Mango

European market in 2021

Market holding up and progressing

Pierre Gerbaud, consultant
pierregerbaud@hotmail.com

© Catherine Sanchez

Though still affected by the Covid-19 health crisis, the international mango market is holding up well to its multiple consequences, with an ongoing rise. The main trends still relate to the two main consumption centres, namely North America and Europe. While the North American market growth has seen a slight downturn, the European market is continuing to make progress. The gap between these two centres is actually tending to narrow. It was just over 100 000 tonnes in 2021, down by 20 000 tonnes from the previous year.

LilotFruits
A NATURAL WEALTH OF TASTE
BY CAPEXO

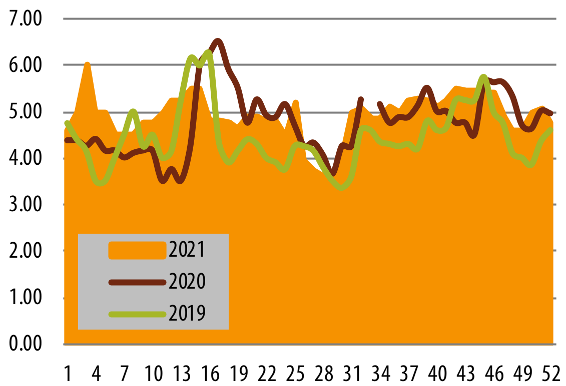
The taste of trust

MANGO

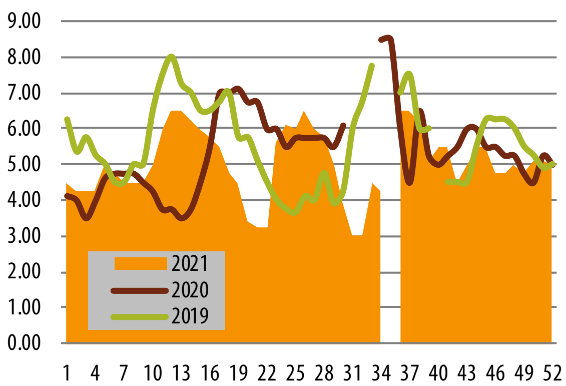
As well as providing its tender, juicy, sweet or sour flavour, the mango is bringing the world together. It has strengthened our ties with our trusted growers, as we continue to work actively alongside them despite the international health crisis that has hit us all. Together, we have managed to maintain our level of requirements, to deliver you the quantities and quality you expect, while maintaining our relationships, know-how and mutual commitments. Together, we have been able to continue working with the passion that drives us all, to bring you the most delicate tastes, now more than ever.

CAPEXO . +33(0) 1 41 73 23 00 . contact@capexo.fr . www.capexo.fr

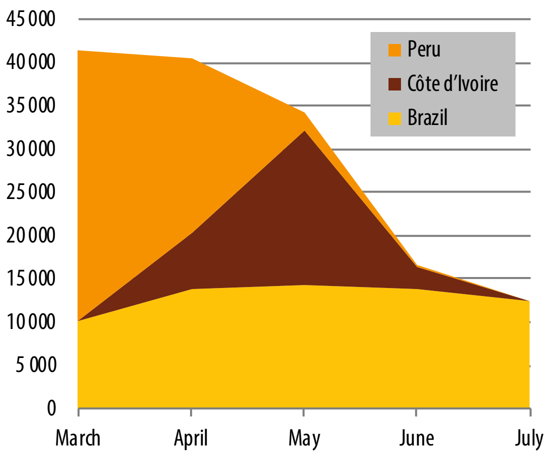
Air-freight Kent mango - France - Weekly average import price (in €/kg | source: Pierre Gerbaud)



Sea-freight Kent mango - France -Weekly average import price (in €/box | source: Pierre Gerbaud)



Mango - Ivoirian volumes versus competitors on the European market in 2021 (in tonnes | source: Pierre Gerbaud)



Growth different from 2020

With more than 484 000 tonnes, European mango imports registered a rise of 56 000 tonnes in 2021 from the previous year. And this was without including Spanish volumes, which with 31 000 tonnes, took this total above 500 000 tonnes. 2021 was characterised by a dip by the two biggest market suppliers: 5 000 tonnes for Brazil and 10 000 tonnes for Peru. Other origins, especially West African, also saw their exports slump, such as Mali (- 2 600 t) and Burkina Faso (- 800 t), though this was readily offset by the increase in shipments from other supplier countries. Côte d'Ivoire regained export levels of above 30 000 tonnes, and the summer origins saw a distinct rise in their sales, like Senegal (+ 8 800 t), the Dominican Republic (+ 6 600 t) and Israel (+ 3 700 t). The average price level of sea-freight Kent, across all origins, was lower in 2021 than in 2020, with a downturn of around €0.30/box. Price variation periods were not the same year to year. Hence the spring, which registered a peak in 2020 in the midst of the severe restrictions due to Covid, conversely had a particularly low price phase in 2021 (€3.25/box as opposed to €7.00/box). Conversely, the March and June 2021 periods proved more favourable, with prices of €6.00 to €6.50/box as opposed to €3.50/box and €5.50/box in 2020. For Q4, prices were comparable over the past two years, though with a drop in average price in 2021 confirming the fall in interest in the product during the end-of-year festivities, often a period of abundant supply.

The average price of air-freight mangos exhibited a steadier evolution, with indeed an increase of a few eurocents per kilogram in 2021 compared to 2020. This slight gain should certainly not be linked to invigoration of the air-freight fruit market, but rather to a rise in cost price of the mangos, swollen considerably by increased freight and transit rates.


© Denis Lœillet

A three-horse race

The stand-out trajectory over the past few years is the increasing hold of the Peruvian and Brazilian export calendars on the European market supply. The relative supply trough in April, between the end of the Peruvian campaign and the start of the West African campaign, especially from Côte d'Ivoire, seems to have encouraged the top two suppliers to Europe to step up their presence in this market window. The pressure increases with every passing year, with the Peruvian campaign now extending into June. True, Peruvian volumes at the end of the campaign are subsiding, but the origin has a very real presence. Among purchasers who prefer the continuity of an origin rather than frequent changes, the trend is appreciated as long as the fruit exhibits satisfactory quality. Brazil is also rushing into the slot, albeit with a varietal handicap compared to Peru and West Africa. At this period, it is only mainly offering Palmer and Keitt mangos. Nonetheless, these additional quantities are weighing down on the market as a whole. The fairly late start to the Ivorian campaign for the past few years has favoured the establishment of the competing origins. It has increased the concentration of volumes over a short period, and multiplied the trading difficulties, especially since by then the supply of seasonal fruit is progressing. Stuck between the combined pressure of Peru and Brazil on the one hand, and qualitative deteriorations at the end of the campaign on the other hand, Côte d'Ivoire and more generally the West African origins are caught in a complex pincer manoeuvre. Will the greater proximity of the West African suppliers be an asset to secure their flows to Europe in future? Will the search for greater competitiveness enable them to withstand the Latin American suppliers gnawing away at their market share?

The trajectory is even more critical for air-freight mangos, albeit in smaller volumes, but selling at higher prices. The commercial pincer manoeuvre is tightening around the West African origins, with the constant, sprawling presence of Peru and Mexico strengthening its position from May onward. Furthermore, many purchasers are increasingly going directly from Peru to Mexico, leaving the West African origins to one side.

West African mango – Number of interceptions due to the presence of fruit flies on arrival in Europe

	2018	2019	2020	2021
Burkina Faso	11	10	2	**7**
Côte d'Ivoire	16	9	2	**23**
Guinea	2	1		**1**
Mali	14	16	1	**9**
Senegal	7	3	2	**1**
Total	**50**	**39**	**7**	**41**

Mango quality

It has to be observed that the quality of Peruvian and Brazilian mangos is overall deemed to be fairly homogeneous between the campaigns. Some variations exist from one campaign to another due to the meteorological variations in the production zones. Others appear at the start or end of the season, though they remain limited compared to the volumes placed. Production from industrial orchards, which is subject to planned cropping practices, doubtless explains the success of these origins. For a large part of West Africa, the form of production management seems less advanced. The fragmented structure of the orchards and lack of production monitoring often lead to qualitative variations in the fruit, especially ripening homogeneity. Yet the European supermarket sector purchasers seek produce with constant quality, hence the big price fluctuations over the course of the campaigns.

On top of that are the problems of parasite pressure, the recurrence of which also works against the West African countries. In 2021, the number of interceptions at the European borders because of the presence of fruit fly larvae took an upturn, after the respite of 2020. Last year can hardly be taken as a benchmark, since the West African campaigns took place at the height of a pandemic, with all its consequences. The most concerning point to observe is that the downward trend in interceptions over previous years was completely called into question in 2021. Is it about increased parasite pressure, or a relaxation of management in the production zones? There do not seem to be any solutions to the problem in the short and medium term. West African countries are facing the regulatory constraints of the importer and consumer countries, which they are struggling to meet, so hard is the parasite threat to deal with for their industries. However, it is only by finding solutions to combat parasite pressures that these origins will be able to continue their exports. The progression of fungal diseases represents another subject for concern in terms of improving fruit quality. In this case, there are probably more accessible solutions than for fruit fly management. Hence, qualitatively and commercially, West African professionals are going through a tough period, and need to adapt quickly in order to maintain their place in the international mango trade ■