



## September 2013 Feature Story:

### ***“Attempt to sabotage global blackcurrant crop statistics backfires.”***



Svend Jensen, President, International Blackcurrant Association.



Piotr Baryla Vice President, KSPCP  
'Board member of the IBA'.

A document purporting to show the Polish blackcurrant crop as being 150,000 tonnes for the 2013 season was likely an attempt to sabotage the forward price of the crop, says International Blackcurrant Association President (IBA), Svend Jensen.

The document was forwarded to President Jensen by a reputable industry customer, concerned at such tactics. The document quotes the data source as being the Karlovy Sadow Association in Lublin but no one knows how it was compiled.

“Our primary source for Blackcurrant fruit supply is Europe (and especially Poland and Denmark) but we see the global potential of this “King of the Berries” and we’re pleased to see the development of production in more than 14 different countries around the world,” says AGRANA Juice Holding’s Managing Director, Franz Ennsner.

The annual Polish crop can be more than 50% of the global production, says President Jensen, and any suggestion that the Polish crop was going to be larger than usual has an immediate effect on price negotiations for all country members of the IBA for the season.

But the final result for the 2013 Polish harvest was around 105,000 tonnes and as a result the industry expects an average total global production and stable demand.

Blackcurrants are commercially grown in 21 countries and the total annual crop for the previous 3 years has averaged 184,294 tonnes. The global crop is primarily processed for a concentrate used in fruit juice formulations. Pricing for such formulations is highly competitive and no processor can afford to pay more than their competitors so understanding the true supply situation is important in setting their supply purchase parameters, says Jensen.

Since 2008 the IBA has provided an annual harvest forecast for all member countries and for 12 years before that the same information was provided by the European Blackcurrant Association. The IBA information is now accepted by industry generally as being the best and most reliable supply information base for both buyers and sellers says Jensen.

But we need to go even further and create a common approach to harvest forecasts covering any sources of official statement. Forecasts have much influence on "market-expectations" and we are all responsible for reliable information, says Jensen.

Although the reserve stocks of concentrate held by processors is commercially sensitive, peer industry media, FoodNews, reliably informs that global reserves of concentrate is “believed to be very low” (FoodNewsVol 41/No 29/ July 19 2013).

There has been some dispute over the reliability of the Polish crop estimates in previous years says Jensen, and wildly extravagant fluctuations in forecasts has led to uncertainty in the market and market pricing. These have created boom-bust cycles that resulted in severe supply disruptions for the marketplace, benefitting no one but a few commodity speculators from time to time.

*Bill Floyd, Editor*