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El Niño and Export Controls Delay Peru's Avocado Harvest

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Report Highlights:

The 2015-16 El Niño Southern Oscillation (ENSO) weather phenomena, although weaker than originally anticipated, delayed Peru's avocado harvest. Despite the delay, sources indicate that Peru is estimated to produce about 180,000 metric tons (MT) of avocados for export in Calendar Year (CY) 2016. This number is roughly equivalent to CY 2015 production. According to sources, export control measures contributed to delaying the harvest by one month. Despite lower overall production numbers, SUNAT (Peru's customs and tax authority) reports 40 percent higher export volumes and a 50 percent increase in export values for the January-April 2016 period compared to 2015's figures. Exports to the United States are estimated at about 45,000 MT for CY 2016.

General Information:

The 2015-16 El Niño Southern Oscillation (ENSO) weather phenomena, although weaker than originally anticipated, delayed Peru's avocado harvest. Despite the delay, sources indicate that Peru is estimated to produce about 180,000 metric tons (MT) of avocados for export in Calendar Year (CY) 2016. This number is roughly equivalent to CY 2015 production.

Peru's avocado season runs from March through July, with the heaviest production concentrated in the months of April, May, and June. April 2016 avocado production at 44,000 MT is roughly equivalent to April 2015 numbers, but off nearly 17 percent compared to 2014's production of about 53,000 MT.

Peru's Hass avocado producers' association (PROHASS) attributes a bloom drop in the northern growing areas to El Niño-related warmer than normal temperatures, accompanied by higher humidity and rains. La Libertad province (i.e., State) in the northern region alone produces over 32 percent of Peru's avocados. At the same time in the south-central growing areas, lower than normal temperatures accompanied by drier conditions brought the harvest in earlier than anticipated.

According to sources, export control measures contributed to delaying the harvest by one month. In 2011, USDA APHIS approved imports of Peruvian Hass avocados on the condition that the dry matter of all exports falls between 21.5 and 29 percent as a precaution against fruit flies. This stipulation is enforced by SENASA (Peru's Animal and Plant Health authority) regulation [No. 0009-2014-MINAGRI-SENASA-DSV](#); the regulation prevented growers from harvesting avocados prematurely in 2016. PROHASS has voluntarily instituted its own ripeness standard of 23 percent minimum dry matter for avocado exports. Since PROHASS aggregates over 60 percent of Peru's avocado export production, its 23 percent dry matter standard played a significant role in enforcing the one month harvest delay.

Despite lower overall production numbers, SUNAT (Peru's customs and tax authority) reports 40 percent higher export volumes and a 50 percent increase in export values for the January-April 2016 period compared to 2015's figures. This might be due to avocados grown for local consumption being shifted to the export channel. Exports to the United States are estimated at about 45,000 MT for CY 2016. According to SUNAT and the Peruvian Avocado Commission (PAC), avocados destined for the United States represented 27 percent of avocado exports in CY 2015; 65 percent of exports were shipped to the European Union (EU). Industry representatives from the Consortium of Fruit Producers (CPF) and PAC are forecasting a 15-20 percent increase in avocado production for CY 2017.

Peru, in August 2015 gain approval to ship Hass avocados to Japan and China. Since the protocol was completed towards the end of the avocado season, it did not have a large impact on exports. In CY 2016 avocado exports to these two markets are expected to reach about 5,000 MT. FAS Lima estimates that Asian markets will increasingly become a top export destination for Peruvian avocados, trailing only the EU, the United States, and Chile in importance.