

FRESH FRUIT AND VEGETABLES

The EU market for pineapple

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Report summary

This CBI market survey discusses the EU market for fresh pineapples. The main findings include:

- The market for fresh pineapple grew rapidly from 2003 to 2007 in all EU countries, although growth slowed down from 2006 to 2007. Germany, Italy and the UK are the largest markets, while the new EU members offer good prospects for the future.
- Since 2003, EU imports of pineapple almost doubled in volume and the value increased by 46% (i.e. price level decreased 25%). Pineapple is a common product in EU consumer market.
- There is extensive trade in pineapple within the EU, with a few EU countries acting as suppliers. Belgium and the Netherlands are the leading importers and distributors in the EU through the harbours of Antwerp and Rotterdam.
- Supermarkets are the main outlets for pineapple, but they are also sold by greengrocers, street markets or hotel and catering outlets.
- The supply of pineapple to large supermarkets is highly concentrated. They are supplied by large agro-multinationals. Aside from these companies, many importers are active in trading pineapple.
- Developing countries (DCs) are the sole suppliers of pineapple. Costa Rica is, by far, the leading supplier. Other Latin American countries have strong positions, while imports from African countries are in decline with the exception for Ghana.
- For the coming year demand is difficult to predict due to the looming economic crisis. It is expected that growth will slow down, especially for the higher value market like convenience, organic and fair-trade. The United Kingdom was the first country in the EU to experience the economic downturn, and as a result, the demand for high-value exotic fruit has decreased.

This survey aims to provide exporters of pineapple from developing countries (DCs) with product-specific market information about gaining access to the EU market(s). By focusing on the EU market(s) for one product, this document provides additional in-depth information, complementary to the general information and data provided in the CBI market survey 'The fresh fruit and vegetables market in the EU', which can be downloaded from <http://www.cbi.eu/marketinfo>

Detailed information about pineapples is given in Appendix A. This survey discusses the EU in general and particularly the markets in Belgium, France, the United Kingdom, Germany, the Netherlands and Spain.

1 Market description: consumption and production

Consumption

Fresh pineapple is one of the products in the EU market for fresh produce that is increasing most rapidly. Total consumption of fresh pineapple in 2007 was 693 thousand tonnes, more than twice as much as in 2003 (+21% annually) (Table 1.1). Germany and the UK are the fastest growing markets.

Large retailers in the EU led the remarkable increase in pineapple consumption by introducing them into their product ranges several years ago. Canned pineapple has been a common product in retailing for a long time.

The introduction of fresh pineapple in the major supermarkets led to a wider group of consumers becoming acquainted with them and resulted in an increase in sales.

Table 1.1 Apparent consumption¹ of fresh pineapple, 2003 – 2007, in thousand tonnes.

	2003	2005	2007
EU27 Total	326	449	693
Germany	55	96	137
Italy	71	93	125
United Kingdom	42	72	111
Spain	53	61	93
France	42	59	71
Portugal	16	23	41
Belgium	13	13	26
Czech Republic	3	7	16
Austria	7	10	13
Denmark	5	7	11
The Netherlands	4	n.a.	8
Poland	0	5	8

n.a. not available

Source: Eurostat (2007,2008)

Germany is the leading consumer of pineapple in the EU, accounting for 20% of EU consumption in 2007. The German market has developed rapidly, with supermarkets being the main outlet. Discounters like Aldi and Lidl have contributed to success by introducing them in their assortment. Consumers in Germany are price-sensitive but do value the quality of fresh produce. Italy is the second largest market in the EU. Italian consumers appreciate tropical fruit, as reflected in the growing sales over the last years. After bananas, pineapples are the most popular tropical fruit in Italy. The UK is the fastest growing market in the EU. Pineapple consumption increased by 164% between 2003 and 2007.

For the coming year demand is difficult to predict due the looming economic crisis. It is expected that growth will slow down, especially for the higher value market like convenience, organic & fair-trade. England is a fore-runner in the EU as the financial and economic crisis affected the UK earlier. The UK has suffered from substantial job losses since October 2008. Up to the end of 2008 no significant change in demand could be seen, but this is expected in 2009.

Market segmentation

Pineapples are appreciated by people in all EU countries of all ages. It has become a common product in many supermarkets, especially in urban areas. The high-income, western European countries have the highest consumption levels but the low-income, eastern European countries are rapidly moving towards western consumption patterns and demanding more exotic fruits such as pineapples. Southern European countries like Italy, Spain and Portugal already have a long history of consumption of pineapple.

¹ Apparent consumption is calculated as: production + imports – exports. Negative figures may arise because of exports from stocks, delays between imports and exports, or errors in trade statistics.

Trends in consumption

The intention to adopt a healthier lifestyle and the growing interest in experiencing new tastes and enjoyment are important drivers for fresh fruit consumption in general and favour the consumption of pineapple in particular. Convenience is another influential trend. Though many people like fresh pineapple, they find it cumbersome to cut a fresh pineapple into consumable portions. By offering more pre-cut and ready-to-eat fresh pineapple products, retailers can lower the threshold for consumers buying fresh pineapple.

There are also opportunities for other 'types' of pineapples. In some EU countries the baby pineapple (Queen Victoria variety) is now available in the market. This pineapple is much smaller than regular varieties and meets the demand for smaller portions or single-servings. While the MD2 variety is popular, there are also opportunities for other varieties which are mainly sold in street markets, ethnic shops and greengrocers. However, the overall preference is for sweet and juicy pineapple.

Consumption of pineapple is increasing in the new EU countries as well. Though consumption levels in many of these countries are low compared to the older and larger EU countries, the market is potentially very large. Incomes in countries like the Czech Republic and Poland are rising and consumers in those countries are interested in new and exotic products.

The organic food market is growing in many EU countries. Germany and the UK have a large market in organic food products and growth in sales is expected to continue. Fresh fruit is one of the fastest growing markets in organic products. As more products become available, retailers expand their organic fruit ranges, particularly tropical and exotic fruits (Freshfel 2008).

The interest in organic food arises from an underlying interest in health, quality, sustainable production and locally-sourced food. Although the latter might suggest objections to products sourced outside the EU, there is substantial demand for tropical produce, especially when it is fair-trade certified and produced in a sustainable way.

The looming economic crises will most probably temper these trends and it is not clear how long it will last. It is expected that consumers will be more hesitant about buying exotic and higher value products that are pre-cut, organic or fair-trade labelled and select cheaper conventional fruits.

The CBI market survey 'The fresh fruit and vegetables market in the EU' contains more information about consumer trends and can be downloaded from <http://www.cbi.eu/marketinfo>.

Production

World production of pineapple reached 18.9 million tonnes in 2007 (FAOSTAT 2009 – <http://faostat.fao.org>). Since 2002, production increased by 19% (Table 1.2). Thailand, the Philippines and Indonesia are major producers of preserved pineapple products (cans and juice concentrates) for the export market. An export market exists for about 80% of canned pineapple and juice concentrate and 20% of fresh pineapple exports. India and China are major producers but they have a large domestic market and do not supply much to export markets. The largest exporter of fresh pineapple is Costa Rica with 47% of world exports. Other major exporters of fresh pineapple are Philippines, Côte d'Ivoire, Ecuador, Panama, Ghana and Honduras.

Table 1.2 Production of pineapple*, 2002 – 2007, in thousand tonnes.

	2002	2003	2004	2005	2006	2007
World production	15,801	16,139	16,714	17,852	19,038	18,874
Brazil	2,150	2,160	2,216	2,292	2,561	2,666
Thailand	1,739	1,899	2,101	2,183	2,705	2,320
Philippines	1,639	1,698	1,760	1,788	1,834	1,900
Indonesia	556	677	710	925	1,428	1,500
China	1,244	1,270	1,267	1,289	1,392	1,440
India	1,180	1,310	1,234	1,229	1,353	1,308
Costa Rica	992	984	1,077	1,605	1,200	1,225
Nigeria	889	889	889	890	895	900
Mexico	660	721	669	552	634	635
Kenya	620	399	600	600	600	605
.....						
Côte d'Ivoire	228	243	216	195	250	240

Source: FAOSTAT, 2009

*includes production of pineapples for the fresh market and for canning

Many changes in pineapple production have occurred over the last 30 years. Production within the United States, historically a large producer, is steadily in decline. A major company, Del Monte, stopped its pineapple production in Hawaii in 2008, moving production to cheaper production countries. West Africa used to be the most important source of fresh pineapple for the EU market. Côte d'Ivoire was the leading supplier, mainly supplying the variety 'Smooth Cayenne'. Nowadays it accounts for only 4.6% of total supply. Due to the country's growing political instability, drought and the introduction of new commercial varieties in other countries, Côte d'Ivoire's supply to the EU market has decreased sharply in recent years (CIRAD). In November 2008 the EU signed a provisional Free Trade Agreement with Côte d'Ivoire including a development agenda to accelerate economic growth and development which could boost pineapple exports again (Freshfel 2008).

The trade in pineapple increased 79 % in volume between 2002 and 2006 (FAOSTAT 2009). Costa Rica has made remarkable growth over the last 10 years and is now the leading exporter to the world market. Currently, 66% of all fresh pineapples that the EU imports from outside the EU come from Costa Rica. The introduction of the MD2 variety (extra sweet flavour), developed in the mid-1990s by the large agro-multinational Del Monte (<http://www.delmonte.com>), is the main reason for this success. This variety is the main variety planted in Costa Rica and it has proved to be a major commercial success. The MD2-variety is being produced in many Latin American countries and in African countries. Roughly 80% of all fresh export pineapples are MD2 variety and it has more or less become the standard variety consumed in many EU countries. Some of the other varieties for the EU market are 'Smooth Cayenne' and 'Sugarloaf'. Mini-pineapple or baby pineapple are small fruits of a specific variety ('Queen Victoria') of about 400-500 grams per piece.

Recent trends in pineapple production are a reflection of the fierce competition between the global agro-food giants Del Monte, Chiquita (<http://www.chiquita.com>) and Dole (<http://www.dole.com>), which all have large plantations in Latin America. The supply chain is increasingly controlled and captured by these large producing-packing-exporting firms, as they are the major suppliers to the large supermarkets in Europe and USA where most pineapples are sold. Pineapple for export is produced on large-scale plantations owned by the agro-multinationals and by small (family) farms who produce for an export organisation (including the agro-multinational).

Organic pineapple production is increasing globally as a result of strong demand (see also paragraph 1.1). Most organic pineapples for the EU market are produced in Ghana, but an increasing amount is coming from Costa Rica.

Though still very small, a growing amount of fresh pineapple is cut and packed in the country of origin and shipped to the EU. Because the shelf life of these products is limited, they are transported by air. Those African countries which have regular flights to the main EU markets are the main suppliers of these value-added fresh products. One of the companies that started exporting organic, pre-cut and ready-to-eat fruit salads (convenience food) is Bleu Skies which operates in Ghana, Egypt and Brazil (<http://www.bsholdings.com>). Nowadays cutters are also emerging in Europe where 'cold market chains' and distribution channels are easier to organise.

Portugal is the only EU country where pineapples are produced on a commercial basis. The harvest is very modest compared to imports and consumption. In 2007, Portugal produced 3 thousand tonnes of pineapple. Production has been stable over recent years.

Opportunities and threats

- + The market up to 2008 showed a healthy growth. However, the current economic crisis is expected to reduce demand and prices for the coming year.
- + EU countries rely on imports as there is virtually no pineapple production in the EU.
- + Next to the well-known MD2 variety, there are niche markets for other pineapples with different taste characteristics and sizes, such as 'Smooth Cayenne', 'Sugarloaf' and baby pineapples.
- + There is a good market for value-added produce, such as pre-cut, ready-to-eat pineapple. The UK has the most interesting market for these convenience products, but the market is increasing in almost all EU countries.
- + There is a clear and growing demand for organic and fair-trade pineapple, with the UK and Germany as leading countries. It is expected that the crisis will affect the demand for organic and fair-trade pineapple but in the long term this market is expected to expand.
- + The Netherlands and Belgium are of particular interest as they are the main distributors of imported pineapple to other EU countries.

More information on the opportunities and threats can be found in Chapter 7 of the CBI market survey 'The fresh fruit and vegetable market in the EU'.

Trends and market developments offer both opportunities and threats to exporters. Any given trend can be a threat to some and an opportunity to others. Therefore, they should always be analysed in relation to specific company circumstances. For further information, please consult chapter 7 of the CBI market survey 'The fresh fruit and vegetables market in the EU'.

Useful sources

- FreshInfo – News and services for the (international) fresh fruit and vegetables business - <http://www.freshinfo.com/>;
- Freshplaza – News service on fresh fruit and vegetables in the Netherlands - <http://www.freshplaza.com/>;
- CIRAD, news and information on the market for fresh fruit and vegetables in France - <http://passionfruit.cirad.fr>;
- Fruchthandel – Website and magazine on the fresh fruit and vegetables market in Germany – <http://www.fruchthandel.de/>.

2 Trade channels for market entry

Trade channels

Most of the pineapples are imported by a few EU countries. The ports of Antwerp (New Fruit Wharf) in Belgium and Rotterdam in the Netherlands are the most important entry points into the EU. Both serve as important European transit ports for the pineapple trade. They have modern cool storage and are well connected by water and road for onward transport to destinations in the EU.

Other EU countries with port facilities also serve as entry points for pineapples including Germany (Bremen, Hamburg), France (Perpignan - Saint Charles), Italy (Terminal Frutta Genova and Salerno), Portugal (Lisbon) and Spain (Barcelona Fruit Terminal), although to a much lesser extent. The UK is a large importer but only for its domestic market (Sheerness and Immingham).

A few large multinational companies control most of the supply of pineapple to Europe, mainly in order to create maximum added value and to develop market power against the large retailers in Europe like Tesco, Carrefour and Aldi. These large retailers have tightly structured their supply chains with the agro-multinationals. This integrated supply chain has become very strongly established, especially in Western Europe. The main agro-multinationals dominating the supply of pineapples are:

- Del Monte Fresh Produce (United States), <http://www.freshdelmonte.com>;
- Dole Fresh Fruit Europe Ltd. Co. (Germany), <http://www.doleeurope.com>;
- Fyffes (Ireland), <http://www.fyffes.com>;
- Chiquita (USA), <http://www.chiquita.com>.

Supermarkets increasingly buy fruits and vegetables from a group of preferred suppliers. Preferred suppliers need to be approved and follow specific quality norms and regulations that are set by the retailer. Supermarkets often work with longer term framework contracts with one or two of the preferred suppliers. Every week or two the price and exact volume is determined within the framework contract. Some discount retailers like Aldi and Lidl ask all preferred suppliers to send in their offer every 1 or 2 weeks to increase competition and lower prices.

Exporters from DCs may need to seek other market segments where they can trade smaller amounts of pineapple. This may be best done by clearly differentiating the produce from that of these large companies. One interesting example of the potential of such a strategy is that of fair-trade pineapples, which have achieved market shares in several European countries.

Supermarkets are not however the only outlet for pineapple. Greengrocers and street markets still have a fair share of exotic fruit sales in many EU countries, especially in Southern and Eastern Europe. Another market opportunity, though smaller, is the restaurant and catering trade. In Western Europe the market is dominated by supermarkets (about 75%), restaurant and catering (about 15%) and greengrocers and street markets (about 10%, but this share is much larger in Southern and Eastern Europe).

Smaller and independent supermarkets, greengrocers, street markets and catering outlets mainly buy through specialised importers or agents who are the most important potential business partners for DC exporters. They have experience and knowledge of the international market and have strong relationships with suppliers and buyers. Exporters are advised to contact and co-operate with specialised importers to find ways of distributing their products. Besides focusing on the home market, these importers may also be active in exporting to other EU countries. Some of these companies are:

- Bud Holland (the Netherlands) - <http://www.bud.nl>;
- FTK (the Netherlands) - <http://www.ftk.nl>;
- Univeg (Belgium) – <http://www.univeg.be>;
- Cobana Fruchtring (Germany) - <http://www.cobana-fruchtring.com>;
- ExoFarm (France) - <http://www.exofarm.com>;
- Utopia (UK and Ireland) - <http://www.utopiauk.com>.

Price structure

Supply and demand on the world market are the main factors that influence the export prices of fresh fruit. Prices can therefore fluctuate over time. Weather conditions in the producing countries influence harvest results and can disrupt supply, just as warm weather in summer (or cold weather) in Europe can increase (or decrease) demand for fresh tropical products.

Demand is also influenced by national holidays. Around celebrations like Christmas and New Year the demand for pineapple increases significantly.

Variety, quality and origin are important factors in determining the price level. Quality requirements vary greatly but are generally high in most EU markets.

A substantial portion of the trade in fresh pineapples is through spot markets, although the majority is traded through framework contracts. Most large retailers and supermarkets use framework contracts over long periods of time within which exact volumes and prices are adjusted once every week or two weeks to the prices given on the spot market. Overall it is expected that the average price level will be lower in 2009 than in 2008.

Trade margins vary a lot depending on the variety and quality of product, the distribution channel, the continual changes in supply and demand and resulting price fluctuations. It is estimated that European importers need a trade margin of some 5-10 percent to cover their business costs and risks but this may vary between countries as business costs and risks are not always the same. Wholesalers and retailers also take a margin, which varies even more than import margins. It is recommended to monitor markets and prices closely in order to quote realistic prices.

More information on margins can be found in Chapter 5 of the CBI market survey 'The fresh fruit and vegetable market in the EU'.

Selecting a suitable trading partner

General information on selecting suitable trading partners is available in the CBI market survey covering the EU fruit and vegetables market and the CBI '*Export Planner*'. Both documents are available at <http://www.cbi.eu/marketinfo>.

Information on importers and agents in specific EU countries can be found in the survey covering the fruit and vegetables market in specific countries. These documents are available at <http://www.cbi.eu/marketinfo>.

The Internet site <http://www.europages.com> is a useful source for finding contact details for importers and information on their activities. The most interesting contacts at Europages can be found under the category Agriculture and Livestock, subcategory Fruits and Vegetables. Other interesting websites are:

- FreshPlaza (the Netherlands) – <http://www.freshplaza.com>;
- German Association of Fruit and Vegetables Traders DFHV - <http://www.dfhv.de/>;
- Fresh Produce Consortium (UK) - <http://www.freshproduce.org.uk/>;
- Rungis (France) - <http://www.rungisinternational.com/>.

3 Trade: imports and exports

Imports

Pineapple is one of the fastest growing fruit imports into the EU (also mangos). In 2007, the EU imported 1.3 million tonnes of pineapple with a value of €917 million (Table 3.1).

There is extensive internal EU-trade in pineapple imported from outside the EU: 37% of the import value in 2007 came from re-exports (Table 3.1). When intra-EU imports are excluded, net imports amounted to 824 thousand tonnes of pineapple, worth €582 million. These pineapples are all supplied by DCs.

Compared to 2003, total imports increased 46% in value and almost doubled in volume (91%). Intra-EU trade, based on re-exports, grew 46% in value and 80% in volume (see section on 'Exports'). Imports from DCs increased at almost the same rate: +46% in value and +97% in volume.

Costa Rica has rapidly developed into the leading supplier of pineapple to the EU. It accounted for 66% of all imports (by value) from DCs in 2007 (€382 million and 565 thousand tonnes). Since 2003, imports from Costa Rica have more than doubled. It is the main supplier to Belgium (61% of import value in 2007), the Netherlands (64%), the United Kingdom (62%), Italy (41%) and Spain (38%). As most of these countries are also re-exporters, Costa Rican pineapples are on the market in almost all EU countries. Other important DC exporters are Côte d'Ivoire, Ghana, Ecuador, Panama and Honduras. Imports from all these countries increased, except from Côte d'Ivoire.

Table 3.1 Imports and leading suppliers of fresh pineapples 2003 – 2007

	2003 € mln	2005 € mln	2007 € mln	Leading suppliers in 2007 Share in % of value	Share (%)
EU27 Total	628	747	917		
Intra EU	229	273	335	Belgium (11%), The Netherlands (11%), Germany (3.3%), France (2.7%), Spain (2.7%)	37%
Extra EU ex. DCs	0	0	0	-	0%
DCs	399	474	582	Costa Rica (42%), Côte d'Ivoire (4.3%), Ghana (4.1%), Ecuador (3.4%), Panama (2.8%), Honduras (2.1%), Brazil (2.0%), Cameroon (0.7%), South Africa (0.6%), Thailand (0.4%)	63%
Belgium	151	208	207		
Intra EU				The Netherlands (2.8%), France (0.7%), Italy (0.7%), Germany (0.2%), United Kingdom (0.1%)	5%
DCs	10	5	9	Costa Rica (61%), Côte d'Ivoire (9%), Honduras (8%), Ghana (4.9%), Ecuador (4.5%), Brazil (4.0%), Cameroon (1.6%), Panama (1.0%), Benin (0.3%), Togo (0.1%)	95%
	141	202	197		
Germany	65	98	129		
Intra EU				The Netherlands (35%), Belgium (23%), France (6%), Spain (4.2%), Italy (3.4%)	74%
DCs	52	71	95	Costa Rica (17%), Ecuador (5%), Honduras (1.6%), South Africa (0.5%), Ghana (0.5%), Sri Lanka (0.4%), Thailand (0.4%), Uganda (0.3%), Togo (0.2%), Panama (0.2%)	26%
	13	27	34		
The Netherlands	51	67	129		
Intra EU				Belgium (9%), Germany (4.2%), France (1.5%), United Kingdom (0.8%), Spain (0.6%)	17%
DCs	22	28	22	Costa Rica (64%), Panama (13%), Ecuador (2.5%), Ghana (1.3%), South Africa (1.1%), Guatemala (0.5%), Thailand (0.2%), Mauritius (0.2%), Brazil (0.1%)	83%
	29	38	107		
Italy	86	87	102		
Intra EU				Belgium (18%), The Netherlands (13%), Germany (3.3%), France (3.3%), Portugal (2.5%)	44%
DCs	55	41	45	Costa Rica (41%), Brazil (8%), Ecuador (4.0%), Ghana (1.8%), Panama (0.8%), Thailand (0.4%), South Africa (0.3%), Dominican R. (0.1%), Mauritius (0.1%)	56%
	31	47	57		
United Kingdom	34	64	100		
Intra EU				The Netherlands (6%), Germany (1.4%), Ireland (1.3%), France (0.7%), Belgium (0.5%)	10%
DCs	8	9	10	Costa Rica (62%), Ghana (14%), Côte d'Ivoire (3.8%), South Africa (2.9%), Panama (2.8%), Thailand (1.3%), Philippines (0.9%), Guatemala (0.8%), Ecuador (0.5%), China (0.4%)	90%
	26	54	90		

	2003 € mln	2005 € mln	2007 € mln	Leading suppliers in 2007 Share in % of value	Share (%)
Spain	55	58	76		
Intra EU	36	47	34	Belgium (12%), France (9%), Portugal (8%), Germany (5%), The Netherlands (5%)	45%
DCs	19	12	42	Costa Rica (38%), Ecuador (10%), Panama (4.2%), Brazil (2.2%), Thailand (0.3%), Ghana (0.3%), South Africa (0.2%)	55%

Source: Eurostat, 2007, 2008

Belgium is the largest importer of pineapple in the EU. It has a strong reputation in the import of traditional exotic fruit (bananas and pineapples). The domestic market of Belgium is small and 96% of the imported pineapples are re-exported, mainly to other EU countries; DCs are the most important suppliers, accounting for 95% of the import value in 2007 (Table 3.1).

Between 2003 and 2007, imports from DCs increased 7% in value and 40% in volume. The imports from Central American countries are growing fast while imports from West Africa are decreasing. Costa Rica is, by far, the main supplier (61% of the import value), and the market share increased compared to 2003 when it was 47%. Next to Costa Rica, imports from Honduras, Ecuador, Brazil and Panama increased between 2003 and 2007. Imports from Côte d'Ivoire, the second largest supplier decreased 29% between 2003 and 2007. Imports from Ghana have also decreased. Imports from Cameroon, Benin and Togo are small but have increased between 2003 and 2007.

Germany, which has the largest market for pineapple in the EU, depends heavily on other EU countries for its supply of pineapple. In 2007, it imported 75% from other EU countries, notably the Netherlands and Belgium (supplying almost 60%). Between 2003 and 2007, imports of pineapple increased 98% in value and 140% in volume. Imports from DCs showed above average growth (+161% in value and +306% in volume), while imports from other EU countries increased 83% in value and 110% in volume. Costa Rica is responsible for the largest part of the growing imports from DCs; market share increased rapidly to 17% in 2007. Ecuador, the second largest DC supplier, exported smaller quantities of pineapple to Germany between 2003 and 2007.

The Netherlands had a 14% share of the total EU import value in 2007 (Table 3.1). The Netherlands has a very strong position as an importer of exotic fruits, including pineapple and minor exotic fruits. It is an important re-exporter of pineapple. Between 2003 and 2007, imports increased 154% in value and 253%, mostly coming from DCs.

DCs are the most important suppliers, accounting for 82% of the import value in 2007 (Table 3.1). Between 2003 and 2007, imports from DCs increased 270% in value and 472% in volume. Costa Rica is the main supplier (64% of the import value); market share increased sharply compared to 2003 when it was 39%. Also Panama and Ecuador became more important DC suppliers. Ghana is the most important supplier from Africa and the imports from this country increased 64% in value between 2003 and 2007.

Between 2003 and 2007, **Italy** imported more pineapples at a lower price. In that period, imports increased 19% in value and 70% in volume. This was largely due to the increased supply of low-priced pineapples from Costa Rica. Costa Rica is the main supplier and Belgium and the Netherlands are the main EU re-exporters. The supply from these three countries and Brazil and Ecuador experienced the largest growth between 2003 and 2007.

The **UK** is the fifth largest importer of pineapple in the EU. It has a large domestic market and most imported pineapples are consumed domestically. Only 5% was re-exported, mainly to Ireland. The UK imported 90% of the pineapple directly from DCs (Table 3.1).

Between 2003 and 2007, the amount and value of imported pineapple almost doubled. Most of these increased imports were supplied by DCs. Costa Rica is by far the largest supplier to the UK. Imports from Costa Rica have tripled between 2003 and 2007 and have contributed most to the increased imports. The value of imports from Ghana, the second largest supplier, grew much more quickly than the volume: +315% in value and +67% in volume. The Netherlands, the largest EU supplier, saw its exports to the UK increase as well.

Spain's import of pineapple increased 38% in value and 84% in volume between 2003 and 2007. It is the sixth largest importer in the EU. It imports 55% of the pineapple directly from DCs. The imports from DCs increased while fewer pineapples were imported from other EU countries. Costa Rica is the largest supplier and imports from this country are growing. In only a few years, Ecuador has taken a 10% share in imports. Panama has also been supplying relatively small, but growing, amounts of pineapple to Spain.

France is one of the few countries that experienced a decrease in the imports of pineapples. In particular, the supply of pineapple from Côte d'Ivoire, formerly the largest supplier, decreased. Between 2003 and 2007, 75% less was imported from Côte d'Ivoire. France is relying more on Belgium and the Netherlands for its supply of pineapples.

Exports

In 2007, EU export of pineapple amounted 579 thousand tonnes with a value of €434 million. Between 2003 and 2007, exports increased by 70% in volume and 33% in value. More than 90% was re-exported to other EU countries. The main exporting countries were Belgium (46% of the EU export value in 2007) and the Netherlands (32%). They are important suppliers to the countries with the largest markets. The Netherlands supplied 40% of its total exports to Germany, 11% to Italy, 8% to Spain and 8% to Russia. Belgium re-exports pineapple mainly to Germany (27%), France (22%), the Netherlands (21%), Italy (10%) and Spain (6%).

Re-exports from the Netherlands and Germany increased the most. France's exports decreased because the supply from Côte d'Ivoire, their largest supplier, decreased.

Eastern European countries are increasingly becoming a re-export destination market for Germany and to a lesser extent the Netherlands and Belgium. As incomes in these countries are gradually rising, demand for exotic fruit is increasing.

Opportunities and threats

- + Though the bulk of the imports is concentrated in a few EU countries, direct imports of pineapple from DCs is growing in almost all EU countries.
- + Belgium and the Netherlands will remain of particular interest as they are leading distributors of imported pineapples to other EU countries.
- + Though Costa Rica has a strong position in imports, there are good opportunities for other exporting countries. The market for pineapple is growing and there is a demand for diverse varieties.
- + Germany and France import more and more through other EU countries: Germany because the increase of direct imports from DCs could not keep up with growth in demand and France because direct imports from Côte d'Ivoire declined and were replaced by intra-EU trade.
- More information on the opportunities and threats can be found in Chapter 7 of the CBI market survey 'The fresh fruit and vegetable market in the EU'.

Trends and market developments offer opportunities and threats to exporters. A given trend can be a threat to some and an opportunity to others at the same time. Therefore, they should always be analysed in relation to specific company circumstances. For further information, refer to Chapter 7 of the CBI market survey 'The fresh fruit and vegetables market in the EU'.

Useful sources

- EU Expanding Exports Helpdesk - <http://exporthelp.europa.eu/>;
- Eurostat, official statistical office of the EU - <http://epp.eurostat.ec.europa.eu/>.

4 Price developments

Overall import prices of pineapple from DCs decreased by 26% between 2003 and 2007 (Eurostat 2008), as the general price level from DCs decreased from €954 per tonne in 2003 towards €706 per tonne in 2007 (Eurostat 2008; total imported value divided by volume). Prices are differentiated by origin and variety. Pineapples from Latin American countries fetched a slightly lower price than those from other countries like Côte d'Ivoire, Cameroon and Ghana. Average import prices for Latin American pineapples in 2007 were between €640 and €736 per tonne. Price levels in Africa ranged from €672 in Côte d'Ivoire to €1.059 in Ghana, which has a large share of organic exports. Though the prices of pineapples from all origins decreased, the decline was greatest for Latin American pineapples.

Import prices in Table in 4.1 are given in kg or per carton. Throughout the year, prices may vary between €1 to 4 per kg or between €6 to 14 per carton. One carton can contain 6 to 12 pineapples.

Table 4.1 Examples of import prices paid for different varieties of pineapple in the Belgium, France, Germany and the Netherlands, in Euros per kg, April 2009

Market	Origin	Low price	High price	Variety	Size/Pack	Transport
Belgium	Costa Rica	10.00	10.00	Sweet	6-7'/per carton	
	Costa Rica	13.00	13.00	Sweet brand	6-7'/per carton	
	Costa Rica	10.00	10.00	Sweet brand	9'/per carton	
	Mauritius	11.80	14.00	Baby	10'/per carton	Air
France	Cameroon	1.85	2.10		Per kg	Air
	Costa Rica	1.00	1.00	Sweet	Per kg	
	Côte d'Ivoire	3.05	3.05	Victoria	Per kg	Air
	Reunion	3.50	4.00	Victoria	Per kg	Air
Germany	Costa Rica	10.50	10.50	Sweet brand		
	South Africa	11.00	11.00	Baby		Air
The Netherlands	Costa Rica	8.00	10.00	Sweet		
	Mauritius	12.00	12.00	Baby		Air
	South Africa	11.00	11.00	Baby		Air

Source: Marketing News Services, April 2009.

The CBI market survey 'The fresh fruit and vegetables market in the EU' and the surveys covering individual countries provide more information on price levels for fresh fruit in the EU. These surveys can be downloaded from <http://www.cbi.eu/marketinfo>. Other sources for market price developments include:

- ITC's Market News Service (MNS) – <http://www.intracen.org/mns/>;
- Today's Market Prices – <http://www.todaymarket.com> (subscription fee);
- AgribusinessOnline - <http://www.agribusinessonline.com>;
- FreshPlaza PriceWatch (for Dutch market) – <http://www.freshplaza.com/>;
- USDA Market News, wholesale market reports for various EU countries - <http://www.ams.usda.gov/fv/mnscs/intfru.htm>).

Price information in the individual EU countries can be found in the CBI country specific market surveys on the fresh fruit and vegetable markets.

5 Market access requirements

Producers in DCs preparing to access the EU should be aware of the market access requirements of potential trading partners, the EU, and national governments of EU countries. Quality requirements are very diverse, though, in general, are high in most EU markets. Requirements are demanded through legislation and through labels, codes and management systems. These requirements are based on environmental, consumer health and safety and social concerns. You need to comply with EU legislation and have to be aware of the additional non-legislative requirements that your trading partners in the EU might request.

For information on legislative and non-legislative requirements, go to 'Search CBI database' at <http://www.cbi.eu/marketinfo>, select fresh fruit and vegetables and country of interest in the category search, click on the search button and click on market access requirements.

The EU import tariff for pineapple is 5.8%. An entry charge also needs to be paid. DCs often may benefit from preferential or zero import duties. More information on tariffs and quotas can be found at <http://exporthelp.europa.eu>.

Packaging

Pineapples are graded according to size, weight, colour and brix number (sugar contents). Pineapples do not ripen after harvest, therefore the correct picking time is crucial for the ripeness of the pineapple. Pineapples are graded Extra Class (superior quality), Class I (good quality) and Class II (small defects). Furthermore, pineapples are graded in weight in the following classes: A5 (2,101 – 2,400 grams), A6 (1,801 – 2,100 grams), A8 (1,502 – 1,800 grams), B9 (1,301 – 1,500 grams), B10 (1,101 – 1,300 grams), C12 (901 – 1,100 grams), D14 (701 - 900 grams). Boxes used for transport of pineapples can be either wooden or cardboard. Boxes contain 4 up to 14 pineapples. It is preferred to have one layer of pineapples per box. Fresh pineapples are traded with and without crown. Vibrations and shocks during transport can cause bruises and this, combined with temperature changes, can result in decay of the fruits.

More information on post-harvest treatment, packaging, storage and transportation, as well as information on export market requirements, regulations, food safety standards (phytosanitary controls) and Maximum Residue Levels (MRLs), can be found at the International Tropical Fruit Network (TFNet) – <http://www.itfnet.org>, go to 'Tropical Fruit Information'. Another resource for legislative and non-legislative market requirements and product specifications can be found in the Fresh Quality Guide Online. Easy access and explanation of EU legislative requirements and specific product requirements can be found on - <http://www.freshquality.org>.

Additional information on packaging can be found at the website of the International Trade Centre (ITC) on export packaging – <http://www.intracen.org/ep/packit.htm>.

6 Doing business

Information on doing business can be found in the CBI export manuals 'Export Planner', 'Your Image Builder' and 'Exporting to the EU'. Subjects covered include approaching potential business partners, building up a relationship, drawing up an offer, handling the contract, methods of payment and terms of delivery. More information on doing business can also be found in the CBI market survey 'The fresh fruit and vegetables market in the EU'.

Cultural awareness, in addition, is a critical skill in securing a successful business relationship with an importer in the EU. The business environment differs per EU country. Information on cultural differences in the EU can be found in Chapter 3 of the CBI export manual 'Exporting to the EU'. Each of these documents can be downloaded from <http://www.cbi.eu/marketinfo> – go to 'Search publications'.

In general, many EU importers of fresh produce seek a long term relationship with their suppliers. They have high demands on the quality of the produce and the reliability of the supply. Trust, quality focus and reliability are therefore important ingredients for a sustainable business relation.

Sales promotion

Visiting or participating in a trade fair is an important promotional tool and way of approaching potential trading partners. The most relevant trade fairs for exporters of fresh fruit and vegetables to the EU are listed below.

- Fruit Logistica – <http://www.fruitlogistica.com>. The largest European trade fair for fruit and vegetables, with much attention to products from DCs; it is held every February in Berlin.
- Fresh 2009 – <http://www.freshcongress.com>. Yearly European trade fair for the fresh produce sector. The next show will be held in Valencia, from 13-14 May;
- Innofresh – <http://www.innofresh.nl>, in Rotterdam, 21 - 23 September 2009.

These exhibitions provide excellent opportunities to explore the EU market and to come into contact with potential buyers.

Trade journals, professional websites and newsletters are important sources of up-to-date information on developments in the fresh produce sector. The most relevant sources of information on the market for pineapples in the EU and in selected markets are:

- FreshFel Europe, forum for the Fresh Produce Industry – <http://www.freshfel.org>;
- Eurofruit Magazine – <http://www.eurofruitmagazine.com>;
- International Tropical Fruit Network – <http://www.itfnet.org>, contains product specific information on post-harvest handling and packaging and export market requirements (Under 'Market and International Trade') for various tropical fruits, including pineapple.

This survey was compiled for CBI by Mercadero in collaboration with Mr. Piet Schotel.

Disclaimer CBI market information tools: <http://www.cbi.eu/disclaimer>.

Appendix A General product description

The pineapple (*Ananas Comosus L.*) is a perennial plant with long, narrow, fibrous and usually spiny leaves. The fruit grows on a stalk at the centre of the tree. It is a native to tropical Brazil and Paraguay, but is now cultivated in many other tropical countries. There are many different varieties but the most important in the trade are MD2 (extra sweet) and (varieties of) Smooth Cayenne. The fruit is eaten fresh, canned or juiced. This survey only covers fresh pineapple. It should be noted that trade statistics of Eurostat do not differentiate between fresh and dried pineapples (see HS code below). However, the amount of dried pineapples traded is very small compared to fresh.

HS code

08043000	Fresh or dried pineapples
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Appendix B References

Cirad undated. Is there a pilot in the chain? Identifying the key driver of change in the fresh pineapple sector. <http://www.cirad.fr/en/index.php>

FreshFel. Website and magazine on EU fresh fruit and vegetables supply chain – <http://www.freshfel.org>