THE OUTLOOK OF THE GLOBAL TROPICAL FRUIT INDUSTRY: CURRENT AND FUTURE TRENDS

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EXTENDED ABSTRACT

Bananas and, particularly, tropical fruits continue to be among the fastest growing agricultural commodities. These fruits constitute a significant source of economic growth, income, food security and nutrition for the rural sectors of many developing countries. While production and consumption data for these commodities are subject to underestimation owing to extensive unreported cultivation on small household plots, the available information nevertheless indicates that their importance in global food supply has increased significantly in recent decades. This has equally been confirmed by the fast expansion in global trade flows, which reached a total of 19 million tonnes for bananas in 2018, and 7 million tonnes for the four major tropical fruits – mango, pineapple, avocado and papaya – combined.

High income growth in developing countries and a changing health perception in developed countries have underpinned these positive developments in global demand for bananas and tropical fruits, and further point to a highly favorable outlook over the medium-term. Ten-year baseline projections generated in May 2019 indicate that global aggregate trade in bananas and tropical fruits could reach close to 30 million tonnes by 2028. While this would constitute a slightly slower growth rate than seen over the previous decade – primarily on account of the near saturation levels observed in global banana trade – ample market opportunities for tropical fruits seem to be on the horizon. Particularly the producing countries of Asia, which are endowed with a large variety of highly valuable major and minor tropical fruits and, in aggregate, account for more than half the world's global supplies of bananas and tropical fruits, stand to benefit from this positive outlook.

Amidst such auspicious prospects, as the industry grows in value, already stressed natural resources will face additional pressure from climate change and faster spreading plant diseases, which threaten to reduce productivity in agriculture and global food supplies. Rapid advancements in intelligent production methods and information technologies, and their meaningful application and adaptation to the needs of smallholder farmers, will be required to meet evolving world nutrition requirements and sustain efficiency gains in production and supply chains. On the value side, the application of blockchain and distributed ledger technologies promises to improve value chains by providing transparency and traceability, thereby providing scope for increased margins and a more equitable distribution of price premia. With such technological innovations still in early implementation stages, key to their success in the agriculture sector will be the correct identification of efficacious production and marketing strategies, particularly with regard to the highly valuable and highly perishable bananas and tropical fruits.

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