



Foreign Agricultural Service

**GAIN Report**

Global Agriculture Information Network

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## New Zealand

### Avocado

## Huge Growth for the NZ Avocado Industry

### 2001

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**Report Highlights:** The New Zealand avocado industry has undergone a year of exceptional growth, change and increased value. Export values have risen from NZ \$21.5 million (US \$ 8.8 million) in 1998/99 to an estimated NZ \$36 million (US \$14.8 million) in the 1999/2000 year. This follows four years of growth at an average of 40% per year. Exports to the USA have increased sharply from less than 70,000 tray equivalents to more than 540,000 tray equivalents in the 1999/2000 season.

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Includes PSD changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Wellington [NZ1], NZ

The New Zealand avocado industry has undergone a year of exceptional growth, change and

increased value. Export FOB values have risen from NZ \$21.5 million (US \$ 8.8 million) in 1998/99 to an estimated NZ \$36 million (US \$14.8 million) in the 1999/2000 year. This follows four years of growth at an average of 40% per year. Exports to the US have increased by 700% from less than 70,000 tray equivalents to more than 540,000 tray equivalents in the 1999/2000 season. This growth, both in export and domestic volume and value, has fueled considerable change during the past 12 months.

The industry growth has been driven primarily by increased yields. The impact of new planting of approximately 1,400 ha over the last five years is only now beginning to be noticed. Sixty percent of the avocado trees in the ground are less than five years old. A total of 2,200 ha has been planted, 500 ha during the last year. Avocado nurseries in NZ have orders for a further 600 to 700 ha to be planted this spring (Oct 2001). The crop yield is escalating even faster than the planted area since improved growing techniques have lifted average growing yields from four tons a hectare four years ago to 10 tons hectare in the past season. This compares with reported average yields of 3.5-4.5 tonnes in Australia, 4 tons in Mexico and South Africa and about 4.5 tons in California.

In the 2000/2001 season just past New Zealand had its biggest crop ever at 2.45 million trays of which 1.45 million were exported, up from a total production of 1.63 million trays in 1999/2000. A shortage of fruit in both New Zealand's primary export markets, the USA and Australia, ensured excellent grower returns. The US market for avocados is very large and US marketers and handlers reportedly are confident of substantially more growth if fruit is available. The US market is considered valuable due to the combination of many wealthy consumers and a strong currency. Australia continues to be an important and valuable export market and performed very strongly this past year.

Information on the New Zealand avocado industry can be found on the web site <http://www.nzavocado.co.nz>

#### **Industry Growth, 1995/1996 - 1999/2000 (tonnage & tray equivalents)**

	<b>1995/96</b>	<b>1996/97</b>	<b>1997/98</b>	<b>1998/99</b>	<b>1999/2000</b>
Export Trays (5.5 kg trays)	466,000	377,000	602,000	845,000	1,125,000
Local Market (5.5 kg tray equivalents)		271,000	385,000	425,000	505,000
Total Trays (5.5 kg trays)		628,000	987,000	1,270,000	1,630,000
Total tons		3,454	5,429	6,985	8,965

Source: New Zealand Avocado Growers Association Annual Report 2000