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Report Highlights:

EU commercial apple production in marketing year (MY) 2020/21 is estimated at 10.8 MMT, a 2 percent decrease compared to the previous year. EU commercial pear production is estimated at almost 2.2 MMT, up 13 percent and a rebound from the very low production in the previous MY, while EU table grape production is forecast to decline by 11 percent and reach approximately 1.4 MMT. COVID-19 did not impact production volumes but did increase production costs.

This report covers the commodities:

Apples, Fresh

Pears, Fresh

Table Grapes, Fresh

Disclaimer: This report presents the situation and outlook for apples, pears, and table grapes in the EU. This report presents the views of the authors and does not reflect the official views of the U.S. Department of Agriculture (USDA). The data are not official USDA data.

Unless otherwise noted, 'EU' in this report refers to EU27+UK, the current EU Customs Union.

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Abbreviations and terms not otherwise defined in the report:

EU	European Union – 27 EU member states +UK
FAS	Foreign Agricultural Service
HA	Hectare; 1 ha = 2.471 Acres
kg	Kilogram
MT	Metric Ton = 1000 kg
MMT	Million Metric Tons
MS	EU Member State(s)
MY	Marketing year
Apples:	July/June
Pears:	July/June
Table Grapes:	June/May
PSD	Production, Supply, and Distribution
TDM	Trade Data Monitor
UK	United Kingdom
US	United States (noun)
U.S.	United States (adjective)
USEU	U.S. Mission to the European Union
WAPA	World Apple and Pear Association

Trade data cited in this report was derived by using the following Harmonized Commodity Description and Coding System (HS) tariff codes:

Apples:	0808 10
Pears:	0808 30
Table grapes:	0806 10

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Executive Summary

Apples

Commercial apple production in Marketing Year (MY) 2020/21 (July/June) is forecast to decrease by two percent both compared to the previous year as well as compared to the average of the previous ten years. The decrease is due to a combination of late spring frosts (Austria, Czech Republic, Germany, Hungary), alternate bearing (France, Spain, Portugal), poor pollination (Hungary), drought/heat (Belgium, Austria, Poland, UK), and hail damage (Hungary, Romania). Poland, Latvia, Lithuania, Slovenia, Sweden, Denmark, the Czech Republic, and Greece reported a partial rebound from the very low production of MY 2019/20, but the combined increase was not large enough to compensate for the reduction elsewhere. Market prospects are good as beginnings stocks were very low both for fresh apples as well as for apple juice and concentrated apples. The latter is important as the processing sector absorbs significant amounts of lower quality apples. Since 2014, U.S. apples exports to the EU are fairly low due to technical issues linked to using morpholine as an additive in waxes, and diphenylamine (DPA) – a post-harvest treatment for storage scald. Virtually all of U.S. apples exported to the EU are going into the UK and consist of organic apples. The EU is a competitor for U.S. apple exports in markets like Saudi Arabia, the United Arab Emirates (UAE), and India.

Pears

MY 2020/21 (July/June) EU commercial pear production is expected to be 13 percent higher than last year, when production was down due to a record low harvest in Italy. Production in Italy, the largest pear producing country in the EU, partly recovered this MY due to favorable growing conditions. Similar good weather conditions, in combination with a slightly higher area harvested, also resulted in an increased pear production in the Benelux countries. The taste, color, and storage quality are expected to be good. However, hailstorms and heavy rains during flowering and fruit setting led to lower production volumes in the Iberian Peninsula. Italy, the Netherlands, Belgium, Spain, and Portugal together account for more than 80 percent of EU pear production (but the area harvested in Spain and Italy fell in MY 2020/21). EU pear consumption in MY 2020/21 is expected to rebound after the decline in MY 2019/20 (due to reduced domestic supply). EU pear import and export volumes are expected to remain unchanged in MY 2020/21.

Table Grapes

In MY 2020/21 (June/May) EU table grape commercial production is forecast to drop by 11 percent from the previous season, mostly due to volume decreases in Italy, down 20 percent, where severe frosts occurred during flowering at the end of March. Mid-September rains and hailstorms contributed to the decline. Production decreases are also forecast in Bulgaria (down 7.1 percent), and Spain (down 4.5 percent). Conversely, increased quantities are forecast in France (up 8.7 percent), Romania (up 3.7 percent), Portugal (up 1.2 percent), and Greece (up 1.1 percent.) Overall, fruit quality is forecast to be excellent with higher sugar content due to hot temperatures in July, August, and early September.

COVID-19

Impact on Production

The overall impact of COVID-19 on production volumes was limited. However, production costs increased due to the imposition of COVID-19-related sanitary standards. These included minimal distancing rules, heightened standards for accommodation, transport, and new documentation requirements. This required adaptation of workflow organization and additional investments. A shortage of seasonal labor - a major concern for European fruit farmers at the onset of the pandemic, when borders were closed and movement restrictions were put in place – occurred in late spring and early summer and affected care and protection treatments, e.g. summer pruning and thinning. By the time of harvest, the legal issues related to the arrival of seasonal workers had been resolved (although some Eastern European producers reported fewer seasonal workers from the Ukraine and Moldova). At the member state (MS) level, several national industry organizations provided hands-on information, guidelines, and tips to growers and seasonal workers on COVID-19 prevention measures.

Impact on Consumption

The impact of COVID-19 on consumption was mixed. During lockdown¹ apple, pear, and table grape out-of-home consumption plummeted due to the closure of hotel, restaurant, and institutional (HRI) outlets. Snacking-on-the-go stopped altogether as people remained at home. Part of this decrease was offset by increased sales through retail channels as consumers stocked up on healthy and storable food. Apples also benefitted from the renewed interest in home baking. In the future, consumption may shift depending on the severity of the expected COVID-19 related economic recession. In this respect, consumers may buy less fruits (for example in Hungary) or choose to buy when fruits are on special.

Impact on Trade and Distribution

The closure of borders at the beginning of the pandemic led to some disruption of intra-EU cross-border trade but was resolved quickly. International trade was affected by lockdown measures in countries of destination (China and South America) but the impact was limited to the early stages of the pandemic. However, industry experts have noted that social distancing measures continue to have an impact on the distribution process – requiring more time than was needed before the pandemic. This, in combination with general disruptions in logistics, has increased the costs of trading and distributing pears.

Brexit

The UK is an important market for EU fruits. Consequently, the EU-27 fruit sector remains concerned about the fate and details of an EU-UK trade deal that is currently being negotiated for the time following the end of the transition period after Brexit, as this may negatively impact overall EU fruit exports to this market. For more details please see policy section. In the UK, Brexit uncertainties have created concerns regarding the future availability of harvest labor as growers typically recruit in the fall for the following year.

¹ Lockdown periods varied by country but generally occurred during the months of March – June 2020 or parts thereof.

Apples

Coordinated by Sabine Lieberz/FAS Berlin

Apples, Fresh Market Year Begins European Union	2018/2019		2019/2020		2020/2021	
	Jul 2018		Jul 2019		Jul 2020	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	531246	530500	530658	530247	0	530975
Area Harvested (HA)	405013	517442	507840	515709	0	517221
Commercial Production (MT)	13166729	13199988	10626790	11011426	0	10802640
Non-Comm. Production (MT)	1863672	1828623	850000	693280	0	1424800
Production (MT)	15030401	15028611	11476790	11704706	0	12227440
Imports (MT)	493300	493322	470000	502524	0	516000
Total Supply (MT)	15523701	15521933	11946790	12207230	0	12743440
Domestic Consumption (MT)	14328301	14346553	10946790	11192056	0	11628440
Exports (MT)	1195400	1175380	1000000	1015174	0	1115000
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	15523701	15521933	11946790	12207230	0	12743440
(HA) ,(1000 TREES) ,(MT)						

Sources: Trade for MY 2018/19 and 2019/20: Trade Data Monitoring (TDM) accessed on September 25, 2020; All other: FAS EU posts

Apples - Commercial Production²

The EU is one of the leading producers and consumers of apples in the world. Commercial apple production exists in all Member States (MS), with the exception of Estonia and Malta. The top five producing member states (Poland, Italy, France, Germany, and Spain) together account for 77 percent of the total EU commercial apple production.

Area

With a marginal increase of 0.14 percent, EU area planted with apple trees remained relatively stable in MY 2020/21, as small reductions in Hungary, Belgium, France, the Netherlands, Spain, the Czech Republic, and Slovenia were compensated by increases in Poland, and to a lesser extent in Italy, the UK, Bulgaria, and Ireland. Harvested area marginally increased as young orchards entered into production.

In the Netherlands, growers are either leaving the business or are moving into the production of Conference pears because of higher profitability. In Spain, total planted and harvested areas have stabilized after continually falling at a modest pace since 2013. This is a result of the replacement of deciduous fruit plantings with stone fruit. Since fruit development is slower in apples and pears than in stone fruits, stone fruits are more profitable. The availability of new varieties that can better adapt to warm climates and the planting of apple orchards in the mountains over the last few years will promote a higher quality and a more competitive product. Similarly, in Poland, apple growers are replacing older

² Commercial apple production includes commercially grown apples for the fresh market (table apples) as well as for processing.

orchards with new more popular varieties. In the UK, the area expanded in line with the industry goal to increase its share of locally grown apples from two in five to three in five by 2030.

Production

Commercial apple production in MY 2020/21 is forecast to decrease by two percent both compared to the previous year as well as compared to the average of the previous ten years.

The decrease is due to a combination of late spring frosts (Austria, Czech Republic, Germany, Hungary), alternate bearing (France, Spain, Portugal), poor pollination (Hungary), drought/heat (Belgium, Austria, Poland, UK), and hail damage (Hungary, Romania). Poland, Latvia, Lithuania, Slovenia, Sweden, Denmark, the Czech Republic, and Greece reported a partial rebound from the very low production of MY 2019/20, but the combined increase was not large enough to compensate for the reduction elsewhere. Organic production is forecast to increase to 511,000 MT compared to 476,000 MT in 2019. While this is an increase of 7 percent year on year, organic production contributes only 4.8 percent of total apple production. A share that is still way below the EU's 25 percent target.

EU-28 Commercial Apple Production by Country and Year in MT

COUNTRY	2018/19	2019/20	2020/21 e	Change 2020:2019	Share of Total Production in 2020
Poland	4,700,000	3,040,000	3,300,000	9 %	31 %
Italy	2,264,081	2,095,586	2,079,970	-1 %	19 %
France	1,441,000	1,519,000	1,377,000	-9 %	13 %
Germany	1,093,000	991,451	951,000	-4 %	9 %
Spain	532,950	619,300	598,900	-3 %	6 %
Romania	470,000	370,000	380,000	3 %	4 %
Hungary	628,819	465,000	320,000	-31 %	3 %
Greece	293,958	281,308	290,000	3 %	2.7 %
Portugal	249,960	340,000	287,000	-16 %	2.7 %
Netherlands	267,000	272,000	234,000	-14 %	2.2 %
United Kingdom	219,000	205,000	207,000	1 %	1.9 %
Belgium	222,200	233,000	160,000	-31 %	1.5 %
Austria	239,979	184,265	150,000	-19 %	1.4 %
Czech Republic	151,528	102,847	111,230	8 %	1.0 %
Slovenia	86,587	54,272	70,000	29 %	0.6 %
Croatia	90,500	63,000	60,000	-5 %	0.6 %
Lithuania	62,000	26,000	58,000	123 %	0.5 %
Bulgaria	46,298	40,122	40,500	1 %	0.4 %
Sweden	32,000	20,000	32,000	60 %	0.3 %
Slovak Republic	43,928	35,185	29,540	-16 %	0.3 %
Denmark	24,000	15,000	24,000	60 %	0.2 %
Ireland	20,000	21,000	21,000	0 %	0.2 %
Latvia	14,000	10,000	14,000	40 %	0.1 %
Finland	7,200	8,090	7,500	-7 %	0.1 %
Total	13,199,988	11,011,426	10,802,640	-2 %	

e= estimated; Note: The table is grouped by ranking in MY 2020/21. Due to rounding percentages add up to marginally more than 100 percent.

Source: FAS EU posts

In Poland, production is almost 10 percent higher than the from very low crop in MY 2019/20 but still 3 percent below the preceding five-year average. The winter of 2019/20 was mild and caused no losses in fruit orchards. However, spring frosts during flowering and fruit setting, as well as prolonged drought, limited the yield. In June 2020, there was a very strong fall of fruitlets, due to drought and frost.

However, the scale of losses was strongly dependent on the region of the country, apple variety, soil class, and location of orchards.

Italy's production is forecast to stay flat compared to MY 2019/20, but still below the 2015-2019 year average. Increased quantities are expected for Reinette Grise du Canada (+30 percent), Granny Smith (+20 percent), Cripps Pink (+11 percent), Gala (+10 percent), Imperatore (+10 percent), Red Delicious (+6 percent), and Pinova (+1 percent) varieties. Conversely, decreased quantities are expected for Golden Delicious (-17 percent), Braeburn (-8 percent), Jonagold (-3 percent), and Fuji (-2 percent) varieties. Overall, calibers are expected to be higher than average as a direct result of fewer apples per tree due. Quality is expected to be good.

The decline in French apple orchards continued in MY 2020/21. After a large crop in 2019, the French apple crop in 2020 is expected to drop by nine percent (and nine percent from the five years average) due to alternate bearing (a large fruit crop is usually followed by a smaller one). The flowering, although not affected by late frost, was much lower, with more aborted flowers. On the other hand, phyto-sanitary conditions were good and the hot and dry summer will lead to an early (10 to 15 day) harvest.

In Germany, the projected four percent decrease in MY 2020/21 commercial production is largely a result of frost damage, especially in the East (Thuringia, Saxony, and Saxony-Anhalt) and South. In the North, the use of frost protection irrigation prevented more severe damage in Lower-Saxony. Alternate bearing in *Jonagold* and *Elstar* varieties also contributed to the lower production.

In Spain, unfavorable weather conditions during spring, with hailstorms and rainfalls, is expected to lower total apple production (commercial and non-commercial) by 3.8 percent to 638,900 tons. Spanish table apple production is expected to decrease by 16 percent to 467,404 tons compared to the previous season. In addition, Spain's total apple production includes cider apples destined for processing to produce apple cider. The Spanish apple sector is optimistic for MY 2020/21 for two reasons: 1) the lack of apple stocks due to the strong demand during the first months of the pandemic, and 2) the supply of Spanish stone fruit in the market is shorter than in previous years.

In Romania, 2020 apple production is forecast to increase by 3 percent from the previous year. The early summer brought good rains in some fruit production areas and hail in others.

After a drastic decrease in Hungarian apple production last year, even lower yields are expected in MY 2020/2021. In spring, 15-18 frosty nights caused significant flower and fruit damage. Additionally, extremely dry spring weather hindered the fertilization of flowers until May. Consequently, fruit set was also negatively affected. Hungary's total apple production (commercial and non-commercial) is forecast to fall by 30 percent compared to the previous year. It is estimated at 350,000MT, with 320,000 MT of commercial and 30,000 MT of non-commercial production. Of this production, around 150,000 MT is classified as table apples and 200,000 MT as industrial apples.

The Portuguese apple and pear industry attributes the large production decrease to unfavorable weather conditions during flowering. Heavy hailstorms damaged in some growing areas.

Lower production in the Netherlands is the result of a lower yields. This was due to alternate bearing (like in France), cold weather during blossoming, and fruit setting, which also resulted in fewer apples, and a stronger than normal June drop (like in Poland). Drought and high temperatures did not have a significant impact on apple yield. This year was not as dry as last year, plus more and more growers have the option of irrigation. As long as growers have access to water, drought is not a problem.

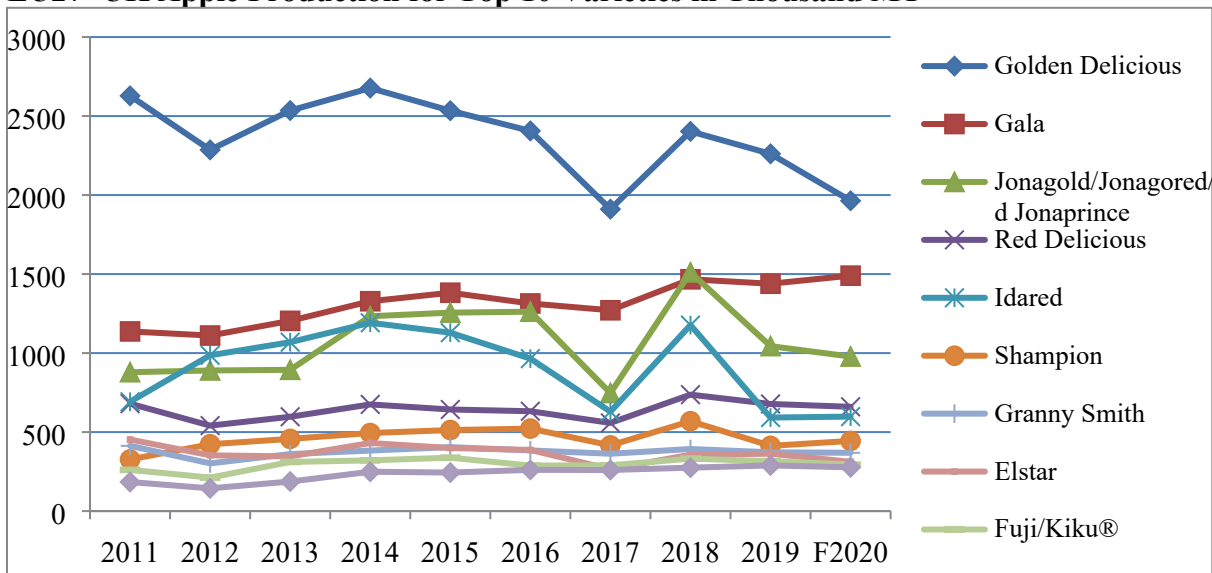
Varieties

Some 25 apple varieties are produced commercially in the EU in volumes exceeding 10,000 MT. Among these, *Golden Delicious*, *Gala types*, and *Jonagold types* (*Jonagold*, *Jonagored*, *Red Jonaprince*) are the dominant varieties. However, production patterns vary. While *Golden Delicious* is the variety with the largest production in Italy, France, Spain, and Portugal, *Jonagold* is dominant in Germany and Belgium. In contrast, *Gala* achieves its position as the second most produced apple in the EU by being grown in numerous MS rather than dominating in a few. *Idared*, which was one of the most grown varieties in Eastern Europe prior to the Russian import ban³ is still the number one variety in Romania and Hungary but dropped to number two in Poland. The UK still grows a considerable volume (58,000 MT is expected in fall 2020) of culinary apples of the Bramley variety. However, Bramley production has fallen by 36 percent over the last 10 years as traditional uses for cooked apples have fallen (due to competition from berries and exotic fruit), and some cider production has switched to newer varieties.

New varieties, for example *Pink Lady*®, *Kanzi*®, *Rubens*®, *Tentation*®, *Wellant*, *Cameo*, and *Kiku*®, have increased their share of production in recent years. Among these trademark protected “Club⁴”-varieties are gaining traction. Denmark, the Netherlands, France, and the UK have the highest share of “new” varieties in their production portfolio with 29, 14, 11, and 11 percent of their respective total production.

³ See policy section

⁴ Club varieties are managed and grown under a licensing agreement with plant breeders or variety consortia. The licensing agreements usually restrict planted area and includes variety specific quality and marketing rules.

EU27+UK Apple Production for Top 10 Varieties in Thousand MT

F = forecast; Source: FAS EU based on World Apple and Pear Association (WAPA) data

Apples - Non-commercial Production

Non-commercial production in MY 2020/21 is estimated to have more than doubled compared to the very low MY 2019/20 harvest, mostly due to a production rebound in Germany, Poland, Austria, and Slovenia. Non-commercial production tends to alternate between good and poor crop years. However, most EU member states do not report estimates for non-commercial production. As a result, the production figure provided in the PSD table at the beginning of the apples' section is a rough estimate based on industry rather than official information. In MY 2020/21, non-commercial production represents about twelve percent of total apple production, compared to six percent in the previous MY.

Non-commercial production includes apples grown in home gardens and in untended trees in meadows or field edges. Typically, non-commercial production is used for fresh consumption; apple juice, apple cider, and spirits production; baking (cakes, tarts); or preserved foods (canned, dried, and cooked). The amount of apples diverted to the different segments varies depending on the price for processing apples. Higher processing apple prices generally result in a higher proportion of fruit entering juice production. In general, non-commercial production is gradually decreasing in the EU-28 as hobby farmers age. Younger generations have not shown the same interest in small-scale production. Instead, commercial production of higher acid apple varieties for processing is expected to increase to meet demand from the juice concentrate industry.

Apples – Stocks

According to the World Apple and Pear Association, EU apple stocks amounted to 339,945 MT on July 1, 2020, compared to 561,043 MT at the same time in 2019. In some member states the stock number is comprised of apples stored at producer organizations while in other member states stocks are at producer organizations and wholesalers. More important than the actual number is the year-on-year-change in stocks as end of MY stocks can have a detrimental effect on the prices for the new harvest. In this report, stocks are included in the “fresh domestic consumption” line in the PSD.

Apples – Consumption

Apples are the most popular fruit in all member states except for Spain, where oranges are number one. However, per capita consumption of apples has been decreasing in recent years as consumers eat more soft fruit instead (for example in the UK and Germany) or stone fruit (for example in Spain). In the UK, concerns about food waste has made consumers more careful in the amounts of perishable food they buy.

The buy local trend is especially pronounced in the UK. Two out of five fresh apples consumed in the UK are locally grown and the British apple industry aims at increasing this share to three in five by 2030. In addition, the COVID-19 pandemic has increased the general preference for buying local in many other EU MS as well.

Apples - Processing

In MY 2020/21, processing use of apples is expected to increase by four percent compared to MY 2019/20, amounting to roughly 3.8 MMT. However, this masks opposite developments in some MS. Volumes going into processing are expected to increase in Germany, Poland, Austria, and Slovenia, and to decrease in Hungary, Italy, the Czech Republic, the Netherlands, Spain, and Portugal. The changes are a function of the increase in non-commercial production in Germany, Austria, and Slovenia, increased commercial production in Poland, decreased commercial production in Hungary, Italy, Spain, and Portugal, as well as increased intra-EU exports in the Czech Republic.

Processing uses for apples include, among others, apple juice, concentrated apple juice (CAJ), cider, wine/brandy, apple sauce, preserves, canning, apple chips, and peeled apples for bakeries. The share of apples used for processing varies significantly by member state, ranging from none in Greece, and the Scandinavian countries to well over 70 percent in Hungary. The processing share also varies from year to year. The EU-28 average share of apples going into processing is forecast to amount to about 31 percent of total supply in MY 2019/20 compared to 40 percent in the previous MY. Major member states with apple processing include Poland, Germany, Italy, Romania, Hungary, France, Spain, Austria, the UK, and the Czech Republic (in order of descending volume in MY 2020/21).

Apples – Trade

The majority of trade occurs among the EU member states. Over the past five years, on average about 2 million MT of apples were traded between EU member states, while roughly 430,000 to 530,000 MT were imported from outside the EU. In recent years, imports from outside the EU contributed between three and five percent of the total EU apple supply.

EU-27 – UK trade

EU-27 apple exports to the UK fluctuated between 170,000 to 250,000 MT in the past five years. The main EU apple exporters to the UK included France, Italy, Spain, Germany, the Netherlands, and Belgium. The UK is a particularly important destination for French and Spanish apple exports, as it is the number one and number two export destination for these two countries, respectively. UK exports to the EU-27 were much lower, between 12,000 and 25,000 MT, with the vast majority going to Ireland.

EU external trade

Apples - Imports

In MY 2019/20, about 70 percent of EU-28 apple imports originated from three top suppliers (Chile, New Zealand, and South Africa). These exports, coming from the southern hemisphere occur mostly counter seasonally to European production.

The main importers of apples were the UK and the Netherlands, who together account for 49 percent of the EU-28 imports. However, much of the volume entering the Netherlands is not consumed there but is eventually be transshipped to other member states.

Imports from the United States to the EU-28 occur year-round, albeit at a low level. The United States lost the EU market due to technical issues linked to the use of morpholine as an additive in waxes and diphenylamine (DPA) – a post-harvest treatment for storage scald. Since the EU MRL for DPA was lowered in March 2014 (see policy section) only exporters with designated DPA-free facilities are able to export to the European Union. In MY 2019/20, virtually all U.S. apples exported to the EU were going into the UK and consisted of organic apples. In previous marketing years, the Netherlands, Spain, and Italy also imported apples from the United States, albeit in negligible amounts.

EU27+UK Imports of Apples in MT

Country of Origin	MY 2017/18	MY 2018/19	MY 2019/20	Change MY 2019/20 To MY 2018/19	Share of Total Imports in MY 2019/20
Chile	158,703	148,957	141,518	-5 %	28 %
New Zealand	135,780	127,702	114,076	-11 %	23 %
South Africa	109,689	92,132	94,990	3 %	19 %
North Macedonia	9,964	43,280	44,314	2 %	9 %
Serbia	24,858	9,032	44,071	388 %	9 %
Argentina	24,400	18,129	18,388	1 %	4 %
Brazil	28,313	26,161	12,734	-51 %	3 %
Albania	1,410	5,770	8,029	39 %	2 %
Ukraine	11,588	10,699	7,307	-32 %	1 %
Moldova	7,311	651	5,297	714 %	1 %
Bosnia and Herzegovina	2,201	1,028	4,137	302 %	1 %
United States	5,330	2,206	2,137	-3 %	0.4 %
Other	11,050	7,575	5,526	-27 %	1 %
World total	530,597	493,322	502,524	-2 %	

Note: The table is grouped by ranking in MY 2019/20. Due to rounding percentages add up to marginally more than 100 percent.

Source: TDM accessed on September 25, 2020

Apples - Exports

In MY 2020/21, EU apple exports are forecast to increase by about 100,000 MT (translating into 10 percent) following the rebound in production in Poland. Poland and Italy traditionally are the most important member states when it comes to EU apple exports to destinations outside of the European Union. In MY2019/20, they accounted for 45 and 29 percent of total EU apples exports, respectively. Due to a lower 2019 harvest in both of those countries, in MY 2019/20, EU exports were 14 percent lower than in the previous marketing year.

In response to the Russian import ban, EU exporters looked at increasing exports to other destinations (Eastern Europe, Northern Africa, the Middle East, and Brazil) with varying success. Those countries that were most successful either have the right variety mix (Gala, Granny Smith, Golden Delicious, Red Delicious) and/or were able to build on efforts to open new markets that they started well before the Russian import ban. For example, efforts to open or expand to new or nascent markets proved successful in India. Italy, Poland, France, Spain, Belgium, Germany, and Greece are already exporting to India. France was able to increase its exports to Northern Africa, the Middle East, and Asia, as a result of intensified promotional activities in those regions. Since the start of the pre-clearance program in October 2014, Italy and France are eligible for export to the United States. In MY 2019/20, France exported 22 MT to the United States. Poland has concluded agreements with Vietnam and a number of other Asian countries.

EU27+UK Exports of Apples in MT

Country of Destination	MY 2017/18	MY 2018/19	MY 2019/20	Change MY 2019/20 To MY 2018/19	Share of Total Exports in MY 2019/20
Egypt	71,693	268,236	250,715	-7 %	25 %
Belarus	197,076	199,159	152,187	-24 %	15 %
Saudi Arabia	59,503	81,953	79,035	-4 %	8 %
Kazakhstan	58,640	84,938	59,817	-30 %	6 %
India	11,471	76,584	48,154	-37 %	5 %
Jordan	29,245	52,936	40,118	-24 %	4 %
UAE	35,381	46,581	38,061	-18 %	4 %
Norway	33,161	34,978	32,991	-6 %	3 %
Brazil	19,411	24,894	24,909	0.1 %	2 %
Israel	15,920	19,137	21,736	14 %	2 %
Ukraine	3,911	17,138	19,509	14 %	2 %
Colombia	9,804	10,429	19,188	84 %	2 %
Switzerland	32,010	15,778	18,615	18 %	2 %
Bosnia and Herzegovina	19,072	19,661	18,197	-7 %	2 %
Serbia	26,280	23,903	12,103	-49 %	1 %
Libya	8,669	15,742	10,969	-30 %	1 %
Vietnam	5,117	8,144	10,497	29 %	1 %

United States	93	24	22	-10 %	0.002 %
Other	124,711	175,165	158,351	-10 %	16 %
World total	761,168	1,175,380	1,015,174	-14 %	

Note: The table is grouped by ranking in MY 2019/20. Due to rounding percentages add up to marginally more than 100 percent.
Source: TDM accessed on September 25, 2020

The five largest EU exporters, together accounting for 94 percent of EU apple exports in MY 2029/20, were Poland (mostly to Belarus, Egypt, Kazakhstan, Ukraine, and Jordan), Italy (to Egypt, Saudi Arabia, India, Norway, and Jordan), France (mainly to Saudi Arabia, UAE, Vietnam, Colombia, and Egypt), Greece (mainly to Egypt, Jordan, Albania, Saudi Arabia, and Turkey), and Spain (mostly to U.A.E., Colombia, Saudi Arabia, Mauritania, and Morocco.)

In some large foreign markets, EU and U.S. suppliers compete. These include:

Market	EU countries competing with U.S. apples
Saudi Arabia	Italy, France, Spain, Greece
UAE	France, Italy, Spain
India	Italy, Poland, Belgium, France, Spain

Apples – Withdrawal from Market

Normally, the EU does not offer withdrawal from market/ market intervention programs for apples (see paragraph below). However, in 2014 and in reaction to the Russian ban of fruit imports from the EU, the European Commission introduced temporary exceptional market support programs for the sector. When Russia prolonged its import ban, the EU extended the temporary measures. They expired on June 31, 2018 (see policy section).

Classic intervention (also called “withdrawal from market”) is no longer available as a separate EU measure since the 2008 reform of the EU common market organization for fruits and vegetables (see policy section). Instead, intervention may be included as an emergency measure in the producer organizations’ operational programs (OP). This means, the system moved from being financed entirely by EU funds to a co-financing system where producer organizations have to bear 50 percent of the costs.

Apples – Additional Information

For information on tariffs, maximum residue levels, and labeling requirements please see the respective sections at the end of the report.

Pears, Fresh

Pears, Fresh Market Year Begins European Union	2018/2019		2019/2020		2020/2021	
	Jul 2018		Jul 2019		Jul 2020	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted (HA)	116054	116264	116677	116059	0	115770
Area Harvested (HA)	111289	111417	111655	111505	0	110173
Commercial Production (MT)	2398917	2397807	2078575	1964701	0	2217834
Non-Comm. Production (MT)	192889	192744	105900	96718	0	119050
Production (MT)	2591806	2590551	2184475	2061419	0	2336884
Imports (MT)	168600	168450	180000	182694	0	170000
Total Supply (MT)	2760406	2759001	2364475	2244113	0	2506884
Fresh Dom. Consumption (MT)	2450106	2448689	2069475	1938977	0	2194431
Exports (MT)	310300	310312	295000	305136	0	312453
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	2760406	2759001	2364475	2244113	0	2506884
(HA), (1000 TREES), (MT)						

Sources: Trade for MY 2018/19 and 2019/20: Trade Data Monitoring (TDM) accessed in September 2020;
All other: FAS EU posts

Pears – Production

Pears – Commercial Production

MY 2020/21 EU commercial pear production is forecast to increase by nearly 13 percent (or 253,133 MT) compared to MY 2019/20. Commercial production in MY 2019/20 was down due to lower harvest volumes in Italy. MY 2020/21 is expected to be an average year as the difference between MY 2020/21 production and the average of the three previous Marketing Years was only 0.3 percent.

Italy, the Netherlands, Belgium, Spain, and Portugal lead pear production in the EU. Combined, these Western European countries represented 82 percent of total EU commercial production in MY 2020/21. For the previous five years, the total EU area harvested remained relatively unchanged -- roughly 111,000 hectares. However, the area harvested in MY 2020/21 is expected to decrease slightly, driven by reduced harvested areas in Spain and Italy.

Emilia-Romagna continues to be Italy's main pear producing area, accounting for almost three-quarter of Italy's total pear production. For the past few years, the planted area of pears dropped by one to two percent per year. In MY 2020/21 the area planted is estimated at 30,079 hectares. *Abate Fetel* continues to be Italy's leading variety, followed by *William Bon Crétien/Bartlett*, *Conference*, and *Coscia-Ercollini*. Production is forecast to recover from last year's poor season and is estimated at 642,000 MT, an increase of 77 percent. Due to favorable growing conditions, the quality of the pears is also expected to be good.

The planted area for pears in the Netherlands has grown year-by-year and passed ten thousand hectares last year. In MY 2020/21 the planted area is expected to stabilize at 10,100 hectares. The volume of Dutch pear production (mainly *Conference* pears) is estimated to be similar to last year (373,000 MT) and in line with the average of the previous three years. The overall growing season was favorable -- the lack of rain and high temperatures had no significant impact on the production. Industry experts report the Dutch are expected to harvest fewer but larger sized pears due to the physiological drop (which had a bigger impact this year compared to previous years). The taste, as a result of a higher sugar content, is expected to be good due to the abundance of sun, and the color is also expected to be strong. The storage quality is also expected to be good, especially for pears from irrigated orchards.

The pear planted area continued to increase in Belgium and is expected to total 10,658 hectares in MY 2020/21. Belgian pear production (mainly *Conference* pears) is concentrated in Flanders and is expected to increase by 30,000 MT, or nine percent. The drought did not have an impact on this year's harvest. In addition to the increased harvested area, more pears per-tree are expected this year due to favorable growing conditions throughout the season. The color and taste are also expected to be good this year. Most Belgian growers are unable to irrigate their orchards (because of the inability to access ground and surface water) which could result in somewhat smaller sized pears and could also negatively impact the pears' storage quality.

EU Commercial Pear Production by Country and Year in MT

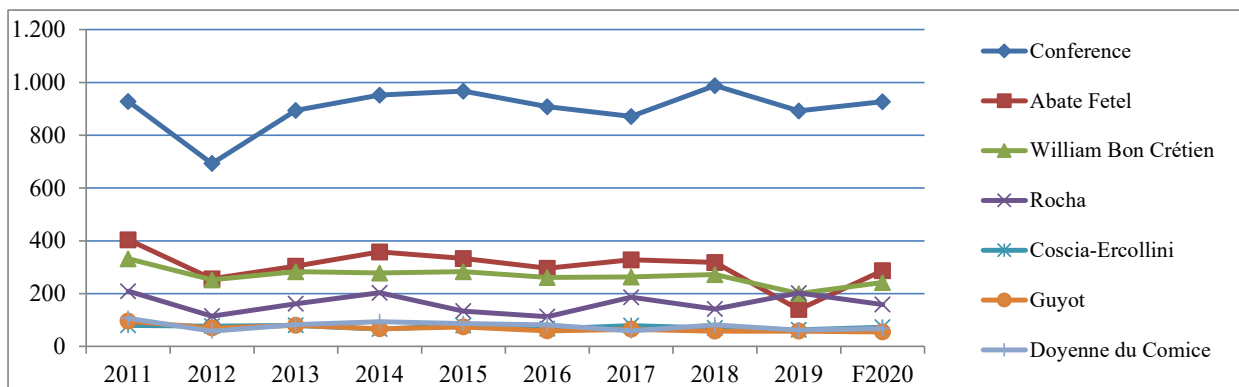
COUNTRY	MY 2018/19	MY 2019/20	MY 2020/21 e	Change 2020:2019	Share of Total EU Production in 2020
Italy	730,000	363,000	642,000	77 %	29 %
Netherlands	402,000	373,000	373,000	0 %	17 %
Belgium	358,000	322,000	352,000	9 %	16 %
Spain	294,333	307,651	295,847	-4 %	13 %
Portugal	159,350	200,000	157,000	-22 %	7 %
France	129,000	120,000	130,000	8 %	6 %
Greece	80,096	76,270	76,000	0 %	3 %
Poland	85,000	68,000	65,000	-4 %	3 %
Germany	47,644	42,477	40,200	-5 %	2 %
Romania	25,000	22,000	20,000	-9 %	1 %
United Kingdom	23,000	20,000	18,000	-10 %	1 %
Other	64,384	50,303	48,787	-3%	2 %
Total Production	2,397,807	1,964,701	2,217,834	13 %	

e = estimated; Source: FAS/EU

Pear production in Spain is expected to decrease by nearly four percent this MY, to almost 296,000 MT, due to unfavorable weather conditions (including hailstorms and heavy rains) which affected flowering and fruit setting in the spring. The quality and size of the pears, however, is expected to be good. Catalonia continues to be Spain's leading pear producing region, accounting for 45 percent of total production, followed by La Rioja, Aragon, and Murcia. The main varieties are Conference, Limonera (in Catalonia and Aragon), Ercolini (in Murcia and Catalonia) and Blanquilla (in Catalonia, Aragon, and Murcia). The harvested area has been decreasing over the past ten years as stone fruit orchards slowly replace pear orchards (due to increased improved profitability). The area planted is estimated to decrease to 20,500 hectares in MY 2020/21.

Portugal's pear production in MY 2020/21 is also expected to decrease due to unfavorable weather conditions during flowering, and, like Spain, heavy hailstorms caused damage in some areas. The overall pear quality and size is expected to be average-to-good. Production for the unique Portuguese *Rocha* pear variety is expected to total 157,000 MT, down by 43,000 MT or 22 percent. The area harvested has been stable for the past couple of years at roughly 12,500 hectares.

EU Pear Production for Selected Varieties in Thousand MT



F = forecast

Source: WAPA data

More than 42 percent of all pears grown in the EU in MY 2020/21 were *Conference* pears, mainly grown in Belgium, the Netherlands, and Spain. Other popular varieties include *Abate Fetel* (grown in Italy), *William Bon Crétien/Bartlett* (grown in Italy, Spain, and France), and *Rocha* (grown in Portugal). Dutch and Belgian growers are developing and starting to grow new club varieties such as *Migo*, *Sweet Sensation*, and *Red Conference*. Club varieties are patented and trademarked to protect the owner's intellectual property rights.

Pears – Non-Commercial Production

Non-commercially produced pears include pears grown in home gardens and meadows. If they are harvested, these pears are predominantly consumed domestically (both fresh consumption and processing). Austria, the Czech Republic, Romania, and Slovenia have non-commercial production volumes which account for 50 percent or more of total pear production in their countries. MY 2020/21 non-commercial pear production is estimated at 119,050 MT, up by 22,332 MT. Austria and Romania alone were responsible for 64 percent of this production. This year's EU non-commercial volume is similar to what was produced in MY 2017/18 and MY 2016/17.

Pears – Consumption

Most foodservice-HRI outlets throughout the EU had to temporarily close their doors due to measures imposed to combat the spread of COVID-19. Caterers saw their businesses temporarily disappear as people were urged to work from home. However it is expected that the overall impact of COVID-19 on EU pear consumption is negligible because the vast majority of pears in the EU are distributed via retail channels (which have seen an overall increase in sales since March) and because consumers seem to be increasingly buying healthier food (as well as more unprocessed, fresh produce). Pears are increasingly purchased via supermarkets, and because they are considered to be a healthy food, are, in general, relatively inelastic.

EU pear consumption in MY 2020/21 is expected to rebound after the decline in MY 2019/20 (which fell due to a smaller domestic supply). The per-capita consumption of pears fluctuates from year-to-year depending on availability and, for some Member States, price. The average per-capita consumption of pears in the EU is estimated between three and four kg per year. The per-capita consumption also varies between Member States with the highest consumption volumes found in the leading pear producing countries. For example, Italy has the highest per-capita consumption (with almost ten kg per year.) Pears are also popular in Portugal, the Netherlands, Greece, Spain, and Belgium. The lowest per-capita consumption markets in the EU, at two kg per year or less, are Hungary, Slovakia, Poland, and Lithuania.

Within the EU Member States, the most popular pear varieties are often those that are grown regionally. Food retailers, on average, offer two or three different pear varieties. The *Conference* pears have gained popularity in the German market (which used to be dominated by *Abate Fetel*). Trade experts believe that despite the greater availability of *Abate Fetel* this year, *Conference* pears will remain strong in the German market as these pears serve different consumer markets. Taste, appearance, and texture are the main consumer considerations when buying pears. There is a trend, especially among consumers in Northwest Europe, towards preferring somewhat smaller-sized pears. Additionally, the demand for organic pears continues to grow – particularly in large organic consumer markets like Switzerland, Denmark, Sweden, Luxembourg, and Austria.

Processing

EU growers primarily produce pears for the fresh market. Some pears, however, are not suitable for the fresh market due to their shape, size, or quality. These pears are used for processing (often for canning, juice, and baking). Pears not suitable for human consumption (both fresh and further processing) are also used for animal feed or fermentation. Prices for fresh pears also influence the volume used for processing. Traditionally, Italy, Austria, and Spain have the highest processing volumes. In Italy, pears for processing are bought by the juice industry. In Austria, the majority of these pears are used for the production of Perry (or pear cider), an alcoholic beverage made from fermented pears. In Spain, pears are also processed into fruit jelly and used by the canning industry.

Pears – Trade

EU External Trade

Industry experts have indicated that it is taking longer to distribute pears given the social distancing measures instituted to combat the pandemic. This, in combination with more general disruptions to the logistics chain have increased the costs of trading and distributing pears. Uncertainties concerning COVID-19 will continue into MY 2020/21.

Imports

Imported pears represent less than ten percent of the total EU pear supply, and normally end up in the EU's fresh market. The EU predominantly imports pears from Southern Hemisphere countries -- such as South Africa, Argentina, and Chile (see the table below). According to TDM, imports from these countries normally begin in February, directly after the harvest in these countries, peak in April, and normally end in July (this was true for MY 2020/21 as well). Popular imported varieties include *Packham*, *Williams Bon Crétien*, *Forelle*, and *Abate Fetel*.

The Netherlands and Italy together accounted for over two-thirds of the EU's pear imports. Most of the volume entering the port of Rotterdam, is shipped to Germany, the UK, Poland, and France, while Italy's imports predominantly stay in the Italian market. Other importing member states, albeit on a much smaller scale, are the UK, Germany, and France.

Historically, the EU supplies export markets with EU-grown pears, supplemented by pears imported from Southern Hemisphere countries. Russia and several other former EU export markets are increasingly importing from Southern Hemisphere countries directly. As a result, EU pear imports dropped by a quarter between MY 2015/16 and MY2018/19. In MY 2019/20, this trend changed, and pear imports increased due to the reduced availability of EU grown pears. In MY 2020/21, EU pear imports could decrease to import levels in MY 2018/19, given the increased availability of pears.

EU Import of Pears in MT

Country of Origin:	MY 2017/18	MY 2018/19	MY 2019/20	Change MY 2019/20 to MY 2018/19	Share of Total Imports in MY 2019/20
South Africa	77,699	68,560	65,208	-5 %	36 %
Argentina	53,370	42,070	50,911	21 %	28 %
Chile	46,020	39,313	40,365	3 %	22 %
China	12,985	8,735	12,675	45 %	7 %
Turkey	5,989	5,184	9,869	90 %	5 %
Serbia	1,476	1,342	1,314	-2 %	0.7 %
Bosnia & Herzegovina	554	1,501	1,071	-29 %	0.6%
Switzerland	56	222	464	109 %	0.3 %
New Zealand	484	236	313	33 %	0.2 %
Uruguay	387	949	225	-76 %	0.1 %
United States	157	2	1	-50 %	0.001 %
Other	645	336	278	-17 %	0.2 %
Total	199,822	168,450	182,694	8 %	

Source: TDM, September 2020

China is the EU's fourth largest supplier of pears, and ships *Asian* pears, including the popular *Ya* variety, which is predominantly consumed by the Asian population in the EU. Despite a rebound in MY 2017/18 (157 MT), imports of pears from the United States have continued to decline and fell to a record low in MY 2019/20 (1 MT), due to the EU's strict maximum residue levels for pesticides.

Exports

With former export markets increasingly buying from Southern Hemisphere countries, EU pear exports are largely comprised of pears produced in the EU. Pear exports have been stable at slightly over 300,000 MT for each of the past four MYs, except in MY 2017/18 (when pear exports were higher due to a high availability of good-quality pears produced within the EU). For MY 2020/21, EU pear exports are expected to be at similar levels to MY 2019/20.

Belarus continues to be the largest export market for EU pears, but other countries that have proximity to Russia, including Kazakhstan, Ukraine, and Azerbaijan, are important markets for *Conference* pears, especially those produced in the Netherlands and Belgium. With higher production volumes in Belgium, EU exports to former Soviet Republics could, in turn, increase in MY 2020/21. EU pear exports to mature markets, such as Norway and Switzerland, are expected to be similar to MY 2019/20.

Pear exports to Brazil dropped in MY 2019/20 as the increase in production in Portugal stayed in the internal European market.⁵ With a smaller harvest forecast for MY 2020/21, Portuguese exports to Brazil are expected to further decrease. Exports to Morocco, another popular destination for Portuguese *Rocha* pears, have been stable for the past three MYs, but are also expected to decline slightly in MY2020/21 due to a smaller harvest in Portugal.

Over the past few years, EU pear exports to Hong Kong have decreased and trade to China has, in turn, increased. In MY 2019/20, exports to China fell 14 percent (mainly due to lower export volumes during the first four months of calendar year (CY) 2020 due to COVID-19 and a possible delay in reporting trade figures. China is the seventh largest export market for EU pears.

EU Export of Pears in MT

Country of Destination:	MY 2017/18	MY 2018/19	MY 2019/20	Change MY 2019/20 to MY 2018/19	Share of Total Exports in MY 2019/20
Belarus	130,919	117,181	120,119	3 %	39 %
Brazil	63,058	48,226	42,905	-11 %	14 %
Morocco	40,885	39,258	38,816	-1 %	13 %
Norway	17,156	15,650	12,972	-17 %	4 %
Kazakhstan	11,641	12,961	12,446	-4 %	4 %
Bosnia & Herzegovina	10,729	10,592	8,105	-23 %	3 %
China	5,071	7,711	6,641	-14 %	2 %
Ukraine	1,540	2,701	6,385	136 %	2 %
Switzerland	11,507	6,036	5,967	-1 %	2 %
Saudi Arabia	7,572	4,836	5,827	20 %	2 %
Israel	3,457	4,594	5,650	23 %	2 %
Libya	2,745	3,991	4,748	19 %	2 %
UAE	3,532	2,612	3,294	26 %	1 %
Serbia	2,959	2,849	3,183	12 %	1 %
Russia	1,786	2,159	2,849	32 %	1 %
Canada	2,726	2,712	2,748	1 %	1 %
Other	27,225	26,243	22,481	-14 %	7 %
Total	344,508	310,312	305,136	-2 %	

Source: TDM, September 2020

⁵ Portugal's grown *Rocha* pears are popular in Brazil.

Due to the existing Russian import ban, uncertainty regarding the trade negotiations between the UK and the EU, and uncertainties due to COVID-19, EU pear producers, more than before, want to diversify risk. Supplying stable and nearby markets seems to have gained importance among European traders, but they are expected to continue to keep an eye open for new markets in other continents (especially in South East Asia). However, it will take several years to develop a new, sustainable market, especially for varieties that are unknown to these consumers.

Pears – Prices

Despite the higher volume of EU-produced pears and the logistical and market uncertainties due to COVID-19, producer prices for pears are expected to initially be good this year. This is driven by the good quality of this year's pears, as well as the solid domestic demand.

Pears – Withdrawal from Market

As described in the Policy Chapter, the European Commission introduced specific market support measures for the European fruit and vegetable sector (from the start of the Russia ban in 2014 until 2017). The last emergency measure for fruit and vegetables was phased out on June 30, 2018. The EU granted USD588 million (Euro 500 million) of aid to EU producers of fruit and vegetables corresponding to 1.7 million tons of withdrawals from the market. More detailed information on this issue can be found in the Policy Chapter.

Pears – Additional Information

For information on tariffs, maximum residue levels, and labeling requirements, please see the respective sections at the end of this report.

Table Grapes

Coordinated by Ornella Bettini/FAS Rome

Grapes, Fresh Table Market Year Begins European Union	2018/2019		2019/2020		2020/2021	
	Jun 2018		Jun 2019		Jun 2020	
	USDA Official	New Post	USDA Official	USDA Official	New Post	USDA Official
Area Planted (HA)	95419	95082	95190	95199	0	95320
Area Harvested (HA)	89754	90178	89645	90171	0	90652
Commercial Production (MT)	1585933	1578483	1365000	1564743	0	1394000
Non-Comm. Production (MT)	11000	11005	10500	8521	0	8500
Production (MT)	1596933	1589488	1375500	1573264	0	1402500
Imports (MT)	681600	681569	675000	677210	0	678000
Total Supply (MT)	2278533	2271057	2050500	2250474	0	2080500
Fresh Dom. Consumption (MT)	2199733	2192221	1975500	2172346	0	2005500
Exports (MT)	78800	78836	75000	78128	0	75000
Withdrawal From Market (MT)	0	0	0	0	0	0
Total Distribution (MT)	2278533	2271057	2050500	2250474	0	2080500
(HA),(MT)						

Sources: Trade for MY 2018/19 and 2019/20: TDM accessed in September 2020;

All other: FAS/EU estimates.

Table Grapes – Commercial Production

The EU is a world leader in table grape production with Italy, Spain, and Greece accounting for approximately 91 percent of the total EU production. In MY 2020/21 (June/May) EU table grape commercial production is forecast to drop by 11 percent from the previous season, mostly due to volume decreases in Italy, where severe frosts occurred during flowering at the end of March. Mid-September rains and hailstorms contributed to the decline. Overall, fruit quality is forecast to be excellent with higher sugar content due to hot temperatures in July, August, and early September. MY 2020/21 EU table grape area is forecast slightly up from the previous season, mainly thanks to new orchards in Spain, compensating for area decreases in Italy and Romania due to reduced sector profitability and stagnating domestic consumption.

EU Commercial Table Grape Production by Country and Year in MT

COUNTRY	MY 2018/19	MY 2019/20	MY 2020/21e	Change 2020:2019	Share of Total EU Production in 2020
Italy	850,000	830,000	665,000	-20 %	48 %
Spain	308,410	314,140	300,000	-5 %	22 %
Greece	294,183	296,780	300,000	1 %	22 %
Romania	61,400	48,200	50,000	4 %	3.6 %
France	35,000	46,000	50,000	9 %	3.6 %
Portugal	17,590	17,780	18,000	1.2 %	1.3 %
Bulgaria	11,900	11,843	11,000	-7 %	0.8 %
Total	1,578,483	1,564,743	1,394,000	-11 %	

e= estimated; due to rounding percentages add up to marginally more than 100 percent.

Source: FAS/EU

Table grape production in Italy is concentrated in Southern Italy, mainly in Puglia and Sicily, which account for 74 and 25 percent of the domestic production, respectively. *Italia*, *Victoria*, *Palieri*, and *Red Globe* are the main seeded varieties, covering approximately 70 percent of the table grape area. Early varieties (*Black Magic* and *Vittoria*) are sold from May to the end of July. For medium and late varieties (*Italia*, *Palieri*, *Pizzutello Bianca*, and *Red Globe*)—mainly from Sicily, Abruzzo, Puglia, Basilicata, and Sardinia—the harvest occurs from August to December. Seedless varieties (*Sugraone*, *Crimson*, *Thompson*, *Sublime*, etc.) represent approximately 30 percent of the domestic production, but are forecast to increase significantly in the coming years.

In Greece, there are approximately 17,300 hectares currently cultivated with table grapes. The main producing areas include the prefectures of Corinth in Peloponnese; Kavala in Macedonia; Thessaly; and Heraklion on the island of Crete. *Sultana* (*Thompson Seedless*) and *Victoria* are the leading varieties, with *Crimson Seedless* and *Superior Seedless* gaining popularity. Moreover, a greater focus is now being placed on diversifying Greece's grape offer to extend the marketing season into October and November.

In Spain, there are approximately 14,670 hectares currently cultivated with table grapes. The main area of production is the region of Murcia, accounting for 70 percent of total production, followed by Alicante and Seville. Over 50 table grape varieties are commercialized in Spain. *Apirena* (*Crimson seedless*, *Superior seedless*, and *Flame seedless*), *Aledo*, *Muscatel*, and *Red Globe*, are the main ones. *Apirena* seedless varieties represent 40 percent of the domestic production and are mainly cultivated in the region of Murcia and Alicante. Spain is the major EU producer of seedless table grapes with increasing interest in export markets. In the last three years, new seedless varieties (e.g. *Superior* and *Sugraone*) were planted replacing older varieties.

Table Grapes – Non-Commercial Production

EU table grape non-commercial production includes table grapes grown in home gardens, meadows, or field edges. MY 2020/21 EU table grape non-commercial production is forecast to remain flat from the previous season due to higher volumes in Romania (up 6.4 percent), compensating for decreased quantities in Bulgaria (down 50 percent).

Table Grapes – Consumption

EU fresh grape consumption is forecast to decrease by approximately eight percent in MY 2020/21 compared to MY 2019/20, driven by Italy's decreased production and the overall reduced demand from the HRI sector due to COVID-19. Starting in June and throughout the end of the calendar year, the EU's table grape consumption is mostly supplied by domestic production. Imports from third countries—normally coming in the first half of the calendar year from the Southern hemisphere—represent approximately 25 percent of total consumption.

Italy remains the leading table grape consumer in the EU, followed by Germany, the United Kingdom, Greece, Spain, France, Romania, Portugal, Czech Republic, Austria, Bulgaria, Slovakia, Croatia, and Slovenia. Despite the fact that Italian seeded grapes are still greatly appreciated, EU consumers are increasingly demanding seedless varieties (*Sugraone, Crimson, Thompson, Regal, Summer Royal, Centennial, Sublime*, etc.).

Table Grapes – Trade

Imports

Unlike with apples and pears, the EU is a net importer of fresh table grapes. MY 2020/21 EU table grape imports are forecast slightly up, compensating for a reduced domestic production. During MY 2019/20, EU table grape imports remained flat from the previous season. The largest EU importing countries remain the Netherlands, Germany, and the United Kingdom. These are followed by France, Poland, Spain, Romania, Czech Republic, Belgium, and Austria. The Netherlands serves mainly as a trans-shipping point.

EU Imports of Table Grapes in MT

Country of Origin	MY 2017/18	MY 2018/19	MY 2019/20	Change MY 2019/20 to MY 2018/19	Share of Total Imports in MY 2019/20
South Africa	206,024	202,381	214,963	6 %	32 %
Peru	63,349	100,661	94,346	-6 %	14 %
India	90,547	114,801	88,634	-23 %	13 %
Chile	111,268	88,262	86,291	-2 %	13 %
Egypt	76,440	52,860	71,545	35 %	11 %
Brazil	34,886	38,188	35,074	-8 %	5 %
Turkey	39,682	24,381	29,736	22 %	4 %
Namibia	25,085	25,504	24,250	-5 %	4 %
Moldova	20,471	16,572	19,231	16 %	3 %
Morocco	6,419	6,458	5,079	-21 %	0.75 %
North Macedonia	3,965	5,325	3,926	-26 %	0.58 %
United States	5,002	2,091	391	-81 %	0.06 %
Other	4,972	4,085	3,744	-8 %	0.55 %
Total	688,110	681,569	677,210	-1 %	

Source: Trade Data Monitor (TDM) accessed in September 2020

Due to rounding percentages add up to marginally more than 100 percent.

Exports

MY 2020/21 EU table grape exports are forecast down as a result of the decreased production, coupled with high transportation costs and discouraging bureaucratic delays. During MY 2019/20, EU table grape exports fell slightly by one percent from the previous season. Seedless varieties (*Sugar Crisp*, *Sweet Sunshine*, *Sweet Celebration*, *Sweet Sapphire*, *Jack's Salute*, and *Cotton Candy*) are mainly sent to the UK, Scandinavian countries, and the UAE. In MY 2019/20, Spain opened the Chinese market for table grapes: approximately 17 MT made it to China, despite shipment delays due to COVID-19.

EU Exports of Table Grapes in MT

Country of Destination	MY 2017/18	MY 2018/19	MY 2019/20	Change MY 2019/20 to MY 2018/19	Share of Total Exports in MY 2019/20
Switzerland	29,825	26,894	24,763	-8 %	32 %
Norway	13,881	15,158	16,244	7 %	21 %
Albania	2,138	3,217	3,195	-1 %	4 %
South Africa	2,800	3,270	3,059	-6 %	4 %
Bosnia & Herzegovina	2,113	2,323	2,932	26 %	4 %
Ukraine	1,589	2,424	2,551	5 %	3 %
Saudi Arabia	2,194	1,796	2,076	16 %	2.7 %
Belarus	3,644	2,674	2,005	-25 %	2.6 %
UAE	2,971	2,868	1,975	-31 %	2.5 %
Russia	2,172	2,549	1,806	-29 %	2.3 %
Kosovo	480	706	1,165	65 %	1.5 %
Nigeria	433	600	1,142	90 %	1.5 %
United States	712	712	1,004	41 %	1.3 %
Serbia	471	652	870	33 %	1.1 %
Iceland	970	758	789	4 %	1.0 %
Canada	1,005	975	689	-29 %	0.9 %
Libya	19	-	686	100 %	0.9 %
Qatar	831	846	671	-21 %	0.9 %
Brazil	1,014	420	634	51 %	0.8 %
Other	9,428	9,994	9,872	-1 %	13 %
Total	78,690	78,836	78,128	-0.9 %	

Source: TDM accessed in September 2020; due to rounding percentages add up to marginally more than 100 percent.

Table Grapes – Additional Information

For information on tariffs, maximum residue levels, and labeling requirements, please see the respective policy sections in the report.

Policy

Coordinated by Tania De Belder/USEU/FAS Brussels

Fresh deciduous fruit falls under the EU fruit and vegetables regime and is part of the Common Agriculture Policy (CAP). The following sections explain the main elements of the EU fruit and vegetable policy that refer to the fresh deciduous fruit sector. This includes an overall review of EU policy related to fresh deciduous fruit. Special attention is given to the measures taken to address the COVID-19 crisis in the fruit and vegetable sector.

1. The Common Agriculture Policy (CAP)

[Regulation \(EU\) No 1308/2013](#) outlines a framework for market measures under the CAP by the single Common Market Organization (CMO). It entered into force on January 1, 2014. The CAP 2020 reform consists of four [basic regulations](#), supplemented by delegated acts, and among others amends the implementing rules for the fresh and processed fruit and vegetable sectors ([Commission Implementing Regulation \(EU\) No 543/2011](#)). On June 1, 2017, [Commission Delegated Regulation 2017/891](#) entered into force with supplementing measures for fruit and vegetable “Producer Organizations” (POs).

This framework seeks to make POs more attractive to non-members, provide greater clarity about what actions are eligible for EU funding and set a maximum percentage of produce that can be marketed outside the organization at 25 percent to create short supply chains whereby producers sell directly to consumers. It simplifies and clarifies legislation with regard to payments to transnational POs and their associations. It also increases the limit for withdrawals from the market.

These market measures under the CAP aim to:

- a) Create a more competitive and market-oriented sector

The producer organizations (POs) are still the key elements in the EU's Common Market Organization for fruits and vegetables. POs are legal entities established by producers to market commodities, including fresh deciduous fruit. When recognized by the competent authority in their respective member state, these POs are eligible to receive EU subsidies. In order to qualify for EU subsidies, a PO must submit an operational program financed through an operational fund. EU's financial contribution goes to the PO, not to the individual farmer. The basis for the calculation of the estimated amount of the operational fund is the operational program and the value of the marketed production. The approval of operational programs happens under Regulation (EU) No 1308/2013.

COVID – 19: Flexibility in operational programs

On April 30, 2020, the Commission published [Commission Delegated Regulation \(EU\) 2020/592](#) to address the market disturbance in the fruit and vegetables and wine sectors caused by the COVID-19 pandemic and the measures linked to it. Producer organizations may implement crisis and prevention measures as part of their operational programs to increase their resilience to market disturbances. Under

normal conditions, these crisis prevention and management measures may not exceed one third of the expenditure under the operational program, but according to this regulation that rule does not apply in the year 2020.

b) Diminish crisis-related fluctuations in producers' income

To achieve this objective, the EU offers funding under the operational programs for:

- Product withdrawal
- Green harvesting/non-harvesting;
- Promotion/communication tools;
- Training measures;
- Harvest insurance;
- Assistance to secure bank loans, and support for administrative costs associated with setting up mutual funds.

In their national strategies, the national authorities must determine which of these instruments can receive funds in their respective countries. The producer organizations may take out loans on commercial terms to finance crisis prevention and management measures. The repayment of the capital and the interest on those loans may be eligible for financial assistance under the operational programs of the producer organizations.

c) Encourage increased consumption of fruit and vegetables in the EU

The European “School Fruit Scheme” originated in 2009 as a measure to combat childhood obesity. It includes three elements: free distribution of fruit and vegetables in schools, informational campaigns on healthy eating habits, and monitoring and evaluation. As in previous years, the EU funds of USD264 million (Euro 250 million) are allocated for the school year 2020/2021 to all of the Member States, according to [Commission Implementing Decision \(EU\) 2020/467](#). These funds are available for the period starting August 1, 2020 – July 31, 2021.

COVID – 19: School Scheme Extended

In April, 2020, the Commission published [Commission Implementing Regulation \(EU\) 2020/600](#), which extends the definition of ‘school year’ until September 30, 2020 for the implementation of the school scheme in the 2019/2020 school year. This has been disrupted due to the temporary closure of educational establishments, which the Member States put in place to address the COVID-19 pandemic. In addition, time limits for the submission of aid applications for the accompanying educational measures have also been extended. There is also a possibility to reallocate unrequested EU aid amongst the Member States participating in the school scheme in the 2021/2022 school year.

In addition to the school fruit scheme, the sector may also benefit from the European [promotion](#) budget for agricultural products and [quality schemes](#) to encourage increased consumption of fruits and vegetables. The Commission reformed its promotion policy with an extension of the product scope and

a greater focus on export markets. The current promotion budget reached USD255 million (Euro 200 million) in 2020. There will no longer be a need for national co-funding. EU associations will be able to apply directly for a program.

d) Increase the use of environmentally friendly cultivation and production techniques

At least 10 percent of operational program funding must be spent on environmental actions that go beyond mandatory environmental standards. Member States with recognized producer organizations must draw up a National Framework for Environmental Action (NEF) as part of their “national strategy for sustainable operational program.” The NEF must contain a non-exhaustive list of environmental actions and the conditions applicable to them in the Member State concerned.

CAP after 2020:

On June 1, 2018, the European Commission presented legislative proposals on the CAP beyond 2020. The aim of the new proposals is to better respond to current and future challenges such as climate change. The CAP will continue to support European farmers, but the proposed overall budget is lower compared to the previous period. For information on the CAP after 2020, please see:

https://ec.europa.eu/info/food-farming-fisheries/key-policies/common-agricultural-policy/future-cap_en

2. Brexit Update

The United Kingdom (UK) formally left the European Union on January 31, 2020, and is in a transition period until December 31, 2020. During this time, it continues to fully comply with EU rules and legislation. During this transition period, it is negotiating an agreement⁶ with the remaining EU-27 on its future relationship and particularly on trade. Because the UK government notified the EU that it will not extend the transition period, it remains uncertain whether an agreement will be concluded or whether the UK will sail off with no deal (hard Brexit). This means that its trade relationship with the EU would fall back to WTO rules, with full border controls, including on the island of Ireland and on the border between Spain and Gibraltar.

3. Import Certification of Fruit Shipments

Fruit, vegetable, and nut shipments exported to the EU require a phytosanitary certificate. A USDA/Animal Plant Health Inspection Service inspector issues these certificates in accordance with international regulations established by the [International Plant Protection Convention of the Food and Agriculture Organization of the United Nations](#). This standard-setting body coordinates cooperation between nations to control plant and plant product pests and to prevent their spread.

⁶ https://ec.europa.eu/info/european-union-and-united-kingdom-forging-new-partnership_en

[Council Directive 2000/29/EC](#) contains provisions concerning compulsory plant health checks. This includes documentary, identity, and physical plant health checks to verify compliance with EU import requirements. [Directive 2019/523](#) has been applied since September 1, 2019. It amends Annexes I to IV of [Directive 2000/29/EC](#) and sets (new) protective measures against the introduction of harmful organisms for the import of several fruit and vegetable products. However, it is worthwhile to check the specific article in [Directive 2019/523](#) for each of the product/harmful organism combinations since these are all different. Most requirements are applicable for all third countries, but there are also requirements for certain products (apples, pears, blueberries) which only apply to the United States, Canada and Mexico. The new legislation has established the obligation for non-EU countries to communicate some information for importing certain commodities under specific import requirements. On the following website you can find official information submitted by non-EU countries: https://ec.europa.eu/food/plant/plant_health_biosecurity/non_eu_trade/declarations_en

In addition, [Regulation 2016/2031](#) of the European Parliament and of the Council concerning protective measures against pests of plants replaced [Directive 2000/29/EC](#) on December 14, 2019. There is more information available on the DG Health and Food Safety (DG SANTE) website: http://ec.europa.eu/food/plant/plant_health_biosecurity/non_eu_trade/index_en.htm

[Commission Regulation 1756/2004](#) provides for a possibility to carry out plant health checks at reduced frequency when justified. The European Commission published the updated list of products on [January 1, 2020](#). The Commission monitors imports of fruit and vegetables on an annual basis to determine how to adjust the frequency of testing consignments.

4. Maximum Residue Levels for Fruit

Maximum Residue Levels (MRLs) for pesticides, including import tolerances, have been harmonized throughout the EU since September 2008. As a marketing tool, some retail chains in the EU adopt private standards that exceed EU regulations by requiring their suppliers to adhere to stricter company policies that limit the maximum residues to 30, 50, or 70 percent of the respective EU MRL. Please find the link to the [EU MRL database](#), as well as to the subscription page for the [global MRL database](#) for MRLs worldwide.

Note: Diphenylamine (DPA) is a pesticide used on apples and pears to prevent scalding but is no longer authorized for use in the EU. Subsequently, the MRLs for DPA decreased to 0.1 mg/kg for both apples and pears on March 2, 2014. Since then, the volumes of apples exported to the EU have decreased substantially. Only a few shippers exporting to Europe have designated special DPA-free facilities to stay below the currently allowed levels.

Upcoming MRL reviews under Article 12 of Regulation 396/2005

Plant protection products (PPPs) along with MRLs and import tolerances are an important issue in the EU since there is a significant reduction in the number of approved active substances that are available for use. [Regulation 1107/2009](#) and [Regulation 396/2005](#) regulate PPPs and MRLs respectively. There is a consistent ongoing review (and renewal) of active substances and their associated MRLs. Existing MRLs are reviewed through a process known as an Article 12 review. The first list below indicates the upcoming MRL reviews under the Article 12 process. The second list includes the active substances that are, or will soon be, up for renewal. It is important to note that these lists are not all-inclusive. Due to the complexity of the renewal process and the importance of the issue, stakeholders should actively engage early in these review processes by reaching out to the applicant. Together with the applicant, they can ensure that the necessary data is available for the review and/or if data collection trials are in progress or should be initiated, (especially if the substance is not used or authorized in the EU). It is highly recommended to contact the assigned "Rapporteur Member State" which will carry out the first evaluation of the active substance and existing EU pesticide MRLs. Stakeholders are encouraged to engage with FAS on substances and MRLs of importance to their commodities.

1) Article 12 review

<https://www.efsa.europa.eu/sites/default/files/pesticides-MRL-review-progress-report.pdf>

2) Active substances up for review

Active Substance	Expiry date	Last day to submit application for renewal of the active substance:
Eugenol	11/30/2023	02/28/2021
Geraniol	11/30/2023	02/28/2021
Thymol	11/30/2023	02/28/2021
Fluopyram	01/31/2024	04/30/2021
Chlorantraniliprole	04/30/2024	07/30/2021
Emamectin	04/30/2024	07/30/2021
Orange oil	04/30/2024	07/30/2021
Prosulfuron*	04/30/2024	07/30/2021
Sodium silver thiosulphate	04/30/2024	07/30/2021
Spirotetramat	04/30/2024	07/30/2021
Tembotrione	04/30/2024	07/30/2021
Amisulbrom	06/30/2024	09/30/2021
Ascorbic acid	06/30/2024	09/30/2021
S-Abscisic acid	06/30/2024	09/30/2021
Spinetoram	06/30/2024	09/30/2021
Thiencarbazone	06/30/2024	09/30/2021
Valifenalate (formerly Valiphenal)	06/30/2024	09/30/2021

Acequinocyl	08/31/2024	11/30/2021
Flubendiamide	08/31/2024	11/30/2021
Ipconazole	08/31/2024	11/30/2021
Pendimethalin*	08/31/2024	11/30/2021
Imazamox*	10/31/2024	01/31/2022
Aminopyralid	12/31/2024	03/31/2022
Metaflumizone	12/31/2024	03/31/2022
Metobromuron	12/31/2024	03/31/2022

*candidates for substitution

5. Marketing Standards

In general, and under normal market conditions, fresh fruit and vegetable imports into the EU also have to comply with the EU-harmonized marketing standards. These standards apply at all marketing stages and include criteria such as quality, size, labeling, packaging, and presentation. [Commission Implementing Regulation \(EU\) No 543/2011](#) provides for a general marketing standard for all fresh fruits and vegetables. Specific marketing standards are still in place for ten products, including apples, pears, and table grapes, and are set out in Parts 1, 6, and 9 of Part B of Annex I to this Regulation.

6. Tariffs

EU imports of fresh fruit and vegetables are subject to the Entry Price System (EPS), which has been in place in its current form since the Uruguay Round. It is a complex tariff system, which provides a high level of protection to EU producers. In this system, fruits and vegetables imported at or above an established entry price are charged an ad valorem duty only. Produce valued below the entry price are charged a tariff equivalent in addition to the ad valorem duty. The tariff equivalent is graduated for products valued between 92 and 100 percent of the entry price. The ad valorem duty and the full tariff equivalent are levied on imports valued at less than 92 percent of the entry price.

Tariff levels for 2020 are published in [Commission Implementing Regulation 2019/1776](#).

Apples see pages 101 and 719-720

Pears see pages 101 and 720-722

Grapes see pages 100 - 101, and 718 -719

7. Russian Import Ban on Agricultural Products

On August 7, 2014, the Russian government implemented an import ban for one year that was subsequently extended on a range of agricultural and food products, including fresh deciduous fruit from the United States, the EU, Canada, Australia, and Norway, in response to U.S. and EU sanctions over Russian actions in Ukraine. The Common Market Organization rules (see Regulation 1308/2013 in part I) provide various market management tools to stabilize markets. Additionally, the Commission is empowered under the reformed CAP to take "exceptional measures" in case of market disruption. As

such, in response to the ban, the Commission introduced specific market support measures for the European fruit and vegetable sector between 2014 and 2017. The last emergency measures for fruit and vegetables were phased out on June 30, 2018. Overall, the EU granted USD588 million (Euro 500 million) of aid to EU producers of fruits and vegetables, corresponding to 1.7 million tons of withdrawals from the market.

Please find more information on the Commission's response to the Russian ban here:

http://ec.europa.eu/agriculture/russian-import-ban/index_en.htm

Trade Fairs

Trade fairs play a key role in presenting new products to the trade or in finding additional buyers and importers. The most important trade shows related to the fruit and vegetable sectors are listed below. At the time of writing these trade shows are still scheduled to happen as in person events. However, depending on the further development of the COVID-19 pandemic, they may be converted and held fully or partially online instead.

<p>FRUIT LOGISTICA Berlin, Germany (Interval: yearly) This show normally occurs in February. In 2021, it is scheduled for May and will have a modified concept to accommodate for special hygiene and physical distancing measures related to the COVID-19 pandemic.</p> <p>Target Market: Germany/EU/Central & Eastern Europe The leading European trade show for fresh and dried fruit, nuts, and related products. More than 2,400 companies from across the entire fresh produce value chain will participate, including major global players as well as small and medium-sized suppliers from around the world.</p> <p>https://www.fruitlogistica.de/en/</p>	<p>Next Fair:</p> <p>May 18-21, 2021</p> <p>(special edition with a modified concept)</p>
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<p>BIOFACH Nuremberg, Germany (Interval: yearly) Target Market: Germany/Europe The leading European trade show for organic food and non-food products</p> <p>http://www.biofach.de/en</p>	<p>Next Fair:</p> <p>February 17-20, 2021 (fully digital)</p>
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Related Reports

For related reports please search the USDA/FAS GAIN database: <https://gain.fas.usda.gov/#/search>

Attachments:

No Attachments