

SCREENING WITH TURKEY
Non-exhaustive list of issues and questions to facilitate preparations for
bilateral meetings

Common Market Organisation for cereals
(Products covered by article 1 of Regulation (EC) 1784/2003)

1. FREE MARKET

	COMMENTS
Establishment of conditions for market mechanisms independent from the state	
Is there in your country:	
a) Some form of state trading monopolies?	Purchasing and selling of cereals in Turkey are realized in free market conditions. Therefore, state trading monopolies are out of question.
Which are the responsible institutions? How are they organised?	-
- For which products? And quantities?	-
- Is there a planned programme for the abolition/replacement of the state monopoly?	-
b) State reserves of cereals/cereal products?	
- Which is the responsible institution for such stocks? How are they organised?	Being related to the Ministry of Agriculture and Rural Affairs (MARA) and acting as a State Economic Enterprise, this function is executed by Turkish Grain Board (TMO) which is responsible for intervention purchases as its main duty. TMO's organization structure consists of the General Directorate and Regional Offices.
- For which products? And quantities?	TMO holds 252.052 tons for common wheat and 44.873 tons for durum wheat as emergency stocks.
- For what reasons?	The said reserves are for emergency stocks (natural disaster, mobilization).
- is there a planned programme for abolition/replacement of these stocks?	There isn't any plan for the abolition or replacement of these stocks.

c) representative market places?	
- Are the prices collected by independent organisms?	Commodity Exchange collect and publish daily, weekly, monthly and annual price data. On the other hand, the prices are collected monthly by the provincial and district directorates of the MARA and then sent to Turkish Statistics Institute (TURKSTAT) to be published.
- At which marketing stage? (Farm gate/wholesale/retail prices)	<p>The prices collected by commodity exchanges are wholesale and retail stage prices.</p> <p>The prices, collected monthly by the provincial and district directorates of MARA, are the prices which the farmers receive for the products they produce or breed without using any intermediary.</p>
d) concerning grain trade:	
- Which are the companies active in cereals trade?	There are many companies active throughout the country.

2-CREATION OF AN INTERVENTION AGENCY AND OF INTERVENTION CENTRES

Regulations 824/2000 and 2131/1993

Is there in your country an intervention Agency?	
- Which is the responsible institution? How is it organised (Direct take-over of cereals/storage aid, etc.)	<p>The responsible institution is TMO. Its organization structure consists of General Directorate and Regional Offices. The Regional Offices function with a total of 203 working places which include 27 branches, 120 sub-branches and 56 temporary equipped purchasing centres.</p> <p>The intervention purchases are directly purchased from the producers by TMO and stored in its or hired warehouses. TMO also purchase cereals from the commodity exchanges.</p> <p>In addition, TMO carries out purchases within the frame of warehouse receipt system. Storage aid is</p>

	realized by not taking the storage fee from the producers who store their products in TMO's warehouses in the framework of warehouse receipt system.
- For which products?	The cereals products subject to intervention in Turkey are; wheat, barley, rye, oat, triticale and maize.
- What are the actual storage capacities?	638,700 tons Port Silos, 1,358,300 tons Interior Silos(other than port silos), 1,687,250 tons Horizontal Silos, 895,000 tons Modern Open Area Storage Units, Total 4,579,250 tons.
- How is the storage organised? Location? Long term contracts of storage capacities with private owners? On farm storage?	<p>The warehouses are under the ownership of TMO. They are concentrated in the regions where production and consumption are intensive and also in the ports where importation and exportation occurs.</p> <p>In some years, in order to cover the warehouse needs in the regions faced with warehousing difficulties, warehouses are hired from the private sector for short periods.</p>
- Is there a responsible organisation/institution/body for the control of stocks?	TMO controls the intervention stocks by itself either in its own warehouses or in the hired warehouses.
- Is there a planned programme for the implementation of EU rules concerning the introduction of an Intervention Agency? (Schedule, legislation, structures, staff, control)	Restructuring of TMO as an intervention agency is on the agenda however restructuring will be finalized with consultations during the accession period.
- intervention centres	<p>TMO has a total of 203 intervention centres consisting of 27 branches, 120 sub-branches and 56 temporary equipped purchasing centres which are responsible for intervention purchases throughout Turkey.</p> <p>As result of the restructuring studies that have been performed since 2003, taking into account of the European Union practices, TMO has closed the intervention centres in regions which have low production and no warehousing capacity. As a result of this the number of TMO's working places have been reduced from 302 to 203.</p>
- quality standards for cereals	The quality criteria applied in intervention purchases are summarized as follows:

	<p><u>For Milling Wheat:</u> Moisture (max. 14 %), Hectoliter weight (min. 73 kg), Foreign Material (max. 8%), Other Cereals (max. 8%), Insect Damage (max. 4%), Tilletia Caries (max.50 number in 1 kg), Cephalaria Syriaca + Agrostemma Githago (max.50 pieces in 1 kg), Damaged Kernels (max. 10%).</p> <p><u>For Durum Wheat:</u> Moisture, Hectoliter, Foreign Material, Vitreous Kernels, Other Cereals, Insect Damage, Tilletia Caries, Cephalaria Syriaca + Agrostemma Githago, Germ Damaged Kernels.</p> <p><u>For Barley:</u> Moisture, Hectoliter, Foreign Material, Other Cereals, Ustilago Hordei.</p> <p><u>For Rye, Triticale and Oat:</u> Moisture, Hectoliter, Foreign Material, Other Cereals.</p> <p><u>For Maize:</u> Moisture, Hectoliter, Foreign Material.</p>
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3- ESTABLISHMENT OF AN ORGANISATION FOR THE MANAGEMENT OF EXPORT AND IMPORT LICENCES AND TENDERS FOR CEREALS EXPORT

<ul style="list-style-type: none"> In your country, is import/export of cereals or flours submitted to any form of limitation/control or given a subsidy in the case of exports? 	<p>Under the current Import/Export Regimes, no import/export licenses are required for cereals.</p> <p>Import licenses are only required for the importation of agricultural products under the tariff quotas resulting from bilateral agreements.</p> <p>There is no restriction on the exportation of the cereals and flours. There is no export subsidy provided for the exportation of cereals or flours.</p>
<ul style="list-style-type: none"> - Are there preferential import/export commitments? 	<p>Certain cereals are subject to import concessions within Turkey-EU Association Council Decision No. 1/98 and Free Trade Agreements with Bulgaria, Romania, Croatia and Bosnia and Herzegovina. Turkey has also export concessions from the EU, Norway and Syria as shown in the Annex I.</p>
<ul style="list-style-type: none"> - If member of WTO 	

<ul style="list-style-type: none"> • What are your WTO commitments (subsidised quantities/tariff quotas)? 	See Annex: II
<ul style="list-style-type: none"> • Is there in your country an organisation for the management of export and import licences and tenders for cereals' imports? 	<p>Undersecretariat for Foreign Trade (UFT) is the competent authority to issue import and export licences. However, cereals with the exception of tariff quotas resulting from bilateral agreements aren't subject to import licences.</p> <p>For the time being, no licenses are required for exports of cereals.</p> <p>Both TMO and private sector can realize cereals imports</p> <p>Imports are executed freely by taking into consideration the tax rates which are committed to WTO.</p> <p>TMO realizes the cereals importation with international tenders.</p>
<ul style="list-style-type: none"> - Is there a planned programme for the introduction of such a management? (schedule, legislation, structures, staff, control) 	

4- MARKET INFORMATION SYSTEM

Is there an organisation responsible for the collection of:	
- representative market prices,	The representative market prices are sent by MARA to TURKSTAT for evaluation.
- data on farmers,	MARA through National Farmer Registration System (NFRS), TURKSTAT through Agricultural Census.
- data on import/export, production, consumption, animal and human usage in order to give a complete cereals balance sheet/	TURKSTAT

II. THE BALANCE OF DEMAND AND SUPPLY

The following tables concerning to the balance of demand and supply of wheat, barley and maize have been provided from the reports of “Wheat Situation and Estimation”, “Barley and Maize Situation and Estimation ” prepared by Agricultural Economics and Research Institute (AERI) affiliated to MARA. The tables concerning to the balance of demand and supply of rye and oat have been provided by TMO.

WHEAT	YEARS						
	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05
USABLE PRODUCTION (1000Tons)	17,577	15,066	17,577	15,903	16,611	16,815	18,585
AREA (1000 Ha)	9,400	9,380	9,400	9,350	9,300	9,100	9,300
YIELD(Kg/ha)	2,234	1,919	2,234	2,032	2,097	2,088	2,258
CHANGE IN STOCKS (1000Tons)	3,205	4,217	2,397	2,465	1,673	1,856	2,378
(*) IMPORTS (1000 Tons)	2,002	1,472	500	810	1,000	1,500	1,000
(*) EXPORTS (1000 Tons)	2,315	2,350	1,850	900	733	1,030	1,786
INTERNAL USAGE (1000Tons)	15,818	16,008	16,309	16,605	16,694	16,764	17,409
• ANIMAL FEEDS	1,100	1,100	1,200	1,300	1,200	1,100	1,500
• SEEDS	1,692	1,688	1,692	1,688	1,674	1,638	1,674
• INDUSTRIAL USAGE	-	-	-	-	-	-	-
• BIO ETHANOLUSAGE	-	-	-	-	-	-	-
• LOSSES (MARKET)	-	-	-	-	-	-	-
• HUMAN CONSUMPTION	13,026	13,220	13,417	13,617	13,820	14,026	14,235
HUMAN CONSUMPTION (AFTER PROCESSING) (1000Tons)	9,769	9,915	10,063	10,213	10,365	10,520	10,676
HUMAN CONSUMPTION (KG/head)	197	197	197	197	197	198	203
SELF SUFFICIENCY (%)	111.1	94.1	107.8	95.7	99.5	100.2	106.7

SOURCE: TURKSTAT, MARA and TMO

(*) The import and export figures aren't as of calendar year but they belong to the period of 1 June- 31 May

BARLEY	YEARS						
	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05
USABLE PRODUCTION (1000Tons)	8,010	7,007	7,280	6,675	7,387	7,209	8,010
AREA (1000 Ha)	3,750	3,650	3,629	3,640	3,600	3,400	3,600
YIELD(Kg/ha)	2,400	2,110	2,204	2,060	2,306	2,382	2,500
CHANGE IN STOCKS (1000Tons)	1,910	1,601	1,572	1,385	950	742	880
(*) IMPORTS (1000 Tons)	217	68	34	53	47	250	110
(*) EXPORTS (1000 Tons)	1,257	146	140	548	518	30	10
INTERNAL USAGE (1000Tons)	7,279	6,959	7,361	6,616	7,124	7,085	7,630
• ANIMAL FEEDS	6,345	6,039	6,440	5,688	6,194	6,205	6,700
• SEEDS	754	730	726	728	720	680	730
• INDUSTRIAL USAGE	180	190	195	200	210	200	200
• BIO ETHANOLUSAGE	-	-	-	-	-	-	-
• LOSSES (MARKET)	-	-	-	-	-	-	-
• HUMAN CONSUMPTION	-	-	-	-	-	-	-
HUMAN CONSUMPTION (AFTER PROCESSING) (1000Tons)	-	-	-	-	-	-	-
HUMAN CONSUMPTION (KG/head)	-	-	-	-	-	-	-
SELF SUFFICIENCY (%)	110	100.7	98.9	100.9	103.7	101.8	104.9

SOURCE: TURKSTAT, MARA and TMO

(*) The import and export figures aren't as of calendar year but they belong to the period of 1 June- 31 May

MAIZE	YEARS						
	1998/99	1999/2000	2000/01	2001/02	2002/03	2003/04	2004/05
USABLE PRODUCTION (1000Tons)	2,185	2,185	2,185	2,090	1,995	2,660	2,850
AREA (1000 Ha)	550	518	555	550	500	560	570
YIELD(Kg/ha)	4,182	4,434	4,144	4,000	4,200	5,000	5,263
CHANGE IN STOCKS (1000Tons)	398	413	650	176	609	920	1,060
(*) IMPORTS (1000 Tons)	981	1,000	673	1,200	1,800	1,100	230
(*) EXPORTS (1000 Tons)	26	8	7	10	22	-	10
INTERNAL USAGE (1000Tons)	3,125	3,157	3,325	3,068	3,463	3,614	3,715
• ANIMAL FEEDS	1,975	2,030	2,000	1,800	2,300	2,450	2,550
• SEEDS	14	13	14	14	13	14	15
• INDUSTRIAL USAGE	-	-	-	-	-	-	-
• BIO ETHANOLUSAGE	-	-	-	-	-	-	-
• LOSSES (MARKET)	-	-	-	-	-	-	-
• HUMAN CONSUMPTION	1,136	1,114	1,311	1,254	1,150	1,150	1,150
HUMAN CONSUMPTION (AFTER PROCESSING) (1000Tons)	795	780	918	878	805	805	805
HUMAN CONSUMPTION (KG/head)	17.2	16.6	19.3	18.2	16.4	16.2	15.9
SELF SUFFICIENCY (%)	69.9	69.2	65.7	68.1	57.6	73.6	76.7

SOURCE: TURKSTAT, MARA and TMO

(*)The import and export figures aren't as of calendar year but they belong to the period of 1 September-31August

RYE	YEARS						
	1998/99	1999/2000	2000/01	2001/02	2002/03	2003/04	2004/05
USABLE PRODUCTION (1000Tons)	232	233	260	220	255	240	270
AREA (1000 Ha)	133	140	147	140	150	140	143
YIELD(Kg/ha)	1,744	1,664	1,769	1,566	1,700	1,714	1,888
CHANGE IN STOCKS (1000Tons)	53	70	-	2	7	22	-
(*) IMPORTS (1000 Tons)	9	167	43		18	42	16
(*) EXPORTS (1000 Tons)	1	100	-	-	-	-	-
INTERNAL USAGE (1000Tons)	223	370	299	217	258	304	286
• <i>ANIMAL FEEDS</i>	192	337	265	183	226	274	252
• <i>SEEDS</i>	27	28	29	28	26	24	27
• <i>INDUSTRIAL USAGE</i>	-	-	-	-	-	-	-
• <i>BIO ETHANOLUSAGE</i>	-	-	-	-	-	-	-
• <i>LOSSES (MARKET)</i>	-	-	-	-	-	-	-
• <i>HUMAN CONSUMPTION</i>	-	-	-	-	-	-	-
HUMAN CONSUMPTION (AFTER PROCESSING) (1000Tons)	4	5	5	6	6	6	7
HUMAN CONSUMPTION (KG/head)	-	-	-	-	-	-	-
SELF SUFFICIENCY (%)	104	63	87	101	99	79	94

SOURCE: TURKSTAT and TMO

(*) The import and export figures aren't as of calendar year but they belong to the period of 1 June- 31 May

OAT	YEARS						
	1998/99	1999/2000	2000/01	2001/02	2002/03	2003/04	2004/05
USABLE PRODUCTION (1000Tons)	310	290	314	265	290	270	275
AREA (1000 Ha)	158	154	153	150	155	130	129
YIELD(Kg/ha)	1,956	1,883	2,044	1,767	1,871	2,077	2,132
CHANGE IN STOCKS (1000Tons)	4	12	6	-	-	2	-
(*) IMPORTS (1000 Tons)	1	11	-	-	5	1	24
(*) EXPORTS (1000 Tons)	-	14	-	-	-	-	1
INTERNAL USAGE (1000Tons)	296	286	312	257	285	264	289
• <i>ANIMAL FEEDS</i>	264	255	281	227	254	238	261
• <i>SEEDS</i>	32	31	31	30	31	26	28
• <i>INDUSTRIAL USAGE</i>	-	-	-	-	-	-	-
• <i>BIO ETHANOLUSAGE</i>	-	-	-	-	-	-	-
• <i>LOSSES (MARKET)</i>	-	-	-	-	-	-	-
• <i>HUMAN CONSUMPTION</i>	-	-	-	-	-	-	-
HUMAN CONSUMPTION (AFTER PROCESSING) (1000Tons)	7	7	8	8	8	9	9
HUMAN CONSUMPTION (KG/head)	-	-	-	-	-	-	-
SELF SUFFICIENCY (%)	105	101	106	103	102	102	95

SOURCE: TURKSTAT and TMO

(*) The import and export figures aren't as of calendar year but they belong to the period of 1 June- 31 May

ANNEX I

Cereals are subject to following preferential import arrangements:

THE EUROPEAN UNION (Turkey-EU Association Council Decision No 1/98)			
CN CODE	DESCRIPTION	QUOTA	DUTY
1001	Wheat and meslin, from 1 september to 31 May	30,000 tons	0
1001 10 00	Durum wheat, from 1 September to 31 May	100,000 tons	0
1001 90	Wheat, from 1 September to 31 May, other than durum wheat	200,000 tons	0
1002 00 00	Rye, from 1 September to 31 May	22,500 tons	0
1003 00	Barley, from 1 September to 31 May, for malting	49,500 tons	0
1004 00 00	Oats, from 1 September to 31 May	5,000tons	0
1005 90 00	Maize corn, from 1 December to 31 May, other than seed	52,000 tons	0
1005 90 00	Maize corn, from 1 September to 31 May, other than seed	53,640 tons	0

TURKEY-BULGARIA FREE TRADE AGREEMENT (Entered into force on 01.01.1999)			
CN CODE	DESCRIPTION	QUOTA	DUTY
1001 90 10	Other than durum wheat, for sowing	500 t	50% red MFN
1003 00 10	Barley for sowing	100 t	50% red MFN
1005 10	Maize (corn) for sowing	100 t	50% red MFN
1008 20	Millet	1,500 t	15%
1008 30,90	Other cereals	250 t	20%
TURKEY-ROMANIA FREE TRADE AGREEMENT (Entered into force on 01.02.1998)			
CN CODE	DESCRIPTION	QUOTA	DUTY
1001 90 99	Other wheat	35,000 t	0%
1003 00 90	Barley for malting (1.09-31.05)	5,000 t	0%
1005 90	Maize (1.12-31.05)	25,000 t	0%

TURKEY-CROATIA FREE TRADE AGREEMENT (Entered into force on 01.07.2003)			
CN CODE	DESCRIPTION	QUOTA	DUTY
ex 1005	Maize (corn (from 1 December to 31 May)	10,000 t	0

TURKEY-BOSNIA AND HERZEGOVINA FREE TRADE AGREEMENT (Entered into force on 01.07.2003)			
CN CODE	DESCRIPTION	QUOTA	DUTY
All cereals		Unlimited	0

Cereals are subject to following preferential export arrangements:

THE EUROPEAN UNION (Turkey-EU Association Council Decision No 1/98)			
CN CODE	DESCRIPTION	QUOTA	DUTY
10020000	Rye	unlimited	Reduction according to Article 3

TURKEY-SYRIA FREE TRADE AGREEMENT (Not yet in force)			
CN CODE	DESCRIPTION	QUOTA	DUTY
1003	Barley	10,000	0
TURKEY-BOSNIA AND HERZEGOVINA FREE TRADE AGREEMENT (Entered into force on 01.07.2003)			
CN CODE	DESCRIPTION	QUOTA	DUTY
All cereals		Unlimited	0

Bound tariffs:

Cn Code		<u>Bound rate of duty (%)</u>
0712.90	A. Sweet corn	11.7
	B, C, D. Other	19.5
1002-	Rye	180.0
1003-	Barley	180.0
1004-	Oat	180.0
1005-	Maize	180.0
1007-	Sorghum	180.0
1008-	Millet	180.0
1001-	Wheat	180.0
1101	Wheat Flour	102.6
1102	Other Flours	40.5
1103	Groats	54.0
1107	Malt	23.1

Export subsidies (2004) :

	Outlay commitment level (US \$)	Quantity commitment level (tonnes)
1003.00 Barley	4,737,650	113,090
1001 Wheat	27,418,520	493,812
1101.00 Wheat Flour	1,439,741	56,178
1103.11 Groats	1,544,586	58,260
1107 Malt	1,678,080	33,571
1005 Maize	0	0