

AUSTRALIA

Farmers seek compensation over chemical contamination of herbicides

Some of Australia's biggest vegetable farmers are fighting for compensation, claiming their food crops were decimated by contaminated herbicides.

Multinational chemical companies Syngenta and Nufarm recalled tens of thousands of liters of tainted herbicide in late 2016 and early 2017.

The products are commonly used on a range of vegetable crops including spring onions, leeks, carrots, celery and corn to control weeds.

They contained impurities from different herbicides, which have been traced back to the manufacturer. But not before many farmers unwittingly sprayed the polluted products on their farms.

The national agrochemical regulator says the contaminants don't pose a risk to human health if used according to instructions. But some growers claim the toxic mix-up wiped out many tonnes of valuable produce.

EUROPE

European Commission predicts better demand for fruit

Apple, peach, nectarine, and tomato production all set to decline slightly but consumption across the EU is on the increase. The European Commission has forecast a slight increase in overall fresh produce consumption across the EU and predicted important changes in three of the continent's most important fresh produce categories – apples, peaches/nectarines, and tomatoes – as part of a wide-ranging report on the European Union's agricultural outlook for 2018-2030.

The recent report suggests that EU apple production should stabilize from this season's volume of 12.7m tonnes to around 12.4m tonnes in 2030, mainly as a result of a downturn in the planted area combined with increasing yields.



For peaches and nectarines, it also anticipates a reduction in production area across the EU, leading to a slight decline in production from 4.1m tonnes in 2018 to 4m tonnes in 2030. Fresh tomato production, meanwhile, is expected to remain largely stable despite a slight fall from 7m tonnes in 2018 to 6.8m tonnes in 2030 – despite longer seasons resulting in higher average yields. In addition, organic apple, peach and nectarine production is expected to expand significantly over the period covered thanks to growing consumer demand, the report said.

More generally, the report provides a positive outlook for suppliers of fresh fruit and vegetables selling to EU markets. "Consumption of fruit and vegetables is expected to increase slightly in the coming decade, mainly driven by health motivations and the increasing availability of these products at 'new' marketplaces – for example at petrol stations, snack bars etc," the report stated.

However, there was a stark warning for Apple suppliers. "The consumption of fresh apples is not expected to follow this trend as consumers seem to favor new tastes and easy-to-eat products such as (pre-cut) tropical fruit or berries, which are regularly offered in supermarket shelves next to the more common apples."

But the EC did recognize that apples remain the main fruit available in winter and as such would benefit from the development of new and higher-quality varieties. "After the last eight years, in which the consumption of fresh apples declined by 1 percent per year, the con-

sumption of apples is expected to remain stable at around 13.2kg per capita towards 2030." The report also projects a decline of total agricultural land in the EU, though at a slower pace than in the past decade, from 178m ha in 2018 to 176m ha in 2030.

ITALY

Italian kiwifruit gets South Korea green light

Authorities in Rome confirm positive result following the recent visit of South Korean inspectors to orchards and pack-houses. Italian kiwifruit exporters will no doubt be raising a glass of Christmas bubbly to the Italian authorities after they confirmed that access to the South Korean market has been given the green light.

The news, revealed by marketing and research group CSO, follows a visit by Korean inspectors to Italian kiwifruit orchards and packing facilities in Veneto and Emilia Romagna during the first week of December.

A number of leading producer organizations hosted the inspectors on their recent visit, including Apofruit, Cofruta, Ceradini, and Frutteto.

Securing market access for Italian kiwifruit to the Asian country has been very much a joint effort between exporters and industry bodies such as Fruitimprese and CSO, with support from the Ministry of Agriculture and export promotion body ICE.

According to CSO, the inspectors remarked on the excellent level of organization they witnessed in Italy's kiwifruit industry, concurring that packhouses and production areas all conformed to the standards required by each of the two countries.

The provisional agreement has also been reached in terms of the cold treatment process that will need to take place following harvesting and packing.

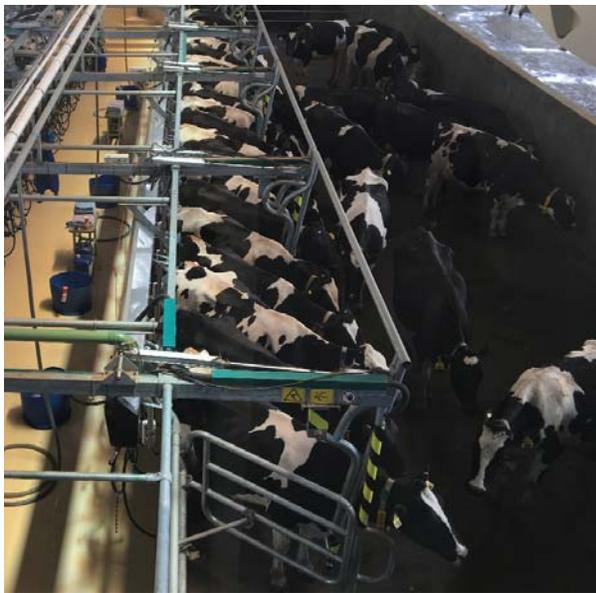
It is understood that this will be carried out in transit by Korean inspectors for the remainder of the 2018/19 season, although in subsequent seasons it could potentially take place in cold storage centers.

INDONESIA

First sustainable Dairy Village of Indonesia Initiated by Frisian Flag Indonesia (FFI)

The first Dairy Village of Indonesia was opened as part of the Dairy Development Programme of Frisian Flag Indonesia (FFI) - a subsidiary of FrieslandCampina.

The dairy village, co-funded by the Netherlands' Government and supported by the Indonesian Government, is a new, modern and sustainable farm in which five to ten Indonesian farmers, who are part of the North Bandung Cow Farmers Cooperatives of Lembang, West Java, share the farm facilities including land and together receive training to improve efficiency and boost milk quality and productivity.



By supporting the setup of the Dairy Village, FFI shows its commitment to economically and socially empowering Indonesian dairy farmers as well as supporting the Indonesian Government to improve food security. This is a great example of how FrieslandCampina brings its purpose of nourishing by nature to life. Other partners in this so-called FDOV project include Wageningen University and Research, Agriterra and The Frisian.

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MALAYSIA

Palm oil price jumps to 3-month high on support from crude oil

Malaysian palm oil futures jumped to a near three-month high on Friday, charting a second day of gains, buoyed by strong crude oil prices and technical buying.

The benchmark palm oil contract for April delivery on the Bursa Malaysia Derivatives Exchange was 1.3 percent up at 2,226 ringgit (\$541.61) a tonne at the close. It was earlier as high as 2,228 ringgit, its strongest levels since Oct. 23.

Palm is up 2.4 percent for the week, a second week of gains in three. Trading volumes stood at 37,341 lots of 25 tonnes each at the end of the trading day. "Palm is up mostly on technical buying, in addition to supportive crude oil prices," said a Kuala Lumpur-based futures trader.

Oil prices rose over 1 pct on Friday after a report from OPEC showed its production fell sharply last month, easing some fears about prolonged oversupply. Palm oil prices are impacted by movements in crude oil, as the vegetable oil is used as feedstock to make biodiesel.

In related oils, the Chicago March soybean oil contract slipped 0.03 percent, while the May soybean oil contract on the Dalian Commodity Exchange was up 1.1 percent. The Dalian May palm oil contract rose 2 percent.

Palm oil prices are impacted by movements in soyoil rates, as they compete for a share in the global vegetable oil market.

Palm oil is biased to break a resistance at 2,198 ringgit per tonne, and rise into a range of 2,227-2,245 ringgit, said Wang Tao, a market analyst for commodities and energy technicals.

RUSSIA

Poultry industry in for tough 2019

Russian poultry production may fall by 2% to 3% or 100,000 tonnes (t) in 2019, as the domestic market oversaturated and small-scale poultry farms have to cut production or even stop operation, according to an industry expert.

Albert Davleyev, vice-president of the International Poultry Development Program told the local magazine that in 2018, that decline is likely, and in the best case scenario there will be slight growth in the Russian poultry industry, limited to only 2%, as compared to the previous year. This is associated with acute growth in price for feedstuff on the Russian market, as well as feed additives and fuel.

In addition, numerous poultry farms, both in European Russia and in remote regions have been closed this year, Davleyev said. The overall production in the country is also affected by the financial problems of the Russian agricultural holding Belaya Ptitsa, which was forced to stop production this year.



In the first nine months of 2018, Russian poultry production reached 5.097 million t, 0.9% up as compared to the same period of the previous year, Russian State Statistical Service estimated. This is the slowest pace of growth in the industry in the past two decades.

The growth in production is possible only in case if there would be certain achievements with poultry export, although this issue would largely depend on veterinary situation in Russia, Sergey Yushin - chairman of the National Meat Association.

SOUTH AFRICA

CGA outlines citrus issues

"The trees are in the ground and the fruit will be picked", as the saying goes, and during the next three to five years, citrus exports from South Africa will increase from 2m tones to 2.5m tones. This additional 500,000 tones could offer the industry a great opportunity or, alternatively, spell disaster.

This is the view of the Citrus Growers' Association (CGA) which wrote to growers on this very subject. Clearly, the reality of the growth the industry is currently experiencing is beginning to sink in.

The CGA said that if all role-players work together, and work hard, this extra volume will result in additional jobs, a



growing industry, rural development, and additional investment and foreign exchange earnings. "In broad terms, there are two essential elements for a successful growth path," the group stated. "Attention must be given to the logistics infrastructure and equipment so as to get the additional volume to the port for loading, through the port, and to the final destination. The second element is the opening up of new markets for Southern African citrus, the retaining of markets the country is now trading with and to optimize market access conditions.

"When faced with investment decisions in the past the South African government has tended to pour money into its loss-making national airline carrier while ignoring investments in its money-making port state-owned enterprise," the CGA continued. "As a result of the Durban port, which handles the bulk of southern African citrus, is creaking. The infrastructure is badly in need of an upgrade, and new equipment is sorely needed. In addition, the port operations lag international norms in terms of port efficiency."

PHILIPPINE

The bilateral banana boom in Philippine

Philippine growers are buoyed by bilateral trade relations helping exports to China flow

China, the second-largest market for Philippine bananas, currently takes 25.6 percent of the South-East Asian nation's total banana exports. Following bilateral relations between Chinese president Xi Jinping and Philippine president Rodrigo Duterte, increasing volumes of the Philippine's largest agricultural export show no signs of slowing.

Despite high tariffs for Philippine bananas in Japan and Korea, Xinhua reported Philippine banana grower Pol Tuyor is experiencing the best time in his career. Located in Davao, Tuyor, who has been working in the industry for 25 years, said he is planning to expand his banana farm and increase manpower to keep up with the increasing demand for the fruit from China. Aside from bananas, access

to other tropical fruit from the Philippines is entering China, with a total of 2m tonnes sent in the past two years according to Xinhua.

Nelson Chua, chairman of Philippine banana exporter Golden Mindanao says the company began sending fruit in 2009, but between 2015 and 2017 export volumes doubled. "It's almost 1,000 tons of bananas just from my company each week," he said. Trade of goods between China and the Philippines topped US\$50bn in 2017 according to the Chinese government, making China the Philippines' largest trading partner.

UNITED KINGDOM

Trendy Avocados removed from menus amid environmental concerns

Some cafes in Britain are ditching avocados on ethical grounds, claiming that the water-intensive fruit is harming farmers and land

Avocados, the soft, green superfood may be falling out of favor with some restaurants in Britain as they move to ban the trendy food from their menus, amid environmental and land concerns. Smashed on toast or artfully decorating plates, the fruit has gained popularity in Britain, becoming synonymous with hipster hangouts and millennials.

Now, some cafes in Britain are ditching avocados on ethical grounds, claiming that the water-intensive fruit is harming farmers and land in regions

such as South America where it is grown. "The Western world's obsession with avocado has been placing unprecedented demand on avocado farmers," wrote Wild Strawberry Cafe on its Instagram page, stating that serving the fruit no longer aligned with its ethos.

"Forests are being thinned out to make way for avocado plantations. Intensive farming on this scale contributes to greenhouse emissions by its very nature & places pressure on local water supplies." The announcement received mixed reviews, with some calling for restaurants to go further and ban ingredients such as meat, matcha, and almonds, while others suggested that the move was a cynical marketing ploy.

"I don't think we should get too distracted by some cafes that may be banning it," said Dan Crossley, executive director of the Food Ethics Council, an English charity. "It does raise interesting and important questions on where we get our food from ... but I don't think a wide-scale ban of any particular product will solve the problems we have," he told the Thomson Reuters Foundation.

Similar avocado bans have been undertaken by restaurants in Bristol and south London, with managers predicting that the trend to boycott avocados could soon become as popular as the fruit itself. ♦

