

**SPEECH NOTES OF THE DEPUTY MINISTER OF FOOD, AGRICULTURE
AND LIVESTOCK**

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INTRODUCTORY REMARKS

Food industry, which provides its raw materials from agricultural sector and requires effort and an intense system, has socio-economically strategic importance worldwide in terms of its direct relation to procurement of raw materials to industry, contribution to employment and balanced nutrition of the public.

Especially problems faced in the food sector between 2007 and 2008 have caused the governments to seek new alternatives in this area. For example agricultural production and international food trade has been introduced in G20 agenda for the first time. Following studies in the field, subjects such as agricultural production, keeping record of agricultural trade and combatting excessive fluctuations in agricultural product prices are being monitored by G20 member states.

In this context, new approaches and pursuits are being brought to public attention on the role of food industry. While traditional agricultural policies are designed and implemented on the basis of increasing producer income and welfare level, food industry is evaluated in new approaches as an element of agricultural policy serving this purpose. Food industry acts sort of a bridge and link between producers and consumers and appreciated as a part of agricultural production.

Food industry in developed countries guides producers in technology use which is a prerequisite for quality production, development of superior genetic capacity species and seeds, post-harvest procedures and development of transportation. The industry also implements contractual production models for obtaining same quality standard product in order to maintain a controlled production from sowing to harvest.

In today's World, consumers demand more information on the products they consume. The developing food industry prefers production systems where all stages of production are monitored such as those in good agricultural practices applications.

One of the most important contributions of food industry to economies is the value generated by the industry. Especially when we look at the food trade of developed agricultural economies percentage of raw materials in trade is decreasing while the income generated shows a steady increase. In other words agricultural products of developed countries are being processed by the food industry and an increase in added value is achieved.

Today, the importance of food industry is understood even more in generating employment and income in addition to adding value to agricultural production. Agricultural industry is dominant in developing countries in terms of added value generated in manufacturing sector. While small enterprises have taken part in the globalization process, local production in food sector has not been confined in its traditional boundaries such as in heavy industry fields but rather has made its way into worldwide arena. It is with no doubt that we can feel the multilateral effects of this globalization. First of all, the companies need to take root in new markets, invest in such markets, invest in themselves by undertaking R&D and innovation studies. The result of these strategies is global increase in added value.

Globalization process has not only caused economic effects to the food industry. Through the interaction between the producer and the consumer, the industrialist has forced the consumer to be more rational and consumer has forced the industrialist to produce more secure foodstuffs and to protect the environment.

Experiences in agriculture and food sector have paved the way to generating strategies and policies for investment incentives, increase in productivity and being more included in the economic sector.

In this part of my speech I would like to deliver my remarks on some of the issues regarding the situation of agriculture in the world and Turkey:

OVERVIEW OF WORLD AGRICULTURE

- World Agriculture is at a crossroads where supply and demand are redefined owing to food safety, energy need, climatic change and environmental problems. Biofuels are promising for the future in covering

the energy need. However, the pressure of the increase in the production of biofuels on food poses serious threats for the World.

- Today, the concern for being self-sufficient in agricultural production has left its place to the approach of production and marketing for the world. In other words, food sector has gained a transboundary quality for countries.
- Thus, \$ 1.2 trillion part out of the total \$ 15 trillion world export is produced by agricultural sector.
- In today's world where global agricultural production amounts to \$2 trillion, approximately 54% of the production comes from fresh fruit-vegetable sector.
- The top three products in world agricultural exportation are respectively:
 1. Meat and meat products,
 2. drinks
 3. cereals

and the said sectors have an approximate 25% share of the whole world exportation.

- 60% of world agricultural exportation is executed by developed economies and the top three countries are respectively USA (with a share of 10.1%), the Netherlands (with a share of 6.8) and Germany (with a share of 6.3%).
- According to FAO data, there are 1 billion hungry people on earth. Economic crisis, demand for biofuels and increasing food prices due to climatic change affects this situation negatively.
- Although global food crisis seems to have lost its exigency between 2006 and 2008, it still requires joint actions on the international arena. Urgent and complementary measures must be identified hastily in this period. The measures to be taken must comprise altogether of food aids, social protection and food safety measures, preparations to boost agricultural production in the short term and state supports.

- First priority of international society is to take urgent measures to transfer food to the weakest sections. In this respect, urgent aids and extended measures to guarantee the sustainability of production (aids for seed, fertiliser and agricultural equipment), food coupons or cash transfers, employment programs (food or cash in return for working), school nutrition programs and other nutrition programs for target masses must be implemented. Reducing hunger and poverty until the year 2015, which is among The Millennium Development Goals (MDGs) is getting more and more difficult to achieve for many countries.

OVERVIEW OF TURKEY

- Turkey is ready for partnerships and cooperation which will stimulate its potential with a view to constituting an example both in its region and in the world. As a country serving sustainable development, we will improve our present collaborations to share our experience and knowledge.
- Agricultural sector has grown in the 7-year-period in the last 8 years to be the buffer sector of economy and locomotive sector of Turkey.
- One of the most important sectors in which cooperation and investments may be improved is the sector of agriculture. 29.81% of our country's territory is arable land. Agricultural sector accounts for 9.2% of Gross Domestic Product and 25.5% of the work force.
- The contribution of agriculture to domestic income increased from \$ 23.7 billion in 2002 to \$ 103,9 billion in 2013. Turkey has a voice in world agricultural production. In production, Turkey comes FIRST worldwide with 5 products and 26 other products are among the top 5 of the world. Our export of agricultural products, which amounted \$ 4 billion, has risen to \$16.9 billion in 2013. Our export of agricultural products, which amounted \$ 4 billion in 2002, has risen to \$16.9 billion in 2013.
- As it can be comprehended from these main indicators, agriculture, which makes up of a big part of Turkish economy is one of our country's sectors, which is open for development and investment.
- Last decade has been a period welcoming pleasing developments with regard to agricultural sector in our country.

- Our country, which ranked 14. with the share of %1,34 from world agricultural revenue in 2001, passed Italy, Spain and Germany with \$103,9 billion of agricultural revenue and the share of 2.4% by the year 2013 and came first in Europe
 - Turkey has 17. biggest overall economy and 7. biggest agricultural economy in the world.
- While \$ 23 billion of agricultural revenue was obtained as a result of the work of 7.5 million people on an area of 24 million hectares in 2002, nearly \$103,9 billion of agricultural revenue was obtained in 2013 as a result of the work of 7,26 million people on the same amount of land
- A similar performance was observed in our agricultural export and,
- it reached \$ 16.9 billion in 2013 by quadrupling its value of \$3.7 billion in 2002 in 11 years and got its share of 11.18 from our total export
 - The number of exporting countries in agricultural sector has risen from 3733 in 2002 to 5738 in 2013 by an increase rate of 54%
 - Today, agricultural sector is a sector executing exportation to 202 countries in total.
- Turkey has increased food aids at bilateral level and via WFP for countries experiencing hard times due to the crisis. In 2008, the food aid provided by Turkey via WFP exceeded 4 million USD. Moreover, customs duties were reduced or cancelled out in order to relieve the markets in the short term. And in 2010, Turkey made a contribution of 2.000.000 USD to the United Nations World Food Programme (WFP) for Niger and Chad, which face a serious food crisis
- In addition, within the framework of Millennium Development Goals setting the base for substantial commitments with the aim of enabling developed countries to contribute to the development efforts of the developing countries, our country has specified its policies in accordance with these goals, and has attached importance to the achievement of abovementioned goals in the less developed countries as well as in developing countries and made efforts in line with this aim. Our commitments for Least Developed Countries constitute a noteworthy example of these efforts

- Our country's agricultural vision for 2023 is to be among the top 5 countries in the world in terms of agro-economic size; to have agricultural revenue of 150 billion dollars and to have agricultural exports corresponding to 40 billion dollars.
- As for the exports of agricultural and food industry products, although food exports gained momentum with the establishment of export-oriented modern food industry facilities especially after the 1980s, exports of traditional agricultural products, still have an important share in our export. Today, in our country, flour and flour products, especially pasta, frozen vegetables and fruits, tomato paste and canned foods, traditional food stuffs such as raisins and dried apricots stand out as export products having a gradual increase in production. In this context, the food sector which has increased the rate of export share each year in recent years, provides a significant foreign currency inflow to the country's economy.
- • Turkey maintains its efforts to play a constructive role in major issues in its own region and beyond. Turkey's activities in the field of development cooperation are an indicator of the elimination of poverty for a better future and the determination to contribute to global efforts for sustainable development
- **Economic Cooperation Organization (ECO) Regional Programme for Food Security:** During the First Meeting of Ministers of Agriculture held in Islamabad on 23-25 July 2002, a decision regarding the preparation of a strategy on regional agricultural development and food security was taken in line with the member countries' national programmes, and Food Security Programme was prepared as a Technical Cooperation Project. The program was finalized in 2008 and was revised in 2010. So far, 30 projects have been approved within the scope of FAO-Turkey Partnership Programme (FTPP). The primary goal of Regional Programme for Food Security is to support countries in pursuit of an adequate food supply for all of their citizens. The estimated budget of the program is \$ 68.3 million.

AGRICULTURAL RELATIONS BETWEEN TURKEY – UZBEKISTAN

- Total exports from Turkey to Uzbekistan for 2013 has reached \$562,7 million and our agricultural export has been \$24,3 million. Total imports from Uzbekistan for 2013 has reached \$815,5 million and agricultural imports have been recorded as \$20,1 million.

CLOSING REMARKS

- We are at the beginning of a decade during which we need to make big advances. We are talking about a period in which we will have a voice in food sector in the world. Projecting on the future, the target upon which there is the consensus in Turkey is the constitution of a competitive agricultural sector.
- What must be understood from competitive agricultural sector is the smooth operation of agricultural input markets, procurement of production factors at market prices, the ability of agriculture to compete with other sectors and to sell products in competitive markets that operate at a reasonable profit margin.
- The importance of Research& Development must not be forgotten in the sectors of agriculture and food. In order to make Turkish agriculture gain momentum, it is necessary to set up a chain starting from farmers and ending in research and development institutions. Ever increasing competition experienced in agricultural sector makes it compulsory to follow new trends and technological advancement and enable strategies for the production, which forms the base of sector's export
- While the food sector, which meets one of the basic needs of the society is on the verge of the threats such as urbanization, erosion and global climatic change, covering of food sector's needs by research and development and innovation has strategic importance for a well-nourished society and the provision of food safety. In the same way, in a world where comparative supremacy levels of countries are shaped by increasing sustainability principles, it comes to the fore with emphasis that interdisciplinary research & development and innovation activities need to be focused on.
- It is essential for sustainability that the strategies to be created in relation with food industry be comprehensive of all stages from procurement of raw materials to the consumption and nutrition-health relations after consumption, including consumer's preferences and expectations.
- Relation of climatic change to agricultural sector has direct impact on food security. Therefore, it is of vital importance that intersectoral collaboration possibilities in the region including Turkey be developed for predictions and solution proposals to be produced in the short and long term within the framework of food security against the negative effects relating to climatic change.
- Our country, which has shown her environmental sensitivity within her deeply rooted civilization in every period of her history, will be continuing

to show maximum sensitivity in the production of environmentally friendly policies, which will enable human life to be at peace with nature, and sustainable development principles to be actualized. We desire that our moves to be made towards a clean development model be supported by international mechanisms