

Panama expects to start pineapple exports to China in the first quarter of 2019

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Panama expects to send its first shipments of pineapples to the Chinese market in the first quarter of 2019, following the signing of the phytosanitary protocol agreement at the beginning of this month.

Rosmer Jurado, president of the Panamanian Exporters Association (APEX), spoke with Fresh Fruit Portal.

“We are in the process of negotiating a free trade agreement. What we have done is advance the phytosanitary process so that the protocol can be approved,” said Jurado, adding that final approval of the individual facilities is still required.

Rafael Bermúdez, general manager of Primero Cuarenta Group, one of the companies that will export to China, said Panama could be a year-round pineapple supplier to the market.

“We are in talks with Chinese businessmen to see what volume they want to manage, but from the moment we are given the green light to be able to export ... [we plan to send] between two and three containers per week,” he said.

Jurado also explained the distance between the two countries will be a major challenge. Panama's northern neighbor, Costa Rica, received pineapple market access to China in early 2017, but trade so far has been very limited in large part due to the logistical difficulties.

“One of the advantages that Panama has is that it maintains a large amount of traffic and shipping and that will allow us to have a competitive advantage ... in terms of transit time,” he said.

While the main market still is Europe, followed by the U.S., they expect Asia to become a new commercial opportunity. He said that while Panama couldn't compete with countries like Thailand on price, it could become a niche supplier of high-quality fruit.

The standard size pineapples from Thailand and the Philippines are sold on average at US\$5 per unit, said Jurado.

Panama expects to reach around USD30-40 million in sales for the first phase of the exports.

The Panamanian fruit industry is also hoping that the opening of the Chinese pineapple market will pave the way for access for other products like bananas, he said.