

Regional Expert Advisory Working Group on Market Standards on Fresh Fruits and Vegetables

**STATE OF THE ART OF THE FRESH FRUIT AND VEGETABLES MARKETING
STANDARDS IN SEE REGION
- MONTENEGRO -**

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SARAJEVO, B&H, 28-30.09.2022.

The main features of Plant production

- Total used agricultural area - UAA in Montenegro is 257,949.8 ha,
- It is used for the plant production only 14,645.4 ha or about 6% of the UAA.
 - Fruit production on 18% (2594.8 ha)
 - Vegetables production on about 28% (4100 ha), of which potato is grown on about 15% of the area (2,256.3 ha, Monstat, 2021).
 - Vegetables (50%) and potatoes (32%) are grown on kitchen gardens and gardens
- From the total number (about 32,000) of farms/holdings, in fruit and vegetables growing only 30% are involved
- The considerable amount of surpluses of F & V are placed directly to markets, or sold 'on-farm/house' during the tourist season or delivered to relatives in urban areas – however those quantities are 'invisible', and can only be estimated.

Fruit production

Surface covered by fruit production (2018-2020), ha

Parameter	2018	2019	2020
Fruit orchards,total	2,570.6	2,587.9	2,595.1
- Fruit orchards intensive	1,213.9	1,230.4	1,375.2
- Fruit orchards – extensive (with olive groves)	1,214.6	1,214.6	1,204.1
Productive plantation surface per species, ha			
Plum	281.8	282.0	292.5
Apple	214.2	215.0	216.7
Pear	44.8	44.9	45.3
Peach	61.4	69.1	92.1
Agrumes	165.4	168.4	168.6
Total plantation surface	767.6	779.4	815.5

Statistical data from 2011 – fruit production on about 12.000 ha

Fruit production in Montenegro (2018-2020), in tons

Indicator	2018			2019			2020		
	Total production	Share of plantations	% on the plantations	Total production	Share of plantations	% on the plantations	Total production	Share of plantations	% on the plantations
Plum	11,835	1,378	11	9,636	721	7	11,260	843	7.5
Apple	7,538	1,687	22	6,344	1,486	23	7,341	1,402	19
Pear	2,298	400	17	1,892	333	17	2,208	360	16
Peach	1,291	1,241	96	1,036	984	95	1,254	1,192	95
Agrumes	3,645	3,092	85	3,376	2,830	83	3,142	2,697	86
Total	26,607	7,798	29	22,284	6,354	28.5	25,205	6,494	26

The total *fruit production* in Montenegro in 2020 was about 5% lower than in 2018, mostly due to decrease in the yield (or maybe due to questionable reliability of the statistical (MONSTAT) data).

There are also plantation areas under crops that are not in the official statistical evidence, however important in the offer of fresh fruit (raspberries, cherries, strawberries...).

Comparison of marketing of selected fruit species

Production and marketing of apple and agrumes/citrus, 2020

Parameters	Value -apple	Value - agrumes/citrus
Production (kg)	7,340,600	3,142,400
Import (kg)	8,153,265	11,206,785
Total offer (kg)=production+import	15,493,865	14,349,185
Export (kg)	4,651	92,723
Local fresh consumption (kg)	7,335,949	3,049,677
Total share of the import (%)	53	78
Exported share of the production (%)	0.06	3
Import value total and per kg (euro)	3,595,541 – 0.4/kg	7,443,939 – 0.7/kg
Export value total and per kg (euro)	5,112 - 1.0/kg	32,908 – 0.4/kg

Vegetable production

- Central and a significant part of the coastal region - perishable vegetables
- Central and Northern regions - non-perishable vegetables (cabbage, potato)

Area and production of the main vegetable species grown in Montenegro (2018-2020)

Parameter	2018.		2019		2020	
	Total area (ha)	Total production (t)	Total area (ha)	Total production (t)	Total area (ha)	Total production (t)
Potato	2160	34,887.7	2166	35,462.2	2254.5	39,301.9
Vegetables (without potato)	1,453	47,557.3	1453.7	44,768.3	1417.8	45,092.3
Onion	136.5	2,739.6	136.2	2,532.1	133.3	2,611.4
Tomato	146.2	4,865.9	146.1	4,444.1	139.7	4,568.0
Pepper	229.9	5,546	229.1	5,180.3	224.0	5,411.4
Melon	65.3	1,817.2	65.7	1,861.1	69.3	1,707.8
Watermelon	425.1	1,8106.8	425.6	17,406.1	406.4	15,870.1
Cucumber	67.7	1,972.5	68.2	1,964.1	66.7	2,185.3
Cabbage	382.3	12,509.3	382.6	11,380.5	378.4	12,738.3

Production on the registered farm land is from about 40% for onion to up to 100% for watermelon and melon

Comparison of marketing of selected vegetable species

Production and marketing of tomato and melon and watermelon, in 2020

Parameters	Value	Value
Production (kg)	4,568,000	17,577,900
Import (kg)	9,347,477	2,437,354
Total offer (kg)=production+import	13,915,477	20,015,254
Export (kg)	603,763	1,998,419
Local fresh consumption (kg)	3,964,237	15,579,481
Total share of the import (%)	67	12
Exported share of the production (%)	13	11
Import value total and per kg (euro)	2,860,313 – 0.3/kg	572,334 - 0.23/kg
Export value total and per kg (euro)	136,884 – 0.2/kg	337,951 - 0.17/kg

Import of fruit and vegetables - official data (Ministry of Agriculture)

- Montenegro is a net importer (2019-2021)
- Fruit import was on average of 47,346 tons
 - *Fruit import* in Montenegro on average decreased of about 9% in these three years.
 - In the same period (2019-2021), the import of apples increased by about 8 times, citrus fruits by about 3 times, berries by about 30%, while the import of peaches and nectarines decreased by just under 40%, grapes by about 50%, and watermelons by more than 75%.
- Vegetables import was 37,607 tons on average
 - *Vegetable import* declined of around 12%, as well as the main imported products: various types of onion, tomato, and cabbage of various types, while cucumbers, peppers and root vegetables were more or less on the same level.

Main import was from Serbia, Albania, and then North Macedonia, Turkey, Italy, and France.

Marketing channels for the fresh fruit and vegetables

- Commercial producers in Montenegro are different agricultural holdings, professional producers with a variety of production for different sales channels.
- Most of the fruit and vegetables produced in Montenegro are marketed through supermarkets, small shops and HoReCa.
- The largest number of fruit and vegetable producers are focused on the market and sales are made directly or through aggregators. They represent the most important link in market chains.
- There where sixty 'registered' importing companies of fruits and vegetables.
- Five supermarket chains.

Marketing channels for the fresh fruit and vegetables

- The biggest supermarket chain (SM1)
 - 70 retail facilities (different types - markets, supermarkets, discount stores, hypermarkets HoReCa)
 - own production (vegetable)
 - covers around 40% of the fresh fruit and vegetables market turnover
 - has its own technologists who are responsible to control the quality of the goods that enter their centre, according to the legal regulations of Montenegro
- other two largest supermarket chains
 - 11 hypermarkets (SM2) and 68 markets (SM3), respectively
 - cover the fruit and vegetable market with about 35-40%,
- a significant part of the turnover of fresh fruit and vegetables
 - outside this network (20 to 25%)
 - outside the mandatory standards and quality control - via green markets, fairs, exhibitions, grocers and 'on-farm/house'.

Legislation

Name of acts (laws and by-laws)	EU legislation	Harmonized with EU regulation (Yes / No / Partly)	Planned
Law on Agriculture and Rural Development (Official Gazette of Montenegro No. 56/09, 18/11,40/11, 34/14, 1/15, 30/17, 51/17)	32011R0543 [D]; 32014R0640 [D] 32014D0825 [D] 32013R1305 [D] 32015R1366 [D] ...		
Law on Organization of the Market in Agricultural Products (Official Gazette MNE No.15/2017)	32013R1308 [D] 32008R1249 [D] 32012R0880 [D] 32012R0511 [D]		Amendments planned in 2023
Rulebook on general and specific standards for marketing fruit and vegetables (Official Gazette MNE No. 40/18)	Regulation 543/2011 on establishing detailed rules for the implementation of Council Regulation (EC) no. 1234/2007 for the fruit and vegetable sector and Regulation (EU) no. 1333/2011 of December 19, 2011		Amendments to the Rulebook on general and specific standards for marketing fruit and vegetables in accordance with the amendments to the standards adopted by UNECE (Regulation 543/2011).. <i>Register of fruit and vegetable traders ...planned in 2023</i>
			Amendments to the Law on regulation of markets of agricultural products
Law on Food Safety (Official Gazette MNE No. 57/15)		Partly	

Conclusions – based on the consultation/questionnaire with the Administration

- Majority of the fruit and vegetables offered through official ways of selling to the consumers in Montenegro is controlled in some phase: import, on-farm, in the markets;
- It's of the greatest attention of the Food Safety Administration (UBH);
- Fruit and vegetables are food, the quality is checked/controlled by several inspections (food safety, sanitary, market inspection, phytosanitary);
- The packaging, declaration and content are checked by phytosanitary inspection and according to the assessment, a sample is taken for the analyses by authorized laboratory (Central Eco-toxicological lab - CETI, Institute for public health);
- Main problems in the control:
 - human resources, the lack of the inspectors - during the summer/tourist season most of them are moved to the coastal area where is the main trade of fruit and vegetables;
 - wholesale markets - lack of register,
 - public/producers' awareness on the quality and safety needs.

Results obtained from the interview and opinion of the supermarket chains

- Responsibility:
 - The Government is responsible for market standards;
 - Even higher responsibility is of the producers and their Associations;
 - Marketing of fruit and vegetables is increasing thank to the quality and lower prices offered;
 - However, big problem for supermarket chains is the lack of application of the quality standards/classification on-farm;
 - Producers have to pay more attention to the use of pesticides and expiry dates/withholding period was also highlighted.

Instead of conclusion

- To improve the system of control of the market standards of fresh fruit and vegetables, it is needed to strengthen:
 - The inspection capacities (personnel as well), education and equipment (also demands from the Phytosanitary inspectorate, that is responsible for the control);
 - System of education of producers, traders and professionals on the proper classification of produced/marketed fruit and vegetables and monitoring of the quality standards;
 - Traceability system – although supermarkets in Montenegro are purchasing product from registered producers;
 - The storage capacities, and educate producers/stakeholders on adequate production and post-harvest practices;
 - Education on all level how to implement the Rulebooks and market standards.

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THANK YOU FOR YOUR ATTENTION

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