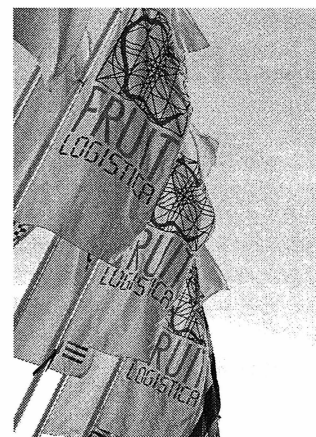


Fruit Logistica 2005

Quietly successful

Fruit Logistica is being quietly and firmly successful. The thirteenth show confirms the unique position of this Berlin event. With records broken (number of visitors, exhibitors, floor area, etc.), Fruit Logistica is a must each year. However, operators are slightly disappointed with regard to novelties. Papaya was practically the only inspiration!



Fruit Logistica's success is confirmed. The area of the exhibition increased by 30% and the growing number of exhibitors (1 355 stands against 1 112 in 2004) were

from an increasingly large number of countries (64 countries represented and 83% of exhibitors were not German). The large European producer countries logically took the most space with 229 exhibitors from Germany, 226 from Italy, 211 from Spain, 147 from France and 147 from the Netherlands. Ten countries were present for the first time this year: Bangladesh, Canada, El Salvador, Ireland, Japan, Mali, Malta, Slovenia, the Czech Republic and Ukraine. As is the case in

many other food and non-food sectors, China is developing its operations strongly (16 exhibitors against 8 in 2004). In addition to the now classic apples and pears, including a milky-skinned variety, China shows its determination to diversify its fresh fruit exports. Very good quality oranges (Navel and Naveline) were displayed for the first time. This did not escape notice by producers in the Mediterranean area and the southern hemisphere (led by South Africa) which might be

faced with new, strong competition in the short term. Indeed, China is the third largest producer of citrus in the world after Brazil and the United States but the entire production of



14 million tonnes has previously been sold on the domestic market.

The Mediterranean countries were also strongly mobilised. Turkey is still

strengthening its presence by considerably increasing its display area and the number of exhibitors. The Moroccan stand, reminiscent of peaceful village squares in southern

Morocco, confirmed its strong interest in the show. The same applies to Greece (with 26 exhibitors against 3 in 2004). Egypt is much talked about as the increase in its market shares, especially on the citrus markets in Eastern European countries, worries its competitors. This year, exporters would appear to benefit from state aid for exports that considerably improves their pricing position. Its desire to enter the European market was tangible, given the increase in the number of exhibitors.

The Latin American heavyweights in the sector were obviously well represented—Mexico, Brazil, Argentina, Chile, etc. The

determination of Chilean avocado producers to increase their presence on the European market partly explains the strong participation. Indeed, Chile is being forced to follow this new trend because Mexican competition on the US market is increasingly strong as all states, except for those where

The features of Fruit Logistica 2005 according to *Fruitrop*

<i>Cannot get away from them</i>	Citrus, banana, pineapple, mango, avocado
<i>Attracted attention</i>	Minor tropical fruits
<i>A future star</i>	Papaya
<i>Special mention</i>	China
<i>Nothing said about it</i>	Fresh-cut or freshly-prepared produce
<i>Disappeared</i>	Organic produce, melons
<i>Concepts that are now ordinary</i>	Eurepgap, ISO, etc.
<i>A modest position</i>	Fair trade, generic promotion of consumption
<i>Forgotten concepts</i>	Health, harmlessness
<i>Hot subjects</i>	CMO banana, frost in the citrus orchards
<i>Trend</i>	Possible generalisation of the British retailing model

avocados are grown, are open to Michoacan avocado. Furthermore, Chile has to face a very strong increase in available supplies.

Countries producing tropical fruits (except for banana) are still just as well represented at the exhibition, thanks in particular to the mobilisation of Sippo (Swiss cooperation) that organises trips by exhibitors, in particular from developing countries. It should be noted that Peru once again displayed strong ambition on the European market to judge by the number of exhibitors.

The event was undoubtedly successful. It was perhaps less flamboyant than in previous years as the mad displays and distribution of gadgets of all kinds have been replaced by professionals, without losing any effectiveness. This is in any case what was revealed by the comments heard throughout the three-day event.

Overheard at the show

Conversations were centred on three subjects. The first was the weakness of demand in general and the poor health of the fruit and vegetable sector in Europe. Consumption is oriented markedly by consumers seeking low prices, rewarding once again the most aggressive forms of retailing—discounters. Producers, importers and wholesalers are

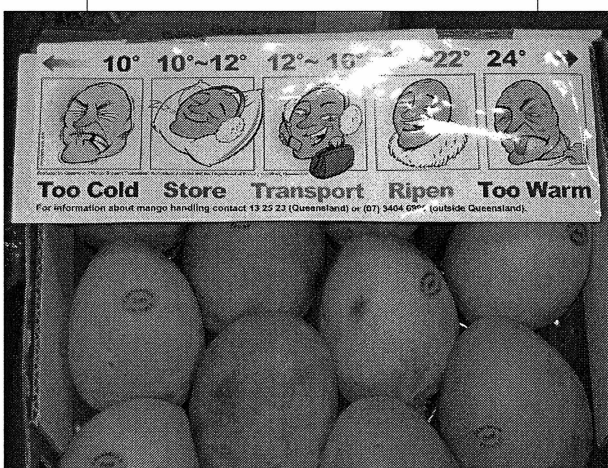
worried as they watch their margins shrink and certification costs increase with no financial return for producers. It is not because there is no more talk

players because of their weight in the sector. Pressure from supermarket chains means that importers have to revise their conditions. Some, specialised in an origin, are extending their range to other supplier countries by using a new brand, such as Capespan for produce outside South Africa and Alesia for Agrexco products outside Israel. A trend is taking shape with the creation of economy price product lines, like the small avocados presented in nets. The British model seems to have its followers and this worries import professionals.



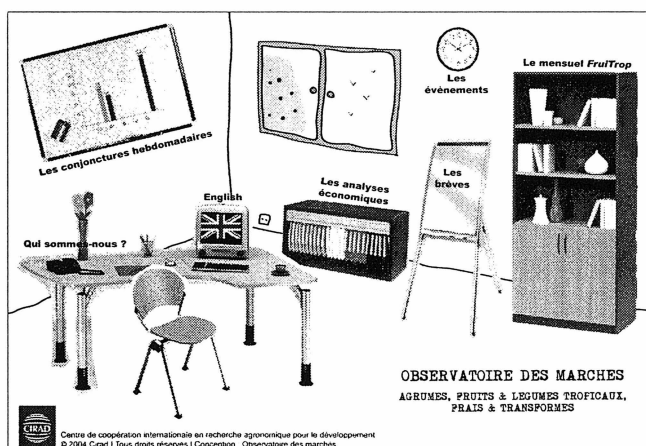
of Eurepgap, quality certification or the respect of such and such a specification that the concepts have disappeared. They are quite simply

The reform of the common market organisation of banana was another major subject of discussion. The dispute settlement procedure has now been launched at WTO. The present calendar plans a conclusion by September 2005 unless European and Latin American negotiators finally come to an agreement either with regard to a customs tariff to be applied to bananas from third countries to replace the present tariff quotas, or on an extension of the present quota system (the status quo). The outcome depends to a considerable degree on the negotiating positions taken by national and transnational corporations. Fruit Logistica was thus perfectly suitable for the holding of negotiations.



integrated as a basic characteristics of products. This is the very expression of soft law, with the standard being imposed by private

The effect of frost on the Spanish and Moroccan orange plantations was a recurrent theme in Berlin. A meeting



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of the CLAM (Mediterranean Citrus Liaison Committee) held behind closed doors made it possible to learn of the extent of the damage directly from professionals. Before conducting a closer estimate, Spain announced that about 50% of the orange harvest still on the trees (50% of the total harvest) had been hit to varying degrees. Navelate oranges seem to have suffered particularly serious damage. Moroccan citrus was apparently not as hard hit, with a forecast of orange and easy peeler losses of some 10 to 15%.

In any case, the winter citrus season will be shorter than usual. Operators in South Africa, Argentina and Uruguay thus received close attention. This strong demand might lead them to advancing the export season (by two or three weeks?) with respect—it is to be hoped—of the optimum physiological condition of the fruits.

Spotlight on papaya

The range of fruits available has not changed much. Greater discretion was noted with regard to melon, in the forefront last year. This is doubtless the result of a very bad season. Extra-sweet pineapple, awarded a special mention by *Fruitrop* in its 2004 awards (*Fruitrop* 110, March 2004, pages 5 and 6) was less present. The small brands were very much less present than last year. The sector heavyweights (Del Monte, Dole, Fyffes and Chiquita) accounted for most of the supplies. Côte d'Ivoire, an uncompromising producer of Smooth Cayenne but of other varieties as well and where an improved hybrid is expected in the coming months,

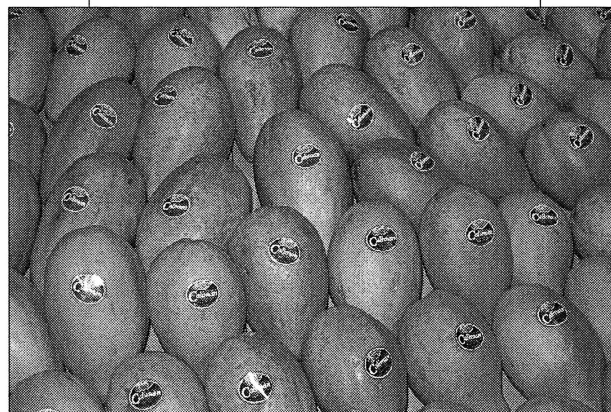
marked its presence at the show as the fruits proposed for tasting displayed different characteristics to those of its competitors.



The fruit in the forefront this year is papaya, another tropical fruit that is truly exotic for many European consumers. It cannot be said that it has developed recently and sharply. The first significant quantities of papaya were imported in the 1980s. So why this sudden interest? The

sea transport conditions have revived operators' appetite for papaya. If the discount chains go for them, as is apparently the case in Germany (promotion operations with very attractive retail prices), the future of the fruit on retailers' shelves seems ensured, even if consumer education is essential to say the least. This enthusiasm will first benefit Brazil and in particular the Caliman brand that has been present on the European market for years. There was also talk of Ecuador.

To finish, a few words about the ready-prepared fruits phenomenon. An old chestnut of the sector, their positioning is as we thought in 2004. The age of initiatives by modest operators in the fresh fruit sector is over. The ready-prepared range is now handled by a giant (Del Monte) or by a process and logistics specialist (Florette). Looking at the Del Monte stand, one wondered



whether processed fruits (canned and ready-prepared) were not gaining ground on fresh fruits as the latter occupied hardly more than a third of the stand. In contrast, citrus fruits seem to have left the range temporarily while technical problems related to peeling are solved. Florette's initiative should be highlighted. The brand proposes two fresh-cut pineapple products. A new product called white pineapple exists as well as the traditional reference (trays of yellow pineapple pieces) ■

answer no doubt lies in sector operators' search for a new product capable generating growth and increased ease of sale of a fruit hitherto reputed to be very delicate. Work on varieties and post-harvest operations have increased the length of life of the fruit. Harvesting at practically full maturity and optimum

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Weekly monitoring of the European mango market is available during the West African season.

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