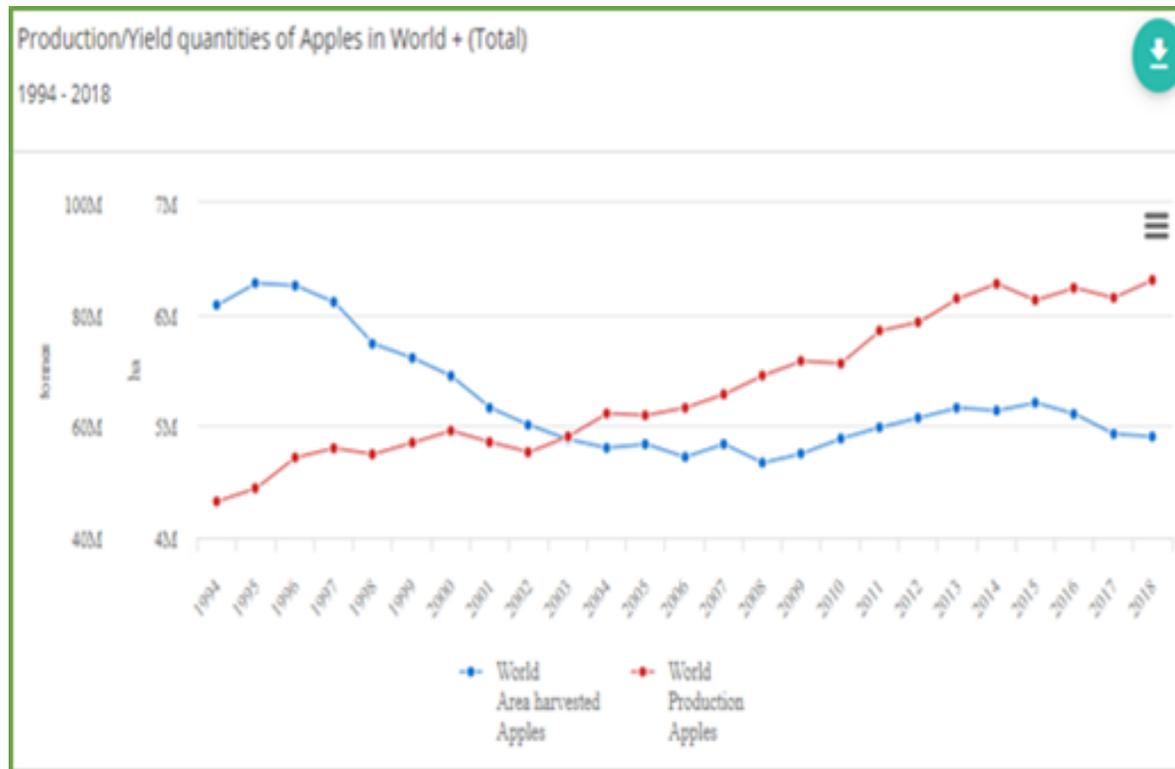


*European perspective on the evolving apples
international production and trade*

Philippe Binard
Market Observatory, 20 May 2021

World apples production trends



Source FAOSTAT

Apples in perspective

- Losing share in the total fruit basket with other fruit development (kiwifruit, subtropical...)
- Global growth of production on-going, driven by China and East Europe/Central Asia
- Consolidation in EU and China, slight increase in North America and stronger in Central Asia and East Europe and decline in Southern Hemisphere
- Need to cope with new production challenges: climatic conditions, access to plant protection products, emerging pests and disease link to climate change
- Secure new trade & consumption for balance market, as consumption is under pressure on internal competition with other fruit and also with heavily branded agrifood. Opportunities arising from Farm to Fork, from International Year Fruit and Vegetables,.....
- WAPA looking at relaunching the “ World Apples Report” of Belrose

Source: WAPA

x 1000 tons

Variety	2012	2013	2014	2015	2016	2017	2018	2019	2020	F2021	(1)	(2)
Braeburn	209	165	135	142	126	119	122	104	71	76	7	-23
Cripps pink	339	364	362	429	396	385	408	398	389	401	3	1
Fuji	708	672	749	700	636	941	676	774	610	719	18	5
Gala	1.835	1.845	1.796	1.984	1.746	1.968	2.096	1.931	1.853	1.939	5	-1
Golden Delicious	210	232	159	232	224	234	215	206	215	228	6	8
Granny Smith	663	650	582	579	534	507	476	465	490	498	2	4
Red Delicious	902	819	770	810	824	669	664	642	619	658	6	3
Others	547	585	572	523	492	477	507	514	572	570	0	7
Total:	5.412	5.331	5.126	5.400	4.977	5.300	5.165	5.035	4.818	5.090	6	2

Apples *x 1000 tons*

Country	2012	2013	2014	2015	2016	2017	2018	2019	2020	F2021	(1)	(2)
Argentina	840	776	744	760	774	545	557	550	614	617	0	8
Australia	293	289	275	309	301	306	292	288	220	271	23	2
Brazil	1.184	1.063	1.165	1.145	826	1.329	1.094	1.101	939	1.130	20	8
Chile	1.806	1.746	1.670	1.708	1.635	1.675	1.761	1.665	1.515	1.512	0	-8
New Zealand	476	550	478	554	539	506	576	554	575	547	-5	-4
South Africa	813	907	794	924	902	940	884	878	955	1.013	6	12
Total	5.412	5.331	5.126	5.400	4.977	5.300	5.165	5.035	4.818	5.090	6	2

Production

Southern Hemisphere production 2021:

- 6% up despite New Zealand crop down (even further - down by 10-15% due to hail after forecast)
- Gala: largest varieties up by 5% getting close to 2 Mio T. Braeburn down by 23% (NZ impact)

COVID impact 2021

- Sector operating almost normally but
 - Some countries affected by scarcity of pickers
 - logistics (containers) impacting in particular shipment to Middle East and Asia

Export trade Southern Hemisphere apples

Trade : international contexts

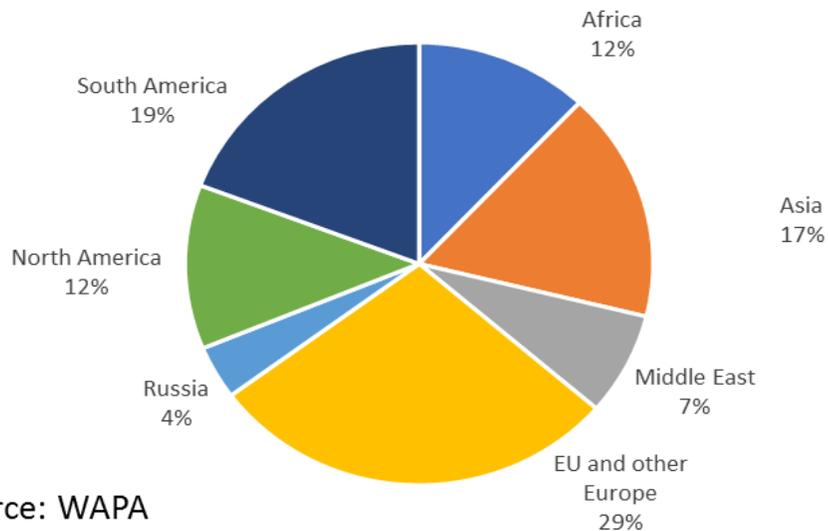
Country (MT)	2017	2018	2019	2020	F2021	(1)	(2)
Argentina	90,300	102.100	111.000	103.766	115.000	11%	9%
Australia	4.625	4.220	5.812	2.261	3.453	53%	-16%
Brazil	55.437	71.000	57.000	62.000	113.000	82%	78%
Chile	659.573	774.710	732.556	652.163	650.773	0%	-10%
New Zealand	338.921	372.373	391.597	399.581	372.226	-7%	-4%
South Africa	417.794	393.148	412.600	458.920	476.110	4%	13%
Total	1.566.650	1.717.551	1.710.565	1.678.691	1.730.552	3%	2%

Southern Hemisphere export

- to EU :declining trends from 500.000 T to 350.000 T
- to other destinations: diversification to Asia

EU export to Southern Hemisphere:

- Around 25.000 T , almost exclusively to Brazil
- Absence of protocols to other destinations



Source: WAPA

Source Eurostat, COMTRADE and Freshfel Europe

Production

Ukraine

x 1000 tons

Variety	2011	2012	2013	2014	2015	2016	2017	2018	2019	F2020	(1)	(2)
Gala	38	45	61	54	60	99	91	69	54	57	6	-20
Golden Delicious	258	304	254	227	251	431	379	296	233	246	6	-19
Idared	181	214	133	119	132	217	198	144	113	119	6	-21
Jonagold	57	68	133	119	132	217	198	176	140	147	6	-14
Shampion	29	34	36	32	36	58	53	55	43	45	6	-10
Other	391	462	593	530	586	96	88	717	568	600	6	31
Total Ukraine	954	1,127	1,211	1,082	1,196	1,117	1,007	1,458	1,151	1,215	6	1

Moldova

x 1000 tons

Variety	2011	2012	2013	2014	2015	2016	2017	2018	2019	F2020	(1)	(2)
Braeburn							6	12	11	10	-13	-2
Fuji							12	11	10	8	-13	-22
Gala						24	45	68	66	58	-13	-4
Gloster							9	12	11	10	-13	-10
Golden Delicious						74	73	103	99	86	-13	-6
Granny Smith							12	23	21	19	-13	-1
Idared						110	103	134	124	118	-5	-2
Jonagold							14	20	18	16	-13	-10
Jonagored							10	13	12	11	-13	-9
Jonathan							4	6	5	5	-13	-10
Pinova							10	14	13	11	-13	-9
Red Delicious							16	27	25	22	-13	-5
Shampion						16	15	20	20	17	-13	-6
Spartan							3	4	4	3	-13	-9
Other	269	282	260	420	250	189	154	198	170	137	-19	-21
Total Moldova	269	282	260	420	250	412	487	665	610	530	-13	-10

Trade

Growth

- Ukraine: 20% last decade but towards stabilization now
- Moldova: 100% last decade but towards stabilization now

Trade

- Ukraine: Export 40.000 T (Belarus, EU)
- Moldova: Export of up to 200.000 T, mainly Russia, though growing market access issues

EU trade:

- Ukraine: 25 to 40.000 T (PL and some volume from IT)
- Moldova: 1 to 2.000 T (PL)

Source: WAPA –Prognosfruit

Source Eurostat, COMTRADE and Freshfel Europe

Production

Serbia

x 1000 tons

Variety	2011	2012	2013	2014	2015	2016	2017	2018	2019	F2020	(1)	(2)
Boskoop								3	4	3	-4	
Braeburn								1	2	2	24	
Cripps Pink								0	0	0	0	
Fuji								3	5	6	11	
Gala								6	7	30	319	
Golden Delicious					88	98	98	65	70	75	7	-4
Granny Smith					53	59	59	55	58	60	3	4
Idared					175	197	197	190	190	180	-5	-6
Jonagold								22	25	25	0	
Red Delicious								36	39	40	3	
Red Jonaprince								2	4	4	14	
Shampion								4	5	4	-12	
Other new Varieties								11	15	19	28	
Other	266	179	332	317	41	46	46	62	76	82	8	34
Total Serbia	266	179	332	317	356	400	400	460	500	531	6	17

North Macedonia : growing and currently around 180.000 T , Bosnia Herz 70.000 T

Source: WAPA –Prognosfruit

Trade

Export from Balkans

- Serbia: 250.000 T to mainly to Russia but diversification to Middle East, India , Malaysia and Thailand
- Bosnia Herz: 15.000 T to Russia
- North Macedonia: main destination EU (55.000 T)

EU apples export to Balkans

- North Macedonia: 55.000 T
- Serbia: 35.000 T
- Albania: 8.000 T
- Bosnia Herz: 4.000 T

Source Eurostat, COMTRADE and Freshfel Europe

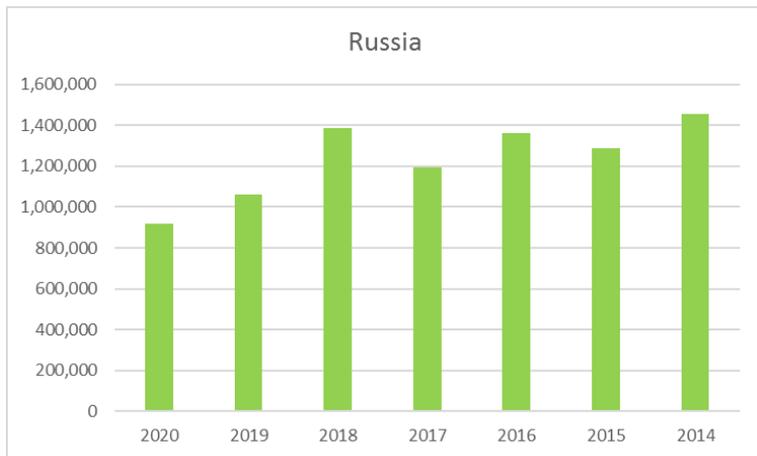
Production

Russia

x 1000 tons

Variety	2011	2012	2013	2014	2015	2016	2017	2018	2019	F2020	(1)	(2)
Gala	83	101	118	132	137	139	88	104	80	74	-8	-19
Golden Delicious	104	126	147	165	171	174	110	130	100	92	-8	-19
Idared	124	151	176	198	205	208	132	156	120	110	-8	-19
Stayman	31	38	44	49	51	52	33	39	30	28	-8	-19
Other	694	843	985	1,103	1,144	1,163	737	871	670	616	-8	-19
Total Russia	1,036	1,258	1,470	1,647	1,707	1,736	1,100	1,300	1,000	920	-8	-19

Source: WAPA –Prognosfruit



Trade

Russia: production

- Downward trends (climate, lack of efficiency in orchards ,..)

Trade apples (and pears): - 20%

- Import Supply from Serbia, Moldova, Central Asia, and now also Turkey and Iran developing
- EU exports : lost of the largest markets : 800.000 T, no easy substitution for EU export . EU bearing 5 billion € out of 7,5 billion € of RU counter sanction. F&V bearing 50% of EU burden, and apples ca 50% of F&V burden. EU compensation was minimal “exceptional measures”

Product label	2015	2016	2017	2018	2019	2020	% Change
	Imported quantity, Tons	Imported volumes					
All products	135740657	121390481	137758353	134474833	130823975	122664070	-10%
Apples, pears and quinces, fresh	1,130,746	925,283	983,135	1,121,667	934,540	909,046	-20%

Source Eurostat, COMTRADE and Freshfel Europe

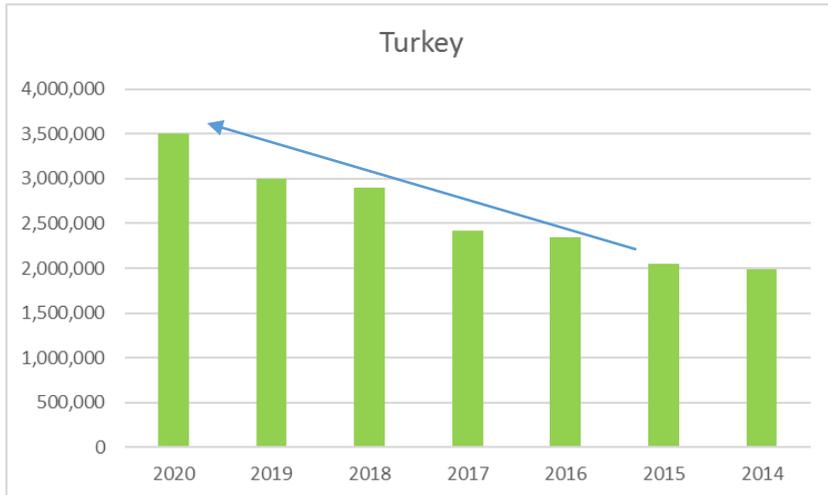
Production

Source: WAPA –Prognosfruit

Turkey

x 1000 tons

Variety	2011	2012	2013	2014	2015	2016	2017	2018	2019	F2020	(1)	(2)
Braeburn	4	3	4	4	4	4	2	4	2	0	-100	-100
Fuji	6	10	15	18	20	25	20	60	80	80	0	50
Gala	40	50	60	60	70	90	60	160	180	190	6	43
Golden Delicious	750	700	750	700	750	850	580	900	881	900	2	14
Granny Smith	80	80	100	100	120	130	100	160	152	160	5	17
Jonagold	2	2	2	2	2	3	2	6	6	4	-33	-14
Red Delicious	1,200	1,200	1,300	800	1,100	1,300	920	1,300	1,323	1,400	6	19
Other	350	400	450	425	400	450	320	500	900	950	6	66
Total Turkey	2,432	2,445	2,681	2,109	2,466	2,852	2,004	3,090	3,524	3,684	5	28



Trade

Production trends

- No clear assessment on exact production and its growth
- Demand on domestic markets ?
- Growth of exports?

Turkey exports

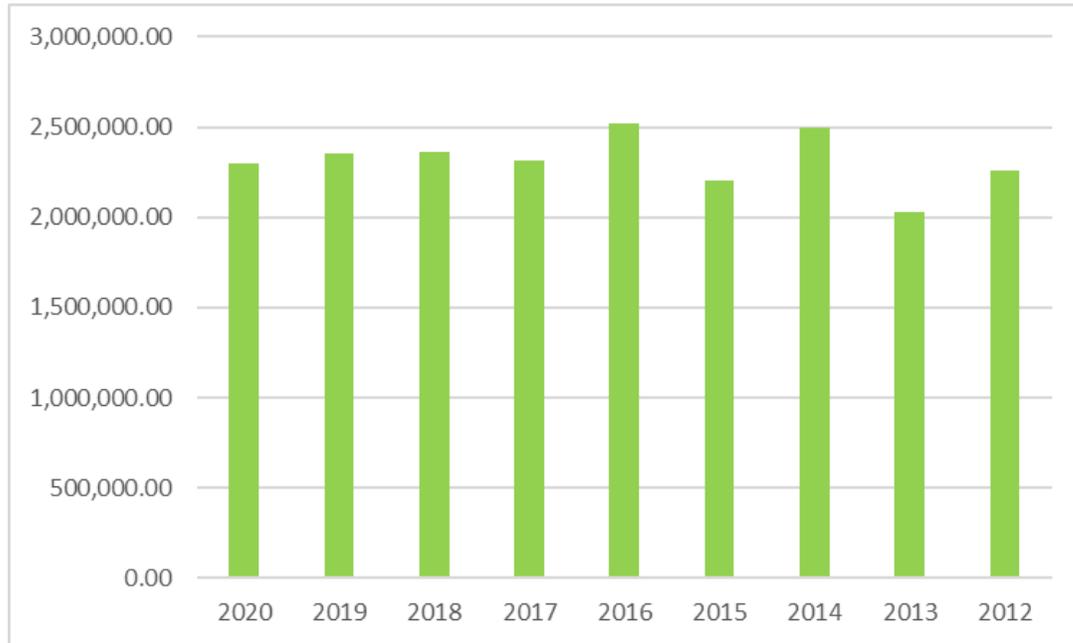
- about 200.000 T primarily to Middle East (160.000 T _Irak & Syria) and about 20.000 T to Russia
- Almost 100 % growth in of M-E export last 5 years
- Some volume to EU (3000 T to RO, BG, CY)

EU trade

- EU export to Turkey: 5-10.000 T from Greece & Italy

Production

Source: WAPA –Prognosfruit- APEDA



Production in the north (Jammu&Kashmir and Himachal Pradesh) could move up to 3,5 Mio T despite FAO only consider Medium term impact on trade?

Trade

Export trends

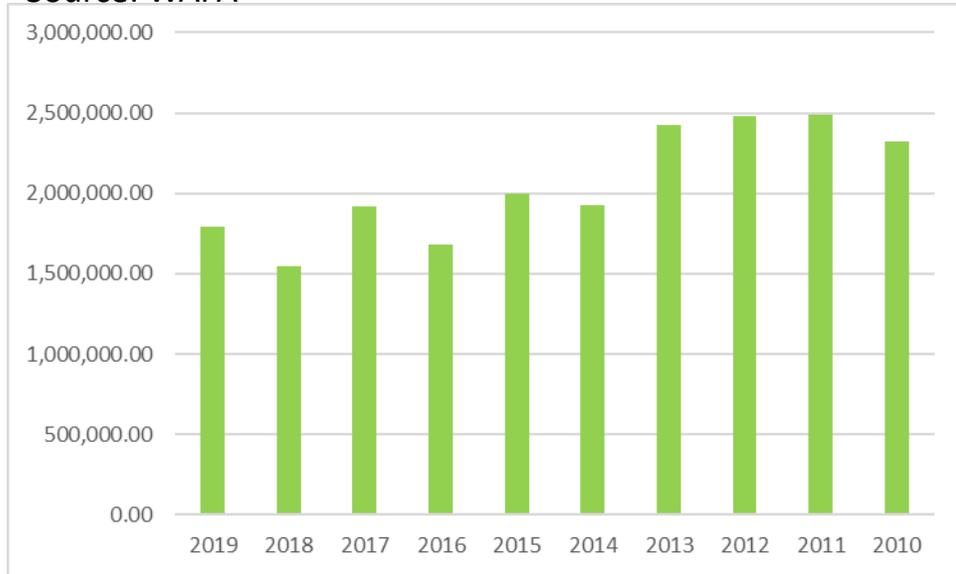
- Small exporter=> mainly regional
- 15.000 T to Nepal and Bangladesh

Import trends

- Imports > 300.000 T (EU/USA/China close to 100.000 depending of year/market access conditions and SH also about 90.000 T. other suppliers: Iran, Turkey about 15.000 T. New player: Serbia
- Factors impacting import conditions: port restrictions, non-GMO certification, sanctions, high duties

Production

Source: WAPA



Production: mainly for local market given international context. Despite efforts of EC Commission and MS for setting up payment scheme

Trade

Export

- Regional export up to 350.000 T
- Main destination => Afghanistan , Irak, Pakistan, Turkmenistan, Russia
- Further developing now export to Russia

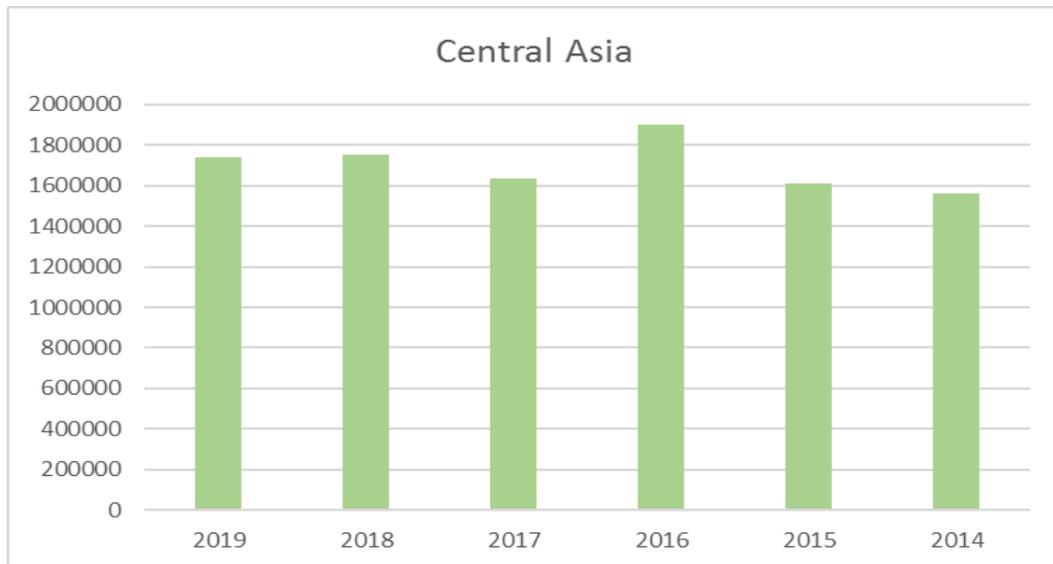
Import

- No import given embargo
- EU used to ship > 10.000 T a decade ago

Production

Source: WAPA –Prognosfruit- Agrofresh

	2019	2018	2017	2016	2015	2014
Uzbekistan	899,213.60	904,268.00	823,036.80	1,153,252.80	848,000.00	772,000.00
Azerbaijan	234,188.80	221,726.40	220,074.40	203,436.80	205,118.40	201,861.60
Tajikistan	194,334.40	189,664.00	185,166.40	179,302.40	184,309.60	188,800.00
Kazakhstan	173,232.00	177,985.60	144,845.60	150,479.20	118,048.80	126,296.00
Kyrgyz, Republic	120,965.60	118,764.80	120,640.80	111,920.80	102,400.00	116,000.00
Armenia	65,339.20	87,951.20	92,840.80	50,059.20	101,596.00	106,101.60
Turkmenistan	53,220.00	51,368.00	50,560.00	50,560.00	50,560.00	50,480.00
TOTAL	1,740,493.60	1,751,728.00	1,637,164.80	1,899,011.20	1,610,032.80	1,561,539.20



Trade

Production growth

- Largest growth still expected in Kazakhstan (+25%), more modest in Uzbekistan (but the largest producer in the region)

Trade => triangular impact:

- More competition in Middle East and Central Asia
- Reduced opportunity in Russia if reopening for EU sourcing
- Less opportunities of EU exports to these countries with growing production. Exports today to the region are primarily towards Kazakhstan (85 to 95.000 T) – almost exclusively from Poland

New plantings in HA in EU neighbourhood

Summary increased EU neighbourhood

Countries	New plantings est	Av est new production
Russia	14,000	700,000
Turkey	12,000	600,000
Kazakhstan	8,000	400,000
Serbia	6,000	300,000
India	6,000	300,000
Moldova	5,000	250,000
Uzbekistan	3,200	160,000
Ukraine	3,000	150,000
Other Balkan	1,800	90,000
Georgia	1,400	70,000
Kyrgystan	1,000	50,000
Total	61,400	3,070,000

- Growth rate more significant in % in Kazakhstan, Balkan (Serbia and North Macedonia), Russia...
- Growth of HA with new plantings => more than 3Mio T production growth in the region? Moving from 11 Mio T to 14 Mio T?
- Most of the growth already in place (?)

Comments

Opportunities

- FAO- World Bank investment: based on which impact assessment?
- Inexpensive labor
- Land availabilities
- Overall good climatic conditions

Uncertainties and challenges

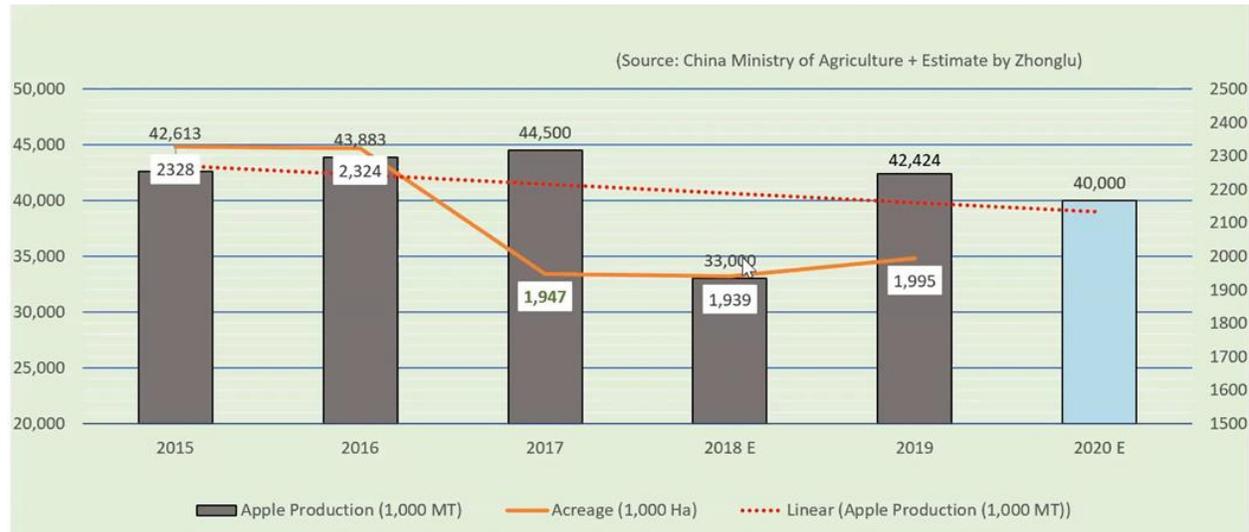
- Limited production expertise as well as lack of skills for post harvest handling and logistics
- Limited export experience beyond Russia
- Most countries not fully operating in real market economy
- Varietal disadvantage for international markets
- Lack of consolidation of production and export
- Market consequences uncertain

Source: WAPA –Prognosfruit- Agrofresh

China and Asia: crop and trade

Production

Source: WAPA –Prognosfruit- Chinese Ministry of Agriculture and Zhonglu



Slight decrease trend, but still representing close to 50% of world production

Other producers in Asia: South Korea and Japan: 600.000 T each

Trade

Chinese import:

- around 70 to 80.000 T:
 - SH (NZ and RSA 20.000 T each , Chile 15.000 T)
 - NH supply (USA 30.000 T, France 2.000 T and one off Poland 1.000 T)

Chinese export:

- 1,3 Mio t mainly regional export
- Destinations: Bangladesh, Philippine, India, Thailand, Indonesia, Vietnam, Russia

Production Source: WAPA –Prognosfruit- USApple Association

Trade

Source Eurostat, COMTRADE and Freshfel Europe

Variety	2011	2012	2013	2014	2015	2016	2017	2018	2019	F2020	(1)	(2)
Braeburn	55	65	48	59	42	47	44	27	22	53	141	81
Cameo	18	21	17	18	10	11	10	2	2	15	604	204
Cortland	60	35	58	49	44	49	46	48	43	48	11	9
Cripps Pink	68	80	98	108	108	122	113	157	169	101	-41	-33
Empire	121	61	132	119	105	118	109	121	110	110	0	1
Fuji	358	421	382	522	416	469	435	453	497	429	-14	-10
Gala	658	721	722	863	804	905	839	947	988	787	-20	-16
Golden Delicious	454	419	459	512	411	463	429	311	327	447	37	24
Granny Smith	367	426	435	467	420	474	439	431	487	429	-12	-9
Honeycrisp	132	129	181	259	270	304	282	420	491	224	-54	-47
Idared	80	29	95	82	72	81	75	85	78	74	-6	-5
Jonagold	21	26	22	29	17	20	18	10	11	21	103	64
Jonathan	61	24	68	57	55	62	57	41	40	55	37	20
Mc Intosh	202	120	221	204	188	212	196	166	150	193	28	16
Northern Spy	29	7	27	22	21	23	21	17	16	22	35	22
Red Delicious	1.032	1.066	1.116	1.186	969	1.092	1.011	1.004	905	1.058	17	13
Rome	163	102	180	157	143	162	150	131	122	152	24	16
Stayman	20	18	20	19	20	22	21	13	13	20	57	31
York	74	80	74	77	81	91	84	66	64	81	26	14
Other	301	229	378	375	343	387	358	431	463	343	-26	-20
Total USA:	4.275	4.079	4.732	5.185	4.538	4.737	4.737	4.880	4.999	4.661	-7	-4

USA, by major apple producing state (US Apple Estimate)

State	2015	2016	2017	2018	2019	F2020	(1)	(2)
New York	617	535	544	633	550	572	4	0
Pennsylvania	235	200	222	221	200	181	-10	-16
Virginia	89	82	100	93	100	72	-28	-21
Michigan	451	533	363	476	500	486	-3	6
Washington	2.698	3.320	3.039	3.039	3.449	3.162	-8	0
California	66	114	104	113	112	112	0	0
Oregon	57	89	79	77	100	74	-26	-9
Other States	276	240	285	288	297	276	-7	9
Total*	4.538	5.114	4.737	4.941	4.999	4.661	-7	-4

Export

- 800.000 T of export
- Main destinations: Mexico(250.000 T), Canada (150.000 T), Taiwan (65.000 T), Vietnam (40.000 T) India (35.000 T)... and to EU (5.000 T to ..UK)
- New trade policy post Trump

Import

- ca 250.000 T
- SH (Chile 125.000 T, New Zealand 75.000 T, Argentina 18.000 T)
- NH (Canada 30.000 T – No EU pending the approval of joined 8 MS protocols

Other North America production: Mexico 1 Mio T and Canada 330.00 T

Trends USA: Stable production but significant varietal shift driven by Washington State

- Honey Cripps: 500.000
- Cripps Pink: 170.000 T
- Cosmic : started 2019, now 90.000 T and expected 380.000 by 2025



Prognosfruit

The Annual Apple & Pear Event



PROGNOSFRUIT 2021

ONLINE

5th August 2021 (9h- 12h30)

www.prognosfruit.eu

THANK YOU

www.freshfel.org

www.wapa-association.org