

SUPPLEMENTARY QUESTIONS OF THE COMMISSION ON OLIVE OIL AND ANSWERS GIVEN

1. Statistics on National Consumption (Wholesale/Supermarkets/Retail)

Regarding the consumption, there is no official statistical data showing the consumption by the wholesale, supermarket and retail sales.

2. Definitions of Different Quality Categories

The specifications of products contained in Turkish Food Codex – Communiqué on Edible Olive Oil and Edible Pomace Oil are given below:

a) Natural Olive Oils: The oils that are obtained from fruits of olive trees in the heat conditions that will not cause any change in their natural characteristics by only mechanical and physical processes such as washing, decantation, centrifugation and filtration operations and that are transparent, having the colour discharging from green to yellow with its own taste and flavour, which can be consumed as a food in its natural form.

Extra Natural Olive oil: The oils that free fat acidity expressed as oleic acid groups should not be more than 1.0 gram in per 100 gram.

Natural First Olive Oil: The oils that free fat acidity expressed as oleic acid groups should not be more than 2.0 gram in per 100 gram.

Natural Second Olive Oil: The oils that free fat acidity expressed as oleic acid groups should not be more than 3.3 gram in per 100 gram.

b) Refined Olive Oil: The oil that is obtained by refining methods not causing any change in triglyceride structure of raw olive oil and has various tones of yellow, with its own taste and flavour. The free fat acidity expressed as oleic acid groups should not more than 0.3 gram in per 100 gram.

c) Riviera Olive Oil: The oil that is obtained by mixing of refined olive oil with natural olive oil that can directly be consumed as a food, having the colour discharging from green to yellow, with its own taste and flavour. The free fat acidity expressed as oleic acid groups should not be more than 1.5 gram in per 100 gram.

d) Refined Pomace Oil: Oil that is obtained by refining methods not causing any change in triglyceride structure of raw pomace oil and has colour dischargable from pale yellow to brown- yellow. Refined pomace oil can be marketed directly or by mixing with natural olive oil. The free fat acidity expressed as oleic acid groups should not be more than 0.3 gram in per 100 gram.

e) Mixed Pomace Oil: An oil that is obtained by mixing cooking refined pomace oil and natural olive oil that can be consumed directly as a food. The organoleptic specifications of this oils change in accordance with organoleptic specification of oil amount used for mixing. The free fat acidity expressed as oleic acid groups should not be more than 1.5 gram in per 100 gram.

3. Are there quality or quantity restrictions for imports or exports of edible oils (inter alia hazelnut oil)?

There is no quantity restriction for import or export of edible oils. However, with regard to quality standards there are Turkish Food Codex Communiques applicable at all stages of production, marketing and imports. These are, excluding codex standards for fats, Communique on Edible Olive Oil and Pomace Olive Oil and Communique on Named Oils which covers peanut oil, palm oil, sunflowerseed oil etc. There is no quality standard for hazelnut oil.

4. Is there any direct or indirect export restriction for lampante oil?

There is no direct or indirect export restriction for lampante oil.

5. Export Refunds for Olive Oil/Table Olives: For Each of the Refunds, Data Over the Last Five Years Concerning Amount Paid Per Tonne, Subsidised Quantity and Total Payments

Export Refunds for Olive Oil And Table Olives

Years	Olive Oil	Table Olives
2001	200 \$/ton	65 \$/ton - quantitative limit of 71 %
2002	180 \$/ton	68 \$/ton - quantitative limit of 60 %
2003	180 \$/ton	68 \$/ton - quantitative limit of 60 %
2004	180 \$/ton	68-88 \$/ton- quantitative limit of 51% (*)
2005	150-300 \$/ton(**)	68 - 88 -108 \$/ton- quantitative limit of 51%(***)

Source: Undersecretariat for Foreign Trade

- (*) - 68 \$/ton (quantitative limit of 51%) export refund provided for the olives exported in the packages above 5 kg and less than 18 kg.
- 88 \$/ton (quantitative limit of 51%) export refund provided for the olives exported in the packages less than 5 kg.

- (**) - 150 \$/ton export refund provided for the olive oil exported in the packages above 1 kg and less than 5 kg.
- 300 \$/ton export refund provided for the olive oil exported in the packages less than 1 kg and if exported with a registered Turkish Trade Mark and labelled with "Made in Turkey" on the packages.

- (***) - 68 \$/ton (quantitative limit of 51 %) export refund provided for the olives exported in the packages above 5 Kg less than 18 kg,
- 88 \$/ton (quantitative limit of 51%) export refund provided for the olives exported in the packages above 1 Kg and less than 5 Kg.,
- 108 \$/ton (quantitative limit of 51%) export refund provided for the olives exported in the packages less 1 Kg. and if exported with a registered Turkish Trade Mark and labelled with "Made in Turkey" on the packages.

Subsidised Quantity and Total Payments – Olive Oil

Years	(KG)	(\$)
2001	4,546,637	796,850

2002	4,658,997	827,331
2003	7,791,921	1,400,364
2004	10,774,142	1,733,621
2005	7,273,643	1,191,243

Source: Exporters Union

Subsidised Quantity and Total Payments – Table Olives

Years	(KG)	(\$)
2001	15,806,453	728,412
2002	16,937,780	629,702
2003	18,026,239	734,304
2004	30,510,210	1,197,800
2005	21,486,064	884,526

Source: Exporters Union

6. Why are purchase prices from the producers often higher than wholesale prices? Who bears the losses?

The prices of Tarih Zeytin ve Zeytinyağı Birliği, which is in the position of a significant purchaser of olive oil, are regarded as the basis for the purchasing prices from producers used at the Table 8 and Table 9 in the questionnaire.

Explanations related to Table 8 in the questionnaire:

Subsidies for olive oil were provided by the state via the Agricultural Sales Cooperatives and Associations (ASCAs) in the production season of 1992/93 and 1993/94. Therefore, the purchase prices were set above the level of market prices and the emerging sales losses were covered by the state.

Between the 1994/1995 and 1999/2000 seasons, the purchases of ASCAs were supported through the low interest credits. Consequently, purchasing prices announced by the Tarih Zeytin ve Zeytinyağı Birliği were realised above the market prices.

According to the Law no 4572, which was put into force within the framework of restructuring of the ASCAs; ASCAs have determined their own purchasing prices by observing market conditions and sale potential as of the 2000/2001 production season.

Intervention to olive oil prices by the government does not exist any more. Therefore the prices are determined in the market in accordance with the acidity level.

On the other hand, İzmir Commodity Exchange prices has been taken as basis for the wholesale prices at the table 8 in the questionnaire.