

## Watermelon market profile - 2006



### Introduction

Watermelon is traditionally cultivated in Kosovo – mainly by households for their own consumption. More recently the growth of the urban population has stimulated commercial production.

The cultivated area and production of watermelon are greater than any other fruit in Kosovo – as is also one of the most imported – a combination that suggests that the crop has considerable potential for expansion through import substitution.

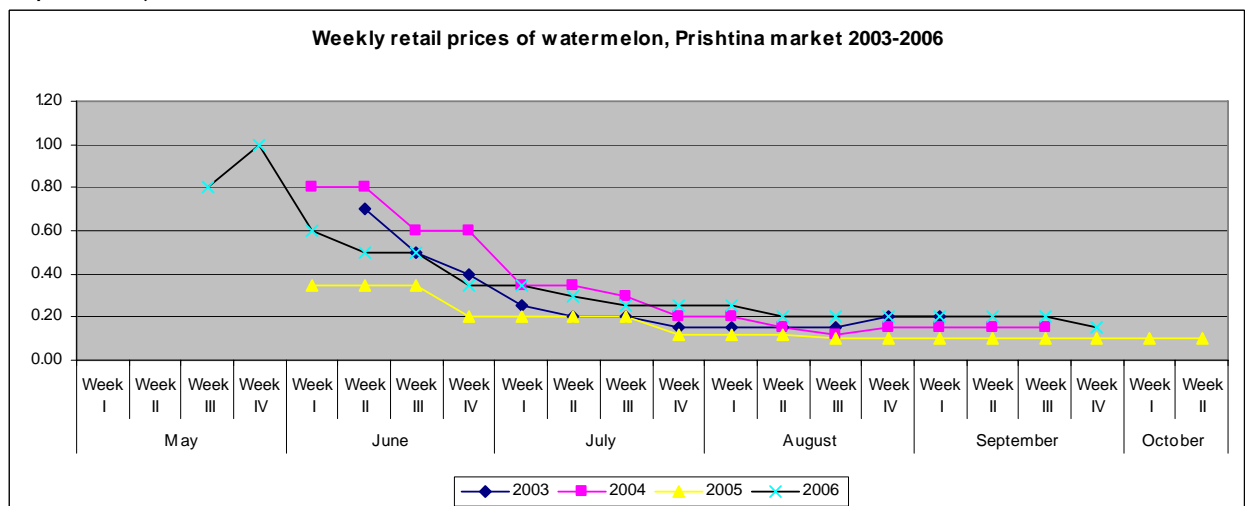
### Market size

The total market volume of watermelon in Kosovo in 2006 is estimated at 61,890 tonnes - based on an official estimate of local production amounting to 41,457<sup>1</sup> tonnes and records of imports of 20,433<sup>2</sup> tonnes. Local production of watermelon, according to these figures, represents approximately 67% of total market share by volume.

The strong market presence of watermelon in the local markets is recorded by the end of June and continues until mid-September.

### Retail prices - Pristina market<sup>3</sup>

Retail prices are in the range between €0.80–0.45/kg in the early season (May - June) and descend to their minimum of around €0.20 – 0.15 in the full Kosovo supply season (mid-July and September).



Source: "Monitorimi"- weekly price monitoring, SPHPK/Intercooperation

<sup>1</sup> MAFRD - calculated from estimates of area and of yield by municipal offices. No distinction was made between commercial and non-commercial production.

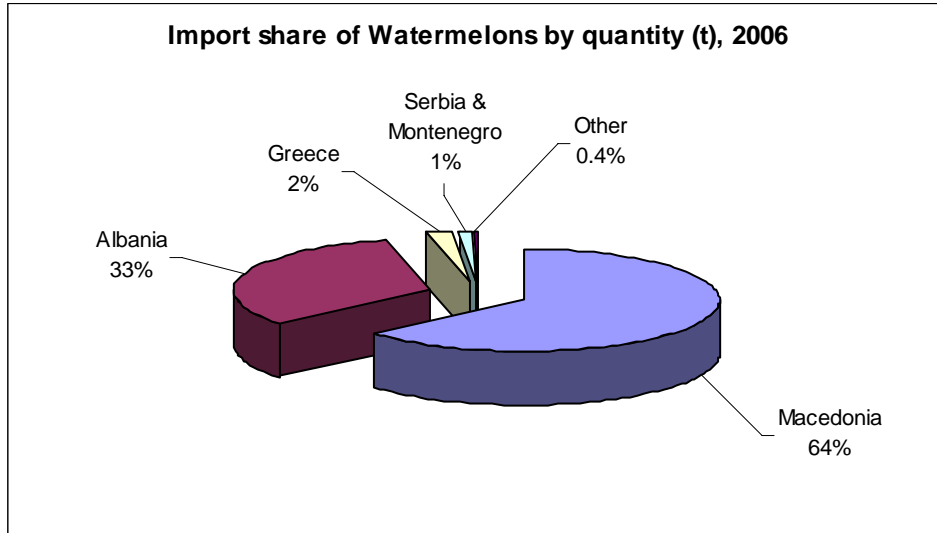
<sup>2</sup> UNMIK Customs

<sup>3</sup> In 2008, data will be reprocessed to conform the data presentation as used in import data figure.

## Import

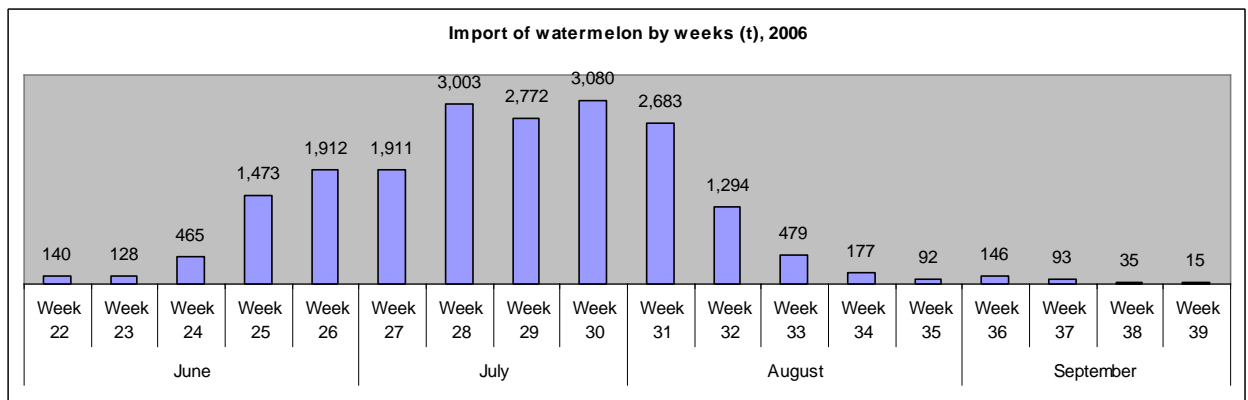
Customs data indicate that 20,433 tonnes of watermelons were imported in 2006 with a declared value of €2,313,450.

The diagram below shows the percentage contribution to this total by the main exporting countries in 2006. Macedonia supplies by far the largest share amounting to 64% and followed by Albania with 33%, Greece 2%, and Serbia/Montenegro with 1%.



Source: UNMIK Customs Service

## Import of watermelons by week



Source: UNMIK Customs Service

Significant imports of watermelon started in the first week of June, rose to a peak in the fourth week of July and finally ended in the 4<sup>th</sup> week of September.

## Origin of watermelons offered in Kosovo market by months

The main source countries of imported watermelon by month are presented in the following table.

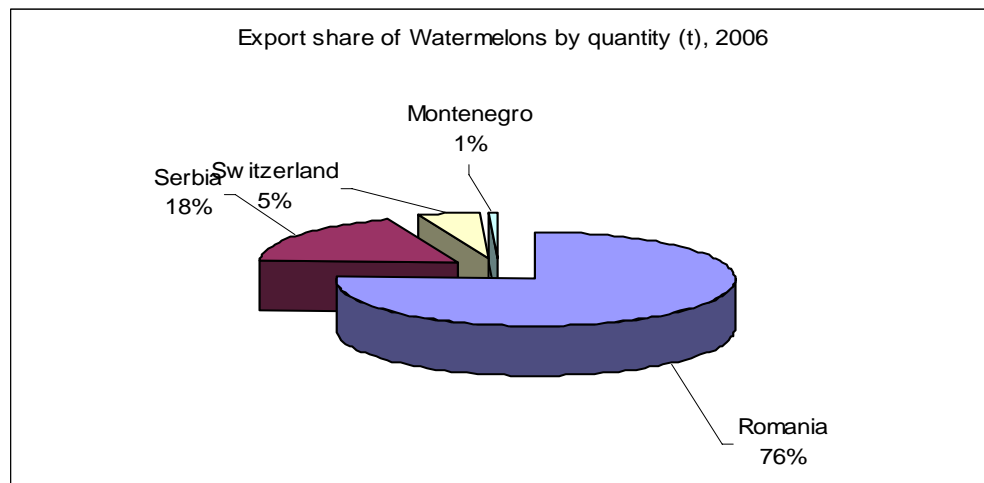
Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
				Gr	Gr,Al	Al,Mc,Ks	Mc, Ks	Ks			

**Abbreviations:** Al-Albania, Mc-Macedonia, Ks-Kosovo, Gr-Greece,  
 Source: "Monitorimi"- weekly price monitoring, SPHPK/Intercooperation

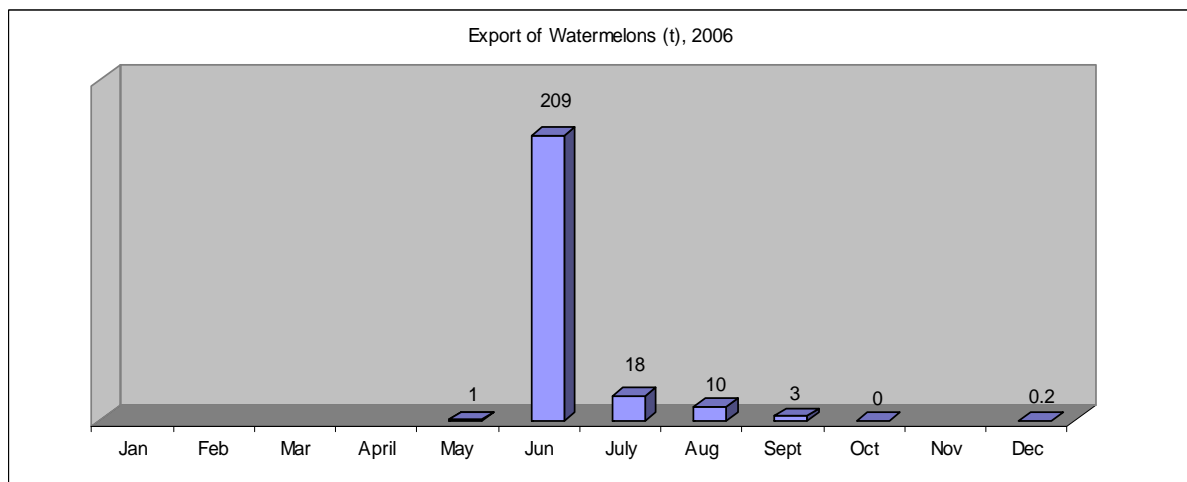
The local market during from May until the end of July is dominated by imports. Albanian imports are greatest in the first part of the season (June) while those from Macedonia predominate during July. The first harvest of locally-produced watermelons is recorded by mid-July but continuous local supply was not established until the end of July – and then continued to the end of September.

### Export

241 tonnes of watermelons were exported, with a declared value of €10,344. Romania was the main importing country with 76% of total export by volume.



The seasonality of export of watermelons is presented in the diagram below:



Source: UNMIK Customs service 2006

Export of watermelon recorded in June; appear to be re-exports because this fruit could not be produced locally during the period when export is recorded. The majority of this re-export is dedicated for the Romanian and Serbian market. The minor exports recorded in August and September is from the domestic production sources. This export mainly is dedicated for the Montenegro and Switzerland.

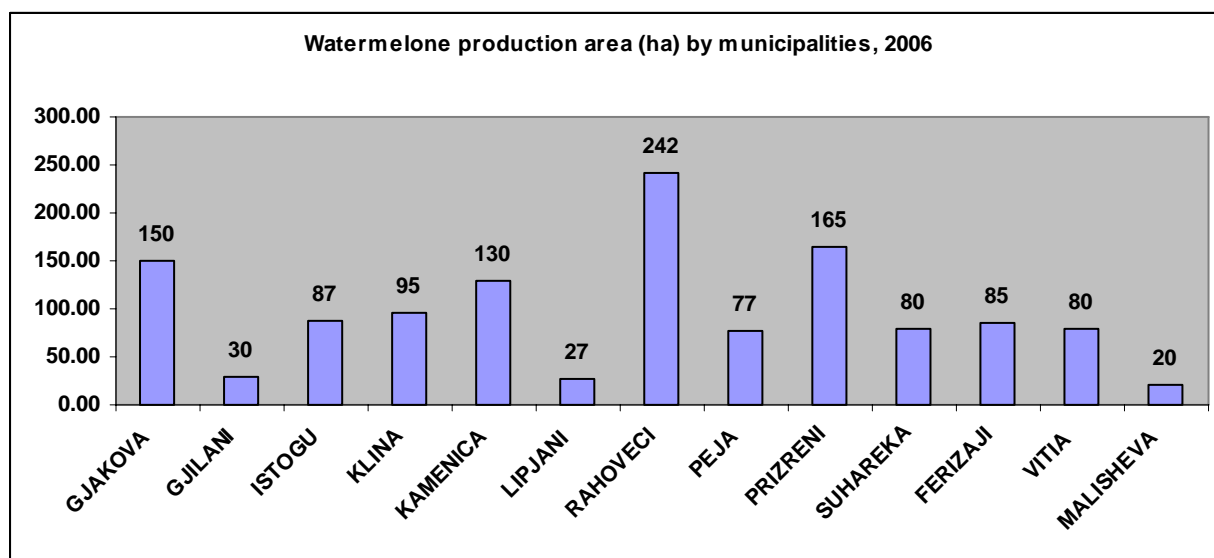
### Local production

MAFRD estimates local production in 2006 to have been 41,457 tonnes on the basis of an area of 1,356 ha<sup>4</sup> and a yield of 30.5 t/ha. Watermelon is produced in almost all municipalities though

<sup>4</sup> No clear distinction between commercial and non commercial watermelon production - 2006

the main production regions are Dukagjini and Anamorava. The warmer climate in Dukagjini leads to production being two weeks earlier than in Anamorave. The municipalities with the greatest production are Rahovec with 242 ha, Prizren 165 ha and Gjakova 150 ha.

The table below shows the production areas of watermelon in different Kosovo municipalities.



Source: MAFRD-Office of Agricultural Statistics

### **Product differentiation**

Only one type of watermelon is marketed in Kosovo – a seed type with round and round-to-oblong shape and dark green and light green stripes. Some years ago seedless varieties were promoted by SPHPK but interest by the producers was limited.

Watermelon is sold only as a whole. Consumers prefer the weight to be between 5-7 kg.

### **Watermelon marketing channels**

The three basic alternatives are available to the watermelon growers ie (i) roadside stands or direct marketing, (ii) local retailers (grocery shops) - retail marketing, and (iii) wholesale markets. The main characteristics of these channels are described below:

**1: Direct marketing channel** – roadside stands - marketing directly to consumers provide opportunities for farmers to receive higher prices for their products than wholesale prices, but this type may have additional costs – staying for long time of farmers at the market which includes more costs (e.g. food and other costs). It tends to be the favoured channel for small and middle growers. This channel covers around 80% of the supply of watermelon in Kosovo<sup>5</sup>.

**2: Retail channel** – a form of indirect marketing in which the growers deals directly to a retailer such as a retail shop, greengrocery and supermarket. This channel is used by small and medium growers. The channel covers around 10 % of supply of watermelon in Kosovo.

**3: Wholesale channel** – This is the third alternative for the watermelon growers - wholesale channel. Approximately 10% of watermelon sales are made through wholesalers. Producers often contract with shippers to market and ship their watermelons for a predetermined price. These channels supply 100% of watermelon during the early market supply June-July from Macedonia and Albania.

<sup>5</sup> Rough estimation IC -SPHPK

## **Comment**

Watermelon is a very popular fruit during the summer and both local production and imports are high. It appears that the promotion of the crop – including earlier production – could substitute for imports between the 2<sup>nd</sup> week of July and the end of September. This substitution could amount to a volume of 14,539 tonnes with an added value for the Kosovo economy of around € 2,297,750.

## **Recommendations**

- Promotion of early watermelon varieties in order to be target the early weeks of July.
- Introduction of improved cultivation techniques for higher yields and improved quality,
- Introduction of a range of new varieties – including seedless – to increase consumer choice.

## **References and resources**

- *Monitorimi – Weekly price monitoring SPHPK*
- *MAFRD – Office of Agricultural Statistics*
- UNMIK Customs Service