

Israeli real estate and food growing company Mehadrin is to grow avocados in Morocco through a joint venture with an organization from the North African country.

Mehadrin, which for many years was identified with citrus cultivation, has also seen the potential in avocado pears, and, as it pointed out in its financials, it has "almost ceased new orchard planting and is mainly planting avocado strains."

Mehadrin has now decided to expand its avocado-growing business overseas. It has signed an agreement in Morocco, under which it will grow crops outside Israel for the first time, website [Globes](#) reports.

Under the agreement, signed with a Moroccan company with which Mehadrin had already collaborated in the past, the parties will lease at least 1,125 acres (445 hectares) in Morocco, and will jointly invest NIS 30 million (US\$9.2 million) over the first three years of activity.

The start of the activity is subject to obtaining the regulatory approvals required for forming a joint company and for leasing the plantation from the Moroccan government. Mehadrin will own 51% of the company.

Mehadrin expects the orchards' maximum annual output to be some 10,000 metric tons (MT) of avocados. The avocados to be grown will be sold by Mehadrin and its partner mainly in Europe. Fruits unsuitable for export will be sold in Morocco.

Mehadrin CEO Shaul Shelach explains: "In order to grow, Mehadrin has to become a company that, while its main activity is still in Israel, creates additional sources of activity in other places. That will also be beneficial for our agriculture in Israel, because that way we shall be able to give better service all year round to our customers in Europe.

"Morocco is a country with good growing conditions, and with much lower costs than in Israel, and it is a little closer to our main markets in Europe," Shelach said. "Our next moves overseas will be in the southern hemisphere, where, apart from finding lower costs, we shall also be able to grow fruit that ripens when it is out of season in Israel."

Shelach estimates that, on the basis of the current agreement, the activity in Morocco could amount to a quarter of Mehadrin's avocado production.

"Demand for and consumption of avocados worldwide are on an upward trend, because the fruit is considered a 'super food' and people like it very much. In Europe, the US, and all over the world, people want avocados, and consumption of them has risen in Israel too," he

said.

"At this time, we like others are expanding our avocado acreage, but it's clear to everyone that at some stage supply will catch up with demand because there's huge planting all over the world."

"Today, everyone wants avocados, but at some stage that will change. In agriculture, a situation always comes about in which demand stops rising, but supply continues to rise because of extensive planting. So one day, some of what is being planted now will be uprooted, because it will no longer be economic."

In recent years, avocados have become one of the most profitable crops in Israel. The rate at which avocado trees are being planted around Israel has risen accordingly, at the expense of less profitable crops, such as citrus fruits.