



The apple and pear markets in Hungary

F&V MO – Pip Fruits, Brussels 05-11-2024

Current state, visible changes

Hungary's total apple growing area is approximately 20,000 hectares.

- Almost half of them are 20 years old or older.
- About 5000 hectares of medium condition (*central axis shape, MM106, M26 subjects, 4 m x 1,5 m*)
- 5000 hectares of intensive production area (*super spindle or 2D shape, M9 and new subjects, 2-3,5 m x 0,8-1,5 m*)
→ *continuous development in the last 10 years*

Reasons for development:

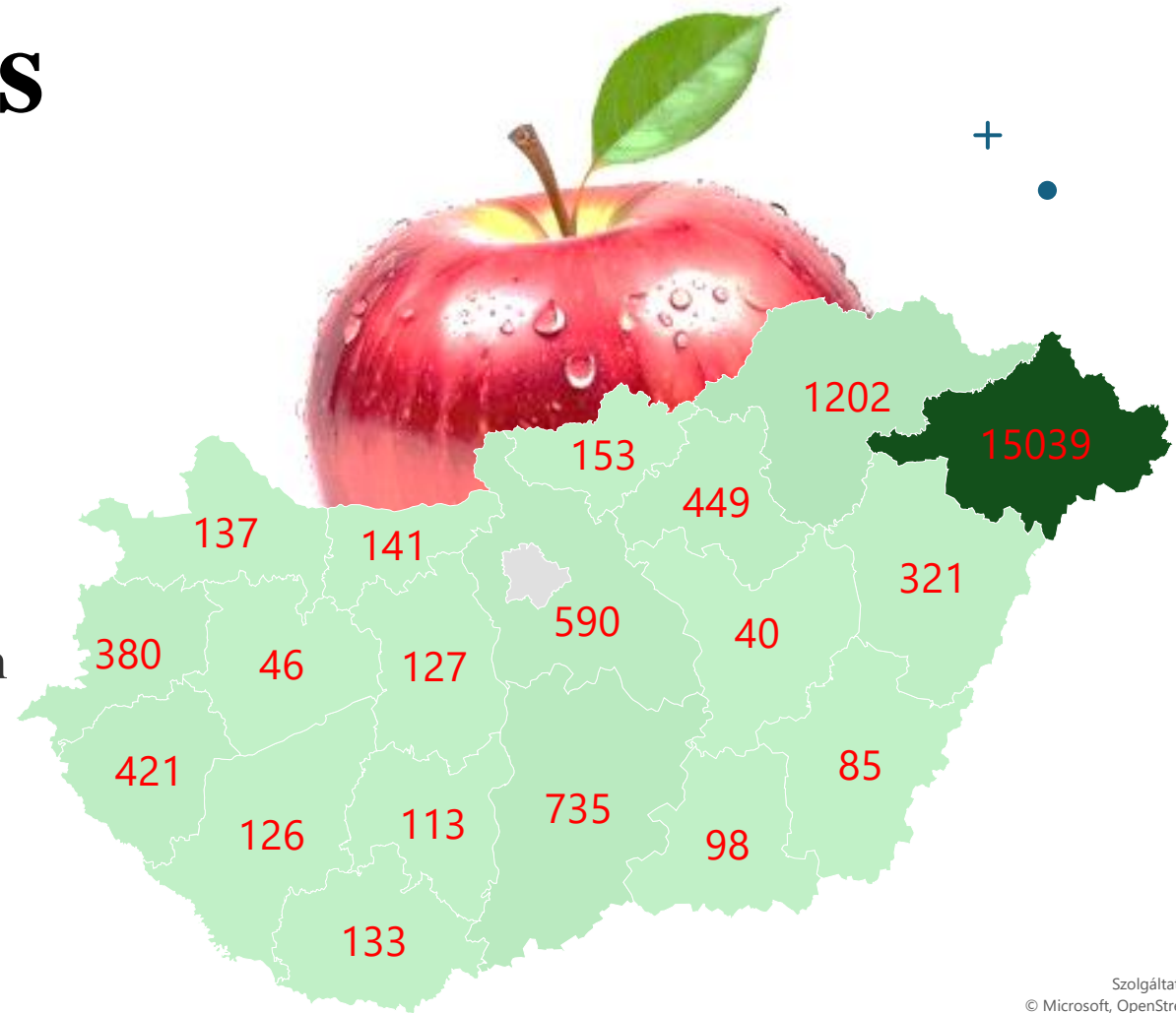
- mechanization due to labor shortage
- due to market, the goal is: better plantation structure, better light supply, higher quality, higher average yield
- for the prevention of weather and plant protection problems, as well as for crop safety: plantation modernization, irrigation development



Source: FruitVeb, 70s in Hungary

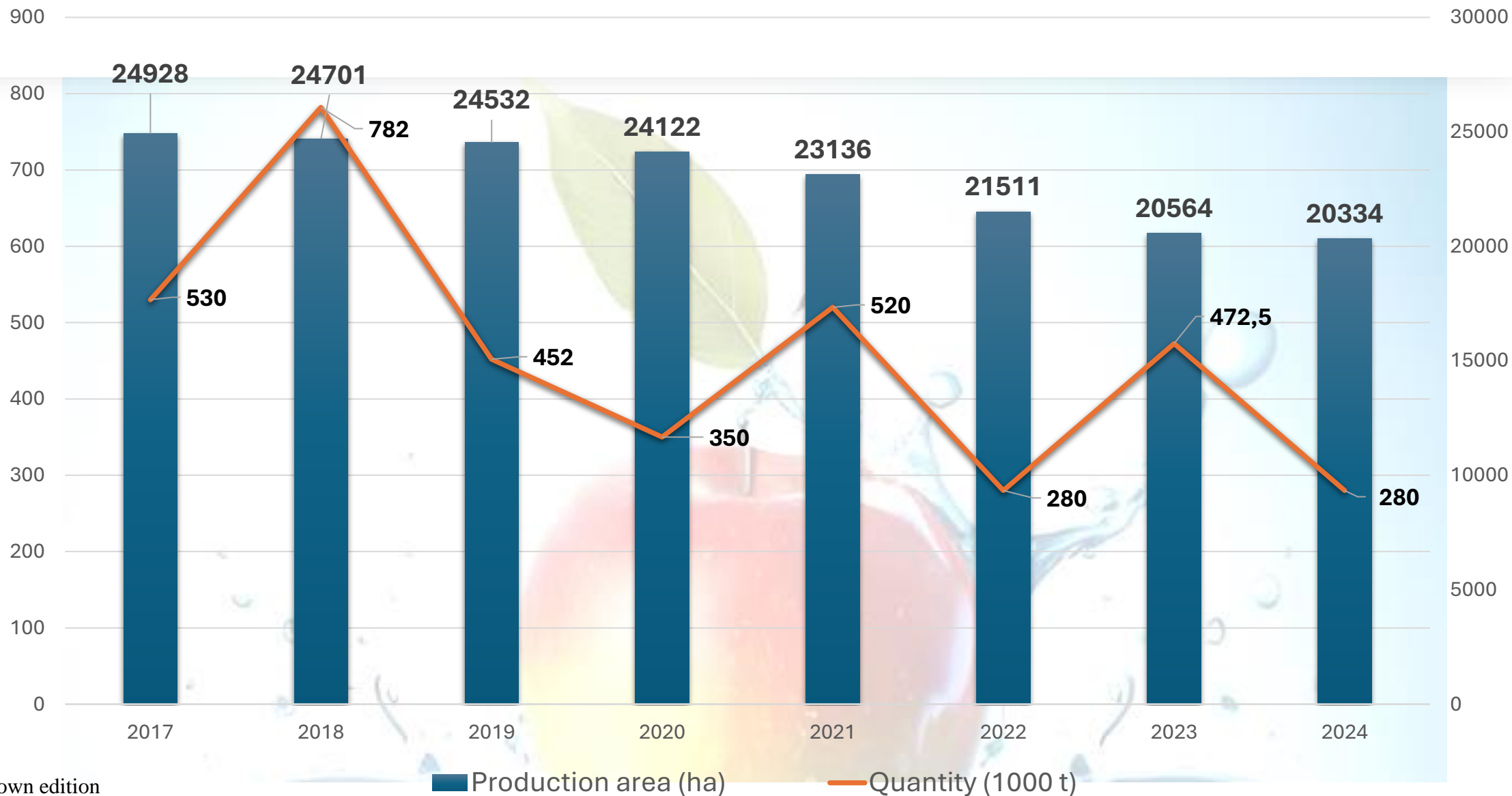
Year 2024 in numbers

- 20.344 ha (apple)
- 4.513 Growers → small farms
- The most significant area is the eastern part of the country, Szabolcs' county (15.039 ha)
- Low yield (similar to 2022)
- 270-300 t. tons of yield (60% of last year, less than need)
 - 70 tons of fresh apples (low prec.)
 - only 20% of fresh apples receive SmartFresh treatment (postharvest)
 - 220 tons of industrial apples



Source: TERA, own edition

Apple data 2017-2024 in HU



What happened in 2024?



The number of frosty days is decreasing (meteorological data)



BUT! → the flowering period was moved forward by almost 1 month



March-April: significant frost damage during flowering



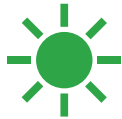
After flowering, there is a rainy, low-light period → bad crop connection



Spring drought (soil and atmospheric) also worsened fertility



May-June: rainy weather: risk of infection



Summer: heat wave, high UV radiation: "apples are fried on the tree" → crop loss



Harvest ended a month earlier → less quantity → smaller fruit size



Frost and hail damages

Over the past 6 years, the number of damage-causing ice detections in Europe has tripled

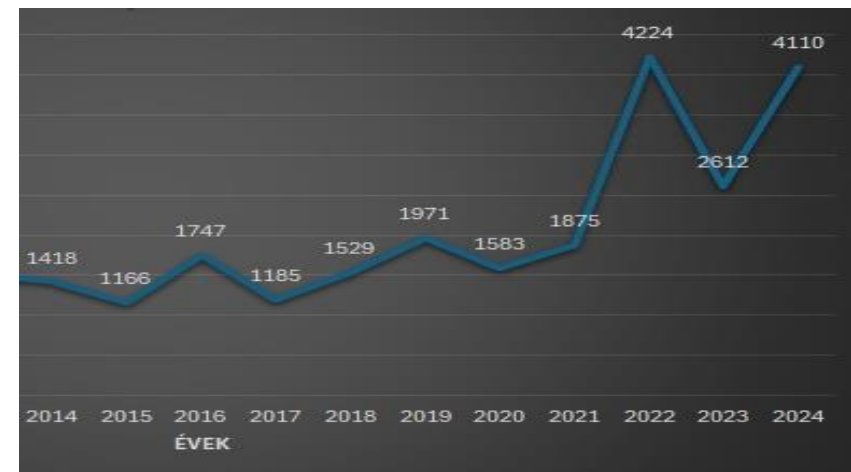
The number of notifications increased: in neighboring countries by 140%, in Hungary by 55%.

It can be seen that the nationwide ice damage mitigation system functions well, but is not effective against supercells (their number is increasing).

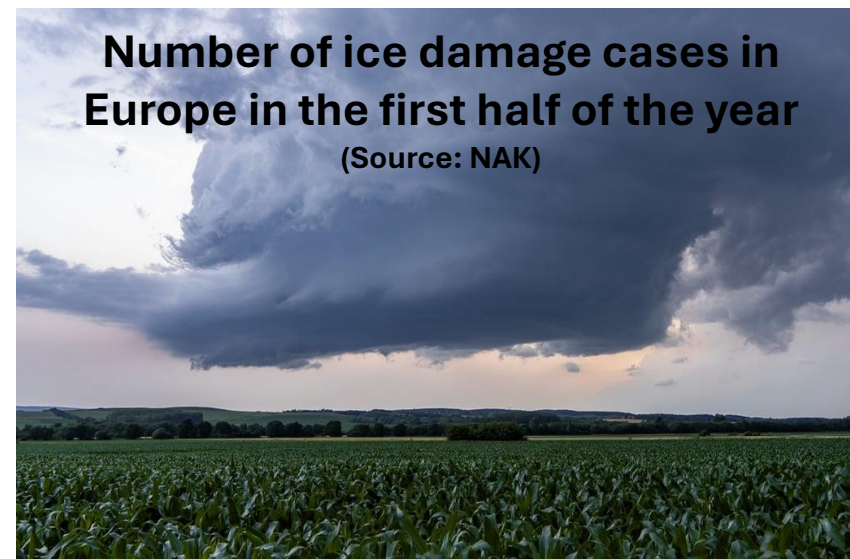
In 2024, 20.130 ha of frost damage were reported in Hungary, of which

7.200 ha of apple frost damage were reported (36 %). → The spring frost is 86% of this.

Solution: subsidies for prevention, increasing the damage mitigation fund (EU and national)



Number of ice damage cases in Europe in the first half of the year
(Source: NAK)



CAP Support in Hungary (2023-27)

Coupled support about 450-600 EUR/hektar/grower/year

Call for proposals (intensity rate 65-85 %)

- planting, irrigation and protection systems (allocation 24 mrd HUF)
- development of storage facilities, energy investments, modernizations, post harvest (allocation: 50 mrd HUF)
- development of small factories (with 5-10.000 standard output), support to help small producers catch up (allocation: 24,9 mrd HUF)

CAP support - HU ('23-27) /HCA calculation

Alap jövedelemtámogatás

/Basic income support

Fiatalközü gazda kiegészítő jövedelemtámogatás

/Young farmers additional support

Újraosztó támogatás (redistributív)

/Redistributive support

Agro ökológiai program (AÖP)

Ültetvények/plantation subsidy (organic, optional)

Hektár

Forint

Euró

3

171 839

441

3

183 840

471

3

93 480

240

0

0

0

3

94 473

242

Termeléshez kötött támogatások / Coupled direct aid schemes

Növénytermesztés /plant production aid

Hektár

Forint

Euró

Extenzív gyümölcsültetvény felhasználás támogatás

1

62 121

159

Intenzív gyümölcsültetvény felhasználás támogatás

2

290 940

746

Összesen

Forint

Euró

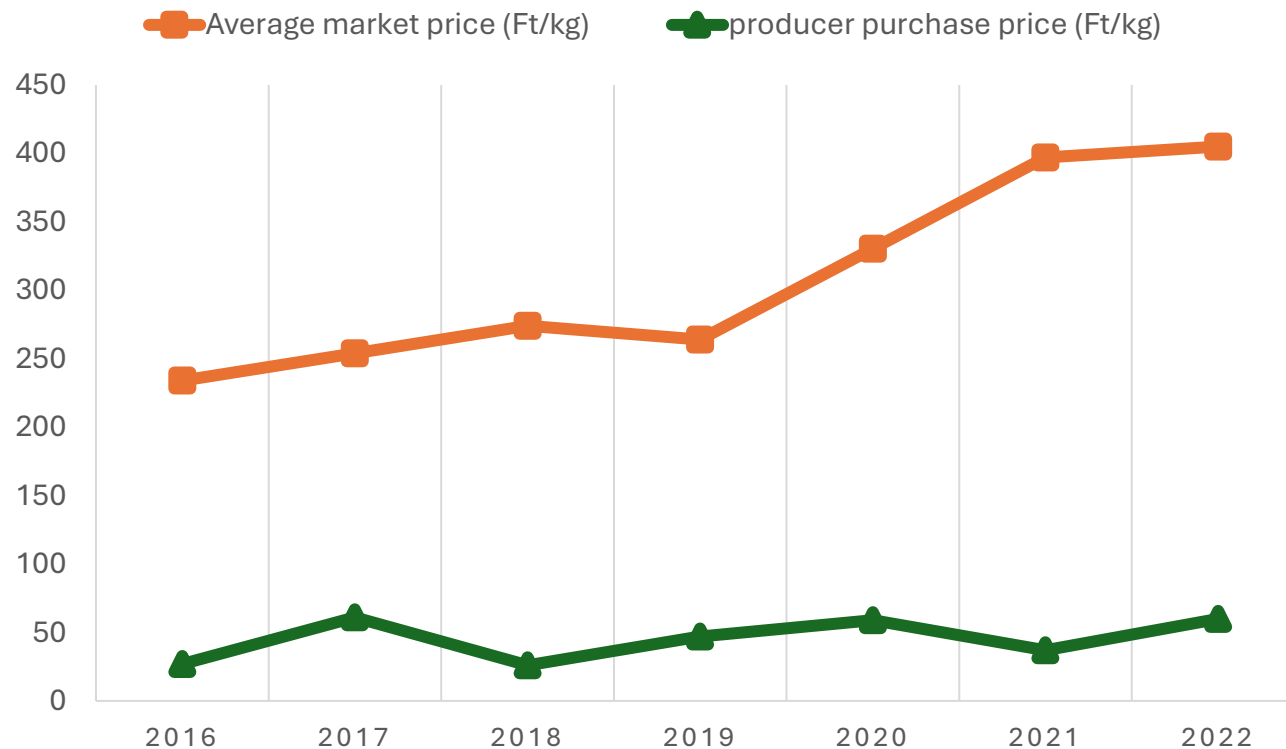
<https://www.nak.hu/kap2023#>

896 695

2 302

Producer and Consumer prices

APPLE PRICES (HUF/KG, KSH)



The price of apples is increasing, but there is a spectacular **difference between the producer and market average price of apples.**

In 2024:

Producer prices: 80-100 HUF/kg

→ production costs: 75 - 120 HUF/kg

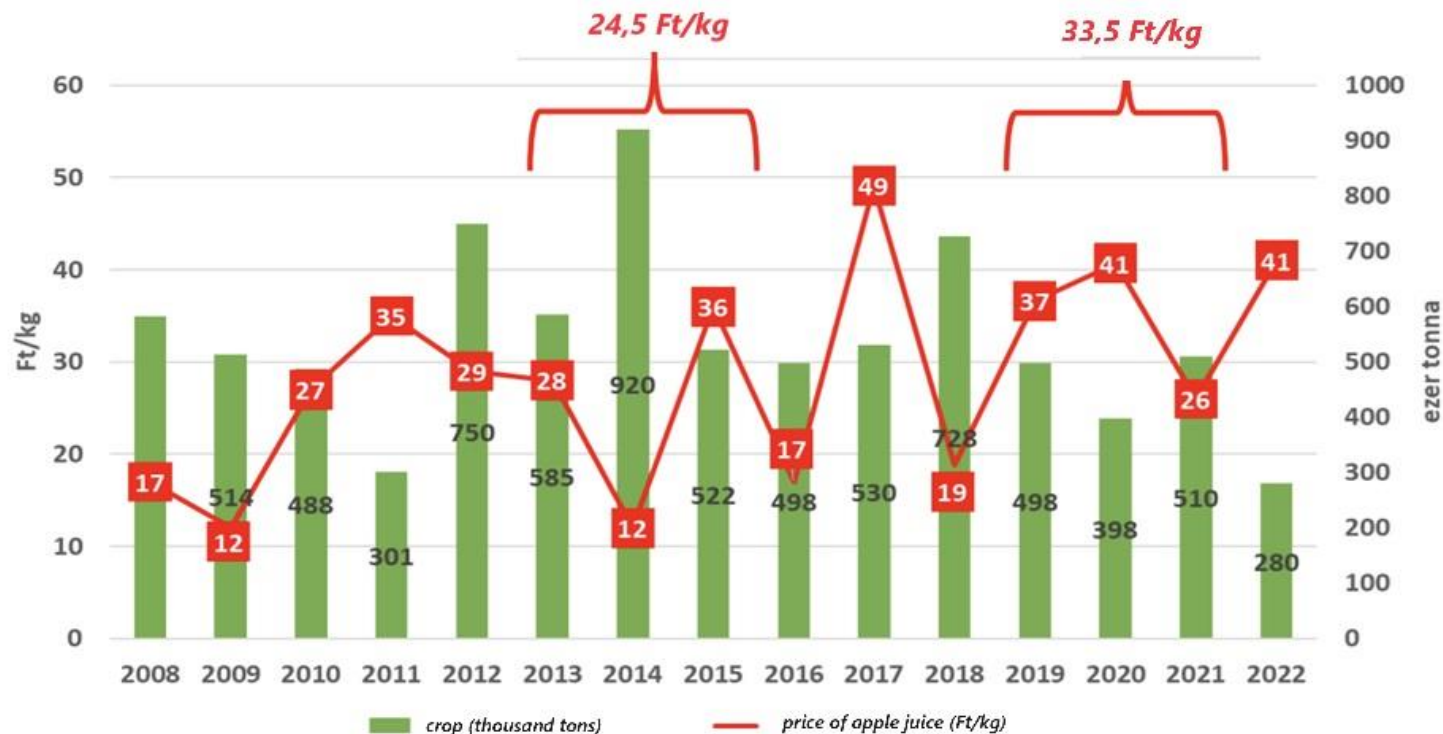
Consumer prices: 550-600 HUF/kg

Disorganization and the lack of a single market can be seen in sales

The purchase of apples:

The agreement must be concluded in writing due to legislation

- over 200 tons, until August 1, fixed price
- predictability, transparency
- is checked by the authority, in case of deviation a serious fine is imposed
- 2024: „good prices”:
 - 81-82 HUF/kg



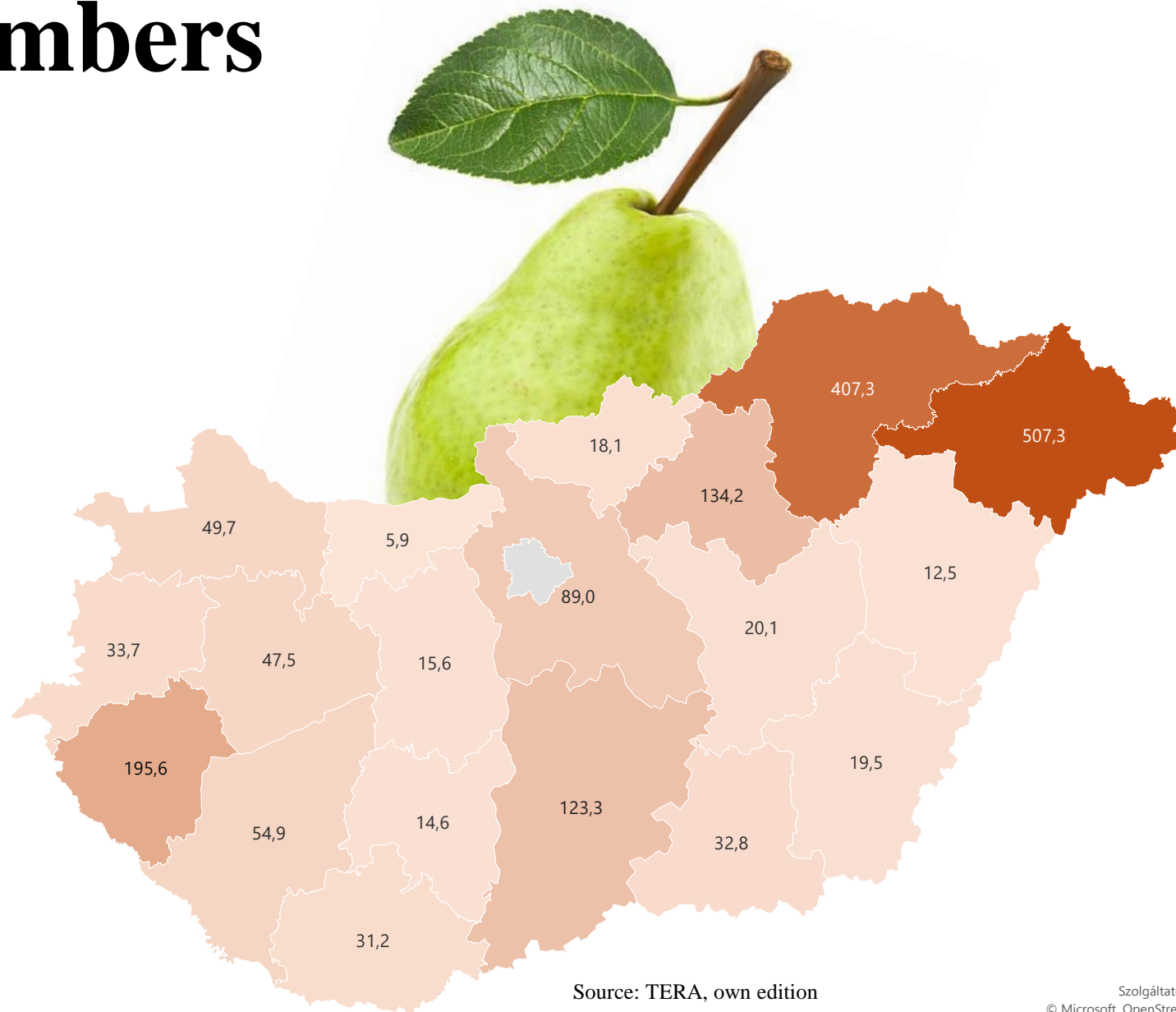
If we look at the average price of the last few years (33,5 HUF/kg) and calculate the production costs for different cultivation areas, the deficit is clearly visible.

Produciton level (industrial apple)	Low	Medium	High
Average yield (t/ha)	10	20	35-40
Production cost (HUF/kg)	53,3	43,3	38,4

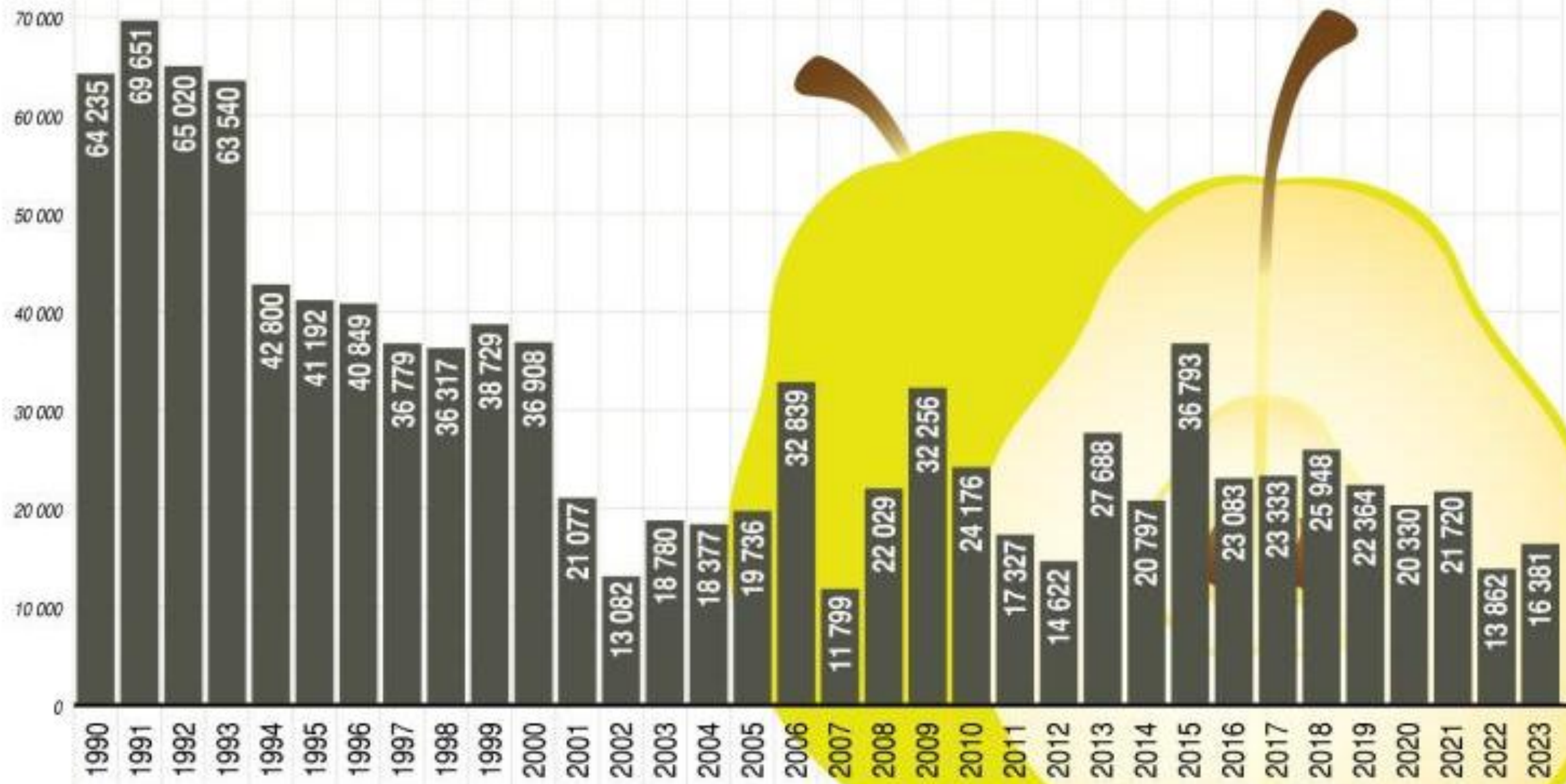
Data: FruitVeB and own edition

Year 2024 in numbers

- 1.813 ha (pear) → decreases (2015: 2879 ha)
- Traditional varieties: Vilmos, Bosc Kobak, Packham's Triumph, Conference, ect.
- Yield: 15-30,000 tons/year → The lowest yield in 10 years this year
- Typically industrial processing
- Import: 6-8,000 tons/year
- Export (if any): 100-800 tons/year
- In connection with the weather: Phytosanitary problems (*Psylla pyrisuga*, plant protection product withdrawal)



Source: TERA, own edition



Production level indicator

Domestic average

PERIOD	1985-1988	1995-1998	2001-2004	2010-2013	2017-2020
APPLE	70%	39%	35%	37%	36%
PEAR	96%	72%	61%	41%	41%

Compared to the top 5 countries internationally

PERIOD	1985-1988	1995-1998	2001-2004	2010-2013	2017-2020
APPLE	64%	29%	28%	32%	45%
PEAR	57%	28%	27%	23%	28%

Source: FruitVeb

Consumption habits - own processing



Increased
processing level



better
profitability



Conclusion



Sectoral problems in summary:

- old, outdated plantations: market reorganization
- small farms: there is no uniform commodity base
- weather damage
- high production costs
- lack of integrated cold storage capacity (compelled to sell)

Development suggestions:

- plantation modernization → higher yield, better return
- integration of producers (joint expert advice, procurement of raw materials, sales)
- development of modern storage and packaging plants (regional)
- market research, market acquisition
- development of sector development support systems (EU and national).

Conclusion:

- There is a market. There is a market demand.
- We have to find our place and our role in it.



Thank you for your
attention!