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C5 Strategic Planning in Med Rural Areas

Phase 3: Identification of Key Interventions

"Research for Strategic Plan and Development for the promotion of Table Grapes of the Municipality of Archanon Asterousion"

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The Legal Representative of MAICh

George Baourakis

Supervisor: *Dr..George Baourakis (Director, MAICh)*
RESEARCH TEAM OF MAICh:
George Angelakis (MSc., M.A., Researcher, Dept. of Business Economics & Management, MAICh)
Helen Angelaki (PhD Candidate, Dept. of Production Engineering & Management, Technical University of Crete)
Emmanouela Katsi (MSc., Researcher, Dept. of Business Economics & Management, MAICh)
George Manthoulis (PhD Candidate, Dept. of Business Economics & Management, MAICh)
Persa Papagiannaki (MSc., Researcher, Dept. of Business Economics & Management, MAICh)
George Fakotakis (Researcher, Dept. of Business Economics & Management, MAICh)

EXTERNAL PARTNERS:
Prof. Gert Van Dijk (Wageningen University and Nyenrode University, the Netherlands)
Prodromos Kalaitzis (Senior Policy Advisor, Copa-Cogeca, European Farmers & Agri-cooperatives Organisation, Brussels)
Periklis Drakos (Specialized Teaching Staff, Dept. of Economics, University of Crete)

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Europe in the Mediterranean

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1. Current global environment

1.1

1.1 Global agricultural land under grape cultivation

According to the Food and Agriculture Organization (FAO) statistics for the global agricultural land under grape cultivation, there was a 2.7% decrease in the total acreage of grapes from 7,397,603 hain 2001 to 7,197,923 ha in 2010. Greece is placed 13th in the 2001 ranking with 132,100 ha while it was placed 17th in 2010 with 99,300 ha. The country with the largest acreage of grapes is Spain which in 2010 had almost 14% of the global acreage with 1,002,100 ha but there was a decrease of 11.7% during the 2001-2010period. The biggest increase in the acreage of grapes during the 10-year period (2001-2010) has been noticed in China. China increased the cultivated land for grapes from 337,300 ha in 2001 to 649,300 ha in 2010, which constitutes a 91% increase.

1.21.2 Global grape production

China, the world's mostpopulous country, had the largest production of grapes in 2010 with 8,651,831 tons, based on Food and Agriculture Organization (FAO) data and it appeared to be increasing the production from 2001 (3,764,000 ton) to 2010 by 130%. Greece was placed 16th in 2010 with 1,002,900 tonsbut showed a substantial decrease (22%) during the 2001-2010 period. The second largest production of grapes in 2010 belongs to Italy (7,787,800 tons) and it is followed by the USA (6,220,360) and Spain (6,107,000). At this point, we notice that Spain, despite the fact that it has the largest acreage of grapes, doesn't appear to have the largest grape production but the 5th largest one. One more thing that is worth mentioning is India with an increase of 113% in grape production for the 2001 period (1,060,000) to 2010 (2,263,100). Overall, the global grape production has been increased by 11% from 61,431,776 tons in 2001 to 68,311,466 tons in 2010.

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2. The case of Greece

1.3

2.1 Acreage and production of grapes in Greece

The domestic production of grapes in Greece is divided into 3 categories: grapes for fresh consumption, grapes for wine making, and grapes for drying. The total acreage of grapes in Greece has fallen to 99,300 ha in 2010, according to FAO, a 30% decrease over the last decade, while the acreage of grapes for fresh consumption is only 11% of the total, the acreage of grapes for wine making is 60% of the total and the acreage of grapes for drying is 29% of the total. Concerning the grapes for fresh consumption, the production in Greece has remained relatively stable over the past years. The largest part of the total production goes for packaging and exporting while the rest of the production is being sold without packaging in the domestic market.

1.42.2 Exports of table grapes

Greece is considered a modest exporter of table grapes (grapes for fresh consumption) worldwide. During the last 10 years the total exports of table grapes presented a rather big decrease of 44% from 121,897 tons in 2001 to 68,717 tons in 2011, according to the Ministry of Rural Development and Food, which means that Greece has lost almost half its export power in a decade. The main importers of the Greek table grapes in 2011 are Germany (34%), the Netherlands (16%), and the United Kingdom (16%), followed byPoland (5%), Romania (4%), Bulgarian (3%), Sweden (3%) and Ukraine (3%). The biggest importer is Germany with 23,313 tons, followed by the Netherlands and the United Kingdom with 11,365 tons and 10,984 tons respectively, while the remaining main importers range from 3,268 tons (Poland) to 2,063 tons (Ukraine). Concerning the three main importers, it is noticed that Germany decreased its imports of Greek grapes from 38,494 tons in 2001 to 23,133 tons in 2011 which is a 40% decrease, whilethe Netherlands decreased its imports by 14% from 13,180 tons in 2001 to 11,365 tons in 2011 and the United Kingdom decreased its imports by 63% from 29,569 tons in 2001 to 10,984 tons in 2011. One more thing that is worth mentioning is that Poland was the 3rd importer of Greek grapes until 2004. In 2001 Poland imported 20,445 tons of grapes but in 2011 it imported only 3,268 tons; this constitutes an 84% decrease in imports.

Focusing on German imports we can see that Italy (33%), the Netherlands (30%), Greece (11%) and Spain (9%) are the main exporters to Germany and that Italy's and Greece's exports have decreased by 31% and 5.7% respectively during the 2005-2009 period, while the total imports of grapes in Germany has been decreased by 13% during the same period. Concerning the Netherland's imports we notice that Greece is the 3rd largest exporter to the Netherlands and has increased its exports by 211% from 12,672 tons in 2005 to 39,514 in 2009 while the total imports have been increased by 110%. But we should also mention that the Netherlandsactually acts as

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a trade center of agricultural products and re-exports a lot of grapes originating from the southern hemisphere and North African countries.

1.5

1.62.3 Exports of table grapes in the Regional Unity of Heraklion

Heraklion is the biggest Regional Unity, among all the four districts of the island of Crete (Lasithi, Rethimno, Chania being the other three), where grapes are cultivated the most. A great proportion of the cultivated table grapes are being exported to European countries. The biggest importer of Cretan table grapes is Germany which imports almost 80% of the total. According to the Directorate of Rural Development –Regional Unity of Heraklion, in 2005 Germany imported 12,615 tons of table grapes out of the 16,112 total tons while the Netherlands and UK imported 1,997 tons and 1,330 tons respectively. In 2007 a great decrease in Germany's imports occurred from 12,615 tons in 2005 to 6,016 in 2007 out of a total of 9,860 tons (2007). This is the lowest import amount for Germany for the period 2005-2011, while the Netherlands and the UK maintained their imports to the same level. Although 2007 was a bad year for exports in 2008, they increased to the level of 16,212 tons in total but have mainly been pushed by the Netherlands' and UK's imports (2,618 tons and 2,239 tons respectively) while Germany imported 10,994 tons. 2011 was the worst year for exports of Cretan table grapes, due to mildew damage,with a total of 8,586 tons, while Germany imported 6,893 tons, UK 986 tons and the Netherlands almost eliminated its imports with 198 tons. Moreover, there are some emerging countries, where the agricultural cooperatives of Heraklion and the agricultural enterprises of table grapes could export their product directly, such as Scandinavian countries. More specifically, in 2011, 190 tons were exported to Norway, 111 tons to Sweden and smaller quantities to Denmark.

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3. SWOT analysis of the table grapes in the Municipality of Archanon-Asterousion

1.73.1 Strengths

- Very good climate conditions for growing grapes.
- Consumers are adopting a healthier lifestyle (nutritional value).
- Preference for domestic over imported goods because of the quality and traditional production methods.
- High quality of Cretan table grapes.
- High demand of Cretan table grapes abroad.

1.83.2 Weaknesses

- Small and fragmented acreage of grapes.
- High cost due to impossible industrialization of the product.
- High transport cost (shipping).
- Lack of varieties for the production and supply throughout the year, so there is an interruption of deliveries to the customers and they turn to more competitive countries.
- Lack of promotionabroad (no advertising, no marketing and R&D department).
- Poor varietal composition of most vineyards.
- Fluctuation of production and prices.
- Farmers are too old to adopt new ways of production.

1.93.3 Opportunities

- Expansion into new markets such as Scandinavian countries.
- Expansion of the production period and enrichment of the Cretan vineyard with new varieties.
- Provision of incentives to small producer groups to create small packing centers in order to avoid the middlemen.
- Direct contact with the German market and specific supermarkets in order to sign long duration contracts.
- Integrated marketing strategy that includes pricing, distribution and market positioning of the product.
- Employment of young people.
- Production of organic table grapes and PDO.
- Packaging inside the vineyard.

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1.10 3.4 Threats

- Unpredictable weather is the biggest enemy, especially for bio-grapes.
- Limited liquidity in the market due to the financial crisis in Greece.
- Poor transportation from vineyards to packing center.
- Strong competition from third countries which produce at much lower costs.
- The production of grapes is prone to various diseases (i.e. mildew).

4. Personal contacts / Interviews in Crete

1.11 4.1 Main findings

The personal contacts-interviews were conducted in May and June with producers, export unions, directors of packing centers and directors of supermarkets in the area of the municipality of Archanon-Asterousion and generally in all over Crete.

It was verified that there was a high demand abroad. The main variety of Cretan table grapes is the "Soultanina" or "Thomson Seedless" which is a white seedless variety. There are also more varieties but on a smaller scale, such as: Razaki, Superior Seedless, Crimson, Victoria, Prime, Ralli etc.

Everybody agreed on the fact that the producers should expand the production period by using early and late varieties; despite the fact that Crete produces grapes earlier than other grape regions in Greece, the producers should expand the production period in order to serve better the markets for table grapes abroad. One more thing that was emphasized by some exporters is that during August, Crete produces most of its table grapes, whilein Germany, which is the biggest importer of Greek grapes, a large proportion of the population goes on holiday and there is a downturn in the demand. The exporters pointed out that the best prices in the

markets exist in late July and after the middle of September until November, so the expansion of the production period will result in significant financial benefits through better prices.
According to agriculturists and producers the varieties which can be used to expand the production period are:

- Early varieties: Superior Seedless (white), Ralli (red, seedless), Prime (white, seedless), Victoria (white, seeded)
- Late varieties: Crimson (red, seedless)

According to the exporters the seedless varieties are those that present the greatest demand abroad, which is about 80% for seedless varieties and 20% for varieties with seed.

1.12 4.2 Main drawbacks

The main problems that have been mentioned from the interviewees are:

- The production of organic bio-grapes, although it seems to have high demand, is very difficult because it depends a lot on the unpredictable weather conditions.
- There are some problems to perform the proper pre-cooling and cold storage of grapes in order to ensure good quality and long storage/market life.
- The small and segmented acreage of grapes does not allow the cultivation of single-variety vineyards.
- The major transport problems are spotted during the strikes involving ferry boats which isolate Crete from continental Greece.
- The early varieties cannot be exported quickly due to bureaucratic reasons according to the Department of Agriculture.
- The older average age of the producers and the fact that younger people do not engage in grape cultivationare issues that must be dealt with.
- There are no subsidizing plans to help the producers to create their own packing center.
- A lot of default payments force the producers to quit their grape cultivations.

1.13 4.3 Suggestions

- Wider use of early and late varieties which are very qualitative.
- Early varieties are preferable for producers compared to late varieties due to less cost and risk (weather).
- Redistribution of the acreage in order to create larger vineyards which will create greater prospects.
- Improvement of the irrigation infrastructure.

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- Marketing, Strategic & Business Plan: none of the businesses which we visited had a marketing plan, not even a simple plan to promote their products.
- Promotion of table grapes to the tourists who visit the island of Crete (agrotourism).
- Creation of an image of the Cretan table grapeas a healthy, tasty and high quality product.
- Participation in various agricultural events (exhibitions, conferences, etc), not only at a regional and national level, but also at an international level as well.

5. The market for table grapes in Germany

In Germany in the last five years grape import value has increased by 43% while the quantity import decreased by 5%. The unit price of grapes in 2003 was USD 1,320 per ton which has gone up by USD 1,993 per ton in the year 2007.

1.14 5.1 Trade channels

Large supermarkets, such as Edeka, Aldi and Lidl, have their own import companies that handle imports of fresh fruit and vegetables in Germany. Some of the large importers (which control some 80% of the whole market and "set" the price) are:

- Edeka Fruchtkontor: http:// www.edeka.de/Fruchtkontor/index.jsp
- Atlanta Gruppe: http://www.atlanta.de
- CobanaFruchtring GmbH: http://www.cobana-fruchtring.com
- OGL Food Trade Lebensmittelvertrieb GmbH: www.ogl-foodtrade.com
- Dole Fresh Fruit Europe oHG: www.doleeurope.com
- Aldi:http://www.aldi.de
- Lidl:http://www.lidl.de

1.15 5.2 Buyers/importers

Buyers/importers of Greek fruit and vegetables, operating in the remaining market segment, along with some 450 other similar size wholesalers/importers, include the following:

- Mario Andretta & Co. Fruchthandelsgesellschaft mbH (MrsAnnamaria Andretta, Mr. Alexandros Garifalou)
- Oettle & Griessmeyer Frucht-Import-Agentur GmbH (Mr. Karakasidis)
- Eufrucht Fruchtimport GmbH (Mr Pasxoulas, Mr Douroumis)

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- Expa Fruchtimport GmbH (Mr Papadopoulos)
- Efti – Frucht GmbH (Mr Euthimiadis, Mr Anthis)
- MWS GmbH (Mr Papadopoulos)
- Gebr. Papazof GmbH (Mr Papazof)
- Moess Fruchthandel Gmbh (Mr Mandalenakis)

1.16 5.3 Retail trade

In the last years, 52% of fruit and 51% of vegetables were brought in discount stores in Germany. The sales promotion of discount stores has a strong influence over the consumers. The hypermarket share of fruit and vegetables is about 25%, the supermarket share is 11%, while the street market/greengrocer share is about 9% of the total transactions involved in fruit and vegetables.

1.17 5.4 Difficulties

The main problems in the German market relate to:

- Increasing competition from countries with very aggressive commercial and market strategies (Spain, Turkey, Italy, Egypt, Morocco).
- Limited profit margins for traders due to high export prices.
- Extreme price and commercial terms pressure from the 5-6 leading retail and discounter chains.
- Frequent occurrence of problems related to higher than allowed chemical residues (pesticides) and the existing image to German consumers for Greek produce not complying with the highest food safety standards.
- Persistence in the production of traditional (obsolete) varieties, whereas competing countries increasingly offer new more appealing varieties.
- Products are shipped to Germany without prior specific contract/agreement.
- Insufficient standardization (indications not consistent with actual products).
- Inadequate export monitoring and controls by the Greek export authorities.
- Inconsistency in the terms of contract/agreement (long delays, inadequate quantity, lower quality).
- Inconsistency in commercial agreements (shipments frequently change route and destination depending on occasional better prices, in destinations different to what was originally agreed).

1.18 5.5 Suggested solutions and actions

There is a need for more intensive marketing, communication, (in-store) promotion and advertising (participation in retailer campaigns or national campaigns to improve the profile of the export origin).

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New varieties should be offered, such as some of the main varieties currently offered in the European market: red seedless varieties like "Crimson", "Flame Seedless" and "Ruby Seedless", and white varieties like "Sugraone" and "Superior Seedless".
The country of origin profile needs to be improved to match the high standards of Western European countries, differentiated from the competition of low standard category imports from emerging and developing countries.
There is also a need to improve quality and focus on competitive advantages against produce originating from competing countries (Italy, Spain) by introducing new varieties and organic cultivation techniques. Of crucial importance is the willingness to be prepared to collaborate with food chain partners and to finance promotional and advertising campaigns.

1.19 5.6 Other market information

When selecting a suitable trading partner, it must be noted that the business environment in Germany is formal. Business talks are initially oriented towards building trust and come with an agreement after a series of talk. All components of an agreement are discussed in detail and documented formally. Punctuality and preciseness in follow-up meetings on agreement are important. Sales promotion which often consists of visiting or participation in a trade fair is an important promotional means in Germany. The Fruit Logistica is held every February in Berlin (http://www.fruitlogistica.com). Most of the commercial agreements and in particular participation in promotional campaigns and in the yearly programs of the big retail chains are negotiated and agreed in the context of Fruit Logistica.

1.20 5.7 The organic market segment

The German export association for food and agri-products (GEFA) reports that with more than 5.8 billion euros in organic food sales in 2009, Germany is by far the biggest organic food market in Europe. Organic food sales in Germany account for 6.5% of total food sales, compared to just 3.4% and 2.2% in France and the UK, respectively. In Germany, organic foods are increasingly being sold by conventional (not specializing only in organic) supermarkets and discounters. Most supermarkets and discounter chains have successfully introduced their own organic label brands.

6. The market for table grapes in The Netherlands

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The Dutch market for grapes is characterized by its overall attractiveness, due to a higher per capita consumption of grapes (compared to other western European markets), the increased consciousness for health issues (low residues, organic) and subsequently, its high willingness to pay price premiums for organic grapes) and its size of imports as well as the expected growth of imports.

1.21 6.1 Market size

In 2009, The Netherlands was the 14th largest grape consumer in the EU, accounting for 0.4% of total EU consumption (Italy, France and Spain lead with 31%, 24% and 21% respectively).

Though the market is relatively small, the growth is significant. In 2009, The Netherlands consumed 108 thousand tons of grapes. Between 2005 and 2009 consumption increased by 50% per year. In comparison, EU consumption decreased by 1.5% per year. In the last three years consumption has dropped by 12% (2008), 8.9% (2009) and 6.0% (2010).

Per capita consumption was 6.5 kg in 2009. This is a rather high consumption grade compared to other Western European countries (the UK comes in at 3.5 and Belgium at 6.6 kg).

In 2010, imports of table grapes accounted for 347 thousand tons, or €567 million in value.Despite being only the 14th largest consumer, The Netherlands is the largest importer in theEU accounting for 24% of total imported value. Imports increased by 5.2% per year between 2005 and 2010.

1.22 6.2 Dutch table grape imports

The Netherlands is a large trader of grapes and re-exports most (52%) of the imported volumeto other EU countries. Germany (42%) and Poland (10%) are important destinations. Over 160 million consumers (roughly one third of the population of the European Union) reside within a 300-mile radius of the port of Rotterdam.

1.23 6.3 Market trends

The varieties can be categorized according to their fruit colour and shape into three types: white varieties (spherical and elongated), red varieties (spherical), and black varieties (spherical and rectangular). Overall, white seedless varieties are most popular with consumers in The Netherlands.

The Netherlands is one of the front runners regarding consumer consciousness on sustainability. Organic labels are widely available in supermarkets as well as specialised stores. The Dutch are also said to be the most willing consumers to pay

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for price premiums for organic food. Organic grapes are rare, but increasingly popular. The national sustainability label for organic is: "EkoOke".

For the production of organic grapes, added difficulties arise from the lengthy transport time.For instance, conventional grape packers can use sulphur pads and other permitted pre-harvest chemicals for preservation, but this is not allowed for organic grapes.

Packing grapes in 'consumer packing' (punnets or clamshells) could be an added value to a farmer's produce (depending on agreements with the buyer). Packaging of 500 grams is common in The Netherlands.

1.24 6.4 Price developments

Between 2005 and 2010, prices of imported grapes increased by 2.5% each year, amountingto €1.66 per kilo in 2010. Dutch prices for grapes are higher than the EU average, which is €1.53. The increase was lower than the EU average (+3.9% per year).

A current trend is that most fruit is bought in the supermarkets. The result is that more fruit is sold in quantity, but at lower prices. While the price reductions are not immediately passed on to the suppliers, when contracts are renegotiated, it will put suppliers under pressure to supply grapes at a lower price. These cost reductions are likely to move down the chain.

Prices of grapes can fluctuate strongly during a year. All depends very much on supply and demand. Prices are averages, based on Free on Truck quotations recorded in the Dutch market and can be taken as an indication for the European situation.

1.25 6.5 Buyer requirements

The Netherlands follows EU legislation regarding grapes and fruit, and in general are becoming stricter. Having produce Global GAP and/or HACCP certified is essential when supplying large retail chains. Especially for grapes there are high extra demands for MRL control; hardly any non-Global GAP is sold to Western European countries.

The EU, and thus The Netherlands, has committed to the Codex Alimentarius. The grapestandard should be followed when exporting to Belgium. For more information, refer to thewebsite of the list of standards (http://www.codexalimentarius.net) for table grapes.

There are three quality classes: Extra Class, Class I and Class II. For example for Class I tablegrapes (the most demanded class), the following criteria apply:The grapes must

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be firmly attached to the stalk and, as far as possible, they should have their bloom intact, with only:

- a slight defect in shape,
- a slight defect in colouring, or
- very slight sun scorch affecting the skin only.

Bruised or damaged grapes are highly susceptible to post-harvest rot which easily spreads to other fruits. Pre-packing grapes adds value to the product and helps to keep fruit in good shape at the same time.

1.26 6.6 Suitable trade channels

Because The Netherlands is an important trader there are a large number of importers active in The Netherlands. Some important Dutch grape importers are:

- Olympic Fruit - www.olympicfruit.com - importer of blue, red and white grapes, with or without seeds, and
- Hagé International - http://en.hage-international.nl - importer from various countries, serving supermarket chains and wholesalers in Western Europe, Eastern Europe and Russia.

There are also possibilities in the smaller (ethnic) segments of the market. Ethnic shops coexist alongside the large retailers and often use their own community to source products (often different or non-branded products) directly from their country of origin. Even though the market is smaller it may be an easier trade channel as there will be fewer cultural barriers between the EU buyer and the producer. For example, in The Netherlands there are large Turkish and Moroccan communities who often source from their home countries.

7. The market for table grapes in the United Kingdom

The British market for grapes is characterized by its overall attractiveness, due to a higher per capita consumption of grapes (mainly due to high consumption throughout the year, sourced from Southern hemisphere imports), the increased consciousness for health issues (low residues, organic) and subsequently, its high willingness to pay price premiums for organic grapes, and its size of imports as well as the expected growth of imports.

1.27 7.1 Market size

In 2009, the UK ranked the 11th largest consumer in the EU accounting for 0.9% of total EU consumption (Italy, France and Spain led with 31%, 24% and 21% respectively). In 2009, the UK consumed 237 thousand tons of grapes. Between 2005 and 2009 consumption increased by 0.7%. In comparison, EU consumption

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decreased by 1.5%. Despite the economic crisis that started in 2008 consumption in that period still grew (+6.1%). In 2009, it dropped by 9.5%. In 2010, consumption slowly started growing again (+0.3%).

Per capita consumption was 3.5 kg in 2009. This is a low consumption grade compared to other Western European countries (Belgium 6.6 kg and The Netherlands 6.5 kg).

In 2010, imports of table grapes accounted for 241 thousand tons, or €432 million in value.Despite being only the 11th largest consumer, the UK is the 3rd largest importer in the EU, accounting for 17% of total imported value. Imports decreased by 0.1% per year between 2005 and 2010.

1.28 7.2 Trade flows for fresh grapes to the United Kingdom

The grape is the most cultivated fruit around the world.

Suppliers from developing countries have the best opportunities to market their products during the off-season in Europe (January - June). In these months most of the grapes from outside the EU are bought from them. Most of these imports are being re-exported to other EU countries.

The expectation is that grape imports will grow slowly in the coming years. The main reason is the large ethnic population in the UK, the growing popularity of the fruit and the improving economic conditions.

1.29 7.3 Market trends

The varieties can be categorized according to their fruit colour and shape into three types: white varieties (spherical and elongated), red varieties (spherical), and black varieties (spherical and rectangular). Overall, white seedless varieties are most popular with consumers in the UK.

Sustainability labels are becoming increasingly well-liked. The UK holds several national organic labels (see http://www.aboutorganics.co.uk). Organic labelled grapes are increasingly popular.

Packing grapes in punnets or clamshells of 500 grams is common in the UK.

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1.30 7.4 Price developments

Between 2005 and 2010, prices of imported grapes increased by 2.0% each year, amounting to €1.79 per kilo in 2010. UK prices for grapes are higher than the EU average, which is €1.53. The increase was lower than the EU average (+3.9% per year). For developing countries, the import price was €1.87 in 2010, after an increase of 2.3% annually.

A current trend is that most fruit is bought in the supermarkets. The result is that more fruit is sold in quantity, but at lower prices. While the price reductions are not immediately passed on to the suppliers, when contracts are renegotiated, it will put suppliers under pressure to supply grapes at a lower price. These cost reductions are likely to move down the chain.

1.31 7.5 Buyer requirements

The UK follows EU legislation regarding the marketing of grapes and requires Global GAP and/or HACCP certification; BRC certification is essential when supplying large retail chains. Especially for grapes, there are high extra demands for MRL control; hardly any non-Global GAP produce is sold to Western European countries.

1.32 7.6 Suitable trade channels

Some important UK grape importers are:

i. Fruco - http://www.frucoplc.com – a leading importer and distributor of fresh produce throughout the UK and Ireland
ii. The Cool Food Company - http://www.4degreesc.com - sells traditional as well
iii. as organic grown fruit
iv. Tesco - http://www.tesco.com – the largest retailer in UK
v. Wal-Mart/ASDA - http://www.asda.co.uk – the 2nd largest retailer in the UK
vi. Sainsbury's - http://www.sainsburys.co.uk – among the top 5 retailers
vii. Morrison's - http://www.morrisons.co.uk/ - among the top 5 retailers
viii. The Co-operative Group - http://www.co-operative.coop – among the top 5 retailers

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8. Dynamic subproducts of grapes in the Municipality of Archanon-Asterousion

1.33 8.1 Raisins

Regardingraisins, Greek raisin exports for 2011 were 12,523 tons, of which 8,909 were exported to Germany, 1,506 to the UK, 529 to Cyprus, and the rest were distributed to other countries, based on the data of the Ministry of Rural Development and Food. It is worth mentioning that the Greek exports of raisins in Germany increased from 2001 to date by 279%. So, there is a need for a higher supply of raisin abroad. The main competing countries in the export of Greek raisins are Turkey, and the US.According to the Directorate of Rural Development-Regional Unity of Heraklion, the exports of raisins abroad vary from some hundreds to 4,700 tons during the last 7 years, mainly due to unpredictable diseases in the vineyards. People from the area are experienced in the production of raisins. For almost acentury there is a systematicproduction ofraisinin the Regional Unity of Heraklion and especially in the Municipality of Archanon-Asterousion. Furthermore, raisins can also be used, among others, in the production of sweets and baked goods and can be served in various ways to different retailers, such as supermarkets, bakeries, schools, restaurants, hotels etc. Theclimateis favorablefor theirproduction. The goodsoil conditions help in the production of raisins.

1.34 8.2 Suggestions

- In the premature parts of the island it is suggested that the cultivation of Soultanina take place,in order to extend the period of the grape harvest and production process of raisins.
- Increase in the production of raisins because of the high demand.
- Cultivation of sultana clones in order to produce different kinds of raisins.
- Need for targeted advertising and appropriate product tagging in the market. Raisins need to be introduced in the market as a primary commodity and not as a substitute for nuts.
- The government needs to offer a controlled subsidy for the development of raisins in the area.
- Need for incentives for young people in order to continue the production of raisins, by funding and providing them with training programs.
- Cultivation of organic raisin in order to win the market segment that consumes only organic products. Experienced agronomists must help in the organic cultivation, with subsidy programs for organic farming of raisins.
- Certification of raisins which are produced in the Municipality of Archanon-Asterousion, in order to improve the competitiveness of the product in

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international markets and achieve higher product price for producers, processors and traders.

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