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Good Prospects for 2013 Poland's Cherries Export

Report Categories:

Agricultural Situation

Fresh Fruit

Stone Fruit

Approved By:

Michael Henney, Agricultural Attaché

Prepared By:

Mira Kobuszynska, Agricultural Specialist

Report Highlights:

The 2013 stone fruit crop, composed of sour cherries (182 thousand MT (TMT)), sweet cherries (48 TMT) and other stone fruits (plums, peaches and apricots - 123 TMT), is forecasted at six percent larger than the previous year's crop. Cherry exports are forecast to increase by 18 percent compared to the previous year with Russia and Germany the main destinations for fresh cherries and the USA and Canada new destinations for frozen cherries. In 2012, exports of frozen cherries to the USA rose to USD 25 millions, substantially above the 2007-11 average value of USD 150 thousand per year.

General Information:

Production and acreage

In 2013, total stone fruit production in Poland will increase as compared to the 2012 crop. Production of cherries (tart and sweet) is forecast at 230 Thousand MT (TMT), 6.2 percent higher the previous season. Industry projections are for sweet cherries output higher than for sour cherries (17 percent versus 4 percent).

Production of other stone fruits - plums, peaches and apricots, is expected to increase by about 7 percent, to 123.1 TMT (for peaches to 9.1 TMT).

Poland's 2012-2013 winter left orchards in a very good shape. Unlike last year, there was no loss due to frost. Weather conditions during flowering and fruit setting were good. The 2013 late spring resulted in delayed spring vegetation, but had no affect on fruit yields. In some regions of Poland destruction of buds on fruit trees did occur, caused by heavy spring rain storms. Due to these unfavorable conditions the cherry crop proved smaller in comparison with earlier forecasts. In 2012 high cherry prices and good farmer profitability contributed to an increase in acreage of cherries and peaches. In 2013 the acreage of cherry orchards reached 46 thousands of hectares (34 thousand for sour and 12 thousand for sweet cherries). It also resulted in an increase of investments and better care of cherry orchards.

In the EU, Poland is the leader in cherry production, generating half of total EU cherry production. Poland leads world production and export of frozen sour cherries and together with Turkey is the world's major producer of cherry juice concentrate. Cherries are the main stone fruit cultivated in Poland. In 2012, Polish stone fruit production ratios follow: sour cherry (53 percent), plums (31 percent), sweet cherry (12 percent), peaches (three percent), and apricots (one percent). Nectarines are not cultivated in Poland.

Trade

For many years Poland has been a net exporter of cherries and a net importer of peaches and re-exporter of nectarines. In the past three years Poland has become a net importer of plums, mostly in order to diversify the market due to growing consumer demand for foreign varieties of plums.

Polish exports of fresh cherries vary widely year to year. In 2012, fresh sweet and sour cherry exports (including intra EU-27 trade) amounted to 17 TMT, valued at US\$ 26 million (while in 2011 exports totaled US\$ 16.8 million). In 2012, Russia was the main importer of Polish fresh cherries, capturing 50 percent share in volume, followed by Germany with 29 percent share. In 2013, cherry exports are forecast to increase by 18 percent compared to the previous year. Sweet cherries for fresh consumption are mostly directed to Russia while the majority of sour cherries for further processing are sold in Germany.

The 2012 marketing year was a good year for Poland's freezing industry and exporters as global demand for cherries exceeded available supply. Greater demand for frozen cherries by the USA contributed to this environment. In 2012 frozen cherries exports reached 88.7 thousand MT, valued at

US\$ 158.6 million. Germany consumed one third of all frozen cherries Poland exported. For the first time in many years the USA became the second largest importer outside the EU, at 16 percent share in value and over 12 percent in quantity.

Consumption

Sweet cherry is a seasonal fruit consumed as fresh and unprocessed. Fresh domestic consumption of cherries averages 0.8-1.0 kg per person. This average is increasing. Sour cherry is utilized principally by the processing industry. The main sour cherry products are: frozen fruits, juice concentrates, jams and marmalade. Over 50 percent of industrial sour cherry consumption is frozen with almost 80 percent of frozen cherry directed to the foreign markets. Domestic consumption of peaches and nectarines is very irregular due to the strong influence by the import price of those fruits.

Policy

In Poland the cultivation of peaches, plums, and cherries is not directly subsidized while that for strawberries and raspberries is subsidized. The Min of Ag further assists fruit growers, including stone fruit producers, with support to strengthen their marketing power through creation of producer groups. In 2013 Poland had on record 217 groups and 100 organizations of fruit and vegetable producers operating in the market. Those entities counted almost 7 thousand members who registered 20 percent of the country's fruit and vegetable sales by value. Since 2005 the recognized producers organizations obtained almost 4.7 billion PLN (1.5 \$US billion) from the EU and national funds, mostly for the investment aid. Under CAP 2014-2020 changes are expected on the financing of producers groups.

Poland's Stone Fruits Production, in MT

	2009	2010	2011	2012	2013 f
Sour cherry	189,200	147,200	175,000	175,400	182,000
Sweet cherry	50,500	40,100	38,000	41,100	48,000
Cherry total	239,700	187,300	213,000	216,500	230,000
Plums	120,700	83,800	91,800	102,500	110,000
Peaches	12,500	9,300	8,700	9,100	9,100
Apricots	5,200	3,400	4,000	3,400	4,000
Total stone fruits	378,100	283,800	317,500	331,500	353,100

Source: Polish Office of Statistics, 2013

f – Forecast, FAS/Warsaw

*National Bank of Poland exchange rate of 08 August, 2013, 1\$US=3.1503 PLN

Poland's Stone Fruits Area, in hectares

	2009	2010	2011	2012	2013 f
Sour cherry	35,500	33,000	34,000	33,700	34,000

Sweet cherry	10,600	12,000	11,600	11,600	12,000
Cherry total	46,100	45,000	45,600	45,300	46,000
Plums	21,000	17,900	20,200	19,300	20,000
Peaches	3,400	3,400	3,500	3,400	3,500
Apricots	1,800	1,700	1,700	1,700	1,700
Total stone fruits	72,300	68,000	71,000	69,700	71,200

Source: Polish Office of Statistics, 2013

f – Forecast, Institute of Agricultural Food Economics

Poland's Stone Fruits Export, in MT

	Cherries sweet and tart - fresh			Peaches and Nectarines- fresh			Plums - fresh		
	Intra EU-28	Extra EU 28	Total	Intra EU-28	Extra EU 28	Total	Intra EU-28	Extra EU 28	Total
2007	5,095	1,347	6,442	366	25,716	26,082	6,010	2,846	8,856
2008	16,785	7,503	24,288	1,548	17,273	18,821	21,720	3,435	25,155
2009	5,280	16,121	21,401	1,067	19,922	20,989	6,723	11,226	17,949
2010	1,604	5,468	7,072	1,019	22,426	23,445	1,958	5,123	7,081
2011	3,649	7,789	11,438	332	23,394	23,726	1,861	7,674	9,535
2012	6,945	10,045	16,990	979	34,630	35,609	1,641	6,044	7,685
2013 f	8,000	12,000	20,000	1,000	35,000	36,000	1,650	6,350	8,000

Source: Global Trade Atlas

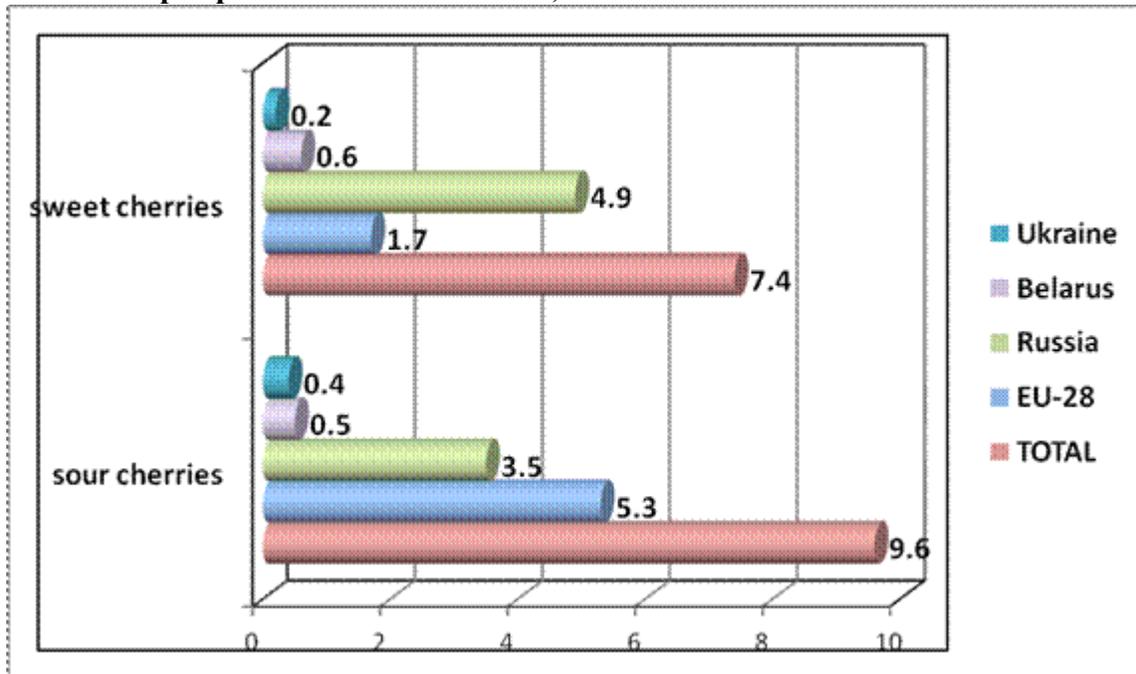
Poland's Stone Fruits Import, in MT

	Cherries sweet and tart - fresh			Peaches and Nectarines- fresh			Plums - fresh		
	Intra EU-28	Extra EU 28	Total	Intra EU-28	Extra EU 28	Total	Intra EU-28	Extra EU 28	Total
2007	1,257	758	2,015	97,661	86	97,747	6,057	697	6,754
2008	454	125	579	81,881	100	81,981	3,860	190	4,050
2009	3,275	101	3,376	88,365	18	88,383	4,075	234	4,309
2010	1,598	236	1,834	93,850	127	93,977	7,975	139	8,114
2011	2,214	240	2,454	109,790	101	109,891	9,317	0	9,317
2012	1,765	609	2,374	102,441	96	102,537	11,613	21	11,634
2013 f	1,700	600	2,300	105,900	100	106,000	10,000	0	10,000

Source: Global Trade Atlas

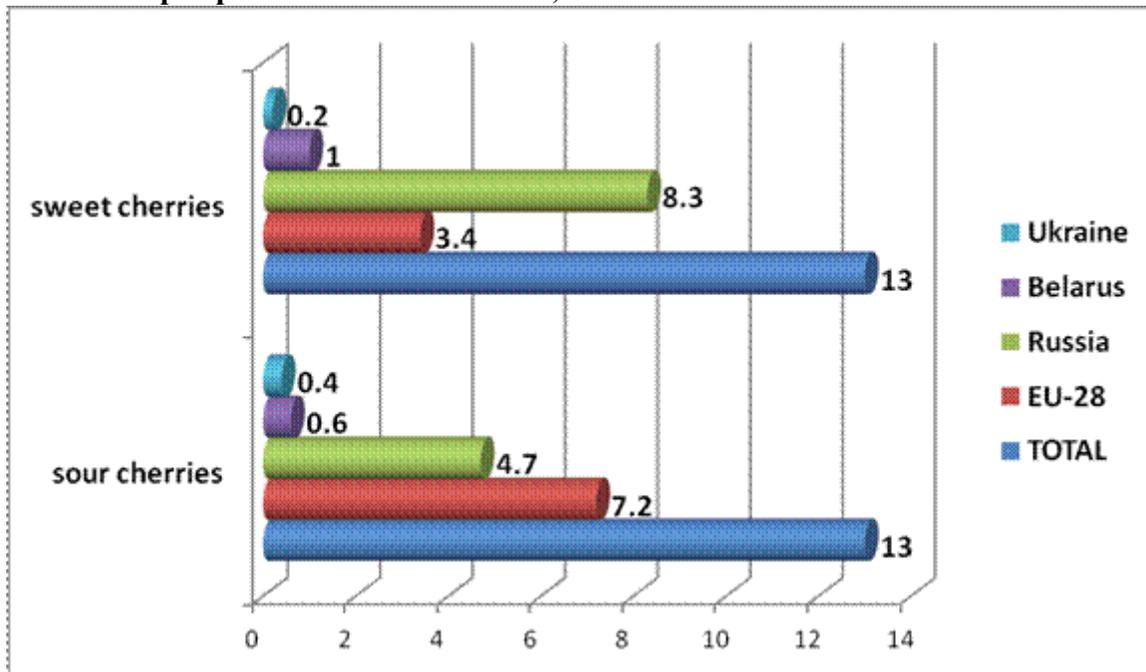
Cherries sour and sweet - fresh (HS 080921, 080929)

Poland's top export destinations in 2012, thousand MT



Source: Global Trade Atlas

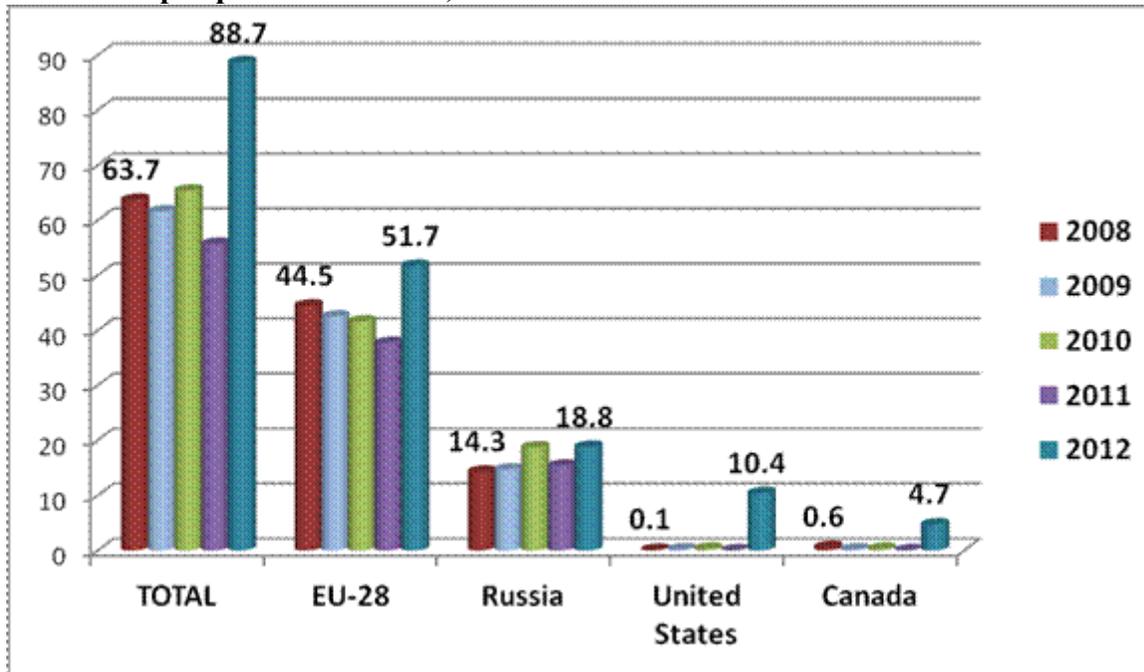
**Cherries sour and sweet - fresh (HS 080921, 080929)
Poland's top export destinations in 2012, US\$ million**



Source: Global Trade Atlas

Cherries frozen (HS 08119075)

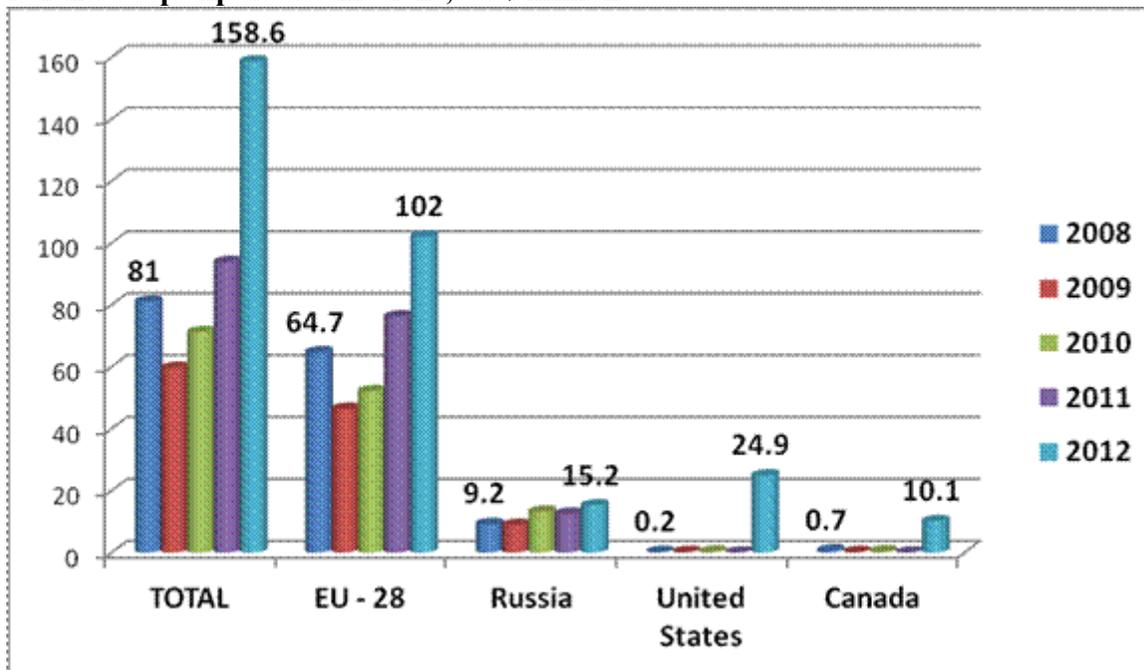
Poland's top export destinations, thousand MT



Source: Global Trade Atlas

Cherries frozen (HS 08119075)

Poland's top export destinations, US\$ million



Source: Global Trade Atlas

Information sources:

1. Polish Office of Statistics, Yearbooks 2008-2012
2. Global Trade Atlas, Eurostat
3. Information on the current situation of the fruit market for the 69th meeting of the Senate Committee on Agriculture and Rural Development.
4. Institute of Agriculture and Food Economics in Warsaw, Poland. Fruits and Vegetables Department.