

International Blueberry Organization's (IBO) 2021 Summit: A Summary

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This summary has been compiled from the report entitled '*Consistent Quality is the new Blue – A Look into the Future of the Blueberry Market*' presented by Rabobank

The International Blueberry Organization's (IBO) 2021 Summit, was held virtually from 23-25 August 2021. The symposium was originally set to take place in Trujillo, Peru between August 10 and 12, 2020, but was rescheduled due to the COVID-19 (coronavirus) pandemic. Below is a summary of the conference using information sourced from Rabobank's "A look into the Future of the Blueberry Market".

Global production and exports

Global highbush blueberry planted area surpassed 205,000 hectares in 2020 with production expected to continue to grow firmly in the next few years. The majority of the area planted is still concentrated in the Americas however the Asia – Pacific is rapidly expanding. South America is growing fast, and new regions are being developed in Europe, Africa and Asia.

The top five ranking countries that produce fresh blueberries include Peru, US, Chile, China and Mexico. The rankings for export on the other hand are slightly different. It is estimated that by 2025/26, 90,000 tonnes will be exported with over 70% coming from Peru, Chile, Canada, Spain and Morocco (Figure 1).

Plantings in Peru may grow at a slower rate over the next few years due to political uncertainties and supply challenges, but Peru will reaffirm its place as the largest fresh blueberry exporter in the world. Since the 19/20 season Peru has been the largest global fresh blueberry exporter. Its peak shipments are from September to November, but Peru is extending its growing season and in the future hopes to produce all year round.

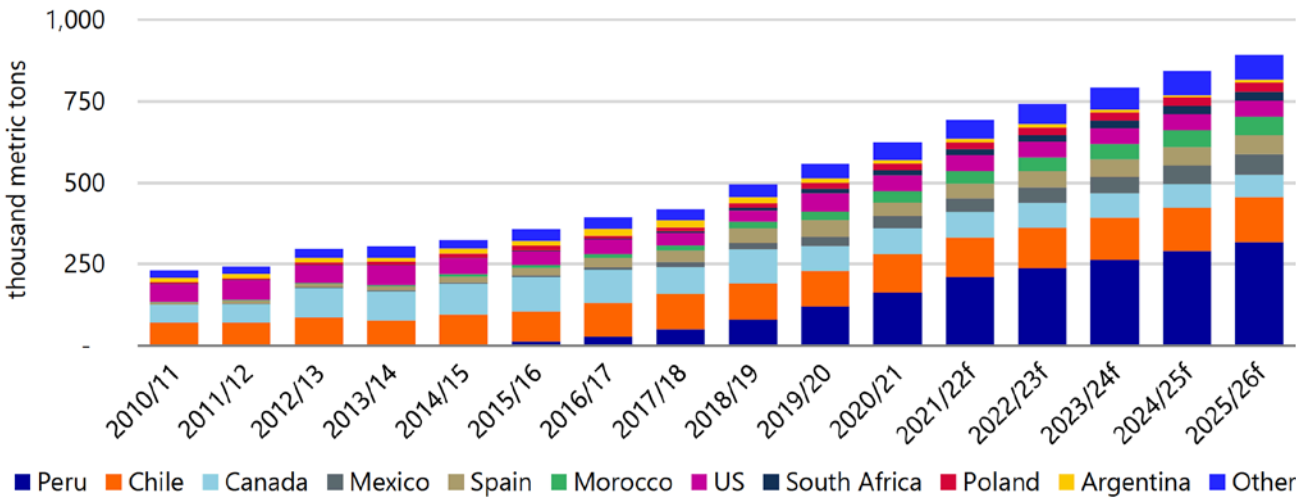
One of the key destinations that Peru is planning to extend its export presence is to China, starting by doubling its exports to China in 2021/22. China's blueberry production is also rapidly increasing with volumes in 2020 reaching 347,000 tonnes, with 67% of those being fresh blueberries. The local supply of Chinese fresh blueberries will continue to increase and to move from the summer period to start filling the gaps at the shoulders of the season, putting pressure on the imported supply, mainly from Peru and Chile.

Chile is the second largest global exporter of blueberries but shows signs of maturity, with its growth stabilising in the last 5 years. The area under blueberries in Chile has marginally increased in the last few years with a focus on changing varieties to improve productivity and quality of the Chilean supply. Peru and Chile have excellent market access with tariff-free access to China, Europe and the United States. South Africa, Mexico and other northern Hemisphere countries have high tariffs into China. This coupled with the current elevation of logistics costs will limit market diversification from some growing regions in the short-term.

Industry wide thoughts from Rabobank

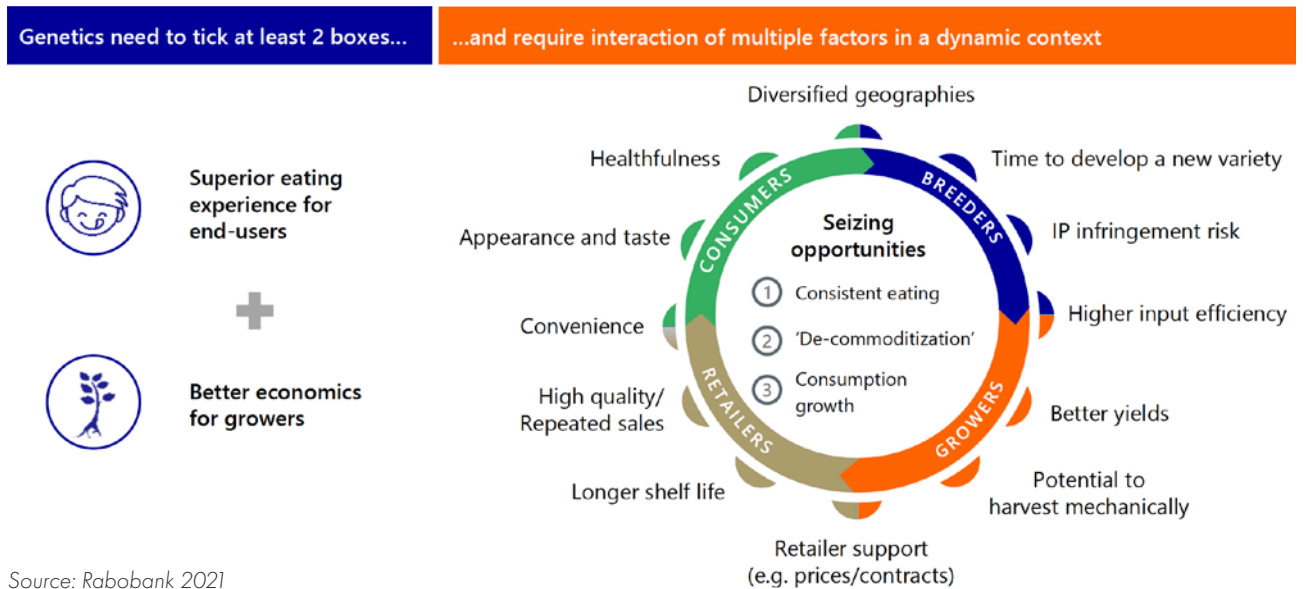
As the market becomes more competitive and as consumers demand more consistent supply, good quality is important to seize growth opportunities. Breeding programs are developing cultivars for different chill requirements, focusing on flavour, firmness and shelf life. The blueberry industry as a whole requires strong and efficient growers, packers, and shippers in every growing region and reliable partners to create an effective marketing circle (Figure 2).

Figure 1. Fresh blueberry exports by country of origin, season 2010/11 to 2025/26.



Note: Marketing season for southern hemisphere countries and Mexico is the period between July of the first year and June of the second year. For other countries, it is the first year of the season. Source: Trade Map, Customs Chile, Customs Peru, Customs Mexico, Rabobank estimates 2021

Figure 2. Growth opportunities for the blueberry industry.



Source: Rabobank 2021

Some of the winning strategies that Rabobank highlight for the future of the blueberry industry include:

Marketing opportunities:

establishing partnerships, joint ventures and acquisitions along the supply chain.

Diversification:

grow the portfolio of fruits and potentially offer other complementary berry products.

Consistency and quality:

consistent supply in terms of flavour, texture and size is required.

Blueberry products:

opportunities may appear for the processed sector. Some segments such as concentrated and ready to drink juices, pulps, and dehydrated blueberries remain underdeveloped.

Mechanical harvesting:

given the labour costs/ challenges, investing in technologies and genetics that allow mechanical harvesting in the blueberry space will provide a competitive advantage.

New marketing channels:

online grocery shopping and delivery are here to stay, make sure that marketing campaigns are linked to these platforms.

Organics:

organic production is set to grow to reach 20% or 30% of the market in some regions with room for growth in this segment.

Innovation in packaging:

environmental sustainability aspects will continue pushing toward innovation in packaging for berries.



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