

OVERVIEW GLOBAL PAPAYA MARKET

After the traditional boom in the exotics market in Europe in December, the market was calm in the first weeks of the year. The demand is limited in many European countries, although Dutch traders report that conditions are tight due to a delayed supply. The Formosa papaya is doing especially well in Europe. For Brazil, Europe is also the most important export destination for this variety. A shortage has been reported in the US, although the prospect is that the supply will pick up again in the coming weeks.

South Africa: Demand for large sizes

In parts of Limpopo, the papaya production peaked in December and January. This is unusual, as production normally declines in the hot summer months in the southern hemisphere. The sizes are small due to the combination of a cold winter and a hot summer, which makes the fruit ripen faster.

As a result, there is demand for the larger sizes, which yield good prices exceeding 100 ZAR (6.76 Euro) per box. The smaller sizes yield around 52 ZAR (3.50 Euro) per box and 15 ZAR (1 euro) per punnet. The demand is smooth in a number of markets. In Cape Town, for instance, there is a good market for large calibres due to the city's big catering sector.

The supply is expected to fall in the months of February and March, which traditionally leads to a shortage on the market. From April, the supply will pick up again when the larger calibres grown in the summer months reach the market. The crops are mainly located in the north of the country, where the weather was dry in the months of December and January, according to several growers.

Germany: Papayas shipped by air dominate the market

The Formosa papaya is currently the absolute leader in the German market. This variety is mainly exported from Brazil and dominates in both wholesale and retail. The Solo and Golden are also available here and there. In terms of price-quality ratios, the market is very stable, as is the supply.

The papayas that are shipped by air are the ones that dominate the market. There are also some papayas arriving by ship, but traders point out that their quality is not as reliable due to the duration

of the journey. Lastly, traders confirm that although papayas are not yet in the same league as mangoes, the demand has been rising considerably for a few years.

France: Quiet start of the year

Not much volume is available. It is very quiet on the papaya market, but that is normal for January/February. The papaya trade is particularly noteworthy in December. French traders believe that the product will probably always remain an exotic fruit in Europe. The climatic conditions in the growing areas are said to be good.

Belgium offers limited growth opportunities

There is also a quiet market in Belgium. Most of the sales concentrate in December. The papaya market is still expected to grow slightly, but to a very limited extent. Papayas will never be as popular as mangoes and avocados, because many people don't like them. The taste of mangoes is appreciated by 9 out of 10 people, but in the case of papayas, the situation is almost the opposite, according to a trader. The cultivation is going well. In general terms, there is usually a year-round production. Heavy rainfall can make things difficult, but that has not been the case this season. Growers have not suffered the impact of the hurricanes.

Netherlands: Tight market Formosa papayas

The demand for Formosa papayas, one of the most common papaya varieties, is currently very high. Due to very different weather conditions and various delayed arrivals, there is currently a very tight market. According to importers, the Formosa papaya is an exotic that is becoming increasingly popular amongst consumers. Consumption is rising sharply across Europe. They expect the market situation to improve in a few weeks.

Spanish sector is looking for varieties

The Spanish sector is eagerly looking for a variety that is well suited to the Spanish climate. For the time being, the results achieved with known varieties from South America have not been satisfactory. A grower says that he reduced the acreage from 600 hectares to 400 hectares due to the lack of a good variety for the Spanish climate. Papayas have been grown in the country since 2016, especially in the

regions of Almeria, Malaga and Murcia. In the Canary Islands, the tropical fruit has also been grown for some time, but the volumes are limited. The cultivation in Spain is expected to take off as soon as a suitable variety is found. A large cooperative reveals that the number of affiliated papaya growers has increased rapidly in recent years, from fewer than 10 to 35. As a result, the annual production is estimated at 2,000 tonnes per year.

US: Tight supply and good demand

The volume of Mexican papayas is declining, but a turning point is expected to be reached soon. "The supply of papayas is tight," says a trader. "Our volumes will pick up again in the coming weeks." In January, there was a lower production available, which coincided with a larger harvest in the first half of the season. The papayas are imported from the Mexican regions of Colima, Campeche, San Luis and Veracruz.

Demand for the tropical fruit continues to rise across the US. "Consumption is going to increase as the temperature rises," says a trader. "Most Americans see papayas as a tropical product for spring and summer." The biggest challenge for the category to grow is to encourage consumers to try a papaya.

Traders have no complaints price-wise. Unlike last year, when the market collapsed in January due to a surplus, the price has been higher this year due to the shortage on the market. A more stable volume is also expected for the remainder of the year. Transport costs play a role in the sector.

Brazil sees increase in exports to Europe

The Formosa papaya has already had some good months compared to other varieties. With the exception of May and June, larger volumes have been exported every month. On average, the price has also been higher in November when compared to other varieties. Although the country is known as one of the largest producers of papayas, only a small share of the total volume is exported. Most of the harvest remains on the domestic market. Most of the papayas that are grown for export are cultivated in the regions of Espirito Santo and Rio do Grande do Norte. Approximately 60% of the volume grown there is shipped to Europe. This mainly concerns the Formosa, for which there is a rising demand. Moreover, these regions have a logistical advantage due to their proximity to large ports. Europe is the most important market for papayas during the autumn and winter months in the northern hemisphere. Between 2011 and 2016, Brazilian exports to Europe increased by 40%.

In the northern areas, including Espirito Santo and the south of Bahia, problems with fungi have been reported, despite the small amount of rainfall this month. The increased pressure from diseases coincided mainly with a reduction in the availability of pre-harvest resources. The issue has mainly affected growers of the Hawaiian papaya.

Mexico promotes papayas as "strategic fruit"

In a plan of the government to make the economy less dependent on one trade relationship and supply a wider range of markets, a number of products have been sorted as "strategic". In addition to blueberries, pineapples and blackberries, papayas have been included on this list. In recent years, investments have already been made in the cultivation of these crops in Colima. The region has already become the country's second largest producer of this fruit, with a share of 18%. According to figures, production in Colima has increased by 13.4% between 2010 and 2016, from 51,375 tonnes in 2010 to 108,996 tonnes in 2016. The yield has also improved by 1.8% per hectare.

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