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Date: 12/2/2013

GAIN Report Number: PL 1334

Poland

Post: Warsaw

Poland's 2013 Apple Crop on Everyone's Dessert Menu!

Report Categories:

Fresh Deciduous Fruit

Agricultural Situation

Policy and Program Announcements

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Report Highlights:

Poland's MY 2013/14 total apple product is estimated at 2.6 million metric tons, or a decline of nearly 10 percent from the previous year's record crop. The decline is attributed, in part, to the drop-off in deliveries of "wild" or "backyard" harvested apples to the processing sector. Decreased deliveries will be reflected in lower apple juice production and lesser availability of stock for foreign buyers. On the other hand, dessert apples destined for the fresh market are reported to be of very good quality. Poland, a leading beneficiary of the EU's School Fruit Scheme, is projected to expand its school year 2013/14 program by nearly 50 percent.

General Information:

Area planted and production

MY 2013/14 total apple production is estimated at 2.6 million metric tons (MMT). The MY 2012/2013 apple production set a record when a large volume of “wild,” more commonly referred to as “back yard,” production was captured and tallied as it moved into processing channels. The absence a similar sized-contribution from this source resulted in the country recording a 9.7 percent decline in total apple production. Fresh market deliveries of “back yard” apples is not measureable

Poland’s mild 2012/13 winter and frost-free spring left orchards in very good shape. The cool late spring, while having an impact on certain vegetation, had no effect on flower development. Weather conditions during flowering and fruit setting were favorable. Reported local heavy rains and hails affected some orchards at the beginning of summer while late summer dryness had an adverse effect on yield volume for non-irrigated processing apples. Dessert apples, on the other hand, came in at very good quality in part due to investments by producer groups in recent years to upgrade commercial orchards - specifically with irrigation and better organization of production operations. This latter organization refers to on-going projects replacing older stands of trees with newer, higher-yielding ‘dessert’ varieties.

Total area and production data refers to commercial and non commercial orchards producing for both the fresh and the processing markets. Yields vary widely as borders between commercial and non-commercial orchards are not strict. During years of bountiful crops when procurement prices are low some orchards are known to withdraw from commercial activity. Commercial orchard size varies between 5 to 20 hectares (HA) per firm, with yields averaging between 30-60 metric tons (MT) per HA. The majority of commercial orchards are oriented towards the fresh (dessert) and the export markets. The dwarf tree variety is the most common in commercial orchards.

There are about twenty main varieties of apples produced commercially in Poland. The dominant varieties are: Idared, Jonagold, and Champion. Local varieties, like Antonowka, are designated both for the fresh market as well as for industrial processing, because of its higher level of acidity.

Production, Supply and Demand Data Statistics

Marketing Year (MY): July/June

Apples Fresh, Poland	MY 2011/12	MY 2012/13	MY 2013/14*	
Area planted	190,000	195,000	195,000	HA
Commercial production	2,269,000	2,650,000	2,400,000	MT
Production total	2,493,000	2,877,300	2,600,000	MT
Intra EU-27 imports	48,362	33,104	36,000	MT
Extra EU-27 imports	257	91	100	MT
Total imports	48,619	33,195	36,100	MT
TOTAL SUPPLY	2,541,619	2,910,495	2,636,100	MT
Fresh domestic consumption	600,000	500,000	570,000	MT
Intra EU-27 exports	82,262	209,978	70,000	MT
Extra EU-27 exports	723,942	1,002,512	900,000	MT
Total exports	806,204	1,212,490	970,000	MT
For processing	1,135,415	1,198,005	1,096,100	MT
TOTAL DISTRIBUTION	2,541,619	2,910,495	2,636,100	MT
Balance	0	0	0	

Sources: Global Trade Atlas, the Main Statistical Office Poland, FAS/Warsaw

*FAS/Warsaw forecast

Area Harvested and Apple Crops by Variety in Poland

	2011				2012			
	Area ,000 HA	Total =100	Crops ,000 MT	Total =100	Area ,000 HA	Total =100	Crops ,000 MT	Total =100
TOTAL	183.5	100	2,493.1	100	194.7	100	2,877.3	100
Idared	28.1	15.3	352.8	14.2	37.7	19.4	538.9	18.7
Champion	18.3	10.0	280.8	11.3	20.3	10.4	338	11.7
Jonagold	20.8	11.3	296.4	11.9	18.1	9.3	284.3	9.9
Ligol	7.7	4.2	114.6	4.6	14.6	7.5	223.8	7.8
Gloster	11.2	6.1	202.6	8.1	10.1	5.2	165.6	5.8
Cortland	15.7	8.6	202.5	8.1	9.4	4.8	131.5	4.6
Lobo	14.1	7.7	194.1	7.8	8.1	4.2	112.7	3.9
Golden Delicious	7.8	4.3	139.1	5.6	7.8	4.0	132.8	4.6
Gala	4.8	2.6	55.3	2.2	6.9	3.5	113.8	4.0
Antonowka	3.6	2.0	40.4	1.6	5.6	2.9	59.5	2.1
Jonatan	3.5	1.9	37.7	1.5	4.7	2.4	59.3	2.1
Spartan	4.4	2.4	56.4	2.3	4.4	2.3	54	1.9
Elstar	5.9	3.2	91.1	3.7	3.5	1.8	63.1	2.2
Mc Intosh	4.2	2.3	48.6	1.9	3.2	1.6	42.8	1.5
Red Delicious	5.4	2.9	65	2.6	2.8	1.4	41.4	1.4
Others	28	15.3	315.7	12.7	37.5	19.3	515.8	17.9

Source: The Main Statistical Office Poland

Data issued by the government's statistical office and by stakeholders is inconsistent. Data released by the industry shows MY2012/13 total apple production at 3.5 – 3.7 MMT. If taking this number as a residual figure, the forecast for MY2013/14 apple production would be 3.2 MMT, or approximately 9 percent lower than the previous year.

The latest data published by the government's Main Statistical Office (GUS) (September 2013) shows MY 2013/14 production at 2.9 MMT, or increasing 1.6 percent in comparison with last year.

Meanwhile the Institute of Agriculture and Food Economics in Warsaw estimates 2013/14 apple production at 2.6 MMT, or approximately 9.7 percent less than a year ago. While released statistical data reflect very differing opinions on production estimates, all three sources are in agreement that 'wild' or 'back yard' apple production is the least reliable estimate in the forecast equation.

Trade

Poland's Major Export Destinations - Apples Fresh, MT (year ending June) – HS 080810

	MY 2009/10	MY 2010/11	MY 2011/12	MY 2012/13	MY 2012/13 Exports as Percent Share of Total Trade
World	786,678	443,235	806,204	1,212,490	100
Intra EU-27	142,101	49,734	82,262	209,978	17.3
Extra EU-27	644,577	393,501	723,942	1,002,512	82.7
Russia	318,226	248,019	442,267	735,537	60.7
Belarus	37,746	41,196	134,224	135,279	11.2
Ukraine	252,268	80,290	111,033	55,575	4.6
Kazakhstan	28,811	19,178	31,283	47,917	4.0
Germany	16,798	5,008	13,083	37,298	3.1
Romania	21,252	4,692	13,922	30,841	2.5
Others	111,577	44,852	60,392	170,043	14.0

Source: Global Trade Atlas

Poland is the largest exporter of apples in the European Union. In MY 2013/14 Poland's export of fresh apples is expected to decline due to the smaller harvest. Likewise due to the smaller harvest, MY 2013/14 total exports are projected at 970 TMT, or approximately 20 percent less than last year. Keep in mind MY 2012/13 established Poland's apple export record. The primary export destinations remain: Russia, Belarus, Ukraine, Kazakhstan, which consume 90 percent of Poland's fresh apple export. Russia, the main buyer among these countries, purchases as much as 60 percent of its imports from Poland. Both Russia and Ukraine are viewed as holding the best prospects for

increasing imports of Polish apples over the near term. Intra-EU trade is more disperse with the main clients being Germany and Romania. With consumption flat in Poland, prospects for export growth rest with rising consumption in neighboring eastern European countries. New investments into controlled atmosphere cold storage facilities are planned with capacity expected to increase by 2015 to one million metric tons.

To offset lower production this year imports are expected to increase in order to service market requirements of the processing sector.

Poland's Major Import Sources - Apples Fresh, MT (year ending June) – HS 080810

	MY 2009/10	MY 2010/11	MY 2011/12	MY 2012/13	MY 2012/13 Imports as Percent Share of Total Trade
World	15,959	74,887	48,619	33,195	100
Intra EU-27	15,897	70,361	48,362	33,104	99.7
Extra EU-27	62	4,526	257	91	0.3
Lithuania	0	3,148	11,844	17,004	51.2
Germany	1,757	8,866	9,344	4,472	13.5
Netherlands	8,458	16,634	9,529	3,430	10.3
Italy	2,782	14,338	11,656	2,906	8.8
Hungary	0	1,188	0	1,914	5.8
Others	2,962	30,713	6,246	3,469	10

Source: Global Trade Atlas

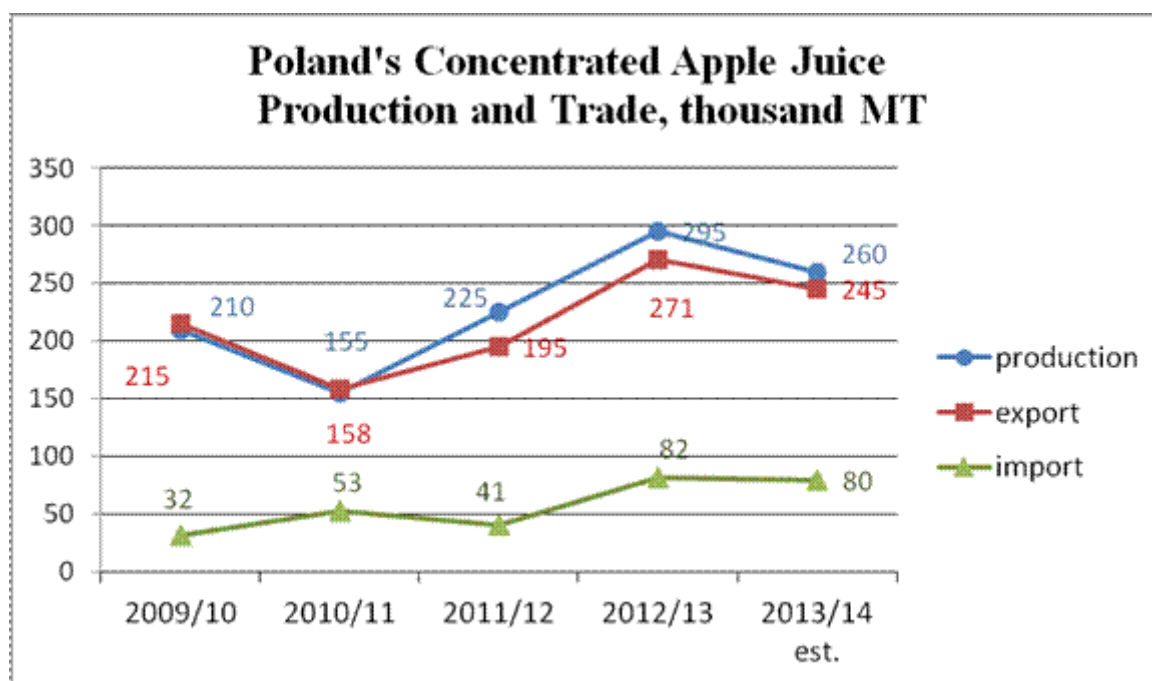
CAJ production and trade

Poland is the largest EU producer of apple juice concentrate (CAJ). In MY 2012/13 production rose to 295 TMT, up 31 percent in comparison with the previous year. In MY 2012/13 over 90 percent of CAJ production was exported. In MY 2013/14, the small crop of industrial apples is expected to translate to lower production of CAJ. MY2013/14 CAJ production is projected at 260 TMT, or 12 percent lower than last year. As internal consumption is diminishing the apple processing industry is becoming more reliant on foreign markets for its products.

Poland's Major Export Destinations - CAJ, MT (year ending June) – HS 200979

	MY 2009/10	MY 2010/11	MY 2011/12	MY 2012/13	MY 2012/13 Exports as % Share of Poland's Total Trade
World	214,669	158,438	194,664	271,287	100
Intra EU-27	210,757	154,795	191,600	266,110	98.1
Extra EU-27	3,912	3,643	3,064	5,177	1.9
Germany	133,685	106,268	119,582	154,635	57.0
United Kingdom	22,984	12,339	16,108	34,758	12.8
Austria	21,395	8,546	16,760	26,569	9.8
Netherlands	8,097	7,918	14,089	18,452	6.8
Others	28,508	23,367	28,125	36,873	14

Source: Global Trade Atlas



Policy

Poland is the fourth largest recipient of EU funds for the School Fruit Scheme after Italy, Germany, and Romania.

http://ec.europa.eu/agriculture/fruit-and-vegetables/school-fruit-scheme/index_en.htm

June 2013 marked the fourth year of the EU "School Fruit Scheme" program in Poland. The program is co-financed by the EU (75 percent) and by Poland (25 percent).

The European Commission divides funds among Member States which have signed up for the program. For the 2013/14 school year Poland received 13.7 million EUR from the EU for the program. This amount is second only to the allocation allotted to Italy. Poland matched this amount with 4.6 million EUR bringing Poland's School Fruit Scheme program total to 18.3 million EUR.

During the 2009/10 to 2012/13 period, Poland received 9.2 million EUR per year, or 10 percent of the EU total budget for its program. Poland matched this amount with 3.1 million EUR per year from its state budget. The Polish authority administrating the School Fruit Scheme is the Agricultural Market Agency.

Under the program fresh fruits, mostly apples, vegetables and fruit juices, including apple juice, are made available to children free of charge. In accordance to Commission Regulation (EC) No 288/2009 EU member states participating in the program are required to regularly assess the effectiveness of the program. In 2010/11 the Food and Nutrition Institute in Warsaw conducted Poland's first assessment of the program. The results showed that the program increases consumption of fruit and vegetables and effectively shapes children's eating habits towards healthier foods.