

CHINA

Peruvian Grapes proving popular in China

The Association of Peruvian Guild of Agribusiness (AGAP) has stated that, grapes from Peru have proven to be wildly popular in China and the demand is growing.

Currently, grapes are the most often exported product from Peru to China, and have recorded a 93% increase over the first half of 2014.



Edible products from Peru in general are having success in the Asian country, as AGAP reports that Peru is the fifth largest supplier of fruits to China.

From the beginning of 2014 to May, US\$ 183 million of fruit exports were sent from Peru to China. While this amount, and the aforementioned ranking, is far distance behind China's leading fruit supplier, Chile (US\$ 597 million).

Chile is currently the largest table grape supplier in the entire southern hemisphere; however Peru farmers and producers have announced plans to dedicate more land to this crop.

CHILE

Chilean Lemon exports show recovery

A noticeable recovery have shown in the Chilean Lemon exports this year, in fact these are the highest since 2012. Until week 39, a moment when on average 98% of the yearly total volume has already been shipped in the past five seasons, more than 41,500 tonnes have been exported, 30% more than the same week of last year. It must be remarked that the export dynamic of this year



showed a first half of the season similar than last year's, with the first important shipments on week 21 (from May 19th to 25th). Nevertheless, in the second half of the season, bigger changes occurred, in fact, by week 29 a volume 3% lower was recorded, but in the next week, the shipment's peak happened.

The main cause of the increment were the good market conditions experienced in the U.S. and Japan, which has led these markets to experiment rises in the shipments of 64% and 27% respectively. On the other side, the situation in Europe shows that the volumes reduced about 450 tonnes, making the share of this market to drop from a 19% in 2013 to a 13%. Finally, in the Latin American market, a particular situation has been experienced this year, with only 173 tonnes shipped until week 39. However this market remains active until the end of the year, which means that the export volume can increase.

FLORIDA

Florida Strawberry production labour dependent

Florida strawberries have been in the ground for only a week but already the season looks promising. "The plants are healthy," states Shawn Pollard of The Strawberry Exchange, "Last year we had a few plants that were unhealthy when planted."



The Strawberry Exchange prides itself on delivering quality strawberries. Their volume has grown to 1200 acres this year following the completion of a farm. "We were developing a big farm all last year. We finished it and started planting our strawberries, eventually adding more than 500 acres to our volume."

Although the weather in Florida fluctuates, it is not the growers' biggest threat this season. "We're very labour dependent," explains Pollard, "We need workers to harvest the field, and our packaging is assembled by hand." While strawberries are packaged and available locally within Florida, they're also exported to the East Coast, South East, and Midwest.

GREECE

Russian embargo deeply affects Greek greenhouse cucumber prices

The two aspects affecting the Greek growers are the drop in the price of greenhouse cucumbers caused by the Russian embargo, and the economic crisis that has significantly reduced consumption levels in Greece. They also expect things to get worse as soon as large volumes from the Netherlands and Spain enter the European market.

The president of the Rural Association of Timpaki, Mr. Giórgos Ntspirákis, said that "greenhouse cucumber prices have dropped significantly this summer. In early September, they stood at 30 cents per kilo, while in the same period last year they reached between 50 and 80 cents."

With the increase in supply, prices have remained at very low levels, a situation that affects all markets of Eastern Europe. "At the central vegetable market of Thessaloniki, traders used to buy cucumbers from the Balkans, and Poland also exported them abroad. This has not happened this year. The market has frozen. In Crete, the cost of packaging and transportation is of 15 cents per kilo; consequently, when we sell at 25 cents per kilo, only 10 cents are left to cover production costs and any profit," explains Ntspirákis.

HUNGARY

Hungary's apple production set to continue increasing

Starting next year the new system under the EU Common Agricultural Policy (CAP) will be implemented, allowing apple growers to modernize the plantations, thereby increasing their yield.

This season, Hungary expects to harvest 780-800 thousand tonnes of apples. This is approximately 200-250 thousand tonnes more (+40%) than the average of previous years. Domestic apple consumption is expected to reach around 250 thousand tonnes, which is about 75 thousand tonnes more than the average.

According to György, this year Hungary had 27 thousand hectares of apple plantations run by 7,500 producers. He also noted that there is still plenty of potential to increase domestic consumption. Additionally, Hungarian processed apple products, mainly concentrates, can be exported to Europe, as they are of really good quality.

Grósz Jenő, president of the board of directors of Lidl Hungary, addressed reporters on the importance of promoting Hungarian products. Lidl Hungary considers it a high priority, as far as possible, to supply mainly Hungarian fruit and vegetable products to its customers.

He pointed out that last year, Lidl Hungary launched a programme called "the Hungarian supplier for Lidl." As a result, Lidl has expanded its product range in Hungary. The marketing of Hungarian products compared to the period prior to the start of the programme has increased by nearly 20 percent.

He also mentioned that Hungarian fruit and vegetable products are not only popular domestically, but also abroad. As



for Hungarian apples, from September 2013 to September 2014 Lidl stores sold about 4,000 tonnes domestically. The company aims for this figure to continue increasing, with the target set at least 5,000 tonnes.

INDIA

India to raise import duty on edible oils

India is examining an industry demand to raise import duty on edible oils, as local oilseed prices have fallen due to a surge in shipments of cheaper palm oil. Higher import duty on vegetable oils could support local oilseed prices and accelerate crushing of oilseeds like soybean and rapeseed.



The Solvent Extractors' Association of India, an industry body, has demanded a duty hike in crude vegetable oils to 10% from 2.5% and in refined vegetable oils to 25% from 10%. India's overseas purchases of edible oil in the year starting November are set to surge to a record 13 million tonnes.

ITALY

Expectations for the 2014/15 citrus fruit campaign

Informatore Agrario published a note from Jatosti-Scuderi as regards the 2013/14 and 2014/15 citrus fruit campaign.

No improvement can be seen since the previous season with 2,901,933 tons in comparison with the 2,981,400 tons of the 2012/13 campaign. This was due to the weather as well as to the low competitiveness caused by high production costs. In addition, there were issues due to the CTV virus, which affected almost all pro-



ductive reasons. The Clam (Comité de liaison de l'agrumiculture méditerranéenne) has envisaged the creation of a surveillance network for avoiding the spread of citrus greening in the Mediterranean (so far, the disease has hit the US, China and Brazil).

1,751,273 tons of oranges, 550,582 tons of clementines, 407,170 tons of lemons, 141,758 tons of tangerines, 42,300 tons of bergamots, 7,855 tons of grapefruit, 945 tons of citron and 48 tons of chinottos have been estimated. In terms of exports, they are slightly lower than 2012/13: 196,900 against 220,500 tons. Imports have considerably dropped from 281,432 to 194,359 tons.

For what concerns citrus fruit destined for processing, these are the data for the 2013/14 campaign: 320,000 tons of oranges, 85,000 tons of lemons, 43,000 tons of tangerines, 34,000 tons of clementines, 28,000 tons of bergamots. All volumes did well except for bergamots.

It is expected that in 2014/15. The volumes of oranges should be 18-38% lower than 2013-14: volumes of blonde varieties should be 10% lower and they will be more difficult to sell due to many factors such as for example the Russian ban. The production of blood oranges should be 30% less, with a good balance between supply and demand and a rising interest from new markets.

Lemon production is expected to increase by 10% between January and April. Quality is excellent and the European markets are expected to be particularly interested, especially since organic lemons are in great demand.

RUSSIA

Russian Kuban increased production of fruit by 44%

Cultivation of 40% of orchards in the Kuban region is based on the old technology. Therefore, the local government has decided to allocate 24 million rubles (480 thousand Euro) for the development of regional orchards. The money is meant for installation of trellis and drip irrigation systems, and for grubbing out of old gardens. The following year, the regional Ministry of Agriculture plans to consider new projects, i.e. construction and reconstruction of fruit storage, purchase of equipment and machinery, as well as installation of anti-hail nets.

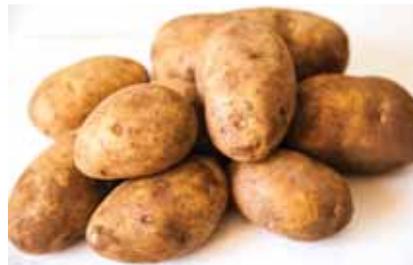


According to the regional Ministry of Agriculture, within two years the production of fruit in the region has increased by almost 44%, thanks to the support of the government. Thus, with the further support in the near future the production is likely to increase by another 50%, - reports the press service of administration of the Krasnodar region.

550 thousand tonnes of Potatoes harvested in Penza

As of October 2014, Penza region harvested 549300 tonnes of potatoes from the area of 38800 hectares. The average yield in the region is 14.2 tonnes per hectare. The expected gross yield of commercial potatoes this year is 80,000tonnes.

Potato cultivation is supported by the regional government. Thus, the Regional Ministry of Agriculture supports the farmers, who compete for grants worth 1.5 million rubles (30,000 Euro) intended for



the creation of farms, specializing in the production, storage, packaging and processing of potatoes and vegetables. It is a part of national program "Support for beginning farmers 2012-2014".

In 2014, nine participants are to receive the grants of 1.5 million rubles for the development of potato and vegetable production in the region.

SPAIN

Cherimoya sales not picking up, despite good quality

Cherimoya in the Tropical Coast is not picking up sales since 25 years. This iconic fruit is still facing the usual problems at the domestic market: lack of knowledge from the consumer, badly timed harvests, prices, and, to top it all off, the calamity suffered by growers in the area of Almuñécar as a result of the 2013 hailstorm. These factors have affected the production over a period of time that goes far beyond the calendar year when it took place.

In this framework, technicians and researchers have spoken out their thoughts and warnings. "Marketing is not moving forward collectively because there is no sector setting the general guidelines, as it is done in the horticultural sector," explains the head of the technical department of Caja Rural de Granada, Ignacio Escobar. He believes that despite the recent creation of the subtropical producers Association of Malaga and Granada, much still needs to be done in this area.

After the current reduction in production volumes of avocados and mangoes, "a significant group of producers should appear, with clear ideas on how to market and promote this fruit properly, both domestically and in Europe." "The

largest plantations are disappearing, the tree gives a lot more work than avocados, and cherimoyas remains only in small family plots," reports Fernando Martín Callejón, manager of the marketing cooperative Procama of Motril.

Cost of producing is higher due to a need for labour that is not offset with product prices, which is why it is staying only in plantations managed by family units. Martín also insists that the entire industry openly acknowledges that production is stagnant. Cherimoyas are a highly perishable product, difficult to work with for warehouses and traders." To this we must add how its consumption is exclusively domestic, and not in all areas of the country.

"This fruit cannot travel far because of its characteristics and exports are very small. Most are consumed in Spain, mostly in Andalusia and Madrid," says company officials of Mercomotril.

According to Antonio Sánchez, manager of the company Frutas El Romeral and president of the Regulatory Board of the Designation of Origin "Cherimoya of Málaga-Granada", it is already clear that there will be a significant reduction in production volumes this campaign due to effects of the terrible hailstorm of a year ago.

"The plants suffered the damage for two years. In Almuñécar, they were really affected during the flowering and production and could drop by up to 50%," explains Sánchez. This would result in a production of between 40 and 50 million kilos in the winter of 2015; a smaller production, although of exceptional quality. And that quality will be a hallmark of the campaign that has only now started.



Sources of Procam also claim that the quality "will be outstanding," which does not solve the current pricing problems, with prices currently standing at an average of 50-70 cents per kilo. "Reaching 1 Euro is almost an exception," says Fernando Martin Callejón.

In short, despite the structural problems of the cherimoya sector, many continue to trust on obtaining a moderate profit from the activity and hope sales channels will improve, while maintaining a consistent product quality.

USA

24 farmers chosen to grow new Cosmic Crisp

Washington State University has chosen 24 Washington farmers to be the first to grow Cosmic Crisp, a new apple variety bred to thrive in Eastern Washington conditions.

The lucky 24 were randomly chosen for the right to buy the first available trees in a drawing of more than 445 interested orchardists earlier this summer.

WSU announced the growers Tuesday after finalizing agreements with each to grow the apple, which is expected to compete well with Honey crisp, one of its parents. Columbia Basin farmers are among those who won the drawing.

The burgundy red apples are easier to grow though shares the crisp texture of Honey crisp. The Cosmic Crisp gets very little sunburn and the trees need less spraying, while Honey crisp trees are susceptible to many disease and nutrient disorders, as well as sunburns.

WSU officials plan to have the first 300,000 trees available to those growers in spring 2017. The university is working with nurseries that are affiliated with the Northwest Nursery Improvement Institute to build up enough stock of the new trees.

Twenty-four Washington growers will be the first to grow the new apple from Washington State University's breeding program, the Cosmic Crisp brand WA 38 variety.

The growers were selected in a drawing held by WSU in an effort to facilitate

fair distribution of a limited number of trees in the first year of release. Applicants were selected using a random number generator.

More than 445 applications were received for the June 6 drawing. Selected growers won a chance to purchase the first trees to be available in spring 2017.

The allotments were separated into two tiers. Tier 1 consists of 12 lots of 3,000-5,000 trees each and Tier 2 has approximately 12 lots of up to 20,000 trees each.

Drawing results were not released until the selected growers signed agreements with WSU to grow the highly anticipated apple, which is a cross between Enterprise and Honey crisp.

Additional Washington growers will have the opportunity to grow the variety as quantities of certified WA 38 planting stock increase. WSU is working with a number of Northwest Nursery Improvement Institute-affiliated nurseries and other producers to increase stock.

UK

Food and drinks industry exports reach £6.5bn, says FDF report

The total of food and non-alcoholic drink exports from the UK has risen to £6.5bn during the first six months of the year, according to a report by the Food and Drink Federation (FDF).

This is an increase of 4.8% over the same period in 2013.

Both the EU and non-EU markets saw a rise of 2.5% and 12%, respectively despite stronger sterling and falling EU GDP working against UK exporters.

The study further found that the trade balance between food and non-food alcoholic drink had improved by 4.9% to a deficit of £12bn, which is in contrast to the trade balance of other UK products that have worsened by 84% in the first half of 2014.

"Food and non-alcoholic drink exports continue to grow well and individual products to certain markets are experiencing rapid growth."

The total of food and drink exports, including alcoholic drinks, was down by 0.5% in 2013 due to a decrease in whiskey exports owing to slower growth in Asia and other markets.

Ireland and France are UK's biggest exporters of food and drinks. Algeria follows closely in terms of value gained with the increase of milk powder and cereals sales by £37m and £13m respectively. This led to a 429% increase in market sales.

A number of the products to see maximum sales in the year were salmon (£261m), chocolate (£253m), cheese (£249m), breakfast cereals (£189m) and soft drinks (£188m).

FDF's economic and commercial services director Steve Barnes said: "Against a backdrop of challenging conditions in food retail in the UK and overall goods exports falling, food and non-alcoholic drink exports continue to grow well and individual products to certain markets are experiencing rapid growth."

"Our brands have been working hard to develop new opportunities in international markets and to help businesses boost exports further we have been working with the UK Government and others to introduce a raft of new resources and expert advice on opentoexport.com this autumn."

To boost international trade, FDF and Open to Export have launched 'Food and Drink Export Month' from 15 September - 10 October and will feature free live webinars, guides and case studies to help small and medium-sized food and drink companies expand their exports business. ♦

