



By Maura Maxwell

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CPF takes the long view



Solid relationships and well-established sales channels will shore up the profitability of Peru's avocado industry

Peruvian avocado growers will have to adopt a more disciplined approach to exports if they wish to avoid oversupplying the market and sinking prices as the country's production continues to rise.

This is the view of Rodolfo Lozano of CPE, who suggests that Peru's 2018 campaign – widely regarded as the worst on record in Europe – should serve as a timely lesson to the sector.

With global production increasing by around 200,000 tonnes a year and Peru's own planted area projected to climb from a current 33,000ha to around 40,000ha by 2021, the likelihood of oversupplying markets during key times of the year seems inevitable, even if global consumption keeps on growing.

"As exporters we need to

speculate less and only send the fruit when it is ready as this would help prevent the supply peaks we saw last year in Europe," he said. "It is possible to prevent saturation by shipping in a more efficient way – provided we take a longer view instead of focusing on the spot market."

Lozano insists that this is very much the culture at CPE, which expects to see its own avocado volume increase by 10-15 per cent this year as new growers join the group and existing farms mature. "We have very well established sales channels and we trust that we will continue to obtain positive results for our producers," Lozano continued.

He is upbeat about the outlook for the 2019 campaign. With total exports projected to reach 335,000 tonnes – a similar, if not slightly lower volume than in the previous year – and consumption

continuing to rise, he expects to see a fluid market for Peruvian avocados throughout the season.

"The quality of the crop is very high and we have a good spread of sizes. Plus there are more options open to shippers as Peru has signed new trade and phytosanitary agreements and this will help us to balance our offer," he says.

A key feature of the 2019 campaign was a better distribution of fruit throughout the season, thanks to new plantations in the north of Peru coming into production earlier, leading to higher weekly shipments during April.