

POLICY BRIEF

Recommendations for the apples sector

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- 1.** Introduction of the national policy concerning apples with the special stress on important regional diversification of apples production in Poland.
- 2.** Strengthening the role of producers in confrontations with purchasers and processors through the strengthening of local apple processing and more intensive cooperation among individual producers.
- 3.** Strengthening the role of credit unions that seem to be more sensitive and flexible in responding for producers' requests quite contrary to commercial banks.
- 4.** Policy focused on reduction of prices and qualities of means of production among EU countries.
- 5.** Introduction of the policy focused on an independent (from purchasers or processors) evaluation quality of the product.
- 6.** Introduction of the policy focused on upgrading of monitoring system concerning of growing apples

Key Messages

The fruit farmers were rather critical of the implications of current state policy on their economic activities. They reported difficulties with access to production subsidies. It was stressed that the state policy was not supportive of orchard fruit growing due to limited access to subsidies (increased requirements on producers, additional criteria to qualify for subsidies). They also noted that the state response to the Russian embargo included the distribution of free apples in Malopolska Province, favouring



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producers from the area around Warsaw, where the apples came from. The respondents thought that the state policy was giving advantage to mass production of low quality fruit (production of industrial apples amounts to 60% of Poland's entire apple production) and there is no tendency to change this situation

It should be mentioned that orchard fruit growers from this region are concentrated around the local (regional) market. This determined how they perceived apple prices, patterns of distribution, and how they prepared operation strategies, and, in this case, ways of selling their product. Tensions usually appeared when "global" producers were cut off from their usual markets - which were beyond local and regional - and unable to sell their products there. Such a situation occurred with the Russian embargo on Polish apples, which resulted in the presence of apples produced by large scale fruit growers on local or regional market. Consequently, these apples were competing with those produced by the w. It was stated that such activities were leading to market disruption, unfair battles for product distribution, price drops, as well as the decline of many farms specializing in orchard fruit production.

In the context of the Russian embargo on Polish fruit, the fruit farmers emphasized their explicitly negative opinion on the state measures taken in response. These measures affected the Małopolska Province as it allowed for free distribution of apples produced in other areas of Poland. In a way, Małopolska became hostage to other regions. This created a serious problem for numerous producers in Małopolska, where small farms and orchards were predominant. They were experiencing losses as a result of the decision of state authorities to allow apples from central Poland to enter the regional market.

Producers devoted a lot of attention in their statements to critical evaluation of national regulations, especially those that were made as a reaction to the Russian embargo on apples. They criticised free distribution of apples from Grójec area (the biggest centre of apple production in Poland, near Warsaw) in other regions of Poland. The farmers called for

expanding the repertoire of state intervention to increase the production of apple concentrate which could be stored while producers waited for better prices. They also proposed other measures such as providing healthy foods for children in schools, biogas production, alcoholic beverages (cider) or aroma products for the cosmetic industry.

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