

## KIWIFRUIT SITUATION FOR SELECTED COUNTRIES

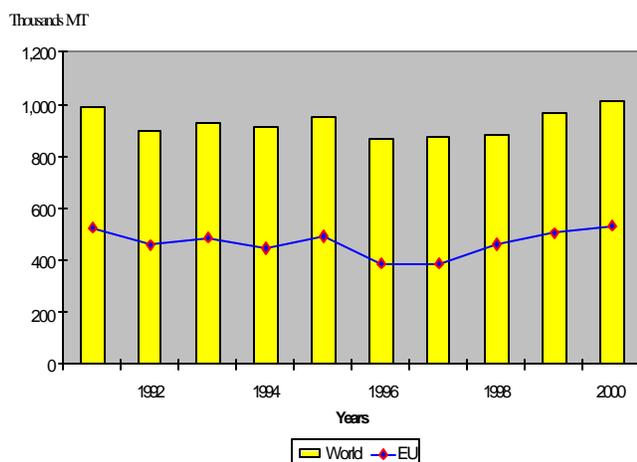
**World kiwifruit production for 2000/01 increased by 4.5 percent to over 1.0 million tons; global exports increased by 1 percent. Exports from Italy, which account for about 40 percent of Italy's production, are expected to decline by 12 percent. Exports from New Zealand, the world's second largest producer and exporter, are forecast to increase by 4 percent to total 220,633 tons. United States kiwifruit production in 2001/02 is down significantly due to poor weather; however, exports are forecast to only decline slightly. Global kiwifruit prices are expected to rebound in 2001/02 due to lower supplies in the market.**

### GLOBAL PRODUCTION

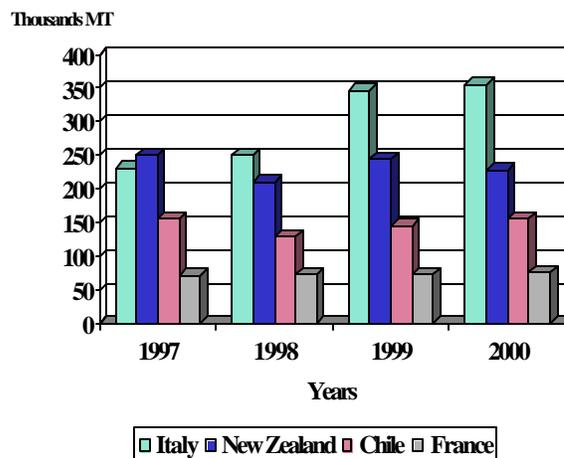
World production of kiwifruit reached 1.0 million metric tons in 2000/01, up 4.5 percent from the previous year. Approximately half of the kiwifruit produced this year originated in the Europe Union (EU).

The top four producers in 2000 were Italy (355,000 tons), New Zealand (229,068 tons), Chile (155,000 tons) and France (76,900). Other key producers include Greece, Spain and the United States.

### EU Contribution to World Production



### Top Four Producers of Kiwi



## **Italy**

The Italian marketing season begins October 15. In 2000, production was up by 3 percent from the previous year. Production for 2001 is forecast to decrease by 12.5 percent, due to poor weather conditions. However, with the area planted continuing to expand, production is expected to rebound in subsequent years.

## **Spain**

Spanish production of kiwifruit has also been hindered by poor weather conditions, with a forecasted decline of 25 percent in 2001. According to official sources, Spain is expected to increase its area planted by about 20 hectares for 2002. However, high land costs and limited area in the northern producing regions, may hamper expansion efforts.

## **Greece**

The Greek kiwifruit crop in 2001 was hit extremely hard by bad weather, decreasing production by 39 percent. Despite the low yield, fruit quality was high. In 2001, grower prices in the major producing district of Pieria as well as in the Preveza – Arta area were higher than 2000 due to smaller crop and the larger size of the fruit.

## **New Zealand**

The total kiwifruit production for marketing year (March –February) 2001/02 is forecast at 242,640 tons, 2.3 percent larger than the 2000/2001 crop. This is due to increased volumes of ZESPRI gold coming on stream from previous plantings. Volumes of the ZESPRI gold are expected to be 30-40 percent greater than in 2001. Other varieties are expected to remain stable.

## **Chile**

In 2001, Chilean production of kiwifruit is expected to increase by 5 percent due to excellent weather and an ample water supply for irrigation. A slightly smaller crop is expected in 2002 because of cold weather during the flowering period last spring. In the coming years, only slight increases in production are expected, as there are no new plantings. Chile's kiwifruit production is expected to level off in one or two years with a total production of close to 160,000 metric tons.

Growth in world kiwifruit production, coupled with improved storage facilities, have allowed kiwi sales in the northern and southern hemispheres to overlap, resulting in the continued deterioration of export prices and a fall in economic returns for most kiwi producers in Chile.

## **GLOBAL TRADE**

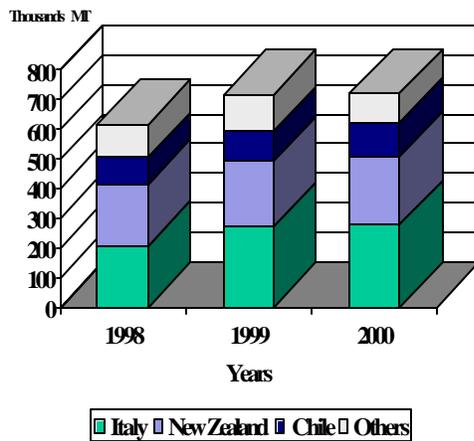
Total world exports reached 717,500 in 2000. This is only a slight increase from 1999, but a substantial

jump (17 percent) from 1998. Approximately 87 percent of the world's exports in 2000 originated in Italy, New Zealand and Chile.

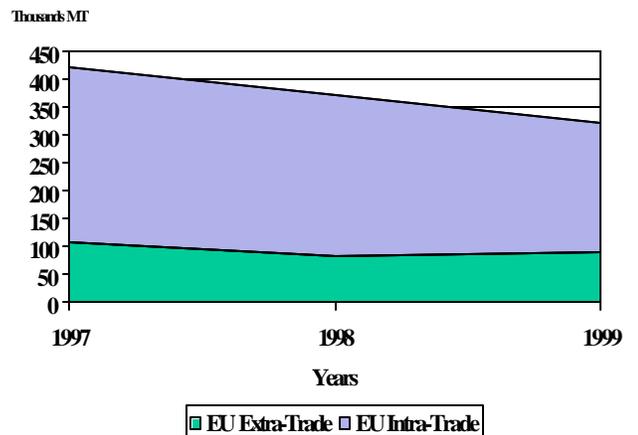
Most Italian kiwifruit exports in 2000 were delivered to EU countries. Germany remains the major export market, importing 27 percent of total Italian exports. Other key markets include France, Spain, the Netherlands and the UK. The top markets for New Zealand kiwifruit in 2000 were Japan, Spain, Australia, the UK and the United States (7 percent). Key markets for Chilean kiwifruit are the United States (25 percent in 2000), Argentina, the Netherlands and Italy.

The EU has contributed almost half of the world exports over the past several years. However, over 70 percent of the exports are shipped to member countries within the EU.

### Top Kiwi Exporters

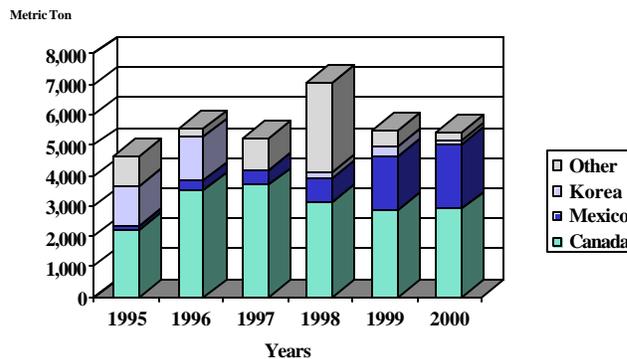


### EU Exports

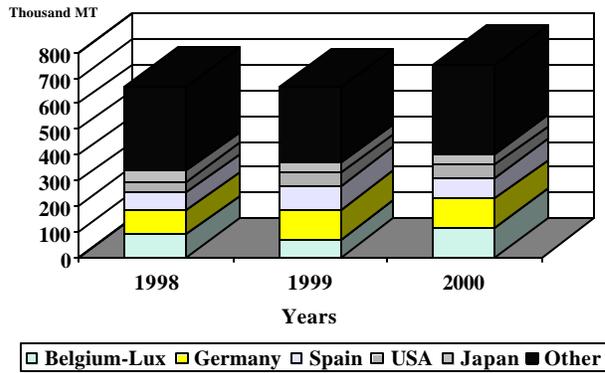


Total world imports were 751,178 tons in 2000, up 13 percent from the previous year. The top five importers in 2000 were Belgium-Luxembourg, Germany, Spain, United States, and Japan. The EU countries are primarily supplied by the top EU exporters (Italy, France and Greece). Chile is the key provider to the Japanese market. The United States imports primarily from Chile and New Zealand.

### US Exports by Destination



# World Imports of Kiwifruit



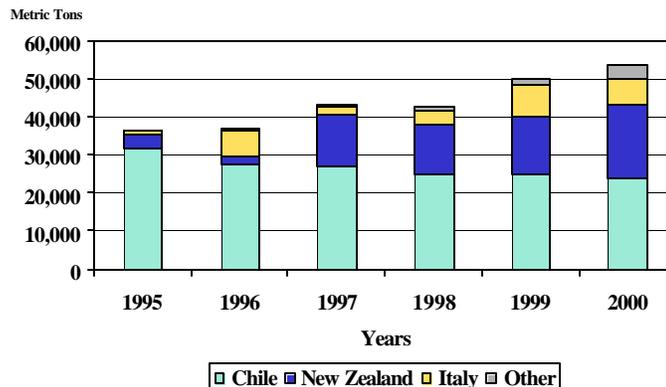
## United States

Total U.S. exports remained relatively unchanged in MY2000 (Nov. 2000– Oct. 2001). The key markets for US exports in 2000 were Canada and Mexico, comprising 52 and 39 percent of U.S. exports, respectively. Kiwifruit exports to Mexico almost tripled since 1998. However, significant market share has been lost in Asian markets (i.e., Japan, Hong Kong, Korea and Taiwan) over the past five years.

The United States has 17 percent of the market share in the Canadian market, lagging behind New Zealand (38 percent) and Italy (23 percent). The United States is also third in the Mexican market behind Chile (45 percent) and New Zealand (32 percent), holding 21 percent of the market.

Total U.S. imports were up 7 percent in 2000, compared to the previous year. Chile and New Zealand supplied 80 percent of U.S. imports of kiwifruit in 2000. The other 20 percent originated, primarily, in Italy and Greece.

## US Imports by Country of Origin



## **Italy**

Italian kiwifruit exports increased significantly in 1999 and 2000 due to large domestic supplies. However, 2001 supplies and exports are expected to decline. Italy's key competition comes mostly from other EU countries, mainly France and Greece.

## **New Zealand**

Total global sales volume of kiwifruit for the 2001/2002 season is forecast at 4 percent above the previous season. Globally, Zespri Green kiwifruit varieties are up 4 percent from the last season with 183,600 tons sold. Zespri Gold kiwifruit volumes were up 16 percent at 16,920 tons.

The large volumes of Zespri Gold fruit made selling conditions difficult for Zespri International in the 2001 season. Zespri Gold was introduced on international markets for the first time in 2000, and ran into problems that affected grower returns for this product. Zespri has reported the Gold fruit as being a more difficult product because it has a shorter selling season than the traditional Green variety. The Gold variety ran into difficulties later in the season, especially in Europe, where Gold sales finished 20 percent lower than 2000 with 11 percent lower prices. Volumes of Gold to Europe were reduced overall because of quality issues, however, prices were 17 percent above the Zespri Green variety.

Zespri (Gold, Organic, and Green) has seen tremendous growth in East Asia this season. This region continues to move ahead of 2000 with volumes up 20 percent in 2001 and prices down by 10 percent. Net revenues for the East Asian region were 8 percent above 2000.

## **Chile**

The Chilean's MY2000 (Jan-Dec 2001) exports are estimated to be higher than the previous year, reflecting the increase in production. Although 2001 estimates drop from the previous year, industry sources have indicated that producers expect a smaller but better quality production. Consequently, a larger percentage of the fruit will be exported.

Chile's kiwifruit exports normally begin during the last week of March and last through September. However, improved technology in storage facilities has allowed the export season to extend through November. End-of-season exports are mainly sold to Latin American countries.

## **CONSUMPTION AND MARKETING**

Consumption for selected countries (Italy, France, Greece, Spain, United States, New Zealand and Chile) reached 437,876 in 2000, up by 2 percent from the previous year. Other major consumers are Japan, Germany and Belgium.

## **Italy**

Low prices stimulated kiwi consumption significantly in MY1999 and MY2000. Prices are forecast to

recover during the 2001/2002 marketing year due to low supplies.

Confectionary industry use of kiwifruit continues to grow. Kiwifruit are being used for cakes and ice cream.

Sales of kiwifruit in supermarkets and hypermarkets continue to increase in Italy. However, most fruit in Italy, including kiwifruit, is still sold in street markets and fruit shops, generally in bulk.

### **Spain**

Kiwifruit consumption in 2001 is expected to increase slightly. Consumption of kiwifruit in Spain has been increasing annually because of consumer preference for healthy food. Kiwifruit has a reputation in Spain as being healthy.

### **Greece**

The domestic fresh market absorbs now between 18,000 and 21,000 tons annually. Utilization of kiwifruit for industrial or other purposes (i.e. canned, frozen, juices and jams) continues to be very small, with limited prospects for any increase in the near future.

Stocks: As of late December, a total of about 23,000 tons of kiwifruit were available for export and for the domestic market. Of this total about 1,000 tons are in the hands of cooperatives, while the balance is in the hands of shippers/ exporters/ merchants, all held in cold storage. It is expected that about 11,000 tons of these stocks will be exported and the balance sold in the domestic market

### **France**

The French kiwi board (Bureau Interprofessionnel du Kiwi-BIK), funded by producers, conducts an annual marketing program to promote domestically-grown kiwifruit on the French market. In 2001/2002, the board will launch a massive campaign targeting health professionals, barmen and the media.

### **New Zealand**

The strategy to take the Zespri business from a seasonal marketer of New Zealand kiwifruit to a 12-month producer and marketer of world-sourced products is well under way. A ten-year strategic production and marketing plan is being rolled out in phases with a management structure in place. Zespri Gold plants are currently in the ground in Italy, the United States, Japan and a negligible amount in Spain.

### **Chile**

Chilean producers and exporters continue to target their efforts toward increased consumption in principal export markets with the voluntary quality control program. Both groups are subject to a quality control program similar to the system in effect for most deciduous fruit. In the absence of mandatory quality controls, Chilean fruit exporters have concentrated their efforts on diversifying export markets.

*(For information on production and trade, contact Edwin Lewis at 202-720-5028. For information on marketing contact Scott Bleggi 202-720-7931.)*

<b>Country</b>	<b>Planted Area</b>	<b>Production</b>	<b>Exports</b>	<b>Imports</b>	<b>Domestic Consumption</b>
<b>Metric Tons</b>					
<b>Italy</b>					
1999	20,000	346,000	260,000	22,000	108,000
2000	20,100	355,000	285,000	32,000	102,000
2001	20,200	310,000	250,000	35,000	95,000
<b>France</b>					
1999	4,020	72,300	28,337	24,662	68,625
2000	4,032	76,900	29,734	30,497	77,663
2001	4,032	70,000	26,000	32,000	76,000
<b>Greece</b>					
1999	3,570	58,000	27,255	1,690	32,435
2000	3,625	73,600	33,254	779	41,125
2001	3,650	45,000	25,000	2,000	22,000
<b>Spain</b>					
1999	955	13,800	9,200	80,000	84,600
2000	955	16,000	12,400	82,600	86,200
2001	960	12,000	8,500	84,000	87,500
<b>United States</b>					
1999	2,144	30,844	5,636	50,267	75,475
2000	2,144	22,680	5,524	53,697	70,853
2001	2,144	30,000	5,600	54,000	78,400
<b>New Zealand</b>					
1999	10,750	244,800	228,315	150	16,635
2000	10,750	229,068	213,033	150	16,035
2001	10,750	237,240	220,633	150	16,607
<b>Chile</b>					
1999	7,695	145,000	102,499	0	42,501
2000	7,695	155,000	111,000	0	44,000
2001	7,675	150,000	112,000	0	38,000
<b>Total</b>					
1999	49,134	910,744	661,242	178,769	428,271
2000	49,301	928,248	689,945	199,723	437,876
2001	49,411	854,240	647,733	207,150	413,507

SOURCE: U.S. Agricultural Attache Reports, Bureau of the Census and NASS/USDA