



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.07

Required Report - public distribution

Date: 12/02/2003

GAIN Report Number: SP3043

Spain

Avocado

Annual

2003

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Report Highlights:

Spanish avocado production fell 40 percent during MY 2002/03 due to very hot summer and the "off" year in orchards' production cycle. In MY 2003/04, a 20 percent expansion of planted area and "on" year for orchards should almost double output. Spain continues to be the main supplier of avocados in the EU market.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Annual Report
Madrid [SP1]
[SP]

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Executive Summary

Spanish avocado production during MY 2002/03 fell nearly 40 percent from the previous season. A very hot summer and the "off" year for orchards severely cut back on yields. Reduced supplies caused prices to rise substantially during most of the season. Spanish producers are eager to maintain these price levels and have decided to devote more resources to promoting domestic consumption.

MY 2003/04 should see a rebound in production, thanks in part to a significant increase in planted area. Orchards around Malaga and Granada, where the 90% of production is concentrated, are being squeezed out by tourist hotels and housing. However, these losses are being more than offset by new orchards in other areas, especially in the Region of Valencia. Some of the new orchards are expected to be productive for next year, which should allow production to nearly double from last year's depressed level.

The Hass remains the most important avocado variety produced in Spain; other varieties present include Bacon, Zutano and Elisa. Producers are also starting to work with some new varieties developed by the University of California.

Fresh Avocados

PS & D Fresh Avocados

PSD Table

Country Spain

Commodity Fresh Avocados

Market Year Begin	2001		2002	Estimate Post Estimate	2003		Forecast	UOM
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Estimate [New]	USDA Official [Old]	Post Estimate [New]		
		07/2001		07/2002		07/2003	MM/YYYY	
Area Planted	8200	8200	8200	10000	0	12000	(HECTARES)	
Area Harvested	7800	7800	8000	9700	0	11500	(HECTARES)	
Bearing Trees	0	0	0	0	0	0	(1000 TREES)	
Non-Bearing Trees	0	0	0	0	0	0	(1000 TREES)	
TOTAL No. Of Trees	0	0	0	0	0	0	(1000 TREES)	
Production	65300	65300	68000	40000	0	70000	(1000 MT)	
Imports	4690	4776	4000	9100	0	10000	(1000 MT)	
TOTAL SUPPLY	69990	70076	72000	49100	0	80000	(1000 MT)	
Exports	48550	50646	50000	31000	0	56000	(1000 MT)	
Fresh Dom. Consumption	21440	19430	22000	18100	0	24000	(1000 MT)	
Processing Consumption	0	0	0	0	0	0	(1000 MT)	
TOTAL DISTRIBUTION	69990	70076	72000	49100	0	80000	(1000 MT)	

Production

Output for MY 2002/03 (Jul 02 - Jun 03) reached only 40,000 tons, off about 40 percent from MY 2001/02. Bad weather conditions and the "off" year for orchards were the main factors for this drop. Production should rebound in MY 2003/04 as some of the new orchards begin to bear fruit.

Because of the low production, prices increased nearly 60 percent in MY 2002/03. The average price for exports was 1,117 €/ton in MY 2001/02 compared to €1,767 €/ton in MY 2002/03.

According to industry sources, planted area should continue to expand in MY 2003/04, perhaps by as much as 20 percent.

Consumption

Due to high prices, domestic avocado consumption fell by 7 percent in MY 2002/03.

During the Fifth International Congress of the International Avocado Association, that took place in Malaga, the industry discussed the need to increase domestic consumption. Although Spain is the main supplier of avocados within the European Union, its per capita consumption is much lower than other EU countries, such as France. The Spanish industry is planning an

advertising campaign which will emphasize the nutritional values avocados, which it hopes will lead to a substantial increase in consumption next year.

Trade

Spanish avocado exports totaled 31,000 tons in MY 2002/03, a drop of 40 percent from MY 2001/02. (This decline was the same percentage as the fall in production.) Spain continues to be the main supplier of the EU market. Its main customers were France (17,164 tons), the United Kingdom (4,249 tons) and Germany (2,072 tons). Spain's primary competitors in the EU market are Israel and South Africa.

The poor crop in MY 2002/03 caused an uptick in imports, which nearly doubled to just over 9,000 tons. Peru was the main supplier (3,166 tons), followed by France (2,733 tons).

Spanish Exports of Fresh Avocados, 2001-2002

Export Trade Matrix**Country** Spain**Commodity** Fresh Avocados

Time Period	M.Y.	Units:	Metric Tons
Exports for:	2001		2002
U.S.		U.S.	
Others		Others	
France	29,116	France	17,164
United Kingdom	7,633	United Kingdom	4,249
Germany	3,727	Germany	2,072
Sweden	2,082	Sweden	1,573
Netherlands	2,015	Netherlands	1,035
Denmark	1,378	Denmark	949
Total for Others	45951		27042
Others not Listed	4,695		3,887
Grand Total	50646		30929

Spanish Imports of Fresh Avocados, 2001-2002

Import Trade Matrix**Country** Spain**Commodity** Fresh Avocados

Time Period	M.Y.	Units:	Metric Tons
Imports for:	2001		2002
U.S.		U.S.	
Others		Others	
France	2,222	Peru	3,166
Peru	1,253	France	2,733
Mexico	343	Morocco	560
Portugal	239	Chile	553
South Africa	229	Mexico	480
Netherlands	179	Netherlands	420
		Germany	372
		Argentina	309
Total for Others	4465		8593
Others not Listed	311		477
Grand Total	4776		9070