

Leading private alternative asset company AGRI Developments has announced that it has completed its expansion into Hass avocado production in Bayawan City, Philippines.

The development has been created to meet rapidly growing demand for Hass avocados within the Philippines as well as regionally across Asia, it said.

Mr. van Egeraat, CEO of AGRI Developments said: "Demand for Hass avocados has simply been extraordinary. Growth across Asia over the past five years has surpassed 50% annually in certain key markets."

"This is three times faster than in Europe and five times faster than the United States, the largest consumer in the world."

Hass avocados are a relatively new product in Asia with consumption rates still far below the rest of the world. Production at the moment is centered in the Americas with the United States and Latin American countries such as Mexico, Peru and Chile supplying the bulk of Hass avocados sold in Asia.

As consumption in Asia rises so will prices as supply pressure in the industry is rampant. Environmental factors such as droughts and rising costs of production will make it more challenging for producers located so far to cheap their produce cheaply to Asia.

Mr. van Egeraat added, that the Philippines is the only country currently capable of commercially producing Hass avocados in Asia. This places it at a competitive advantage enabling it to supply the region at a lower cost as well as faster, due to its strategic location near all key import markets.

He stated that to his knowledge AGRI Developments are only the second company in the Philippines, after Dole that aims to commercially produce Hass avocados.

Avocados are one of the fastest-growing markets in the world driven by consumers seeking tasty, healthy and versatile food options. The Covid-19 pandemic has boosted avocado demand even further proving it to be "pandemic proof" as health-conscious consumers drive sales globally.

In terms of value, the global avocado market is worth \$12.8 billion and is forecast to surpass \$18 billion annually by 2025 (+40%). Imports have grown considerably over the past five years rising 70% from 1.54 billion kilograms in 2014 to over 2.6 billion kilograms today.