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Voluntary Public

Date: 2/24/2016

GAIN Report Number: TR6009

Turkey

Post: Ankara

Not Meeting Demand in Turkey

Report Categories:

Agricultural Situation

Livestock and Products

Agriculture in the News

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Report Highlights:

Turkish Meat and Milk Board (ESK) has been again granted the permission to import beef from the EU and Bosnia Herzegovina due to continuously rising prices for years. The measures taken by the Ministry of Food, Agriculture and Livestock (MinFAL) such as the subsidies given to the producers, live cattle and carcass meat import, fixed price ceiling on the markets have not been able to decrease the meat prices in Turkey, which are a serious public concern and a focus of the new government. According to the sector, which is in coordination with MinFAL, Turkey needs 1.3 million MT of red meat annually to meet demand and there is a shortage of approximately 300,000 MT. Despite steadily rising production, beef prices surged 25 percent in 2015. Also despite the government's focus on the impact of high meat prices in Turkey on the public, it is unclear if they will actually use this authorization and import any more meat.

General Information:

In order to decrease the meat prices in Turkey, MinFAL has been implementing several measures since 2010. Within the scope of import policies, 155,000 head of cattle and 6,775 MT of carcass meat were imported in 2015, while in 2014, 26,038 head and 639 MT of carcass meat were imported.

Carcass meat import policies have not decreased meat prices in the past, but still the Ministry of Economy has published the new extension decision with the Official Journal dated February 12, 2016 for customs tariff on carcass meat import. Customs tariff on carcass meat import from European Countries and Bosnia Herzegovina (also for boneless meat) will be zero percent in 2016 as it was in 2015 while the custom tariff from the other countries will again be 100-225 percent, based on the nature of carcasses (half/quarter, with bone/boneless).

The new Minister of Food Agriculture and Livestock, Faruk Celik, announced last week that the government will set a price ceiling across the country for meat prices and he stated that MinFAL does *not* want to use import tools in order to decrease the prices. He stated that MinFAL has an opportunity to import of carcass meat with 50,000 MT or more against to speculators in the country who want the meat prices to be hiked up.

Despite of the Minister's announcement that there will be price controls, markets have been still introducing different prices for ground meat and cut meats, based on demand in the neighborhoods where stores are located. The sector believes that this measure will not be effective for actually decreasing prices because of shortage of enforcement mechanisms.

Beef prices surged 25 percent in 2015 and this has a large impact on total inflation in 2015, which is at the level 8.81.

The United States is currently not eligible to export beef to Turkey. However, live cattle are eligible for export and detailed information is available at <http://www.aphis.usda.gov>.

For further details on the reasons of high meat prices and the actions that MinFAL took last year, click here:

http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Turkey%20Opened%20Meat%20Imports%20Before%20Sacrifice%20Holiday_Ankara_Turkey_11-16-2015.pdf

For other agricultural sector reports for Turkey and other countries around the world, please refer to the FAS website at:

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