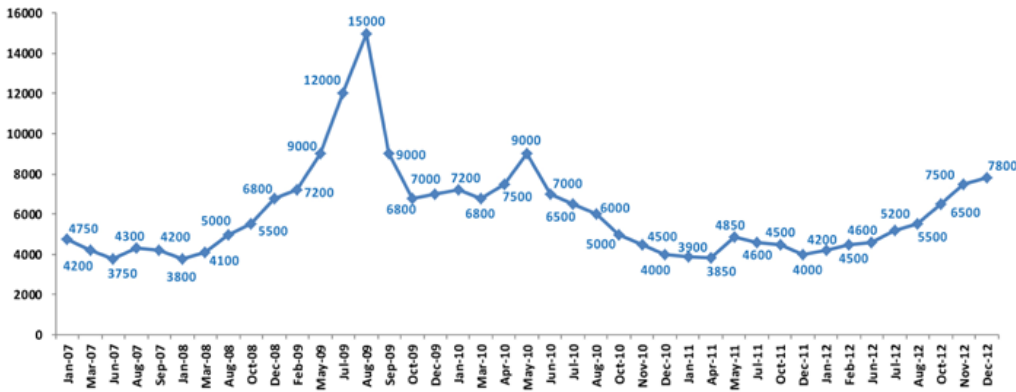




On the rise again

THE boom and bust cycle of passion fruit production is a natural phenomenon

ECUADORIAN PASSION FRUIT CONCENTRATE PRICE (USD/TONNE, C&F EUROPE)



SOURCE: FOODNEWS

BY ULRICH VON DER LINDEN

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THIS year, the passion fruit juice proved to be as volatile as ever and there does not really seem to be an alternative to the ‘boom and bust’ cycle the market is always experiencing.

An imminent problem is the fact that farmers neglect their plantations (or even pull out the vines) during a low price cycle and start re-planting when prices go up. Cycles are relatively short compared with other fruit because passion fruit’s vegetation period is usually between seven and nine months. This in turn means that the fluctuations can be very pronounced. Other factors, like weather conditions, rising/decreasing demand, etc. contribute to this pattern.

During the first quarter of

2012, the market participants were still positive with regard to supply (processors) and demand (customers), as everybody was expecting a fairly normal fruit intake for the April – July/August period.

However, in April, fruit in Ecuador was scarce and the situation worsened in July/August. Bluntly speaking, Ecuador missed two crop peaks in quick succession without having the chance to recover.

For this incident, one should not only blame the awkward weather conditions in Ecuador. The problems are structural in the sense that farmers usually own mixed, small-scale plantations (cocoa, coffee, mango, vegetables, etc.) with just a few hectares of passion fruit which are not really ‘cultivated’ in the proper sense of the word. Mostly,

there is no drip irrigation, the vines are not pruned and weed grows wildly between the stakes. Compared with well-run, drip-irrigated plantations in other countries, the yield is very poor (8-10 tonnes per ha). In Peru and Colombia, yields may reach 25-30 tonnes/ha, as long as weather conditions remain stable during fruit collection.

On top of that, the small farmers in Ecuador are confronted with some fundamental problems. Usually, they take the passion fruit to collection centers (centros de acopio), where the so-called intermediarios (middlemen) pay them in hard cash. Obviously, this is good business for the middlemen, as they gather fresh fruit from lots of small farms and transport them to the processors. If fruit availability gets short, they start to speculate and direct the fruit to the highest bidder.

In Peru, the problems are similar. However, there – in my opinion – the major factor is the competition or ‘crowding out effect’ among different cultivars. Avocado, for example, is very popular and farmers get a stable return for their investment. Some large market players are quitting passion fruit and decided to plant more than 400ha of avocado. Calculating an average yield of 18 tonnes/ha for passion fruit, Peru will be lacking of 7 200 tonnes of fruit or an equivalent of some 600 tonnes of 50 brix concentrate. ■