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Spain

Fresh Deciduous Fruit

Semi-Annual

2004

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Report Highlights:

FAS/Iberia

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Semi-Annual Report
Madrid [SP1]
[PO]

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Executive Summary

FAS/Iberia continues to forecast record 2004/05 Spanish fresh apple imports and strong pear imports in conjunction with reduced exports. We forecast 2004/05 apple imports at 318,100 Mt (235,686 Mt in 2003/04), and pear imports at 40,000 Mt (34,688 Mt), increasing still further the third-country share of Spanish deciduous fruit consumption. According to official trade data, third-country share of the Spanish import market of apples and pears in 2003/04 represented 30 percent and 41 percent respectively (20 percent and 28 percent in 2002/03). Third-country origins are primarily in European and South American.

We used production revisions and estimates in this report based on Ministry of Agriculture provisional production data for 2002, 2003, and 2004. According to revised production statistics, 2004 Spanish apple production will be reduced by 27 percent from 2003 levels, down to 576,900 Mt. Pear production will decline by six percent, down to 659,900 Mt.

Policy Update

Deciduous fruit production will be affected by the EU revision of its Common Fruit and vegetables policy in 2005. We expect the new EU sector policy to make fruit production more market-oriented and self-sufficient. The reform will deal primarily with the clarification of the role of Producer Organizations (POs) in the functioning of fruit and vegetables markets. The most controversial issue identified thus far is the inclusion of processing subsidies in the Single Farm Payment. EU financing of fruit withdrawals and levels of export subsidies will also diminish in the future, as a result of the elimination of export subsidies in the forthcoming Doha Development Agenda Agreement. Spanish authorities report that total subsidies paid to the whole fruit and vegetables sector totaled 475 Million Euros during CY-2003, representing 7.4 percent of total intervention payments.

POs will likely need to take greater responsibility for managing their market regulatory mechanisms. According to the EU policy currently in place, POs carry out fruit withdrawal operations under EU subsidy rules (further restricted in the future), and receive financial supports to make POs more competitive and financially independent in the future.

Apples

PSD Table

Country

Spain

Commodity

Apples, Fresh

(HA)(1000 TREES)(MT)

Market Year Begin	2002	Revised	2003	Estimate	2004	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
		07-2002		07-2003		07-2004
Area Planted	44674	44674	40745	40745	38540	42506
Area Harvested	44000	44000	35000	35000	34500	38000
Bearing Trees	0	0	0	0	0	0
Non-Bearing Trees	0	0	0	0	0	0
Total Trees	0	0	0	0	0	0
Commercial Production	652500	621200	791100	755100	615400	550400
Non-Comm. Production	30000	30000	35000	36000	30000	26500
TOTAL Production	682500	651200	826100	791100	645400	576900
TOTAL Imports	271125	271125	240000	235686	280000	318100
TOTAL SUPPLY	953625	922325	1066100	1026786	925400	895000
Domestic Fresh Consump	758450	730000	761100	735000	760000	730000
Exports, Fresh Only	69075	69086	100000	112633	65000	65000
For Processing	106200	103339	185000	159153	85400	85000
Withdrawal From Market	19900	19900	20000	20000	15000	15000
TOTAL UTILIZATION	953625	922325	1066100	1026786	925400	895000

Trade Matrix

Import Trade Matrix**Country**

Spain

Commodity

Apples, Fresh

Time Period

July/June

Units:

Metric Tons

Imports for:

2002

2003

U.S.

U.S.

18

Others

Others

France	126952	France	89124
Italy	40701	Italy	25254
Portugal	22919	Portugal	17324
Germany	13735	Germany	16812
Other EU-25	13338	Other EU-25	15518
Chile	36239	Chile	36642
Argentina	10247	Argentina	13229
China	3826	China	11194
Brazil	2155	S. Africa	4626
		Brazil	3335
Total for Others	270112		233058
Others not Listed	938		2610
Grand Total	271125		235686

Export Trade Matrix**Country**

Spain

Commodity

Apples, Fresh

Time Period

July/June

Units:

Metric Tons

Exports for:

2002

2003

U.S.

U.S.

0

Others

Others

Portugal	21216	France	34169
France	12903	Portugal	22838
Germany	3453	Italy	6345
Greece	3254	U.K.	4627
Belgium	3076	Belgium	4619
Other EU-25	7413	Germany	3454
Melilla	6022	Other EU-25	5598
Morocco	2236	Algeria	12078
Mauritanea	1716	Melilla	8476
		Morocco	3253
Total for Others	61289		105457
Others not Listed	7797		7176
Grand Total	69086		112633

Pears

PSD Table

PSD Table**Country****Spain****Commodity****Pears, Fresh**(HA)(1000
TREES)(MT)

Market Year Begin	2002	Revised	2003	Estimate	2004	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
		07-2002		07-2003		07-2004
Area Planted	32356	36923	31040	31040	31000	30446
Area Harvested	32000	32000	29000	29000	29000	29000
Bearing Trees	0	0	0	0	0	0
Non-Bearing Trees	0	0	0	0	0	0
Total Trees	0	0	0	0	0	0
Commercial Production	608400	620800	671600	681700	550000	638900
Non-Comm. Production	20000	20000	22000	22000	20000	21000
TOTAL Production	628400	640800	693600	703700	570000	659900
TOTAL Imports	38457	38006	41000	34688	50000	40000
TOTAL SUPPLY	666857	678806	734600	738388	620000	699900
Domestic Fresh Consump	488685	500630	529678	532229	457000	511900
Exports, Fresh Only	120441	120445	140000	141237	115000	135000
For Processing	37731	37731	44922	44922	30000	35000
Withdrawal From Market	20000	20000	20000	20000	18000	18000
TOTAL UTILIZATION	666857	678806	734600	738388	620000	699900

Trade Matrix

Import Trade Matrix**Country**

Spain

Commodity

Pears, Fresh

Time Period

July/June

Units:

Metric Tons

Imports for:

2002

2003

U.S.

U.S.

0

Others

Others

Belgium	13437	Belgium	9617
Netherlands	7158	Netherlands	4080
France	3580	France	2693
Other EU-25	3352	Other EU-25	4123
Chile	6138	Chile	6845
Argentina	3937	Argentina	6819
Total for Others	37602		34177
Others not Listed	404		511
Grand Total	38006		34688

Export Trade Matrix**Country**

Spain

Commodity

Pears, Fresh

Time Period

July/June

Units:

Metric Tons

Exports for:

2002

2003

U.S.

U.S.

0

Others

Others

Italy	32303	Italy	38797
Greece	26105	Germany	22719
Germany	17385	France	21335
France	13071	Greece	18033
Portugal	8376	Portugal	8494
U.K.	3497	Netherlands	5070
Netherlands	3224	Belgium	3388
Belgium	2357	U.K.	2293
Other EU-25	3276	Other EU-25	3964
Russia	4627	Russia	10269
Total for Others	114221		134362
Others not Listed	6224		6875
Grand Total	120445		141237