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The Global Supply and Demand Prospects of Tropical Fruits



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Tropical Fruits



The Global Supply and Demand Prospects of Tropical Fruits

Current Situation

- ❑ Data Source - Annual questionnaire, supplemented by FAOSTAT and COMTRADE

Medium Term

- ❑ Dynamic time series models used

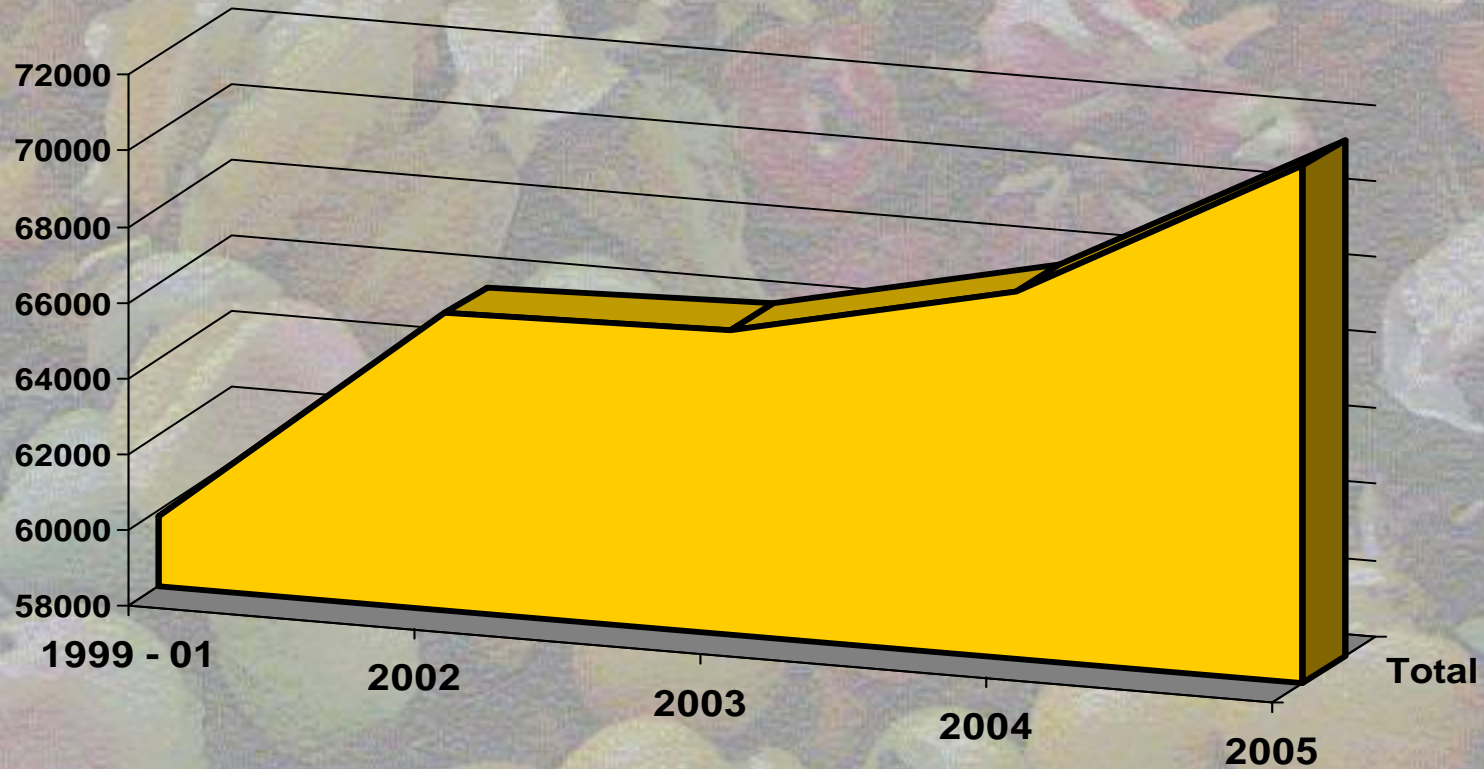


- ❑ Tropical fruits are widely perceived by developing countries as representing viable options for diversification
- ❑ Future international trade prospects are subject to uncertainties, some of which derive from the very success of export efforts of the pioneers in the field
- ❑ In particular, diversification into tropical fruit has in some cases been encouraged without sufficient knowledge of potential market outlets, with resultant adverse price effects for all.



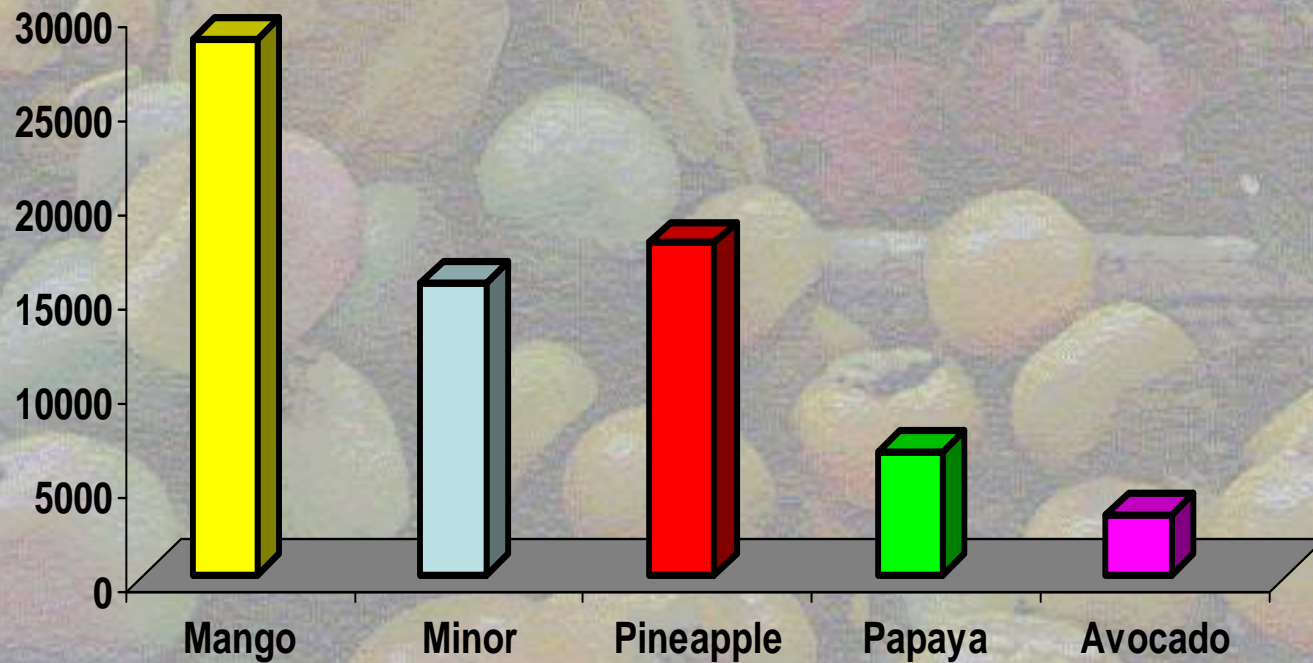
Tropical Fruits - Production

(Thousand tonnes)



Tropical Fruits Production 2005

(Thousand tonnes)



Share of Fruit Production by Region - 2005

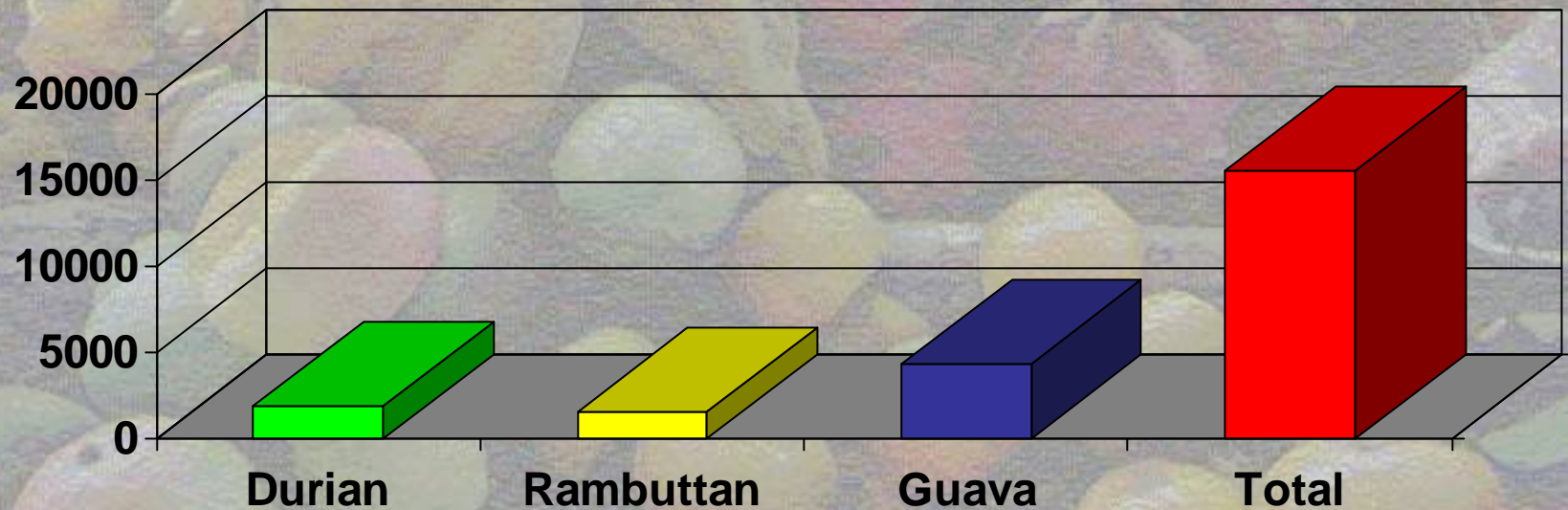


■ Asia ■ LAC ■ Africa ■ Oceania



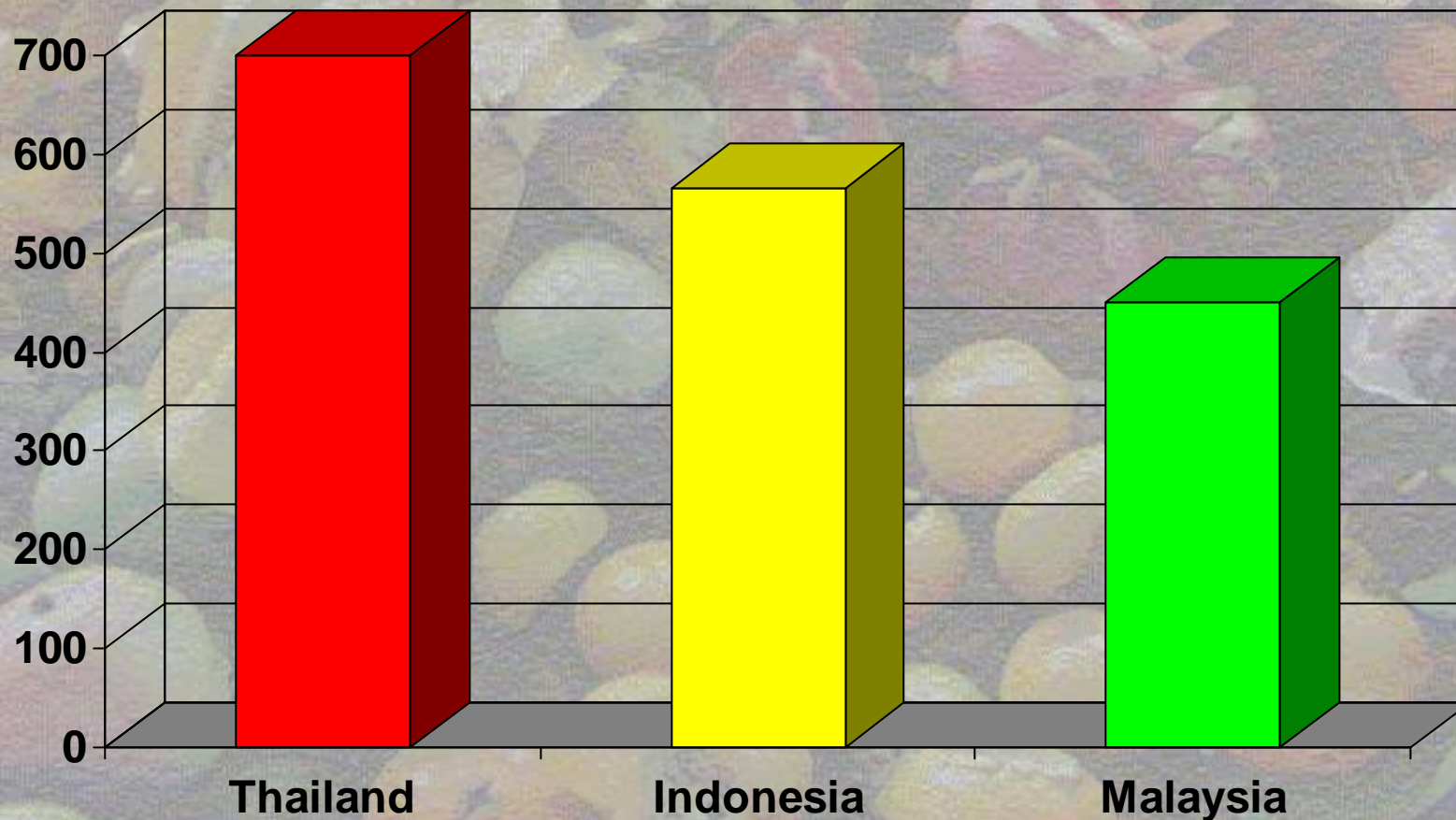
Minor Fruit Production - 2005

(Thousand Tonnes)



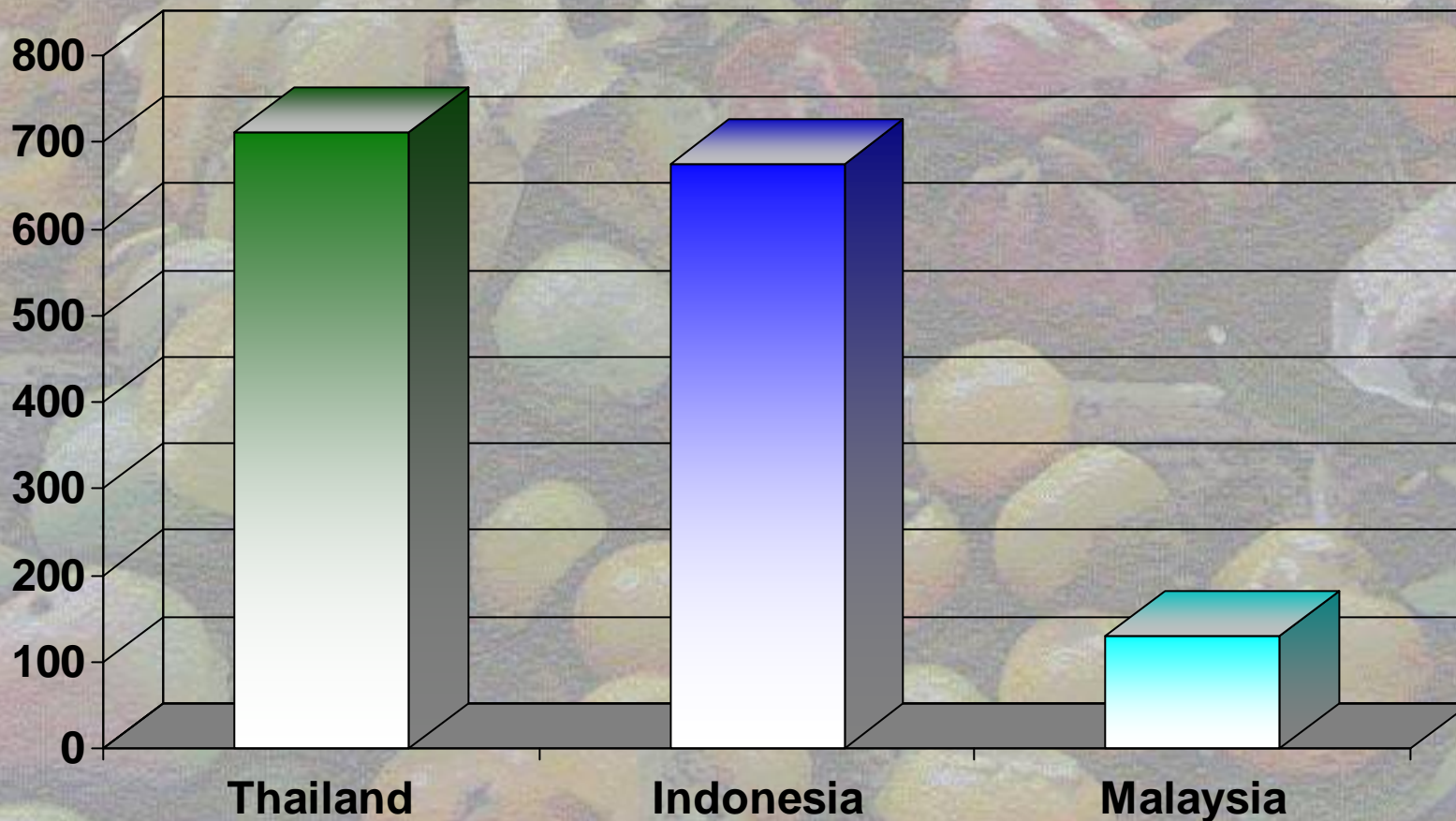
Durian Production – 2005

(Thousand tonnes)



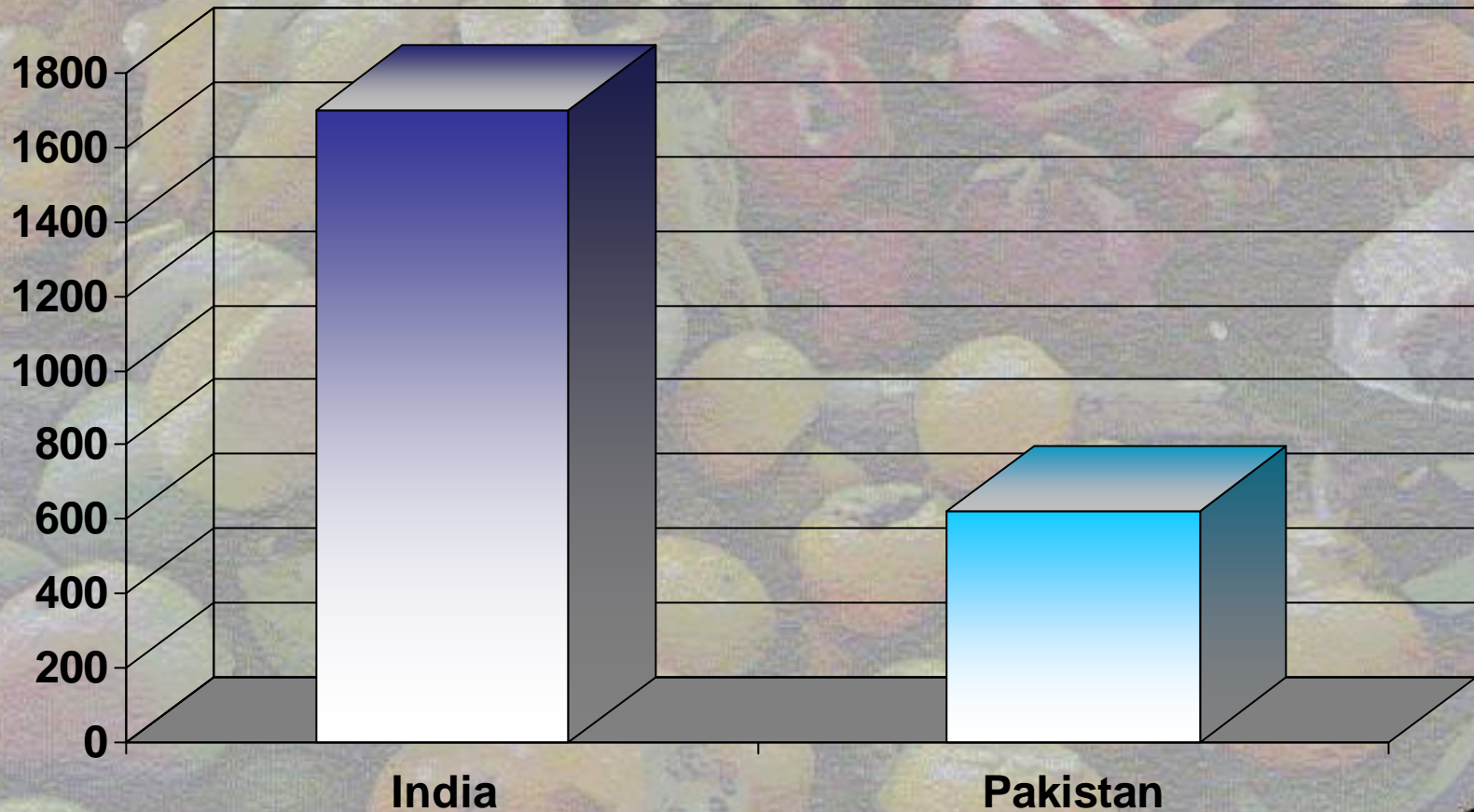
Rambutan Production – 2005

(Thousand tonnes)



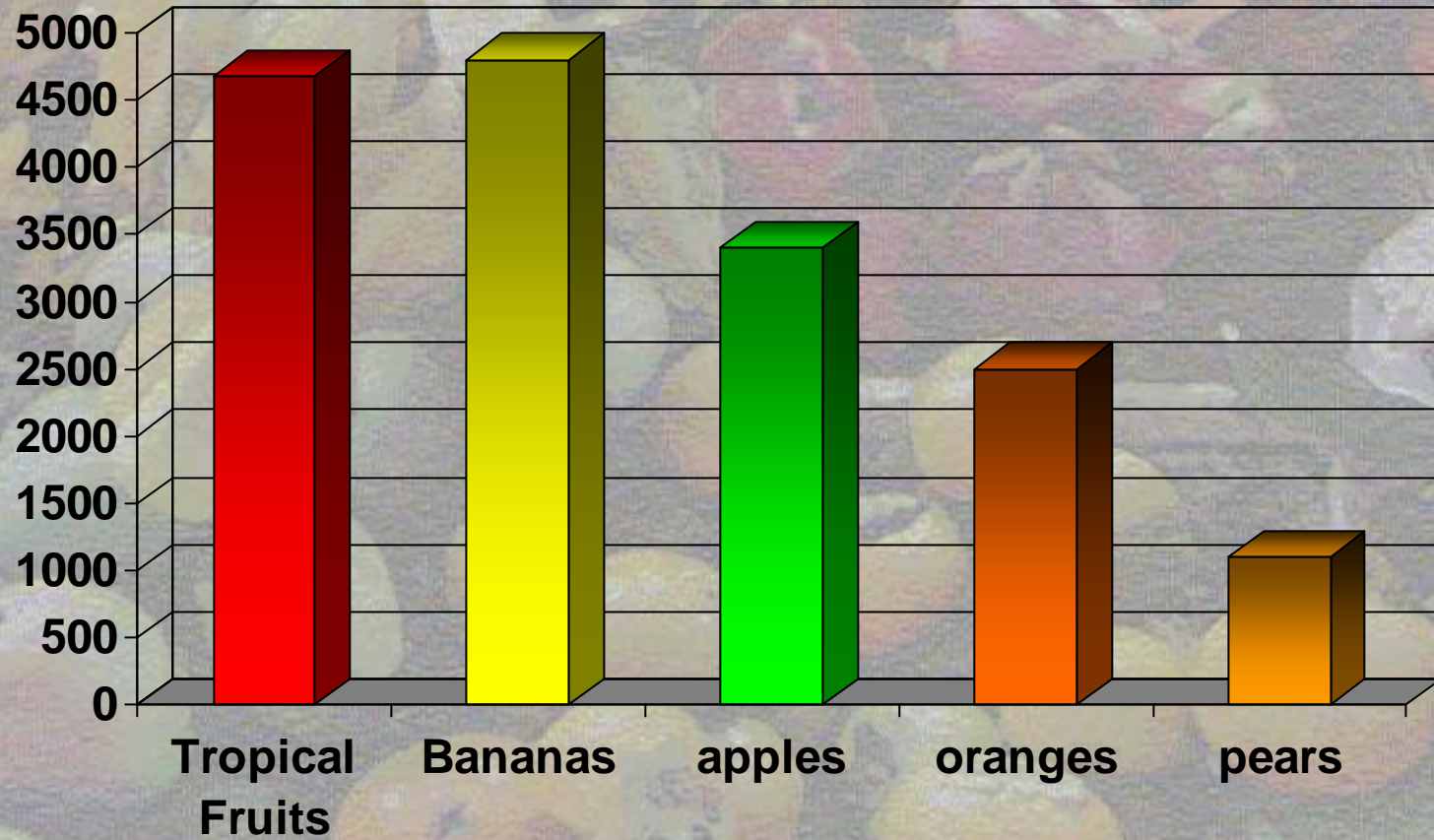
Guava Production - 2005

(Thousand tonnes)



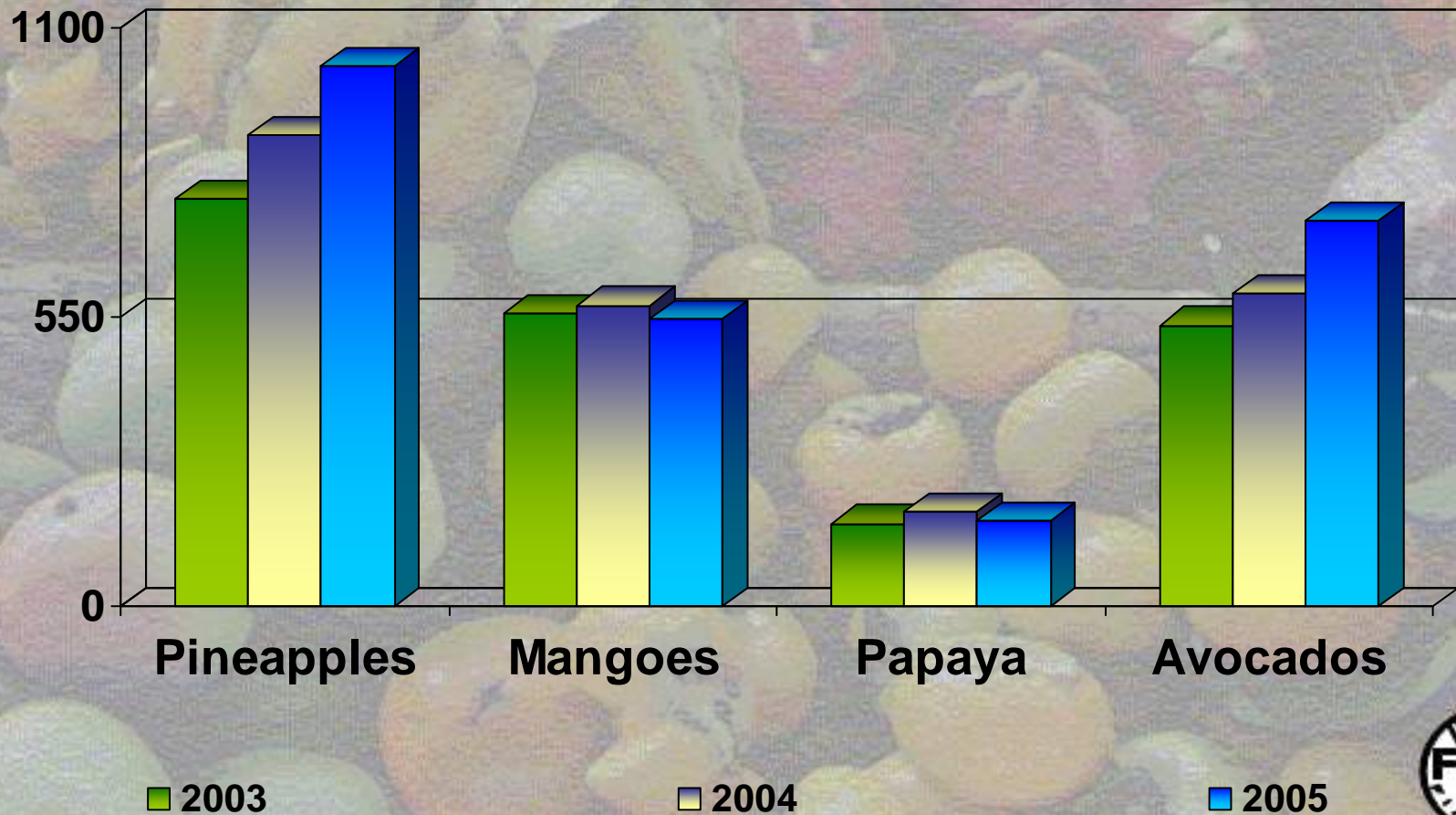
Trade Value – 2005

(US \$ million)



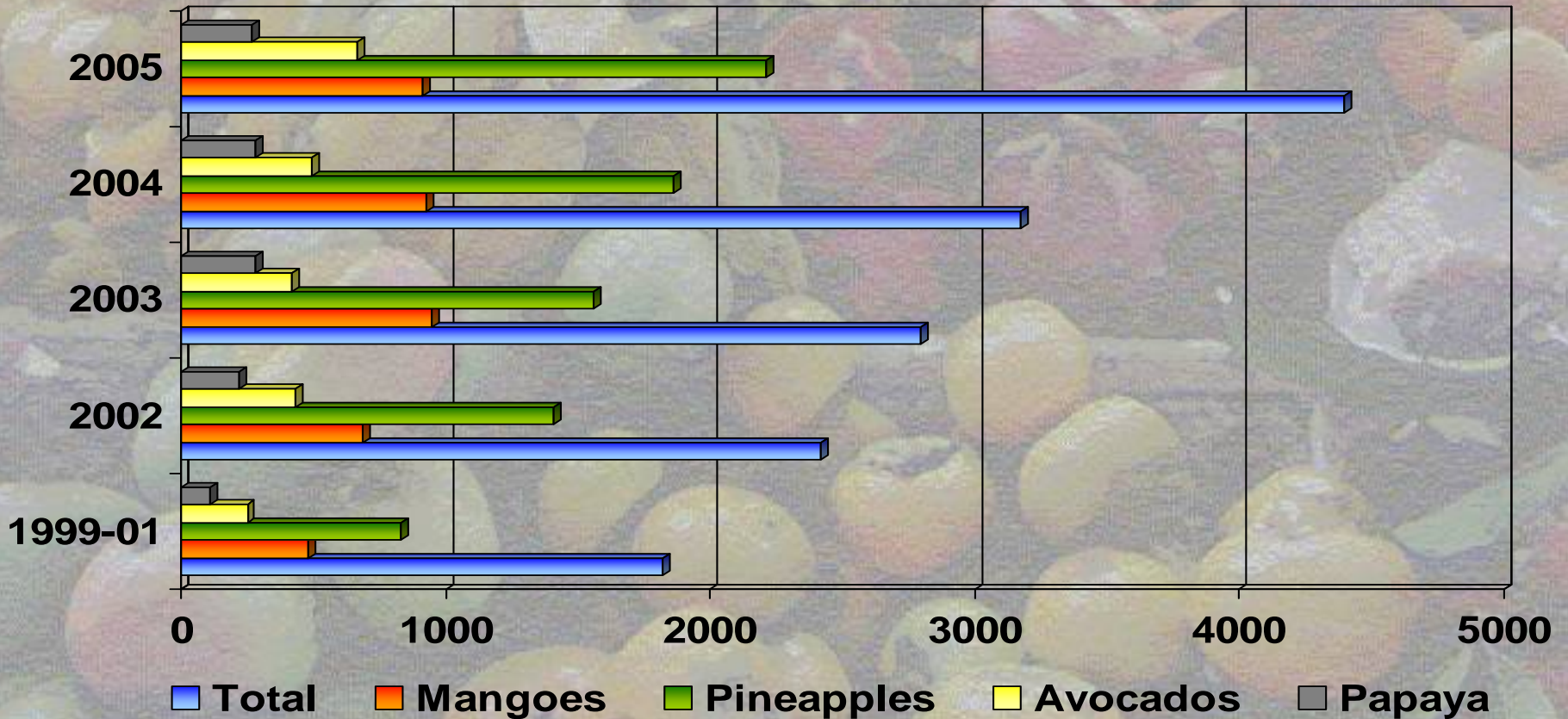
Major Fresh Tropical Fruits Exports Value

Million US \$



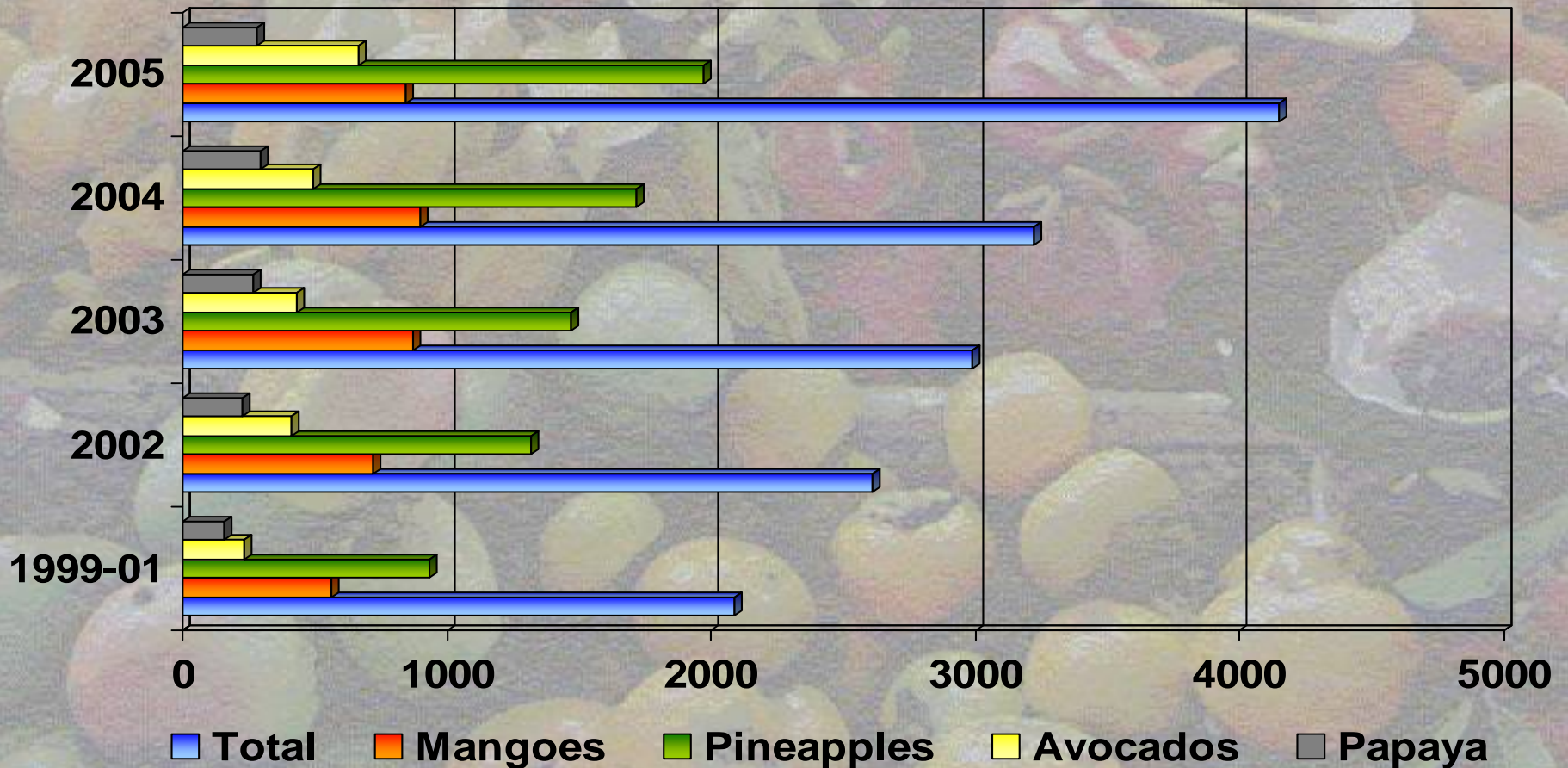
Fresh Tropical Fruits Exports

(Thousand tonnes)



Fresh Tropical Fruits Imports

(Thousand tonnes)



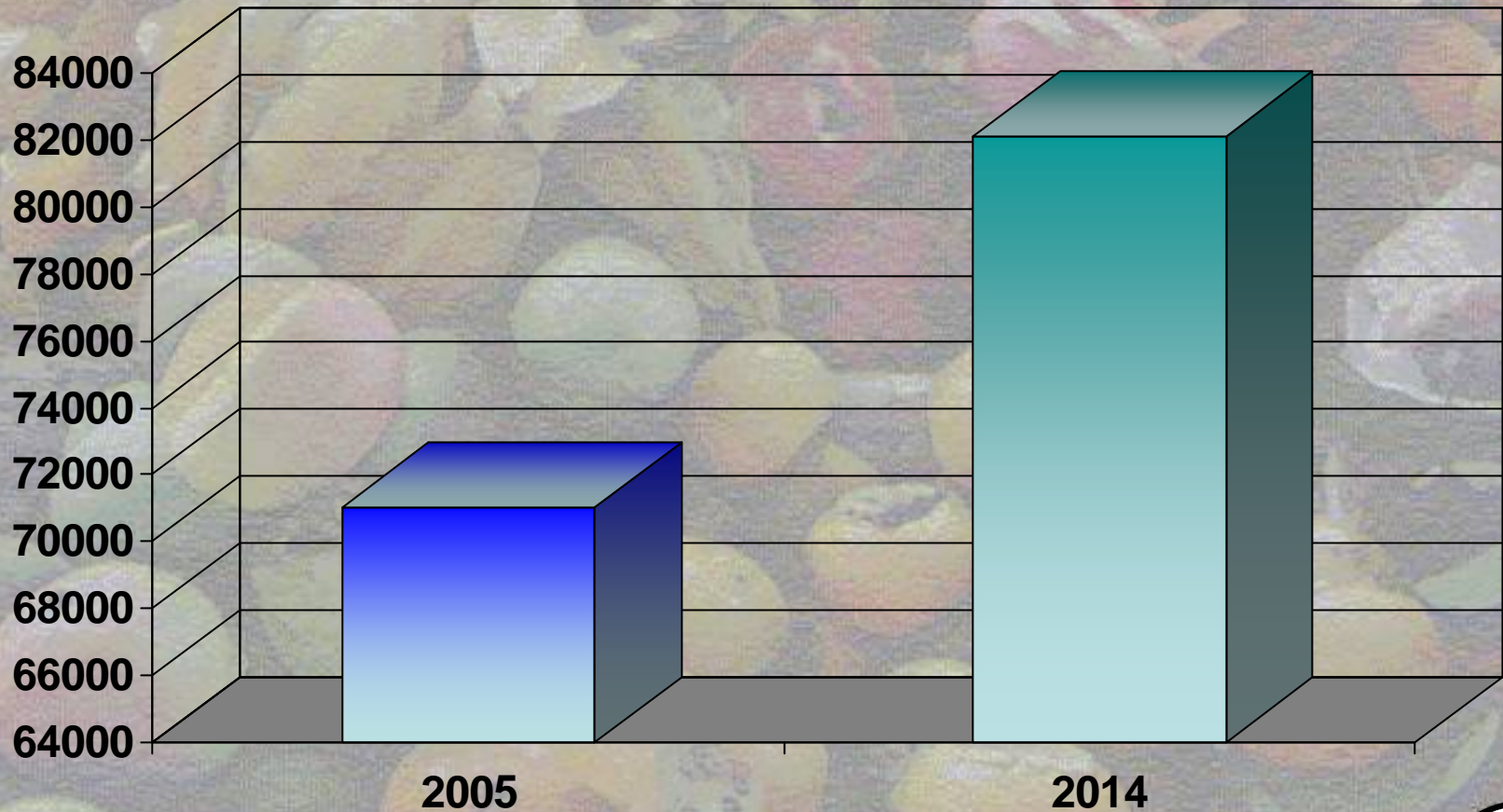
MEDIUM-TERM OUTLOOK

- ❑ **Dynamic time series models used for projections**
- ❑ **Assumptions included :**
 - **normal weather conditions would prevail**
 - **past trends in planted areas, yields, GDP growth and population would continue.**
- ❑ **Adjustments made to the forecast results to reflect current trends, policies and future market prospects**
- ❑ **Projections do not account for processed fruit, due to lack of trade information and conversion factors between fresh and processed forms**



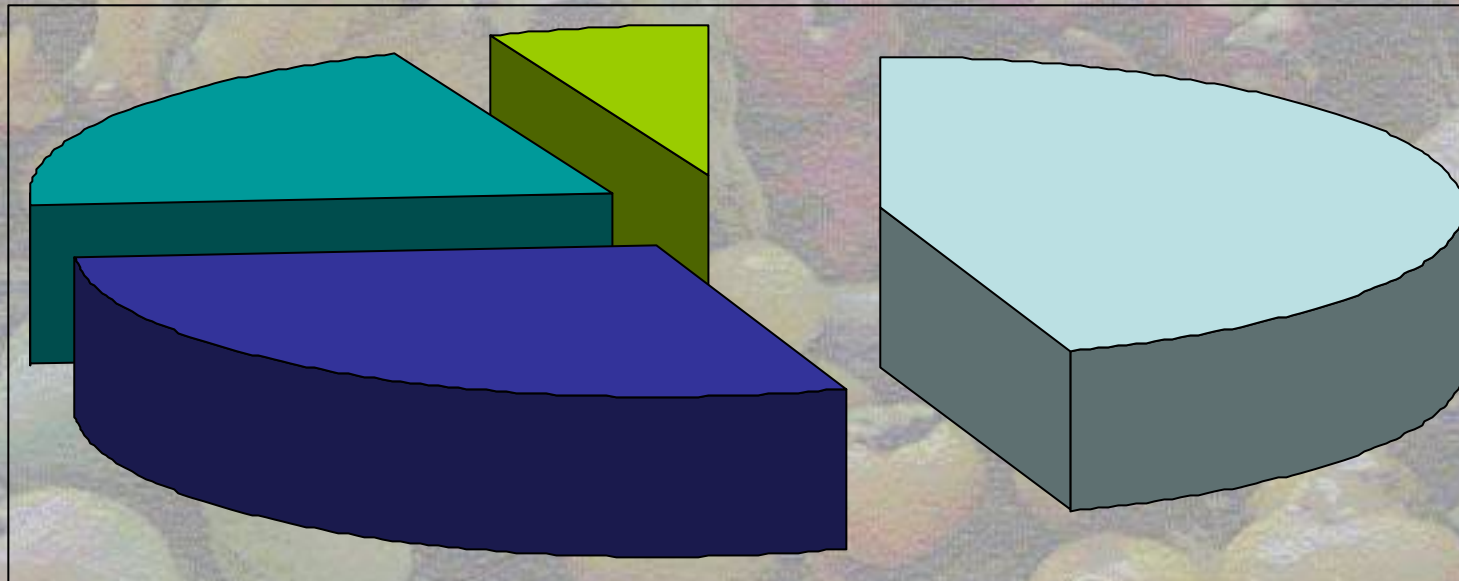
Projected Production to 2014

(Thousand tonnes)



Projected Production by Variety - 2014

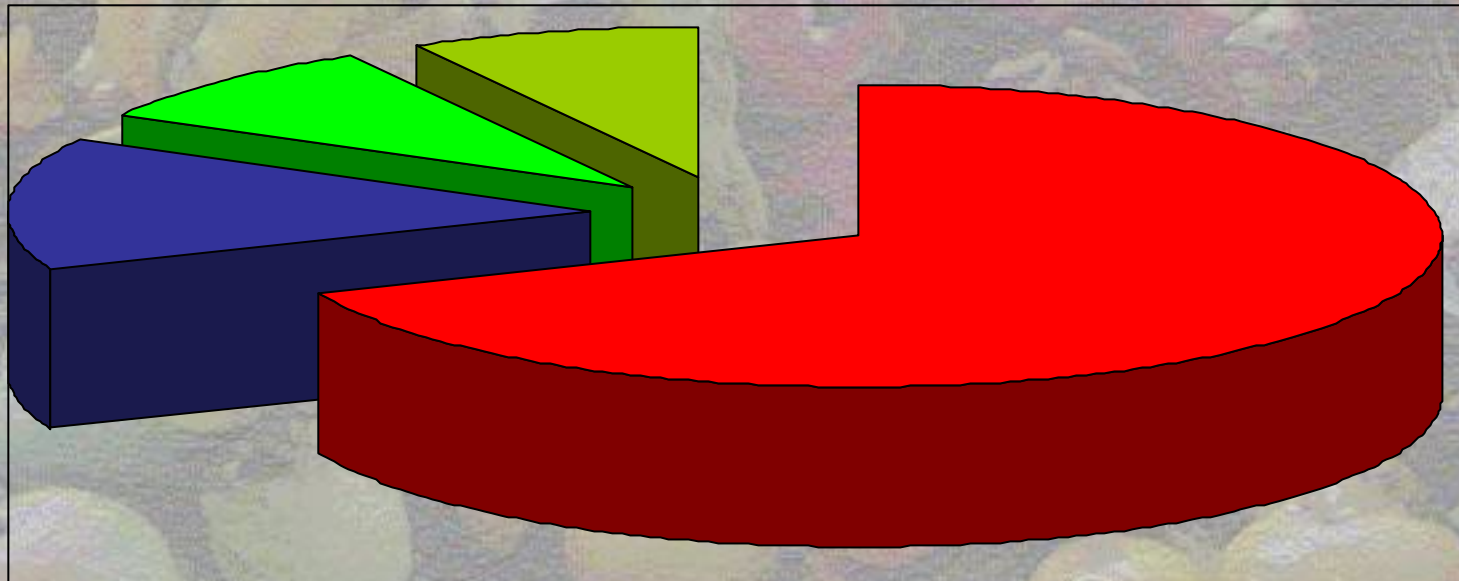
(Thousand tonnes)



■ Mango ■ Pineapple ■ Papaya ■ Avocado



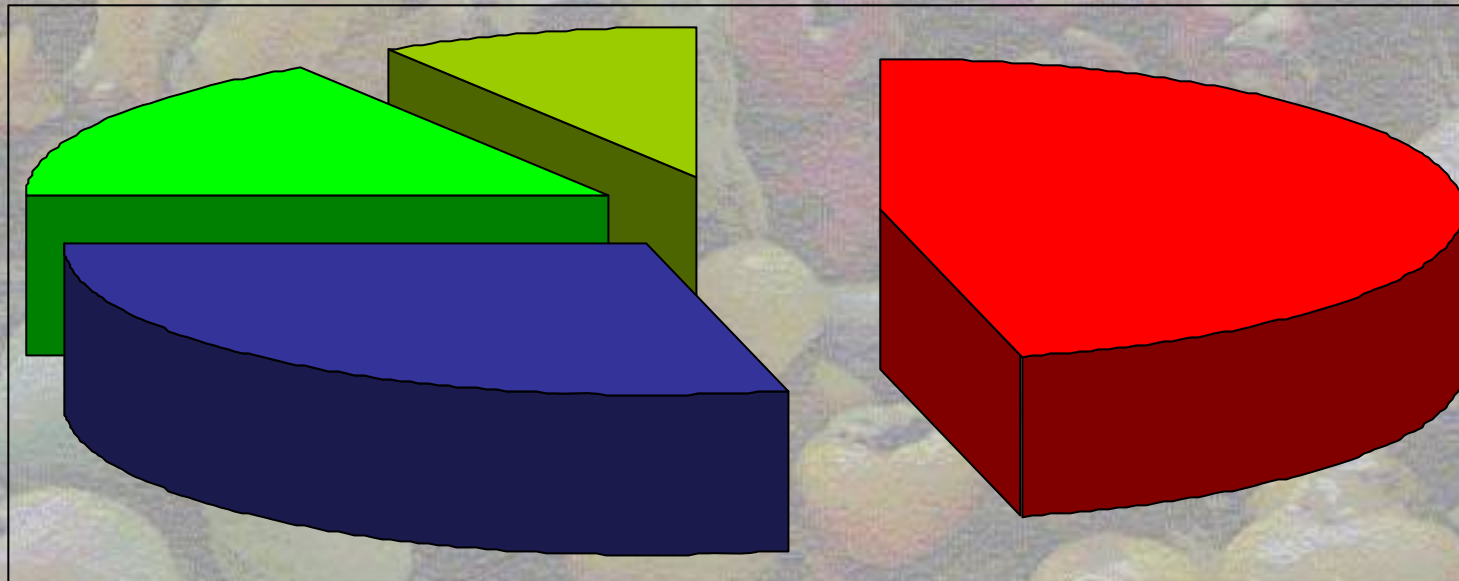
Projected Share of Mango Production by Region – 2014



■ Asia ■ LAC ■ Africa ■ Other



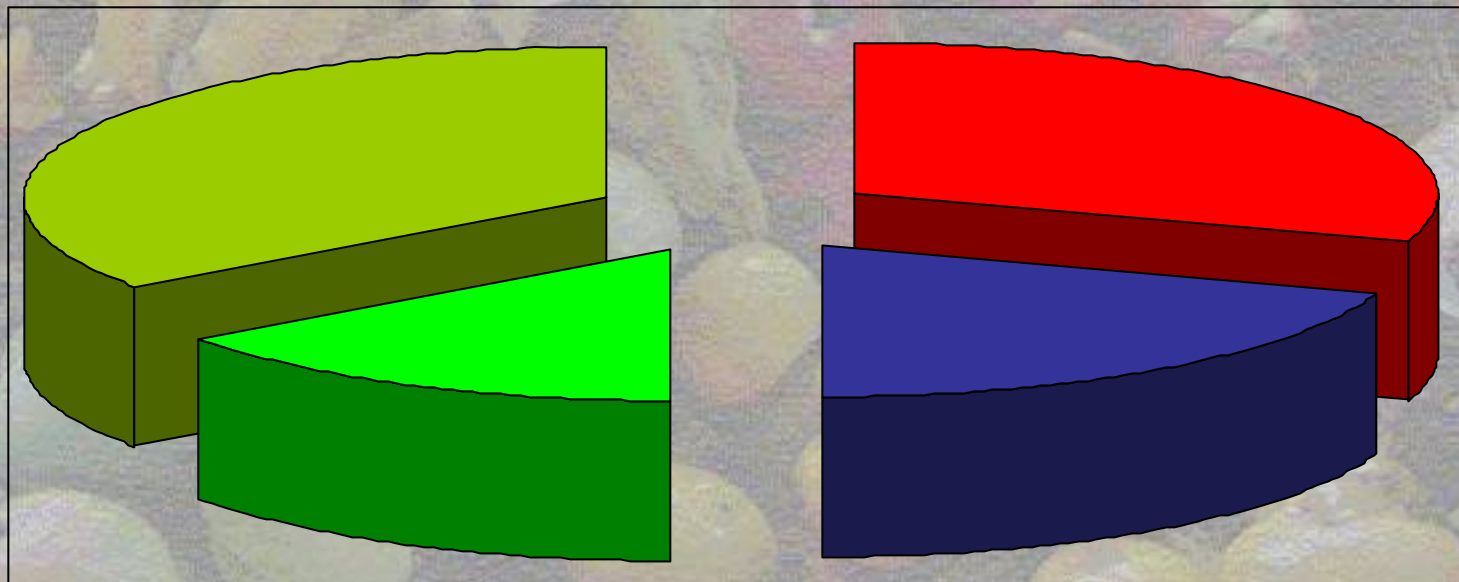
Projected Share of Pineapple Production by Region – 2014



■ Asia ■ LAC ■ Africa ■ Other



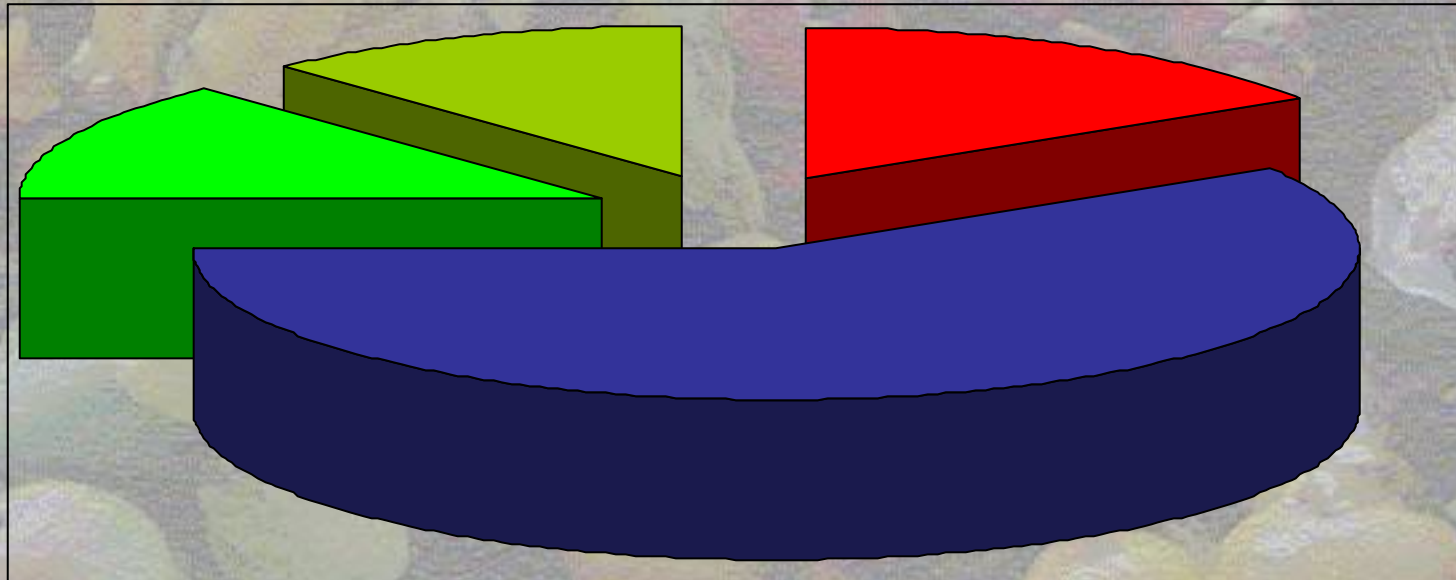
Projected Share of Papaya Production by Region – 2014



■ Asia ■ LAC ■ Africa ■ Other



Projected Share of Avocado Production by Region – 2014

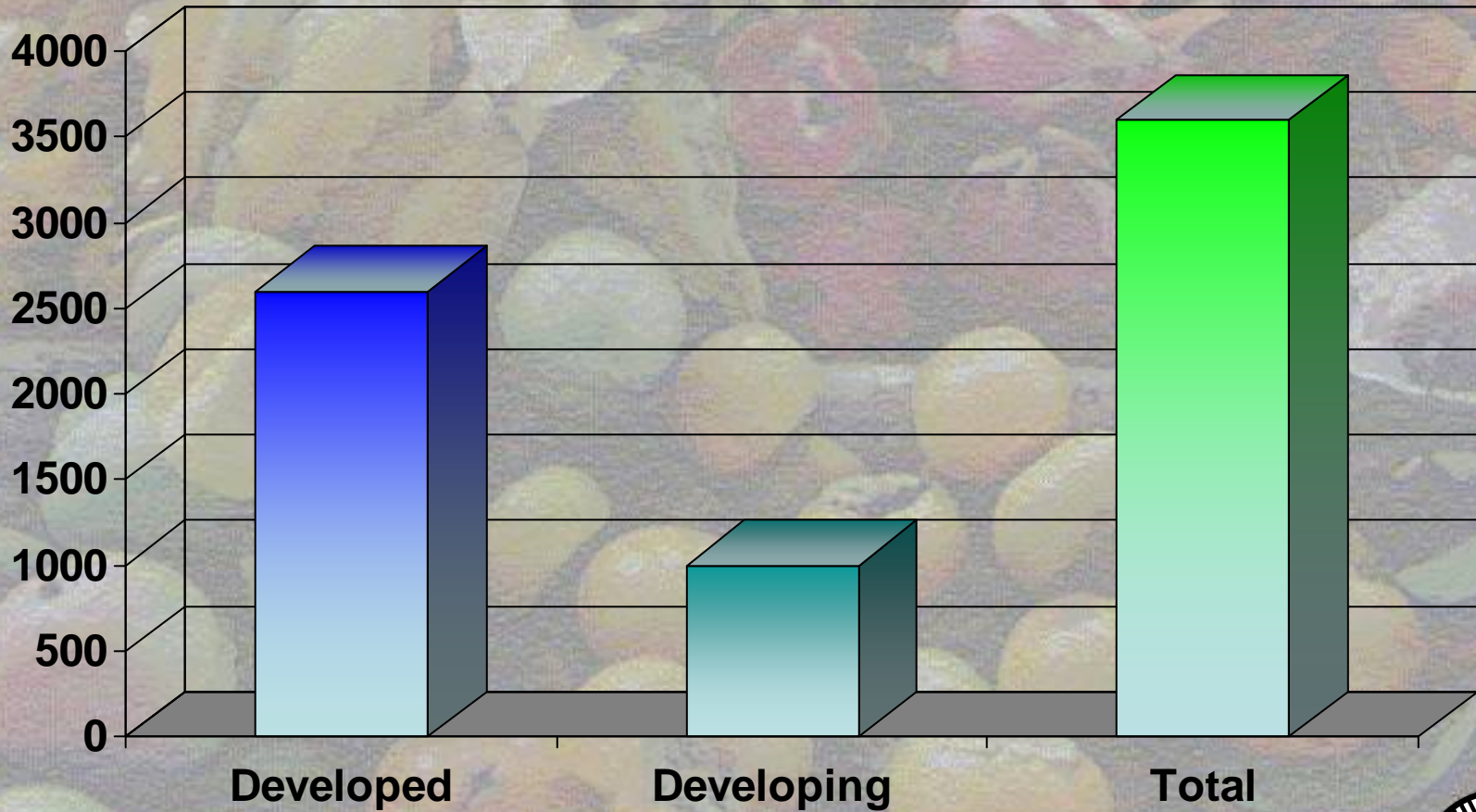


■ Asia ■ LAC ■ Africa ■ Other



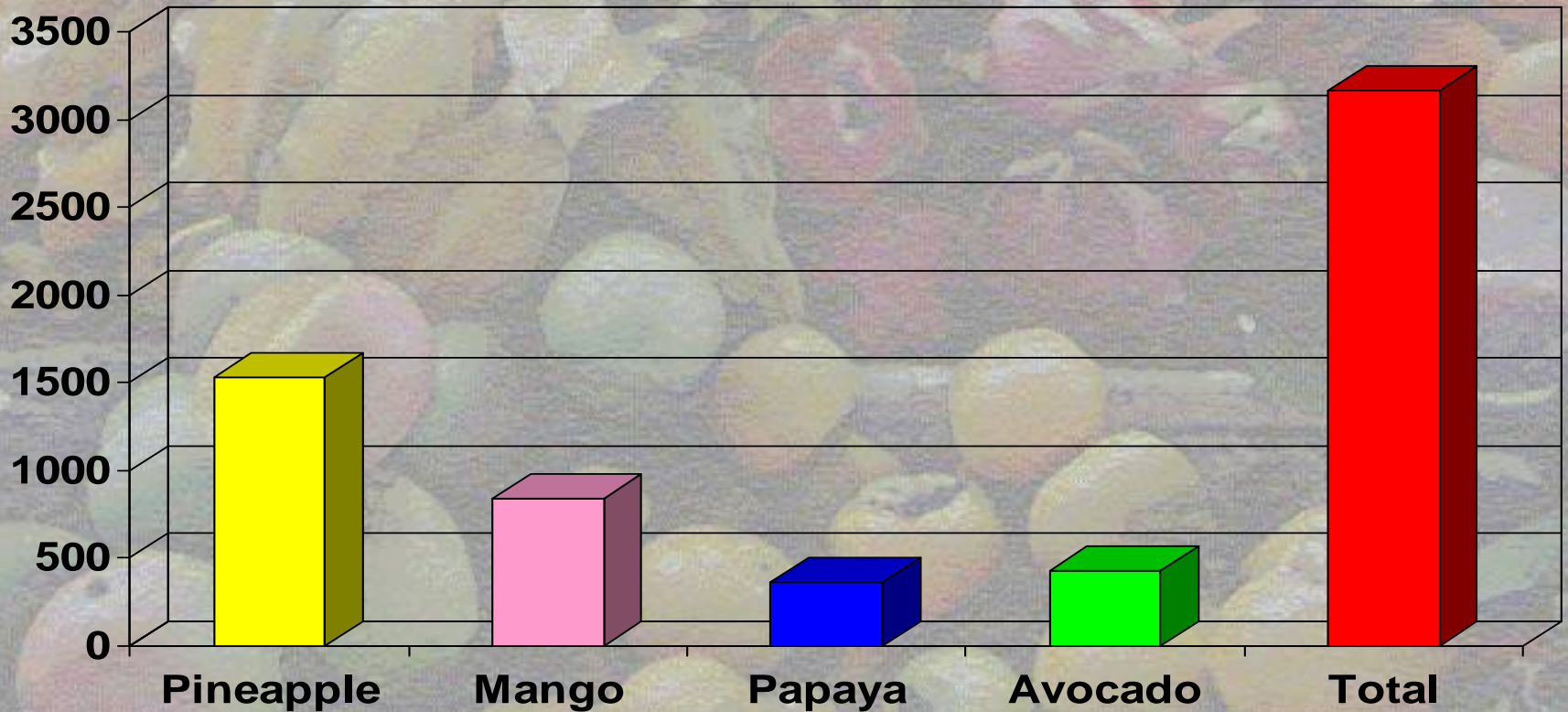
Projected Import Demand by 2014

(Thousand tonnes)



Projected Import Demand by Variety

(Thousand tonnes)



CONCLUSIONS

1. Data Constraints

- Constraint to supply and demand analyses
- Lack of international standards – difficult to compare prices
- Re minor fruits - unless the value of trade of an individual fruit exceeded US \$50 million, statistics will continue to be aggregated – World Customs Organization.



CONCLUSIONS - Contd

2. Increasing share of fresh fruit

- Advances in post harvest technology
- Highly efficient logistics
- Price premiums based on quality have replaced novelty based premiums
- Hikes in oil prices have eroded profit margins
- Traders reluctant to pass on increased costs to retailers because of intense competition in a highly elastic market



CONCLUSIONS - Contd

3. Medium Term

- projections suggest that demand will continue to grow strongly
- Supply per se is not a major constraint to international trade, as only 5 percent of production is actually exported
- Importance of quality in an increasingly crowded international fruit market has led to major initiatives
- Major challenges in managing the field-to-market-supply chain, for both fresh and processed products
- Should find a proper balance between cost and demand when meeting standards



CONCLUSIONS - Contd

4. Policy Issues

- Phytosanitary measures are of concern
- Although market access and sanitary issues are of importance, compliance is not as problematic
- Challenges in WTO on scientific and equivalency grounds are common
- Cost of treating fruit for exports could be a limiting factor
- Must be clearly linked to supply outputs

