Peruvian easy peelers

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Producer country file

The recently developed Peruvian easy peelers export industry has seen explosive growth, becoming the number two in the Southern Hemisphere in terms of volume in little more than a decade. Professionals have been able to take advantage of very high price competitiveness to become major suppliers to the European market and then the US market. Faced with a steep production increase expected over the coming years, the Peruvian industry must expand its outlets by developing local sales and increasing its shipments to markets seeking an entry-level supply.

Informations

- **Product(s)**: Easy peelers
- **Rubrique / Thématique**: Full country profile
- **Country**: Peru
- **Keywords**: Climate, Export, Logistics, Production, Quality

Shop

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Articles from same magazine

- Southern Hemisphere kiwi
- European market for the Southern Hemisphere grapefruit
- European market for the Southern Hemisphere lemon

Linked articles

- Israeli citrus industry
- The apple in New Zealand
- The pineapple in Costa Rica

Summary

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- Production
- Production calendar and varieties
- Exports
- Outlets
- Logistics

Location

Unlike traditional citrus such as the orange, which are abundant in the Amazonian region (foothills), export easy peelers are cultivated primarily on the central coast in a desert climate, with more than 80 % packed into the valleys of the departments of Lima (Chancay and Huaral valleys to the North and Cañete valley to the South) and Ica (mainly Chincha valley).

The cultivation conditions, highly particular for a tropical zone because of the presence of the Andes to the east and the cold Humboldt marine current to the west, represent assets for developing export citrus growing. The soils are sandy, and the phytosanitary pressure low: the prevalence of fungal problems is limited, greening is still absent and the fruit fly has been eradicated from the main easy peeler producing departments. Availability of agricultural water is paradoxically high, despite a near-total absence of precipitation (14 mm/year). In fact, the rivers and vast irrigated areas are able to draw on the massive potential present in the Andes. Conversely, while the stable and temperate temperatures mean that citrus growing avoids the risks of frost and excessive heatwaves, they also adversely affect external quality (coloration), internal quality (high sugar contents, but low acidity) and the fruit shelf life.
While citrus production in Peru is long established (long-standing presence of a narrow range, primarily comprising oranges and limes consumed green on the local market), export citrus growing is a recent development. This sector first boomed in the 1990s, with the return to a political climate favourable for private investment, the success of the asparagus sector having encouraged imitation. This development accelerated in the early 2000s, with the establishment of a legal framework including tax incentives for private investors and more flexible agricultural labour law. In parallel, this boom was also made possible thanks to the creation of private professional associations in 1998, providing new producers with technical support by bringing in foreign know-how (Chile, Spain), as well as marketing assistance (promotions abroad). Hence surface areas of easy peelers boomed from the early 1990s, going from approximately 2 000-2 500 ha to 14 000 ha (with approximately 8 000 ha earmarked for export according to the Procitrus figures for 2015). The cost price is highly competitive, especially thanks to the cheap and flexible labour. Conversely, the high sorting rejects (40 to 50 % for certain operators) rein back particularly high orchard yields (average of 50 to 60 t/ha for export crops, as opposed to around twenty tonnes nationally). And the production boom is not finished yet. According to Procitrus, the cultivation area will continue to grow by approximately 1 000 ha per year (conversion from certain crops such as the pepper, development of new plantations), especially through opening up or extending irrigated areas. The launch of projects in cooler zones (southern coast) could open up useful prospects in terms of both varietal diversification and quality.
Production calendar and varieties

Introduced by the large-scale Japanese immigration, the various types of Satsuma remain highly dominant (early such as Okitsu and Clauselina, mid-season such as Owari and Iwasaki and late such as Aoshima), and are always highly prized for their high yield and easy cultivation (approximately 3 000 ha). Tangelos (Minneola, Nova and Fortuna) have lost momentum in recent years, though they continue to represent large surface areas (just over 2 000 ha). Surface areas of W. Murcott have made great progress in recent years to approach the 2 000-ha mark, though technical management is still to be perfected in the field and post-harvest (degreening). Licensed late hybrids such as Or and Tango are also on an upward trend (approximately 300 ha for Tango). The clementine remains scarce, as it is hard to manage given the high temperatures prevailing in the central coast cultivation zones. Peru has a very early production calendar in comparison to the other Southern Hemisphere producer countries, because of its Equatorial latitude (by way of example, Satsumas are available from April). Production is also highly concentrated, from May to July.

Exports

Absorbing approximately half of total export mandarin, clementine and tangelo volumes, the EU remains the main destination for Peruvian exports. Volumes are aimed mainly at the United Kingdom and Ireland, as well as Northern Europe and Scandinavia. However, after a long period of uninterrupted growth, exports have been at a standstill since 2013, peaking at around 50 000 t; 2015 actually registered a first downturn. The USA has become Peru’s number two market in the space of just a few years, since phytosanitary barriers were lifted in May 2006. This authorisation to this day remains limited to certain production regions free from the fruit fly, situated on the country’s central coast (Ica, Lima, Lambayeque, Piura and Junin), and includes a cold quarantine treatment. Imports to this market have seen a constant rise, reaching approximately 35 000 t in 2015, after a period of very strong growth since 2012. Usurped since 2006 by the USA, Canada is still a major destination, though exports have levelled out at approximately 10 000 t. As for emerging markets, volumes bound for Russia are losing momentum due to payment difficulties and customs duty levied in the absence of a trade treaty with this country. Given the prospects for big production growth, developing the Asian markets is a major strategic avenue for the Peruvian industry. Exports to Hong Kong and
Singapore are authorised, and since 2008 Peru has been among the few Latin American countries to have a phytosanitary protocol with China. However, the quantities exported to these markets remain marginal, due to the lengthy transit, specifications which are as strict as for the USA and competition from Australia, though this is less competitive in terms of price. Phytosanitary protocols are under validation with Japan and other South-East Asian countries (Malaysia, Vietnam, Thailand, Indonesia, the Philippines, South Korea and Taiwan). Prime importance is attached to India, a market which represents an enormous potential.

The “Quality certified for export” quality certification developed by ProCitrus was launched in the 2015 campaign, after tests in 2014. It should help some of the supply stand out on a higher-quality market segment. For now, three main internal quality parameters are inspected as per international standards: brix, acidity and maturity index on Tangelos (Minneola) and W. Murcott. Eventually, the coloration parameters and even seedlessness could be incorporated into this certification.

Outlets

The local market absorbs approximately 260 000 t, i.e. three-quarters of national production. Its supply is based both on traditional varieties consumed green (such as tangerine), and on large and increasing volumes of sorting rejects from export sector varieties. This outlet remains lucrative, although less so than the export sector (approximately 0.35 USD/kg at the production stage). Given the expected increase in production, a vast programme to promote local consumption of easy peelers has been launched, at the initiative of ProCitrus. These promotions, aimed primarily at children, are in the form of TV and radio campaigns, as well as activities at schools and in shops.
### Logistics

The fruits are transported by sea-freight in containers (some door-to-door). The port of Callao handles nearly all of the volumes.

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<tr>
<th>Port of departure</th>
<th>Port of arrival</th>
<th>Transit time</th>
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<tbody>
<tr>
<td>Callao</td>
<td>Rotterdam</td>
<td>18-23 days</td>
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<td>Algiers</td>
<td>17 days</td>
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<td>USA - East Coast</td>
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<td>USA - West Coast</td>
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<td>China</td>
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<td>Chile (Santiago)</td>
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