

2. MARKETS FOR MANGOES FROM THE CARIBBEAN

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Most of the potential increases in regional mango production will be by export to extra-regional markets (Hrapsky et al, 1985). Little potential for market expansion exists in the small domestic markets of the principal mango producing countries in the Windward Islands. There is, however, limited potential for increased sales of fresh mangoes to Barbados and Trinidad and to hotels in the region for consumption by tourists. Extra-regional markets for mangoes have expanded considerably over the past 8 years, particularly in the UK and France (see Figure 1), the European Community in general (Figure 2), and in the USA (Figure 3).

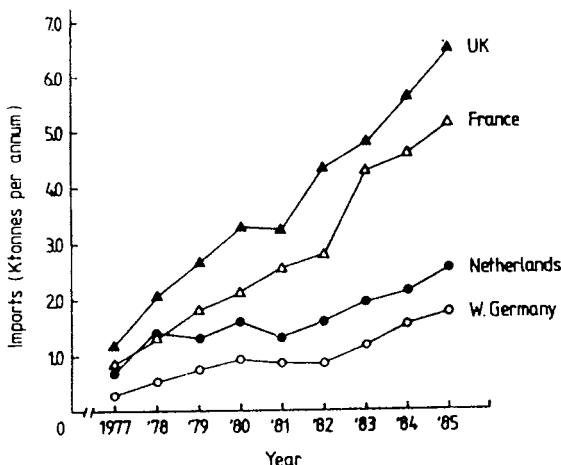


Figure 1: Imports of mangoes, mangosteens and guavas to Europe (where mangoes comprise 95% of the total)

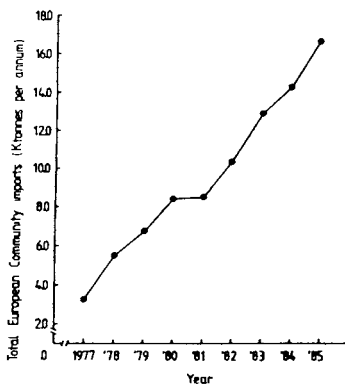


Figure 2: Imports of mangoes, mangosteens and guavas into the European Community (mangoes comprise 95% of the total)

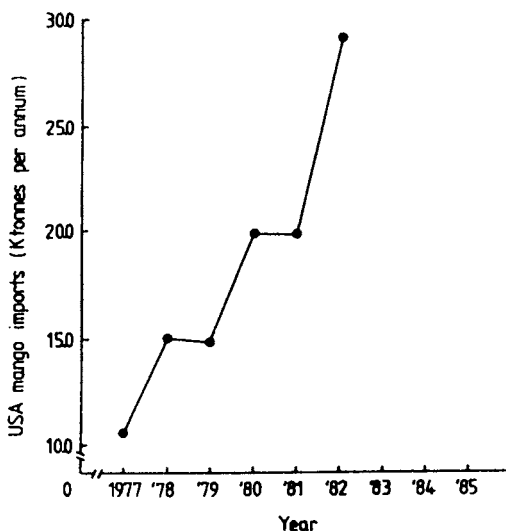


Figure 3: Imports of mangoes to the United States of America

The Western European market

Mango imports into the European Community have increased from 3,181 tonnes in 1977 to 16,830 tonnes in 1985 (see Figure 2). These are likely to continue to increase with larger non-European ethnic populations, more widely travelled European populations (acquiring a taste for tropical fruits) and continued and improved marketing strategies practised by European importers to reach others of the native European population (Fintrac International Ltd 1985; Hrapsky *et al*, 1985). The largest exporters to the EC are Mexico and Mali, each of which accounted for 14% of EC imports in 1983. In comparison, Jamaica, St Vincent and St Lucia accounted for between 1-2% each of EC imports in 1983 (Nimexe, Statistical Office of the European Communities).

However, with increasing demand for mangoes, it is likely that there will be room too for the increased production possible from many of the Caribbean islands. Three factors must be kept in mind regarding the potential for extra-regional market expansion to the EC.

- (1) The expansion to date has mainly been in the 'Florida' varieties particularly those which ripen with a red blush. Of the islands studied, these are only grown in a large (and proven) scale in Jamaica and Belize. It is likely that much of the future demand will also be for those varieties which ripen to a red colour.
- (2) Other islands produce largely the Julie mango, the skin of which usually remains green when ripe (although it sometimes unaccountably has a reddish colour). The taste of Julie is recognised by many - mainly West Indian immigrants - to be superior to other varieties. However, marketing promotions are

required so that conservative Europeans who normally 'buy with their eyes' are familiarised with the lack of relationship between skin colour and taste. Some importers in the EC are aware of the potential for Julie mango as a 'super-taste product' for the wider European population and realise the importance of this kind of promotion to the future of an expanded market for Julie mangoes, especially considering the likelihood that the West Indian immigrant market in the EC is already adequately supplied by Julie mango, and demand from this sector is unlikely to increase much more.

- (3) Consistent high quality and reliable continuity of supply are essential for successful competition with major world producers for a place in the European market. The availability of a sea freight service by Geest provides a price advantage to Eastern Caribbean exporters shipping Julie mangoes, over the other world producers shipping by air. However, post-harvest research aimed at increasing product shelf-life and maintaining fruit quality on Geest ships over the 10-14 day journey is required to optimise use of this advantage.

The United States market

US mango imports rose from 10,521 tonnes in 1977 to 29,395 tonnes in 1982 (see Figure 3). Therefore, there is also an expanding market for mangoes in the US. However, at present, two major quarantine restrictions essentially close the market to many Caribbean islands:

- (1) The restrictions on the use of ethylene dibromide (EDB-see Chapter 4) for the fumigation of mangoes against fruit fly, and the lack of an accepted suitable alternative treatment mean that most of the islands will not be able to export to the USA when the use of EDB is banned.
- (2) The mango seed weevil has been found in St Lucia and in Dominica. This, like fruit fly, is a quarantine pest for the US, thereby restricting export of mangoes from these islands to the US.

Until these two problems are solved, it is unlikely that the US will be target market for many Caribbean islands.

The Canadian market

Demand for mangoes is also increasing in the Canadian market although import volumes are smaller than in Europe and the US (Hrapsky *et al*, 1985). As there are no quarantine requirements in Canada, there is potential for export to this expanding market. Additionally, the new CARIB-CAN trade agreement has led to the promotion of tropical fruits from the Caribbean in Canada.

Markets and Seasons

Mango in general is seen as a fruit for summer consumption in Europe, USA and Canada, and therefore is in greatest demand from June to August. This coincides with the West Indian production season from May to September. It, unfortunately, also coincides with the production seasons of other major world producers of mangoes such as Mexico, Mali, Venezuela and India. Thus, although demand is lower from November to April, this demand is not met by the low supplies in this period. Prices are therefore highest at this time. Unless the islands can extend their production season, they will continue to be in competition with major producers.

Markets for processed mangoes

Little information is available concerning the markets for processed mangoes other than juices, nectars and pulps. Mango juice on its own is generally too sweet for European taste but there is a large market for it in the Middle East. However in the European market it is commonly used in fruit-juice blends (of which there is currently a glut). Demand for mango pulp is growing for use in dairy goods and ice creams. There is also interest in other mango products such as dried mango.

Comparison with the Market for other fruit and vegetables

Market studies prepared for Dominica and St Lucia concerning the market for exotic and ethnic fruit and vegetables from Dominica in the United Kingdom, West Germany and the Netherlands both concluded that mango is of most interest to importers in all three countries compared to other commodities investigated. The St Lucia study also identified avocado as an alternative promising export, but the Dominica study found that it has only a limited potential market. Other commodities, such as pumpkin, plantain, christophene, dasheen, tannia and yams are of limited interest, only to ethnic importers (Export Market Development Division, Commonwealth Secretariat, 1985).

Mango production profitability

Rigorous farm level yield and cost of production data for mango are not available, making financial and economic analysis difficult. However, analysis of the St Lucia Crop Diversification Project farm budget shows financial and economic internal rates of return greater than 50 per cent. These high rates of return suggest that mango production is profitable (Hrapsky et al, 1985).

Price of mangoes

Currently, mangoes are usually air-freighted to avoid the high risk of perishing on long sea voyages. The high cost of air transport adds considerably to the price at which they can be offered. If the technical problems of sea transport could be solved, and shelf-life could be

increased and quality maintained, a cut in unit price would be possible. This lower price level would allow mangoes to become an item of mass consumption, thus leading to a considerable expansion in the market (FAO, 1984).

References

- (1) Fintrac International Ltd 1985, A Report - Test Marketing of Selected St Lucia Produce in the UK and W Germany. Commissioned by EMD, Commonwealth Secretariat, London 1985.
- (2) Hrapsky A, Weber M and Riley H, A Diagnostic Prescriptive Assessment of the Production and Marketing System for Mangoes in the Eastern Caribbean. Working Paper No 23, MSU International Development Papers, 1985.