EUROPEAN COMMISSION
DIRECTORATE-GENERAL FOR AGRICULTURE AND RURAL DEVELOPMENT

Directorate G. Markets and Observatories
G.2. Wine, spirits and horticultural products

Brussels,
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MINUTES

***Meeting of the* WORKING GROUP ON "PEACHES AND NECTARINES" OF THE CIVIL DIALOGUE GROUP ON "HORTICULTURE, OLIVES AND SPIRITS"**

Date: 29 May 2018

Chair: Mr Jesus GONZALEZ GARCIA (AGRI-G-2)

Organisations present: All Organisations were present.

1. Approval of the agenda (and of the minutes of previous meeting[1])

2. Nature of the meeting

The meeting was non-public.

3. List of points discussed

Europêch forecast for the 2018 campaign

The EU harvest of peaches and nectarines (clingstone peaches not included) is expected to reach 2.83 million tonnes in 2018, i.e. -11% compared with 2017 and -4% with respect to the average 2012-16. Significant decreases in the production of different stone fruit are forecasted: -8% peaches, -12% flat peaches, -13% nectarines, compared with 2017.

With respect to 2017, lower production volumes are expected in the main producer Member States: 1.20 million tonnes in Spain (-14%), 1.07 million tonnes in Italy (-16%), and 0.21 million tonnes in France (-10%). However, the production will increase in Greece up to 0.36 million tonnes (+20%).

The weather conditions will have an impact on the development of the 2018' campaign. Cold spells in February and March damaged the blossoming of early varieties. Early crops were affected in terms of lower volumes and delayed harvest.

[1] If not adopted by written procedure (CIRCABC)

Concerning peaches for processing, a good harvest is expected in Greece. There is an increasing shift from table fruit to processing in this Member State. The reason is the ongoing difficulties to export fresh fruit as a result of the Russian embargo.

Recent market developments in the EU

The Italian production of peaches and nectarines in 2017 was exceptionally good and bigger than in 2016. This was mainly due to the abundant harvest in Southern regions, which benefitted from very favourable weather conditions while the production area remained stable. In the Northern regions, however, the situation was mixed. The decrease in the production area coupled with lower yields resulted in reduced production volumes.

Despite the good 2017 harvest, Italian production has followed a downward trend in the last years. In this vein, the production area decreased by 25% during the period 2008-2017. Consumption has slightly increased in that period but is insufficient to absorb excessive supplies. Total exports have decreased dramatically, i.e. from 345 000 tonnes in 2012 to 222 000 tonnes in 2017. The EU market is the main destination of Italian exports, i.e. 94% of total exports.

Spain has undergone a significant reduction in new plantations of peaches and apricots since 2014. However, the possible effect on balancing the market will take some time. The production areas of peaches and nectarines have decreased since 2015 but yields have increased significantly, in particular in Aragon and Catalonia.

The Spanish campaign runs continuously from mid-May to mid-October. Exports in 2017 were conditioned by the prevailing low prices, which prompted producers to sell off their surplus. Most Spanish exports are intended for the EU market, i.e. 95%. Consumption decreased by 22% during the period 2010-2017, and currently amounts to only 3.6 kg per person per year. Productivity has prevailed over quality and this has affected consumption.

Possible measures to improve the situation concern production (grubbing-up, promotion of quality, R&D), organisation of the sector (bigger associations, setting up of transnational associations of producer organisations), consumption and promotion (promotion of early consumption, tourism, research, 4th range products), and trade (speed up export administrative procedures, find new markets, develop varieties adapted to export).

Market situation for fresh and processed products

The reliability of recent forecast figures was discussed. In 2017 there was a significant difference between forecast and harvest in Spain, i.e. 1.2 and 1.4 million tonnes, respectively. The disparity was particularly striking in Catalonia, with 393 000 tonnes forecasted and 542 000 tonnes harvested.

Some experts considered that the yields used to make forecasts in certain regions of Spain were too low and should be updated. Other suggested that there could be some interest in moderating forecast figures for commercial reasons. The chair stressed that the working group should provide reliable market information, otherwise it would be seriously questioned.

The group also discussed whether there was structural overproduction in the EU. Some opinions denied overproduction and justified the 2017' market crisis on grounds of exceptional weather conditions that boosted production. The Russian embargo and the lack of alternative export markets were mentioned as well. However, other experts recognised that the sector had a structural problem.

Product quality has a considerable influence on the market. The selection of varieties was oriented towards productivity instead of quality. In addition, retailers demand unripe fruit due to the perishability of the product. The 2017' harvest was abundant but sizes were small. As regards consumption, it is stagnating or even decreasing in major producer Member States. Competition from other summer fruit comes into play as well.

State of play of fruit and vegetable consumption in the EU

Consumption in the EU has declined in the last years and currently stands below the recommendations of the World Health Organisation of 400 gr per person per day. The low consumption has a negative impact on human health, in particular on cardiovascular diseases, cancer and diabetes. A thematic network gathering different stakeholders has been launched to stimulate consumption. It will develop a joint statement on best practices and will act as a platform for sharing information to increase consumption.

4. Conclusions/recommendations/opinions

5. Next steps

6. Next meeting

The next meeting is scheduled for spring 2019 (date to be confirmed).

7. List of participants - Annex

e-signed
João Onofre
Head of Unit

List of participants– Minutes

Meeting of the WORKING GROUP ON "PEACHES AND NECTARINES" OF THE CIVIL DIALOGUE GROUP ON "HORTICULTURE, OLIVES AND SPIRITS"

Date: 29 May 2018

	MEMBER ORGANISATION	NAME OF REPRESENTATIVES
1	COPA	D. BORDA LLOBET
2	COPA	J. CORBALAN
3	COPA	D. DEJONCKHEERE
4	COPA	G. FERRI
5	COPA	J. MARINAC
6	COPA	S. VAZQUEZ HERRERA
7	COPA	L. TRENTINI
8	Eucofel	A. RIDAO
9	Eucofel	A. SANCHEZ CASTRO
10	FoodDrinkEurope	O. APOSTOLOU
11	FoodDrinkEurope	A. RUTSAERT
12	SACAR	P. BINARD
13	SACAR	T. BOSI
14	SACAR	D. PATTE
15	SACAR	M. SIMON BARBERO
	TOTAL	15