

Entering the European market for avocados

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The summer supply of avocados in Europe is dominated by Peruvian producers with an abundant supply of Hass avocados. South Africa and Kenya have overlapping supply windows. In the European winter, Spain, Chile, Mexico and Israel take over. However, there is room between these supply seasons for new suppliers that can meet high retail standards. Hass avocados are most in demand due to excellent ripening characteristics.

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1. What requirements must avocados comply with to be allowed on the European market?

Fresh avocados must comply with general requirements, which you can find on [the CBI market information platform](#). [My Trade Assistant](#) of Access2Markets provides an overview of export requirements for avocados (code 08044000) per country.

What are mandatory requirements?

Pesticide residues and contaminants

Pesticide residues are one of the crucial issues for fruit and vegetable suppliers. To avoid health and environmental risks, the European Union has set maximum residue levels (MRLs) for pesticides and other contaminants, such as heavy metals, in and on food products. Products exceeding the MRLs are withdrawn from the market. For substances that are not yet included in the European regulation, the default MRL of 0.01 mg/kg applies.

Note that buyers in several EU Member States, such as the United Kingdom, Germany, the Netherlands and Austria, use even lower maximum residue levels than those established by European legislation.

Tips:

Check [the EU Pesticides database](#) to find all MRLs and those specific for avocados. Search by product or pesticide and the database to find the list of associated MRLs.

Use [integrated pest management](#) (IPM) in production to reduce the use of pesticides. IPM is an agricultural pest-control strategy that includes growing practices and chemical management.

Read more about MRLs [on the website of the European Commission](#). Check with your buyers if they require additional requirements on MRLs and pesticide use.

Make sure that lead contamination in your avocados remains below 0.10 mg/kg and cadmium below 0,050 mg/kg, according to the [maximum levels for certain contaminants in foodstuffs](#).

Phytosanitary regulations

The [new European Directive](#) (2019) requires avocados to go through plant health checks before entering the European Union. The plant health inspection must take place in the country of origin and the shipment must be accompanied by a phytosanitary certificate, guaranteeing that they are:

- properly inspected;
- free from quarantine pests, within the requirements for regulated non-quarantine pests and practically free from other pests;
- in line with the plant health requirements of the EU, laid down in [Regulation \(EU\) 2019/2072](#).

Tips:

Learn more about the European phytosanitary rules in [Council Directive 2000/29/EC](#) and the new [Implementing Directive 2019/523](#) on the protective measures against the introduction of harmful organisms in the European Union.

Check which (other) fruit and vegetables require a phytosanitary certificate in the lists of Annex XI and Annex XII of [Regulation \(EU\) 2019/2072](#).

Quality standard

Information on quality, size, packaging and labelling requirements for avocados can be found in:

- The [UNECE standards for avocados](#)
- The [Codex Alimentarius Standard for avocados](#) ('Food code' of WHO and FAO)

At the very least, avocados should comply with the general quality requirements (see Table 1). At a minimum, Europe almost exclusively requires Class I avocados. Avocados in this class need to be good quality and any defects within the permissible tolerance levels. In no case may the defects affect the fruit flesh, the general appearance of the produce, the quality, the keeping quality and presentation in the avocado packaging.

Table 1: Quality requirements and permissible tolerances for fresh avocados

General quality requirements (all classes)
1. be intact;
2. be clean and sound;
3. be free from pests;
4. be free from damage;
5. be free of abnormal external moisture;
6. have a stalk no longer than 10 mm in length;

7. be able to withstand transport and handling.

Additional requirements and permissible tolerances for Class I avocados

1. slight defects in shape;

2. slight defects in colouring;

3. slight skin defects (corkiness, healed lenticels) and sunburn, provided they are not progressive; the maximum total area should not exceed 4 cm²;

4. the stalk, if present, may be slightly damaged;

5. a tolerance of 10% is allowed for fruit that meets Class II standards;

6. a tolerance of 10% in number or weight is allowed for avocados not meeting the sizing requirements.

Figure 1: 'Extra' Class avocados



Source: OECD (2004), *Avocados, International Standards for Fruit and Vegetables*, OECD Publishing, Paris

Figure 2: Class I avocados with slight defects



Source: OECD (2004), [Avocados, International Standards for Fruit and Vegetables](#), OECD Publishing, Paris

Tips:

Maintain strict compliance with quality, delivering it as agreed with your buyer. Being careless with your standards will lead buyers to raise issues with quality. To avoid miscommunication, send images of your product before shipment.

Negotiate with your buyer to include different sizes and a mixed pallet per shipment. But make sure the sizes are the same per pallet.

See the [OECD International Standardisation of Fruit and Vegetables – Avocados](#), which has images of the types of avocados and damages allowed.

Maturity requirements

The development and state of maturity of avocados must be such as to enable them to continue their ripening process and to reach a satisfactory degree of ripeness. The fruit should have a minimum dry matter content, to be measured by drying to constant weight:

- 21% for the variety Hass;
- 20% for the varieties Fuerte, Pinkerton, Reed and Edranol;
- 19% for other varieties, except for Antillean varieties that may show a lower dry matter content.

For importers that ripen avocados, 23% of dry matter for Hass avocados is often a minimum. Maturity must be uniform throughout the parcel.

Tip:

Verify with your buyer their preferences on checking maturity. Suppliers use different [measuring](#)

methods and product standards may differ per country and per variety.

Size and packaging

Fresh avocados are classified according to Size Codes 1 to 30 (see table 1), with a minimum weight of 123 g or 80 g for Hass avocados. The difference between the smallest and largest fruits within a package should not be more than 25 g.

Table 2: Size codes for avocados

Size code	Weight range (g)
4	781 to 1220
6	576 to 780
8	456 to 576
10	364 to 462
12	300 to 371
14	258 to 313
16	227 to 274
18	203 to 243
20	184 to 217
22	165 to 196
24	151 to 175
26	144 to 157
28	134 to 147
30	123 to 137
32	80 to 123 (only Hass)
S	less than 123

Sources: [UNECE standards for avocados](#) and [Codex Alimentarius Standard for avocados](#)

In Europe, the preferred sizes for Hass avocados are 16–18, and sometimes 20 per 4 kg box. For the Fuerte variety, 14–16. Southern Europe is more flexible with sizes. Bigger sizes, such as 14, are more easily sold in southern Europe, but also small sizes (26–30) in the beginning of the season are sold in affordable boxes of 10 kg.

Packaging requirements vary between customers and market segments. Avocados must at least be packed in new, clean and quality packaging to prevent damage and protect the product properly. Common packaging include:

- 4 kg cardboard boxes, often wholesale packaging;
- 10 kg plastic or cardboard crates, often for importers that ripen and repack avocados.

Tips:

Always discuss specific packaging requirements and preferences with your customers.

Check the additional requirements if your product is pre-packed for retail in the [Codex General Standard for the Labelling of Prepackaged Foods](#) or [Regulation \(EU\) No. 1169/2011](#) on the provision of food information to consumers in Europe.

Find the legal requirements for labelling in the [buyer requirements for fresh fruit and vegetables](#) on the CBI market information platform.

What additional requirements do buyers often have?

Variety

Hass is the most demanded avocado variety in Europe, especially in Scandinavia, the Netherlands and the United Kingdom. The Hass variety is very suitable for ripening. Green skin avocados still have their own niche, but are going down in demand. Italy and countries in Eastern Europe still have large market shares for green skin avocados. They are still consumed in many countries is because of their low price and colour, but they do not have necessarily less flavour than Hass. Pinkerton avocados, also known as pseudo Hass, have a specifically timed demand because it is a late variety.

Certification

Avocados have become a typical product in retail programmes. As a result, buyers almost always require a set of certifications to demonstrate good practices and food safety. Common certifications include [GlobalG.A.P.](#) for agricultural production and [BRCGS](#), [IFS](#) or similar HACCP-based food safety management systems for packing houses. These management systems are recognised by the [Global Food Safety Initiative \(GFSI\)](#).

Sustainability and social compliance

Due to concerns about excessive water use in avocado cultivation in arid production areas of Peru, Chile and South Africa, in addition to social issues and deforestation, for example, in Mexico, it has become common for buyers to ask for assurances of good practices. The best way to do this is through adopting social and environmental standards, such as Sedex Members Ethical Trade Audit ([SMETA](#)) and [GlobalG.A.P.](#).

Major avocado buyers have environmental and ethical policies in place. [Greencell Ltd.](#), part of the Westfalia group and the leading avocado company in the United Kingdom, has its suppliers audited at grower level with standards such as SMETA, Fair for Life, Rainforest Alliance, and GRASP. The company uses for example the

SEDEX RADAR Tool which contains risk data on different topics such as forced labour, water risk and biodiversity, and the Sedex Forced Labour Indicators tool to understand where potential indicators of forced labour have been identified within the supply chain.

In the near future you can expect new environmental and social initiatives with standards that become more extensive with regular audits. For example, the [Sustainable Trade Initiative for Fruit and Vegetables \(SIFAV\)](#), a private covenant between European importers and retailers, has formulated new goals towards 2025 that include reducing the carbon footprint and increasing sustainable water use. One of the SIFAV members is Nature's Pride, a big player in the avocado trade. With this in mind, it is sensible to measure your environmental impact and explore new standards such as [SPRING](#), a GlobalG.A.P. add-on for sustainable irrigation and groundwater use, or the [Corporate Carbon Footprint](#) of TÜVRheinland.

Retail chains sometimes have their own standards, such as Tesco and the [Tesco Nurture programme](#), an add-on module to GlobalG.A.P..

The Green Deal

In the coming years the [European Green Deal](#) will influence how resources are used and greenhouse gas emissions are reduced. The new EU policies on sustainability will prepare Europe in becoming the first climate-neutral continent by 2050.

The [Farm to Fork Strategy](#) is at the heart of the European Green Deal, aiming to make food systems fair, healthy and environmentally friendly. It will ensure sustainable food production and address for example packaging and food waste. [EU trade agreements](#) with several countries, such as Peru, Colombia, Guatemala and Brazil (Mercosur), already include rules on trade and sustainable development – other countries are expected to follow. For suppliers of fresh fruit and vegetables, it is important to look ahead of the increasing standards and try to be in the frontline of the developments.

Tips:

Implement at least one environmental and one social standard. See the [Basket of Standards](#) of The Sustainable Trade Initiative for Fruit and Vegetables (SIFAV).

Find out about specific sourcing information of large retail chains. You can usually find these on their corporate websites, for example the [approach to sourcing fruit, vegetables and salad crops by Marks & Spencer](#).

For other additional requirements such as payment and delivery terms, see the CBI's reports on [buyer requirements for fresh fruit and vegetables](#) and the [tips for doing business with European buyers](#).

What are the requirements for niche markets?

Organic can be a specific requirement for health-focused consumers

The market for organic avocados is relatively small, but with growing demand and limited supply. Organic avocados are especially interesting for consumers who value avocados for their healthy aspects.

To market organic products in Europe, you must use organic production methods according to [European legislation](#) and apply for an organic certificate with an accredited certifier. Note that in January 2022 the new legislation [Regulation \(EU\) 2018/848](#) will come into force after a year's delay due to COVID-19. Inspection of organic products will become stricter to prevent fraud and producers in third countries will have to comply with the same set of rules as those producing in the European Union.

Tip:

Consider organic avocados as a plus, not as a must. Remember that implementing organic production and becoming certified can be expensive. You must be prepared to comply with the entire organic certification process.

2. Through what channels can you get avocados on the European market?

Avocados are a typical retail product. Importers that supply supermarkets and other major retailers offer you the most stable and largest supply chain. The main market segment for this channel is Class I Hass avocados.

How is the end market segmented?

The main segment for avocados are Class I avocados, and with a growing interest in ready-to-eat. This main segment mostly concerns the Hass variety with standard retail requirements, which means certified and low pesticide residues. Ready-to-eat avocados are very popular in end markets with high desire for convenience products, such as in northern Europe. But also in other regions it will continue to generate consumer interest.

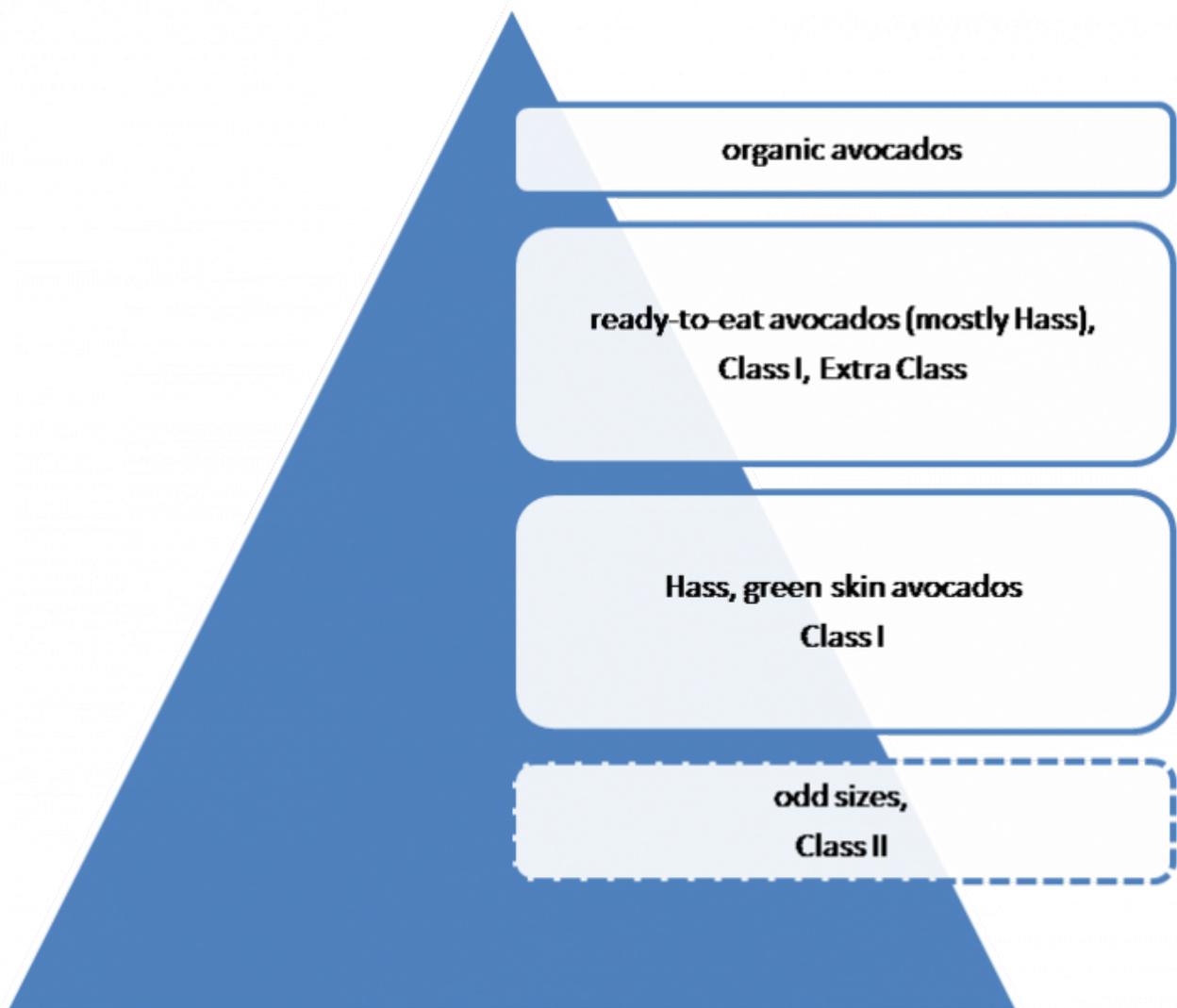
High-end markets

In the high end, you can find organic avocados, which are usually sold for 25% to 45% more than conventional avocados on retail shelves. Organic avocado is especially in demand in German speaking countries and Scandinavia, as well as France, where the market share of organic food has increased significantly in recent years. Examples of companies that specialise in organic fruit, including avocados, are [Eosta](#) and [Lehmann Natur](#).

Bottom segment

In the bottom segment are the Class II avocados, which are generally not fit for supermarkets, but may still serve for processing into fresh salads or guacamole. Odd and small sizes are usually sold for promotional prices. It should not be a goal to supply Class II or less demanded sizes. It is usually part of the trade and a small percentage of the regular shipments.

Figure 3: Market segments for avocados in Europe



Source: ICI Business

Tip:

Make sure to maintain a maturity level of 23% of dry matter in the avocados you supply for the ready-to-eat segment.

Through what channels do avocados end up on the end market?

Importers play a central role in the distribution of avocados. They are familiar with all the different requirements of end clients and are able to distribute to different market channels, such as wholesalers and supermarkets.

Importers and service providers

Some importers have their own ripening and packing facilities, such as [Nature's Pride](#) in the Netherlands and [Ripenow](#) in the United Kingdom. Ripening facilities are important for the growing segment of ready-to-eat avocados and for supplying to supermarkets.

When import companies provide different services, such as ripening and retail packing, they can also become

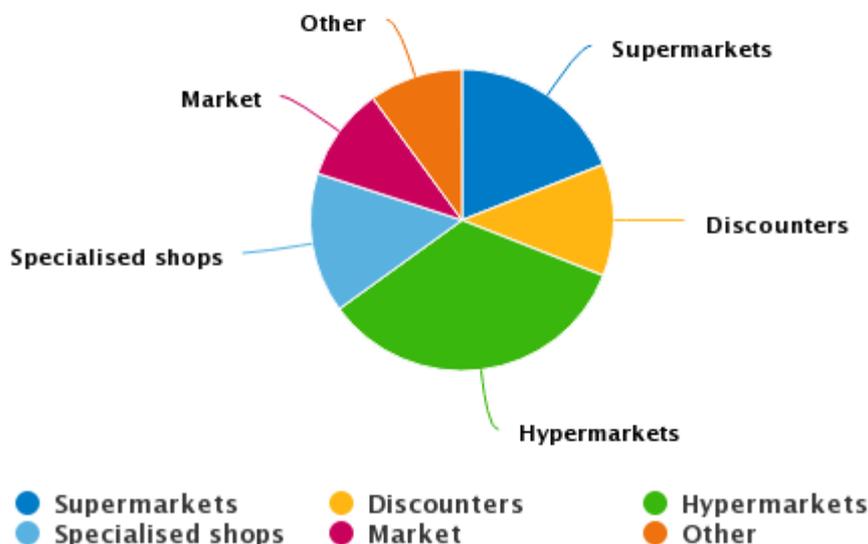
service providers to large retailers. For example, [Bakker Barendrecht](#), part of Greenyard, supplies the leading Dutch supermarket [Albert Heijn](#) with ripened and packed avocados, being responsible for quality control and forecasting its client's needs.

Supermarket programmes

Most avocados are sold through supermarkets. Avocados are a typical product that is programmed under supply contracts. In France, the largest European market for avocados, 65% of the avocados are handled by the large-scale distribution networks of supermarkets, hypermarkets and discounters (see figure 2). These distribution channels are even more dominant in the northern European markets.

Supermarkets have become increasingly involved in the sourcing of avocados, but tend to have different structures. Some work with annual contracts, while others select a dedicated service provider, such as the German discounter Lidl with [OGL Food Trade](#).

Figure 4: The sales channels for avocados in France, in percentage of market share



Source: FruiTrop

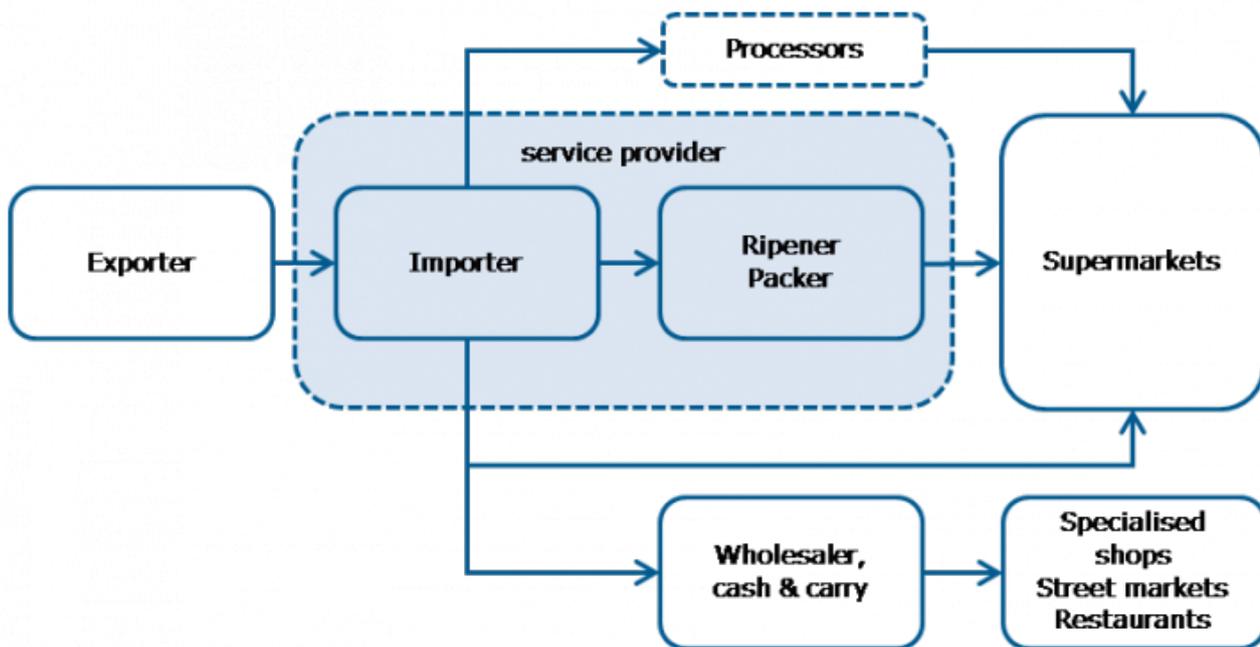
Wholesalers (spot market)

Traditional fruit wholesalers cover the spot market and move according to the fluctuations of the fresh trade. They supply specialised shops, street merchants, restaurants and hotel chains. Sometimes import and wholesale activities are combined, but a traditional wholesaler does not take many risks with importing long-distance avocados. Typical wholesale markets for avocados and other fruit include [Rungis](#) in Paris and [Mercabarna](#) in Barcelona.

Large fruit wholesalers, such as [Staay Food Group](#), maintain a large international network and offer their own cash & carry service point, where clients can purchase a wide variety of fruit and vegetables.

Non-specialised (cash & carry) wholesalers, such as [Metro](#), supply the same end market but depend more on the service of importing companies or have their own purchase centres. Just like supermarkets, they are able to work with long-term contracts.

Figure 5: Market channels for avocados



Source: ICI Business

Tip:

Find importers that also have ripening activities. They tend to be more involved in the avocado business and probably need larger volumes for retailers.

What is the most interesting channel for you?

Because avocados have become a typical product in the retail market, becoming part of a supermarket supply programme is the most interesting channel for any supplier. It provides stability and almost guaranteed volumes, but the requirements are high and the room for negotiation is minimal.

As an exporter, you have different routes to try to become part of a retail programme. The most likely route is to cooperate with a service provider that has a local infrastructure and supply contracts with retailers. Exporters with their own avocado production have the best chances to find cooperation with large buyers and service providers, such as [Bakker Barendrecht](#), [OGL Food Trade](#) and the purchase centres of supermarkets such as Rewe ([Eurogroup](#)) and Carrefour ([Socomo](#)). Direct sales to supermarkets are difficult and only feasible for companies that can arrange a year-round supply and have the resources to have a presence in Europe.

Trading companies that supply the spot market are easiest to connect to. In a good market, they can provide you with a very profitable return, but there are no guarantees. The spot market prices fluctuate more and for exporters there is more risk involved.

Tips:

Make yourself attractive as a supplier to supermarket supply programmes by committing minimum volumes and guaranteeing regular shipments. Large volumes will widen your potential buyer group and make you less dependent on the spot market.

Go to trade fairs to find buyers. The main trade fairs for fresh fruit are [Fruit Logistica](#) in Berlin and [Fruit Attraction](#) in Madrid.

3. What competition do you face on the European avocado market?

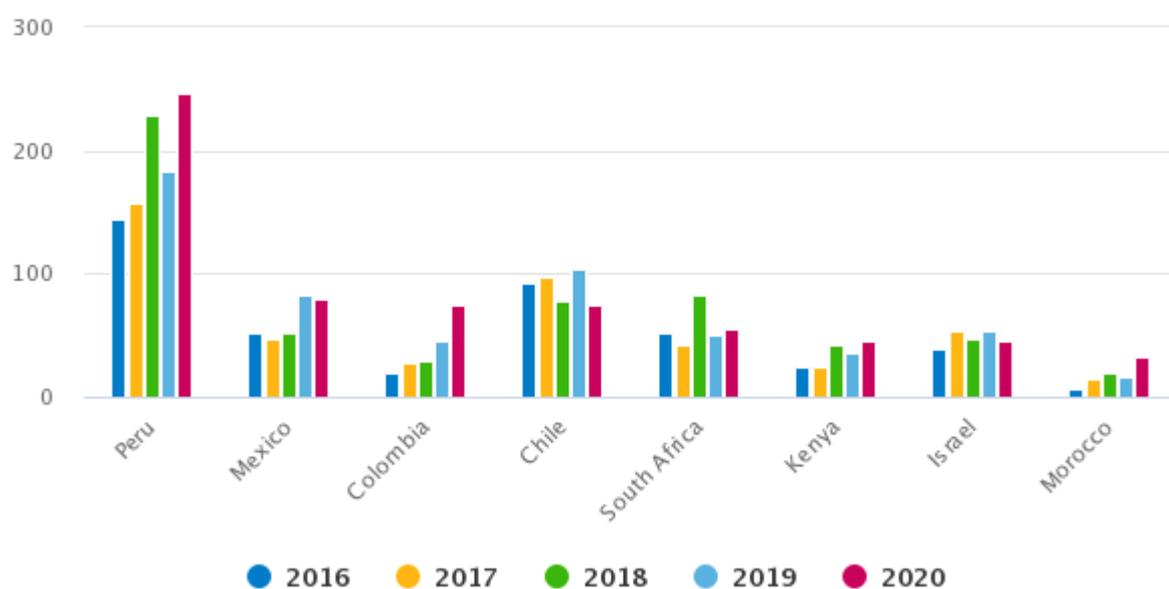
The level of professionalism and the large sizes of companies in the avocado business make it difficult for new players to compete in it. But the growing demand still offers opportunities for companies that are able to match quality in the right supply windows.

Which countries are you competing with?

The European summer's supply of avocados is dominated by Peru, South Africa and Kenya. In the winter months, avocados come to Europe mostly from Chile, Mexico and Israel, while Spain also supplies another 61 thousand tonnes to other European countries. Colombia and Morocco are fast upcoming suppliers.

According to the [OECD-FAO Agricultural Outlook 2021-2030](#) about 74% of avocado production is expected to remain in Latin America and the Caribbean, given the favourable growing conditions in this region.

Figure 6: Main avocado suppliers to Europe (EU-27 + UK)
in 1000 tonnes



Source: Eurostat / Access2Markets and Trademap (UK data)

Peru

In the last decade, Peruvian avocado exports to Europe have grown the most. Peru is now the leading supplier of avocados to Europe, accounting for over 200 thousand tonnes and 30% to 35% of the total European supply. This development has also turned into a handicap for Peruvian growers, because as soon as the Peruvian harvest starts, the large volumes drive prices down.

After the 2018 oversupply, Peru went back to a lower volume in 2019, but with higher prices. The year 2020 has hit yet another record with regard to volume, despite the late start due to COVID-19. The [Peruvian avocado area](#)

[continues to grow](#), from 32 thousand hectares in 2018 to an estimated 40 thousand hectares in 2021.

Peruvian suppliers are competitive, well organised and are able to keep supplies for a long season, although not year-round. During this period it will be difficult to compete and profit margins will often be lower. Countries with similar seasons such as South Africa and Kenya feel the impact of the planning, volume and quality of the Peruvian harvest.

South Africa

South Africa has a similar supply season as Peru. Several multinational fruit companies and experienced avocado specialists, such as [Halls](#) and [Westfalia Fruit](#), originate in South Africa. They have a solid reputation in the production of fruit, including avocados. These large multinational operations have the knowledge and financial means to accurately comply with market requirements. Westfalia owns Greencell in the UK and Comexa in France, and Hall's has ripening facilities in France and the Netherlands.

Avocado supply from South Africa to Europe suddenly doubled in 2018 compared to the previous year, but climate conditions in the years that followed combined with the strong competition from Peru did not allow South African suppliers to repeat this volume. Except for the exceptional production in 2018, the South African supply is relatively stable compared to other countries. But at an annual growth of 1,000 to 1,500 new hectares in planted area, South Africa will continue to play an important role in the avocado trade.

Mexico

Mexico is the largest producer and exporter of avocados in the world. Mexico's avocado exports to Europe are still relatively minor compared to the volumes shipped to the United States. The country is also able to produce practically year-round, which gives it a commercial advantage, but their main strength in supplying to Europe is during the European winter.

[OECD-FAO predicts an annual growth in production of 5.2%](#) over the next ten years. The growth is supported by the demand from the United States, the main buyer of Mexican avocados. Meanwhile, Mexican growers are gaining further international experience and their share in global exports is expected to increase to 63% in 2030. Part of these exports will be destined for Europe, which currently takes in around 80 thousand tonnes (in 2019 and 2020).

Mexican avocado exports to Europe are growing, while suppliers look for alternative markets to reduce their dependency on the United States. However, European buyers have been hesitant about buying from Mexican producers mainly because Mexican post-harvest is targeted to the US market nearby, which means that long-distance markets, such as Europe, sometimes receive lesser quality produce. A new sea-freight route between Veracruz and Rotterdam will help change this and facilitate future growth.

Colombia

Colombia has taken a big step forward in production. In a matter of a few years it surpassed Kenya, South Africa and Chile as supplier to the European market. Being an emerging supplier, Colombian producers have faced several challenges in product quality and internal logistics. Growers and exporters are quickly dealing with these issues and are building a stronger reputation in avocados. These efforts have resulted in increased exports to Europe. The volume shipped to Europe has grown from 2.4 thousand tonnes in 2014 to 75 thousand tonnes in 2020, making Colombia the most rapidly emerging supplying country to Europe.

In the next few years, Colombia's avocado production is expected to further increase. [Figures of the Colombian Ministry of Agriculture and Rural Development](#) estimate that the avocado production in 2020 amounts to 639 thousand tonnes, 42 thousand tonnes more than the year before. Around 168 thousand tonnes is of the Hass variety.

European buyers see a great deal of potential in Colombian avocados, since they can fill the gap between two supplying seasons. In sea freight they have a logistical advantage over Chile, which supplies a similar season. Major avocado groups have put their focus on Colombia, leading to [international investments and cooperation in the Colombian avocado sector](#), for example by [Eurofresh](#) (Spain) and the [Fresca Group](#) (UK).

Chile

Chilean avocados are available from September to February and cover the supply gap between the Peruvian and the Spanish productions (see the supply calendar in Figure 7). European buyers are generally very satisfied with the constant and reliable quality of avocados from Chile, which has been a stable and a long-term supplying country.

Structural problems with drought and recent adverse weather conditions reduced the production and export capacity for Chilean growers, which shows in the almost 30% export drop during the 2020/2021 season. Avocado buyers in Europe have concerns about water availability in Chile and fitting Chilean avocados into their commitment to sustainable sourcing. Although these problems are not unique to Chile, it has slowed down the Chilean avocado production growth and sales.

Unlike Peru, whose producers focus almost exclusively on export markets, Chile's domestic market actually [consumes approximately 30% of the country's avocado production](#). The other 70% is exported, with the Netherlands and the United Kingdom being the most important markets in 2020. Chile will continue to play a role in the winter trade with Europe, but there is little expectation it will follow the fast growth of its competitors.

Israel

Israel is not the strongest competitor in volumes or price, but in a good market, competes in quality and innovative breeding and production programmes.

Geographically, Israeli growers are also closer to Europe than their Mexican and Chilean competitors. Most of the Israeli exports to Europe consist of Hass avocados, but the country can also offer a variety of green avocados, such as Ettinger, Fuerte, Pinkerton, Arddit, Nabal, and Arad. The proximity to Europe and the local growers' experience with improving varieties make Israel a high-level competitor in the European avocado market. Over the past five years, the average volume to Europe was a little under 50 thousand tonnes.

Increasing competition from other supply countries

In the dynamic avocado sector, you must consider a number of upcoming suppliers, the most important ones being Kenya and Morocco.

Kenya is gradually expanding avocado exports to Europe, although producers have not yet built a flawless reputation in quality, as there are still often reports of quality issues. Still, Kenyan suppliers are price competitive and take a third place in the European summer supply after Peru and South Africa. In 2020, Kenya already exported a similar volume to Europe as Israel and the country is expected to gain more market share.

Morocco is ideally positioned to supply avocados during the European winter season, but it will also have to deal with established suppliers from Spain and Israel. Despite its fluctuating production, Morocco is on course to become another winter supplier. Exports to Europe nearly doubled from 2019 to 2020, to an estimated volume of 33 thousand tonnes.

Avocado production and exports are also increasing in many other countries, such as the Dominican Republic with exports to Europe of 12.8 thousand tonnes in 2020. Brazil has growth potential in the eyes of avocado buyers but currently exports a volume of 5 thousand tonnes to Europe. Tanzania, Zimbabwe and Guatemala are still minor suppliers to Europe (varying between 1 and 6 thousand tonnes) but their export volumes are gradually increasing. Quality and compliance with European standards are often the main challenges for these

new suppliers.

Figure 7: European indicative supply calendar for avocados

	J	F	M	A	M	J	J	A	S	O	N	D
Peru												
South Africa												
Kenya												
Chile												
Israel												
Mexico												
Colombia												
Morocco												
Spain												

Source: ICI Business

Tips:

Try to extend your season by gathering avocados from different climate zones in your country, if possible. Season is an important factor when considering supplying to Europe. The longer your season, the more attractive you are for buyers that want to fill a year-round supply.

Maintain close contact with buyers about market conditions and act accordingly. For example, if other suppliers have extended their supply season to Europe, you could decide to postpone your harvest.

Which companies are your competing with?

The avocado trade has become a mature business with many professional players. This has raised the bar to a very high level. There are several large multinational companies with associated growers, grower associations and professional exporters increasing their businesses, such as Peru’s Camposol, Colombia’s Cartama and Kenya’s Mt. Kenya Avocado Farms.

Camposol

Camposol is the largest fruit company in Peru. Peruvian companies like Camposol are well financed and have invested in new, professionally managed and fully certified avocado orchards, which have turned them into leading exporters of avocados.

However, the enormous production capacity of Camposol and other Peruvian companies has the downside of a concentration of high volumes in a short period, which results in lower prices. In other words, they have gained a top position in volume and reputation, but lost in flexibility. When Peru’s total production hits record highs, it pushes prices down, so these large producers have to sell for whatever the prices may be.

To secure their market, Camposol has set up their own trading office in the Netherlands and invested in avocado cultivation in other origins, such as Colombia, to [reach the strategic goal of becoming a year-round player](#). With a reliable, year-round supply and presence in Europe, Camposol has the tools to negotiate directly with European supermarkets.

Tips:

Try to match the commercial presentation of leading avocado suppliers. Check [Camposol's website](#), for example, to see how they promote themselves and their produce.

Go to [Agrodataperu.com](#) to find the top exporters from Peru and their export volumes.

Cartama group

Colombia's [Cartama group](#) is one of the fast emerging exporters to Europe. Cartama was founded by a group of avocado growers. Boasting their own packing house, they have reached high volumes and high-quality fresh produce through cooperation. This has been a success recipe for Cartama in the European market.

In 2016, British retail chain Marks & Spencer awarded the Cartama Group its annual Growers best quality award. In 2017, the Cartama Group signed a joint venture with the British Fresca Group and [together invested in 422 hectares of avocado orchards](#). In 2019, the international avocado trader [Mission Produce announced a partnership with the Cartama Group](#).

Tip:

Work with other producers in a joint venture or integrate your supply chain to reach supermarkets and their service providers. Having a direct relation with your growers or having your own production is necessary to make an impression with large buyers.

Mt. Kenya Avocado Farms

[Mt. Kenya Avocado Farms](#) is a member of the African social enterprise [Selina Wamucii](#) and one of the leading exporters of avocados from Kenya. They work with hundreds of small farmers, from whom they source hand-picked avocados. The difficulty with small-scale farming is often quality control and uniformity. The company has to work hard to compete with large growers from Latin America and South Africa and at the same time deal with the inferior reputation of Kenyan avocados.

A strength of the company is that they have diversified their business and also offer avocado oil. Cold-pressing is an ideal solution for the avocados that are not of export quality in the fresh trade.

Tip:

Find other uses for your avocados when you are not able to compete in quality.

Which products are you competing with?

Avocados are not an easy product to substitute. They are unique in their taste, characteristics, applications and health benefits. Ready-to-eat and supermarket promotions are important factors for consumers buying avocados instead of other fresh fruit.

Within the avocado trade, the Hass variety is slowly taking over, but this is also because they are best for ripening. Over time it is not unusual for popular varieties to get replaced by improved varieties. Specific Hass sub-varieties can also become more relevant as the market further develops, not only to diversify taste, but also because different varieties can extend the supply season.

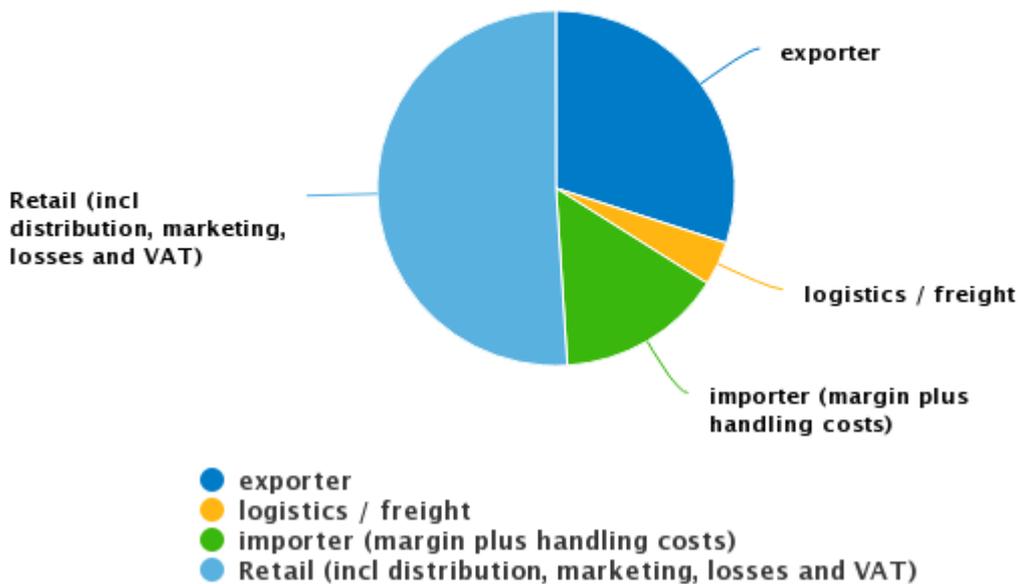
Tip:

Make sure you can offer Hass avocados, but keep an open mind about new varieties that offer advantages in production season, ripening or otherwise.

4. What are the prices for avocados on the European market?

Trade prices for avocados fluctuate mostly depending on the available volume. The summer prices are generally lower due to the higher offer, especially from Peru. Other influences that determine prices are quality, size and variety. The highest average prices are generated by Class I Hass avocados around size 18.

Figure 8: Indicative price breakdown for avocados



Source: ICI Business

Selling prices (importer’s wholesale price) are approximately €8 to €10 per 4kg box. Peak prices go up to €14 per box for excellent quality and when supply is scarce, but bottom prices of €4 or €5 have also been recorded during periods of oversupply (see Table 3). Importers generally maintain a profit margin of at least 8% of the wholesale price, excluding handling costs, ripening and packaging.

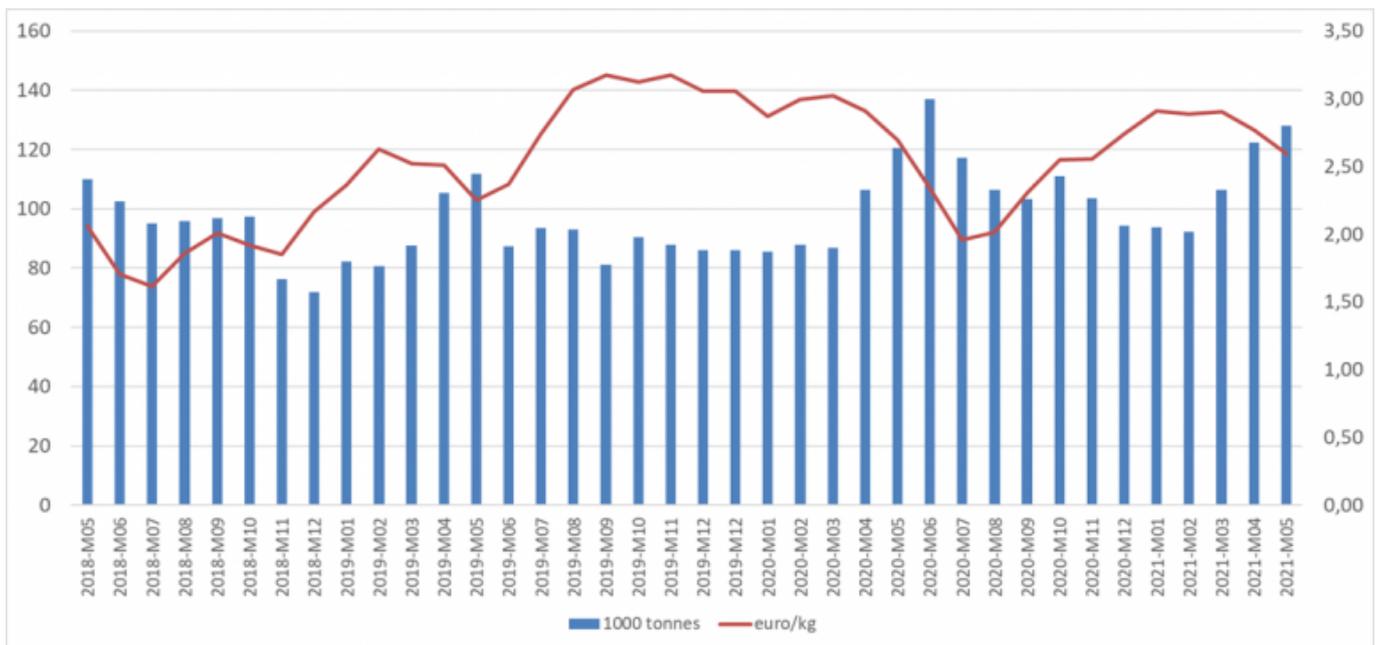
Table 3: Importer’s selling prices (bulk wholesale) in euros per 4 kg box

	high	low
summer	13	5

winter	14	8
2014	12	4
2015	12	5
2016	13	5
2017	13	8
2018	14	4
2019	15	6
2020	13	4

Sources: Industry sources, Fruit Consultancy Europe

Figure 9: Avocado trade volumes and prices per calendar month



Source: ITC Trademap

Avocado trade prices will gradually develop in an upward trend over the next years, but peaks and lows will remain present due to an uneven growth rate of supply and demand. The summer prices in 2018 were extremely low due to an oversupplied market, which had a negative effect on the winter supply that followed. These prices recovered in 2019. In 2020, trade data shows some price fluctuation due to COVID-19, but the summer was again characterised by high volume and low prices. At the start of the winter season prices improved again.

Retail prices are between €1.10 and €1.60 for regular sized, ripened avocados. On sale, they can be sold for as low as €0.99 each. These retail prices do not reflect trade prices because large retail chains or supermarkets

often have supply programmes for avocados with fixed prices.

The retail prices and promotions are managed independently from those on the free spot market. A retail programme provides the stability and security of a steady supply volume, but prices are not negotiable.

This study has been carried out on behalf of CBI by [ICI Business](#).

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