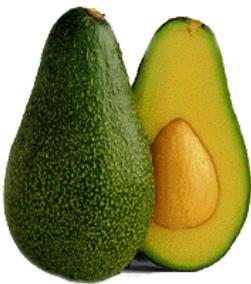


Practical market insights for your product

Avocado in Germany

Exporters from developing countries (DCs) can profit from the growing German imports of fresh avocados. Good opportunities exist for ready-to-eat avocados. Additionally, DC exporters can differentiate themselves on the market with organic certification.

FUERTE VARIETY



Source: California Avocados Direct

HASS VARIETY



Source: Jobspapa.com

PRODUCT DEFINITION

Avocado trees (*Persea Americana*) are grown for their edible fruits, and are native to Central America. Worldwide, the trees are cultivated in countries with tropical and Mediterranean climates. These include countries in South America (e.g. Mexico, Chile, Brazil, Peru and Colombia), Africa (e.g. Kenya, Rwanda and South Africa), Asia and the Middle East (e.g. Indonesia and Israel), Europe (Spain), the USA and Australia.

Avocados are green- or brown-skinned and pear-shaped, egg-shaped or spherical. The fruits ripen after harvesting. Various different cultivars or varieties are available of the fruit. In Germany, both the green Fuerte and Hass varieties are preferred. There is an increasing popularity of Hass, globally the most common variety, at the expense of green varieties such as Pinkerton, a seedling of Hass. Avocados are best known as the basic ingredient for guacamole, an avocado-based sauce which originated from Mexico and is used as a dip or condiment. Additionally, they are used in salads, on sandwiches and spreads.

CLASSIFICATION OF AVOCADOS

- Harmonised System (HS) code: 0804.4000; 'Fresh or dried avocados'

PRODUCT SPECIFICATION

QUALITY In the UNECE standard, avocados are categorised into three classes; 'Extra' Class (superior quality), Class I (good quality) and Class II (satisfies minimum requirements).

CONSIDERATIONS FOR ACTION

Please refer to the [UNECE standard for avocados](#) for more information on the quality requirements for the different classes and size codes.

The minimum requirements for fresh avocados are that they are intact, sound, clean and free from: pests and damage caused by pests (affecting the flesh), damage caused by low temperature, external moisture and any foreign smell and/or taste. The avocados must also have a stalk not over 10 mm in length, which is cut off cleanly. If the place of stalk attachment is dry and intact, stalk absence is not a defect.

There are several sources available for more information on avocado cultivation, harvesting and handling. For example, refer to the [production guideline](#) from the Agriculture, Forestry and Fisheries Department of South Africa.

Additionally, the condition and development of the avocados must be in a state that they can withstand transportation and handling and arrive in a satisfactory condition at place of destination.

Avocado size is determined by weight or count of the fruit. According to the UNECE standard, the minimum weight for avocados is 123 gr for most varieties. Two exceptions are the Hass variety, with a minimum weight of 80 gr, and Antillean varieties, with a minimum weight of 170 gr.

CONSIDERATIONS FOR ACTION

Ensure that the content of each package of avocados is uniform and only contains avocados of the same origin, variety, quality, colouring and size. Make sure that visible contents of the package are a representation of the entire contents.

Avocados do not ripen on the tree; instead they need to be harvested when they are immature. The fruits are harvested when a minimum level of dry matter content exists. For Hass this is 21 %, although European importers prefer 23%. Fuerte and Pinkerton, two other popular varieties in Germany, can be harvested at 19% dry matter.

Harvest avocados when the fruits have reached the sufficient level of dry matter in the pulp. To determine this, weigh a part of avocado flesh, before drying this to a point when no further weight loss occurs. What is left is the dry matter of the avocado; calculate the percentage of this weight compared to the first weight measure. AvocadoSource.com lists a journal article with more information.

Once harvested, avocados are sensitive and their quality deteriorates quickly. This can be the result of damages to the fruit, high temperatures, moisture (resulting in mould, rotting and spoilage), odour, inadequate ventilation or unclean containers.

Please refer to the [German Transport Information Service](#) for information on storage and transportation conditions for avocados.

Ripe avocado fruits need to be free from bitterness.

For more information on the European market for fresh avocados, please refer to the [CBI Product Factsheet on Fresh Avocados in the European Market](#).

- LABELLING**
- Enable traceability of individual lots, for example with trace codes
 - Use the English language for labelling unless your buyer has indicated otherwise
 - Labels must include the following:
 - Product name, including name of the variety
 - Class (Extra, I or II)
 - Batch code
 - Name and address of exporter
 - Size of fruits (minimum and maximum weight or by count)
 - Number of units
 - Net weight in metric units
 - Recommended storage conditions
 - Organic: Name/code of the inspection body and certification number

PACKAGED AVOCADOS



Source: Empireproduce.us

PACKAGED AVOCADOS



Source: SpecialFruit.com

PACKAGING

- Avocados are commonly packaged in 4 kg, single layer (fruit) crates, trays or cartons, sometimes with padding. Buyers might have specific packaging requirements as well.
- Organic avocados should remain physically separated from conventional avocados.
- Ensure preservation of quality by:
 - Using clean and good quality packaging.
 - Protecting the cargo from moisture during loading, to avoid mould and spoilage.
 - Ensuring appropriate temperature, humidity/moisture and ventilation conditions during transportation.
 - Protecting the cargo from pests such as beetles, moths, etc.
- For more information on labelling, packaging and quality of avocados, please refer to the [Codex Alimentarius Standard for avocados](#).

LEGISLATIVE REQUIREMENTS

Legal requirements are the minimum requirements which must be met by products marketed in the EU. Products which fail to meet these requirements are not allowed on the EU market. EU legislation sets the basis for legal requirements in the EU, which is generally implemented fully in Germany. Where Germany deviates from the EU legislation, information on the applicable German legislation has been added.

GENERAL FOOD LAW

Food safety is the key issue in EU food legislation, in which the General Food Law is the framework regulation. The legislation also introduces requirements on traceability.

CONSIDERATIONS FOR ACTION

Familiarise yourself with the relevant [Regulation \(EC\) 178/2002](#).

MAXIMUM RESIDUE LEVELS (MRLS)

EU legislation has been laid down to regulate the presence of pesticide residues (MRLs) in food products.

Make sure that you comply with the MRLs in your avocados, for more information on the levels check the relevant [MRLs for avocados](#). Be aware that large retailers, especially in Germany, often have more strict MRLs than specified by [EU legislation](#). These retailers can allow even up to only 30% of the legal permitted levels, with a maximum of four components found.

CONTAMINANTS IN FOOD

The EU food safety policy has set maximum levels for certain contaminants in specified products or product groups. Germany has established additional requirements on contaminants in food.

Familiarise yourself with the [German legislation on contaminants in food](#), which is additional to the [EU Regulation \(EC\) 1881/2006](#).

MICROBIOLOGICAL CONTAMINATION OF FOOD

The EU has set microbiological criteria for food borne micro-organisms, their toxins and metabolites.

Ensure that you comply with the requirements on maximums laid down in [Regulation \(EC\) 2073/2005](#).

BORDER CONTROL Fresh produce which enters the EU needs to be inspected at a Border inspection Post. Here shipments are checked for documentation, identity, physical plant health and compliance with the European Commission's general and specific import requirements, such as the phytosanitary certificate, issued from the country of origin.

CONSIDERATIONS FOR ACTION

Familiarise yourself with the Regulation [EC/1756/2004](#) on plant health. Annex VI (page 170 – 171) of [Directive 2000/29/EC](#) provides an example of a phytosanitary certificate.

HYGIENE OF FOODSTUFFS The EU legislation on hygiene of foodstuffs (HACCP) is legally binding for food processors, and is recommended for farmers (primary production).

Ensure compliance with the requirements as laid down in [Regulation \(EC\) 852/2004](#).

GENERAL PRODUCT SAFETY OF FOOD PRODUCTS The EU introduced the European rapid alert system for food (and feed) products (RASFF) as a tool to exchange information on the enforcement of EU food safety legislation. This database has not registered border rejections of avocados, but has raised attention as cadmium was found in avocados imported in Germany.

For more information check the relevant [Regulation \(EC\) 178/2002](#). Please refer to an overview of the [RASFF database](#) for notifications on avocado.

FOOD CONTACT MATERIALS The European Union has laid down rules for materials and articles coming into contact with food (including for example packaging) in order to prevent any unacceptable change in the composition of the foodstuffs and to protect human health.

Germany has established voluntary requirements on food contact materials in addition to the framework legislation [Regulation \(EC\) 1935/2004](#), as well as Directives 84/500/EEC, 2007/42/EC, 78/142/EEC and 93/11/EEC. For more info on these additional requirements refer to the German [Federal Ministry of Food and Agriculture](#).

FOOD CONTROL All food products entering the EU are subject to official controls to check whether they are in compliance with the relevant food legislation.

Familiarise yourself with the [Regulation \(EC\) 882/2004](#) on official controls to verify compliance with food law, which is applicable in Germany as well.

Check the [CBI overview of buyer requirements for Fresh Fruit and Vegetables](#) for more information.

NON-LEGISLATIVE REQUIREMENTS

Additional, non-legal requirements reach beyond legislation, as companies can go further in their requirements than legislation. The main categories of additional requirements are environmental requirements and social (labour) requirements.

GLOBAL GOOD AGRICULTURAL PRACTICE (GLOBAL G.A.P.)

GLOBALG.A.P.

The most important non-legislative requirement is that of G.A.P. Most German and EU retailers demand compliance with this global standard and certification for agricultural products.

CONSIDERATIONS FOR ACTION

Please refer to [GLOBAL G.A.P.](#) for more information on compliance requirements. In order to supply German supermarkets, you need to comply with this standard.

European and German buyers are increasingly asking for G.R.A.S.P. certification (Global G.A.P. Risk Assessment on Social Practice), an extension of Global G.A.P., for more information on the standard please refer to the [Global G.A.P. website](#).

THE BUSINESS SOCIAL COMPLIANCE INITIATIVE (BSCI)



The BSCI code of conduct has been developed to improve social conditions in sourcing countries. Currently, this standard is only required for bananas in a few supermarkets, but it may become more important in the future.

Even though it is not yet required for mango producers, keep a close watch on the developments of BSCI in Germany, as it could become an industry requirement in the future. You may ask such information from your buyers or German importers. For more information, please refer to the [BSCI website](#).

FOOD SAFETY MANAGEMENT



Buyers commonly require their suppliers that they have a quality/food safety management system in place. These systems require companies to demonstrate their ability to control food safety hazards in order to ensure that food is safe at the time of human consumption.

Suppliers can apply a basic HACCP system. However, if they aim to supply food manufacturers more directly, it is necessary to have a certified food safety management system recognised by the Global Food Safety Initiative, such as [ISO22000](#) or [IFS](#). The IFS standard has been developed by a union of German supermarket chains, [Hauptverband des Deutschen Einzelhandels](#) (HDE) and is most important for supplying German supermarkets.

ORGANIC

The EU has established requirements on production and labelling with which an organic product of agricultural origin must comply, in order to be marketed in the EU as 'organic'.

If you choose to obtain a certificate for organic production, find out more about the following three Regulations: [Regulation \(EC\) 834/2007](#) on organic production and labelling, [Regulation \(EC\) 889/2008](#) on organic production, labelling and control, and [Regulation \(EC\) 1235/2008](#) on imports of organic products from third countries.

SUSTAINABLE STANDARDS



There are also non-legal requirements related for sustainable sourcing and Fair trade. Of the standards available, Fairtrade certification from Fairtrade International is most important on the German market.

CONSIDERATIONS FOR ACTION

For more information on Fairtrade, check the [Fairtrade International and FLO-cert certification requirements](#) and [Fairtrade minimum prices](#). For more information on the developments in fair trade certification, please refer to the Market Trends.

DOCUMENTATION

Buyers need well -structured product and company documentation. Buyers generally require documentation on fumigation.

Buyers will appreciate a commercially oriented Product Data Sheet with photos, information on origin and bibliographic references, where available. Especially in Germany, background information on your fruit production is highly appreciated and even demanded by buyers.

DELIVERY TERMS

Pay attention to strict compliance with delivery terms as agreed upon with your buyer.

Familiarise yourself with [German delivery terms](#), which are based on [international delivery terms](#).

WEBSITE

European buyers look for credible suppliers. You can improve the perceived credibility of your company by developing your website accordingly.

The website of [Freshtrop](#) provides a good example of a website that enhances the credibility of a company. This website has a professional image with clear and relevant information on the company and its product range.

TRADE AND MACRO-ECONOMIC STATISTICS

Global production of avocados has been increasing in recent years, as various countries want to take advantage of the increased demand. In the beginning of the century, global production was around 2.7 million tonnes, while this increased to around 4.5 million tonnes in 2012.

Monitor harvests in major producing countries to anticipate market developments. Sources where such information can be found include [Fresh Plaza](#) and [Fresh Fruit Portal](#).

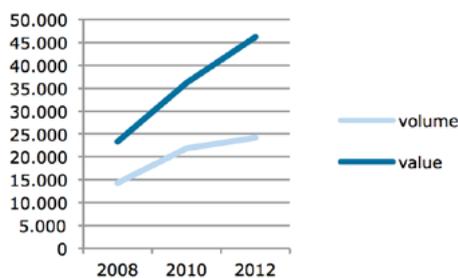
Mexico is the largest avocado producer accounting for 28% of global avocado production (Freshplaza, 2013). Mexico is followed by Chile and the Dominican Republic. For exports to Europe, producing countries South Africa, Peru and Chile are most important, in terms of volumes. These are followed by Israel, Kenya and Morocco.

Spain is the only significant European avocado producer and forms a threat to DC supplies. As an EU source, Spain is located at a shorter distance, both logistically and economically, to Germany. Israel is the second largest avocado producing competitor to DCs in Germany. Although production is relatively small in the country, it is almost entirely for export.

CONSIDERATIONS FOR ACTION

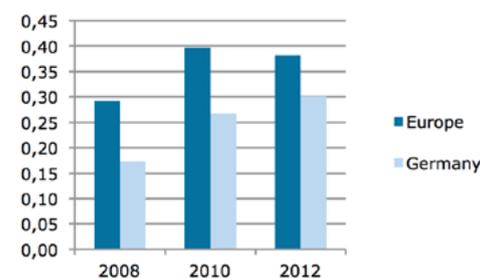
Counter-season Spanish production. During the summer season in Germany, Spain and Israel do not produce avocados.

FIGURE 1: TOTAL GERMAN CONSUMPTION* OF AVOCADOS, VALUE IN THOUSAND AND VOLUME IN TONNE



* Apparent consumption calculated as imports-exports
Source: Eurostat, 2013

FIGURE 2: GERMAN AVOCADO CONSUMPTION* COMPARED TO THE EUROPEAN AVERAGE, PER CAPITA, VOLUME IN KG



* Apparent consumption calculated as imports-exports
Source: Eurostat, 2013

CONSUMPTION; DEMAND FOR AVOCADOS IS ON THE RISE

Germany does not produce avocados, making the country entirely dependent on imports.

Apparent demand for avocados is large in Germany, and still rising. Annually, consumption from 2008 – 2012 increased by 14% in volume and 19% in value. In 2012 this amounted to 24 thousand tonnes at € 46 million.

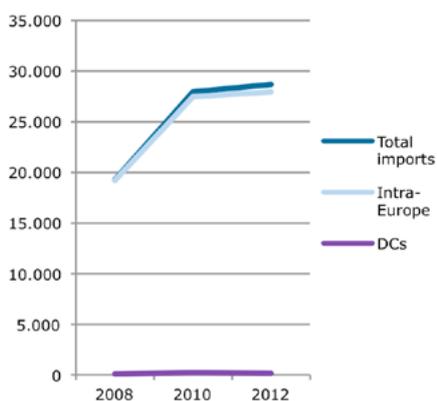
Monitor developments in German per capita consumption, because in a growing market there is more room for new suppliers. Compare German imports and exports of avocados to determine consumption by using the [Export Helpdesk of the European Commission](#).

German per capita consumption of avocados is approaching the European average, showing a growth trend during 2008 – 2012. Due to positive forecasts in GDP and the ongoing health and exotic fruit trends, among other reasons, this increase is expected to continue in the coming years. In general, as people's incomes rise, their purchases of more expensive exotic fruits, like avocado, are also expected to increase.

The Germans prefer the Hass and Fuerte varieties due to the taste. Avocados are consumed throughout the year.

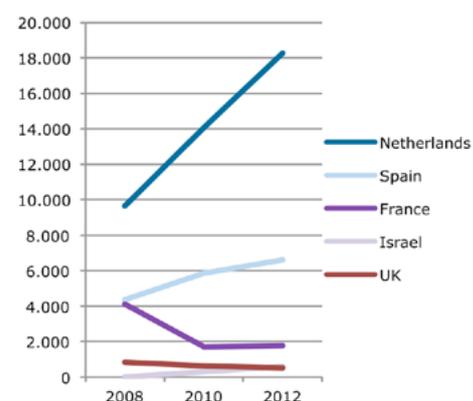
Supply the Hass and/or Fuerte varieties to Germany, as the established market is for these types.

FIGURE 3: GERMAN IMPORTS OF AVOCADO, VOLUME IN TONNES



Source: Eurostat, 2013

FIGURE 4: LEADING SUPPLIERS OF AVOCADO TO GERMANY, VOLUME IN TONNES



Source: Eurostat, 2013

SIGNIFICANT INCREASES IN IMPORTS FROM THE NETHERLANDS AND DIRECT SOURCING

In 2012, Germany imported 29 thousand tonnes worth € 56 million of avocados in 2012, and is the fifth largest importer in Europe accounting for 7.1 % of total European imports in volume.

CONSIDERATIONS FOR ACTION

In the growing market for avocados there is still room for new suppliers. In order to gain a stronger position on this market, invest in long-term relationships with your buyers, giving them less incentive to switch to a competitor.

From 2008 – 2012, German imports of avocados in value (+15%) increased to a higher extent than in terms of volume (+10%). This indicates increased import prices and a stronger demand for high-valued avocados in Germany.

As there is a stronger demand for high-valued avocados in Germany, focus on excellent quality and value addition opportunities, such as ready-to-eat avocados.

Currently, Germany mostly imports avocados from neighbouring trade hub the Netherlands. The Netherlands, in turn, imports the avocados from South Africa (26%), Peru (20%), Chile (17%) and Israel (13%). The total share of DCs in Dutch imports amounted to 73% in 2012 (Eurostat). Around 83% of Dutch avocado imports was for re-export in 2012, a stable share compared to 2008 (Freshplaza.com).

Consider reaching the German market by using the Netherlands as an intermediary. Its role as a trade hub to Germany increased during the review period and is expected to remain strong the coming years.

With the exception of the Netherlands, imports from re-exporters declined to make room for more direct sourcing of avocados, most notably from Spain (+11%), Israel (+315%) and Greece (+51%). In 2012, Spain accounted for 23% of German imports (volume) and Israel and Greece together for 3%.

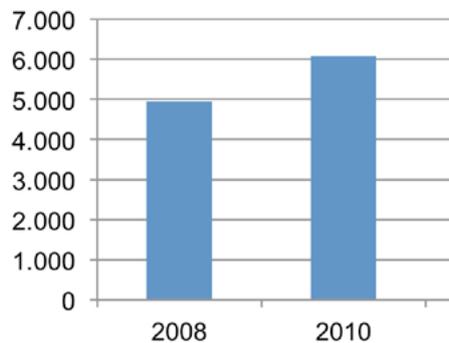
Additionally, as Germany is increasing direct sourcing of avocados, this offers opportunities for DC exporters to start or increase supplies to the German market.

Although German imports from DCs increased by 14% annually on average between 2008 and 2012, they still accounted for less than 0.5% of total imports in 2012. This growth originated from the Dominican Republic and Mexico.

CONSIDERATIONS FOR ACTION

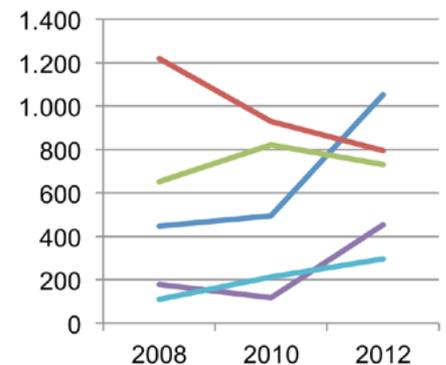
Both online and offline (trade fairs) market research will be an invaluable way for DC exporters to understand market needs and to discover ways to differentiate. Please refer to the [Useful Sources](#) in this document.

FIGURE 5 TOTAL GERMAN EXPORTS OF AVOCADOS, VOLUME IN TONNES



Source: Eurostat, 2013

FIGURE 6 TOP 5 EXPORT DESTINATIONS OF GERMAN AVOCADOS, VOLUME IN TONNES



Source: Eurostat, 2013

DECREASING GERMAN RE-EXPORTS

In 2012, Germany exported 4.5 thousand tonnes worth almost € 10 million of avocados, which implies that about 16% of the German imports is re-exported, almost entirely to other European countries. Annually, this proportion decreased by 12% from 2008 – 2012. This indicates that Germany is becoming less important as a trade hub and increasingly as a final destination for avocado exports.

Even though Germany's role as a trade hub is diminishing, you can still use German traders as an intermediary to reach neighbouring European countries. Interesting growing export destinations are Austria and Switzerland for high-valued avocados, and Poland for lower-valued avocados. .

The volume of exports decreased annually by almost 3% from 2008 – 2012, while the value of exports increased by over 3%. A similar trend was apparent in import and consumption rate. This indicates that avocado prices increased and that Germany increasingly exported higher-priced avocados.

Germany's leading export destinations can be divided into importing higher-priced (Austria and Switzerland) and lower-priced avocados (Italy, France and Poland). In 2012, the largest destinations of German re-exports, in volume, were Austria (24%), France (18%) and Italy (16%).

Strongest growth in re-exports (volume and value) were reported by Austria (+24% and +42%), Switzerland (+28% and +45%) and Poland (+26% and +17%) from 2008 – 2012. Extensive decreases in exports (volume and value) were to France (-10% and -16%) and the Netherlands (-38% and -31%).

MARKET TRENDS

HEALTH BENEFITS The popularity of avocados is increasing as the fruit has been classified as a super fruit. Avocados health benefits include antioxidant properties, high potassium content and a good source of fibre. Moreover, avocado is a source of monounsaturated fat, Omega 3 fatty acids, as well as various vitamins and minerals.

CONSIDERATIONS FOR ACTION

Provide your buyers with information on avocados, which they can use in their promotion towards end-consumers. Examples are information on selecting and storing, as well as recipes.

READY-TO-EAT For avocados in Germany, the fastest growing segment and main drive for increased consumption are ready-to-eat products. These avocados are sold ripe. The ripening process of Hass avocados makes this variety most suitable as ready-to-eat products.

Differentiate your product by supplying ready-to-eat avocados or sustainably produced and certified fruits.

When you produce Hass avocados, ready-to-eat avocados offer the best opportunities for sales in Germany. Be aware that this requires excellent logistical planning as well as appropriate transportation (e. g. controlled atmosphere transport) and cooling facilities.

SEEDLESS AVOCADOS Seedless avocados, which are grown at the end of the growing season, might find potential on the German market. For these fruits, consumers get more of the product for a similar price.

Explore your potential to export seedless avocados to Germany. Commonly, these fruits are not exported, but left on the tree.

ORGANIC CERTIFICATION Opportunities for organic avocados exist in Germany. The most common variety in organic avocados is the Hass variety. Industry sources indicated that, currently, sufficient supplies of organic avocados are available on the German market to meet demand. However, as Germany is the largest and still a growing EU market for organic food, demand for organic avocados may grow in the future. Sales of organic food has tripled from 2006 – 2012 and 27 % of sales were realised by the fruits and vegetables sectors. German consumption of organic products is rising at a steady, although lower, pace. Consumers tend to link organic fruit, such as avocados, to health and a better taste.

Keep a close watch on the developments in the German market for organic avocados, e. g. by talking to organic importers. For more information on where to find these, please refer to the Market Channels and Segments. For more information on the EU requirements for organic certification, refer to the Non-legislative requirements. Always discuss your options for organic certification with your (potential) buyers.

Data from IFOAM and FiBL indicate that from 2008 – 2011, the global land area for organic production of tropical and subtropical fruit increased by 13% annually, to 190,000 hectares (0.8% of total land for these products). In 2011, 18% of this land was used for avocado production, the second largest product in this group, after bananas.

Please refer to [Organic World by FiBL](#) (German/Swiss/Austrian Research Institute of Organic Agriculture) for more information on global organic agriculture.

ETHICAL CERTIFICATION In general, there is an increased interest in ethically sourced food products in Germany. According to industry sources, stand-alone fair trade certification offers limited opportunities for avocados. However, opportunities are higher when it is combined with organic certification, as organic certification itself offers more opportunities than fair trade. Bananas were among the first products with this dual certification. It is likely that its popularity will spread towards other exotic fruits, such as avocado, in the future.

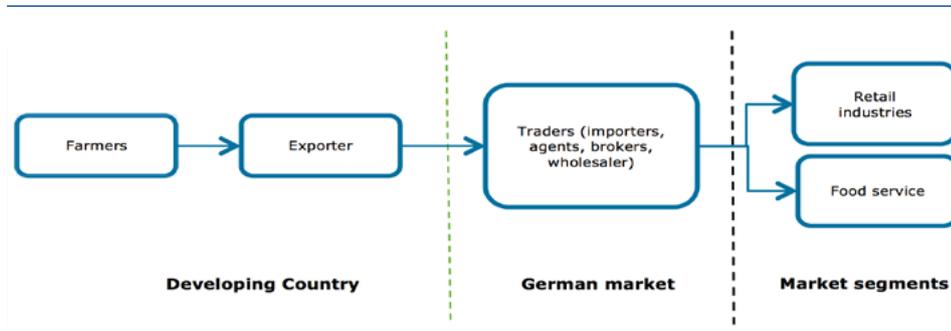
CONSIDERATIONS FOR ACTION

Always discuss your options in obtaining fair trade certification with your (potential) buyers. Be aware that even though current market opportunities are limited, this may change in the future. Determine whether there is sufficient market potential for your fair trade certified mangoes before obtaining certification.

For more information on general trends in the European market for fresh fruits and vegetables, please refer to [CBI Trend mapping](#).

MARKET CHANNELS AND SEGMENTS

MARKET CHANNELS **FIGURE 7 MAJOR MARKET CHANNELS FOR AVOCADOS**



Please refer to [CBI Market channels & Segments](#) for more information.

SHORT VALUE CHAIN In Germany, avocados are generally sold at various retail outlets, with food service outlets (e.g. catering industries) representing a less important market channel. Most commonly, these retail channels consist of supermarkets.

For retail outlets such as supermarkets, ready-to-eat avocados are increasingly demanded. If you supply these market channels, ensure that you can deliver ready-to-eat avocados. For specific information please refer to the market trends.

Because of its nature, fresh avocados require little additional processing at the country of origin or in Germany. Consequently, the value chain is relatively short. Common activities taken on in the country of origin are sorting, washing and packing of the avocados. In addition, avocados can be ripened in German facilities before being re-packed for the consumer market.

For organic fruits, specialised importers and wholesalers exist in Germany or other EU countries that export to Germany. Examples are [BioTropic](#) and [Lehmann Natur](#). These companies import organic avocados as well, which are also sold at common supermarkets. Additionally, organic avocados are sold at specialised organic shops as well as the higher quality German supermarkets such as [REWE](#) and [Edeka](#).

CONSIDERATIONS FOR ACTION

If you export organic certified avocados, focus your sales on relevant specialised importers. Additionally, if you want to find out more on the market potential for organic avocados in Germany, contact organic importers. For an overview of organic importers, please refer to www.Bio-market.info or www.Organic-bio.com.

MARKET SEGMENTS

MARKET DIFFERENTIATION OPPORTUNITIES

Avocados are commonly sold directly to the consumer market in retail outlets. The segments on the German market vary from low-end, to middle- and high-end products. High-end avocados are of superior quality ('Extra' Class), or have added value in terms of certifications or catering to a specific niche segment, e.g. ready-to-eat avocados.

Differentiate yourself on the market by supplying avocados of superior quality, by complying with certification standards, or by offering ready-to-eat avocados.

Organic or dual certified mangoes represent a small share of the total German market for avocados.

For more information on the trends for organic and/or fair trade certified avocados in Germany, please refer to the Market Trends.

PRICES

INFLUENCE OF GLOBAL SUPPLY ON AVOCADO PRICES

Prices for fresh avocados vary based on variety, size, country of origin and global supply levels. Even temporary changes in supplies or demand can have great effects on prices.

For an example of prices of avocados in Germany, please refer to the website of [Fresh Fruit Portal](#). Here information on global supply and prices can be found.

If you produce avocados when global supply is high and prices low, take extra care in keeping your costs low to optimise profit.

Global supply of avocados (Hass) is highest from February/March to August/September, when prices are lower than during the rest of the year. Import prices in this season are between € 7.50 – 10 per 4 kg boxes. In periods of low global supplies, especially in October and November, prices of small volumes of ready-to-eat avocados can increase to up to € 13 – 14 per 4 kg boxes. Be aware that larger volumes of unripe avocados are sold at lower prices.

Industry sources indicated that organic certified avocados are sold at a premium on the German market. However, the size of this premium depends on the quality of the fruit, the season it is sold in and available supply of organic avocados. As there is a Fairtrade standard for avocados, a Fairtrade minimum price and premium have also been specified for various regions and countries.

CONSIDERATIONS FOR ACTION

Use organic certification to obtain premium pricing. In Germany, there is a market for organic avocados, however, always discuss these options with your buyers.

For more information on Fairtrade prices, please refer to the [pricing database](#) as provided by Fairtrade International.

Cold storage and ripening of avocados requires large amounts of energy and investment in cooling equipment. As such, it accounts for a large part of your production cost.

Producers of avocados can cooperate to share the investments in equipment for cooling and transporting the fruits.

MARKET COMPETITIVENESS

COMPETITIVE AVOCADO MARKET

As few barriers exist to enter the market for avocado production, threat of new entrants is relatively high. Supply of avocados is particularly increasing from Peru and South Africa. In 2005, Peru was only a small supplier to the German market and has grown to the third most important supplier in 2011, after Spain and Israel.

For more information on the potential of avocados in other European countries, please refer to the [CBI Product Factsheet: Fresh Avocados in the European Market](#).

Keep a close watch on avocado production in other regions that produce at the same harvesting season. You may request such information from your buyers.

Regarding organic avocados, industry sources indicated that Peru and Mexico are the main suppliers and sources of competition. Peru has a growing production of organic avocados and there is sufficient supplies from Mexico as well. Smaller suppliers of organic avocado are Chile and Argentina

Depending on the variety and country of origin, avocados have different harvesting seasons. As such, important competitive sources depend on a country's harvesting season. To compare; Spain, Israel and Chile have a similar harvesting season as do South Africa and Peru. In the off-season of Spain and Israel, the two major competitors, from May to September, imports from DCs are highest.

Determine which variety offers most potential in terms of yield and harvesting season. For example, compare production of varieties in regions with similar growing conditions. Be aware that in Germany Hass avocados are popular, as well as green varieties such as Fuerte.

As a result of increasing global production of avocados, competition is strong. Therefore, new entrants need to differentiate themselves on the avocado market.

CONSIDERATIONS FOR ACTION

Use marketing (e.g. storytelling, recipes) and/or certification standards (organic) or target specific niche markets (e.g. ready-to-eat avocados) to differentiate yourself on the market.

As avocados are often sold through supermarkets in Germany, buyer power is strong. Consequently, complying with their buyer requirements is key. For avocados specifically, quality during harvest is important. There is an increased demand for ready-to-eat avocados.

In addition, build long term trade relationships with German buyers or ripeners. Explore your potential for avocado products and derivatives in addition to fresh avocados, to reach market diversification. Several avocado extracts, such as butter, wax or oil, are used in cosmetic products. This is of special interest for damaged avocados that cannot be sold on the fresh market.

As a fruit, other avocado producers are not the sole source of competition. An increasing diversity of fruit supplies to Germany is competing with avocados, since consumers see these as substitute products. As avocados are also used in salads, sandwiches, spreads and sauces, a range of vegetables are sources of competition as well.

Please refer to [CBI Market Competitiveness for Fresh Fruit & Vegetables](#) for more information.

USEFUL SOURCES

TRADE FAIRS Visiting or even participating in trade fairs is highly recommended as one of the most efficient methods of testing market receptivity, obtaining market information and finding prospective business partners. The most relevant trade fairs for exporters of avocados are:

- Fruit Logistica (www.fruitlogistica.de) in Berlin, Germany, is an international trade fair for trade in fresh produce
- Biofach (www.biofach.de) in Nuremberg, Germany (for organic producers)

This survey was compiled for CBI by ProFound – Advisers In Development, in collaboration with CBI sector expert Piet Schotel

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