

Meeting summary

17 December 2019

- o The first meeting of the Pip fruit sub-group of the Fruit and Vegetables Market Observatory (F&V MO) took place on 17 December 2019. It gathered representatives of the following members organisations: AREFLH (Assemblée des Régions Européennes Fruitières, Légumières et Horticoles), CEJA (European Council of Young farmers), COGECA (General Confederation of Agricultural Cooperatives), COPA (Committee of Professional Agricultural Organisations), ECVV (European Coordination Via Campesina), EUVEG (FruitVegetablesEUROPE), Eurocommerce, FRESHFEL (European Fresh Produce Association), PROFEL (European Association of Fruit and Vegetable Processing Industries), WAPA (World Apple and Pear Association), and WUWM (World Union of Wholesale Markets).
- o The structure and functioning of the F&V MO was presented. The F&V MO includes an economic board and a dedicated website containing a large set of market data that will be updated regularly. The economic board is formally a Commission expert group intended to give advice on economic factors affecting market developments, to provide market information and to assess the current market situation. The board is divided in sub-groups on tomatoes, citrus fruit, stone fruit and pip fruit. There was also a demonstration of the F&V MO website online.
- o The group exchanged views about the current price monitoring at ex-packaging station and possible improvements. It was discussed whether to keep the current system gathering different varieties or to focus on representative varieties. Experts were asked to continue the reflection within their organisations.
- o The next item for discussion was the market situation for pip fruit. The updated EU production forecast for apples in 2019 is 10.74 million tonnes. The production drop is linked to physiological rest after last year's record crop, weather conditions and outbreaks of stinkbug. Crops will be poor in Poland, Romania and Hungary; and heavy in Spain, Portugal and France. Some experts recognised excessive production capacity in the EU and warned about the consequences of future bumper crops.
- o The updated EU production forecast for pears amounts to 2.16 million tonnes. Crops prospects are positive only in Spain, while the Italian production will decrease dramatically due to adverse spring weather and the occurrence of stinkbug. All varieties will register significant production reductions.
- o The start of the apple campaign in France was affected by the pressure of remaining stocks from 2018. The trend is towards regionalisation, increase in local consumption and market segmentation.
- o Recent Polish apple production has increased steadily. Yields have improved because of the modernisation of orchards. The updated forecast for 2019 is 2.95 million tonnes. Around 54% of the production is intended for processing.
- o Polish consumption of fresh apples has recently dropped from 24 to 12 kg per person per year. The loss of the Russian market is partially replaced by exports to other countries. Exports to South-Eastern Asian countries are hindered by the lack of varieties adapted to their taste. The ongoing production increase in Eastern European and Central Asian countries will compete with Polish producers.
- o Belgium producers are concerned about plant health issues such as stinkbug or fire blight, climate change, excessive production capacity and problems to find labour force. Conference pear production has increased to the detriment of apples.
- o The low apple and pear crops in the Netherlands are resulting in favourable prices, in particular for new varieties. However, consumption of pip fruit is decreasing while demand for soft fruit is rising.
- o Stinkbug outbreaks in Italy are severely damaging pear production. The production area has decreased by 10% compared to last year. Current prices do not compensate for the higher production costs.
- o The markets for apples and pears in Spain are recovering and the quality of fruit is good. Sales and prices were stable in the last term of 2019.
- o The 2030' mid-term outlook for apples reflects stability of production despite reduction in production area, which is due to higher yields. Consumption of fresh apples and juice will decline, although the former only slightly. EU trade projections for 2030 indicate a moderate growth of exports and stable imports of fresh apples
- o The next meetings of the sub-group on pip fruit is scheduled for spring 2020 (date to be confirmed).