)	253	253	199	199	0	218
(HECTARES) ,(1000 TREES) ,(1000 MT)						

Commodities:
Orange Juice

Production and consumption:
In MY 2023/24, orange juice production is forecast at 12,100 MT due to increasing oranges sent to processing. In MY 2023/24 it is expected that 121,000 MT of orange will be sent to processing, which is 30 percent higher than the previous year. In MY 2022/23 Turkiye produced 9,240 MT of orange juice, 24 percent less than the previous year due to the decreased number of oranges sent to processing as a result of low yield.

The Turkish fruit processing industry is still under development and is seeking government support to develop the industry to reach potential export markets which are very limited. According to fruit juice exporters, the juicing rates for orange varieties in Turkiye do not always meet the ideal industry standards. To achieve those standards, Turkish producers expect the GoT to support them to establish a citrus policy plan to improve the standards for juicing fruit.

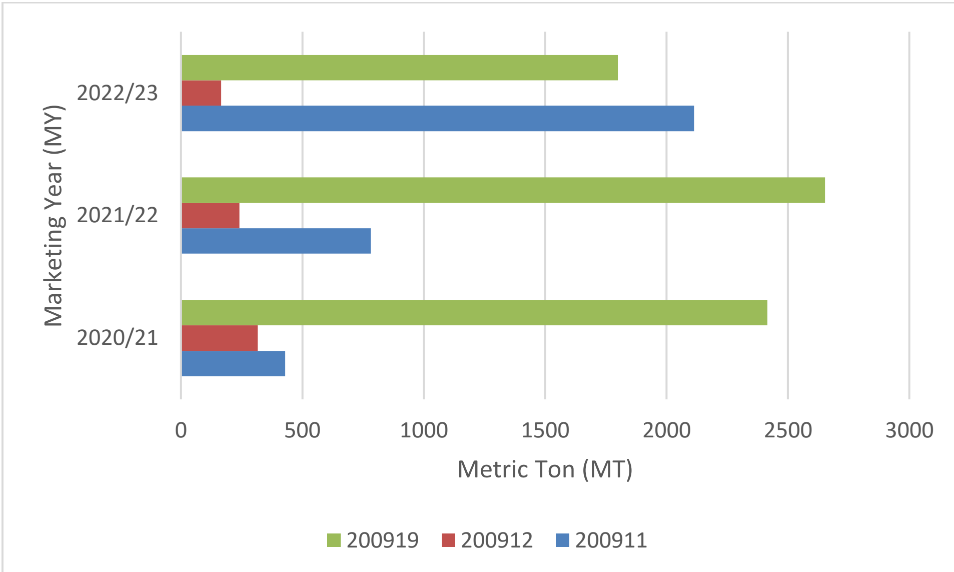
The most popular fruits in Turkiye for juice production are apples, apricots, cherries, oranges, and pomegranates. Five to 10 percent of the total citrus production is processed in the fruit juice industry.

In domestic markets, an increase on retail prices is expected in correlation with the country`s high inflation. Retail prices have already increased 56 percent in 2023 when compared with the previous year. However, orange juice consumption is expected to increase to 8,900 MT in MY 2023/24. After the COVID-19 pandemic began, demand for orange juice had increased. However, total fruit juice consumption in Turkiye is estimated at 11 liters per year which is quite low compared to European countries.

Trade:
Exports: Orange juice exports are forecast at 5,000 MT for MY 2023/24 due to expected demand increases from importing countries in concert with China’s decrease in production, according to fruit juice producers. Moreover, fruit juice exporters believe that they will have more export revenue in MY 2023/24 due to a global supply shortage.

Turkiye exported 4,078 MT of orange juice valued at $8.8 million in MY 2022/23, mainly to Germany, Italy, the Netherlands, which was 10 percent higher than MY 2021/22 with 3,675 MT of exports valued at $5.7 million.

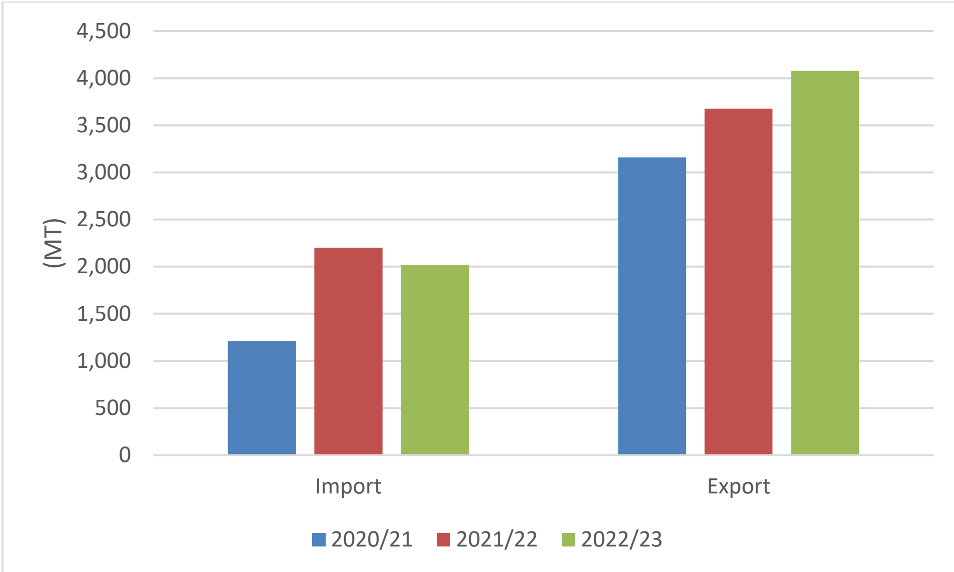
Figure 19. Turkish Orange Juice Exports by HS Codes, Comparison MY 2020/21 - MY 2022/23



Source: Trade Data Monitor, LLC. 200919: Orange Juice, Other Than Frozen, Whether Or Not Sweetened; 200912: Orange Juice, Not Frozen, Of A Brix Value Not Exceeding 20; 200911: Orange Juice, Frozen, Whether Or Not Sweetened; All categories are converted to 65 degree brix.

Imports: In MY 2023/24, orange juice imports are estimated to decrease to 1,800 MT due to a stabile demand from the domestic market. Turkiye imported 2,018 MT of orange juice in MY 2022/23 mostly from Cyprus and Brazil. Turkiye mostly imports orange juice, frozen, whether or not sweetened.

Figure 20. Turkish Orange Juice Exports and Imports, Comparison



Source: Trade Data Monitor, LLC

Table 5: PSD Orange Juice
Production, Supply and Distribution Statistics

Orange Juice	2021/2022		2022/2023		2023/2024	
Market Year Begins	Oct 2021		Oct 2022		Oct 2023	
Turkey	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Deliv. To Processors (MT)	110000	122000	110000	92400	0	121000
Beginning Stocks (MT)	150	150	150	150	0	150
Production (MT)	10000	12200	10000	9240	0	12100
Imports (MT)	2200	2200	2500	2000	0	1800
Total Supply (MT)	12350	14550	12650	11390	0	14050
Exports (MT)	3675	3675	3500	4078	0	5000
Domestic Consumption (MT)	8525	10725	9000	7162	0	8900
Ending Stocks (MT)	150	150	150	150	0	150
Total Distribution (MT)	12350	14550	12650	11390	0	14050
(MT)						

Policy:
Citrus Production Support Policies for farmers who are registered in the ‘Farmer Registration system’ run by MinAF:

- 86 TL ($2.97)/decare* is given as fuel support,
- 21 TL ($0.73)/ decare is given as fertilizer support,
- Good Manufacturing Plan support is given for conventional lemons meeting the 2nd quality standard. It is 40 TL ($1.38)/decare for individual producers.
- A 50 TL ($1.73) payment can be reimbursed per soil sample analysis. Soil analysis must be done by an authorized laboratory.

In 2023, the MinAF provided citrus producers with traps at no cost to the producers to combat the Mediterranean fruit fly. However, fruit losses due to freezing weather conditions are not covered under the agricultural crop insurance policies offered by TARSIM, the government-affiliated insurance company for agricultural production.

Attachments:

No Attachments