

# **World Bank Programs in Agriculture and Rural Development**

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# Rural Development and Agriculture in Turkey

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- **Agriculture Overview**
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# Rural Development and Agriculture in Turkey

## *Agriculture Overview*





# Rural Development and Agriculture in Turkey

## *Agriculture Overview*

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### Gross Domestic Product by sector, 2006

Sector	Sectoral GNP (million YTL)	Share of Total GDP
Services	288,790	65.2%
Industry	147,264	25.6%
Agriculture	53,084	9.2%
Total	489,138	100.0



## Rural Development and Agriculture in Turkey

### *Agriculture Overview*

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#### Relative Share of GDP and Employment

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Agricultural surface area	28 million ha
Agriculture sector's share of GDP, 2006	9.2%
Agriculture sector's share of total employment	27.0%

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# Rural Development and Agriculture in Turkey

## *Agriculture Overview*

### Agricultural land holdings

<b>Class</b>	<b>Share of total holdings</b>	<b>Share of total area</b>
<b>Landless</b>	<b>2.3%</b>	<b>0%</b>
<b>1-10 ha</b>	<b>80.0%</b>	<b>35.1%</b>
<b>10-20 ha</b>	<b>12.8%</b>	<b>34.1%</b>
<b>20-50 ha</b>	<b>4.0%</b>	<b>16.6%</b>
<b>50-100 ha</b>	<b>0.6%</b>	<b>5.3%</b>
<b>100-250 ha</b>	<b>0.2%</b>	<b>4.9%</b>
<b>250+</b>	<b>0.05%</b>	<b>4.0%</b>



# Rural Development and Agriculture in Turkey

## *Agriculture Overview*

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### **Main Agricultural Crop and Livestock products**

- Cereal grains (wheat, barley, etc.)
- Oil seeds, pulses, & tubers
- Cotton, tobacco & other industrial
- Vegetables
- Fruit & nuts
- Meat products
- Milk products



## Rural Development and Agriculture in Turkey

### *Agriculture Overview*

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#### **Agricultural labor**

- 65% of all rural men (80% in irrigated areas)
- 55% of all rural women
- 33% of males 12-14 years old
- 37% of females 12-14 years old
- 69% literacy in agricultural sector (2/3 male)



# Rural Development and Agriculture in Turkey

## *Agriculture Overview*

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### Surface Water

- 25 hydrological basins
- Surface run-off 193 billion m<sup>3</sup>/yr
- Agricultural accounts for 75% of water use
  - But only 60% of economically irrigable land currently irrigated
- 28% of surface water in Euphrates & Tigris basins
- Water available per capita in 2025 expected to be less than 1,000 m<sup>3</sup>



## Rural Development and Agriculture in Turkey

### *Agriculture Overview*

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### Rural expenditure levels

- Over the past five years the rural sector has played too strong a role in fiscal stabilization
- Agricultural transfer budget was cut by roughly 70% – to about **2.5% of consolidated budget**
- Even the non-transfer budget in the 'rural' sector shows a declining share of the consolidated budget: **3.7% in 2000 → 2.9% in 2003-4**
- The sum of these two (**5.5%**) low relative to comparator countries which are closer to 10%



## Rural Development and Agriculture in Turkey

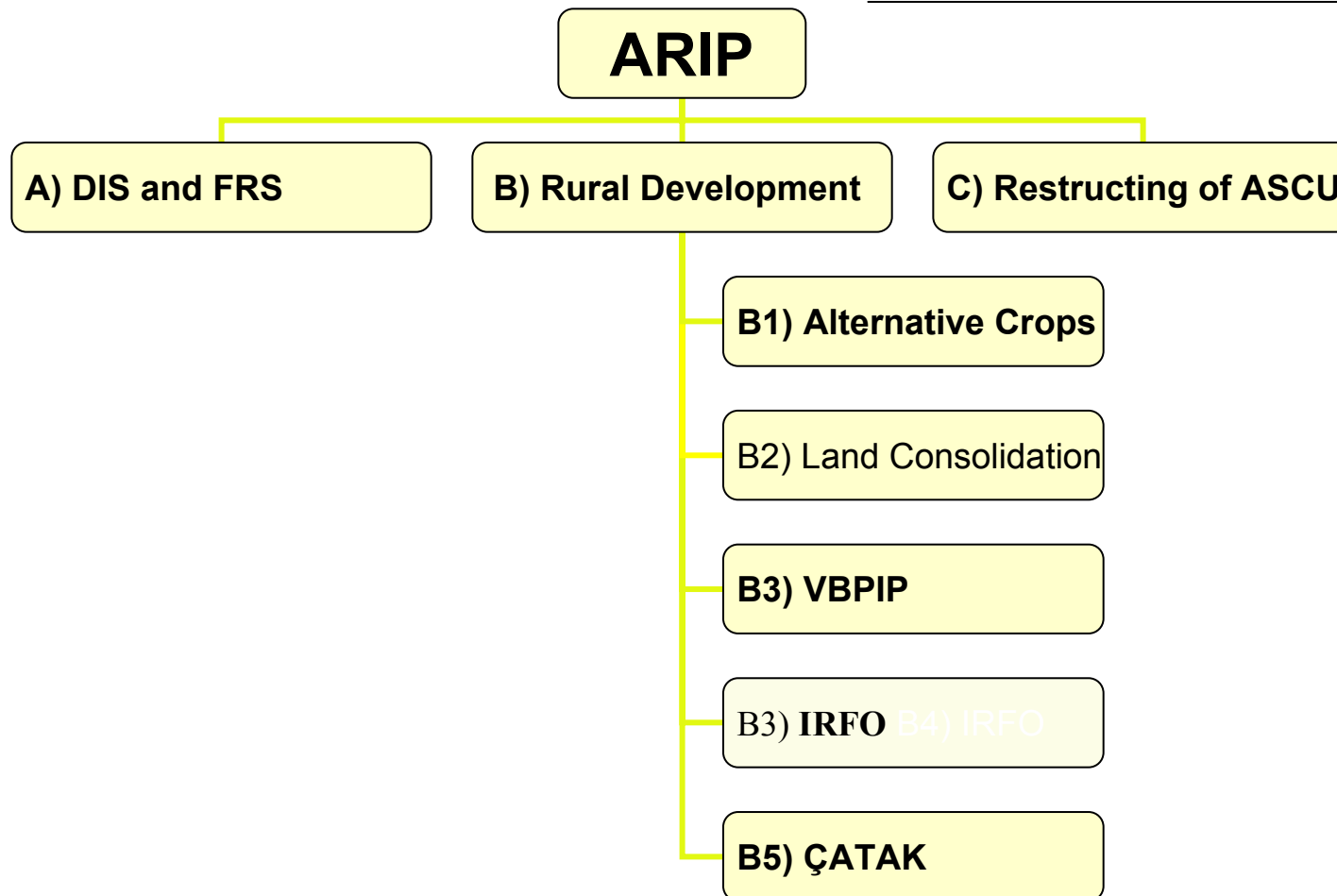
An aerial photograph of a rural landscape in Turkey. A large, dark blue reservoir is the central feature, surrounded by green agricultural fields and some brownish, possibly fallow or dry, land. The text is overlaid on the reservoir area.

***World Bank Activities in  
Agricultural and Rural  
Development***



# Rural Development and Agriculture in Turkey

## *World Bank Activities in Agricultural and RD*





## Rural Development and Agriculture in Turkey

### *World Bank Activities in Agricultural and RD*

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#### **Direct Income Support System (DIS)**

- Over 2.7 million farmers have been registered for the DIS, and are currently in the NRF.
- Pre-audits are being done on a province by province basis and payments to farmers made accordingly.



## Rural Development and Agriculture in Turkey

### *World Bank Activities in Agricultural and RD*

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#### Land Consolidation

<b>Konya (Merkez, Karapınar, Akşehir)</b>	<b>14,485 ha</b>
<b>Karaman (Merkez)</b>	<b>8,140 ha</b>
<b>Burdur (Merkez, Yeşilova)</b>	<b>2,810 ha</b>
<b>Denizli (Tavas)</b>	<b>1,050 ha</b>
<b>Amasya (Gümüşhacıköy)</b>	<b>4,200 ha</b>
<b>Samsun (Bafra)</b>	<b>6,000 ha</b>
<b>Kayseri (Yahyalı)</b>	<b>3,450 ha</b>
<b>Aydın, Sinop, Isparta, Ankara &amp; Kırklareli.</b>	



## Rural Development and Agriculture in Turkey

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## Village Based Participatory Investment

### Private Sector Investments

- ❖ **Maize drying and storage,**
- ❖ **Collection, cooling and processing of milk,**
- ❖ **Storage, processing and packing of fruits and vegetables,**
- ❖ **Construction of greenhouses using alternative sources of energy (geothermal, solar, wind, etc.),**
- ❖ **Meat Processing (in Bolu, Hatay and Malatya), food legumes processing and packing (in Denizli) and bee products processing and packing (other 12) provinces.**

### Public Investments

**Improvement and development of existing public infrastructures (Village Roads, Village based irrigation systems, village drinking water systems, sewage systems).**



## Rural Development and Agriculture in Turkey

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## Village Based Participatory Investment Total Support in Konya (YTL)

<u>Number of Project</u>	<u>Total Cost</u>	<u>Grant Amount</u>
40 (Private)	13,245,359	6,409,296
9 (Public)	1,335,545	943,318
<b>Total</b>	<b>14,580,904</b>	<b>7,352,614</b>



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## **Institutional Reinforcement of Farmers Organizations (IRFO)**

The main objective of IRFO component is strengthening farmers' organizations in selected regions which will serve as reference cases for the entire sector and the whole Country.



## Rural Development and Agriculture in Turkey

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#### **IRFO**

1. Region: Antalya, Burdur, Denizli & Isparta
2. Region: Çanakkale, Bursa, Balıkesir & Tekirdağ
3. Region: Diyarbakır, Batman, Adıyaman & Malatya
4. Region: Samsun, Sivas, Amasya & Tokat
5. Region: Rize Trabzon, Artvin, Ordu & Giresun.



## Rural Development and Agriculture in Turkey

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#### **Environmentally Based Agricultural Land Utilization (ÇATAK)**

This component provides financial support to farmers who alter harmful agricultural techniques by introducing environmentally based agricultural land utilization.

Kırşehir, Konya (USD 1,710,000), Isparta and Kayseri.



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### ***World Bank Activities in Agricultural and RD***

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#### **Agriculture Sales Cooperatives and Cooperative Unions (ASCs/ ASCUs) Restructuring**

All sustainable ASCUs are restructured to function as effective cooperatives owned by and operating for ASCs, and the ASCs are fully owned by and operating for farmer members; by 2005, many poorly performing ASCUs have ceased operations, while others have been restructured.



# Rural Development and Agriculture in Turkey

## *Current Issues and Challenges*





## Rural Development and Agriculture in Turkey

### *Current Issues and Challenges*

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- The Agricultural Strategy paper has been prepared to help decision-making by those concerned with the agricultural sector between 2006 and 2010, also considering alignment with the European Union, to ensure that the sector is developed in accordance with the development goals and strategies, and to form a basis for the Agricultural Framework Law.



# Rural Development and Agriculture in Turkey

## *Current Issues and Challenges*

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- Development of local institutions:
  - needs for preparation for accession negotiations;
  - urgent requirements for an adaptation of the administration structure for pre-accession support from EU budget to the rural area;
  - new challenges related to food safety.



## Rural Development and Agriculture in Turkey

### *Current Issues and Challenges*

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- Promote the creation of complementary or alternative income and employment opportunities both on and off the farms for farmers and their families.
- Paying Agency - in view of building an adequate absorption capacity for pre-accession support from the EU budget, a preparatory work for the establishment of a paying agency should start without delay



## Rural Development and Agriculture in Turkey

### *Current Issues and Challenges*

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- Turkey: Access to Finance for SME's Loan (€200 million) TSKB and Halkbank are implementing agencies in 2007-2010.
- Ministry of Agriculture and Rural Affairs (MARA)- Supporting of Pressurized Irrigation Systems,
- MARA- DIS and ARIP activities,
- MARA- Fodder Crops and other crops supports.



## Rural Development and Agriculture in Turkey

***Thank You...***

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