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Poland Pursues Becoming the Berry Supplier for Russia and the EU

Report Categories:

Fresh Fruit

Policy and Program Announcements

Strawberries

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Report Highlights:

Poland's 2013 berries production is estimated at 2.6 million metric tons, or a two percent increase in comparison with 2012. While strawberry producers suffered through the second straight year of unfavorable weather induced growing conditions raspberry, currant and blueberries enjoyed higher yields compared to the 2012 crops. Continuing expansion of raspberry, chokeberry and blueberry plantation areas is projected for the near future. Since 2008 EU subsidies mixed with national funds have provided incentives leading to increased production of strawberries and raspberries in Poland.

General Information:

Area planted and production

Poland's 2013 total production of berries is estimated at 564 thousand metric tons (TMT). This represents a two percent increase in comparison to 2012 production. After the 2013 winter berry plantations across Poland emerged in good shape. Unlike in 2012 there were no losses reported due to winter kill of plants as snow cover protected plants from freezing. The late spring in 2013 resulted in delayed sprouting of spring vegetation. Heavy rains in June matched with a short growth period dampened strawberry plant growth but had little impact on other berry yields. Weather conditions during flowering and fruit setting were very good for a majority of berry plants. In late summer the lack of moisture affected plantations without irrigation system leading to a smaller crop of raspberries.

Poland's Berries Production, in 000, MT

	2009	2010	2011	2012	2013 e
Strawberry	198.9	153.2	166.2	150.2	165.0
Raspberry	81.8	92.9	118.0	127.1	121.0
Currant	196.5	196.7	169.6	194.5	198.0
Gooseberry	15.8	14.2	14.6	16.3	15.0
Chokeberry	36.8	53.0	48.2	51.2	50.0
Blueberry	11.0	9.2	8.6	11.3	12.0
Other berries	2.5	4.1	2.4	2.6	3.0
Total berries	543.3	523.3	527.6	553.2	564

Source: Polish Office of Statistics, 2013

e – Estimate, Institute of Agriculture and Food Economics in Warsaw

Poland's Berries Area, in 000, hectares (HA)

	2009	2010	2011	2012	2013 e
Strawberry	53.6	37.1	50.5	46.8	50.0
Raspberry	20.2	29.6	27.1	28.4	28.0
Currant	43.1	45.2	39.9	44.7	40.0
Gooseberry	2.8	3.2	3.1	3.1	3.0
Chokeberry	5.1	8.0	6.0	6.0	6.0
Blueberry	2.4	6.4	4.8	6.0	7.0
Other berries	0.8	1.2	1.0	1.3	2.0
Total berries	128	130.7	132.4	136.3	136

Source: Polish Office of Statistics, 2013

e – Estimate, Institute of Agriculture and Food Economics in Warsaw

Strawberries

The 2013 strawberry crop faced another year of unfavorable weather during the production cycle. A long winter season delayed initial strawberry plant emergence by about two weeks. Some varieties of strawberries proved to be more sensitive to the late spring than other varieties. Heavy rains in early June flooded fields destroying patches in the process or significantly hindering application of plant protection measures and other agricultural practices leading to other problems with plant quality. Farmers on many plantations reported loss due to gray mold and fungal diseases.

Nevertheless due to the increased acreage, the 2013 harvest was 10 percent higher than the previous year's crop. In 2012 the strawberry crop totaled only 150 TMT, the lowest amount in the last ten years. In 2012 low winter temperatures damaged many strawberry plantations unprotected with snow cover. Despite subsidies received from the EU overall profitability of strawberry production has been very low for the last two seasons in Poland as many farmers had to invest in restoration of degraded plantations.

Raspberries

In 2012, Poland became the largest producer of raspberries in the world with a crop that achieved a record 127 TMT output. In 2013, the raspberry harvest is estimated at 121 TMT, or 4.8 percent less than last year, but still 76 percent higher than the 2006-2011 average. Prior to EU accession Poland's average production amounted to 50 TMT. Due to increased acreage and improved technology Poland effectively doubled its raspberry production. Since 2008 EU subsidies have helped spur on expansion of this sector.

Currants

Poland is the leading producer of currants in the world. In 2013 production is estimated at 198 TMT, or 1.5 percent higher than the previous year. Black currant production, 150 TMT, constitutes 76 percent of total currant production. Poland accounts for over 60 percent of the world production of currants according to data released by the Ministry Statistical Office (MSO). However, according to the International Blackcurrant Association - IBA, Poland's 2013 black currant harvest amounted to 105 TMT. The large difference between the two organizations data for black currant production may be attributed to the fact that MSO reports total production which includes with commercial output household gardens and orchards estimates.

The volatility in current purchase prices can vary 100-200 percent year-to-year. This is due in part to the large dispersion of producers around the country, and to the lack of integration and poor market power of these producers with respect to the processing industry. In periods of high production, like in 2013, the very low market prices discourage some producers from harvesting their crop.

Chokeberries

Since 2010, chokeberry plantation acreage has remained constant mostly due to volatility in procurement prices. Regardless, Poland still holds 90 percent of world production according to industry. But like the current sector, the chokeberry sector is defined by a lack of central producer organization and by heavy producer dependence on a few large processing companies as their market outlet. In 2013, the large crop depressed the chokeberry market, and as witnessed with some current producers, some chokeberry producers opted not to harvest.

Blueberries

Poland is the world's third largest producer of blueberry after the U.S. and Canada. The 2013 blueberry crop is estimated at 12 TMT. Blueberry plantations are highly modernized and concentrated in contrast to the majority of other types of berry plantations in Poland. The area under cultivation has steadily expanded since Poland's EU accession. This trend is expected to continue. Production of dessert fruits for export has been the main direction of development for this sector as domestic demand is small and stable. The main importers of Polish blueberries are Germany and the United Kingdom.

Policy

Since 2008 strawberries and raspberries have been the only subsidized fruits produced in Poland. This is a temporary measure which expires 31 December 2013. The measure, of historical character, is not linked to the production (MT), but to the growing area (HA). Subsidies are directed to producers who have received aid for the production of strawberries and raspberries in 2008 (the year of reference).

In accordance with provisions of Article 129, paragraph 1, Council Regulation (EC) No 73/2009, the reference period can be chosen by a Member State, but the year 2008 is the latest reference period allowed. In the case of Poland the year 2008 is the first year of application of the transitional payment for strawberries and raspberries.

Berries payment is a European Union measure and it can be additionally financed from the national budget. The basis for calculating payments to the producer is the 2008 area planted (HA) and qualified for payments. In 2012, the direct payment rate for strawberries and raspberries amounted to 2,670.66 PLN /HA (651 EUR /HA) calculated as follows:

- a) EU fund = 1,535.63 PLN /HA, (374 EUR /HA)
- b) National fund = 1,135.03 PLN /HA, (277 EUR /HA).

The rates in Polish zloty were calculated at the exchange rate set by the European Central Bank on September 28, 2012, i.e. at the level of 4.1038 PLN /1 EUR.

Farmers applying for support have to sign a cultivation agreement with an approved processor for processing soft fruits into specified products and have to meet several detailed requirements. In 2012, the number of farmers applying for aid reached 28.5 thousand producers with raspberry and strawberry plantations. In 2008 the acreage of supported plantations amounted to 29.2 thousand HA.

Information sources:

1. Polish Office of Statistics, Yearbooks 2008-2012,
2. Global Trade Atlas,
3. Agency for Restructuring and Modernization of Agriculture,
4. Institute of Agriculture and Food Economics in Warsaw, Fruits and Vegetables Department,
5. "Sadownictwo" (<http://www.sadownictwo.com.pl>)