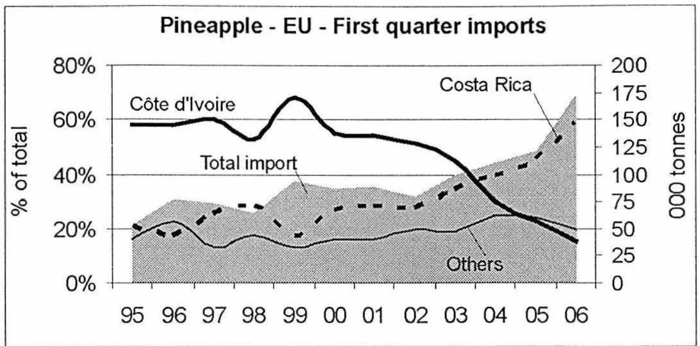
The world pineapple market

Costa Rica: a million tonnes, and then what?

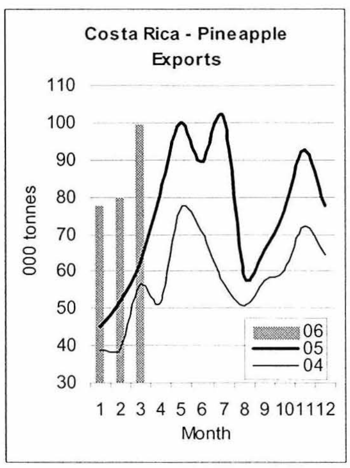
Costa Rica is extending its influence on the international fresh pineapple market. Two recent figures are a measure of its growing clout, or possibly hegemony, and of the structural weakness of supplies from Côte d'Ivoire, the former world leader.

Will Costa Rica soon export more pineapple than banana? The reply is 'no' of course. However, the excitement felt in the pineapple sector, and not only in Costa Rica, could lead to believing the opposite. A great number of origins are following in the tracks of the precursor of 'Sweet' pineapple production. Nevertheless, its future is not rosy. Import prices are falling and quality is going down as fast as the quantities increase. Is there now a credible alternative?



Costa Rican export statistics for the first quarter of 2006 confirm that the million-tonne mark will be reached and even exceeded this year. Indeed, in the past 12 months (April 2005 to March 2006), fresh pineapple exports totalled 998 380 tonnes. The figure is confirmed by US customs, who observed a 29% increase in imports from Costa Rica in the first quarter.

The other figure concerns European imports of fresh pineapple in the first quarter of 2006. It shows that exports from Côte d'Ivoire to the EU have decreased very markedly while the market is continuing to develop. Ghana, and Cameroon as well, are trying to contain the Costa Rican—and even Ecuadorian—steamroller but the two sides are not matched. The main question remains—how long will Costa Rica and the other 'Sweet' producers resist the price decrease at the import stage following the unchecked increase in the volumes released and the too rapid trivialisation of the fruit? The Costa Rican authorities seem to have become aware of the problem but without the means and doubtless the determination to regulate this type of market. As for Ghana, where several million euros is being sought to be able to continue to develop the 'Sweet' sector, the country will have to demonstrate the buoyancy of the sector to investors, together with its comparative advantages and realistic profitability forecasts. It is true that the case is not hopeless but it is a hazardous operation against the background of an ultra-competitive, lastingly deteriorated market.



Pineapple - 1st quarter imports - Tonnes		2002	2003	2004	2005	2006
USA	total incl.	80 378	104 528	104 613	118 958	141 165
Costa Rica		65 153	86 269	73 952	86 702	112 235
EU	total incl.	79 725	99 567	110 141	120 439	172 220
Costa Rica		22 084	34 521	43 489	54 877	100 782

Pineapple - Costa Rica - Exports - Tonnes						
April to March		**2001-02**	**2002-03**	**2003-04**	**2004-05**	**2005-06**
	total incl.	395 669	483 456	578 641	719 711	998 380
USA		271 339	331 601	338 364	400 976	506 845
EU		177 784	221 548	237 528	315 648	489 592

Sources: national customs

New lines of approach?

In such a context, might demand for 'Smooth Cayenne' be an opportunity to save part of the Côte d'Ivoire production sector? Some sector operators believe this but they also know that the quality of the produce must be outstanding. If this were to work, there might be an almost miraculous reversal of the situation. As was the case for 'Smooth Cayenne', Latin American 'Sweet' might destroy itself because quality is too uneven and there is an avalanche of products and brands. Selected African 'Smooth Cayenne' would then become the quality reference once again. Some will find this scenario pretty idyllic but it is plausible nonetheless. Other lines of approach are being examined and in particular the strategy of re-segmenting supplies, the technique chosen in particular by Del Monte with its 'Honey Gold' fruit ■

Denis Loeillet, Cirad
denis.loeillet@cirad.fr