

## Fresh fruit and vegetables:

## The EU market for papaya

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**Report summary**

This CBI market survey discusses the EU market for papaya. The main findings are summarised below.

- The EU consumption market for papaya is steadily expanding but consumption is still low compared to other tropical fruit. However, as consumers get more acquainted with minor exotic fruits such as papaya, consumption is expected to increase in almost all EU countries.
- The United Kingdom (UK) and Germany are the largest markets but apparent consumption decreased between 2003 and 2007. Spain and Portugal recorded highest growth rates in apparent consumption.
- The market for ready-to-eat papaya (pre-cut and packaged as fruit salad) is very small but growing.
- The EU market relies completely on imports. Between 2003 and 2007, imports of papaya reached 51 thousand tonnes with a value of €72 million. This is an increase of 8% in value compared to 2003, while the volume was the same.
- Developing countries (DCs) accounted for 72% of the imports of papayas into the EU, the rest is intra-EU trade. Brazil is, by far, the leading papaya supplier to the EU. Other major developing country suppliers are Thailand, Ecuador, Côte d'Ivoire and Ghana.
- The Netherlands is the leading importer and distributor of papaya in the EU. The UK and Germany are also large importers and have large consumption markets.
- Supermarkets, greengrocers and street markets are the main outlet for papaya. The sales of papaya show a peak during the Christmas and Easter holidays. The availability of papaya differs per EU country. The trade in papaya is not as concentrated as in other tropical fruits, such as bananas or pineapples.

This survey aims to provide exporters of papaya from DCs with product-specific market information about gaining access to the EU market(s). By focusing on the EU market(s) for one product, this document provides additional in-depth information, that is complementary to the more general information and data provided in the CBI market survey 'The fresh fruit and vegetables market in the EU', which can be downloaded from <http://www.cbi.eu/marketinfo>.

Detailed information on papaya is given in Appendix A. This survey discusses the EU in general and the following markets in particular: the Netherlands, the UK, Germany, Portugal, Spain and France.

**1 Market description: consumption and production****Consumption**

The EU is the second largest market for papaya in the world after the USA in terms of imported quantities and the largest in terms of imported value. The USA is a major market because of the presence of a relatively large group of Hispanics in the USA which are used to eating papaya. Until 2000, papaya was relatively unknown in the EU and scarcely available. Currently, consumption of papaya is still modest but increasing and yet many EU consumers are not aware of papaya.

In 2007, the total apparent consumption<sup>1</sup> of papaya in the EU was 37 thousand tonnes, with a value of €53 million (Table 1.1). Average consumption per person was 0.08 kg per year.

<sup>1</sup> Calculation based on data from Eurostat (2007, 2008) and the Food and Agriculture Organisation (2008). Apparent consumption includes industrial and consumer demand, and is calculated as production plus imports minus exports.

Between 2003 and 2007, consumption increased 14% in value (3.4% annually) and 4% in volume.

The markets in Spain, Portugal, Italy, France and Sweden experienced the strongest growth in value and volume between 2003 and 2007. The markets in the United Kingdom, Germany and the Netherlands decreased in this period. The 8 EU countries listed in Table 1.1 represent 95% of the EU market. Consumption levels in other EU countries are very low.

**Table 1.1 Apparent consumption<sup>2</sup> of papaya, 2003–2007, value in million € and volume in thousand tonnes.**

	2003		2005		2007	
	Value	Volume	Value	Volume	Value	Volume
<b>Total EU</b>	<b>46</b>	<b>36</b>	<b>49</b>	<b>44</b>	<b>53</b>	<b>37</b>
United Kingdom	15	11	11	10	13	8
Germany	15	10	11	10	12	8
Portugal	6	5	8	6	9	6
Spain	3	1	5	3	7	5
France	3	1	2	1	3	2
Italy	2	1	3	2	3	2
Netherlands	0	3	5	8	2	4
Sweden	1	0	1	1	1	1

Source: Eurostat, 2007, 2008

The **UK** is the largest market for papaya in the EU, accounting for 25% of the EU consumption value in 2007. The consumption levels are fluctuating. However, UK consumers eat around 0.13 kg of papaya per year while the overall EU average is 0.08 kg. Many exotic fruits are available in supermarkets all year round. The large ethnic community in the UK and the growing interest of native Britons in exotics are the main drivers of consumption of exotics. The largest growth in consumption of exotic fruits occurred at the beginning of this century. Nevertheless, between 2003 and 2005, consumption of papaya decreased 15% in value and 26% in volume.

**Germany** accounts for 22% of the EU consumption value in 2007. Between 2003 and 2007, consumption decreased 22% in value and 21% in volume. The average consumption is 0.09 kg, just above the EU level. Due to the population size, Germany is one of the largest markets in the EU. The availability of papaya has gradually increased over the years. However, papaya is still a minor product in Germany.

With 18% of the consumption value in the EU in 2007, **Portugal** is the third consumer market. The average consumption of papaya, 0.56 kg per person, is the highest in the EU. One explanation for the higher consumption levels is the historic ties between Portugal and Brazil, the largest producer of papaya in the world. **Spain** is the fourth EU market, accounting for 12% of apparent consumption. Between 2003 and 2007, consumption in Portugal increased 50% and in Spain it more than doubled.

Consumption levels in **the Netherlands, Italy and France** are very low and they are small markets. However, the Netherlands plays a major role in the distribution of papaya in the EU.

Papaya has undoubtedly found a niche in the EU market but it is uncertain how the market will develop in the near future. The current economic crisis affects the sales of exotic fruits in many EU countries. In the UK, with the fall in value of the British pound, consumers are more price-conscious. The market for premium-priced exotic fruit is under pressure and imports have dropped significantly in the first months of 2009 (fruitnet.com 2009). Also, the sales of exotic fruit in Italy has dropped remarkably.

<sup>2</sup> Apparent consumption is calculated as production + imports - exports