USDA Foreign Agricultural Service
GAIN Report
Global Agricultural Information Network

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Voluntary _ Public

Date: 9/5/2012
GAIN Report Number: IT1230

Italy

Post: Rome

Stone Fruit Annual 2012

Report Categories:
Stone Fruit

Approved By:
Christine Sloop
Prepared By:
Ornella Bettini

Report Highlights:

Italy is the largest peach and nectarine producer in the EU-27 and ranks second in the world after China. Stone fruit production plays a key role in the agricultural sector of several Italian regions, both in the North (especially in Emilia-Romagna and Piedmont) and in the South (Campania). Italy is the largest apricot producer in the EU-27, followed by France, Greece, and Spain.

I. PEACHES AND NECTARINES

Table 1: Production, Supply, and Demand (MT)

Peaches & Nectarines	2010	2011	2012
	Estimates 2010/2011	Estimates 2011/2012	Forecast 2012/2013
	Post Data	Post Data	Post Data
Area Planted	90,259	88,580	63,761
Area Harvested	83,899	82,469	59,445
Production	1,572,310	1,598,230	1,597,210
Imports	65,707	74,400	74,450
Total Supply	**1,638,017**	**1,672,630**	**1,671,660**
Exports	360,105	349,300	349,250
Fresh Dom. Consumption	1,181,232	1,233,550	1,230,080
For Processing	96,680	89,780	92,330
Losses & Withdraws	0	0	0
Total Distribution	**1,638,017**	**1,672,630**	**1,671,660**

Source: Istat; Italy Fresh Produce Service Centre (CSO); GTA

PRODUCTION

As reported by Italy's Fresh Produce Service Centre (CSO), MY 2012 Italian peach and nectarine production is forecast to be steady from the previous year, with a 1 percent increase for peaches and 1 percent decline for nectarines. Quality is very good, thanks mainly to the prolonged springtime and the good sun exposure during the period March/April, when the fruit was growing. MY 2012 Italian peach and nectarine production is forecast to be satisfactory especially in Southern Italy that is registering a quite good commercial performance, in terms of both quantity and quality. On the contrary, Northern Italy's crop is expected to go down compared to MY 2011, with 5 and 4 percent less for peaches and nectarines respectively. MY 2012 Italian peach and nectarine production for fresh consumption is forecast at 703,470 MT and 801,410 respectively, while the cling peach harvest is likely to increase by 3 percent to 92,330 MT.

Experts forecast a continuation in the downward trend in peach and nectarine acreage, which has fallen 18 percent over the last decade, but also expect that the phasing out of old cultivars and the phasing in of better performing ones in new plantations will result in volumes declining at slower rate than acreage. During MY 2011, growers were beset by bad weather that delayed picking of the early-season varieties and led to a supply bottleneck that depressed prices. The earliness and outstanding quality of the peaches from the Metaponto area (Basilicata) come from the introduction of new cultivars and innovative cultivation techniques allowing for early harvest even with the unfavorable weather conditions experienced this year. The use of tunnels and new extra early varieties suited to the cold proved important in obtaining high quality peaches and nectarines in late spring.

CONSUMPTION

MY 2012 Italian peach and nectarine consumption is forecast to remain steady. Most Italian peaches and nectarines are consumed fresh. Italian consumers generally prefer large, sweet, and pulpy fruits, while the North European markets prefer smaller, slightly sour, and crunchy fruits. Apart from the difficult economic situation and the industry's concern for the increasing complexity of the destination markets, the crucial target is to encourage consumption for a product that is the main summer fruit.

TRADE

Italy is a major peach and nectarine exporter, mainly within the EU-27. MY 2011 exports of peaches and nectarines reached a value of $383 million. Germany continues to be the main destination for Italian peach and nectarine exports. Spain is the main peach and nectarine supplier to the Italian market. Indeed, thanks to an earlier harvesting period, Spain dominates the European market during the months of May and June.

II. APRICOTS

Table 2: Production, Supply, and Demand (MT)

Apricots	2010	2011	2012
	Estimates 2010/2011	Estimates 2011/2012	Forecast 2012/2013
	Post Data	Post Data	Post Data
Area Planted	19,543	19,595	19,906
Area Harvested	18,549	18,512	18,783
Production	241,243	226,090	245,270
Imports	17,512	23,850	23,900
Total Supply	**258,755**	**249,940**	**269,170**
Exports	23,640	20,550	20,500
Fresh Dom. Consumption	143,443	143,476	155,467
For Processing	91,672	85,914	93,203
Total Distribution	**258,755**	**249,940**	**269,170**

Source: Istat; Italy Fresh Produce Service Centre (CSO); GTA

PRODUCTION

Italy is the largest apricot producer in the EU-27, followed by France, Greece, and Spain. Italian apricots are mostly grown in Southern Italy and in the northern district of Emilia-Romagna. According to industry estimates, MY 2012 Italian apricot production is forecast to increase by 8 percent compared to the previous year and 11 percent above the 2006-2010 average. Italian apricot area is gradually increasing due to higher profitability (compared to other fruit, such as peaches and nectarines) and growing demand. The apricot harvest begins in June and lasts until July.

CONSUMPTION

Italian apricots are generally destined for fresh consumption. Approx. 38 percent of apricot production goes to industry to be processed into puree and concentrate.

TRADE

Italy is a net apricot importer, mainly from France and Spain. Germany and Austria continue to be the main destinations for Italian apricot exports.

III. CHERRIES

Table 3: Production, Supply, and Demand (MT)

Cherries	2010	2011	2012
	Estimates 2010/2011	Estimates 2011/2012	Forecast 2012/2013
	Post Data	Post Data	Post Data
Area Planted	30,020	30,207	30,224
Area Harvested	29,248	29,385	29,159
Production	115,476	112,776	111,036
Imports	10,658	10,100	10,000
Total Supply	**126,134**	**122,876**	**121,036**
Exports	6,008	11,400	11,450
Fresh Dom. Consumption	114,352	105,837	104,034
For Processing	5,774	5,639	5,552
Losses & Withdraws	0	0	0
Total Distribution	**126,134**	**122,876**	**121,036**

Source: Istat; GTA

PRODUCTION

MY 2012 Italian cherry production is forecast to decrease slightly due to unfavorable conditions, with rain causing cracking for early varieties, especially in the areas of Turi (Apulia) and Vignola (Emilia-Romagna). The harvest has begun a little earlier with the Early and Bigarreaux varieties, but rain harmed part of the harvest. Therefore, compared to last year, there will be lower volume, but greater size and good quality. An increasing share of the estimated 30,000 hectares of cherry area is considered unproductive and generally not harvested. Turi (Apulia), Vignola (Emilia-Romagna), Verona (Veneto), and Cuneo (Piedmont) are the main cherry producing areas.

CONSUMPTION

Italy is generally self-sufficient in cherries, which are consumed mainly fresh.

TRADE

Germany continues to be the main destination for Italian cherries exports. Italy imports small amounts of cherries from Spain, Turkey, and France.

Abbreviations and definitions used in this report:

MY Marketing year: June/May
Peaches/nectarines: HS Code 080930

Apricots: HS Code 080910
Cherries: HS Code 080920
MT Metric ton = 1,000 kg
Ha Hectare; 1 ha = 2.471 acres