European grape imports increase after smaller harvest

The European Union is the largest grape producer in the world. Within the Union, Italy, Spain and Greece are the largest producers by far. Combined, these countries are good for 93 per cent of production. For market year 2017/18, which lasts from June to May, a decrease of 13 per cent in volume is expected. In total, 1.4 million tonnes of grapes will be harvested. This was calculated by the USDA in a recent report.

The significant decrease in production is mostly due to a much lower harvest in Italy. That country incurs a loss of 25 per cent as a result of heavy rainfall in autumn. France (-20%) and Romania (-3%) also expect a smaller harvest. On the other hand, the figures reported by Greek growers show an increase in production of 14 per cent. Bulgarian growers reported an increase of 49 per cent. The production figures on the Iberian Peninsula are stable.

The area in European countries is expected to remain stable compared to the previous season. In 2016/17, the area decreased again, after a dramatic decrease in the past ten years. This has everything to do with a lower profitability as a consequence of rising production costs and a strong competition from other countries.

Largest producer incurs loss

Italy is Europe's biggest producer. The production can mostly be found in the south of the country, in the regions of Puglia and Sicily. These regions are good for 70 and 25 per cent of domestic production. The most important varieties are Italia, Victoria and Red Globe, which combined take up 68 per cent of the area. In recent years, growers gradually switched to the production of seedless varieties under pressure of rising demand for these grapes within and outside of Europe. Sugraone, Crimson, Thompson and Sublime are the most important seedless varieties. In he past four years, the area decreased due to lower profitability. The early varieties (Black Magic and Vittoria) are on the market from May to July. The medium and late varieties (Italia, Pizzutello Bianca and Red Globe) are harvested between August and December. Sicily, Abruzzo, Puglia, Basilicata and Sardegna are the most important production areas for these grapes.

The Greek area has about 17,000 hectares meant for table grapes. The largest part of the production can be found in Corinth, Peloponnese, Kavala in Macedonia and Heraklion on Crete. The most important varieties are Sultana (Thompson Seedless) and Victoria. Additionally, there's more focus among growers for expanding the season to October and November.

Spain has 14,000 hectares of grape production. This year, about 6,000 hectares were replanted with new varieties that replace the old varieties. In total, more than 50 varieties are grown in Spain. The most important are Aledo, Ideal, Muscatel, Dominga and Napoleon. The seedless varieties take up 30 per cent of the total grape production. The production of these seedless varieties is concentrated in Murcia. This region is the largest production region, and is good for nearly 90 per cent of production. The production in Alicante is also becoming increasingly important.

Late and seedless varieties

The consumption of grapes has remained stable in recent years. For the coming year, however, a decrease of 9.5 per cent has been estimated. That amounts to a consumption of two million tonnes. The lower consumption is mostly the consequence of the considerable decrease in Italian production. The season starts in June and lasts until just before the end of the calendar year. In these months, the European production is sufficient to meet demand. The import from the Southern Hemisphere, which is mostly on the market during the first half of the calendar year, meets 25 per cent of demand.

Italy isn't just the largest producer of grapes, but also the largest consumer. This is followed by Germany, the UK, Greece, France, Spain, Romania, the Czech Republic, Portugal, Austria, Bulgaria, Slovakia, Croatia and Slovenia. Although the Italian grapes are still much in demand, this demand is shifting towards seedless varieties. In a response to that trend, more and more grape growers are shifting towards seedless varieties. Besides, growers are also shifting towards late varieties, such as Crystal and Princess, more, to guarantee supply after the summer.

More imports after smaller harvest

In addition to European production, there's import from a number of countries. The EU is a net importer of grapes. Following lower volumes, there will probably be more import. During the 2016/17 season, 4.5 per cent more was imported. That amounts to a total volume of 642,701 tonnes. More was imported from South Africa (+8%) in particular, but Chile (+5%) and India (+13%) also sold more grapes on the European market. These are also the largest suppliers of import grapes, good for 33, 17 and 14 per cent of total import. These are followed by Peru, Egypt, Turkey, Brazil and Namibia. Most grapes arrive on the continent via the Netherlands, Germany and the UK. In this trade, the Netherlands mostly functions as a transit port.

The export from the EU will be lower, following the downwards trend of the production. During the 2016/17 season, the EU exported 86,506 tonnes of grapes. That was one per cent less than the previous year. The most important export markets are Switzerland and Norway, good for 34 and 16 per cent of the export. New markets are emerging in North Africa, the Middle East and China. The UK, Scandinavia and the United Arab Emirates are important markets for seedless varieties. This concerns varieties such as Sugar Crisp, Sweet Sunshine, Sweet Celebration, Sweet Sapphire, Jack's Salute and Cotton Candy.

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