

# Unfavourable conditions blamed for poor quality pineapple crop

BY ADAM SHARPE

THAI pineapple production in the second quarter of 2010 could drop by as much as 20% in comparison with the same period last year as the effects of the El Niño weather phenomenon take their toll on fruit size and quality.

The Thai Food Processors' Association (TPFA) said in a statement that pineapple output in April-June 2010 may be as low as 500 000 tonnes as temperatures this month, which is the time of the traditional seasonal peak in the harvest, could average as high as 43°C.

"Despite some rainfall in March, the quantity was insufficient to alleviate the heat and irrigate plantations," the TPFA said. "As a result, we are concerned about the supply from the summer crop, which will be adversely affected by El Niño."

It added that due to the drought and the high temperatures, the quality of fruit is also deteriorating, with fruit size generally small when compared with previous years and the heat damaging crops, affecting yields.

## Supply problems

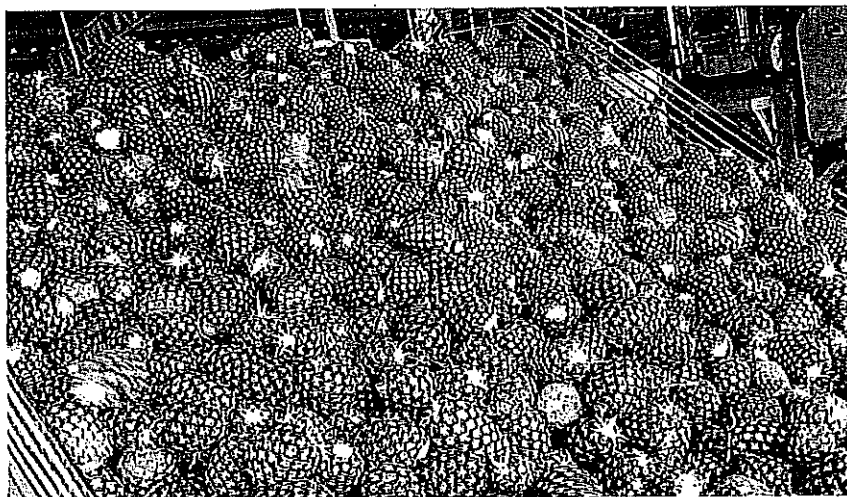
Sources in the country claim that processors are now having serious difficulties in securing adequate quantities of good quality fruit for pineapple juice concentrate (PJC) and canned production.

"Fruit size and quality is the major issue at the moment – the fruit size is too small and too green," one trader who has just completed a visit to the main pineapple growing regions in Thailand, told *FOODNEWS*. "With the fruit in this condition, choice quality products and slices are very limited."

Last week, another source in the country explained that farmers were choosing to harvest their crops earlier this year to take advantage of the high prices (*FOODNEWS 9 April*). The source speculated that the seasonal peak in pineapple output, which usually comes in April, is likely to be very short this year or not come at all.

After surveying the crop, however, the trader said it was more likely that there will not be a peak. "The summer crop will be starting soon but due to the warm weather and lack of cold winds, the plants did not flower," he said. "Therefore, there will definitely not be a peak during the forthcoming summer crop."

He added that the weather continues to be dry, particularly in the south of the country, which produces around 65% of the total pineapple crop, in Prachapkrirkhan and



Good quality pineapples are in short supply in Thailand.

Huahin. "You can easily see that there has not been enough rainfall," the trader said, commenting on the areas that he had recently visited. "The mountains have all turned to a brown colour instead of their usual green."

Raw material pineapple prices are currently in the range of TBH5.70-TBH6.20 per kg and at these higher prices, processors are engaged in trying to squeeze as much value as they can out of the fruit. This means they are generally favouring PJC production.

"Packers are continuing to divert the raw material from canned pineapple and instead crush it to make PJC," the source explained. "It makes more sense to pack more PJC as the fruit concentrate market is crying out for it. There is not a single drop of PJC sitting in Thailand at the moment and the price continues to head north."

Buyers told *FOODNEWS* last month that concerns are growing over whether Thailand can deliver enough PJC this year to meet demand and there could be serious shortages (*FOODNEWS 12 March*).

## Improving demand

The trader added that overseas demand for canned pineapple is also improving this year and it would be "impossible" for the raw material price to fall below TBH5.00/kg any time in the near future. "In regard to canned pineapple demand, we are seeing that the Russian market is starting to become active again," he said, adding that the US market remains relatively stable.

However, prices of canned products will almost certainly increase before the end of this quarter as the costs of production steadily increase. This is not only due to higher raw material prices and low supplies

but also due to a jump in the prices of cans.

"The production cost will be further increased by the increase in tinsplate prices, while the supply of tinsplate will be tight," the TPFA explained. "The iron ore miners have agreed to conclude on a quarterly basis, ending the 40-year system of setting annual prices."

"A price increase by Vale, the largest producer of iron ore in the world, has put the price of ore at about USD105.00 per tonne for Nippon Steel or Japan and Posco of South Korea, compared with the current benchmark of about USD62.00/tonne."

The unfavourable weather conditions have also hit sugar production in the country, which is used to produce the syrup in which the pineapples are canned. "There was an announcement by Office of the Cane and Sugar Board that sugar production will decline by 10% in Thailand this year due to the drought," the trader said.

## BPA found in canned goods

A STUDY by a UK newspaper has found that a number of popular canned food products sold in the UK use the increasing controversial chemical Bisphenol-A (BPA) in their packaging. *The Independent* found that BPA was used in the lining of 18 out of 20 best-selling canned food items in the country. The UK's Food Standard's Agency has given the chemical the all-clear to be used in packaging but the European Safety Authority is considering a review.