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Turkey

Organic Products

Organic Production

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Report Highlights:
Organic agriculture in Turkey began in 1985 by the private sector in the Aegean Region. Organic agriculture production started as a result of the demand from countries in Europe. Since then, organic agriculture production has expanded throughout Turkey. The Organic Agriculture Law passed on December 1, 2004. Most of the Turkish organic agriculture is produced for export markets. Domestic consumption is still very low but is gradually increasing each year.

Includes PSD Changes: No
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Executive Summary

Organic agricultural production in Turkey began in the 1980s, spurred exclusively by demand in Europe. It has expanded since then throughout Turkey with the number of farmers in organic agriculture increasing each year. The industry is geared specifically for the export market with domestic demand being very limited.

Initially, the variety of organic products was limited. The first organic products produced in Turkey were Sultana grapes. Today around 175 kinds of agricultural products are organically produced in Turkey. Dried fruit has been the major sector for organic production in Turkey. Edible nuts, spices and herbs, fresh/processed fruits and vegetables, pulses, cereals, industrial crops, oil seeds, and other raw/processed products make up the remaining categories.

ADVANTAGES	CHALLENGES
There is an increasing domestic interest in organic products related to more awareness of healthy living.	The domestic production of organic products is high and the variety of products is also rising every year.
Turkey has sustained a stable economic growth and maintained a stable market since the economic crisis in 2000.	Competition is growing as more producers and retailers are focusing on the domestic market.
U.S. products are well received by Turkish consumers, especially among the young population.	The majority of Turkish consumers are still very price sensitive and organic products are generally 20-60 percent higher than conventional products.
There is a growing domestic investment in organic stores and health stores.	Widespread public awareness of the benefits of a certified organic product is lacking.
There are few highly processed/ frozen organic products produced in Turkey, and it is almost impossible to find organic chocolates, candies, gums and similar items.	Organic processed products are not in high demand yet in Turkey.

Production

Turkey is in a very advantageous location due to the ecological and climatological conditions of the region. The organic agricultural production in Turkey started with contracts between Turkish producers and the European importers. Currently, private farms and non-governmental organizations are responsible for vast majority of the organic production. As a result, exporters can ensure that the products meet the standards and also the producers are satisfied with the payment guarantee. There are no major cooperatives involved in organic production; however, there are a number of small cooperatives in villages, counties and towns. These cooperatives are established for specific products, such as hazelnuts.

Table: 1 Organic Production Statistics (including data from transition period)

	Number of Products	Number of Producers	Area (hectares)	Production (tons)
2003	179	14,798	113,621	323,981
2004	174	12,806	209,573	378,803

Source: Ministry of Agriculture and Rural Affairs (MARA)

There has been a rapid increase in the number of producers involved in organic farming in the past 10 years. According to Ministry of Agriculture and Rural Affairs (MARA) statistics, the total number of producers in 1990 was 313, which constituted only about 2 percent of total producers currently. In 2004, there are now almost 13,000 organic farmers. The product variety also changed over the years. When organic farming started in 1985 it had only about 3 types of products, which today reached approximately 175 different types. Total production was 378,800 tons in 2004.

The total organic agricultural land in Turkey was approximately 200,000 hectares in 2004, which makes up 0.8 percent of total arable land. South East Anatolia is the second largest region with 21 percent of organic agriculture area after Aegean region with 41 percent. Aegean, Mediterranean and Marmara regions all together hold about 60 percent of total organic agricultural area.

In order to convert conventional products into organic there is a transition period. The transition period includes the products that are not fully organic. The length of the period depends on various factors such as the product, environmental conditions of the soil and the surroundings of the farm. It usually ranges from 2 to 4 years. Following the completion of the transition period the product would receive organic product logo.

In the past 6 years there were significant investments in organic livestock production. Even though this category is yet to expand and currently constitutes a very small portion of the total production, statistics from MARA show the steady increase since 2002. In addition to livestock sector, Turkey also improved production of organic honey and egg since 2002. There is a very significant increase in beehives production since 2002 as it increased more than 100 percent by 2004. Organic egg production also increased and almost quadrupled from 2002 levels.

Table: 2 Organic Animal Husbandry Production in Turkey

Product	2002		2003		2004	
	Farms	Production (Tones)	Farms	Production (Tones)	Farms	Production (Tones)
Cow Milk	4	40	6	48	1	138
Veal	4	8	6	8	1	100
Sheep Meat	4	5	6	4	1	300
Goat Meat	0	0	2	0	1	50
Beehives (in numbers)	-	2,000	-	12,653	159	27,839
Eggs (in numbers)	1	25,000	6	34,500	1	92,500

Source: MARA

Production Policy

In accordance with the Organic Law of 2004 the state television (T.R.T.) must broadcast a half hour educational and/or promotional programs on organic sector every month. Moreover, Ministry of Agriculture and Rural Affairs (MARA) provided each Provincial Agricultural Directorate with up to three organic agricultural specialists. The Ministry has been conducting educational programs in the villages and counties for about 8 years. These programs provide background information for farmers. In order to support the producers MARA also provides credits with low interest rate thru the state-owned bank, T.C. Ziraat Bankasi. Most producers and farms are relatively small and farmers are not very powerful. Even though Government of Turkey (GOT) provided low interest credits it is usually very hard for small producers to take advantage of this opportunity. Organic producers enjoy a higher direct income support in comparison to producers of conventional commodities.

Consumption

Domestic demand for organic products has thus far been limited in Turkey. Higher prices discourage most consumers from purchasing organic products. However, with the increased attention paid to human health issues by the national media, Turkish consumers are becoming more and more conscious of organics. Some national supermarket chains have organic stands in metropolitan cities, especially in the regions with high-income levels. Majority of the Turkish consumers, however, remain price sensitive and the big margins between conventional and organic products is the major reason for low demand.

There are a growing number of natural and organic stores in Istanbul, Ankara and Izmir, which number about 50. In addition, there are also local organic food shops throughout Turkey. Among the major issues these stores face is the lack of variety. There is no domestic production of highly processed products such as chocolates, gums and candies. They import some processed products from European countries as well. It is estimated that currently only about 10 percent of Turkish population can afford to buy organic products. With increasing income levels and awareness of health effects of conventional products the domestic market is expecting that there will be slow but steady growth from Turkish consumers.

Trade

Most of organic production is directed to export markets. It is estimated that about 95 percent of all organic production is being exported. The European Union countries constitute the major export markets for Turkey, Germany, U.K., the Netherlands, Italy and France being the main ones. In addition to them, the U.S., Thailand, Canada, Australia and Japan are also export markets for Turkish products.

Table: 3 Exports of Major Organic Agricultural Products

PRODUCTS	2002		2003		2004	
	Quantity (Tones)	Value ($1,000)	Quantity (Tones)	Value ($1,000)	Quantity (Tones)	Value ($1,000)
Dried Apricots	1835	4044	1688	4734	1646	5381
Raisins	6115	5718	5677	7056	3316	5258
Hazelnuts	1560	4755	1403	5107	847	5114
Dried Figs	2228	5537	2027	5166	1843	4396
Lint Cotton	411	623	865	1376	1573	2824
Apple Juice	468	456	2528	3055	1406	1513
Frozen Fruits	892	1106	1212	1983	930	1382
Lentils	962	655	1447	1025	1508	1366
Anise, Fennel& Coriander Seeds	246	592	229	453	321	773
Chick Peas	1413	1113	1167	830	871	673
Pine Kernels	93	1534	70	1212	34	665
Frozen Vegetables	666	391	841	573	489	415
Olive Oil	25	65	54	174	91	360
Pistachios	21	129	32	265	25	198
Honey	385	852	109	295	32	96
Prunes	139	236	6	24	38	75
Tomato Paste	116	86	134	142	39	56
Canned Cherries	57	89	88	146	27	53
TOTAL (Including others)	19183	30877	21083	36933	16093	33076

Source: Aegean Exporters' Union

There is a major discrepancy between the statistics published by MARA and by Aegean Exporter's Union. MARA collects statistics of bulk commodities whereas Aegean Exporters' Union collects statistics of processed products, such as dried, fresh and frozen products from Turkish exporters, who submit statistics voluntarily. According to the statistics from Aegean Exporters' Union there was a major decline in exports in 2004. The exporters sometimes do not register their exports to the Union. Industry contacts state that the tremendous decline in the exports from 2003 to 2004 is an example of this issue. The industry contacts believe that 2004 statistics does not reflect the reality and indeed the volume and the value of exports in 2004 were much better than in 2003. The increase in exports of organic products continued in 2005 as well.

Turkish exporters also have the ecological advantages of Anatolian region and enjoy being the world's leader in dried hazelnut, dried apricot and dried fig production.

Table: 4 Turkish Organic Exports by country

	Germany	Switzerland	UK	Netherlands	Italy	France	Others	TOTAL
Years	Quantity (kg)	Quantity (kg)	Quantity (kg)	Quantity (kg)	Quantity (kg)	Quantity (kg)	Quantity (kg)	Quantity (kg)
1998	3.610.124	1.400.375	593.396	1.221.594	28.505	644.645	1.118.047	8.616.687
1999	3.841.307	1.354.173	1.447.317	1.958.963	182.61	799.954	2.465.625	12.049.949
2000	4.022.428	1.257.773	1.469.172	1.811.179	399.486	801.89	3.367.006	13.128.934
2001	6.212.651	1.310.944	1.716.182	1.669.606	904.705	974.317	4.767.875	17.556.280
2002	7.629.086	1.223.378	2.023.022	1.516.712	940.735	974.716	4.875.211	19.182.859
2003	7.530.773	1.154.821	1.867.270	3.598.333	1.710.054	887.225	4.334.876	21.083.351
2004	2.760.222	439.067	884.476	1.342.560	1.040.520	382.858	2.914.152	9.763.856

Source: Aegean Exporters' Union

Regulations and Policy

In Turkey there was no domestic regulation or law until 1994 and organic farming firms were applying organic agricultural rules of the exporting countries and were being certified individually by foreign certifying agencies.

The Turkish regulation on organic agriculture, "The Production, Processing and Marketing of Plant and Animal Products produced by Organic Farming Methods", is based on a EU regulation (Council Regulation EEC No: 2092/91). It was prepared by the Ministry of Agriculture and came into effect on December 18 1994 (No: 22145). The regulation defined the contents of organic agricultural activities, duties of control and certification bodies and other rules to be applied in organic agriculture. This regulation was revised and put into force on July 11 2002 as "Principles and Application of Organic Farming". This regulation updated the rules for production, labeling, processing, storing and marketing of organic agricultural products. Certification procedures, duties of control and certification bodies were also redefined with this regulation. The regulation also introduced a logo to be used on organic agricultural products. On December 1, 2004, the Organic Agriculture Law was accepted by the Turkish Grand National Assembly and put into force. The organic agriculture regulation was updated on June 10,2005.

In the past 5 years the Turkish government took significant steps to promote organic agriculture. Currently there are two major Committees in the Ministry of Agriculture and Rural Affairs (MARA), which are specifically for organic agriculture. The Organic Farming Committee (OFC) meets regularly once a month and reports to Directorate General for Agricultural Production and Development. Members of the committee are from MARA. The major duties of the Committee are to develop, familiarize and extend organic farming in Turkey, to encourage training, seminars, symposiums, meetings and fairs and to participate and provide support for these activities. OFC also traces International Organic Farming legislation and performs modification activities in order to obtain harmony on this issue.

There is also the Organic Farming National Guidance Committee, which meets at least twice a year. The members of this committee are from various interested groups, such as Ministries, Associations, Agriculture Chambers and Exporters' Unions. They work on the strategies to develop and apply organic agriculture in Turkey. The main role of the Committee is to determine strategy and policy on organic farming.

Certification

Private firms must receive permits from MARA in order to certify organic production. There are a total of nine certification bodies in Turkey. Five of them are regional offices of foreign certification firms, one of them has partnership with a foreign certification firm and three of the certification firms are owned by Turkish entrepreneurs. All certification firms have to be accredited by Ministry of Agriculture in order to operate in Turkey. MARA does regular and random checks on these companies. There are two laboratories in Izmir and in Ankara that were accredited by TURKAK, Turkish Accreditation Agency. According to international standards these laboratories have to be recognized internationally in order to officially analyze organic agricultural products. This process is expected to be finished by the end of 2006. Currently, there is no internationally accredited laboratory in Turkey for organics. According to the law there are no compulsory analyses that the certifying agency needs to make. Unless the certifying agency has some concerns regarding the product or packaging method then it might require a sample to be sent to an accredited laboratory in the EU for testing.

Table: 5 Certification Agencies in Turkey

Name	Address	Phone	Fax	E-Mail
IMO	225. Sokak No: 26/2 A Blok 35040 Bornova / Izmir	0232-3474705	0232-3474780	imotr@imo-control.org
ECOCERT-SA	Cumhuriyet Cad. No: 2/3 35030 Bornova/ Izmir	0232-3434360	0232-3433959	ecocert@ttnet.net.tr
ETKO	160. Sokak No: 13/7 35040 Bornova/ Izmir	0232-3397606	0232-3397607	info@etko.org
SKAL	Suvari Cad. No: 8-1 Bornova/ Izmir	0232-3432651	0232-3393703	turkey@skalint.com
BCS	Mithatpasa Cad. No: 234/8(Ismailoglu Ishani) Narlidere/Izmir	0232-2390907	0232-2390608	bcsturkey@superonline.com
EKO-TAR	Adnan Menderes Bulvari Denis Apt. 36/1 33110 Mersin	0324-3254964	0324-3271944	ekotar@europe.com
ICEA	Mustafa Kemal Cad. Halil Bey Apt.B Blok No: 166/2 Kat: 7 Daire: 13 35040 Bornova/ Izmir	0232-3426068	0232-3428464	rayan@egenet.com.tr
CERES	Inönü Cad. Yunus Emre Apt. No: 705 Kat: 1/1 35290 Poligon/ Izmir	0232-2472022	0232-2477001	info@ceres-cert.com.tr
ORSER	Simon Bolivar Cad. Cemal Nadir Sok. No: 10/5 06550 Çankaya/Ankara	0312-4381560	0312-4381559	or_ser@hotmail.com www.or-ser.com

Since the cost of certification is high, private organic firms set up projects for the small producers and sign contracts with the producers. The firm then applies to the certifying company for first phase of the certification. Once the certifying process is over then the company can use special logos, as directed by Turkish Organic Law, for marketing its products.

Contact Information

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The following list provides the contact information for the most important Turkish organic industry and governmental contacts:

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Tarimsal Uretim ve Gelistirme Genel Mudurlugu
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Web page: www.tarim.gov.tr

Organic Product Producers' and Industrialists' Association (ORGUDER)
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Export Promotion Center of Turkey (IGEME)
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