

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Required Report - public distribution

Date: 10/27/2015

GAIN Report Number: AU1509

EU-28

Fresh Deciduous Fruit Annual

Better Market Prospects for Fresh Fruits

Approved By:

Kelly Stange

Prepared By:

Roswitha Krautgartner, Tania De Belder, Sabine Lieberz,
Marcel Pinckaers, Ornella Bettini, and the group of FAS fruit
specialists in the EU

Report Highlights:

This report provides EU-28 production, supply, and demand forecasts for fresh apples, fresh pears, and table grapes. Lower EU domestic production but still good demand from the processing industry offer good market prospects for apples and pears in marketing year (MY) 2015/16. Commercial EU apple production in MY 2015/16 is estimated to decrease by 7 percent compared to the record output of MY 2014/15 and reach 11.2 MMT. The forecast for EU commercial pear production in MY 2015/16 is at 2.3 MMT, down by 5 percent, whereas EU table grapes production is expected to slightly increase by 3 percent in MY 2015/16 to approximately 1.7 MMT. In August, 2015, the EU Commission extended the market support measures introduced due to the Russian import bans for the European fruit and vegetables sector again into 2016.

Introduction

Disclaimer: This report presents the situation and outlook for apples, pears, and table grapes in the EU-28. 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.

This report was a group effort of the following FAS analysts:

Xavier Audran	FAS/Paris covering France
Ornella Bettini	FAS/Rome covering Italy
Mila Boshnakova	FAS/Sofia covering Bulgaria
Tania De Belder	USEU/FAS Brussels covering Belgium, Luxemburg and the EU policy
Monica Dobrescu	FAS/Bucharest covering Romania
Dimosthenis Faniadis	FAS/Rome covering Greece
Mira Kobuszynska	FAS/Warsaw covering Poland, Lithuania, Latvia
Roswitha Krautgartner	FAS/Vienna covering Austria and Slovenia
Sabine Lieberz	FAS/Berlin covering Germany and Hungary
Carmen Valverde	FAS/Madrid covering Spain and Portugal
Jana Mikulasova	FAS/Prague covering the Czech Republic and Slovakia
Marcel Pinckaers	FAS/The Hague covering The Netherlands, Denmark, Finland and Sweden
Jennifer Wilson	FAS/London covering the U.K. and Ireland

The chapters were coordinated by:

Overall coordination	
and executive summary	Roswitha Krautgartner
Policy	Tania De Belder
Apples	Sabine Lieberz
Pears	Marcel Pinckaers
Table Grapes	Ornella Bettini

Abbreviations and definitions used in this report

CAJ	Concentrated Apple Juice
CMO	Common Market Organization
e	Estimate
EU	European Union
EE	Eastern European
GTA	Global Trade Atlas
Ha	Hectare; 1 ha = 2.471 Acres
MT	Metric Ton = 1000 kg
MMT	Million Metric Tons
MRLs	Maximum Residue Levels
MS	EU Member State(s)
MY	Marketing year
Apples:	July/June
Pears:	July/June
Table Grapes:	June/May
OP	Operational Program
PO	Producer Organization
PSD	Production, supply and demand
RTD	Ready-to-drink
SFS	School Fruit Scheme
U.A.E.	United Arab Emirates
USD	U.S. Dollar
WAPA	World Apple and Pear Association

Trade data cited in this report was derived by using the following HS tariff codes:

Apples:	0808 10
Pears:	Until 12/31/2011: 0808 20 (pears and quinces) as of 01/01/2012: 0808 30 (pears)
Table grapes:	0806 10 10

Table of Contents

[Executive Summary](#)

[Policy](#)

[Apples](#)

[Pears](#)

[Table Grapes](#)

[Trade Fairs](#)

[Related Reports](#)

Executive Summary

Coordinated by Roswitha Krautgartner/FAS Vienna

This report provides EU-28 production, supply, and demand forecasts for fresh apples, fresh pears, and table grapes.

Production

The EU-28 remains a leading producer of fresh deciduous fruits. Apples are the most important fresh deciduous fruit grown within the European Union. Commercial apple production in marketing year (MY) 2015/16 is estimated to decrease by 7 percent compared to the record output of MY 2014/15 and reach 11.2 MMT. Only France reports a higher production out of the top 10 apple producing countries. With the exception of Germany, Poland and Hungary, quality and fruit size of apples are reported to be very good. The forecast for non-commercial apple production in MY 2015/16 is at 1.08 MMT, 34 percent down year-on-year. This is largely a result of lower non-commercial apple production in Germany, Poland and Hungary. EU commercial pear production in MY 2015/16 is estimated at 2.3 MMT, down by 5 percent compared to the previous MY. Accounting for 82 percent of the total pear production in MY 2015/16, Italy, Spain, Belgium, the Netherlands and Portugal are the top five pear producing member states. Non-commercial pear production is forecast to be down by almost 10 percent reaching about 123,000 MT. Following a modest table grapes production in MY 2014/15, EU table grapes production is expected to slightly increase by 3 percent in MY 2015/16 to approximately 1.7 MMT. Significant increases in table grapes production are forecast in Bulgaria, Romania, Spain, and Portugal.

Consumption and Trade

Market prospects for apples in MY 2015/16 are much better than in the previous MY. Total apple production is down by 10 percent and the processing sector is expected to absorb an equal percentage of apples but at higher prices as concentrated apple juice stocks are depleted. However, processing use of apples is expected to decrease in MY 2015/16 due to lower commercial and non-commercial production. In response to the Russian ban EU apples, exporters were able to increase their shipments to other destinations. Compared to last year, EU pear imports are expected not to change in MY 2015/16 due to the good EU pear production and the ongoing ban from Russia. For MY 2015/16 exports are expected to be similar to MY 2014/15. Lithuania is expected to be the leading exporter of pears despite the fact that Lithuania's production is negligible. Lithuania's exports to countries like Belarus, Kazakhstan and Bosnia & Herzegovina will continue to be strong. Pear exports out of Portugal and Spain are expected to be business as usual with Brazil, the Middle East and North Africa as leading export markets.

Processing of pears in MY 2015/16 is expected to be at 225,000 MT which is somewhat lower than in MY 2014/15. In MY 2014/15 consumption of fresh apples and pears increased as politicians promoted the consumption of apples and pears in reaction to the Russian import ban. Due to lower domestic supply and higher prices fresh consumption of apples and pears is expected to decline again. EU table grapes consumption has been stable in recent years.

Policy

In August 2014, Russia introduced a ban on a range of agricultural and food products, including apples and pears and table grapes, from the United States, the European Union (EU), Canada, Australia and Norway, in response to U.S. and EU sanctions over Russian actions in Ukraine. As a reaction to this ban, the EU Commission took "exceptional measures" to support affected industries. The exceptional measures include various kinds of market withdrawals. National authorities of the member states determine how the products withdrawn from the market are used, but one of the options must be "free distribution". Until August 2015, the Commission adopted three programs for emergency market measures for perishable fruits and vegetables. The total volumes for apples and pears together covered by these three measures were at 383,537 MT. On August 7, 2015, the EU Commission extended the market support measures for the European fruit and vegetables sector again into 2016.

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 section explains the main elements of the EU fruit and vegetables policy that refer to the fresh deciduous fruit sector. The second part explains the EU measures that were taken in response to the Russian embargo.

I. EU Policy Related to Fresh Deciduous Fruit

1. The New Common Agriculture Policy (CAP) Reform

The single Common Market Organization (CMO) provides a framework for market measures under the CAP, which is outlined in [Regulation\(EU\) No 1308/2013](#), and entered into force on January 1, 2014.

The CAP 2020 reform consists of four [basic regulations](#), supplemented by delegated acts. [Commission Delegated Regulation \(EU\) No 499/2014](#), which entered into force on May 16, 2014, amended the implementing rules for the fresh and processed fruit and vegetables sectors ([Commission implementing Regulation \(EU\) No 543/2011](#)).

These market measures aim to:

a) Create a more competitive and market-oriented sector

Producer Organizations (POs) are still the key elements in the EU's CMO for fruit and vegetables. POs are legal entities established by producers to market commodities, including apples, pears, and table grapes. EU subsidies are not paid to individual producers but are channeled through POs. In order to qualify for EU subsidies, a PO must submit an operational program financed through an operational fund. The EU's financial contribution is paid directly into the POs operational fund. The calculation of the estimated amount of the operational fund is based on the operational program (OP) and the value of the marketed production. As of January 20, 2014, operational programs are approved under the Regulation (EU) No 1308/2013. Commission Delegated Regulation 499/2014 introduced new elements regarding the operational programs. It clarifies the criteria that POs have to comply with in order to be eligible for EU funding and introduces a sanction mechanism in the case of non-compliance.

Fresh fruit and vegetable imports into the EU are checked for compliance with 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 and pears. The specific marketing standards are set out in Part B of Annex I to this Regulation: for apples in Part 1 of that same section on page 95 and for pears in Part 6 on page 129.

b) Diminish crisis-related fluctuations in producers' income

To achieve this objective, EU funding is offered 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.

National authorities must determine, in their national strategy, which of these instruments can be funded in their countries. POs 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 POs.

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

A key objective of the changes made to the Fruit and Vegetable regime was to reverse the declining consumption of fruit and vegetables. The European “School Fruit Scheme” (SFS) originated as a measure to combat child obesity and includes three elements: free distribution of fruit and vegetables in schools, information campaigns on healthy eating habits, and monitoring and evaluation. As in previous years, the EU funds of \$164 million (€150 million) will be allocated in the school year 2015/2016 to 25 Member States that have decided to participate in the program - with Sweden, Finland and United Kingdom opting out. Established in 2009, the program is aimed at reversing the trend of declining fruit and vegetables consumption by specifically addressing children.

On January 30, 2014, the Commission presented a proposal to bring the SFS and the “School Milk Scheme” together under a joint framework and is expected to be adopted in the next couple of months and to take effect in 2016. For more information:

http://ec.europa.eu/agriculture/school-scheme/legislative-proposal/index_en.htm

The sector may also benefit from the European [promotion](#) budget for agricultural products and [quality schemes](#). The Commission reformed its promotion policy with an extension of the product scope and a greater focus on export markets. The promotion budget will increase gradually from \$76 million (€60 m) to \$255 million (€200 m) annually until 2020. National co-funding will no longer be needed and 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. MS with recognized POs 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.

For information on the CAP after 2014, please see: http://ec.europa.eu/agriculture/cap-post-2013/index_en.htm

2. Certification of Fruit Shipments

Plant products need a phytosanitary certificate to be exported to the EU. Phytosanitary certificates issued by a USDA/Animal and Plant Health Inspection Service (APHIS) inspector are required to accompany fruit, vegetable, and nut shipments. APHIS issues phytosanitary 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 and prevent the spread of plant and plant product pests.

[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. More information can be accessed on DG Health and Consumer Protection's website http://ec.europa.eu/food/plant/organisms/imports/inspection_en.htm.

[Commission Regulation 1756/2004](#) provides for plant health checks to be carried out at reduced frequency when justified. The list of products recommended for plant health checks at reduced levels was issued on [September 30, 2014](#). On an annual basis, the Commission monitors imports of fruit and vegetables to determine how to adjust the frequency of testing consignments.

3. 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 [USDA 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 are down substantially. Only a few shippers exporting to Europe had the chance to designate special DPA-free facilities to stay below the currently allowed levels.

4. 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 that 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.

Commission Delegated Regulation (EU) No 499/2014 has introduced provisions on the entry price system, which aligns the clearance of goods that are subject to the entry price to the Custom Code. These provisions, applicable since October 1, 2014, introduced a flat rate, which is the standard import value, to clear customs when products are sold on consignment.

Tariff levels for 2015 are published in [Commission Implementing Regulation 1101/2014](#).

Apples see pages 97 and 687-689

Pears see pages 97 and 689-691

CAJ see pages 168 and 888

Grapes see pages 96 and 686

The United States tends to sell high quality products at higher prices which typically do not face additional duties.

II. Russian ban on agricultural products

On August 7, 2014, the Russian government implemented a ban for one year on a range of agricultural and food products, including apples and pears and table grapes, from the United States, the European Union (EU), Canada, Australia and Norway, in response to U.S. and EU sanctions over Russian actions in Ukraine. This ban has a significant effect on agricultural markets in Europe as Russia is the EU's second largest market for food and drinks, purchasing 28 percent of EU fruit exports and 21.5 percent of EU vegetable exports in 2011.

The CMO rules (see Regulation 1308/2013 in part I) provides various market management tools to stabilize markets that are programmed or can be introduced by the Commission through "implementing acts", voted by MS in the single CMO Committee. However, the Commission is also empowered under the reformed CAP to take "exceptional measures" in case of market disruption without having to consult with MS first. This "Article 219" procedure was used for the first time to introduce specific market support measures for peaches and nectarines, perishable fruit and vegetables (\$158.1 million/€125 million), including apples and pears, and private storage aid for butter, skimmed milk powder and cheese (although later removed), as well as an additional \$38 million (€30 m) for promotion programs.

However, on September 11, 2014, the European Commission suspended [Commission Delegated Regulation 932/2014](#) for perishable fruit and vegetable markets due to disproportionate claims from Poland. MS were required to notify the Commission of the volumes claimed and the financial ceilings had been reached for apples and pears and even for the other products, which ultimately resulted in a suspension of the measure.

On September 29, 2014, the European Commission adopted a new program for emergency market measures for perishable fruit and vegetables as a response to the Russian ban on imports of certain EU agricultural products. [Regulation 1031/2014](#) provided a new program of \$208.5 million (€165 million) to withdraw surplus volumes from the market and ran until the end of the year. It includes an annex with specific volumes listed in four product categories, including apples and pears, for the 13 Member States which exported the most fruit and vegetables on average to Russia during the September-December period (September to March for certain fruits) from 2011-2013. Besides this, an additional quantity not to exceed 3,000 tons may be withdrawn from the market in all MS in order to further stabilize the market.

These rules for temporary support measures are granted to POs in the fruit and vegetables sector, as well as to producers who are not members of such organizations and cover withdrawal, non-harvesting and green harvesting operations.

Market withdrawals refer to withdrawing products from the market instead of selling them. National authorities determine how the products withdrawn from the market are used but one of the options must be 'free distribution,' for example, to schools, hospitals and charity organizations. In case of free distribution, the producer will be compensated 100 percent. If the withdrawn produce is going to 'other destinations,' destroyed or used as compost, the aid for PO members is 75 percent and 50 percent for non-PO members. The usual 5 percent volume limit for POs does not apply.

Green harvesting is harvesting unripe non-marketable but undamaged products. Non-harvesting means not taking any commercial production from the cultivated area during the normal production cycle. Compensation is paid as per-hectare payments, at a level to cover not more than 90 percent of the maximum level for withdrawals for the 'other destination' price of the fruit or vegetable concerned. The EU compensation is 75 percent for PO members, 50 percent for non-PO members.

These measures were extended on December 19, 2014, by [Commission Delegated Regulation \(EU\) No 1371/2014](#) laying down further temporary exceptional support measures for producers of certain fruit and vegetables by amending Delegated Regulation (EU) No 1031/2014.

The total volumes for the three EU support measures that were used in the EU for apples and pears can be found in the table below.

Table 1: Use of volumes total EU

(Tons)	Free distribution & Other	Non & Green Harvest	Total
Apples	235,844	88,931	324,775
Pears	13,456	45,306	58,762

On August 7, 2015, market support measures for the European fruit and vegetables sector were extended again into 2016 by [Commission Delegated Regulation \(EU\) 2015/1369](#), amending Delegated Regulation (EU) No 1031/2014, as Russia announced the extension of its ban on food imports for six months starting in early August 2015. These measures, covering the main groups of fruit and vegetables affected by the Russia ban, will extend the measures that ended on June 30, 2015, until June 30, 2016.

More information on the Commission's response to the Russian ban can be found here:
http://ec.europa.eu/agriculture/russian-import-ban/index_en.htm

Apples

Coordinated by Sabine Lieberz/FAS Berlin

Summary:

Market prospects for apples in MY2015/16 are much better than in MY2014/15. Total apple production (commercial and non-commercial) is down by 10 percent, the processing sector is expected to absorb an equal percentage of apples but at higher prices as concentrated apple juice (CAJ) stocks in Europe are depleted, and EU exporters were able to increase their shipments to other destinations in response to the Russian import ban.

Table 2: EU-28 PSD for fresh apples

Apples, Fresh Market Begin Year European Union	2013/2014		2014/2015		2015/2016	
	Jul 2013		Jul 2014		Jul 2015	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	588700	588700	537700	529475	0	522339
Area Harvested	536700	531000	530400	519320	0	510104
Bearing Trees	0	0	0	0	0	0
Non-Bearing Trees	0	0	0	0	0	0
Total Trees	0	0	0	0	0	0
Commercial Production	10858200	10772060	11700000	11990841	0	11139177
Non-Comm. Production	1115300	1092789	1600000	1627682	0	1079600
Production	11973500	11864849	13300000	13618523	0	12218777
Imports	624800	621998	485000	398398	0	450000
Total Supply	12598300	12486847	13785000	14016921	0	12668777
Fresh Dom. Consumption	8044400	7350917	8123130	7775165	0	7156877
Exports	1603900	1573869	1694100	1795218	0	1615800
For Processing	2950000	3562061	3900000	4121763	0	3696100
Withdrawal From Market	0	0	67770	324775	0	200000
Total Distribution	12598300	12486847	13785000	14016921	0	12668777
(HA) ,(1000 TREES) ,(MT)						

Note: lines referring to tree numbers are left blank since this data is only available for a few MS

Source: FAS/EU-28

Apples - Commercial Production

The EU-28 is one of the leading producers and consumers of apples in the world. Poland (27 percent of total production in MY 2015/16), Italy (21 percent), France (15 Percent), Germany (8 percent), and Spain (5 percent) are the top five producing member states and together account for 75 percent of the total EU commercial apple production. That said, Spanish apple area is slowly but steadily decreasing as producers replace apple orchards with more profitable stone fruit orchards.

Commercial apple production in MY 2015/16 is estimated at 11.2 MMT. This estimate is a 7 percent decrease (851,670 MT) in production compared to the record output of MY 2014/15. Of the top 10 producing countries, only France reports a higher production.

Generally, quality and fruit size are reported to be very good. An exception to this are Germany and Poland, where fruit size is below average, and Hungary, which reports problems with cracked apples, caused by sudden storms after a long period of drought.

Table 3: EU-28 Commercial Apple Production by Country and Year in MT

COUNTRY	2013/14	2014/15	2015/16 e	Change 2015:2014 in Percent	Percent of total Production in 2015
Poland	2,900,000	3,200,000	3,000,000	-6%	27%
Italy	2,151,547	2,456,215	2,327,609	-5%	21%
France	1,658,400	1,531,600	1,616,700	6%	15%
Germany	803,785	1,115,900	903,216	-19%	8%
Spain	514,960	590,377	515,990	-13%	5%
Romania	390,000	390,000	350,000	-10%	3%
Netherlands	304,580	342,410	320,100	-7%	3%
Hungary	390,000	527,000	320,000	-39%	3%
Belgium	213,400	308,460	250,449	-19%	2%
Austria	173,638	229,299	215,845	-6%	2%
Portugal	270,075	257,298	275,308	7%	2%
Greece	236,000	272,210	270,000	-1%	2%
United Kingdom	204,000	225,000	220,000	-2%	2%
Czech Republic	116,214	130,902	140,660	7%	1%
Croatia	121,738	96,703	95,000	-2%	1%
Slovenia	69,574	71,034	70,000	-1%	1%
Slovak Republic	45,949	46,131	41,000	-11%	0.4%
Ireland	45,000	44,000	44,000	0%	0.4%
Bulgaria	47,000	47,502	49,000	3%	0.4%
Lithuania	56,400	52,000	55,000	6%	0.5%
Denmark	23,000	26,000	24,000	-8%	0.2%
Sweden	17,000	16,000	21,000	31%	0.2%
Latvia	15,000	10,000	9,000	-10%	0.1%
Finland	4,800	4,800	5,300	10%	0.0%
Total	10,772,060	11,990,841	11,139,177	-7%	

e= estimated

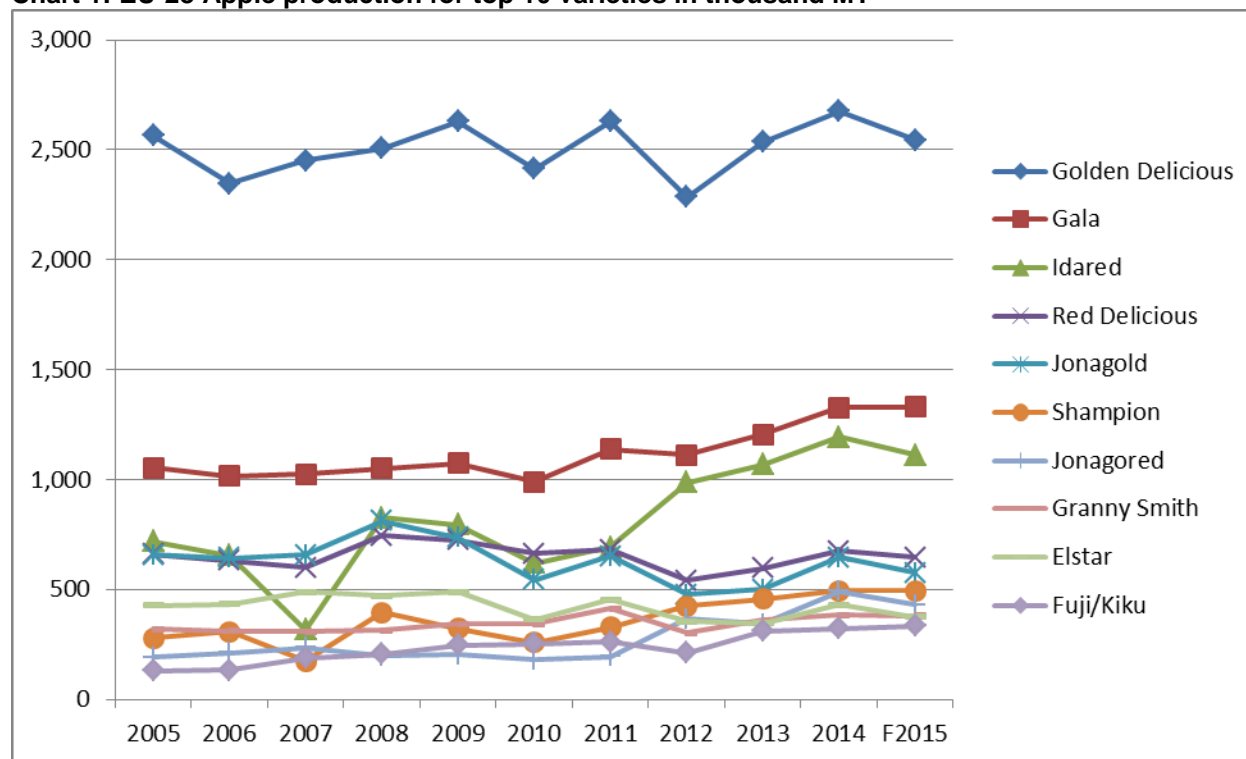
Source: FAS/EU-28

Some 25 apple varieties are produced commercially in the EU in volumes exceeding 10,000 MT. Among these, *Golden Delicious*, *Gala* types, and *Idared* are the dominant varieties. However, production patterns vary. While *Golden Delicious* is the variety with the largest production in Italy, France, and Spain, *Elstar* is dominant in Germany and the Netherlands; *Idared* is the number one variety in Poland and Hungary. In contrast, *Gala* is not dominating in any country. It achieves its position as the second most produced apple in the EU rather by being

grown in numerous MS. New varieties, for example Pink Lady, Kanzi, Rubens, Tentation, and Kiku have increased their share of production in recent years. In the Netherlands “new” varieties comprise 10 percent of total production.

The Russian import ban is expected to have a side effect on the variety mix especially in Poland. Reportedly, when Polish producers have to replant orchards they are now choosing varieties that more targeted to the taste of their new markets. As a result, area planted with *Idared* is expected to be decreased in the long run.

Chart 1: EU-28 Apple production for top 10 varieties in thousand MT



F = forecast

Source: FAS/EU-28 based on WAPA data

Apples - Non-commercial Production

Non-commercial production in MY 2015/16 is estimated at 1.08 MMT, which is a 34 percent decrease compared to MY 2014/15. This is largely a result of lower non-commercial production decreases in Germany, Poland, and Hungary, which report decreases of 44, 50, and 29 percent, respectively. However, most EU member states do not report estimates for non-commercial production. As a result, the production figure provided in table 2 is a rough estimate based on industry rather than official information. Non-commercial production tends to alternate between good and poor crop years. In MY 2015/16, non-commercial production represents about 9 percent of total apple production.

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 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 get older. Younger generations have simply 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 WAPA, EU stocks of apples amounted to 365,037 MT on July 1, 2015, compared to 408,962 MT at the same time in 2014, i.e. a decrease of 10.7 percent. In some member states the stock number comprised apples stored at producer organizations (POs) and in other member states, stocks are at POs and wholesalers. More important than the actual number is the year-on-year-change of 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 the last five years in the U.K. and Germany and in the last 10 years in Hungary. In the U.K. consumers eat more soft fruit instead. In Germany the decline is in line with a general reduction in fresh fruit consumption.

In MY2014/15 EU consumption of fresh apples increased as politicians promoted the consumption of apples and pears in reaction to the Russian import ban. In addition, supermarkets reacted on the oversupply with special promotions at very low prices. For example, in November 2014 one supermarket in Germany sold apples in bags at 0.88 Euro for two kg (translated into USD 0.55 per kilogram).

Processing

In MY 2015/16, processing use of apples is expected to decrease compared to MY 2014/15 due to the lower commercial and non-commercial apple production in Germany, Hungary and Poland. However, as stocks of concentrated apple juice (CAJ) are depleted prices for processing apples are much higher than a year ago. As a result, the drop in processing is expected to be less pronounced compared to the drop apple production. MY2014/15 processing benefitted from the abundant harvest. Poland alone processed 1.8 million MT of apples, partly in order to find a use for the oversupply in apples and partly because Poland was able to newly export CAJ to the United States.

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, Sweden, and Denmark to well over 50 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 29 percent of total supply in MY 2015/16. Major member states with apple processing include Poland, Germany, Hungary, Italy, Romania, France, the U.K., the Netherlands, Spain, and Austria (in order of descending volume).

Apples – Trade

The majority of trade occurs among the EU-28 countries. Over the past five years, on average about 2.2 million MT of apples were traded between EU member states, while roughly 400,000 to 800,000 MT were imported from outside the EU-28. In recent years imports, contributed between 3 and 6 percent of the total EU apple supply.

EU-28 external trade

Imports

EU-28 apple imports from outside the bloc are forecast to rebound in MY 2015/16 from the very low level of MY2014/15 but still remain about 30 percent below the ten year average.

In MY2014/15, EU-28 apple imports were exceptionally low because the abundant domestic production in combination with the closure of the Russian market resulted in such low apple prices that made the EU a fairly unattractive market, especially during the months of November through March.

More than 80 percent of EU-28 apple imports originated from three top suppliers, all of which are located in the southern hemisphere and export mostly during the European off-season.

The main importers of apples were the U.K. and the Netherlands, who together account for about 60 percent of the EU-28 imports. However, much of the volume entering the Netherlands is not consumed there but eventually be transshipped to other member states.

Imports from the United States also decreased in MY2014/15, but to a lower extent than some its competitors. U.S. apple exports to the EU-28 occur year-round; however, most arrive between November and April. The majority of U.S. apple exports to the EU are shipped to the United Kingdom. U.S. apples compete with domestically produced apples and with competitively priced imports from China.

Table 4: EU-28 Imports of Apples in MT

	MY2012/13	MY2013/14	MY2014/15	Change MY2014/15 to MY2013/14	MY 2014/15 % of Total Imports
New Zealand	123,557	137,097	113,081	-18%	28%
Chile	139,493	183,908	112,601	-39%	28%
South Africa	137,387	117,118	96,055	-18%	24%
Brazil	68,713	37,662	31,727	-16%	8%
Argentina	43,988	36,223	14,630	-60%	4%
Macedonia	15,611	36,732	10,591	-71%	3%
United States	10,733	10,676	6,918	-35%	2%
Switzerland	8,030	1,149	2,478	116%	1%
Uruguay	574	1,586	2,245	42%	1%
Moldova	1,811	3,315	2,136	-36%	1%
Russia	118	79	1,231	1458%	0.3%
Belarus	0	57	1,006	1665%	0.3%
Serbia	1,652	42,376	828	-98%	0.2%
Bosnia & Herzegovina	797	6,564	251	-96%	0.1%
Other	8,932	5,442	605	-89%	0.2%
World total	563,409	621,998	398,398	-36%	100%

Source: Global Trade Atlas (GTA)

Exports

In MY2015/16, EU-28 apple exports are forecast to decrease by 10 percent as the price level is much higher than a year ago and EU apples thus less competitive on the world market.

In contrast to previous expectations, the Russian import ban of apples from the EU-28 dating from August 7, 2014, did not result in a drop of total EU-28 apple exports in MY 2014/15. While exports to Russia did in fact decrease, the very low prices at the beginning of 2015 enabled EU exporters to expand exports to other markets such as Eastern Europe, Northern Africa, the Middle East, and Brazil. In addition, efforts to open or expand new or nascent markets proved successful for example in India (by Italy, Belgium, and France). Since the start of the pre-clearance program in October 2014, Italy and France are eligible for export to the United States. Poland has concluded agreements with Vietnam and a number of other Asian countries.

The top destinations for EU-28 apples in MY14/15 were Belarus, Egypt, and Algeria. The four largest EU exporters, together accounting for 87 percent of EU apples exports, were Poland (mostly to Belarus, Ukraine, and Kazakhstan), Italy (to Egypt, Algeria, Libya, and Saudi Arabia), Lithuania (mostly to Belarus), and France (mainly to Algeria, Saudi Arabia, and U.A.E.).

In some large foreign markets, EU and U.S. suppliers compete; including: Russia: with apples from Poland, Italy, Belgium, France, and Germany; U.A.E.: France, Italy; Saudi Arabia: Italy, France.

Table 5: EU-28 Exports of Apples in MT

	MY2012/13	MY2013/14	MY2014/15	Change MY2014/15 to MY2013/14	MY 2014/15 % of Total Imports
Belarus	143,167	254,869	637,256	150%	35%
Egypt	39,430	98,814	187,313	90%	10%
Algeria	97,873	124,328	160,091	29%	9%
Russia	863,955	642,966	88,239	-86%	5%
Kazakhstan	51,174	56,221	86,063	53%	5%
United Arab Emirates	30,676	40,232	69,368	72%	4%
Ukraine	57,245	34,825	63,177	81%	4%
Saudi Arabia	44,340	40,480	63,094	56%	4%
Libya	57,307	59,002	50,423	-15%	3%
Bosnia & Herzegovina	18,076	8,272	41,205	398%	2%
Norway	37,994	35,417	38,502	9%	2%
Serbia	6,692	4,428	38,059	760%	2%
Jordan	3,092	13,880	28,583	106%	2%
Brazil	6,995	9,906	27,126	174%	2%
India	1,100	3,173	18,160	472%	1%
Turkey	4,480	8,874	18,110	104%	1%
Switzerland	8,791	13,680	12,034	-12%	1%
Albania	9,378	7,999	11,955	49%	1%
Other	86,365	116,503	156,460	34%	9%
World	1,568,130	1,573,869	1,795,218	14%	

Source: Global Trade Atlas (GTA)

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 import from the EU, the European Commission introduced temporary exceptional market support programs for the sector (see policy section). These measures include non-harvest, green harvest and destruction, and donations to charities (e.g. kinder gardens, food banks, hospitals and prisons). In three measures a total of 324,775 MT of apples were withdrawn from the market. The majority (73 percent) were donated to charities while 27 percent were not harvested or harvested green. Poland, Italy, Belgium, and France were the largest beneficiaries of the temporary exceptional market support programs. On August 8, 2015, the EU commission announced a prolongation of the temporary exceptional support measures in response to the prolongation of the Russian import ban. While the program allows 459,100 MT of apples and pears combined, it is expected that fewer producers will make use of it as apple prices are higher than in MY2014/15. Roughly 200,000 MT are expected to be sold into this program in MY2015/16.

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 that 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

Coordinated by Marcel Pinckaers/FAS The Hague

Table 6: EU-28 PSD for fresh pears

Pears, Fresh Market Begin Year	2013/2014		2014/2015		2015/2016	
	Jul 2013		Jul 2014		Jul 2015	
European Union	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	128,200	127,194	123,900	123,800	0	122,113
Area Harvested	119,400	119,526	114,500	116,570	0	114,348
Bearing Trees	0	0	0	0	0	0
Non-Bearing Trees	0	0	0	0	0	0
Total Trees	0	0	0	0	0	0
Commercial Production	2,265,800	2,386,804	2,250,000	2,458,613	0	2,326,451
Non-Comm. Production	164,900	136,314	160,000	135,701	0	123,041
Production	2,430,700	2,523,118	2,410,000	2,594,314	0	2,449,492
Imports	256,300	254,808	230,000	219,127	0	220,000
Total Supply	2,687,000	2,777,926	2,640,000	2,813,441	0	2,669,492
Fresh Dom. Consumption	1,941,900	2,008,862	1,877,100	2,050,000	0	2,015,000
Exports	470,100	469,064	425,000	417,122	0	415,000
For Processing	275,000	300,000	290,000	287,557	0	223,492
Withdrawal From Market	0	0	47,900	58,762	0	16,000
Total Distribution	2,687,000	2,777,926	2,640,000	2,813,441	0	2,669,492
(HA) ,(1000 TREES) ,(MT)						

Note: lines referring to tree numbers are left blank since this data is only available for a few MS

Source: USDA Foreign Agricultural Service

Pears – Production

Pears – Commercial Production

The EU is second to China as the world's largest producer of pears, followed by the United States, Argentina and Turkey. EU commercial pear production in MY 2015/16 is estimated at 2.3 MMT, down by 5 percent compared to MY 2014/15 due mainly to unfavorable weather conditions. Italy, Spain, Belgium, the Netherlands and Portugal are the top five producing member states (MS) and in MY 2015/16 their combined production accounts for 82 percent of total EU commercial pear production.

Italy's pear production, responsible for almost a third of total EU production, is concentrated in the North East region. For MY 2015/16, pear production in Italy is expected to be average. Production is estimated at 723,000 MT, a 2 percent decrease compared to MY 2014/2015, and 3 percent higher than the past three year average. Area harvested continues to decline slightly mainly due to the low profitability of *Abate Fetel*, the dominant pear variety in Italy.

Pear production in Spain is expected to be down (6 percent) compared to last year but similar to the past three year average. Production is down mainly due to unfavorable weather conditions during fruit setting. *Conference* continues to be the leading variety followed by *Blanquilla* and *William Bon Crétien*.

In both Belgium and the Netherlands, pear production is estimated to be down compared to last year which had a record high production. However, this year's production is still estimated to be 11 percent higher than the three year average due to higher yields and growing area harvested. The taste, quality and size of the leading variety *Conference* is expected to be very good.

Pear production in Portugal is expected to be down by a quarter compared to last year's production. This year's production is also estimated to be 10 percent lower than the three year average. Production is down due to lower yields as a result of unfavorable weather conditions during fruit setting. The drought and heat during the summer affected the development of the size of the pears. Portugal is the only producing EU country of the *Rocha* variety.

Table 7: EU-28 Commercial Pear Production by Country and Year

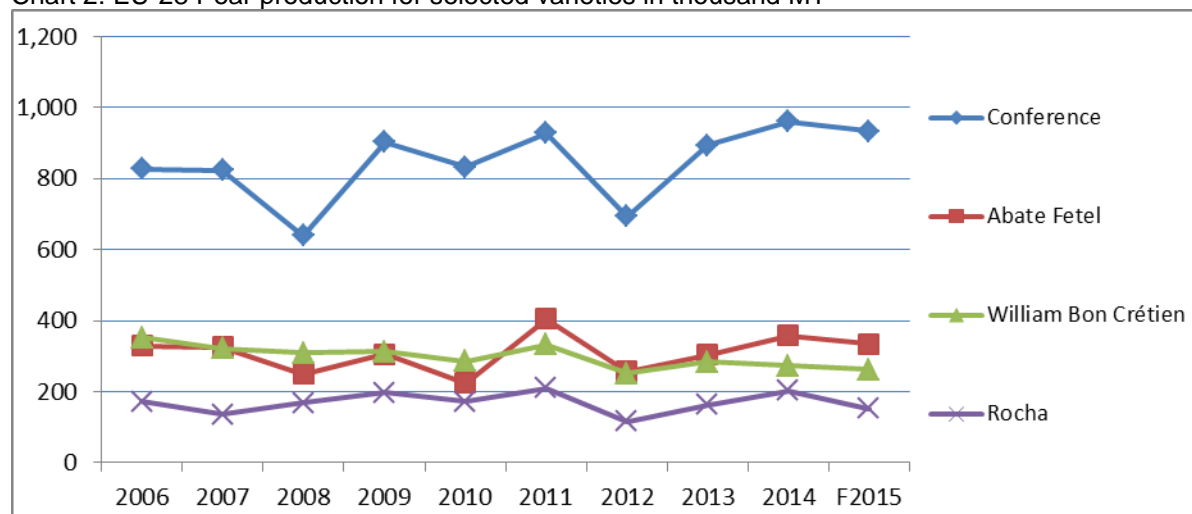
	MY 2012/13	MY 2013/14	MY 2014/15	MY 2015/16	% Change	% Production
Italy	650,000	726,000	736,000	723,000	-2	31
Spain	312,400	420,879	406,083	381,718	-6	16
Belgium	228,900	305,550	362,780	336,590	-7	14
Netherlands	193,000	317,190	338,530	317,190	-6	14
Portugal	113,850	200,458	207,909	155,932	-25	7
France	124,000	142,900	132,600	137,700	4	6
Greece	42,000	32,000	72,953	74,000	1	3
Poland	57,200	68,500	67,500	65,000	-4	3
Germany	33,898	34,000	44,972	40,605	-10	2
United Kingdom	28,000	26,000	24,000	25,000	4	1
Romania	19,240	25,000	21,000	19,000	-10	1
Hungary	25,000	22,200	14,000	17,100	22	1
Other	25,939	34,520	30,286	33,616	11	1
Total Production	1,853,427	2,355,197	2,458,613	2,326,451	-5	100

Source: USDA Foreign Agricultural Service

The EU area harvested is forecasted to drop slightly by 2,000 hectare to 114,000 hectares this MY. The area harvested in the largest EU pear producing countries is expected to decline as pear production is not as profitable as other fruits. In Italy, pear orchards are being replaced by stone fruit orchards. However, the area harvested in Belgium and the Netherlands is expected to increase as the production of *Conference* pears is profitable.

EU pear production is led by the *Conference* variety, mainly grown in Belgium, the Netherlands and some in 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).

Chart 2: EU-28 Pear production for selected varieties in thousand MT



Source: WAPA

Pears – Non-Commercial Production

Similar to the situation for apples, the non-commercial production of pears includes pears grown in house gardens and production in meadows and mainly used for fresh consumption or further processing for domestic use. The non-commercial production figures for pears are relatively high in Central European Countries such as Austria, Romania, Czech Republic, Poland, and Hungary. For MY 2015/16 non-commercial production is estimated at over 123,000 MT and represents roughly 5 percent of total pear production.

Pears – Consumption

Pears are still popular throughout the EU although apples, oranges, and bananas continue to lead fresh fruit consumption. In MY 2014/15 pear consumption grew due to the overall low prices of pears. After the Russia ban, consumption of pears produced in the EU was promoted on Twitter through *#shareapear* and by people taking selfies with pears.

The average per capita consumption of pears is around 4.0 kg/year. The high per capita consumer markets (9 kg/year) are Austria, Italy, Portugal and Spain. Further north, France, the Netherlands, Belgium and the Nordic countries have an average pear consumption of 5 kg/year. Central and Eastern European countries have a per capita consumption of 2 kg/year or less. In MY 2015/16 the consumption of pears is expected to be somewhat lower compared to last year.

On MS level, the most popular pear varieties are those that are locally or regionally grown. The number of varieties offered in supermarkets is usually between 2 to 4. Main buyers of pears are senior couples and young bachelors. The industry furthermore believes that taste, price, texture and appearance are the main reasons for buying pears.

Conference pears have a good keeping quality and can easily be stored up to a year. Due to technological advancements, varieties like *Doyenne du Comice*, *Abate Fetel*, *William BC* and *Limonera* can be stored for over half a year as well.

Processing

In MY 2015/16 it is expected that the volume of pears that will be used for processing will be around 225,000 MT, somewhat lower than last year.

Pears – Trade

The majority of the pear trade occurs within the EU. Less than 20 percent of total imported pears came from third countries, while a third of total exports went outside the EU.

The Netherlands and Italy are responsible for 70 percent of EU pear imports from third countries. Other leading importing MS are the UK, France, and Germany. Much of the volume entering the Netherlands is shipped to other MS and third markets.

Table 8: EU Imports of Pears in MT

Country of Origin:	*MY 2012/13	*MY 2013/14	MY2014/15
South Africa	107,745	105,426	91,836
Argentina	102,896	88,601	59,135
Chile	49,196	44,660	55,325
China	10,952	8,327	7,881
Uruguay	727	1,201	1,323
New Zealand	976	1,173	854
Turkey	1,680	1,639	726
Unites States	1,823	1,177	532
Bosnia & Herzegovina	381	1,203	187
Belarus	3	19	180
Other	1,107	1,382	1,148
World Total	277,486	254,808	219,127

Source: Global Trade Atlas, USDA Foreign Agricultural Service

*Revised numbers

Last year 95 percent of the EU pear imports came from Southern Hemisphere countries like South Africa, Argentina, and Chile. Trade with these countries starts in February and runs until July. Most popular imported varieties include *Williams Bon Crétien* and *Packham*.

During MY 2014/15, EU pear imports declined by 14 percent because of the high EU production and the ban from Russia. No changes are expected in MY 2015/16. Pear production in the EU is forecasted to be good and third country markets are increasingly buying pears directly from Southern Hemisphere countries.

The EU imports *Anjou* pears from the United States. There is a stable and loyal market for these pears in Germany and Nordic countries. Trade generally takes place between November and March.

Exports

EU pear exports to third countries are traditionally dominated by Belgium, the Netherlands, Portugal, and Spain. However, in MY 2014/15 pear trade flows changed. Despite the fact that Lithuania's production is negligible it took over the position of EU's leading pear exporter from Belgium and the Netherlands. Lithuania's pear exports to third countries grew by 115,000 MT while Belgium's and the Netherlands' exports dropped by respectively 118,000 MT and 43,000 MT. The answer can be found by looking at the intra EU pear trade. Lithuania's imports from the Netherlands and Belgium grew by 100,000 MT. Lithuania's exports to Belarus grew from 15,000 MT to 150,000 MT.

For MY2015/16 exports are expected to be similar to MY 2014/15. Exports to Belarus and to a lesser extent Kazakhstan and Bosnia & Herzegovina will continue to be important export markets for EU pears.

While pear trade in Lithuania, the Netherlands and Belgium changed quite a bit, pear exports out of Portugal and Spain are business as usual. The leading export market for Portuguese pears is Brazil while Spanish pears are exported to the Middle East and North Africa. Exports to Brazil are expected to be lower since pear production will be down in Portugal, although Dutch pears recently gained access to the Brazilian market after being closed for phytosanitary reasons. It is expected that exports to relatively new markets in the Middle East and North Africa will continue to grow in MY 2015/16, especially to Morocco and UAE.

Exports to Hong Kong and China, although still a small market, are also growing. For MY2015/16, Belgium and the Netherlands will continue to further grow their market for *Conference* pears. Canada also recently opened its market for pears from Belgium and this has already proven to be a profitable market for Portuguese pears. It is however important to note that even when these new markets open, it takes years to develop a sustainable market for a particular variety.

Table 9: EU Exports of Pears in MT

Country of Destination:	*MY 2012/13	*MY 2013/14	MY 2014/15
Belarus	18,103	53,230	184,433
Brazil	32,207	55,006	69,176
Russia	193,591	260,257	26,018
Morocco	6,360	13,895	20,550
Norway	16,684	16,437	18,121
Kazakhstan	5,355	7,837	14,617
Libya	7,266	11,163	11,770
Algeria	2,234	3,409	7,824
Bosnia & Herzegovina	1,787	1,657	6,908
Hong Kong	1,342	3,013	5,633
Israel	102	5,435	4,522
Switzerland	5,962	5,977	4,404
United Arab Emirates	2,033	3,233	4,252
Azerbaijan	2,033	2,920	4,226
Armenia	3	2	3,514
Albania	1,833	1,805	3,096
Saudi Arabia	2,760	3,219	3,066
Melilla	3,221	3,306	2,915
China	296	909	2,500
Ukraine	4,896	5,072	2,486
Other	12,780	11,282	17,091
World Total	320,848	469,064	417,122

Source: Global Trade Atlas, USDA Foreign Agricultural Service

*Revised numbers

Pears - Prices

Prices for pears are higher compared to last year due to increased demand. Although the Russian market is still closed, new third country markets have opened up.

Pears – Withdrawal from market

As described in the Policy Chapter there are several EU intervention programs for pears in response to the Russian import ban. According to industry sources, 58,762 MT of pears were purchased by the government, especially in Belgium, the Netherlands and Spain. For MY 2015/16, only 16,000 MT is expected to be purchased due to higher prices, more detailed information on withdrawal from market can be found in above Policy chapter.

Pears – Additional Information

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

Table Grapes

Coordinated by Ornella Bettini/FAS Rome

Table 10: EU-28 PSD for Table Grapes

Grapes, Fresh European Union	2013/2014		2014/2015		2015/2016	
	Market Year Begin: Jun 2013		Market Year Begin: Jun 2014		Market Year Begin: Jun 2015	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
Area Planted	104,800	100,462	103,900	97,298		96,460
Area Harvested	99,600	95,777	98,000	92,936		92,910
Commercial Production	1,928,300	1,809,911	1,620,000	1,628,876		1,675,299
Non-Comm. Production	7,400	6,400	10,000	5,500		7,500
Production	1,935,700	1,816,311	1,630,000	1,634,376		1,682,799
Imports	573,000	576,780	580,000	603,003		600,000
Total Supply	2,508,700	2,393,091	2,210,000	2,237,379		2,282,799
Fresh Dom. Consumption	2,356,400	2,240,833	2,110,000	2,125,738		2,177,569
Exports	152,300	152,258	100,000	101,611		104,000
For Processing						
Withdrawal From Market	0	0	0	10,030		1,230
Total Distribution	2,508,700	2,393,091	2,210,000	2,237,379		2,282,799
HA, MT						

Source: FAS EU-28

Table Grapes – Production

The European Union is a world leader in table grape production. Italy, Spain, and Greece account for approximately 80 percent of the EU-28 table grape production. After a dramatic fall in the last decade, the EU-28 table grape area continues to decrease. Reduced profitability, due to increasing production costs and strong competition from other suppliers are the main factors behind the drop. After a modest campaign in MY 2014/15 (June/May), MY 2015/16 EU-28 table grape production is forecast to slightly increase by 3 percent to approximately 1.7 MMT. Significant increases are forecast to be registered in Bulgaria (+133 percent), Romania (+26 percent), Spain (+25.5 percent), and Portugal (+11 percent),

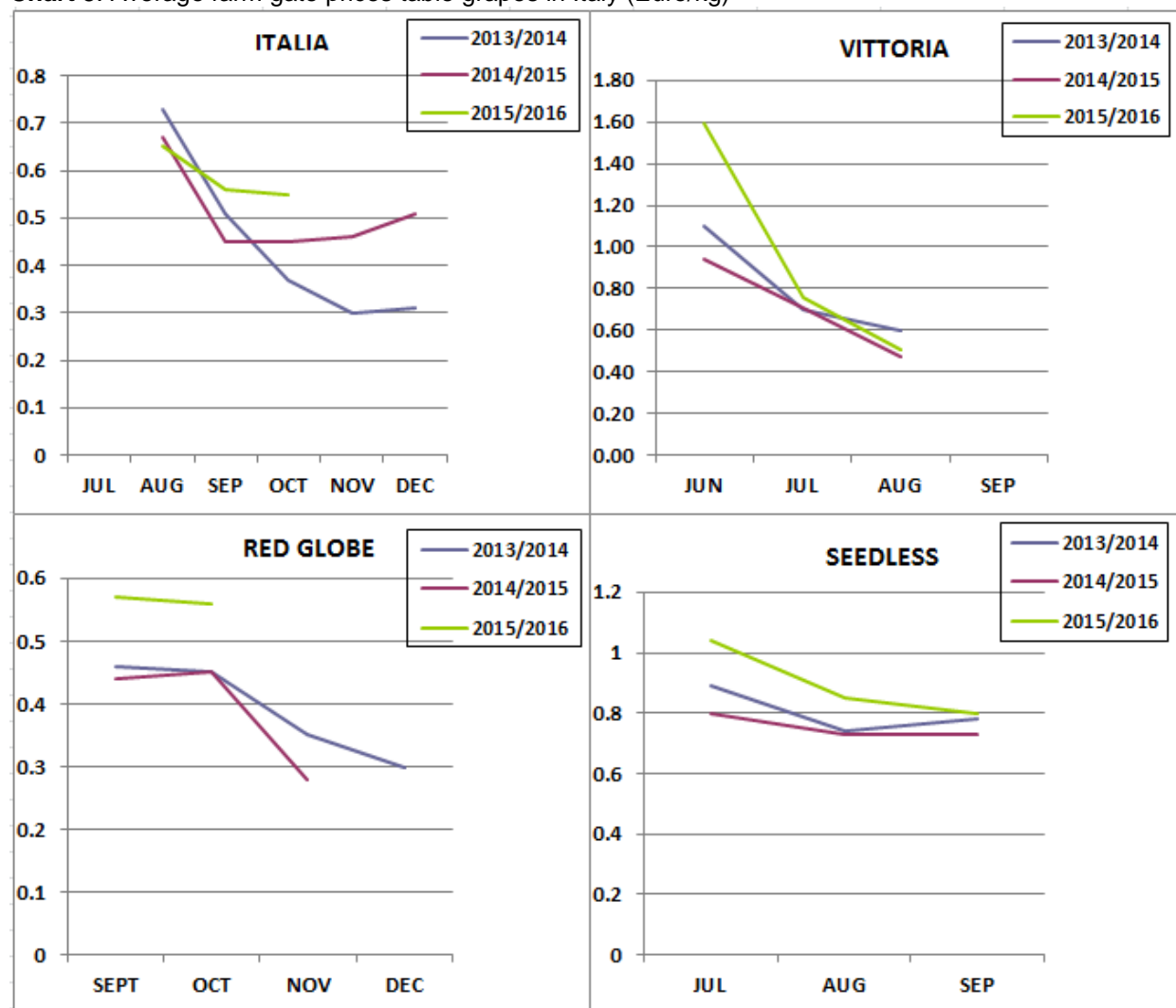
Table 11: EU-28 Table Grapes Production by Country and Year (MT)

Country	2013/14	2014/15	2015/16
Italy	1,108,326	998,627	1,000,000
Spain	249,600	228,900	287,200
Greece	325,960	299,339	270,000
Other EU MSs	132,425	107,510	125,599
Total	1,816,311	1,634,376	1,682,799

Source: FAS EU-28

Italy is the leading table grape producer in the EU-28, followed by Spain and Greece. The Italian table grape production is concentrated in Southern Italy, mainly in Apulia and Sicily, which account for 70 and 25 percent of the domestic production, respectively. *Italia*, *Victoria*, and *Red Globe* are the main varieties, covering approximately 66 percent of the table grape area. In the last few years, Italy has gradually moved to seedless grapes cultivation, due to an increasing demand from intra and extra EU markets. *Sugraone* and *Crimson* are the most popular seedless varieties followed by *Thompson*, *Centennial*, and *Sublime*. However, table grapes planted area has been declining over the last four years due to lack of profitable investment opportunities.

Italy's MY 2015/16 table grape production is forecast to increase, thanks to ideal weather during flowering and fruit set. Fruit quality is forecast to be very good. 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, Apulia, Basilicata, and Sardinia—the harvest occurs from August to December.

Chart 3: Average farm gate prices table grapes in Italy (Euro/kg)

Source: ISMEA, Italy's Agricultural Marketing Center

According to the latest data provided by the Spanish Ministry of Agriculture, **Spain's** MY 2015/16 table grape production is forecast to increase by 25.5 percent compared to the previous season. There are approximately 14,400 hectares currently cultivated with table grapes in Spain. The main producing areas include the Region of Murcia, the Comunidad Valenciana, and Andalusia. Murcia and Alicante account for 70 percent of the total production area. Over 50 table grape varieties are commercialized in Spain. *Aledo*, *Ideal*, *Muscatel*, *Dominga*, and *Napoleon* are the main ones. Seedless varieties represent 30 percent of total table grape production and are mainly produced in the Region of Murcia.

Greece is the third largest producer of table grapes in the EU-28. According to industry estimates, after a good campaign in MY 2014/15, MY 2015/16 table grape production is forecast at 270,000 MT because of bad weather conditions during the harvest period, especially on the island of Crete. 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; and Heraklion in the island of Crete. *Sultana (Thompson Seedless)* and *Victoria* are the leading table grape varieties grown in Greece. Moreover, a greater focus is now being placed on diversifying Greece's grape offer to extend the marketing season into October and November.

Table Grapes – Consumption

Despite the enduring economic crisis, the EU-28 fresh grape consumption has been rather stable in recent years and stands at approximately 2.2 MMT, although still fluctuating in function of the domestic production trend. Starting in June and throughout the end of the calendar year, the EU-28 table grape consumption is mostly met by domestic production. Also, imports from third countries—normally coming in the first half of the calendar year from the Southern hemisphere—represent 22.5 percent of total consumption.

Italy is the leading table grape consumer in the EU-28, followed by **Germany**, the **United Kingdom**, **Greece**, **France**, **Spain**, **Romania**, **Czech Republic**, **Portugal**, **Austria**, **Bulgaria**, **Slovakia**, and **Croatia** (in decreasing order of consumption). Despite the fact that Italian seeded grapes are still greatly appreciated, experts claim that EU-28 consumers are increasingly demanding seedless varieties because of their quality and convenience. Thus, many EU-28 table grapes farmers are replacing old seeded varieties with new seedless ones (i.e. *Sugraone*, *Crimson*, *Thompson*, *Regal*, *Summer Royal*, *Centennial*, *Sublime*, etc.). Moreover, a greater focus is now being placed on late varieties (i.e. *Crystal* and *Princess*), in order to make the European grapes available after the busy summer fruit season.

Table Grapes - Trade

Table 12: EU-28 Table Grapes trade Balance (MY June-May)

Trade	Metric Tons			Million \$		
	2012/13	2013/14	2014/15	2012/13	2013/14	2014/15
Import	559,533	576,780	603,003	1,463	1,563	1,443
Export	149,784	152,258	101,611	283	286	198
Balance	-409,749	-424,522	-501,392	-1,180	-1,277	-1,245

Source: GTA

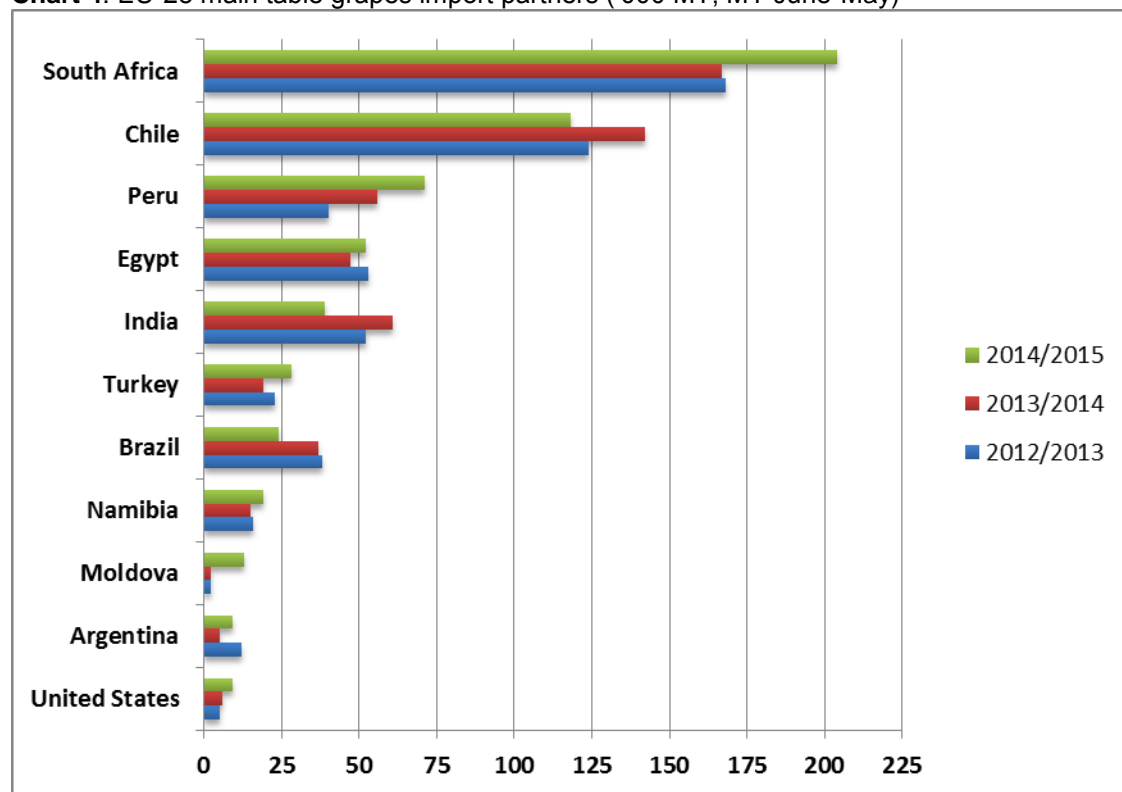
The EU-28 is a net importer of fresh table grapes. During MY 2014/15, the EU-28 imported 600,003 MT of table grapes. South Africa (203,620 MT) and Chile (118,489 MT) confirmed to be the leading suppliers to the EU-28 market, followed by Peru (70,935 MT), Egypt (51,826 MT), India (39,215 MT), Turkey (28,209 MT), Brazil (23,920 MT), and Namibia (19,454 MT). The largest EU-28 importing countries remain the Netherlands, Germany, and the United Kingdom. The Netherlands serves mainly as a trans-shipping point. During MY 2014/15, the EU-28 exported 101,611 MT of table grapes, mainly to Switzerland (26,747 MT) and Norway (13,543 MT). Moreover, new strategic markets might develop in Africa, Asia, Middle East, and Northern Europe.

In MY 2014/15, **Italy** exported 443,940 MT of table grapes, mainly to Germany (102,932 MT), France (92,749 MT), and Poland (48,078 MT). Germany, Poland, and the Baltic States prefer the bigger Apulian grapes, while France favors the smaller Sicilian ones. Furthermore, new strategic markets are represented by North Africa, Middle East, and Northern Europe. As a consequence of the Russian ban, approximately 9,300 MT of Italian table grapes were withdrawn from the market and mainly donated to charity in MY 2014/15. However, seedless varieties (i.e. *Sugar Crisp*, *Sweet Sunshine*, *Sweet Celebration*, *Sweet Sapphire*, *Jack's Salute*, *Cotton Candy*) were not heavily affected by the Russian embargo as they are mainly sent to the United Kingdom, Scandinavian countries, and the United Arab Emirates. In MY 2014/15, Italy imported 21,916 MT of table grapes, mainly from the Netherlands (5,668 MT), Spain (5,032 MT), Egypt (3,137 MT), and Chile (2,113 MT).

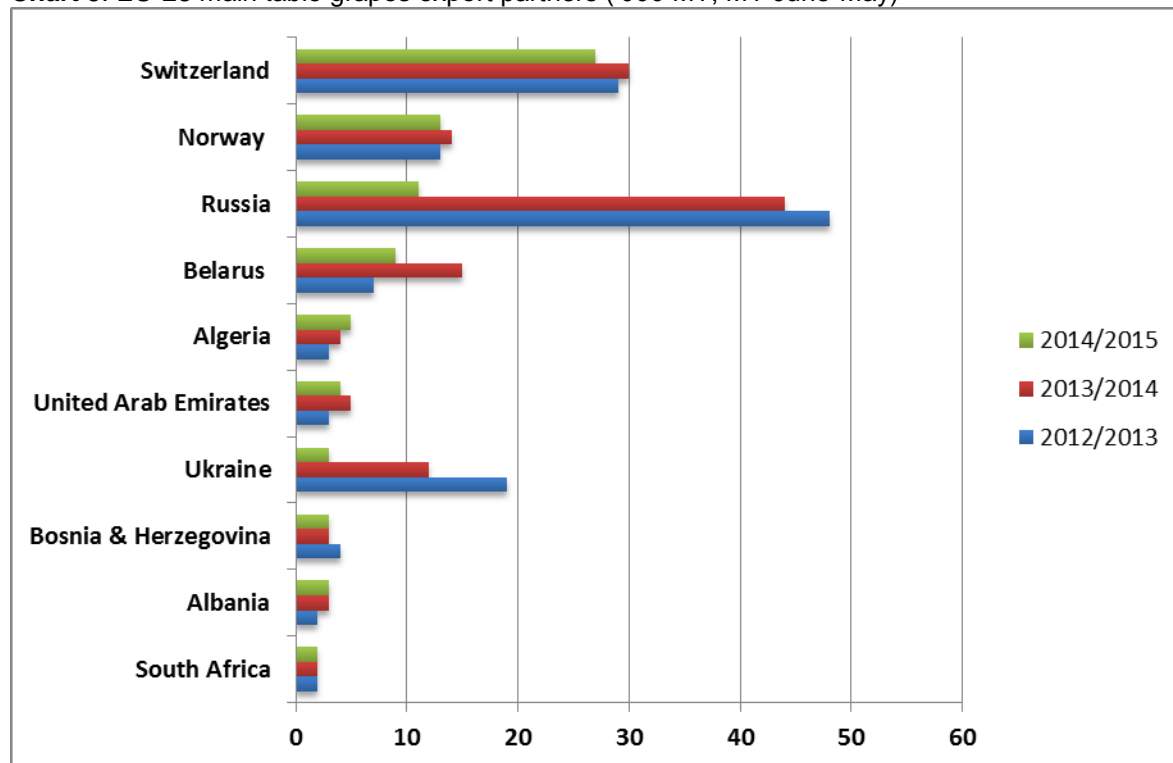
Spain is a net exporter of table grapes and over 95 percent of its exports are destined to the EU-28 (United Kingdom, Germany, Portugal, and France). Italy, Chile, and Peru are the main suppliers to the Spanish market. Moreover, imports from Morocco increased by 115 percent in MY 2014/15 reaching 3,775 MT.

In MY 2014/15, **Greece** exported 88,525 MT of table grapes (especially *Victoria* and *Sultana* varieties), mainly to Germany (33,601 MT), the United Kingdom (16,035 MT), the Netherlands (8,752 MT), and Poland (4,868 MT). Greek table grapes (both seedless and seeded) are mostly marketed within Europe from late July to the end of September. In MY 2014/15, Greece imported 1,045 MT of table grapes, mainly from Italy (421 MT) and the Netherlands (244 MT).

Chart 4: EU-28 main table grapes import partners ('000 MT, MY June-May)



Source: GTA

Chart 5: EU-28 main table grapes export partners ('000 MT, MY June-May)

Source: GTA

Trade Fairs

Coordinated by Roswitha Krautgartner/FAS Vienna

In the EU, trade fairs play a key role in presenting new products to the trade or in finding additional buyers and importers. The major international trade fair for the fruit and vegetable trade is held each February in Berlin, Germany:

FRUIT LOGISTICA Berlin, Germany (Interval: yearly) Target Market: Europe Good venue for exhibiting fresh and dried fruit, nuts, and related products http://www.fruitlogistica.de	Next Fair: February 03-05, 2016	U.S. Pavilion Organizer: B*FOR International Tel: +1 (540) 373-9935 Fax: +1 (540) 372-1414
---	--	--

For organic products there is a special trade fair held annually in Nuremberg, Germany

BioFach Nuremberg, Germany (Interval: yearly) Target Market: Germany/Europe The leading European trade show for organic food and non-food products http://www.biofach.de	Next Fair: February 10-13, 2016	U.S. Pavilion Organizer: B*FOR International Tel: +1 (540) 373-9935 Fax: +1 (540) 372-1411
---	--	--

Related Reports

Coordinated by Roswitha Krautgartner/FAS Vienna

2015 Stone Fruit Madrid EU-28 8/31/2015
<p>EU-28 production of peaches and nectarines in MY 2015/16 is estimated at 4 million MT, 3.7 percent lower compared to the previous harvest due to unfavorable weather conditions with considerable decreases in the main European producers, Spain, Greece and France, while Italian production shows an increase. Total cherry production in MY 2015/16 is projected at 745,900 MT, remaining flat compared with last season, where the important growth in Italy and Greece could compensate the decline that may ...</p> <p>Stone Fruit Annual Madrid EU-28 8-21-2015</p>
2015 Citrus Madrid EU-28 6/22/2015
<p>For MY 2014/15 EU-28 citrus productions is projected to decline 4.2 percent than previously anticipated reaching 10.5 MMT, mainly due to 8 percent reduction on orange EU-28 production by the decrease in Spain and Italy of 10.3 and 19.8 percent respectively. EU-28 lemon production is revised up 2 percent from previous forecast as Spanish lemon production experienced a record level while EU-28 orange juice production has been revised down 10.8 percent compared to previous forecast as a consequenc...</p> <p>Citrus Semi-annual Madrid EU-28 6-17-2015</p>
Plenty of opportunities for U.S. organics in the EU market Beverages Coffee Dried Fruit Citrus Fresh Fruit Special Certification - Organic/Kosher/Halal Market Development Reports Product Brief Tree Nuts The Hague EU-28 2/11/2015
<p>The organic arrangement between the U.S. and the EU in combination with growing demand for organic products in the EU creates opportunities for U.S. companies. Export opportunities are to be found in fresh produce, dried fruit and nuts, specialty grains and processed products.</p> <p>Plenty of opportunities for U.S. organics in the EU market The Hague EU-28 2-10-2015</p>
FAIRS Country Report Food and Agricultural Import Regulations and Standards - Narrative Brussels USEU EU-28 1/2/2015
<p>This report provides an overview of EU food and feed legislation currently in force. All sections were updated but special attention should be given to Section V on the EU's new food labeling rules which became applicable on December 13, 2014. For updates on developments in EU food and feed legislation check the FAS/USEU website www.usda-eu.org.</p> <p>Food and Agricultural Import Regulations and Standards - Narrative Brussels USEU EU-28 12-30-2014</p>
2014 Citrus Madrid EU-28 12/17/2014
<p>Citrus Annual Madrid EU-28 12-9-2014</p>
How to Comply with the EU's New Food Labeling Rules FAIRS Subject Report Brussels USEU EU-28 12/3/2014
<p>On December 13, 2014, the EU's "Food Information to Consumers" Regulation 1169/2011 becomes applicable. This report provides updated information on key changes to the EU's food labeling requirements and aims at providing answers to questions raised by U.S. exporters about compliance with the new rules.</p> <p>How to Comply with the EU's New Food Labeling Rules Brussels USEU EU-28 12-2-2014</p>
Ample Domestic Supply and Russian Import Ban to Put Pressure on the Fresh Fruit Market Fresh Deciduous Fruit Vienna EU-28 11/3/2014
<p>This report provides EU-28 production, supply, and demand forecasts for fresh apples, fresh pears, and table grapes. Ample domestic supply of apples and pears in MY (marketing year) 2014/15 (good crop and abundant commercial stocks for both), together with the Russian import ban on those products, puts pressure on the fresh deciduous fruit market. Commercial apple production in MY 2014/15 is estimated to increase by 8 percent year-on-year and reach 11.7 MMT. Commercial pear production is forec...</p> <p>Fresh Deciduous Fruit Annual Vienna EU-28 10-28-2014</p>

2014 Stone Fruit Madrid EU-28 8/11/2014
<p>EU-28 production of peaches and nectarines in MY 2014/15 is estimated at almost 4 million MT, 10.6 percent higher compared to the previous harvest due to favorable weather conditions with considerable increases in the main European producers, Spain, Greece and France, while Italian production remains stable. Total cherry production in MY 2014/15 is projected at 676,300 MT, 3 percent lower compared with last season due to frosts and severe hailstorms during the harvest mainly in Italy and Poland...</p> <p>Stone Fruit Annual Madrid EU-28 8-1-2014</p>
2014 Citrus Madrid EU-28 6/25/2014
<p>The current situation in Europe is influenced by a strong competition, overall prices relatively low and stagnating citrus consumption due also to higher temperatures in Europe. For MY 2013/14 EU-28 citrus production is projected to decline 4 percent more than previously anticipated reaching 10.5 MMT, mainly due to an 8 and 6 percent reduction in production of European oranges and lemons, respectively. On May 27 2014, the Plant Health Standing Committee of the European Commission decided to in...</p> <p>Citrus Semi-annual Madrid EU-28 6-20-2014</p>
The EU's Country of Origin Labeling (COOL) Policy FAIRS Subject Report Brussels USEU EU-28 3/24/2014
<p>The EU's "Food Information to Consumers" Regulation 1169/2011 will become applicable on December 13, 2014. This regulation introduces a number of new mandatory labeling requirements, including country of origin labeling (COOL) for meat other than beef. When the FIC Regulation was adopted in 2011, EU legislators agreed that mandatory COOL should be extended to more food products and ingredients. Article 26 of the FIC Regulation sets out detailed rules for COOL and lists the different actions t...</p> <p>The EU's Country of Origin Labeling (COOL) Policy Brussels USEU EU-28 3-19-2014</p>
New EU Rules on Dietetic Foods FAIRS Subject Report Brussels USEU EU-28 2/7/2014
<p>The EU's new dietetic foods regulation 609/2013, adopted in June 2013, will become applicable on July 20, 2016. The scope of this regulation is limited to infant formula and follow-on formula, processed cereal-based food and baby food, food for special medical purposes and total diet replacement for weight control. Under the new rules, pictures of infants are no longer allowed on labels and no pictures or text may idealize the use of such formula. Foods that no longer fall with the scope of ...</p> <p>New EU Rules on Dietetic Foods Brussels USEU EU-28 2-5-2014</p>
Proposal for a New Novel Foods Framework Regulation FAIRS Subject Report Brussels USEU EU-28 2/7/2014
<p>On December 18, 2013, the European Commission presented its long-awaited proposal for a revision of the current Novel Foods Regulation 258/97. An earlier attempt to revise the current novel foods rules failed in March 2011 when the European Parliament and Council could not reach agreement on how to regulate food from animal clones. Separate legislation on animal cloning was presented on the same day as the novel foods proposal. The main objectives of the novel foods proposal are to introduce ...</p> <p>Proposal for a New Novel Foods Framework Regulation Brussels USEU EU-28 2-5-2014</p>
EU-U.S. Organic Trade Update - January 2014 Special Certification - Organic/Kosher/Halal Market Development Reports Agricultural Situation Vienna EU-28 1/28/2014
<p>The first eleven months of 2013 (January through November), the United States exported \$7.6 million worth of organic products covered under the organic HS codes to the European Union. This is an increase of 55 percent compared to the same period in 2012. This report includes an update on EU-U.S. trade of organic products where an HS code for "certified organic" fresh or processed agricultural products has been introduced. The report does not cover the entire EU-U.S. organic trade but the sta...</p> <p>EU-U.S. Organic Trade Update - January 2014 Vienna EU-28 1-24-2014</p>
Stone Fruit Market Update Stone Fruit Sofia Bulgaria 8/11/2015
<p>Stone fruit (sweet and tart cherries, peaches and nectarines) are traditional for Bulgaria and account for the largest share in fruit production. Sweet cherries are the second most important fruit after apples, and peaches follow third. In recent years, farmers have increased their investment in cherry orchards and new foreign investment was attracted to cherry processing. The year 2014 was very challenging for the horticulture sector due to unfavorable weather. This included heavy snows, ...</p> <p>Stone Fruit Market Update Sofia Bulgaria 8-4-2015</p>

Stone Fruit Report Stone Fruit Fresh Fruit Berlin Germany 8/6/2015
<p>German total cherry production for CY 2015 is estimated at 50,700 MT. This is an 11 percent decrease compared to the excellent production in CY 2014, and a 5 percent decrease compared to the average of the preceding ten years. Germany is the third largest importer of cherries in the world, after Russia and China. The majority of imports originate in other EU-28 member states. Largest non-EU suppliers are Turkey for sweet cherries and Serbia for tart cherries.</p> <p>Stone Fruit Report Berlin Germany 8-3-2015</p>
Citrus Annual 2015 Citrus Rome Italy 7/23/2015
<p>Italy's MY 2014/15 (November/October) orange production is expected to drop by 24 percent compared to the previous campaign due to the lack of rain and the Citrus Tristeza Virus (CTV) that has infected approximately 32,000 hectares of orange groves in the provinces of Catania and Siracusa (Sicily). Italy's MY 2014/15 tangerine production is expected to decrease by approximately 15 percent compared to the previous campaign.</p> <p>Citrus Annual 2015 Rome Italy 7-10-2015</p>
Spain's Citrus Report Citrus Madrid Spain 6/24/2015
<p>Spanish citrus production in MY 2014/15 reached 6.5 MMT representing 62 percent of the EU's citrus production. Spanish orange production is expected lower than previous year reaching 3.173 MMT or 10.3 percent less with a reduction on orange exports of 11 percent. Spain's total tangerine/mandarin production may decrease 1.2 percent compared to previous season, reaching 2.173 MMT while Spain's lemon production is expected to increase 30 percent reaching 1,065 thousand MT and facing record levels ...</p> <p>Spain's Citrus Report Madrid Spain 6-19-2015</p>
Russian Ban on Polish Apples Sweetened by U.S. Imports of Juice. Trade Policy Monitoring Fresh Fruit Warsaw Poland 6/4/2015
<p>Polish exports of apple juice to the United States in the last two months of 2014 and first two months of 2015 reached a record level of 21,020MT or US\$ 23.3 million. Despite the Russian ban on imports of agricultural products, Polish farmers were able to utilize the entire 2014 crop of apples. The opening of new export markets, increase of domestic demand, partial withdrawal of apples from the Polish market subsidized by the European Union and increase of sales of the apple juice to the United States...</p> <p>Russian Ban on Polish Apples Sweetened by U.S. Imports of Juice. Warsaw Poland 6-1-2015</p>
Fresh Deciduous Fruit Sector Update Fresh Deciduous Fruit Sofia Bulgaria 5/26/2015
<p>Over the last two years, Bulgarian apple and pear production enjoyed very good average yields and production hit a record high for the last 15 years. Table grapes were an exception with a record low crop in MY2014/15 due to adverse weather conditions. Prospects for MY2015/16 to date for the three major products are very good due to favorable winter weather with moderate temperatures, sufficient soil moisture and an almost ideal spring in May. Investment in new orchards and new horticulture...</p> <p>Fresh Deciduous Fruit Sector Update Sofia Bulgaria 5-21-2015</p>
Product Brief Fresh Fruits Product Brief Fresh Fruit Fresh Deciduous Fruit Citrus Stone Fruit Strawberries Berlin Germany 2/11/2015
<p>Germany is one of the largest markets for fruit in Europe. The relative affluence of its population of 82 million people makes it an attractive outlet for exporters from many countries. This product brief highlights certain aspects of the German fruit market to aid U.S. exporters in successfully marketing their products in Germany.</p> <p>Product Brief Fresh Fruits Berlin Germany 1-27-2015</p>
Citrus Annual 2014 Citrus Rome Greece 1/1/2015
<p>Greece's MY 2014/15 orange production is forecast to decrease by approximately 12 percent compared to the previous year because of the heavy rainfall occurred in May and June. Greece's MY 2014/15 tangerine, lemon, and grapefruit productions are forecast to remain steady. Greece is a large importer of lemons. In MY 2013/14, Greece imported 21,307 MT of lemons, mainly from Argentina (7,863 MT), Turkey (4,039 MT), and Italy (4,006 MT).</p> <p>Citrus Annual 2014 Rome Greece 12-16-2014</p>

Citrus Annual 2014|Citrus|Rome|Italy|1/1/2015

Italy's MY 2014/15 (November/October) orange production is forecast to be lower than the previous campaign. Blonde varieties are forecast to register a 10 percent decrease (15-20 percent in Sicily in the early areas), while Blood oranges are forecast to drop 30 percent, especially the late varieties. Overall, fruit quality is expected to be good. Italy's MY 2014/15 tangerine production is forecast to decrease by approximately 10 percent compared to the previous campaign. Italy's MY 2014/15 (...)

[Citrus Annual 2014 Rome Italy 12-16-2014](#)