

## Passionfruit Industry Export Market Development Strategy 2023

*A quick overview of international trade  
opportunities and considerations*

### STRATEGY SUMMARY

To review the opportunities to export Australian passionfruit, Hort Innovation has developed a comprehensive export market development strategy. The strategy has been produced using levies from the passionfruit industry and funds from the Australian Government.

The supporting data underpinning this strategy has been somewhat limited by the small size of the industry and available statistical information. Prepared by market analysts and researchers McKINNA et al, the strategy ranks and rates export market potential for passionfruit, providing a valuable resource for both growers and industry to identify any trade development investment opportunities.



## WHERE ARE WE NOW?

In the year ending June 2017, Australian growers produced more than 5000 tonnes of passionfruit, all of which was sold on the domestic market. It is estimated that more than 130 commercial passionfruit growing businesses operate in Australia.

Passionfruit production occurs in the north of Australia. Major production areas include the Wide Bay region, Cooktown, Daintree and Mareeba in Far North Queensland and the Sunshine Coast in South East Queensland, and the Tweed Valley in the north of New South Wales.

As there is little Australian passionfruit export activity, there is limited experience in international trade. Some growers have export exposure from other crops they also produce.

“Australia is stronger in the superior tasting, darker skinned varieties. Many of Australia’s global competitors produce only the Green Panama passionfruit variety”

## WHERE DO WE WANT TO BE?

The Passionfruit Strategic Investment Plan, which was developed with industry, identifies ‘driving long-term domestic and export growth’ as a priority. It also notes the need to provide industry access to timely and relevant data and information to improve industry-wide decision making.

## WHAT ARE THE OPPORTUNITIES?

Although limited analysis has been possible in the market mapping due to the small size of the industry, the best prospect markets for Australian passionfruit are:

- 1. New Zealand:** In the seasonal windows outside local supply.
- 2. Singapore:** With a focus on developing products especially for food service.
- 3. Hong Kong:** With a focus on developing products especially for food service.
- 4. United Arab Emirates:** With a focus on developing products especially for fresh juice outlets.
- 5. United States of America:** Potentially in collaboration with New Zealand suppliers.

The seasonality of passionfruit supply may dictate the best seasonal supply windows for passionfruit exports, particularly in markets where New Zealand is a key competitor. Demand on the domestic market is lowest in January/February when Australia would be competing with New Zealand. Fruit quality is best from June to August, which would present the ideal window.

## **WHAT IS STOPPING US GETTING THERE?**

While there are good working relationships among industry leaders, there are many passionfruit growers who do not participate in industry programs. The spread of passionfruit production areas and the remoteness of many northern production regions exacerbates the lack of industry connectivity. The absence of this broader industry collaboration presents a challenge for export programs where an industry-wide approach would enable it to achieve economies of scale and work towards sustainable, programmed export contracts.

Consistent quality standards are also an ongoing issue in the passionfruit industry, even on the domestic market, and this will be important to address as exports grow in order to protect the brand values of Australian passionfruit.

## **HOW ARE OUR COMPETITORS POSITIONED?**

Many of Australia's global competitors produce only the green Panama passionfruit variety. Australia and New Zealand are stronger in the superior tasting, darker skinned varieties.

New Zealand is a competitor in some markets however, its seasonal window is shorter than Australia's running from December to winter. New Zealand's season ends when Australia's fruit comes into its best quality. New Zealand is currently exporting passionfruit to Singapore, USA and other markets.

South American competitors such as Ecuador, Peru, Costa Rica, Colombia and Brazil are largely growing the inferior Panama variety. These countries tend to focus on supplying the UK and European markets.

African competitors include Kenya, Zambia and South Africa. South Africa is the main competitor in South East Asian markets such as Singapore but higher freight costs give it a competitive disadvantage.

## WHAT ARE THE NEXT STEPS?

The Strategy makes the following findings:

- Given the small size of the industry and the exotic nature of passionfruit, any export initiative by the Australian passionfruit industry will need to be built on collaboration between growers to implement very targeted market development efforts. This should be led by an experience marketer.
- There is potential in collaborating with other exporting countries to build a retail program in key export markets – extending the season for consumers. This will likely require strategic alliances incorporating a common brand and packaging.

Hort Innovation will work with industry to determine its appetite for levy investment and roll-out of trade related research and development activities.

This summary feeds into an overarching Australian Tropical Fruit Export Strategy which aims to:

- Encourage collaboration in the tropical fruit sector to build new export business models and supply chains
- Develop new products to secure premium pricing, underpinned by strong branding
- Engage with markets to maximise immediate opportunities while also pursuing strategic market access for the longer term

For more information on the passionfruit industry, refer to the Horticulture Statistics Handbook and the industry's Strategic Investment Plan.

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