

# SILKWORM SECTOR

## QUESTIONNAIRE

### 1. BASIC INFORMATION

Silkworm sector, having a history of 1500, is an economic, cultural and traditional secondary agricultural activity in our country. The only establishment, where the producer have become organised, is Bursa Association of Agricultural Sales Cooperatives for Silk Cocoons (Abbreviated as KOZABİRLİK), which was established in 1940. It covers 10.881 producer members and there are 5 cocoon agricultural sales cooperatives working as a subsidiary of KOZABİRLİK.

#### a) Balance Sheet:

From 1998 onwards

#### Number of Produced Silkworm Boxes

| Years    | 1998  | 1999  | 2000  | 2001  | 2002  | 2003  | 2004* | 2005** |
|----------|-------|-------|-------|-------|-------|-------|-------|--------|
| Quantity | 4.543 | 4.964 | 3.147 | 2.445 | 3.839 | 5.097 | 5.161 | 5.669  |

Source: Turkish Statistical Institute,

(\*): Provisional

(\*\*): Source is KOZABİRLİK

#### Yields

| Years  | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004* | 2005** |
|--------|------|------|------|------|------|------|-------|--------|
| Kg/Box | 29,9 | 26,8 | 19,0 | 19,1 | 26,0 | 33,2 | 27,7  | 27,7   |

Source: Turkish Statistical Institute

(\*): Provisional

(\*\*): Source is KOZABİRLİK

#### Fresh Cocoon Production

| Years | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004* | 2005** |
|-------|------|------|------|------|------|------|-------|--------|
| Ton   | 136  | 133  | 60   | 47   | 100  | 169  | 143   | 157    |

Source: Turkish Statistical Institute

(\*): Provisional

(\*\*): Source is KOZABİRLİK

#### Silkworm Eggs Imports

| Years  | 1998 | 1999 | 2000 | 2001 | 2002  | 2003  | 2004 | 2005 |
|--------|------|------|------|------|-------|-------|------|------|
| Box    | -    | -    | -    | -    | 200   | 5.000 | -    | -    |
| Origin | -    | -    | -    | -    | Japan | Japan | -    | -    |

Source: Undersecretariat of Foreign Trade

### Dry Cocoon Imports (Kg)

| Years & Origin      | 1998          | 1999 | 2000 | 2001       | 2002 | 2003 | 2004 | 2005 |
|---------------------|---------------|------|------|------------|------|------|------|------|
| <b>Romania</b>      | 1.106         | -    | -    | -          | -    | -    | -    | -    |
| <b>Ukraine</b>      | 1.463         | -    | -    | 205        | -    | -    | -    | -    |
| <b>Turkmenistan</b> | 18.851        | -    | -    | -          | -    | -    | -    | -    |
| <b>USA</b>          | 1             | -    | -    | -          | -    | -    | -    | -    |
| <b>TOTAL</b>        | <b>21.421</b> | -    | -    | <b>205</b> | -    | -    | -    | -    |

Source: Undersecretariat of Foreign Trade

### Silkworm Eggs Exports

| Years          | 1998  | 1999  | 2000 | 2001 | 2002  | 2003 | 2004 | 2005 |
|----------------|-------|-------|------|------|-------|------|------|------|
| <b>Box</b>     | 600   | 570   | -    | -    | 50    | -    | -    | -    |
| <b>Country</b> | Italy | Italy | -    | -    | Italy | -    | -    | -    |

Source: Undersecretariat of Foreign Trade

### Dry Cocoon Exports (Kg)

| Years & Origin   | 1998         | 1999          | 2000          | 2001 | 2002         | 2003          | 2004          | 2005          |
|------------------|--------------|---------------|---------------|------|--------------|---------------|---------------|---------------|
| <b>Italy</b>     | -            | -             | 21.600        | -    | -            | -             | 28.800        | -             |
| <b>Macedonia</b> | 1.022        | -             | -             | -    | -            | -             | -             | -             |
| <b>Paraguay</b>  | -            | 18.000        | 32.400        | -    | -            | -             | -             | 39.600        |
| <b>Thailand</b>  | -            | -             | -             | -    | -            | -             | 3.600         | -             |
| <b>China</b>     | -            | -             | -             | -    | 3.050        | -             | -             | -             |
| <b>Japan</b>     | -            | -             | -             | -    | -            | 82.800        | 28.800        | -             |
| <b>TOTAL</b>     | <b>1.022</b> | <b>18.000</b> | <b>54.000</b> | -    | <b>3.050</b> | <b>82.800</b> | <b>61.200</b> | <b>39.600</b> |

Source: Undersecretariat of Foreign Trade

**Dry Cocoon Stocks:** There is no stock in 1998-2005.

### b) Prices:

#### First Grade Fresh Cocoon Purchasing Prices (€/Kg)

| Years             | 1998        | 1999        | 2000        | 2001        | 2002        | 2003        | 2004        | 2005        |
|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Kozabirlik</b> | 4,48        | 1,13        | 1,13        | 0,92        | 1,40        | 1,78        | 1,30        | 1,55        |
| <b>Subsidy</b>    | -           | 3,15        | 3,00        | 3,20        | 3,85        | 4,15        | 4,36        | 5,28        |
| <b>TOTAL</b>      | <b>4,48</b> | <b>4,28</b> | <b>4,13</b> | <b>4,12</b> | <b>5,25</b> | <b>5,93</b> | <b>5,66</b> | <b>6,83</b> |

Source: KOZABİRLİK

## **2. MARKET TOOLS**

### **a) How is the trade organised?**

The whole fresh cocoons, produced in our country, are purchased completely by KOZABİRLİK, which is the sole producer organisation in the sector. These purchased fresh cocoons are dried at storehouses of the KOZABİRLİK and they are prepared for selling at domestic and foreign markets.

- Import Duties /Export Subsidies

Zero tariff duty is applied in the importation of the silkworm egg, reelable dry cocoon and raw silk products to Turkey. On the other hand, there is no subsidy given by the government for the exportation of the same products.

- Import/Export License System

There is no import/export license under the current import/export regime.

### **b) Administrative control**

Applications related to subsidies given by the government to silkworm producers, is under control of the Ministry of Industry and Trade, Ministry of Agriculture and Rural Affairs, Undersecretariat of Treasury and Union of Turkish Chambers of Agriculture.

- Is the identity of all producers known and registered?

Silkworm eggs production is realised by KOZABİRLİK, which is the only producer organisation in the sector and these silkworm eggs are distributed to all of the producers in Turkey by KOZABİRLİK. Also, all of the fresh cocoons, produced by means of these silkworm eggs, are purchased by KOZABİRLİK. All the phases of the production have been controlled and all producers have been registered by the Association.

## **3. PREMIUM**

- Are any subsidies paid to silkworm producers? If so, describe the type of aid.

Silkworm eggs are distributed to silkworm producers as free of charge and the total amount of these distributed silkworm eggs are paid to the silkworm eggs producer organisation (KOZABİRLİK) by State. On the other hand, Direct Support Payment is provided to the fresh silkworm cocoon producers, which produce fresh cocoon and sell these cocoons to KOZABİRLİK, per each kg that they have sold.

Since 1999, producers of the fresh silkworm cocoon have been supported by the direct payments in accordance with the Decrees of the Council of Ministers published annually and Implementing Communiqués. Direct support payments given to the producers in 1999-2005 are shown below.

**Direct Support Payments given to the producer (€/Kg)**

| <b>Fresh Cocoon Classes</b> | <b>1999</b> | <b>2000</b> | <b>2001</b> | <b>2002</b> | <b>2003</b> | <b>2004</b> | <b>2005</b> |
|-----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Breeding</b>             | 3,15        | 3,00        | 3,20        | 5,60        | 5,93        | 6,22        | 7,45        |
| <b>1. Grade</b>             | <b>3,15</b> | <b>3,00</b> | <b>3,20</b> | <b>3,85</b> | <b>4,15</b> | <b>4,36</b> | <b>5,28</b> |
| <b>2. Grade</b>             | 2,93        | 2,83        | 3,11        | 3,50        | 3,70        | 3,89        | 4,66        |
| <b>3. Grade</b>             | 2,70        | 2,65        | 3,02        | 3,15        | 3,26        | 3,39        | 4,04        |
| <b>Non Class</b>            | 0,68        | 0,78        | 1,51        | 2,10        | 2,22        | 2,34        | 2,80        |

Source: Ministry of Industry and Trade

**4. OTHERS**

- Please indicate any particular situation relevant in this sector.

Some important information on silkworm rearing in Turkey is given below:

- a) Number of the mulberry trees appropriate for sericulture in 2005: 1.800.000 pieces
- b) Maximum capacity for silkworm eggs production : 40.000 boxes
- c) Maximum capacity for fresh cocoon production : 1.200 ton.

Source: KOZABİRLİK