

Peruvian avocado exports for the 2021 season are estimated to increase 10 percent by volume compared to last year, according to a new report.

A recently released [USDA](#) report forecasts that export volume will reach 450,000 metric tons (MT) in 2021, increasing 10 percent by volume compared to the previous year.

Avocado exports already increased 30 percent in 2020, in comparison to 2019, reaching a record of a little over 410,000 MT.

International avocado prices in 2020 fell to US\$1.88 from \$2.40 per kilogram in 2019, mainly a consequence of oversupply.

Although Peru's avocado exports to the world increased in 2020, exports to the U.S. fell 22 percent by value and nine percent by volume to \$179 million and 78,665 MT.

This change was mostly driven by better pricing in other markets, however, the U.S. still made up 19 percent of total avocado exports last year.

Industry members have indicated that [recent changes in the Agricultural Promotion Law](#) may impact the investment climate for Peru's agricultural export sector.

Though the new law was approved in December of last year, its implementing regulations are still being formalized which has created some uncertainty among investors, according to the report.

The report said that local industry contacts have further indicated to FAS Lima that depending on the forthcoming implementing regulations, the avocado sector could be unfavorably impacted, particularly small producers in the highland regions.

Ending with, these sources cited that any future reduced competitiveness of the sector could lead to increased mechanization among larger agricultural firms in an effort to limit labor costs.