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deutschen  
Fruchtsaft-Industrie e. V.

# Situation of the processing of apples in Europe today, 2018

Klaus Heitlinger

Managing director of the  
German Fruit Juice Association

# Fruit juice industry in EU I in 2017 (Data Base Canadean)

- Sales in EU total 2017: 9,2 billion litres, in 2007 still 11,5 billion litres, i.e. over 2 billion liters lost
- Orange 40%, Apple 25%
- Sales in Germany: 2,342 billion litres
- 700 companies in Europe total, 350 of them in Germany, so 50 % of the companies but only about 25 % of sales
- company size in Germany is below average
- The 10 largest companies account for 80 % of sales in Germany

# Fruit juice industry in EU II

- In France ca. 35 manufacturer, in Poland ca. 40 companies, in Portugal 1
- Industry in Western Europe essentially consists of bottling companies of raw materials from all over the world
- Processing of apples, cherries, currants and rhubarb recently
- In Eastern Europe especially Poland 40 % of EU apples, especially for processing apple juice concentrate
- Italy processing of peaches, apples, apricots, lemons, tomatoes, grapes
- Spain processing of oranges

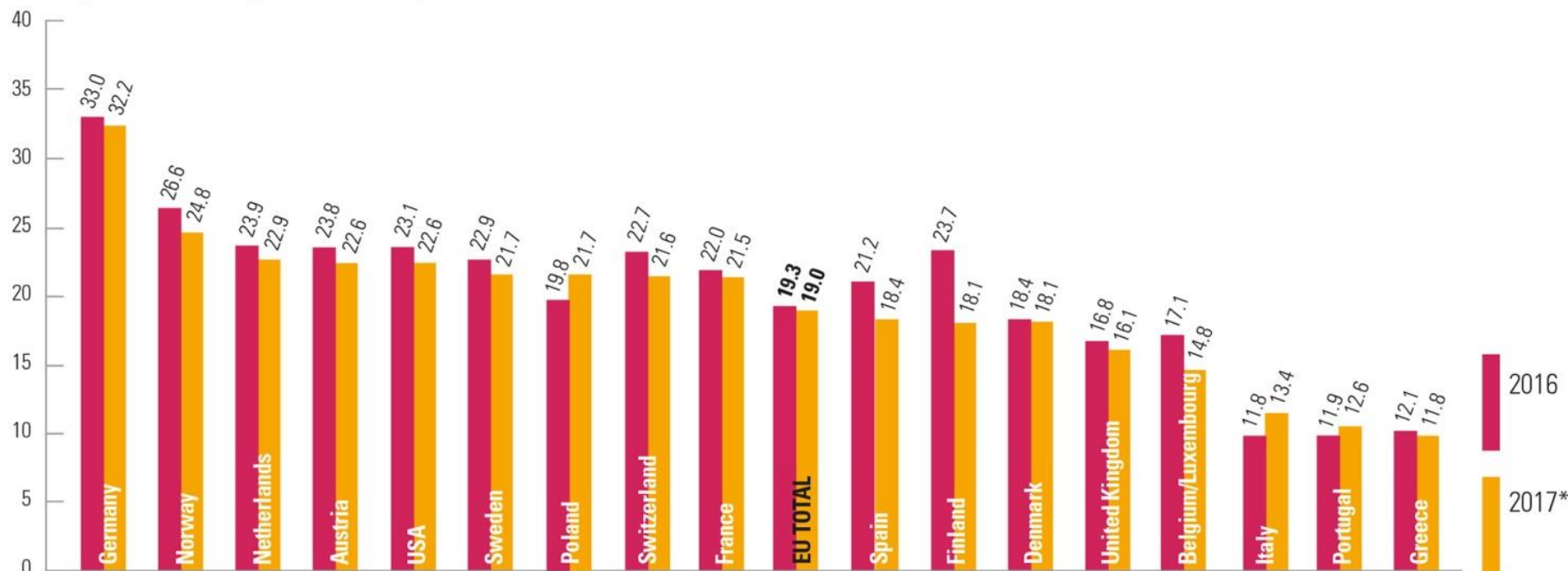
# Facts & Figures 2017



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## Germany is leader in fruit juice consumption

Per-capita-consumption of fruit juices and nectars 2016/2017\* in litres



Sources: Verband der deutschen Fruchtsaft-Industrie e. V. (VdF), Canadean Ltd. Basingstoke, United States Department of Agriculture

\*provisional values

# Facts & Figures 2017



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## The German fruit juice industry in figures

fiscal year 2017\*

Fruit juice producers	approx. 346
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Employees	approx. 7,500
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Turnover	3.54 billion €
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Industrial production (fruit and vegetable juices/fruit and vegetable nectars/ fruit juice drinks without CO <sub>2</sub> )	3.98 billion litres
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Per-capita-consumption (fruit juice/fruit nectar/vegetable juice/ vegetable nectar)	32.2 litres
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Per-capita-consumption Apple spritzer	5.7 litres
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Fruit and vegetable processing	approx. 600,000 tons
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Imports	1.51 billion €
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Exports	1.09 billion €
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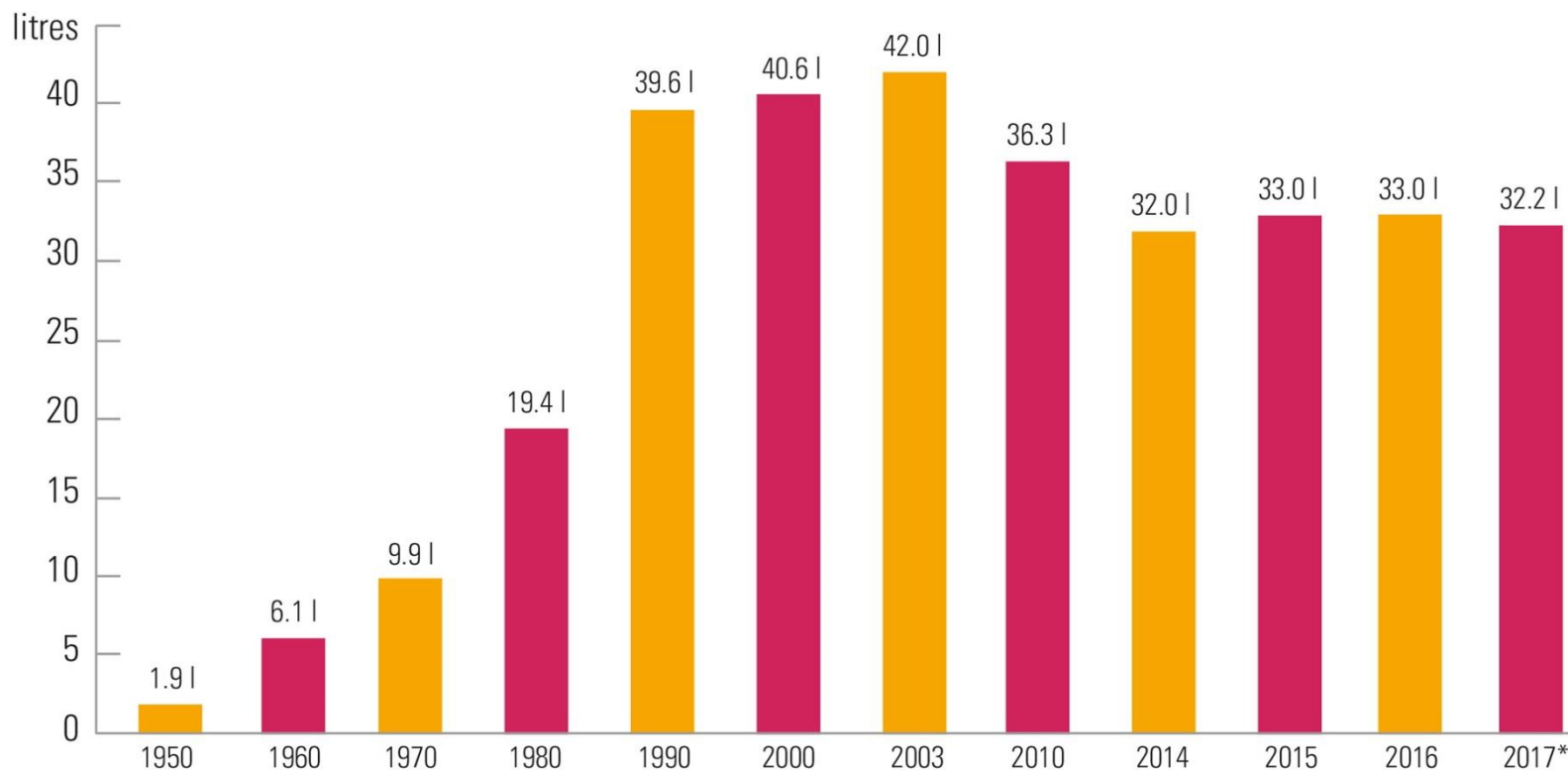
Source: Verband der deutschen Fruchtsaft-Industrie e. V. (VdF)

\*provisional values



# Facts & Figures 2017

## Development of per-capita-consumption of fruit juices/fruit nectars in Germany



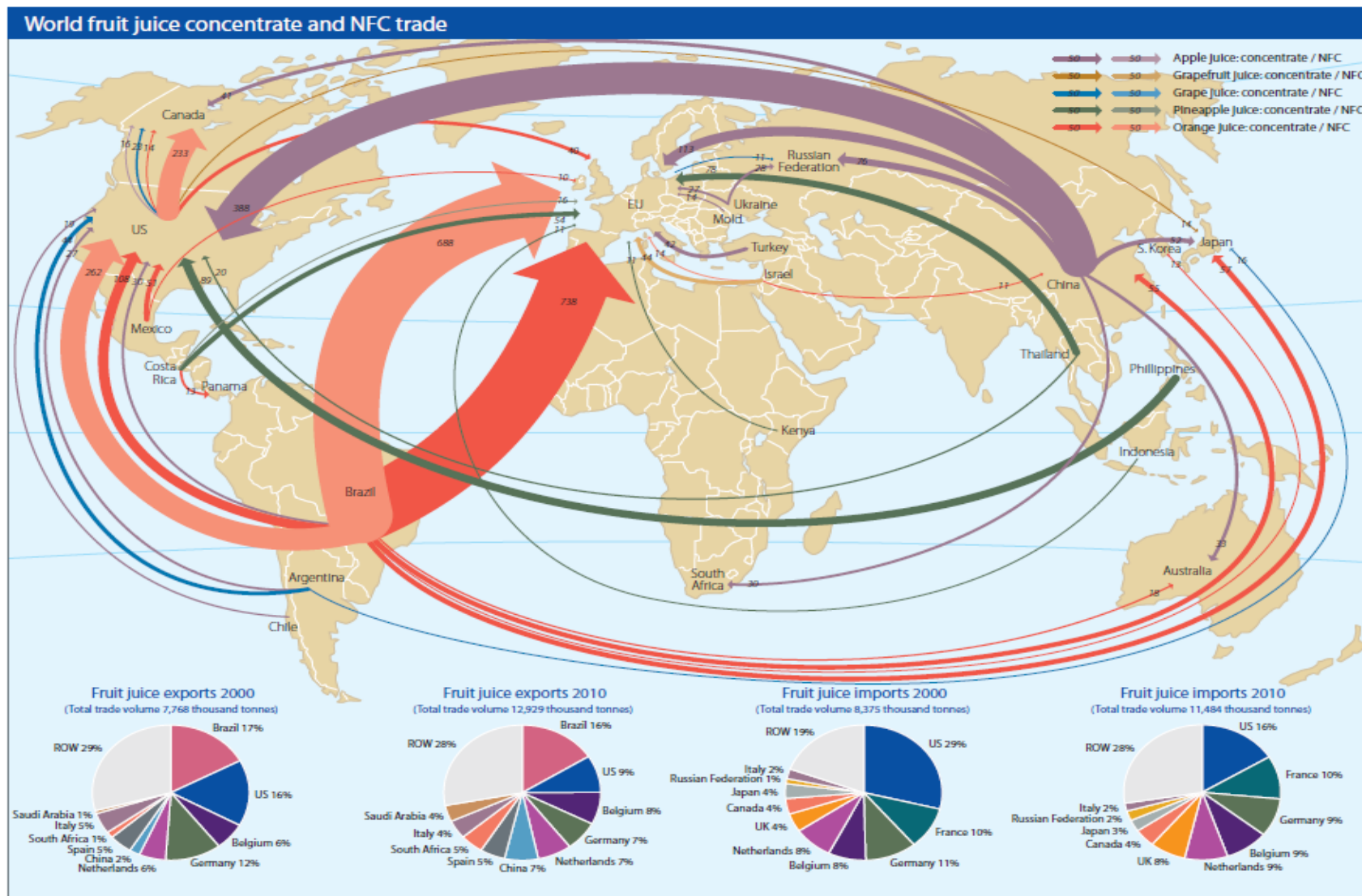
Until 1990 only Federal Republic of Germany, since 1991 total Germany

Source: Verband der deutschen Fruchtsaft-Industrie e. V. (VdF)

\*provisional values

# World fruit juice concentrate and NFC trade

(source: Rabobank 2012)



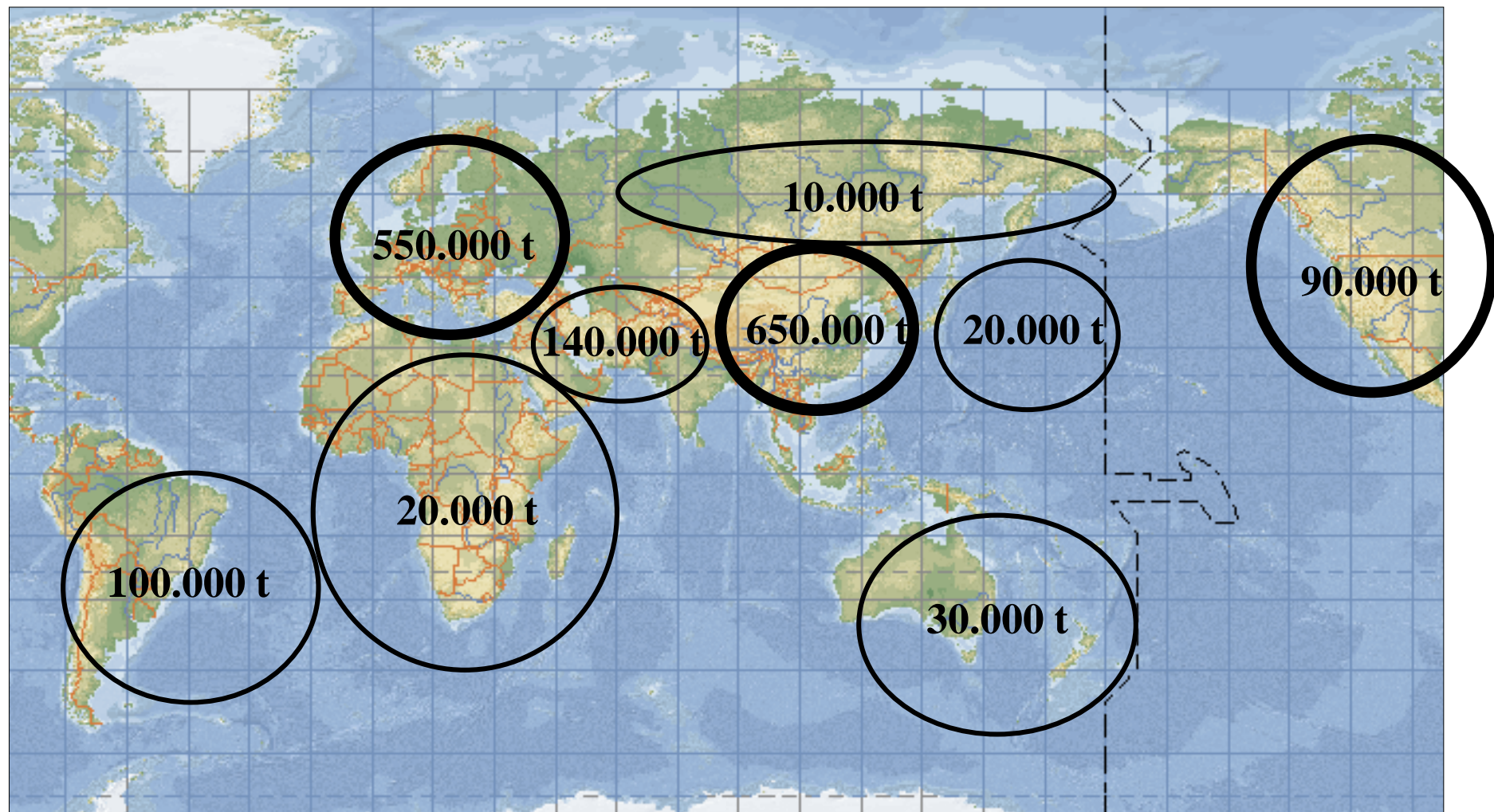


# world production of apple juice concentrate

## 1.610 mio. metric tons

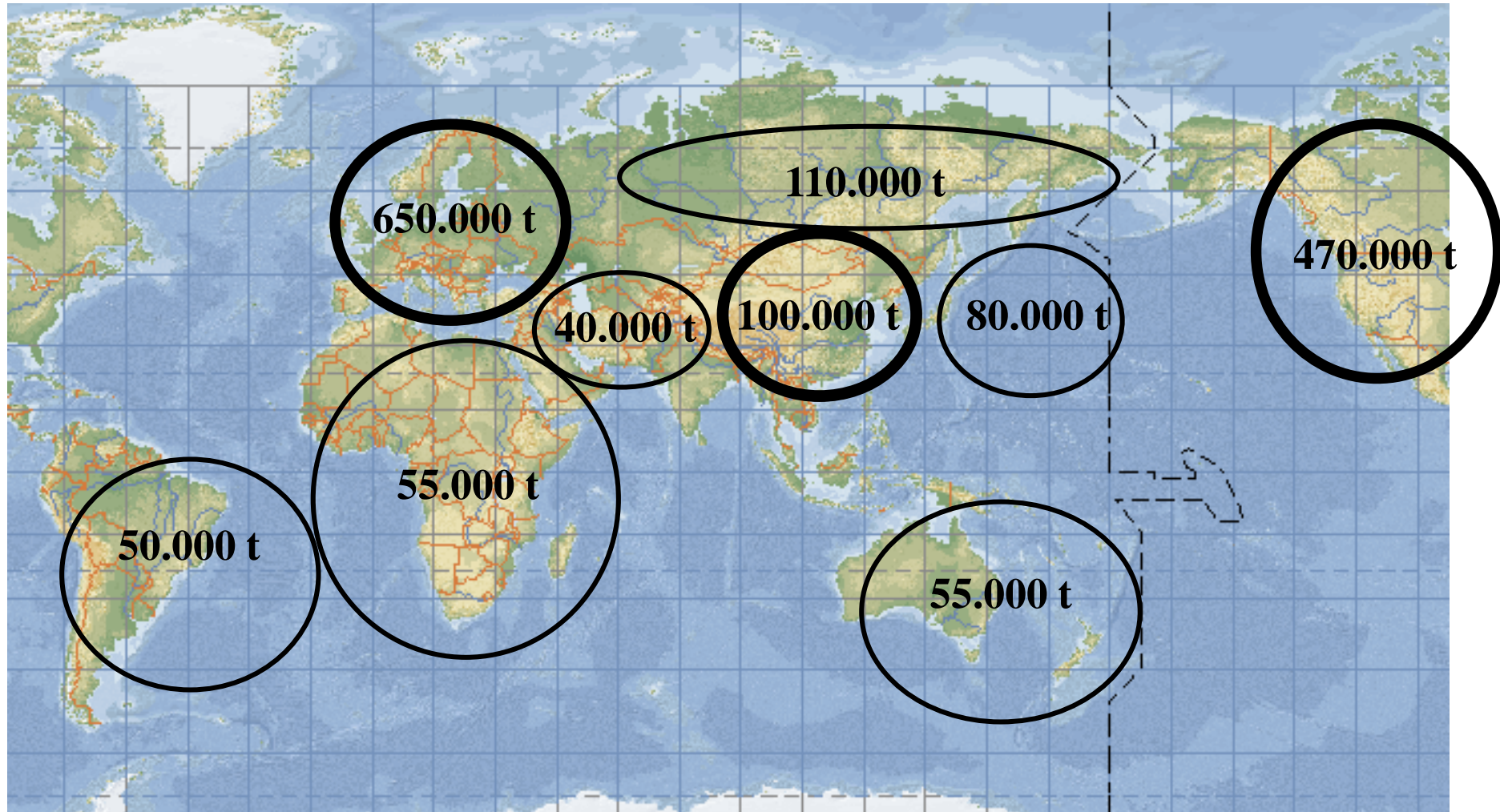


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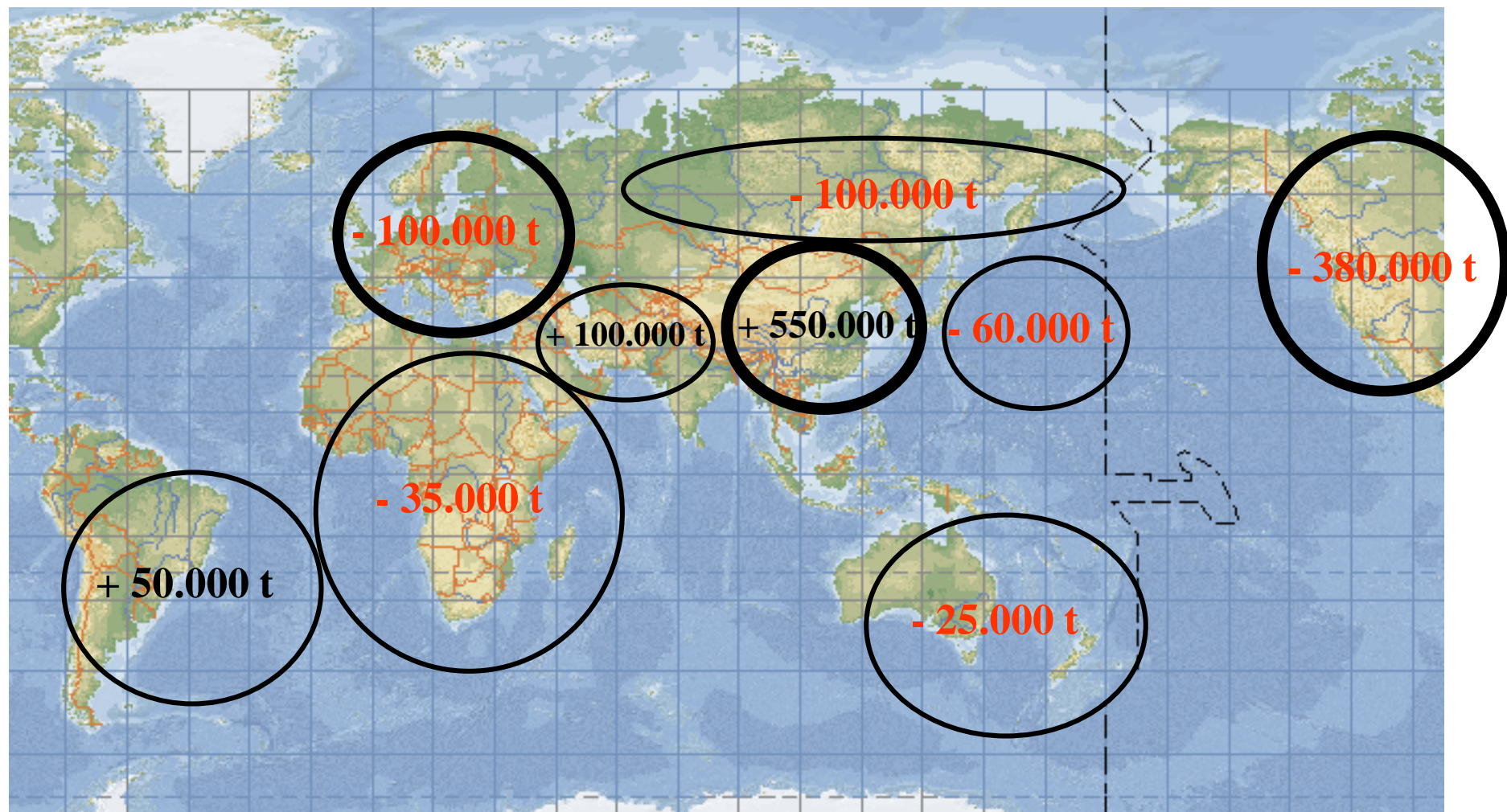


# world demand for apple juice concentrate ~ 1.610 mio. metric tons



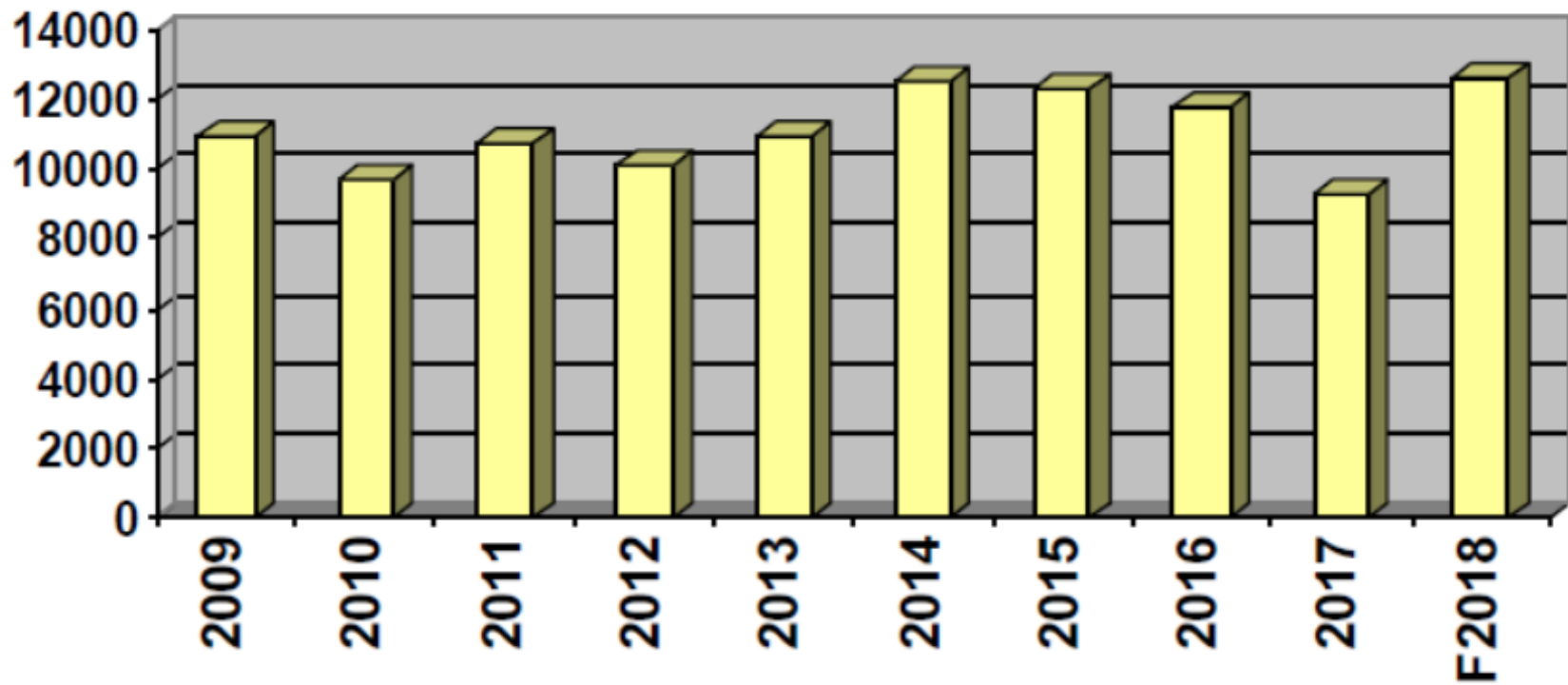


# apple juice concentrate – excess and deficit



# European apple harvest

## EU apple production



# Poland – Too many apples!

## Estimation - Application apple crop (1.000 t)

1.000 t	'15/16	'16/17	'17/18	'18/19
Production	3.979	4.035	2.870	4.480
Consumption	490	520	490	580
Export	980	1.090	620	1.100
Subvention	267	80	-	-
Processing	2.242	2.345	1.760	2.800

Source: AMI  
Schwartau  
August 2018,  
Prognosfruit  
Poland

## Forecast - Institute of Agricultural and Food Industry ?

1.000 t	'16/17	'17/18	'18/19
Production	3.604	2.441	3.600



# Share of Poland in the European apple harvest

- Year 2000: 20 %
- Year 2018: 40 % with an upward trend
- Situation in the European domestic market characterized by decreasing fresh fruit consumption
- Until the Russia embargo in 2014 the East was the solution to excessive European production for exports
- After Russia embargo resale over Serbia or Belarus but with less volume
- Opening up new markets in North Africa with danger of defaults
- Export markets found in Scandinavia, but smaller population and therefore limited quantities

# Consequences for the Polish apple cultivation

- Promotion of apple cultivation by the EU with about 70 % of the investment costs as well as promotion of marketing and administration costs
- Unspecific promotion of farmer groups contributed to overproduction
- Missing certifications for the European food trade like Global G.A.P. lead to low prices for fresh market
- Consequences of overproduction: 60 % for processing
- In 2018 according to our surveys about 5 million metric tons of apples were produced
- 3 million metric tons were processed to concentrate, government intervention (500.000t?) had no price effect
- Problem: Due to the high table fruit content, the acidity in Polish AJC is too low and competes with cheap Turkish and Chinese concentrate
- Large export quantities to USA enabled the processing of Polish apples

# Polish offer October 2018 via e-mail



<b>Apple Variety</b>	<b>Caliber*</b>	<b>Price netto EUR /kg Package 6 kg carton + 1x layer</b>	<b>Price netto EUR /kg Package 13 kg carton loose / Carton + 2x layer</b>	<b>Origin</b>
<b>Golden Delicious</b>	<70+	<b>0,38 €</b>	<b>0,34 0,36</b>	Poland
<b>Gala Must</b>	<70+	<b>0,36 €</b>	<b>0,32 0,34</b>	Poland
<b>Jonaprince</b>	<70+	<b>0,33 €</b>	<b>0,29 0,31</b>	Poland
<b>Shampion</b>	<70+	<b>0,27 €</b>	<b>0,24 0,26</b>	Poland
<b>Rubin/ Jonagold/Ligol Gloster/Idared</b>	<70+	<b>0,27 €</b>	<b>0,23 0,25</b>	Poland
<b>Mutsu</b>	<70+	<b>0,29 €</b>	<b>0,25 0,27</b>	Poland
<b>Apple red variety 65-70</b>	65-70	<b>0,34 €</b>	<b>0,29 0,32</b>	Poland

\* can be varied depending on the demand

\*\* Industrial pallets 100x120 / Industrial pallets 80x120 / EUR pallets 80x120

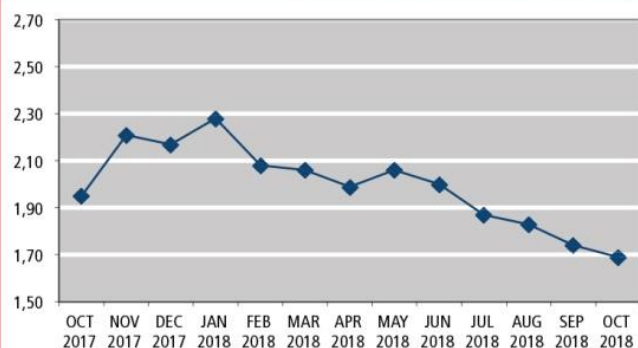
# Difference between sour and sweet apple juice concentrate approx. 20-25 cts/kg



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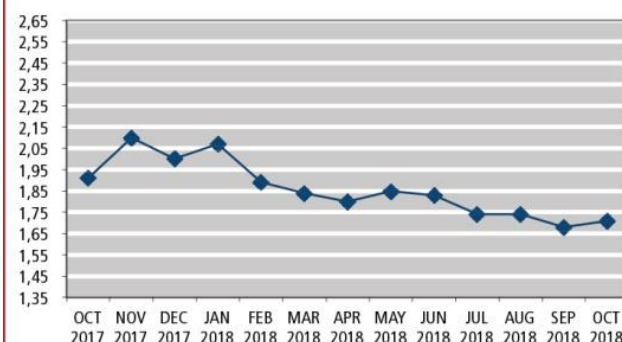
## Apfelsaftkonzentrat

70 °Brix, säurereich, EUR/kg



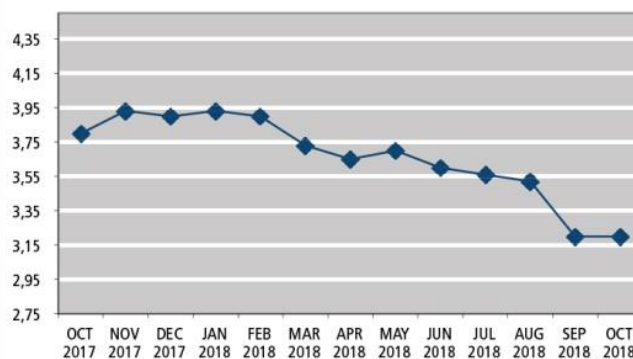
## Apfelsaftkonzentrat

70 °Brix, säurearm, EUR/kg



## Apfelsaftkonzentrat

biologisch, säurereich, 70 °Brix, EUR/kg





# Outlook

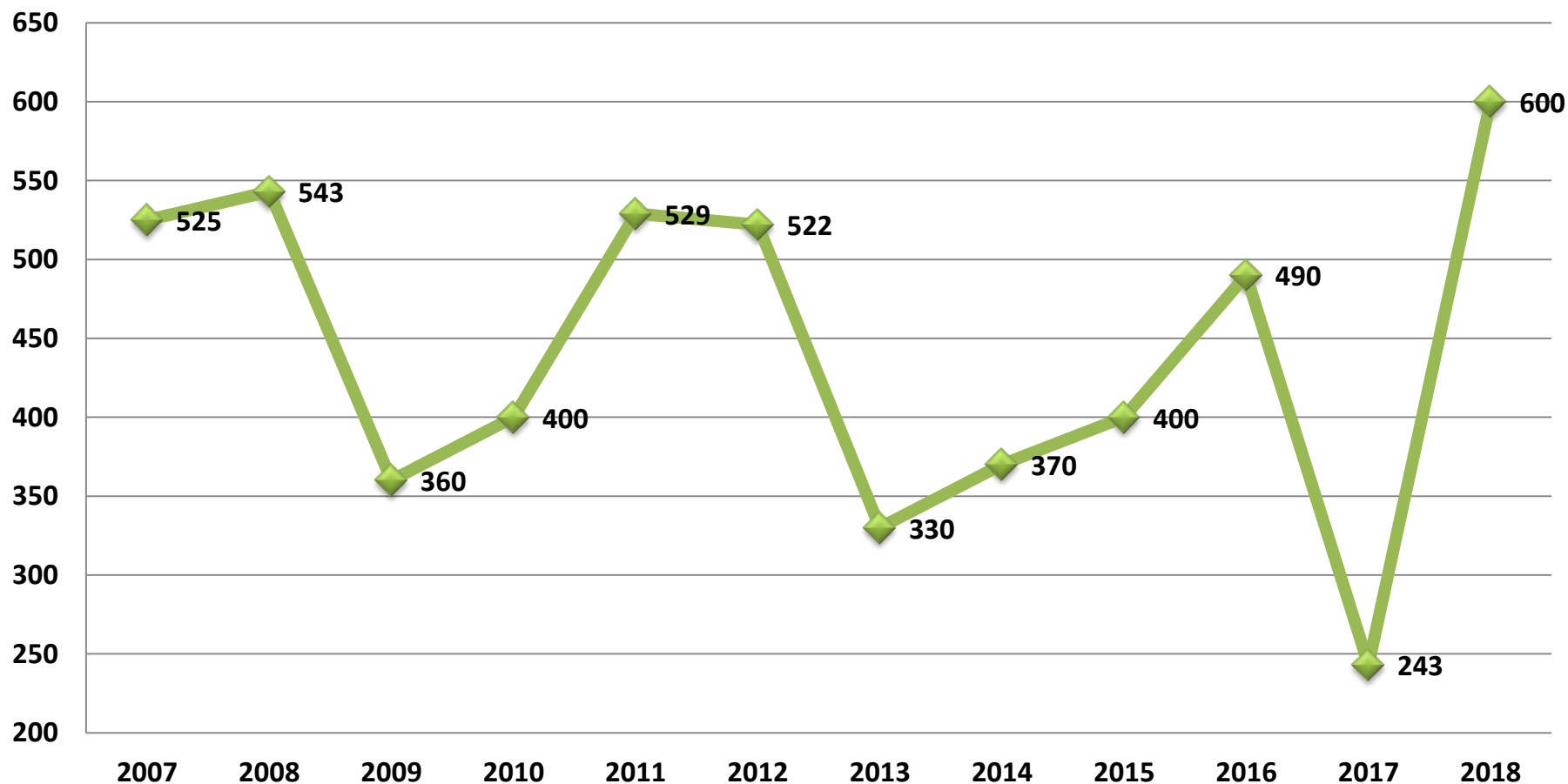
- 5 million metric tons in 2018 will not be the exception but standard in Poland in the future as many new plantings will come into production in the coming years
- Poland will even more position itself as a supplier for processing apples and concentrate production
- Due to increasing apple production in other parts of the world like in China the price will tend to be under pressure
- Demonstrations of Polish farmers will not change the situation
- The chairman of the Polish fruit juice association has already called for premiums for clearing fruits (Rodeprämie) as in the 1960 and 1990s

# Summary

- EU-Subsidies for apple cultivation in Poland caused overproduction
- Sweet table apples go to a large extent in the processing market and due to their low acidity, they only achieve low market revenues there
- The Eu should stop the promotion of new apple plantings in the EU immediately in order not to endanger the entire EU production through ruinous prices

# Apple juice production in Germany as of today: 600 million litres

## Apfelsaftproduktion in D 2007 - 2018 in Mio. l



# Apple prices in Germany free silo as of today : ca. 10,- EUR

## Frei Silopreise für Äpfel in Deutschland 2007 - 2018 in €/100 kg

