



**USAID** | **MACEDONIA**  
FROM THE AMERICAN PEOPLE

AgBiz Program

## Croatian Table Grape Market Report



January 2009

# CROATIAN TABLE GRAPE MARKET REPORT

---

## **Disclaimer**

This Market Report was produced for review by the United States Agency for International Development. It was prepared by KnowledgePower/Croatia for the USAID's AgBiz Program.

The author's views neither expressed in this Report do nor necessarily reflect the views of the United States Agency for International Development or the United States Government.

# CROATIAN TABLE GRAPE MARKET REPORT

---

## Contents

|   |           |
|---|-----------|
| <b>1. BACKGROUND AND OBJECTIVES.....</b>  | <b>4</b>  |
| <b>2. INTRODUCTION.....</b>   | <b>4</b>  |
| <b>3. DOMESTIC PRODUCTION AND CONSUMPTION.....</b>                              | <b>5</b>  |
| <b>4. MARKET CHANNELS/OUTLETS/BUYERS, SHARES AND TRENDS.....</b>                | <b>7</b>  |
| 4.1 Supermarkets  |           |
| 4.2 Wholesale markets   |           |
| 4.3 Open Markets  |           |
| 4.4 Comparative Market Prices   |           |
| <b>5. MARKET PREFERENCES AND TRENDS.....</b>                                    | <b>14</b> |
| 5.1 Varieties   |           |
| 5.2 Packs and Packaging   |           |
| 5.3 Labeling  |           |
| 5.4 Origins   |           |
| 5.5 Seasonality   |           |
| <b>6. COMPETITOR ANALYSIS.....</b>  | <b>16</b> |
| 6.1 Domestic Competition  |           |
| 6.2 Foreign Trade & Competition   |           |
| <b>7. MARKET ACCESS.....</b>  | <b>20</b> |
| 7.1 Custom Tariffs  |           |
| 7.2 Quality standards/certificates  |           |
| <b>8. BUYERS PERCEPTIONS OF MACEDONIAN PRODUCTS.....</b>                        | <b>21</b> |
| 8.1 Positive Perception   |           |
| 8.2 Negatives   |           |
| <b>9. RECOMMENDATIONS FOR IMPROVING MACEDONIAN<br/>    COMPETITIVENESS.....</b> | <b>21</b> |

# CROATIAN TABLE GRAPE MARKET REPORT

---

## Tables:

- Table 1: Croatian Vineyards Area and Grape Production
- Table 2: National Consumption of Table Grapes
- Table 3: Table Grape Seasonal Prices – Retail Shops
- Table 4: Table Grape Seasonal Prices – Open Markets
- Table 5: Table Grape Seasonal Prices – Wholesale Markets
- Table 6: Croatian trade of Selected Fresh Produce
- Table 7: Imports of Table Grapes by Main Source/Country
- Table 8: Exports of Croatian Table Grapes
- Table 9: Monthly Imports of Table Grapes
- Table 10: Table Grapes Custom Tariff

## Maps:

- Map 1. Main Table Grape Production Areas

## Graphs:

- Graph 1. Croatian Arable Area Utilisation
- Graph 2. Croatian Agricultural Trade Balance
- Graph 3. Seasonality of Table Grape Import Supply

## Appendices:

- A - Sources.....22
- B - Contacted companies .....23

# CROATIAN TABLE GRAPE MARKET REPORT

---

## 1. BACKGROUND AND OBJECTIVES

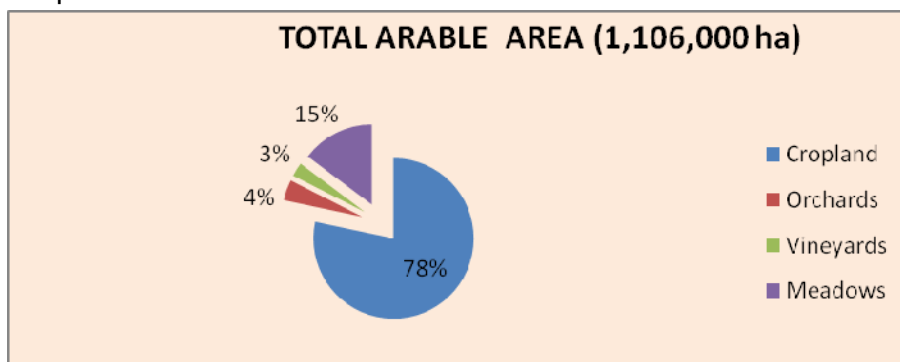
During December 2008 and January 2009, “KnowledgePower” has as the service provider for ARD’s AgBiz Project in Macedonia conducted research on the current market position and potential of trade expansion for Macedonian table grapes in Croatia.

As part of its market research, “KnowledgePower” conducted a series of market surveys and interviews with key Croatian fresh produce companies, representatives of major market outlets such as fresh markets, wholesale markets and supermarket chains, and collated trade and production data from relevant Government sources. The result of these market research findings are presented below.

## 2. INTRODUCTION

According to the 2001 population census, the rural population constituted 44.4% or 1.971,000 out of the total 4.437,000 inhabitants, who owned 80% of arable land. Data from the Agriculture Census of 2003, showed that Croatia had 448,532 family farms and 1,364 registered business entities that are engaged in farming. Out of the total 1.106,000 hectares of utilized arable land, family farms own 888.792 ha, whilst the remaining 217.208 ha is owned by business entities.

Graph 1 – Croatian Arable Area Utilisation



Source: State Statistical Bureau

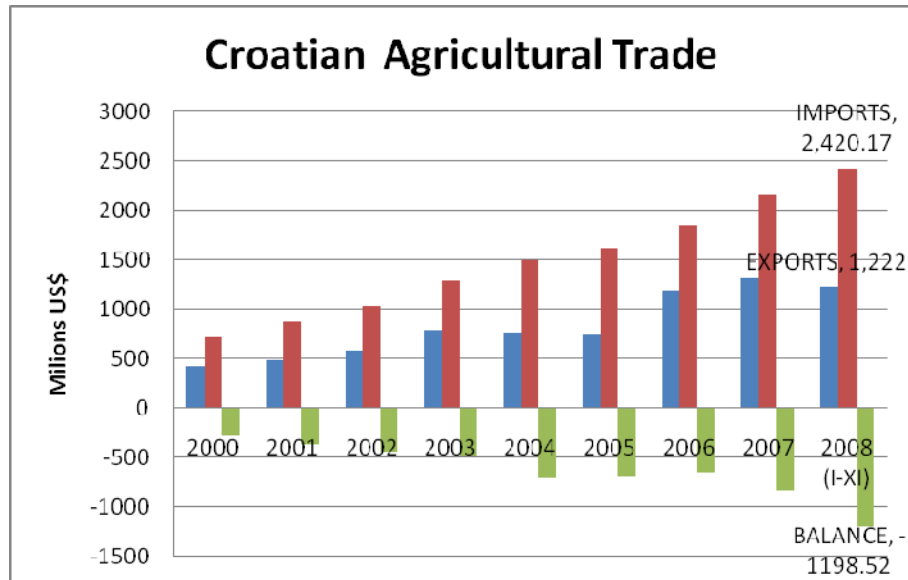
Croatia has a long tradition in viticulture production. Viticulture is distributed throughout Croatia, with the area under vineyards at 31,000 hectares. Currently the table grape production area is not recorded as a separate statistical category or tracked by other Government or trade institutions. Currently is estimated that Croatia currently has around **200 hectares of table grapes production**.

Therefore, despite the natural potential for table grape production, Croatia is a regular large net importer of table grapes. Indicative of the overall state of Croatian agriculture and food industry, and the challenges that need to be met, is the

## CROATIAN TABLE GRAPE MARKET REPORT

increasing trade deficit during the last decade. This is even more striking given the fact that prior to the break-up of Yugoslavia, Croatia was a major food exporter.

Graph 2 – Croatian Agricultural Trade Balance



Source: Croatian Chamber of Commerce

### 3. DOMESTIC PRODUCTION AND CONSUMPTION

The total area under vineyards, which have been growing during the last couple years, since the Croatian Government is heavily subsidizing vineyard plantings, as part of a plan to secure a higher EU wine quota. Within this Program, around 50 hectares of table grape vineyards have also been planted.

Table 1: Croatian Vineyards Area and Grape Production

|                     | 2005 | 2006 | 2007 |
|---------------------|------|------|------|
| Vineyards (000' Ha) | 30   | 31   | 32   |
| Grapes (000' MT)    | 181  | 179  | 198  |

Source: State Statistical Bureau (SSB)

# CROATIAN TABLE GRAPE MARKET REPORT

The existing 200 hectares of table grape production are distributed in two major growing regions, the Dalmatian coast in the region of Zadar, and inland Croatia in Ilok on the border with Serbia.

Map 1. Main Table Grape Production Areas



The domestic consumption for table grapes is currently estimated at around 12,500 MT. This estimate comes close to what can be derived based on import, export and estimated production figures. Compared to other countries such as Italy, with 10-15 kg/per capita, the Croatian consumption of table grapes is very low.

# CROATIAN TABLE GRAPE MARKET REPORT

Table 2: National Consumption of Table Grapes

| Year | Production | Imports | Exports | National Consumption (MT) | Consumption per capita (kg) |
|------|------------|---------|---------|---------------------------|-----------------------------|
| 2006 | 2,550      | 9,428   | 0       | 11,978                    | 2.69                        |
| 2007 | 3,000      | 9,843   | 0       | 12,843                    | 2.89                        |

Source: State Statistical Bureau (SSB)

## 4. MARKET CHANNELS/OUTLETS/BUYERS, SHARES AND TRENDS

The Croatian food marketing scene is divided into 3 main segments, supermarkets chains, wholesale markets/shops and open markets. Table grapes distribution data is not tracked separately. However, the developments and percentages closely follow the general food distribution pattern, 55-60% in supermarkets/cash and carry/discount type stores, 35% through wholesale markets and 5-10% through open markets and others.

### 4.1 Supermarkets

The Croatian food & fresh produce marketing channels during the last 7 years have gone through a profound transformation. Rapid development of supermarket chains and distribution started in 2000. Till then, most food and fresh produce were distributed through small shops, open markets and wholesale markets. This is characterized by the appearance and development of domestic and foreign supermarket chains, which in 2001 had a market share 16.6%, whilst in 2007, the market share of 15 leading supermarket chains risen to 70% (GFK). Today besides the domestic supermarket "Konzum" which leads and has close to 30% of retail market share, most major regional and EU based supermarket chains such as Mercator Billa, Spaar, Kaufland, Lidl, Metro, have well developed businesses with a strong focus on the fresh produce segment.

Regarding table grape sales, supermarket chains do not deal much with Macedonian table grapes. According to interviews held with supermarket chain/cash & carry fresh produce buyers, Macedonian table grape varieties such as Drenak, Afus Ali and other, are not in demand with their customers.

Even with Macedonian table grape varieties such as Victoria, Muscat Italia or Michel Palieri, that are the main varieties currently imported from Italy, they stress that the quality of Macedonian table grapes are of much lower quality, and do not meet EU "Table Grape Standards (EC Regulation 2789/1999 & EC 716/2001)" that they use as guidance for their suppliers.

---

# CROATIAN TABLE GRAPE MARKET REPORT

---

This quality problem is attributed to Macedonians lacking knowledge regarding production technology, as well as postharvest handling of new table grape varieties. This is reflected in size of berries, and the size, color and health of bunches.

## 4.2 Wholesale markets

Wholesale markets and wholesale companies cover approximately 35% of the fresh produce market. Major wholesale markets exist in Zagreb, Rijeka, Osijek, Split and Zadar. Their main customers are state institutions, small shops, smaller supermarket chains, and open markets. Wholesale importers/distributors, are significant buyers of Macedonian grapes, since most of their buyers have lower quality standards. As part of this market research, interviews were held with leading Croatian wholesale importers (Appendices B – List of contacted companies). They all stressed problems associated with poor quality of produce, postharvest handling, poor packaging, adherence to contract terms as major impediments towards expanding the market for Macedonian table grapes.

## 4.3 Open Markets

Open markets in the past socialist period had a significant role in the fresh produce trade. However, their importance today in bigger cities is marginal, covering around 5-7% of trade and functioning as outlets of lower quality imported fresh produce or domestic produce coming from smaller producers.

However, open markets are an important sales point for Macedonian table grapes, in the Autumn, buying their stock from wholesale importers.



Zagreb Dolac Open Market (Sept 2008)

## CROATIAN TABLE GRAPE MARKET REPORT

---

### 4.4 Comparative Market Prices

Indicative of seasonal supply fluctuations, quality and sellers margin are comparisons of prices different types of sales outlets such as retail shops, that are collected by the Croatian Market Information System (TISUP). The highest average prices for fresh produce were in February and March 2008, with 33.65 HRK/kg for white and 34.51 HRK/kg for black table grapes. The lowest averages prices for both white and black table grapes were in September 2008 at 10.56 HRK/kg and 10.94 HRK/kg respectively. Table grape price were around 20% higher at the open markets compared to prices at wholesale markets.

Table 3: Table Grape Seasonal Prices – Retail Shops

| PRODUCT           | MONTH | YEAR | SALES POINT  | MINIMAL PRICE | MAX PRICE | AVERAGE PRICE |
|-------------------|-------|------|--------------|---------------|-----------|---------------|
| Grapes white (kg) | 1     | 2008 | Retail shops | 14,99         | 42,49     | 30,72         |
| Grapes white (kg) | 2     | 2008 | Retail shops | 19,99         | 40        | 33,65         |
| Grapes white (kg) | 3     | 2008 | Retail shops | 18,99         | 36,9      | 28,73         |
| Grapes white (kg) | 4     | 2008 | Retail shops | 16,9          | 36,9      | 25,65         |
| Grapes white (kg) | 5     | 2008 | Retail shops | 14,99         | 29,99     | 22,3          |
| Grapes white (kg) | 6     | 2008 | Retail shops | 18            | 34,9      | 25,09         |
| Grapes white (kg) | 7     | 2008 | Retail shops | 14,9          | 32,99     | 23,57         |
| Grapes white (kg) | 8     | 2008 | Retail shops | 6,49          | 26,99     | 13,74         |
| Grapes white (kg) | 9     | 2008 | Retail shops | 7,49          | 16,9      | 12,53         |
| Grapes white (kg) | 10    | 2008 | Retail shops | 7,99          | 17,99     | 13,48         |
| Grapes white (kg) | 11    | 2008 | Retail shops | 7,99          | 19,99     | 14,7          |

## CROATIAN TABLE GRAPE MARKET REPORT

|                   |    |      |              |       |       |       |
|-------------------|----|------|--------------|-------|-------|-------|
| Grapes white (kg) | 12 | 2008 | Retail shops | 9,99  | 27,99 | 16,94 |
| Grapes black (kg) | 1  | 2008 | Retail shops | 17,99 | 39,99 | 29,71 |
| Grapes black (kg) | 2  | 2008 | Retail shops | 19,99 | 40    | 34,51 |
| Grapes black (kg) | 3  | 2008 | Retail shops | 19,99 | 39,99 | 30,96 |
| Grapes black (kg) | 4  | 2008 | Retail shops | 17,99 | 36,9  | 25,9  |
| Grapes black (kg) | 5  | 2008 | Retail shops | 16,9  | 29,99 | 23,78 |
| Grapes black (kg) | 6  | 2008 | Retail shops | 16,9  | 34,99 | 24,22 |
| Grapes black (kg) | 7  | 2008 | Retail shops | 13,99 | 32,99 | 22,56 |
| Grapes black (kg) | 8  | 2008 | Retail shops | 7,99  | 26,99 | 14,69 |
| Grapes black (kg) | 9  | 2008 | Retail shops | 7,99  | 18,99 | 13,44 |
| Grapes black (kg) | 10 | 2008 | Retail shops | 7,99  | 18,99 | 15,08 |
| Grapes black (kg) | 11 | 2008 | Retail shops | 9,99  | 19,99 | 16,68 |
| Grapes black (kg) | 12 | 2008 | Retail shops | 11,99 | 22,99 | 18,15 |

Source: Croatian Market Information System (TISUP)

Table 4: Table Grape Seasonal Prices – Open Markets

| PRODUCT           | MONTH | YEAR | SALES POINT  | MINIMAL PRICE | MAX PRICE | AVERAGE PRICE |
|-------------------|-------|------|--------------|---------------|-----------|---------------|
| Grapes white (kg) | 1     | 2008 | Open markets | 18            | 40        | 28,31         |
| Grapes white (kg) | 2     | 2008 | Open markets | 15            | 45        | 31,62         |
| Grapes white (kg) | 3     | 2008 | Open markets | 22            | 45        | 32,62         |
| Grapes white (kg) | 4     | 2008 | Open markets | 18            | 45        | 30,17         |

## CROATIAN TABLE GRAPE MARKET REPORT

|                   |    |      |              |    |    |       |
|-------------------|----|------|--------------|----|----|-------|
| Grapes white (kg) | 5  | 2008 | Open markets | 15 | 40 | 28,36 |
| Grapes white (kg) | 6  | 2008 | Open markets | 15 | 40 | 25,68 |
| Grapes white (kg) | 7  | 2008 | Open markets | 7  | 50 | 24,33 |
| Grapes white (kg) | 8  | 2008 | Open markets | 7  | 50 | 16,7  |
| Grapes white (kg) | 9  | 2008 | Open markets | 7  | 30 | 14,34 |
| Grapes white (kg) | 10 | 2008 | Open markets | 7  | 30 | 14,71 |
| Grapes white (kg) | 11 | 2008 | Open markets | 8  | 30 | 15,5  |
| Grapes white (kg) | 12 | 2008 | Open markets | 8  | 30 | 16,99 |
| Grapes black (kg) | 1  | 2008 | Open markets | 18 | 40 | 28,97 |
| Grapes black (kg) | 2  | 2008 | Open markets | 20 | 45 | 32    |
| Grapes black (kg) | 3  | 2008 | Open markets | 24 | 45 | 32,8  |
| Grapes black (kg) | 4  | 2008 | Open markets | 18 | 45 | 30,58 |
| Grapes black (kg) | 5  | 2008 | Open markets | 15 | 40 | 28,43 |
| Grapes black (kg) | 6  | 2008 | Open markets | 15 | 40 | 25,18 |
| Grapes black (kg) | 7  | 2008 | Open markets | 10 | 40 | 24,65 |
| Grapes black (kg) | 8  | 2008 | Open markets | 8  | 40 | 16,62 |
| Grapes black (kg) | 9  | 2008 | Open markets | 7  | 30 | 14,22 |
| Grapes black (kg) | 10 | 2008 | Open markets | 6  | 30 | 14,91 |
| Grapes black (kg) | 11 | 2008 | Open markets | 8  | 30 | 15,39 |
| Grapes black (kg) | 12 | 2008 | Open markets | 8  | 30 | 17,09 |

Source: TISUP

## CROATIAN TABLE GRAPE MARKET REPORT

Table 5: Table Grape Seasonal Prices – Wholesale Markets

| PRODUCT           | MONTH | YEAR | SALES POINT       | MINIMAL PRICE | MAX PRICE | AVERAGE PRICE |
|-------------------|-------|------|-------------------|---------------|-----------|---------------|
| Grapes white (kg) | 1     | 2008 | Wholesale markets | 16            | 32        | 23,52         |
| Grapes white (kg) | 2     | 2008 | Wholesale markets | 18            | 32        | 27,77         |
| Grapes white (kg) | 3     | 2008 | Wholesale markets | 18            | 32,5      | 25,32         |
| Grapes white (kg) | 4     | 2008 | Wholesale markets | 17            | 29        | 22,95         |
| Grapes white (kg) | 5     | 2008 | Wholesale markets | 16            | 29        | 22,06         |
| Grapes white (kg) | 6     | 2008 | Wholesale markets | 16,5          | 32        | 22,18         |
| Grapes white (kg) | 7     | 2008 | Wholesale markets | 10            | 29        | 20,13         |
| Grapes white (kg) | 8     | 2008 | Wholesale markets | 7             | 22        | 12,37         |
| Grapes white (kg) | 9     | 2008 | Wholesale markets | 5             | 15,5      | 10,56         |
| Grapes white (kg) | 10    | 2008 | Wholesale markets | 6             | 16        | 10,98         |

## CROATIAN TABLE GRAPE MARKET REPORT

---

|                   |    |      |                   |      |      |       |
|-------------------|----|------|-------------------|------|------|-------|
| Grapes white (kg) | 11 | 2008 | Wholesale markets | 8    | 16   | 11,96 |
| Grapes white (kg) | 12 | 2008 | Wholesale markets | 8    | 17   | 12,7  |
| Grapes black (kg) | 1  | 2008 | Wholesale markets | 16   | 31   | 23,84 |
| Grapes black (kg) | 2  | 2008 | Wholesale markets | 20   | 32,5 | 28,76 |
| Grapes black (kg) | 3  | 2008 | Wholesale markets | 18   | 32,5 | 27,05 |
| Grapes black (kg) | 4  | 2008 | Wholesale markets | 18   | 29   | 23,53 |
| Grapes black (kg) | 5  | 2008 | Wholesale markets | 16,5 | 29   | 21,9  |
| Grapes black (kg) | 6  | 2008 | Wholesale markets | 10   | 29   | 21,16 |
| Grapes black (kg) | 7  | 2008 | Wholesale markets | 8    | 28   | 19,46 |
| Grapes black (kg) | 8  | 2008 | Wholesale markets | 4    | 22   | 12,49 |
| Grapes black (kg) | 9  | 2008 | Wholesale markets | 5    | 16   | 10,94 |
| Grapes black (kg) | 10 | 2008 | Wholesale markets | 6    | 16   | 11,21 |
| Grapes black (kg) | 11 | 2008 | Wholesale markets | 8    | 15   | 12,17 |

# CROATIAN TABLE GRAPE MARKET REPORT

|                   |    |      |                   |   |    |       |
|-------------------|----|------|-------------------|---|----|-------|
| Grapes black (kg) | 12 | 2008 | Wholesale markets | 8 | 17 | 12,62 |
|-------------------|----|------|-------------------|---|----|-------|

Source: TISUP

## 5. MARKET PREFERENCES AND TRENDS

### 5.1 Varieties

According to Croatian supermarket buyers/importers interviewed (Appendix B.- List of Contacted Companies), Croatian customers prefer table grape varieties with big berries, such as those imported from Italy, Spain, South Africa, Chile, etc. These would be: Vittoria, Muscat Italia, Red Globe, Michele Palieri, Black Magic, etc. Around 80% of marketed table grapes are white varieties, and there still is no significant preference regarding seediness.

Supermarket buyers indicated as a must for future successful marketing of any Macedonian table grapes in Croatia is securing high produce quality and bunch management.

Wholesale importers currently mainly deal with table grape varieties such as Drenak, Moldavija, Muscat Hamburg, Afus Ali, supplying small shops and open markets. Interviewed owner of such companies indicated that during the past war, due the fact Macedonian grapes were not present on the Croatian market, a new generation of customers formed, accustomed to buying Italian and Spanish table grapes.

### 5.2 Packs and Packaging

Regarding packaging, table grapes are mainly packed in wooden crates of 5 kg with 6 bunches. Table grapes from the Southern Hemisphere are packed in cartoon boxes, and sometimes in plastic baskets or clamshells.



Lidl Discounter



Konzum Supermarket



Open Market-Macedonia

## 5.3 Labeling

According to the Croatian Food Law the labeling of fresh produce/fruits must provide the customer the following information:

1. Identification - Name and address of supplier;
2. Type of Product;
3. Origin of Product – Country of origin;
4. Year of Production; and
4. Product Determinants – Class, size, etc.

## 5.4 Origins

Croatian customers have a strong perception that “domestic Croatian” fruits and vegetables are safe and of good quality. Since table grapes are not associated strongly with Croatia, wine grape varieties are also sold during late Autumn, mainly on the open markets.

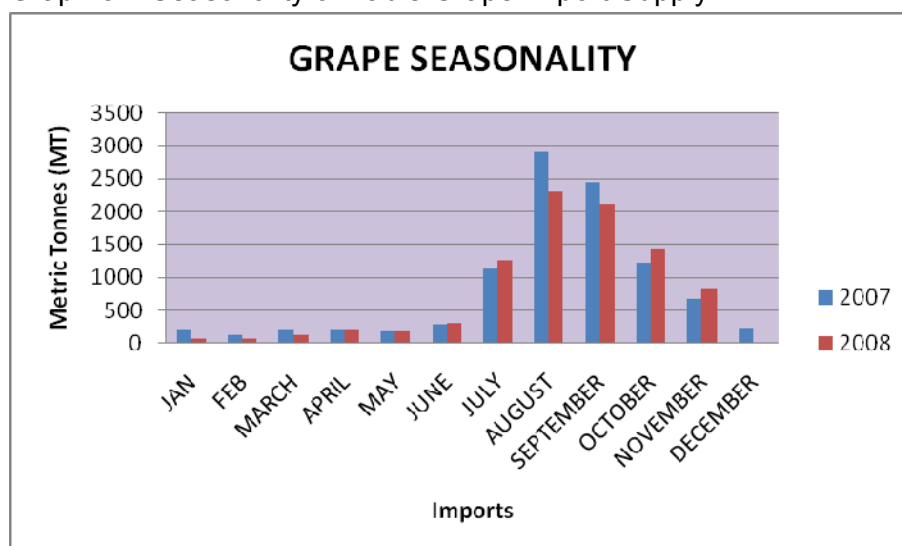
Macedonia is strongly associated with table grapes that are usually sold on the wholesale or fresh markets during Summer and Autumn. One of the positive traits associated with Drenak table grape variety pointed out by sellers on the open markets is its sweetness, which draws customer attention.

## 5.5 Seasonality

Croatian production of table grapes falls into the Summer period (1. July– 1. September) period. As a result, during the Winter/Spring, table grapes are supplied by countries in the Southern Hemisphere, and levels of consumption are low. The main Croatian table grape season falls in the Summer period, with large imports from neighbouring countries.

# CROATIAN TABLE GRAPE MARKET REPORT

Graph 3 – Seasonality of Table Grape Import Supply



Source: State Statistical Bureau (SSB)

## 6. COMPETITOR ANALYSIS

### 6.1 Domestic Competition

As already indicated, Croatian table grape production barely covers 25% of domestic consumption, so at this time it does not present serious competition for Macedonian table grape exporters. Also, currently there are no efforts by leading Croatian production organizers or Konzum to rapidly develop this production in Croatia, so this deficit of domestic table grapes will remain for some time.

### 6.2 Foreign Trade & Competition

Regarding Croatian trade of table grapes, during the last couple years, imports of table grapes have steadily grown. Regarding Croatian exports of table grapes, they are practically do not exist.

Table 6: Croatian trade of Selected Fresh Produce

| CROP      | IMPORTS (MT) | IMPORTS (Value) | EXPORTS (MT) | EXPORTS (Value US\$) |
|-----------|--------------|-----------------|--------------|----------------------|
| Grapes    |              |                 |              |                      |
| 2005      |              |                 |              |                      |
| 2006      | 9,428        | 9,163,211       | 0            | 246                  |
| 2007      | 9,843        | 11,746,234      | 0            | 1,255                |
| I-XI 2008 | 8,889        | 12,052,964      | 0            | 532                  |

## CROATIAN TABLE GRAPE MARKET REPORT

|  |  |  |  |
|--|--|--|--|
|  |  |  |  |
|--|--|--|--|

Source: State Statistical Bureau (SSB)

Regarding imports and competition in table grapes from ex-Yugoslav Republics, currently only Bosnia & Herzegovina export table grapes to Croatia. This production is situated in vineyards located in the southern Herzegovina/Mostar region. There, the "Revita Plant Buna" company has since 2005 planted 100 hectares of table grapes, and is planning to achieve production of 2,500 MT by 2011. As a result exports of table grapes from this region have greatly risen being 48 MT in 2006, with 109 MT in 2007, and totaling 265 MT in 2008.

Croatian imports of table grapes come from Italy (72-83%), which is the main Macedonian competitor, followed by Greece, and Bosnia & Herzegovina. Other countries from the Southern Hemisphere mainly supply table grapes during the Winter/early Spring period.

Table 7: Imports of Table Grapes by Main Source/Country

| YEAR      | CT       | COUNTRY            | IMPORTS<br>MT | IMPORTS<br>(USD) | VALUE/MT<br>(USD) |
|-----------|----------|--------------------|---------------|------------------|-------------------|
| 2006      | 08061010 | ANNUAL IMPORTS     | 9,428         | 9,163,211        | 972               |
|           |          | ITALY              | 7,819         | 7,286,951        | 932               |
|           |          | GREECE             | 343           | 327,743          | 956               |
|           |          | SOUTH AFRICA       | 337           | 578,177          | 1,716             |
|           |          | MACEDONIA          | 208           | 64,915           | 312               |
|           |          | CHILE              | 207           | 322,363          | 1,557             |
| 2007      | 08061010 | ANNUAL IMPORTS     | 9,843         | 11,746,234       | 1,193             |
|           |          | ITALY              | 7,154         | 8,664,524        | 1,211             |
|           |          | MACEDONIA          | 1,046         | 479,485          | 458               |
|           |          | GREECE             | 421           | 496,873          | 1,180             |
|           |          | SOUTH AFRICA       | 386           | 778,994          | 2,018             |
|           |          | SPAIN              | 293           | 364,531          | 1,244             |
| I-IX 2008 | 08061010 | ANNUAL IMPORTS     | 6,631         | 9,650,722        | 1,455             |
|           |          | ITALY              | 7,299         | 9,446,725        | 1,294             |
|           |          | SOUTH AFRICA       | 348           | 884,800          | 2,543             |
|           |          | CHILE              | 241           | 504,931          | 2,095             |
|           |          | BOSNIA&HERZEGOVINA | 265           | 362,085          | 1,366             |
|           |          | MACEDONIA          | 375           | 294,987          | 787               |

Source: State Statistical Bureau (SSB)

## CROATIAN TABLE GRAPE MARKET REPORT

---

Exports of Croatian table grapes in volume annually are less than 1 MT, mainly to EU countries.

Table 8: Exports of Croatian Table Grapes (in US\$) (All quantities less than 1 MT)

| YEAR | CT       | COUNTRY         | EXPORTS<br>MT | EXPORTS<br>USD |
|------|----------|-----------------|---------------|----------------|
| 2006 | 08061010 | TABLE GRAPES    | 0             | 246            |
|      |          | USA             | 0             | 246            |
| 2007 | 08061010 | TABLE GRAPES    | 0             | 1,255          |
|      |          | AUSTRIA         | 0             | 157            |
|      |          | PORTUGAL        | 0             | 181            |
|      |          | SLOVAK REPUBLIC | 0             | 541            |
|      |          | UK              | 0             | 376            |
| 2008 | 08061010 | TABLE GRAPES    | 0             | 532            |
|      |          | PORTUGAL        | 0             | 532            |
|      |          | RUSSIA          | 0             | 167            |

Source:SSB

Winter month imports of table grapes from countries in the Southern Competition, are present, but low. The peak of imports falls in July-August period with Italy supplying 70-80% of total imports. Even later during the season, when Macedonian table grapes are more present on the market, Italy by far surpasses in exported volumes.

## CROATIAN TABLE GRAPE MARKET REPORT

Table 9: Monthly Imports of Table Grapes

| YEAR                  | MONTH        |             |               |              |              |           |                 |               |               |              |              |             |
|-----------------------|--------------|-------------|---------------|--------------|--------------|-----------|-----------------|---------------|---------------|--------------|--------------|-------------|
|                       | JAN          | FEB         | MARCH         | APRIL        | MAY          | JUNE      | JULY            | AUG           | SEPT          | OCT          | NOV          | DEC         |
| <b>2007</b>           |              |             |               |              |              |           |                 |               |               |              |              |             |
| Total Imports (MT)    | 206          | 128         | 211           | 211          | 181          | 289       | 1,124           | 2,900         | 2,450         | 1,225        | 667          | 243         |
| Total Imports (Value) | 287,153      | 202,392     | 395,567       | 399,065      | 389,478      | 570,475   | 1,487,323       | 3,034,181     | 2,207,485     | 1,432,752    | 883,837      | 456,526     |
| Countries (MT)        | Spain 88     | S.Africa 77 | S. Africa 121 | S. Africa 78 | S. Africa 78 | Italy 201 | Italy 1,012     | Italy 2,371   | Italy 1,581   | Italy 1,148  | Italy 601    | Italy 153   |
|                       | Italy 73     | Spain 21    | Chile 21      | Chile 62     | Chile 74     | Egypt 31  | Bosnia&Herz. 46 | Macedonia 284 | Macedonia 629 | Macedonia 73 | Macedonia 57 | Spain 87    |
|                       | S. Africa 14 | Peru 7      | Zambia 15     | Spain 42     | Zambia 16    | Chile 24  | Mtenegro 49     | Greece 182    | Greece 240    | Spain 4      | Spain 14     | Macedonia 2 |
| <b>2008</b>           |              |             |               |              |              |           |                 |               |               |              |              |             |
| Total Imports (MT)    | 73           | 68          | 123           | 192          | 172          | 302       | 1,265           | 2,311         | 2,127         | 1,419        | 834          |             |
| Total Imports (Value) | 197,737      | 173,206     | 300,864       | 445,207      | 373,305      | 700,617   | 2,274,284       | 2,833,041     | 2,352,361     |              |              |             |

## CROATIAN TABLE GRAPE MARKET REPORT

|                |              |              |              |              |             |              |                   |                  |              |               |              |  |
|----------------|--------------|--------------|--------------|--------------|-------------|--------------|-------------------|------------------|--------------|---------------|--------------|--|
|                |              |              |              |              |             |              |                   |                  |              | 1,470,69      | 928,195      |  |
| Countries (MT) | S. Africa 24 | S. Africa 38 | S. Africa 86 | S. Africa 92 | Chile 94    | Italy 207    | Italy 1153        | Italy 1,926      | Italy 1,936  | Italy 1,219   | Italy, 767   |  |
|                | Spain 30     | Spain 19     | Chile 8      | Chile 80     | S.Africa 70 | S. Africa 38 | Bosnia & Herz. 48 | Bosnia&Herz. 208 | Macedonia 82 | Macedonia 128 | Macedonia 67 |  |
|                | Italy 10     | Argentina 9  | Peru 8       | Spain 7      | Italy 4     | Spain 1      | Turkey 20         | Macedonia 91     | Greece 80    |               | X            |  |

Source: State Statistical Bureau (SSB)

# CROATIAN TABLE GRAPE MARKET REPORT

---

## 7. MARKET ACCESS

### 7.1 Custom Tariffs

Croatia and Macedonia are part of the CEFTA. Under their Preferential Trade agreement stipulations, Macedonian table grapes fall under free custom tariff rate regime.

Table 10: Table Grapes Custom Tariff

| CT         | Product                 | Unit | Base Custom Tariff | Lower tariff rates with countries that Croatia has signed Preferential Trade Agreements |
|------------|-------------------------|------|--------------------|---|
|            |                         |      |                    | Macedonia   |
| 0806       | Grapes, dried or fresh: |      |                    |   |
| 0806 10    | - fresh:                |      |                    |   |
| 0806 10 10 | - - Table Grapes        | kg   | 10                 | <i>free</i>   |

Source: Croatian Chamber of Commerce

Regarding the future Custom Tariff regime for Macedonian table grapes to be exported to Croatia the major expected change will come with future Croatian accession to the EU, probably in year 2010 or 2011. At that time Croatian custom tariffs will be in line with the EU Common Custom Tariff policy.

### 7.2 Quality standards/certificates

Unlike fresh vegetables, Croatia still has not passed "Quality Standards" for table grapes or other fresh fruit. However, it is expected that as part of its preparations for the EU and based on its "Food Law", Croatia will develop such Standards prior to EU accession.

Currently, the supermarket buyers base their purchase of table grapes on the EU table grapes standards EC Regulation 716/2001.

Even though the level of consumer concern about the food safety of fresh produce on the market has increased, currently no Croatian fresh produce buyers require GlobalGAP or HACCP certification of its foreign table grape suppliers.

# CROATIAN TABLE GRAPE MARKET REPORT

---

To ensure Croatian food safety requirements are met, the State Food Inspectorate takes samples of imported fresh produce for laboratory analysis on MRL and other potentially harmful substances.

As part of its EU Accession process Croatia has developed the Book of Regulations on MRL in fresh produce and food products (Official Gazette 148/08, which is available at the following Web site: [www.narodne-novine.nn.hr](http://www.narodne-novine.nn.hr).) and which is equivalent to the EU Regulation 396/2005 and all its Amendments.

All interviewed importers of Macedonian table grapes indicated that no such problems have been associated with Macedonian table grapes.

## 8. BUYERS PERCEPTIONS OF MACEDONIAN PRODUCTS

### 8.1 Positive Perception

Macedonian table grapes have a long traditional presence on the Croatian market, based on trade patterns in ex-Yugoslavia, and are a well recognized “brand”, especially on the open and wholesale markets. Wholesale and open market sellers interviewed stress the fact that **Macedonian table grapes are associated by customers with sweetness and “natural/domestic” type production.**

### 8.2 Negatives

**All interviewed buyers/importers stressed that there are major problems with quality of Macedonian table grapes reflected in appearance of table grape bunches and berry health and uniformity.** They all stressed that table grapes have to look nice, healthy with large berries in order to be marketed towards more demanding customers.

## 9. RECOMMENDATIONS FOR IMPROVING MACEDONIAN COMPETITIVENESS

Major issues that need to be addressed by Macedonian table grape exporters are:

- 1) Improving production technology;
- 2) Introducing new table grape varieties such as those marketed by Italy/competing countries;
- 3) Improve packaging; and
- 4) Market promotion and brand development.

## **APPENDIX A - Sources**

1. State Statistical Bureau (SSB)
2. Croatian Chamber of Commerce
3. Croatian Trade Information System (TISUP)

# CROATIAN TABLE GRAPE MARKET REPORT

---

## APPENDIX B. – Contacted Companies

### Supermarkets:

1. Konzum – part of Agrokor Group  
Contacted: Mr. Stanko Čosić-Dragan, Deputy Director of Fruits&Vegetables  
  
**Contact Person for Konzum in Macedonia:** Mr. Blaž Vitanov  
Anska Reka Company/Valandovo  
070/214-251  
anskareka@yahoo.com
2. Billa – part of REWE Group  
Contact: Marin Buj, Head of Fresh Produce Procurement Dept.  
Billa Distribution Center – Sv. Helena  
[m.buj@billa.hr](mailto:m.buj@billa.hr)  
00385/91/606-1372
3. Kaufland – German based Schwartz Group  
Contact: Marin Buj, Fresh Produce Department Head  
[tomislav.klepac@kaufland.hr](mailto:tomislav.klepac@kaufland.hr)  
00385/1/2499-190

### Cash&Carry:

1. METRO  
  
Contact: Zvonimir Malogajski, Fruit&Vegetables Department Head  
[zvonimir.malogajski@metro-cc.hr](mailto:zvonimir.malogajski@metro-cc.hr)  
00385/1/3444-403

### Wholesale importers:

1. Ficula d.o.o.  
Contact: Saqip Ademi,  
[gezim83@gmail.com](mailto:gezim83@gmail.com)  
00385/98/206-441
2. Trgo-Zvon d.o.o  
Contact: Dragan Planinić ,  
00385/1/2450-087  
00385/98/276-881

## CROATIAN TABLE GRAPE MARKET REPORT

---

3. Usora-Trans d.o.o.  
Contact: Zoran Kulašević,  
[bobi.usora@yahoo.com](mailto:bobi.usora@yahoo.com)  
00385/1/2392-31