

Brazil tropical fruit exports to EU hit by coronavirus -industry group

Brazilian producers of tropical fruits including mangoes and papayas have been hit by falling European demand amid coronavirus and feel burnt after excessively relying on EU sales, lobby group Abrafrutas told Reuters on Monday.

Europe was the second major hot-spot for the COVID-19 epidemic that began in China and orders from the continent began to fall as a result of lockdowns to contain the virus, Jorge de Souza, manager for projects and international promotion at Abrafrutas, said in an interview.

While most domestic fruit production can be redirected to the Brazilian market, the issue will affect the association's goal of exporting more than \$1 billion worth of fruits in 2020, up from about \$860 million last year, Souza said.

The European Union buys 60% of Brazil's fruits while the United States gets 18%, he said.

"Europe is our thermometer," Souza said by telephone. "There is a fall in orders due to smaller demand."

Consumers are showing a preference for fruits with a longer shelf life, hurting export demand for products like papayas, one of Brazil's top 10 exported fruits.

Brazil relies on ships for 90% of its fruits exports and airplanes for 10%, Souza said.

Eduardo Sampaio Marques, farm policy secretary at Brazil's Agriculture Ministry, said there was a fall in exports for products like soft fruits that depend on air transport.



But Marques noted the government was not planning measures to alleviate the situation as air freight exports of farm products are a small segment of the market, instead focusing its efforts on helping producers of fresh products domestically.

Souza said sea freight is virtually normal barring the need to book refrigerated containers “well in advance” to deal with a shortage since disruptions hit Chinese ports earlier this year.

Brazil is the world’s 24th largest fruit exporter but is third-largest producer after China and India, ahead of the United States, Souza said.

“We should be in the top 10,” Souza said, adding Abrafrutas is keen to make Brazil a more aggressive exporter. Recently, Brazil was cleared to sell melons to China, but the coronavirus crisis delayed initial sales, he said.

Regarding Europe, a shortage of rural labor in the continent could reduce internal supplies of fresh produce, with Europe likely to turn to Brazil again.

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