

The Peruvian avocado market faces various challenges this year, including the Agrarian Promotion Law which was enacted in December of last year that has produced changes in the country's fruit and vegetable sector.

In an interview with FreshFruitPortal.com, the Director and Past President of [ProHass](#) and Chief Commercial Officer of Agrícola Cerro Prieto (ACP), Daniel Bustamante explained the effects of the Agricultural Promotion Law in Peru and on the industry, new innovation projects and the challenges facing ProHass for this year and the next.

"This new law has discouraged the investment within the entire agricultural sector since the political/populist concept has prevailed over technical criteria and knowledge of the sector."

"The high degree of ignorance at the congressional level is alarming, and the irresponsibility with which they try to manipulate various sectors that stimulate the economy, even more so in a year when Covid-19 has brought very serious consequences to the country's economy," Bustamante said.

"The most dramatic consequences in the agro-export sector will be seen in the midterm since many investments that were planned for the 2021-25 period are definitely being re-evaluated," he said.

When asked about the information communicated by local media on whether the new law is causing agro-exporters to grow avocados in countries like Colombia, he said that many of the planned investments are being diverted to other countries, with Colombia being one of the main ones in case of the avocado.

Challenges and new markets

Though Bustamante was born in Arequipa, Peru, he lived abroad studying a Bachelor's in Business Administration at Boston University in the U.S., and later studied a Master's in International Business at the University of Manchester in England.

With more than 17 years in the industry and with experience in the mango, mandarin, lime, grape, asparagus and blueberry markets, until December of last year, he led ProHass and still participates in the union; he currently leads the Association of Producers and Exporters of Blueberries (ProArandanos).

Regarding the new challenges that the association faces in 2021 and 2022, Bustamante pointed out "the main function of ProHass as an association is to assist the members of the

industry in technical and commercial aspects."

"In this sense, one of the challenges facing ProHass this year is to safeguard the quality of the Peruvian avocado industry's image, promote harvests with appropriate Dry Matter and on time informing the markets of the status of production projections for this season."



Daniel Bustamante, Director of the Hass Avocado Producers Association of Peru (ProHass)

Regarding the new markets to which ProHass is exporting and would like to reach, Bustamante said "the main market for Peruvian avocados historically is Europe (about 60 percent), followed by the U.S. (20-30 percent) and the balance between Asia and Latin America, according to the information from the last four seasons.

"The market opening efforts are mainly focused on Oceania, where we have not yet reached, and Southeast Asia, where we have reached some countries, but there are still some pending."

Lessons from the Covid-19 pandemic

The pandemic created new challenges for the industry. "The quarantine restrictions began when the avocado season was just beginning, so the industry had to adapt to the new rules quickly, along with high uncertainty."

"Regarding ProHass activities during the season, we were able to utilize virtual connection, both with our associates and with the rest of the industry, nationally and internationally."

"The level of interaction has been very high through virtual platforms; we were even able to carry out the second International Avocado Congress virtually in November, which had high participation and great reviews after," he said.

2021 avocado season and innovation projects

"The season has already started, but with very low volumes from the inner-Andean valleys in the mountains. The goal is to increasingly integrate the smallest and most remote producers so that this avocado reaches the market in the best conditions and the agricultural, packaging and commercial operations become even more professional."

ProHass is working on various innovation projects to implement this year.

Bustamante said: "This year we hope to be able to implement the collaboration agreement with the Agrarian University that was signed last year and could not begin due to the pandemic restrictions. This agreement includes both cultivation and post-harvest research, so we look forward to being able to start working together as soon as possible".