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DIRECTORATE-GENERAL FOR AGRICULTURE AND RURAL DEVELOPMENT

Directorate G. Markets and Observatories

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MINUTES

***Meeting of the* « WORKING GROUP ON "APPLES AND PEARS" OF THE CIVIL DIALOGUE GROUP ON HORTICULTURE, OLIVES AND SPIRITS**

Date: 18 March 2019

Chair: Commission (Mr ONOFRE)

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

Northern Hemisphere campaign 2018/2019

- **Apples**

The EU final harvest for 2018 amounted to 13.15 million tonnes, i.e. the biggest crop in the last 10 years. Poland is the first EU producer with 4.8 million tonnes. The volumes of stocks remained very high during the season although a strong depletion was observed in February and March 2019.

As regards third countries in the Northern Hemisphere, the crop was also abundant in the EU neighbourhood, in particular in Easter Europe, Turkey and Switzerland. US production remained relatively stable, while China’s harvest decreased dramatically (-28% compared to 2017).

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

- **Pears**

The EU final production for 2018 totalled 2.38 million tonnes, i.e. 6% higher than 2017 and the biggest crop ever in Belgium and the Netherlands. Conference pear was the most important variety with around 1 million tonnes.

Concerning Northern Hemisphere third countries, US production increased significantly (+13% compared to 2017).

Overview Southern Hemisphere season

- **Apples**

The overall production in the Southern Hemisphere is expected to stabilise in 2019 around 5.2 million tonnes. Chile, Brazil and South Africa are the leading producers. Argentina is recovering steadily after recent production drops. The main exporters to the EU in 2018 were Chile, New Zealand and South Africa.

- **Pears**

A stable production is forecasted in the Southern Hemisphere for 2019, i.e. 5.2 million tonnes. Argentina, South Africa and Chile are the main producers, while the main exporters to the EU in 2018 were South Africa, Argentina and Chile.

Exchange of views on the market situation

Several experts acknowledged that the production capacity of apples and pears in the EU is excessive. Certain Member States like Poland have problems of availability of work force for harvesting. Some opinions stressed the need to improve product quality. Last summer's heat and drought in Central Europe gave rise to over-ripened fruit, which does not hold well in storage. Therefore, the high volumes of stocked fruit need to be sold quickly. On the other hand, the EU consumption of apples and pears is stagnating and suffering strong competition from berries and exotic fruit.

As regards producer prices, some experts clarified that apple prices in Poland are higher than those officially notified to the Commission. Prices range between 15 and 50 cents per kg according to variety and quality, while the current notified prices are around 16 cents per kg. Prices for processing amount to around 7.5 cents per kg. The EU processing industry has paid acceptable prices this season due to the scarce apple production in China. However, the accumulated high volumes of stocks could put pressure on prices next season if the harvest is again abundant.

Extra-EU export development

The Russian embargo prompted the search for alternative markets. Egypt is partially replacing the drop of EU exports to Belarus. Yet it is difficult to export to certain North African countries due to political reasons, e.g. Algeria and Tunisia.

Certain experts mentioned export problems related to market access (SPS requirements) and to EU varieties not adapted to the taste of consumers in third countries, e.g. China prefers sweet and non-acid apples. Some experts asked to include SPS issues in future trade negotiations.

The Commission is promoting market access in Asia through study visits, seminars and projects. This includes activities to support the trade in fruit and vegetables, e.g. seminar scheduled for November 2019 in Beijing, study visit on fruit and vegetable controls in France and Italy.

4. Conclusions/recommendations/opinions

5. Next steps

6. Next meeting

The next meeting is scheduled for 10 December 2019 (date to be confirmed)

7. List of participants - Annex

(e-signed)

J. ONOFRE
Head of Unit