

INTERNATIONAL COTTON
ADVISORY COMMITTEE

2014 RESEARCH
ASSOCIATES PROGRAM

TURKEY
COUNTRY REPORT

Introduction

The agricultural sector still has an important place in Turkey's overall economy. According to the Turkish Statistics Institute, the number of people actively engaged in agriculture, presently varies between 23-26 % of the total labour force. Approximately 4 million farm units operate in agricultural sector with an average farm size of around 6 ha. The most important agricultural commodities are cereals, oil seeds, cotton, followed by various types of fruits and vegetables.

Considering its direct and indirect employment effect, *cotton* is still one of the basic income sources for many people in Turkey. Other commodities such as wheat, maize and sunflower, dried fruits, such as hazelnuts, dried grapes, dried apricots, dried figs, etc., have gained increasing importance, especially following the steep price increases of the above mentioned products since the 2007/08 season.

Cotton's contribution to food and fiber industries is still significant. Cotton seed oil is mainly used to cover part of the domestic deficiency for vegetable oils, for which there is constantly a growing demand, which can only be satisfied by imports at increasing amounts. These imports are mainly as sunflower seed oil, for which Turkey has a significant deficiency.

With a lint cotton production of about 900 thousand tons, Turkey is the 8th in cotton production.

Cotton has become important to the industrial sector as well as to the internal and external trade of Turkey. However, significant drops in the domestic production have continued to necessitate imports of cotton of considerable magnitude, making the country the second largest importer of cotton after China. Currently, the Turkish textile and clothing sectors cover just below one fifth of total export earnings.

Cotton Production Regions



During the last decade, significant increases in cotton planted area have occurred in the South-Eastern Anatolia, “GAP” region, as opposed to drops in Çukurova and Antalya regions. Decreases in planted area in the Aegean Region have also become apparent during the recent seasons.

Average Fiber Quality Parameters of Cotton Growing Regions

Aegean cotton generally is considered to be the best quality and is preferred by the textile industry.

Cotton Growing Regions	Fiber Length (mm)	Fiber Strength (g/tex.)	Micronaire	UI (%)
Aegean	29.8	31.5	4.59	84.7
Cukurova	28.8	29.8	4.79	83.1
Southeastern Anatolia (GAP)	29.2	30.4	4.44	84.4

2. Cotton production in Turkey

COTTON PRODUCTION			
Crop Year	Harvested Area (ha)	Production (tonnes)	Yield (kg/ha)
2005/06	600.000	800.000	1.333
2006/07	630.000	750.000	1.190
2007/08	500.000	625.000	1.250
2008/09	330.000	440.000	1.333
2009/10	280.000	380.250	1.357
2010/11	480.650	816.705	1.700
2011/12	542.000	954.600	1.760
2012/13	488.000	858.400	1.760
2013/14	450.900	877.500	1.946

Source: Turkstat

Sustainable development of new seed varieties came with the liberalisation of the seed sector in early 1980s, many private sector seed development companies also encouraged the cultivation of some additional varieties which they considered to be promising. However, no genetically modified (GM) cotton has so far been commercially cultivated in Turkey. Presently, almost all of the cotton grown in Turkey is *Gossypium hirsutum*, “upland” type, whose lint characteristics proved to be suitable to most applications, except those which necessitated the use of yarns with very fine counts.

Both the cotton research stations of the Ministry of Food, Agriculture and Livestock (MFAL), as well as the private sector conduct various research and development work in order to improve sustainability of cotton production techniques, bearing in mind the necessity to cause the least harm to the field and environment. Some of the production techniques, such as ridge planting, cultivation of a secondary crop after cotton, use of less water in cotton cultivation, etc... are just a few examples.

Increase in yield

Last three decade, yield increased average from 700 kg/ha to 1760 kg/ha with the improvements in;

- The variety potential,
- Agro-climatic conditions,
- Availability water (irrigation) during the growing season,
- The investment of modern equipment,
- Improvement in plant protection and agronomical applications, and fertilizers,
- Increased use of certificated seeds.

EXPORTS&IMPORTS

CROP YEAR	EXPORTS (000) TONS	IMPORTS (000) TONS
2000/01	19	381
2001/02	15	624
2002/03	51	516
2003/04	60	516
2004/05	16	743
2005/06	47	762
2006/07	66	877
2007/08	81	711
2008/09	30	635
2009/10	33	956
2010/11	32	729
2011/12	62	518
2012/13	47	803
<i>Source: Ministry of Economy)</i>		

COTTON IMPORT OF TURKEY

COUNTRY	2011/12		2012/13	
	import(tonnes)	value(1000 \$)	import(tonnes)	value(1000 \$)
USA	252.663	651.735	456.113	872.810
TURKMENISTAN	27.290	53.273	104.442	186.905
GREECE	85.740	187.216	94.480	170.756
BRAZIL	81.638	221.523	56.055	117.887
TAJIKISTAN	13.302	24.444	30.668	53.795
SYRIA	216	677	21.451	33.205
INDIA	6.248	13.639	7.478	15.010
UZBEKISTAN	7.640	11.307	5.608	6.737
AZERBAIJAN	4.712	7.058	4.935	7.708
ARGENTINA	11.341	24.678	4.785	9.084
OTHER	27.820	78.742	17.746	39.904
TOTAL	518.610	1.274.291	803.760	1.513.800

Source: Ministry of Economy

COTTON CONSUMPTION

COTTON CONSUMPTION	
Crop Year	(000) TONNES
2000/01	1250
2001/02	1372
2002/03	1390
2003/04	1415
2004/05	1550
2005/06	1500

2006/07	1550
2007/08	1325
2008/09	1130
2009/10	1300
2010/11	1300
2011/12	1300
2012/13	1350
2013/14	1350

Turkish cotton industry is still one of the major sub-sectors, having a large export earning as well

as employment potential. The textile industry has partly been dependent on imported cotton, since local cotton production is not sufficient to meet the demand for approximately 1.3-1.5 million tons of lint cotton, hence often making the country the 2nd largest importer of cotton in the world.

Harvest

Machine picking has become common all cotton growing regions because of the

- significantly increased labor costs and,
- severe shortages of labor in hand picking.

This development also contributed to the significant reduction in contamination. Currently, **about one-fifth** of the Turkey's cotton is hand- picked.

Turkey's textile and clothing industry:

Turkey is one of the very few countries in which its textile and clothing industry has managed to remain competitive. This is mainly due to the fact that new investments in spinning, weaving and knitting.

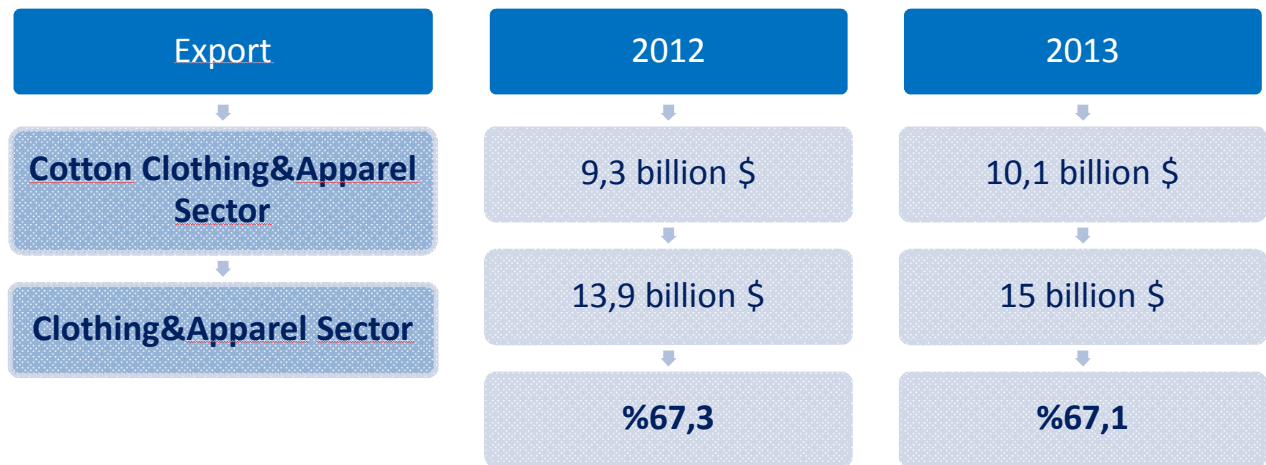
Textiles and clothing are among the most important sectors of the Turkish economy and foreign trade.

Accounting for about 6-7% of the (gross domestic product) GDP together,

These two sectors are the core of Turkish economy in terms of;

- GDP contribution,
- share in manufacturing,
- employment,
- investments and,
- macroeconomic indicators.

Cotton Rates in Clothing& Apparel Industry



Textile Exports

Turkey exports its very qualified textile products to most countries, especially European Countries.

Countries	Textile Export Ratio %
Russian Fed.	13,0
Italy	10,1
Germany	5,9
Iran	3,8
UK	3,7
Poland	3,7
Romania	3,7
USA	3,5
Bulgaria	3,1
Egypt	2,7

Countries	Clothing&Apparel Export Ratio %
Germany	24
UK	13
Spain	8.6
France	8.0
Netherland	5.5
Italy	5.2
Denmark	2.9
USA	2.7
Belgium	2.6
Russian	1.9

Main advantages of Turkish Textile Industry:

- Use modern technology,
- Existence of a well-developed textile finishing industry,
- Talented designers and creations of product diversity,
- Marketing of highly value added, fashionable and quality products
- Richness in basic raw material
- Geographical proximity to main markets, especially European markets
- Short logistics period due to the geographical proximity,
- Qualified and well-educated labor force,

- Liberal trade policies,
- Giving importance to quality, environment and human health, sensitivity on working conditions of workers,
- Custom Union agreement with European Union and free trade agreements with many other countries

Main issues, faced by the cotton growers in Turkey, can be listed as follows:

- **high input and production costs, (labour, fuel, chemicals, fertilisers etc.,)**
- **high cost of finance,**
- **better returns expected from alternative crops, especially from food crops, making market prices of cotton most often lower than the cost of production.**
- **the likelihood of entering another period of world–wide recession and financial crisis, with its inevitable repercussions to the world cotton economy.**
- **contamination**

Some strengths as follows:

- ✓ **Suitable cultivation fields and climatic conditions for cotton**
- ✓ **Fully developed agricultural mechanization and technology**
- ✓ **High yield potential**
- ✓ **Good knowledge level of growers**
- ✓ **Advanced ginning, yarn and textile industry**
- ✓ **High textile export rates**