

European apples and pears

Mixed initial figures, on both the European and export markets

Anne-Solveig Aschehoug, consultant
annesolveig.presse@gmail.com

With the apple harvest set for an increase and the pear harvest to be well below average, European operators are reporting difficulties on both the European and export markets. Listless consumption was observed from October onwards on the domestic markets, while export volumes suffered from the shortage of containers and sea-freight.

© Régis Domergue





Now that all the Northern Hemisphere apples and pears have been harvested, on 10 January 2022 WAPA (World Apple and Pear Association) published the latest stocks level for the season, as at 1st December 2021. While pear stocks are historically low (21 % below the four-year average), apple stocks are abundant (+ 11 %).

PEAR – Europe – Stocks at 1st December 2021 by country

in tonnes	2021	2021/2020
Belgium	249 449	- 11 %
Netherlands	221 094	- 14 %
Spain	64 505	- 8 %
Italy	55 449	- 75 %
Poland	41 000	+ 14 %
France	9 643	- 44 %
Switzerland	6 931	- 31 %
Germany	6 292	+ 27 %
Czech Rep.	1 954	- 46 %
Denmark	121	+ 3 %
Total	656 438	- 27 %

Source: WAPA

PEAR – Europe – Stocks at 1st December 2021 by variety

en tonnes	2021	2021/2020
Anjou	135 519	+ 21 %
Williams (Northwest Bartletts)	35 820	+ 27 %
Bosc	35 495	+ 17 %
Red Anjou	15 919	+ 32 %
Comice	660	- 7 %
Forelle	408	+ 40 %
Concorde	269	+ 107 %
Seckel	107	- 57 %
Other winter varieties	81	- 54 %
Total	224 278	+ 22 %

Source: WAPA

Pear

An atypically small harvest

The WAPA data show that pear stocks have slipped 27 % down to 656 438 tonnes. This fall in stocks is due to steeply shrinking Italian production. Taking a closer look, Italian stocks were down by nearly 75 % over one year, while in France they were down by 44.3 %. To a lesser extent, stocks also decreased in Belgium (- 10.6 %) and the Netherlands (- 14 %).

As a reminder, at European level, the pear harvest remains well below average, despite an upward revision of 3.87 % to the Prognosfruit data dating from last August (1 666 000 tonnes). Production was heavily hampered by the frosts of April 2021, especially in France and Italy. This upward revision is due to increased production in Belgium, to 354 000 t (59 000 t more). The Netherlands announced an additional 15 000 t, to 340 000 t. These increases offset the losses suffered in France (- 1 000 t to 56 000 t), and even more so in Italy (- 11 000 t to 202 000 t), where the cultivation area has a production capacity of 700 000 t. In terms of varieties, Conference rose by 68 000 t to 873 000 t, while Abate Fetel was down by 12 000 t to 53 000 t.

In the face of interested demand, prices remained high, still reaching nearly €2/kilo for French Conference at the shipment stage (source: RNM), i.e. 30 % to 50 % above a normal year. To offset the fall in volumes, the French market resorted to lower-priced Belgian and Dutch imports (€1.60/kg at the wholesale stage), with this price differential holding up. The campaign will end early, as the supply started to subside, and should last until late March. So the market is stable and under-supplied, with restrained Italian competition at fairly high prices, and the Portuguese Rocha pear unable to offset the lack of volumes, since it too is below average.



Apple

Production increase

The WAPA data show that apple stocks rose by 6.8 % from the same period of 2020, reaching 4 917 891 tonnes. Unlike in the USA, stocks registered a level 2.6 % lower than last year, with 1 909 045 tonnes. In Europe, the increase was due largely to the magnitude of production. The harvest from the 21 main producer countries in the EU27+UK, with an 11 % increase from 2020-21 already predicted, was revised upward by 160 000 t to 11 895 000 t on 10 January 2022. This revision was due to Polish production rising to 4.3 million tonnes (+ 130 000 t), Belgian production rising to 240 000 t (+ 48 000 t) and Austrian production rising to 120 000 t (+ 5 000 t). Conversely, France registered a fall of 12 000 t to 1 363 000 t, as did the Netherlands, with a 5 000 t fall to 245 000 t. Italy maintained a stable level of 2 044 000 t (- 2 000 t from estimated levels).

In terms of varieties, Gala was down by 10 000 t to 1 553 000 t, while others rose, such as Jonaprince (+ 53 000 t), Jonagold (+ 26 000 t), Idared (+ 24 000 t), Red Delicious (+ 14 000 t), Pinova (+ 14 000 t) or Cripps Pink (+ 7 000 t).

The start of the European apple campaign in 2021 came later than usual. For example, in France, operators lost one week's trading. European forecasts were balanced, with a production shortfall in zones affected by spring frosts, including France. Ultimately, the harvest proved to be slightly bigger than predicted. Certain growers were heavily exposed to the cold spell in April 2021, and after battling for nearly 20 nights, managed to salvage their production potential. The situation was disparate between the zones. In Provence and Languedoc, a single night was sufficient to cause major localised damage, not to mention the hail damage, confirming the urgent need for protection against an increasingly chaotic climate. Granny and Cripps Pink (Pink Lady) were among the hardest hit products, since they are the first to bloom.

Since sizes were smaller (April frost and second bloom), there were more apples to place. In addition, the surging labour, energy and cardboard costs led to inflation, which had to be passed on to the industry as a whole. Generally speaking, the first part of the campaign until the end of September picked up where 2020 left off, with a very lively market. Thereafter, in October and November, the market was difficult, with consumption seeing a big fall after two exceptional years. As at 31 December 2021, sales were similar to those seen last year, i.e. normal. Conversely, a distinct downturn in exports was observed, due to the massive presence of small sizes and freight difficulties, generating additional costs. As in previous years, France registered an export downturn. Gala exhibited good quality, thanks to decent summer conditions and a harvest which went smoothly. Yet shipments to the Middle East and Asia were heavily disrupted by freight-related vagaries. This was a powerful phenomenon which led to transfers of Southern Hemisphere apples, whose campaign dragged out with lower-quality fruit. So the first three months of the season (August to October) were slightly disrupted.

APPLE – Europe – Stocks at 1st December 2021 by country

in tonnes	2021	2021/2020
Poland	1 695 000	+ 6 %
Italy	1 355 857	- 1 %
France	695 418	+ 7 %
Germany	351 306	+ 4 %
Spain	258 783	+ 42 %
Belgium	168 195	+ 83 %
Netherlands	167 660	+ 7 %
Austria	97 808	+ 5 %
Switzerland	63 888	- 0.3 %
Czech Rep.	52 863	- 4 %
Denmark	11 114	+ 67 %
Total	4 917 891	+ 7 %

Source: WAPA

APPLE – Europe – Stocks at 1st December 2021 by variety

in tonnes	2021	2021/2020
Gala	362 190	- 9 %
Red Delicious	324 304	- 12 %
Granny	262 985	+ 22 %
Fuji	241 759	- 14 %
Honeycrisp	194 150	- 17 %
Others	176 612	+ 10 %
Pink Lady	141 818	+ 25 %
Golden	87 356	+ 3 %
Cosmic Crisp	64 918	+ 139 %
McIntosh	19 474	- 25 %
Empire	15 623	- 27 %
Braeburn	3523	- 37 %
Rome	3 213	- 8 %
Cortland	2 968	- 47 %
Spartan	2 769	+ 27 %
Idared	1 222	- 71 %
Jonathan	1 085	- 48 %
York	934	0 %
Newtown Pippin	897	- 6 %
Mutsu/Crispin	688	- 45 %
Stayman	293	- 3 %
Rome Sport	264	- 63 %
Total	1 909 045	- 3 %

Source: WAPA

The highly technical Reine des Reinettes variety had a very positive season. It sold for three or four months on a steady market at high prices.

The European Pink Lady harvest was 18 % down on its usual potential. In Italy, Emilia-Romagna and South Tyrol were affected by the April frosts, just like south-east France, and to a lesser degree the South-West and Val de Loire. Only Spain was spared, with market placement running smoothly and exhibiting good prospects. As at 31 December, as usual, nearly 25 % of Pink Lady had been sold.

There was a relatively marked trading trough during the festive period this year. Since then, sales have been relatively more dynamic, thanks to the presence of various supermarket sector promotions.

For the second part of the campaign, which corresponds to the highest consumption months (March and April), operators announced stocks 6 % to 7 % higher than for the same period of 2021, but comparable in level to those of previous years, regarded as balanced.



High additional costs from end to end of the industry

There is a great concern in France over production, packing and transport costs, with a boom in packhouse costs due to more expensive packaging. The price per box has soared due to abandoning plastic to meet the regulatory requirement of the AGEC Act (Anti-waste and circular economy). Packhouses had anticipated this increase, but the switch to all-cardboard has proven more expensive than predicted. Not to mention the labour difficulties caused by the Covid pandemic, causing absenteeism at the packhouses. Absenteeism has also hit the supermarket sector, with 6 % to 10 % of personnel affected. The increased energy costs have also made themselves felt, due to higher rates for the electricity powering the refrigeration chambers.

Hence the additional packing cost has led to an increase of 3 eurocents per kilo, and the increased electricity costs 3 to 6 eurocents per kilo. Not to mention the additional transport costs, and the efforts invested by growers during the April cold spell to warm their orchards to prevent losses. Installing anti-frost candles in the orchards represented an additional cost of €3 000 to €5 000 per hectare. Thinning also generated additional labour costs. All this added to the complexity of placing more expensive apples. For now, the apple has maintained a price average equal to the same period last year.

There were also difficulties to note for the OOH sector, with business and school canteens closed because of the Covid pandemic.



Lack of containers weighing down on European exports

On the world market, French and European apples, suffered from the same logistical problems as others due to the international lack of containers.

After quiet consumption during the end-of-year festivities when festive products were in the spotlight, the market is getting moving again. The current cold temperatures are also favourable for apple consumption. We can observe a recovery in flows on the French and British markets, as well as in the export sector. So January should be a decent month, given the multiple promotions planned by distributors. Regarding the varieties, Gala, Granny and Pink Lady are selling very well, but it is more complicated for the so-called local varieties, such as Golden and Chantecler, or the new varieties.

Southern Hemisphere: freight potentially a brake on exports

Freight could hinder access to the European market for Southern Hemisphere fruit. The appeal of the European market remains restrained, with Asia preferred. South Africa should have a strong presence, though it is set for some logistical difficulties due to the shortage of ships and containers. There too, the freight and labour costs have exploded. Shipments to Europe have already ebbed in recent years, and that should be even more marked this year. Since in order to export, empty containers need to be sent, which is extremely expensive. The South African fruit and vegetables industry has faced this freight shortage for the past two years. Exports to Europe halved last year, and

Characterising apple origin

In France, to prevent any Gallicisation of imported merchandise, the ANPP (National Association for Apples & Pears) launched a research programme one year ago to characterise apple origin, using magnetic resonance and isotopic techniques, to determine the land of origin. This fairly new technique will be used to build a specific databank.

that should continue this year. Regarding the Southern Hemisphere pear, it will never manage to offset the shortage of volumes, as the tonnages are not comparable.

Although it is still too soon to give precise information, we already know that the apple and pear campaign will be early. In South Africa, after a fine winter, the harvest is set for a 4 % increase over one year. The Gala harvest has only just started, delayed by cool weather conditions. Exports should start during week 4. For Pink Lady, growers are more prudent, since the harvest will not take place straight away, with the cloudy and cool weather having slowed growth of the fruit, which will not be ripe until around late March-early April. The Southern hemisphere forecasts will be published in the last week of February, at the WAPA annual general meeting.

Across Europe, we are seeing the eat-local movement gain strength, with a preference for domestically-grown or European fruit, with the exception of imported Pink Lady, which arrives well after European Pink Lady trading has ended. On the French market, in late November there was an increase in imports from Spain, Italy and Poland. Nearly 50 % of Polish volumes were aimed at fruit puree manufacturers in particular, though at the end of week 3 some Polish apples could be observed on certain French wholesale markets ■

