CBI
Ministry of Foreign Affairs

# CBI Product Factsheet:

# Fresh Stone Fruit in Europe

## Introduction

The European import value of stone fruit from developing countries increased annually until 2013, but slowed down in 2014 due to the Russian embargo. Developing countries mainly supply Europe counter-seasonal in winter months, because Southern European countries produce lots of stone fruit. Special qualities or new varieties such as Paraquayos can be promising.

## Product Definition

Apricots, cherries, nectarines, peaches and plums all belong to the stone fruit of the genus Prunus. Stone fruit are also known as drupes, which refers to a fleshy fruit with a hard inner layer, or stone, that surrounds the seed.

Stone fruit is divided in freestone or clingstone fruit:

- The term freestone refers to when the stone can easily be removed from the flesh. Freestone fruit is preferred when end-users want to use the fruit as a whole and removal of the stone is possible by hand.
- If the flesh is strongly tied to the inner pit of the fruit the term clingstone is used. Clingstone fruit is more often used as an ingredient in all sorts of ways.

Apricots: An apricot is a fruit from the tree species Prunus Armeniaca, but the species Prunus Brigantina, Prunus Mandshurica, Prunus Mume, and Prunus Sibirica are closely related, have similar fruit, and are also called apricots. The fruit is similar to a small peach, 1.5–2.5 cm (0.6–1.0 in) diameter (larger in some modern cultivars), from yellow to orange, often tinged red on the side most exposed to the sun; its surface can be smooth or velvety with very short hairs. The flesh is usually firm and not very juicy. Its taste can range from sweet to tart.

Cherries: The cherry is the juicy fruit of many plants of the genus Prunus Avium (sweet cherry, also called wild cherry), or from Prunus Cerasus (sour cherry). Almost every country in Europe produces cherries. European consumers appreciate the fruit for their taste and nutritional benefits.

Nectarines: Peaches and nectarines are the same species; Prunus Persica, even though they are regarded commercially as different fruits. In contrast to the characteristic fuzz on the skin of peaches, nectarines are characterized by the absence of fruit skin trichomes (fuzz-less fruit); genetic studies suggest nectarines are produced due to a recessive allele, whereas peaches are produced from a dominant allele for fuzzy skin.

Peaches: The peach is the fruit from the tree called Prunus Persica, native to North-West China. The species name Persica refers to its widespread cultivation in Persia (Iran) from where it was transplanted to Europe. The fruit has yellow or whitish flesh, a delicate aroma, and a skin that is either velvety (peaches) or smooth (nectarines) in different cultivars. The flesh is very delicate and easily bruised in some cultivars, but is fairly firm in some commercial varieties, especially when green. The single, large seed is red-brown, oval shaped, approximately 1.3–2 cm long, and is surrounded by a wood-like husk. There are several varieties, including the Indian peach, which arrives in the latter part of the summer.

Plums: The plum measures in between 19 to 40 species. Only two species, the hexaploid European plum (Prunus Domestica) and the diploid Japanese plum (Prunus Salicina and hybrids), are of worldwide commercial significance. The commercially important plum trees are medium sized, usually pruned to 5-6 meters height. Fruits are usually of medium size, between 1 to 3 inches in diameter. The flesh is firm, juicy and mealy. The fruit's peel is smooth, with a natural waxy surface that adheres to the flesh. The fruit has a single large seed.

**Table 1: Combined Nomenclature (CN) commodity code for fresh apricots, cherries, plums, peaches and nectarines**

| Number | Product |
|---|---|
| 08091000 | Fresh apricots |
| 08092005 (until 2012) | Fresh sour cherries 'prunus cerasus' |
| 08092095 (until 2012) | Fresh cherries (excl. sour cherries 'prunus cerasus') |
| 08092100 | Fresh sour cherries prunus cerasus |
| 08092900 | Fresh cherries (excl. sour cherries) |
| 08093010 | Nectarines, fresh |
| 08093090 | Peaches, fresh (excl. nectarines) |
| 08094005 | Fresh plums |
| 08094090 | Fresh sloes |

*Source: Eurostat Comext.*

## Product Specification

### Quality:

- Import of fresh fruits and vegetables from third countries to the EU must conform to general standards. These standards can be found in the General Marketing Standards of Regulation (EU) No. 543/2011. Annex 1 of this regulation summarizes the minimum requirements that products should be intact, clean and sound, (practically) free from pests, damage, abnormal external moisture, internal browning, and in a condition to withstand transport and handling.
- For fresh peaches and nectarines a specific EU Marketing Standard exist.
- Requirements on quality, size and tolerances for stone fruit can also be found in the United Nations Economic Commission for Europe (UNECE) standards. UNECE standards are used by governments, producers, traders, importers and exporters, and other international organizations. For each type of fruit specific regulations are available and can be found here for apricots (including hybrid varieties of plums looking like apricots), peaches and nectarines, cherries and plums.
- Stone fruit is classified in three classes: "Extra Class" are products of superior quality that are free of defects or contain only very slight superficial defect that do not affect the general appearance of the product. "Class I" are products of good quality that can only contain slight defects in shape, colouring, skin and stalk. Fruit that satisfy with the minimum requirements but do not qualify for Class I or Extra Class can enter the EU classified as "Class II".
- In addition to the requirements above, peaches and nectarines should be free of fruit split at the stalk cavity.
- The development and state of maturity of the apricots must be such as to enable them to continue their ripening process and to reach a satisfactory degree of ripeness. The colour characteristic of the variety, must be present on at least 30 per cent of the least ripe fruit surface.
- Tolerance levels are set for each quality and size class. See the marketing standards for the specific tolerances for apricots, peaches & nectarines and cherries. Keep in mind that buyers may be much stricter than minimum legal requirements.

### Size:

For peaches and nectarines, the EU Marketing Standard states the size classes.

**Table 2: Size codes for fresh peaches and nectarines**

| | Code | diameter | | weight | |
|---|---|---|---|---|---|
| | | From (mm) | To (mm) | From (g) | To (g) |
| 1 | D | 51 | 56 | 65 | 85 |
| 2 | C | 56 | 61 | 85 | 105 |
| 3 | B | 61 | 67 | 105 | 135 |
| 4 | A | 67 | 73 | 135 | 180 |
| 5 | AA | 73 | 80 | 180 | 220 |
| 6 | AAA | 80 | 90 | 220 | 300 |
| 7 | AAAA | > 90 | | > 300 | |

*Source: EU Marketing Standard for fresh peaches and nectarines.*

- For apricots, cherries, and peaches and nectarines, the UNECE standards explain the guidelines for minimum size of the produce and size uniformity, depending on the Quality Class. Size tolerances occur but uniformity is compulsory for Extra Class and Class I.
- The minimum size for all apricots is 30 mm. For cherries the minimum size is 20 mm in "Extra Class" and 17 mm in Classes I and II. Size requirements in plums is based on the combination between variety and class: large fruit varieties in "Extra Class" can have a minimum size requirement of 35 mm, while Mirabelles and Damsons in Class II demands a minimum size of only 17 mm. Check your requirements in section III, with the provisions concerning sizing for plums here.
- For Peaches and Nectarines additional size codes can be demanded, ranging from D (51-55 mm diameter or 65-85 gr weight) to AAAA (>90 mm diameter or > 300 gr weight). See the UNECE Marketing Standard on peaches and nectarines.

**Packaging:**

- Packaging requirements differ between customers and market segments. They must at least be packed in new, clean and quality packaging to prevent damage and protect the product properly. Discuss packaging requirements with your buyers. Some general characteristics are:
  - Wholesale packaging is in cardboard boxes or wooden crates. These boxes can vary in size. Most produce is sold in 3-5 kg boxes.
  - Retail packaging: In European retail apricots, nectarines & peaches are sold right out of the wholesale box or in ½ or 1 kilo plastic boxes. Cherries and plums are usually sold in ½ kilo plastic boxes.

**Labeling:**

- To protect the right for consumers in the EU to access useful and appropriate information Regulation (EU) No. 1169/2011 establishes the general principles, requirements and responsibilities governing food information, and in particular food labelling.
- Each package must bear the following particulars, in letters grouped on the same side, legibly and indelibly marked, and visible from the outside:
  - Identification: Information about the packer/dispatcher and or shipper;
  - Nature of the product: The name of the product (e.g. Peaches' or 'Nectarines' if the contents are not visible from the outside). For peaches and nectarines, the colour of the flesh. Optionally, the name of the variety;
  - Country of origin of the product;
  - Commercial specifications: Class, size or size code, number of units (optionally);
  - Official control mark (optional).
- Checks on conformity must be carried out before these goods enter EU Community customs territory, except in the case of small lots which the inspection authorities/bodies consider to be low risk. In third-party countries that provide satisfactory guarantees of conformity, pre-export checks may be carried out by domestic inspection bodies. For the mentioned fruits no specific additional regulations are obtained.

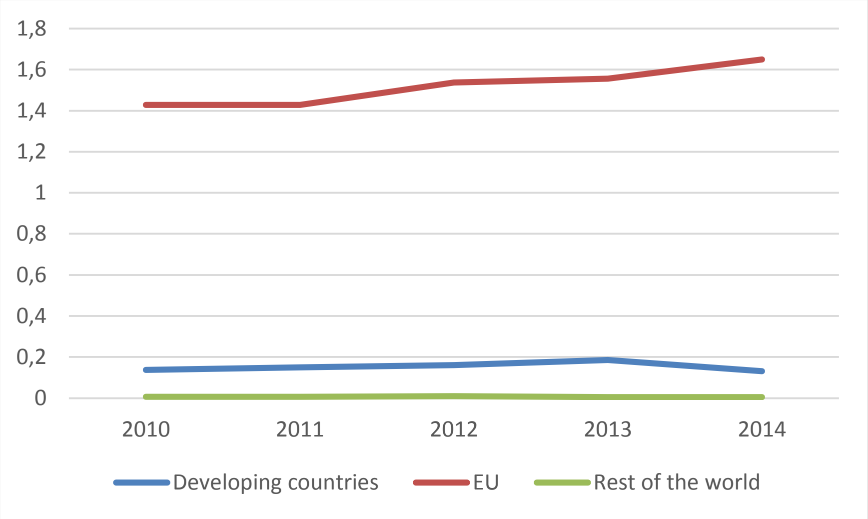
## What is the demand for fresh stone fruit in Europe?

General information and figures about production and trade developments in the European market for fresh fruit and vegetables are provided in the CBI Trade Statistics for Fresh Fruit and Vegetables on the CBI Market Intelligence Platform.

This section provides you with more detailed statistics about trade and consumption of fresh stone fruit in Europe.

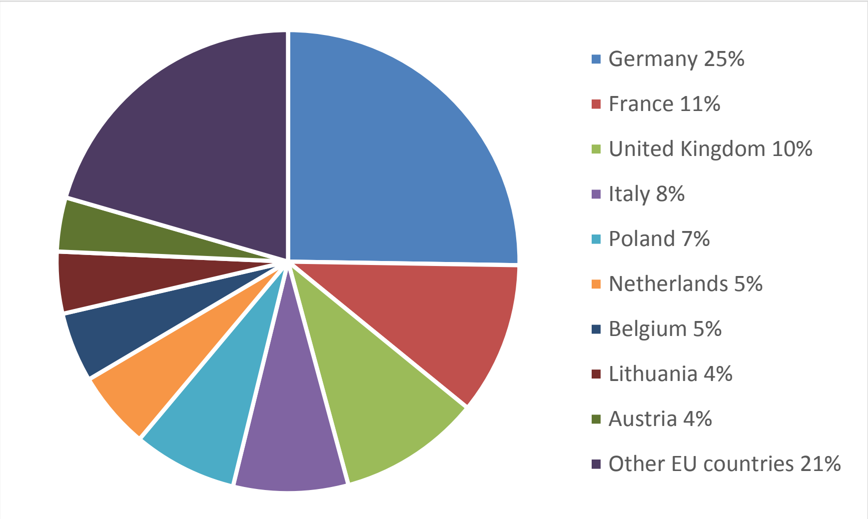
## Import

**Figure 1: EU Import of stone fruit, in 1,000 tonnes**




*Source: Market Access Database (Comext)*

**Figure 2: Import volume of stone fruit in 2014, share per EU country**




*Source: ITC Trademap, calculation by ICI Business*

**Interpretations and opportunities**

- The import of fresh stone fruit in Europe is stable with a growth of 14% over the past 5 years. The majority of Europe's stone fruit is imported from other EU member states. In 2014 the EU had to absorb more stone fruit from local production due to the Russian trade embargo. This resulted in almost a 30% decrease in import from developing countries compared to 2013.
- More than half of the 131 thousand tonnes stone fruit from developing countries is imported by the Netherlands and the UK. The Netherlands re-exports most of these to other European markets.
- Germany is the largest importing EU country of stone fruit with 451 thousand tonnes in 2014. After Germany, the largest importers are France (190 thousand tonnes), UK (177 thousand tonnes), Italy (143 thousand tonnes) and Poland (130 thousand tonnes).
- Because Europe produces stone fruit in large volumes as well, import from developing countries is mainly counter seasonal, i.e. from January to March. The largest suppliers from outside the EU are South Africa, Turkey and Chile. Turkey is an important supplier of fresh cherries to the EU (25 thousand tonnes in 2014), also during the European

seasonal months June and July; South Africa is a main supplier of plums (40 thousand tonnes); Chile exports both cherries and plums (5 and 8 thousand tonnes).

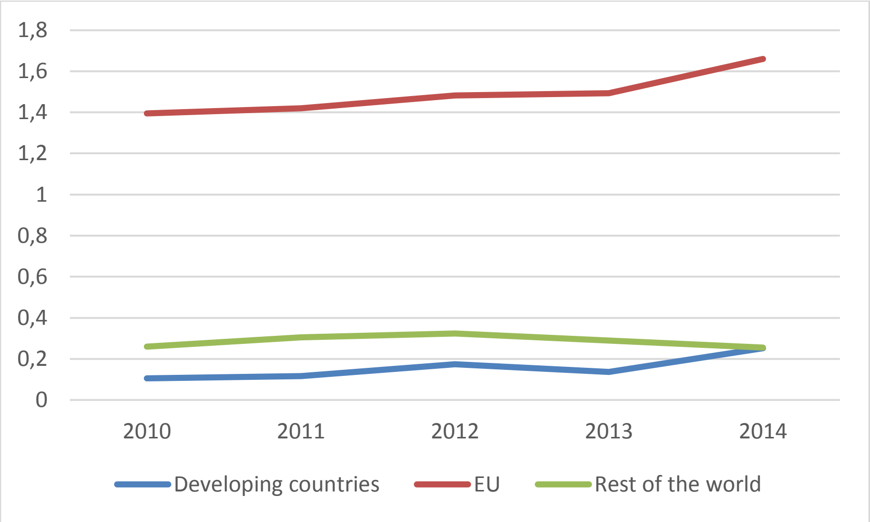
- Prices of European stone fruit dropped in 2014 (due to losing exports to the Russian market), making stone fruit from outside Europe relatively expensive. This has weakened the competitive position of exporters from developing countries, especially during the local season in Europe.
- There is a slightly growing market for stone fruit in the EU but competition is fierce. Importers in the European market favour larger producers because of supply certainty.

**Tips:**

- Make sure that your product is competitive and of high quality. Maintain the quality throughout the season and find reliable partners in the EU to optimally benefit from the growing demand.
- Find a European importer by presenting yourself at trade fairs such as Fruit Logistica.
- Consider using the established trade routes and find an importing partner in the Netherlands. The Netherlands has become the dominant importing country from developing countries in the EU.

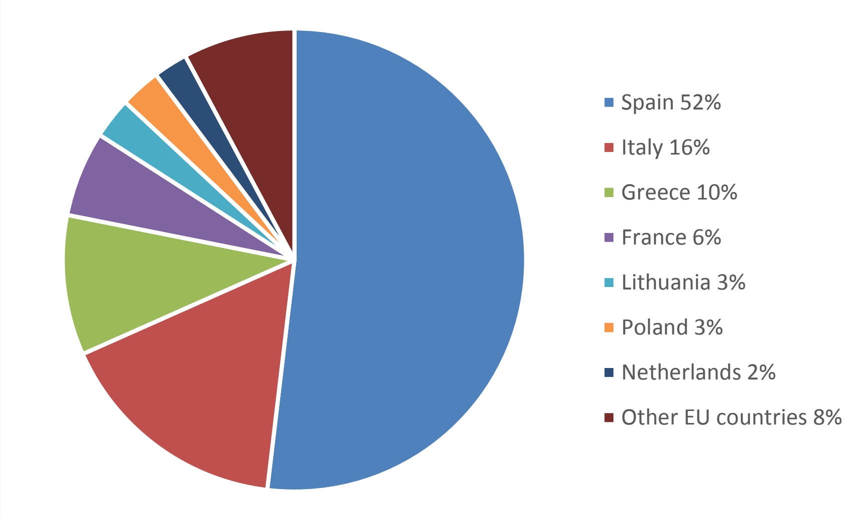
## Export

**Figure 3: EU Export of stone fruit, in 1,000 tonnes**




*Source: Market Access Database (Comext)*

**Figure 4: Export volume of stone fruit in 2014, share per EU country**




*Source: ITC Trademap, calculation by ICI Business*

### Interpretations and opportunities

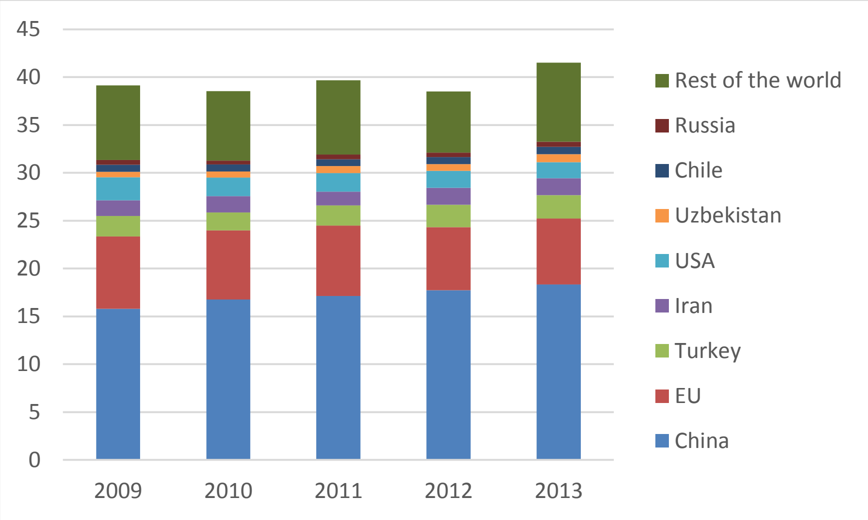
- In 2014 EU countries exported 2.2 million tons of stone fruit. Around 77% of the export had a European country as the final destination.
- The EU export of fresh stone fruits increased with 23% between 2010 and 2014. This growth was most evident in 2014 when exports to other EU countries as well as to developing markets was significantly higher. For example, EU export was twice as high in 2014 to countries such as Belarus, Algeria and Egypt.
- Spain is the biggest exporter in the EU, with a share of 52% in 2014. Spanish export of fresh stone fruit is primarily from domestic production of peaches and nectarines.
- Russia was the main export destination for fresh stone fruit outside Europe. In 2014, exports to Russia decreased to 178 thousand tonnes (from 215 thousand tonnes in 2013) due to the Russian embargo that was put into force in august 2014. Inside Europe Germany, France and the United Kingdom are major end markets.

**Tip:**

- Discuss with your buyer the timing and potential demand for your product. Cherries can offer opportunities during both off-season and in season, while the market for peaches is often saturated due to the large EU production.

## Production

**Figure 5: Global production of stone fruit, in million tonnes**




*Source: Statistics Division of the Food and Agriculture Organisation (FAOSTAT)*

**Interpretations and opportunities**

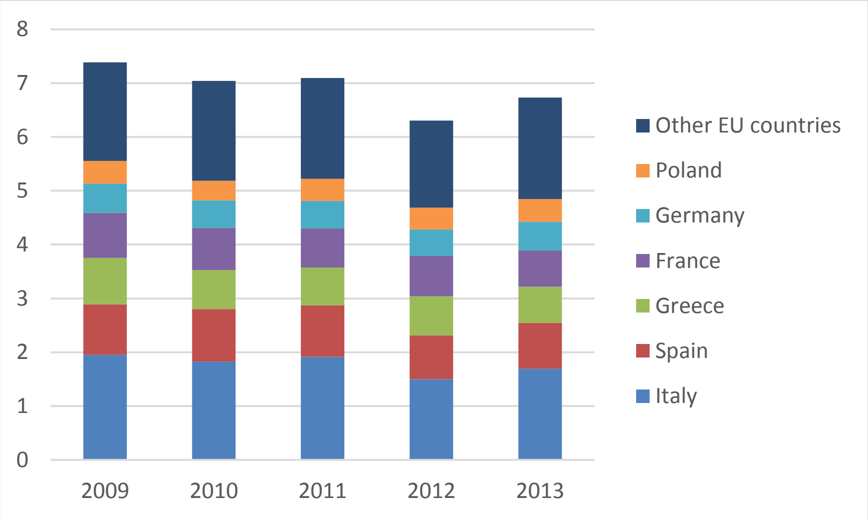
- The annual worldwide production of stone fruit is 38-42 million tons. Almost half of worldwide production of stone fruit originates in China, but this is mainly for the domestic market. Stone fruit that is not for Chinese domestic consumption is exported mostly to Vietnam, Russia and Kazakhstan. Other large producing countries outside the EU include Turkey (2.4 million tonnes), Iran and the USA (both around 1.7 to 1.8 million tonnes).
- Spain and Italy are the main EU producers of stone fruit. Together they produced around 3.7 million tonnes out of the total 6.9 million tonnes of stone fruit produced in the EU.
- About 85% of apricots and 96% of peaches and nectarines produced in the EU originate from the Mediterranean countries Italy, France, Spain and Greece. In 2013 these countries produced almost 548 thousand tonnes of apricots and 3.6 million tonnes of peaches and nectarines.
- For peaches and nectarines, the production volumes in 2013 were around 10% lower than in the peaking year 2011 (and 2012 for apricots). According to recent market signals, volumes of peaches and nectarines have recovered in 2014 and 2015. Spain is a fast growing competitor for peaches in the EU thanks to increasing popularity of varieties such as Paraguayos (wild peaches) and Platerinas (flat peaches).
- Apricot production in the EU countries was above 700 thousand tonnes in 2012. With the exception of Spain, production volumes in Europe have decreased since 2012. Unfavourable weather conditions in Europe offer new opportunities for exporters from developing countries
- Cherry production takes place in almost every country of Europe. Nevertheless, the demand exceeds the supply, which makes cherries one of the most lucrative imported products. Turkey (in summer) and Chile (in winter/off-season) are the main non-EU suppliers on the European market. During the summer months, Canada and the USA also supply fresh cherries to the EU.
- The production of plums in the EU amounts to nearly 1.5 million tonnes, of which one third is produced in Romania. Although China and Serbia were the largest producers in 2013, Chile and South Africa are the principle (off-season) suppliers to the EU.

**Tips:**

- Investigate the potential of new varieties. Varieties such as the Paraguayo peach are increasingly popular in production country Spain as well as in the northern European markets.
- Use unfavourable climatic conditions in Europe to your benefit. Always be well informed about EU import requirements and maintain good contact with important buyers in order to jump in when EU production is low.
- Find latest production statistics for fresh stone fruits production at FAOSTAT.

## Consumption

**Figure 6: EU Consumption of stone fruit, in million tonnes**




*Source: ITC Trademap, FAOSTAT, calculation by ICI Business*

**Interpretations and opportunities**

- Exact figures about fresh stone fruit consumption in Europe are not available. Based on import, export and production statistics, the EU consumption is estimated to be around 6.7 million tonnes based on the latest data from 2013.
- The largest producing countries for stone fruit in Europe are also the main consumption markets (Italy, Spain, Greece, France). Consumption in these cases includes the processing of locally produced stone fruit.
- European consumption is growing slightly. Novelties and (temporal) shortfalls in supply influence stone fruit prices and consumption levels. In the medium run, overall European demand is expected to increase just slightly.
- Stone fruit is considered a seasonal product by most European consumers. Consumption peaks around the traditional harvesting months in early summer.

**Tip:**

- Avoid the mistake of prioritising quantity over quality when exporting to a growing market. In the end, wholesalers and retailers demand good quality produce and trustworthy suppliers.

## What trends offer opportunities on the European market for fresh stone fruit?

CBI Trend mapping provides you with general trends in the European market for fresh fruits and vegetables. This section provides more details about specific trends in the market for fresh stone fruits.

***Growing interest in sustainable fruit:*** Consumption of fresh fruit in Europe is developing towards a more sustainable approach to production and processing. Environmental and social issues are becoming more and more important. Social and environmental certification schemes include actions to strongly reduce and register the use of pesticides, take action on the safety of employees and/or even include price guarantees for producers. Certification schemes that are in line with the Global Social Compliance Program (GSCP) will have a higher chance of being accepted by European supermarkets.

It is expected that buyers will increasingly pay attention to the local impact of fruit production on the environment. Retailers are increasingly sensitive to reputational damage from selling produce with adverse effects on the environment or your local community.

On a general level, food safety, corporate social responsibility (CSR), social compliance, health, and increasing attention to natural production methods are identified as key social trends in the European market for fresh fruit and vegetables.

**Tips:**

- Check the Global Social Compliance Program (GSCP) website for more information about social and environmental conduct.
- Check for information on CSR labels and certification in the Standards Map database.
- Check with the Sustainable Initiative Fruits and Vegetables (SIVAF) about the commitment and development in sustainability of the fresh fruit sector.

***Organic niche:*** Thanks to the increased attention to health and environment, there is also a growing interest in organically produced fruit and vegetables, including organic stone fruit.

**Tip:**

- Read more about organic farming on the Soil Association website.

***New varieties and taste:*** New varieties such as the Paraguayo peach are gaining in popularity. Stone fruit need to be at the optimal ripeness when bought and consumers have a preference for sweet varieties. Taste and consumer experience have become important in the purchase of fresh fruit.

**Tips:**

- Make sure that supply chain logistics and transport processes do not affect product taste in any significant way.
- Find the right varieties that are most favoured in your destination market.

***Russian embargo:*** Because of the Russian import ban of European fresh fruit and vegetables, Europe has lost its principle export destination. As a consequence more of the European stone fruit is sold locally, which has made it more difficult for exporters from developing countries to compete during the European season.

***More attention for local seasons:*** European countries are large producers of fresh stone fruits themselves. There is an increased attention for the specific seasons of fruit, which is often promoted by local retailers and given extra value. Locally cultivated stone fruit also fits well in the growing demand of sustainable fruit. While consumer awareness of local seasons increases, the opportunities for developing countries are often limited to the off season and supplementing the EU production.

**Tips:**

- In order to compete with the EU production, maintain high quality standards and supply a superior product. Uniformity in size and quality is important.
- Increase cooperation between export and production in order to meet EU buyer requirements and increase your chances on the European market.

## What requirements should fresh stone fruit comply with to be allowed on the European market?

Buyer requirements can be divided into (1) musts, requirements you must meet in order to enter the market, such as legal requirements, (2) common requirements, which are those most of your competitors have already implemented, in other words, the ones you need to comply with in order to keep up with the market, and (3) niche market requirements for specific segments.

For general information see also the buyer requirements for fresh fruit and vegetables on the CBI Market Intelligence Platform for fresh fruit and vegetables.

### Requirements you must meet

**Pesticides**
Pesticide residues are one of the crucial issues for fruit and vegetable suppliers. To avoid health and environmental damage, the EU has set maximum residue levels (MRLs) for pesticides in and on food products. Products containing more

pesticides than allowed will be withdrawn from the EU market. Note that buyers in several Member States such as the UK, Germany, The Netherlands and Austria, use MRLs which are stricter than the MRLs laid down in EU legislation.

**Tips:**

- To find out the MRLs that are relevant for stone fruit, use the EU MRL database in which all harmonised MRLs can be found. You can search on your product or pesticide used and the database shows the list of the MRLs associated to your product or pesticide. Read more about MRLs in the EU Export Helpdesk.
- Reduce the amount of pesticides by applying integrated pest management (IPM) in production. IPM is an agricultural pest control strategy that includes growing practices and chemical management.
- Check with your buyers if they have additional requirements on MRLs and pesticide use.

**Plant Health**
Fruit and vegetables exported to the EU must comply with the EU legislation on plant health. The EU has laid down phytosanitary requirements to prevent introduction and spread of organisms harmful to plants and plant products in the EU. The requirements mainly imply that:

- Certain listed organisms are not allowed to be imported into the EU, unless specific circumstances apply. EU control measures are subject to change.
- Plants or plant products specified in Part B, Annex V of the Plant Health Directive 2000/29/EC must be accompanied by a plant health certificate. A model phytosanitary certificate can be found through Annex VII of the Plant Health Directive.

**Tips:**

- Check with the relevant National Plant Protection Organisation (NPPO) or your EU importer what the requirements are for your product. Click here for a list of NPPOs
- Read more about plant health in the EU Export Helpdesk.

**Contaminants**
Contaminants are substances that have not been intentionally added to food, but which may be present as a result of the various stages of its production, packaging, transport or warehousing. To avoid negative impact on the quality of food and risks to human health, the EU has set limits for several contaminants.

**Tips:**

- Find the relevant contaminant levels in the annex of Regulation (EC) 1881/2006. All contaminants are presented and maximum levels are provided per product or groups of products.
- Find out more about prevention and reduction of lead contamination in the Code of Practice published by the Codex Alimentarius.
- Check the European Commission's factsheet on food contaminants "Managing food contaminants: how the EU ensures that our food is safe" and read more about contaminants in the EU Export Helpdesk.

**Control of food imported to the EU**
To ensure food safety and avoid environmental damage, the EU has restricted the use of certain chemicals in several Regulations and Directives. Your products will be subjected to official controls. These controls are carried out to ensure that all foods marketed in the EU market are safe, i.e. in compliance with the requirements applicable to them. There are three types of checks:
a) Documentary checks
b) Identity checks
c) Physical checks

In the event of repeated non-compliance of specific products originating from particular countries, the EU can decide that controls will be carried out on an increased level or lay down emergency measures. Controls can be carried out at all stages of import and marketing in the EU. However, most checks are done at the points of entry in the EU.

Switzerland, Norway, Iceland and Liechtenstein are not EU members, but are part of the European Free Trade Association (EFTA). Their food laws are to a large extent identical with EU legislation. However, some aspects of legislation may differ. In Switzerland, import checks are the responsibility of the Swiss Customs Administration and the Federal Office of Public Health.

**Tips:**

- Familiarise yourself with the procedures before planning your exports to the EU. Failure to follow the right procedures could cause decrease and delay of orders, increase costs and result in actions by EU enforcement authorities.
- Make sure that the accompanying documents correspond (from A-Z!) with the food products contained in the consignment.
- Read more about health control in the EU Export Helpdesk.
- Consult the EU Export Helpdesk for a full list of requirements for stone fruit, selecting the product code: **0809.**

## Common buyer requirements

**Certification as guarantee**
As food safety is a top priority in all EU food sectors, you can expect most buyers to request extra guarantees from you in form of certification. GlobalG.A.P. is the most commonly requested food safety certification scheme, essential for exporting stone fruit to the EU, especially via supermarkets. GLOBALG.A.P is a pre-farm-gate standard that covers the whole agricultural production process, from before the plant is in the ground to the non-processed product (processing not covered).
Examples of other food safety management systems that can be required are British Retail Consortium (BRC) and International Food Standard (IFS), FSSC22000 or SQF. These management systems are additional to GLOBALG.A.P. and are recognised by the Global Food Safety Initiative (GFSI).

**Tips:**

- Check which Food safety management systems are most commonly requested in your target market. Expect GLOBALG.A.P. to be one of them.
- Read more on the different Food Safety Management Systems at the Standards Map.
- As food safety is a major issue; work proactively with buyers to improve food safety and be transparent and up-to-date with buyer requirements and regulations.

**Quality standards**

The General EU Marketing Standards also apply to stone fruit. EU buyers often require compliance with the standards of the UNECE or the Codex Alimentarius Commission (CAC). It should be noted that quality refers to both food safety and food quality.

**Tips:**

- Make sure you supply the quality as agreed in the product specifications and discuss with your buyer which additional certificates are required. These requirements vary between countries and market segments.
- Pay attention to an effective post-harvest chain, including cold storage. Try to avoid damaging of the product in any way, as any damage will increase the change of infection and deterioration of the produce.

## Niche markets: Organic and Fair trade requirements

**Organic, a growing niche market**

An increasing number of EU consumers prefer food products that are produced and processed by natural methods. The market for organic stone fruit is increasing together with the general trend of organic fruit. In order to market organic products in the EU, you have to use organic production methods according to EU legislation. Furthermore, you have to use these production methods for at least two years before you can market the fruits and vegetables as organic. In addition, you (or your EU importer) must apply for an import authorisation from EU organic control bodies. After being audited by an accredited certifier, you may put the EU organic logo on your products, as well as the logo of the standard holder (e.g. Soil Association (especially relevant in the UK) , Naturland (Germany) or Bio Suisse (Switzerland)). Some of these standards are slightly different, but they all comply with the EU legislation on organic production and labelling.

**Tips:**

- Implementing organic production and becoming certified can be expensive, so assess the market potential before making any investments.
- Consult the Standards Map database for the different organic certifications.
- For the export of organic stone fruit into the European market, use a competent and specialised importer, who understands the market and knows the way into niche markets with their particular requirements.

**Fair and sustainable**

A small, but growing, niche market is the market for fresh products produced with more attention for on the social and/or environmental conditions in the producing areas. For stone fruit social compliance is important, although product quality is top priority.
Examples of social or sustainable labels for fresh fruit and vegetables are Fairtrade , Fair for Life and the Rainforest Alliance Certification Scheme.
Furthermore importers may also adopt initiatives which may also impact you as a supplier. For example participating in a retailer initiative, such as the Ethical Trading Initiative (ETI) in the UK, or the Business Social Compliance Initiative (BSCI) in

**Tips:**

- Check your company's current performances. For example by doing a self-assessment on the BSCI website.
- Consult the Standards Map database for more information and for differences between fair trade labels.

## What competition do I face on the European stone fruit market?

For general information about market competitiveness for fresh fruit and vegetables you can have a look at the Market Competitiveness information available at the CBI market intelligence platform. The platform also provides the Top tips for doing business with European buyers.

This section provides information about the market competitiveness of the EU market for stone fruit.

**Company competition:** Rivalry in the trade of stone fruit is fierce most of the time. In summer time competition against European production makes trade from other countries extremely difficult. Europe production is favoured because of less transportation and therefore more freshness. However, new varieties can help to be successful on the European market.

Weather changing conditions influence European production. Fresh stone fruit is fragile and can suffer from severe impact of climate conditions. Apricots and cherries cannot easily withstand early warm periods and colder periods at the end of the season. Climate will thus have a positive impact on the competitive position of exporting developing countries.

**Market entry:** Certification and meeting both legal and non-legal requirements form a major hurdle for producers and exporters wishing to enter the European market. Suppliers of fresh fruit and vegetables to European retailers are not in a position to argue about the rules of the game. In general, European producers are very well prepared to supply the EU market, giving them an advantage over new suppliers from developing countries.

**Product competition:** In the last decade the diversity of fruit and vegetables supplied to the European market has increased. Substitutes for fresh stone fruits are widely available. Peaches can be substituted with nectarines, and cherries with strawberries. Especially European production of fresh stone fruit varieties competes with strawberries and other fresh Stone fruit varieties. Exporters of developing countries in winter time encounter less problems with substitutes. Stone fruits in general are less available then.

**Tips:**

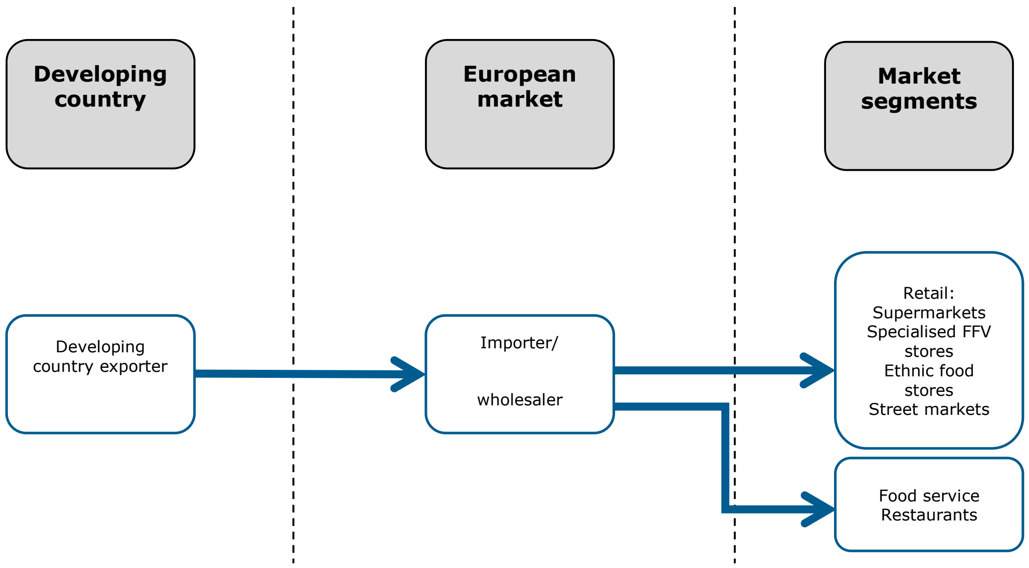
- Become part of a long term retail programme and improve your company's performance by building relationships with experienced buyers.
- Try not to compete on price alone, but build partnerships with buyers and strive for excellent product quality and handling.
- Look for opportunities outside of the European season or in supplying new varieties. Specialists in novelties can have a stronger position for negotiation than suppliers of regular stonefruit.
- Establish a credible track record including transparent information on your company and product quality. Being part of a stable partnership and being a trustworthy supplier can help you to establish and maintain your position on the market.
- Use storytelling (e.g. show the product's origin and producer), novel packaging and premium quality as methods for setting your product apart.

## What do the trade channels and interesting market segments look like in Europe for fresh stone fruit?

For more general information about market channels and segments, you can have a look at the Market Channels and Segments available at the CBI market intelligence platform.

This section provides information about the various marketing channels through which fresh stone fruits are marketed in Europe.

**Figure 7: Market channels for Fresh Fruits and Vegetables in the European market**




## Interpretations and opportunities

***Counter seasonal import concentrated in the Netherlands:*** Fresh Stone fruits are mainly imported in winter time, i.e. counter seasonal, by wholesalers who supply to large supermarkets and food service specialists in Europe. The main importers can be found in the Netherlands. From there fresh stone fruits are supplied all over Europe.

***Regional differences in market channels:*** In Europe there are regional differences in the composition of market channels. Northern countries like Germany, the UK, the Netherlands and Belgium have a very dominant large retail channel (supermarkets). France and Spain go beyond that with large hypermarkets, alongside smaller specialist shops. Countries in the Alpine region, such as Switzerland and Austria, are more favourably disposed towards small local shops.

***Supermarkets are demanding:*** Supermarkets demand standardized packaging and have special criteria for size and quality. Supermarkets are also focusing the toughest on MRLs.

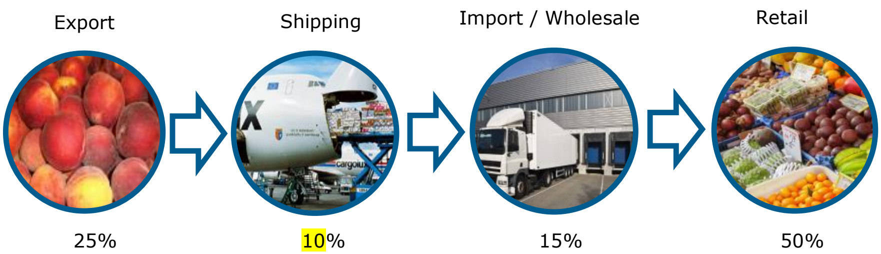
**Tips:**

- Establish integrated producer cooperatives with enough assistance to farmers and checks on production methods, post-harvest handling and storage to keep quality up to standards. Quality and uniformity are crucial when supplying supermarkets.
- Find a European importer by presenting yourself at trade fairs such as Fruit Logistica. All of the different channels start with a strong relationship with a European partner.
- Find out if your company is ready to supply large retail chains. Check the ITC Standards map for certifications and self-assessment tools.

## What are end market prices for fresh stone fruits?

The figure below gives an estimation of the price breakdown. This breakdown indicates value-added and gross margins in the different parts of the supply chain.

**Figure 8: Price breakdown in the Fresh Stone Fruits supply chain**




Consumer prices for stone fruit depend on weather conditions, volumes supplied, season, type of shipment, quality, country of origin and type of retail outlet. Transport costs may vary depending on the type of shipment (air or sea) and inland transportation.

Temporary shortfalls in supply (e.g. through harvest problems) have a huge impact on prices.

Table 3 below provides information about the consumer prices of apricots, cherries and peaches on the European market. Be aware that these figures are just indications.

**Table 3: Consumer prices of apricots, cherries and peaches in the European market**

| **Price (€)** | **2014 (august)** |
|---|---|
| | **Retail (Supermarket prices in the Netherlands & the UK)** |
| Apricots | **€6.00 - €7,50 p/kg** |
| Cherries | **€5.00 – €10.00 p/kg** |
| Peaches and nectarines | **€2.50 – €6.00 p/kg**<br>€0,25 – €0,85 p/pc<br>+30% for organic |
| Plums | **€2.50 - €7.50 p/kg**<br>+20/25% for organic |

**Tips:**

- Find information about consumer prices on the online shops or assortments of supermarket chains such as Tesco, Albert Heijn or Carrefour.

## Useful Sources

**Export and market entry support:**

- CBI - http://www.cbi.eu/
- CBI market studies on fresh fruit and vegetables - http://www.cbi.eu/marketintel_platform/fresh-fruit-vegetables/136122/buyerrequirements
- EU Export Helpdesk - http://exporthelp.europa.eu/thdapp/index_en.html
- SIPPO - http://www.switzerland-ge.com/global/export/en/sippo-services
- ITC - International Trade Centre of WTO and UN - http://www.intracen.org/

**Certification schemes:**

- British Retail Consortium (BRC) - http://www.brcglobalstandards.com/
- BSCI - http://www.bsci-intl.org/
- FAIRTRADE - http://www.fairtrade.net/
- GLOBALG.A.P - http://www.globalgap.org/uk_en/
- ISEAL - http://www.isealalliance.org/
- ITC Standards Map - http://www.standardsmap.org/
- Rainforest Alliance - http://www.rainforest-alliance.org/

**Marketing and trade standards:**

- Codex Alimentarius - http://www.codexalimentarius.org/codex-home/en/
- European Food legislation - http://ec.europa.eu/agriculture/organic/eu-policy/legislation_en
- The United Nations Economic Commission for Europe -http://www.unece.org/

**Statistics:**

- Agricultural Research for Development - http://www.cirad.fr/en
- Fruitrop - http://www.fruitrop.com (publication of CIRAD)
- Freshfel - http://www.freshfel.org
- Freshplaza - http://www.freshplaza.com
- European Statistics Eurostat - http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home/
- FAOSTAT - http://faostat.fao.org/
- ITC Trade Map - http://www.trademap.org/
- United Nations Comtrade - http://comtrade.un.org/

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December 2015