The marketing potential of date palm fruits in the European market

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ABSTRACT

Europe, and in particular the European Union (EU) is a key market for date exporters. Although the EU imports of dates represent only 10 percent of world imports in volume, they account for some 30 percent in value. This reflects the fact that EU import prices for dates are comparatively much higher than the world average. However, the value of EU imports has been relatively stagnant over the last decade and import prices have declined since 1996. It is therefore important that exporting countries find new date products that could increase the value of their exports.

To this end, FAO contracted a specialized consultant to study the potential of various date varieties (including “non-traditional” ones) in the EU market. The study found that there was room for increased imports of deglet nour dates (or other varieties with similar taste and texture) provided high standards of quality (including low infestation rate), packaging and traceability could be met. However, prices were not expected to increase substantially from their present level. Mejool has attracted major interest in the United Kingdom and France and fetched high prices. It appeared to have good market prospects but some logistical constraints due to the low supply volume and retailer hesitations still needed to be solved. Conversely, the potential for hayani and bahri seemed limited to a small ethnic market.

RÉSUMÉ

L’Europe, en particulier l’Union européenne (UE), est un débouché de la plus haute importance pour les exportateurs de dattes. Bien que constituant 10 p.100 à peine des importations mondiales en termes de volume, les importations de l’UE en représentent 30 p.100 en termes de valeur. Ceci rend compte du fait que les cours des importations de dattes de l’UE sont comparativement nettement supérieurs à la moyenne mondiale. Cette valeur a toutefois été relativement invariable durant la dernière décennie et les prix des importations ont fléchi depuis 1996. Il est donc important que les pays exportateurs trouvent de nouveaux produits du dattier susceptibles d’accroître la valeur de leurs exportations.

A cet effet, la FAO a confié à un consultant spécialisé l’étude du potentiel de certaines variétés de dattes (y compris « non traditionnelles ») sur le marché de l’UE. La conclusion de cette étude est qu’il existe une marge pour accroître les importations de dattes du type (ou d’autres variétés présentant un goût et une texture similaires), dans la mesure où celles-ci respectent des normes rigoureuses en termes de qualité (notamment, un faible taux d’infestation), de conditionnement et de traçabilité. On ne devrait pas toutefois s’attendre à une hausse substantielle des cours par rapport à leur niveau actuel. La variété Mejool a fait l’objet d’un vif intérêt sur les marchés français et du Royaume-Uni où son prix est très élevé. Les perspectives commerciales semblent intéressantes, malgré certaines contraintes d’ordre logistique associées au faible volume de l’offre et à la méfiance des distributeurs. En revanche, les débouchés éventuels pour les variétés hayani et bahri semblent limités à une clientèle ethnique assez réduite.

RESUMEN

Europa y en especial la Unión Europea (UE) constituyen un mercado clave para los exportadores de dátiles. Aun cuando las importaciones de la UE hoy sólo representan el 10 por ciento de las compras mundiales en función del volumen, esta cifra equivale a cerca del 30 por ciento de su valor total. Esta situación deja en evidencia que los precios de las importaciones de la UE son comparativamente mucho más elevados que el promedio internacional. Con todo, el valor de las importaciones de la UE en cierta forma se ha estancado durante la década recién pasada y los precios han tendido a la baja desde 1996. A la luz de esta circunstancia, es de vital importancia que los países exportadores logren desarrollar otros productos a partir de la palma datilera que les permitan remontar el valor de sus exportaciones.
Con miras a poner en marcha esta iniciativa, la FAO contrató a un consultor especializado para que se abocara al estudio del potencial de diversas variedades de dátiles (incluidas las “no tradicionales”) al interior del mercado europeo. El estudio arrojó que existe la posibilidad de elevar las importaciones de dátiles de la variedad deglet noor (u otros tipos de textura y sabor similares), siempre y cuando se cumpla con medidas estrictas de calidad (entre otras, bajos niveles de infestación), embalaje y rastreabilidad. No obstante, no es esperable que los precios registren un alza sustancial respecto de los niveles de hoy en día. La variedad medjool ha despertado gran interés en el Reino Unido y Francia y registra precios elevados. En apariencia, podría tener buenas perspectivas de mercado, si bien deberá hacer frente a restricciones logísticas como consecuencia del bajo volumen de su oferta y al escepticismo del mercado minorista que aún resta por resolver. Distinta es la situación de las variedades hayani y bahri, ya que su potencial se vislumbra restringido a un pequeño mercado étnico.
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NOTE

This paper was prepared for the International Date Palm Forum, Abu Dhabi, UAE, 15-17 September 2002. It is based on statistical data taken from the FAOSTAT database and a survey of importers carried out by a specialized consultant in early 2000.
1 OVERVIEW OF DATE IMPORTS AND EXPORTS IN THE EUROPEAN UNION (EU)

1.1 Imports

The EU is an important market in terms of value, even though it imports relatively small quantities of dates. Compared with over half a million metric tonnes imported every year in the world, the EU accounts for 10 percent of the total with some 50 000 tonnes (excluding intra-EU trade). However, it accounts for approximately 30 percent of global date imports in value with a net average of US$85 million per year in the 1999-2000 period.

Imports of dates into the EU were relatively stable from 1990 to 1997, oscillating between 40 000 tonnes and 43 000 tonnes with no clear trend (Figure 1). They increased markedly to approximately 50 000 tonnes in 1998 and have remained at this level since then. The value of imports has exhibited even more stability than quantities. Although the 1999-2000 average value was higher than the 1990-91 average (respectively US$86 and 80 million), a closer look at Figure 2 shows that there is no clear growth trend. The value of net imports has varied between US$80 and 92 million for most years over the 1990-2000 decade. The rise in imported quantities in the years 1998 to 2000 did not translate into a higher value of imports (except in 1998) due to the fall in import prices in 1999-2000 (see section 1.3).

Imports of dates into the EU are highly seasonal. They tend to take place at the end of the year, for Christmas and New Year’s eve. In 2001, for example, over 80 percent of EU’s imports were made between October and December. This period also corresponds to the date harvest in many supplying countries, in particular in North Africa.

However, imports also vary according to the dates of the Muslim holy month of Ramadan. The main consumers of dates in Europe are found in the large and growing Muslim community that mainly consists of people who emigrated from North Africa, South Asia and the Middle East. Traditionally, date fruits are consumed during Ramadan. The Muslim calendar is based on the moon cycle and therefore the dates of Ramadan vary from year to year.

1.2 Exports

The EU countries do not produce dates, except Spain with very small quantities. Some of them, most notably France, re-export dates (see section 4). Most of the re-export trade takes place between EU member countries. Net exports from the EU to the outside world are extremely low (less than 1 400 tonnes per year in 1999-2000). The quantities re-exported by the EU have steadily declined over the last decade (see Figure 1). They are down 30 percent from over 2 000 tonnes in 1990-91. The fall has been even more marked in terms of value, with a decrease of 50 percent from almost US$6 million in 1990-92 to about US$3 million in 1998-2000 (Figure 2). This fall reflects a decrease in export prices.

1.3 Prices

The EU is an important market for exporting countries, as it primarily imports dates of high value. In 1998-2000, the average unit value of dates imported ranged between US$1.7 and 2 per kg, while at the global level the unit value was only US$0.6/kg.

However, average date prices in the EU have generally been decreasing since the second half of the 1990s (Figure 3). This fall has several causes. The primary reason is the strong rise in supply worldwide. More dates have been made available on the European market. In face of a relatively

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1 The Figures provided are taken from the FAOSTAT database and exclude intra-EU trade unless specified otherwise.
stable demand (consumption per capita does not seem to increase substantially) prices have decreased. This phenomenon first hit the prices of common dates only. However, as supply of deglet nour from Tunisia and Algeria increased, prices for this variety have also declined. This trend has been compounded by the increasing competition between deglet nour exporters, as these countries liberalized their date sectors. According to some importers, the increase in the number of exporters combined with the removal of central co-ordination has led to a drop in product quality.

Furthermore, pressure from large-scale retailers in the wake of a series of mergers is accentuating the fall in prices. In an oversupplied market, it is easy for the retail chains to demand lower prices. Today the price of the ravier is at a level that importers consider the lowest possible. However, the outlook is for prices to remain at the current level, at least for common dates and deglet nour.

It should be borne in mind that there are exceptions to the general trend of price decrease. The above observations relate to an average price that does not reflect wide differences across date categories. Prices for speciality dates, in particular mejool, can be very high (see section 6.3). Depending on variety, origin, packaging and quality the difference in import prices may be almost ten fold.

2 MAIN MARKETS FOR DATES IN THE EU

France, the United Kingdom, Germany, Italy and Spain account for 85 percent of total EU imports of dates in volume (Figure 4 and Table 1). The analysis of these markets provides therefore a good estimate of the whole EU market.

The variations in net imports over the last decade (Figure 5) show two distinct phases: during the first half of the 1990s imports tended to be relatively stable. On the other hand, the second half of the 1990s witnessed a moderate albeit steady growth. This rising trend is particularly visible for Spain, Germany, Italy and France. In the United Kingdom imports have not really risen above their average of the early 1990s if the exceptional imports of 1999 are not taken into account.

Imports by the other 10 EU member states account for 15 percent only. However, Figure 6 shows interesting trends. Denmark and Sweden have increased their imports since the mid-1990s. Although these markets are small, they are dynamic and consumers have a high purchasing power. They may offer some opportunities for date exporters. Their main external supplier is Iran, followed by Pakistan, but they also import substantial quantities from other EU countries. They mainly import common dates. Ireland’s imports are also growing, although from a very small base. Conversely, Belgium, the Netherlands, Austria, Portugal, Greece and Finland show no clear trend.

France

France is the leading market for dates in the EU. Its main suppliers are Tunisia and Algeria, which account for over 85 percent of its date imports. France’s gross imports have increased steadily, rising from an annual average of 18 600 tonnes in 1990-92 to 22 400 tonnes in 1998-2000. It is the world’s largest importer of deglet nour (18 000 tonnes in 1998). Imports of mejool are growing. France is the only EU country in which consumption of common dates is negligible. France is also one of the main suppliers of the other EU countries through its re-exports (see section 4 below).

The United Kingdom

The United Kingdom is the second largest EU market for dates and consumes large quantities of common dates. During the Christmas period it imports deglet nour packed in 227g glove boxes. Supermarkets have the biggest share for date distribution, with demands for high quality and low prices that some importers consider unrealistic. Recently introduced, mejool dates are selling well and at high prices. Their sales are increasing rapidly due to their distribution by supermarket chains.
Italy
Italy is the third largest EU market for dates together with Germany. Imports of dates have increased from some 5 000 tonnes in the early 1990s to over 6 000 tonnes in recent years. The main variety is deglet nour and over 80 percent of the dates are sourced from Tunisia.

Germany
Due to the rise in incomes in eastern Germany, date consumption is on a slow rise. Germany primarily imports common dates. These are packed in 200g-ravier and sold by supermarkets at discount prices. However, consumption of higher quality dates (such as deglet nour) tends to increase.

Spain
With imports at 5 300 tonnes in 2000, Spain is the fifth largest date market in Europe. However, it is the country where imports are growing at the highest rate. As in France, Spanish importers favour natural deglet nour in 5-kg bulk over processed\(^2\) dates. Common dates are packed in 250g ravier but their consumption is slowly decreasing. There is also a small market for the hayani variety (see section 5.3).

3 SUPPLIERS

Tunisia with a market share of 48 percent and Algeria with 20 percent are the EU’s main suppliers (Figure 7 and Table 2). These two countries mainly export the deglet nour variety. They also ship small quantities of common dates (kenta, alligh, and kouat alligh).

Tunisia is the world-leading producer of deglet nour. It possesses approximately 50 percent of the world’s deglet nour palm trees. The official production Figure in 2001 was 107 000 tonnes for all varieties, of which about two third are deglet nour (Fruitrop 2001). Significant investments in modern deglet nour plantations and an aggressive marketing strategy have led to a steady increase in exports. While exports ranged between 15 000 and 20 000 tonnes in the first half of the 1990s, they were above 25 000 tonnes in 2000 (Figure 8) and even reached a record level of 27 000 tonnes in 2001. Tunisia has been the main beneficiary of the rise in EU imported quantities seen in section 1. However, the value of exports has not enjoyed the same growth due to falling export prices (Figure 9).

Although Tunisia accounts for only 2 percent of world date production, its share of global exports in value is 21 percent. It represents 55 percent of EU imports in value. Tunisia exports about the same quantity of processed and natural dates. The recent liberalization of the export date sector has led to the emergence of a multitude of smaller exporters. According to some importers, this development has had an adverse effect on prices. Tunisia’s main clients are, by order of decreasing importance, France (11 000 to 12 000 tonnes per year, i.e. almost half of its exports to the EU), Italy (over 5 000 tonnes per year), Spain (about 3 500 tonnes), Germany (3 000 tonnes) and the United Kingdom (1 200 to 1 300 tonnes).

Algeria is the world second largest producer of deglet nour (1 million trees). The official production Figure in 2000 was 365 000 tonnes for all varieties. Algeria accounts for 17 percent of EU imports in value. The liberalization and privatisation of the date sector has had a positive impact on exports. Algeria exports more natural dates than processed dates, as there is a lack of processing capacity. The quasi-totality of Algerian dates is destined for France. After a period of growth in the early 1990s, Algeria’s exports to the EU seem to have reached a plateau at some 10 000 tonnes since 1997. There was even a marked fall to 7 000 tonnes in 2001. Import prices of Algerian dates have followed the same declining trend as those of Tunisian dates.

Iran has traditionally been the EU’s third supplier, just behind Algeria. However, it took over Algeria as the second largest EU supplier in 2001 with over 10 000 tonnes. It is the leading date supplier in the United Kingdom, which absorbed some 60 percent of its exports to the EU (the UK imported 6 600

\(^2\) dates referred to as processed dates in this study are rehydrated dried dates generally covered with a glucose syrup which makes them shinier and therefore more attractive to the consumer.
tonnes of Iranian dates in 2001). Its other two largest clients are Germany and Denmark. Iran is the second largest date producer in the world with some 900 000 tonnes, just after Egypt. It exports common dates (*mozafati, sayer* and *zahedi*) at very low prices. It accounts for 6 percent of EU imports in value. It has taken advantage of the fall in Iraq’s exports after 1991 to increase its shipments to Europe as well as to other regions.

**Israel** produces very small quantities of dates (production was estimated at 9 500 tonnes in 2001). However, its exports to Europe have increased over the past 10 years, reaching 4 300 tonnes in 2001. It accounts for 14 percent of EU imports in value. Its main clients are France (1 200 to 1 400 tonnes per year in 2000-2001), the UK (700-1000 tonnes), Spain (800-900 tonnes) and Italy (400-700 tonnes). Israel exports the *mejool, deglet nour, hayani* and *bahri* varieties. It is the leading supplier of *mejool* and the only supplier of *hayani*. There are plans to increase *mejool* production to 3 000 tonnes in 2003-2004.

The **United States** produces dates in California. Output has decreased in recent years and stood at 16 000 tonnes in 2001. The United States chiefly exports *deglet nour* and *mejool* dates to the EU. Their shipments to the EU have been decreasing since 1995 as their *deglet nour* dates face strong competition from North African origins. In 2001 they were down to just over 1 000 tonnes. Exporters tend to replace *deglet nour* with *mejool*, which faces less competition and fetches higher prices.

**Pakistan** is the world’s fourth largest date producer with over half a million tonnes in 2000. It exports common dates to Europe and compete directly with Iran on the same markets (mainly the United Kingdom, Germany and Denmark). Pakistani supplies to the EU have been relatively stable and low over the late 1990s, ranging between 1 700 and 1 800 tonnes annually. In 2001 they fell to 800 tonnes, as Iran increased its market share in the UK, Germany and Denmark.

Other suppliers of smaller quantities to the EU include Saudi Arabia, the United Arab Emirates, Egypt and Turkey.

### 4 INTRA-EU TRADE

There are significant trade flows between the countries of the EU, as several countries re-export dates. They are estimated at over 10 000 tonnes per year.

France stands out for its important role as an internal supplier to the EU, mainly Northern European countries. Its main markets are the UK (over 2 000 tonnes in 2000-2001), Germany (over 1 700 tonnes), Spain (750 tonnes), the Netherlands and Belgium (some 600 tonnes each)³. It imports (from Tunisia and Algeria) significant quantities of natural dates in bulk which are then processed, packaged and re-exported. This processing activity is somewhat declining, as Algeria and Tunisia ship more packed and processed dates directly to their final markets than in the past. However, French operators continue to export substantial quantities thanks to their know-how and trade contacts.

After a period of relative decline in the early 1990s, French exports to other EU countries have increased since 1994 (Figure 10), exceeding 9 000 tonnes in 2000 (9 500 tonnes exported to all destinations). France’s share of the EU market has risen to 15 percent from 11 percent in 1985. However, France has suffered the same decline in export prices as external suppliers have. The unit value of French exports has declined steadily and been halved from almost US$4 000 per tonne in 1994 to some US$2 000 per tonne in 2000 (Figure 10).

The other EU countries re-export much smaller quantities. The United Kingdom re-exported 1 700 tonnes of dates in 1992 but since then its exports have gradually fallen to less than 500 tonnes (to Ireland, Denmark and Germany). Germany has become the EU’s second largest date exporter with

shipments ranging between 700 and 900 tonnes per year in the 1998-2000 period (to Austria and Denmark). The Netherlands re-exports between 500 and 700 tonnes annually.

5 PRODUCT TYPES AND PACKAGING

Processed dates are generally more popular than natural dates. It is estimated that 55 percent to 60 percent of the imported dates are processed. In France and Italy, consumption is evenly distributed between natural and processed dates. In Germany and the UK, processed dates are prominent while in Spain consumption of natural dates is higher.

There are many different types of packaging in the EU, but the ravier has the leadership. There is not a real uniformity of packaging and weight. Except the 5-kg bulk, which is common to every country, various types of packaging can be found: punnets, bags, ravier, tubs, glove boxes, window boxes. There are also many different package weights, ranging from 150g to 2kg. While wholesalers mainly sell in bulk, supermarkets tend to carry small packaging.

6 DATE VARIETIES

6.1 Deglet nour

Imports of the deglet nour date variety are approximately 30 000 tonnes per year. It is the most popular variety in EU. Nevertheless there are some differences between southern and northern Europe.

Southern EU countries mainly consume deglet nour dates. Due to their history and culture, France, Spain and Italy have strong trading links with Tunisia and Algeria. Some 90 percent of the deglet nour produced in the world are exported from these two countries. The remaining 10 percent are produced in Israel and the United States. With 25 000 tonnes, the southern EU countries represent 85 percent of deglet nour imports. They consume the bulk of natural deglet nour, which is not very popular in Germany and the United Kingdom where consumers tend to prefer processed dates.

As they have less trade relationship with Maghreb countries, the United Kingdom and Germany import smaller quantities of deglet nour (some 4 200 tonnes together in 2000). However, it seems that deglet nour consumption has increased.

Deglet nour still offers significant opportunities as evidenced by the increase in imports since 1998. Nevertheless its price has decreased steadily since 1995. This is reflected in the declining unit value of imports for Tunisian and Algerian dates (which are essentially deglet nour) in Figure 11.

6.2 Common dates

Common date is a term generally used by European traders to designate dates that are not deglet nour or mejool. This group includes several varieties such as kenta, alligh, kouat alligh, sayer and zahedi. The United Kingdom and Germany together import approximately 16 000 tonnes of common dates annually.

In Germany, traders are interested in the low price of common dates. In The United Kingdom, the population of Asian origin is thought to have a big influence on the consumption of common dates. These dates are also used by the foodstuff industry in the UK.

While EU imports of common dates are significant (about 16 000 tonnes), this quantity has not increased substantially over the past years. This seems to indicate that demand is shifting towards higher quality dates such as mejool or deglet nour. Only the foodstuff industry keeps a stable demand for common dates. The low and declining prices of common dates can be seen in Figure 11, where the
unit value of common dates imported from Iran and Pakistan has declined to approximately US$0.5 per kg.

6.3 Diversification into non-traditional varieties and products

Mejool

In Europe, *mejool* dates have been known since the early 1990s and it is only in the last three to four years that they have really taken off. They are to be found on the market of the main European countries. Imports of *mejool* are very low (1 800 tonnes in 1999, see Table 3) but they have been rapidly increasing.

With approximately 1 800 tonnes per year, and especially an exponential growth, these dates are arousing interest and hopes among importers. On a market in which there is seldom any innovation, the promising beginnings of *mejool* give some reason to think that, in coming years, it could be a major product in the range of dates on offer.

Countries producing *mejool*

The United States and Israel today share the European market. The United States is the foremost producer. Located in California, the palm groves lie mainly in the two areas of Bard Valley, which by itself produces 70 percent of *mejool* dates, the second area being Coachella Valley. Their exports rose to approximately 800 tonnes in 1999.

Israel is playing the part of a challenger effectively. In the opinion even of American traders, the country offers an interesting alternative to buyers. This source has improved its quality, it guarantees the traceability of products and continues to be less expensive by virtue, in particular, of lower transport costs. It is developing its production (2 000 tonnes), mainly in the regions of Eilat and the Dead Sea. As in the case of other varieties of dates, the marketing of *mejool* has been entrusted to two companies, Agrexco and Hadiklaim. According to these traders, exports to Europe were expected to exceed 1 200 tonnes in the 1999-2000 season (Eurofruit 1999).

Some other countries (e.g. Namibia) have also started producing *mejool*.

Period of production

This extends from the end of August to the end of November for both Israel and California, which allows the markets to be supplied from September to May, bearing in mind the possibilities of keeping the product under refrigeration.

Logistics

From Israel, imports take place in 20’ refrigerated containers containing 1 440 palletised cartons, as well as collectively by refrigerated truck. Transit time is approximately two weeks. From the United States, imports - in the case of complete consignments - also take place in 20’ or 40’ refrigerated containers containing 3 600 palletised cartons. By boat, the transit time is three to four weeks. Other consignments primarily take place by air freight, which obviously adds to the cost of the product but does allow greater flexibility of supply in the case of a product which is gathering momentum and above all which is worth more than €7 per kilo.

Sizes

Three sizes are offered: jumbo, large and medium (fancy). In the case of the United States, the jumbo size represents approximately 40 percent of the quantities harvested, the other two sizes representing approximately 30 percent each.
Qualities

There is not really a specific quality standard for *mejool*. It normally has its best degree of maturity and full flavour when it turns dark brown, almost black, and soft to the touch. There is, moreover, a market for a very mature and very fresh quality of date. It is, by contrast, very awkward to process. In France, some pallets of processed *mejool* have been sold and been much appreciated. Generally speaking, *mejool* has a light dusty appearance on the surface of the skin, which is in fact the sugar of the date which is being released. The British prefer it like this. The French, used to *deglet nour*, would rather it was lighter and shinier in appearance. On the other hand, it may display detachment of the skin which renders it rather unattractive. For a quality product, the presence of fruit with detached skin needs to be minimal. Under open-air storage conditions, *mejool* also tends to sweeten more rapidly than *deglet nour* does as it dries.

Storage conditions

*Mejool* stored under positive refrigeration retains all its qualities for six months. It may also be frozen, which extends its keeping and above all allows the gap between seasons to be bridged.

Customs duties

Dates from the United States are subject to 10.6 percent taxation when they enter the EC. There is exemption from this tax if the product is imported in order to be repackaged. This is what the British traders do to avoid the charge. They import *mejool* dates in 15 lb. cartons of loose dates and repackage them using their customers’ trademark.

Loose packaging

Packaging intended for re-packers is generally 5 kg or 15 lb. That intended for loose sale is 5 kg. It is generally packaging which is very carefully produced using quality kraft material and sufficient thickness to avoid any sagging. The carton is generally telescopic with a printed lid which may, like the Bard Valley one, serve as a display. The bottom is of the same quality as the lid. It is covered with a film which protects the dates and has a cardboard divider which prevents the fruit from being compressed in the course of handling.

Individual packaging

Only the United Kingdom, through large-scale retailers, has so far succeeded in getting a small package onto the market. In Germany, trials with a 150-g pack were under way in 2000. In France, a 250-g window box is selling sluggishly. On the other hand, the Brousse Vergez company has just created a 150-g pack which it calls the *Cristal* pack, the dual advantage of which is matching quality to a product of this price and not being very expensive per unit on account of its low weight.

Mejool prices

Prices vary depending on the origin, the manufacturer, the size and the means of transport. While in the UK the CIF price of a 200g ravier of processed *kouat alligh* was Euro 1.45/kg in 2000, that of *mejool* sold in 5-kg package was Euro 6.37/kg. In Germany and France, the price of *mejool* was Euro 6.18/kg and Euro 6.86/kg respectively. Trade in *mejool* is currently very profitable, as demand seems to outweigh supply. The higher price of *mejool* is reflected in Figure 11. The United States and Israel, the only two countries that export *mejool*, enjoy high unit values of imports. The fact that this value is rising may be explained by the increasing share of *mejool* in their exports.
Current limits on the development of mejool

The first limit on the development of mejool stems from the low quantities currently produced. The direct consequence of this small volume of supply is the high price of the product, which, after the succession of margins applied to it within the distribution system and to which taxes are to be added, reaches the consumer at €13 or 15 per kilo. Paradoxically, the high price is one of the current driving forces in the development of mejool, since while consumers lose out somewhere along the line, packers, importers and distributors all gain. They push the product since today one container of mejool brings in more than 15 truckloads of deglet nour trays and is relatively easier to sell.

The second limit on the development of mejool is the capacity or willingness of large-scale retailers to invest in the product. After all, if mejool is to be accessible to consumers as a whole, it is essential that it should be available in the departments of large hypermarkets and supermarkets. While this appears to be the case in the United Kingdom, it is not in other countries. Germany is up against the high price of the product, which is alien to the mentality of discount buyers and do not see the benefit of such an expensive product. In France and Spain, the constraint is the centralization of the decision-making systems of large-scale retailers whose job is to carry products that sell well and not new products that might sell well. In other words, the product will be available in those countries when the traditional retail trade has done its work of promotion among the largest number of consumers.

How can an exporter of mejool dates overcome the obstacle of large-scale retail?

As consumption stands at present, it seems impossible for an exporter to access the European market on his own. He needs a logistical and commercial base in order to be able to supply and invoice the different outlets and central buying offices. The role of the importer is one which cannot be ignored. The question therefore is: which importer is the best to be able to sell in the large-scale retail system?

Today it seems that fresh fruit specialists are better equipped to introduce a product into large-scale retail. Generally speaking, dried fruit follows a standard referencing channel whose starting-point is the national central buying office and which goes right down to shop level. Fresh fruit can follow a shorter circuit. It is possible for access to regional outlets and even, in some cases, directly to shops. On the other hand, the ideal packaging suited to the fresh fruit department has yet to be found.

Hayani

Through its form, texture, taste and storage characteristics, hayani is very distinct from other dates. It is a fresh fruit in its own right. Familiar in Israel, where it is sold practically throughout the year, the marketing of this product in Europe has been undertaken for ten years or so with limited success by the Hadiklaim company. Outside Spain, which takes 700 tonnes, the other European countries only take 500 tonnes per year. Moreover, the consultant who did the survey had some reservations about the figures provided by the exporter. While all agree on the total import of 1 200 tonnes, it may be that the estimated tonnage for France and Italy is grossly overestimated, while Spain may take more than the 700 tonnes reported.

Production period

September/October

The keeping of hayani dates

The Israelis call hayani “Fresh All Year Round Dates”. They are frozen, pitted or unpitted, immediately after harvesting. The fibrous texture of the fruit and its high sugar content allow it to undergo this treatment perfectly and to remain in perfect condition in terms of appearance and taste. Once it has been thawed, it really does look as though it had just been harvested.
Logistics

Hayani dates are exported in a 20’ refrigerated container containing nine pallets.

Sizes

There are two sizes, jumbo and standard, but they are not always adhered to.

Packaging

They are mainly imported in a 5 kg carton of loose dates. Consumer packaging is handled directly by importers, generally distributing 500-g transparent plastic window boxes.

The prices of hayani dates

The Israeli traders always offer CIF prices. According to the latest information the consultant had, the price of hayani at source was on the decrease.

Logistical constraints on hayani dates

Loose product: the product is supplied frozen directly to the shop. It is then thawed and put on display chilled, depending on demand. It thus retains a shelf life of approximately 10 days. Legally, the shop is bound to indicate that the product has been thawed.

Packed in window boxes: EC legislation provides for the packed products having to show a sell-by date. If the shop is supplied with the frozen product and it thaws it to put it on display, as it would do in the case of the loose product, it is obliged to indicate the sell-by date on each packet. This operation is impossible in practical terms. It can therefore only accept products which are already marked and therefore ones already thawed ready to be put on display. It can clearly be seen that with window box packaging, all the benefits conferred by the frozen product are lost. This becomes very restrictive, since it means the importer has to carry out this marking operation himself. And, above all, it considerably reduces the quantities supplied. In the case of fresh products, shops can only order the quantities needed for several days’ sale. It accordingly limits importers of this type, who must be able to guarantee the logistics of the fresh fruit sector - in other words, be capable of supplying shops rapidly over a wide area under profitable economic conditions.

The marketing of hayani dates in Europe

This is dependent on the exporter/importer combination. The Israeli marketing system is based on two principles: a pooling of exports and the choice of a small number of importers per country. As far as the Hadiklaim company - which markets hayani dates but also all other Israeli dates - is concerned, the type of partners they work with already in each country is a determining factor. The ideal importer must therefore be able to sell both products at once. He must be at the same time the seller of dried fruit and the seller of fresh fruit and in addition he must have refrigeration facilities and sufficient resources to repack the product when necessary. It is obvious that ideal candidates are few and far between. In Spain, for example, the Meneu company sells hayani very well, yet only markets a few pallets of mejool.

Limits on the commercial development of hayani dates in Europe

In this connection, the experiment in France in 1996 by the Hadiklaim company and its importer is very revealing. The operation was intended to promote hayani dates in French large-scale retail. The products were offered in two sizes, standard and jumbo, and were packed in 500-g window boxes and loose in 5-kg lots. The customers contacted were the heads of department in hypermarkets with more than 8 000 square metres of floor area. The operation consisted of placing a pallet of 100 cartons and a
promoter at the disposal of this store; for two days, the promoter was responsible for promoting sales. Each promoter had sales leaflets and posters. Where stock remained unsold, the importer also undertook to take the remaining products back. The public selling price was FF 19.90 per kilo, carriage paid to the store, for a purchase price of FF 13 per kilo, which left a comfortable margin of just over 30 percent. Following more than fifty promotions, the average quantities sold were 63 cartons per promotion, or approximately FF 7 000 in turnover in two days per store. From these results, the sales potential could be estimated at FF 5 000 per week under normal conditions, viz. without a promoter. Despite these promising results, the importer never managed to go beyond the stage of promotion exercises and get the product bought and stocked in large-scale retailers.

The reasons for this commercial failure are manifold. Firstly, it is due to the centralizing of purchasing decisions in large-scale retailers. Establishing a new product requires an intense commercial effort to convince the different decision-makers, from the top of the organization downwards. Secondly, buyers are uncomfortable with the hybrid nature of the product, which is both frozen and fresh, since it straddles two types of regulations and health rules. It does not integrate well in the merchandising organization of the fruit and vegetable department since it has to be sold loose where it would be preferable to see it in pre-packaged form and it has to be put in chilled display cabinets which are generally used specifically for salads and prepared products. Finally, it does not fit into the organization of purchases, which is based on families of products, under which frozen products are generally stored separately from fruit and vegetables.

Bahri

The bahri variety is exported and sold as fresh produce by Israel. Only small volumes are consumed in Europe. Its main markets are in France, the UK and Spain.

Bahri is a date which integrates fully with fresh fruit. Approximately 500 tonnes per year are imported into Europe, mainly into France, United Kingdom and Spain, which share this tonnage in equal proportions.

Producing country

Bahri dates are imported from Israel and marketed by Agrexco and Hadiklaim.

Production period

August/September

Packaging

Bahri dates are packed in 5 kg cartons. The fruit is on branches approximately 30 centimetres long.

Storage

Like all fresh fruit, bahri dates are stored under positive refrigeration.

Bahri’s commercial potential

Bahri dates continue to be a specialist product reserved for a small clientele of consumers who know the product. Its particular taste and the bitterness of the fruit do not count in its favour with someone tasting it for the first time.

Organic dates
Some producers have diversified into organic production of dates. For example, Israel and Tunisia export certified organic dates to the European countries. The main market is Germany. Tunisia exported 678 tonnes of organic dates in 2000-2001, up 60 percent from 425 tonnes in the previous season (Fruitrop 2001). The United States (California) produces organic dates (including mejool).

7 CONCLUSION

In view of the current oversupply of common dates on the EU market, of the low level of prices and of the tendency of consumers to shift towards higher quality products, there seems to be little scope for a large increase in exports of common dates to the EU. The profitability of this activity for a newcomer would be very low, even with low production costs. A similar trend has been affecting the deglet nour market since the mid-1990s. Although investments in more modern processing facilities will likely lead to improvements in product quality, the expected rise in supply due to investments in large plantations in North Africa is expected to keep prices at a relatively low level, much lower than their level of the 1980s. In order to improve prices, marketers of deglet nour would have to invest in promotion and advertising campaigns to convince consumers to switch from common dates to deglet nour. In this case, the markets that should be targeted are northern European countries, as consumption of common dates is still relatively high there compared to deglet nour.

From the above paragraph it can be concluded that any country wishing to enter the EU date market would need to turn to “non-traditional varieties”. Of these, mejool seems to be the most promising. Demand is rapidly expanding. Supply is presently limited to essentially two countries and although there are plans to expand capacity, there seems to be room for new entrants. The profitability of mejool trade is high due to the comparatively high level of prices, even though this level is not sustainable in the long term. The successful development of mejool dates will rely on the willingness of supermarket chains to carry this product. On the producer side, it will require an excellent marketing organization in order to guarantee timely deliveries and high product quality.

Conversely, the potential for hayani and bahri seems limited due to the relatively small number of people who know and like these varieties (mainly an ethnic market). Moreover, in the case of hayani, large-scale retailers seem reluctant to carry this type of dates due to the fact that it is a frozen product.

Finally, producers should consider, when appropriate, the possibilities offered by organically grown dates, as the organic market is growing rapidly in many developed countries. As more and more consumers turn to organic foods, retailers will look for a complete range of organic products, including dates (FAO 2001).
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**FAO (2001)** World markets for organic fruit and vegetables: opportunities for developing countries in the production and export of organic horticultural products, Rome, Italy.

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**Fruitrop (2001)** Tunisia: date exports increasing, p.6, n.76, January 2001, Montpellier, France.


Figure 4: EU gross imports of dates in 1998-2000 (% volume)

<table>
<thead>
<tr>
<th>Country</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>38%</td>
</tr>
<tr>
<td>UK</td>
<td>20%</td>
</tr>
<tr>
<td>Italy</td>
<td>10%</td>
</tr>
<tr>
<td>Germany</td>
<td>10%</td>
</tr>
<tr>
<td>Spain</td>
<td>14%</td>
</tr>
<tr>
<td>Other EU</td>
<td>14%</td>
</tr>
</tbody>
</table>

Figure 5: Net date imports by selected EU countries (1)

<table>
<thead>
<tr>
<th>Country</th>
<th>Tonnes</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td></td>
</tr>
<tr>
<td>UK</td>
<td></td>
</tr>
<tr>
<td>Italy</td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td></td>
</tr>
<tr>
<td>Spain</td>
<td></td>
</tr>
</tbody>
</table>

Figure 6: Net date imports by selected EU countries (2)

<table>
<thead>
<tr>
<th>Country</th>
<th>Tonnes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belg.-Lux.</td>
<td></td>
</tr>
<tr>
<td>Denmark</td>
<td></td>
</tr>
<tr>
<td>Netherlands</td>
<td></td>
</tr>
<tr>
<td>Sweden</td>
<td></td>
</tr>
</tbody>
</table>
Figure 7: EU imports by origin 1998-2000 (% volume)

Figure 8: Main date suppliers to the EU

Figure 9: EU imports by origin (value)
### TABLES

**Table 1. Average gross date imports 1998-2000**

<table>
<thead>
<tr>
<th>Country</th>
<th>Tonnes</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>22 424</td>
</tr>
<tr>
<td>UK</td>
<td>11 585</td>
</tr>
<tr>
<td>Italy</td>
<td>6 282</td>
</tr>
<tr>
<td>Germany</td>
<td>6 245</td>
</tr>
<tr>
<td>Spain</td>
<td>5 092</td>
</tr>
<tr>
<td>Other EU</td>
<td>8 495</td>
</tr>
<tr>
<td><strong>Total EU (incl. intra-EU trade)</strong></td>
<td><strong>60 123</strong></td>
</tr>
</tbody>
</table>

**Table 2. EU date imports (gross) by origin 1998-2000 average**

<table>
<thead>
<tr>
<th>Origin</th>
<th>Imports (tonnes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tunisia</td>
<td>24 412</td>
</tr>
<tr>
<td>Algeria</td>
<td>10 100</td>
</tr>
<tr>
<td>Iran</td>
<td>8 729</td>
</tr>
<tr>
<td>Israel</td>
<td>3 571</td>
</tr>
<tr>
<td>Pakistan</td>
<td>1 740</td>
</tr>
<tr>
<td>United States</td>
<td>1 270</td>
</tr>
<tr>
<td>Others</td>
<td>1 300</td>
</tr>
</tbody>
</table>

**Table 3. Imports of mejool in Europe (1999)**

<table>
<thead>
<tr>
<th>Country</th>
<th>Imports (tonnes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Kingdom</td>
<td>800</td>
</tr>
<tr>
<td>France</td>
<td>400</td>
</tr>
<tr>
<td>Germany</td>
<td>200</td>
</tr>
<tr>
<td>Spain</td>
<td>100</td>
</tr>
<tr>
<td>Italy</td>
<td>300</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1 800</strong></td>
</tr>
</tbody>
</table>

*Source: Importer survey by FAO consultant (1999-2000)*

**Table 4. Size of mejool dates sold in Europe**

<table>
<thead>
<tr>
<th>Size of mejool</th>
<th>Number of fruits per lb</th>
<th>Number of fruits per kilo</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jumbo</td>
<td>16/21</td>
<td>35/47</td>
</tr>
<tr>
<td>Large</td>
<td>22/26</td>
<td>48/57</td>
</tr>
<tr>
<td>Medium</td>
<td>27/30</td>
<td>59/66</td>
</tr>
</tbody>
</table>

*Source: Importer survey by FAO consultant (1999-2000)*

**Table 5. Purchase prices of mejool (in Euro per kilo)**

<table>
<thead>
<tr>
<th>Kind</th>
<th>Jumbo</th>
<th>Large</th>
<th>Medium</th>
</tr>
</thead>
<tbody>
<tr>
<td>US mejool</td>
<td>CIF price</td>
<td>€7</td>
<td>€6.2</td>
</tr>
<tr>
<td></td>
<td>Cost price</td>
<td>€7.9</td>
<td>€7.2</td>
</tr>
<tr>
<td>Israeli mejool</td>
<td>CIF price per kilo</td>
<td>€7.2</td>
<td>€6.55</td>
</tr>
<tr>
<td></td>
<td>Cost price</td>
<td>€7.3</td>
<td>€6.7</td>
</tr>
</tbody>
</table>

*Source: Importer survey by FAO consultant (1999-2000)*
<table>
<thead>
<tr>
<th>Hayani 5 kg carton</th>
<th>Average CIF price/kg</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jumbo</td>
<td>€1.98</td>
</tr>
<tr>
<td>Standard</td>
<td>€2.38</td>
</tr>
</tbody>
</table>

*Source: importer survey by FAO consultant (1999-2000)*

<table>
<thead>
<tr>
<th>5 kg loose bahri</th>
<th>Importer cost price/kg</th>
<th>Average importer selling prices/kg</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€2.40</td>
<td>€2.83</td>
</tr>
</tbody>
</table>

*Source: importer survey by FAO consultant (1999-2000)*
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