

Required Report: Required - Public Distribution

Date: July 11, 2023

Report Number: TU2023-0019

Report Name: Retail Foods

Country: Turkey

Post: Ankara

Report Category: Retail Foods

Prepared By: Caglar Erdogan

Approved By: Michael Francom

Report Highlights:

Amid economic headwinds, Turkey's retail food sector continues to grow, fueled by a young population of 85 million and a rising middle class. The sector is predominantly made up of domestic discount chains and most of the food on store shelves is produced locally. Only four to five percent of the nearly \$60 billion in annual grocery sales are made up of imported consumer-oriented food items. The United States was the largest supplier of consumer-oriented products last year, of which tree nuts was the leading category. U.S. walnuts, almonds, cranberries, dates, and wine are among the products with the highest sales potential. U.S. products face tough competition from EU countries that enjoy preferential access under a Customs Union and lower freight costs.

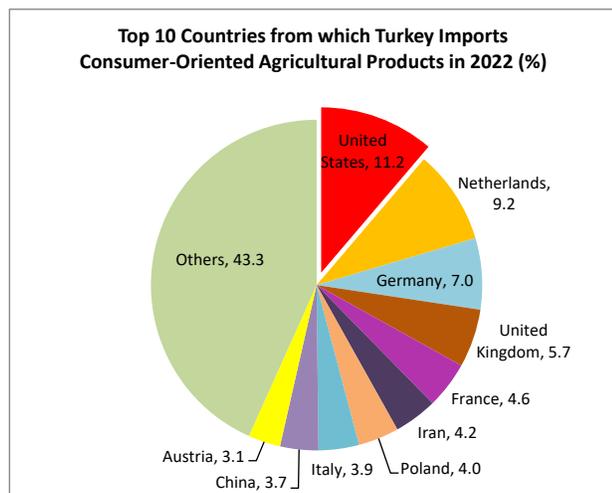
MARKET FACT SHEET: TURKIYE

Executive Summary

Turkiye is the 19th largest economy in the world which is predicted to grow in the coming years. The country's young population of 85 million people and a growing middle class are helping to fuel this growth. This same dynamic is driving the expansion in the country's retail food sector, including online sales. The sector is mostly dominated by domestic retail chains, which predominantly carry domestic food products.

Imports of Consumer-Oriented Agricultural Products

Approximately four to five percent of all grocery sales are made up of imported consumer-oriented agricultural products, such as rice, pulses, tree nuts, bananas, coffee, cocoa, and packaged food items. The United States was the single largest supplier of consumer-oriented agricultural products in 2022. While there is opportunity for growth, U.S. imports face tough competition from EU products which enjoy preferential access under a Customs Union agreement.



Food Processing Industry

Turkiye has a large and sophisticated [food and beverage processing industry](#), which relies on domestic and imported ingredients. As of 2022, there were nearly 58,000 food and beverage manufacturers. The industry, which supplies both domestic and export markets, continues to grow in response to strong consumer demand for increased convenience.

Food Retail Industry

Despite recent economic headwinds, the retail food industry continues to grow, with sales topping nearly \$60 billion in 2022. A young, largely urban population and growing middle class are driving this growth. The sector is mostly dominated by domestic retailers, especially discount chains. Organized/modern retailers now make up the majority of the grocery market share as traditional retailers slowly exit the market. Online grocery shopping continues to increase since first taking off during the pandemic.

Quick Facts

Imports of Consumer-Oriented Ag. Products 2022

USD 4.7 billion

List of Top 10 Growth Products in Turkiye (Imported Consumer Oriented Agricultural Products) 2020-2022

- | | |
|---|--|
| 1. Sweet corn, frozen | 6. Grapes, fresh |
| 2. Milk & cream, concentrated | 7. Grapefruit and pomelos |
| 3. Meat or offal of bovine animal prepared or preserved | 8. Orange juice, frozen |
| 4. Peas, frozen | 9. Meat of sheep, with bone and boneless, frozen |
| 5. Caseinates or casein deriv. | 10. Albumins, albuminates, nesoi |

Food Retailers by Channel (Sales in Million USD*) 2022

Modern Grocery Retailers	38,805
- Convenience Stores	1,655
- Discounters	17,786
- Gas station/ Forecourt retailers	486
- Hypermarkets	778
- Supermarkets	18,101
Traditional Grocery Retailers	20,190
Offline Grocery Retailers Total	58,995
Grocery E-commerce	962
Total	59,957

*excl. sales tax

Top 10 Retailers (by Marketshare in 2022)

- | | |
|----------------|------------|
| 1. Bim | 6. Sec |
| 2. A 101 | 7. Ekomini |
| 3. Şok | 8. Hakmar |
| 4. Migros | 9. File |
| 5. CarrefourSA | 10. Onur |

GDP/Population

Population: 85.2 million (TurkStat, 2022)

GDP: USD 896 billion (EIU, 2022)

GDP Per Capita: \$10,500

Sources: CIA The World Fact Book; Euromonitor International; Turkish Statistical Institute (TurkStat); Trade Data Monitor; Economist Intelligence Unit (EIU)

Strengths/Weaknesses/Opportunities/Threats

Strengths	Weaknesses
Long term GDP and disposable income growth.	Domestic and international political challenges.
Large population base: young and growing.	Economic instabilities such as exchange rate fluctuations, inflation.
Opportunities	Threats
Unsaturated market, open for new items.	Complex and time-consuming import procedures.
Growing demand for high value packed food; ready to-eat/cook meals as the share of working women increases.	Strong traditional food and cuisine affecting consumption habits.

Sources: CIA World Fact Book; Euromonitor International; Turkish Statistical Institute, Economist Intelligence Unit

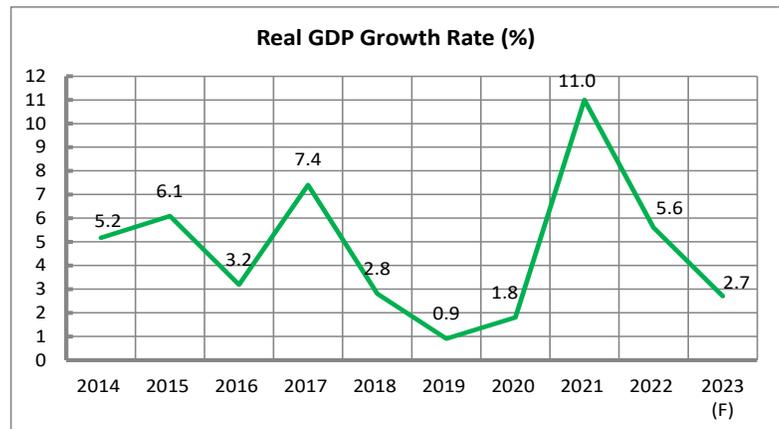
I. MARKET SUMMARY

The Republic of Türkiye, located in the southeast of Europe and the northwest of the Middle East, bordering the Black Sea to the north and the Mediterranean Sea in the south, has a young population of 85.2 million as of 2022. The median age is 33.5 and 68 percent of the population is between the ages 15 to 64.¹ The urbanization rate has reached 77.5 percent, with rapid urbanization in the last 25 years.² These demographic conditions, coupled with an increasing trend in household income over the last two decades are among the key factors driving growth in the retail food industry.

Türkiye is the 19th largest economy in the world as of 2023, according to the IMF. For the last five years (2018-22), the average annual real GDP growth rate was about 4.4 percent. In the next five years (2023-27), the IMF predicts growth will cool slightly to 3.1 percent. Meantime, although economic activity slowed sharply this past February in the immediate aftermath of the devastating earthquakes in southeastern Türkiye, the impact on real GDP growth this year is expected to be minimal as the country was able to quickly restart most business operations.

The unexpectedly high real GDP growth rate in 2021 was largely attributed to credit expansionist policies, strong export demand, and the partial resumption of business and travel as the pandemic receded. However, maintaining this high growth rate was unsustainable for different reasons, including political challenges, unorthodox economic policies, and populist policy decisions ahead of the May 2023 presidential elections.

Chart 1: Real GDP growth rate of Türkiye



Source: Turkish Statistical Institute. (F) Forecast by IMF.

Market analysts are currently waiting to see whether the newly appointed Minister of Treasury & Finance, who has pledged to institute more orthodox economic policy, will be able to bring about greater market predictability and improve Turkey's economic performance.

Inflation has been a major economic challenge since 2018. Rising international commodity prices and the depreciation of the Turkish Lira against the U.S. dollar are among the different factors that have contributed to rising inflation. The consumer price index (CPI) reached its peak at 86 percent in October 2022 and decreased to 64 percent by the end of 2022. Food and beverage inflation was 78 percent by the end of 2022, eroding the living standards of consumers, especially for lower income households. Through May of this year, food and beverage inflation decreased to 53 percent in parallel with the general CPI index.³

In an effort to curb rising prices, the Government of Türkiye (GoT) cut the value added tax (VAT) on basic food products from eight percent to one percent on February 14, 2022. The cut applies to staples such as flour, rice, pasta, meat, fish, tea, coffee, water, milk and dairy products, cheese, eggs, oils, sugar, fruits, vegetables, nuts, and legumes. Despite the VAT reduction and other government interventions, food inflation continues to increase.

Continued high inflation caused many retail consumers to change their shopping habits in 2022. Consumers are searching for bargains and are scaling back purchases of more expensive food items, such as beef, in hopes of stretching the portion of their income spent on food a little further. At the same

¹ Source for demographic data: Turkish Statistical Institute (TurkStat).

² CIA World Fact Book.

³ Source for all inflation figures is TurkStat. Inflation measured by domestic producer price index (PPI) was 80 percent for 2021 and became 125 percent as of May 2022.

time, since the middle of last year, as consumers have come to expect higher food prices, there have been fewer incidents of food shortages resulting from panic-buying as had previously happened with sugar and cooking oil.⁴

According to Euromonitor, total retail industry sales (excluding sales tax) in 2022 reached \$123 billion, of which nearly \$60 billion was grocery sales or nearly half of total retail sales. There are nearly 340,000 chain and independent grocery retailers, as well as online grocery sales.

Calendar year 2022 marked the first year that retail outlets stayed open year-round after having scaled back operations or shutdown during the pandemic. The pandemic accelerated the growth in online grocery sales, especially in larger cities like Istanbul, Izmir, Bursa, Ankara, and even in some smaller cities. Online grocery shopping went from 1.2 percent of all grocery sales in 2019 to 1.6 percent in 2022. This percentage is expected to increase as consumers, who have traditionally preferred shopping in stores, become more comfortable ordering online.

The grocery retail industry in the southeastern part of the country was negatively affected by the devastating earthquakes that occurred in that area earlier this year. According to a news report in April, the Chairman of the Turkish Federation of Shopping Centers and Retailers said that 1,000 of the 4,000 grocery retail outlets in the earthquake effected region were destroyed, with other smaller stores also experiencing various levels of damage. Those stores that were undamaged reported a steep decline in sales for the first few months following the earthquake, only generating 10-15 percent of pre-earthquake sales. Post predicts that retail grocery sales will rebound as the earthquake region rebuilds.

When it comes to shopping at brick-and-mortar grocery stores, the discounter chains, BIM, A101 and Şok, have shown their unique ability to meet many Turkish consumers' preference for proximity shopping and lower prices. The presence of international grocery chains is limited and seems to have reached its growth potential for the time being given the strong competition from local supermarket chains.

Launched in 2020, as a measure to control food and beverage inflation, the semi-state administered Turkish Agricultural Credit Cooperatives Markets (ACCM) have quickly grown in all cities of Türkiye, especially in lower income neighborhoods.^{5,6} The stores sell discounted and wholesale agricultural products and basic foodstuffs, with prices generally 10-15 percent lower than competitors and subsidized by the government. Many market sources and competing grocery outlets view the ACCM market chain as an unwelcome government intervention in the free market economy.

Imported high value food items are mostly sold in hypermarkets, which are located in wealthier urban areas. These stores include [Migros](#), [CarrefourSA](#), [Metro Grossmarkets](#) and premium grocery chains such as [Macrocenter](#), as well as more regional gourmet chains like [Gourmet Garage](#). Standalone gourmet/premium food stores that are located in major city centers like Istanbul, Izmir, Ankara, Bodrum, Antalya, Bursa, Cesme also sell imported goods. Imported specialty or high value food items are generally not sold in discount grocery chains or in regional grocery chains, though imported commodities such as rice, walnuts, almonds and a few imported fresh fruits like bananas and avocados may be available there.

Based on Post analysis, demand for imported higher-value processed food products is expected to increase in the long run, especially in Türkiye's urban, westernized city centers, where consumers are

⁴ See FAS Türkiye's previous reports on [sugar](#) and [cooking oil](#).

⁵ Over 1,000 stores, present in all provinces of Türkiye

⁶ Tarım Kredi Kooperatif Market in Turkish, <https://www.kooperatifmarket.com.tr/>

relatively wealthier, open to new flavors and food experiences, and travel internationally. However, for the time being, difficult economic conditions facing Turkish middle-income households is holding back the demand for many of these imported products.

<u>ADVANTAGES</u>	<u>CHALLENGES</u>
Future growth prospects for long-term GDP and disposable income.	Domestic and international political and security challenges.
Large population base: young and growing, middle and upper middle class.	High import duties on processed/packaged food and agricultural products.
High and increasing urbanization rate.	Lack of transparency in rules and regulations.
Strong and steady retail market growth expected.	Economic instabilities, such as exchange rate fluctuations and on-going currency depreciation.
Unsaturated market, open for new items.	Complex and time-consuming import procedures.
Internationally traveling new generation open to more new tastes from abroad.	Strong traditional food and cuisine affecting consumption habits.
Growing demand for high value packaged food; ready to-eat/cook meals as the share of working women increases.	Risk of similar products being developed domestically, such as packaged confectionery products and ready to eat meals.
Fast growing modern organized grocery chains.	Unregistered economy can create some unfair competition.
Positive perception for high-value processed products from the United States.	There is a zero tolerance for genetically engineered products or ingredients for food use in Turkiye.
Strong food culture and tradition of gathering for meals in large groups, so new products fitting into existing food culture and eating habits are easily adopted.	Marketing for some products can be difficult: Labeling laws limit health-related claims, and regulations limit alcohol advertising, new labeling and advertising restrictions are being developed on salt/fat/sugar content.
Many regulations are similar to those of the EU, making it easier for some companies already exporting to the EU to expand their business into Turkiye.	Competition from many products imported under FTAs or European countries with lower or zero tariffs.

Source: Market analysis of the Post.

II. ROAD MAP FOR MARKET ENTRY

ENTRY STRATEGY

Normally a good way to start selling retail food to Turkiye is using a local agent in the country. This agent is sometimes an importer, distributor, wholesaler, a commission-based trader or some combination thereof. Local representatives will have experience in market development and contact information of potential buyers, such as the organized grocery retailers. A good representative can guide you in the market, including on import rules and regulations, which ports to utilize, local business practices,

conducting market intelligence formally or informally, starting sales calls, etc. Türkiye straddles southern European and Middle Eastern cultures, and relationships are very important for business. This makes already existing relations and connections in the country especially important.

Türkiye’s import processes and regulations can be difficult to navigate, so local agents are vital. For details on the requirements, please refer to FAS Türkiye reports on [Food and Agricultural Import Regulations and Standards](#) and [Required Certificates](#). Please also refer to our [Exporters Guide](#) for an overview of the market and steps for market entry.

In very rare cases, some organized retailers may import food items directly, such as high turnover products. But in general, retailers will buy directly from a Turkish company that is importing the product.

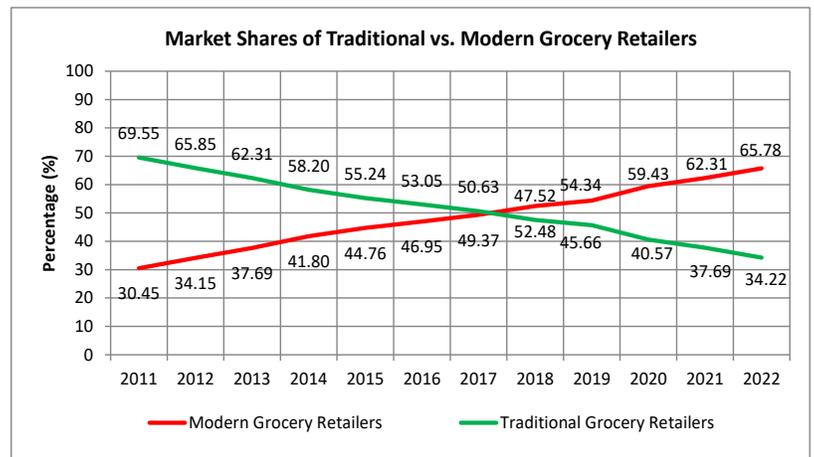
MARKET STRUCTURE

In total there are more than 200 grocery chains in Türkiye having more than five stores. Grocery retailers are classified into two major groups in Türkiye: *organized/modern grocery retailers* and *traditional grocery retailers*.

Organized grocery retailers are comprised of multi-format retail chains, discount grocery chains, regional grocery chains and gas station convenience stores.

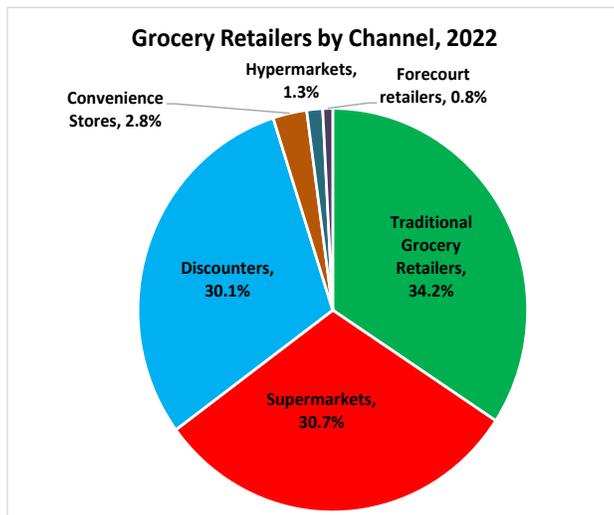
The largest chunk of the traditional local grocery retailers are standalone grocery stores, which are called *bakkal* in Turkish, are up to 500 square feet in size and sell high-turnover grocery products. There are also separate stores in each town or neighborhood specializing in fresh produce, meat, nuts/dried food items, and bread/baked goods. The other major channel in the traditional market structure is open-air bazaars/markets (*pazar* in Turkish) where fresh produce, nuts, fish, and even some textiles are sold by producers and traders. These are weekly farmers markets and are held on streets in different neighborhoods.

Chart 2: Traditional vs Modern Retailers



Source: Euromonitor International

Chart 3: Grocery retailers by channel



Source: Euromonitor International

The market share of the modern organized grocery retailers is increasing, eating up the share of the traditional grocery retailers as expected, like in other developed markets. Although modern organized grocery chains are increasing their presence, traditional grocery retailers such as *bakkals* and *pazars* are still a major way of grocery shopping in Türkiye.

Another useful classification of grocery retail stores in Türkiye is *regional grocery chains*, *national grocery chains* and *international grocery chains*.

Regional grocery chains have stores in one or a few cities in Turkiye; they are all domestically-owned companies. They rarely carry any imported food except agricultural commodities such as rice, popcorn, bananas, lentils, and dried beans. They are a large and important part of the retail picture in general, but **not for imported processed goods**, with a few exceptions.

National grocery chains are supermarket chains with stores across Turkiye in almost all cities. They can be discount, regular, or premium stores. International grocery chains are companies with international ownership and outlets outside of Turkiye. There are few international chains in the country and those that are present are usually not found east of Ankara.

TOP FOOD RETAILERS IN TURKIYE & COMPANY PROFILES

Table 1: Top 10 Grocery Store Chains by Number of Stores⁷

Grocery Chain	Chain Type	Number of Stores	Number of Stores	New Stores
		2021	2022	in 2022
1 A 101	National Discount	11,219	12,306	1,087
2 BIM	National Discount	9,451	9,978	527
3 Sok	National Discount	9,247	9,858	611
4 Migros (M, MM, MMM, 5M, M-Jet)	National	2,533	2,618	85
5 Sec*	National Convenience	1,726	2,300	574
6 Ekomini	National Convenience	2,181	2,173	-8
7 Hakmar	Regional - Istanbul & vicinity	690	714	24
8 CarrefourSA (CarrefourSA, Carrefour Express)	National (Int. JV)	694	701	7
9 File**	National	160	181	21
10 Onur	Regional - Istanbul & vicinity	163	151	-12
Total of Top 10	All types	38,064	40,980	2,916

Source: Euromonitor International

* Sec and Sok markets are owned by same company.

** File is owned by BIM

Table 2: Top Gas Station Grocery Convenience Shops (Forecourt Retailers) by Number of Stores

Gas Station Grocery Convenience	Number of Stores	Number of Stores	New Stores
	2021	2022	in 2022
1 Petrol Ofisi Gas Station Markets	1,700	1,840	140
2 Opet Gas Station Full Markets	957	866	-91
3 Shell Gas Station Shops & Shell Select Shops	1,160	1,083	-77
4 BP Gas Station Shops	355	371	16
5 Total Gas Station Stores	395	370	-25
Total	4,567	4,530	-37

Source: Euromonitor International

⁷ The table does not include semi-state administered Tarim Kredi Kooperatif Market which has over 1,000 stores and would be number 7 in the table.

Table 3: Market Shares of Organized Grocery Retailing in Turkiye: Top 10

	Grocery Chain	Chain Type	Market Share (%)*	Sales (mill. USD)
			2022	2022
1	BIM	National Discount	13.7	8,089
2	A101	National Discount	10.4	6,138
3	Sok	National	5.6	3,317
4	Migros**	National Discount	5.2	3,065
5	CarrefourSA***	National (Int. Owned)	1.6	938
6	Sec****	National Convenience	0.8	489
7	Ekomini	National Convenience	0.6	333
8	Hakmar	Regional - Istanbul & vicinity	0.6	344
9	File	National Convenience	0.3	199
10	Onur Market	Regional - Istanbul & vicinity	0.3	162
	Total of Top 10	All types above	39.10	23,074

Source: Euromonitor International

* The market shares are in the organized grocery retail category; traditional grocers are not included.

** M, MM, MMM, 5M, M-Jet Stores of Migros are displayed together. M-Jet is a convenience market.

*** CarrefourSA and Carrefour Express are displayed together. Carrefour Express is a convenience market.

**** Sec and Sok markets are owned by same company.

BIM is the hard discounter of Turkiye that sells 80 percent of products as private label. It is present in all large cities in Turkiye and in most smaller towns as well. Stores are usually 3000-6000 square feet.

A101 is a hard discount market chain with the greatest number of stores in Turkiye and is a major competitor of BIM with similar type of stores in similar locations. Similar to BIM, they only sell some imported commodities – they do not sell imported packaged or processed foods.

Migros is a multi-format supermarket chain. Migros has stores in many different sizes. The smallest format is a convenience store designed to compete with discounters and *bakkals* called M-Jet. The small supermarket format is called M Migros, the larger supermarket format is called MM Migros and hypermarket formats are called MMM Migros and 5M Migros. Their **MacroCenter** brand stores are gourmet stores selling a premium shopping experience.

Sok (pronounced *shock*) is also a discount market chain. Şok is owned by **Yildiz Holding**, which is the most prominent packaged food and packaged confectionery producer of Turkiye, under the famous brand Ülker. Thirty five percent of all the products in Şok are private label and the rest are typically Yildiz Holding's own well-known brands.

CarrefourSA is a joint venture of Carrefour of France and Sabanci Holding of Turkiye. Fifty-one percent is owned by Sabanci, which may be the reason this international chain has survived in Turkiye unlike many other foreign chains that left the market.

III. COMPETITION

Approximately four to five percent of all grocery sales are made up of imported consumer-oriented agricultural products. According to Post's market observations, imported processed food products for retail sale face strong local competition. Turkiye has a well-developed food processing sector that is producing good quality food items for both domestic and overseas markets.

In addition to local production, products from European countries are also important. Turkiye has a customs union with the EU so European processed food items face low or no customs tariffs. Furthermore, proximity is a major benefit with lower freight costs and shorter delivery times from Europe. Trucks are often used for transportation between Europe and Turkiye. Turkiye also has an FTA with the European Free Trade Association (EFTA) countries (Switzerland, Norway, Iceland, and Liechtenstein), giving them preferential customs advantages as well. In addition, Turkiye has [FTAs with 22 other countries](#) with many including preferential tariff rates on food and agriculture products.

In recent years, the United States been one of the top suppliers of consumer oriented agricultural products to Turkey. The leading U.S. items in this category are tree nuts, including walnuts, almonds, and pistachios, food preparations, and whiskies.

Table 4: Top Countries supplying Turkiye’s Imported Consumer-Oriented Agricultural Products

Thousands of USD		Imports	Imports	Imports	% Share
Product		2020	2021	2022	2022
1	United States	359,873	332,543	529,140	11.22
2	Netherlands	366,245	425,601	433,851	9.20
3	Germany	254,276	303,854	328,437	6.96
4	United Kingdom	183,524	213,777	268,867	5.70
5	France	137,186	196,267	215,994	4.58
6	Iran	148,845	167,869	199,399	4.23
7	Poland	96,956	142,263	187,550	3.98
8	Italy	122,334	136,334	186,202	3.95
9	China	120,614	129,169	176,021	3.73
10	Austria	64,589	102,157	148,485	3.15
Others		1,644,184	1,781,868	2,041,698	43.30
Consumer-Oriented Agricultural Total from All the World		3,498,627	3,931,701	4,715,645	100.00

Source: Trade Data Monitor

IV. BEST PRODUCT PROSPECT CATEGORIES

Turkiye is a highly competitive and very price sensitive market for many items. Prospective exporters should look at Turkiye as a long-term market opportunity and be persistent. A recognized brand has an advantage in the market, with Oreo Cookies being an example. Although good quality, cheaper, domestically made substitutes are available in the market, Oreo has maintained its presence on store shelves. Exporters should be sensitive in brand positioning and be prepared for sufficient marketing activities and advertising.

PRODUCTS PRESENT IN THE MARKET THAT HAVE GOOD POTENTIAL

- 1. Walnuts and Almonds:** Turkiye is traditionally a nuts, dried fruits, and dried vegetables consuming culture. Local production exists, but imports are required to meet the large and growing demand. Walnuts and almonds from California are dominant in the Turkish market, sold packaged or unpackaged by local importers and liked by consumers. For further information see the [Turkiye Tree Nuts Annual Report](#).
- 2. Dates:** Dates are culturally important in Turkiye, and often eaten as part of religious rituals during Ramadan. Turkiye doesn’t grow any dates but imports mainly from Israel, Saudi Arabia, and

Tunisia, according to contacts in the sector. There have been date imports from the United States in the past, but not very recently. California dates have sparked the interest of potential importers. Finding the right time to enter the market is important, as well as finding strategies for reducing refrigerated transportation costs.

3. **Cranberries and Dried Fruits:** There is also some potential for other dried berries which are not produced in Turkiye, such as cranberries. Dried cranberries have entered the market in recent years and have become popular among consumers as a snack food, and there is growth potential for expanding the uses.
4. **Spices:** Turkiye is traditionally a spice consuming country and produces many kinds of spices and herbs but does rely on some imports as well. In recent years, high quality U.S.-branded spices have gained the attention of well-traveled higher income consumers in Turkiye. For example, cayenne pepper, crushed red chili peppers, black pepper, and some other niche spices have a potential in Turkiye with high-end customers in premium outlets and specialty/gourmet stores.
5. **Functional foods:** Functional food consumption is increasing. There is a healthy eating trend among high end and even middle-class consumers. Gluten-free and diabetic products are available, but much more variety is needed to fill the gap in the market. Diet products are also increasing with health consciousness. Baby foods and kid-focused foods that are ‘enriched’ are in the market in limited varieties and have potential to grow. See [FAS FAIRS reports for requirements](#) limiting what claims can be made on labels.
6. **Gourmet/Ethnic Food Ingredients:** With increasing disposable income, a new generation of Turkish consumers in upper-middle- and upper-income households tend to be more open to international food as they engage with more international leisure and business travel. Tex-Mex, Chinese, Japanese, Indian, Thai, Italian, Lebanese, and Syrian restaurants are in the market. Gourmet and ethnic food ingredients have potential for home consumption as well as hotels and restaurants.
7. **Wine:** Although there are a variety of local and imported wines in the market, there is a potential for wine imports from the United States for wine enthusiasts that are keen to taste different wines. There is market potential for high end consumers who are less price sensitive. There are opportunities for beer as well, but it is more price sensitive. Of note, Turkiye has high consumption taxes and import tariffs for alcoholic beverages and there are also marketing restrictions to be aware of. There is 218 percent tax (incl. customs tariffs, special consumption tax and VAT) on U.S. origin wines and 192 percent tax on EU and Chile origin wines. See our [reports](#) for details.
8. **Non-alcoholic beverages:** There is a growing market for healthy beverages, such as teas or juices, with a focus on natural, plant based, organic beverages. These beverages are typically sold in cafés and restaurants in addition to supermarkets. There are restrictions on health claims and on energy drinks to consider, see [FAIRS reports](#) for details.

PRODUCTS NOT PRESENT IN SIGNIFICANT QUANTITIES BUT WHICH HAVE GOOD SALES POTENTIAL

1. **Nutrition bars:** Nutrition bars promoting a healthy lifestyle are trendy in Turkiye. There are some locally produced brands, but product lines remain limited. Imported products with specific attributes like a vitamin, protein, etc. have market. These products are for the high-end consumers and should be promoted as such, including the choice of the stores in which to be sold.
2. **Pecans:** Pecans have made some progress in Turkiye in the last few years, but because they are perceived as substitutes to walnuts and have a higher tariff, the high price limits consumption. There

are targeted opportunities for growth, including high-end consumer confectionary and specialty baked goods.

3. **Ready-made meals:** Ready-to-eat and ready-to-cook meals have an increasing sales potential in Turkiye as the structure of households evolves. Dual-income households and urban single households are on the rise.
4. **Processed organic food:** There is an increasing demand for organic food as household incomes increase in Turkiye and health consciousness rises. The market for organic packaged food in Turkiye reached \$160 million in 2021 and is expected to reach \$335 million by 2025. Organic dairy, baby food, and snack items are the most consumed organic retail products in Turkiye. Please take look at our most recent [organic report](#).

PRODUCTS NOT PRESENT BECAUSE THEY FACE SIGNIFICANT BARRIERS

1. **Food Items from Genetically Engineered Crops:** Any food item that is genetically engineered or contains any trace amounts of genetically engineered content is not currently allowed for import to Turkiye for human consumption. No genetically engineered/GMO products have been approved for food use in Turkiye. This barrier impacts all food categories and import processes and testing is rigorous and complex. Please see the [Turkiye Agricultural Biotechnology Annual Report](#) for more information on the situation.
2. **High Quality Beef Products:** There is a potential demand for high quality and variety of beef products, especially for the luxury market, including for the new beef/steak restaurants that have grown in popularity. However, the complex import requirements that include having Turkish inspectors visit the production plant during slaughtering essentially exclude U.S. meat exports from the market. Please see our [report](#) on the livestock sector or contact our office with additional questions.
3. **Organic Sugar:** The industry specialists indicate that there is a demand for organic sugar, but there are regulatory barriers to import it into Turkiye.

V. KEY CONTACTS AND FURTHER INFORMATION

Republic of Turkiye, [Ministry of Agriculture and Forestry](#) (MinAF)

[Turkish Statistics Institute](#) (TurkStat)

[Union of Chambers and Commodity Exchanges of Turkiye](#) (TOBB)

[Foreign Economic Relations Board of Turkiye](#) (DEIK)

[Investment Support and Promotion Agency of Turkiye](#) (ISPAT)

[All Foods Importers Association](#) (TUGIDER)

[Food Retailers' Association](#) (GPD)

[Turkish Federation of Retailers](#) (TPF)

[Federation of All Food and Drink Industry Associations of Turkiye](#) (TGDF)

[Association of Food Additives and Ingredients Manufacturers](#) (GIDABIL)

For other agricultural industry reports on Turkiye and other countries in the world, visit the Foreign Agricultural Service (FAS)' [internet page](#). FAS Turkiye's [Food and Agricultural Import Regulations and Standards Report \(FAIRS\)](#) and [Food and Agricultural Import Regulations and Standards Export Certificate Report](#) provide detailed resources on regulations and import requirements for companies that wish to export food to Turkiye.

Contact the FAS Turkiye offices via the information below:

Office of Agricultural Affairs Unites States Department of Agriculture U.S. Embassy Ankara 1480 Sk. No:1 Cukurambar, Cankaya, 06530 Ankara, Turkiye Telephone: +90 312 294 0872 E-mail: agankara@usda.gov	Office of Agricultural Affairs Unites States Department of Agriculture U.S. Consulate General Istanbul Ucsehitler Sokak No:2, Istinye, 34460 Istanbul, Turkiye Telephone: +90 212 335 9068 E-mail: agistanbul@usda.gov
--	---

Attending food industry trade shows in Turkiye can be helpful to better understand the market and competition. Major shows include [Anfas Food Product](#), [World Food Istanbul](#), [CNR Food Istanbul](#), and Food Ingredients [Fi Istanbul](#). Additionally, a high percentage of large Turkish buyers usually visit [Anuga](#) in Germany, [Sial](#) in France, [Seafood Expo Global](#) in Spain, and [Gulfood](#) in Dubai.

Attachments:

No Attachments