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The Netherlands

Fresh Deciduous Fruit

Apple & Pear Semi-Annual Report

1999

Prepared by:

Phil Letarte

U.S. Embassy

Drafted by:

Chris J.M. Langezaal

Report Highlights:

The Dutch 1998/99 apple crop is estimated at 507,000 metric tons, up from 470,000 metric tons the previous year. The Dutch pear crop is forecast at 130,000 metric tons, down from 145,000 metric tons in the 1997/98 season. Dutch imports of U.S. (Anjou) pears reached a record high during the 1997/98 season.

Includes PSD changes: No
Includes Trade Matrix: No
Semi-Annual Report
The Hague [NL1], NL

Apples	2
Crop Area	2
Prices	3
Consumption	3
Trade	3
Outlook for U.S. Apple Exports to the Netherlands	4
Pears	5
Production	5
Prices	6
Trade	6
Outlook for U.S. Pear Exports in the 1998/99 Season	6

Apples

Production

According to preliminary forecasts issued in December 1998, the Dutch 1998/99 apple crop is estimated at 507,000 metric tons (MT). Compared to the July 1998 estimate, the current estimate is down 2.5%, due primarily to cold and wet weather late in the season which prevented the apples from maturing at their normal rate.

The Netherlands: Apple Production by Variety
(July/June season - 1,000 metric tons)

Apple Variety	1994/95	1995/96	1996/97	1997/98	1998/99*
Elstar	190	185	150	135	170
Jonagold	175	190	140	145	165
Gold. Delicious	55	55	45	45	45
Cox's O.P.	55	45	50	50	47
Boscoop	45	45	30	35	35
Other Apples	80	75	75	60	45
TOTAL	600	595	490	470	507

* Estimates

Source: Product Board for Horticulture

Crop Area

The Netherlands: Apple Acreage by Variety
(Hectares)

Apple Variety	1982	1987	1992	1997
Golden Delicious	3,981	2,698	1,583	1,192
Cox's Orange Peppin	2,676	2,350	2,087	1,503
Belle de Boscoop	3,381	2,111	1,542	1,281
James Grieve	1,252	906	545	205
Gloster	160	490	409	160
Elstar	309	2,055	4,794	5,127
Jonagold	789	1,956	3,775	4,598
Other varieties	3,436	2,566	2,248	1,125
TOTAL	15,984	15,128	16,983	15,191

Source: Central Bureau of Statistics

Note: This data is published once every five years

Prices

Dutch apple prices were very low in the 1997/98 season and expectations are that prices will not be any higher during the 1998/99 season. In spite of the slightly smaller Dutch and EU crop, there are still too many apples on the market and not enough demand in Western Europe. The average apple price in the July - December period of 1998 amounted to DFL 0.60 compared to DFL 0.63 in the same period in 1997 (14 US cts per/ lb compared to 15 US cts/lb).

Low apple prices have created a crisis situation for the Dutch apple industry with 15% of Dutch apple growers going out of business over the past ten years. According to forecasts by the Dutch Agricultural Economic Institute (LEI), there will only be 1,600 apple growers out of the present 2,600 left by the year 2010. In order for the Dutch apple industry to survive, LEI suggests that apple yields will have to increase and costs will have to fall. Investments in mechanization, frost protection and larger farms will be a necessity. LEI recommends that farms expand from the current 7.5 hectares to 15 - 20 hectares in order to remain competitive. In addition, the industry will have to cater to the consumer's growing demand for high quality apples produced in an environmentally friendly way. Finally, apple marketing must also be revamped to meet the needs of the large supermarkets.

Consumption

Consumption of apples in the EU and in the Netherlands has not grown over the past few years. Per capita consumption in the Netherlands remains stable at 22 kilos.

Trade

According to preliminary trade data, EU apple exports to Eastern Europe and Russia, in particular, fell in 1998. This is expected to put additional downward pressure on EU apple prices.

The Netherlands: Exports/Re-Exports of Apples to Eastern Europe
(1,000 Metric Tons)

	1996	1997	1998*
Total	136,239	89,961	55,389
of which to:			
Russia	108,239	70,490	42,623
Poland	9,434	5,467	3,434
Czech Republic	6,371	5,202	2,926
Others	12,538	8,802	6,406

* thru November only

Source: KCB/PT/Product Board

The Netherlands: Total Apple Acreage in Hectares

	1993	1994	1995	1996	1997	1998
Total	16,606	16,480	15,307	15,137	15,191	14,553

Source: Central Bureau of Statistics

Outlook for U.S. Apple Exports to the Netherlands

Given the low apple prices in Western Europe and the plentiful supplies, U.S. apple exports to the Netherlands are not expected to be substantial in the 1998/99 season. In calendar year 1997, imports of U.S. apples amounted to 373 MTs. During the January -June period, Dutch imports of apples from the U.S. amounted to 329 MTs in 1997 and to 235 MTs in 1998.

Dutch apple traders based in Rotterdam advise U.S. exporters to place emphasis on exporting varieties other than *Red Delicious*. They recommend the *Braeburn* variety which consumers find to be a firmer and fresher apple with an appealing round shape.

Pears

Production

The Dutch December pear crop estimate is 3.8% higher than the July estimate, but still smaller than the 1997 Dutch pear crop. The total EU pear crop is estimated at 2,288,000 MTs, down 3.8% from the previous season.

The Netherlands: Pear Production by Variety
Season July-June in 1,000MT

Pear Variety	1993	1994	1995	1996	1997	1998*
Conference	80	75	90	80	85	85
Doyenne du C.	40	25	35	20	30	20
Other Pears	50	40	40	35	30	25
TOTAL	170	140	165	135	145	130

* Estimated

Source: Product Board for Horticulture

The Netherlands: Pear Acreage by Variety in Hectares

Pear Variety	1982	1987	1992	1997
Conference	1,934	2,208	2,586	3,445
Doyenne	1,213	1,157	1,159	1,274
Beurre Hardy	430	296	239	215
Other varieties	1,987	1,497	1,421	1,092
TOTAL	5,564	5,158	5,405	6,026

Source: Central Bureau of Statistics

Note: This data is published once every five years

The Netherlands: Total Pear Acreage in Hectares

	1993	1994	1995	1996	1997	1998
Total	5,592	5,732	5,885	5,934	6,026	

Prices

Last year, pear prices were good and expectations for another good pear season are realistic. The average pear price in the July - December period amounted to DFL 1.10 in 1997 and DFL 1.00 in 1998 (0.25 US cts/lb in 1997 and 0.23 US cts/lb in 1998).

Trade

Dutch imports of U.S. (Anjou) pears reached a record high in the 1997/98 season.

The Netherlands: Imports of U.S. Pears in Metric Tons

	1995/96	1996/97	1997/98
Total	4,319	1,187	8,642

Source: Eurostat/Product Board

Most of these pears are re-exported to other Western European countries.

Outlook for U.S. Pear Exports in the 1998/99 Season

Given satisfactory EU pear price levels at the moment, it is very likely that Western European demand for U.S. pears is strong. Dutch traders in Rotterdam report (mid-December 1998) that U.S. pears are arriving in Rotterdam for further distribution in Europe. The high season for imports of U.S. pears is in December and January of each year.