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## EU-28

### Stone Fruit Annual

**2013**

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**Report Highlights:**

EU-28 production of peaches and nectarines in MY 2013/14 is estimated at 3.97 million MT, 7.3 percent lower compared to 4.28 million MT registered in the previous harvest due to unfavorable weather conditions. The exception is overall Spanish production which was favorable despite the losses suffered as a result of the February frost. There has been an increase of early and mid-season peaches, mainly due to good flowering and fruit set, as well as the entry into production of new varieties. Total cherry production is expected to reach 784,000 MT, a value stable compared to last season despite the unfavorable weather conditions in some of the main producing countries.

**Disclaimer:** This report presents the situation and outlook for stone fruit including peaches, nectarines and cherries in the EU-28. The report presents the views of the authors and does not reflect the official view of the U.S. Department of Agriculture (USDA). The data are not official USDA data.

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**Abbreviations and definitions used in this report**

GTA Global Trade Atlas  
Ha hectare; 1 ha = 2.471 acres  
HS Codes Harmonized System codes for commodity classification used to calculate trade data.  
Peaches and nectarines HS Code 080930  
Cherries HS Code 080920  
MT Metric ton = 1,000 kg  
MMT Million metric tons  
MS EU member state(s)  
MY Marketing Year: January/December  
EU-28: including Croatia

**Note:** The European Union Member States (MS) are mandated to annually provide the EU Commission with data concerning the “production area” of permanent crops. This means “the area that can potentially be harvested in the reference harvest year. It excludes all non-producing areas, such as new plantations that have not yet started to produce” (Regulation (EC) No 543/2009 of the European Parliament and of the Council of 18 June 2009, Article 2 (f)). In this report this corresponds to the line “Planted Area”. Some MS also publish harvested data, but not all of them, and as such in this report the line “Area Harvested” is an FAS Post estimate.

**Executive Summary:**

The main EU-28 producers of fresh peaches and nectarines are Italy, Spain, Greece and France. The production area of peaches and nectarines in the EU had stabilized in MY 2012/13 at around 225,120 ha after continuously falling in the previous years and according to FAS post projections the production area is projected to remain stable in MY 2013/14 with 224,400 ha planted. This is the result of productivity and competition between different Member States where Spain is gaining ground. Total production of peaches and nectarines in MY 2013/14 for the EU-28 is estimated at 3.97 million MT, 7.3 percent lower compared to 4.28 million MT registered in the previous campaign MY 2012/2013, due to unfavorable weather conditions. The exception is overall Spanish production of peaches which was favorable despite the losses suffered as a result of the February frost. There has been an increase of early and mid-season peaches, mainly due to good flowering and fruit set, as well as the entry into production of new varieties. Consumption of peaches and nectarines is projected to remain fairly stable at 3 MMT.

The EU is a net exporter of peaches, with exports largely exceeding imports. The main supplier of peaches to the EU is Chile, with an increasing competition from South Africa. The EU's imports of peaches and nectarines were valued at 86.1 million USD in MY 2012/13, a 2 percent decrease from the previous year.

The EU's exports of peaches and nectarines were valued at 449 million USD in MY 2012/13, a 15 percent increase from the previous year. The main destinations for EU-28 peaches continue to be Russia, Ukraine and Switzerland.

The main EU-28 producers of fresh cherries are Poland, Italy, and Spain. Traditionally Germany was in forth position, but according to FAS projection in MY 2013/2014, Greece will surpass German cherry production. According to FAS projections the total EU planted area of cherries will slightly increase in MY 2013/14 to just over 178,500 ha. This is mostly due to growth in area in Poland. Other producing MS report constant area planted with cherries. Total production in MY 2013/14 is projected at 784,123 MT, a value that is stable comparing to than last season despite the unfavorable weather conditions in some of the main producing countries. This stable value is mainly due to the production growth in Poland, Greece and France. Consumption of fresh cherries in the EU is estimated at close to 570 MT in MY 2013/14, stable with the previous year, but in general decreasing little by little.

The EU is a net importer of cherries and these are sourced mostly from Turkey, the world's leading cherry producer. The EU imports of fresh cherries were valued at 209 million USD in MY 2012/13, a 19.5 percent increase from the previous year. According to the GTA the EU imported 5 MT of cherries from the United States in MY 2012/13 which means a growth of 47.8 percent. These were valued at 24.4 million USD, a 22.4 percent growth from MY 2012/13. The main destinations for the major EU producers are other member states; the most important external destinations are Russia, Switzerland and Belarus. The EU exports of fresh cherries were valued at 72.8 million USD in MY 2012/13, an 8 percent increase from the previous year and 86 percent increase compared with MY 2010/11.

**Commodities:**

### **Fresh Peaches & Nectarines**

The main EU-28 producers of peaches and nectarines are Italy, Spain, Greece and France in this order. There is also limited production in other EU MS, including Hungary, Portugal and Bulgaria. Italy is the EU's largest producer, but Spain is the major exporter due to its early season harvest. Greece is the major EU peach processor.

### **Crop Area:**

The production area of peaches and nectarines in the EU had stabilized in MY 2012/13 at around 225,120 ha after continuously falling in the previous years and according to FAS post projections the production area is projected to remain stable in MY 2013/14 with 224,400 ha planted. This is the result of competition between different Member States where Spain is gaining ground. It is also the result of productivity gains achieved with the introduction of new and higher yielding varieties that bring more diversity in the types of fruit and spread in harvest dates.

In the other hand due to its competitiveness, Spain is gaining market share at the expense of other main producers and this is shown in an increase in planted area in this country. There is also a dislocation of the production area southwards to take advantage of extra-early harvest which is possible with a number of low-chilling varieties. The growing of peach and nectarine trees is concentrated in the regions of Cataluña, Aragón and Murcia, along the Mediterranean arch. Extremadura is another important growing region, mainly for nectarines.

In Italy, experts forecast a continuation in the downward trend in peach and nectarine acreage, which has fallen 20 percent from 2000 to 2010, but also expect that the phasing out of old cultivars and the phasing in of better performing ones in new plantations will result in volumes declining at slower rate than acreage.

In Greece, the area planted to peaches and nectarines is estimated to be constant with approximately 42,600ha while in France peaches and nectarines orchards continued to shrink due to poor economic conditions for peach producers in recent years combined with losses of trees due to the Sharka disease. In Hungary, the culling of old/outdated orchards with no replacements planted decreased the production area during the last couple of years. In 2012 spring frosts reduced yields as well.

### **Production:**

Production of peaches and nectarines in MY 2013/14 for the EU-28 is estimated at 3.97 million MT, 7.3 percent lower compared to 4.28 million MT registered in the previous campaign MY 2012/2013. Production in the main producing countries is shown in Table 1 below.

**Table 1. Major EU Fresh Peach & Nectarine Producers by Volume in MT**

Country	MY 2011/12	MY 2012/13	MY 2013/14
Italy	1,598,230	1,623,900	1,522,000
Spain	1,336,000	1,306,000	1,338,000
Greece	630,000	705,200	480,000
France	301,770	275,521	259,700

Source: FAS Europe offices

### **Italy**

Italy is the largest peach and nectarine producer in the European Union (EU-28) and ranks second in the world after China. Stone fruit production plays a key role in the agricultural sector of several Italian regions, both in the North (especially in Emilia-Romagna and Piedmont) and in the South (Campania). The bulk of the Italian harvest occurs in June and July.

Italy's MY 2013/14 peach and nectarine production is forecast to decrease by 6.3 percent from the previous year, with a 5.7 percent decrease for peaches (621,000 MT compared to 658,900 MT in 2012) and 5.8 percent decline for nectarines (820,000 MT compared to 870,900 MT in 2012), mostly due to a long, cold, and rainy spring. The cling peach harvest is likely to decline by 13 percent to 81,000 MT (94,100 MT in 2012). Major reductions are registered in the Veneto region, where the peach and nectarine crops are expected to go down by 20 and 24 percent respectively. Peach and nectarine production is also forecast to decrease in Emilia-Romagna by 6 and 9 percent, respectively.

### **Spain**

Spain is the second largest peach and nectarine producer in EU-28 and fourth in the world after the United States. According to the latest forecasts by the Spanish Ministry of Agriculture, peach and nectarine production in Spain for MY 2013/14 is projected at 1.33 MMT. A growth in the country's most important regions, Aragón, Cataluña and Murcia, is the main factor for the higher overall Spanish production of peaches despite the losses suffered as a result of the February frost. There has been an increase of early and mid-season peaches, mainly due to good flowering and fruit set, as well as the entry into production of new varieties. Furthermore, the forecast for nectarine production grew compared to last season, due to the entry into production of new varieties.

### **Greece**

Greece is the third largest producer of peaches in the EU-28, after Italy and Spain. The main producing areas include six territories (Imathia, Pella, Pieria, Kozani, Larissa, and Kilkis) of Central Macedonia and Thessaly, located in northern Greece. The peach production area is located in an active hail belt that stretches from the Iberian Peninsula to northern Greece. Most of the crop is harvested in June and July. Greece's MY 2013/14 peach and nectarine production is forecast to drop by 32 percent from the previous year and a 37 percent drop for cling peaches. The frost in March, the heavy rainfall occurred in the blooming period and the hail in June severely affected production. The hail struck harder in the prefectures of Imathia and Pella, the leading peach-producing areas.

### **France**

France's peach and nectarine crops are expected to be down 6 percent from 2012 and 14 percent respectively from the 5 years average, due to both lower production area and poor weather conditions throughout the late spring season. The crop is also expected to be several weeks late.

### **Hungary**

Peaches and nectarines are the third largest fruit crop in Hungary after apples, and cherries. In 2012 spring frosts reduced yields as well. Estimated total crop of peaches for MY 2013/14 is 40,000 MT going to a return to the regular harvest level. Yields of farms producing peaches are modest (5-6 MT/hectare) by European comparison. The number of trees per hectare (350-500) is low, the average age of orchards is 15-24 years, and only one seventh of the area is irrigated.

### **Portugal**

In Portugal the peach and nectarine orchards are mostly located in the inland center region. These were affected by frost at the time of flowering/pollination this year and as a consequence it is projected a total 4 percent decrease in the country's production in MY 2013/14 to 30,000 MT.

### **Bulgaria**

In Bulgaria the general prospects for the MY2013/14 published show peach and nectarine production to be about 8 percent higher than in the previous year at 27,300 MT.

### **Consumption:**

Consumption of peaches and nectarines is projected to remain fairly constant at 3 MMT.

Most Italian and Spanish peaches and nectarines are consumed fresh. Consumers in southern countries generally prefer large, sweet, and pulpy fruits, while the North European markets prefer smaller, slightly sour, and crunchy fruits. Apart from the difficult economic situation and the industry's concern for the increasing complexity of the destination markets, the overall goal is to encourage consumption for a product that is the main summer fruit. Greek nectarine production is destined mainly for the fresh market; freestone peaches are used for fresh consumption, and clingstone peaches are predominantly used in processing.

In France, after a very slow start in June due to poor weather, consumption is expected to be buoyed by hot and sunny weather in July that will drive consumers into eating summer fruits.

### **Trade:**

The EU is a net exporter of peaches – with exports largely exceeding imports.

### **Imports**

As seen in Table 2 below, the main supplier of peaches to the EU is Chile, with increasing competition from South Africa. More than half of total imports are sourced in the southern hemisphere and are imported during the European off-season. The EU's imports of peaches and nectarines were valued at 86 million USD in MY 2012/13, a 2 percent decrease from the previous year. According to the GTA the EU imported 100 MT of fresh peaches and nectarines from the United States in MY 2012/13. These were valued at 400,500 USD, 25.6 percent lower than MY 2011/12. Due to bad weather conditions in MY 2013/14, imports may increase to compensate for losses in production.

**Table 2. EU-28 Imports of Fresh Peaches & Nectarines by Origin in MT**

<b>Country of Origin</b>	<b>MY 20010/11</b>	<b>MY 2011/12</b>	<b>MY 2012/13</b>
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Chile	10,618	14,465	13,470
South Africa	5,847	6,086	5,917
Morocco	2,714	3,028	4,503
Turkey	1,638	1,376	1,831
Macedonia	1,417	925	1,317
Egypt	1,690	1,234	1,123
Others	9,448	9,323	11,601
<b>Total Imports</b>	<b>34,348</b>	<b>37,584</b>	<b>40,672</b>

Source: GTA

## Exports

The EU's exports of peaches and nectarines were valued at 449 million USD in MY 2012/13, a 15 percent increase from the previous year. The main destinations for EU-28 peaches continue to be Russia, Ukraine and Switzerland (Table 3). The EU's major producers compete for sales within the European market. Thanks to an earlier harvesting period, Spain dominates the European market during the months of May and June. Italy is also a major peach and nectarine exporter, mainly within the EU-28, with Germany continuing to be the main destination.

**Table 3. EU-28 Exports of Fresh Peaches & Nectarines by Destination in MT**

<b>Country of Destination</b>	<b>MY 20010/11</b>	<b>MY 2011/12</b>	<b>MY 2012/13</b>
Russia	153,834	189,786	197,254
Ukraine	35,235	37,036	58,948
Switzerland	28,719	27,461	30,023
Belarus	8,360	6,244	17,273
Norway	9,819	10,402	10,913
Brazil	7,097	10,012	10,864
Others	35,520	34,329	49,576
<b>Total Exports</b>	<b>278,584</b>	<b>315,270</b>	<b>374,851</b>

Source: GTA

**Table 4. Production, Supply and Demand Data Statistics:**

Fresh Peaches & Nectarines EU-28	2011		2012		2013	
	2011/2012		2012/2013		2013/2014	
	Market Year Begin: Jan 2011		Market Year Begin: Jan 2012		Market Year Begin: Jan 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
		Data		Data		Data
Area Planted	244,091	249,200	220,505	225,120		224,400
Area Harvested	219,682	224,280	198,454	202,607		203,600
Bearing Trees	0	0	0	0		0
Non-Bearing Trees	0	0	0	0		0
Total Trees	0	0	0	0		0
Commercial Production	4,207,182	3,848,940	4,218,000	4,245,021		3,933,270
Non-Comm. Production	42,497	427,660	43,000	42,879		39,730
Production	4,249,679	4,276,600	4,261,000	4,287,900		3,973,000
Imports	29,994	37,584	30,000	40,672		45,000
Total Supply	4,279,673	4,314,184	4,291,000	4,328,572		4,018,000
Fresh Dom. Consump.	3,257,768	3,272,314	3,227,800	3,184,625		3,060,600
Exports	315,001	315,270	325,000	374,851		390,000
For Processing	688,904	706,600	720,200	749,096		547,400
Withdrawal From	18,000	20,000	18,000	20,000		20,000
Total Distribution	4,279,673	4,314,184	4,291,000	4,328,572		4,018,000

HA, 1000 TREES, MT

#### Commodities:



### **Fresh Cherries (Sweet & Sour)**

The main EU-28 producers of fresh cherries are Poland, Italy, and Spain. Traditionally Germany was in forth position, but according to estimations of MY 2013/2014, Greece will surpass German cherry production. (See Table 5).

### **Crop Area:**

According to FAS projections the total EU planted area of cherries will slightly increase in MY 2013/14 to just over 178,500 ha. This is mostly due to a growth in areas in Poland. Other producing MS report constant areas planted with cherries.

### **Production:**

Total production in MY 2013/14 is projected at 784,123 MT, a value that is stable compared last season despite the unfavorable weather conditions in some of the main producing countries. This stable value is mainly due to the production growth in Poland, Greece and France.

**Table 5. Major EU Fresh Cherries (Sweet & Sour) Producers by Volume in MT**

Country	MY 2011/12	MY 2012/13	MY 2013/14
Poland	213,000	216,500	225,000
Italy	111,673	103,584	96,333
Spain	101,900	98,000	87,000
Greece	43,405	46,000	60,000

Source: FAS Europe offices

### **Poland**

In the EU, Poland is the leader in cherry production, with a one-third share of the total EU cherry production. Cherries are the main stone fruits cultivated in Poland. In 2013, total stone fruit production in Poland will increase as compared to the 2012 crop. Production of cherries (tart and sweet) is forecast at 225,000 MT, 3.9 percent higher the previous season. Industry projections are for sweet cherries output a little bit higher than for sour cherries (5 percent versus 4 percent).

Orchards were in a very good shape after this years' winter in Poland. There were no losses caused by frost like the last year. Weather conditions during flowering and fruit setting were good. The 2013 late spring resulted in delayed spring vegetation, but had not affected the fruit yields. In 2012 high prices of cherries and good profitability for farmers contributed to the increase in acreage of cherries and peaches. In 2013 the acreage of cherry orchards reached 46 thousands of hectares (34 thousand for sour and 12 thousand for sweet cherries). It also resulted in an increase of investments and better care of cherry orchards.

### **Italy**

Italy's MY 2013/14 cherry production is forecast to decrease by 7 percent mostly due to a long, cold, and rainy spring. Turi (Apulia), Vignola (Emilia-Romagna), Verona (Veneto), and Cuneo (Piedmont) are the main cherry producing areas.

### **Spain**

Spanish cherry production for MY 2013/14 is projected at 87,000 MT, so 11 percent below the previous year's level. This result is largely due to a 15 percent fall in production in the Aragón region, the second most important in the country responsible for over 20 percent of Spain's production, where winter and spring frosts caused lower cherry fruit growth and calibers. In the largest production region of Extremadura, accounting for over 35 percent of Spain's total, production is projected 11 percent lower from last year.

In Spain, cherry harvesting takes place from the end of April through mid-August. The dominant varieties are: *Napoleon*, which is sold fresh and used for jams; *Ambrunesa*, which is a late variety with a crispy consistency and sweet taste; and, *Burlat*, an early harvested variety bearing a thick fruit with red, strong, juicy and sweet pulp. Some new varieties include *Starking*, *Lapins*, *Summit*, *Vittoria*, *Van* (California), *Picota* and *Sandy*. The sour varieties include *Richmond*, *Montmorency*, and *Morello*.

### **Greece**

Greece's MY 2013/14 cherry season is forecast to be satisfactory, as the weather conditions during the blossoming have been good. Total production is projected at 60,000 MT Pella and Imathia are the main producing areas.

### **Hungary**

Cherries are the second largest crop fruit in Hungary after apples with production of over 24,500 MT projected for MY 2013/14, still a reduction of 25 percent from the previous campaign. Less than ten percent of the crop is sweet cherry while the majority is sour cherry. In the last fifteen years commercial production of sweet cherries decreased about 50 percent and sour cherry production has been stabilized. Production area in MY 2013/14 was lower than in the previous year as growers continued to grub up trees damaged by moniliosis in 2010 and dry weather in 2011-2012. The main production area of tart cherry, in North-East Hungary, was hit by early May frosts this year. As a result of short production, producer prices of tart cherry at the Budapest Large-scale Produce Market were HUF 414/kg [€ 1.6/kg] during the 28th week of 2013, 4 percent lower than the price of the same period of last year.

A special aspect of the fluctuation of cherry crop is the regulation of the status of seasonal laborers. Complicate social security and tax laws make it difficult to employ seasonal laborers from one week to the other. This is one of the reasons why orchards may be left un-harvested in seasons when prices are depressed.

### **Germany**

Total German production for MY 2013/14 is estimated at 38,600 MT of which sweet cherries comprise 24,400 MT and tart/sour cherries 14,200 MT. This is a 7 percent increase compared to MY 2012/13 and the third lowest production in the past ten years. Only MY2008/09 saw an even lower production. The main factors contributing to the below average production include a reduction in area (especially for tart cherries), frost and hail damage, and a lack of rain in spring.

While the German sweet cherry area decreased by 3% to 5,181 ha in 2012, the area for tart cherries fell by 20% from 2,855 ha in 2011 to 2,279 ha in 2012. The decline in area is a result of strong competition from other EU member states. According to German industry sources, other member states such as Hungary and Poland have lower production costs and are more competitive than German producers.

## **France**

After a disastrous crop in MY 2012/13, France's cherry crop in MY 2013/14 is almost back to average. The crop was however affected by rainfall and cold temperatures that persisted until late June, leading to a late harvest. Area planted to cherry trees continued to decline as old orchards are not systematically renewed. Producers blame the lack of new disease resistant varieties as well as the high production cost driven by high French labor cost for this decline. In the main producing regions (southern half of France), wet and cold weather conditions throughout the Spring negatively impacted the cherry crop with damp conditions leading to pest and fungal infestation, especially *Drosophila suzuki* and Moniliosis in several production areas. Hail storms in July also destroyed some orchards of late maturing cherries.

## **Bulgaria**

In Bulgaria the general prospects for the MY2013/14 published by the Ministry of Agriculture show sweet cherry production to be about 7 percent higher than in the previous year at 25,050 MT.

## **Portugal**

In Portugal, the picking of cherries started later this year and lasted until mid July. The projections of the Ministry of Agriculture point to stable production compared with last year with production close to 10,000 MT in MY 2013/14.

## **Consumption:**

Consumption of fresh cherries in the EU is estimated at close to 570MT in MY 2013/14, stable with the previous year, but in general decreasing little by little.

Sweet cherry is a seasonal fruit consumed as fresh and unprocessed. Sour cherry is utilized principally by the processing industry. The main sour cherry products are frozen fruits, juice concentrates and jams or marmalade. Over 50 percent of industrial sour cherry consumption in Poland is frozen with almost 80 percent of frozen cherry directed to the foreign markets. In countries such as Spain, Portugal or Italy, domestic consumption is almost exclusively for fresh use, with minor amounts bought by the brining and processing industry. Greek cherry production is mainly destined for the fresh market, with a small percentage processed into jams, spoon sweets, and the Vissinada, a traditional sour cherry concentrate.

In Germany, cherries are considered a seasonal product and stocked in supermarkets mainly during the German marketing season (July/August). This explains the lower per capita consumption of cherries (sweet cherries 0.3 kg). The use of tart cherries for processing is relatively stable and roughly amounts to 75-90 percent of German domestic production. The majority of tart cherries are used for canning (over 80 percent), while the remainder finds its way into juice production. Processing of sweet cherries is less than 50 percent and includes canning and distillation into spirits.

In France, the poor weather conditions impacted negatively the consumers demand, leading to lower prices. However, resumption of hot and sunny weather in July is likely to have re-boosted consumption above previous year, which was very low because of the small crop, higher prices and poor weather conditions and driven price up. Consumption in France is decreasing in the long term and is driven by

prices and weather conditions in May, June and July. With both high prices and poor weather, the MY 2012/13 French cherry consumption is expected to be the lowest in the last decade. Industry use has been stable for the recent years. The large majority of the imported sweet cherries are for fresh consumption and the majority of the imported tart cherries are processed.

In Hungary, average per capita fruit consumption is under the EU-28 average. The majority of cherries harvested are distributed into fresh domestic consumption, fresh exports and the utilization of processing industry. The sour cherry processing industry has a narrow choice of products made.

Besides, the handpicked cherry market could stabilize the commercial supply and appearance of the product during the last years in Hungary.

#### **Trade:**

The EU is a net importer of cherries and these are sourced mostly from Turkey, the world's leading cherry producer (Table 6). While the main destinations for the major EU producers are other member states, the most important external destinations are Russia, Switzerland and Belarus.

#### **Imports**

The EU imports of fresh cherries were valued at 209 million USD in MY 2012/13, a 19.5 percent increase from the previous year. According to the GTA the EU imported 5 MT of cherries from the United States in MY 2012/13 which means a growth of 47.8 percent. These were valued at 24.4 million US Dollars, a 22.4 percent growth from MY 2012/13.

France has a large trade deficit in cherries, the bulk of imports coming from EU-28 countries (mainly Germany and Spain). The United States is the third largest supplier of cherries to France, after Turkey and Chile. France imports U.S. Cherries in July, August and September when the domestic/EU supply weakens. Those cherries are imported fresh by air cargo and are often purchased by Restaurants.

German imports vary between 40,000 and 60,000 MT of cherries annually; the majority originates from other EU member states, mainly Austria, Italy and Spain for sweet cherries and Hungary, Poland, and the Czech Republic for tart cherries. The largest non-EU suppliers are Turkey for sweet cherries and Serbia for tart cherries. Despite the small German domestic harvest in MY 2013/14 imports are expected to remain stable compared with last year, as major supplying countries are also facing a lower production resulting from the cold weather in spring.

In MY 2012/13, Italy imported 7,187 MT of cherries, mainly from Spain (2,726 MT), Turkey (2,084 MT), and Germany (997 MT).

**Table 6. EU-28 Imports of Fresh Cherries (Sweet & Sour) by Origin in MT**

<b>Country of Origin</b>	<b>MY 2010/11</b>	<b>MY 2011/12</b>	<b>MY 2012/13</b>
Turkey	28,239	22,696	28,934
Serbia	3,848	5,472	5,368
Chile	4,979	5,750	4,995
United States	2,475	3,371	4,984
Canada	958	1,286	1,190
Argentina	1,116	903	838

Others	2,729	1,668	1,294
<b>Total Imports</b>	<b>43,228</b>	<b>41,146</b>	<b>47,603</b>

Source: GTA

## Exports

The EU exports of fresh cherries were valued at 72.8 million USD in MY 2012/13; an 8 percent increase from the previous year and 86 percent increase compared with MY 2010/2011. The main destinations for EU-28 cherries in MY 2012/13 were Russia, Switzerland and Belarus.

Polish exports of fresh cherries vary widely year to year. In MY 2012/13 fresh sweet and sour cherry fruit exports (including intra EU-28 trade) amounted to 17,000 MT, valued at USD 26.0 million (while in MY 2011/12 at USD 16.8 million). Russia was the main importer of Polish fresh cherries, capturing 50 percent share in volume, followed by Germany (29 percent). In MY 2013/14 exports of cherries is forecast to increase by 18% compared to the previous year. MY 2012/13 was a good year for the freezing industry and exporters as input demand exceeded supply of fruit. This was attributed to greater demand for frozen cherries from the United States. In MY 2012/13 frozen cherry exports reached 88,700 MT, valued at USD 158.6 million. Germany consumed one third of the frozen cherries Poland exported. For the first time in many years the United States became the second largest importer of Polish cherries at 16 percent of share in value and over 12 percent in quantity.

In MY 2012/13, Italy exported 9,953 MT of cherries, mainly to Germany (6,633 MT). Greece exported 9,890 MT of cherries, mainly to Germany (2,286 MT), Spain exported mainly to United Kingdom, France and Germany, and Portugal exported mainly to Spain, France and Finland.

Less than 10 percent of total German cherry supply is exported; 5,000 to 9,000 MT in recent years. Main destinations are other EU member states such as France, Austria, and the Netherlands. Largest destination outside of the EU is Switzerland. Germany is also the main destination for many EU Member States because of its large population and buying power.

Hungary is an exporter of sour cherries in Europe. The biggest export market for fresh cherries is Russia and Germany – Hungary's share of Germany's cherry imports is about 25percent. Frozen tart cherries are exported mainly to Germany. Exports of dried tart cherries are growing.

**Table 7. EU-28 Exports of Fresh Cherries (Sweet & Sour) by Destination in MT**

Country of Destination	MY 2010/11	MY 2011/12	MY 2012/13
Russia	14,856	22,847	21,867
Switzerland	2,407	2,927	2,832
Belarus	436	603	1,516
Moldova	478	1,154	1,465
Ukraine	136	953	702
Others	2,282	3,033	2,289

<b>Total Exports</b>	<b>20,595</b>	<b>31,517</b>	<b>30,671</b>
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Source: GTA

**Table 8. Production, Supply and Demand Data Statistics:**

Fresh Cherries,(Sweet&Sour) EU-28	2011		2012		2013	
	2011/2012		2012/2013		2013/2014	
	Market Year Begin: Jan 2011		Market Year Begin: Jan 2012		Market Year Begin: Jan 2013	
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post
		Data		Data		Data
Area Planted	178,145	178,700	177,370	177,922		178,500
Area Harvested	169,238	169,765	168,501	169,025		169,300
Bearing Trees	0	0	0	0		0
Non-Bearing Trees	0	0	0	0		0
Total Trees	0	0	0	0		0
Commercial Production	792,091	794,865	744,000	746,453		744,917
Non-Comm. Production	41,689	41,835	39,000	39,287		39,206
Production	833,780	836,700	783,000	785,740		784,123
Imports	39,707	41,146	40,000	47,603		47,000
Total Supply	873,487	877,846	823,000	833,343		831,123
Fresh Dom. Consump.	529,032	582,616	499,000	581,022		569,947
Exports	30,884	31,517	30,000	30,671		30,000
For Processing	313,571	263,713	294,000	221,650		231,176
Withdrawal From	0	0	0	0		0
Total Distribution	873,487	877,846	823,000	833,343		831,123

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## Policy:

### Common Market Organization (CMO)

The Common Market Organization (CMO) for fruit and vegetables was reformed in 2007, and the new arrangements were incorporated into the [Single CMO Regulation](#) (Council Regulation (EC) No 1234/2007) by [Council Regulation \(EC\) No 361/2008](#). Implementing rules for the fruit and vegetables sector are provided by [Commission Implementing Regulation \(EU\) 543/2011](#) as amended.

The fruit and vegetable market management scheme aims to:

- Create a more competitive and market-oriented sector

This is achieved through encouraging growers to join Producer Organizations (POs). POs are legal entities established by producers with the aim of marketing commodities including citrus fruit. The EU is of the view that grouping supply through POs strengthens the producers' position in the market in the face of increasing concentration of demand. Operational programs implemented by recognized POs are supported through an EU funding contribution. As a general rule, the EU financial assistance is limited to 50 percent of the total operational fund, but in specific cases it may be raised to 60 percent. The remainder of the funding is financed by the PO.

In regions where producers have not formed POs to a significant degree, national governments may provide national funding over and above the operational fund. This may, in some instances, be partially reimbursed by the EU.

Product quality is promoted through the application of marketing standards and supporting operational program measures that improve or maintain product quality. The ten specific marketing standards, one of which applying to citrus fruits, define "*sound, fair and (of) marketable quality*", and apply simplified and rationalized checking operations.

- Diminish crisis-related fluctuations in producers' income

To achieve this objective, EU funding is offered under the following operational programs:

- Product withdrawal (withdrawing products from the market and not putting them up for sale);
- Green harvesting (totally harvesting non-marketable (but not damaged) products before the normal harvest)/non-harvesting (not taking any commercial production from the cultivated area during the normal production cycle);
- Promotion/communication tools;
- Training;
- Harvest insurance (EU funding is available for harvest insurance managed by a PO to help safeguard members' incomes and cover market losses caused by natural disasters, climatic events, diseases or pest infestations);
- Assistance to secure bank loans, and support for administrative costs associated with setting up mutual funds.
- Encourage increased consumption of fruit and vegetables in the EU

An EU-wide voluntary School Fruit Scheme (SFS), aiming to encourage good eating habits in young people, provides school children with fruit and vegetables. Besides providing fruit and vegetables the scheme requires participating Member States to set up strategies including educational and awareness-raising initiatives.

In March, 2013, the Commission adopted its [Implementing Decision](#) fixing EU fund allocation for the

distribution of fruit and vegetables in schools under the SFS for the 2013/2014 school year. Twenty four Member States (plus Croatia on accession) have decided to participate in the program for the coming year with only Sweden, Finland and the UK opting out. Out of the Euro 89 million EU funds available, the main beneficiaries of the scheme in 2013/2014 will be Italy (Euro 20.5 million), Poland (Euro 13.6 million), Germany (Euro 12 million), Romania (Euro 4.9 million), France (Euro 4.7 million), Hungary (Euro 4.5 million), Spain (Euro 4.4 million), and the Czech Republic (Euro 4.2 million). The scheme is co-financed, meaning that EU funds must be matched by national contributions.

EU funding is available for growers who withdraw produce from the market within the framework of crisis management (see b) above). The most generous funding is for free distribution of fruit and vegetables to:

- Recognized charitable bodies and foundations to help the disadvantaged;
- Penal institutions, schools/public education institutions, children's holiday camps, hospitals, and old people's homes.
- The EU funds 100 percent of free distribution for quantities up to 5 percent of the PO's total marketed volume.
- 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. More specifically, the environmental actions must go beyond:

- Cross-compliance requirements;
- Minimum national legal requirements for fertilizer and plant protection product use;
- Other relevant national legal requirements.

Member States with recognized POs must draw up a National Framework for Environmental Actions (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.

### **Certification of Fruit Shipments**

Phytosanitary certificates issued by APHIS are required to accompany fruit and vegetable 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 plant and plant product pests and to prevent their spread.

[Council Directive 2000/29/EC](#) provides for compulsory plant health checks. These include documentary, identity, and physical plant health checks to verify compliance with EU import requirements. [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 updated June 29, 2011.

### **Maximum Residue Level 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.

Details may be found in the Commission's DG Health and Consumers' [EU MRL database](#) for the EU, and USDA's [International MRL database](#) for MRLs worldwide.

### **Tariffs**

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 of the GATT. This system provides a high level of protection to EU producers. Fruit 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.

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

Tariff levels to be applied from January 1, 2013 onwards are published in Commission Implementing [Regulation 927/2012](#). Tariffs for Edible Fruit are detailed from page 94.

### **Trade Shows**

Trade shows in Europe offer excellent opportunities for U.S. exporters to meet potential clients or business partners from EU countries and other continents. The most important trade shows related to the fruit and vegetable sectors are:

Fruit Logistica  
Berlin, Germany  
Frequency: Every year  
Web: <http://www.fruitlogistica.de>

Fruit Logistica is one of the most important trade shows for fresh and dried fruits in Europe. The next show will take place on July 5, 2014. More than 2,400 companies from across the entire fresh produce value chain will participate, including major global players as well as small and medium-sized suppliers from around the world.

Bio Fach  
Nuremberg, Germany  
Frequency: Every year

Web: <http://www.biofach.de>

Bio Fach is one of the most important trade shows for organic products in Europe. The next show will take place on February 12-15, 2014.

#### Other Related Reports from FAS EU Offices

Report number	Title	Date released
<a href="#">SP1227</a>	EU-27 – Stone Fruit Annual 2012	08/08/2012
<a href="#">PL1214</a>	Challenging Year for Stone Fruit Production in Poland	07/11/2012
<a href="#">IT1230</a>	Italy Stone Fruit Annual 2012	09/05/2012
<a href="#">GR1213</a>	Greece Stone Fruit Annual 2012	09/14/2012
<a href="#">GM13008</a>	German Fruit Tree Census	02/08/2011
<a href="#">E70047</a>	EU-27 FAIRS Export Certificate Report	12/28/2012
<a href="#">E70048</a>	EU-27 FAIRS Narrative	12/27/2012